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



#### **CITY COUNCIL AGENDA**

#### Regular Meeting - October 8, 2024

12:30 P.M. CLOSED SESSION, ZOOM/COURTYARD CONFERENCE ROOM

1:30 P.M. ANNUAL MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL

DEVELOPMENT AUTHORITY (IDA), ZOOM/COUNCIL CHAMBERS

AROUND 1:35 P.M. ANNUAL MEETING OF THE BOARD OF DIRECTORS OF THE SANTA CRUZ PUBLIC

IMPROVEMENT FINANCING CORPORATION (SCPIFC), ZOOM/COUNCIL CHAMBERS

AROUND 1:40 P.M. ORAL COMMUNICATIONS, CONSENT, GENERAL BUSINESS AND PUBLIC HEARINGS,

**ZOOM/COUNCIL CHAMBERS** 

The meeting may be viewed remotely, using any of the following sources:

- Click on Zoom link (no time delay): <a href="https://zoom.us/j/94684401344">https://zoom.us/j/94684401344</a>
- Online at http://www.cityofsantacruz.com/government/city-council/council-meetings
- Online at Watch Community Television of Santa Cruz County
- Comcast Channel 25

Or: Call any of the numbers below. If one is busy, try the next one.

- 1-833-548-0276 (Toll Free)
- 1-833-548-0282 (Toll Free)
- 1-877-853-5247 (Toll Free)
- 1-669-900-9128
- Enter the meeting ID number: 946 8440 1344
- When prompted for a Participant ID, press #.
- Press \*9 on your phone to "raise your hand" when the Mayor calls for public comment.
- It will be your turn to speak when the Mayor calls on you. Press \*6 to unmute yourself. The timer will then be set.

Correspondence to be included in the agenda packet must be received by 5:00 pm on Monday,

October 7<sup>th</sup>

#### **PLEASE NOTE:**

- Council may take a break(s) as needed.
- Requests for extra speaking time on items other than Oral Communications must be made by 5:00 p.m. on Sunday, October 6<sup>th</sup> by emailing the Mayor and the City Clerk. Approval will be confirmed via email.

fkeeley@santacruzca.gov bbush@santacruzca.gov

The City of Santa Cruz does not discriminate against persons with disabilities. Out of consideration for people with chemical sensitivities we ask that you attend fragrance free. Upon request, the agenda can be provided in a format to accommodate special needs. Additionally, if you wish to attend this public meeting and will require assistance such as an interpreter for American Sign Language, Spanish, or other special equipment, please call the City Clerk's Department at 420-5030 at least five days in advance so that we can arrange for such special assistance, or email CityClerk@cityofsantacruz.com. The Cal-Relay system number: 1-800-735-2922.

Si desea asistir a esta reunión pública y necesita ayuda - como un intérprete de lenguaje de señas americano, español u otro equipo especial - favor de llamar al Departamento de la Secretaría de la Ciudad al 420-5030 al menos cinco días antes para que podamos coordinar dicha asistencia especial o envié un correo electrónico a <a href="mailto:cityclerk@cityofsantacruz.com">cityclerk@cityofsantacruz.com</a>. El número del sistema Cal-Relay es: 1-800-735-2922.

Agenda and Agenda Packet Materials: The City Council agenda and the complete agenda packet containing public records, which are not exempt from disclosure pursuant to the California Public Records Act, are available for review on the City's website: <a href="www.cityofsantacruz.com/government/city-council-meetings">www.cityofsantacruz.com/government/city-council-meetings</a> and at the Office of the City Clerk located at 809 Center Street, Room 8, Santa Cruz, California, during normal business hours.

Agenda Materials Submitted after Publication of the Agenda Packet: Pursuant to Government Code \$54957.5, public records related to an open session agenda item submitted after distribution of the agenda packet are available at the same time they are distributed or made available to the legislative body on the City's website at: <a href="https://www.cityofsantacruz.com/government/city-council-meetings">www.cityofsantacruz.com/government/city-council-meetings</a> and are also available for public inspection at the Office of the City Clerk, 809 Center Street Room 8, Santa Cruz, California, during normal business hours, and at the Council meeting.

Need more information? Contact the City Clerk's office at 831-420-5030.

#### 12:30 PM

#### Statements of Disqualification

#### **Closed Session**

1. Conference with Labor Negotiators (Government Code §54957.6)

SEIU Temporary Employees SEIU Service Employees Mid Managers, OE3 Supervisors, OE3 Fire Management Fire, IAFF Police Management Police Officers Association Executives

City Negotiator - Sara De Leon

PLEASE NOTE: City Councilmembers serve as Boardmembers for the City's Industrial Development Authority (IDA) and Santa Cruz Public Improvement Financing Corporation (SCPIFC). The boards were created for the purpose of providing the City an instrument to issue bonds. Annually, while the bonds are in existence, the Boardmembers are legally required to hold a meeting of the IDA and SCPIFC. The meetings are procedural and for the purpose of approving Minutes and electing new Boardmembers.

#### 1:30 PM

## Annual Meeting of the Board of Directors of the Industrial Development Authority (IDA)

Call to Order

Roll Call

#### **General Business**

#### 2. Election of Officers

Motion to elect new officers as set forth in Section 3.02 of the Industrial Development Authority bylaws as follows:

Executive Director: City Manager M. Huffaker Treasurer: Director of Finance E. Cabell

Chair: Mayor Keeley

Vice Chair: Vice Mayor Golder

Secretary: City Clerk Administrator B. Bush

#### 3. Minutes of the October 10, 2023 Industrial Development Authority (IDA)

Motion to approve as submitted.

#### Adjournment

#### At or Around 1:35 PM

## Annual Meeting of the Board of Directors of the Santa Cruz Public Improvement Financing Corporation (SCPIFC)

Call to Order

Roll Call

#### **General Business**

#### 4. Election of Officers

Motion to elect new officers as set forth in Section 3.02 of the Santa Cruz Public Improvement Financing Corporation bylaws as follows:

Chief Executive Officer: City Manager M. Huffaker Chief Financial Officer: Director of Finance E. Cabell

President: Mayor Keeley

Vice President: Vice Mayor Golder

Secretary/Treasurer: City Clerk Administrator B. Bush

#### 5. <u>Minutes of the October 10, 2023 Santa Cruz Public Improvement</u> Finance Corporation (SCPIFC)

Motion to approve as submitted.

#### Adjournment

#### City Council

#### At or Around 1:40 PM

Call to Order

Roll Call

**Oral Communications Announcement** - Members of the public may address Council on matters not on the agenda, but within the jurisdiction of the Council. 30 minutes is allocated for Oral Communications. No extra time for groups will be granted.

**Oral Communications** 

#### **Presentations**

- 6. <u>Mayoral Proclamation Declaring October as Domestic Violence</u> <u>Awareness Month</u>
- 7. Fire Prevention Week: October 6–October 14, 2024
- 8. CARE Act Services Update

**Presiding Officer's Announcements** 

Statements of Disqualification

Additions and Deletions

City Attorney Report on Closed Session

Council Meeting Calendar

9. The City Council will review the meeting calendar attached to the agenda and revise it as necessary.

#### Consent Agenda

10. <u>Minutes of the September 24, 2024 City Council Meeting (CC)</u>

Motion to approve as submitted

11. Resolution Extending the Emergency Declarations in Connection with the 2022/2023 Winter Storms and 2023/2024 Winter Storms (CA/CM)

Resolution extending by sixty days the Local Emergency Declarations in connection with the 2022/2023 and 2023/2024 winter storms.

12. <u>Award Agreement for Plan Review and Inspection Services for Building</u> and Safety Division. CEQA: Exempt 15061(b)(3) (PL)

This item is continued to November 19, 2024, and will not be discussed.

13. <u>Retaining Wall Reconstruction Project Budget Adjustment - 141 Archer Drive (g402402) (PW)</u>

Motion to adopt a resolution amending the FY 2025 budget for Retaining Wall Reconstruction Project - 141 Archer Drive (g402402) in the amount of \$359,926 to fully fund the project.

#### **End Consent Agenda**

#### **Public Hearings**

14. Housing and Urban Development (HUD) Pathways to Removing Obstacles to Housing Grant Program: Authorization for Application, Acceptance, and Appropriation of Grant Funds for Preserving and Promoting Equitable Housing Affordability and Climate Resilience in Santa Cruz, CA (CM)

Motion to adopt a resolution authorizing the City Manager to apply for, accept, and appropriate funds from the Housing and Urban Development (HUD) Pathways to Removing Obstacles to Housing Grant Program to carry out a project entitled "Preserving and Promoting Equitable Housing Affordability and Climate Resilience in Santa Cruz, CA."

#### Public Hearings (continued)

15. Ordinance Amending Santa Cruz Municipal Code Chapters 21.06, 23.04, 23.12, 23.37, and 24.08; Amending Chapter 24.16 Part 1 and Part 2; and Adding New Section 24.16.165; and Ordinance Adding New Santa Cruz Municipal Code Section 24.04.095 and Amending Santa Cruz Municipal Code Chapter 24.04, Chapter 24.08, Chapter 24.10, and Chapter 24.12; Ordinances Are Related to Accessory Dwelling Units to Maintain Consistency with State Regulations, Clarify Existing Standards, Remove Owner-Occupancy Requirements for Existing Accessory Dwelling Units, Require Properties with Accessory Dwelling Units to Enroll in the Residential Rental Inspection Service, and to Allow for the Condominium Mapping and Separate Sale of Accessory Dwelling Units and Their Associated Primary Dwellings, and Related to Other Minor Technical Changes Regarding Hearing Bodies for Design Permit Approval. Amendments to Chapter 24.04; Chapter 24.08 Parts 5, 9a, 14, 21, and 22; Chapter 24.10 Parts 3, 4, 5, 6, 6a, 7, 8, 10, 11, 12, 13, 16, 19, 21, and 24(a); and Chapter 24.12 Are Part of the Local Coastal Program Implementation Plan (LCP IP) and Will Require Approval by the California Coastal Commission Prior to Taking Effect Inside the Coastal Zone (CEQA: Exempt Pursuant to CEQA Guidelines Section 15183 as a Project Consistent With the General Plan for Which an EIR Was Certified) (PL)

#### Motion to:

- 1) Acknowledge the environmental determination and introduce for publication an ordinance adding new Santa Cruz Municipal Code Section 24.04.095 and amending Santa Cruz Municipal Code Chapters 24.04, 24.08, 24.10, and 24.12 related to accessory dwelling units and related to other minor technical changes regarding hearing bodies for design permit approval and comprising parts of the LCP IP;
- 2) Acknowledge the environmental determination and introduce for publication an ordinance amending Santa Cruz Municipal Code Chapters 21.06, 23.04, 23.12, 23.37, and 24.08; amending Chapter 24.16 Part 1 and Part 2; adding new Section 24.16.165 related to accessory dwelling units, and rescinding Temporary Ordinance Nos. 2022-22 and 2023-01; and
- 3) Direct the City Manager to submit the LCP IP amendments to the California Coastal Commission for approval, should they be formally adopted as part of a second reading.

#### **General Business**

#### 16. Santa Cruz County Civil Grand Jury Response (CM)

Motion to authorize the Mayor to submit responses to the Santa Cruz Civil Grand Jury on behalf of the Santa Cruz City Council for the (1) Honoring Commitments to the Public, (2) Housing for Whom, and (3) Preventing Rape and Domestic Violence reports.

#### Adjournment

#### INFORMATION ITEMS PREVIOUSLY DISTRIBUTED TO CITY COUNCILMEMBERS

None issued.

#### MAYOR'S PROCLAMATIONS

#### ADDENDUM TO CITY COUNCIL AGENDA - OCTOBER 8, 2024

- 17. Proclaiming the month of September 2024 as "Suicide Prevention Awareness Month" and encouraging all citizens to take the time to understand the importance of mental health, recognize the warning signs of suicide, and support those who may be struggling with mental health issues and to participate in activities and initiatives that promote awareness, education, and support for suicide prevention.
- 18. <u>Proclaiming September 23, 2024 as "Organic Farmer Appreciation Day"</u> and encouraging all citizens to join in celebrating organic farmers in our community whose sustainable farms create jobs, sequester carbon, keep water clean, and reduce our exposure to toxic pesticides.

#### **Advisory Body Appointments**

The following positions are either currently vacant or the terms are due to expire. Council will make appointments at a future meeting.

County Latino Affairs Commission	One opening - at-large nomination
Downtown Commission	One opening - at-large nomination

#### **Public Hearing**

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

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

#### MINUTES ARE UNOFFICIAL UNTIL APPROVED BY BOARD

#### City of Santa Cruz 809 Center Street Santa Cruz, California 95060

## MINUTES OF THE ANNUAL MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY

October 10, 2023

1:15 PM

Call to Order - at 1:36 p.m.

**Roll Call** 

Present: Directors Newsome, Brown, Watkins, Brunner, Kalantari-Johnson; Vice

Chair Golder; Chair Keeley.

Absent: None.

#### **General Business**

#### 2. Election of Officers

<u>MOTION:</u> Director Watkins moved, seconded by Director Brown, to elect new officers as set forth in Section 3.02 of the Industrial Development Authority bylaws as follows:

Executive Director: City Manager M. Huffaker

Treasurer: Director of Finance E. Cabell

Chair: Mayor Keeley

Vice Chair: Vice Mayor Golder

Secretary: City Clerk Administrator B. Bush

**ACTION:** The motion carried unanimously with the following vote.

AYES: Directors Newsome, Brown, Watkins, Brunner, Kalantari-

Johnson; Vice Chair Golder; Chair Keeley.

NOES: None. ABSENT: None. DISQUALIFIED: None.

#### General Business (continued)

3. Minutes of the October 11, 2022 Industrial Development Authority (IDA)

Chair Keeley opened the public comment period. There were no speakers. Chair Keeley closed the public comment period.

<u>MOTION:</u> Director Newsome moved, seconded by Director Brunner, to approve as submitted.

**ACTION:** The motion carried unanimously with the following vote.

AYES: Directors Newsome, Brown, Watkins, Brunner, Kalantari-

Johnson; Vice Chair Golder; Chair Keeley.

Pospoctfully Submitted

NOES: None. ABSENT: None. DISQUALIFIED: None.

Adjournment - The Industrial Development Authority adjourned at 1:39 p.m.

Respectivity Submitted,
Bonnie Bush, Secretary

#### MINUTES ARE UNOFFICIAL UNTIL APPROVED BY COUNCIL

City of Santa Cruz 809 Center Street Santa Cruz, California 95060

## MINUTES OF THE ANNUAL MEETING OF THE BOARD OF DIRECTORS OF THE SANTA CRUZ PUBLIC IMPROVEMENT FINANCING CORPORATION

October 10, 2023

#### At or around 1:20 PM

Call to Order - at 1:39 p.m.

#### **Roll Call**

Present: Directors Newsome, Brown, Watkins, Brunner, Kalantari-Johnson; Vice

President Golder; President Keeley.

Absent: None.

#### **General Business**

#### 4. Election of Officers

<u>MOTION:</u> Director Brown moved, seconded by Director Watkins, to elect new officers as set forth in Section 3.02 of the Santa Cruz Public Improvement Financing Corporation bylaws as follows:

Chief Executive Officer: City Manager M. Huffaker Chief Financial Officer: Director of Finance E. Cabell

President: Mayor Keeley

Vice President: Vice Mayor Golder

Secretary/Treasurer: City Clerk Administrator B. Bush

**ACTION:** The motion carried unanimously with the following vote.

AYES: Directors Newsome, Brown, Watkins, Brunner, Kalantari-

Johnson; Vice President Golder; President Keeley.

NOES: None. ABSENT: None. DISQUALIFIED: None.

#### General Business (continued)

5. <u>Minutes of the October 11, 2022 Santa Cruz Public Improvement Finance Corporation (SCPIFC)</u>

President Keeley opened the public comment period. There were no speakers. President Keeley closed the public comment period.

<u>MOTION:</u> Director Newsome moved, seconded by Director Kalantari-Johnson, to approve as submitted.

**ACTION:** The motion carried unanimously with the following vote.

AYES: Directors Newsome, Brown, Watkins, Brunner, Kalantari-

Johnson; Vice President Golder; President Keeley.

NOES: None. ABSENT: None. DISQUALIFIED: None.

**Adjournment** - The Santa Cruz Public Improvement Financing Corporation adjourned at 1:41 p.m.

Respectfully Submitted,
Bonnie Bush, Secretary/Treasurer



## Santa Cruz Fire Department Fire Prevention Week October 6<sup>th</sup>-12<sup>th</sup>, 2024

- Rob Oatey, Fire Chief

## Agenda:



- Fire Prevention Week
  - History
  - 2024 Theme

Emergency Preparedness





# Fire Prevention Week October 6<sup>th</sup> – 12<sup>th</sup>, 2024





## History of Fire Prevention Week



- Marks the anniversary of the Great Chicago Fire of October 8-9, 1871
- Since 1922, National Fire Protection Agency (NFPA) has sponsored public observance of Fire Prevention Week.
- In 1925 President Calvin Coolidge declared Fire Prevention Week an official national observance

## History of Fire Prevention Week



- Observed annually on the Sunday through Saturday containing October 9<sup>th</sup> anniversary of the Chicago Fire
- Focus on fire safety awareness, sponsored by NFPA





"Smoke Alarms: Make Them Work for You!"







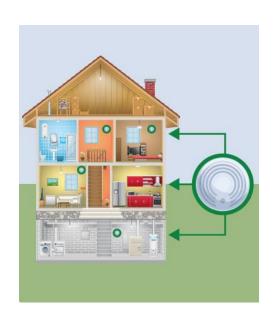
## SANTA CRUZ FIRE OFPARTMENT

## "Smoke Alarms: Make Them Work for You!"

- 60% of Fire deaths happen in homes with no Smoke Alarms
- May have less than Two Minutes to escape your home once Fire Alarm sounds
  - Fire Moves FAST
- Working Smoke Alarms gives you early warning to get outside QUICKLY











Install

Test

Replace

## "Smoke Alarms: Make Them Work for You!"



Smoke alarms should be installed on every level of the home, outside each sleeping area, and inside each bedroom. For the best protection, interconnect all the smoke alarms so when one sounds, they all sound.



Taking a few seconds to test your smoke alarms could save a life/lifetime. Test smoke alarms at least once a month by pushing the test button. Follow manufacturer's instructions for cleaning.



Age matters
when it comes to
smoke alarms. All
smoke alarms need to
be replaced when they
are 10 years old or if
they don't respond
when tested.

Learn more at fpw.org



Make yourself and your family prepared for ANYTHING







## Ready in four steps

- 1. Have a plan
- 2. Make a kit
- 3. Stay informed
- 4. Know your neighbors

## Resources for preparedness





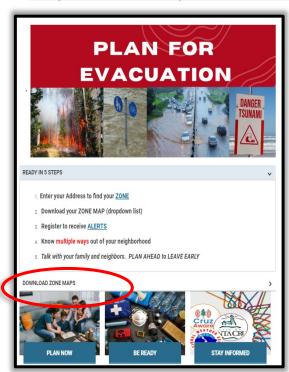


Neighbors

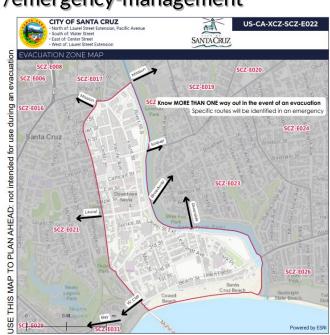


## **Evacuation**

www. https://www.cityofsantacruz.com/community/emergency-management







#### **SCZ-E022**







- Great Shakeout on October 17 at 10:17 am (or 10/17/24 at 10:17.)
- MyShake app will send an alert at the time to start the drill.
- GET PREPARED/HAVE A PLAN

Now is a good time to review and update your emergency plans. Some things to consider include:

- Shelter in place (unless building unsafe)
- Look at storage
- Considered tsunami??





- Create/join a neighborhood Firewise group
- Create/join a local Community Emergency Response Team (CERT)
- Sign up for notification service (Cruz Aware)
- Develop an evacuation plan
- Develop a family communication plan (single point of contact)
- Evaluate your home/property for potential hazards and utility controls
- Create a "GO Bag" for home, office, car(s) (i.e. first aid kit, clothes, medications, documents, food/water, flashlight, AM/FM radio)









## FIREWISE USA®

**Residents reducing wildfire risks** 



## Questions







# CARE: A Pathway to Hope and Healing

Community Assistance, Recovery and Empowerment in Santa Cruz County





## What is CARE?

The Community Assistance, Recovery, and Empowerment (CARE)

Act creates a new pathway to deliver mental health and substance use disorder treatment and support services to eligible individuals who have untreated schizophrenia spectrum or other psychotic disorders.

The CARE Act allows the Court to order the County to provide behavioral health treatment in community-based settings.

The individual enters this pathway when a petitioner requests courtordered treatment, services, supports, and housing resources under the CARE Act, for an eligible individual (or "respondent").

i

CARE Act will be available to eligible Santa Cruz County residents starting **December 1, 2024**.

## **What CARE is NOT**

## CARE is not a conservatorship.

- Medications, treatment, and placement cannot be forced.
- The entire process is voluntary.

## CARE is not a cure for homelessness.

Housing is not guaranteed.

## CARE is not for all people with mental illness.

 The CARE Act addresses only a very specific set of psychotic disorders.



## **Overview of CARE Act Roles**



Participant/ Respondent



**Petitioner** 



Santa Cruz County Behavioral Health



Community & Service Providers



Court Partners



## Respondent

Potential participants/respondents are adults with a diagnosis of Schizophrenia Spectrum or other psychotic disorders who:

- Have severe and persistent symptoms that interfere substantially with primary activities of daily living (ADLs),
- · Are unable to maintain functioning,
- Are not stabilized,
- Are either
  - Unlikely to survive safely/independently and the condition is deteriorating OR
  - In need of services and support to prevent further deterioration,
- Are able to participate in a CARE agreement/plan as the least restrictive alternative to ensure their stability, and
- Will likely benefit from the CARE process.

Respondents will be represented by a lawyer from the Public Defender's Office.

## **CARE Eligible Diagnoses**

### Schizophrenia Spectrum Disorders

- Schizophrenia
- Schizoaffective Disorder
- Schizophreniform Disorder
- Other Specified Schizophrenia Spectrum and Other Psychotic Disorder
- Unspecified Schizophrenia Spectrum and Other Psychotic Disorder

## Other Psychotic Disorders

- Brief Psychotic Disorder
- Delusional Disorder
- Schizotypal Personality Disorder
- Substance/Medication Induced Psychotic Disorder
- Catatonia Associated with Another Mental Disorder
- Unspecified Catatonia

## Diagnoses Not Meeting Eligibility\*

- Psychotic Disorder Due to A General Medical Condition
- Catatonia Associated with another Medical Condition
- Major Depression with Psychotic Features
- Bipolar Disorder with psychotic features
- Any Substance Related
   Disorder not listed above
  - \*Unless accompanying another eligible diagnoses



## **Petitioner**

A petitioner could include:

- Family members
  - Limited to a parent, spouse, sibling, child or grandparent
- A mental health professional or other service provider who is treating or has recently treated the client/respondent
- The director of a hospital in which the client/respondent was recently or is hospitalized
- County Behavioral Health agency
- First responders
- Homeless outreach worker
- A roommate/housemate
- The client/respondent



# Santa Cruz County Behavioral Health

- Agency assigned to engage with the client/respondent as they enter into the different pathways of a CARE agreement
- Behavioral Health (BH) creates an initial report, conducts clinical evaluation, engages the client in the mental health treatment, and connects the client with other services and supports.
- CARE participants will be assigned to a BH coordinator who will ensure that they receive services to support unmet needs, either through the Specialty Mental Health Clinic or through community providers.

For more information, visit the <u>CARE Act Fact Sheet</u> and <u>2022</u> California Welfare and Institutions Code.



# **Community & Service Providers**

- Santa Cruz County has different types of potential housing providers that may engage with CARE Act clients, including but not limited to:
  - Housing First Models, including
    - Bridge/Interim Housing Models
    - Rapid Rehousing
    - Permanent Supportive Housing
- Behavioral Health Bridge Housing (BHBH) funding

For more information, visit the <u>CARE Act Fact Sheet</u> and <u>2022 California Welfare and Institutions Code</u>.



## Role of First Responders and Other Professionals

#### 1) As the Petitioner:

- Consult with your agency's counsel to complete court forms.
   Note: Self-help centers only assist individuals.
- First responders as petitioners are replaced by County Behavioral Health (BH) at the initial appearance.
- Original petitioner should be present and can make a statement at the initial hearing.

#### 2) As a referral source:

- In some cases, you may refer to other organizations:
  - County Behavioral Health
  - Health care, hospitals, or emergency departments
  - Community services providers
- Consider identifying liaisons to support communication.



# Key Considerations Before Filing a CARE Petition

CARE does not apply to people who are already voluntarily engaged in Behavioral Health services.

 Before filing a CARE petition, consider reaching out to Behavioral Health. They can help assess if someone meets the necessary criteria.

# Petitions must include documentation of a qualifying disorder and one of the following:

- · Affidavit of a Behavioral Health clinician OR
- Proof of two recent hospitalizations for intensive treatment ("5250" or "14-day hold").



## **How Does the CARE Process Work?**

- The CARE process begins with the filing of a **petition**.

  Petition may be filed by family members, healthcare or social services workers, first responders, or Santa Cruz County Behavioral Health.
- 2 The Court determines eligibility.
- If eligible, the Court will work with the participant/respondent and their attorney to create a voluntary **CARE agreement** or a court-ordered CARE plan that connects them with **services**.
- There will be regular status review hearings to **review** progress and challenges.
- After 12 months, the respondent may **graduate** from the program or **continue** for another year.



After graduating from the CARE process, the respondent remains eligible for ongoing treatment, services, and housing to support long-term recovery.

# What's in a CARE Agreement or CARE Plan?

#### **CARE Agreement/Plan**

- Each Participant/respondent will have an individualized CARE Plan specific to their needs.
- Services may include the following:



Behavioral health services



Medically necessary stabilization medications



Housing resources & supports



Funded social services, including those available to indigent California residents

#### **Additional considerations:**

- Respondent and County BH Agency will both be expected to comply.
- Judge can order prioritization of services and supports.
- Services are subject to funding and federal/state laws.

For more information, visit the training <u>Overview of CARE Agreement & CARE Plan and California Welfare and Institutions Code (W&I Code) section 5982.</u>



## How to Learn More about CARE Eligibility





#### For individuals in our community:

- Contact the Santa Cruz County Law Library in Santa Cruz or the Santa Cruz Superior Court Self Help Center in Watsonville.
- Both locations provide guidance on CARE eligibility, the CARE process, and support with completing and reviewing the CARE Petition.
- Services can be provided in-person or remotely.
- Visit <u>lawlibrary.org</u> and <u>santacruz.courts.ca.gov/self-help</u> for contact information and hours.
- Or call 831-420-2205 (Law Library) or 831-786-7200 option 4 (Self Help Center).

For more information, visit the <u>CARE Act Fact Sheet</u> and <u>2022 California</u> Welfare and Institutions Code.





# How to File a CARE Petition in Santa Cruz County

#### Individuals can visit either:

- Santa Cruz Law Library (basement of 701 Ocean Street, Santa Cruz)
- or Watsonville Self Help Center (1 Second Street, Room 301, Watsonville) to:
  - Learn about eligibility
  - Obtain court forms
  - Get help completing and reviewing the forms

#### File completed court forms:

- In person in Room 110,
   Civil Clerk Office
   (701 Ocean Street)
- or Online using efile
- After filing, most respondents will be represented through the Public Defender's office.
- Remember. CARE is a completely voluntary and confidential process.

8.15

## **Court Partners**

The following legal partners will help ensure that CARE is legally followed in the best interest of each respondent:

#### The Judge:

- •Is neutral arbiter and
- •Will strive to conduct CARE proceedings in informal, non-adversarial atmosphere.

#### County Counsel (attorney):

- •Will advise and represent County Behavioral Health and
- •Ensure that all legal forms & documents are properly filed.

#### **Public Defender (attorney):**

- •Is a Court-appointed lawyer, regardless of ability to pay and
- •Will represent the Respondent's interests and rights in the courtroom and provide other supportive services.







santacruzcountyca.gov/CARE

# Where Can I Learn More About CARE?

If you think the CARE Act could help someone you care about, find additional information and resources at:

#### Santa Cruz County CARE Act:

- Website: santacruzcountyca.gov/CARE
- Email: <u>CAREact@santacruzcountyca.gov</u>

#### **Other CARE Act Resources:**

- CARE Act Resource Center
- Frequently Asked Questions

Meeting Type			
Holiday			
Jewish Holiday			
Regular Meeting			
Special Meeting (will be added as scheduled)			
Study Session (will be added as scheduled)			
Budget Hearing			

#### City Council Meeting Calendar for 2024

Please note: Meeting times are not final and are likely to change

DATE	Location	Meeting Type	
October 11/12	Yom Kippur (City observed - sundown to sundown)		
October 22	Courtyard Conf. Room	Closed Session - Closed to the Public	
October 22	Council Chambers	Council Regular Meeting - Open to the Public	
November 11	City Hall Closure - Veteran's Day (observed)		
November 19	Courtyard Conf. Room	Closed Session - Closed to the Public	
November 19	Council Chambers	Council Regular Meeting - Open to the Public	
November 28	City Hall Closure - Thanksgiving Day		
November 29	City Hall Closure - Day After Thanksgiving Day		
December 10	Courtyard Conf. Room	Closed Session - Closed to the Public	
December 10	Council Chambers	Council Regular Meeting - Open to the Public	
December 24 Meeting Cancelled - CITY COUNCIL DARK			
December 25/26	Hanukkah (City observed - sundown to sundown)		
December 25	City Hall Closure - Christmas Day		

#### MINUTES ARE UNOFFICIAL UNTIL APPROVED BY COUNCIL

#### City of Santa Cruz 809 Center Street Santa Cruz, California 95060

#### MINUTES OF A CITY COUNCIL MEETING

September 24, 2024

#### 2:00 PM

Mayor Keeley opened the City Council Closed Session at 2:02 p.m. in a public meeting via Zoom and in Council Chambers, for the purpose of announcing the agenda, and receiving public testimony.

#### **Roll Call**

Present: Councilmembers Newsome, Brown, Watkins, Brunner, Kalantari-

Johnson; Vice Mayor Golder; Mayor Keeley.

Absent: None.

Staff: City Manager M. Huffaker, City Attorney T. Condotti, Deputy City Clerk

Administrator J. Wood, Risk Manager R. Brandon, City Clerk

Administrator B. Bush.

Statements of Disqualification - None.

#### **Public Comment**

Mayor Keeley opened the public comment period at 2:03 p.m. The following person spoke:

Troy Edward Mason spoke regarding items 1.4–1.6.

Mayor Keeley closed the public comment period at 2:07 p.m.

#### **Closed Session**

City Attorney T. Condotti asked Council to add a subsequent need item of significant exposure to litigation. The need arose after the agenda was posted, and Council must consider and potentially take action before the next regular meeting.

<u>MOTION:</u> Councilmember Watkins moved, seconded by Vice Mayor Golder, to add a subsequent need item of significant exposure to litigation to the Closed Session agenda.

**ACTION:** The motion carried unanimously with the following vote.

AYES: Councilmembers Newsome, Brown, Watkins, Brunner, Kalantari-

Johnson; Vice Mayor Golder; Mayor Keeley.

NOES: None. ABSENT: None. DISQUALIFIED: None.

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

1) Claimant: Arthur Charles Lipton

2) Claimant: Andrea Robin Greenspan

3) Claimant: Barbara Lawrence

4) Claimant: Troy Mason

5) Claimant: Troy E. Mason

6) Claimant: Troy Edward Mason

Claims against the City of Santa Cruz

Council received a status report, took up under agenda item 7, and no reportable action was taken.

<u>Conference with Legal Counsel - Anticipated Litigation (Government Code</u> §54956.9(d)(2))

Significant exposure to litigation (one potential case to be discussed)

Council added as an item of subsequent need, received a status report, and no reportable action was taken.

At this time, the Mayor reordered the agenda and heard item 2.

Council adjourned at 2:26 p.m. to the Courtyard Conference Room.

#### City of Santa Cruz 809 Center Street Santa Cruz, California 95060

#### MINUTES OF A CITY COUNCIL MEETING September 24, 2024

#### 2:15 PM

**Call to Order** - Mayor Keeley called the meeting to order at 2:45 p.m. in Council Chambers.

Staff:

City Manager M. Huffaker, City Attorney T. Condotti, Director of Public Works N. Nguyen, Director of Economic Development and Housing B. Lipscomb, Director of Planning and Community Development L. Butler, Chief of Police B. Escalante (via Zoom), Director of Finance E. Cabell (via Zoom), Deputy City Manager L. Murphy (via Zoom), Chief of Fire R. Oatey (via Zoom), Director of Parks and Recreation T. Elliot (via Zoom), Assistant Director of Public Works/City Engineer K. Crossley, Transportation Planner C. Gallogly, Homelessness Response Manager L. Imwalle, Principal Management Analyst E. Nguyen, Deputy City Clerk Administrator J. Wood, City Clerk Administrator B. Bush.

**Presiding Officer's Announcements** - Mayor Keeley took a moment of silence to honor Ross Clark, the City of Santa Cruz's former Climate Action Coordinator, and spoke regarding his contributions to climate action and marine conservation.

#### Presentation

2. <u>Mayoral Proclamation Declaring September as Suicide Prevention Awareness</u>
Month

Mayor Keeley read from a proclamation declaring September as Suicide Prevention Awareness Month and called for a moment of silence for community members who have been affected by suicide. Lisette Jones, Field Representative for Assemblymember Pellerin, spoke.

**Oral Communications Announcement -** The Mayor provided a brief announcement about Oral Communications.

#### **Oral Communications**

At 2:45 p.m. Mayor Keeley opened Oral Communications for members of the public who wished to speak regarding items not listed on the City Council agenda.

James Ewing Whitman spoke regarding miniature wireless devices, the thickness of hair, and the level of filtration of the blood-brain barrier.

Andrea Greenspan spoke regarding item 1.2.

Garrett spoke regarding his argument against Measure Z.

At 2:53 p.m. Mayor Keeley closed Oral Communications.

Statements of Disqualification - None.

Additions and Deletions - None.

City Attorney Report on Closed Session - See page 6953 for the report.

#### **Council Meeting Calendar**

3. The City Council reviewed and did not revise the meeting calendar attached to the agenda.

#### **Consent Agenda**

Councilmember Brown pulled item 9 for further discussion.

Director of Public Works N. Nguyen responded to Council questions regarding item 8.

Mayor Keeley opened the public comment period. The following person spoke:

James Ewing Whitman spoke regarding item 5.

Mayor Keeley closed the public comment period.

<u>MOTION:</u> Vice Mayor Golder moved, seconded by Councilmember Brunner, to approve the remaining Consent Agenda.

#### Consent Agenda (continued)

**ACTION:** The motion carried unanimously with the following vote.

AYES: Councilmembers Newsome, Brown, Watkins, Brunner, Kalantari-

Johnson; Vice Mayor Golder; Mayor Keeley.

NOES: None. ABSENT: None. DISQUALIFIED: None.

#### 4. <u>Minutes of the September 10, 2024 City Council Meeting (CC)</u>

Motion carried to approve as submitted.

### 5. <u>Amendment of the Bylaws for the Commission for the Prevention of Violence Against Women (CPVAW) (CC)</u>

Motion carried to amend the bylaws of the Commission for the Prevention of Violence Against Women.

#### 6. Colligan Theater Manager Lease (EDH)

Motion carried to approve and authorize the City Manager to execute the Colligan Theater Lease Agreement with Theatre 831 dba All About Theatre, and any subsequent non-substantive amendments in a form approved by the City Attorney.

#### 7. Liability Claims Filed Against the City of Santa Cruz (FN)

Motion carried to reject the liability claims of 1) Arthur Charles Lipton, and 2) Andrea Robin Greenspan, and to return as late, the claims of 3) Barbara Lawrence, 4) Troy Mason, 5) Troy E. Mason, and 6) Troy Edward Mason, based on staff recommendation.

#### 8. Award Contract for Active Transportation Plan Update (c402408) (PW)

Motion carried to award a contract to Toole Design Group, LLC (Oakland, CA) for the Active Transportation Plan Update in the amount of \$239,552 and reject all other proposals and to authorize the City Manager to execute an agreement in a form approved by the City Attorney. The Director of Public Works is authorized to execute amendments within the approved project budget.

#### Consent Agenda (continued)

9. <u>Retaining Wall Reconstruction Project Budget Adjustment -141 Archer Drive</u> (g402402) (PW)

Assistant Director of Public Works/City Engineer K. Crossley and Director of Public Works N. Nguyen responded to Council questions.

Mayor Keeley opened the public comment period. There were no speakers. Mayor Keeley closed the public comment period.

**MOTION:** Councilmember Brown moved, seconded by Councilmember Newsome, to defer this item to the Council meeting of October 8, 2024.

**ACTION:** The motion carried unanimously with the following vote.

AYES: Councilmembers Newsome, Brown, Watkins, Brunner,

Kalantari-Johnson; Vice Mayor Golder; Mayor Keeley.

NOES: None. ABSENT: None. DISQUALIFIED: None.

10. <u>Beltz Water Treatment Plant Filter Replacement Project (c702502) - Award of Professional Services Agreement and Budget Adjustment (WT)</u>

#### Motion carried to:

- Authorize the City Manager to execute an agreement in a form approved by the City Attorney with CDM Smith (Concord, CA) for engineering services for the Beltz Water Treatment Plant Filter Replacement Project (c702502), and to authorize the Water Director to execute future contract amendments within the approved project budget; and
- Adopt Resolution No. NS-30,391 to amend the FY 2025 budget and transfer funds in the amount of \$1,681,000 within the Water Department's Capital Investment Program from project c702305, Beltz Water Treatment Plant Upgrades Project to new project c702502, Beltz Water Treatment Plant Filter Replacement Project.

#### Consent Agenda (continued)

11. <u>Transfer within the Water Department's Capital Investment Program for Fiscal Year 2024 Water Program Administration Expenses - Budget Adjustment (WT)</u>

Resolution No. NS-30,392 was adopted to amend the Fiscal Year 2024 budget by transferring funds in the amount of \$1,869,505 from the Water Department's Capital Investment Program (CIP) project c701901, Water Program Administration, to various other Water Department CIP projects for the purpose of allocating actual program administration expenses to active Water Program CIP projects.

#### **End Consent Agenda**

#### **Consent Public Hearing**

Mayor Keeley opened the public comment period. The following people spoke regarding item 13:

Unidentified person

Cindy

John Doherty

Unidentified person

Suzanne McLean

Garrett

Kangse Lee

Sherry Talmage

Diane Ford

Eli Holiday

Mayor Keeley closed the public comment period.

<u>MOTION:</u> Councilmember Newsome moved, seconded by Councilmember Kalantari-Johnson, to approve the Consent Public Hearing Agenda.

**ACTION:** The motion carried unanimously with the following vote.

AYES: Councilmembers Newsome, Brown, Watkins, Brunner, Kalantari-

Johnson; Vice Mayor Golder; Mayor Keeley.

NOES: None. ABSENT: None. DISQUALIFIED: None.

#### Consent Public Hearings (continued)

12. <u>2nd Reading and Final Adoption of Ordinance No. 2024-15 Adding Chapter 9.91</u> to the Santa Cruz Municipal Code the Prohibition of Government-Sponsored Unsanctioned Transport of Homeless Persons (CN)

Ordinance No. 2024-15 was adopted adding Chapter 9.91 to the Santa Cruz Municipal Code, the Prohibition of Government-Sponsored Unsanctioned Transport of Homeless Persons.

13. <u>2nd Reading and Final Adoption of Ordinance No. 2024-16 Extending AB 1482 Rental Increase Protections Upon Expiration of Affordable Housing Rental Restrictions (CN)</u>

Ordinance No. 2024-16 was adopted amending Chapter 21.07 "Just Cause Eviction Above AB 1482 Requirements" to extend AB 1482 rental increase protections to tenants in units with expiring affordable housing rental restrictions.

#### **General Business**

14. Santa Cruz County Regional Vehicle Miles Traveled Mitigation Program (PW)

Transportation Planner C. Gallogly, Anais Schenk, Transportation Specialist with Kimley-Horn, and Michael Schmitt, Senior Sustainability Consultant with Kimley-Horn, gave a presentation and responded to Council questions.

Director of Planning and Community Development L. Butler responded to Council questions.

Mayor Keeley opened the public comment period. The following people spoke.

Unidentified person Garrett Candace Brown

Mayor Keeley closed the public comment period.

#### General Business (continued)

14. <u>Santa Cruz County Regional Vehicle Miles Traveled Mitigation Program (PW) (continued)</u>

**MOTION:** Councilmember Brown moved, seconded by Councilmember Brunner, to:

- Receive a presentation on the Santa Cruz County Regional Vehicle Miles Traveled Mitigation Program;
- Provide input on and accept the preliminary final report; and
- Direct staff to participate in the development of a Joint Powers Authority to administer the program as well as other efforts related to finalizing the program.

**ACTION:** The motion carried unanimously with the following vote.

AYES: Councilmembers Newsome, Brown, Watkins, Brunner,

Kalantari-Johnson; Vice Mayor Golder; Mayor Keeley.

NOES: None. ABSENT: None. DISQUALIFIED: None.

15. <u>Collective of Results and Evidence-Based (CORE) Investments Update (CM)</u>

Homelessness Response Manager L. Imwalle, Principal Management Analyst E. Nguyen, and Kimberley Petersen, County of Santa Cruz Deputy Human Services Director, gave a presentation and responded to Council questions.

Mayor Keeley opened the public comment period. There were no speakers. Mayor Keeley closed the public comment period.

#### General Business (continued)

15. <u>Collective of Results and Evidence-Based (CORE) Investments Update (CM) (continued)</u>

**MOTION:** Councilmember Newsome moved, seconded by Mayor Keeley, to:

- 1) Accept the report on the status of the Collective of Results and Evidencebased (CORE) Investments Program Request for Proposals (RFP);
- 2) Direct staff to carve out any Council-prioritized services from competitive procurement;
- 3) Approve staff recommended funding Option 2 which will distribute funds based on the number of proposals submitted in each category, to distribute funding, and initiate recommended awards; and
- 4) Direct staff to coordinate with the Human Services Department (HSD) to report back with recommended awards from the CORE RFP by February, 2025.

**FRIENDLY AMENDMENT:** Councilmember Kalantari-Johnson requested the following:

- Direct staff to work with some Councilmembers after the two new Councilmembers are seated to re-think the City's process with CORE.
- To amend #4 to report back by November 19, 2024.

Councilmember Newsome and Mayor Keeley accepted.

**FRIENDLY AMENDMENT:** Mayor Keeley requested to add direction to staff to bring in November how the recommended recipients are aligned with the strategic plan. Councilmember Newsome accepted.

**FRIENDLY AMENDMENT:** Councilmember Watkins requested to add direction to staff to bring recommendations on November 19<sup>th</sup> related to carving out funding for childcare. Councilmember Newsome and Mayor Keeley accepted.

**ACTION:** The motion carried with the following vote.

AYES: Councilmembers Newsome, Watkins, Brunner, Kalantari-

Johnson; Vice Mayor Golder; Mayor Keeley.

NOES: Councilmember Brown.

ABSENT: None. DISQUALIFIED: None.

**Adjournment** - Vice Mayor Golder moved, seconded by Councilmember Watkins, to adjourn. By consensus City Council adjourned at 5:19 p.m.

	Respectfully Submitted:
	Julia Wood, Deputy City Clerk Administrator
	Attest:
Approved:	Bonnie Bush, City Clerk Administrator
Fred Keeley, Mayor	



#### City Council AGENDA REPORT

**DATE:** 09/18/2024

**AGENDA OF:** 10/08/2024

**DEPARTMENT:** City Attorney

**SUBJECT:** Resolution Extending the Emergency Declarations in Connection with the

2022/2023 Winter Storms and 2023/2024 Winter Storms (CA/CM)

**RECOMMENDATION:** Resolution extending by sixty days the Local Emergency Declarations in connection with the 2022/2023 and 2023/2024 winter storms.

**BACKGROUND:** On January 4, 2023 the City Manager declared the existence of a local emergency following storms in December 2022 and January 2023 ("2022/2023 Winter Storms") that caused significant flooding, infrastructure damage, and other storm impacts, including downed trees and impacts to persons experiencing homelessness.

A year later, and while responses to the 2022/2023 Winter Storms remained ongoing, the City of Santa Cruz experienced another significant storm event that resulted in flooding and significant damage to City infrastructure ("2023/2024 Winter Storms"). The City Manager again declared the existence of a local emergency as a result of the 2023/2024 Winter Storms on February 6, 2024.

**DISCUSSION:** Government Code section 8630 authorizes a governing body of a city or an official designated by ordinance to proclaim the existence of a local emergency. Santa Cruz Municipal Code section 2.20.030 empowers the Director of Emergency Services to proclaim the existence or threatened existence of a local emergency when the City is affected or likely to be affected by a public calamity or disaster, subject to confirmation by the City Council at the "earliest practicable time." During the existence of such emergency, the Director of Emergency Services is also authorized, pursuant to Section 2.20.040(1), to "[m]ake and issue rules and regulations on matters reasonably related to the protection of life and property as affected by such emergency," also subject to confirmation by the City Council "at the earliest practicable time."

In view of the facts and circumstances described above and damage caused by the 2022/2023 and 2023/2024 winter storms, the City Council ratified the City Manager's January 4, 2023 emergency declaration by Resolution No. NS-30,085 at its January 10, 2023 regular meeting, and ratified the City Manager's February 6, 2024 emergency declaration by Resolution No. NS-30,286 at its February 13, 2024 regular meeting.

At its September 10, 2024 regular meeting the City Council received an update from the Director of Public Works on the City's response to the 2022/2023 and 2023/2024 winter storms. The

City's emergency response and recovery efforts remain ongoing and are expected to continue into Summer 2025, and potentially Summer 2026.

The attached resolution, if adopted by the City Council, would extend the 2022/2023 Winter Storms emergency declaration and 2023/2024 Winter Storms emergency declaration by an additional 60 days, to December 11, 2024.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION: The proposed Council action is not a "project" under CEQA. "Project" is defined by CEQA as:

"an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, and which is any of the following:

- (a) An activity directly undertaken by any public agency.
- (b) An activity undertaken by a person which is supported, in whole or in part, through contracts, grants, subsidies, loans, or other forms of assistance from one or more public agencies.
- (c) An activity that involves the issuance to a person of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies." (Pub. Resources Code, § 21065.)

The proposed resolution is not a "project" under CEQA because the resolution is primarily intended to help the City obtain reimbursement for actions already undertaken or underway, and therefore cannot by itself cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Nor does the resolution represent the type of "activity" described in subdivisions (a) through (c) above.

**HEALTH IN ALL POLICIES (HiAP):** This action is consistent with the three pillars of HiAP. Specifically, the action has a nexus with public health in that the resolution is intended to help the City obtain reimbursement for recovery efforts along West Cliff Drive. Recovery efforts in this area will ensure accessible and safe biking and pedestrian access for future public use and enjoyment.

**FISCAL IMPACT:** Actions taken by the City during a declared emergency are potentially recoverable from Cal OES (California Governor's Office of Emergency Services) and FEMA (Federal Emergency Management Agency).

Prepared By:Submitted By:Approved By:Stephanie DuckTony CondottiMatt HuffakerDeputy City AttorneyCity AttorneyCity Manager

#### **ATTACHMENTS:**

1. RESOLUTION.DOCX

#### RESOLUTION NO. NS-XX,XXX

## A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ EXTENDING THE LOCAL EMERGENCY DECLARATIONS IN CONNECTION WITH THE 2022/2023 WINTER STORMS AND 2023/2024 WINTER STORMS

WHEREAS, Government Code section 8630 authorizes the City Council or an official designated by ordinance to proclaim the existence of a local emergency; and

WHEREAS, Santa Cruz Municipal Code section 2.20.030 empowers the City Manager, as the director of emergency services, to proclaim the existence or threatened existence of a local emergency when the City is affected or likely to be affected by a public calamity, subject to confirmation by the City Council at the earliest practicable time; and

WHEREAS, on December 30 and 31st, 2022, the City of Santa Cruz experienced an atmospheric river storm rain event, followed by another powerful storm event on January 4 and 5th, 2023 (the "2022/2023 Winter Storms"). As a result of the 2022/2023 Winter Storms, flooding, debris from trees, and mud impacted the San Lorenzo River and adjacent areas, including the Tannery area, San Lorenzo Park, and the beach. The San Lorenzo River reached 22.1 feet. Rainfall amounts exceeded 7 inches in the mountains over a 24-hour period. The 2022/2023 Winter Storms resulted in flooding, downed trees, major infrastructure damage, and impacts to persons experiencing homelessness; and

WHEREAS, the County of Santa Cruz proclaimed the existence of a local emergency in the County on January 3, 2023 in response to the 2022/2023 Winter Storms; and

WHEREAS, in light of the 2022/2023 Winter Storms and pursuant to his authority as Emergency Services Director, on January 4, 2023, the City Manager declared the existence of a local emergency (the "2022/2023 Emergency Proclamation"). At its January 10, 2023 meeting, the City Council adopted Resolution No. NS-30,085 declaring the existence of a State of Emergency in connection with the 2022/2023 Winter, confirming the 2022/2023 Emergency Proclamation; and

WHEREAS, the City Council has continued to review the need for the 2022/2023 Winter Storms emergency declaration and most recently adopted Resolution No. NS-30,362 at its August 13, 2024 regular meeting, further extending the declaration of emergency by 60 days; and

WHEREAS, a year after the 2022/2023 Winter Storms, on December 28 and 30th, 2023, the City of Santa Cruz experienced a large winter swell event involving significant rain and hazardous ocean conditions, causing an estimate of \$2.5 million in damage along West Cliff Drive and the Santa Cruz Wharf, followed by atmospheric river storms throughout January and February 2024 (the "2023/2024 Winter Storms"). The 2023/2024 Winter Storms included significant rainfall on January 22, 2024 that contributed to flooding within the City of Santa Cruz and specifically to Cypress Point Apartments; and

#### RESOLUTION NO. NS-XX,XXX

Meeting of: October 8, 2024

WHEREAS, on January 30, 2024, the County of Santa Cruz Board of Supervisors ratified Local Emergency for the December 2023 Coastal Storms, as proclaimed by the County Administrative Officer as the Director of Emergency Services on January 3, 2024; and

WHEREAS, in light of the 2023/2024 Winter Storms and pursuant to his authority as Emergency Services Director, on February 6, 2024, the City Manager declared the existence of a local emergency (the "2023/2024 Emergency Proclamation"). At its February 13, 2024 meeting, the City Council adopted Resolution No. NS-30,286 declaring the existence of a State of Emergency in connection with the 2023/2024 Winter Storms, confirming the 2023/2024 Winter Storms Emergency Proclamation; and

WHEREAS, the City Council has continued to review the need for the 2023/2024 Winter Storms emergency declaration and most recently adopted Resolution No. NS-30,362 at its August 13, 2024 regular meeting, further extending the declaration of emergency by 60 days; and

WHEREAS, at its September 10, 2024 regular meeting the City Council received an update from the Director of Public Works on the City's response to the 2022/2023 and 2023/2024 winter storms. The City's emergency response and recovery efforts remain ongoing and are expected to continue into Summer 2025, and potentially Summer 2026.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santa Cruz (City Council) as follows:

- A. That the City Council hereby declares that the local emergency declaration adopted at its January 10, 2023 regular meeting by Resolution No. NS-30,085, and extended on January 24, 2023 by Resolution NS-30,095, on March 14, 2023 by Resolution NS-30,116, on May 9, 2023 by Resolution NS-30,145, on June 27, 2023 by Resolution NS-30,166, on August 22, 2023 by Resolution NS-30,187, on October 10, 2023 by Resolution NS-30,208, on November 28, 2023 by Resolution NS-30,239, on January 23, 2024 by Resolution NS-30,274, on March 12, 2024 by Resolution NS-30,296, on April 30, 2024 by Resolution NS-30,315, on June 25, 2024 by Resolution NS-30,349, and on August 13, 2024 by Resolution NS-30,362, shall be extended an additional sixty (60) days from its adoption pursuant to California Government Code Section 8630, et seq., by this Resolution; and
- B. That the City Council hereby declares that the local emergency declaration adopted at its February 13, 2024 regular meeting by Resolution NS-30,286, and extended on April 9, 2024 by Resolution NS-30,311, on April 30, 2024 by Resolution NS-30,315, on June 25, 2024 by Resolution NS-30,349, and on August 13, 2024 by Resolution NS-30,362, shall be extended an additional sixty (60) days from its adoption pursuant to California Government Code Section 8630, et seq., by this Resolution; and
- C. This Resolution shall remain in full force and effect and shall thereafter terminate on the sixtieth (60<sup>th</sup>) day after its adoption, unless earlier terminated or further extended by subsequent City Council action.

# PASSED AND ADOPTED this 8th day of October 2024 by the following vote: AYES: NOES: ABSENT: DISQUALIFIED: APPROVED: Fred Keeley, Mayor ATTEST: Bonnie Bush

RESOLUTION NO. NS-XX,XXX Meeting of: October 8, 2024

City Clerk Administrator



#### City Council AGENDA REPORT

**DATE:** 09/18/2024

**AGENDA OF:** 10/08/2024

**DEPARTMENT:** Planning and Community Development

SUBJECT: Award Agreement for Plan Review and Inspection Services for Building

and Safety Division. CEQA: Exempt 15061(b)(3) (PL)

**RECOMMENDATION:** This item is continued to November 19, 2024, and will not be

discussed.



#### City Council AGENDA REPORT

**DATE:** 09/26/2024

**AGENDA OF:** 10/08/2024

**DEPARTMENT:** Public Works

SUBJECT: Retaining Wall Reconstruction Project Budget Adjustment -141 Archer

Drive (g402402) (PW)

**RECOMMENDATION:** Motion to adopt a resolution amending the FY 2025 budget for Retaining Wall Reconstruction Project - 141 Archer Drive (g402402) in the amount of \$359,926 to fully fund the project.

**BACKGROUND:** In January 2023, the Public Works Department was contacted by the owner of 141 Archer Drive. The property sits at the top of long steep slope on the section of Bay Street that is divided by Bay Creek. Due to severe weather, an approximately 10-foot tall, 70-foot-long private retaining wall failed and resulted in a landslide which took out a majority of the backyard. This is an ongoing threat to the house on the property and poses a risk of additional erosion and landslides on City of Santa Cruz (City) Right-of-Way if left unmitigated.

The property owner received assistance through a program administered by US Department of Agriculture, Natural Resource Conservation Service (NRCS) that provides disaster related funding to address a variety of issues that can affect water quality, erosion, and watershed protection. As required by the grant, the City sponsored and administered the project on behalf of the property owner. The property owner privately contracted a surveyor, geotechnical and structural engineer to prepare a design for a replacement retaining wall. In October 2023 Council authorized execution of a funding agreement with NRCS and in March 2024 Council authorized bidding and award of the project the filing of a Notice of Exemption under the California Environmental Quality Act.

**DISCUSSION:** The project was bid by the Public Works Department and awarded the contract to Jeff Hill and Sons Excavation and Grading Inc. During the first week of construction, two unforeseen conditions were discovered. The sandstone bedrock in which the wall is founded in was 3-4 feet deeper than measured during the geotechnical investigation, resulting in revised design and taller and more robust wall, significantly increasing the cost of almost all the bid items. Secondarily, the northern remaining wall section was discovered to be in very poor condition and was recommended for removal.

Staff have submitted a grant increase request to NRCS to fully fund the 75% federal share project. It is anticipated to be approved with the majority of the estimated project costs to be funded by NCRS. Since the project began, staff learned that California Office of Emergency Services (Cal-OES), may provide supplemental State funding for this project, known as

California Disaster Assistance Act (CDAA) funding. Staff are working closely with the federal and state representatives to determine the path forward for accessing this new funding source which could cover a large portion of the 25% local match currently borne by the private property owner. Once the project is complete the project will protect the house and private property upslope from the new wall, reduce the risk of future landslides affecting the public right of way, and restore and replant damaged slope within the public right of way.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION: As noted, a categorical exemption has been filed.

**HEALTH IN ALL POLICIES (HiAP):** This project supports environmental protection and restoration.

**FISCAL IMPACT:** There is no impact to the General Fund.

Prepared By:
Kevin Crossley
Assistant Director/City
Engineer

**Submitted By:**Nathan Nguyen, P.E.
Director of Public Works

**Approved By:** Matt Huffaker City Manager

#### **ATTACHMENTS:**

1. BUDGET ADJUSTMENT.PDF

#### City of Santa Cruz BUDGET ADJUSTMENT REQUEST

	Clear Form				
Administrative Approval					
Council	Approval				

Reso #:

Fiscal Year: 2025

Date: 08/29/2024

Purpose: To fully fund project g402402 Retaining Wall Reconstruction 141 Archer Drive due to unforeseen construction conditions.

ACCOUNT	PROJECT	PROJECT NAME (if applicable) OR REVENUE ACCOUNT TITLE	AMOUNT
311-40-64-9341-43150	g402402-111-1071-0	USDA - NRCD - Emergency Watershed Protection Program	276,222
	Retaining Wall Reconstruction 141 Archer		
311-40-64-9341-46305 g402402-496-0-0 Contributions - property owners		83,704	
	Retaining Wall Reconstruction 141 Archer		
	_	TOTAL REVENUE	359,926

ACCOUNT	PROJECT	PROJECT NAME (if applicable) OR EXPENDITURE ACCOUNT TITLE	AMOUNT
311-40-64-9341-57990	g402402-100-2020-0	Other capital outlay	309,926
	Retaining Wall Reconstruction 141 Archer		
311-40-64-9341-57990	g402402-100-2010-0	Interfund Labor	50,000
101-40-62-4102-51911		Interfund Labor credits	-50,000
		TOTAL EXPENDITURE	309,926

	REQUESTED BY	DEPARTMENT HEAD APPROVAL	BUDGET/ACCOUNTING REVIEWED	FINANCE DIRECTOR APPROVAL	CITY MANAGER APPROVAL
Ι.	Shelley Digitally signed by Shelley Horrow Date: 2024.08.29 09:32:42 -07:00'	Nathan N. Nguyen	Data: 2024 00 10	Elizabet Digitally signed by Elizabeth Cabell Date: 2024.09.10 12:33:38 -07'00'	



#### City Council AGENDA REPORT

**DATE:** 09/19/2024

**AGENDA OF:** 10/08/2024

**DEPARTMENT:** City Manager

**SUBJECT:** Housing and Urban Development (HUD) Pathways to Removing Obstacles

to Housing Grant Program: Authorization for Application, Acceptance, and Appropriation of Grant Funds for Preserving and Promoting Equitable Housing Affordability and Climate Resilience in Santa Cruz, CA (CM)

**RECOMMENDATION:** Motion to adopt a resolution authorizing the City Manager to apply for, accept, and appropriate funds from the Housing and Urban Development (HUD) Pathways to Removing Obstacles to Housing Grant Program to carry out a project entitled "Preserving and Promoting Equitable Housing Affordability and Climate Resilience in Santa Cruz, CA."

**BACKGROUND:** The first round of the Housing and Urban Development Pathways to Removing Obstacles to Housing (PRO Housing) Notice of Funding Opportunity (NOFO) was greatly oversubscribed. For every dollar made available for fiscal year 2023, thirteen dollars were requested. HUD received over 150 applications from nearly every state and territory. The considerable interest in this first-of-its-kind funding is an indication of the need for resources for local communities to address barriers to housing production and preservation across the country.

Round two of the Housing and Urban Development (HUD) Pathways is authorized by the Consolidated Appropriations Act, 2024 (Public Law 118-42, approved March 9, 2024) (Appropriations Act), which appropriates \$100 million for competitive grant funding for the identification and removal of barriers to affordable housing production and preservation.

Congress has directed HUD to undertake a competition using the Community Development Block Grant statutory and regulatory framework. Under this NOFO, HUD will provide PRO Housing grants to identify and remove barriers to affordable housing production and preservation. Grantees may use awards to further develop, evaluate, and implement housing policy plans, improve housing strategies, and facilitate affordable housing production and preservation.

HUD has six goals for this competition:

- 1. Fairly and effectively award the PRO Housing grant funding;
- 2. Elevate and enable promising practices dedicated to identifying and removing barriers to affordable housing production and preservation, while preventing displacement;
- 3. Institutionalize state and local analysis and implementation of effective, equitable, and resilient approaches to affordable housing production and preservation;

- 4. Provide technical assistance to help communities better fulfill the Consolidated Plan's requirement of identifying barriers to affordable housing and implementing solutions to address those barriers;
- 5. Affirmatively further fair housing by addressing and removing barriers that perpetuate segregation, barriers that inhibit access to well-resourced areas of opportunity for protected class groups and vulnerable populations, and barriers that concentrate affordable housing in under-resourced areas;
- 6. Facilitate collaboration and harness innovative approaches from jurisdictions, researchers, advocates, and stakeholders.

Eligible applicants are local and state governments, metropolitan planning organizations and multi-jurisdictional entities. HUD will prioritize applicants that demonstrate: (1) progress and a commitment to overcoming local barriers to facilitate the increase in affordable housing production and preservation; and (2) an acute demand for housing affordable to households with incomes below 100 percent of the area median income. HUD will also prioritize applicants that demonstrate a commitment and ability to identify and remove barriers to (1) expanding affordable housing in a manner that would promote desegregation; (2) expanding affordable housing in well-resourced areas of opportunity for protected class groups that have systematically been denied equitable access to such areas; or (3) deconcentrating affordable housing and increasing housing choice. Applicants are required to align their applications with HUD's strategic goals and objectives articulated for the grant round.

DISCUSSION: The City of Santa Cruz (City) is recognized as one of the least affordable housing markets in the nation. Many of the City's opportunity zones, Neighborhood Revitalization Strategy Areas (NRSAs), and high opportunity areas for affordable housing are located in coastal hazard areas that are home to a significant proportion of low-to moderate-income and minority households. With 84% of the housing stock built before 1991, these neighborhoods face mounting pressures from climate change, displacement, geographic isolation, and a severe lack of affordable housing. Additionally, the City is on the HUD priority geography list due to two key factors: 1) Housing Problems Factor, a measure of widespread housing cost burden or substandard housing, and 2) Offpace Factor, a measure of affordable housing not keeping pace with population. To address these challenges the City is pursuing grant funding from the HUD PRO Housing program to fund the "Preserving and Promoting Equitable Housing Affordability and Climate Resilience in Santa Cruz, CA." project. The City applied to the HUD PRO Housing program's first grant round proposing a similar project that scored very highly but was not funded. City staff participated in a debrief meeting with HUD to understand where the proposal might be approved for round 2.

The proposed project consists of six interconnected elements that address the multilayered challenges the City and its residents are experiencing. It focusses on reducing housing insecurity, decarbonizing the housing stock, and moderating demand pressures by promoting the preservation and production of affordable housing equitably citywide.

- 1. Producing an Anti-Displacement Policy Evaluation and Roadmap.
- 2. Producing an Affordable Housing Decarbonization Roadmap.
- 3. Standing up, seeding and creating a sustainable funding mechanism for an Affordable Housing and Resilience Fund to help address the urgent need for sustainable resources for affordable housing production, preservation, and efficiency and resiliency upgrades, as well as appropriate tenant protection resources.

- 4. Incentivizing and streamlining a greater variety of housing within single-family neighborhoods using policy tools including expansion of allowances for duplexes, triplexes, fourplexes and more on property currently zoned for single-family uses, by making amendments to the City's Zoning Code and General Plan, building codes, and supporting the purchase of property rights and affordability covenants enabled by the Affordable Housing and Climate Resilience Fund, and in partnership with community-based organizations (CBOs) and affordable housing developers.
- 5. Expansion of the Go Santa Cruz alternative transportation program with a three (3) year pilot program for residents and employees within the Beach Flats/NRSA community.
- 6. Installation of intersection and pedestrian/bicycle access improvements at key interfaces between target communities and opportunity areas for jobs, education, and public safety.

In developing the vision and activities for the proposed project the City will partner with multiple community partners that will deliver critical components of this project:

- Community Bridges is an anchor community-based organization (CBO) in the Beach Flats/NRSA and opportunity zones that will facilitate engagement with residents and participate in the project advisory group.
- CBOs Regeneración of Pajaro Valley, Central Coast Energy Services and Ecology Action will address climate justice and participate in the project advisory group.
- CBOs Ventures, Community Action Board, and Tenant Sanctuary (latter is tentative as of time of writing the agenda report) will participate in the project advisory group and conduct engagement with the underrepresented residents they serve.
- The Association of Monterey Bay Area Governments, Mercy Housing and Housing Matters were invited to participate in the project advisory group and assist in reaching tenants during outreach for the project.

If awarded funding, the project will result in three specific outcomes:

- 1. Roadmaps for anti-displacement policies and decarbonizing existing housing;
- 2. Standing up a sustainable fund to both provide tenant protections and incentivize property owners to upgrade rental properties to prepare for climate change; and
- 3. Overcoming policy barriers to the creation of multifamily housing in HOAs.

In the longer term, implementation of the planning, policies and fund that results from the project will improve the resiliency and affordability of existing housing and increase development of new affordable multifamily housing in high opportunity areas with improved complementary active transportation infrastructure and programming.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION: This item is exempt from CEQA under the general rule 1561(b)(3) because it can be seen with certainty that applying for grant funding from the HUD PRO Housing program will not have the potential for causing a significant effect on the environment. If awarded funding the City will comply with CEQA requirement as necessary to implement the project's activities.

**HEALTH IN ALL POLICIES (HiAP):** The project is focused on equity by addressing affordable housing citywide, particularly in the NRSA and opportunity zones, areas of the City that have been historically underserved and underrepresented. With regard to sustainability and

public health, the Affordable Housing Decarbonization Roadmap and Affordable Housing and Climate Resiliency Fund will lead to implementation of projects that reduce greenhouse gas emissions, improve indoor air quality and reduce safety risks in the housing building stock. For these reasons, the project epitomizes the aims of the City's Health in All Policies initiative which prioritizes equity, public health and sustainability in policy- and decision-making, and, in turn will result in improved community well-being outcomes.

**FISCAL IMPACT:** The total project cost to carry out all activities is \$9,988,274.01. The HUD share requested is \$4,471,023.64. The City's match portion is \$463,250.37 in staff labor and a state grant will provide a cash match of \$5,209,000. The matching funds portion total is \$5,672,250.37 or 127% of the HUD share which exceeds the minimum 10% match requirement and increases the competitiveness of the proposal. Approval of this recommendation will not result in an immediate fiscal impact to the General Fund.

Prepared By: Approved By:
Tiffany Wise-West Matt Huffaker
Sustainability and Resiliency City Manager
Officer

#### **ATTACHMENTS:**

- 1. RESOLUTION.DOCX
- 2. PROJECT PROPOSAL FOR PRESERVING AND PROMOTING EQUITABLE HOUSING AFFORDABILITY IN SANTA CA.PDF

#### RESOLUTION NO. NS-30,XXX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ AUTHORIZING THE APPLICATION, ACCEPTANCE, AND APPROPRIATION OF GRANT FUNDS FROM THE HOUSING AND URBAN DEVELOPMENT PATHWAYS TO REMOVING OBSTACLES TO HOUSING GRANT PROGRAM TO CARRY OUT A PROJECT ENTITLED "PRESERVING AND PROMOTING EQUITABLE HOUSING AFFORDABILITY AND CLIMATE RESILIENCE IN SANTA CRUZ, CA."

WHEREAS, the Department of Housing and Urban Development (HUD) was established as a Cabinet Department by the Department of Housing and Urban Development Act (42 U.S.C. 3532-3537), effective November 9, 1965; and

WHEREAS, the HUD PRO Housing program is authorized by Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) and the FY24 and FY23 Appropriations Acts; and

WHEREAS, funding for round two of the HUD Pathways to Removing Obstacles to Housing (PRO Housing) Notice of Funding Opportunity (NOFO) is provided by the Consolidated Appropriations Act, 2024 (Public Law 118-42, approved March 9, 2024) [FY24 Appropriations Act] and the Consolidated Appropriations Act, 2023 (Public Law 117-328, approved December 29, 2022) [FY23 Appropriations Act]; and

WHEREAS, HUD announced the availability of \$100 million in competitive grant funding for round two of the PRO Housing NOFO for the identification and removal of barriers to affordable housing production and preservation; and

WHEREAS, HUD will prioritize applicants that demonstrate 1. progress and a commitment to overcoming local barriers to facilitate the increase in affordable housing production and preservation, primarily by having enacted improved laws and regulations that HUD reasonably expects to preserve or produce new housing units; and 2. an acute need for housing affordable to households with incomes below 100 percent of the area median income; and

WHEREAS, the City of Santa Cruz is on the HUD priority geography list for two factors: 1. Housing Problems Factor, a measure of widespread housing cost burden or substandard housing; and 2. Offpace Factor, a measure of affordable housing not keeping pace with population; and

WHEREAS, the City of Santa Cruz has adopted plans and policies that prioritize addressing affordable housing, decarbonization, and sustainable infrastructure, consistent with its Health in All Policies ordinance and City Council policy; and

WHEREAS, the City of Santa Cruz is widely recognized as one of the least affordable housing markets in the nation and the Beach Flats neighborhood is acutely impacted by the pressures of climate change, housing insecurity and underinvestment in infrastructure upgrades; and

WHEREAS, the project proposed by the City of Santa Cruz and its community partners entitled "Preserving and Promoting Equitable Housing Affordability in Santa Cruz, CA" addresses the challenges facing the City of Santa Cruz in addressing housing insecurity, decarbonizing the historical housing stock, connecting affordable housing to jobs and services, and moderating demand pressures by promoting the preservation and production of affordable and resilient housing citywide.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santa Cruz as follows:

- 1. Authorizes the submittal of an application for the project entitled "Preserving and Promoting Equitable Housing Affordability in Santa Cruz, CA" to the HUD PRO Housing grant program for grants for which the City of Santa Cruz is eligible; and
- 2. The City Manager is hereby authorized and empowered to amend and execute in the name of the City of Santa Cruz all grant documents, including but not limited to applications, agreements, amendments and requests for payment, necessary to secure grant funds, appropriate funds, and implement the approved grant project.

PASSED AND ADOPTED this 8th day of October, 2024 by the following vote:

AYES:		
NOES:		
ABSENT:		
DISQUALIFIED:		
	APPROVED:	
		Fred Keeley, Mayor
ATTEST:	<del> </del>	
Bonnie Bush, City Clerk Adı	ministrator	

# Preserving and Promoting Equitable Housing Affordability and Climate Resilience in Santa Cruz, CA

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## **EXHIBIT A - Executive Summary**

The City of Santa Cruz (City) is recognized as one of the least affordable housing markets in the nation. The City's opportunity zones, HUD recognized Neighborhood Revitalization Strategy Area (NRSA) and other high opportunity areas (HOAs) for affordable housing are situated in coastal hazard areas, home to a large proportion of the City's low- to moderate-income and minority households where 84% of housing was built before 1991. These neighborhoods face several urgent challenges including climate change impacts, displacement, geographic isolation, and a lack of affordable housing. The City is on the HUD priority geography list for two factors: 1) Housing Problems Factor is a measure of widespread housing cost burden or substandard housing. 2) Offpace Factor is a measure of affordable housing not keeping pace with population.

The Preserving and Promoting Equitable Housing Affordability and Climate Resilience in Santa Cruz, CA project includes six interconnected elements to address these interconnected challenges in an integrated and holistic manner, focused on the NRSA, opportunity zones and other HOAs in the City:

- 1. Produce an Anti-Displacement Policy Evaluation and Roadmap,
- 2. Produce an Affordable Housing Decarbonization Roadmap,
- 3. Standing up, seeding and creating a sustainable funding mechanism for an Affordable Housing and Climate Resilience Fund to help address the urgent need for sustainable resources for affordable housing production, preservation, and efficiency and resiliency upgrades, as well as appropriate tenant protection resources,
- 4. Incentivize and streamline a greater variety of housing in high opportunity areas by developing policy tools to support the expansion of allowances for duplexes, triplexes, fourplexes and more on property currently zoned for single-family uses. Element includes amendments to the City's Zoning Code and General Plan, building codes, and supporting the purchase of property rights and affordability covenants enabled by the Affordable Housing and Climate Resilience Fund, and in partnership with community-based organizations (CBOs) and affordable housing developers. Element includes development of a guidebook to further assist interested parties in developing a greater variety and density of housing in single-family zones.
- 5. Expansion of the Go Santa Cruz alternative transportation program for residents and employees within the Beach Flats/NRSA community.
- 6. Installation of intersection and pedestrian/bicycle access improvements at key interfaces between target communities and opportunity areas for jobs, transit, education, amenities and public safety.

This project addresses the severe challenges facing disadvantaged residents in Santa Cruz by addressing housing insecurity, decarbonizing the housing stock, and moderating demand pressures by promoting the preservation and production of affordable housing equitably citywide. Policies and programs developed through engagement and prototyping within the City's most marginalized communities will inform and enable scaling of interventions citywide to other HOAs and expand access to affordable housing, social mobility, and opportunity.

Community partners that will deliver critical components of this project include:

- Community Bridges is an anchor CBO in the NRSA and opportunity zones and will facilitate engagement with residents and participate in project advisory group;
- CBOs Regeneración of Pajaro Valley, Central Coast Energy Services and Ecology Action will address climate justice and participate in the project advisory group.
- CBOs Ventures, Community Action Board, and Tenant Sanctuary will participate in the project advisory group and conduct engagement with the underrepresented residents they serve;
- The Association of Monterey Bay Area Governments, Mercy Housing and Housing Matters
  will participate in the project advisory group and assist in reaching tenants during outreach
  for the project.

The project will result in three specific outcomes including (1) roadmaps for anti-displacement policies and decarbonizing existing housing, (2) standing up a sustainable fund to both provide tenant protections and incentivize property owners to upgrade rental properties to prepare for climate change, and (3) reducing and eliminating policy barriers to the creation of multifamily housing in HOAs and creating guidance for property owners seeking to add more housing to their properties and neighborhoods.

The project supports the C's commitment to Health in All Policies, a framework to prioritize public health, equity, and sustainability in decision- and policy-making. It encourages collaboration between different sectors to address social determinants of health, aiming to improve overall community well-being and reduce disparities. Specifically, the project will result longer term in ensuring safe, healthy and accessible housing for all by eliminating barriers that hinder the production and preservation of affordable housing.

## **EXHIBIT B - Threshold Requirements + Other Submission Requirements**

This application submitted by the City of Santa Cruz satisfies the threshold requirements for eligibility according to the PRO Housing NOFO.

The following criteria of eligibility are outlined below:

- The City of Santa Cruz is an eligible applicant 02 (City of township governments) according to the NOFO, Section III.A;
- There are no outstanding civil rights matters;
- This is the only application that the City of Santa Cruz is submitting;
- The application was submitted prior to the submission due date.

Please refer to Attachment B for verification that the City of Santa Cruz has satisfied the threshold requirements.

#### **EXHIBIT C - Need**

The City of Santa Cruz (City), a charter city of 62,000 residents on the Central Coast of California, is widely recognized as one of the least affordable housing markets in the nation. Numerous studies have been conducted by the City and outside entities to understand the local housing crisis and suggest solutions to address homelessness and the production and preservation

of affordable housing. Other barriers to affordable housing, like the state dissolution of local redevelopment agencies and associated tax-increment financing (TaxIF) tools in 2012, have presented clear and persistent obstacles to affordable housing.

Much of the City's historic affordable housing stock was developed through TaxIF financing and redevelopment bonds for affordable housing. With the loss of these resources, the production and preservation of affordable housing in Santa Cruz has been severely hampered. In response, new tools and project financing strategies have been developed, aimed at addressing the housing affordability problem. Strategies such as establishment of an Affordable Housing Impact Fee and Trust Fund, as well as permit streamlining, public land acquisition and assemblage to sponsor affordable housing projects, and multi-benefit project coordination to improve success with grants, among others.

Informed by extensive research and outreach, the City's approach to the larger housing crisis is two-pronged: focus on production of new affordable housing units and the preservation of existing ones. By increasing the supply of affordable housing, Santa Cruz hopes to alleviate some of the demand pressure that has contributed to increased housing costs. At the same time, preserving existing affordable housing units helps reduce displacement of current residents due to rising rents, property values, and competing demand for tourist accommodations and vacation rentals.

While many neighborhoods in Santa Cruz suffer from a lack of available and affordable housing, either for rental or homeownership, there are a few locations with high concentrations of lower-income households and concentrated areas of housing challenges, The most acute of these areas are included in the Santa Cruz Lower Ocean/Downtown/River Neighborhood Revitalization Strategy Area (NRSA). The NRSA helps target much needed federal resources where the need is most acute and represents a logical geographic boundary to focus the efforts of this project. The Beach Flats is one of the neighborhoods in the NRSA and experiences some of the highest concentration of challenging housing conditions within the City.

The Beach Flats frontline neighborhood and surrounding opportunity zones are within the NRSA boundary and also situated in the Coastal Zone. These areas are home to a large proportion of the City's low- to moderate-income and minority households and have lower-than-average home ownership, are home to high levels of non-native English speakers and non-English speakers and endure a higher prevalence of overcrowded and substandard living conditions. Further, the Beach Flats and surrounding areas are the most exposed to the climate-influenced natural hazards of flooding and sea level rise due to the location between the beach and the San Lorenzo River. Over the past 10 years the City has been able to leverage public land, staff expertise, and recent policy changes to permit over 1,400 housing units in the Downtown part of the NRSA, and over 400 of these new units will be permanently affordable to lower-income households. The proximity to transit, employment, and services in the Downtown increased the competitiveness of funding requests for these projects, and helped ensure success.

In contrast, the Beach Flats neighborhood is isolated from transit, is almost entirely under private ownership, and remains increasingly vulnerable to both displacement and climate induced hazards due to its attractive proximity to the San Lorenzo River, Main Beach, and Boardwalk amusement park. The Santa Cruz Metropolitan Transit District is planning high-quality transit service with 15-minute lead times ahead of the planned downtown expansion to serve the Beach Area, including the NRSA, and recent investment in new hotels and housing elsewhere in the

NRSA will help provide jobs and help alleviate some of the pressure to displace Beach Flats residents; most of whom live in naturally occurring affordable housing, and have minimal protections against housing insecurity.

Notably, since Proposition 13 was passed in 1978, California's tax structure effectively froze property tax rates at the point of sale or upon major renovation and base property taxes cannot generally increase more than 2% per year. This impacts the finances of many California communities and property taxes are rarely adequate to meet service expectations or address ongoing infrastructure needs. In response, many communities have layered stacks of assessment charges and special taxes, or more often imposed substantial impact fees or public improvement obligations on new development or infill projects. These charges, together with disincentive inherent in preferential tax breaks among long held and rarely improved properties, is itself a barrier to construction. The situation in Santa Cruz is much the same. The City's need for upgrades to existing infrastructure, due to age, increased density, and even early-stage climate impacts, meets with expectations of community benefits like parks and plazas and can dramatically increase the cost of construction past solvency. While little can be done locally to resolve the tax burden, the City has been able in recent years to leverage its City-sponsored affordable housing project and climate resilience efforts to secure funding for much needed public infrastructure, including certification of the San Lorenzo River levee system, district stormwater upgrades, active transportation improvements and complete streets. Through proactive strategies, Santa Cruz is working to reduce or remove substantial cost barriers to housing from required infrastructure upgrades.

While the challenge of providing affordable and resilient housing in Santa Cruz is significant, the City's proactive and comprehensive approach to addressing this issue demonstrates a strong commitment to ensuring that all residents have access to safe, affordable housing. Moreover, as articulated in both the City's Climate Action Plan (2022) and Climate Adaptation Plan (2018), the City is also committed to building climate and energy resilience in affordable housing particularly in those areas who are most impacted by climate hazards.

The City has adopted measures to preserve and expand its affordable housing stock through a comprehensive approach involving policy development, community engagement, project design, and financial planning. The City has worked extensively over the past ten years to prioritize the production and preservation of affordable housing. These efforts included enhancements to regulatory land use policies like the City's inclusionary housing ordinance to increase the affordable requirement to 20% of units, upzoning of key commercial corridors across the City to support mixed use housing, the increased density in the Downtown Plan Area, targeted use of the limited Local Housing Trust Funds, state and local density bonuses, and increased use of public-private partnerships (3P/PPP) to secure state and federal affordable housing and infrastructure funds. Santa Cruz has also sought to lower the cost of construction through permit streamlining, adopting objective design standards for multifamily development, eliminating parking minimums in excess of the requirements of California State law, and lowering the level of review for residential development that meets all the City's development standards. The City has also adopted a Health in All Policies Initiative and climate action/adaptation programs to help ensure that new affordable housing is healthy, efficient, and resilient; the proposed project would allow the City to further expand these efforts toward existing affordable housing as well.

Thanks to these efforts, Santa Cruz is one of only 8% of California communities who successfully met their state-dictated targets for Very Low- and Moderate-income housing, and even exceeded the targets for Low- and Above-Moderate Income housing during the 2014-2023 planning period. Santa Cruz faced ambitious housing production targets in California's 5<sup>th</sup> cycle Regional Housing Need Allocation ("RHNA" - 2014-2023) and responded by permitting more than double the required number of units under the 5<sup>th</sup> cycle RHNA (1664 vs. 747). This was achieved despite having recently lost crucial financing tools once provided by its redevelopment agency (c. 2012), which has limited the City's financial resources to incentivize, support, and produce subsidized affordable housing.

Santa Cruz relied on a variety of tools such as upzoning, inclusionary housing regulations, and newly adopted objective design standards for focused development areas, along with local density bonuses to promote affordable housing development. To comply with changes to California state law focused on increasing housing supply, the City has updated its General Plan, Downtown Plan, and Local Coastal Program (a regulatory document addressing land use allowances and coastal resource protections that is required of all coastal California municipalities). Each of these efforts required community engagement, public hearings, and environmental review, as did the establishment and recent updates to enforce stricter inclusionary housing requirements. Santa Cruz's engaged community has helped ensure that these policies were not only robust but also reflect the needs and concerns of the community.

These policies, regulations, and laws have established a new normal or baseline for housing development and respond to ongoing and historical barriers to housing development. They are not temporary measures, but rather permanent components of the municipal code; robust and permanent policies that are already shaping the future of housing development in the City. Santa Cruz has in many cases also set housing policies that exceed state mandates; as is the case with its base 20% inclusionary housing rate, and the City's Large Rent Increase Ordinance, which caps rent increases on many housing units to no more than 7% over 2 years. The boldness and permanence of these actions are a testament to the City's commitment to affordable housing and to providing all Santa Cruzans with a safe and dignified place to live.

Despite these gains, the City of Santa Cruz remains challenged to promote affordable housing in high opportunity areas, where lot sizes are typically smaller, and to incentivize restoration of its privately held affordable housing stock, including both deed restricted units at risk of expiration, as well as naturally occurring affordable housing. Multifamily development permit streamlining, development incentives, and efforts to acquire affordability covenants on small scale infill or conversion projects continue to face challenges including living wage policies, lack of resources to secure permanent affordability covenants, and neighborhood opposition.

With 97% of parcels in the City already developed, the availability of vacant land for affordable housing continues to be a challenge exacerbated by rapidly increasing land values. The City has however, leveraged several publicly-owned properties, including those retained from dissolution of the Redevelopment Agency into city-sponsored 3P/PPP mixed use affordable housing projects including over 320 units, a new downtown library, and a regional transit center. For these larger projects on City owned land, the City retains ownership of land beneath joint 3P/PPP affordable housing projects, allowing Santa Cruz to retain control over future negotiations as deed restrictions age out and the cost of reinvestment needs are balanced against preservation of affordability covenants.

Additional resources are nevertheless needed for preservation work that will address the loss of lower-cost units and incentivize the construction of both permanently affordable and market rate multifamily development. This is especially true for naturally occurring affordable housing in Santa Cruz, especially in areas like the NRSA/Beach Flats, where older, often historic, buildings come with hefty renovation price tags and limited tenant protections, leading to high risk of displacement and excessive rent increases. Additionally, high interest rates and economic uncertainty have complicated the construction of both affordable and market rate units, with several projects in a holding pattern awaiting more favorable financing amid the high cost of construction. Limited gap funding from the City's existing Affordable Housing Trust Fund has supported some projects in moving forward to construction, but resources are limited without a sustainable, ongoing funding source.

Affordable Housing measures are supported through limited in-lieu fees paid by new development into the Affordable Housing Trust Fund (AHTF), which is tied to the City's Inclusionary Housing Ordinance (updated in 2018). The AHTF is largely funded by in-lieu housing fees, as an option for compliance with the City's inclusionary housing requirements, and occasionally receives contributions from state or federal funds. These sources have proven insufficient to fully mitigate the housing crisis locally; by its nature as an in-lieu fee, the current revenue structure of the AHTF is inconsistent. While it has nonetheless been impactful in closing the gap to get housing built, the variable nature of AHTF resources is an unreliable means to address widespread and ongoing housing insecurity, displacement, and homelessness. The fee also adds to the cost of other housing development, impacting primarily market rate housing and the housing filtering process. Nevertheless, the fact that the City has an established AHTF that is dedicated to funding affordable housing, is a yet another testament to the City's commitment to long-term measures to address local housing needs.

Santa Cruz now looks ahead at the new 6<sup>th</sup>cycle RHNA housing goals of 3,736 housing units by 2031, of which 2,109 must serve very low to moderate income households at below-market rents. At the same time, local housing demand has risen dramatically from pandemic induced remote work and increased enrollment at the University of California Santa Cruz (UCSC). To address these challenges, Santa Cruz is working with the community to expand its Downtown Area and support better connections to the beach area (Downtown Plan Expansion) and to establish community driven goals for what development should look like. In terms of emission mitigation and climate resiliency, the City has been proactive in adopting an equity-focused Climate Action Plan in 2022 that prioritizes decarbonizing the affordable housing stock and instituting incentives and/or subsidies that mitigate the energy burden of those residents. Early work to understand this issue indicates that over 25% of housing occupants are sensitive to energy costs, meaning that up to 15% of their income is dedicated to paying energy costs. The City adopted a reach code to increase energy efficiency, health and safety of new buildings in 2020, will adopt an energy efficient renovations policy for existing buildings in late 2024, and has promoted decarbonization incentives provided by the State and Central Coast Community Energy. With 84% of the City's building stock built before 1991, these climate efforts drive lower emissions output as well as safer and healthier homes. The City's 2018 Climate Adaptation Plan also contains measures to prioritize resiliency in frontline neighborhoods like the Beach Flats. Alongside these efforts, the City is committed to ensuring the energy burden of its lowest income residents does not increase while striving to achieve ambitious emissions reduction targets, the City lacks a sustainable funding mechanism to ensure climate

action/adaptation and energy code modernization efforts do not contribute to displacement. Such funding is also lacking to address existing affordable housing resiliency challenges, e.g., accommodations for future extreme temperatures, flooding and sea level rise scenarios.

The City has been working to remove barriers to housing for many years. The City's current General Plan, adopted in 2012, identifies goals and objectives to increase housing intensity in areas currently well-served by transit, and/or close to existing commercial services and employment. The City's inclusionary housing policy mentioned above mandates a minimum of 20% of all units built are reserved for households with Low or Very-Low incomes, based on State of California definitions. The inclusionary policy was updated from requiring a minimum of 15% outside the Downtown area and 10% in the Downtown area in early 2020 to the current requirement of 20% citywide. Since this change, Santa Cruz has seen an increase in housing development applications that rely on the California State Density Bonus Law, and as a result has issued entitlements for more housing development, including affordable housing, in the past 4-5 years than in the previous 15.

At the same time, the City's inclusionary policy has led to more efficient development through the Density Bonus. Staff in the City's Housing and Community Development Division have pursued partnerships with other public agencies and with affordable housing developers to deliver 100% affordable housing development on city owned properties and through collaboration with other agencies. In winter 2022/23, the City adopted objective zoning standards for multifamily housing to help reduce uncertainty in the development process and is currently seeking funds to develop similar standards for smaller scale multifamily developments like duplexes and triplexes that can be integrated into existing neighborhoods to add more options for smaller units, and to increase residential density in these areas over time.

As the City works to expedite the production of affordable housing, staff has worked with the community and City Council to develop common development goals for projects sponsored on city owned land, including Pacific Station, a new mixed use affordable housing and transit center, and the Downtown Affordable Housing Library Project. Based upon these common goals and objective standards, the City Council approved resolutions authorizing administrative permit streamlining and removing discretionary barriers to housing production. The results have been astounding, with more than 500 affordable housing units permitted in the past three (3) years, roughly 260 units of which are under construction or recently completed. Along with this process, the Cedar Street Apartments project also used concurrent permit processing to bring 65 units of affordable housing from first plan submittal to construction in less than five (5) months. All buildings including the affordable housing units constructed in this time period are all-electric and utilizing a 60% renewable electricity source (ramping up to 100% by 2030), a result of the 2020 ordinance adopted requiring all electric buildings in new construction.

The City of Santa Cruz also suffers from one of the most acute levels of unhoused populations identified in the HUD Annual Homeless Assessment Report 2023 (AHAR), faces national leading housing burden/unaffordability, and these measures have been insufficient to build new housing at the pace of need, avoid displacement of existing residents, nor to mitigate the loss of naturally affordable housing and expiring deed restrictions. To address this need and frequent encampments along highways, the San Lorenzo River, and in employment centers, the City continues to acquire properties for future housing development and to support homeless outreach and services. In just the past three years, the City has purchased several properties for future

affordable housing at the Tannery Arts Center and Coral Street Housing Matters Campus; and is working with the State of California to acquire nearly 2-additional acres of state surplus land at the Tannery. The new Coral Street Campus properties are planned for a navigation center, supportive housing, and a medical clinic serving the unhoused. A separate permanent supportive housing project by the City's homeless response partner, Housing Matters, and supported by the City is breaking ground soon. Additional approaches to address housing affordability include ordinances allowing live-work, single room occupancy (SRO), and diverse ADU's, as well as adoption of Objective Zoning Standards to simplify the guess work in development and remove uncertainty in zoning decisions.

The following section provides additional detail on measures that have been implemented to streamline the production of housing and overcome barriers to development:

Rezoning and Objective Design Standards: Over the past three years, the City has repeatedly amended zoning standards to increase housing production throughout the City. Most particularly, in areas that include High Quality Transit Corridors and commercial services, including parts of the City's few High Opportunity Areas (HOAs). These efforts have included rezoning property on these transit corridors to increase the density of mixed-use development, creating a set of objective design review standards to simplify development project review and create predictable outcomes of the design review process, and reducing costs for developers and supporting a faster review process. All of the land within these new zone districts is within High- or Moderate Resource Areas as defined in by the California Department of Housing and Community Development, including Tract 1006 (FIPS 06087100600) which is designated as an HOA by the Federal Housing Finance Agency (FHFA). By adding new and expanded housing opportunities in these areas and enforcing the City's inclusionary housing requirements the City is supporting the creation of affordable housing in these higher opportunity areas.

Accessory Dwelling Units (ADUs): ADUs are small housing units that are built on the same property with a single-family home – also sometimes called an in-law unit, casita, or secondary dwelling – and have been a significant component of the Santa Cruz housing landscape for decades. Santa Cruz has been a leader in ADU policy since the 1980s and has continued to push the envelope to allow these small units to be built throughout the City and create small, rental housing options in neighborhoods that are otherwise limited to single-family homes. In conjunction with changes in California state laws over the past 10 years, Santa Cruz has increased production of ADUs from less than 10 per year in 2015 to over 90 permits issued in 2022. These units offer one tool for adding lower-cost housing to high opportunity areas.

<u>Downtown Plan Amendments:</u> Santa Cruz's Downtown area includes a high concentration of job opportunities and access to high quality transportation and is within a half mile of the Beach Flats/NRSA neighborhoods. Amendments to the Downtown Plan, a specific plan, have increased heights and housing densities in Downtown and led to entitlements for over 1500 new housing units over the past six years, over 1/3 of which are permanently affordable to Low- and Very-Low-Income households. Over the coming year the City plans to adopt zoning and planning allowances, as well as environmental clearance, to expand the boundaries of the Downtown into the neighborhood south of Laurel Street, which is adjacent to the Beach Flats/NRSA neighborhoods. The expansion of the boundaries and environmental clearance will allow for the development of up to 1,600 new housing units downtown and over 60,000 square feet of new commercial space, bringing new opportunities for housing and employment. Simultaneously, the

City and State of California require that existing housing units occupied by lower-income households must be replaced as units restricted for and affordable to lower-income households as part of a new development, and that any displaced lower-income tenants have the first right of refusal in the new income-restricted units. These policies ensure that new housing can be added over time while affordability is preserved, and displacement minimized.

Permit Streamlining: Santa Cruz has taken advantage of recent changes in California state law, including SB 35 and AB 2162 as well as several others, to streamline affordable housing development. The Santa Cruz City Council's preauthorization of AB 2162 streamlining for three 100% affordable housing projects has removed the discretionary process over 250 units in total. Through this process, as well as concurrent planning and building code reviews, the City was able to expedite one 65-unit affordable project from first plan submittal to construction in less than five months. Similarly, SB 35 streamlining has allowed private mixed income projects like 831 Water Street to achieve entitlement in roughly six months by providing 50% of units at deed restricted affordable rents.

Local Coastal Program (LCP) and Local Hazard Mitigation Program (LHMP) Updates: Current efforts to update the City's LCP and LHMP are expected to help the City better strategize investments, be more competitive for funding, and streamline thoughtful housing and resilience projects in the City's Coastal Zone. The Beach Flats and much of the NRSA all lie within the Coastal Zone and must comply with the terms of the LCP and Coastal Commission oversight to proceed. The added uncertainty of the coastal permit process, together with expensive infrastructure upgrades needed in low lying areas like the Beach Flats, has slowed the pace of development in the City's most vulnerable neighborhoods. It is expected that updated language included in the LCP, which is more consistent with the need and state mandate to produce housing will increase the demand and resources for new housing development in the NRSA and Beach Flats. The work proposed in this application will provide the necessary tools to accommodate new housing equitably.

Collaborative Development Project: Santa Cruz has a legacy of leveraging publicly sponsored affordable housing on city owned public lands. In 2019, the City issued a request for qualifications to establish a pool of ready and experienced affordable housing development partners to expedite development of affordable housing on public land. Through this process the City was able to quickly onboard a pool of project partners to move ahead with long envisioned projects. For example, after more than 20 years of community engagement, land assemblage, and interagency coordination, the first phase of the Pacific Station, downtown mixed-use affordable housing, medical clinic, and transit center with 70 units of affordable housing, went from concept to construction in just over a year; the second phase is under construction now. The City will also retain ownership of commercial units within these units to promote equitable entrepreneurship and local business development.

<u>Infrastructure Investments and Upgrades:</u> Although Santa Cruz suffers from an infrastructure backlog estimated at over \$300 million, City staff has taken a proactive approach to fundraising to reduce infrastructure burdens on new housing and home restoration projects. By leveraging its land and gap investments in affordable housing projects, the City has secured over \$40 million in state funds to advance infrastructure needed to accommodate new housing. Without these resources much of this infrastructure would have been conditioned on new housing projects, increasing the cost of construction and likely delaying projects until financing conditions were

ideal. As part of this work, efforts to certify the city's levee system with FEMA and upgrade the downtown stormwater pump system, will further reduce ongoing insurance costs and reduce the frequency and severity of stormwater related flooding in low lying areas of the NRSA; ultimately easing operational and financial challenges faced by housing development. Unfortunately, due to the higher risk permitting process in the coastal zone, limited city holdings, and historic disinvestment in the isolated Beach Flats/NRSA, the neighborhood has not seen substantial infrastructure investment to respond to the increasing risk of flooding and storm damage. The housing policy and fund development work proposed in this project is expected to catalyze affordable housing development in this area, which will help the City attract infrastructure funds to address infrastructure and land use iniquities facing these disadvantaged populations.

Within the City limits the need for affordable housing is felt by local workers in the agriculture, retail, service and tourism industries, by students attending the University of California Santa Cruz (UCSC), aging residents and by long-time local families that are confronting the realities of the next generation being priced out of their hometown. The Santa Cruz-Watsonville Metro Area frequently ranks as one of the most unaffordable places to live and work. This problem stems from the dual problems of a high-value housing market and the prevalence of lower wage jobs in the local economy. The local need for affordable housing is substantial. Furthermore, citywide, less than 10% of housing is less than 25 years old, representing a significant need to increase and renew local housing stock. The bullets below summarize several important indicators of the City's acute housing need. The Watsonville/Santa Cruz City & County Continuum of Care (CoC) has been repeatedly cited in the HUD Annual Homelessness Assessment Reports (AHAR), including the 2022 AHAR, as having among the highest percentage of unhoused youth (97.3%), unsheltered veterans (93.4%), and among the highest number of chronically homeless in Largely Suburban CoC's (896).

- The HUD Comprehensive Housing Market Analysis for Santa Cruz-Watsonville, CA (2019) classified the state of housing as "extremely tight" for both rental (1.9% vacancy) and homeownership units, which had a median home price of \$846,500.
- More recently, COVID induced demand from nearby communities in Silicon Valley have helped to drive median home prices upwards of \$1.3 million (over 50% increase since 2019), and increased HUD Fair Market Rents (FMR's) by over 28% in just 3 years (2023-2025); from \$2,502 to \$3,221 (one-bedroom) and \$3,293 to \$4,223 (two-bedroom).
- The 2023 Santa Cruz County State of the Workforce Report repeatedly cites a lack of affordable housing as a leading cause of out migration and loss of workers, particularly within lower wage industries like personal services, maintenance, retail, and hospitality; Tier 3 industries which comprise 57.5% of jobs in the County according to the report.
- According to Comprehensive Housing Affordability Strategy (CHAS) Data, there are approximately 5,640 extremely low-income households earning less than 30% of area median income (or 25 percent of total households) in the City of Santa Cruz.
- The City of Santa Cruz receives federal funds each year through the U.S. Department of HUF Community Development Block Grant Program (CDBG) for funding activities and programs aimed at increasing affordable housing, maintaining a suitable living environment and expanding economic development opportunities.

Since 2015, City efforts to overcome barriers to new housing have led to more than 1,650 permitted housing units, more than double its 5th cycle RHNA target (747 units) and an increase in city housing stock of over 6%. Beyond pure numbers, these units span nearly every income level, meeting or exceeding RHNA targets for each. In fact, over half of these units are permitted as permanently affordable housing units, reserved for moderate, low, and very-low-income households, and over 500 are expected to be completed by 2028. Despite these gains, the U.S. Census Flows Mapper shows that nearly 16,000 Santa Cruz County residents have been displaced or relocated to a different county or state between 2016 and 2020; roughly 6% of the county's estimated 2020 population (270,869 – U.S. Census Quick facts). Outmigration of these residents is dwarfed by net inflows of over 4,000 new residents from outside the area, suggesting widespread gentrification. Since that time, the Santa Cruz County Workforce Development Board reported pandemic era workforce losses of 10,600 jobs in 2020 and 4,600 in 2021, before rebounding in 2022 (+9,100 jobs). In the nation's most unaffordable housing market, as reported in the 2023 Out of Reach Report, published by the National Low Income Housing Coalition, even a short-term loss of employment is likely to result in displacement or homelessness. Most of the jobs lost were among the lowest wage industries, including tourism, hospitality, retail, and service; jobs that are commonly held by residents of the NRSA and Beach Flats community.

Much of the outflow of residents is reflected in the stunning rise in asking rents over the past 5 years. Although Santa Cruz enacted a Large Rent Increase Ordinance in January 2019, that established a cap of 7% in rent increases over any two-year period, data from Zillow.com indicates a dramatic increase in asking rents of roughly 40% since 2019 even as inventory increased. Similarly, HUD FMR's for the Santa Cruz – Watsonville MSA, have increased by over 28% in just three years, as noted above. For average rents to rapidly increase so broadly over an entire housing market likely indicates, high levels of turnover are probable and likely, which may result in displacement from the area. The consequences of housing insecurity under these conditions can be devastating to both individual households and to tight-knit neighborhoods and vulnerable communities like the Beach Flats/NRSA.

Some of the individuals displaced will undoubtedly join the 1,439 persons (out of a city of 61,800 residents) unhoused within the City per the 2022 Point in Time Count (PIT). This is equivalent to roughly 1 in 43 residents being houseless at some point throughout the year. Of these over 1,000 were reported as unsheltered, levels so severe that the Watsonville-Santa Cruz Continuum of Care (CoC) was identified in the HUD 2022 Annual Homelessness Assessment Report (AHAR) as among the top three Largely Suburban CoCs nationally in the percentage of unhoused youth (97%) and unsheltered veterans (93.4%), as well a number 4 nationally in the sheer number of unhoused individuals. This dubious distinction, and failure of social services and market forces, has been documented by HUD at varying nation leading levels in the AHAR since at least 2016.

The PIT also doesn't accurately depict the prevalence of homelessness among students and others who may have couches to crash on, but no formal or stable housing. A 2020 Student Experience Survey conducted by UCSC documented that 9% of students (out of 19,500) reported being homeless at some point during the school year. This data clearly shows that Santa Cruz, which is home to 22.6% of the County population, is disproportionately impacted by the challenges of homelessness and related issues. What is perhaps most stark about the homeless situation is the extent to which a high proportion remain unsheltered and on the streets. These conditions, along with high levels of chronic homeless have persisted at the top of the AHAR

report for at least a decade and have yet to substantially decline, despite widespread efforts by the city and its partners at building housing, providing aid to the unhoused, and navigation services to coordinate services.

Among the unhoused, the most widely reported primary reasons for homelessness were eviction (37% of responses) and lost job (33%), both of which have only been exacerbated by the pandemic now that eviction moratoriums have expired. Looking at the cost of housing and average incomes it is not hard to see why; the cost to access and secure stable housing far exceeds the acceptable 30% housing burden of the average Santa Cruz Worker. According to the California Employment Development Department (EDD) the median price of homes sold in 2022 was \$1,306,250, equivalent to monthly mortgage and ownership costs of roughly \$9,000 per month. These home values have skyrocketed in recent years, nearly tripling since 2013, in contrast to a total multiplier of home values equaling 4.5 times since 1995 (Federal Reserve All-Transactions House Price Index for Santa Cruz-Watsonville, CA). In contract the median per capita income has increased only 1.8 times since 2000, according to the U.S. Census. Rents are much more difficult metric to isolate, standardize, and verify, however UCSC provides a helpful breakdown of rents that they track to help students navigate the challenging housing landscape. According to their most recent annual report room rentals within larger homes can run from \$1,287-\$2,450/month. In comparison, the U.S Census, which includes all reported rentals, not just new listings, reports median monthly rent of \$2,072 versus to \$941 in 2000. Similarly, the impact that the demand for vacation rentals and for second homes by the beach is difficult to quantify but nonetheless plays a significant role, as does the shift to highly paid remote work by knowledge workers how traditionally lived close to work in Silicon Valley but enjoy more flexible live-work balance post pandemic.

Nearly half of City households fall below the threshold of moderate income, meaning they earn no more than 80% of the Area Median Income, and 25% fall into the Extremely Low-Income category. Within city limits 31% of homeowners and 46% of renter households face at least one significant housing challenge according to the HUD CHAS. Over half of Low to Extremely Low-Income renter households allocate more than 30% of household income to housing costs, and within the Beach Flats neighborhood these trends are even more pronounced. According to the most recently available data from the US Census, the Beach Flats ranks above the 95th percentile for portion of households making less than 80% AMI who spend more than 30% of income on housing. These households are at a high risk of displacement and homelessness, and communities could face displacement in the face of mounting development pressure.

All of this points to the sad fact that, although Santa Cruz has made tremendous strides to combat the housing crisis, available resources are not up to the task and more policy and financial tools are needed to turn the tide; despite Santa Cruz being one of only 29 jurisdictions (out of 538 statewide) to meet their 5th cycle RHNA goals, and as one of 27 jurisdictions to be recognized by the state as a "pro-housing" community. Santa Cruz is clearly putting in the effort to remove obstacles to housing, but the perfect confluence of a healthy and idyllic natural setting, proximity to extreme affluence in Silicon Valley, and a workforce heavily dependent low wage service workers has led many residents to live along a knife's edge, with unstable housing and few options but displacement. When it comes to promoting health and climate adaptation for affordable housing, the City has successfully obtained grants and technical resources to begin to address this issue. For example, the City is a partner with local low-income service provider Central Coast Energy Services on the Department of Energy Weatherization Assistance Program

grant to electrify and improve the health and safety of low-income households. Technical assistance from the National Renewable Energy Laboratory has also provided scoping for the Affordable Housing Decarbonization Roadmap. The City's 2018 Climate Adaptation Plan also contains measures to prioritize resiliency in frontline neighborhoods like the Beach Flats/NRSA and is in the process of being updated and integrated with the City's Local Hazard Mitigation Plan. Through a series of state funded grants, the City has conducted extensive engagement on coastal climate risks in the Beach Flats, and, with residents, developed a Family Emergency Planning guide in English and Spanish distributed by residents to their neighbors and that was recently translated into a youth focused comic book through a partnership with local artists. Nevertheless, tying these efforts to broader housing policy and development strategies for both new and existing affordable housing remains and would be greatly advanced by the proposed project.

## **EXHIBIT D – Soundness of Approach**

Years of public engagement between the City and residents, in disadvantaged areas like the Beach Flats, surrounding distressed census tracts as well as with other interested parties and more affluent stakeholder, has yielded a collective vision for this project. Our vision focuses on 1) keeping residents in their homes; 2), reducing the cost of living, improving health, and mitigating future climate impacts through decarbonizing the affordable housing stock; 3), expanding and stabilizing financial resources for affordable housing, including tools to address needs unmet by the City's current sources; and 4), updating codes to streamline and incentivize new housing development and infill by reducing unnecessary barriers that limit the type and financial feasibility of housing projects and non-traditional development sites, particularly in higher opportunity and better resourced areas.

The Preserving and Promoting Housing Affordability and Climate Resilience in Front Line Communities of Santa Cruz, CA project includes six interconnected elements to comprehensively address the challenges articulated in prior sections, focused on the needs of frontline neighborhoods in the Beach Flats/NRSA, and expanding housing development and affordability in more highly resourced areas like the City's HOAs. The proposed project will conduct the following activities to address the needs identified above as further described below.

- 1. Producing an Anti-Displacement Policy Evaluation and Roadmap, which will coordinate City and regional housing policies, and identify updates, along with recommended programs and strategies to mitigate risks of affordable housing loss, cost of living imbalance, and anti-displacement;
- 2. Producing an Affordable Housing Decarbonization Roadmap, which will investigate energy challenges facing the existing affordable housing stock, as well as necessary upgrades and recommended strategies to equitably convert housing away from fossil fuels and toward renewable energy to lower costs, mitigate climate change, and promote public health; and,
- 3. Standing up, seeding and creating a sustainable funding mechanism for an Affordable Housing and Resilience Fund. This fund, will help address the urgent need for sustainable resources supporting affordable housing production and preservation, as well as efficiency and resiliency upgrades, and tenant protection resources; and,
- 4. Incentivizing and streamlining a greater variety of housing within single-family neighborhoods and HOAs using policy tools including expansion of allowances for duplexes,

triplexes, fourplexes and more on property currently zoned for single-family uses, by making amendments to the City's Zoning Code and General Plan, building codes, and supporting the purchase of property rights and affordability covenants enabled by the Affordable Housing and Climate Resilience Fund, and in partnership with community-based organizations (CBOs) and affordable housing developers; and,

- 5. Expansion of the Go Santa Cruz alternative transportation program for residents and employees within the Beach Flats/NRSA community. This program provides free transit passes, free bike share memberships, incentives for carpooling, bike locker cards, rebates of up to \$800 on purchase of ebikes, and monthly education and encouragement events; and,
- 6. Installation of intersection and pedestrian/bicycle access improvements along the Bay Street corridor to better connect between target communities and opportunity areas for jobs, education, and public safety. This corridor is the primary north south route for families in the Beach Flats/NRSA community to access their zoned elementary schools, Bay View and Mission Hill, connecting the north side of the City to the south side at the ocean.

These projects will target the bookends at either end of Santa Cruz' socio-economic ladder. By focusing on the City's highest opportunity area, as well as its most disadvantaged neighborhoods in the Beach Area; the project is approaching the project in a manner similar to the 8-80 Cities movement where targeted intervention at the extremes will yield cascading benefits to housing production citywide. Neighborhoods like the Beach Flats/NRSA and other historically workingclass or lower income areas in Santa Cruz have historically suffered decades of underinvestment, resulting in socio-economic, linguistic, and spatial isolation, and often blight or neglect. Situated between the San Lorenzo River and the Pacific Ocean, the Beach Flats/NRSA is a frontline community that is highly susceptible to flooding and sea level rise; and one that has suffered repeated trauma, from not only institutional and natural forces, but also unsafe streets, and the careless impacts of intense tourism surrounding these neighborhoods. This project targets severe challenges facing the Beach Flats/NRSA as a baseline for addressing housing insecurity, decarbonizing the historical housing stock, and moderating demand pressures by promoting the preservation and production of affordable housing citywide. Approaching these obstacles from among the least well-resourced and often exploited communities, tools to effectively intervene there, should be applicable virtually anywhere on up the social strata. Meanwhile, the project also targets outdated zoning, general plan, and code hurdles to development, particularly effecting higher resourced areas, which often have greater land values, and often fewer and more constrained development sites. Higher resourced areas, including the two High Opportunity Areas (HOAs) in the City recognized by FHFA as well as many other neighborhoods with still substantial socio-economic advantaged over the NRSA, could greatly advance social mobility were more affordable housing feasible there.

Deliverables include roadmaps for anti-displacement policies and decarbonizing existing housing, together with policy updates and strategies recommended in these roadmaps that are achievable during the grant period. The project would also stand up and seed a sustainable funding source to support tenant protections, incentivize property upgrades for a healthier, safer and more resilient future, as well as preserve and develop affordable housing, all while targeting the preservation of social ties and community experience that defines Santa Cruz's diverse neighborhoods.

Through the engagement conducted between 2021 and 2023, the City identified that there are five major areas for Beach Flats/NRSA neighborhood improvement (in no order): infrastructure, housing, public safety, environment, and programming. Thus, the vision of this project aligns with all 5 of the 5 resident priorities: to provide resiliency to climate change, quality of life and public safety enhancements, and meaningfully address anti-displacement at a neighborhood demonstration scale, while considering application of policies and funding at citywide level.

The activities proposed for this grant project would help make the Beach Flats/NRSA neighborhood more resilient to climate change, preserve housing affordability, and improve the quality of life for residents. As applicant, the City has assigned four seasoned project managers involved in community engagement and project development with residents and other interested parties to manage each component of the project. The City will hire an outside project administrator to ensure coordination between components and provide added capacity for grant reporting and accounting. The project meets all three of the national objectives as follows:

Benefiting low- and moderate-income persons: The Beach Flats/NRSA neighborhood (Census tract 1010.02) is identified as a disadvantaged and low-income community by several metrics, including non- native English speakers, median incomes below 80% of Area Median Income (AMI) for an average of 86% of households in the NRSA, low educational attainment, and other factors. The proximity of the NRSA to regional attractions, high demand for coastal real estate, and increasing redevelopment interest in the area make the NRSA the "canary in the coal mine" and an excellent laboratory to model anti-displacement and decarbonization efforts that will undoubtedly be relevant citywide. Additional efforts to connect alternative transportation to for residents and employees in the beach area/NRSA; an area, which contains roughly 15.8% of the City's workforce, largely from lower wage service, retail, and tourism dependent jobs, will enable access for residents to better paying jobs offsite, as well as access for lower-income residents in other better resources parts of the city to access employment in the NRSA more easily and at lower cost.

The Anti-Displacement Policy Evaluation and Roadmap, Affordable Housing Decarbonization Roadmap, and complementary Affordable Housing and Climate Resilience Fund will explicitly benefit low- and moderate-income persons by providing indoor air quality improvements, health, safety, potential cost savings, and resilience benefits to existing affordable housing while ensuring tenant protections are in place so affordable housing stays affordable.

Preventing or eliminating slums or blight:-Historic disinvestment in primarily rental housing, but also by those aging in place with limited income, is concentrated in the NRSA/Beach Flats, but can be found increasing concentration throughout the City including neighborhoods near UCSC where exorbitant rents and low student incomes result in similar exploitation and economic conditions for the young as those faced in more traditional disadvantaged communities like the NRSA. The result is often blighted properties and unprotected tenants promoting varying densities of slum like conditions and masking the affluence and socio-economic opportunity hidden throughout many neighborhoods citywide; areas, that don't meet the literal definition of HOA but provide ample access to social mobility which could be life changing for lower income and disadvantaged residents in the City's degraded housing stock.

Throughout all of these areas, roadmap recommended strategies, policies, and programs funded by the Affordable Housing and Climate Resilience Fund will help incentivize and support the restoration of neglected properties, to meet current codes and address blight, as well as create new infill units. Targeted public access improvements like safe crossing and ADA compliant retrofits will address dangerous places, while expanding access to opportunities and community.

The Bay Corridor Complete Streets portion of the project would eliminate slums or blight by beautifying the streetscape, providing shading from new trees and improving public safety and opportunities for active transportation. The protected bike lanes, improved pedestrians and ADA accessible walkways, and enhanced transit amenities in this corridor will better connect the Beach Flats neighborhood to neighborhood schools, opportunities for employment and healthcare, and regional services. With the impending Downtown Expansion Project and increased development in the area, policies to address displacement are urgently needed. This was articulated by Beach Flats/NRSA residents during engagement on their priorities, and more broadly through other recent planning processes (e.g., the objective standards development, Climate Action Plan development, etc.). Evaluating City anti-displacement policies and developing a policy roadmap will help prevent blight by developing and implementing policies that prevent the displacement of long-time neighborhood residents, enable aging in place, and that create new economic opportunities that enable housing stability. Additionally, the Affordable Housing Decarbonization Roadmap will identify cost effective and impactful pathways and funding streams to implement much needed household and appliance modernization, as well as identify triggers to implement additional amenities like electric vehicle charging, and energy resilience backups. The Affordable Housing and Climate Resilience Fund will help low-income individuals retain access to affordable housing, in part by facilitating preservation and development of affordable housing, incentivize property owners to implement resiliency and decarbonization measures, and will help maintain the local culture that typifies each of Santa Cruz' dynamic neighborhoods.

Expediting updates to the City's General Plan, zoning and codes, targeted through the road map process, as well as catalytic funding programs supported by the Affordable Housing and Climate Resilience Fund will also help to implement roadmap policies and advance construction of affordable housing in HOAs and high resource areas. The resulting accommodations will open new avenues for social mobility for lower income residents and disrupt the historical concentration of poverty in areas like the Beach Flats/NRSA. Supporting access and pedestrian/bike safety improvements, as well expansion of the Go Santa Cruz program to the NRSA will help avert displacement and increase reliable access to jobs, services and amenities by making mixed modes of mass transit and active transportation easily accessible to lower income residents at low to no cost; thereby reducing stressors that contribute to displacement from job loss, low wages, limited mobility, and spatial isolation.

Meet urgent community development needs: The project meets this objective by strategically eliminating barriers to producing and retaining affordable housing. The project focuses on the Beach Flats/NRSA and the City's HOAs (Tracts 1006.00 and 1208.00), to develop and implement strategies that will be applicable citywide. Zoning, General Plan, and Building Code updates expedited through this project, are anticipated to increase housing production and preserve affordability in the City's least empowered and resourced communities, while also clearing out barriers to socio-economic integration and affordable housing production in highly resourced HOAs; many of the modification envisioned, are anticipated to carry these effects citywide as their targeting the most challenging ends of the spectrum suggests applicability most anywhere in between.

In particular, the Beach Flats/NRSA community is facing several urgent challenges, including climate change, redevelopment and displacement, and increased housing demand resulting in declining affordable housing. Meanwhile, development pressures along the Mission Street corridor in Tract 1006.00 are gaining momentum to meet the growing housing demands of University of California Santa Cruz students, even as the City's ability to facilitate, negotiate, and incentivize affordable housing development in that HOA are limited without additional policies and resources enabled by this project. Further delay on regulatory updates and policy recommendations presented in the proposed roadmap, will likely mean that opportunities for affordable housing on the most promising development sites will be lost.

In sum, completion of the components to this project will have substantial positive impact on the City's most urgent community development needs: to make the Beach Flats and other frontline neighborhoods more sustainable, avoid displacement and increase livability for long-time residents and our residents with the least means, and facilitate affordable housing within high opportunity areas at the current inflection point of development interest.

The lack of sufficient and reliable financial resources to support existing affordable housing resources is the primary challenge faced by City efforts in housing preservation. The project as proposed includes crucial components to support the preservation of existing affordable housing resources in the Beach Flats/NRSA. Implementation of anticipated recommendation in the Affordable Housing Decarbonization Roadmap will also support upgrading and improving the climate resiliency and health promoting properties of existing housing, to help to retain a functional and affordable housing stock on the market for current and future tenants. Grant resources would also allow the City to explore permit streamlining in the Coastal Zone through feasibility analysis of a potential Housing Sustainability District, a mechanism unique to California that expedites environmental review and has the potential to access state earmarks for such districts. The Affordable Housing and Climate Resiliency Fund will allow the City to support both tenants and property owners of existing affordable housing units, both through formal deed-restricted units as well as "naturally occurring" affordable units by providing the financial resources to stabilize tenancies, support needed repairs or rehabilitation of existing structures, acquire housing and development sites, and other needed supports identified through the policy roadmaps. Zoning, General Plan, and building code updates is expected to reduce barriers to infill of single-family neighborhoods, advance development of smaller properties, potentially enabled through point access single staircase buildings, streamline environmental review. Targeted transportation improvements will expand access and public safety needs identified by residents that contribute to isolation and trauma. At the same time, enrollment of the City's most disadvantaged communities in its groundbreaking Go Santa Cruz alternative transportation program will expand access to jobs, services, education, and mitigate displacement stressors by reducing the cost of reliable transportation with transit passes, e-bike subsidies, bike share vouchers, and other benefits.

Our proposal represents a comprehensive and innovative approach to climate resiliency and displacement by addressing the unique but interconnected challenges faced by the Beach Flat/NRSA, that while particularly acute in this neighborhood now, are none the less faced to varying degrees citywide and may be scaled up citywide and to other frontline communities. The proposal is informed by lessons learned from similar projects that emphasize the importance of equity and community engagement in the grant project development process. The City has participated in various forums to learn from others, such as the Rocky Mountain Institute's

Equitable Home Electrification program cohort, Monterey Bay Economic Partnership consortium, and the Central Coast Climate Collaborative. A resounding theme in our engagement with other efforts on similar issues is the importance of authentic and meaningful community partnership and engagement. Throughout the development of this proposal, the City drew on prior project component-specific engagement to inform the significant effort made to engage Beach Flats residents and other local stakeholders in identifying neighborhood needs and concerns around how best to address these challenges in a comprehensive way. Various studies have emphasized that project success hinges on having residents actively involved in the planning and decision-making process to ensure that projects align with their needs and goals for improving quality of life. As such, we have partnered with a range of local organizations and have budgeted for resident stipends, compensating them for their subject matter expertise and lived experience.

The project epitomizes the aims of the City's Health in All Policies initiative, prioritizing equity, public health and sustainability in policy- and decision-making, to improve community well-being outcomes. The project also aligns with many of the City's existing planning initiatives, services and other community assets. Affordable housing development and retention is the highest priority in the City Council Strategic Plan (2023) and Lower Ocean/Downtown/River Neighborhood Revitalization Strategy Area 2023-2025. Affordable housing is a priority in the City Economic Development Strategy (2021) and the Economic Development Department continues to provide related Business Development staff support services for public and public-private development projects that contribute workforce housing and/or provide amenities that enhance the quality of life for Santa Cruz residents. The Affordable Housing Decarbonization Plan and Affordable Housing and Climate Resiliency Fund implement actions called for in the City's Climate Action Plan 2030 (adopted in 2022) and Climate Adaptation Plan (adopted in 2018). The Anti-Displacement Policy Evaluation and Roadmap will address gentrification and infrastructure adequacy issues raised during the Downtown Expansion Planning process (2022).

Affordable housing, and affirmatively furthering fair housing are central topics addressed in the recently completed Housing Element of the City's General Plan (2023). Expansion of the Go Santa Cruz transit and active transportation incentive program for Downtown workers to the Beach Flats neighborhood. This provides free alternative transportation benefits, increasing access to jobs, education, and services and reducing transportation inequity and cost burden. Completion of the Bay Corridor Complete Streets project, supporting safe routes for walking and biking This provides a direct connection between the Beach Flats NRSA, Mission Street High Opportunity Area (HOA), and the elementary school the K-5 children attend. This route also provides a direct link that the Boys and Girls Club affordable aftercare program uses to walk between the school site and their club location. Expansion of relocation support and first right of refusal for tenants earning up to 100% of the Area Median Income as part of the expansion of the boundaries of the Downtown Plan (2024). City sponsored development of affordable housing leveraging private and public assets, including land, expertise, partnerships, and limited local funding resources to achieve multiple benefits and secure outside resources.

See Figure 1a for the locations of the City of Santa Cruz' in California, the Beach Flats/NRSA neighborhood, the Mission Street HOA corridor and existing and planned affordable housing units and Figure 1b for the Bay St. Corridor for Active Transportation and Safety. The is the county seat of Santa Cruz County, located on the Central Coast of California about 70 miles

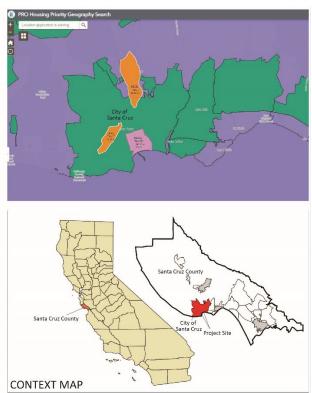
south of San Francisco. The NRSA is a focal area for the project within Census Tracts 1008.01 and 1010.02, which includes the 4-acre, low lying Beach Flats neighborhood situated between the San Lorenzo River and the Monterey Bay Marine Sanctuary of the Pacific Ocean. It is adjacent to the Santa Cruz Main Beach and Boardwalk. It is considered a disadvantaged community based on a variety of state and federal indices. It is contained within an Opportunity Zone, characterized with a median income of \$33,022 (data from the 2014-2018 American Community Survey), 30.9% Latinx households (Census 2020 Race Data), and 76.53% renter occupied units (2,896 units out 3784; Social Explorer 2021 Data). There is also evidence that community members may be linguistically isolated as 26.7% of the population reports using a language other than English in the home, in comparison to the 21.5% national average.

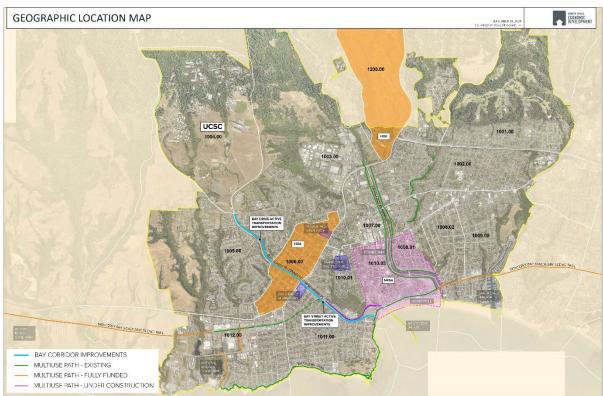
Additionally, a Tree Equity Score Index by American Forests reveals a lack of trees in the Beach Flats/NRSA region of Santa scoring a 29/100. Tree shade disparity, which has long been documented to be disproportionately faced in poorer and low-income blocks, results in less tree cover, hotter average temperatures, and less natural flood control for these communities. Residents already face a disproportionate and high cumulative impact when it comes to flooding, with documented stories of residents whose private property (basement and yards) took on significant water and incurred costs of to pump water out of their basements. Additionally, non-quantified impacts to adjacent DACs from flooding includes mold and the loss of subsistence garden crops, economic activity, and access to support services and programs. On the opposite end of social mobility, the project focal area also includes efforts to expand housing development, especially affordable housing in Tract 1006 and other higher resourced areas.

This HOA benefits from attractive and well maintained historic, largely single-family neighborhoods, proximity to good paying jobs at UCSC and in nearby technology and professional industries, as well as the City's lowest poverty rate at 5.5%, high educational attainment with 62.8% holding bachelor's degrees or higher, and median incomes of \$118,798 (ACS 2022). The Highway 1 commercial corridor also runs along the HOA's western boundary with largely historically commercial or industrial properties ripe for redevelopment; provided the codes are updated to facilitate affordability, innovative building techniques, and environmental review streamlining.

Figures 1a+b. Geographic Location Maps: Affordable Housing, NRSA, HOAs, Bay St. Corridor







Completion of the Anti-Displacement Policy Evaluation and Roadmap will set the stage for developing tested, reliable policies that will help existing residents remain in their

neighborhoods, even as new housing is added nearby. Although the pressure to redevelop the NRSA/Beach Flats neighborhood is significant and with limited opportunities for large scale development, the neighborhood will serve as a test ground for preservation and infill of existing housing units to promote and retain affordability. Strategies developed and modeled through the road map will then inform zoning, general plan and code changes to scale best practices citywide.

Completion of the Affordable Housing Decarbonization Roadmap will create a strategy for upgrades to existing affordable housing to reduce or eliminate fossil fuel use, stabilize utility costs, and add resilience. Leveraging resources from the Affordable Housing and Climate Resiliency Fund (below), the project will evaluate Mercy Housing projects to model upgrades and rehab of existing energy systems in affordable housing. At the same time, the project will assess typologies of existing "naturally occurring" affordable housing, to develop strategies and tools to help the greater housing stock be less reliant on fossil fuel products, more resilient and equipped to reduce tenant and property owner utility costs through energy efficiency and electrifications. The roadmap will set goals and process for making this transformation in the target areas to demonstrate tools that apply Citywide and can scale to other frontline communities.

Stream will set up fiscal tools for long-term success and sustainability. This part of the project is crucial to the ability of the City to implement and maintain the policies devised in the two road-mapping components of the project. We expect this fund to have a positive effect in stabilizing households in the NRSA and facilitating development of affordable housing in the HOAs and higher resource areas. The establishment of a sustainable funding source for these efforts is essential to supporting rehabilitation, modernization, and decarbonization demonstration efforts in the target areas and will eventually support efforts citywide to promote preservation and production of new affordable housing to help with intergenerational retention of long-term residents.

Completing of the Housing Policy Amendments and Guidebook will support the effectiveness of the other project components by adding more options for increasing the number of housing units available for sale and/or rent in every neighborhood of the City. These policies will create new opportunities for households at every income level to seek out suitable housing choices and access the right kind of housing for their unique needs and preferences, with affordability supports generated by the Affordable Housing and Climate Resiliency Fund.

The project focuses on expanding opportunity in the underserved community of the Lower Ocean/Downtown/River NRSA, by preserving affordable housing and preventing displacement, as well as facilitating development of new affordable housing in HOAs and higher resourced areas citywide. The NRSA is rapidly gentrifying due to remote work and as redevelopment pressures mount, while development in the Tract 1006.00 HOA is largely limited to ADUs or infill of single-family lots, with larger projects constrained to a few historically commercial lots along the busy Highway 1 corridor. A handful of projects currently in planning for in this area are targeted to UCSC students, with small unit sizes and limited parking that heightens the need for safe alternative transportation access.

The proposed project and multifamily guidebook will help incentivize more diverse development opportunities through zoning, general plan, and code updates, that are expected to enable new

single stair building typologies, simplify environmental review, increase housing capacity, and encourage affordability provisions. Roadmap guidance and funding resources from the Affordable Housing and Climate Resiliency Fund will also help develop affordable housing infill on single family lots through ADUs, multiple unit conversions of single-family homes, and promote aging in place for longtime residents through these efforts. Transportation improvements and programs targeted to the NRSA and connecting the two target areas (NRSA and HOA), will promote safe routes to school for residents of the NRSA, who attend schools in or adjacent to the HOA, via a major upgrade of the Bay Drive/Street multimodal corridor connecting the two target areas with the City's largest employer, UCSC. Meanwhile, participation in the Go Santa Cruz program will expand options of reliable and safe transportation to employment in both location and throughout the County.

City staff anticipates that these additional transportation improvements will improve access to jobs and educational opportunities for resident and employees of the NRSA and HOA, especially by improving safe access by bike or walking. The Anti-displacement Roadmap is intended to help vulnerable households remain in their neighborhoods, even as new development and economic activity in adjacent neighborhoods gains momentum through planning efforts like the Downtown Plan Expansion. Although many NRSA households are already located within a short distance of employment opportunities, the proposed project elements are needed to combat displacement. As the redevelopment takes place, anti-displacement policies are needed to ensure that Beach Flats/NRSA residents have an opportunity to benefit from the economic growth. While at the same time, transportation improvements and programs are needed to overcome historical isolation from intensive tourism nearby and to promote access to and from the target areas new and existing jobs, education, and cultural opportunities. Strategies identified in the Affordable Housing Decarbonization Roadmap and resources from the Affordable Housing and Climate Resiliency Fund and Sustainable Funding Stream will help upgrade the City's aging housing stock to meet current energy codes and decarbonization goals, while retaining tenants, and preserving affordable housing whenever possible.

Key stakeholders in the proposed project include Beach Flats residents and organizations that serve them, tenant protection and affordable housing advocates and developers, other major property and business owners, active transportation, energy and climate justice advocates and local housing developers. Since the COVID pandemic, the Police Department, Economic Development and Housing, Parks and Recreation, City Manager's Office's Climate Action Program, and Public Works Department have all conducted engagement with Beach Flats/NRSA neighborhoods through community surveys and workshops in the to solicit input on neighborhood needs, concerns, strengths and priorities. Between 2022-2023 City staff collaborated with Community Bridges, Coastal Watershed Council, and participatory researchers from the UCSC to organize multiple grant development workshops and focus groups with neighborhood residents. From inception to completion the City made it a point of emphasis that this would be a community driven process that reflected the voices, needs, and priorities of the historically marginalized Beach Flats/NRSA neighborhood. The extensive engagement process illustrates the City's commitment to an inclusive, equitable grant development process.

Based on these various outreach efforts, it's clear that residents are concerned with housing affordability and potential displacement based on market shifts. Recently that common worry has

focused on the possibility that the Downtown Plan Expansion will result in off-site impacts that could increase housing costs in the Beach Flats and displace longtime residents. Residents want support maintaining their access to affordable housing and ensuring that the long-standing local culture that has developed over the past decades is not lost.

Over the past three years the City has engaged residents, CBOs, local businesses and other local stakeholders in grant planning and the NRSA development process. NRSA residents are central stakeholders in the project. Their input, needs, concerns, and priorities have shaped the grant project. Their voice and participation will continue to be essential in shaping project activities and ensuring that they align with the needs of their community. Residents and other stakeholders were engaged with surveys, focus groups, direct consultations with CBO's and community lease, as well as to one on one and field meetings with property owners and housing advocates. Regular engagement with our transportation, social justice and climate justice partners through existing networks and collaborations also informed the process, and City departments met weekly over 2 months to prepare this proposal.

Small focus groups and surveys were facilitated by our anchor community benefit organization (CBO), Community Bridges who operates a community center in the NRSA; these provided valuable inside into resident needs. information. In the small focus groups, five key priority areas were identified, and a fully translated household emergency planning and resource workbook was co-created with the community and distributed by participants to neighbors. Surveys helped verify priority areas among the NRSA residents and solicited feedback on project specifics. Celebration of the Community Bridges' community center's anniversary, a seed exchange at the community garden, Earth Day event, pop up bike repair and light distribution event, river clean up days and other community sponsored events also provided opportunities for the project team to speak in more detail with residents, one on one, about their concerns and the possible collaborative projects that might help revitalize their neighborhood.

The Housing Authority of Santa Cruz County, and affordable housing developers with facilities in the NRSA, such as Mid Pen Housing and Mercy Housing, also collaborated with the City. Together with Tenant Sanctuary and Community Action Board, these stakeholders also participated extensively in engagement around the recent planning on Downtown Expansion Plan, Climate Action Plan, and Housing Element development as well as meetings for developing this application. Ventures continues to support the City with increasing the diversity and representation within City leadership and supportive affordable housing programs. The Seaside Company, major Beach Flats landowner and owner of the adjacent Santa Cruz Boardwalk, participated in virtual meetings and on-site field inspections of city facilities, traffic circulation, infrastructure, and alternative transportations programs that support their operations and workforce. Seaside Company officials meet regularly with City leadership.

We regularly engage with active transportation, energy and climate justice groups (Regeneración of Pajaro Valley, Central Coast Energy Services, Central Coast Community Energy and Ecology Action) through our participation on the executive committee of the Monterey Bay Regional Climate Project Working Group and the Monterey Bay Climate Justice Collaborative and were able to shape our proposal through these forums. Partnership with these groups helps target outreach on emissions mitigation and climate resiliency topics.

During bilingual community workshops and focus groups, compensated participants were informed about potential grant opportunities and were asked to identify and prioritize their needs

and concerns. City staff followed up on the feedback received and met individually with various CBOs and local businesses. City staff conducted more than 20 individual meetings with CBOs and local businesses including Community Bridges, Tenant Sanctuary, and Seaside Company. A follow up neighborhood survey in the Beach Flats was also conducted to "ground truth" feedback from focus groups participants, CBOs and local businesses, and verify priorities.

Once the proposal was complete, the proposal, budget and its associated documents were translated to Spanish and both English and Spanish versions were made available for 15 days of public review in both print and digital formats; the print version was posted for review at City Hall reception. Social media, the City's email newsletter and website were all used to promote availability of the application for review. A bilingual form link for residents and reviewers to provide public comment was also posted to encourage participation in the upcoming City Council public hearing. Grant proposal content was also provided to partner agencies along with a request that they also share the availability of the documents for review and participation by the residents they serve. All public comments were compiled and addressed, where appropriate, to strengthen and improve the application. All public comments were included in the public correspondence record for the City Council public hearing on October 8, 2024, where a resolution was adopted to authorize submission of the application by the application deadline. All written comments from the review period and verbal comments from the City Council hearing are included by theme and city response in Attachment A.

The improvements to streetscape and safe routes improve safety and access for all residents and will help increase access to employment and nearby services to eliminate disparities in opportunities. Developing a policy roadmap, to protect residents from displacement and minimize the potential negative impacts of displacement, will help foster inclusive communities, and ensure that the culture and character of this neighborhood can be preserved into the future. Establishing a dedicated source of funding to support tenants and landlords will help promote fair housing choice by preserving existing housing units that are naturally more affordable to current residents and allow the older housing stock in the area to enjoy the benefits of rehabilitation while maintaining affordable pricing.

Improving the quality of housing and availability of affordable housing in disadvantaged and HOA neighborhoods will help promote fair housing choice, increase resilience to climate change, and help ensure that historically disenfranchised residents can experience the same quality of life and opportunities as residents of high opportunity neighborhoods. Support to tenants could be used to stabilize existing housing in the NRSA, or to relocate to more suitable housing in higher opportunity areas, depending on the recipients needs and preferences. Transportation improvements and the Go Santa Cruz program expansion will also improve neighborhood safety, reduce exposure to exhaust borne toxins, expand access to opportunities, and expedite transit service through the area. Additionally, the City's Residential Demolition/Conversion Authorization Permit ordinance (Chapter 24.08.1310-1380) empowers the City to require relocation costs, assistance, and even replacement units as a condition of demolition or conversion of existing housing occupied by certain low-income individuals. Development of the Anti-Displacement Roadmap will help develop and implement more effective strategies for to ensure such protections are effective when appropriate.

By taking a critical look at existing allowances for development on property zoned for single family uses and identifying areas where improvements to these allowances can unlock or

increase density and ease development processes, the City will generate significant potential to add housing to every neighborhood in the City. With a guidebook for adding density in single-family areas, the City will be well-positioned to engage in targeted outreach to promote these new tools to HOAs, adding options for smaller, lower cost, rental and ownership housing to neighborhoods with concentrations of higher-income households. Barriers in the policy will be addressed directly through amendments to General Plan, zoning ordinance or area plan language, and barriers in terms of access and opportunity will be addressed through simple guidance materials and publicity efforts.

Outside of this proposed project, the City has established objective zoning standards throughout the City for multifamily housing and mixed-use development and has several other priority items identified in the Housing Element of the General Plan focused on increasing opportunities for multifamily housing development. Strategies recommended in the Roadmaps, as well as further Zoning, General Plan, and area plan updates to expand the location and types of multifamily housing that can be built within historically single-family areas; especially the Mission Street/Highway 1 corridor HOA (Tract 1006.00) represent a key component of the City's overall vision for housing. Through these measures the City aims to allow more housing to be built in more places, and to make the review processes for that housing as streamlined and simple as possible.

These policy amendments together with pending state guidelines for code reform on single stair "point access blocks" are anticipated to expand the attractiveness and feasibility of housing construction in the HOA. The HOA is typified by largely single-family lots with diverse ownership and limited infill or build out opportunities. There are a number of larger potential development sites along the Highway 1/Mission Street corridor, however mounting redevelopment pressures for UCSC student housing is limiting the construction of larger units, family housing, and more significant affordable housing projects. The Anti-displacement roadmap and multifamily regulatory updates are anticipated to support redevelopment in this area that includes a more diverse representation of unit and housing types, including ADU's, multifamily, small lot infill, and unit conversions within larger existing homes. Additionally, completion of active transportation projects will increase the viability of alternate transportation modes for lower income residents in this area, reduce the demand for parking, and create safe transportation routes allowing developers to omit structured parking based on the elimination of parking requirements throughout most of the City in 2023, which reduces development costs.

Tenant support funding enabled by the Affordable Housing and Climate Resilience Fund, and protections recommended by the Anti Displacement Roadmap, will help disadvantaged residents find options and stability in safe, efficient housing. As new development occurs in the HOA and elsewhere outside the NRSA some may choose to relocate to these areas to access opportunities there, while others choose to remain in their current community as it changes over time. Resources developed through this project will help identify tools to target the development of deed-restricted affordable housing throughout the NRSA, HOA, and citywide, in addition to needed market rate housing throughout the City. In the Beach Flats and other legacy, largely single-family, neighborhoods, the Roadmaps and Affordable Housing and Climate Resiliency Fund and Sustainable Funding Stream will help support adaptive reuse, redevelopment of larger properties, and energy and water efficiency upgrades to improve quality of life and resiliency of underserved groups. Transportation improvements along Bay Street/Bay Drive will help ensure safe and reliable active transportation routes to and from the HOA for new lower income

residents of new affordable housing, increasing alternatives to expensive car ownership and reducing displacement stressors.

The amendments to land use policy focused on adding residential density in HOAs and all single-family areas will create opportunities for smaller units in areas where currently only larger homes are available, and support creation of rental housing in areas that are largely made up of for-sale housing and therefore out of reach to households who need rentals. Expanding options for these smaller rental units in every neighborhood in the City is an important step toward providing options for housing to underserved populations in the City and surrounding areas.

Historically working class and immigrant neighborhoods within the NRSA, were once red-lined and have since suffered from disinvestment and socio-economic isolation. Its proximity to the river and ocean has also made it the most at-risk neighborhood for flooding, resulting in low rents, congested household sizes, as well as mold, building habitability, and health issues. At the same time, intense tourism impacts, neglected infrastructure, limited transit and vehicle access have led to spatial and socio-economic isolation for many of Santa Cruz's residents of color. This history has left significant marks on NRSA neighborhoods including a lack of public investment that has compounded divestment by private investors and landowners as well – today many of the buildings are old, degraded to the state of blight, and in need of significant rehabilitation. The project will invest in the next generation with active transportation infrastructure and programs aimed at improving access to education, jobs, and services, and will also develop policy and financing to support the creation of new and rehabilitated, permanently affordable housing serving both existing and new residents. The ability to incentivize much needed renovations in exchange for affordability preservation and tenant retention would be a game changer for a community that would otherwise only see reinvestment through displacement.

Zoning, General Plan, and building code updates will address exclusionary zoning policies that preserve low density affluent neighborhoods and limit the development of lower-cost attached housing. Enabling increased density and options for homeowners to add rental units to their properties will also help residents age in place by creating new revenue streams and building new, fully accessible housing units adjacent to their existing homes, while also integrating neighborhoods that have historically been out of reach to lower income and BIPOC communities.

While the NRSA is one of Santa Cruz's lower-cost areas, it is still not truly affordable for the majority of local residents who tend to have incomes that are below what is needed to afford typical rents. Adding and preserving affordable housing in this location will improve housing stability and provide options for individuals wishing to form new households in their preferred community. Although the NRSA is the focus of certain redevelopment activities much of these efforts will result primarily in preservation of existing housing stock, although limited opportunities for infill densification will occur. Within the broader NRSA however, historical disinvestment has met with rising development pressure as remote work, proximity to Silicon Valley affluence, and an increasingly pleasant climate have begun to turn a historically low opportunity area into high opportunity area with needs for abundant service jobs, improved amenities and multi-modal access, and an infusion of capital as highly paid workers and investors move into the area. Without additional resources, including both new and preserved affordable housing, these conditions will rapidly displace what remains of the disadvantaged

NRSA community and turn it into an affluent enclave; devoid of the rich cultural community who live there, the workers needed to service the Boardwalk and new residents, and result in personal trauma, congestion and pollution, and gentrification. Rather than concentrating poverty, failure to deliver the project will result in the destruction of an important and culturally rich community, which does not have the resources to defend against the socio-economic pressures facing Santa Cruz. Complimenting these efforts, rezoning, code, and General Plan updates will promote housing development in the HOA and other higher opportunity areas. The combination of affordable housing preservation and construction in the rapidly gentrifying NRSA as well as streamlined development in the HOA and high resource areas will help ensure an equitable distribution of affordable housing rather than concentrating poverty.

People of color represent more than 80% of the Beach Flats neighborhood residents, while the NRSA as a whole holds roughly ¼ of the City's Latinx population. The improvements proposed will directly benefit these people by increasing the likelihood they will be able to continue to live in the neighborhood, which has a vibrant, culturally connected community and offers distinct cultural significance to the wider community. Making amendments to land use policy that make it easier and faster to add rental units to existing single-family properties will likewise create options for large family groups to live closer together and support each other over time. New, smaller units can support newly forming households, downsizing households, students, and singles. Several small units built on a single property can provide an opportunity for extended families to live in close proximity to each other. Increasing housing options overall means it is easier for more locals to stay in Santa Cruz, even as the City continues to welcome new residents at all income levels.

All HOA and NRSA residents, but especially the differently abled and elderly will experience an increased mobility, quality of life, and safety, due to the streetscape improvements, curb and gutters, and intersection enhancements. This will help reduce the spatial and economic isolation of the neighborhood, by allowing safer connectivity to the downtown and beach areas adjacent to the NRSA. Supplementing the existing AHTF with sustainable funding for tenant support programs, and the preservation and decarbonization of the existing building stock, will help improve public health, reduce utility impacts on personal finances, and help mitigate the long-term impacts of climate changes in a "Relatively High" risk frontline community as identified in the National Risk Index. Policy and financing opportunities enabled through this project will also lead to a greater diversity of affordable housing throughout the NRSA and city, which along with new construction of affordable housing will help multiple generations of Santa Cruzans, find affordable housing nearby to keep families together.

The amendments to land use policy and the guidance documentation will support the creation of more housing available to rent or purchase as condominium-style ownership units in dispersed areas of the City, rather than concentrated in the Downtown as much of the recent housing development has been.

The City's most recent Draft 2024-2032 Housing Element identifies affordable housing preservation as a high priority and calls out displacement of lower-income households as a citywide challenge in need of policy solutions. The Draft Housing Element also calls for pursuing grant opportunities every year to increase investment in underserved areas and increase access to recreation facilities, active transportation, beautified streets and public spaces.

The most recent City of Santa Cruz Analysis of Impediments to Fair Housing Choice Update (Fair Housing Plan) identified several issues and recommendations for ensuring fair housing. These include decentralizing affordable housing rather than concentrating poverty, working with small scale landlords to improve utilization on housing choice vouchers/Section 8, and increasing the number of accessible units for residents with disabilities. Each of these topics could and likely would be engaged in development of the proposed roadmap, while financial resources from the proposed fund would enable greater promotion of informational materials, incentivization of landlord participation in affordable housing programs in exchange for renovations or financial assistance, and the proposed transportation improvements on the Bay Corridor will mitigate climate induced impacts, while also increasing safety and expanding multimodal accessibility for NRSA residents between the jobs and homes in the Beach area, to increased educational, employment, services, and residential opportunities in better resources areas of the City.

City staff are acutely aware of the chance of displacement due to renewed private investment. The City has requirements in place to ensure that tenants are relocated into suitable housing during any construction phase, and that they are given the first right of refusal on replacement units (including the same number of bedrooms and affordability level). Tenant support which could be included in the proposed fund, based on roadmap recommendations, is part of the project to help minimize displacement. As development pressure mounts, mass displacement is almost assured without the proposed project and resources it enables.

The California Building Code requires a minimum of 10% of housing units in multistory, multifamily (3+ units) development are built as either fully accessible or adaptable housing units. These units are also subject to the City's inclusionary policy and a minimum of 20% of new accessible units must be created as permanently affordable housing. Further, this project includes the development of a sustainable funding source that could support housing rehab for property owners to adapt existing housing units to be accessible for tenants with special needs. This funding could also support the development of secondary units, that help seniors age in place by creating additional units and income sources on property they own. Last, the proposed transportation improvements project will result in Americans with Disabilities Act (ADA) compliant accessible sidewalks, curb ramps, accessible transit boarding islands to improve transit time reliability and access, protected bike facilities to improve safety, as well as safe crossings to improve mobility and safety of our differently abled residents. Along with active transportation improvements, strategies identified in the roadmaps will synchronize efforts to enhance access improvements, develop new and preserve affordable housing, and support resilience infrastructure like microgrids ensuring reliable energy for vulnerable residents, who depend on medical devices.

The project administrator will manage the project implementation in terms of schedule, budget and reporting, working closely with each project component's manager. The first phase of the Bay Corridor Improvements active transportation project is scheduled to break ground in March 2025. Additional phases (including those proposed as part of this project) will be implemented sequentially with final construction completion of the corridor planned for FY2026/27.

The Tenant Protection policy roadmap will begin work in the summer of 2025 and include substantial research and community engagement. Staff will simultaneously complete the Affordable Housing Decarbonization Roadmap, evaluating cost effectiveness, incentives,

sequencing affordable housing loan extensions for rehabilitation, and identifying gaps in funding and information. Upon completion of the two roadmaps, staff will begin work on evaluating options for and standing up the Affordable Housing and Climate Resiliency Fund with a Sustainable Funding Source based on the priorities and goals established in collaboration with the community. Staff expects the Sustainable Funding Source to be operational by the end of 2028, and to provide the first round of funding to local owners and tenants by mid-2029.

Work on the land use policy amendments is targeted to begin in 2026, consistent with staffing availability and initiation of other policy efforts in the Planning Department. The policy work would address all the governing land use regulations within the City's purview to amend, and would target completion for the end of 2027, with creation of the Guidebook for Multifamily development to follow by early 2028. Expansion of the Go Santa Cruz program plans to begin before the summer tourism, when transportation impacts in the NRSA are most acute. This is currently projected for July 2025 but could begin the following spring (2026) in the event that grant agreements or other delays are incurred.

The City's comprehensive and inclusive engagement process demonstrates its commitment to empowering the voices, needs, and priorities of the City's most disadvantaged residents. As part of the City's Health in All Policies initiative the City became a member of the Government Alliance for Racial Equity (GARE). GARE consultants and fellow GARE member jurisdictions met with staff to co-create an equity driven engagement and grant development process. Through these meetings, city staff identified barriers limiting the ability of marginalized community members to participate in public grant development such as time of day, language of meetings, and awareness of events/meetings. City staff actively worked to overcome these barriers by designing an engagement process that utilized community-based organizations to increase awareness of events/meetings, provided interpretation services (Spanish) at community workshops and meetings, translated City communications and materials to Spanish, provided food, and paid focus group participants stipends for their time and feedback.

The City's Health in All Policies initiative includes an ordinance and City Council policy to ensure equity is prioritized in City policy, projects - and decision-making. This has shifted engagement to not only focus on the broader public, but to compensate and create welcoming conditions for engagement with those historically underserved and underrepresented, including minority, women, veteran owned businesses. Drawing upon and utilizing tools developed through the Health in All Policies initiative during planned project engagement, staff anticipates conducting an equity readiness and capacity assessment with partners at the start of the project. This effort will utilize an equity screening tool to consider policies and actions developed during the project road mapping, and an equity best practices in engagement guide to carry out engagement. We will also conduct both team and neighborhood evaluations of the process and outcomes at key project milestones, with an eye toward adjusting process as needed to improve accessibility, efficiency and impact. The project team will determine which of its Health in All Policies Community Well Being outcome metrics are supported by the project and will assess neighborhood perspectives on these metrics in addition to and contrasted with the status of those metrics citywide.

The community engagement process will be fully bilingual English/Spanish to meaningfully and authentically Beach Flats and other disadvantaged residents, especially within the NRSA. Also, drawing upon best practices in engagement and prior surveys with these residents, we will

schedule outreach during convenient days of the week and times of day, rely on our anchor CBO, Community Bridges, as neighborhood liaison to support knowledge transfer and communications between residents and the project team. Staff also plans to compensate residents for their participation in planning, by providing food and childcare, as well as potential stipends during participation opportunities. The project team also commits to "ground truthing" the feedback we receive from participating stakeholders with the broader neighborhood through surveys at the local street businesses and produce vendors where neighbors often shop throughout the day. This method has been effective in the past. We will also lean into the cultural heritage of the neighborhood and its tradition of celebrating neighborhood milestones by sponsoring kickoff and ribbon cutting celebrations led by community members, utilizing neighborhood food, entertainment, cottage businesses, and other vendors. We will also strive to engage with other historically under -represented and underserved members of the community that intersect with our primary stakeholders including LGBTQ+, differently abled, elderly, students, youth, and others.

One key indicator of success will be a reduction in the percentage of households paying over 30% for housing costs particularly in BIPOC households. The City will monitor this indicator with census data depicting household income and housing costs by ethnic and racial demographic; and will compare statistics for NRSA census tracts with those of the City as a whole. We will consider the project a success when the rates of overpayment in NRSA are the same or better than the rates of overpayment citywide. Due to the relatively small size of the NRSA and other disadvantages communities in Santa Cruz, the roadmap process would also consider the efficacy, community openness, and resources needed to develop a registry for tracking this data. Somewhat, counter to this analysis, increased class and socio-economic diversity in the HOA will be demonstrated by increased diversity in demographic characteristics for Tract 1006.00 and other high resource areas. In many cases, this may result in a reduction of advantage metrics like educational attainment and income, while the number of housing units should increase, and average housing costs should show decreases.

The project budget was determined through engineer's estimates, consultant quotes, consultation with CBO partners, franchise agreements, partner commitments and known salary rates for staff. The project will be cost effective as both the infrastructure and consultant work will be competitively bid to ensure qualified work at the lowest cost possible. The project team includes seasoned project managers who effectively manage complex projects to avoid cost overages. A project administrator will provide additional capacity for reporting. The total project budget for all activities is \$9,988,274.01. The HUD share requested is \$4,471,023.64. The match portion is \$5,672,250.37or 127% of the HUD Share. Each project element's total budget follows the detailed budget description table:

Table 1. Detailed Budget Description

Activity	Est	imated Cost	Percent of Total
Personnel (Direct Labor)	\$	312,816.00	3%
Fringe Benefits	\$	150,434.37	2%
Travel	\$	0	0%
Equipment	\$	0	0%

Supplies and Materials	\$ 0	0%
Consultants	\$ 1,430,000.00	14%
Contracts and Sub-Grantees	\$ 314,943.64	3%
Construction	\$ 5,709,000.00	57%
Other Direct Costs	\$ 2,071,080.00	21%
Indirect Costs	\$ 0	0%
Total:	\$ 9,988,274.01	100%

\$621,000	Anti-Displacement Policy Evaluation and Roadmap
\$664,610	Affordable Housing Decarbonization Roadmap
\$2,487,926	Affordable Housing and Climate Resilience Fund
\$2559,161	Housing Policy Updates, Multifamily Guidebook
\$100,000	Go Santa Cruz Transportation Demand Management Program Expansion
\$5,855578	Active Transportation and Safety Improvements

There are several elements to this project, which are ideally carried out together, to achieve the transformative impact potential. However, in the case of receiving an award of a different dollar amount, the elements can be standalone projects. Each element was budgeted separately. The elements with the lowest cost are foundational to the core aims of the project: development of the Anti-Displacement Policy Evaluation and Roadmap and the Affordable Housing Decarbonization Roadmap at \$\$621k and \$665k, respectively. These plans are further operationalized by the Affordable Housing and Climate Resiliency Fund stood up for \$2.5M and the Housing Policy Updates and Multifamily Guide at \$259k. While the City would certainly utilize a lesser funding amount (at minimum the two roadmaps and policy updates/multifamily guide at \$1.545M in total), the power of this proposal is its transformative impact that can be achieved by completing the complementary and interconnected components proposed together. Our track record, momentum in using policy levers to meet affordable housing goals and investment in dedicated resources for the work proposed, the City will succeed in delivering the community this ambitious project.

## **Project Start Date:** July 1, 2025 | **Project End Date:** September 30, 2029

Task 1. Project Management and Grant Administration 7/1/25 - 9/30/29

- Subtask 1a: Contracting with Project Administration Consultant and Project Advisory Group members 7/1/25 10/1/24
- Subtask 1b: Develop QAQC and management controls 8/1/25 4/1/25
- Subtask 1c: Internal Monthly Project Manager Team Meetings 7/1/25 9/30/29
- Subtask 1d: Prepare Project Documentation, Evaluation and Reporting 7/1/25 9/30/29

*Deliverables*: Project budget, Gantt chart, Meeting agendas, executed contracts, project evaluation report at conclusion of project, regular reporting to grant agency and City Council

<u>Task 2</u>: Complete Anti-Displacement Policy Evaluation and Roadmap (7/1/25- 2/1/27)

• Subtask 2a: Develop Request for Proposals and Engagement Plan (7/1/25-10/1/25)

- Subtask 2b: Competitively Select and Contract with Anti-Displacement and group facilitation Consultant (10/1/25 2/1/26)
- Subtask 2c: Data collection, Research and Policy and Incentive Evaluation (2/1/26-8/1/26)
- Subtask 2d: Project Advisory Group and Community Engagement (10/1/26 9/30/29)
- Subtask 2e: Develop Anti-Displacement Roadmap with Policy and Incentive Recommendations, draft and propose to City Council amendments to relevant regulations and standards (8/15/26 2/1/27)

**Deliverables**: Engagement Plan, Draft Anti-Displacement Roadmap, and Final Roadmap including draft policy amendments

<u>Task 3:</u> Complete Affordable Housing Decarbonization Roadmap (7/1/25 – 9/1/27)

- Subtask 3a: Develop Request for Proposals and Engagement Plan (7/1/25 10/1/25)
- Subtask 3b: Competitively Select and Contract with Decarbonization Consultant (10/1/25-1/15/26)
- Subtask 3c: Data collection, Research and Affordable Housing Decarbonization Evaluation (2/1/26 8/1/26)
- Subtask 3d: Project Advisory Group and Community Engagement (10/1/25-9/1/27)
- Subtask 3e: Develop Affordable Housing Decarbonization Roadmap with Funding Plan (8/15/26 9/1/27)

**Deliverables**: Engagement Plan, Draft Affordable Housing Decarbonization Roadmap, and Final Roadmap

<u>Task 4</u>: Establish Affordable Housing and Climate Resiliency Fund and Sustainable Funding Stream (7/1/27 - 7/15/29)

- Subtask 4a: Develop Request for Proposals and Engagement Plan (7/1/26 10/15/26)
- Subtask 4b: Competitively Select and Contract with Fund and Governance Consultant (11/1/26 4/1/27)
- Subtask 4c: Complete Fund Governance and Longer-Term Sustainable Funding Stream Evaluation (4/1/27 12/31/27)
- Subtask 4d: Project Advisory Group and Community Engagement (3/15/26 7/15/29)
- Subtask 4e: Develop Fund Governance and Set Up Documents (1/15/28 7/15/28)
- Subtask 4f: Ballot Measure or Policy Approval Process (4/1/28 11/15/28)
- Subtask 45g: Launch Fund and Longer-Term Funding Stream (1/15/29 7/15/29)

**Deliverables**: Engagement Plan, Governance/Funding Stream Technical Memorandum, Fund Governance and Set up Documents including proforma; Polling and Ballot Measure Drafting; Public Information Materials; Fund Management and Services; Issuance of first-round funding.

<u>Task 5</u>: Complete General Plan, Zoning, and Area Plan policy amendments to support multifamily housing in single-family zones, with Multifamily Guidebook (6/1/27 - 9/1/29)

- Subtask 5a: Develop Request for Proposals and Engagement Plan (6/1/27 9/1/27)
- Subtask 5b: Competitively Select and Contract with Planning and Urban Design Consultant Team (9/1/27 1/1/28)
- Subtask 5c: Background Research, Existing Conditions Evaluations, Best Practice Identification. (3/1/28 2/1/29)
- Subtask 5d: Targeted Focus Groups and Community Engagement (7/1/28 3/1/29)
- Subtask 5e: Develop Policy Recommendations, draft and propose to City Council General

- Plan, Zoning Ordinance, and Area Plan amendments to relevant regulations and standards (10/1/28–5/1/29)
- Subtask 5f: Develop and publish Guidebook for Multifamily Development Options on Single Family property, together with marketing and affordability program (5/1/29 9/1/29)
   Deliverables: Background memo, Existing Conditions and Best Practices Analysis, Community Engagement Strategy and approach. Outreach and marketing materials. Amended code sections and General Plan or Area Plan language, Draft and final Guidebook and marketing materials, recommendations for increasing reach in High Opportunity Areas, recommendations for targeting affordable housing subsidies in these areas.

<u>Task 6</u>: Expansion of Go Santa Cruz Program services to residents and employees of the Beach Flats/NRSA (7/1/25 - 11/15/27)

- Subtask 6a: Develop Implementation Plan for rolling out the expansion (7/15/25 11/15/25)
- Subtask 6b: Produce and disseminate marketing and outreach materials for the program, including in materials in multiple languages (11/1/25 11/15/27)
- Subtask 6c: Negotiate and expand bike share operations, as needed, throughout the program period (7/1/25 11/15/27)
- Subtask 6d: Develop sustainable funding strategies to extend the program beyond the grant funded pilot period (7/1/26 6/15/27)
- Subtask 6e: Evaluate and adapt program parameters throughout the program, to promote participation and address logistical challenges as they arise (8/14/27 –11/15/27)

**Deliverables**: Implementations Plan, Marketing and Public Information collateral materials, Evaluation of program utilization (e.g. bike share and transit pass usage, e-bike rebate vouchers claimed, bike safety training participation, etc.); Extension of the Go Santa Cruz program beyond to pilot period, if successful and pending ongoing financing.

Task 7: Pedestrian and Bicycle Safety Improvements (7/1/25 - 2/1/29)

- Subtask 7a: Identify strategic locations for small scale bike/ped safety improvements, which may include safe crossings, bikeway/walkway improvements, signage, lighting, striping, transit stop improvements, and/or other safety improvements (8/15/25 4/15/26)
- Subtask 7b: Develop Construction Plans for implementation of safety improvements (5/1/26 3/1/27)
- Subtask 7c: Conduct bidding and procurement process for safety improvements (3/1/27 6/15/27)
- Subtask 7d: Construct ped/bike safety improvements at key locations to facilitate access to safe and reliable transportation, including active transportation and transit (9/15/27 2/1/29)

**Deliverables**: Implementation Plan, Construction Plans, Bid Documents and Responses; Constructed Ped/Bike Safety Improvements.

## **EXHIBIT E – Capacity**

The City of Santa Cruz is the lead agency for implementation of the proposed activities. The City and partners are poised to execute the project upon award of funding. The project will be executed by a mixed team of City staff, CBOs and consultants.

- City Manager's Office will manage overall project administrator contract supported by management analyst, communications manager and specialist and city attorney's office; Sustainability and Resiliency Officer will manage the Affordable Housing Decarbonization Roadmap project
- A principal or senior planner will oversee the Anti-Displacement Policy Evaluation and Roadmap and development of the Housing Policy Updates and Multifamily Guidebook.
- The Economic Development and Housing Department's economic development and property manager will manage evaluating and standing up the Affordable Housing and Climate Resiliency Fund as well as sustainable funding stream.
- There are consultant teams to be selected through a competitive procurement process to (1) develop and execute outreach and engagement plans, (2) develop the Anti-Displacement Policy Evaluation and Roadmap, Housing Policy Updates and Multifamily Guidebook, (3) develop the Affordable Housing Decarbonization Roadmap, (4) evaluate and create foundational governance documents for the Affordable Housing and Climate Resiliency fund and sustainable funding mechanism, (5) active transportation and safety design/construction team, and (6) a grant administration team.
- Community Bridges will serve as the anchor CBO, contracting with the City and participating in all project advisory team meetings (16 quarterly), co-present at advisory body/city council meetings, provide facilities and conduct/facilitate community outreach.
- Community Action Board, and Ventures will all participate in the project advisory team meetings and advisory body/city council meetings as well as conduct engagement on project components with residents they serve, acting as city contractors.
- Ecology Action, Central Coast Energy Services and Regeneración of Pajaro Valley will all participate in the project advisory team meetings and advisory body/city council meetings as contractors. Ecology Action will conduct engagement on active transportation and electric vehicles as well as household resiliency. Regeneración of Pajaro Valley will facilitate two workshops with members of the Monterey Bay Climate Justice Collaborative to bring outside perspectives and transferability feedback from a wider range of environmental justice groups in the region.
- Mercy Housing, Central Coast Community Energy and the Association of Monterey Bay Area Governments will participate in the project advisory meetings as in-kind contributions and give regional perspective and transferability/replicability feedback.

The City is a recognized leader in housing development and climate resiliency. However, those functions are also regulated by the State, e.g., housing authority and California Coastal Commission (since the Beach Flats/NRSA is in the coastal zone). All policies and programs will be subject to their approval. Support for this project by City Council will be secured by providing an estimated 6 updates throughout the life of the project, requesting approval to contract with the various vendors described, and bringing ordinances, resolutions and other policy vehicles to advisory bodies and City Council to codify recommendations made through the two Roadmaps.

- Community Bridges is the anchor CBO for the project providing services to residents and operating the community center in the Beach Flats neighborhood. Community Bridges serves children, families, and seniors throughout Santa Cruz County, and has a strong presence in our focus area of Beach Flats. Their programming addresses the nutrition, family resources, and transportation needs that allow their clients to pursue a better quality of life and participate in the community. CB seeks to meet the needs of families through bi-lingual, bi-cultural support on both a long and short-term basis with drop-in advocacy support that aims to help community members access resources and set goals to address issues such as housing, employment, education, domestic violence prevention, childcare and more.
- Community Action Board's mission is to partner with the community to eliminate poverty and create social change through advocacy and essential services. CAB's vision is a thriving, equitable and diverse community free from poverty and injustice.
- Ventures' transformational programs ensure that individuals understand and use their economic and political power. From building their savings to advocating for a living wage, their approach builds community and connects financial stability, wealth building, and self-determination. Their work creates dignity by recognizing, acknowledging, and valuing our community members' leadership in making change happen. They are working towards a shared and prosperous economic future where zip code, race, gender, or immigration status do not dictate income or wealth.
- Ecology Action is a recognized statewide leader in the effort to create a thriving environment and low-carbon economy. They design effective programs, successfully activate communities, forge mutually beneficial partnerships and influence policy to advance equitable, climate-smart initiatives, specifically around mobility.
- Central Coast Energy Services, Inc. strives to improve household safety, health, and
  economic security within our communities. CCES fosters community health and wellbeing
  by providing energy conservation, consumer education and advocacy, home improvement,
  utility assistance, job training, and other services to people in need. CCES promotes an
  environment of safety, hard work, teamwork, and high-quality services and is a
  decarbonization service provider to low-income households.
- Regeneración of Pajaro Valley's mission is, "as the climate changes, we help our community adapt and flourish" and is the convenor of the Monterey Bay Climate Justice Collaborative. Regeneración of Pajaro Valley will facilitate two workshops with members of the Monterey Bay Climate Justice Collaborative to bring outside perspectives and transferability feedback from a wider range of environmental justice groups in the region.
- Mercy Housing is a local affordable housing developer and owner.
- The Association of Monterey Bay Area Governments provides strategic leadership and services to analyze, plan and implement regional policies for the benefit of the Counties and Cities of Monterey, San Benito and Santa Cruz, balancing local control with regional collaboration.
- Central Coast Community Energy is the regional electricity procurer, providing strategy, funding and technical assistance in transitioning to electric transportation and building systems equitably.

Together the CBO organizations provide a crucial safety net for Santa Cruz residents, particularly those that are lower-income and Latinx. Their impact is notable, and they collectively support thousands of households throughout their service areas each year.

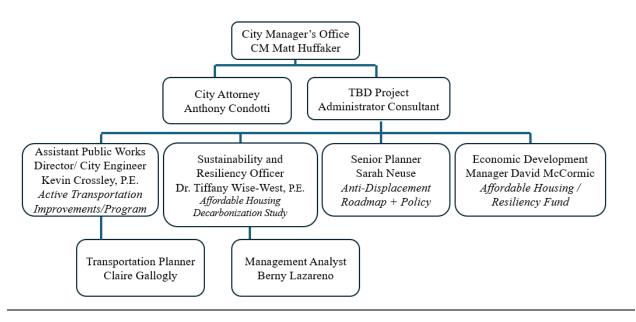
City of Santa Cruz staff from the relevant departments have all participated in and led processes that involve coordinating multiple stakeholders, consultants, and partner agencies. In the past five years these staff have coordinated citywide policy projects such as the Climate Action Plan and the Downtown Plan Expansion, major transportation infrastructure projects such as segments of the Santa Cruz Rail Trail and the Seismic Retrofits to the Murray Street Bridge, and coordinated development projects from concept through entitlement and into the construction phase of affordable housing developments such as the Downtown Affordable Housing Library Project and Pacific Station affordable housing and transit project. Each of these projects has required extensive community outreach, working with technical advisors and presenting work to a variety of stakeholders and inter-governmental agencies to ensure project success. The team is well prepared to coordinate another project on this scale and has already identified the partners for the project advisory group on policy and financial portions of the project proposal.

City of Santa Cruz staff developed this proposal in consultation with the proposed partners. The City works with these partners to address reductions in racial disparities, most recently with SC Ventures on increasing the diversity in recruitment and representation in City advisory bodies. The City also partnered with social justice organizations to install a Black Lives Matters mural and adopted a racial anti-discrimination resolution in 2021 that contained a specific workplan for addressing racial disparities, discrimination and white supremacy. The City is carrying out that workplan through its Health in All Policies initiative and city council committee.

In terms of operating programs that have provided tangible reductions in racial disparities, since 2016, the City has partnered with the County of Santa Cruz to fund and work with community-based organizations through Collective of Results and Evidence- based (CORE) Investments, a collective impact funding model that explicitly addresses issues of equity to achieve equitable health and well-being in Santa Cruz County for all residents. Through CORE the City funds programs that deliver services such as access to stable, affordable housing/shelter, employment to homeless individuals, and childcare services to the city's most vulnerable populations. Recognizing the importance of reliable data, the CORE collective impact model features the CORE Conditions for Health and Well Being, and CORE Institute. The CORE Conditions are community level metrics that city staff and CBOs utilize to operationalize and measure the impact of their services on the communities they serve; they are updated and tracked biannually.

Data collection and analysis are foundational for identifying and addressing issues of equity and racial/economic segregation. The City monitors the impact of its efforts through the Health All in Policies community wellbeing outcome indicator metrics that are a subset of the CORE community level metrics. These metrics are updated and reported biannually to the City Council. Collective impact models normatively take between 5-10 years to substantively affect change at the community level. Although it is still too early in the collective impact process to fully evaluate the impact that CORE is having in addressing the economic and racial disparities of city residents, CORE yearly progress reports illustrate that CBOs are delivering services to the city's historically disadvantaged communities. Importantly, the yearly reports also show that CBOs are improving their capacity to collect and analyze data including customer demographics data.

An organizational chart for City staffing of the proposed project is included below.



# **EXHIBIT F – Leverage**

The total project cost with all activities is \$9,988,274. The HUD share requested is \$4,471,024. The match portion is \$5,672,250.37 or 127% of the HUD Share. All leveraged funds are documented in Attachment C.

# **Committed leverage funding**

- City of Santa Cruz staff labor (direct and fringe benefits) | \$463,250 (see City letter)
- Fully Secured State of California grant funds (Strategic Growth Council Affordable Housing Sustainable Communities Grant, and California Department of Transportation's Regional Surface Transportation Program, Transportation Development Act and State Transportation Improvement Program | \$5,209,000 (see City letter)

**Non-financial contributions:** Mercy Housing Central Coast Community Energy and the Association of Monterey Bay Area Governments will all participate in the project as described, providing labor with no compensation, as documented in Attachments B and C: Evidence of partnership letters and Leverage Documentation.

# **EXHIBIT G – Long-term Effect**

Taking the time to create a carefully tuned Anti-displacement Policy roadmap will allow the City to not only identify the primary challenges faced by the NRSA community, but also to educate the broader community on those challenges and their solutions. Over the long term we expect these policies and the political momentum surrounding them will decrease the turnover and displacement among tenants in the NRSA and create new housing opportunities in better resourced neighborhoods. The policies should help stabilize existing residents, while promoting the creation of new affordable housing to further serve the community over time. We expect the outcomes to show that rates of tenant relocation in the NRSA remain below the citywide average over a period of multiple years.

Creating an Affordable Housing and Climate Resiliency Fund with a Sustainable Funding Stream will allow the City to support the ongoing production of new affordable housing, as well as the maintenance and rehabilitation necessary to preserve and retrofit existing units, resulting in cleaner, greener buildings. Identifying the best policy solutions to protect and stabilize tenant households amid a hot housing market and removing financial barriers for tenants and property owners will serve the community now and into the future. These outcomes can be measured by monitoring the number of households paying over 30% of income toward housing expenses, which we expect to reduce significantly over 10 years of program operation, and by monitoring the number of overcrowded households within the study area. Meanwhile, tenant support programs financed by the fund will help address the momentary and acute needs of tenants as they face ongoing housing challenges.

Adding options for increasing density in single-family neighborhoods has the potential to create hundreds to thousands of housing units over the coming decades. New allowances will allow obsolete single family home sites to be redeveloped to support two, three four, or more new housing units for the rising generations. These units will ensure that there are always a variety of types of housing in each neighborhood, so there can also be a variety of types of households, income levels, family sizes, and life stages in every neighborhood. These options let families stay close and make it easier to stay connected to community as housing needs change over time. The units that can be subsidized to create permanent affordability provide stability for lower-income households in areas that might otherwise be out of reach.

The Active Transportation and Safety Infrastructure and programming will support City goals to increase active transportation mode share, increase safety, and promote public health. The safe, inviting routes created with enable people to safely walk or bike to community facilities like grocery stores, health services, jobs, and education facilities. These improvements also further the City of Santa Cruz Climate Action Plan goals to increase active mode split to 30%. We expect to see an increase in walking and biking, and a reduction in car trips through this neighborhood.

Removing financial barriers to affordable housing production and preservation, as well as reducing costs of construction through necessary resilience infrastructure, and coordinated roadmap planning will help the NRSA and citywide neighborhoods adapt existing housing to be more healthy, safe, and resilient to climate change. The additional financial resources enabled by the proposed fund will expand economic resilience by helping projects quickly overcome gaps and unexpected cost overruns. It will also provide catalytic resources toward revitalization of the neighborhood, while keeping residents in place, through forgivable loans, negotiated affordability covenants, and tenant support resources. The sustainable and ongoing nature of this funding will create a cascading effect, and more and more landlords utilize funding to preserve their properties and stabilize housing for the disadvantaged residents. Construction of active transportation improvements and the Go Santa Cruz program provide resilient, reliable, and low carbon means for residents to access jobs, education, and services. Affordable Housing preservation and production strategies identified in the roadmaps and cemented in broader plans like the Local Coastal Program, will help streamline housing projects and remove uncertainty in the development process.

Creating options for housing production on dispersed sites and at a smaller scale adds effectiveness to the housing market by creating a variety of financial situations for developers as the costs and risk tolerances in the housing market shift over time. Current market trends appear to preference larger multifamily development, but changes in cost structures and rental income over time will pressure the market toward different products over time. Having the zoning allowances on the books with streamlined processing can support the transition to these smaller projects as the market turns.

Upon completion of the proposed project, the diverse communities will be safer, better connected, and more resilient, the City will have a published document of Tenant Protection Policies for the NRSA as guide for implementation citywide and as a case study available on an easy-to-use project website, and an established set of funding priorities and goals for the Sustainable Funding Source will begin 2027 with \$2 million in funding and will be prepared to provide grants for tenant protections identified and prioritized in the two Roadmaps as well as potential forgivable loans and grants to support affordable housing decarbonization, production and preservation. All incentives will be prioritized to be delivered to tenants and property owners in the Beach Flats neighborhood.

The completed project will result in amendments to the City's land use regulations and an easy-to-use Guidebook for Multifamily development. The completed Guidebook will serve as a marketing opportunity for the new options for denser housing, and outreach with that resource will be targeted to High Opportunity Areas, highlighting advantages and providing resources for homeowners to begin exploring their options. These resources will be available for many years and can be maintained over time as needs or state regulations may dictate needed updates. Every new housing unit built as a result of these policy changes will have an expected functional life of 55 years or more. Completion of the proposed project will be part of implementing the City's adopted Housing Element policies, which are tailored toward producing the 3,736 new housing units at a variety of income levels required by the State of California to be built between 2024 and 2031. We will identify success based on increasing the rate of housing unit production, assuming no significant shifts in the macroeconomic system negatively effecting the housing market.

The Go Santa Cruz pilot program will also demonstrate the benefits and viability of alternative transportation for beach area employees and residents, as well as the economic benefits to NRSA area businesses, ideally attracting ongoing support and funding for these crucial transportation services.

Santa Cruz is a highly bicycle and pedestrian friendly community. However, the Beach Flats suffers from social and spatial isolation, resulting from historic disinvestment infrastructure and the sheer logistics of managing the flow of over two-million annual visitors to the Boardwalk each year. As tourists flow around the Beach Flats neighborhood on all sides, the community is isolated from the outside world; despite proximity to world renowned amenities just steps away. Connectivity improvements along Bay Drive will build upon more than 17 miles of the Monterey Bay Sanctuary Scenic Trail, that are currently funded for construction or complete; together they will connect the Beach Flats/NRSA to other opportunity rich areas like Downtown, the HOA, and regional job centers, while calming traffic, and increasing access to Metro transit, and mixed mode travel between differently resourced neighborhoods. These changes will help improve safe access to quality employment, healthy food, and nearby parks, while also instilling a

transformative sense of pride in the community. Where major infrastructure investments are often seen as bell weathers to oncoming gentrification and displacement, the road mapping efforts and community engagement through trusted partners like Community Bridges, will help the community define the tools they need to age in place, keep families together, and preserve their community. The Affordable Housing and Climate Resiliency Fund will provide the tools to implement these strategies and provide a guarantee that the City will stay invested in the Beach Flats, the NRSA, and in supporting all disadvantaged residents in remaining Santa Cruz residents.

The project combines infrastructure implementation, planning elements, and standing up financial instruments. In short, it will provide immediate impact and motivation for future improvements, it will craft a community driven promise and pathways to keep residents housed in the place they love, and it will provide the financial tools to deliver on that promise long into the future. The planning elements are replicable, in that any jurisdiction or organization can utilize the scope of work, request for proposal, and other documentation for the project for their own purposes. Governance and start up documents will provide invaluable starting points for other jurisdictions. With the Beach Flats/NRSA and HOA as starting places, the policies identified in the roadmap are likely to be replicable, almost as is, all throughout the City and County of Santa Cruz and anywhere that similar conditions and needs are present.

Success will be positive evaluation scores by the project advisory group and residents post project. It will also be demonstrated by a significant reduction in the percentage of households paying over 30% of their income toward housing costs. Identifying the policies that can best achieve this outcome for renters is a component of the project proposal as is setting priorities for the Sustainable Funding Source that are focused on improving opportunities for tenant households. These work products will directly relate to the needs that are identified during the initial community engagement and research, focused on reducing housing challenges for NRSA residents. Success would also be indicated by an increase in residents' sense of preparedness for natural and climate hazards as indicated in biannual surveys. We expect shifts in the HiAP Community Well Being outcome indicator metrics over a more decadal time period vs. year to year. However, the City updates the values of all metrics biannually (next in 2024, 2026 and 2028), and, by 2030 could indicate reductions in proportion of residents with high energy burden, lower unhoused community members, and no reductions in racial diversity, for example. Biannual neighborhood surveys conducted will enable us to understand whether success has been achieved by querying residents on the efficacy of specific project components. At a tangible level, implementation of roadmap goals, empowered by the proposed fund, should result in a reduction in blight as landlords and owners rehab and convert housing into more resilient and multiple unit properties.

Historically disadvantaged neighborhoods like those in the NRSA often suffer from outdated infrastructure and utility systems, which can limit the development and revitalization of these areas. Construction connectivity and active transportation improvements will also help attract investment, economic mobility, and promote neighborhood revitalization. Streetscape enhancements and safe crossings will also help improve the vibrancy and walkability of the neighborhood that attract investment, strengthen culture and social bonds, and encourages mixed-income housing development. Updated zoning regulations to support a variety of housing types in every neighborhood will allow for a mix of household incomes and family sizes, supporting a broader segment of the City's population in every neighborhood. Building code

updates for consistency with projected state guidelines are also expected to promote single stairway structures at great heights allowing development on smaller lots that have historically constrained development in HOA and higher resources areas.

The Bay Drive improvements will also expand access to employment opportunities, services, transit, and educational institutions, while promoting a sense of community. Tools identified in the roadmaps will help modernize and decarbonize the existing housing stock and will help navigate and streamline regulatory processes which can add cost and uncertainty to affordable housing development within the Coastal Zone, among others. A dedicated funding source for tenant support and protections ensures that tenants, particularly vulnerable populations, have access to legal representation and support to prevent displacement due to gentrification and rising rents. This fund can also help address the financial hurdles to affordable housing development, this component helps bridge the gap between the demand for affordable housing and its supply, creating more housing opportunities for protected class groups and vulnerable populations. This holistic approach aims to revitalize neighborhoods, promote inclusive development, and ultimately expand affordable housing options, ensuring that all residents have equal access to well-resourced neighborhoods of opportunity.

Promoting reliable transportation access for NRSA employees and residents will reduce transportation costs for low-income residents, improve health, and enable feasible access to more affordable housing throughout the city, in better resourced areas, as well as access to jobs, services, and education in those higher opportunity areas for residents living in the historically disenfranchised NRSA. Demonstrating the viability and reliability of active transportation and transit will also promote economic development in the NRSA by removing disincentives that limit the available workforce as workers choose jobs outside the NRSA to avoid transportation challenges. This also demonstrates to developers that parking free structures can be viable and embraced by tenants; elimination of parking promotes health, mitigates climate changes, and reduces the cost of constructing new housing, infill, and retrofitting existing structures.

From: <u>Erich Holden</u>

To: Alcibiades Bava; City Council
Subject: Affordable Housing Trust Fund
Date: Saturday, October 5, 2024 5:24:06 PM

I left a phone message with this Santa Cruz City department. Hopefully I will hear back. Take care, Erich

# 2024 HUD PRO Housing Grant Application Public Comments Received

Summary By Topic: Public Support for Project Application		No public comments received as of 10/07/2024.		
Name (Submission Method in Italics)	Organization	Comment		
Summary of Public Comments Not Supportive of Project Application or Not Accepted		One public comment received via email as of 10/07/2024.  The email was from a resident informing City staff that they left a voicemail message with "this department" and would like to "hear back" from staff with a response.  City Response: Staff searched voicemail messages in multiple departments for the resident's message. Staff were not able to locate resident's voicemail message. No other action taken.		
Name (Submission Method in Italics)	Organization	Comment		
Erich Holden (email)	Resident	I left a phone message with this Santa Cruz City department. Hopefully I will hear back. Take care, Erich		



# City Council AGENDA REPORT

**DATE:** 09/19/2024

**AGENDA OF:** 10/08/2024

**DEPARTMENT:** Planning and Community Development

**SUBJECT:** Ordinance Amending Santa Cruz Municipal Code Chapters 21.06, 23.04,

23.12, 23.37, and 24.08; Amending Chapter 24.16 Part 1 and Part 2; and Adding New Section 24.16.165; and Ordinance Adding New Santa Cruz Municipal Code Section 24.04.095 and Amending Santa Cruz Municipal Code Chapter 24.04, Chapter 24.08, Chapter 24.10, and Chapter 24.12;

Ordinances Are Related to Accessory Dwelling Units to Maintain

Consistency with State Regulations, Clarify Existing Standards, Remove Owner-Occupancy Requirements for Existing Accessory Dwelling Units,

Require Properties with Accessory Dwelling Units to Enroll in the

Residential Rental Inspection Service, and to Allow for the Condominium

Mapping and Separate Sale of Accessory Dwelling Units and Their Associated Primary Dwellings, and Related to Other Minor Technical Changes Regarding Hagring Padies for Design Permit Approval

Changes Regarding Hearing Bodies for Design Permit Approval.

Amendments to Chapter 24.04; Chapter 24.08 Parts 5, 9a, 14, 21, and 22; Chapter 24.10 Parts 3, 4, 5, 6, 6a, 7, 8, 10, 11, 12, 13, 16, 19, 21, and 24(a); and Chapter 24.12 Are Part of the Local Coastal Program Implementation Plan (LCP IP) and Will Require Approval by the California Coastal Commission Prior to Taking Effect Inside the Coastal Zone (CEOA):

Commission Prior to Taking Effect Inside the Coastal Zone. (CEQA:

Exempt Pursuant to CEQA Guidelines Section 15183 as a Project Consistent

With the General Plan For Which an EIR Was Certified). (PL)

#### **RECOMMENDATION:** Motion to:

1) Acknowledge the environmental determination and introduce for publication an ordinance adding new Santa Cruz Municipal Code Section 24.04.095 and amending Santa Cruz Municipal Code Chapters 24.04, 24.08, 24.10, and 24.12 related to accessory dwelling units and related to other minor technical changes regarding hearing bodies for design permit approval and comprising parts of the LCP IP;

2) Acknowledge the environmental determination and introduce for publication an ordinance amending Santa Cruz Municipal Code Chapters 21.06, 23.04, 23.12, 23.37, and 24.08; amending Chapter 24.16 Part 1 and Part 2; adding new Section 24.16.165 related to accessory dwelling units, and rescinding Temporary Ordinance Nos. 2022-22 and 2023-01; and

3) Direct the City Manager to submit the LCP IP amendments to the California Coastal Commission for approval, should they be formally adopted as part of a second reading.

**BACKGROUND:** The City's accessory dwelling unit (ADU) regulations have evolved over the last several years in response to ongoing changes to state-level regulations, as well as proactively on a local level, as part of an effort to expand opportunities to create a variety of housing types. In December 2022, the City adopted a 45-day urgency ordinance that made minor changes to the City's ADU regulations in response to two new state laws that required local adoption on a fast timeline before the end of that year. In January 2023, City Council extended the urgency ordinance to the end of 2024. A formal ordinance must be adopted prior to expiration of the urgency ordinance to permanently codify the approved language, or else the state code would purely govern ADUs. Should the City Council approve the proposed ordinance, the urgency ordinance will be rescinded upon the new ordinance taking effect.

In 2023, two additional state laws were passed with potentially significant implications for the local regulation of ADUs. First, Assembly Bill (AB) 976 (Ting) removed local jurisdictions' ability to impose owner-occupancy restrictions on properties with ADUs constructed in 2025 and beyond, a provision that was previously in effect for ADUs starting construction between January 1, 2020, and January 1, 2025. Second, AB 1033 (Ting) creates an option for local jurisdictions to create an ordinance to allow ADUs and their associated primary dwellings to be sold separately as condominiums.

On February 6, 2024, as part of a statewide review of all jurisdictions, the California Department of Housing and Community Development (HCD) sent a letter to the Department of Planning and Community Development detailing a review of the City's ADU regulations and requiring several mostly minor corrections to ensure ongoing compliance with state law.

Finally, over the last few years, permit reviews and public inquiries have raised several questions about the meaning and application of existing regulations, prompting the need to clarify the existing language in the municipal code to make it easier for all users.

The proposed modifications would address the issues described above by permanently adopting the revisions made in the urgency ordinance; making updates required by HCD; removing owner-occupancy restrictions for all ADUs, including those constructed prior to 2020; implementing state laws that allow ADUs and their associated primary dwelling to be sold separately as condominiums; and addressing other topics or needed clarifications that have arisen during review of ADU permit applications. Development of these updates also involved considering several other minor policy questions.

As further detailed in the Discussion section below, the proposed amendments were presented to the Planning Commission for recommendation to Council on September 5, 2024, with Planning Commission voting 5-1-1 (Dann opposed, McKelvey absent) to support the proposed amendments. Additional details of the proposed amendments can be found in the attached Agenda Report from the September 5, 2024, Planning Commission Meeting.

#### **DISCUSSION:**

Removal of Owner Occupancy Requirement

Historically, the City's ADU regulations required owner occupancy for properties with ADUs. This means that the property owner was required to live on the property, either in the primary dwelling or in the ADU. In 2019, state Senate Bill (SB) 13 (Wieckowski) passed into law and prohibited local jurisdictions from imposing owner-occupancy requirements for ADUs approved between January 1, 2020, and January 1, 2025. In 2023, AB 976 (Ting) expanded on this legislation by removing owner occupancy requirements in perpetuity for all ADUs created in 2025 and beyond. The City's ADU regulations currently waive owner-occupancy requirements for those ADUs constructed between 2020 and 2025. The proposed modifications eliminate owner occupancy requirements for ADUs altogether, not only to bring requirements for ADUs constructed in 2025 and beyond in line with state law but also to remove owner-occupancy requirements for ADUs constructed prior to 2020. This modification would ensure fairness and consistency in applying regulations so that those with existing ADUs can share the same benefits afforded to those who create ADUs today and in the future. It should be noted that properties with junior accessory dwelling units (JADUs), which are essentially smaller, attached ADUs that can share bathroom facilities with the primary dwelling, still require owner occupancy, as this is required by state law.

# Residential Rental Inspection Service Requirement

Since the City has historically required ADUs to have owner-occupancy, as they were considered an accessory use with direct oversight by the owner, they have been exempt from the City's Residential Rental Inspection Service (RRIS). However, since the proposed amendments would no longer require owners to live on site, single-family properties with ADUs would have the capacity to function like a typical duplex rental property, and ADUs on multi-family properties would function as additional rental units on those properties. The City's Code Compliance Division has also found that owner occupancy does not necessarily ensure a rental dwelling will be adequately maintained. Therefore, the proposed amendments would eliminate the exemption for ADUs, requiring these properties to enroll in the RRIS.

The purpose of the RRIS is to ensure that rental dwelling units meet basic health and safety standards. The RRIS requires all rental dwelling units in the city to participate, and participation involves an annual program fee, currently \$62, as well as an annual City inspection fee of \$28 per unit. The program does provide exemptions for units that are not being used as a rental property, units occupied by a family member, newly constructed units less than five years old, or units where Section 8 Housing Choice Vouchers are used by the tenants and the Housing Authority conducts similar inspections. Those units would still require registration in the program (at no cost) but would not require annual fees or City inspections. Additionally, many properties are eligible for self-certification inspections most years, which comes with reduced fees. While new fees may apply to some ADU owners, the RRIS helps ensure that rented ADUs meet the same basic health and safety standards as any other rental property in the City. This proposed change supports tenant protection and helps prevent displacement by addressing health and safety issues before a potentially unlivable situation develops.

Separate Sale of ADUs

ADUs are an important part of the city's housing stock, providing rental units that are typically more affordable by nature than single family homes. With changes in regulations at the state and local level to increase flexibility for the creation of ADUs, the City has permitted approximately 375 such units since 2020, and that number is likely to continue to grow in the coming years.

In 2023, state bill AB 1033 (Ting) created new legislation that allows local jurisdictions to adopt an ordinance to permit accessory dwelling units and their associated primary dwellings to be sold separately as condominiums. An AB 1033 implementing ordinance would support the creation of a new type of ownership housing unit that is more affordable by nature. In a time where nearly all new development in Santa Cruz is rental housing, the proposed amendment provides a new opportunity to create smaller ownership units, making the city's housing market more diverse and accessible.

The proposed amendments would allow any number of permitted new construction or existing ADUs on a single-family or multi-family site to be mapped as condominiums. On sites with single-family buildings, the primary dwelling associated with the ADU(s) would also be mapped as a condominium and sold separately. Since the Planning Commission meeting, the draft amendments have been updated to clarify that on sites with multi-family housing, any units not mapped as an ADU, or primary dwelling condominium would also collectively be mapped within one condominium lot.

The proposed amendments to implement ADU condominium sales create a new Section 24.16.165 within the municipal code's ADU regulations. The new section includes several items that are required by State Government Code Section 66342, including:

- The condominiums shall be created pursuant to the Davis-Stirling Common Interest Development Act;
- The condominiums shall be created in conformance with all applicable objective requirements of the Subdivision Map Act and all objective requirements of the City's subdivision ordinance;
- A safety inspection must be completed before recordation of the condominium plan;
- The applicant must obtain all lienholders' consent prior to recording the subdivision map or condominium plan;
- The City must include a notice to applicants on a submittal checklist or other public information regarding lender consent requirements;
- The homeowner is required to notify utility providers, including water, sewer, gas, and electricity, of the condominium creation and separate conveyance; and
- If a property is part of an existing association, the owner must obtain permission from the association to record the condominium plan.

The process would involve approval of a tentative map and final map for a project that involves the creation of five or more condominiums on a site with a multi-family building as required by the Subdivision Map Act. On a site with a single-family home where the ADU(s) and associated primary dwelling are mapped as condominiums, or on a site with a multi-family building that is creating four or fewer condominiums, the project would be exempt from requiring a tentative parcel map and instead would only require approval of a condominium map through Public Works. Exempting the tentative map for these projects results in a process that is more

streamlined and involves fewer fees for the applicant. For all projects, Government Code Section 66342 requires that the process would include review of only objective standards required by the subdivision ordinance. It should be noted that exempting these permits from a tentative map requires minor language changes to the Subdivision Ordinance.

Municipal code regulations currently allow rental units to be converted to condominiums when at least 67 percent of the tenants purchase the condominium units or when the multi-family vacancy rate is more than five percent. The vacancy rate in Santa Cruz is consistently below five percent, which means that the 67 percent requirement would typically apply. Other displaced tenants associated with condominium conversions have a right of first refusal for purchase of the condominium unit and are afforded one and a half months' rent worth of relocation assistance (or two months' rent if the tenant has a low to moderate income). These regulations were intended to protect against tenant displacement from conversions of entire apartment buildings to condominiums and not necessarily for the conversion of a single unit or handful of units. For ADU condominium conversions of up to four units, the proposed amendments would eliminate the 67 percent threshold and allow owners to remove their tenants to transfer ownership of the condominiums.

This provision would remove a significant barrier to condominium conversion of an ADU since it would not otherwise be possible to create an ADU condominium currently unless it was sold to the existing tenant. The proposed amendments couple this increased flexibility with strengthening other anti-displacement protections, including increasing relocation assistance of four months for low- or moderate-income tenants who lived in the unit within the last two years and maintaining the current protection of offering first right of refusal to the tenant if the condominium is offered for sale to the general public. The proposal strikes a balance between facilitating the creation of lower-cost ownership housing and protecting existing tenants.

See the attached Agenda Report from September 5, 2024, Planning Commission Meeting for more details about ADU condominiums, including, but not limited to, requirements related to utilities, open space, storage space, and parking.

# Other Municipal Code Changes

The proposed amendments include additional changes to the zoning ordinance to address comments from HCD, resolve other minor policy questions, reorganize and improve clarity of existing standards, and make one minor but time-sensitive technical change related not to ADUs but to design permit approvals for multi-family residential projects. A detailed description and analysis of these proposed changes can be found in the agenda report for the September 5, 2024, Planning Commission meeting.

# General Plan and Local Coastal Program Consistency

The proposed amendments further general plan policies to promote the production of housing and affordable housing, facilitate production of ADUs, and remove ADU owner-occupancy requirements, including:

• Housing Element Policy 1.1 Provide adequate sites and supporting infrastructure to accommodate housing through land use, zoning, and specific plan designations that encourage a broad range of housing opportunities.

- Housing Element Policy 1.3 Facilitate the production of residential units through design and compatibility review, use of objective development standards, and regulatory and/or financial incentives.
- Housing Element Policy 1.5 Facilitate the development of Accessory Dwelling Units.
- Housing Element Policy 1.5b. Continue to implement the City's ADU program and communicate with ADU applicants to identify ways to modify the program in a manner that facilitates the production of ADUs, including continuation of the allowance for conversion of non-habitable space in multi-family projects to ADUs to be constructed simultaneously with new development projects. Continue public awareness campaigns regarding the construction of ADUs and available incentives through diverse forms of media and outreach distribution.
- Housing Element Policy 1.5d. Present to Council amendments to the City's ADU regulations regarding owner occupancy to provide greater flexibility to existing and future ADU developments.
- Housing Element Policy 2.2 Develop creative ways to facilitate more affordable housing development in the City.
- Housing Element Policy 6.2c. Revise ADU regulations to provide additional units in single-family zoning by such methods as removing owner occupancy requirements, allowing additional ADUs under certain circumstances, or similar measures.
- LU3.8 Allow the following residential uses to exceed the maximum densities in this chapter: Cf. LU1.3 and 3.7.1.
  - o Single-room occupancy (SRO) units;
  - o Flexible density units (FDU);
  - o Small studio and one-bedroom units:
  - o Accessory dwelling units (ADU);
  - o Density bonus units; and
  - o Residential uses within areas designated High-Density Overlay District (HD-O).

Some of the proposed amendments are also part of the Local Coastal Program, including minor text changes to procedures for ADU coastal permits; standards for design permits, slope development permits, watercourse development permits, and watercourse variances as they relate to ADUs; zone district allowed uses and site standards related to ADUs; projections into setback areas; accessory buildings and structures; fencing and screening; and bicycle parking requirements for multi-family developments. These proposed amendments are also consistent with Local Coastal Program policies that support natural resource protection and infill of housing in existing neighborhoods, including:

- Environmental Quality Element 4.2 Preserve and enhance the character and quality of riparian and wetland habitats, as identified on Maps EQ-8 and EQ-11, or as identified through the planning process or as designated through the environmental review process.
- Environmental Quality Element 4.2.5 Protect and minimize the impact of development on bird, fish and wildlife habitat in and adjacent to waterways.
- Community Design Element 1.1 Infill and intensify land uses consistent with existing neighborhood or commercial district patterns in developed areas currently served by municipal services. (See policy L 2.1 and policies under L 2.6.3

• Community Design Element 6.1 Protect existing significant vegetation and landscaping that provides scenic as well as wildlife habitat and forage value. (See policies under Goal EQ 4.)

# Planning Commission Recommendation

At the September 5<sup>th</sup>, 2024, Planning Commission meeting, the Planning Commission recommended approval of the proposed ordinance (5-1-1, Commissioner Dann dissenting and Commissioner McKelvey absent) with an additional recommendation for staff to amend the proposed modifications if needed to comply with state law based on comments received from the California Housing Defense Fund. The commissioners also raised a few additional questions about removal of owner-occupancy for ADUs constructed prior to 2020 and for condominium mapping and separate sale of ADUs and their primary dwellings.

While the Planning Commission passed a motion to recommend approval of the proposed amendments, their deliberation on this issue raised several questions. Regarding the removal of owner occupancy and required enrollment in the City's RRIS, Commissioners asked if there are ways to make the transition easier for owners of existing ADUs, who would need to modify their deed restriction and enroll in the RRIS under the proposed modifications. Commissioners pondered whether there could be an easier process than requiring each owner to amend their deed restriction, such as allowing the removal of owner-occupancy requirements to be done by operation of law or by sending a notice to the recorder with a list of affected properties. Given new information from HCD that deed restrictions cannot be imposed on ADUs (as discussed further below), the property owner could rescind the deed restriction altogether rather than retaining the deed restriction and removing the owner-occupancy requirement. Staff researched options for removing deed restrictions and determined that since they are recorded against each individual title, the deed restrictions would need to be removed individually from each title. The Department of Planning and Community Development has a streamlined process in place to rescind deed restrictions within a few days.

Commissioners also asked whether RRIS enrollment could be waived for owners of ADUs constructed prior to 2020 who choose to live on the property, thus maintaining their situation under the current requirements. Early in the process, staff had considered an option to only remove the owner-occupancy stipulation from the deed restriction upon request by the owner and then require RRIS enrollment prior to amending the deed restriction. Those who would want to retain the owner occupancy restriction could do so and would not need to enroll in the RRIS. While this approach would provide flexibility to the pre-2020 ADU owners, it still leaves open the potential for ADUs on owner-occupied sites to have unchecked health and safety problems impactful to tenants. The Code Compliance Division has attested that these issues can occur even on an owner-occupied site. That approach would perpetuate a double standard between those who own ADUs approved prior to 2020 and those who own ADUs approved in 2020 or later and would require tracking and enforcing two sets of ADUs, which would be less efficient in terms of allocating staff resources and time. Requiring all ADUs to enroll in the RRIS would relieve these potential issues.

During the meeting, a few Commissioners raised a concern about the newness of the condominium conversion law and asked if there was any information from other jurisdictions

that have created an implementing ordinance. The City of San Jose is the only jurisdiction in California that staff knows has adopted an ordinance under AB 1033, and it was adopted in June of this year. Staff reached out to the City of San Jose to learn about their experience with the new ordinance but has not obtained a response as of the writing of this report. Despite not having a case study to consider, staff believes that this option provides significant benefits to Santa Cruz and that the potential downside of displacement has been thoughtfully considered and mitigated with specific anti-displacement measures. The program is optional for Council and could be rescinded at any time. Given the significant need for lower cost ownership housing in the city, staff recommends implementation of the ADU condominium allowances now.

A Planning Commissioner also considered whether the proposed four months of relocation assistance for low- and moderate-income tenants should be reevaluated and reduced to two months. The Subdivision Ordinance currently requires relocation assistance in the form of one and a half months' rent for any tenant displaced because of conversion of a rental unit to a condominium. The Zoning Ordinance's residential demolition/conversion authorization permit (RDAP) requires two months' rent worth of relocation assistance for low- and moderate-income tenants displaced prior to conversion of a unit to a condominium. While AB 1033 requires an ADU condominium project to follow all objective standards within a local subdivision ordinance, it does not provide for local jurisdictions to require other permits such as the City's RDAP permit. While two months' rent worth of relocation assistance would be consistent with that currently required under an RDAP permit, the provisions of that permit would only apply for other types of condominium conversions, which are generally only possible when the multifamily vacancy rate is at least five percent. Since ADU conversions would be exempt from this vacancy rate threshold, strengthening tenant protections accordingly could help to balance out the increased flexibility for owners. Increasing relocation assistance to four months' rent for lowand moderate-income tenants in this case would also align with concurrent efforts to strengthen protections for displaced tenants throughout the city.

Finally, discussion among commissioners raised concerns about certain types of property owners such as the University of California (UC) creating ADU condominiums and whether certain types of owners can be restricted from creating this type of development. Property owned by the UC and rented exclusively to students is not subject to local land use controls, so these regulations would not apply to such property, and the City would not have direct authority to restrict such a use on such UC-owned land. In any case, the proposed amendments are geared towards smaller-scale, single-family properties with the potential for only several condominium conversions, not a typical UC student housing property that is a larger multifamily project. Under the proposed amendments, projects of five units or more are not entitled to a more streamlined ministerial process, so ADU conversions on a larger scale would still have to go through standard public hearings.

# Community Outreach

The Department of Planning and Community Development held a virtual community meeting on August 15, 2024, consistent with the department's Community Outreach Policy. Approximately 30 community members attended the meeting. Staff presented an overview of proposed amendments and obtained feedback from attendees. In addition, staff gave a presentation to the Santa Cruz County Association of Realtors on August 23, 2024, to provide an overview of ADU

regulations and potential modifications to the regulations. Questions and comments from the attendees focused on the RRIS program, the process for owner-occupancy requirements to be removed from deed restrictions, legalizing unpermitted ADUs, how the separate sale of ADUs would apply to SB 9 developments (both could be utilized on a lot, as long as both sets of regulations are adhered to), and what parking requirement would apply to ADU condominiums.

One comment letter was received prior to the Planning Commission meeting from the California Housing Defense Fund. The letter claimed that the portions of the amendments addressing state law consistency were not adequate. Planning staff reviewed these claims and consulted with the City Attorney and HCD on the items in question. The reviews by the City Attorney and HCD have determined that the proposed amendments are mostly consistent with state law. However, HCD has communicated a new interpretation of state law that is different from their previous communications with staff, which is that requiring deed restrictions for ADUs is not consistent with state law. The draft ordinance has been revised to eliminate the deed restriction requirements for ADUs. Provisions that were required in the deed restrictions are now listed as objective standards within the ordinance, and property owners with deed restrictions for existing ADUs will have the option to rescind their deed restriction. It should be noted that state law does require deed restrictions for JADUs, and those requirements remain in the draft ordinance.

#### Coastal Commission Review

In addition, after the proposed amendments were brought to Planning Commission, staff was notified by California Coastal Commission staff that they are implementing a new approval process for municipal code changes to ADU regulations that are also within the LCP. This new Coastal Commission process requires the City to formally submit the draft LCP ordinance to HCD to review prior to City Council approval and submittal of the LCP amendment application to the Coastal Commission. Staff's contact at HCD has advised that their review may not be complete until mid-October, after City Council's first reading of the ordinance but before the second reading. Should this additional HCD review result in any comments that need to be addressed with revisions to the proposed LCP ordinance, approval of that ordinance would need to be delayed. If this happens, staff recommends splitting these amendments into two separate items and not delaying the non-LCP ordinance on account of the LCP ordinance since the non-LCP ordinance contains changes from the urgency ordinance that must be in effect by December of this year to comply with state law.

**NEXT STEPS:** Should Council adopt these ordinances, the changes would take effect 30 days after final adoption outside the Coastal Zone. The ordinance containing municipal code sections that are part of the City's Local Coastal Program Implementation Plan must obtain certification by the Coastal Commission before it can take effect in the Coastal Zone.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION: The proposed amendments are exempt from CEQA pursuant to Section 15183 as a project consistent with the General Plan for which an EIR was certified. Creation of objective standards related to natural resources such as slopes, heritage trees, watercourses and wetlands, and other sensitive

habitats are consistent with existing regulations in the Zoning Ordinance and General Plan and involve the type of review that was considered in the General Plan EIR. Further, these amendments are largely made to comply with applicable state laws.

HEALTH IN ALL POLICIES (HIAP): HiAP is a collaborative approach to improving the health of all people by incorporating health considerations into decision-making across sectors and policy areas. HiAP is based on 3 pillars: equity, public health, and sustainability. The goal of HiAP is to ensure that all decision-makers are informed about the health, equity, and sustainability impacts of various policy options during the policy development process. The proposed changes to ADU regulations support the HiAP approach as these revisions support the creation of both rental and ownership ADUs that are typically more affordable by nature, allow for new types of ownership housing, and can provide seniors with an additional option for aging in place. The changes also support streamlined production of ADUs that create new infill housing units, which is an efficient and sustainable use of land. Therefore, the proposal is consistent with the three HiAP pillars.

FISCAL IMPACT: Proposed updates to clarify and streamline ADU regulations and to ensure continued consistency with state law may result in reduced staff time for permit application review, improving the efficiency of Planning services and thus reducing expenses. Creating a new option for mapping ADUs and their associated primary dwellings as condominiums may result in more permit applications that would generate additional revenue in the form of permit fees, though those fees are structured to cover staff costs associated with such reviews. Reduced permitting fees associated with not requiring a tentative parcel map approval for ADU condominium projects resulting in four or fewer condominium lots would decrease the potential revenue per project but could lower the barrier to obtaining permits, resulting in more permit applications and thus more revenue. Additional property tax revenue associated with new housing units would be counteracted by additional costs associated with providing services to the new residents.

Prepared By: Submitted By: Approved By: Clara Stanger Lee Butler Matt Huffaker Senior Planner Director of Planning & City Manager Community Development

Matt VanHua Principal Planner

# **ATTACHMENTS:**

- 1. DRAFT ORDINANCE FOR ACCESSORY DWELLING UNIT REGULATIONS AMENDMENTS, LCP, CLEAN
- 2. DRAFT ORDINANCE FOR ACCESSORY DWELLING UNIT REGULATIONS AMENDMENTS, NON-LCP, CLEAN
- 3. DRAFT ORDINANCE FOR ACCESSORY DWELLING UNIT REGULATIONS AMENDMENTS, LCP, TRACK CHANGES
- 4. DRAFT ORDINANCE FOR ACCESSORY DWELLING UNIT REGULATIONS AMENDMENTS, NON-LCP, TRACK CHANGES

- 5. AGENDA REPORT FROM SEPTEMBER 5, 2024 PLANNING COMMISSION MEETING
- 6. LETTER FROM HCD DATED FEBRUARY 6, 2024
- 7. MATRIX DETAILING CITY'S RESPONSES TO HCD COMMENTS ON CURRENT ORDINANCE
- 8. CORRESPONDENCE LETTER FROM CALIFORNIA HOUSING DEFENSE FUND DATED SEPTEMBER 5, 2024

#### ORDINANCE NO. 2024-XX

AN ORDINANCE OF THE CITY OF SANTA CRUZ ADDING NEW SANTA CRUZ MUNICIPAL CODE SECTION 24.04.095 - NOTICE OF ADMINISTRATIVE COASTAL PERMIT FOR ACCESSORY DWELLING UNITS AND AMENDING SANTA CRUZ MUNICIPAL CODE CHAPTER 24.04 – ADMINISTRATION; CHAPTER 24.08 – LAND USE PERMITS AND FINDINGS; CHAPTER 24.10 – LAND USE DISTRICTS; AND CHAPTER 24.12 – COMMUNITY DESIGN RELATED TO ACCESSORY DWELLING UNITS TO MAINTAIN CONSISTENCY WITH STATE REGULATIONS, CLARIFY EXISTING STANDARDS, REMOVE OWNER-OCCUPANCY REQUIREMENTS FOR EXISTING ACCESSORY DWELLING UNITS, REQUIRE PROPERTIES WITH ACCESSORY DWELLING UNITS TO ENROLL IN THE RESIDENTIAL RENTAL INSPECTION SERVICE, AND TO ALLOW FOR THE CONDOMINIUM MAPPING AND SEPARATE SALE OF ACCESSORY DWELLING UNITS AND THEIR ASSOCIATED PRIMARY DWELLINGS; AND RELATED TO OTHER MINOR TECHNICAL CHANGES REGARDING HEARING BODIES FOR DESIGN PERMIT APPROVAL. AMENDMENTS TO CHAPTER 24.04; CHAPTER 24.08 PARTS 5, 9A, 14, 21, AND 22; CHAPTER 24.10 PARTS 3, 4, 5, 6, 6A, 7, 8, 10, 11, 12, 13, 16, 19, 21, AND 24(A); AND CHAPTER 24.12 ARE PART OF THE LOCAL COASTAL PROGRAM IMPLEMENTATION PLAN (LCP IP) AND WILL REQUIRE APPROVAL BY THE CALIOFORNIA COASTAL COMMISSION PRIOR TO TAKING EFFECT INSIDE THE COASTAL ZONE. (CEQA: EXEMPT PURSUANT TO CEQA GUIDELINES SECTION 15183 AS A PROJECT CONSISTENT WITH THE GENERAL PLAN FOR WHICH AN EIR WAS CERTIFIED.)

WHEREAS, accessory dwelling units contribute needed housing to the community's housing stock and provide housing for family members, students, the elderly, in-home health care providers, the disabled, and others within existing neighborhoods, and homeowners who create accessory dwelling units may benefit from added income and an increased sense of security; and

WHEREAS, at its December 13, 2022 meeting, the City Council approved Urgency Ordinance 2022-22, amending accessory dwelling unit regulations in the Santa Cruz Municipal Code to comply with implementation deadlines set by state laws AB 2221 and SB 897; and

WHEREAS, at its January 24, 2023 meeting, the City Council extended the urgency ordinance through the end of 2024 with Ordinance 2023-01; and

WHEREAS, amendments made by the urgency ordinance are now codified through a formal ordinance required to be approved prior to the end of 2024, thus rescinding the urgency ordinance; and

WHEREAS, in 2023, AB 976 (Ting) was signed into law, removing owner-occupancy requirements for properties with accessory dwelling units for any accessory dwelling unit created in 2025 and in perpetuity thereafter; and

WHEREAS, in 2023, AB 1033 (Ting) was signed into law, allowing local jurisdictions to create an ordinance to allow for the separate sale of accessory dwelling units and their associated primary dwellings as condominiums; and

WHEREAS, on February 6, 2024, the California Department of Housing and Community Development (HCD) sent a letter to the Department of Planning and Community Development detailing a review of the City's accessory dwelling unit regulations and requiring several corrections to ensure ongoing compliance with state law.

WHEREAS, additional clarifications are needed to the accessory dwelling unit regulations in the Santa Cruz Municipal Code; and

WHEREAS, on August 15, 2024, the Department of Planning and Community Development held a community meeting to present proposed modifications to local accessory dwelling unit regulations and solicited feedback from the public; and

WHEREAS, at its September 5, 2024 meeting, the Santa Cruz Planning Commission reviewed the proposed additions and modifications to the Santa Cruz Municipal Code and found that the public necessity, and the general community welfare, and good zoning practice shall be served and furthered; and that the proposed amendments are in general conformance with the principles, policies and land use designations set forth in the General Plan, Local Coastal Plan and any adopted area or specific plan; and

WHEREAS, at its September 5, 2024 meeting, the Santa Cruz Planning Commission considered the additions and modifications to the Santa Cruz Municipal Code as modifications to the Local Coastal Program and found that (1) the proposed amendment is deemed to be in the public interest; (2) the proposed General Plan and/or Local Coastal Program amendment is consistent and compatible with the rest of the General Plan and LCP and any implementation programs that may be affected; (3) the potential impacts of the proposed amendment have been assessed and have been determined not to be detrimental to the public health, safety, or welfare; and (4) the proposed amendment has been processed in accordance with the applicable provisions of the California Government Code and the California Environmental Quality Act (CEQA); and

WHEREAS, at its September 5, 2024 meeting, the Santa Cruz Planning Commission passed a motion that recommended the City Council approve the proposed additions and amendments as well as any additional changes needed to comply with state ADU law; and

WHEREAS, the proposed amendments and additions to the Santa Cruz Municipal Code fall within the analyzed development potential in the City of Santa Cruz's existing 2030 General Plan Environmental Impact Report using the existing zoning and General Plan and, therefore, pursuant to California Code of Regulations, Title 14, section 15183 of the California Environmental Quality Act (CEQA) Guidelines, no further environmental review under the CEQA is required.

BE IT ORDAINED By the City of Santa Cruz as follows:

<u>Section 1.</u> Section 24.04.095 of Chapter 24.04 of the Santa Cruz Municipal Code regarding Notice of Administrative Coastal Permit for Accessory Dwelling Units is hereby added to read as follows:

# 24.04.095 NOTICE OF ADMINISTRATIVE COASTAL PERMIT FOR ACCESSORY DWELLING UNITS

The public shall be provided notice of an administrative coastal permit application for an accessory dwelling unit as required by this section as well as any other noticing required by Section 24.08.200 et seq.

- 1. Within 10 calendar days of accepting an application for administrative approval of a coastal permit for an accessory dwelling unit, and at least 14 days before a decision is made on the permit application, the city shall provide notice of pending application.
- 2. The notice shall include the following information:
  - a. Project Information. The name of the applicant; the city's project case number assigned to the application; a general explanation of the matter to be considered; a general description, in text and/or diagram, of the location of the property that is subject to the coastal permit;
  - b. Statement on Environmental Document. If a negative declaration, mitigated negative declaration, environmental impact report (EIR) has been prepared for the project, or if the project has been determined to be exempt, in compliance with the provisions of the California Environmental Quality Act (CEQA) and the city's Environmental Guidelines, the notice shall include a statement that the decision will also include approval of the environmental determination;
  - c. The date of filing of the application;
  - d. A statement that the development is within the coastal zone and requires administrative coastal permit approval;
  - e. A statement of whether or not the coastal permit is appealable; and
  - f. The procedures for appeal to the Coastal Commission, if applicable.
- 3. Notices shall be mailed as described in Section 24.04.100.(a)1.

<u>Section 2.</u> Section 24.04.130 of Chapter 24.04 of the Santa Cruz Municipal Code regarding Decision-Making Body With Final Authority on Application Approval is hereby amended to read as follows:

# 24.04.130 DECISION-MAKING BODY WITH FINAL AUTHORITY ON APPLICATION APPROVAL

The following table indicates the decision-making body who can approve, deny or conditionally approve an application, whether or not a public hearing is required, and the bodies to which appeals can be made:

1. The planning commission and city council may refer certain aspects of any application to the zoning administrator for final action.

- 2. The zoning administrator may refer any of the matters on which he/she is authorized to act to the planning commission or historic preservation commission.
- 3. Recommendations for approval on General Plan matters and Zoning Ordinance text and map amendments shall require a majority vote of the planning commission; all other actions shall require a majority of the hearing body present at the meeting.

	Public Hearing Requirement and Decision-Making Body Which Can Approve an Application			
Permits/Actions <sup>4</sup>	No Public Hearing Action	Public Hearing  Recommendation Action		Appeal Bodies (in order)
Coastal Permit	ZA (ADU1)		$ZA^1$	CPC/CC/CCC <sup>1</sup>
Administrative Use Permit: Temporary uses, variations to parking design requirements and number of spaces, low risk alcohol outlets, and half baths in accessory buildings	ZA			CPC/CC
Administrative Use Permit: Variations to parking design requirements or variations to number of required spaces	ZA			CPC/CC/CCC
Other uses as listed by individual zoning districts as requiring an Administrative Use Permit			ZA	CPC/CC
Conditional Fence Permit	ZA		ZA	CPC/CC
Slope Regulations Modifications (Variance) in the Coastal Zone			СРС	CC
Slope Development Permit (on or within 20 feet of a 50% or greater slope) outside the Coastal Zone			ZA	CPC/CCC
Slope Regulations Modifications (Design Permit) in the Coastal Zone	ZA			CPC/CC
Slope Development Permit (on or within 20 feet of a slope greater than or equal to 30% and less than 50%) outside the Coastal Zone	ZA			CPC/CC
Design Permit	ZA			CPC/CC

	Public Hearing Requirement and Decision-Making Body Which Can Approve an Application			
Permits/Actions <sup>4</sup>	No Public Hearing Action	Public Hearing		Appeal Bodies (in order)
1. Substandard lots: new two-story structures and second-story additions with a single-family residential use, excluding ADUs			ZA	CPC/CC
2. Large homes per Section 24.08.450			ZA	CPC/CC
3. Wireless telecommunications facilities	ZA		ZA	CPC/CC
4. New structures or improvements to existing structures in the WCD Overlay which are exempt or excluded from coastal permit requirements	ZA			CPC/CC
5. New structures or improvements to existing structures in the WCD Overlay which require a coastal permit			ZA	CPC/CC
6. Residential development in R-L, R-M, or R-H zone districts conforming to all standards of Section 24.12.185	7Δ			CPC/CC
7. Mixed-use or residential development not within the R-L, R-M, or R-H zone districts with no more than 50 dwelling units and conforming to all standards of Section 24.12.185.	ZA			CPC/CC
8. Mixed-use or residential developments not within the R-L, R-M, or R-H zone districts with 51 dwelling units or more and conforming to all standards of Section 24.12.185			ZA	CPC/CC
9. Mixed-use or residential development not within the R-L, R-M, or R-H zone districts with no			ZA	CPC/CC

	Public Hearing Requirement and Decision-Making Body Which Can Approve an Application			
Permits/Actions <sup>4</sup>	No Public Hearing Action	Public Hearing  Recommendation Action		Appeal Bodies (in order)
more than 50 dwelling units and varying from at least one and no more than five standards of Section 24.12.185				
8. Mixed-use or residential development that varies from six or more standards of Section 24.12.185			СРС	CC
Demolition Permit				
1. Single-family residential	ZA			CPC/CC
2. Multifamily residential			CPC	CC
3. Historic demolition permit			HPC	CC
4. Nonresidential	$ZA^2$		ZA2	CPC/CC
General Plan Text and Map Amendments		СРС	CC/CCC3	
Historic Alteration Permit			HPC	CC
Administrative Historic Alteration Permit	ZA			HPC/CC
Historic Building Survey:				
Building designation, deletion		НРС	CC	
Historic District Designation		HPC/CPC	CC	
Historic Landmark Designation		HPC	CC	
Mobile Homes (Certificate of Compatibility)	ZA			CPC/CC
Mobile Home Park Conversion			CPC	CC
Outdoor Extension Areas per Section 24.12.192	ZA			CPC/CC
Planned Development Permit		CPC	CC	
Project (Major) Modification	_	by ZA or body gapplication		Appeal to next highest body(ies)
Project (Minor) Modification	ZA			CPC/CC

	Public Hearing Requirement and Decision-Making Body Which Can Approve an Application				
Permits/Actions <sup>4</sup>	No Public Hearing	Public Hearing		Appeal Bodies (in order)	
	Action	Recommendation	Action		
Relocation of Structures Permit	ZA			CPC/CC	
Revocation Permit	_	by ZA or body gapplication		Appeal to next highest body(ies)	
Sign Permit	ZA			CPC/CC	
Special Use Permit			CPC	CC	
Variance			ZA	CPC/CC	
Watercourse Variance			CPC	CC	
Watercourse Development Permit	ZA			CPC/CC	
Zoning Ordinance Text and Map Amendments:					
Amendments recommended by CPC		CPC	CC/CCC3		
Amendments not recommended by CPC		СРС		CC/CCC <sup>3</sup>	

CCC = California Coastal Commission CC = City Council CPC = City Planning Commission

HPC = Historic Preservation Commission ZA = Zoning Administrator

1 For projects seaward of the mean high tide line, and in the case of appealable actions, the California Coastal Commission shall be the decision-making body which can finally approve an application. In the coastal zone, all proposed accessory dwelling units that-require a coastal permit shall be processed in the manner described in Chapter 24.04 and Section 24.08.200 et seq. (including in terms of public noticing and process for appeal to the Coastal Commission) except that no public hearing shall be required. A coastal permit for an accessory dwelling unit is not locally appealable. An appeal of such a coastal permit within the appealable area of the coastal zone shall be made directly to the California Coastal Commission. In addition to all other applicable LCP requirements, standards for ADUs in the coastal zone are specified in Section 24.12.140.2.

2 Such permits shall be issued administratively, without a public hearing, unless a cultural resources evaluation, prepared by a qualified consultant as determined by the zoning

Permits/Actions <sup>4</sup>		Public Hearing Requirement and Decision-Making Body Which Can Approve an Application			
	No Public Hearing		Appeal Bodies (in order)		
	Action	Recommendation Action			

administrator, determines that the building or structure is eligible for listing on the city historic building survey.

- 3 California Coastal Commission in case of CLUP policy, CLIP elements.
- 4 At a regularly scheduled meeting, a majority of the council may take an action to direct any project or amendment to be called from a lower hearing body prior to a final action or during an appeal period in accordance with Section 24.04.175(2).
- An appellant must exhaust all local appeals before an appeal can be made to the California Coastal Commission, unless the coastal permit is processed concurrently with other permits pursuant to Section 24.04.150 (for example, a design permit, a use permit, etc.). Because the city charges an appeal fee pursuant to Section 24.04.070 for appeals of coastal permits processed concurrently with other permits, Section 30603(c) of the Coastal Act does not require an appellant to exhaust all local appeals before a project can be appealed to the California Coastal Commission. The city does not charge a fee for local appeals of standalone coastal permits (i.e., where the coastal permit is not accompanied by any other permits).

<u>Section 3.</u> Section 24.04.186 of Chapter 24.04 of the Santa Cruz Municipal Code regarding Appeals to Coastal Commission is hereby amended to read as follows:

#### 24.04.186 APPEALS TO COASTAL COMMISSION.

1. Coastal permits fall into either of two categories: appealable or nonappealable to the Coastal Commission.

The determination of whether a project is appealable or nonappealable, or categorically exempt, shall be made by the zoning administrator at the time the application is filed. This determination is appealable pursuant to the provision of California Coastal Commission Local Coastal Program Regulations Section 13569.

2. Coastal permits are only appealable after all city appeals are exhausted except for appeals by members of the Coastal Commission, who may appeal the permit directly to the California Coastal Commission. The following coastal permits have no local appeal process, and any appeal shall be

made directly to the California Coastal Commission: coastal permits for small cell facilities in the public right-of-way and in the portion of the Coastal Zone Overlay zone district where city decisions can be appealed to the California Coastal Commission, and coastal permits for accessory dwelling units in the portion of the Coastal Zone Overlay zone district where decisions can be appealed to the California Coastal Commission. No fee shall be charged for coastal permit appeals.

- a. Only the following coastal permit applications are appealable to the Coastal Commission:
  - (1) Any major public works project or facility. The phrase "major public works project or energy facility" is the same as used in Public Resources Code Section 30603(A)(5) and these regulations shall mean any proposed public works projects as defined by Coastal Commission Regulations Section 13012, or "energy facility" as defined by Public Resources Code Section 13012 of the Coastal Commission Regulations, or "energy facility" as defined by Public Resources Code Section 30107 and exceeding fifty thousand dollars in estimated cost of construction.
  - (2) Development approved between the sea and the first public road paralleling the sea or within three hundred feet of the inland extent of any beach or the mean high tide line of the sea where there is no beach, whichever is the greater distance.
  - (3) Developments approved not included within subsection (2)(a)(2), located on tidelands, submerged lands, public trust lands, within one hundred feet of any wetland, estuary, stream, or within three hundred feet of the top of the seaward face of any coastal bluff.
    - (a) Subsections (a)(2) and (a)(3) are shown as the SP-O Shoreline Protection Overlay zone on the zoning map.
  - (4) Developments approved that are located in a sensitive coastal resource area.
- b. An appeal may be filed only by the applicant, an aggrieved person as defined by this title, or any two members of the Coastal Commission. An appeal must be filed in accordance with the appeal procedures contained in this title, except that appeals by any two members of the Coastal Commission do not require exhaustion of local appeals and may be made following the decisions of the reviewing body, zoning administrator, zoning board or city council.

However, commissioner appeals taken prior to exhaustion of all local appeals shall be transmitted to the appropriate local appellate body and the appeal to the commission may be suspended pending a decision on the merits by that local appellate body. If the decision of the local appellate body modifies or reverses the previous decision, the commissioners shall be required to file a new appeal from that decision.

- c. Grounds for appeal, pursuant to subsection (2)(a)(2), shall be limited to an allegation that the development does not conform to standards set forth in the certified Local Coastal Program or the Public Access Policies set forth in the California Coastal Act.
- d. The grounds for an appeal of a denial of a permit pursuant to subsection (2)(a)(1) shall be limited to an allegation that the development conforms to the standards set forth in the certified Local Coastal Program and the public access policies set forth in the California Coastal Act.
- e. Appeals to the Coastal Commission pursuant to this section must be filed with the Coastal Commission on forms prescribed by and available from the Coastal Commission.

<u>Section 4.</u> Section 24.08.440 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Standards for Substandard Residential Lot Development is hereby amended to read as follows:

# 24.08.440 STANDARDS FOR SUBSTANDARD RESIDENTIAL LOT DEVELOPMENT

Whenever a project associated with a single-family residential use is proposed for a substandard residential lot, as defined in Section 24.22.520, applications for design review shall be approved if the findings set forth in Section 24.08.430 can be made and proposed buildings, structures, landscaping and other components of the site plan conform to the following additional criteria:

- 1. The maximum allowable lot coverage for structures shall be forty-five percent, except that lot coverage shall be waived to the extent that it physically precludes the construction of an accessory dwelling unit up to eight hundred square feet in floor area. The lot coverage of an accessory dwelling unit shall not be included in the calculation of all other structures' maximum allowable lot coverage. Lot coverage shall include the footprints of the first floor, garage and other accessory buildings (attached and detached), decks and porches (greater than thirty inches in height and not cantilevered), and any second-story cantilevered projection (enclosed or open) beyond two and one-half feet. Decks under thirty inches in height or fully cantilevered with no vertical support posts do not count toward lot coverage for this purpose. Second-story enclosed cantilevered areas that project less than thirty inches from the building wall do not count toward lot coverage. For such areas that project more than thirty inches from the building wall, only the floor area that projects more than thirty inches shall be counted toward lot coverage.
- 2. The floor area of a building's second story shall be limited to one hundred percent of the floor area of the building's first floor if the floor area of the building's first story constitutes thirty percent or less of the net lot area.
- 3. The floor area of a building's second story shall not exceed fifty percent of the floor area of the building's first story if the building's first story has greater than thirty percent lot coverage up to a maximum of forty-five percent lot coverage.
- 4. The floor area of a building's second story shall be limited to fifty percent of forty-five percent lot coverage if the building's first story has greater than forty-five percent lot coverage.

- 5. New structures shall be consistent with the scale of structures on adjacent lots and generally be compatible with existing surrounding structures.
- 6. New structures shall be sited in ways which avoid causing substantial change in the pattern of existing building projections along streets. Continuous long, parallel abutting walls on narrow side yards shall be avoided.
- 7. Spacing of buildings and overall siting of structures shall maximize the potential for solar access to each lot.
- 8. Landscaping shall be required at least for front yard areas and shall be used to screen parking from street.
- 9. Structures shall incorporate methods to lessen the impact of garages on a street facade.

<u>Section 5.</u> Section 24.08.450 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Guidelines for Large Homes in Single-Family Areas is hereby amended to read as follows:

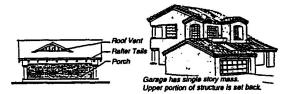
#### 24.08.450 GUIDELINES FOR LARGE HOMES IN SINGLE-FAMILY AREAS.

- 1. Purpose. The intent of the design permit findings for large-scale residential buildings is to protect existing neighborhood character and identity by development guidelines that promote a variable streetscape by requiring a variety of building massing and placements, and also by maintaining existing neighborhood patterns to limit obtrusive visual impacts on nearby properties.
- 2. Determination of Large Home. Single-family homes over four thousand square feet in R-1-10 zoning districts, three thousand five hundred square feet in R-1-7 zoning districts, and three thousand square feet in R-1-5 zoning districts are considered "large homes." The square footage of the home shall be calculated based on the gross square footage of the main structure, including any attached and detached garages or other accessory structures, not including accessory dwelling units. For properties with detached garages in the rear one-half of the lot, a credit shall be given for the size of the garage up to four hundred twenty square feet, which shall not be counted toward the square footage of the home. Detached garage square footage over four hundred twenty square feet shall be included in the square footage of the home. The square footage of a junior accessory dwelling unit shall be counted as part of the home. The square footage of accessory dwelling units shall not be counted as part of the home.
- 3. Application Requirements. In addition to the standard requirements of the R-1 district, a survey of buildings within one hundred feet of the property on both sides of the street, which identifies front and side yard setbacks, building floor area, building heights, driveway widths, garage locations, and architectural style shall be submitted with the project application.
- 4. Design Criteria. There is no particular architectural "style" required for residential structures, but the focus should be on the development of a high quality residential environment. In general, the architecture should consider compatibility with surrounding character, including harmonious building style, form, size, color, material, and roofline. Individual dwelling units should be

distinguishable from one another. Also projects should comply with design standards established in relevant specific area plans such as the Western Drive Master Plan, Seabright Area Plan and the Moore Creek Access and Management Plan and others that apply.

a. Facade and Roof Articulation. The articulation of facades and the massing of structures give them richness and scale. Long uninterrupted exterior walls shall be avoided on all structures. All structure walls shall have "relief" to create an interesting blend with landscaping, structures, and the casting of shadows. The integration of varied texture, relief, and design accents on building walls can enhance the architecture.

For sloped roofs, both vertical and horizontal articulation is encouraged. Roof lines should be representative of the design and scale of the units under them. Roof articulation may be achieved by changes in plane of no less than two feet six inches and/or the use of traditional roof forms such as gables, hips, and dormers. Flat roofs and A-frame type roofs are discouraged unless appropriate to the architectural style.



Roof and building plane articulation.

- b. Varied Structure Design.
  - (1) Design of structures shall be varied in tract developments to create variety and interest. A significant difference in the massing and composition (not just finish materials) of each adjacent house should be accomplished. One design shall not be repeated more frequently than each fourth house.
  - (2) New development in existing neighborhoods should incorporate distinctive architectural characteristics of surrounding development, for example: window and door detailing, decoration, materials, roof style and pitch, building height, finished-floor height, porches, bay windows, and the like.

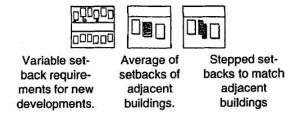
# c. Scale.

- (1) Form and scale should relate to the use of the structure as a single-family residence. Also, the scale of structures shall be at a human scale so as not to overwhelm or dominate their surroundings. New structures shall be consistent with the scale of structures on adjacent lots and generally be compatible with existing surrounding structures.
- (2) New development should continue the functional site relationships of the surrounding neighborhoods. As an example, common patterns found in the surrounding neighborhoods should be repeated, such as single-story dwellings, entries facing the street, front porches and parking at the rear.

#### d. Setbacks.

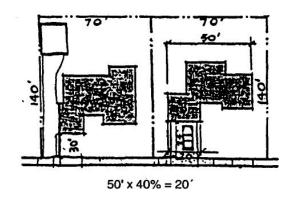
- (1) New projects shall provide variable front setbacks, with a minimum of five-foot differentiation provided between adjacent lots.
- (2) New single-family development in existing neighborhoods shall be integrated with the housing units in the adjacent area. Site setbacks of infill residential projects shall be either:
  - (a) Equal to the average setback of all residences on both sides of public streets within one hundred feet of the property lines of the new project; or
  - (b) Equal to the average of the two immediately adjacent residences.

In cases where averaging between two adjacent existing residences is chosen, the new residence may be averaged in a stepping pattern between the setbacks of adjacent residences, or the new residence's entire frontage may be built on the average setback line.



# e. Garages.

- (1) Unit design is encouraged to limit the visual impact of automobile parking by developing detached garages in the rear yard or significantly limiting the garage's lineal frontage of a structure to forty percent of the structure's overall width.
- (2) Garages should have a single-story mass if developed at the front of a structure and provide an architectural transition if there is two-story massing.



# f. Grading.

- (1) Development should relate to the natural land forms and surroundings and minimize grading by following the natural contours as much as possible. Graded slopes should be rounded and contoured to blend with the existing terrain. Structures built on slopes or hills should be sensitively designed to minimize visual impact by stepping structures to match topography.
- (2) Significant natural vegetation should be retained and incorporated into the project whenever possible. Landscaping shall be required for the front yard areas.

<u>Section 6.</u> Section 24.08.810a of Chapter 24.08 of the Santa Cruz Municipal Code regarding Procedure for Slope Development Permit (Applies In the Coastal Zone) is hereby amended to read as follows:

# **24.08.810a PROCEDURE.**

Projects requiring an exception to slope standards established by Section 24.14.030a must apply for a slope modification permit except for approval of a statewide exemption accessory dwelling unit that waives the distance from slope standard pursuant to Section 24.16.141.11. This permit may be granted by the zoning administrator without a hearing if the project is no closer than ten feet from the top edge of a thirty percent slope and is consistent with the findings in Section 24.08.820a, unless the slope modification permit is accompanied by an application which must be heard by a higher body. Should a project be closer than ten feet to a thirty percent slope, then it must be considered at a public hearing by the zoning board as a variance which must also be consistent with the findings in Section 24.08.820a.

<u>Section 7.</u> Section 24.08.820a of Chapter 24.08 of the Santa Cruz Municipal Code regarding Findings Required for Slope Development Permit (Applies In the Coastal Zone) is hereby amended to read as follows:

# 24.08.820a FINDINGS REQUIRED

A slope modification permit may be granted when all of the following applicable conditions are found:

- 1. Measures have been included within the design of the project to mitigate impacts on environmental constraint areas identified in the Environmental Quality Element of the General Plan and the Local Coastal Program.
- 2. Landscaping of an appropriate type, size and quality is proposed to mitigate any adverse environmental effect.
- 3. Usable open space is proposed in an amount equal to that normally required.

- 4. To conform with existing land forms and topography, streets, buildings, and other man-made structures have been designed by a registered civil engineer or other qualified professional.
- 5. Adequate fire safety measures as required by the city fire department have been incorporated into the design of the proposed development, when located in a designated fire hazard area.
- 6. The proposed project employs architectural and design elements which in total serve to reduce the mass and bulk of structures. Such elements may include:
  - a. Multiple floor levels which follow natural slopes;
  - b. Multiple roof lines;
  - c. Decks and balconies;
  - d. Foundation types such as poles, piles, or stepped levels which minimize cut and fill and need for retaining walls;
  - e. Fence lines, walls, and other features which blend with the terrain rather than strike off at an angle against it.
- 7. If a project proposed for construction is in a designated landslide area, before granting a modification to Section 24.14.030a(1)(d), findings must be made that mitigation measures necessary to fulfill the purpose of this part have been incorporated into project design, based on the project's environmental review.

<u>Section 8.</u> Section 24.08.2140 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Exemptions from Watercourse Development Permit is hereby amended to read as follows:

#### **24.08.2140 EXEMPTIONS.**

Certain types of projects that clearly would not impact riparian resources and support the goals of the City-Wide Creeks and Wetlands Management Plan are exempted from the watercourse development permit requirements (in the coastal zone, the following list of projects are exempt only if the criteria of Section 24.08.230.1 regarding coastal permit exemptions are met). Such projects should incorporate applicable best management practices in the project design. In situations where it is unclear whether a project is eligible for an exemption under this section, the determination would be made by the zoning administrator in accordance with the goals of the City-Wide Creeks and Wetlands Management Plan. The following projects are eligible for an exemption:

1. Development and structural improvements to include the following:

- a. Any development on parcels that have been identified within a Category "C" watercourse in the City-Wide Creeks and Wetlands Management Plan.
- b. Development projects within a Category "B" watercourse located outside of the designated riparian corridor and development setback area (in the remaining management area).
- c. Any development adjacent to a closed culverted section of a watercourse.
- d. Any development on a parcel that either:
  - i. Has an established road right-of-way between the subject parcel and the watercourse (where the development would occur); or
  - ii. Has a separate parcel with legal development that is located between the subject parcel and the watercourse (where the development would occur).
- e. Interior remodeling of an existing legal structure within the existing structure footprint.
- f. Repair and maintenance of existing legal structures.
- g. Demolition of existing structures outside the riparian corridor, in accordance with city demolition regulations; provided, that no mechanized machinery is utilized and no disturbance occurs within the riparian corridor.
- h. Reconstruction of a damaged nonconforming structure where nonconformance only relates to watercourse setbacks, provided applicable watercourse development standards are implemented.
- 2. Exterior improvements, to include the following:
  - a. Exterior treatments such as painting, roofing, surface treatments, window replacement, etc., that do not increase the density or intensity of land use, or increase surface coverage.
  - b. Exterior safety lighting in the development setback area such as low-level walkway lighting, motion detector security lighting, driveway lighting, and entry lighting that is hooded and directed downward, away from the watercourse. Lighting shall be prohibited within the designated riparian corridor.
  - c. Open-style fencing (e.g., wire strand or split rail) that permits the free passage of wildlife limited to the outer edge of the riparian corridor. Fencing must otherwise meet the regulations in Section <u>24.12.160</u>.
  - d. Installation of pervious surfaces (outside of the riparian corridor), including at-grade decks, patios, and walkways, when the total square footage is less than twenty-five percent of the development setback area; provided, that the pervious surfaces meet those requirements specified in the Watercourse Development Standards. The total percentage allowed includes both existing and new surfaces.
- 3. Landscaping and vegetation, to include the following:
  - a. Landscaping with non-native vegetation using noninvasive species, within the development setback area, as recommended in the City-Wide Creeks and Wetlands Management Plan.
  - b. Minor vegetation removal as defined in Section <u>24.08.2110</u>, except for mature eucalyptus trees in known monarch butterfly habitat areas.
  - c. Thinning of riparian vegetation within a flood or high fire hazard area, except for mature eucalyptus trees in known monarch butterfly habitat areas, when required by the fire department for public safety with review and approval of a fire-vegetation management plan or when required by the public works department for flood protection maintenance with review and approval of a maintenance plan.

- d. Removal of tree(s) that are hazardous or likely to have an adverse effect upon the structural integrity of a building, utility, or public right-of-way, or a tree that has the physical condition of health such as disease or infestation which warrants alteration or removal, in accordance with Chapter 9.56 of this code and with a plan prepared by a qualified professional.
- e. Removal of impervious surfaces outside of the riparian corridor.
- f. Mowing and grazing on public lands (outside of the riparian corridor in the Coastal Zone), consistent with an adopted parks or fire management plan.
- 4. Roads, public facilities and utilities, to include the following:
  - a. Road maintenance of existing legal public roads, private roads and driveways (no expansion or improvements).
  - b. Construction of public trails and bridges on public lands, consistent with an adopted parks master plan or management plan, including the location and siting of trails and bridges.
  - c. Installation and improvements to non-structural BMPs within the development setback area.
  - d. Repair, maintenance, or minor alteration of existing public utility, drainage, flood control, and water storage and provision facilities, including pumps and other appurtenant structures where there is no or negligible expansion of use.
- 5. Other projects, to include the following:
  - a. Projects that concurrently are reviewed and approved by another authorizing permitting agency (CDFG, NOAA, USFWS or ACOE) for maintenance, flood protection, restoration or enhancement of a natural resource where the regulatory process involves procedures for protection of the environment, provided proof of permit approval is submitted to the planning director.
  - b. Removal of fish passage barriers and installation of in-stream aquatic habitat enhancement structures, in accordance with a plan for said activities prepared by a qualified professional and approved by the planning director.
  - c. Interpretative signage designed to provide information about the value and protection of the resource that is limited to the outer edge of the riparian corridor, and must meet other city sign regulations.
  - d. Installation of new and maintenance of existing water flow gauges.
  - e. Water quality testing.
  - f. Continued operation and maintenance of existing cemetery plots.
- 6. A statewide exemption accessory dwelling unit, as defined in Section 24.16.125.9, that is approved with a waiver of the required distance from a watercourse or wetland as described in Section 24.16.141.11. Despite the statement in section 24.08.2140 that exemptions do not apply to projects that are not exempt from coastal permit requirements, in the coastal zone, this exemption applies even if the statewide exemption accessory dwelling unit requires approval of a coastal permit; however, in this case, the statewide exemption accessory dwelling unit shall be consistent with the development standards of the Citywide Creeks and Wetlands Management Plan to the extent that it shall not be required to be moved.

<u>Section 9.</u> Section 24.08.2200 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Purpose of Watercourse Variance is hereby amended to read as follows:

#### 24.08.2200 PURPOSE.

The purpose of this part is to allow variation from the watercourse setbacks or development standards as outlined in Sections <u>24.08.2130</u> and <u>24.08.2180</u>. A watercourse variance shall not be required for a statewide exemption accessory dwelling unit approved with a waiver of a watercourse setback pursuant to Section 24.16.141.11.

<u>Section 10.</u> Section 24.10.250 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-S Residential Suburban District is hereby amended to read as follows:

## 24.10.250 DISTRICT REGULATIONS.

## 1. General.

Provision		Classification or Type of Use Single-Family Residential				
	RS-10A					
a. Height of Building (Maximum)	S					
• Principal: (stories and feet)	2 & 30	2 & 30	2 & 30	2 & 30		
• Accessory: (stories and feet)	1 & 20	1 & 20	1 & 20	1 & 20		
b. Lot area (acre)	10 acres	5 acres	2 acres	1 acre		
c. Lot width (feet)	250	200	150	100		
d. Front yard (feet)	40*	40*	40*	40*		
e. Rear yard (feet)	30	30	30	30		
f. Side yards (feet)	25	20*	20*	15*		

- \* For any attached or detached garage or carport with doors or entrances fronting on a front or exterior side property line, the setback shall be a minimum of twenty feet from said property line or the setback required for the district, whichever is greater.
- 2. Dwellings per Lot. Unless otherwise provided, there shall be only one dwelling per lot.
- 3. Design Guidelines. Development guidelines adopted by the city shall be used as applicable to provide site design standards to augment the general district regulations in the development of property in this district.
- 4. The minimum distance between buildings on the same lot shall be ten feet between main buildings; six feet between main buildings and accessory buildings; and six feet between accessory

buildings; and the distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.

<u>Section 11.</u> Section 24.10.350 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-1 Single Family Residence District is hereby amended to read as follows:

## 24.10.350 DISTRICT REGULATIONS.

#### 1. General.

	Classification or Type of Use Single-Family Residential		
Provision	R-1-10	R-1-7	R-1-5
a. Height of Buildings (Maximum)			
• Principal: (stories and feet)	2 1/2 & 30	2 1/2 & 30	2 1/2 & 30
• Accessory: (stories and feet)	1 & 15	1 & 15	1 & 15
Single-story structure	1 & 19	N/A	N/A
b. Minimum lot area (net) (square feet)	10,000	7,000	5,000
c. Minimum lot width (feet)	70	70	50
d. Front yard (feet)	25*	20*	20*
e. Rear yard (feet)	30	25	20
f. One side yard (feet)	10	7*	5*
g. Both side yards – total			
• Interior lot (feet)	20	14	10
• Exterior lot (feet)	22	16	13
h. Exterior side yard or end (feet)	12*	9*	8*
i. Maximum building area without design permit	4,000 (See Section <u>24.08.450</u> for findings)	3,500	3,000

<sup>\*</sup> For any attached or detached garage or carport with doors or entrances fronting on a front or exterior side property line, the setback shall be a minimum of twenty feet from said property line or the setback required for the district, whichever is greater.

<sup>2.</sup> Dwellings per Lot. Unless otherwise provided, there shall be only one dwelling per lot.

- 3. The minimum distance between buildings on the same lot shall be ten feet between main buildings; six feet between main buildings and accessory buildings; six feet between accessory buildings; and the distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.
- 4. Other Requirements. Other regulations which may be applicable to site design in this zone are set forth in General Site Design Standards, Chapter <u>24.12</u>, Part 2, and Chapter <u>24.16</u>, Part 2, Accessory Dwelling Units.
- <u>Section 12.</u> Section 24.10.430 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Use Permit Requirement for the R-L Multiple Residence Low-Density District is hereby amended to read as follows:

# 24.10.430 USE PERMIT REQUIREMENT.

- 1. The following uses are subject to approval of an administrative use permit and may also require a design permit per Section  $\underline{24.08.410}$ :
  - a. Accessory buildings containing plumbing fixtures subject to the provisions of Section 24.12.140.
  - b. Temporary structures and uses.
  - c. Wireless telecommunications facilities, subject to the regulations in Chapter <u>24.12</u>, Part 15.
- 2. The following uses are subject to approval of a special use permit and may also require a design permit per Section 24.08.410:
  - a. Bed-and-breakfast inns, subject to requirements in Chapter 24.12, Part 9.
  - b. Community care facilities including daycare (except family daycare homes), retirement home, foster home, and nursing home (seven or more persons).
  - c. Dormitories, fraternity/sorority residence halls, boardinghouses.
  - d. Health facilities for inpatient and outpatient psychiatric care and treatment.
  - e. Off-street parking facilities accessory to a contiguous commercial property not to exceed one hundred feet from the boundary of the site it is intended to serve.
  - f. Noncommercial recreation areas, buildings, and facilities such as parks, country clubs, golf courses, and riding, swimming and tennis clubs.

- g. Educational, religious, cultural, public utility or public service buildings and uses; but not including corporation yards, storage or repair yards, and warehouses.
- h. Social halls, lodges, fraternal organizations, and clubs, except those operated for a profit.

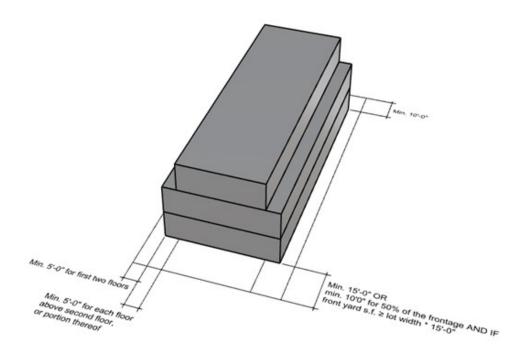
<u>Section 13.</u> Section 24.10.450 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-L Multiple Residence – Low-Density District is hereby amended to read as follows:

## 24.10.450 DISTRICT REGULATIONS.

## 1. General.

		<b>Dwelling Unit Ty</b>	pe
Pro	ovision	Single-Family Detached	2 or More Units
a.	Maximum height of buildings		
	• Principal (feet)	30	30
	• Accessory (stories and feet)	1 and 15	1 and 15
b.	Minimum lot area (net) (square feet)	5,000	5,500
c.	Minimum lot area per dwelling unit (net) (square feet)		2,200 (1,600 sq. ft. for 1-bedroom/studios)
d.	Minimum lot width (feet)	50	50
e.	Usable open space per dwelling unit (square feet)	_	400

- 2. Setback Requirements.
  - a. The minimum front yard setback shall be fifteen feet except that the front yard may be reduced to not less than ten feet for a portion not to exceed fifty percent of the building frontage, and providing that a total of fifteen square feet of front yard is provided for each lineal foot of total lot frontage.
  - b. The minimum rear yard setback shall be ten feet.
  - c. The minimum side yard setback shall be five feet, and five additional feet of setback for each story above the second story.



- (1) There shall be no side yard required for townhouses on interior lots, except there shall be a minimum side yard setback at the interior end of a townhouse group of five feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- (2) The minimum exterior side yard setback shall be eight feet, and five additional feet of setback for each additional story above the second story.
- d. For any attached or detached garage or carport fronting on a front or exterior side property line, the setback shall be twenty feet from said property line.
- e. Minimum Distance Between Buildings on the Same Lot. Between main buildings, six feet or one foot of setback for each two feet of height of the tallest building, or portions thereof, whichever is greater; between main buildings and accessory buildings, six feet; between accessory buildings, six feet; distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.
- f. An existing accessory building built prior to July 1, 2014, with a valid building permit or which is a legal nonconforming structure, that has less than the required side or rear yard setback(s) may be converted into a dwelling unit to create a second unit or duplex on a property if all the requirements of the California Building Standards Code are met as well as the other development standards of the zoning district. The floor area for said second unit shall not exceed ten percent of the net lot area up to a maximum of eight hundred square feet. If additional units are allowed on the property, all such units shall meet development standards of the zoning district.

- 3. Other Requirements. Other regulations which may be applicable to site design in this zone are set forth in General Site Design Standards, Chapter <u>24.12</u>, Part 2, and Chapter <u>24.16</u>, Part 2, Accessory Dwelling Units.
- 4. All new development adjacent to a "CON Neighborhood Conservation District" Overlay Zone shall comply with Section <u>24.10.4060</u> standards for new construction on sites abutting overlay district boundaries, to ensure compatibility with the established district.

<u>Section 14.</u> Section 24.10.550 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-M Multiple Residence – Medium-Density District is hereby amended to read as follows:

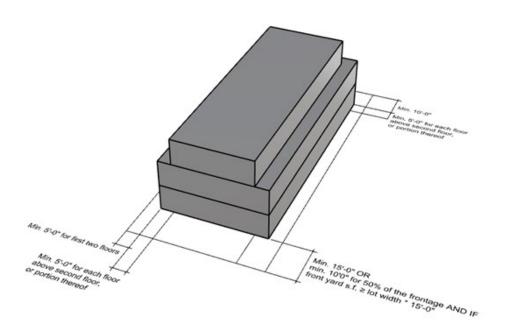
## 24.10.550 DISTRICT REGULATIONS.

## 1. General.

Provision	Dwelling Type			
Provision	Duplex	3 or More Units		
Maximum Height of Buildings				
Principal (feet)	30	35		
Accessory (stories and feet)	1 and 15	1 and 15		
Minimum lot area (net) (square feet)	4,400	5,500		
Minimum lot area (net) per dwelling unit (square feet)	· ·	1,450 (1,100 sq. ft. for 1-bedroom/studios)		
Minimum lot width (feet)	50	65		
Usable open space per	_	400		
dwelling unit (square feet)				
	* Open space shall be attached or aggregated in a manner that provides usable open space for all units exclusive of setbacks and other small landscape areas less than 10 feet in width.  ** Existing lots of 5,500 square feet or greater with a minimum lot width of 50 feet may have 3 or more units if all other RM development standards can be met.			

# 2. Setback Requirements.

- a. The minimum front yard setback shall be fifteen feet, except that the front yard may be reduced to not less than six feet for a portion not to exceed fifty percent of the building frontage, providing that a total of ten square feet of front yard is provided for each lineal foot of total lot frontage. Such reduction of front yard depth shall not be permitted on a corner lot, within twelve feet of any side street lot line.
- b. The minimum rear setback shall be ten feet, and five additional feet of setback for each story above the second story.
- c. The minimum side yard setback shall be five feet, and five additional feet of setback for each story above the second story.



- d. There shall be no side yard required for townhouses, or interior lots, except there shall be a minimum side yard setback at the interior end of a townhouse group of five feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- e. The minimum exterior side yard setback shall be eight feet, and five additional feet of setback for each additional story above the second story.
- f. Minimum Distance Between Buildings on the Same Lot. Between main buildings, six feet or one foot of setback for each two feet of height of the tallest building, or portions thereof, whichever is greater; between main buildings and accessory buildings, six feet; between accessory buildings, six feet; distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.

- g. For any attached or detached garage or carport fronting on a front or exterior side property line, the setback shall be twenty feet from said property line.
- h. An existing accessory building built prior to July 1, 2014, with a valid building permit or which is a legal nonconforming structure, that has less than the required side or rear yard setback(s) may be converted into a dwelling unit to create a second unit or duplex on a property if all the requirements of the California Building Standards Code are met as well as the other development standards of the zoning district. The floor area for said second unit shall not exceed ten percent of the net lot area up to a maximum of eight hundred square feet. If additional units are allowed on the property, all such units shall meet development standards of the zoning district.
- 3. Other Requirements. Other regulations which may be applicable to site design in this zone are set forth in General Site Design Standards, Part 2, Chapter 24.12.
- 4. All new development adjacent to a "CON Neighborhood Conservation District" Overlay Zone shall comply with Section <u>24.10.4060</u> standards for new construction on sites abutting overlay district boundaries, to ensure compatibility with the established district.

<u>Section 15.</u> Section 24.10.585 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-H Multiple Residence – High-Density District is hereby amended to read as follows:

#### 24.10.585 DISTRICT REGULATIONS.

#### 1. General.

D		<b>Dwelling Unit Type</b>		
Pro	vision	Duplex	3 or More Units	
a.	Maximum height of buildings			
	• Principal (feet)	30	48	
	• Accessory (stories and feet)	1 and 15	1 and 15	
b.	Minimum lot area (net) (sq. ft.)	4,000	5,000	
c.	Minimum lot area per dwelling unit (net) (sq. ft.)	2,000	790	
d.	Minimum lot width (feet)	50	50	
e.	Usable open space per dwelling unit (sq. ft.)	_	250	
f.	Lot coverage	45%	70%	

# 2. Setback Requirements.

a. The minimum front yard setback shall be fifteen feet or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater, except that the

front yard may be reduced to not less than six feet for a portion not to exceed fifty percent of the building frontage, providing that a total of ten square feet of front yard is provided for each lineal foot of total lot frontage. Such reduction of front yard depth shall not be permitted on a corner lot, within twelve feet of any side street lot line. Setback requirements may not be reduced for those portions of buildings that are three stories or taller.

- b. The minimum rear setback shall be ten feet, or one foot of setback for each three feet of height, or portion thereof, of structure, whichever is greater.
- c. The minimum side yard setback shall be five feet, or one foot of setback for each three feet of height, or portion thereof, of structure, whichever is greater.
- d. Where a parcel abuts a public right-of-way on opposite sides of the parcel, the front yard setback requirements shall apply to the major street and the rear yard setbacks shall apply to the secondary street; however, in the case of the rear yard setback, the setback shall not be less than the average of the two adjacent lots.
- e. The minimum exterior side yard setback shall be eight feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- f. Minimum Distance Between Buildings on the Same Lot. Between main buildings, six feet or one foot of setback for each two feet of height of the tallest building, or portions thereof, whichever is greater; between main buildings and accessory buildings, six feet; between accessory buildings, six feet; distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.
- g. For any attached or detached garage or carport fronting on a front or exterior side property line, the setback shall be twenty feet from said property line.
- h. To preserve the view to Beach Hill down Front Street, the height of the first twenty-five feet of depth along Front Street shall be limited to twenty-four feet.

# 3. Design.

- a. The site and building design shall conform to the General Site Design Standards, Part 2, Chapter <u>24.12</u>, design guidelines of any applicable area plan, and Section <u>24.12.185</u>, Objective design standards for multifamily development.
- 4. All new development adjacent to a "CON Neighborhood Conservation District" Overlay Zone shall comply with Section <u>24.10.4060</u> standards for new construction on sites abutting overlay district boundaries, to ensure compatibility with the established district.

<u>Section 16.</u> Section 24.10.608 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-T(A) Subdistrict A – Medium-Density Residential is hereby amended to read as follows:

## 24.10.608 DISTRICT REGULATIONS.

#### 1. General.

		<b>Dwelling Unit Type</b>				
Pro		1-Family Detached	Duplex	3 or More Units	Other Uses	
		Detached		Units	USES	
a.	Maximum height of buildings					
	<ul> <li>Principal buildings (feet)</li> </ul>	30	30	36	36	

		<b>Dwelling Unit Type</b>				
Pro	ovision	1-Family Detached	Duplex	3 or More Units	Other Uses	
	• Accessory buildings (feet)	15	15	15	15	
b.	Minimum lot area (net) (square feet)	5,000	5,000	8,000	8,000	
c.	Minimum lot area (net) per dwelling unit (square feet)	5,000	2,500	1,450	_	
d.	Minimum lot width (feet)	50	50	65	65	
e.	Usable open space per dwelling unit (square feet)	_	_	400	_	

# 2. Setback Requirements.

- a. The minimum front yard setback shall be fifteen feet or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater, except that the front yard may be reduced to not less than six feet for a portion not to exceed fifty percent of the building frontage, providing that a total of ten square feet of front yard is provided for each lineal foot of total lot frontage. Such reduction of front yard depth shall not be permitted on a corner lot, within twelve feet of any side street lot line.
- b. The minimum rear setback shall be ten feet, or one foot of setback for each three feet of height, or portion thereof, of structure, whichever is greater.
- c. The minimum side yard setback shall be five feet for the first story and one foot of setback for each three feet of height, or portion thereof, of structure, whichever is greater for the second story and above.
- d. There shall be no side yard required for townhouses or interior lots except there shall be a minimum side yard setback at the interior end of a townhouse group of five feet or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- e. The minimum exterior side yard setback shall be eight feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- f. Minimum Distance Between Buildings on the Same Lot. Between main buildings, six feet or one foot of setback for each two feet of height of the tallest building, or portion thereof, whichever is greater; between main buildings and one-story accessory buildings, six feet; between accessory buildings, six feet; distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.
- g. For any attached garage or carport fronting on a front or exterior side property line, the setback shall be twenty feet from said property line.
- 3. Other Requirements. Other regulations which may be applicable to site design in this zone are set forth in General Site Design Standards, Chapter <u>24.12</u>, Part 2, Chapter <u>24.16</u>, Part 2, Accessory Dwelling Units, and the Design Guidelines of the Beach and South of Laurel Comprehensive Area Plan.
- 4. All new development adjacent to a "CON Neighborhood Conservation District" Overlay Zone shall comply with Section <u>24.10.4060</u> standards for new construction on sites abutting overlay district boundaries, to ensure compatibility with the established district.

<u>Section 17.</u> Section 24.10.616 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-T(B) Subdistrict B – Motel Residential is hereby amended to read as follows:

#### 24.10.616 DISTRICT REGULATIONS

#### 1. General.

Dwo		Dwelling Unit Residential	Type	Medium	Density
Fro	vision	1-Family Detached	Duplex	3 or More Units	Other Uses
a.	Maximum height of buildings				
	• Principal buildings (feet)	30	30	36	36
	• Accessory buildings (feet)	15	15	15	15
b.	Minimum lot area (net) (square feet)	5,000	5,000	8,000	8,000
c.	Minimum lot area (net) per dwelling unit (square feet)	5,000	2,500	1,450	_
d.	Minimum lot width (feet)	50	50	65	65
e.	Usable open space per dwelling unit (square feet)	_	_	400	_

- 2. Setback Requirements.
  - a. The minimum front yard setback shall be fifteen feet or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater; except that the front yard may be reduced to not less than six feet for a portion not to exceed fifty percent of the building frontage, providing that a total of ten square feet of front yard is provided for each lineal foot of total lot frontage. Such reduction of front yard depth shall not be permitted on a corner lot, within twelve feet of any side street lot line.
  - b. The minimum rear setback shall be ten feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
  - c. The minimum side yard setback shall be five feet for the first story and one foot of setback for each three feet of height, or portion thereof, of structure for the second story and above.
  - d. There shall be no side yard required for townhouses on interior lots except there shall be a minimum side yard setback at the interior end of a townhouse group of five feet or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
  - e. The minimum exterior side yard setback shall be eight feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.

- f. Minimum Distance Between Buildings on the Same Lot. Between main buildings, six feet or one foot of setback for each two feet of height of the tallest building, or portion thereof, whichever is greater; between main buildings and one-story accessory buildings, six feet; between accessory buildings, six feet; distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.
- g. For any attached or detached garage or carport fronting on a front or exterior side property line, the setback shall be twenty feet from said property line.
- 3. Other Requirements. Other regulations which may be applicable to site design in this zone are set forth in General Site Design Standards, Chapter <u>24.12</u>, Part 2, and the Design Guidelines of the Beach and South of Laurel Comprehensive Area Plan.
- 4. All new development adjacent to a "CON Neighborhood Conservation District" Overlay Zone shall comply with Section <u>24.10.4060</u> standards for new construction on sites abutting overlay district boundaries, to ensure compatibility with the established district.

<u>Section 18.</u> Section 24.10.617.3 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-T(B)/PER – Motel Residential Performance Overlay is hereby amended to read as follows:

## 24.10.617.3 DISTRICT REGULATIONS.

## 1. General.

		<b>Dwelling Unit Ty</b>	pe		
Pro	ovision	1-Family Detached	Duplex	3 or More Units	Other Uses
a.	Maximum height of buildings				
	• Principal buildings (feet)	30	30	36	36
	Accessory buildings (feet)	15	15	15	15
b.	Minimum lot area (net) (square feet)	5,000	5,000	8,000	8,000
c.	Minimum lot area (net) per dwelling unit (square feet)	5,000	2,500	1,450	_
d.	Minimum lot width (feet)	50	50	65	65
e.	Usable open space per dwelling unit (square feet)	_	_	400	_

# 2. Setback Requirements.

a. The minimum front yard setback shall be fifteen feet or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater; except that the

front yard may be reduced to not less than six feet for a portion not to exceed fifty percent of the building frontage, providing that a total of ten square feet of front yard is provided for each lineal foot of total lot frontage. Such reduction of front yard depth shall not be permitted on a corner lot, within twelve feet of any side street lot line.

- b. The minimum rear setback shall be ten feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- c. The minimum side yard setback shall be five feet for the first story and one foot of setback for each three feet of height, or portion thereof, of structure, whichever is greater, for the second story and above.
- d. There shall be no side yard required for townhouses on interior lots except there shall be a minimum side yard setback at the interior end of a townhouse group of five feet or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- e. The minimum exterior side yard setback shall be eight feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- f. Minimum Distance Between Buildings on the Same Lot. Between main buildings, six feet or one foot of setback for each two feet of height of the tallest building, or portion thereof, whichever is greater; between main buildings and one-story accessory buildings, six feet; between accessory buildings, six feet; distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.
- g. For any attached or detached garage or carport fronting on a front or exterior side property line, the setback shall be twenty feet from said property line.
- 3. Other Requirements. Other regulations which may be applicable to site design in this zone are set forth in General Site Design Standards, Part 2, Chapter 24.12, and the Design Guidelines of the Beach and South of Laurel Comprehensive Area Plan. In addition, development on sites located within the district which fronts on West Cliff Drive shall conform to design standards governing development on West Cliff.

## 4. Siting.

- a. Development shall be designed to create plazas and pedestrian spaces featuring amenities such as shade, benches, outdoor dining, fountains, gardens and performance spaces.
- b. Building facades shall be articulated with wall offsets, recesses openings ornamentation, and appropriate colors and materials to add texture and detail to the streetscape.
- c. Any third story element of residential or support development shall be stepped back from the two story element by at least fifteen feet, from the property lines at the streets.

- d. Buildings design shall be encouraged to include significant building modulation and roof form articulation as specified within the design guidelines.
- e. All required front setback areas shall be landscaped in accordance with the standards or the design guidelines.
- 5. All new development adjacent to a "CON Neighborhood Conservation District" overlay zone shall comply with Section <u>24.10.4060</u> standards for new construction on sites abutting overlay district boundaries, to ensure compatibility with the established district.

<u>Section 19.</u> Section 24.10.632 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-T(D) Subdistrict D – Beach Residential is hereby amended to read as follows:

## 24.10.632 DISTRICT REGULATIONS.

1. General.

		Dwellin	g Unit T	уре		•		
Pro	ovision	1-Fami Detach	•	Duplex	Triplex	4 or Units		Other Uses
a.	Height of buildings	Detach	.u			Cints	<u>'</u>	OSCS
а.		22		22	22	20		20
	• Principal (feet)	22		22	22	30		30
	• Accessory (stories and feet)	1 and 1	5	1 and 15	1 and 15	1 and	1 15	1 and 15
b.	Minimum lot area (net) (square feet)	3,000		3,600	7,200	8,000	)	8,000
c.	Minimum lot area (net) per dwelling unit (square feet)	_		1,800	1,600	1,600	)	_
d.	Minimum lot width (feet)	40		40	80	80		80
e.	Usable open space per dwelling unit (square feet)	_		400	400	400		_
		•	Dwellin	g Units				
			First St	ory S	Second St	ory	Othe	r Uses
f.	Front yard (feet)		5*	1	10*		10*	
g.	Rear yard (feet)		10		15		15	
h.	Side yard each side (feet)		4	4	4		4	
	or: one side (feet)		0	(	)		0	

		Dwelling Uni	<b>Dwelling Units</b>				
		First Story	Second Story	Other Uses			
	Total both sides (feet)	10	10	10			
i.	Exterior side yard (feet)	5*	5*	5*			

<sup>\*</sup> For any attached or detached garage or carport fronting on a front or exterior side property line, the setback shall be twenty feet from said property line.

# 3. Other Requirements/Standards.

- a. Design. All development is subject to a design permit and must be in compliance with adopted design guidelines. Other regulations which may be applicable to site design in this zone are set forth in general site design standards, Part 2, Chapter 24.12 and the Design Guidelines of the Beach and South of Laurel Comprehensive Area Plan.
  - a.1. New buildings shall employ California Bungalow or Victorian architectural style as a basis for design.
  - a.2. Buildings shall be similar in scale and form to existing structures and shall incorporate vernacular characteristics, such as pitched gabled roofs, proportionally large overhangs, exposed roof beams and rafter tails, vertically oriented multi-paned windows and front porches.
  - a.3. Buildings shall be wood frame construction with horizontal wood siding.
  - a.4. Roof forms shall be typical of the Beach Flats with appropriate steeper pitches for Victorians and lesser pitches for California Bungalow style.
  - a.5. Roof materials shall be composition or wood shingle.
- b. Parking. All parking shall be located within the rear or at the rear of main structures, if possible. Private multi-residential parking lots shall be screened from the public right-of-way, and meet the requirements of Section <u>24.12.240</u>, in addition to the following requirements:
  - b.1. All garages and entrances to parking areas shall be set back at least five feet from the adjacent front building setback.
  - b.2. On lots of forty feet or less in width of street frontage, parking access is limited to a maximum of twelve feet of width. On lots of forty feet to sixty-five feet in width,

<sup>2.</sup> Minimum Distance Between Buildings on the Same Lot. Between main buildings, six feet or one foot of setback for each two feet of height of the tallest building, or portions thereof, whichever is greater; between main buildings and one-story accessory buildings, six feet; between accessory buildings, six feet; distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.

parking access is limited to a maximum of sixteen feet of width; and on lots with greater than sixty-five feet in street frontage, parking access is limited to a maximum of twenty feet.

- b.3. Driveways shall be minimized in order to maximize land use efficiency and the provision of landscaping and open space.
- b.4. City parking standard requirements may be reduced in the following manner: one parking space for a one bedroom unit; for two or more bedrooms, the parking requirement may be reduced fifty percent if the following provisions are met:
  - At least fifty percent of new units are two bedrooms or more;
  - For units which meet the city's definition of "affordable"; and
  - If development is deemed compatible with surrounding neighborhood.
- c. Siting. All development shall be sited to create a harmonious street edge, and to blend into rather than dominate the street.
  - c.1. Entries to individual units and groupings of units shall be located on the ground floor facing the street. These entries shall incorporate architectural and landscaping elements such as porches and arbors that visually reinforce the presence of entries.
  - c.2. Architectural elements, such as towers, balconies, stairs, decorative elements, etc., may be allowed to project up to fifty percent of the front yard setback requirement.
- d. Height. Multiple-story developments shall minimize scale through upper story setbacks, individual building elements, and other similar design techniques.
  - d.1. The height of buildings shall be minimized at the street, in the following manner:
    - One-story elements of buildings (including porches) must be set back five feet,
    - Second-story elements of buildings must be set back ten feet.
- e. Landscaping, in compliance with the design standards, is required. Landscaping shall be maintained in an attractive condition.
  - e.1. Landscaping shall be designed to enhance the architectural style. All front, rear and side yards shall be fully landscaped except for areas devoted to driveways, patios, walkways or porches.
  - e.2. Permanent containers for flowering plants are encouraged for use in limited space areas at entries and in courtyards and plazas.

- e.3. Vines and climbing plants integrated with building design and used on walls and trellises are encouraged.
- e.4. Opaque garden walls are not permitted within the front yard setback to maintain the landscape continuity along the street. Fences limited to three feet in height are permitted as long as the fence is at least sixty percent open.
- 4. All new development adjacent to a "CON Neighborhood Conservation District" Overlay Zone shall comply with Section <u>24.10.4060</u>, standards for new construction on sites abutting overlay district boundaries, to ensure compatibility with the established district.

<u>Section 20.</u> Section 24.10.636 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the R-T(E) Subdistrict E – Beach Medium/High Density Residential is hereby amended to read as follows:

## 24.10.636 PRINCIPAL PERMITTED USES.

- 1. The following uses are permitted and may also require a design permit per Section 24.08.410 as well as other requirements of the municipal code:
  - a. Duplex dwellings.
  - b. Multiple dwellings, townhouse dwelling groups and condominiums.
  - c. Small and large family daycare homes in residential units.
  - d. Accessory Uses. Other uses and buildings customarily appurtenant to a permitted use, subject to the provisions of Section <u>24.12.140</u>, Accessory buildings and structures.
  - e. Accessory dwelling units subject to the provisions of Chapter 24.16, Part 2, except accessory dwelling units are not subject to approval of a design permit;

<u>Section 21.</u> Section 24.10.710 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the C-C Community Commercial District is hereby amended to read as follows:

## 24.10.710 PRINCIPAL PERMITTED USES.

The following uses are allowed outright, subject to other requirements of the municipal code including the approval of a design permit for new structures when required by Section 24.08.410 (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Subcategories of uses within these categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):

Uses for Active Frontage.

- a. Acting/art/music/dance schools and studios (610);
- b. Apparel and accessory stores (250);

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- c. Auto supply stores (260C);
- d. Eating and drinking establishments (except bars, fast-food) subject to live entertainment and alcohol regulations of Chapter 24.12 (280);
- e. Financial, insurance, real estate offices (420);
- f. Financial services (320);
- g. Food and beverage stores (except liquor and convenience stores) (240);
- h. General retail merchandise (drug and department stores) (230);
- i. Home furnishing stores (270);
- j. Medical/health offices (except veterinarians and ambulance services) (410);
- k. Museums and art galleries (600);
- 1. Professional/personal service (except contractors' yards and mortuaries) (310);
- m. Repairs, alterations and maintenance services for household items (except boat repair) (340);
- n. Small preschool/childcare (twelve or fewer) (510A);
- o. Specialty retail supply stores (290); except thrift stores (290m);
- p. Theaters (620);
- q. Video rental (650).

Residential Uses.

- r. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2, except accessory dwelling units are not subject to approval of a design permit;
- s. Flexible density unit (FDU) housing;
- t. Mixed residential and commercial/office developments involving allowed commercial uses, on the ground floor and multiple dwellings or condominiums either above the first floor or on the same lot;

- u. Multiple dwellings or condominiums when ground-floor units are designed as live-work units consistent with Section <u>24.12.185</u>(13) and subject to the minimum (net) land area per dwelling unit of the R-M District (830);
- v. One or two multiple-family units when located above the first floor with no additional parking required (830);
- w. Single-room occupancy (SRO) housing (860);
- x. Small community care residential facilities;
- y. Small and large family daycare homes in residential units.

Commercial Uses.

- z. Off-site public/private parking facilities, five or fewer spaces (930);
- aa. Professional offices (400);
- ab. Wireless telecommunications facilities, subject to the regulations in Part 15 of Chapter 24.12 requiring no public hearing.
- <u>Section 22.</u> Section 24.10.910 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the C-T Thoroughfare Commercial district is hereby amended to read as follows:

#### 24.10.910 PRINCIPAL PERMITTED USES.

The following uses are allowed outright, subject to other requirements of the municipal code including the approval of a design permit for new structures when required by Section 24.08.410 (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Subcategories of uses within these categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):

Uses for Active Frontage.

- 1. Art galleries.
- 2. Branch banks.
- 3. Clothing and apparel shops.
- 4. Eating and drinking establishments, subject to live entertainment and alcohol regulations of Chapter 24.12.

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- 5. Hotels, motels and bed-and-breakfast inns.
- Medical and dental offices.
- 7. Professional, editorial, real estate, insurance and other general business offices.

## Residential Uses.

- 8. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2, except accessory dwelling units are not subject to approval of a design permit;
- 9. Multiple dwellings and condominiums, when located either in the same lot or above first floor commercial development, subject to the minimum land area (net) per dwelling unit of the R-M District (830).
- 10. Small and large family daycare homes in residential units.

## Commercial Uses.

- 11. Carpenter shop; electrical, plumbing or heating shops; furniture upholstering shop.
- 12. Garages for the repair of automobiles, subject to performance standards as set forth in this title for principal permitted uses in the I-G District.
- 13. Handicraft shops and workshops.
- 14. Medical, optical, and dental clinics and laboratories, not including the manufacture of pharmaceuticals or other (similar) products for general sale or distribution.
- 15. Mobilehome, trailer, boat, motorcycle sales and service.
- 16. New car sales and service.
- 17. Parking facilities of five or fewer spaces.
- 18. Plant nurseries and greenhouses.
- 19. Theaters.
- 20. Used car sales and service, auto parts and supply stores.
- 21. Wireless telecommunications facilities, subject to the regulations in Part 15 of Chapter 24.12 requiring no public hearing.

<u>Section 23.</u> Section 24.10.1010 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the C-N Neighborhood Commercial District is hereby amended to read as follows:

## 24.10.1010 PRINCIPAL PERMITTED USES.

1. The following uses are allowed outright, subject to other applicable requirements of the municipal code including the requirement for a design permit for new structures when required by Section 24.08.410 (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Subcategories of uses within these use categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):

Uses for Active Frontage.

- a. Eating and drinking establishments (except bars and fast food), subject to live entertainment and alcohol regulations of Chapter 24.12 (280);
- b. Financial, insurance, real estate offices (420);
- c. Food, beverage stores (except liquor and convenience stores) (240);
- d. Hardware stores (indoor sales only) (220A);
- e. Medical/health offices (except veterinarians and twenty-four-hour clinics) (410);
- f. Professional/personal service (except contractors yards and mortuaries) (310);

Residential Uses.

- g. One or two multiple-family units when located above the first floor commercial use with no additional parking required (830);
- h. Small and large family daycare homes in residential units;
- i. Multiple dwellings and condominiums, when located either in the same lot or above first floor commercial development, subject to the minimum land area (net) per dwelling unit of the R-L District (840);
- j. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2, except accessory dwelling units are not subject to approval of a design permit;

Commercial Uses:

- k. Financial services (320);
- 1. Off-site public/private parking facilities five or fewer spaces (930);
- m. Professional offices (400);
- n. Wireless telecommunications facilities, subject to the regulations in Part 15 of Chapter 24.12 requiring no public hearing.

<u>Section 24.</u> Section 24.10.1110 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the C-B Beach Commercial District is hereby amended to read as follows:

## 24.10.1110 PRINCIPAL PERMITTED USES.

1. The following uses are allowed outright, subject to other applicable requirements of the municipal code (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Subcategories of uses within these use categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):

Uses for Active Frontage.

- a. Acting/art/music/dance schools and studios (610);
- b. Apparel and accessory stores (250);
- c. Eating and drinking establishments (except fast-food restaurants), subject to live entertainment and alcohol regulations of Chapter 24.12 (280);
- d. Food and beverage stores (except convenience/liquor stores) (240);
- e. General merchandise (drug and department stores) (230);
- f. Handicraft shops and workshops;
- g. Museums and art galleries (600);
- h. Personal/professional services (except contractors' yards and mortuaries) (310);
- i. Specialty retail supply stores (290); except thrift stores (290m);

Residential Uses.

- j. One or two multiple-family units when located above the first floor with no additional parking required (830);
- k. Small and large family daycare homes in residential units;
- 1. Mixed residential and commercial development involving permitted or administrative uses on the ground floor and multiple dwellings or condominiums either on the same lot or above the first floor, subject to the minimum land area (net) per dwelling unit of the R-M District (830);
- m. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2;

Commercial Uses.

- n. Financial, insurance, real estate offices above first floor (420);
- o. Lodging (300);
- p. Marine facilities (560E);
- q. Mechanical contrivances for amusement purposes, such as Ferris wheels, and roller coasters, south and east of Beach Street only;
- r. Off-site public/private parking facilities, five or fewer spaces (930);
- s. Professional offices above first floor (400);
- t. Sports and recreation facilities, subject to alcohol regulations in Part 12 of Chapter 24.12 (720);
- u. Theaters (620);
- v. Video rental (650);
- w. Wireless telecommunications facilities, subject to the regulations in Part 15 of Chapter 24.12 requiring no public hearing.
- <u>Section 25.</u> Section 24.10.1210 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the P-A Professional and Administrative Office District is hereby amended to read as follows:

## 24.10.1210 PRINCIPAL PERMITTED USES.

1. The following uses are allowed outright if a design permit is obtained for new structures (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Further refinement of uses within these categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):

Uses for Active Frontage.

- a. Financial, insurance, real estate offices (420);
- b. Financial services (320);
- c. Professional offices (400);
- d. Professional/personal services (except contractors' yards and mortuaries) (310);
- e. Medical/health offices (except veterinarians, medical marijuana provider association dispensaries, as defined in Section <u>24.22.539</u>, ambulance services and emergency medical clinics open earlier than 7:00 a.m. and later than 9:00 p.m.) (410);
- f. Museums and art galleries (600);

Residential Uses.

- g. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2, except accessory dwelling units are not subject to approval of a design permit;
- h. Duplexes together with an allowed commercial use (820);
- i. Multiple dwellings and condominiums, together with an allowed commercial use and subject to minimum land area requirements of R-M District (830);
- j. One to two units above ground floor office use with no additional parking required (810);
- k. Small and large family daycare homes in residential units;

## Commercial Uses.

- 1. Off-site parking fewer than five spaces (930);
- m. Wireless telecommunications facilities, subject to the regulations in Part 15 of Chapter <u>24.12</u> requiring no public hearing.

<u>Section 26.</u> Section 24.10.1505 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the I-G General Industrial District is hereby amended to read as follows:

## 24.10.1505 PRINCIPAL PERMITTED USES.

- 1. The following uses are allowed outright, subject to other requirements of the municipal code (numerical references at the ends of these categories reflect the general use classifications listed in the city's land use codes. Further refinement of uses within these categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):
  - a. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2;
  - b. Acting/art/music/dance schools and studios (610);
  - c. Building materials/garden supply stores (220) with less than forty thousand square feet including indoor floor area and outdoor storage, display, or sales area. For building materials/garden supply stores of which fifty percent or more of the square footage will occupy an existing building, this threshold will be seventy-five thousand square feet including indoor floor area and outdoor storage, display, or sales areas so long as vacant,

available space in existing buildings in the IG Zone exceeds four hundred thousand square feet. When the vacant, available square footage is less than four hundred thousand square feet, the forty-thousand-square-foot threshold will apply;

- d. Financial, insurance, real estate offices (420);
- e. Food and beverage preparation (100);
- f. Furniture and fixtures (120);
- g. Laboratories and related facilities for research, experimentation, testing, film processing, software development, including cannabis testing;
- h. Medical/health offices/laboratories (410);
- i. Millwork textile products (105);
- j. Printing and publishing or lithographic shops and plants;
- k. Professional offices (400);
- 1. Professional/personal service (except mortuaries) (310);
- m. Rental service (360);
- n. Repair, alterations, maintenance (except boat repairs) (340);
- o. Small and large family daycare homes in residential units;
- p. Start-up fabrication assembly or packaging from light metals, prepared materials, or prefabricated parts, including electrical devices if operated in an area no greater than three thousand square feet, and no hazardous materials are used during the operation;
- q. Storage warehousing (330);
- r. Wholesale trade durable goods (210);
- s. Wholesale trade nondurable goods (200).

<u>Section 27.</u> Section 24.10.1605 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the I-G/PER-2 General Industrial District/Performance District is hereby amended to read as follows:

## 24.10.1605 PRINCIPAL PERMITTED USES.

- 1. The following uses are allowed outright, subject to other requirements of the municipal code (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Further refinement of uses within these categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):
  - a. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2;
  - b. Acting/art/music/dance schools and studios (610);
  - c. Adult school/work force training (510F);
  - d. Building materials/garden supply stores (220) with less than forty thousand square feet including indoor floor area and outdoor storage, display, or sales area. For building materials/garden supply stores of which fifty percent or more of the square footage will occupy an existing building, this threshold will be seventy-five thousand square feet including indoor floor area and outdoor storage, display, or sales areas so long as vacant,

available space in existing buildings in the IG Zone exceeds four hundred thousand square feet. When the vacant, available square footage is less than four hundred thousand square feet, the forty-thousand-square-foot threshold will apply;

- e. Communication and information services (550);
- f. Financial, insurance, real estate offices (420);
- g. Fabricated metal products (150);
- h. Food and beverage preparation and production (100);
- i. Furniture and fixtures (120);
- j. Medical/health offices/laboratories, including cannabis testing (410);
- k. Millwork textile products (105);
- 1. Other manufacturing and processing industries (except bulk petroleum, scrap and waste materials) (155);
- m. Primary metals and material subject to performance standards (145);
- n. Rubber, plastic, miscellaneous materials and products subject to performance standards (135);
- o. Printing and publishing or lithographic shops and plants;
- p. Professional offices (400);
- q. Professional/personal service (except mortuaries) (310);
- r. Rental service (360);
- s. Repair, alterations, maintenance (including boat repairs) (340);
- t. Small and large family daycare homes in residential units;
- u. Start-up fabrication assembly or packaging from light metals, prepared materials, or prefabricated parts, including electrical devices;
- v. Stone, clay, glass design and production (140);
- w. Storage warehousing (330);

- x. Technology related research and development facilities and products;
- y. Wholesale trade durable goods (210);
- z. Wholesale trade nondurable goods (200).

<u>Section 28.</u> Section 24.10.1810 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the E-A Exclusive Agricultural District is hereby amended to read as follows:

## 24.10.1810 PRINCIPAL PERMITTED USES.

- 1. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2;
- 2. Agriculture, as defined herein;
- 3. Animal farm;
- 4. Crop and tree farming;
- 5. Ranch and farm dwellings incidental to a principal agricultural use;
- 6. Stables, barns, silos, and windmills

<u>Section 29.</u> Section 24.10.2010 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the F-P Floodplain District is hereby amended to read as follows:

## 24.10.2010 PRINCIPAL PERMITTED USES.

- 1. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2;
- 2. Agriculture;
- 3. Crop and tree farming;
- 4. Nurseries.

<u>Section 30.</u> Section 24.10.2050 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the F-P Floodplain District is hereby amended to read as follows:

## 24.10.2050 DISTRICT REGULATIONS.

The following requirements will be observed in the F-P District for the type of use proposed; except as otherwise provided in this title.

## 1. General.

Provision	Classification or Type of Use All Uses
a. Lot Width (feet)	200
b. Minimum lot area (net) (acres)	5

# 2. Other Requirements.

- a. Maximum height of all buildings, principal and accessory, shall be two stories or thirty-five feet. Yard distances and distance between buildings shall be established as part of use permit approval, except that distance between accessory dwelling units and other buildings shall not require approval of a use permit and shall be consistent with standards set forth in Chapter 24.16, Part 2.
- b. Other regulations which may be applicable to site design in this zone are set forth in General Site Design Standards, Part 2, Chapter <u>24.12</u> and Floodplain Management, Part 4, Chapter <u>24.14</u>.
- c. The lowest habitable floor level of structure shall be above the flood profile level as established by the high-water mark of a one-hundred-year storm.
- d. Fill incidental to a principally permitted or conditional use must be accompanied by a plan showing the uses to which the fill land will be placed, final dimensions of proposed fill, and effects on the capacity of the floodway and flood heights.
- e. Environmental assessment shall be required of conditional uses to determine the requirements of the use permit that minimize hazards to public health and safety.

<u>Section 31.</u> Section 24.10.2361 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the CBD Subdistrict E – Lower Pacific Avenue is hereby amended to read as follows:

#### 24.10.2361 PRINCIPAL PERMITTED USES\*

- \* Editor's Note: This section was formerly numbered as Section <u>24.10.2360</u>. Ord. 2000-18 § 10 renumbered it to be Section <u>24.10.2361</u>, at which time a new Section <u>24.10.2360</u>, entitled Purpose, was added.
- 1. The following uses are allowed outright in the Lower Pacific Avenue Subdistrict, subject to a design permit and other requirements of the Municipal Code (numerical references at the end of these categories reflect the general use classifications listed in the city's Land Use Codes. Further refinement of uses within these categories can be found in the Land Use Codes, but they are not intended to be an exhaustive list of potential uses):
  - a. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2, except accessory dwelling units are not subject to approval of a design permit;
  - b. Acting/art/music/dance school and studios (610);
  - c. Apparel and accessory stores (250);
  - d. Eating and drinking establishments (excepts bars, fast food), subject to live entertainment and alcohol regulations of Chapter 24.12 (280);
  - e. Educational facilities (public/private) (510);
  - f. Food and beverage stores (except liquor and convenience stores) (240);
  - g. General retail merchandise (drug and department stores) (230); not exceeding 16,000 square feet per individual store;
  - h. Home furnishing stores (270);
  - i. Lodging (300);
  - j. Multiple dwellings or condominiums or mixed use residential and commercial developments when multiple dwelling or condominium units are located above the first floor of commercial uses, subject to the minimum land area (net) per dwelling unit of the R-M District (830, 840);
  - k. Museums and art galleries (600);
  - 1. Repair, alterations, and maintenance services for household items (except boat repair) (340);
  - m. Small community care residential facilities;
  - n. Small preschool/childcare (12 or fewer) (510A);

- o. Specialty retail supply stores (290);
- p. Theaters (620);
- q. Video rental (360B).

<u>Section 32.</u> Section 24.12.120 of Chapter 24.12 of the Santa Cruz Municipal Code regarding Projections into Required Yard Areas, Setbacks and Easements is hereby amended to read as follows:

# 24.12.120 PROJECTIONS INTO REQUIRED YARD AREAS, SETBACKS AND EASEMENTS

- 1. Projections Into Required Yard Areas. The following are permitted projections into required yard areas. Projections shall not be permitted in yards that are less than the minimum established by district regulations except as provided for in subsection (2), as allowed in certain areas under Section 24.12.185(12), or as allowed for accessory dwelling units under Part 2 of Chapter 24.16.
  - a. Architectural features such as cornices, canopies, eaves and sills shall be permitted to project into front, rear and side yards two and one-half feet;
  - b. Steps serving the first floor, and bay windows, chimneys, decks, and porches serving the first floor and above may extend into front, rear and exterior side yards one-half of the required yard or six feet, whichever results in a greater setback. For interior side yards, maximum projection is one foot, eight inches unless the projection meets the requirements of subsection (1)(c). Bay window, deck, porch and step projections are permissible in interior side yards on the first floor only. In all cases, no projection or aggregate of projections listed in this subsection shall be more than one-third of the building wall along which it is located;
  - c. Unroofed decks, porches, patios and steps of pervious materials twenty inches or less above finished grade may extend into conforming interior side yards without restriction;
  - d. Guardrails on decks and porches and handrails on stairs projecting into required yards on the first floor shall be considered fences and shall be governed by Section 24.12.160, with the exception of guardrails and/or handrails required for access to the first floor for the physically challenged;
  - e. Rain retention systems attached to the main residence may extend into side and rear yards one-half the required yard or six feet, whichever results in the greater setback. For interior side yards, the minimum setback shall be three feet. Such encroachment shall be no higher than six feet from finished grade.
- 2. Any structure necessary to provide access to the first floor for the physically challenged.
- 3. Projections Into Special Street Setbacks. The following uses are permitted within the special street setbacks established in Section 24.12.115:
  - a. Streetlights, traffic signs and signals and appurtenances necessary to the conduct or operation of a public utility, facility, or purpose;
  - b. Fences, walks, hedges, landscaping, outdoor merchandise display, platforms, landings, steps and signs, when constructed or installed so as to have a maximum height of two and one-half feet above curb grade, except as provided for in subsection (3)(d);

- c. Unenclosed porches, cornices, canopies, eaves, and similar architectural features and signs when constructed so that the clearance from curb grade to the lowest portion thereof, except supporting members, is at least eight feet; and further provided, that no supporting member shall have a cross-section of greater than eight inches, nor be located closer than six feet to another supporting member within the setback area;
- d. Any structure necessary to provide access to the first floor for the physically challenged.

  4. Projections Into Easements. No structure or projection thereof may extend into a public utility easement.
- <u>Section 33.</u> Section 24.12.140 of Chapter 24.12 of the Santa Cruz Municipal Code regarding Accessory Buildings and Structures is hereby amended to read as follows:

## 24.12.140 ACCESSORY BUILDINGS AND STRUCTURES.

In addition to primary structures, it is often useful and convenient to have accessory buildings and structures to provide storage, allow additional usable indoor or sheltered space, or to perform some other function beyond what is included in the primary structure. These spaces can be provided in a building, defined for the purposes of this section as having a roof and walls, or by another accessory structure such as a pergola or a gazebo. Some spaces, such as children's play equipment, can be classified as either a building (e.g., enclosed playhouse) or a structure (e.g., swing set). The defining characteristic of these buildings and structures is that they are accessory and subordinate to the primary structure and do not detract from the form and function of the primary structure and are complementary to its use.

- 1. Accessory Buildings. Accessory buildings are subject to the regulations and permit requirements of the zoning district in which they are located.
  - a. No setback shall be required for an accessory building except as otherwise provided.
  - b. No accessory building shall be located in a front or exterior side yard with the exception of buildings used as children's play equipment that do not create traffic safety hazards, that are less than fifty square feet in plan area at grade, less than fourteen feet in height, and with minimum setbacks of three feet. Such buildings are exempt from the restrictions in this section. Children's play structures are defined as structures that are designed, made for, and used by children. The vehicle entry side of a garage or other covered parking may not be located closer than twenty feet from front or exterior side yard lot lines; except that the vehicle entry side of a garage or other covered parking may be built to the front and exterior side yard lot lines where the slope of the front half of the lot is greater than one foot rise or fall in a distance of seven feet from the established street elevation at the property line, or where the elevation of the lot at the street line is five feet or more above or below the established street elevation.
  - c. Accessory buildings that are less than one hundred twenty square feet in floor area are not required to conform to the distance-between-buildings requirement set forth in the district regulations, Chapter 24.10; however, such structures are subject to all other standards,

regulations, and requirements of this title and other state and local requirements including Title 18 and the California Building Standards Code.

- d. Accessory buildings that are less than one hundred twenty square feet in floor area and less than fifteen feet in height are not subject to design permit approval when constructed on substandard lots or when constructed on lots within a residential zone district that requires design permit approval for new structures; however, such structures are subject to all other standards, regulations, and requirements of this title and other state and local requirements including Title 18 and the California Building Standards Code.
- e. Habitable accessory buildings, not including accessory dwelling units, shall not be located within the front yard nor closer than six feet to the nearest point of the principal building and shall conform to principal building rear and side yard requirements of the district in which they are located. No habitable accessory building shall be used as a separate dwelling unit except accessory dwelling units as described in Part 2 of Chapter 24.16. Guesthouses for nonpaying guests are allowed only if permitted in the zoning district in which they are located.
- f. Accessory buildings may not cover an area in excess of thirty percent of any required yard setback area for the primary structure. The footprint of accessory dwelling units shall not count toward the maximum allowable lot coverage by accessory buildings in yard setback areas.
- g. An accessory building attached to a main building by a breezeway is not part of the main building.
- h. An accessory building may have one sink installed in it if a building permit is obtained. A property with multiple accessory buildings may have a sink in only one accessory building without approval of an administrative use permit. Any additional plumbing fixtures would require an administrative use permit subject to findings listed in subsection (1)(i) and a building permit for the approved improvements.
- i. Accessory buildings may contain a full bathroom only when an administrative use permit is approved in accordance with district regulations and all of the following findings are made:
  - i. The structure and use are subordinate to the principal use; and
  - ii. The purpose of the use is incidental to the principal use; and
  - iii. The use is customarily or reasonably appurtenant to the permitted use; and
  - iv. The structure will not be used as a dwelling unit; and
  - v. A deed restriction will be recorded limiting the use of the structure to that approved under the permit unless otherwise authorized by the city.

- 2. Accessory Dwelling Units. Accessory dwelling units are separate and distinct from accessory buildings and are subject to the following regulations:
  - a. Accessory dwelling units are subject to the regulations in Part 2 of Chapter 24.16.
  - b. Off-street parking shall be required in compliance with Section 24.12.240.
  - c. In the Coastal Zone, accessory dwelling units are allowed in any zone that allows residential uses on lots of any size, in conjunction with a proposed or existing residential use. Accessory dwelling units that require approval of a coastal permit shall be sited and designed to avoid adverse impacts to coastal resources, including by conforming with all applicable LCP policies and standards, including those that govern wetlands, streams, environmentally sensitive habitat areas, public views, and coastal bluffs.
- 3. Accessory Structures. Accessory structures are subject to the regulations and permit requirements of the zoning district in which they are located.
  - a. Accessory structures above eight feet in height shall not be located in a front or exterior side yard with the exception of entry features as described in Section 24.12.160(1). No accessory structure in the front or exterior side yard may be located within the clear corner triangle as defined in Section 24.22.202. Any accessory structures located in the front or exterior side yard must be open in nature and must provide and maintain a minimum of ninety percent visual permeability above the first foot in height.
  - b. Accessory structures located in the rear or interior side yard that are less than one hundred twenty square feet in floor area and less than fifteen feet in height are not subject to design permit approval when constructed on substandard lots or when constructed on lots within a residential zone district that requires design permit approval for new structures; however, such structures are subject to all other standards, regulations, and requirements of this title and other state and local requirements including Title 18 and the California Building Standards Code. This includes fences within the West Cliff Drive Overlay District that conform to Section 24.12.160.
  - c. Children's play structures that do not create traffic safety hazards, that are less than fifty square feet in plan area, less than fourteen feet in height, and with minimum front setbacks of three feet are exempt from the restrictions in this section. Children's play structures are defined as structures that are designed for, made for, and used by children.
- <u>Section 34.</u> Section 24.12.160 of Chapter 24.12 of the Santa Cruz Municipal Code regarding Fencing and Screening is hereby amended to read as follows:

## 24.12.160 FENCING AND SCREENING.

- 1. Fencing. Regulations governing the installation, construction and placement of fences and structures in the nature of fences, including hedges, which exceed height limitations contained herein are set forth in Chapter 24.08, Part 7, Conditional Fence Permit.
  - a. Height Limitations. No person shall erect upon any private property in the city any fence, or structure in the nature of a fence, exceeding the following height limitations:
    - (1) Within the required front and exterior side yard setback areas established by (this title, Chapter 18.04, or other ordinances of the city, fences shall not exceed a height of three feet, six inches from finished grade, except as provided in Chapter 24.08, Part 7.
    - (2) Within the exterior side yard setback established by this title, Chapter 18.04, or other ordinances of the city, fences outside of the front yard setback or in line with the main building frontage, whichever distance is greater, that are set back a minimum of three feet from the exterior side property line shall not exceed a height of six feet from finished grade, except as provided in Chapter 24.08, Part 7. Fences within the exterior side yard setback that are less than three feet from the side property line or within the front setback area shall not exceed a height of three feet, six inches from finished grade. Any yard area between a fence and the sidewalk or property line shall be landscaped and permanently maintained. This landscaping shall not include hedges that are higher than three-and-one-half feet.
    - (3) On any portion of the property outside of the required front and exterior side yard setbacks, fences shall not exceed a height of eight feet from finished grade, with any portion of the fence above six feet consisting of lattice or other similar material that is at least fifty percent open except as provided in Chapter 24.08, Part 7, with any portion of the fence above six feet having an open architectural, decorative, or ornamental feature such as lattice or other similar design or material. "Open" means that no more than fifty percent of the design shall be opaque.
    - (4) Any fence along a property line adjacent to a street, or in the adjacent required setback, except in the clear corner triangle, may include a gate, trellis or other entry feature exceeding the height limit stated in subsections (1)(a)(1) and (2). Such gate, trellis or entry feature shall be limited to ten feet in width and ten feet in height. Only one such gate, trellis or entry feature shall be permitted per street frontage except as provided in Chapter 24.08, Part 7.
  - b. Fire Hazard. The erection of any fence which constitutes a fire hazard either of itself or in connection with the existing structures in the vicinity, or which will interfere with access in case of fire, by the fire department to buildings in the vicinity or which will constitute a hazard to street traffic or to pedestrians shall not be permitted.
  - c. Temporary Fences Exceptions. Nothing contained in this title shall be deemed to interfere with the erection of temporary fences around construction works, erected or maintained pursuant to Chapter 18.04 and other ordinances of the city.
  - d. Barbed-Wire Fencing. No barbed-wire fences may be constructed, electrified or otherwise, without a conditional fence permit.
  - e. Hedges. Hedges or dense planting in the nature of a hedge in excess of three feet, six inches in height shall not be grown or maintained within the required front or exterior side yard setbacks of the zoning district in which the property is located.
  - f. Clear Corner Triangles and Clear Vision Areas. Fences or hedges shall not be greater than, nor allowed to exceed, three feet, six inches in height in the clear corner triangle and the clear vision area as defined in Sections 24.22.202 and 24.22.206.

- g. Fences Within Watercourse Setback Areas. Fencing within a designated riparian corridor or development setback area of a watercourse shall be consistent with requirements of the watercourse development permit, Section 24.08.2130.
- 2. Screening.
  - a. In any nonresidential district adjacent to any R-District, screening between districts shall be provided.
  - b. All areas of outdoor storage in any commercial or industrial district shall be permanently screened from view from any adjacent street, public way or adjacent private property.

<u>Section 35.</u> Section 24.12.250 of Chapter 24.12 of the Santa Cruz Municipal Code regarding Bike Parking Requirements is hereby amended to read as follows:

# 24.12.250 BIKE PARKING REQUIREMENTS.

- 1. Bicycle parking facilities shall be provided for any new building, addition or enlargement of an existing building, or for any change in the occupancy.
- 2. Bike Spaces and Type Required. Bicycle parking facilities' quantity and type shall be provided in accordance with the following schedule, with fractional quantity requirements for bike parking over one-half to be rounded up. Each bicycle parking space shall be no less than six feet long by two feet wide and shall have a bicycle rack system in compliance with the bike rack classifications listed in subsection (4).

	Example	, ,	Classification Class 1 = Long-Term Class 2 = Short-Term
Industrial	Warehousing, manufacturing	1 1	80% Class 1 20% Class 2
Office and financial institutions	General office, medical, clinic, research and development, banks	1 * '	20% Class 1 80% Class 2
Retail/service or other commercial	Grocery store, hardware store, personal services, handicraft	_	20% Class 1 80% Class 2
Restaurant/bar	Restaurant, deli, coffee shop, bar/tasting rooms	1 per 500 square feet, minimum 2 spaces	
Multifamily residential (3 or more units)	Housing developments with 3 or more units, plus		Class 1 – 1 space per unit – garages or secure

	Example	Bicycle Parking	Classification Class 1 = Long-Term Class 2 = Short-Term
	any associated accessory dwelling units		accessible indoor areas count Class 2 – 1 space per 4 units, minimum 2 spaces
Commercial recreation	Sports arenas, theaters	See classification column	Class 1 – 1 per 10,000 square feet Class 2 – 1 per 40 seats, minimum 10
Civic uses (civic, cultural, public, and religious assembly)	Library or museum, places of public or religious assembly	1 per 1,000 square feet	10% Class 1 90% Class 2
Schools		1 per 5 students	20% Class 1 80% Class 2* *Must be in secure area such as bike cage or within gated school grounds, preferably with weather protection such as roof
Park-and-ride lots		1 per 10 auto parking spaces, minimum 2 spaces	100% Class 1
Transit centers		See classification column	30 Class 1 spaces 12 Class 2 spaces
Lodging	Hotel, motel	1 per 5 rooms/units	10% Class 1 90% Class 2
Commercial parking		1 per 10 auto parking spaces	100% Class 1
Parking District No. 1 – Residential uses	Multifamily housing, including any accessory dwelling units		1 Class 1 bicycle parking space per unit 1 Class 2 bicycle parking space per 15 units
Parking District No. 1 – Nonresidential uses	Any nonresidential uses in district	1 per 1,000 square feet	25% Class 1 75% Class 2 The Class 2 spaces shall be publicly accessible,

	Example	Bicycle Parking	Classification Class 1 = Long-Term Class 2 = Short-Term
			and the style shall be inverted U.
Emergency shelters	See Section <u>24.12.1610</u>	1 per 3 occupants	25% Class 1 75% Class 2 The Class 2 spaces shall be publicly accessible, and the style shall be inverted U.

- 3. For projects requiring twenty or more bike parking spaces, a bike fix-it station is required. A fix-it station shall include at a minimum a bicycle pump; 2.5, 3, 4, 5, 6, and 8 mm Allen wrenches; 8, 9, 10, 11, 15, and 32 mm box wrenches; two tire levers; and a Phillips and flat head screwdriver. For projects requiring twenty or more bicycle parking spaces, a minimum of five percent of required bicycle parking spaces must have a larger footprint of three feet by ten feet, which must be provided in a horizontal, floor level rack. These spaces will be available for larger bicycles such as e-bikes, cargo bikes, bikes with trailers, and other larger bicycles.
- 4. Classification of Facilities.
  - a. "Class 1 bicycle facility" means a locker, individually locked enclosure or supervised area within a building providing protection for each bicycle therein from theft, vandalism and weather. Class 1 facilities are intended for long-term storage.
  - b. "Class 2 bicycle facility" means a stand or other device constructed so as to enable the user to secure by locking the frame and one wheel of each bicycle parked therein. Racks must provide two points of contact to bicycle frames, so that they are easily usable with both U-locks and cable locks. Racks should support the bikes in a stable upright position so that a bike, if bumped, will not fall or roll down. The preferred Class 2 bike rack style is an inverted U, which meets code requirements. Racks that support a bike primarily by a wheel, such as standard "wire racks," are damaging to wheels and thus are not acceptable. Class 2 facilities are intended for short-term storage.
- 5. Location and Design of Facilities.
  - a. Bicycle parking shall be located in well-lit locations within forty feet of the building's entrance and clustered in lots not to exceed sixteen spaces each.
  - b. Bicycle parking facilities shall provide two points of contact to bicycle frames to support bicycles in a stable position without damage to wheels, frame or other components.
  - c. Bicycle parking facilities shall be located in highly visible, well-lit areas to minimize theft and vandalism.
  - d. Bicycle parking facilities shall be securely anchored to the lot surface so they cannot be easily removed and shall be of sufficient strength to resist vandalism and theft.
  - e. Bicycle parking facilities shall not impede pedestrian or vehicular circulation, and should be harmonious with their environment both in color and design. Parking facilities should be incorporated whenever possible into building design or street furniture.
  - f. Racks must not be placed close enough to a wall or other obstruction so as to make use difficult. There must be sufficient space (at least twenty-four inches) beside each parked bike that allows access. This access may be shared by adjacent bicycles. An aisle or other space

shall be provided to bicycles to enter and leave the facility. This aisle shall have a width of at least six feet to the front or rear of a bike parked in the facility.

- g. Paving is not required, but the outside ground surface shall be finished or planted in a way that avoids mud and dust.
- h. Bike parking facilities within auto parking areas shall be separated by a physical barrier to protect bicycles from damage by cars, such as curbs, wheel stops, poles or other similar features.
- i. Any bicycle parking provided in double-decker bicycle racks shall have a lift-assist mechanism to aid the user in parking their bicycle on the upper rack.
- j. If vertical wall hanging bicycle racks are used for Class 2 bicycle parking, thirty percent of required Class 2 bicycle parking must be provided in racks that meet Class 2 requirements in subsection (4)(b) at ground level.
- k. If required Class 2 bicycle parking is not clearly visible to bicyclists approaching from adjacent public roadways or paths, signs shall indicate the locations of the facilities on the exterior of the building at each major entrance and in other appropriate locations. Where necessary, additional directional signage to the bicycle parking area shall be provided.
- 6. Variation to Requirements.
  - a. Substitution of Car Parking With Bike Parking. New and preexisting developments may reduce up to ten percent of their parking requirement with the provision of unrequired additional bike parking, as long as the spaces are conveniently located within forty feet of a building entrance. This parking reduction must yield at least six bike parking spaces per converted auto space. These bike parking spaces shall be in addition to the bike parking facilities required by this section, and provided in the same ratio of Class 1 and Class 2. The total available parking reduction granted shall be calculated in conformance with the city parking reduction worksheet in effect at the time a complete planning application is submitted.
  - b. Where the provision of bike parking is not feasible, the requirements may be waived or reduced to a feasible level by the zoning administrator in accordance with city bike parking standards.
  - c. Downtown Parking District All Nonresidential Uses. Businesses and developments within Parking District No. 1 are not required to provide Class 2 bicycle parking on site if adequate on-site space is not available, as determined by the planning director. The city shall permit required bicycle parking within the public right-of-way for the downtown parking district area in locations and amounts determined by the director of public works.

Section 36. The City Council finds and determines that the adoption of this ordinance is considered a "project" under California Code of Regulations, Title 14, section 15378(a)(1) of the California Environmental Quality Act (CEQA) Guidelines, typically subject to environmental review. The City Council finds that these amendments fall within the analyzed development potential in the City's existing 2030 General Plan EIR using the existing zoning and General Plan and, therefore, pursuant to Section 15183 of the CEQA Guidelines, no further environmental review under CEQA is required.

<u>Section 37</u>. If any section or portion of this ordinance is found to be invalid by a court of competent jurisdiction, such finding shall not affect the validity of the remainder of the ordinance, which shall continue in full force and effect.

<u>Section 38</u>. This ordinance shall take effect and be in full force thirty (30) days after final adoption outside of the Coastal Zone. Within the Coastal Zone, this ordinance shall take effect and be in full force after approval by the California Coastal Commission, but no earlier than thirty (30) days after final adoption.

PASSED FOR PUBLICATION this 8th day of C	October 2024, by	the following vote:
AYES: NOES: ABSENT: DISQUALIFIED:		
	APPROVED	Fred Keeley, Mayor
ATTEST:Bonnie Bush, City Clerk Administra		
PASSED FOR FINAL ADOPTION this 22 <sup>th</sup>	nd day of Octob	er 2024 by the following vote
AYES: NOES: ABSENT: DISQUALIFIED:		
	APPROVED: _	Fred Keeley, Mayor
ATTEST:Bonnie Bush, City Clerk Administrator		Trea receipt, mayor
This is to certify that the above and foregoing document is the original of Ordinance No. 2024-XX and that it has been published or posted in accordance with the Charter of the City of Santa Cruz.		
City Clerk Administrator		

#### ORDINANCE NO. 2024-XX

AN ORDINANCE OF THE CITY OF SANTA CRUZ AMENDING SANTA CRUZ MUNICIPAL CODE CHAPTERS 21.06 - RESIDENTIAL RENTAL DWELLING UNIT INSPECTION AND MAINTENANCE PROGRAM, 23.04 – SUBDIVISION ORDINANCE – GENERAL PROVISIONS, 23.12 – MAPS REQUIRED, 23.37 – COMMUNITY HOUSING PROJECTS, AND 24.08 - LAND USE PERMITS AND FINDINGS; AMENDING CHAPTER 24.16 PART 1 – INCLUSIONARY HOUSING REQUIREMENTS AND PART 2 – ACCESSORY DWELLING UNITS; ADDING NEW SECTION 24.16.165 RELATED TO ACCESSORY DWELLING UNITS TO MAINTAIN CONSISTENCY WITH STATE REGULATIONS, CLARIFY EXISTING STANDARDS, REMOVE OWNER-OCCUPANCY REQUIREMENTS FOR EXISTING ACCESSORY DWELLING UNITS, REQUIRE PROPERTIES WITH ACCESSORY DWELLING UNITS TO ENROLL IN THE RESIDENTIAL RENTAL INSPECTION SERVICE, AND TO ALLOW FOR THE CONDOMINIUM MAPPING AND SEPARATE SALE OF ACCESSORY DWELLING UNITS AND THEIR ASSOCIATED PRIMARY DWELLINGS; AND RESCINDING ORDINANCE NOS. 2022-22 AND 2023-01. (CEQA: EXEMPT PURSUANT TO CEQA GUIDELINES SECTION 15183 AS A PROJECT CONSISTENT WITH THE GENERAL PLAN FOR WHICH AN EIR WAS CERTIFIED.)

WHEREAS, accessory dwelling units contribute needed housing to the community's housing stock and provide housing for family members, students, the elderly, in-home health care providers, the disabled, and others within existing neighborhoods, and homeowners who create accessory dwelling units may benefit from added income and an increased sense of security; and

WHEREAS, at its December 13, 2022 meeting, the City Council approved Urgency Ordinance 2022-22, amending accessory dwelling unit regulations in the Santa Cruz Municipal Code to comply with implementation deadlines set by state laws AB 2221 and SB 897; and

WHEREAS, at its January 24, 2023 meeting, the City Council extended the urgency ordinance through the end of 2024 with Ordinance 2023-01; and

WHEREAS, amendments made by the urgency ordinance are now codified through a formal ordinance required to be approved prior to the end of 2024, thus rescinding the urgency ordinance; and

WHEREAS, in 2023, AB 976 (Ting) was signed into law, removing owner-occupancy requirements for properties with accessory dwelling units for any accessory dwelling unit created in 2025 and in perpetuity thereafter; and

WHEREAS, in 2023, AB 1033 (Ting) was signed into law, allowing local jurisdictions to create an ordinance to allow for the separate sale of accessory dwelling units and their associated primary dwellings as condominiums; and

WHEREAS, on February 6, 2024, the California Department of Housing and Community Development (HCD) sent a letter to the Department of Planning and Community Development detailing a review of the City's accessory dwelling unit regulations and requiring several corrections to ensure ongoing compliance with state law.

WHEREAS, additional clarifications are needed to the accessory dwelling unit regulations in the Santa Cruz Municipal Code; and

WHEREAS, on August 15, 2024, the Department of Planning and Community Development held a community meeting to present proposed modifications to local accessory dwelling unit regulations and solicited feedback from the public; and

WHEREAS, at its September 5, 2024 meeting, the Santa Cruz Planning Commission reviewed the proposed additions and modifications to the Santa Cruz Municipal Code and found that the public necessity, and the general community welfare, and good zoning practice shall be served and furthered; and that the proposed amendments are in general conformance with the principles, policies and land use designations set forth in the General Plan, Local Coastal Plan and any adopted area or specific plan; and

WHEREAS, at its September 5, 2024 meeting, the Santa Cruz Planning Commission passed a motion that recommended the City Council approve the proposed additions and amendments as well as any additional changes needed to comply with state ADU law; and

WHEREAS, the proposed amendments and additions to the Santa Cruz Municipal Code fall within the analyzed development potential in the City of Santa Cruz's existing 2030 General Plan Environmental Impact Report using the existing zoning and General Plan and, therefore, pursuant to California Code of Regulations, Title 14, section 15183 of the California Environmental Quality Act (CEQA) Guidelines, no further environmental review under the CEQA is required.

BE IT ORDAINED By the City of Santa Cruz as follows:

Section 1. Section 21.06.030 of Chapter 21.06 of the Santa Cruz Municipal Code regarding Scope of Residential Rental Dwelling Unit Inspection and Maintenance Program is hereby amended to read as follows:

#### 21.06.030 SCOPE.

- A. The provisions of this chapter shall apply to all owners of one or more residential rental dwelling units located within the city of Santa Cruz.
- B. The provisions of this chapter shall not apply to rooms rented to single individuals in an owner-occupied single-family residence, hotel or motel units subject to the transient occupancy tax ordinance codified at Chapter 3.28, units inspected by another governmental authority for housing and safety standards, newly constructed multiple dwelling units (including townhouse

dwelling groups and condominium projects that are rented) for a period of five years from the issuance of certificate of occupancy, and mobile home parks.

<u>Section 2</u>. Section 23.04.050.1 of Chapter 23.04 of the Santa Cruz Municipal Code regarding Subdivision Principles – General is hereby amended to read as follows:

#### 23.04.050.1 SUBDIVISION PRINCIPLES – GENERAL.

The necessity for tentative parcel maps and tentative subdivision maps, parcel maps, and final maps shall be governed by the provisions of the Map Act and this title. A tentative and final map shall be required for all subdivisions creating five or more parcels, including community housing projects, except where expressly excluded by the Map Act. The city council shall have final jurisdiction in the approval of tentative and final subdivision maps. A tentative parcel map and a final parcel map shall be required for all subdivisions referred to herein as minor land divisions, including community housing projects creating four or fewer parcels, except for creation of no more than four condominium parcels for accessory dwelling units and their associated primary dwellings pursuant to Section 24.16.165, in which case a tentative parcel map shall not be required, but a parcel map shall be required. The zoning administrator shall have final jurisdiction in the approval of such minor land divisions. A tentative subdivision map and a final map shall be required for all other subdivisions of land or other procedures provided in the Map Act, and the city council shall have final jurisdiction in the approval of such maps. Each subdivision or minor land division shall conform to the standards and principles set forth, or referred to, in this title unless modified for good cause by the city council, the zoning board, or the zoning administrator.

<u>Section 3.</u> Section 23.12.030.1 of Chapter 23.12 of the Santa Cruz Municipal Code regarding Division of Land – Fewer Than Five Parcels – Maps Required is hereby amended to read as follows:

# **23.12.030.1 DIVISION OF LAND – FEWER THAN FIVE PARCELS – MAPS REQUIRED** A tentative parcel map and a parcel map shall be required for all divisions of land which create fewer than five parcels, except for:

- (a) Divisions of land created by short-term leases (terminable by either party on not more than a thirty-day notice in writing) of a portion of an operating right-of-way of a railroad corporation defined as such by Section 230 of the Public Utilities Code; provided, however, that upon a showing made to the city engineer, based upon substantial evidence that public policy necessitates such a map, this exception shall not apply;
- (b) Lot-line adjustments, provided:
  - (1) The parcels resulting from the lot line adjustment will conform to the general plan, any applicable specific plan, any applicable coastal plan, zoning and building ordinances; and
  - (2) A greater number of parcels than originally existed are not created by the lot line adjustment; or

(c) Creation of no more than four condominium parcels for accessory dwelling units and their associated primary dwellings pursuant to Section 24.16.165, in which case a tentative parcel map shall not be required, but a parcel map shall be required.

The zoning administrator shall review the application for a lot line adjustment and shall not impose conditions or exactions on approval except to conform to the general plan, any applicable specific plan or area plan, any applicable coastal plan, zoning or building ordinances, and except to facilitate the relocation of existing utilities, infrastructure, or easements.

No tentative map, parcel map, or final map shall be required as a condition of approval of a lot line adjustment. The lot line adjustment shall be reflected in a deed, which shall be recorded. No record of survey shall be required for a lot line adjustment unless required by Section 8792 of the state Business and Professions Code.

<u>Section 4.</u> Section 23.37.020.1 of Chapter 23.37 of the Santa Cruz Municipal Code regarding Provisions for Conversions of Existing Structures – Vacancy Requirements - Exceptions is hereby amended to read as follows:

# 23.37.020.1 PROVISIONS FOR CONVERSIONS OF EXISTING STRUCTURES – VACANCY REQUIREMENTS – EXCEPTIONS.

- (1) An existing residential structure may be converted to a community housing project and be exempt from Section 23.37.020(a) if the structure is converted and sold to at least sixty-seven percent of the existing tenants. In such cases, proposals containing five or more units shall provide at least twenty percent of the total units for purchase by households of below-average income pursuant to Section 24.16.050 of the Zoning Ordinance.
- (2) An existing residential stock cooperative proposed for conversion to a condominium is exempt from Section <u>23.37.020</u>.
- (3) A building which is listed on the city historic building survey or which is a contributing building located in a city historic district.
- (4) Creation of no more than four condominium parcels for existing accessory dwelling units and their associated primary dwellings pursuant to Section 24.16.165.

<u>Section 5.</u> Section 23.37.050 of Chapter 23.37 of the Santa Cruz Municipal Code regarding Provision for the Protection of Tenants is hereby amended to read as follows:

#### 23.37.050 PROVISION FOR THE PROTECTION OF TENANTS.

Conversion of existing residential structures to community housing projects can be approved in accordance with Section <u>23.37.030</u> only if evidence is provided that the following provisions have been implemented:

(a) Each of the tenants of the proposed projects has or will have received all applicable notices and rights now or hereafter required by the State Subdivision Map Act, including written notice of intention to convert, at least sixty days prior to the filing of a tentative map, pursuant to

Section <u>66452.9</u> of the Government Code; ten days' written notification that an application for a public report will be available upon request, pursuant to Section <u>66427.1</u>(a) of the Government Code; written notice of public hearing and the tenant's right to appear and to be heard on the conversion, pursuant to Section <u>66451.3</u> of the Government Code; and copies of the staff report on the tentative map at least three days prior to any hearing or action on such map, pursuant to Section <u>66452.3</u> of the Government Code.

(b) Within ten days after the filing of the tentative subdivision map with the city, the subdivider shall cause the following notice to be delivered or mailed by certified or registered mail with return receipt requested to the occupant of each occupied apartment being converted to a condominium:

# NOTICE TO PRESENT TENANT

This apartment is sought to be converted to a condominium unit and may be subject to future sale. The City of Santa Cruz will provide information about the City's regulations regarding conversions of apartments to condominiums.

- (c) At the time of the issuance of the written notice of the intention to convert, the applicant has informed the tenants that a tenants' association has the right to negotiate for the purpose of converting the structure as a cooperative.
- (d) Within ten days of approval of a final map for the proposed conversion, each of the tenants of the proposed project will be given written notification of the approval.
- (e) Each of the tenants of the proposed project has been, or will be, given one hundred eighty days' written notice of intention to convert prior to termination of tenancy due to the conversion or proposed conversion. Tenants aged sixty-two or older or handicapped or with minor children have been, or will be given an additional one hundred twenty days in which to find suitable replacement housing. A list of available rental units of similar price shall be provided to each tenant. The provisions hereof shall not alter or abridge the rights or obligations of the parties in performance of their covenants including, but not limited to, the provision of services, payment of rent, or the obligations imposed by Sections 1941, 1941.1 and 1941.2 of the California Civil Code.
- (f) Each of the tenants of the proposed project has, or will be given, the right to cancel any existing lease following receipt of the written notice of public hearing by providing thirty-day written notice to the landlord.
- (g) Each of the tenants of the proposed project has been, or will be given, notice of an exclusive right to contract for the purchase of his or her respective unit or, in the case of a cooperative, the share controlling the dwelling unit then occupied by the tenant upon the same terms and conditions that such unit will be initially offered to the general public on terms more favorable to the tenant. The right shall run for a period of not less than ninety days from the date of issuance of the subdivision public report, pursuant to Section 11018.2 of the Business and Professions Code, or approval of the application by city if a subdivision public report is not required, unless the tenant has given prior written notice of his or her intention not to exercise the right.

- (h) Each of the tenants of the proposed project who resided in the project at the time of the issuance of the notification of intention to convert has been, or will be, offered moving and relocation assistance amounting to one and one-half times the tenant's monthly rent, except when the tenant has given notice of his or her intention to move prior to issuance of intention to convert. However, for the conversion of no more than four units consisting of accessory dwelling units and their associated primary dwellings to condominiums pursuant to Section 24.16.165, relocation assistance shall be defined as four months' rent for a person or family of low or moderate income who currently occupies or had occupied the dwelling unit within two years prior to the date of submission of the application for the conversion of the unit(s).
- (i) Rents will not be increased from the time of filing of the application for conversion until relocation takes place or until the application is denied or withdrawn.
- (j) No apartment in a building to be converted shall be leased to any person after the filing of an application with the city for such conversion unless a written notice shall have been delivered to the prospective lessee or tenant in substantially the following form:

# NOTICE TO PROSPECTIVE TENANT

This apartment unit is sought to be converted to a condominium unit and may be subject to future sale.

A permanent record of such required notices shall be kept for a period of one year thereafter, such record to include:

- (1) A copy of each notice showing the date on which it was delivered or mailed; and
- (2) Proof of the giving of the notice consisting of:
- (A) If delivered, the signature of the person to whom it was delivered acknowledging such delivery; or
- (B) If mailed, proof of mailing and return receipt if the receipt was returned to the recipient of the notice

<u>Section 6.</u> Section 24.08.800 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Purpose for Slope Development Permit (Applies Outside the Coastal Zone) is hereby amended to read as follows:

#### 24.08.800 PURPOSE.

Development on slopes presents opportunities and challenges. Construction on unstable slopes can lead to erosion, steep terrain can present wildfire and evacuation hazards, and buildings constructed on hilltops often have exceptional views while having the potential to adversely impact public views. Such development is therefore regulated by the provisions of Section 24.14.030, Slope regulations (outside the Coastal Zone), to ensure that risks to public and private property and adverse impacts to public views are minimized. "Public views" include scenic views of the ocean, beaches, and the Santa Cruz Mountains from public property, including from parks and public rights-of-way.

<u>Section 7.</u> Section 24.08.810 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Procedure for Slope Development Permit (Applies Outside the Coastal Zone) is hereby amended to read as follows:

#### **24.08.810 PROCEDURE.**

Projects on or within twenty feet of a slope of thirty percent or greater must apply for a slope development permit unless the project is exempted from the need for such a permit under Section 24.14.030(1)(g) or when approval of a statewide exemption accessory dwelling unit waives of this standard pursuant to Section 24.16.141.11. This permit may be granted by the zoning administrator under Section 24.14.030(1)(c) without a hearing if the project is on or within twenty feet of a slope greater than or equal to thirty percent and less than fifty percent and is consistent with the findings in Section 24.08.820, unless the slope development permit is accompanied by an application that must be heard by a higher body. Projects on or within twenty feet of a slope of fifty percent or greater must be considered at a public hearing by the zoning administrator and must also be consistent with the findings in Section 24.08.820 unless the project is exempted from such a permit per Section 24.14.030(1)(g).

<u>Section 8.</u> Section 24.08.820 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Findings Required for Slope Development Permit (Applies Outside the Coastal Zone) is hereby amended to read as follows:

# 24.08.820 FINDINGS REQUIRED.

A slope development permit may be granted when all of the following applicable conditions are found:

- 1. Measures have been included within the design of the project to mitigate impacts on environmental constraint areas identified in the Natural Resources and Conservation Element and the Safety Element of the General Plan and the Local Coastal Program.
- 2. Landscaping of an appropriate type, size, and quality is proposed to mitigate any adverse environmental effect.
- 3. Usable open space is proposed in an amount equal to that normally required.
- 4. A registered civil engineer or other qualified professional will design streets, buildings, and other man-made structures to conform with existing landforms and topography.
- 5. Adequate fire safety measures as required by the city fire department have been incorporated into the design of the proposed development, when located in a designated fire hazard area.
- 6. The proposed project employs architectural and design elements which in total serve to reduce the mass and bulk of structures to protect public views. Such elements may include:
  - a. Multiple floor levels which follow natural slopes;
  - b. Multiple roof lines to provide visual interest and break up the visual impact of the building;

- c. Decks and balconies to provide building articulation;
- d. Foundation types such as poles, piles, or stepped levels which minimize cut and fill and need for retaining walls;
- e. Fence lines, walls, and other features which blend with the terrain rather than strike off at an angle against it.
- 7. If a project proposed for construction is in a landslide area identified in a site-specific geological report prepared pursuant to Section 24.14.030(1)(d), findings must be made that mitigation measures necessary to fulfill the purpose of this part have been incorporated into project design, based on the project's environmental review and geotechnical reports.
- <u>Section 9.</u> Section 21.08.1320 of Chapter 24.08 of the Santa Cruz Municipal Code regarding General Provisions of Residential, Demolition/Conversion Authorization Permits is hereby amended to read as follows:

#### 24.08.1320 GENERAL PROVISIONS.

California State law includes strict standards for the demolition of housing in an effort to ensure that existing density is not reduced and that housing that is currently rented to lower income tenants is maintained as affordable housing within new development. Housing demolition and housing development projects must comply with the requirements of this section as well as those contained in California state law governing relocation assistance and replacement housing units, including but not limited to Government Code Sections 65589.5 and 66300, as amended. For each provision of the regulations, when both this code and the California Government Code apply, whichever requires the higher number of replacement units, bedrooms, and/or relocation assistance shall take precedence. A residential demolition/conversion authorization permit shall be required prior to issuance of a demolition permit for any residential dwelling unit, including any accessory dwelling unit or junior accessory dwelling unit, or single-room occupancy living unit. A residential unit that is replaced by a conversion accessory dwelling unit shall not be required to obtain a residential demolition authorization permit.

<u>Section 10.</u> Section 21.08.1330 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Demolition of Conversion of Single-Family Residence or Duplex Units is hereby amended to read as follows:

# 24.08.1330 DEMOLITION OR CONVERSION OF SINGLE-FAMILY RESIDENCE OR DUPLEX UNITS.

The zoning administrator may issue a demolition/conversion authorization permit for the demolition or conversion of a single-family residence, accessory dwelling unit, junior accessory dwelling unit, or duplex upon finding that:

1. The building is not subject to the provisions of Part 11 (regarding Historic Demolition Permits) of this chapter, or that the demolition or conversion has been approved pursuant to the procedures set forth in Part 11; and

- 2. The project which will replace the demolished or converted unit(s) has been approved by the city, and an appropriate building permit has been issued; unless no building permit is required or some other practical hardship can be documented rendering this finding inappropriate; and
- 3. The building is not in the coastal zone, or, if it is in the coastal zone, is being replaced by a residential use or a nonresidential coastal-dependent use as defined by Section 30101 of the Public Resources Code; and
- 4. Relocation assistance has been provided to eligible tenants consistent with Section 24.08.1350; or
- 5. The building which is in the coastal zone and is being replaced by a nonresidential use which is not coastal-dependent as defined in Section 30101 of the Public Resources Code, is located where residential use is no longer feasible, but will not be issued a demolition permit or building permit in connection with the conversion until the applicant has entered into an agreement to provide relocation assistance and replacement housing or in-lieu fees consistent with Section 24.08.1350 and the applicable portions of Sections 24.08.1360 and 24.08.1370.

<u>Section 11.</u> Section 24.16.020 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Basic On-Site Inclusionary Housing Requirements is hereby amended to read as follows:

#### 24.16.020 BASIC ON-SITE INCLUSIONARY HOUSING REQUIREMENTS.

- 1. Applicability.
  - a. The inclusionary housing requirements defined in this chapter are applicable to all residential developments that create two or more new and/or additional dwelling units or FDU or SRO units at one location by construction or alteration of structures, or would create two or more lots through approval of a parcel map or tentative map, except for exempt residential developments under subsection (2).
  - b. Additional rent above and beyond affordable rent or affordable ownership cost may be permitted for the commercial/work space in a live/work unit at a rent that is determined to be affordable to qualifying households and is proportionate to the amount of commercial space provided. The amount of rent for the commercial portion of the live/work unit shall be agreed upon by the developer, the economic development director, and the planning and community development director. If no agreement can be reached, the city will retain an outside financial consultant to evaluate and determine the allowable affordable rent and establish a methodology for determining future commercial rent levels. The methodology for determining future commercial rent levels shall be defined in every affordable housing development agreement for residential developments that include at least one live/work unit.
- 2. The following residential developments are exempt from the requirements of this chapter:
  - a. Residential developments developed pursuant to the terms of a development agreement executed prior to the effective date of the ordinance codified in this chapter; provided, that such residential developments comply with any affordable housing

requirements included in the development agreement or any predecessor inclusionary housing requirements in effect on the date the development agreement was executed.

- b. Residential developments for which a complete application was filed with the city prior to the effective date of the ordinance codified in this chapter; provided, that such residential developments comply with any predecessor inclusionary housing requirements in effect on the date the application for the residential development was deemed complete.
- c. Residential developments if exempted by California Government Code Section <u>66474.2</u> or <u>66498.1</u>; provided, that such residential developments comply with any predecessor inclusionary housing requirements in effect on the date the application for the residential development was deemed complete.
- d. Residential developments replacing dwelling units that have been destroyed by fire, flood, earthquake, or other acts of nature, so long as no additional dwelling units are created by the residential development; and provided, that such residential developments comply with any inclusionary housing requirements previously applied to the dwelling units being replaced.
- e. Rental residential developments with two to four dwelling units.
- 3. Ownership Residential Developments with Two to Four Dwelling Units. For ownership residential developments that would create at least two but not more than four new or additional dwelling units and/or live/work units at one location, the applicant shall either: (a) make one inclusionary unit available for sale at an affordable ownership cost; (b) make one inclusionary unit available at an affordable rent for low income households; or (c) pay an in-lieu fee calculated pursuant to Section 24.16.030(6).
- 4. Ownership Residential Developments with Five or More Dwelling Units. For ownership residential developments that would create five or more new or additional dwelling units and/or live/work units at one location, the applicant shall provide inclusionary units as follows:
  - a. Affordable Housing Requirement for Ownership Residential Developments. In an ownership residential or live/work development, twenty percent of the dwelling units shall be made available for sale to low and moderate income households at an affordable ownership cost.
  - b. Fractional Affordable Housing Requirement for Ownership Residential Developments -0.7 Units or Less. If the number of dwelling units required under subsection (4)(a) results in a fractional requirement of 0.7 or less, then the applicant shall either: (i) make one inclusionary unit available for sale at an affordable ownership cost; (ii) make one inclusionary unit available at an affordable rent for low income households; or (iii) pay an in-lieu fee calculated pursuant to Section 24.16.030(6). This subsection (4)(b) applies to the fractional unit only, and whole units shall be provided as required by subsection (4)(a).
  - c. Fractional Affordable Housing Requirement for Ownership Residential Developments More Than 0.7 Units. If the number of dwelling units required under subsection (4)(a)

results in a fractional requirement of greater than 0.7, then the applicant shall either: (i) make one inclusionary unit available for sale at an affordable ownership cost; or (ii) make one inclusionary unit available at an affordable rent for low income households. This subsection (4)(c) applies to the fractional unit only, and whole units shall be provided as required by subsection (4)(a).

- d. Rental Units in an Ownership Residential Development.
  - i. In an ownership residential development where all dwelling units are initially offered for rent, an applicant may satisfy the inclusionary requirements by providing rental units as provided in subsection (5).
  - ii. The rent regulatory agreement required by Section 24.16.045 shall include provisions for sale of the inclusionary units at an affordable ownership cost to eligible households within ninety days from the issuance of the public report by the California Department of Real Estate permitting sale of the units or at termination of the tenant's lease whichever is later and otherwise in compliance with state law; provided, however, that the sale of the entire ownership residential development from one entity to another shall not trigger the obligation to sell individual inclusionary units. To the extent relocation payments are required by law the applicant shall be wholly responsible for the cost of preparing a relocation plan and making required payments. Any tenant of an inclusionary unit at the time units are offered for sale that qualifies to purchase an inclusionary unit at an affordable ownership cost shall be offered a right of first refusal to purchase the inclusionary unit. At sale appropriate documents shall be recorded to ensure the continued affordability of the inclusionary units at an affordable ownership cost as required by Section 24.16.045.
- 5. Rental Residential Developments with Five or More Dwelling Units. For rental residential developments that would create five or more new or additional dwelling units and/or live/work units at one location, the applicant shall provide inclusionary units as follows:
  - a. Rental residential developments that would create five or more new or additional dwelling units or live/work units at one location shall provide twenty percent of the dwelling units as inclusionary units, which shall be made available for rent to low income households at an affordable rent.
  - b. SRO Developments. In a rental residential development comprised of SRO units, twenty percent of the single-room occupancy units shall be made available for rent to very low income households at an affordable rent.
  - c. Fractional Affordable Housing Requirement for Rental Residential Developments with More Than Five Dwelling Units. If the number of dwelling units required results in a fractional requirement of 0.7 or less, then there will be no inclusionary requirement for the fractional unit. If the number of dwelling units required results in a fractional requirement of greater than 0.7, then the applicant shall make one inclusionary unit available at an affordable rent. This subsection (5)(c) applies to the fractional unit only, and whole units shall be provided as required by subsections (5)(a) and (b).

- 6. The requirements of subsections (3) through (5) are minimum requirements and shall not preclude a residential development from providing additional affordable units or affordable units with lower rents or sales prices than required.
  - a. By mutual agreement by the developer, the planning and community development director, and the economic development director, the percentage of inclusionary units may be increased in exchange for reduced parking and/or other development requirements.
  - b. If the developer agrees to make at least forty percent of the residential project available for rent to low income households at a rental cost affordable to low income households, in addition to reduction of development requirements, by mutual agreement by the developer, the planning and community development director, and the economic development director, the city may also provide financial incentives to increase the number of inclusionary units in a project.
- 7. For the purposes of calculating the number and type of inclusionary units required by this section, rental accessory dwelling units that are not eligible for separate conveyance, constructed either as part of the initial development or anytime thereafter, shall be subject to the requirements of subsection (5), and ownership accessory dwelling units or rental accessory dwelling units that are mapped, created either as part of the initial development or anytime thereafter shall be subject to the requirements of subsections (3) and (4). The calculation shall be based on the total resulting number of accessory dwelling units on the original lot. The inclusionary requirement for accessory dwelling units constitutes a separate inclusionary requirement than that of the primary residential use, such that only accessory dwelling units shall count toward the inclusionary requirement calculation for the accessory dwelling units on the lot, and only the residential units comprising the primary residential use shall count toward the inclusionary requirement calculation for the primary residential use on the lot. The accessory dwelling unit inclusionary requirement shall be met with accessory dwelling units or as otherwise permitted under Section 24.16.030, including, but not limited to payment of the in-lieu fee.
- 8. For purposes of calculating the number of inclusionary units required by this section, any dwelling units authorized as a density bonus pursuant to Part 3 of this chapter shall not be counted as part of the residential development. However, if a developer receives a city rental housing bonus as authorized by Section 24.16.035(4), then all of the dwelling units in the project, including the dwelling units authorized as a density bonus, shall be counted as part of the residential development for purposes of calculating the inclusionary units required by this section.

<u>Section 12.</u> Section 24.16.100 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Purpose of Accessory Dwelling Units is hereby amended to read as follows:

#### 24.16.100 PURPOSE.

The ordinance codified in this part provides for accessory dwelling units in certain areas and on lots developed or proposed to be developed with single- or multifamily dwellings. Such accessory dwellings are allowed because they can contribute needed housing to the community's housing stock. Accessory dwelling units provide housing for family members, students, the elderly, inhome health care providers, the disabled, and others within existing neighborhoods, and

homeowners who create accessory dwelling units may benefit from added income and an increased sense of security.

In addition, the ordinance codified in this part provides a mechanism to grant legal status to existing illegally constructed accessory dwelling units in single-family neighborhoods. By encouraging legalization, safe dwellings may be added to the city's existing housing supply. Accessory dwelling units and junior accessory dwelling units are considered dwelling units for the purposes of meeting the City's Regional Housing Needs Assessment allocation and for the purposes of replacement housing and relocation assistance requirements.

Thus, it is found that accessory dwelling units are a residential use that is consistent with the General Plan objectives and zoning regulations and that enhances housing opportunities throughout the city of Santa Cruz. To ensure that accessory dwelling units will conform to General Plan policy, the following regulations are established.

<u>Section 13.</u> Section 24.16.125 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Definitions of Accessory Dwelling Units is hereby amended to read as follows:

#### **24.16.125 DEFINITIONS**

The following definitions shall apply to accessory dwelling units throughout the municipal code:

- 1. "Attached accessory dwelling unit" shall mean an accessory dwelling unit that is attached to the primary dwelling, including to an attached garage.
- 2. "Conversion accessory dwelling unit" shall mean any accessory dwelling unit created by the conversion of any one permitted, entitled, or legal nonconforming building, or portion of such a building. The conversion accessory dwelling unit may either be converted utilizing the existing structural components of the building or reconstructed within the existing three-dimensional physical space occupied by the building. On property developed with multi-unit buildings, only areas that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, shall be eligible to become conversion accessory dwelling units. The limitation on converting non-livable space shall not apply to a nonconforming duplex on a single-family zoned lot where one unit is converted to an accessory dwelling unit to result in a single-family home and accessory dwelling unit on the site. Consistent with zoning standards, conversion accessory dwelling units shall be permitted to expand the existing footprint of the building by up to one hundred fifty square feet, and the existing height by up to two feet.
- 3. "Detached accessory dwelling unit" shall mean an accessory dwelling unit that is separated from any single- or multi-unit building.
- 4. "Multi-unit building" shall mean a building with two or more attached dwellings on a single lot, including apartment or condominium buildings that contain at least two units. Accessory dwelling units do not count toward the number of units in this calculation.
- 5. "New construction accessory dwelling unit" shall mean any accessory dwelling unit that includes new construction and that does not meet the definition and requirements for a conversion accessory dwelling unit.

- 6. "Non-exempt accessory dwelling unit" shall mean an accessory dwelling unit that does not meet the definition of a statewide exemption accessory dwelling unit.
- 7. "Primary dwelling" shall mean the dwelling unit with which the accessory dwelling unit or junior accessory dwelling unit is associated.
- 8. "Single-unit building" shall mean a structurally independent building that contains one dwelling unit. A single-unit building may be the only building on the lot, such as a single-family home or a townhome, or it may be a detached residential condominium or apartment unit on a lot with one or more other dwellings that are not attached to the single-unit building. Accessory dwelling units do not count toward the number of units in this calculation.
- 9. "Statewide exemption accessory dwelling unit" shall mean any of the following:
  - a. One accessory dwelling unit and one junior accessory dwelling unit per lot with a proposed or existing single-unit building, including a single-family dwelling, townhome, or a detached residential condominium or apartment unit on a lot with multiple dwellings, if all of the following apply:
    - i. The accessory dwelling unit or junior accessory dwelling unit is within the proposed space of a single-unit building or it is within the existing space of a single-unit building or detached accessory building. This type of statewide exemption accessory dwelling unit does not include a building reconstructed within the three-dimensional space of an existing building to be demolished.
    - ii. If the accessory dwelling unit is within the space of an existing detached accessory building, the accessory dwelling unit may include an expansion of not more than 150 square feet beyond the same physical dimensions as the existing accessory building. An expansion beyond the physical dimensions of the existing building shall be limited to accommodating ingress and egress.
    - iii. The accessory dwelling unit has an exterior entrance separate from that of the primary dwelling unit.
    - iv. The side and rear setbacks are sufficient for fire and safety.
    - v. The junior accessory dwelling unit complies with the requirements of Section 24.16.170 below.
  - b. One detached, new construction accessory dwelling unit that meets the following standards:
    - i. The accessory dwelling unit shall be located on a lot with a proposed or existing single-unit building, including a single-family dwelling, townhome, or a detached residential condominium or apartment unit on a site with multiple dwellings.
    - ii. The accessory dwelling unit size shall not exceed 800 square feet in floor area.
    - iii. Interior side yard and rear yard setbacks shall be at least four feet.
    - iv. The accessory dwelling unit shall meet one of the following height limitations as measured to the roof peak:

- 1. A height of 16 feet; or
- 2. A height of 18 feet if the accessory dwelling unit is on a lot within one-half of one mile walking distance of a major transit stop or a high-quality transit corridor, as those terms are defined in Section 21155 of the Public Resources Code. This height can be increased an additional two feet to twenty feet to accommodate a roof pitch on the accessory dwelling unit that is aligned with the roof pitch of the primary dwelling unit.
- v. The accessory dwelling unit may be combined with a junior accessory dwelling unit that meets the standards as described in Section 24.16.170.
- c. Multiple accessory dwelling units within the portions of existing multi-unit buildings, including a residential condominium or apartment building with two or more attached units, that are not used as livable space, including but not limited to storage rooms, boiler rooms, passageways, attics, basements, or garages, if each unit complies with state building standards for dwellings. The number of accessory dwelling units permitted is equivalent to up to twenty-five percent of the number of existing, legally permitted units in the multi-unit building, or one, whichever is greater. When the twenty-five percent limit results in a fraction of a unit, the total number of accessory dwelling units that may be added shall be determined by rounding the fraction up to the next whole number.
- d. Not more than two detached accessory dwelling units that are located on a lot that has an existing or proposed multi-unit building, including a residential condominium or apartment building with two or more attached units. Each accessory dwelling unit shall meet the following standards:
  - i. Rear and interior side yard setbacks shall be at least four feet. If the existing multi-unit building has a rear or interior side yard setback of less than four feet, the existing multi-unit building will not be required to be modified to meet this setback.
  - ii. The accessory dwelling units shall meet one of the following height limitations as measured to the roof peak:
    - 1. A height of 16 feet; or
    - 2. A height of 18 feet if the accessory dwelling unit is on a lot within one-half of one mile walking distance of a major transit stop or a high-quality transit corridor, as those terms are defined in Section 21155 of the Public Resources Code. This height can be increased an additional two feet to 20 feet to accommodate a roof pitch on the accessory dwelling unit that is aligned with the roof pitch of the primary dwelling unit; or
    - 3. A height of 18 feet for a detached accessory dwelling unit on a lot with an existing or proposed multi-unit, multistory building.

<u>Section 14.</u> Section 21.16.130 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Permit Procedures is hereby amended to read as follows:

#### 24.16.130 PERMIT PROCEDURES.

- 1. Accessory dwelling units shall be principally permitted uses within the zoning districts specified in Section 24.16.120 and subject to the development standards in Section 24.16.140 et seq.
- 2. City shall issue a ministerial building permit for an accessory dwelling unit or junior accessory dwelling unit without discretionary review or a hearing, consistent with the provisions of this chapter and state law, within sixty days of submittal of a complete building permit application, unless provided otherwise. The sixty-day review period shall not apply when:
  - a. The permit application to create an accessory dwelling unit or junior accessory dwelling unit requires simultaneous approval of a discretionary or building permit-associated with creating a new single-unit or multi-unit building on the same lot or parcel. The City may delay approving or denying the building permit application for the accessory dwelling unit or the junior accessory dwelling unit until the City approves or denies the permit application to create the new single-unit or multi-unit building; or
  - b. When the applicant seeks a delay for any reason, including but not limited to pursuit of a discretionary permit pursuant to Section 24.16.130.8. The period of the delay shall not count toward the sixty-day time period.
- 3. If the City denies an application to create an ADU or JADU, the City must provide the applicant with comments that include, among other things, a list of all defective or deficient items and a description of how the application may be remedied by the applicant. Notice of the denial and corresponding comments must be provided to the applicant in accordance with the 60-day time period set forth in Section 24.16.130 (4) above.
- 4. Construction of an accessory dwelling unit shall not constitute a Group R occupancy change under the local building code, except as specified under state law. Construction of an accessory dwelling unit shall not trigger a requirement for fire sprinklers to be installed in the existing single-unit or multi-unit building.
- 5. The City shall not require, as a condition for ministerial approval of a permit application for the creation of an accessory dwelling unit or a junior accessory dwelling unit, the correction of nonconforming zoning conditions, building code violations, or unpermitted structures unless they present a threat to public health and safety and are affected by the construction of the accessory dwelling unit.
- 6. The City shall not require, and the applicant shall not be otherwise required, to provide written notice or post a placard for the demolition of a detached garage that is to be replaced with an accessory dwelling unit, unless the property is located within an architecturally and historically significant historic district.
- 7. An accessory dwelling unit replacing a detached garage shall receive review and issuance of a demolition permit concurrently with the review and issuance of the permit for the accessory dwelling unit.

8. To promote flexibility in siting of accessory dwelling units, nothing in this Part shall prohibit an applicant from pursuing a discretionary permit to construct an accessory dwelling unit on a lot that has a buildable area of at least eight hundred square feet with at least four foot side and rear yard setbacks for an attached or detached accessory dwelling unit with application of all site development standards or waivers as provided in Section 24.16.141 but where the applicant chooses to place the accessory dwelling unit in a location that does not meet such standards or waivers.

<u>Section 15.</u> Section 21.16.140 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Development Standards is hereby renamed General Development Standards and amended to read as follows:

#### 24.16.140 GENERAL DEVELOPMENT STANDARDS.

All accessory dwelling units, both new construction and conversion, shall conform to the following requirements:

- 1. Number of Accessory Dwelling Units per Parcel.
  - a. For parcels including a proposed or existing single-unit building, including a single-family home, townhome, or multiple detached dwellings, but not including any multifamily structures: One non-exempt accessory dwelling unit shall be allowed on each lot in addition to any statewide exemption accessory dwelling units. Each lot may also include a junior accessory dwelling unit conforming to the standards set forth in Section 24.16.170.
  - b. For lots developed with an existing or proposed multi-unit building, including an apartment or condominium building with two or more dwelling units: no non-exempt accessory dwelling units shall be allowed in addition to any statewide exemption dwelling units. The number of statewide exemption dwelling units allowed on each lot equals two new construction and at least one conversion accessory dwelling unit. Up to twenty-five percent of the number of existing dwellings in the multi-unit building may be added as conversion accessory dwelling units. When the twenty-five percent limit results in a fraction of a unit, the total number of accessory dwelling units that may be added shall be determined by rounding the fraction up to the next whole number.
- 2. Existing Development on Lot. One of the following conditions must be present in order to approve an application to create an accessory dwelling unit:
  - a. One or more single-unit buildings, as defined in Section 24.16.125.8, exists on the lot or will be constructed concurrently and in conjunction with the accessory dwelling unit;
  - b. The lot contains an existing multi-unit building, as defined in Section 24.16.125.4, or a multi-unit building that will be constructed concurrently and in conjunction with the accessory dwelling unit.
- 3. Building Code Requirements. The accessory dwelling unit shall meet the requirements of the California Building Standards Code, including the alternative means and methods section as prescribed therein.

- 4. Large Home Design Permit. The square footage of an accessory dwelling unit shall not be counted with the square footage of the single-family home in determining whether a large home design permit is required. The square footage of a junior accessory dwelling unit shall be counted with the square footage of the single-family home in determining whether a large home design permit is required.
- 5. Accessory dwelling units that require approval of a coastal permit shall conform to the standards in Section 24.12.140.2.
- 6. Accessory dwelling units shall meet the inclusionary requirements described under Section 24.16.020.8.

<u>Section 16.</u> Section 21.16.141 of Chapter 24.16 of the Santa Cruz Municipal Code regarding New Construction Accessory Dwelling Unit Development Standards is hereby renamed Site Development Standards and amended to read as follows:

# 24.16.141 SITE DEVELOPMENT STANDARDS.

Despite any directly conflicting zone district site development standards, all accessory dwelling units shall comply with the following site development standards. All other zone district site development standards not listed here shall apply to accessory dwelling units.

1. General.

Development	Attached	Conversion <sup>1,2</sup>	Detached
Standard			
Maximum Floor Area (square feet) 3,4	Greatest of:  • 850 for a studio or one bedroom  • 1,000 for a unit with two or more bedrooms.  • 50% of the habitable area of the primary dwelling to which the unit is attached	Footprint of existing building. Can expand footprint by 150.5,6	Greatest of:  • 850 for a studio or one bedroom  • 1,000 for a unit with two or more bedrooms  • 10% net lot area and no more than 1,200 habitable square feet.
Maximum Height (feet) <sup>7</sup>	Zone district standard that applies to primary dwelling.	L	<ul> <li>16' to roof peak if less than 4' from side/rear property line</li> <li>22' to roof peak if 4' or more from side/rear property line</li> </ul>
Minimum Front Setback (feet)	Zone district standard that applies to primary dwelling.	Maintain existing. Any expansion shall meet new construction standard.	Lesser of: • Front wall line of primary building, excluding any

			projections from that line.  • Zone district standard.
Minimum Rear Setback (feet)	4'	Maintain existing. Any expansion shall meet new construction standard.	3' for up to 16' height. 4' above 16' height.
Minimum Exterior Side Yard Setback	Zone district standard that applies to primary dwelling.	Maintain existing. Any expansion shall meet new construction standard.	Zone district standard.
Minimum Interior Side Yard Setback	4'9	Maintain existing. Any expansion shall meet new construction standard.	3' for up to 16' height 4' above 16' height
Minimum Distance Between Buildings	6'	Maintain existing. 6' for any expansion	6'

- Conversion accessory dwelling units may occupy the three-dimensional space, including setbacks, lot coverage, and height, of the building to be converted or reconstructed, regardless of conformance to current zoning standards.
- A conversion accessory dwelling unit with any expansion in excess of the above thresholds shall be reviewed as a new construction accessory dwelling unit, including assessment of any required fees.
- 3. Accessory dwelling units that utilize alternative green construction methods that cause the exterior wall thickness to be greater than normal shall be accommodated by calculating the unit square footage size in a manner that accounts for the difference between the square footage of the proposed building and the square footage of a traditional frame house.
- 4. Stairways that provide access to accessory dwelling units do not count toward the floor area of an accessory dwelling unit when the stairs are not part of the conditioned space, the stairs do not include any other rooms or room-like areas that would function as habitable floor area for the ADU, and there is a fire-rated entry door at the top of the stairs at the entrance to the accessory dwelling unit.
- An expansion of up to 150 square feet shall not enlarge the accessory dwelling unit beyond
  one thousand two hundred square feet unless necessary to accommodate ingress and egress to
  the accessory dwelling unit.
- 6. Expansions detached from the primary dwelling shall meet height and setback requirements for a new construction detached accessory dwelling unit. Expansions attached to the primary dwelling shall meet height and setback requirements for new construction attached dwelling units. Expansions of either type on a substandard lot shall be consistent with substandard lot development standards described in Section 24.16.161.7.
- 7. If the design of the building in which the primary dwelling is located has special roof features that should be matched on the detached accessory dwelling unit to enhance design compatibility, the maximum allowed building height of the accessory dwelling unit may be

- exceeded in order to include such similar special roof features, subject to review and approval of the zoning administrator as part of the review of the building permit application.
- Existing and resulting roof height are measured to the roof peak. Other portions of the roof
  may expand more than two feet if their resulting height is the same or lower than the resulting
  roof peak.
- 9. Any zone development standard for an additional setback based on building height or stories shall not apply to the portion of the building that contains the accessory dwelling unit.
- 2. Parking. No off-street parking shall be required for any accessory dwelling unit outside of the Coastal Zone. Any parking spaces, covered or uncovered, removed in order to create an accessory dwelling unit shall not be required to be replaced outside the Coastal Zone. For properties within the Coastal Zone, parking requirements are contained in Section 24.12.240.1.
- 3. Rear Yard Lot Coverage. In no case shall any accessory dwelling unit be limited in size based on rear yard lot coverage requirements contained in Section 24.12.140.1.f. In the application of Section 24.12.140.1.f., the footprint of accessory dwelling units shall not count toward the maximum allowable lot coverage by accessory buildings in yard setback areas.
- 4. Projections. An accessory dwelling unit that meets the standard zone district setbacks shall be permitted to include projections as described in Section 24.12.120.1. An accessory dwelling unit, or portion thereof, that does not meet standard zone district setbacks but meets standard setbacks for new construction accessory dwelling units shall be permitted to include architectural features such as cornices, canopies, eaves, and sills that project into the setback two and one-half feet. A conversion accessory dwelling unit, or portion thereof, that does not meet standard setbacks for new construction accessory dwelling units shall not contain any new projections beyond any already present on the existing wall.
- 5. If a new construction detached accessory dwelling unit is attached to a non-habitable accessory use within the same building, then the portion of the building containing the non-habitable use shall meet the site development standards for non-habitable accessory buildings as described in Section 24.12.140. A garage may have interior access to an accessory dwelling unit, but no other non-habitable accessory use within the same building shall have interior access to the accessory dwelling unit.
- 6. Clear corner triangle and clear vision area. Any new construction accessory dwelling unit or expansion of a conversion accessory dwelling unit shall be located outside of the clear corner triangle, as defined in Section 24.22.202, and the clear vision area, as defined in Section 24.22.206.
- 7. Substandard Lots. When a new construction accessory dwelling unit is proposed on a substandard residential lot, as defined in Section 24.22.520, that contains a single-family residential use, the following design standards shall apply:
  - a. The maximum allowable lot coverage for all structures shall be forty-five percent, except that lot coverage shall be waived to the extent that it physically precludes the construction of the accessory dwelling unit up to eight hundred square feet in floor area. The lot coverage of the accessory dwelling unit shall not be included in the calculation of all other

structures' maximum allowable lot coverage. Lot coverage shall include the footprints of the first floor, garage and other accessory buildings (attached and detached), decks and porches (greater than thirty inches in height and not cantilevered), and any second-story cantilevered projection (enclosed or open) beyond two and one-half feet. Decks under thirty inches in height or fully cantilevered with no vertical support posts do not count toward lot coverage for this purpose. Second-story enclosed cantilevered areas that project less than thirty inches from the building wall do not count toward lot coverage. For such areas that project more than thirty inches from the building wall, only the floor area that projects more than thirty inches shall be counted toward lot coverage.

- b. The floor area of a building's second story shall be limited to one hundred percent of the floor area of the building's first floor if the floor area of the building's first story constitutes thirty percent or less of the net lot area.
- c. The floor area of a building's second story shall not exceed fifty percent of the floor area of the building's first story if the building's first story has greater than thirty percent lot coverage up to a maximum of forty-five percent lot coverage.
- d. The floor area of a building's second story shall be limited to fifty percent of forty-five percent lot coverage if the building's first story has greater than forty-five percent lot coverage.
- 8. Archaeological Resources. The application shall be consistent with all objective standards relating to the preservation of archaeological resources pursuant to Section 24.12.430.
- 9. Distance from Natural Features. Any new construction accessory dwelling unit or expansion of a conversion accessory dwelling unit shall be consistent with the following standards for distance from natural features.
  - a. The accessory dwelling unit shall not be constructed within any watercourse setback designated within the City-Wide Creeks and Wetlands Management Plan that does not allow for construction of an accessory dwelling unit by right, as implemented by Section 24.08.2100 et seq.
  - b. If the site or an adjacent lot contains a wetland or potential wetland as shown in the Citywide Creeks and Wetlands Management Plan, the accessory dwelling unit shall be located at a distance from the wetland as recommend in a report prepared by a professional biologist with a background in wetland biology.
  - c. The accessory dwelling unit shall not be constructed within 20 feet of a 30 percent or greater slope.
  - d. The accessory dwelling unit and any related construction and site work shall be located away from a heritage tree, or any street tree growing in the public right of way protected under municipal code chapter 13.30, the greatest distance of: 10 feet, or three times the diameter of the tree's largest trunk at 54 inches above grade, or the dripline of the tree.

- e. When the project site includes an area mapped for sensitive habitat or vegetation under the general plan, the accessory dwelling unit and related site work shall be located at a distance from such habitat or vegetation area as determined in a report prepared pursuant to Section 24.14.080 by a professional biologist with a background in sensitive habitat biology.
- 10. If the application of all site development standards results in a buildable area that physically precludes the creation of any attached or detached accessory dwelling unit of up to 800 square feet with at least four foot interior side and rear yard setbacks, including both statewide exemption accessory dwelling units and non-exempt accessory dwelling units, then the applicant only may waive any one or more of the following site development standards to the extent that it increases the buildable area to allow such an accessory dwelling unit:
  - a. Percentage of primary dwelling, and/or
  - b. Lot coverage, and/or
  - c. Floor area ratio, and/or
  - d. Open space, and/or
  - e. Front setbacks.
- 11. If waiver of all the standards listed in Section 24.16.141.10 results in a buildable area that physically precludes the creation of a statewide exemption accessory dwelling unit, then the following site development standards shall be waived only to the extent that the waiver increases the buildable area to allow construction of a statewide exemption accessory dwelling unit. Such waivers are limited to the following:
  - a. First, the applicant may waive any one or more of the following standards:
    - i. Exterior side yard setback, and/or
    - ii. Distance between buildings, and/or
    - iii. Second floor area of a structure on a substandard lot, and/or
    - iv. Distance from 30 percent or greater slopes.
  - b. If waiver of all standards in Section 24.16.141.11.a. results in a buildable area that physically precludes the creation of a statewide exemption accessory dwelling unit, then the applicant may waive any one or more of the following standards:
    - i. The management and development setbacks of a watercourse, but not the riparian setback, when recommendations in a report prepared by a professional biologist with a background in riparian biology are followed and included on the building permit plans. The report recommendations shall not include a requirement to move the building; and/or
    - ii. The required distance from a heritage tree, or any street tree growing in the public right of way protected under Municipal Code Chapter 13.30, if a report prepared by a professional consulting arborist determines that the reduced distance does not require removal of the tree or any other action that would require approval of a heritage tree permit pursuant to Municipal Code Chapter 9.56 or street tree permit pursuant to

Municipal Code Chapter 13.30 and when the building permit plans incorporate all recommendations from the report.

- c. If waiver of all the standards in Section 24.16.141.11.b. results in a buildable area that physically precludes the creation of a statewide exemption accessory dwelling unit, then the applicant may waive any one or more of the following standards:
  - i. The required distance from a heritage tree or any street tree growing in the public right of way protected under Municipal Code Chapter 13.30, if a report prepared by a professional consulting arborist determines that the tree must be removed or that any other action must be taken that would otherwise require a heritage tree permit pursuant to Municipal Code Chapter 9.56 or street tree permit pursuant to Municipal Code Chapter 13.30. In this case, the statewide exemption dwelling unit is exempt from heritage tree permit and street tree permit requirements. Instead, the building permit plans shall include replacement tree(s) with a location and species specified in the arborist report, or the applicant shall pay an in-lieu fee, as described in the City's heritage tree regulations of Municipal Code Chapter 9.56, street tree regulations of Municipal Code Chapter 13.30, associated City Council resolutions, and associated implementing standards.
  - ii. The riparian setback of a watercourse, when recommendations in a report prepared by a professional biologist with a background in riparian biology are followed and included on the building permit plans. The report recommendations shall not include a requirement to move the building; and/or
  - iii. Distance from a wetland as determined pursuant to Section 24.16.141.9.b, when recommendations in a report prepared by a professional biologist with a background in wetland biology are followed and included on the building permit plans. The report recommendations shall not include a requirement to move the building; and/or
  - iv. Distance from a sensitive habitat or vegetation area as determined pursuant to Section 24.16.141.9.e, when recommendations in a report prepared by a professional biologist with a background in sensitive habitat biology are followed and included on the building permit plans. The report shall not include a requirement to move the building; and/or
  - v. Distance from an archaeological resource recommended in a report prepared by a professional archaeologist. The applicant shall submit an additional review by the archaeologist with recommendations for archaeological resource protection based on the proposed location of the accessory dwelling unit. The additional review shall not include a requirement to move the building. The recommendations from the additional review shall be followed and included on the building permit plans.
- d. If waiver of all the standards in Section 24.16.141.11.c results in a buildable area that precludes creation of a statewide exemption accessory dwelling unit, then the applicant may waive the following standards in the following order:
  - i. Clear vision area
  - ii. Clear corner triangle

<u>Section 17.</u> Section 21.16.142 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Conversion Accessory Dwelling Unit Development Standards is hereby renamed Accessory Dwelling Unit Design Standards and amended to read as follows:

# 24.16.142 ACCESSORY DWELLING UNIT DESIGN STANDARDS

All accessory dwelling units, or the type of accessory dwelling unit if specified below, shall comply with the following design standards:

- 1. Municipal Code Requirements. All accessory dwelling units shall meet the objective design standards set forth in this Code, including landscape and tree removal and/or replacement requirements.
- 2. The following standards apply to accessory dwelling units that that do not meet one or more of the standard setbacks for the zone district in which they are proposed:
  - a. The entrance to the accessory dwelling unit, access stairs, and second story decks shall face the interior of the lot unless the accessory dwelling unit is adjacent to an alley or a public street.
  - b. When an accessory dwelling unit is adjacent to an alley or a public street, the accessory dwelling unit shall be oriented toward the alley or street with the front access door and windows facing the alley or street. The entry facing the alley or street shall include a minimum of 12 square feet of flat, unenclosed, covered area, which may be a projection from the building, or inset, or a combination of the two.
  - c. Windows that do not meet the standard zone district side or rear setback and that face an adjoining residential property shall be designed to obscure views of that property by ADU occupants, including transom windows, translucent glass, or other methods; alternatively, fencing or landscaping shall be required to provide screening.
- 3. Connections Between Units. Accessory dwelling units shall not create access between units except a connection between the accessory dwelling unit and the primary dwelling via common access to a shared garage, laundry room, or storage area; provided, that each unit meets the definition of dwelling unit found in Section 24.22.320.
- 4. The application to construct an accessory dwelling unit on a property that is designated as a historic resource by the National Register of Historic Places, the State of California, or by the City, including any property that has been determined to be eligible for the City's historic building survey list but the property owner has elected to not list the property (opt-out), shall show substantial compliance with the guidelines of the Secretary of the Interior for development on such properties as confirmed in a report prepared by a professional historic consultant who is listed on the Department of Planning and Community Development's approved consultant list.

<u>Section 18.</u> Section 21.16.150 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Deed Restrictions is hereby renamed and amended to read as follows:

#### **24.16.150 USE STANDARDS.**

- 1. For any unit that is not approved for separate sale under the provisions of 24.16.165: the accessory dwelling unit shall not be sold separately.
- 2. The unit shall not be altered from the approved size except by approval of a subsequent building permit where the resulting unit meets the accessory dwelling unit development standards described in this Part.
- 3. The use of the accessory dwelling unit shall be in effect only so long as the property is in compliance with the ordinance as codified.
- 4. Neither an accessory dwelling unit nor an associated primary dwelling shall be used on a transient occupancy basis or for short-term/vacation rental purposes with a term of 30 or fewer days.
  - a. Exception. A legal accessory dwelling unit property that had legal status prior to November 10, 2015, and was in use as a short-term/vacation rental prior to that date, and for which the owner remits transient occupancy tax in compliance with Chapter 3.28 in full in a timely manner for the use of the property as short-term/vacation rental purposes, may continue the use.
- 5. For properties with accessory dwelling units that are located in a permit parking program district, the primary dwelling and the accessory dwelling unit combined shall qualify only for the number of residential parking permits that would have been available to the primary dwelling. No additional permits will be granted for the accessory dwelling unit. The property owner shall offer the tenant of an accessory dwelling unit a residential parking permit if requested by the tenant.
- 6. For properties developed with attached accessory dwelling units, any portion of the accessory dwelling unit that in the future is remodeled to become part of the primary dwelling shall meet the zone district development standards that apply the primary dwelling.
- 7. The accessory dwelling unit and primary dwelling unit shall be registered with the residential rental dwelling unit inspection and maintenance program.
- <u>Section 19.</u> Section 21.16.160 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Zoning Incentives is hereby amended to read as follows:

#### 24.16.160 ZONING INCENTIVES.

The following incentives are to encourage construction of accessory dwelling units:

1. Affordability Requirements for Fee Waivers. In addition to any inclusionary housing requirements as set forth under Section 24.16.010 et seq., accessory dwelling units proposed to be rented at affordable rents, as established by the city, may have development fees waived per Part 4 of this chapter. Existing dwelling units shall be relieved of the affordability requirement upon payment of fees in the amount previously waived plus the difference between that amount and the fees in effect at the time of repayment.

- 2. Front or Exterior Yard Parking. Three parking spaces may be provided in the front or exterior yard setback under this incentive with the parking design subject to approval of the zoning administrator. The maximum impervious surfaces devoted to the parking area shall be no greater than the existing driveway surfaces at time of application. Not more than fifty percent of the front yard width shall be allowed to be parking area.
- 3. Tandem Parking. For a parcel with a permitted accessory dwelling unit, required parking spaces for the primary single-family dwelling and the accessory dwelling unit may be provided in tandem on a driveway. A tandem arrangement consists of one car behind the other. No more than three total cars in tandem may be counted towards meeting the parking requirement.

<u>Section 20.</u> Section 21.16.165 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Separate Sale of Accessory Dwelling Units is hereby amended to read as follows:

# 24.16.165 SEPARATE SALE OF ACCESSORY DWELLING UNITS

- 1. This section implements Government Code Section 66342, enacted by Assembly Bill 1033 (Ting). The purpose of this section is to apply objective local development standards for subdivisions covered by Government Code Section 66342 and is applicable only so long as Government Code Section 66342 is operative. Where this section or Government Code Section 66342 conflict with any other provisions of the municipal code, this section and Government Code Section 66342 shall control. Any development standard or requirement not specifically addressed by this section or Government Code Section 66342 must conform to all other provisions of the municipal code and all other objective policies and requirements governing subdivisions.
- 2. Condominium parcels for the separate conveyance of one or more accessory dwelling unit(s) and their associated primary dwelling unit may be created on lots with single-unit buildings, and condominium parcels for the separate conveyance of one or more accessory dwelling unit(s) may be created on lots with multi-unit buildings, and such condominium parcels shall be approved only as provided by this section.
  - a. On sites with one single-family dwelling and one or more ADUs, the ADU(s) and the single-family dwelling shall each be mapped as condominiums.
  - b. On sites with multiple unmapped rental dwelling units and one or more ADUs, the ADU(s) and any associated primary dwelling shall each be mapped as condominiums, and the remaining rental dwelling units shall be mapped under a single condominium parcel.
  - c. On sites with multiple condominium units and one or more ADUs, the ADU(s) shall each be mapped as condominiums.
- 3. Creation of five of more condominium parcels under the provisions of this section shall require approval of a tentative map and final map consistent with the requirements of Title 23 of the Municipal Code.
- 4. Creation of four or fewer condominium parcels under the provisions of this section shall require approval of a parcel map consistent with the requirements of Title 23 of the Municipal Code.

- 5. Units mapped under the provisions of this section shall not be required to comply with the Community Housing Project Requirements under Section 24.12.180, except:
  - a. Each new construction accessory dwelling unit or new construction primary dwelling unit shall meet the open space requirement pursuant to Section 24.12.280.3 unless waived pursuant to Section 24.16.141.10.d, and
  - b. Each new construction accessory dwelling unit or new construction primary dwelling unit shall provide a minimum of two hundred cubic feet of enclosed storage space within the project capable of being secured by lock or other means for each unit, in addition to kitchen cupboards or clothes and linen closets, consistent with Section 24.12.180.4.
- 6. No off-street parking beyond that required by Section 24.16.141.2 shall be required for any accessory dwelling unit mapped as a condominium.
- 7. Accessory dwelling units and associated primary dwelling units mapped as condominiums pursuant to this section shall meet the inclusionary dwelling unit requirements under Section 24.16.020.
- 8. When no more than four condominium units are created from the conversion of existing accessory dwelling units and associated primary dwellings, the following shall apply:
  - a. The units may be converted to condominiums regardless of the multi-family housing vacancy rate consistent with Municipal Code Section 23.37.020.1.
  - b. Tenants displaced shall retain a first right of refusal if the unit is offered to sale to the general public consistent with Municipal Code Section 23.37.050.g.
  - c. Relocation assistance in the amount of four months' rent shall be provided to tenants of low or moderate income who have resided in the unit within two years prior to the date of submission of the application for the conversion of the unit(s) consistent with Section 23.37.050.h.
- 9. Consistent with Government Code Section 66341, an accessory dwelling unit shall be approved with a condominium lot for separate conveyance pursuant to the following:
  - a. The condominiums shall be created pursuant to the Davis-Stirling Common Interest Development Act (Part 5 (commencing with Section 4000) of Division 4 of the Civil Code).
  - b. The condominiums shall be created in conformance with all applicable objective requirements of the Subdivision Map Act (Division 2 (commencing with Section 66410)) and all applicable objective requirements of Title 23, the Subdivision Ordinance.
  - c. Before recordation of the condominium plan, a safety inspection of the accessory dwelling unit shall be conducted as evidenced either through a certificate of occupancy from the City or a housing quality standards report from a building inspector certified by the United States Department of Housing and Urban Development.
  - d. Neither a subdivision map nor a condominium plan shall be recorded with the county recorder in the county where the real property is located without each lienholder's consent. The following shall apply to the consent of a lienholder:
    - i. A lienholder may refuse to give consent.
    - ii. A lienholder may consent provided that any terms and conditions required by the lienholder are satisfied.

- e. Prior to recordation of the initial or any subsequent modifications to the condominium plan, written evidence of the lienholder's consent shall be provided to the county recorder along with a signed statement from each lienholder that states as follows: "(Name of lienholder) hereby consents to the recording of this condominium plan in their sole and absolute discretion and the borrower has or will satisfy any additional terms and conditions the lienholder may have."
- f. The lienholder's consent shall be included on the condominium plan or a separate form attached to the condominium plan that includes the following information:
  - i. The lienholder's signature.
  - ii. The name of the record owner or ground lessee.
  - iii. The legal description of the real property.
  - iv. The identities of all parties with an interest in the real property as reflected in the real property records.
  - v. The lienholder's consent shall be recorded in the office of the county recorder of the county in which the real property is located.
- g. The City shall include the following notice to consumers on any accessory dwelling or junior accessory dwelling unit submittal checklist or public information issued describing requirements and permitting for accessory dwelling units, including as standard condition of any accessory dwelling unit building permit or condominium plan approval:

"NOTICE: If you are considering establishing your primary dwelling unit and accessory dwelling unit as a condominium, please ensure that your building permitting agency allows this practice. If you decide to establish your primary dwelling unit and accessory dwelling unit as a condominium, your condominium plan or any future modifications to the condominium plan must be recorded with the County Recorder. Prior to recordation or modification of your subdivision map and condominium plan, any lienholder with a lien on your title must provide a form of written consent either on the condominium plan, or on the lienholder's consent form attached to the condominium plan, with text that clearly states that the lender approves recordation of the condominium plan and that you have satisfied their terms and conditions, if any.

In order to secure lender consent, you may be required to follow additional lender requirements, which may include, but are not limited to, one or more of the following:

- (a) Paying off your current lender. You may pay off your mortgage and any liens through a refinance or a new loan. Be aware that refinancing or using a new loan may result in changes to your interest rate or tax basis. Also, be aware that any subsequent modification to your subdivision map or condominium plan must also be consented to by your lender, which consent may be denied.
- (b) Securing your lender's approval of a modification to their loan collateral due to the change of your current property legal description into one or more condominium parcels.
- (c) Securing your lender's consent to the details of any construction loan or ground lease. This may include a copy of the improvement contract entered in good faith with a licensed contractor, evidence that the record owner or ground lessee has the

funds to complete the work, and a signed statement made by the record owner or ground lessor that the information in the consent above is true and correct."

- h. If an accessory dwelling unit is established as a condominium, the homeowner shall notify providers of utilities, including water, sewer, gas, and electricity, of the condominium creation and separate conveyance.
- i. The owner of a property or a separate interest within an existing planned development that has an existing association, as defined in Section 4080 of the Civil Code, shall not record a condominium plan to create a common interest development under Section 4100 of the Civil Code without the express written authorization by the existing association. For purposes of this section, written authorization by the existing association means approval by the board at a duly noticed board meeting, as defined in Section 4090 of the Civil Code, and if needed pursuant to the existing association's governing documents, membership approval of the existing association.
- 10. Nothing in this section shall prohibit approval of an accessory dwelling with a condominium lot for separate conveyance pursuance to Government Code Section 66340-66341.

<u>Section 21.</u> Section 21.16.170 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Junior Accessory Dwelling Units is hereby amended to read as follows:

# 24.16.170 JUNIOR ACCESSORY DWELLING UNITS.

- 1. Notwithstanding any other regulation or definition of this code, one junior accessory dwelling unit shall be permitted on lots in zones-where single-family dwellings are an allowed use, including in the R-S, R-1, R-L, R-M, R-H, R-T(A), R-T(B), R-T(C), R-T(D), R-T(E), and P-A zones; where one or more single-unit buildings, including a single-family home, townhome, or a detached condominium or apartment on a site with multiple units, exist or are proposed on the lot; and where the owner of the property occupies the property as their principal place of residence.
- 2. For the purposes of this section, "junior accessory dwelling unit" shall have the same meaning as defined in Section 65852.22 of the California Government Code.
- 3. Junior accessory dwelling units shall be attached to a single-unit building and may be created in any part of an existing or proposed single-unit building, including in an attached garage. For purposes of this section, a proposed single-unit building shall mean the resulting building including the junior accessory dwelling unit, regardless of whether portions of the building already exist, and shall therefore include any new single-unit building or a single-unit building resulting from an addition to an existing single-unit building.
- 4. Junior accessory dwelling units shall be no larger than five hundred square feet in size.
- 5. Junior accessory dwelling units shall contain, at a minimum, the following features:
  - a. An exterior entrance separate from that of the primary dwelling.
  - b. A cooking facility with appliances.
  - c. A food preparation counter and storage cabinets of reasonable size in relation to the size of the junior accessory dwelling unit.

- 6. Junior accessory dwelling units may include separate sanitation facilities or may share sanitation facilities with the primary dwelling. Where sanitation facilities are shared with the primary dwelling, the junior accessory dwelling unit shall have access to the primary dwelling through internal circulation and shall not be required to exit the building in order to reach the entrance to the primary dwelling.
- 7. The property owner shall occupy either the junior accessory dwelling unit or the primary dwelling to which the junior accessory dwelling unit is attached as his or her principal place of residence. Owner-occupancy shall not be required if the owner is another governmental agency, land trust, or housing organization.
  - a. For purposes of this section, the property owner is:
    - i. The majority owner(s) of the Property as shown in the most recent Santa Cruz County records.
    - ii. If there is more than one property owner of record, the owner with the majority or highest ownership interest in the Property shall be deemed the property owner. Any property owner(s) of record holding an equal share interest in the Property may be deemed the majority property owner(s) if no other property owner owns a greater interest.
    - iii. For property held by a corporation or business entity, a shareholder or officer of the corporation or business entity with the greatest shares or business interest as defined in the articles of incorporation, or other applicable business document.
    - iv. For property held in trust: a) the Trustor(s) or Settlor(s) who created the trust in which the Property is held; or any person(s) or entity deemed as the legal owner of the Property held in trust in accordance with the trust document, and b) who has/have the highest ownership interest in the Property.
  - 8. Before obtaining a building permit for a junior accessory dwelling unit, the property owner shall file with the county recorder a declaration of restrictions containing a reference to the deed under which the property was acquired by the present owner and including:
    - a. A prohibition on the sale of the junior accessory dwelling unit separate from the sale of the single-unit building, including a statement that the deed restriction may be enforced against future purchasers.
    - b. A restriction on the size and attributes of the junior accessory dwelling unit that conforms with the standards in 24.16.170.

Section 22. The City Council finds and determines that the adoption of this ordinance is considered a "project" under California Code of Regulations, Title 14, section 15378(a)(1) of the California Environmental Quality Act (CEQA) Guidelines, typically subject to environmental review. The City Council finds that these amendments fall within the analyzed development potential in the City's existing 2030 General Plan EIR using the existing zoning and General Plan and, therefore, pursuant to Section 15183 of the CEQA Guidelines, no further environmental review under CEQA is required.

<u>Section 23</u>. If any section or portion of this ordinance is found to be invalid by a court of competent jurisdiction, such finding shall not affect the validity of the remainder of the ordinance, which shall continue in full force and effect.

<u>Section 24</u>. Ordinance Nos. 2022-22 and 2023-01 shall be rescinded when this ordinance takes effect and be in full force.

Section 25. This ordinance shall take effect and be in full force thirty (30) days after final adoption.

PASSED FOR PUBLICATION this 8th day of October 2024, by the following vote:

AYES:		
NOES:		
ABSENT:		
DISQUALIFIED:		
ATTEST:Bonnie Bush, City Clerk Administr	APPROVED:	Fred Keeley, Mayor
PASSED FOR FINAL ADOPTION	N this 22 <sup>nd</sup> day of Octo	ober 2024 by the following vote
AYES:		
NOES:		
ABSENT:		
DISQUALIFIED:		
ATTEST:	APPROVED:	Fred Keeley, Mayor
Bonnie Bush, City Clerk Administr	rator	
This is to certify that the above and foregoing document is the original of Ordinance No. 2024-XX and that it has been published or posted in accordance with the Charter of the City of Santa Cruz.		
City Clerk Administrator		

#### ORDINANCE NO.

AN ORDINANCE OF THE CITY OF SANTA CRUZ ADDING NEW SANTA CRUZ MUNICIPAL CODE SECTION 24.04.095 - NOTICE OF ADMINISTRATIVE COASTAL PERMIT FOR ACCESSORY DWELLING UNITS AND AMENDING SANTA CRUZ MUNICIPAL CODE CHAPTER 24.04 – ADMINISTRATION; CHAPTER 24.08 – LAND USE PERMITS AND FINDINGS; CHAPTER 24.10 – LAND USE DISTRICTS; AND CHAPTER 24.12 – COMMUNITY DESIGN RELATED TO ACCESSORY DWELLING UNITS TO MAINTAIN CONSISTENCY WITH STATE REGULATIONS, CLARIFY EXISTING STANDARDS, REMOVE OWNER-OCCUPANCY REQUIREMENTS FOR EXISTING ACCESSORY DWELLING UNITS, REQUIRE PROPERTIES WITH ACCESSORY DWELLING UNITS TO ENROLL IN THE RESIDENTIAL RENTAL INSPECTION SERVICE, AND TO ALLOW FOR THE CONDOMINIUM MAPPING AND SEPARATE SALE OF ACCESSORY DWELLING UNITS AND THEIR ASSOCIATED PRIMARY DWELLINGS; AND RELATED TO OTHER MINOR TECHNICAL CHANGES REGARDING HEARING BODIES FOR DESIGN PERMIT APPROVAL. AMENDMENTS TO CHAPTER 24.04; CHAPTER 24.08 PARTS 5, 9A, 14, 21, AND 22; CHAPTER 24.10 PARTS 3, 4, 5, 6, 6A, 7, 8, 10, 11, 12, 13, 16, 19, 21, AND 24(A); AND CHAPTER 24.12 ARE PART OF THE LOCAL COASTAL PROGRAM IMPLEMENTATION PLAN (LCP IP) AND WILL REQUIRE APPROVAL BY THE CALIOFORNIA COASTAL COMMISSION PRIOR TO TAKING EFFECT INSIDE THE COASTAL ZONE. (CEQA: EXEMPT PURSUANT TO CEQA GUIDELINES SECTION 15183 AS A PROJECT CONSISTENT WITH THE GENERAL PLAN FOR WHICH AN EIR WAS CERTIFIED.)

WHEREAS, accessory dwelling units contribute needed housing to the community's housing stock and provide housing for family members, students, the elderly, in-home health care providers, the disabled, and others within existing neighborhoods, and homeowners who create accessory dwelling units may benefit from added income and an increased sense of security; and

WHEREAS, at its December 13, 2022 meeting, the City Council approved Urgency Ordinance 2022-22, amending accessory dwelling unit regulations in the Santa Cruz Municipal Code to comply with implementation deadlines set by state laws AB 2221 and SB 897; and

WHEREAS, at its January 24, 2023 meeting, the City Council extended the urgency ordinance through the end of 2024 with Ordinance 2023-01; and

WHEREAS, amendments made by the urgency ordinance are now codified through a formal ordinance required to be approved prior to the end of 2024, thus rescinding the urgency ordinance; and

WHEREAS, in 2023, AB 976 (Ting) was signed into law, removing owner-occupancy requirements for properties with accessory dwelling units for any accessory dwelling unit created in 2025 and in perpetuity thereafter; and

WHEREAS, in 2023, AB 1033 (Ting) was signed into law, allowing local jurisdictions to create an ordinance to allow for the separate sale of accessory dwelling units and their associated primary dwellings as condominiums; and

WHEREAS, on February 6, 2024, the California Department of Housing and Community Development (HCD) sent a letter to the Department of Planning and Community Development detailing a review of the City's accessory dwelling unit regulations and requiring several corrections to ensure ongoing compliance with state law.

WHEREAS, additional clarifications are needed to the accessory dwelling unit regulations in the Santa Cruz Municipal Code; and

WHEREAS, on August 15, 2024, the Department of Planning and Community Development held a community meeting to present proposed modifications to local accessory dwelling unit regulations and solicited feedback from the public; and

WHEREAS, at its September 5, 2024 meeting, the Santa Cruz Planning Commission reviewed the proposed additions and modifications to the Santa Cruz Municipal Code and found that the public necessity, and the general community welfare, and good zoning practice shall be served and furthered; and that the proposed amendments are in general conformance with the principles, policies and land use designations set forth in the General Plan, Local Coastal Plan and any adopted area or specific plan; and

WHEREAS, at its September 5, 2024 meeting, the Santa Cruz Planning Commission considered the additions and modifications to the Santa Cruz Municipal Code as modifications to the Local Coastal Program and found that (1) the proposed amendment is deemed to be in the public interest; (2) the proposed General Plan and/or Local Coastal Program amendment is consistent and compatible with the rest of the General Plan and LCP and any implementation programs that may be affected; (3) the potential impacts of the proposed amendment have been assessed and have been determined not to be detrimental to the public health, safety, or welfare; and (4) the proposed amendment has been processed in accordance with the applicable provisions of the California Government Code and the California Environmental Quality Act (CEQA); and

WHEREAS, at its September 5, 2024 meeting, the Santa Cruz Planning Commission passed a motion that recommended the City Council approve the proposed additions and amendments as well as any additional changes needed to comply with state ADU law; and

WHEREAS, the proposed amendments and additions to the Santa Cruz Municipal Code fall within the analyzed development potential in the City of Santa Cruz's existing 2030 General Plan Environmental Impact Report using the existing zoning and General Plan and, therefore, pursuant to California Code of Regulations, Title 14, section 15183 of the California Environmental Quality Act (CEQA) Guidelines, no further environmental review under the CEQA is required.

BE IT ORDAINED By the City of Santa Cruz as follows:

<u>Section 1.</u> Section 24.04.095 of Chapter 24.04 of the Santa Cruz Municipal Code regarding Notice of Administrative Coastal Permit for Accessory Dwelling Units is hereby added to read as follows:

# 24.04.095 NOTICE OF ADMINISTRATIVE COASTAL PERMIT FOR ACCESSORY DWELLING UNITS

The public shall be provided notice of an administrative coastal permit application for an accessory dwelling unit as required by this section as well as any other noticing required by Section 24.08.200 et seq.

- 1. Within 10 calendar days of accepting an application for administrative approval of a coastal permit for an accessory dwelling unit, and at least 14 days before a decision is made on the permit application, the city shall provide notice of pending application.
- 2. The notice shall include the following information:
  - a. Project Information. The name of the applicant; the city's project case number assigned to the application; a general explanation of the matter to be considered; a general description, in text and/or diagram, of the location of the property that is subject to the coastal permit;
  - b. Statement on Environmental Document. If a negative declaration, mitigated negative declaration, environmental impact report (EIR) has been prepared for the project, or if the project has been determined to be exempt, in compliance with the provisions of the California Environmental Quality Act (CEQA) and the city's Environmental Guidelines, the notice shall include a statement that the decision will also include approval of the environmental determination;
  - c. The date of filing of the application;
  - <u>d.</u> A statement that the development is within the coastal zone and requires administrative coastal permit approval;
  - e. A statement of whether or not the coastal permit is appealable; and
  - f. The procedures for appeal to the Coastal Commission, if applicable.
- 3. Notices shall be mailed as described in Section 24.04.100.(a)1.

<u>Section 2.</u> Section 24.04.130 of Chapter 24.04 of the Santa Cruz Municipal Code regarding Decision-Making Body With Final Authority on Application Approval is hereby amended to read as follows:

# 24.04.130 DECISION-MAKING BODY WITH FINAL AUTHORITY ON APPLICATION APPROVAL

The following table indicates the decision-making body who can approve, deny or conditionally approve an application, whether or not a public hearing is required, and the bodies to which appeals can be made:

1. The planning commission and city council may refer certain aspects of any application to the zoning administrator for final action.

- 2. The zoning administrator may refer any of the matters on which he/she is authorized to act to the planning commission or historic preservation commission.
- 3. Recommendations for approval on General Plan matters and Zoning Ordinance text and map amendments shall require a majority vote of the planning commission; all other actions shall require a majority of the hearing body present at the meeting.

	Public Hearing Requirement and Decision-Making Body Which Can Approve an Application				
Permits/Actions <sup>4</sup>	No Public Hearing Action	Public Hear		Appeal Bodies (in order)	
Coastal Permit	ZA (ADU <sup>1</sup> )		$ZA^1$	CPC/CC/CCC <sup>1</sup>	
Administrative Use Permit: Temporary uses, variations to parking design requirements and number of spaces, low risk alcohol outlets, and half baths in accessory buildings	ZA			CPC/CC	
Administrative Use Permit: Variations to parking design requirements or variations to number of required spaces	ZA			CPC/CC/CCC	
Other uses as listed by individual zoning districts as requiring an Administrative Use Permit			ZA	CPC/CC	
Conditional Fence Permit	ZA		ZA	CPC/CC	
Slope Regulations Modifications (Variance) in the Coastal Zone			CPC	CC	
Slope Development Permit (on or within 20 feet of a 50% or greater slope) outside the Coastal Zone			ZA	CPC/CCC	
Slope Regulations Modifications (Design Permit) in the Coastal Zone	ZA			CPC/CC	
Slope Development Permit (on or within 20 feet of a slope greater than or equal to 30% and less than 50%) outside the Coastal Zone	ZA			CPC/CC	
Design Permit	ZA			CPC/CC	

	Public Hearing Requirement and Decision-Making Body Which Can Approve an Application				
Permits/Actions <sup>4</sup>	No Public Hearing	Public Hearing  Recommendation Action		Appeal Bodies (in order)	
1. Substandard lots: new two-story structures and second-story additions with a single-family residential use, excluding ADUs			ZA	CPC/CC	
2. Large homes per Section 24.08.450			ZA	CPC/CC	
3. Wireless telecommunications facilities	ZA		ZA	CPC/CC	
4. New structures or improvements to existing structures in the WCD Overlay which are exempt or excluded from coastal permit requirements	ZA			CPC/CC	
5. New structures or improvements to existing structures in the WCD Overlay which require a coastal permit			ZA	CPC/CC	
6. Mixed-use or rResidential development in R-L, R-M, or R-H zone districts conforming to all standards of Section 24.12.185	ZA			CPC/CC	
7. Mixed-use or residential development not within the R-L, R-M, or R-H zone districts with no more than 50 dwelling units and conforming to all standards of Section 24.12.185.	<u>ZA</u>			CPC/CC	
8. Mixed-use or residential developments not within the R-L, R-M, or R-H zone districts with 51 dwelling units or more and conforming to all standards of Section 24.12.185			<u>ZA</u>	<u>CPC/CC</u>	
7.9. Mixed-use or residential development not within the R-L, R-M, or R-H zone districts with no			ZA	CPC/CC	

		Hearing Requirem		_				
Permits/Actions <sup>4</sup>	No Public Hearing Action			9				Appeal Bodies (in order)
more than 50 dwelling units and varying from at least one and no more than five standards of Section 24.12.185	Action	Recommendation	Action					
8. Mixed-use or residential development that varies from six or more standards of Section 24.12.185			СРС	CC				
Demolition Permit								
1. Single-family residential	ZA			CPC/CC				
2. Multifamily residential			CPC	CC				
3. Historic demolition permit			HPC	CC				
4. Nonresidential	$ZA^2$		ZA2	CPC/CC				
General Plan Text and Map Amendments		СРС	CC/CCC <sup>3</sup>					
Historic Alteration Permit			HPC	CC				
Administrative Historic Alteration Permit	ZA			HPC/CC				
Historic Building Survey:								
Building designation, deletion		HPC	CC					
Historic District Designation		HPC/CPC	CC					
Historic Landmark Designation		HPC	CC					
Mobile Homes (Certificate of Compatibility)	ZA			CPC/CC				
Mobile Home Park Conversion			CPC	CC				
Outdoor Extension Areas per Section 24.12.192	ZA			CPC/CC				
Planned Development Permit		CPC	CC					
Project (Major) Modification		by ZA or body g application		Appeal to next highest body(ies)				
Project (Minor) Modification	ZA			CPC/CC				

		Hearing Requirem dy Which Can Ap	0	
Permits/Actions <sup>4</sup>	No Public Hearing Action		Public Hearing	
Relocation of Structures Permit	ZA			CPC/CC
Revocation Permit	Hearing by ZA or body approving application			Appeal to next highest body(ies)
Sign Permit	ZA			CPC/CC
Special Use Permit			CPC	CC
Variance			ZA	CPC/CC
Watercourse Variance			CPC	CC
Watercourse Development Permit	ZA			CPC/CC
Zoning Ordinance Text and Map Amendments:				
Amendments recommended by CPC		CPC	CC/CCC3	
Amendments not recommended by CPC		CPC		CC/CCC <sup>3</sup>

CCC = California Coastal Commission CC = City Council CPC = City Planning Commission

**HPC = Historic Preservation Commission ZA = Zoning Administrator** 

- 1 For projects seaward of the mean high tide line, and in the case of appealable actions, the California Coastal Commission shall be the decision-making body which can finally approve an application. In the coastal zone, all proposed accessory dwelling units thatshall require a coastal permit (unless they are exempt or excluded from coastal permit requirements) and shall be processed in the manner described in Chapter 24.04 and Section 24.08.200 et seq. (including in terms of public noticing and process for appeal to the Coastal Commission) except that no public hearing shall be required. A coastal permit for an accessory dwelling unit is not locally appealable. An appeal of such a coastal permit within the appealable area of the coastal zone shall be made directly to the California Coastal Commission. In addition to all other applicable LCP requirements, standards for ADUs in the coastal zone are specified in Section 24.12.140(10).2.
- 2 Such permits shall be issued administratively, without a public hearing, unless a cultural resources evaluation, prepared by a qualified consultant as determined by the zoning

	l l	Public Hearing Requirement and Decision-Making Body Which Can Approve an Application			
Permits/Actions <sup>4</sup>	No Public Hearing	Public Hearing		Appeal Bodies (in order)	
	Action	Recommendation	Action		

administrator, determines that the building or structure is eligible for listing on the city historic building survey.

- 3 California Coastal Commission in case of CLUP policy, CLIP elements.
- 4 At a regularly scheduled meeting, a majority of the council may take an action to direct any project or amendment to be called from a lower hearing body prior to a final action or during an appeal period in accordance with Section 24.04.175(2).
- An appellant must exhaust all local appeals before an appeal can be made to the California Coastal Commission, unless the coastal permit is processed concurrently with other permits pursuant to Section 24.04.150 (for example, a design permit, a use permit, etc.). Because the city charges an appeal fee pursuant to Section 24.04.070 for appeals of coastal permits processed concurrently with other permits, Section 30603(c) of the Coastal Act does not require an appellant to exhaust all local appeals before a project can be appealed to the California Coastal Commission. The city does not charge a fee for local appeals of standalone coastal permits (i.e., where the coastal permit is not accompanied by any other permits).

<u>Section 3.</u> Section 24.04.186 of Chapter 24.04 of the Santa Cruz Municipal Code regarding Appeals to Coastal Commission is hereby amended to read as follows:

#### 24.04.186 APPEALS TO COASTAL COMMISSION.

1. Coastal permits fall into either of two categories: appealable or nonappealable to the Coastal Commission.

The determination of whether a project is appealable or nonappealable, or categorically exempt, shall be made by the zoning administrator at the time the application is filed. This determination is appealable pursuant to the provision of California Coastal Commission Local Coastal Program Regulations Section 13569.

- 2. Coastal permits are only appealable after all city appeals are exhausted except for (a) appeals by members of the Coastal Commission, who may appeal the permit directly to the California Coastal Commission. and The following coastal permits have no local appeal process, and any appeal shall be made directly to the California Coastal Commission: (b) appeals of city decisions oncoastal permits for small cell facilities in the public right-of-way and in the portion of the Coastal Zone Overlay zone district where city decisions can be appealed to the California Coastal Commission, and coastal permits for accessory dwelling units in the portion of the Coastal Zone Overlay zone district where decisions can be appealed to the California Coastal Commission. in which case the appeal may be made directly to the Coastal Commission. No fee shall be charged for coastal permit appeals.
  - a. Only the following coastal permit applications are appealable to the Coastal Commission:
    - (1) Any major public works project or facility. The phrase "major public works project or energy facility" is the same as used in Public Resources Code Section 30603(A)(5) and these regulations shall mean any proposed public works projects as defined by Coastal Commission Regulations Section 13012, or "energy facility" as defined by Public Resources Code Section 13012 of the Coastal Commission Regulations, or "energy facility" as defined by Public Resources Code Section 30107 and exceeding fifty thousand dollars in estimated cost of construction.
    - (2) Development approved between the sea and the first public road paralleling the sea or within three hundred feet of the inland extent of any beach or the mean high tide line of the sea where there is no beach, whichever is the greater distance.
    - (3) Developments approved not included within subsection (2)(a)(2), located on tidelands, submerged lands, public trust lands, within one hundred feet of any wetland, estuary, stream, or within three hundred feet of the top of the seaward face of any coastal bluff.
      - (a) Subsections (a)(2) and (a)(3) are shown as the SP-O Shoreline Protection Overlay zone on the zoning map.
    - (4) Developments approved that are located in a sensitive coastal resource area.
  - b. An appeal may be filed only by the applicant, an aggrieved person as defined by this title, or any two members of the Coastal Commission. An appeal must be filed in accordance with the appeal procedures contained in this title, except that appeals by any two members of the Coastal Commission do not require exhaustion of local appeals and may be made following the decisions of the reviewing body, zoning administrator, zoning board or city council.

However, commissioner appeals taken prior to exhaustion of all local appeals shall be transmitted to the appropriate local appellate body and the appeal to the commission may be suspended pending a decision on the merits by that local appellate body. If the decision

of the local appellate body modifies or reverses the previous decision, the commissioners shall be required to file a new appeal from that decision.

- c. Grounds for appeal, pursuant to subsection (2)(a)(2), shall be limited to an allegation that the development does not conform to standards set forth in the certified Local Coastal Program or the Public Access Policies set forth in the California Coastal Act.
- d. The grounds for an appeal of a denial of a permit pursuant to subsection (2)(a)(1) shall be limited to an allegation that the development conforms to the standards set forth in the certified Local Coastal Program and the public access policies set forth in the California Coastal Act.
- e. Appeals to the Coastal Commission pursuant to this section must be filed with the Coastal Commission on forms prescribed by and available from the Coastal Commission.

<u>Section 4.</u> Section 24.08.440 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Standards for Substandard Residential Lot Development is hereby amended to read as follows:

## 24.08.440 STANDARDS FOR SUBSTANDARD RESIDENTIAL LOT DEVELOPMENT

Whenever a project associated with a single-family residential use is proposed for a substandard residential lot, as defined in Section 24.22.520, applications for design review shall be approved if the findings set forth in Section 24.08.430 can be made and proposed buildings, structures, landscaping and other components of the site plan conform to the following additional criteria:

- 1. The maximum allowable lot coverage for structures shall be forty-five percent, except that lot coverage shall be waived to the extent that it physically precludes the construction of an accessory dwelling unit up to eight hundred square feet in floor area. The lot coverage of an accessory dwelling unit shall not be included in the calculation of all other structures' maximum allowable lot coverage. Lot coverage shall include the footprints of the first floor, garage and other accessory buildings (attached and detached), decks and porches (greater than thirty inches in height and not cantilevered), and any second-story cantilevered projection (enclosed or open) beyond two and one-half feet. Decks under thirty inches in height or fully cantilevered with no vertical support posts do not count toward lot coverage for this purpose. Second-story enclosed cantilevered areas that project less than thirty inches from the building wall do not count toward lot coverage. For such areas that project more than thirty inches from the building wall, only the floor area that projects more than thirty inches shall be counted toward lot coverage.
- 2. The floor area for second stories shall not exceed fifty percent of the first floor area, except in cases where the first floor constitutes thirty percent or less of the net lot area.

- 2. The floor area of a building's second story shall be limited to one hundred percent of the floor area of the building's first floor if the floor area of the building's first story constitutes thirty percent or less of the net lot area.
- 3. The floor area of a building's second story shall not exceed fifty percent of the floor area of the building's first story if the building's first story has greater than thirty percent lot coverage up to a maximum of forty-five percent lot coverage.
- 4. The floor area of a building's second story shall be limited to fifty percent of forty-five percent lot coverage if the building's first story has greater than forty-five percent lot coverage.
- 3.5. New structures shall be consistent with the scale of structures on adjacent lots and generally be compatible with existing surrounding structures.
- 4.6. New structures shall be sited in ways which avoid causing substantial change in the pattern of existing building projections along streets. Continuous long, parallel abutting walls on narrow side yards shall be avoided.
- 5.7. Spacing of buildings and overall siting of structures shall maximize the potential for solar access to each lot.
- 6.8. Landscaping shall be required at least for front yard areas and shall be used to screen parking from street.
- 7.9. Structures shall incorporate methods to lessen the impact of garages on a street facade.

<u>Section 5.</u> Section 24.08.450 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Guidelines for Large Homes in Single-Family Areas is hereby amended to read as follows:

#### 24.08.450 GUIDELINES FOR LARGE HOMES IN SINGLE-FAMILY AREAS.

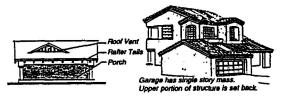
- 1. Purpose. The intent of the design permit findings for large-scale residential buildings is to protect existing neighborhood character and identity by development guidelines that promote a variable streetscape by requiring a variety of building massing and placements, and also by maintaining existing neighborhood patterns to limit obtrusive visual impacts on nearby properties.
- 2. Determination of Large Home. Single-family homes over four thousand square feet in R-1-10 zoning districts, three thousand five hundred square feet in R-1-7 zoning districts, and three thousand square feet in R-1-5 zoning districts are considered "large homes." The square footage of the home shall be calculated based on the gross square footage of the main structure, including any attached and detached garages or other accessory structures, not including accessory dwelling units. For properties with detached garages in the rear one-half of the lot, a credit shall

be given for the size of the garage up to four hundred twenty square feet, which shall not be counted toward the square footage of the home. Detached garage square footage over four hundred twenty square feet shall be included in the square footage of the home. The square footage of a junior accessory dwelling unit shall be counted as part of the home. The square footage of accessory dwelling units shall not be counted as part of the home.

- 3. Application Requirements. In addition to the standard requirements of the R-1 district, a survey of buildings within one hundred feet of the property on both sides of the street, which identifies front and side yard setbacks, building floor area, building heights, driveway widths, garage locations, and architectural style shall be submitted with the project application.
- 4. Design Criteria. There is no particular architectural "style" required for residential structures, but the focus should be on the development of a high quality residential environment. In general, the architecture should consider compatibility with surrounding character, including harmonious building style, form, size, color, material, and roofline. Individual dwelling units should be distinguishable from one another. Also projects should comply with design standards established in relevant specific area plans such as the Western Drive Master Plan, Seabright Area Plan and the Moore Creek Access and Management Plan and others that apply.
  - a. Facade and Roof Articulation. The articulation of facades and the massing of structures give them richness and scale. Long uninterrupted exterior walls shall be avoided on all structures. All structure walls shall have

"relief" to create an interesting blend with landscaping, structures, and the casting of shadows. The integration of varied texture, relief, and design accents on building walls can enhance the architecture.

For sloped roofs, both vertical and horizontal articulation is encouraged. Roof lines should be representative of the design and scale of the units under them. Roof articulation may be achieved by changes in plane of no less than two feet six inches and/or the use of traditional roof forms such as gables, hips, and dormers. Flat roofs and A-frame type roofs are discouraged unless appropriate to the architectural style.



Roof and building plane articulation.

- b. Varied Structure Design.
  - (1) Design of structures shall be varied in tract developments to create variety and interest. A significant difference in the massing and composition (not just finish materials) of each adjacent house should be accomplished. One design shall not be repeated more frequently than each fourth house.

(2) New development in existing neighborhoods should incorporate distinctive architectural characteristics of surrounding development, for example: window and door detailing, decoration, materials, roof style and pitch, building height, finished-floor height, porches, bay windows, and the like.

## c. Scale.

- (1) Form and scale should relate to the use of the structure as a single-family residence. Also, the scale of structures shall be at a human scale so as not to overwhelm or dominate their surroundings. New structures shall be consistent with the scale of structures on adjacent lots and generally be compatible with existing surrounding structures.
- (2) New development should continue the functional site relationships of the surrounding neighborhoods. As an example, common patterns found in the surrounding neighborhoods should be repeated, such as single-story dwellings, entries facing the street, front porches and parking at the rear.

#### d. Setbacks.

- (1) New projects shall provide variable front setbacks, with a minimum of five-foot differentiation provided between adjacent lots.
- (2) New single-family development in existing neighborhoods shall be integrated with the housing units in the adjacent area. Site setbacks of infill residential projects shall be either:
  - (a) Equal to the average setback of all residences on both sides of public streets within one hundred feet of the property lines of the new project; or
  - (b) Equal to the average of the two immediately adjacent residences.

In cases where averaging between two adjacent existing residences is chosen, the new residence may be averaged in a stepping pattern between the setbacks of adjacent residences, or the new residence's entire frontage may be built on the average setback line.



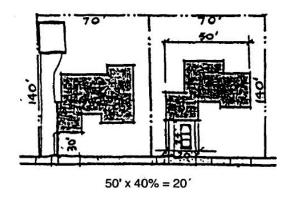




Variable setback requirements for new developments. Average of setbacks of adjacent buildings. Stepped setbacks to match adjacent buildings

e. Garages.

- (1) Unit design is encouraged to limit the visual impact of automobile parking by developing detached garages in the rear yard or significantly limiting the garage's lineal frontage of a structure to forty percent of the structure's overall width.
- (2) Garages should have a single-story mass if developed at the front of a structure and provide an architectural transition if there is two-story massing.



# f. Grading.

- (1) Development should relate to the natural land forms and surroundings and minimize grading by following the natural contours as much as possible. Graded slopes should be rounded and contoured to blend with the existing terrain. Structures built on slopes or hills should be sensitively designed to minimize visual impact by stepping structures to match topography.
- (2) Significant natural vegetation should be retained and incorporated into the project whenever possible. Landscaping shall be required for the front yard areas.

<u>Section 6.</u> Section 24.08.810a of Chapter 24.08 of the Santa Cruz Municipal Code regarding Procedure for Slope Development Permit (Applies In the Coastal Zone) is hereby amended to read as follows:

# **24.08.810a PROCEDURE.**

Projects requiring an exception to slope standards established by Section 24.14.030a must apply for a slope modification permit except for approval of a statewide exemption accessory dwelling unit that waives the distance from slope standard pursuant to Section 24.16.141.11. This permit may be granted by the zoning administrator without a hearing if the project is no closer than ten feet from the top edge of a thirty percent slope and is consistent with the findings in Section 24.08.820a, unless the slope modification permit is accompanied by an application which must be heard by a higher body. Should a project be closer than ten feet to a thirty percent slope, then it must be considered at a public hearing by the zoning board as a variance which must also be

consistent with the findings in Section 24.08.820a. In the case of construction of an accessory dwelling unit pursuant to Section <u>24.16.100</u> et seq., this section shall apply only when alternative site configurations are available to an applicant that would permit the construction of a detached accessory dwelling unit up to eight hundred square feet in size without the need for a slope modification permit; when no alternative site configuration will allow the construction of an eight-hundred-square-foot detached accessory dwelling unit, the applicant shall comply with the maximum possible number of findings in Section 24.08.820a, but shall not be denied a building permit for the accessory dwelling unit based on this section.

<u>Section 7.</u> Section 24.08.820a of Chapter 24.08 of the Santa Cruz Municipal Code regarding Findings Required for Slope Development Permit (Applies In the Coastal Zone) is hereby amended to read as follows:

# 24.08.820a FINDINGS REQUIRED

A slope modification permit may be granted when all of the following applicable conditions are found or when, pursuant to the provisions of Section 24.08.810a, an application for an accessory dwelling unit meets as many of the following conditions as possible:

- 1. Measures have been included within the design of the project to mitigate impacts on environmental constraint areas identified in the Environmental Quality Element of the General Plan and the Local Coastal Program.
- 2. Landscaping of an appropriate type, size and quality is proposed to mitigate any adverse environmental effect.
- 3. Usable open space is proposed in an amount equal to that normally required.
- 4. To conform with existing land forms and topography, streets, buildings, and other man-made structures have been designed by a registered civil engineer or other qualified professional.
- 5. Adequate fire safety measures as required by the city fire department have been incorporated into the design of the proposed development, when located in a designated fire hazard area.
- 6. The proposed project employs architectural and design elements which in total serve to reduce the mass and bulk of structures. Such elements may include:
  - a. Multiple floor levels which follow natural slopes;
  - b. Multiple roof lines;
  - c. Decks and balconies;
  - d. Foundation types such as poles, piles, or stepped levels which minimize cut and fill and need for retaining walls;

- e. Fence lines, walls, and other features which blend with the terrain rather than strike off at an angle against it.
- 7. If a project proposed for construction is in a designated landslide area, before granting a modification to Section 24.14.030a(1)(d), findings must be made that mitigation measures necessary to fulfill the purpose of this part have been incorporated into project design, based on the project's environmental review.

<u>Section 8.</u> Section 24.08.2140 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Exemptions from Watercourse Development Permit is hereby amended to read as follows:

#### **24.08.2140 EXEMPTIONS.**

Certain types of projects that clearly would not impact riparian resources and support the goals of the City-Wide Creeks and Wetlands Management Plan are exempted from the watercourse development permit requirements (in the coastal zone, the following list of projects are exempt only if the criteria of Section 24.08.230.1 regarding coastal permit exemptions are met). Such projects should incorporate applicable best management practices in the project design. In situations where it is unclear whether a project is eligible for an exemption under this section, the determination would be made by the zoning administrator in accordance with the goals of the City-Wide Creeks and Wetlands Management Plan. The following projects are eligible for an exemption:

- 1. Development and structural improvements to include the following:
  - a. Any development on parcels that have been identified within a Category "C" watercourse in the City-Wide Creeks and Wetlands Management Plan.
  - b. Development projects within a Category "B" watercourse located outside of the designated riparian corridor and development setback area (in the remaining management area).
  - c. Any development adjacent to a closed culverted section of a watercourse.
  - d. Any development on a parcel that either:
    - i. Has an established road right-of-way between the subject parcel and the watercourse (where the development would occur); or
    - ii. Has a separate parcel with legal development that is located between the subject parcel and the watercourse (where the development would occur).
  - e. Interior remodeling of an existing legal structure within the existing structure footprint.
  - f. Repair and maintenance of existing legal structures.
  - g. Demolition of existing structures outside the riparian corridor, in accordance with city demolition regulations; provided, that no mechanized machinery is utilized and no disturbance occurs within the riparian corridor.
  - h. Reconstruction of a damaged nonconforming structure where nonconformance only relates to watercourse setbacks, provided applicable watercourse development standards are implemented.

- 2. Exterior improvements, to include the following:
  - a. Exterior treatments such as painting, roofing, surface treatments, window replacement, etc., that do not increase the density or intensity of land use, or increase surface coverage.
  - b. Exterior safety lighting in the development setback area such as low-level walkway lighting, motion detector security lighting, driveway lighting, and entry lighting that is hooded and directed downward, away from the watercourse. Lighting shall be prohibited within the designated riparian corridor.
  - c. Open-style fencing (e.g., wire strand or split rail) that permits the free passage of wildlife limited to the outer edge of the riparian corridor. Fencing must otherwise meet the regulations in Section 24.12.160.
  - d. Installation of pervious surfaces (outside of the riparian corridor), including at-grade decks, patios, and walkways, when the total square footage is less than twenty-five percent of the development setback area; provided, that the pervious surfaces meet those requirements specified in the Watercourse Development Standards. The total percentage allowed includes both existing and new surfaces.
- 3. Landscaping and vegetation, to include the following:
  - a. Landscaping with non-native vegetation using noninvasive species, within the development setback area, as recommended in the City-Wide Creeks and Wetlands Management Plan.
  - b. Minor vegetation removal as defined in Section <u>24.08.2110</u>, except for mature eucalyptus trees in known monarch butterfly habitat areas.
  - c. Thinning of riparian vegetation within a flood or high fire hazard area, except for mature eucalyptus trees in known monarch butterfly habitat areas, when required by the fire department for public safety with review and approval of a fire-vegetation management plan or when required by the public works department for flood protection maintenance with review and approval of a maintenance plan.
  - d. Removal of tree(s) that are hazardous or likely to have an adverse effect upon the structural integrity of a building, utility, or public right-of-way, or a tree that has the physical condition of health such as disease or infestation which warrants alteration or removal, in accordance with Chapter 9.56 of this code and with a plan prepared by a qualified professional.
  - e. Removal of impervious surfaces outside of the riparian corridor.
  - f. Mowing and grazing on public lands (outside of the riparian corridor in the Coastal Zone), consistent with an adopted parks or fire management plan.
- 4. Roads, public facilities and utilities, to include the following:
  - a. Road maintenance of existing legal public roads, private roads and driveways (no expansion or improvements).
  - b. Construction of public trails and bridges on public lands, consistent with an adopted parks master plan or management plan, including the location and siting of trails and bridges.
  - c. Installation and improvements to non-structural BMPs within the development setback area.
  - d. Repair, maintenance, or minor alteration of existing public utility, drainage, flood control, and water storage and provision facilities, including pumps and other appurtenant structures where there is no or negligible expansion of use.

- 5. Other projects, to include the following:
  - a. Projects that concurrently are reviewed and approved by another authorizing permitting agency (CDFG, NOAA, USFWS or ACOE) for maintenance, flood protection, restoration or enhancement of a natural resource where the regulatory process involves procedures for protection of the environment, provided proof of permit approval is submitted to the planning director.
  - b. Removal of fish passage barriers and installation of in-stream aquatic habitat enhancement structures, in accordance with a plan for said activities prepared by a qualified professional and approved by the planning director.
  - c. Interpretative signage designed to provide information about the value and protection of the resource that is limited to the outer edge of the riparian corridor, and must meet other city sign regulations.
  - d. Installation of new and maintenance of existing water flow gauges.
  - e. Water quality testing.
  - f. Continued operation and maintenance of existing cemetery plots.
- 6. A statewide exemption accessory dwelling unit, as defined in Section 24.16.125.9, that is approved with a waiver of the required distance from a watercourse or wetland as described in Section 24.16.141.11. Despite the statement in section 24.08.2140 that exemptions do not apply to projects that are not exempt from coastal permit requirements, in the coastal zone, this exemption applies even if the statewide exemption accessory dwelling unit requires approval of a coastal permit; however, in this case, the statewide exemption accessory dwelling unit shall be consistent with the development standards of the Citywide Creeks and Wetlands Management Plan to the extent that it shall not be required to be moved.

<u>Section 9.</u> Section 24.08.2200 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Purpose of Watercourse Variance is hereby amended to read as follows:

# 24.08.2200 PURPOSE.

The purpose of this part is to allow variation from the watercourse setbacks or development standards as outlined in Sections 24.08.2130 and 24.08.2180. A watercourse variance shall not be required for a statewide exemption accessory dwelling unit approved with a waiver of a watercourse setback pursuant to Section 24.16.141.11.

<u>Section 10.</u> Section 24.10.250 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-S Residential Suburban District is hereby amended to read as follows:

## 24.10.250 DISTRICT REGULATIONS.

Provision	Classification or Type of Use Single-Family Residential				
	RS-10A	RS-1A			
a. Height of Buildings (Maximum)					
• Principal: (stories and feet)	2 & 30	2 & 30	2 & 30	2 & 30	
• Accessory: (stories and feet)	1 & 20	1 & 20	1 & 20	1 & 20	
b. Lot area (acre)	10 acres	5 acres	2 acres	1 acre	
c. Lot width (feet)	250	200	150	100	
d. Front yard (feet)	40*	40*	40*	40*	
e. Rear yard (feet)	30	30	30	30	
f. Side yards (feet)	25	20*	20*	15*	

<sup>\*</sup> For any attached or detached garage or carport with doors or entrances fronting on a front or exterior side property line, the setback shall be a minimum of twenty feet from said property line or the setback required for the district, whichever is greater.

- 2. Dwellings per Lot. Unless otherwise provided, there shall be only one dwelling per lot.
- 3. Design Guidelines. Development guidelines adopted by the city shall be used as applicable to provide site design standards to augment the general district regulations in the development of property in this district.
- 4. The minimum distance between buildings on the same lot shall be ten feet between main buildings; six feet between main buildings and accessory buildings, including accessory dwelling units; and six feet between accessory buildings; and the distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.

<u>Section 11.</u> Section 24.10.350 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-1 Single Family Residence District is hereby amended to read as follows:

# 24.10.350 DISTRICT REGULATIONS.

	Classification or Type of Use Single-Family Residential				
Provision	R-1-10	R-1-7	R-1-5		
a. Height of Buildings (Maximum)					
• Principal: (stories and feet)	2 1/2 & 30	2 1/2 & 30	2 1/2 & 30		
• Accessory: (stories and feet)	1 & 15	1 & 15	1 & 15		
Single-story structure	1 & 19	N/A	N/A		
b. Minimum lot area (net) (square feet)	10,000	7,000	5,000		
c. Minimum lot width (feet)	70	70	50		
d. Front yard (feet)	25*	20*	20*		
e. Rear yard (feet)	30	25	20		
f. One side yard (feet)	10	7*	5*		
g. Both side yards – total					
• Interior lot (feet)	20	14	10		
• Exterior lot (feet)	22	16	13		
h. Exterior side yard or end (feet)	12*	9*	8*		
i. Maximum building area without design permit	4,000 (See Section <u>24.08.450</u> for findings)	3,500	3,000		

- \* For any attached or detached garage or carport with doors or entrances fronting on a front or exterior side property line, the setback shall be a minimum of twenty feet from said property line or the setback required for the district, whichever is greater.
- 2. Dwellings per Lot. Unless otherwise provided, there shall be only one dwelling per lot.
- 3. The minimum distance between buildings on the same lot shall be ten feet between main buildings; six feet between main buildings and accessory buildings including accessory dwelling units; and six feet between accessory buildings; and the distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.
- 4. Other Requirements. Other regulations which may be applicable to site design in this zone are set forth in General Site Design Standards, Chapter <u>24.12</u>, Part 2, and Chapter <u>24.16</u>, Part 2, Accessory Dwelling Units.

<u>Section 12.</u> Section 24.10.430 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Use Permit Requirement for the R-L Multiple Residence – Low-Density District is hereby amended to read as follows:

# 24.10.430 USE PERMIT REQUIREMENT.

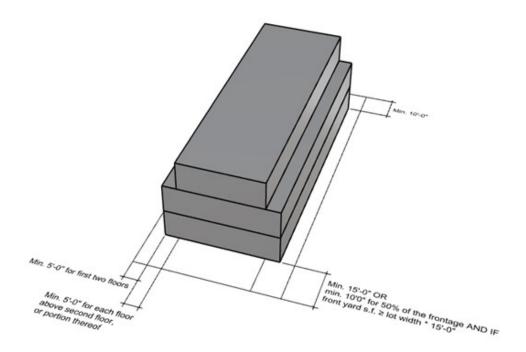
- 1. The following uses are subject to approval of an administrative use permit and may also require a design permit per Section 24.08.410:
  - a. Accessory buildings containing plumbing fixtures subject to the provisions of Section 24.12.140.
  - b. Temporary structures and uses.
  - c. Wireless telecommunications facilities, subject to the regulations in Chapter <u>24.12</u>, Part 15.
- 2. The following uses are subject to approval of a special use permit and may also require a design permit per Section  $\underline{24.08.410}$ :
  - a. Bed-and-breakfast inns, subject to requirements in Chapter 24.12, Part 9.
  - b. Community care facilities including daycare (except family daycare homes), retirement home, foster home, and nursing home (seven or more persons).
  - e. Accessory dwelling units subject to the provisions of Chapter <u>24.16</u>, Part 2, except that accessory dwelling units are not subject to approval of a design permit unless located on a substandard lot as defined in Section <u>24.22.520</u>.
  - dc. Dormitories, fraternity/sorority residence halls, boardinghouses.
  - ed. Health facilities for inpatient and outpatient psychiatric care and treatment.
  - **fe**. Off-street parking facilities accessory to a contiguous commercial property not to exceed one hundred feet from the boundary of the site it is intended to serve.
  - gf. Noncommercial recreation areas, buildings, and facilities such as parks, country clubs, golf courses, and riding, swimming and tennis clubs.
  - hg. Educational, religious, cultural, public utility or public service buildings and uses; but not including corporation yards, storage or repair yards, and warehouses.
  - <u>ih</u>. Social halls, lodges, fraternal organizations, and clubs, except those operated for a profit.

<u>Section 13.</u> Section 24.10.450 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-L Multiple Residence – Low-Density District is hereby amended to read as follows:

## 24.10.450 DISTRICT REGULATIONS.

		Dv	welling Unit Type
	Provision	Single-Family Detached	2 or More Units
a.	Maximum height of buildings		
	• Principal (feet)	30	30
	Accessory (stories and feet)	1 and 15	1 and 15
b.	Minimum lot area (net) (square feet)	5,000	5,500
c.	Minimum lot area per dwelling unit (net) (square feet)		2,200 (1,600 sq. ft. for 1- bedroom/studios)
d.	Minimum lot width (feet)	50	50
e.	Usable open space per dwelling unit (square feet)	_	400

- 2. Setback Requirements.
  - a. The minimum front yard setback shall be fifteen feet except that the front yard may be reduced to not less than ten feet for a portion not to exceed fifty percent of the building frontage, and providing that a total of fifteen square feet of front yard is provided for each lineal foot of total lot frontage.
  - b. The minimum rear yard setback shall be ten feet.
  - c. The minimum side yard setback shall be five feet, and five additional feet of setback for each story above the second story.



- (1) There shall be no side yard required for townhouses on interior lots, except there shall be a minimum side yard setback at the interior end of a townhouse group of five feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- (2) The minimum exterior side yard setback shall be eight feet, and five additional feet of setback for each additional story above the second story.
- d. For any attached or detached garage or carport fronting on a front or exterior side property line, the setback shall be twenty feet from said property line.
- e. Minimum Distance Between Buildings on the Same Lot. Between main buildings, including accessory dwelling units, six feet or one foot of setback for each two feet of height of the tallest building, or portions thereof, whichever is greater; between main buildings and accessory buildings, six feet; between accessory buildings, six feet—; distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.
- f. An existing accessory building built prior to July 1, 2014, with a valid building permit or which is a legal nonconforming structure, that has less than the required side or rear yard setback(s) may be converted into a dwelling unit to create a second unit or duplex on a property if all the requirements of the California Building Standards Code are met as well as the other development standards of the zoning district. The floor area for said second unit shall not exceed ten percent of the net lot area up to a maximum of eight hundred square feet. If additional units are allowed on the property, all such units shall meet development standards of the zoning district.

- 3. Other Requirements. Other regulations which may be applicable to site design in this zone are set forth in General Site Design Standards, Chapter <u>24.12</u>, Part 2, and Chapter <u>24.16</u>, Part 2, Accessory Dwelling Units.
- 4. All new development adjacent to a "CON Neighborhood Conservation District" Overlay Zone shall comply with Section <u>24.10.4060</u> standards for new construction on sites abutting overlay district boundaries, to ensure compatibility with the established district.

<u>Section 14.</u> Section 24.10.550 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-M Multiple Residence – Medium-Density District is hereby amended to read as follows:

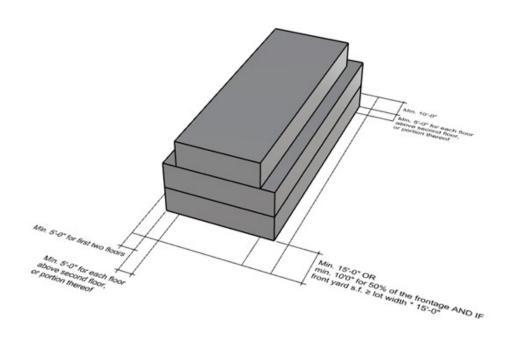
# 24.10.550 DISTRICT REGULATIONS.

#### 1. General.

Provision		<b>Dwelling Type</b>		
Frovision	Duplex	3 or More Units		
Maximum Height of Buildings				
Principal (feet)	30	35		
Accessory (stories and feet)	1 and 15	1 and 15		
Minimum lot area (net) (square feet)	4,400	5,500		
Minimum lot area (net) per dwelling unit (square feet)	2,200	1,450 (1,100 sq. ft. for 1-bedroom/studios)		
Minimum lot width (feet)	50	65		
Usable open space per dwelling unit (square feet)	_	400 200 (1-bedroom/studios)*		
	* Open space shall be attached or aggregated in a manner that provides usable open space for all units exclusive of setbacks and other small landscape areas less than 10 feet in width.  ** Existing lots of 5,500 square feet or greater with a minimum lot width of 50 feet may have 3 or more units if all other RM development standards can be met.			

2. Setback Requirements.

- a. The minimum front yard setback shall be fifteen feet, except that the front yard may be reduced to not less than six feet for a portion not to exceed fifty percent of the building frontage, providing that a total of ten square feet of front yard is provided for each lineal foot of total lot frontage. Such reduction of front yard depth shall not be permitted on a corner lot, within twelve feet of any side street lot line.
- b. The minimum rear setback shall be ten feet, and five additional feet of setback for each story above the second story.
- c. The minimum side yard setback shall be five feet, and five additional feet of setback for each story above the second story.



- d. There shall be no side yard required for townhouses, or interior lots, except there shall be a minimum side yard setback at the interior end of a townhouse group of five feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- e. The minimum exterior side yard setback shall be eight feet, and five additional feet of setback for each additional story above the second story.
- f. Minimum Distance Between Buildings on the Same Lot. Between main buildings, six feet or one foot of setback for each two feet of height of the tallest building, or portions thereof, whichever is greater; between main buildings and accessory buildings, six feet; between accessory buildings, six feet; distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.

- g. For any attached or detached garage or carport fronting on a front or exterior side property line, the setback shall be twenty feet from said property line.
- h. An existing accessory building built prior to July 1, 2014, with a valid building permit or which is a legal nonconforming structure, that has less than the required side or rear yard setback(s) may be converted into a dwelling unit to create a second unit or duplex on a property if all the requirements of the California Building Standards Code are met as well as the other development standards of the zoning district. The floor area for said second unit shall not exceed ten percent of the net lot area up to a maximum of eight hundred square feet. If additional units are allowed on the property, all such units shall meet development standards of the zoning district.
- 3. Other Requirements. Other regulations which may be applicable to site design in this zone are set forth in General Site Design Standards, Part 2, Chapter <u>24.12</u>.
- 4. All new development adjacent to a "CON Neighborhood Conservation District" Overlay Zone shall comply with Section <u>24.10.4060</u> standards for new construction on sites abutting overlay district boundaries, to ensure compatibility with the established district.

<u>Section 15.</u> Section 24.10.585 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-H Multiple Residence – High-Density District is hereby amended to read as follows:

#### 24.10.585 DISTRICT REGULATIONS.

# 1. General.

	Provision	<b>Dwelling</b>	Unit Type
	Provision	Duplex	3 or More Units
a.	Maximum height of buildings		
	• Principal (feet)	30	48
	• Accessory (stories and feet)	1 and 15	1 and 15
b.	Minimum lot area (net) (sq. ft.)	4,000	5,000
c.	Minimum lot area per dwelling unit (net) (sq. ft.)	2,000	790
d.	Minimum lot width (feet)	50	50
e.	Usable open space per dwelling unit (sq. ft.)	_	250
f.	Lot coverage	45%	70%

# 2. Setback Requirements.

a. The minimum front yard setback shall be fifteen feet or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater, except that the

front yard may be reduced to not less than six feet for a portion not to exceed fifty percent of the building frontage, providing that a total of ten square feet of front yard is provided for each lineal foot of total lot frontage. Such reduction of front yard depth shall not be permitted on a corner lot, within twelve feet of any side street lot line. Setback requirements may not be reduced for those portions of buildings that are three stories or taller.

- b. The minimum rear setback shall be ten feet, or one foot of setback for each three feet of height, or portion thereof, of structure, whichever is greater.
- c. The minimum side yard setback shall be five feet, or one foot of setback for each three feet of height, or portion thereof, of structure, whichever is greater.
- d. Where a parcel abuts a public right-of-way on opposite sides of the parcel, the front yard setback requirements shall apply to the major street and the rear yard setbacks shall apply to the secondary street; however, in the case of the rear yard setback, the setback shall not be less than the average of the two adjacent lots.
- e. The minimum exterior side yard setback shall be eight feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- f. Minimum Distance Between Buildings on the Same Lot. Between main buildings, six feet or one foot of setback for each two feet of height of the tallest building, or portions thereof, whichever is greater; between main buildings and accessory buildings, six feet; between accessory buildings, six feet; distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.
- g. For any attached or detached garage or carport fronting on a front or exterior side property line, the setback shall be twenty feet from said property line.
- h. To preserve the view to Beach Hill down Front Street, the height of the first twenty-five feet of depth along Front Street shall be limited to twenty-four feet.

## 3. Design.

- a. The site and building design shall conform to the General Site Design Standards, Part
- 2, Chapter <u>24.12</u>, design guidelines of any applicable area plan, and Section <u>24.12.185</u>, Objective design standards for multifamily development.
- 4. All new development adjacent to a "CON Neighborhood Conservation District" Overlay Zone shall comply with Section <u>24.10.4060</u> standards for new construction on sites abutting overlay district boundaries, to ensure compatibility with the established district.

<u>Section 16.</u> Section 24.10.608 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-T(A) Subdistrict A – Medium-Density Residential is hereby amended to read as follows:

#### 24.10.608 DISTRICT REGULATIONS.

		<b>Dwelling Unit Type</b>				
	Provision	1-Family Detached	Duplex	3 or More Units	Other Uses	
a.	Maximum height of buildings					

		Dwelling Unit Type				
	Provision	1-Family Detached	Duplex	3 or More Units	Other Uses	
	• Principal buildings (feet)	30	30	36	36	
	• Accessory buildings (feet)	15	15	15	15	
b.	Minimum lot area (net) (square feet)	5,000	5,000	8,000	8,000	
c.	Minimum lot area (net) per dwelling unit (square feet)	5,000	2,500	1,450	_	
d.	Minimum lot width (feet)	50	50	65	65	
e.	Usable open space per dwelling unit (square feet)	_	_	400	_	

# 2. Setback Requirements.

- a. The minimum front yard setback shall be fifteen feet or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater, except that the front yard may be reduced to not less than six feet for a portion not to exceed fifty percent of the building frontage, providing that a total of ten square feet of front yard is provided for each lineal foot of total lot frontage. Such reduction of front yard depth shall not be permitted on a corner lot, within twelve feet of any side street lot line.
- b. The minimum rear setback shall be ten feet, or one foot of setback for each three feet of height, or portion thereof, of structure, whichever is greater.
- c. The minimum side yard setback shall be five feet for the first story and one foot of setback for each three feet of height, or portion thereof, of structure, whichever is greater for the second story and above.
- d. There shall be no side yard required for townhouses or interior lots except there shall be a minimum side yard setback at the interior end of a townhouse group of five feet or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- e. The minimum exterior side yard setback shall be eight feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- f. Minimum Distance Between Buildings on the Same Lot. Between main buildings, including accessory dwelling units, six feet or one foot of setback for each two feet of height of the tallest building, or portion thereof, whichever is greater; between main buildings and one-story accessory buildings, six feet; between accessory buildings, six feet; distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.
- g. For any attached garage or carport fronting on a front or exterior side property line, the setback shall be twenty feet from said property line.
- 3. Other Requirements. Other regulations which may be applicable to site design in this zone are set forth in General Site Design Standards, Chapter 24.12, Part 2, Chapter 24.16, Part 2, Accessory Dwelling Units, and the Design Guidelines of the Beach and South of Laurel Comprehensive Area Plan.

4. All new development adjacent to a "CON – Neighborhood Conservation District" Overlay Zone shall comply with Section <u>24.10.4060</u> standards for new construction on sites abutting overlay district boundaries, to ensure compatibility with the established district.

<u>Section 17.</u> Section 24.10.616 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-T(B) Subdistrict B – Motel Residential is hereby amended to read as follows:

## 24.10.616 DISTRICT REGULATIONS

Provision		Dwelling Unit Type Medium Density Residential				
	Provision	1-Family Detached	Duplex	3 or More Units	Other Uses	
a.	Maximum height of buildings					
	• Principal buildings (feet)	30	30	36	36	
	• Accessory buildings (feet)	15	15	15	15	
b.	Minimum lot area (net) (square feet)	5,000	5,000	8,000	8,000	
c.	Minimum lot area (net) per dwelling unit (square feet)	5,000	2,500	1,450	_	
d.	Minimum lot width (feet)	50	50	65	65	
e.	Usable open space per dwelling unit (square feet)	_	_	400	_	

- 2. Setback Requirements.
  - a. The minimum front yard setback shall be fifteen feet or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater; except that the front yard may be reduced to not less than six feet for a portion not to exceed fifty percent of the building frontage, providing that a total of ten square feet of front yard is provided for each lineal foot of total lot frontage. Such reduction of front yard depth shall not be permitted on a corner lot, within twelve feet of any side street lot line.
  - b. The minimum rear setback shall be ten feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
  - c. The minimum side yard setback shall be five feet for the first story and one foot of setback for each three feet of height, or portion thereof, of structure for the second story and above.
  - d. There shall be no side yard required for townhouses on interior lots except there shall be a minimum side yard setback at the interior end of a townhouse group of five feet or one

foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.

- e. The minimum exterior side yard setback shall be eight feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- f. Minimum Distance Between Buildings on the Same Lot. Between main buildings, including accessory dwelling units, six feet or one foot of setback for each two feet of height of the tallest building, or portion thereof, whichever is greater; between main buildings and one-story accessory buildings, six feet; between accessory buildings, six feet; distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.
- g. For any attached or detached garage or carport fronting on a front or exterior side property line, the setback shall be twenty feet from said property line.
- 3. Other Requirements. Other regulations which may be applicable to site design in this zone are set forth in General Site Design Standards, Chapter <u>24.12</u>, Part 2, and the Design Guidelines of the Beach and South of Laurel Comprehensive Area Plan.
- 4. All new development adjacent to a "CON Neighborhood Conservation District" Overlay Zone shall comply with Section <u>24.10.4060</u> standards for new construction on sites abutting overlay district boundaries, to ensure compatibility with the established district.

<u>Section 18.</u> Section 24.10.617.3 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-T(B)/PER – Motel Residential Performance Overlay is hereby amended to read as follows:

# 24.10.617.3 DISTRICT REGULATIONS.

		Dwelling Unit Type				
	Provision	1-Family Detached	Duplex	3 or More Units	Other Uses	
a.	Maximum height of buildings					
	• Principal buildings (feet)	30	30	36	36	
	• Accessory buildings (feet)	15	15	15	15	
b.	Minimum lot area (net) (square feet)	5,000	5,000	8,000	8,000	
c.	Minimum lot area (net) per dwelling unit (square feet)	5,000	2,500	1,450	_	
d.	Minimum lot width (feet)	50	50	65	65	

	Dw	Dwelling Unit Type				
Provision	1-Family Detached	Duplex	3 or More Units	Other Uses		
e. Usable open space per dwelling unit (square feet)	_	_	400	_		

# 2. Setback Requirements.

- a. The minimum front yard setback shall be fifteen feet or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater; except that the front yard may be reduced to not less than six feet for a portion not to exceed fifty percent of the building frontage, providing that a total of ten square feet of front yard is provided for each lineal foot of total lot frontage. Such reduction of front yard depth shall not be permitted on a corner lot, within twelve feet of any side street lot line.
- b. The minimum rear setback shall be ten feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- c. The minimum side yard setback shall be five feet for the first story and one foot of setback for each three feet of height, or portion thereof, of structure, whichever is greater, for the second story and above.
- d. There shall be no side yard required for townhouses on interior lots except there shall be a minimum side yard setback at the interior end of a townhouse group of five feet or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- e. The minimum exterior side yard setback shall be eight feet, or one foot of setback for each three feet of height, or portion thereof, of a structure, whichever is greater.
- f. Minimum Distance Between Buildings on the Same Lot. Between main buildings, including accessory dwelling units, six feet or one foot of setback for each two feet of height of the tallest building, or portion thereof, whichever is greater; between main buildings and one-story accessory buildings, six feet; between accessory buildings, six feet; distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.
- g. For any attached or detached garage or carport fronting on a front or exterior side property line, the setback shall be twenty feet from said property line.
- 3. Other Requirements. Other regulations which may be applicable to site design in this zone are set forth in General Site Design Standards, Part 2, Chapter 24.12, and the Design Guidelines of the Beach and South of Laurel Comprehensive Area Plan. In addition, development on sites

located within the district which fronts on West Cliff Drive shall conform to design standards governing development on West Cliff.

# 4. Siting.

- a. Development shall be designed to create plazas and pedestrian spaces featuring amenities such as shade, benches, outdoor dining, fountains, gardens and performance spaces.
- b. Building facades shall be articulated with wall offsets, recesses openings ornamentation, and appropriate colors and materials to add texture and detail to the streetscape.
- c. Any third story element of residential or support development shall be stepped back from the two story element by at least fifteen feet, from the property lines at the streets.
- d. Buildings design shall be encouraged to include significant building modulation and roof form articulation as specified within the design guidelines.
- e. All required front setback areas shall be landscaped in accordance with the standards or the design guidelines.
- 5. All new development adjacent to a "CON Neighborhood Conservation District" overlay zone shall comply with Section <u>24.10.4060</u> standards for new construction on sites abutting overlay district boundaries, to ensure compatibility with the established district.

<u>Section 19.</u> Section 24.10.632 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the R-T(D) Subdistrict D – Beach Residential is hereby amended to read as follows:

# 24.10.632 DISTRICT REGULATIONS.

Dwelling Unit Type			ype			
Provision		1-Family Detached	Duplex	Triplex	4 or More Units	Other Uses
a.	Height of buildings					
	• Principal (feet)	22	22	22	30	30
	• Accessory (stories and feet)	1 and 15	1 and 15	1 and 15	1 and 15	1 and 15

		Dwelling Unit Type					
	Provision	1-Family Detached	Duplex	Triplex	4 or More Units	Other Uses	
b.	Minimum lot area (net) (square feet)	3,000	3,600	7,200	8,000	8,000	
c.	Minimum lot area (net) per dwelling unit (square feet)	_	1,800	1,600	1,600	_	
d.	Minimum lot width (feet)	40	40	80	80	80	
e.	Usable open space per dwelling unit (square feet)	_	400	400	400	_	

		<b>Dwelling Units</b>			
		First Story	<b>Second Story</b>	Other Uses	
f.	Front yard (feet)	5*	10*	10*	
g.	Rear yard (feet)	10	15	15	
h.	Side yard each side (feet)	4	4	4	
	or: one side (feet)	0	0	0	
	Total both sides (feet)	10	10	10	
i.	Exterior side yard (feet)	5*	5*	5*	

<sup>\*</sup> For any attached or detached garage or carport fronting on a front or exterior side property line, the setback shall be twenty feet from said property line.

# 3. Other Requirements/Standards.

- a. Design. All development is subject to a design permit and must be in compliance with adopted design guidelines. Other regulations which may be applicable to site design in this zone are set forth in general site design standards, Part 2, Chapter 24.12 and the Design Guidelines of the Beach and South of Laurel Comprehensive Area Plan.
  - a.1. New buildings shall employ California Bungalow or Victorian architectural style as a basis for design.
  - a.2. Buildings shall be similar in scale and form to existing structures and shall incorporate vernacular characteristics, such as pitched gabled roofs, proportionally

<sup>2.</sup> Minimum Distance Between Buildings on the Same Lot. Between main buildings, including accessory dwelling units, six feet or one foot of setback for each two feet of height of the tallest building, or portions thereof, whichever is greater; between main buildings and one-story accessory buildings, six feet; between accessory buildings, six feet; distance between accessory dwelling units and other buildings shall be consistent with standards set forth in Chapter 24.16, Part 2.

large overhangs, exposed roof beams and rafter tails, vertically oriented multi-paned windows and front porches.

- a.3. Buildings shall be wood frame construction with horizontal wood siding.
- a.4. Roof forms shall be typical of the Beach Flats with appropriate steeper pitches for Victorians and lesser pitches for California Bungalow style.
- a.5. Roof materials shall be composition or wood shingle.
- b. Parking. All parking shall be located within the rear or at the rear of main structures, if possible. Private multi-residential parking lots shall be screened from the public right-of-way, and meet the requirements of Section <u>24.12.240</u>, in addition to the following requirements:
  - b.1. All garages and entrances to parking areas shall be set back at least five feet from the adjacent front building setback.
  - b.2. On lots of forty feet or less in width of street frontage, parking access is limited to a maximum of twelve feet of width. On lots of forty feet to sixty-five feet in width, parking access is limited to a maximum of sixteen feet of width; and on lots with greater than sixty-five feet in street frontage, parking access is limited to a maximum of twenty feet.
  - b.3. Driveways shall be minimized in order to maximize land use efficiency and the provision of landscaping and open space.
  - b.4. City parking standard requirements may be reduced in the following manner: one parking space for a one bedroom unit; for two or more bedrooms, the parking requirement may be reduced fifty percent if the following provisions are met:
    - At least fifty percent of new units are two bedrooms or more;
    - For units which meet the city's definition of "affordable"; and
    - If development is deemed compatible with surrounding neighborhood.
- c. Siting. All development shall be sited to create a harmonious street edge, and to blend into rather than dominate the street.
  - c.1. Entries to individual units and groupings of units shall be located on the ground floor facing the street. These entries shall incorporate architectural and landscaping elements such as porches and arbors that visually reinforce the presence of entries.

- c.2. Architectural elements, such as towers, balconies, stairs, decorative elements, etc., may be allowed to project up to fifty percent of the front yard setback requirement.
- d. Height. Multiple-story developments shall minimize scale through upper story setbacks, individual building elements, and other similar design techniques.
  - d.1. The height of buildings shall be minimized at the street, in the following manner:
    - One-story elements of buildings (including porches) must be set back five feet,
    - Second-story elements of buildings must be set back ten feet.
- e. Landscaping, in compliance with the design standards, is required. Landscaping shall be maintained in an attractive condition.
  - e.1. Landscaping shall be designed to enhance the architectural style. All front, rear and side yards shall be fully landscaped except for areas devoted to driveways, patios, walkways or porches.
  - e.2. Permanent containers for flowering plants are encouraged for use in limited space areas at entries and in courtyards and plazas.
  - e.3. Vines and climbing plants integrated with building design and used on walls and trellises are encouraged.
  - e.4. Opaque garden walls are not permitted within the front yard setback to maintain the landscape continuity along the street. Fences limited to three feet in height are permitted as long as the fence is at least sixty percent open.
- 4. All new development adjacent to a "CON Neighborhood Conservation District" Overlay Zone shall comply with Section <u>24.10.4060</u>, standards for new construction on sites abutting overlay district boundaries, to ensure compatibility with the established district.

<u>Section 20.</u> Section 24.10.636 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the R-T(E) Subdistrict E – Beach Medium/High Density Residential is hereby amended to read as follows:

## 24.10.636 PRINCIPAL PERMITTED USES.

1. The following uses are permitted and may also require a design permit per Section 24.08.410 as well as other requirements of the municipal code:

- a. Duplex dwellings.
- b. Multiple dwellings, townhouse dwelling groups and condominiums.
- c. Small and large family daycare homes in residential units.
- d. Accessory Uses. Other uses and buildings customarily appurtenant to a permitted use, subject to the provisions of Section 24.12.140, Accessory buildings and structures.
- e. Accessory dwelling units subject to the provisions of Chapter 24.16, Part 2, except accessory dwelling units are not subject to approval of a design permit;

<u>Section 21.</u> Section 24.10.710 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the C-C Community Commercial District is hereby amended to read as follows:

## 24.10.710 PRINCIPAL PERMITTED USES.

The following uses are allowed outright, subject to other requirements of the municipal code including the approval of a design permit for new structures when required by Section 24.08.410 (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Subcategories of uses within these categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):

Uses for Active Frontage.

- a. Acting/art/music/dance schools and studios (610);
- b. Apparel and accessory stores (250);
- c. Auto supply stores (260C);
- d. Eating and drinking establishments (except bars, fast-food) subject to live entertainment and alcohol regulations of Chapter 24.12 (280);
- e. Financial, insurance, real estate offices (420);
- f. Financial services (320);
- g. Food and beverage stores (except liquor and convenience stores) (240);
- h. General retail merchandise (drug and department stores) (230);
- i. Home furnishing stores (270);
- i. Medical/health offices (except veterinarians and ambulance services) (410);
- k. Museums and art galleries (600);

- 1. Professional/personal service (except contractors' yards and mortuaries) (310);
- m. Repairs, alterations and maintenance services for household items (except boat repair) (340);
- n. Small preschool/childcare (twelve or fewer) (510A);
- o. Specialty retail supply stores (290); except thrift stores (290m);
- p. Theaters (620);
- q. Video rental (650).

Residential Uses.

- r. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2, except accessory dwelling units are not subject to approval of a design permit;
- **FS**. Flexible density unit (FDU) housing;
- st. Mixed residential and commercial/office developments involving allowed commercial uses, on the ground floor and multiple dwellings or condominiums either above the first floor or on the same lot;
- tu. Multiple dwellings or condominiums when ground-floor units are designed as live-work units consistent with Section <u>24.12.185(13)</u> and subject to the minimum (net) land area per dwelling unit of the R-M District (830);
- <u>uv</u>. One or two multiple-family units when located above the first floor with no additional parking required (830);
- www. Single-room occupancy (SRO) housing (860);
- wx. Small community care residential facilities;
- **xy**. Small and large family daycare homes in residential units.

Commercial Uses.

- yz. Off-site public/private parking facilities, five or fewer spaces (930);
- **<u>zaa</u>**. Professional offices (400);

<u>anab</u>. Wireless telecommunications facilities, subject to the regulations in Part 15 of Chapter <u>24.12</u> requiring no public hearing.

<u>Section 22.</u> Section 24.10.910 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the C-T Thoroughfare Commercial district is hereby amended to read as follows:

#### 24.10.910 PRINCIPAL PERMITTED USES.

The following uses are allowed outright, subject to other requirements of the municipal code including the approval of a design permit for new structures when required by Section 24.08.410 (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Subcategories of uses within these categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):

Uses for Active Frontage.

- 1. Art galleries.
- 2. Branch banks.
- 3. Clothing and apparel shops.
- 4. Eating and drinking establishments, subject to live entertainment and alcohol regulations of Chapter 24.12.
- 5. Hotels, motels and bed-and-breakfast inns.
- 6. Medical and dental offices.
- 7. Professional, editorial, real estate, insurance and other general business offices.

Residential Uses.

- 8. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2, except accessory dwelling units are not subject to approval of a design permit;
- 89. Multiple dwellings and condominiums, when located either in the same lot or above first floor commercial development, subject to the minimum land area (net) per dwelling unit of the R-M District (830).
- 9<u>10</u>. Small and large family daycare homes in residential units.

Commercial Uses.

- <u>1011</u>. Carpenter shop; electrical, plumbing or heating shops; furniture upholstering shop.
- 4412. Garages for the repair of automobiles, subject to performance standards as set forth in this title for principal permitted uses in the I-G District.
- 1213. Handicraft shops and workshops.
- 1314. Medical, optical, and dental clinics and laboratories, not including the manufacture of pharmaceuticals or other (similar) products for general sale or distribution.
- 1415. Mobilehome, trailer, boat, motorcycle sales and service.
- 4516. New car sales and service.
- 1617. Parking facilities of five or fewer spaces.
- 1718. Plant nurseries and greenhouses.
- 1819. Theaters.
- 1920. Used car sales and service, auto parts and supply stores.
- <u>2021</u>. Wireless telecommunications facilities, subject to the regulations in Part 15 of Chapter 24.12 requiring no public hearing.

<u>Section 23.</u> Section 24.10.1010 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the C-N Neighborhood Commercial District is hereby amended to read as follows:

#### 24.10.1010 PRINCIPAL PERMITTED USES.

1. The following uses are allowed outright, subject to other applicable requirements of the municipal code including the requirement for a design permit for new structures when required by Section 24.08.410 (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Subcategories of uses within these use categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):

Uses for Active Frontage.

a. Eating and drinking establishments (except bars and fast food), subject to live entertainment and alcohol regulations of Chapter 24.12 (280);

- b. Financial, insurance, real estate offices (420);
- c. Food, beverage stores (except liquor and convenience stores) (240);
- d. Hardware stores (indoor sales only) (220A);
- e. Medical/health offices (except veterinarians and twenty-four-hour clinics) (410);
- f. Professional/personal service (except contractors yards and mortuaries) (310);

#### Residential Uses.

- g. One or two multiple-family units when located above the first floor commercial use with no additional parking required (830);
- h. Small and large family daycare homes in residential units;
- i. Multiple dwellings and condominiums, when located either in the same lot or above first floor commercial development, subject to the minimum land area (net) per dwelling unit of the R-L District (840);
- j. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2, except accessory dwelling units are not subject to approval of a design permit;

#### Commercial Uses:

- ik. Financial services (320);
- kl. Off-site public/private parking facilities five or fewer spaces (930);
- 1m. Professional offices (400);
- mn. Wireless telecommunications facilities, subject to the regulations in Part 15 of Chapter 24.12 requiring no public hearing.

<u>Section 24.</u> Section 24.10.1110 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the C-B Beach Commercial District is hereby amended to read as follows:

## 24.10.1110 PRINCIPAL PERMITTED USES.

1. The following uses are allowed outright, subject to other applicable requirements of the municipal code (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Subcategories of uses within these use categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):

Uses for Active Frontage.

- a. Acting/art/music/dance schools and studios (610);
- b. Apparel and accessory stores (250);
- c. Eating and drinking establishments (except fast-food restaurants), subject to live entertainment and alcohol regulations of Chapter 24.12 (280);
- d. Food and beverage stores (except convenience/liquor stores) (240);
- e. General merchandise (drug and department stores) (230);
- f. Handicraft shops and workshops;
- g. Museums and art galleries (600);
- h. Personal/professional services (except contractors' yards and mortuaries) (310);
- i. Specialty retail supply stores (290); except thrift stores (290m);

Residential Uses.

- j. One or two multiple-family units when located above the first floor with no additional parking required (830);
- k. Small and large family daycare homes in residential units;
- 1. Mixed residential and commercial development involving permitted or administrative uses on the ground floor and multiple dwellings or condominiums either on the same lot or above the first floor, subject to the minimum land area (net) per dwelling unit of the R-M District (830);

m. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2;

Commercial Uses.

mn. Financial, insurance, real estate offices above first floor (420);

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no. Lodging (300);
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- θp. Marine facilities (560E);
- pq. Mechanical contrivances for amusement purposes, such as Ferris wheels, and roller coasters, south and east of Beach Street only;
- **qr.** Off-site public/private parking facilities, five or fewer spaces (930);
- **FS**. Professional offices above first floor (400);
- st. Sports and recreation facilities, subject to alcohol regulations in Part 12 of Chapter 24.12 (720);
- $\underline{\mathbf{tu}}$ . Theaters (620);
- uv. Video rental (650);
- <u>ww</u>. Wireless telecommunications facilities, subject to the regulations in Part 15 of Chapter <u>24.12</u> requiring no public hearing.

<u>Section 25.</u> Section 24.10.1210 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the P-A Professional and Administrative Office District is hereby amended to read as follows:

# 24.10.1210 PRINCIPAL PERMITTED USES.

1. The following uses are allowed outright if a design permit is obtained for new structures (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Further refinement of uses within these categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):

Uses for Active Frontage.

- a. Financial, insurance, real estate offices (420);
- b. Financial services (320);
- c. Professional offices (400);
- d. Professional/personal services (except contractors' yards and mortuaries) (310);
- e. Medical/health offices (except veterinarians, medical marijuana provider association dispensaries, as defined in Section 24.22.539, ambulance services and emergency medical clinics open earlier than 7:00 a.m. and later than 9:00 p.m.) (410);
- f. Museums and art galleries (600); Residential Uses.
- g. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2, except accessory dwelling units are not subject to approval of a design permit;

- gh. Duplexes together with an allowed commercial use (820);
- hi. Multiple dwellings and condominiums, together with an allowed commercial use and subject to minimum land area requirements of R-M District (830);
- ij. One to two units above ground floor office use with no additional parking required (810);
- <u>jk</u>. Small and large family daycare homes in residential units;

Commercial Uses.

- **kl**. Off-site parking fewer than five spaces (930);
- <u>lm</u>. Wireless telecommunications facilities, subject to the regulations in Part 15 of Chapter <u>24.12</u> requiring no public hearing.

<u>Section 26.</u> Section 24.10.1505 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the I-G General Industrial District is hereby amended to read as follows:

# 24.10.1505 PRINCIPAL PERMITTED USES.

- 1. The following uses are allowed outright, subject to other requirements of the municipal code (numerical references at the ends of these categories reflect the general use classifications listed in the city's land use codes. Further refinement of uses within these categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):
  - a. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2;
  - ab. Acting/art/music/dance schools and studios (610);
  - bc. Building materials/garden supply stores (220) with less than forty thousand square feet including indoor floor area and outdoor storage, display, or sales area. For building materials/garden supply stores of which fifty percent or more of the square footage will occupy an existing building, this threshold will be seventy-five thousand square feet including indoor floor area and outdoor storage, display, or sales areas so long as vacant, available space in existing buildings in the IG Zone exceeds four hundred thousand square feet. When the vacant, available square footage is less than four hundred thousand square feet, the forty-thousand-square-foot threshold will apply;
  - ed. Financial, insurance, real estate offices (420);
  - de. Food and beverage preparation (100);
  - ef. Furniture and fixtures (120);
  - fg. Laboratories and related facilities for research, experimentation, testing, film processing, software development, including cannabis testing;
  - gh. Medical/health offices/laboratories (410);
  - hi. Millwork textile products (105);
  - ii. Printing and publishing or lithographic shops and plants;
  - ik. Professional offices (400);
  - kl. Professional/personal service (except mortuaries) (310);
  - lm. Rental service (360);
  - mn. Repair, alterations, maintenance (except boat repairs) (340);
  - no. Small and large family daycare homes in residential units;

- **op.** Start-up fabrication assembly or packaging from light metals, prepared materials, or prefabricated parts, including electrical devices if operated in an area no greater than three thousand square feet, and no hazardous materials are used during the operation;
- pq. Storage warehousing (330);
- <u>qr</u>. Wholesale trade durable goods (210);
- **FS**. Wholesale trade nondurable goods (200).

<u>Section 27.</u> Section 24.10.1605 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the I-G/PER-2 General Industrial District/Performance District is hereby amended to read as follows:

## 24.10.1605 PRINCIPAL PERMITTED USES.

- 1. The following uses are allowed outright, subject to other requirements of the municipal code (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Further refinement of uses within these categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):
  - a. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2;
  - ab. Acting/art/music/dance schools and studios (610);
  - **bc**. Adult school/work force training (510F);
  - ed. Building materials/garden supply stores (220) with less than forty thousand square feet including indoor floor area and outdoor storage, display, or sales area. For building materials/garden supply stores of which fifty percent or more of the square footage will occupy an existing building, this threshold will be seventy-five thousand square feet including indoor floor area and outdoor storage, display, or sales areas so long as vacant, available space in existing buildings in the IG Zone exceeds four hundred thousand square feet. When the vacant, available square footage is less than four hundred thousand square feet, the forty-thousand-square-foot threshold will apply;
  - de. Communication and information services (550);
  - ef. Financial, insurance, real estate offices (420);
  - **fg**. Fabricated metal products (150);
  - gh. Food and beverage preparation and production (100);
  - hi. Furniture and fixtures (120);
  - ii. Medical/health offices/laboratories, including cannabis testing (410);

- <u>ik</u>. Millwork textile products (105);
- kl. Other manufacturing and processing industries (except bulk petroleum, scrap and waste materials) (155);
- 4m. Primary metals and material subject to performance standards (145);
- mn. Rubber, plastic, miscellaneous materials and products subject to performance standards (135);
- **no**. Printing and publishing or lithographic shops and plants;
- op. Professional offices (400);
- pq. Professional/personal service (except mortuaries) (310);
- qr. Rental service (360);
- FS. Repair, alterations, maintenance (including boat repairs) (340);
- st. Small and large family daycare homes in residential units;
- tu. Start-up fabrication assembly or packaging from light metals, prepared materials, or prefabricated parts, including electrical devices;
- <u>uv</u>. Stone, clay, glass design and production (140);
- <u>vw</u>. Storage warehousing (330);
- wx. Technology related research and development facilities and products;
- **xy**. Wholesale trade durable goods (210);
- **YZ**. Wholesale trade nondurable goods (200).

<u>Section 28.</u> Section 24.10.1810 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the E-A Exclusive Agricultural District is hereby amended to read as follows:

## 24.10.1810 PRINCIPAL PERMITTED USES.

1. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2;

- 42. Agriculture, as defined herein;
- 23. Animal farm;
- <u>34</u>. Crop and tree farming;
- 45. Ranch and farm dwellings incidental to a principal agricultural use;
- 56. Stables, barns, silos, and windmills

<u>Section 29.</u> Section 24.10.2010 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the F-P Floodplain District is hereby amended to read as follows:

# 24.10.2010 PRINCIPAL PERMITTED USES.

- 1. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2;
- 42. Agriculture;
- 23. Crop and tree farming;
- 34. Nurseries.

<u>Section 30.</u> Section 24.10.2050 of Chapter 24.10 of the Santa Cruz Municipal Code regarding District Regulations for the F-P Floodplain District is hereby amended to read as follows:

## 24.10.2050 DISTRICT REGULATIONS.

The following requirements will be observed in the F-P District for the type of use proposed; except as otherwise provided in this title.

#### 1. General.

Provision	Classification or Type of Use All Uses
a. Lot Width (feet)	200
b. Minimum lot area (net) (acres)	5

# 2. Other Requirements.

- a. Maximum height of all buildings, principal and accessory, shall be two stories or thirty-five feet. Yard distances and distance between buildings shall be established as part of use permit approval, except that distance between accessory dwelling units and other buildings shall not require approval of a use permit and shall be consistent with standards set forth in Chapter 24.16, Part 2.
- b. Other regulations which may be applicable to site design in this zone are set forth in General Site Design Standards, Part 2, Chapter 24.12 and Floodplain Management, Part 4, Chapter 24.14.
- c. The lowest habitable floor level of structure shall be above the flood profile level as established by the high-water mark of a one-hundred-year storm.
- d. Fill incidental to a principally permitted or conditional use must be accompanied by a plan showing the uses to which the fill land will be placed, final dimensions of proposed fill, and effects on the capacity of the floodway and flood heights.
- e. Environmental assessment shall be required of conditional uses to determine the requirements of the use permit that minimize hazards to public health and safety.

<u>Section 31.</u> Section 24.10.2361 of Chapter 24.10 of the Santa Cruz Municipal Code regarding Principal Permitted Uses for the CBD Subdistrict E – Lower Pacific Avenue is hereby amended to read as follows:

#### 24.10.2361 PRINCIPAL PERMITTED USES\*

- \* Editor's Note: This section was formerly numbered as Section <u>24.10.2360</u>. Ord. 2000-18 § 10 renumbered it to be Section <u>24.10.2361</u>, at which time a new Section <u>24.10.2360</u>, entitled Purpose, was added.
- 1. The following uses are allowed outright in the Lower Pacific Avenue Subdistrict, subject to a design permit and other requirements of the Municipal Code (numerical references at the end of these categories reflect the general use classifications listed in the city's Land Use Codes. Further refinement of uses within these categories can be found in the Land Use Codes, but they are not intended to be an exhaustive list of potential uses):
  - a. Accessory dwelling units on parcels with an approved residential use, subject to the provisions of Chapter 24.16, Part 2, except accessory dwelling units are not subject to approval of a design permit;
  - ab. Acting/art/music/dance school and studios (610);
  - **bc**. Apparel and accessory stores (250);

- ed. Eating and drinking establishments (excepts bars, fast food), subject to live entertainment and alcohol regulations of Chapter 24.12 (280);
- de. Educational facilities (public/private) (510);
- ef. Food and beverage stores (except liquor and convenience stores) (240);
- **fg**. General retail merchandise (drug and department stores) (230); not exceeding 16,000 square feet per individual store;
- gh. Home furnishing stores (270);
- hi. Lodging (300);
- ij. Multiple dwellings or condominiums or mixed use residential and commercial developments when multiple dwelling or condominium units are located above the first floor of commercial uses, subject to the minimum land area (net) per dwelling unit of the R-M District (830, 840);
- ik. Museums and art galleries (600);
- kl. Repair, alterations, and maintenance services for household items (except boat repair) (340);
- <u>lm</u>. Small community care residential facilities;
- mn. Small preschool/childcare (12 or fewer) (510A);
- no. Specialty retail supply stores (290);
- op. Theaters (620);
- pq. Video rental (360B).

<u>Section 32.</u> Section 24.12.120 of Chapter 24.12 of the Santa Cruz Municipal Code regarding Projections into Required Yard Areas, Setbacks and Easements is hereby amended to read as follows:

# 24.12.120 PROJECTIONS INTO REQUIRED YARD AREAS, SETBACKS AND EASEMENTS

1. Projections Into Required Yard Areas. The following are permitted projections into required yard areas. Projections shall not be permitted in yards that are less than the minimum established by district regulations except as provided for in subsection (2), or as allowed in certain areas

under Section 24.12.185(12)-, or as allowed for accessory dwelling units under Part 2 of Chapter 24.16.

- a. Architectural features such as cornices, canopies, eaves and sills shall be permitted to project into front, rear and side yards two and one-half feet;
- b. Steps serving the first floor, and bay windows, chimneys, decks, and porches serving the first floor and above may extend into front, rear and exterior side yards one-half of the required yard or six feet, whichever results in a greater setback. For interior side yards, maximum projection is one foot, eight inches unless the projection meets the requirements of subsection (1)(c). Bay window, deck, porch and step projections are permissible in interior side yards on the first floor only. In all cases, no projection or aggregate of projections listed in this subsection shall be more than one-third of the building wall along which it is located;
- c. Unroofed decks, porches, patios and steps of pervious materials twenty inches or less above finished grade may extend into conforming interior side yards without restriction;
- d. Guardrails on decks and porches and handrails on stairs projecting into required yards on the first floor shall be considered fences and shall be governed by Section 24.12.160, with the exception of guardrails and/or handrails required for access to the first floor for the physically challenged;
- e. Rain retention systems attached to the main residence may extend into side and rear yards one-half the required yard or six feet, whichever results in the greater setback. For interior side yards, the minimum setback shall be three feet. Such encroachment shall be no higher than six feet from finished grade.
- 2. Any structure necessary to provide access to the first floor for the physically challenged.
- 3. Projections Into Special Street Setbacks. The following uses are permitted within the special street setbacks established in Section 24.12.115:
  - a. Streetlights, traffic signs and signals and appurtenances necessary to the conduct or operation of a public utility, facility, or purpose;
  - b. Fences, walks, hedges, landscaping, outdoor merchandise display, platforms, landings, steps and signs, when constructed or installed so as to have a maximum height of two and one-half feet above curb grade, except as provided for in subsection (3)(d);
  - c. Unenclosed porches, cornices, canopies, eaves, and similar architectural features and signs when constructed so that the clearance from curb grade to the lowest portion thereof, except supporting members, is at least eight feet; and further provided, that no supporting member shall have a cross-section of greater than eight inches, nor be located closer than six feet to another supporting member within the setback area;
  - d. Any structure necessary to provide access to the first floor for the physically challenged.
- 4. Projections Into Easements. No structure or projection thereof may extend into a public utility easement.

<u>Section 33.</u> Section 24.12.140 of Chapter 24.12 of the Santa Cruz Municipal Code regarding Accessory Buildings and Structures is hereby amended to read as follows:

## 24.12.140 ACCESSORY BUILDINGS AND STRUCTURES.

In addition to primary structures, it is often useful and convenient to have accessory buildings and structures to provide storage, allow additional usable indoor or sheltered space, or to perform some other function beyond what is included in the primary structure. These spaces can be provided in a building, defined for the purposes of this section as having a roof and walls, or by another accessory structure such as a pergola or a gazebo. Some spaces, such as children's play equipment, can be classified as either a building (e.g., enclosed playhouse) or a structure (e.g., swing set). The defining characteristic of these buildings and structures is that they are accessory and subordinate to the primary structure and do not detract from the form and function of the primary structure and are complementary to its use.

- 1. Accessory Buildings. Accessory buildings are subject to the regulations and permit requirements of the zoning district in which they are located. Accessory buildings are separate and distinct from accessory dwelling units, which are subject to the regulations in Part 2 of Chapter 24.16.
  - a. No setback shall be required for an accessory building except as otherwise provided.
  - b. No accessory building shall be located in a front or exterior side yard with the exception of buildings used as children's play equipment that do not create traffic safety hazards, that are less than fifty square feet in plan area at grade, less than fourteen feet in height, and with minimum setbacks of three feet. Such buildings are exempt from the restrictions in this section. Children's play structures are defined as structures that are designed, made for, and used by children. The vehicle entry side of a garage or other covered parking may not be located closer than twenty feet from front or exterior side yard lot lines; except that the vehicle entry side of a garage or other covered parking may be built to the front and exterior side yard lot lines where the slope of the front half of the lot is greater than one foot rise or fall in a distance of seven feet from the established street elevation at the property line, or where the elevation of the lot at the street line is five feet or more above or below the established street elevation.
  - c. Accessory buildings that are less than one hundred twenty square feet in floor area are not required to conform to the distance-between-buildings requirement set forth in the district regulations, Chapter 24.10; however, such structures are subject to all other standards, regulations, and requirements of this title and other state and local requirements including Title 18 and the California Building Standards Code.
  - d. Accessory buildings that are less than one hundred twenty square feet in floor area and less than fifteen feet in height are not subject to design permit approval when constructed on substandard lots or when constructed on lots within a residential zone district that requires design permit approval for new structures; however, such structures are subject to all other standards, regulations, and requirements of this title and other state and local requirements including Title 18 and the California Building Standards Code.
  - e. Habitable accessory buildings, not including accessory dwelling units, shall not be located within the front yard nor closer than six feet to the nearest point of the principal building and shall conform to principal building rear and side yard requirements of the

district in which they are located. No habitable accessory building shall be used as a separate dwelling unit except accessory dwelling units as described in Part 2 of Chapter 24.16. Guesthouses for nonpaying guests are allowed only if permitted in the zoning district in which they are located.

- f. Accessory buildings may not cover an area in excess of thirty percent of any required yard setback area for the primary structure. In the Coastal Zone, standards applicable to accessory dwelling units can be found in subsection (1)(j). The footprint of accessory dwelling units shall not count toward the maximum allowable lot coverage by other accessory structures buildings in yard setback areas; however, the maximum allowable lot coverage does not apply to the accessory dwelling unit itself.
- g. An accessory building attached to a main building by a breezeway is not part of the main building.
- h. An accessory building may have one sink installed in it if a building permit is obtained. A property with multiple accessory buildings may have a sink in only one accessory building without approval of an administrative use permit. Any additional plumbing fixtures would require an administrative use permit subject to findings listed in subsection (1)(i) and a building permit for the approved improvements.
- i. Except for accessory dwelling units, <u>aA</u>ccessory buildings may contain a full bathroom only when an administrative use permit is approved in accordance with district regulations and all of the following findings are made:
  - i. The structure and use are subordinate to the principal use; and
  - ii. The purpose of the use is incidental to the principal use; and
  - iii. The use is customarily or reasonably appurtenant to the permitted use; and
  - iv. The structure will not be used as a dwelling unit; and
  - v. A deed restriction will be recorded limiting the use of the structure to that approved under the permit unless otherwise authorized by the city.
- j. In the Coastal Zone, and in addition to meeting all other applicable requirements (e.g., standards specified in Section <u>24.16.100</u> et seq.), ADUs<u>accessory dwelling units</u> shall meet the following additional standards:
  - i. ADUs Accessory dwelling units are allowed in any zone that allows residential uses on lots of any size, in conjunction with a proposed or existing residential use, provided they are sited and designed to avoid adverse impacts to coastal resources, including by conforming with all applicable LCP policies and standards, including those that govern wetlands, streams, environmentally sensitive habitat areas, public views, and coastal bluffs.

- ii. Off-street parking shall be required in compliance with Section 24.12.240(1).
- 2. Accessory Dwelling Units. Accessory dwelling units are separate and distinct from accessory buildings and are subject to the following regulations:
  - a. Accessory dwelling units are subject to the regulations in Part 2 of Chapter 24.16.
  - b. Off-street parking shall be required in compliance with Section 24.12.240.
  - c. In the Coastal Zone, accessory dwelling units are allowed in any zone that allows residential uses on lots of any size, in conjunction with a proposed or existing residential use. Accessory dwelling units that require approval of a coastal permit shall be sited and designed to avoid adverse impacts to coastal resources, including by conforming with all applicable LCP policies and standards, including those that govern wetlands, streams, environmentally sensitive habitat areas, public views, and coastal bluffs.
- 2.3. Accessory Structures. Accessory structures are subject to the regulations and permit requirements of the zoning district in which they are located.
  - a. Accessory structures above eight feet in height shall not be located in a front or exterior side yard with the exception of entry features as described in Section 24.12.160(1). No accessory structure in the front or exterior side yard may be located within the clear corner triangle as defined in Section 24.22.202. Any accessory structures located in the front or exterior side yard must be open in nature and must provide and maintain a minimum of ninety percent visual permeability above the first foot in height.
  - b. Accessory structures located in the rear or interior side yard that are less than one hundred twenty square feet in floor area and less than fifteen feet in height are not subject to design permit approval when constructed on substandard lots or when constructed on lots within a residential zone district that requires design permit approval for new structures; however, such structures are subject to all other standards, regulations, and requirements of this title and other state and local requirements including Title 18 and the California Building Standards Code. This includes fences within the West Cliff Drive Overlay District that conform to Section 24.12.160.
  - c. Children's play structures that do not create traffic safety hazards, that are less than fifty square feet in plan area, less than fourteen feet in height, and with minimum front setbacks of three feet are exempt from the restrictions in this section. Children's play structures are defined as structures that are designed for, made for, and used by children.
- <u>Section 34.</u> Section 24.12.160 of Chapter 24.12 of the Santa Cruz Municipal Code regarding Fencing and Screening is hereby amended to read as follows:

# 24.12.160 FENCING AND SCREENING.

- 1. Fencing. Regulations governing the installation, construction and placement of fences and structures in the nature of fences, including hedges, which exceed height limitations contained herein are set forth in Chapter 24.08, Part 7, Conditional Fence Permit.
  - a. Height Limitations. No person shall erect upon any private property in the city any fence, or structure in the nature of a fence, exceeding the following height limitations:
    - (1) Within the required front and exterior side yard setback areas established by (this title, Chapter 18.04, or other ordinances of the city, fences shall not exceed a height of three feet, six inches from finished grade, except as provided in Chapter 24.08, Part 7.
    - (2) Within the exterior side yard setback established by this title, Chapter 18.04, or other ordinances of the city, fences outside of the front yard setback or in line with the main building frontage, whichever distance is greater, that are set back a minimum of three feet from the exterior side property line shall not exceed a height of six feet from finished grade, except as provided in Chapter 24.08, Part 7. Fences within the exterior side yard setback that are less than three feet from the side property line or within the front setback area shall not exceed a height of three feet, six inches from finished grade. Any yard area between a fence and the sidewalk or property line shall be landscaped and permanently maintained. This landscaping shall not include hedges that are higher than three-and-one-half feet.
    - (3) On any portion of the property outside of the required front and exterior side yard setbacks, fences shall not exceed a height of eight feet from finished grade, with any portion of the fence above six feet consisting of lattice or other similar material that is at least fifty percent open except as provided in Chapter 24.08, Part 7, with any portion of the fence above six feet having an open architectural, decorative, or ornamental feature such as lattice or other similar design or material. "Open" means that no more than fifty percent of the design shall be opaque. This maximum fence height does not apply to fences along an alley or the rail trail associated with an accessory dwelling unit, where fences are limited to three feet, six inches along the alley or rail trail unless a conditional fence permit is approved for greater height.
    - (4) Any fence along a property line adjacent to a street, or in the adjacent required setback, except in the clear corner triangle, may include a gate, trellis or other entry feature exceeding the height limit stated in subsections (1)(a)(1) and (2). Such gate, trellis or entry feature shall be limited to ten feet in width and ten feet in height. Only one such gate, trellis or entry feature shall be permitted per street frontage except as provided in Chapter 24.08, Part 7.
  - b. Fire Hazard. The erection of any fence which constitutes a fire hazard either of itself or in connection with the existing structures in the vicinity, or which will interfere with access in case of fire, by the fire department to buildings in the vicinity or which will constitute a hazard to street traffic or to pedestrians shall not be permitted.
  - c. Temporary Fences Exceptions. Nothing contained in this title shall be deemed to interfere with the erection of temporary fences around construction works, erected or maintained pursuant to Chapter 18.04 and other ordinances of the city.
  - d. Barbed-Wire Fencing. No barbed-wire fences may be constructed, electrified or otherwise, without a conditional fence permit.

- e. Hedges. Hedges or dense planting in the nature of a hedge in excess of three feet, six inches in height shall not be grown or maintained within the required front or exterior side yard setbacks of the zoning district in which the property is located.
- f. Clear Corner Triangles and Clear Vision Areas. Fences or hedges shall not be greater than, nor allowed to exceed, three feet, six inches in height in the clear corner triangle and the clear vision area as defined in Sections 24.22.202 and 24.22.206.
- g. Fences Within Watercourse Setback Areas. Fencing within a designated riparian corridor or development setback area of a watercourse shall be consistent with requirements of the watercourse development permit, Section 24.08.2130.

# 2. Screening.

- a. In any nonresidential district adjacent to any R-District, screening between districts shall be provided.
- b. All areas of outdoor storage in any commercial or industrial district shall be permanently screened from view from any adjacent street, public way or adjacent private property.

<u>Section 35.</u> Section 24.12.250 of Chapter 24.12 of the Santa Cruz Municipal Code regarding Bike Parking Requirements is hereby amended to read as follows:

# 24.12.250 BIKE PARKING REQUIREMENTS.

- 1. Bicycle parking facilities shall be provided for any new building, addition or enlargement of an existing building, or for any change in the occupancy.
- 2. Bike Spaces and Type Required. Bicycle parking facilities' quantity and type shall be provided in accordance with the following schedule, with fractional quantity requirements for bike parking over one-half to be rounded up. Each bicycle parking space shall be no less than six feet long by two feet wide and shall have a bicycle rack system in compliance with the bike rack classifications listed in subsection (4).

	Example	Number of Bicycle Parking Spaces Required	Classification Class 1 = Long-Term Class 2 = Short-Term
Industrial	Warehousing, manufacturing	1 per 7,500 square feet, minimum 2 spaces	80% Class 1 20% Class 2
Office and financial institutions	General office, medical, clinic, research and development, banks	1 per 1,500 square feet, minimum 2 spaces	20% Class 1 80% Class 2
Retail/service or other commercial	Grocery store, hardware store, personal services, handicraft	1 per 1,000 square feet, minimum 2 spaces	20% Class 1 80% Class 2

	Example	Number of Bicycle Parking Spaces Required	Classification Class 1 = Long-Term Class 2 = Short-Term
Restaurant/bar	Restaurant, deli, coffee shop, bar/tasting rooms	1 per 500 square feet, minimum 2 spaces	20% Class 1 80% Class 2
Multifamily residential (3 or more units)	Housing developments with 3 or more units, plus any associated accessory dwelling units	See classification column	Class 1 – 1 space per unit – garages or secure accessible indoor areas count Class 2 – 1 space per 4 units, minimum 2 spaces
Commercial recreation	Sports arenas, theaters	See classification column	Class 1 – 1 per 10,000 square feet Class 2 – 1 per 40 seats, minimum 10
Civic uses (civic, cultural, public, and religious assembly)	Library or museum, places of public or religious assembly	1 per 1,000 square feet	10% Class 1 90% Class 2
Schools		1 per 5 students	20% Class 1 80% Class 2* *Must be in secure area such as bike cage or within gated school grounds, preferably with weather protection such as roof
Park-and-ride lots		1 per 10 auto parking spaces, minimum 2 spaces	100% Class 1
Transit centers		See classification column	30 Class 1 spaces 12 Class 2 spaces
Lodging	Hotel, motel	1 per 5 rooms/units	10% Class 1 90% Class 2
Commercial parking		1 per 10 auto parking spaces	100% Class 1

	Example	Number of Bicycle Parking Spaces Required	Classification Class 1 = Long-Term Class 2 = Short-Term
Parking District No. 1 – Residential uses	Multifamily housing, including any accessory dwelling units	See classification column	1 Class 1 bicycle parking space per unit 1 Class 2 bicycle parking space per 15 units
Parking District No. 1 – Nonresidential uses	Any nonresidential uses in district	1 per 1,000 square feet	25% Class 1 75% Class 2 The Class 2 spaces shall be publicly accessible, and the style shall be inverted U.
Emergency shelters	See Section <u>24.12.1610</u>	1 per 3 occupants	25% Class 1 75% Class 2 The Class 2 spaces shall be publicly accessible, and the style shall be inverted U.

- 3. For projects requiring twenty or more bike parking spaces, a bike fix-it station is required. A fix-it station shall include at a minimum a bicycle pump; 2.5, 3, 4, 5, 6, and 8 mm Allen wrenches; 8, 9, 10, 11, 15, and 32 mm box wrenches; two tire levers; and a Phillips and flat head screwdriver. For projects requiring twenty or more bicycle parking spaces, a minimum of five percent of required bicycle parking spaces must have a larger footprint of three feet by ten feet, which must be provided in a horizontal, floor level rack. These spaces will be available for larger bicycles such as e-bikes, cargo bikes, bikes with trailers, and other larger bicycles.
- 4. Classification of Facilities.
  - a. "Class 1 bicycle facility" means a locker, individually locked enclosure or supervised area within a building providing protection for each bicycle therein from theft, vandalism and weather. Class 1 facilities are intended for long-term storage.
  - b. "Class 2 bicycle facility" means a stand or other device constructed so as to enable the user to secure by locking the frame and one wheel of each bicycle parked therein. Racks must provide two points of contact to bicycle frames, so that they are easily usable with both U-locks and cable locks. Racks should support the bikes in a stable upright position so that a bike, if bumped, will not fall or roll down. The preferred Class 2 bike rack style is an inverted U, which meets code requirements. Racks that support a bike primarily by a wheel, such as standard "wire racks," are damaging to wheels and thus are not acceptable. Class 2 facilities are intended for short-term storage.
- 5. Location and Design of Facilities.
  - a. Bicycle parking shall be located in well-lit locations within forty feet of the building's entrance and clustered in lots not to exceed sixteen spaces each.
  - b. Bicycle parking facilities shall provide two points of contact to bicycle frames to support bicycles in a stable position without damage to wheels, frame or other components.
  - c. Bicycle parking facilities shall be located in highly visible, well-lit areas to minimize theft and vandalism.

- d. Bicycle parking facilities shall be securely anchored to the lot surface so they cannot be easily removed and shall be of sufficient strength to resist vandalism and theft.
- e. Bicycle parking facilities shall not impede pedestrian or vehicular circulation, and should be harmonious with their environment both in color and design. Parking facilities should be incorporated whenever possible into building design or street furniture.
- f. Racks must not be placed close enough to a wall or other obstruction so as to make use difficult. There must be sufficient space (at least twenty-four inches) beside each parked bike that allows access. This access may be shared by adjacent bicycles. An aisle or other space shall be provided to bicycles to enter and leave the facility. This aisle shall have a width of at least six feet to the front or rear of a bike parked in the facility.
- g. Paving is not required, but the outside ground surface shall be finished or planted in a way that avoids mud and dust.
- h. Bike parking facilities within auto parking areas shall be separated by a physical barrier to protect bicycles from damage by cars, such as curbs, wheel stops, poles or other similar features.
- i. Any bicycle parking provided in double-decker bicycle racks shall have a lift-assist mechanism to aid the user in parking their bicycle on the upper rack.
- j. If vertical wall hanging bicycle racks are used for Class 2 bicycle parking, thirty percent of required Class 2 bicycle parking must be provided in racks that meet Class 2 requirements in subsection (4)(b) at ground level.
- k. If required Class 2 bicycle parking is not clearly visible to bicyclists approaching from adjacent public roadways or paths, signs shall indicate the locations of the facilities on the exterior of the building at each major entrance and in other appropriate locations. Where necessary, additional directional signage to the bicycle parking area shall be provided.
- 6. Variation to Requirements.
  - a. Substitution of Car Parking With Bike Parking. New and preexisting developments may reduce up to ten percent of their parking requirement with the provision of unrequired additional bike parking, as long as the spaces are conveniently located within forty feet of a building entrance. This parking reduction must yield at least six bike parking spaces per converted auto space. These bike parking spaces shall be in addition to the bike parking facilities required by this section, and provided in the same ratio of Class 1 and Class 2. The total available parking reduction granted shall be calculated in conformance with the city parking reduction worksheet in effect at the time a complete planning application is submitted.
  - b. Where the provision of bike parking is not feasible, the requirements may be waived or reduced to a feasible level by the zoning administrator in accordance with city bike parking standards.
  - c. Downtown Parking District All Nonresidential Uses. Businesses and developments within Parking District No. 1 are not required to provide Class 2 bicycle parking on site if adequate on-site space is not available, as determined by the planning director. The city shall permit required bicycle parking within the public right-of-way for the downtown parking district area in locations and amounts determined by the director of public works.

<u>Section 36.</u> The City Council finds and determines that the adoption of this ordinance is considered a "project" under California Code of Regulations, Title 14, section 15378(a)(1) of the

California Environmental Quality Act (CEQA) Guidelines, typically subject to environmental review. The City Council finds that these amendments fall within the analyzed development potential in the City's existing 2030 General Plan EIR using the existing zoning and General Plan and, therefore, pursuant to Section 15183 of the CEQA Guidelines, no further environmental review under CEQA is required.

<u>Section 37</u>. If any section or portion of this ordinance is found to be invalid by a court of competent jurisdiction, such finding shall not affect the validity of the remainder of the ordinance, which shall continue in full force and effect.

Section 38. This ordinance shall take effect and be in full force thirty (30) days after final adoption outside of the Coastal Zone. Within the Coastal Zone, this ordinance shall take effect and be in full force after approval by the California Coastal Commission, but no earlier than thirty (30) days after final adoption.

PASSED FOR PUBLICATION this 8th day of October 2024, by the following vote:
AYES: NOES: ABSENT: DISQUALIFIED:
APPROVED: Fred Keeley, Mayor
ATTEST: City Clerk Administrator
PASSED FOR FINAL ADOPTION this 22 <sup>nd</sup> day of October 2024 by the following vote:
AYES: NOES: ABSENT: DISQUALIFIED:
APPROVED: Fred Keeley, Mayor
ATTEST:Bonnie Bush, City Clerk Administrator
This is to certify that the above

and foregoing document is the original of Ordinance No. 2024-XX and that it has been published or posted in accordance with the Charter of the City of Santa Cruz.

City Clerk Administrator

#### ORDINANCE NO.

AN ORDINANCE OF THE CITY OF SANTA CRUZ AMENDING SANTA CRUZ MUNICIPAL CODE CHAPTERS 21.06 - RESIDENTIAL RENTAL DWELLING UNIT INSPECTION AND MAINTENANCE PROGRAM, 23.04 – SUBDIVISION ORDINANCE – GENERAL PROVISIONS, 23.12 – MAPS REQUIRED, 23.37 – COMMUNITY HOUSING PROJECTS, AND 24.08 - LAND USE PERMITS AND FINDINGS; AMENDING CHAPTER 24.16 PART 1 – INCLUSIONARY HOUSING REQUIREMENTS AND PART 2 – ACCESSORY DWELLING UNITS; AND ADDING NEW SECTION 24.16.165 RELATED TO ACCESSORY DWELLING UNITS TO MAINTAIN CONSISTENCY WITH STATE REGULATIONS, CLARIFY EXISTING STANDARDS, REMOVE OWNER-OCCUPANCY REQUIREMENTS FOR EXISTING ACCESSORY DWELLING UNITS, REQUIRE PROPERTIES WITH ACCESSORY DWELLING UNITS TO ENROLL IN THE RESIDENTIAL RENTAL INSPECTION SERVICE, AND TO ALLOW FOR THE CONDOMINIUM MAPPING AND SEPARATE SALE OF ACCESSORY DWELLING UNITS AND THEIR ASSOCIATED PRIMARY DWELLINGS; AND TO REPEAL ORDINANCE NOS. 2022-22 AND 2023-01. (CEQA: EXEMPT PURSUANT TO CEQA GUIDELINES SECTION 15183 AS A PROJECT CONSISTENT WITH THE GENERAL PLAN FOR WHICH AN EIR WAS CERTIFIED.)

WHEREAS, accessory dwelling units contribute needed housing to the community's housing stock and provide housing for family members, students, the elderly, in-home health care providers, the disabled, and others within existing neighborhoods, and homeowners who create accessory dwelling units may benefit from added income and an increased sense of security; and

WHEREAS, at its December 13, 2022 meeting, the City Council approved Urgency Ordinance 2022-22, amending accessory dwelling unit regulations in the Santa Cruz Municipal Code to comply with implementation deadlines set by state laws AB 2221 and SB 897; and

WHEREAS, at its January 24, 2023 meeting, the City Council extended the urgency ordinance through the end of 2024 with Ordinance 2023-01; and

WHEREAS, amendments made by the urgency ordinance are now codified through a formal ordinance required to be approved prior to the end of 2024, thus rescinding the urgency ordinance; and

WHEREAS, in 2023, AB 976 (Ting) was signed into law, removing owner-occupancy requirements for properties with accessory dwelling units for any accessory dwelling unit created in 2025 and in perpetuity thereafter; and

WHEREAS, in 2023, AB 1033 (Ting) was signed into law, allowing local jurisdictions to create an ordinance to allow for the separate sale of accessory dwelling units and their associated primary dwellings as condominiums; and

WHEREAS, on February 6, 2024, the California Department of Housing and Community Development (HCD) sent a letter to the Department of Planning and Community Development detailing a review of the City's accessory dwelling unit regulations and requiring several corrections to ensure ongoing compliance with state law.

WHEREAS, additional clarifications are needed to the accessory dwelling unit regulations in the Santa Cruz Municipal Code; and

WHEREAS, on August 15, 2024, the Department of Planning and Community Development held a community meeting to present proposed modifications to local accessory dwelling unit regulations and solicited feedback from the public; and

WHEREAS, at its September 5, 2024 meeting, the Santa Cruz Planning Commission reviewed the proposed additions and modifications to the Santa Cruz Municipal Code and found that the public necessity, and the general community welfare, and good zoning practice shall be served and furthered; and that the proposed amendments are in general conformance with the principles, policies and land use designations set forth in the General Plan, Local Coastal Plan and any adopted area or specific plan; and

WHEREAS, at its September 5, 2024 meeting, the Santa Cruz Planning Commission passed a motion that recommended the City Council approve the proposed additions and amendments as well as any additional changes needed to comply with state ADU law; and

WHEREAS, the proposed amendments and additions to the Santa Cruz Municipal Code fall within the analyzed development potential in the City of Santa Cruz's existing 2030 General Plan Environmental Impact Report using the existing zoning and General Plan and, therefore, pursuant to California Code of Regulations, Title 14, section 15183 of the California Environmental Quality Act (CEQA) Guidelines, no further environmental review under the CEQA is required.

BE IT ORDAINED By the City of Santa Cruz as follows:

<u>Section 1.</u> Section 21.06.030 of Chapter 21.06 of the Santa Cruz Municipal Code regarding Scope of Residential Rental Dwelling Unit Inspection and Maintenance Program is hereby amended to read as follows:

## 21.06.030 SCOPE.

- A. The provisions of this chapter shall apply to all owners of one or more residential rental dwelling units located within the city of Santa Cruz.
- B. The provisions of this chapter shall not apply to legal accessory dwelling units, rooms rented to single individuals in an owner-occupied single-family residence, hotel or motel units subject to the transient occupancy tax ordinance codified at Chapter 3.28, units inspected by another governmental authority for housing and safety standards, newly constructed multiple dwelling units (including townhouse dwelling groups and condominium projects that are rented) for a period of five years from the issuance of certificate of occupancy, and mobile home parks.

<u>Section 2.</u> Section 23.04.050.1 of Chapter 23.04 of the Santa Cruz Municipal Code regarding Subdivision Principles – General is hereby amended to read as follows:

#### 23.04.050.1 SUBDIVISION PRINCIPLES – GENERAL.

The necessity for tentative parcel maps and tentative subdivision maps, parcel maps, and final maps shall be governed by the provisions of the Map Act and this title. A tentative and final map shall be required for all subdivisions creating five or more parcels, including community housing projects, except where expressly excluded by the Map Act. The city council shall have final jurisdiction in the approval of tentative and final subdivision maps. A tentative parcel map and a final parcel map shall be required for all subdivisions referred to herein as minor land divisions, including community housing projects creating four or fewer parcels, except for creation of no more than four condominium parcels for accessory dwelling units and their associated primary dwellings pursuant to Section 24.16.165, in which case a tentative parcel map shall not be required, but a parcel map shall be required. The zoning administrator shall have final jurisdiction in the approval of such minor land divisions. A tentative subdivision map and a final map shall be required for all other subdivisions of land or other procedures provided in the Map Act, and the city council shall have final jurisdiction in the approval of such maps. Each subdivision or minor land division shall conform to the standards and principles set forth, or referred to, in this title unless modified for good cause by the city council, the zoning board, or the zoning administrator.

<u>Section 3.</u> Section 23.12.030.1 of Chapter 23.12 of the Santa Cruz Municipal Code regarding Division of Land – Fewer Than Five Parcels – Maps Required is hereby amended to read as follows:

# 23.12.030.1 DIVISION OF LAND – FEWER THAN FIVE PARCELS – MAPS REQUIRED

A tentative parcel map and a parcel map shall be required for all divisions of land which create fewer than five parcels, except for:

- (a) Divisions of land created by short-term leases (terminable by either party on not more than a thirty-day notice in writing) of a portion of an operating right-of-way of a railroad corporation defined as such by Section 230 of the Public Utilities Code; provided, however, that upon a showing made to the city engineer, based upon substantial evidence that public policy necessitates such a map, this exception shall not apply;
- (b) Lot-line adjustments, provided:
  - (1) The parcels resulting from the lot line adjustment will conform to the general plan, any applicable specific plan, any applicable coastal plan, zoning and building ordinances; and

- (2) A greater number of parcels than originally existed are not created by the lot line adjustment; or
- (c) Creation of no more than four condominium parcels for accessory dwelling units and their associated primary dwellings pursuant to Section 24.16.165, in which case a tentative parcel map shall not be required, but a parcel map shall be required.

The zoning administrator shall review the application for a lot line adjustment and shall not impose conditions or exactions on approval except to conform to the general plan, any applicable specific plan or area plan, any applicable coastal plan, zoning or building ordinances, and except to facilitate the relocation of existing utilities, infrastructure, or easements.

No tentative map, parcel map, or final map shall be required as a condition of approval of a lot line adjustment. The lot line adjustment shall be reflected in a deed, which shall be recorded. No record of survey shall be required for a lot line adjustment unless required by Section 8792 of the state Business and Professions Code.

<u>Section 4.</u> Section 23.37.020.1 of Chapter 23.37 of the Santa Cruz Municipal Code regarding Provisions for Conversions of Existing Structures – Vacancy Requirements - Exceptions is hereby amended to read as follows:

# 23.37.020.1 PROVISIONS FOR CONVERSIONS OF EXISTING STRUCTURES – VACANCY REQUIREMENTS – EXCEPTIONS.

- (1) An existing residential structure may be converted to a community housing project and be exempt from Section 23.37.020(a) if the structure is converted and sold to at least sixty-seven percent of the existing tenants. In such cases, proposals containing five or more units shall provide at least twenty percent of the total units for purchase by households of below-average income pursuant to Section 24.16.050 of the Zoning Ordinance.
- (2) An existing residential stock cooperative proposed for conversion to a condominium is exempt from Section 23.37.020.
- (3) A building which is listed on the city historic building survey or which is a contributing building located in a city historic district.
- (4) Creation of no more than four condominium parcels for existing accessory dwelling units and their associated primary dwellings pursuant to Section 24.16.165.

<u>Section 5.</u> Section 23.37.050 of Chapter 23.37 of the Santa Cruz Municipal Code regarding Provision for the Protection of Tenants is hereby amended to read as follows:

## 23.37.050 PROVISION FOR THE PROTECTION OF TENANTS.

Conversion of existing residential structures to community housing projects can be approved in accordance with Section <u>23.37.030</u> only if evidence is provided that the following provisions have been implemented:

- (a) Each of the tenants of the proposed projects has or will have received all applicable notices and rights now or hereafter required by the State Subdivision Map Act, including written notice of intention to convert, at least sixty days prior to the filing of a tentative map, pursuant to Section 66452.9 of the Government Code; ten days' written notification that an application for a public report will be available upon request, pursuant to Section 66427.1(a) of the Government Code; written notice of public hearing and the tenant's right to appear and to be heard on the conversion, pursuant to Section 66451.3 of the Government Code; and copies of the staff report on the tentative map at least three days prior to any hearing or action on such map, pursuant to Section 66452.3 of the Government Code.
- (b) Within ten days after the filing of the tentative subdivision map with the city, the subdivider shall cause the following notice to be delivered or mailed by certified or registered mail with return receipt requested to the occupant of each occupied apartment being converted to a condominium:

#### NOTICE TO PRESENT TENANT

This apartment is sought to be converted to a condominium unit and may be subject to future sale. The City of Santa Cruz will provide information about the City's regulations regarding conversions of apartments to condominiums.

- (c) At the time of the issuance of the written notice of the intention to convert, the applicant has informed the tenants that a tenants' association has the right to negotiate for the purpose of converting the structure as a cooperative.
- (d) Within ten days of approval of a final map for the proposed conversion, each of the tenants of the proposed project will be given written notification of the approval.
- (e) Each of the tenants of the proposed project has been, or will be, given one hundred eighty days' written notice of intention to convert prior to termination of tenancy due to the conversion or proposed conversion. Tenants aged sixty-two or older or handicapped or with minor children have been, or will be given an additional one hundred twenty days in which to find suitable replacement housing. A list of available rental units of similar price shall be provided to each tenant. The provisions hereof shall not alter or abridge the rights or obligations of the parties in performance of their covenants including, but not limited to, the provision of services, payment of rent, or the obligations imposed by Sections 1941, 1941.1 and 1941.2 of the California Civil Code.
- (f) Each of the tenants of the proposed project has, or will be given, the right to cancel any existing lease following receipt of the written notice of public hearing by providing thirty-day written notice to the landlord.

- (g) Each of the tenants of the proposed project has been, or will be given, notice of an exclusive right to contract for the purchase of his or her respective unit or, in the case of a cooperative, the share controlling the dwelling unit then occupied by the tenant upon the same terms and conditions that such unit will be initially offered to the general public on terms more favorable to the tenant. The right shall run for a period of not less than ninety days from the date of issuance of the subdivision public report, pursuant to Section 11018.2 of the Business and Professions Code, or approval of the application by city if a subdivision public report is not required, unless the tenant has given prior written notice of his or her intention not to exercise the right.
- (h) Each of the tenants of the proposed project who resided in the project at the time of the issuance of the notification of intention to convert has been, or will be, offered moving and relocation assistance amounting to one and one-half times the tenant's monthly rent, except when the tenant has given notice of his or her intention to move prior to issuance of intention to convert. However, for the conversion of no more than four units consisting of accessory dwelling units and their associated primary dwellings to condominiums pursuant to Section 24.16.165, relocation assistance shall be defined as four months' rent for a person or family of low or moderate income who currently occupies or had occupied the dwelling unit within two years prior to the date of submission of the application for the conversion of the unit(s).
- (i) Rents will not be increased from the time of filing of the application for conversion until relocation takes place or until the application is denied or withdrawn.
- (j) No apartment in a building to be converted shall be leased to any person after the filing of an application with the city for such conversion unless a written notice shall have been delivered to the prospective lessee or tenant in substantially the following form:

## NOTICE TO PROSPECTIVE TENANT

This apartment unit is sought to be converted to a condominium unit and may be subject to future sale.

A permanent record of such required notices shall be kept for a period of one year thereafter, such record to include:

- (1) A copy of each notice showing the date on which it was delivered or mailed; and
- (2) Proof of the giving of the notice consisting of:
- (A) If delivered, the signature of the person to whom it was delivered acknowledging such delivery; or
- (B) If mailed, proof of mailing and return receipt if the receipt was returned to the recipient of the notice

<u>Section 6.</u> Section 24.08.800 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Purpose for Slope Development Permit (Applies Outside the Coastal Zone) is hereby amended to read as follows:

#### 24.08.800 PURPOSE.

Development on slopes presents opportunities and challenges. Construction on unstable slopes can lead to erosion, steep terrain can present wildfire and evacuation hazards, and buildings constructed on hilltops often have exceptional views while having the potential to adversely impact public views. Such development is therefore regulated by the provisions of Section 24.14.030, Slope regulations (outside the Coastal Zone), to ensure that risks to public and private property and adverse impacts to public views are minimized. "Public views" include scenic views of the ocean, beaches, and the Santa Cruz Mountains from public property, including from parks and public rights-of-way. This section is also part of the local coastal implementation plan.

<u>Section 7.</u> Section 24.08.810 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Procedure for Slope Development Permit (Applies Outside the Coastal Zone) is hereby amended to read as follows:

# **24.08.810 PROCEDURE.**

Projects on or within twenty feet of a slope of thirty percent or greater must apply for a slope development permit unless the project is exempted from the need for such a permit under Section 24.14.030(1)(g) or when approval of a statewide exemption accessory dwelling unit waives of this standard pursuant to Section 24.16.141.11. This permit may be granted by the zoning administrator under Section 24.14.030(1)(c) without a hearing if the project is on or within twenty feet of a slope greater than or equal to thirty percent and less than fifty percent and is consistent with the findings in Section 24.08.820, unless the slope development permit is accompanied by an application that must be heard by a higher body. Projects on or within twenty feet of a slope of fifty percent or greater must be considered at a public hearing by the zoning administrator and must also be consistent with the findings in Section 24.08.820 unless the project is exempted from such a permit per Section 24.14.030(1)(g).

In the case of construction of an accessory dwelling unit pursuant to Section <u>24.16.100</u> et seq., this section shall apply only when alternative site configurations are available to an applicant that would permit the construction of a detached accessory dwelling conforming to the development standards in Section <u>24.16.140</u> without the need for a slope development permit; when no alternative site configuration will allow the construction of a detached accessory dwelling unit in conformance with Section <u>24.16.140</u>, the applicant shall comply with the maximum possible number of findings in Section <u>24.08.820</u>, but shall not be denied a building permit for the accessory dwelling unit based on this section.

<u>Section 8.</u> Section 24.08.820 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Findings Required for Slope Development Permit (Applies Outside the Coastal Zone) is hereby amended to read as follows:

# 24.08.820 FINDINGS REQUIRED.

A slope development permit may be granted when all of the following applicable conditions are found-or when, pursuant to the provisions of Section <u>24.08.810</u>, an application for an accessory dwelling unit meets as many of the following conditions as possible:

- 1. Measures have been included within the design of the project to mitigate impacts on environmental constraint areas identified in the Natural Resources and Conservation Element and the Safety Element of the General Plan and the Local Coastal Program.
- 2. Landscaping of an appropriate type, size, and quality is proposed to mitigate any adverse environmental effect.
- 3. Usable open space is proposed in an amount equal to that normally required.
- 4. A registered civil engineer or other qualified professional will design streets, buildings, and other man-made structures to conform with existing landforms and topography.
- 5. Adequate fire safety measures as required by the city fire department have been incorporated into the design of the proposed development, when located in a designated fire hazard area.
- 6. The proposed project employs architectural and design elements which in total serve to reduce the mass and bulk of structures to protect public views. Such elements may include:
  - a. Multiple floor levels which follow natural slopes;
  - b. Multiple roof lines to provide visual interest and break up the visual impact of the building;
  - c. Decks and balconies to provide building articulation;
  - d. Foundation types such as poles, piles, or stepped levels which minimize cut and fill and need for retaining walls;
  - e. Fence lines, walls, and other features which blend with the terrain rather than strike off at an angle against it.

7. If a project proposed for construction is in a landslide area identified in a site-specific geological report prepared pursuant to Section 24.14.030(1)(d), findings must be made that mitigation measures necessary to fulfill the purpose of this part have been incorporated into project design, based on the project's environmental review and geotechnical reports.

<u>Section 9.</u> Section 21.08.1320 of Chapter 24.08 of the Santa Cruz Municipal Code regarding General Provisions of Residential, Demolition/Conversion Authorization Permits is hereby amended to read as follows:

## 24.08.1320 GENERAL PROVISIONS.

California State law includes strict standards for the demolition of housing in an effort to ensure that existing density is not reduced and that housing that is currently rented to lower income tenants is maintained as affordable housing within new development. Housing demolition and housing development projects must comply with the requirements of this section as well as those contained in California state law governing relocation assistance and replacement housing units, including but not limited to Government Code Sections 65589.5 and 66300, as amended. For each provision of the regulations, when both this code and the California Government Code apply, whichever requires the higher number of replacement units, bedrooms, and/or relocation assistance shall take precedence. A residential demolition/conversion authorization permit shall be required prior to issuance of a demolition permit for No demolition permit shall be issued for any residential dwelling unit, including any accessory dwelling unit or junior accessory dwelling unit, or single-room occupancy living unit. A residential unit that is replaced by a conversion accessory dwelling unit shall not be required to obtain a residential demolition authorization permit. unless a residential demolition/conversion authorization permit has been issued pursuant to this part.

<u>Section 10.</u> Section 21.08.1330 of Chapter 24.08 of the Santa Cruz Municipal Code regarding Demolition of Conversion of Single-Family Residence or Duplex Units is hereby amended to read as follows:

# 24.08.1330 DEMOLITION OR CONVERSION OF SINGLE-FAMILY RESIDENCE OR DUPLEX UNITS.

The zoning administrator may issue a demolition/conversion authorization permit for the demolition or conversion of a single-family residence, accessory dwelling unit, junior accessory dwelling unit, or duplex upon finding that:

- 1. The building is not subject to the provisions of Part 11 (regarding Historic Demolition Permits) of this chapter, or that the demolition or conversion has been approved pursuant to the procedures set forth in Part 11; and
- 2. The project which will replace the demolished or converted unit(s) has been approved by the city, and an appropriate building permit has been issued; unless no building permit is required or some other practical hardship can be documented rendering this finding inappropriate; and

- 3. The building is not in the coastal zone, or, if it is in the coastal zone, is being replaced by a residential use or a nonresidential coastal-dependent use as defined by Section 30101 of the Public Resources Code; and
- 4. Relocation assistance has been provided to eligible tenants consistent with Section 24.08.1350; or
- 5. The building which is in the coastal zone and is being replaced by a nonresidential use which is not coastal-dependent as defined in Section 30101 of the Public Resources Code, is located where residential use is no longer feasible, but will not be issued a demolition permit or building permit in connection with the conversion until the applicant has entered into an agreement to provide relocation assistance and replacement housing or in-lieu fees consistent with Section 24.08.1350 and the applicable portions of Sections 24.08.1360 and 24.08.1370.

<u>Section 11.</u> Section 24.16.020 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Basic On-Site Inclusionary Housing Requirements is hereby amended to read as follows:

# 24.16.020 BASIC ON-SITE INCLUSIONARY HOUSING REQUIREMENTS.

- 1. Applicability.
- a. The inclusionary housing requirements defined in this chapter are applicable to all residential developments that create two or more new and/or additional dwelling units or FDU or SRO units at one location by construction or alteration of structures, or would create two or more lots through approval of a parcel map or tentative map, except for exempt residential developments under subsection (2).
- b. Additional rent above and beyond affordable rent or affordable ownership cost may be permitted for the commercial/work space in a live/work unit at a rent that is determined to be affordable to qualifying households and is proportionate to the amount of commercial space provided. The amount of rent for the commercial portion of the live/work unit shall be agreed upon by the developer, the economic development director, and the planning and community development director. If no agreement can be reached, the city will retain an outside financial consultant to evaluate and determine the allowable affordable rent and establish a methodology for determining future commercial rent levels. The methodology for determining future commercial rent levels shall be defined in every affordable housing development agreement for residential developments that include at least one live/work unit.
- 2. The following residential developments are exempt from the requirements of this chapter:
- a. Residential developments developed pursuant to the terms of a development agreement executed prior to the effective date of the ordinance codified in this chapter; provided, that such residential developments comply with any affordable housing requirements included in the development agreement or any predecessor inclusionary housing requirements in effect on the date the development agreement was executed.
- b. Residential developments for which a complete application was filed with the city prior to the effective date of the ordinance codified in this chapter; provided, that such residential

developments comply with any predecessor inclusionary housing requirements in effect on the date the application for the residential development was deemed complete.

- c. Residential developments if exempted by California Government Code Section <u>66474.2</u> or <u>66498.1</u>; provided, that such residential developments comply with any predecessor inclusionary housing requirements in effect on the date the application for the residential development was deemed complete.
- d. Residential developments replacing dwelling units that have been destroyed by fire, flood, earthquake, or other acts of nature, so long as no additional dwelling units are created by the residential development; and provided, that such residential developments comply with any inclusionary housing requirements previously applied to the dwelling units being replaced.

  e. Accessory dwelling units.
- f. e. Rental residential developments with two to four dwelling units.
- 3. Ownership Residential Developments with Two to Four Dwelling Units. For ownership residential developments that would create at least two but not more than four new or additional dwelling units and/or live/work units at one location, the applicant shall either: (a) make one inclusionary unit available for sale at an affordable ownership cost; (b) make one inclusionary unit available at an affordable rent for low income households; or (c) pay an in-lieu fee calculated pursuant to Section 24.16.030(6).
- 4. Ownership Residential Developments with Five or More Dwelling Units. For ownership residential developments that would create five or more new or additional dwelling units and/or live/work units at one location, the applicant shall provide inclusionary units as follows:
- a. Affordable Housing Requirement for Ownership Residential Developments. In an ownership residential or live/work development, twenty percent of the dwelling units shall be made available for sale to low and moderate income households at an affordable ownership cost.
- b. Fractional Affordable Housing Requirement for Ownership Residential Developments -0.7 Units or Less. If the number of dwelling units required under subsection (4)(a) results in a fractional requirement of 0.7 or less, then the applicant shall either: (i) make one inclusionary unit available for sale at an affordable ownership cost; (ii) make one inclusionary unit available at an affordable rent for low income households; or (iii) pay an in-lieu fee calculated pursuant to Section 24.16.030(6). This subsection (4)(b) applies to the fractional unit only, and whole units shall be provided as required by subsection (4)(a).
- c. Fractional Affordable Housing Requirement for Ownership Residential Developments More Than 0.7 Units. If the number of dwelling units required under subsection (4)(a) results in a fractional requirement of greater than 0.7, then the applicant shall either: (i) make one inclusionary unit available for sale at an affordable ownership cost; or (ii) make one inclusionary unit available at an affordable rent for low income households. This subsection (4)(c) applies to the fractional unit only, and whole units shall be provided as required by subsection (4)(a).
- d. Rental Units in an Ownership Residential Development.
- i. In an ownership residential development where all dwelling units are initially offered for rent, an applicant may satisfy the inclusionary requirements by providing rental units as provided in subsection (5).
- ii. The rent regulatory agreement required by Section 24.16.045 shall include provisions for sale of the inclusionary units at an affordable ownership cost to eligible households within ninety days from the issuance of the public report by the California Department of Real Estate permitting sale of the units or at termination of the tenant's lease whichever is later and otherwise in compliance with state law; provided, however, that the sale of the entire ownership

residential development from one entity to another shall not trigger the obligation to sell individual inclusionary units. To the extent relocation payments are required by law the applicant shall be wholly responsible for the cost of preparing a relocation plan and making required payments. Any tenant of an inclusionary unit at the time units are offered for sale that qualifies to purchase an inclusionary unit at an affordable ownership cost shall be offered a right of first refusal to purchase the inclusionary unit. At sale appropriate documents shall be recorded to ensure the continued affordability of the inclusionary units at an affordable ownership cost as required by Section 24.16.045.

- 5. Rental Residential Developments with Five or More Dwelling Units. For rental residential developments that would create five or more new or additional dwelling units and/or live/work units at one location, the applicant shall provide inclusionary units as follows:
- a. Rental residential developments that would create five or more new or additional dwelling units or live/work units at one location shall provide twenty percent of the dwelling units as inclusionary units, which shall be made available for rent to low income households at an affordable rent.
- b. SRO Developments. In a rental residential development comprised of SRO units, twenty percent of the single-room occupancy units shall be made available for rent to very low income households at an affordable rent.
- c. Fractional Affordable Housing Requirement for Rental Residential Developments with More Than Five Dwelling Units. If the number of dwelling units required results in a fractional requirement of 0.7 or less, then there will be no inclusionary requirement for the fractional unit. If the number of dwelling units required results in a fractional requirement of greater than 0.7, then the applicant shall make one inclusionary unit available at an affordable rent. This subsection (5)(c) applies to the fractional unit only, and whole units shall be provided as required by subsections (5)(a) and (b).
- 6. The requirements of subsections (3) through (5) are minimum requirements and shall not preclude a residential development from providing additional affordable units or affordable units with lower rents or sales prices than required.
- a. By mutual agreement by the developer, the planning and community development director, and the economic development director, the percentage of inclusionary units may be increased in exchange for reduced parking and/or other development requirements.
- b. If the developer agrees to make at least forty percent of the residential project available for rent to low income households at a rental cost affordable to low income households, in addition to reduction of development requirements, by mutual agreement by the developer, the planning and community development director, and the economic development director, the city may also provide financial incentives to increase the number of inclusionary units in a project.
- 7. For purposes of calculating the number of inclusionary units required by this section, an accessory dwelling unit or units, constructed on parcels in the R-1 Districts or otherwise as part of a development of detached, single-family homes, shall not be counted either as part of the residential development or as an affordable unit fulfilling the inclusionary requirements for the residential development.
- <u>87</u>. For the purposes of calculating the number and type of inclusionary units required by this section, <u>rental</u> accessory dwelling units <u>that are not eligible for separate conveyance</u>, constructed <u>on parcels with multifamily structures</u>, either as part of the initial development or anytime thereafter, shall be subject to the requirements of subsection (5), <u>and ownership accessory dwelling units or rental accessory dwelling units that are mapped</u>, <u>created either as part of the</u>

initial development or anytime thereafter shall be subject to the requirements of subsections (3) and (4). The calculation shall be based on the total resulting number of accessory dwelling units on the original lot., commencing with the fifth accessory dwelling unit proposed for the parcel. The first four accessory dwelling units on such a parcel shall not be counted either as part of the residential development or as affordable units fulfilling the inclusionary requirements for the residential development. The inclusionary requirement for accessory dwelling units constitutes a separate inclusionary requirement than that of the primary residential use, such that only accessory dwelling units shall count toward the inclusionary requirement calculation for the accessory dwelling units on the lot, and only the residential units comprising the primary residential use shall count toward the inclusionary requirement calculation for the primary residential use on the lot. The accessory dwelling unit inclusionary requirementand shall be met with accessory dwelling units or as otherwise permitted under Section 24.16.030, including, but not limited to payment of the in-lieu fee.

89. For purposes of calculating the number of inclusionary units required by this section, any dwelling units authorized as a density bonus pursuant to Part 3 of this chapter shall not be counted as part of the residential development. However, if a developer receives a city rental housing bonus as authorized by Section 24.16.035(4), then all of the dwelling units in the project, including the dwelling units authorized as a density bonus, shall be counted as part of the residential development for purposes of calculating the inclusionary units required by this section.

<u>Section 12.</u> Section 24.16.100 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Purpose of Accessory Dwelling Units is hereby amended to read as follows:

## 24.16.100 PURPOSE.

The ordinance codified in this part provides for accessory dwelling units in certain areas and on lots developed or proposed to be developed with single- or multifamily dwellings. Such accessory dwellings are allowed because they can contribute needed housing to the community's housing stock. Accessory dwelling units provide housing for family members, students, the elderly, in-home health care providers, the disabled and others within existing neighborhoods, and homeowners who create accessory dwelling units may benefit from added income and an increased sense of security.

In addition, the ordinance codified in this part provides a mechanism to grant legal status to existing illegally constructed accessory dwelling units in single-family neighborhoods. By encouraging legalization, safe dwellings may be added to the city's existing housing supply. Accessory dwelling units and junior accessory dwelling units are considered dwelling units for the purposes of meeting the City's Regional Housing Needs Assessment allocation and for the purposes of replacement housing and relocation assistance requirements.

Thus, it is found that accessory dwelling units are a residential use whichthat is consistent with the General Plan objectives and zoning regulations and whichthat enhances housing opportunities throughout the city of Santa Cruz. To ensure that accessory dwelling units will conform to General Plan policy, the following regulations are established.

<u>Section 13.</u> Section 24.16.125 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Definitions of Accessory Dwelling Units is hereby amended to read as follows:

# **24.16.125 DEFINITIONS**

The following definitions shall apply to accessory dwelling units throughout the municipal code:

- 1. "Attached accessory dwelling unit" shall mean an accessory dwelling unit that is attached to the primary dwelling, including to an attached garage.
- 1. 2. "Conversion accessory dwelling unit" shall mean any accessory dwelling unit created primarily by the conversion of any one permitted, entitled, or legal nonconforming structurebuilding, or portion of such a structurebuilding. Structures to be converted The conversion accessory dwelling unit may either be converted utilizing the existing structural components of the structurebuilding; or reconstructed within the existing three-dimensional physical space occupied by the structurebuilding. On property developed with multi-unitfamily structures buildings, only areas that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, shall be eligible to become conversion accessory dwelling units. The limitation on converting non-livable space shall not apply to a nonconforming duplex on a single-family zoned lot where one unit is converted to an accessory dwelling unit to result in a single-family home and accessory dwelling unit on the site. Consistent with zoning standards, conversion accessory dwelling units shall be permitted to expand the existing footprint of the structure building by up to one hundred fifty square feet, and the existing height by up to two feet, and must be in conformance with all requirements of Section 24.16.142.
- 2. "Detached accessory dwelling unit" shall mean an accessory dwelling unit that is separated from any single- or multi-unit building.
- 3. "Multi-unit building" shall mean a building with two or more attached dwellings on a single lot, including apartment or condominium buildings that contain at least two units. Accessory dwelling units do not count toward the number of units in this calculation.
- <u>4.</u> <u>2.</u> "New construction accessory dwelling unit" shall mean any accessory dwelling unit that includes new construction and <u>whichthat</u> does not meet the definition and requirements for a conversion accessory dwelling unit.
- 5. "Non-exempt accessory dwelling unit" shall mean an accessory dwelling unit that does not meet the definition of a statewide exemption accessory dwelling unit.
- 6. "Primary dwelling" shall mean the dwelling unit with which the accessory dwelling unit or junior accessory dwelling unit is associated.
- 7. "Single-unit building" shall mean a structurally independent building that contains one dwelling unit. A single-unit building may be the only building on the lot, such as a single-family home or a townhome, or it may be a detached residential condominium or apartment unit on a lot with one or more other dwellings that are not attached to the single-unit building. Accessory dwelling units do not count toward the number of units in this calculation.
- 8. "Statewide exemption accessory dwelling unit" shall mean any of the following:
  - a. One accessory dwelling unit and one junior accessory dwelling unit per lot with a proposed or existing single-unit building, including a single-family dwelling, townhome, or a detached residential condominium or apartment unit on a lot with multiple dwellings, if all of the following apply:

- i. The accessory dwelling unit or junior accessory dwelling unit is within the proposed space of a single-unit building or it is within the existing space of a single-unit building or detached accessory building. This type of statewide exemption accessory dwelling unit does not include a building reconstructed within the three-dimensional space of an existing building to be demolished.
- ii. If the accessory dwelling unit is within the space of an existing detached accessory building, the accessory dwelling unit may include an expansion of not more than 150 square feet beyond the same physical dimensions as the existing accessory building. An expansion beyond the physical dimensions of the existing building shall be limited to accommodating ingress and egress.
- iii. The accessory dwelling unit has an exterior entrance separate from that of the primary dwelling unit.
- iv. The side and rear setbacks are sufficient for fire and safety.
- v. The junior accessory dwelling unit complies with the requirements of Section 24.16.170 below.
- b. One detached, new construction accessory dwelling unit that meets the following standards:
  - i. The accessory dwelling unit shall be located on a lot with a proposed or existing single-unit building, including a single-family dwelling, townhome, or a detached residential condominium or apartment unit on a site with multiple dwellings.
  - ii. The accessory dwelling unit size shall not exceed 800 square feet in floor area.
  - iii. Interior side yard and rear yard setbacks shall be at least four feet.
  - iv. The accessory dwelling unit shall meet one of the following height limitations as measured to the roof peak:
    - 1. A height of 16 feet; or
    - 2. A height of 18 feet if the accessory dwelling unit is on a lot within one-half of one mile walking distance of a major transit stop or a high-quality transit corridor, as those terms are defined in Section 21155 of the Public Resources Code. This height can be increased an additional two feet to twenty feet to accommodate a roof pitch on the accessory dwelling unit that is aligned with the roof pitch of the primary dwelling unit.
  - v. The accessory dwelling unit may be combined with a junior accessory dwelling unit that meets the standards as described in Section 24.16.170.
- c. Multiple accessory dwelling units within the portions of existing multi-unit buildings, including a residential condominium or apartment building with two or more attached units, that are not used as livable space, including but not limited to storage rooms, boiler rooms, passageways, attics, basements, or garages, if each unit complies with state building standards for dwellings. The number of accessory dwelling units permitted is equivalent to up to twenty-five percent of the number of existing, legally permitted units in the multi-unit building, or one, whichever is greater. When the twenty-five percent limit results in a fraction of a

- unit, the total number of accessory dwelling units that may be added shall be determined by rounding the fraction up to the next whole number.
- d. Not more than two detached accessory dwelling units that are located on a lot that has an existing or proposed multi-unit building, including a residential condominium or apartment building with two or more attached units. Each accessory dwelling unit shall meet the following standards:
  - i. Rear and interior side yard setbacks shall be at least four feet. If the existing multi-unit building has a rear or interior side yard setback of less than four feet, the existing multi-unit building will not be required to be modified to meet this setback.
  - ii. The accessory dwelling units shall meet one of the following height limitations as measured to the roof peak:
    - 1. A height of 16 feet; or
    - 2. A height of 18 feet if the accessory dwelling unit is on a lot within one-half of one mile walking distance of a major transit stop or a high-quality transit corridor, as those terms are defined in Section 21155 of the Public Resources Code. This height can be increased an additional two feet to 20 feet to accommodate a roof pitch on the accessory dwelling unit that is aligned with the roof pitch of the primary dwelling unit; or
    - 3. A height of 18 feet for a detached accessory dwelling unit on a lot with an existing or proposed multi-unit, multistory building.

<u>Section 14.</u> Section 21.16.130 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Permit Procedures is hereby amended to read as follows:

### 24.16.130 PERMIT PROCEDURES.

- 1. Accessory dwelling units shall be principally permitted uses within the zoning districts specified in Section 24.16.120 and subject to the development standards in Section 24.16.140 et seq.
- 2. Accessory dwelling units on substandard lots shall not be required to obtain a design permit unless they are associated with the construction of a new single-family dwelling per Section 24.08.400 et seq.
- 3. An accessory dwelling unit replacing a detached garage shall receive review and issuance of a demolition permit concurrently with the review and issuance of the permit for the accessory dwelling unit.
- 4. 2. City shall issue a ministerial building permit for an accessory dwelling unit or junior accessory dwelling unit without discretionary review or a hearing, consistent with the provisions

of this chapter and state law, within sixty days of submittal of a complete building permit application, unless provided otherwise. The sixty-day review period shall not apply when:

- a. Additional administrative or discretionary review is required under applicable provisions of the Santa Cruz Municipal Code or otherwise allowed by state law.
  - i. Applications to construct accessory dwelling units shall be subject only to ministerial permitting processes to the extent necessary to allow construction of an accessory dwelling unit conforming to the size limits stated in Section 24.16.140(3). Applications that propose to locate an accessory dwelling unit on a parcel or portion of a parcel triggering additional administrative or discretionary review shall only be relieved of the requirement for those reviews when no alternative site plan or project proposal can be created which would allow the creation of an up to eight-hundred-square-foot accessory dwelling unit that would not trigger additional reviews;
- b. a. If tThe permit application to create an accessory dwelling unit or junior accessory dwelling unit is submitted requires simultaneous approval of with a discretionary or building permit application associated with creating to create a new single-familyunit or multi-familyunit dwelling building on the same lot or parcel. The City may delay approving or denying the building permit application for the accessory dwelling unit or the junior accessory dwelling unit until the City approves or denies the permit application to create the new single-unit or multi-unit building; or
- e.b. When the applicant seeks a delay, for any reason, including but not limited to pursuit of a discretionary permit pursuant to Section 24.16.130.8. in which case The period of the delay shall not count toward the sixty-day time period-shall be tolled for the period of the delay.
- <u>103</u>. If the City denies an application to create an ADU or JADU, the City must provide the applicant with comments that include, among other things, a list of all defective or deficient items and a description of how the application may be remedied by the applicant. Notice of the denial and corresponding comments must be provided to the applicant in accordance with the 60-day time period set forth in Section 24.16.130 (4) above.
- 5.4. Construction of an accessory dwelling unit shall not constitute a Group R occupancy change under the local building code, except as specified under state law. Construction of an accessory dwelling unit shall not trigger a requirement for fire sprinklers to be installed in the existing single-familyunit or multifamily-unit dwellingbuilding.
- 6.5. The City shall not require, as a condition for ministerial approval of a permit application for the creation of an accessory dwelling unit or a junior accessory dwelling unit, the correction of nonconforming zoning conditions, building code violations, or unpermitted structures unless they

present a threat to public health and safety and are affected by the construction of the accessory dwelling unit.

- 7.6. The City shall not require, and the applicant shall not be otherwise required, to provide written notice or post a placard for the demolition of a detached garage that is to be replaced with an accessory dwelling unit, unless the property is located within an architecturally and historically significant historic district.
- 3.7. An accessory dwelling unit replacing a detached garage shall receive review and issuance of a demolition permit concurrently with the review and issuance of the permit for the accessory dwelling unit.
- 8. Applications to construct accessory dwelling units on properties that are designated as historic resources by the city, the state of California, or by the National Register of Historic Places shall show substantial compliance with the guidelines of the Secretary of the Interior for development on such properties.
- 9. Applications to construct accessory dwelling units on properties that are subject to the Citywide Creeks and Wetlands Plan shall demonstrate compliance with the requirements established in that plan for such properties, as implemented by Section 24.08.2100 et seq.
- 10. If the City denies an application to create an ADU or JADU, the City must provide the applicant with comments that include, among other things, a list of all defective or deficient items and a description of how the application may be remedied by the applicant. Notice of the denial and corresponding comments must be provided to the applicant in accordance with the 60-day time period set forth in Section 24.16.130 (4) above.
- 8. To promote flexibility in siting of accessory dwelling units, nothing in this Part shall prohibit an applicant from pursuing a discretionary permit to construct an accessory dwelling unit on a lot that has a buildable area of at least eight hundred square feet with at least four foot side and rear yard setbacks for an attached or detached accessory dwelling unit with application of all site development standards or waivers as provided in Section 24.16.141 but where the applicant chooses to place the accessory dwelling unit in a location that does not meet such standards or waivers.

<u>Section 15.</u> Section 21.16.140 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Development Standards is hereby renamed General Development Standards and amended to read as follows:

## 24.16.140 GENERAL DEVELOPMENT STANDARDS.

All accessory dwelling units, both new construction and conversion, <u>mustshall</u> conform to the following requirements:

- 1. Number of Accessory Dwelling Units per Parcel.
  - a. For parcels zoned for and including a proposed or existing single-unit building, including a single-family home, townhome, or multiple detached dwellings, but not including any multifamily structures: One non-exempt accessory dwelling unit shall be allowed for each parcelon each lot in addition to any statewide exemption accessory dwelling units. Each parcellot may also include a junior accessory dwelling unit conforming to the standards set forth in Section 24.16.170.
  - b. For parcelslots developed with an existing or proposed multi-unit building, including an apartment or condominium building with two or more dwelling units: multifamily structure(s): no non-exempt accessory dwelling units shall be allowed in addition to any statewide exemption dwelling units. The number of statewide exemption dwelling units allowed on each lot equals two new construction and at least one conversion accessory dwelling unit shall be allowed on each parcel. Up to twenty-five percent of the number of existing dwellings in the structuremulti-unit building may be added as conversion accessory dwelling units. When the twenty-five percent limit results in a fraction of a unit, the total number of accessory dwelling units that may be added shall be determined by rounding the fraction up to the next whole number.
    - i. For the purposes of this section, multifamily structures are those that contain more than one dwelling unit, including but not limited to duplexes, triplexes, apartment buildings, and condominium buildings.
- 2. Parking. No off-street parking shall be required for any accessory dwelling unit outside of the Coastal Zone. Any parking spaces, covered or uncovered, removed in order to create an accessory dwelling unit shall not be required to be replaced outside the Coastal Zone. For properties within the Coastal Zone, parking requirements are contained in Section 24.12.240(1)(w).

### 3. Unit Size.

- a. The floor area for new construction detached accessory dwelling units shall not exceed ten percent of the net lot area or eight hundred fifty square feet for a studio or one-bedroom ADU, or one thousand square feet for an ADU with more than one bedroom, whichever is greater, and no detached new construction ADU shall exceed a maximum of one thousand two hundred square feet of habitable area.
- b. The floor area for new construction accessory dwelling units attached to the principal residential use on the property shall not exceed fifty percent of the existing habitable floor area of the principal residential use on the property, or eight hundred fifty square feet for a

- studio or one-bedroom ADU, or one thousand square feet for an ADU with more than one bedroom, whichever is greater.
- c. The floor area for conversion accessory dwelling units shall not be limited, subject to compliance with Section 24.16.142.
- d. Accessory units that utilize alternative green construction methods that cause the exterior wall thickness to be greater than normal shall be accommodated by calculating the unit square footage size in a manner that accounts for the difference between the square footage of the proposed structure and the square footage of a traditional frame house.
- e. Stairways which provide access to accessory dwelling units do not count toward the floor area of an accessory dwelling unit when the stairs are not part of the conditioned space, the stairs do not include any other rooms or room-like areas that would function as habitable floor area for the ADU, and there is a fire-rated entry door at the top of the stairs at the entrance to the accessory dwelling unit.
- 4.2. Existing Development on Lot. One of the following conditions must be present in order to approve an application to create an accessory dwelling unit:
  - a. One or more single-family dwellingsunit buildings, as defined in Section 24.16.125.8, exists on the lot or will be constructed concurrently and in conjunction with the accessory dwelling unit;
  - b. The lot contains an existing multifamily-unit structure building, as defined in subsection (1)(b)(i)Section 24.16.125.4, or a multifamily-unit structure building that will be constructed concurrently and in conjunction with the accessory dwelling unit.
- 5. Rear Yard Lot Coverage. In no case shall any accessory dwelling unit be limited in size based on rear yard lot coverage requirements contained in Section 24.12.140(5). In the application of Section 24.12.140(5), accessory dwelling units shall count toward the limit on allowable coverage by other accessory structures.
- 6. Nonconforming Setbacks. The following standards apply to accessory dwelling units located outside the standard side and rear yard setbacks for the zone district in which they are proposed:
  - a. The entrance to the accessory dwelling unit shall face the interior of the lot unless the accessory dwelling unit is directly accessible from an alley, a public street, or the Monterey Bay Sanctuary Scenic Trail.
  - b. Windows which face an adjoining residential property shall be designed to obscure views of neighboring yards by ADU occupants, including transom windows, translucent

glass, or other methods; alternatively, fencing or landscaping shall be required to provide screening.

7. Alley or Rail Trail Orientation. When an accessory dwelling unit is adjacent to an alley or the Monterey Bay Sanctuary Scenic Trail, the accessory dwelling unit is encouraged to be oriented toward the alley or trail with the front access door and windows facing the alley. Parking provided off the alley shall maintain a twenty-four-foot back-out which includes the alley. Fences shall be three feet, six inches tall along the alley. However, higher fencing up to eight feet can be considered in unusual design circumstances, subject to review and approval of the zoning administrator.

## 8. Occupancy.

a. For accessory dwelling units permitted between January 1, 2020, and January 1, 2025, owner occupancy shall not be required and no land use agreement requiring owner occupancy shall be recorded or enforced on properties containing these units.

b. For accessory dwelling units permitted on or before December 31, 2019, or on or after January 1, 2025, the property owner or an adult member of the property owner's immediate family, limited to the property owner's spouse, adult children, parents, or siblings, and subject to verification by the city, must occupy either the primary or accessory dwelling as his or her principal place of residence except under circumstances as established by resolution by the city council that may allow the property owner or the executor or trustee of the property owner's estate to apply to the city council for approval of a temporary change in use allowing both units to be rented for a period of no more than two years with a possible extension of one year by the planning director if circumstances warrant. Upon the expiration of the rental period, the property owner and/or the property owner's immediate family member, as specified above, shall reoccupy the property, or the property owner shall cease renting one of the units, or shall demolish the accessory dwelling unit, or shall sell the property to a buyer who will reside on the property. A fee to cover the costs of processing such a request shall be in an amount established by resolution by the city council.

c. For purposes of this chapter, the property owner is the majority owner of the property as shown in the most recent Santa Cruz County assessor's roll.

d. If there is more than one property owner of record, the owner with the majority interest in the property shall be deemed the property owner for purposes of this chapter. Any property owner of record holding an equal share interest in the property may be deemed the majority property owner if no other property owner owns a greater interest. (For example, if the property is owned by two people, each with a fifty percent interest, either of the two owners may be deemed the property owner for purposes of the owner occupancy requirement. If three people own the property, each with a thirty-three and one-third percent interest, any one of the three may be deemed the property owner for purposes of the owner occupancy requirement.)

- e. Notwithstanding subsection (8)(a), the community development director, in consultation with the city manager and city attorney, shall be authorized to promulgate regulations intended to legalize accessory dwelling units which are nonconforming solely by virtue of the fact that the property owner has failed to comply with subsection (8)(b)'s owner occupancy requirement, including but not limited to regulations providing for the amortization of the nonconformity by specifying a period of time within which the absentee owner must either establish occupancy or discontinue the accessory dwelling unit use of the property, or alternatively sell the property, and regulations providing for the recordation of land use agreements specifying the terms of amortization.
- f. Accessory dwelling unit properties shall be used for long-term residential purposes, for rentals of terms longer than 30 days. Accessory dwelling unit properties may neither be used on a transient occupancy basis nor for short-term/vacation rental purposes. Within condominium or townhouse properties that contain an accessory dwelling unit associated with a specific individual unit and not the larger common condominium or townhouse complex, neither the accessory dwelling unit nor the associated condominium or townhouse unit shall be used as a short-term rental.
  - i. Exception. A legal accessory dwelling unit property that had legal status prior to November 10, 2015, and was in use as a short-term/vacation rental prior to that date, and for which the owner remits transient occupancy tax in compliance with Chapter 3.28 in full in a timely manner for the use of the property as short-term/vacation rental purposes, may continue the use. The owner must meet the owner occupancy requirement of this code.
- 9. Connections Between Units. At the discretion of the planning director, accessory dwelling units may be permitted to create direct access between units, or common access to a shared garage, laundry room, or storage area; provided, that each unit meets the definition of dwelling unit found in Section 24.22.320.
- 103. Building Code Requirements. The accessory dwelling unit shall meet the requirements of the California Building Standards Code, including the alternative means and methods section as prescribed therein.
- 11. Municipal Code Requirements. All accessory dwelling units shall meet the objective design standards set forth in this Code, including landscape and tree removal and/or replacement requirements, which may require discretionary review.
- 124. Large Home Design Permit. The square footage of an accessory dwelling unit shall not be counted with the square footage of the single-family home in determining whether a large home design permit is required. The square footage of a junior accessory dwelling unit shall be counted

with the square footage of the single-family home in determining whether a large home design permit is required.

- 5. Accessory dwelling units that require approval of a coastal permit shall conform to the standards in Section 24.12.140.2.
- 6. Accessory dwelling units shall meet the inclusionary requirements described under Section 24.16.020.8.

<u>Section 16.</u> Section 21.16.141 of Chapter 24.16 of the Santa Cruz Municipal Code regarding New Construction Accessory Dwelling Unit Development Standards is hereby renamed Site Development Standards and amended to read as follows:

## 24.16.141 SITE DEVELOPMENT STANDARDS.

Despite any directly conflicting zone district site development standards, all accessory dwelling units shall comply with the following site development standards. All other zone district site development standards not listed here shall apply to accessory dwelling units.

## 1. General.

Development Standard	<u>Attached</u>	Conversion <sup>1,2</sup>	<b>Detached</b>
Maximum Floor Area (square feet) 3,4	Greatest of:  • 850 for a studio or one bedroom  • 1,000 for a unit with two or more bedrooms.  • 50% of the habitable area of the primary dwelling to which the unit is attached	Footprint of existing building. Can expand footprint by 150.5,6	Greatest of:  • 850 for a studio or one bedroom  • 1,000 for a unit with two or more bedrooms  • 10% net lot area and no more than 1,200 habitable square feet.
Maximum Height (feet) <sup>7</sup>	Zone district standard that applies to primary dwelling.	Maintain existing, or expand up to lesser of 2' or standard for new construction ADU.8	<ul> <li>16' to roof peak if less than 4' from side/rear property line</li> <li>22' to roof peak if 4' or more from side/rear property line</li> </ul>

Highlight = changes made after 9/5 Planning Commission meeting

<u>Minimum</u>	Zone district standard	Maintain existing.	Lesser of:
Front Setback	that applies to	Any expansion shall	• Front wall line of
(feet)	primary dwelling.	meet new construction	primary building,
		standard.	excluding any
			projections from
			that line.
			• Zone district
			standard.
<u>Minimum</u>	4'	Maintain existing.	3' for up to 16'
Rear Setback		Any expansion shall	<u>height.</u>
(feet)		meet new construction	4' above 16' height.
		standard.	
<u>Minimum</u>	Zone district standard	Maintain existing.	Zone district
Exterior Side	that applies to	Any expansion shall	standard.
Yard Setback	primary dwelling.	meet new construction	
		standard.	
<u>Minimum</u>	4'9	Maintain existing.	3' for up to 16'
Interior Side		Any expansion shall	<u>height</u>
Yard Setback		meet new	4' above 16' height
		construction	
		standard.	
<u>Minimum</u>	<u>6'</u>	Maintain existing. 6'	<u>6'</u>
<u>Distance</u>		for any expansion	
<u>Between</u>			
<u>Buildings</u>			

- Conversion accessory dwelling units may occupy the three-dimensional space, including setbacks, lot coverage, and height, of the building to be converted or reconstructed, regardless of conformance to current zoning standards.
- 2. A conversion accessory dwelling unit with any expansion in excess of the above thresholds shall be reviewed as a new construction accessory dwelling unit, including assessment of any required fees.
- 3. Accessory dwelling units that utilize alternative green construction methods that cause the exterior wall thickness to be greater than normal shall be accommodated by calculating the unit square footage size in a manner that accounts for the difference between the square footage of the proposed building and the square footage of a traditional frame house.
- 4. Stairways that provide access to accessory dwelling units do not count toward the floor area of an accessory dwelling unit when the stairs are not part of the conditioned space, the stairs do not include any other rooms or room-like areas that would function as habitable floor area for the ADU, and there is a fire-rated entry door at the top of the stairs at the entrance to the accessory dwelling unit.
- An expansion of up to 150 square feet shall not enlarge the accessory dwelling unit beyond one thousand two hundred square feet unless necessary to accommodate ingress and egress to the accessory dwelling unit.
- 6. Expansions detached from the primary dwelling shall meet height and setback requirements for a new construction detached accessory dwelling unit. Expansions attached to the primary dwelling shall meet height and setback requirements for new construction attached dwelling units. Expansions of either type on a substandard lot shall be consistent with substandard lot development standards described in Section 24.16.161.7.
- 7. If the design of the building in which the primary dwelling is located has special roof features that should be matched on the detached accessory dwelling unit to enhance design compatibility, the maximum allowed building height of the accessory dwelling unit may be exceeded in order to include such similar special roof features, subject to review and approval of the zoning administrator as part of the review of the building permit application.

- 8. Existing and resulting roof height are measured to the roof peak. Other portions of the roof may expand more than two feet if their resulting height is the same or lower than the resulting roof peak.
- 9. Any zone development standard for an additional setback based on building height or stories shall not apply to the portion of the building that contains the accessory dwelling unit.
- 2. Parking. No off-street parking shall be required for any accessory dwelling unit outside of the Coastal Zone. Any parking spaces, covered or uncovered, removed in order to create an accessory dwelling unit shall not be required to be replaced outside the Coastal Zone. For properties within the Coastal Zone, parking requirements are contained in Section 24.12.240.1.
- 3. Rear Yard Lot Coverage. In no case shall any accessory dwelling unit be limited in size based on rear yard lot coverage requirements contained in Section 24.12.140.1.f. In the application of Section 24.12.140.1.f., the footprint of accessory dwelling units shall not count toward the maximum allowable lot coverage by accessory buildings in yard setback areas.
- 4. Projections. An accessory dwelling unit that meets the standard zone district setbacks shall be permitted to include projections as described in Section 24.12.120.1. An accessory dwelling unit, or portion thereof, that does not meet standard zone district setbacks but meets standard setbacks for new construction accessory dwelling units shall be permitted to include architectural features such as cornices, canopies, eaves, and sills that project into the setback two and one-half feet. A conversion accessory dwelling unit, or portion thereof, that does not meet standard setbacks for new construction accessory dwelling units shall not contain any new projections beyond any already present on the existing wall.
- 5. If a new construction detached accessory dwelling unit is attached to a non-habitable accessory use within the same building, then the portion of the building containing the non-habitable use shall meet the site development standards for non-habitable accessory buildings as described in Section 24.12.140. A garage may have interior access to an accessory dwelling unit, but no other non-habitable accessory use within the same building shall have interior access to the accessory dwelling unit.
- 6. Clear corner triangle and clear vision area. Any new construction accessory dwelling unit or expansion of a conversion accessory dwelling unit shall be located outside of the clear corner triangle, as defined in Section 24.22.202, and the clear vision area, as defined in Section 24.22.206.
- 7. Substandard Lots. When a new construction accessory dwelling unit is proposed on a substandard residential lot, as defined in Section 24.22.520, that contains a single-family residential use, the following design standards shall apply:
  - a. The maximum allowable lot coverage for all structures shall be forty-five percent, except that lot coverage shall be waived to the extent that it physically precludes the construction of the accessory dwelling unit up to eight hundred square feet in floor area. The lot coverage of the accessory dwelling unit shall not be included in the calculation of all other structures' maximum allowable lot coverage. Lot coverage shall include the footprints of the first floor, garage and other accessory buildings (attached and detached), decks and porches (greater than thirty inches in height and not cantilevered), and any second-story cantilevered projection (enclosed or open) beyond two and one-half feet.

    Decks under thirty inches in height or fully cantilevered with no vertical support posts do not count toward lot coverage for this purpose. Second-story enclosed cantilevered areas that project less than thirty inches from the building wall do not count toward lot

- coverage. For such areas that project more than thirty inches from the building wall, only the floor area that projects more than thirty inches shall be counted toward lot coverage.
- b. The floor area of a building's second story shall be limited to one hundred percent of the floor area of the building's first floor if the floor area of the building's first story constitutes thirty percent or less of the net lot area.
- c. The floor area of a building's second story shall not exceed fifty percent of the floor area of the building's first story if the building's first story has greater than thirty percent lot coverage up to a maximum of forty-five percent lot coverage.
- d. The floor area of a building's second story shall be limited to fifty percent of forty-five percent lot coverage if the building's first story has greater than forty-five percent lot coverage.
- 8. Archaeological Resources. The application shall be consistent with all objective standards relating to the preservation of archaeological resources pursuant to Section 24.12.430.
- 9. Distance from Natural Features. Any new construction accessory dwelling unit or expansion of a conversion accessory dwelling unit shall be consistent with the following standards for distance from natural features.
  - a. The accessory dwelling unit shall not be constructed within any watercourse setback designated within the City-Wide Creeks and Wetlands Management Plan that does not allow for construction of an accessory dwelling unit by right, as implemented by Section 24.08.2100 et seq.
  - b. If the site or an adjacent lot contains a wetland or potential wetland as shown in the Citywide Creeks and Wetlands Management Plan, the accessory dwelling unit shall be located at a distance from the wetland as recommend in a report prepared by a professional biologist with a background in wetland biology.
  - c. The accessory dwelling unit shall not be constructed within 20 feet of a 30 percent or greater slope.
  - d. The accessory dwelling unit and any related construction and site work shall be located away from a heritage tree, or any street tree growing in the public right of way protected under municipal code chapter 13.30, the greatest distance of: 10 feet, or three times the diameter of the tree's largest trunk at 54 inches above grade, or the dripline of the tree.
  - e. When the project site includes an area mapped for sensitive habitat or vegetation under the general plan, the accessory dwelling unit and related site work shall be located at a distance from such habitat or vegetation area as determined in a report prepared pursuant to Section 24.14.080 by a professional biologist with a background in sensitive habitat biology.
- 10. If the application of all site development standards results in a buildable area that physically precludes the creation of any attached or detached accessory dwelling unit of up to 800 square feet with at least four foot interior side and rear yard setbacks, including both statewide exemption accessory dwelling units and non-exempt accessory dwelling units, then the applicant only may waive any one or more of the following site development standards to the extent that it increases the buildable area to allow such an accessory dwelling unit:
  - a. Percentage of primary dwelling, and/or
  - b. Lot coverage, and/or
  - c. Floor area ratio, and/or
  - d. Open space, and/or
  - e. Front setbacks.

- 11. If waiver of all the standards listed in Section 24.16.141.10 results in a buildable area that physically precludes the creation of a statewide exemption accessory dwelling unit, then the following site development standards shall be waived only to the extent that the waiver increases the buildable area to allow construction of a statewide exemption accessory dwelling unit. Such waivers are limited to the following:
  - <u>a.</u> First, the applicant may waive any one or more of the following standards:
    - i. Exterior side yard setback, and/or
    - ii. Distance between buildings, and/or
    - iii. Second floor area of a structure on a substandard lot, and/or
    - iv. Distance from 30 percent or greater slopes.
  - b. If waiver of all standards in Section 24.16.141.11.a. results in a buildable area that physically precludes the creation of a statewide exemption accessory dwelling unit, then the applicant may waive any one or more of the following standards:
    - i. The management and development setbacks of a watercourse, but not the riparian setback, when recommendations in a report prepared by a professional biologist with a background in riparian biology are followed and included on the building permit plans. The report recommendations shall not include a requirement to move the building; and/or
    - ii. The required distance from a heritage tree, or any street tree growing in the public right of way protected under Municipal Code Chapter 13.30, if a report prepared by a professional consulting arborist determines that the reduced distance does not require removal of the tree or any other action that would require approval of a heritage tree permit pursuant to Municipal Code Chapter 9.56 or street tree permit pursuant to Municipal Code Chapter 13.30 and when the building permit plans incorporate all recommendations from the report.
  - c. If waiver of all the standards in Section 24.16.141.11.b. results in a buildable area that physically precludes the creation of a statewide exemption accessory dwelling unit, then the applicant may waive any one or more of the following standards:
    - i. The required distance from a heritage tree or any street tree growing in the public right of way protected under Municipal Code Chapter 13.30, if a report prepared by a professional consulting arborist determines that the tree must be removed or that any other action must be taken that would otherwise require a heritage tree permit pursuant to Municipal Code Chapter 9.56 or street tree permit pursuant to Municipal Code Chapter 13.30. In this case, the statewide exemption dwelling unit is exempt from heritage tree permit and street tree permit requirements. Instead, the building permit plans shall include replacement tree(s) with a location and species specified in the arborist report, or the applicant shall pay an in-lieu fee, as described in the City's heritage tree regulations of Municipal Code Chapter 9.56, street tree regulations of Municipal Code Chapter 13.30, associated City Council resolutions, and associated implementing standards.
    - ii. The riparian setback of a watercourse, when recommendations in a report prepared by a professional biologist with a background in riparian biology are followed and included on the building permit plans. The report recommendations shall not include a requirement to move the building; and/or
    - iii. <u>Distance from a wetland as determined pursuant to Section 24.16.141.9.b, when</u> recommendations in a report prepared by a professional biologist with a background

- in wetland biology are followed and included on the building permit plans. The report recommendations shall not include a requirement to move the building; and/or
- iv. Distance from a sensitive habitat or vegetation area as determined pursuant to Section 24.16.141.9.e, when recommendations in a report prepared by a professional biologist with a background in sensitive habitat biology are followed and included on the building permit plans. The report shall not include a requirement to move the building; and/or
- v. Distance from an archaeological resource recommended in a report prepared by a professional archaeologist. The applicant shall submit an additional review by the archaeologist with recommendations for archaeological resource protection based on the proposed location of the accessory dwelling unit. The additional review shall not include a requirement to move the building. The recommendations from the additional review shall be followed and included on the building permit plans.
- d. If waiver of all the standards in Section 24.16.141.11.c results in a buildable area that precludes creation of a statewide exemption accessory dwelling unit, then the applicant may waive the following standards in the following order:
  - i. Clear vision area
  - ii. Clear corner triangle

## 24.16.141 NEW CONSTRUCTION ACCESSORY DWELLING UNIT DEVELOPMENT STANDARDS.

- 1. Setbacks for New Construction Detached Accessory Dwelling Units.
  - a. The side yard and rear yard setbacks for a new construction detached single-story accessory dwelling unit shall not be less than three feet and the distance between buildings on the same lot must be a minimum of six feet.
  - b. Any portion of a new construction accessory dwelling unit that is over sixteen feet in height shall provide side setbacks of at least four feet and rear setbacks of at least four feet.
  - e. If any portion of a new construction accessory dwelling unit is located in front of the principal structure, then the front yard setbacks shall be the same as those required for single-family homes in the zoning district. A smaller front setback shall be granted only if needed to accommodate an accessory dwelling unit of up to 800 square feet. In this case, the front setback and the clear corner triangle area (as defined in Section 24.22.202) shall be maximized while maintaining required separation between structures.
- 2. Setbacks for New Construction Attached Accessory Dwelling Units. New construction attached accessory dwelling units shall provide a side setback of at least four feet and meet the same front setback required for the principal structure, either the single-family dwelling or the multi-family structure, by the zoning district, except that any requirement for an additional setback based on height over fifteen feet shall not apply to the portion of the structure that contains the accessory dwelling unit. A smaller front setback shall be granted only if needed to accommodate an accessory dwelling unit of up to 800 square feet, and the front setback and the

clear corner triangle area (as defined in Section 24.22.202) shall be maximized while still accommodating an accessory dwelling unit of up to 800 square feet.

## 3. Building Height and Stories.

- a. A detached new construction accessory dwelling unit shall meet one of the following standards, with height measured to the roof peak:
  - i. Any accessory dwelling unit that is built within four feet of a side and rear property line shall be subject to a height limit of sixteen feet.
  - iii. Any other accessory dwelling unit shall be subject to a height limit of twenty-two feet.
- b. Any two-story detached new construction accessory dwelling unit shall place access stairs, decks, entry doors, and windows toward the interior of the lot, an alley, road, or the Monterey Bay Sanctuary Scenic Trail, if applicable. Second-story windows shall be oriented to obscure views of neighboring yards by accessory dwelling unit occupants by using transom windows, translucent glass, or other methods. These requirements do not apply to accessory dwelling units that conform to the setbacks required for the primary structure on the parcel.
- c. An attached new construction accessory dwelling unit may occupy any level of the principal single-family dwelling and must comply with the height standard established for single-family homes in the zone district except as noted in subsection (3).
- d. If the design of the principal structure has special roof features that should be matched on the detached accessory dwelling unit to enhance design compatibility, the maximum allowed building height of the accessory dwelling unit may be exceeded in order to include such similar special roof features, subject to review and approval of the zoning administrator as part of the review of the building permit application.
- 4. Substandard Lots. When a new construction accessory dwelling unit is proposed on a substandard residential lot, as defined in Section 24.22.520, the following design standards shall apply, but shall not serve to limit the accessory dwelling unit to a size of less than eight hundred square feet:
  - a. The maximum allowable lot coverage for all structures shall be forty-five percent. Lot coverage shall include the footprints of the first floor, garage (attached and detached), decks and porches (greater than thirty inches in height and not cantilevered), and any second-story cantilevered projection (enclosed or open) beyond two and one-half feet. Decks under thirty inches in height or fully cantilevered with no vertical support posts do not count toward lot coverage for this purpose. Second-story enclosed cantilevered areas that project less than thirty inches from the building wall do not count toward lot coverage. For such areas that project more than thirty inches from the building wall, only the floor area that projects more than thirty inches shall be counted as lot coverage. Lot coverage requirements must permit an accessory dwelling unit up to 800 square feet.

- b. The floor area for all second stories shall not exceed fifty percent of the first floor area for all structures, except in cases where the first floor area of the structure to which a second story is being added constitutes thirty percent or less of the net lot area.
- 5. Large Home Design Permit. Accessory dwelling units, both attached and detached, conversion and new construction, shall not contribute to the need for a large home design permit and, consistent with Section 24.16.130, shall be subject only to ministerial review. The city reserves the right to delay action on an application to build an accessory dwelling unit until such time as the permits for the primary residential use on the parcel have been approved.

<u>Section 17.</u> Section 21.16.142 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Conversion Accessory Dwelling Unit Development Standards is hereby renamed Accessory Dwelling Unit Design Standards and amended to read as follows:

## 24.16.142 ACCESSORY DWELLING UNIT DESIGN STANDARDS

All accessory dwelling units, or the type of accessory dwelling unit if specified below, shall comply with the following design standards:

- 1. <u>Municipal Code Requirements. All accessory dwelling units shall meet the objective design standards set forth in this Code, including landscape and tree removal and/or replacement requirements.</u>
- 2. The following standards apply to accessory dwelling units that that do not meet one or more of the standard setbacks for the zone district in which they are proposed:
  - a. The entrance to the accessory dwelling unit, access stairs, and second story decks shall face the interior of the lot unless the accessory dwelling unit is adjacent to an alley or a public street.
  - b. When an accessory dwelling unit is adjacent to an alley or a public street, the accessory dwelling unit shall be oriented toward the alley or street with the front access door and windows facing the alley or street. The entry facing the alley or street shall include a minimum of 12 square feet of flat, unenclosed, covered area, which may be a projection from the building, or inset, or a combination of the two.
  - c. Windows that do not meet the standard zone district side or rear setback and that face an adjoining residential property shall be designed to obscure views of that property by ADU occupants, including transom windows, translucent glass, or other methods; alternatively, fencing or landscaping shall be required to provide screening.
- 2. Connections Between Units. Accessory dwelling units shall not create access between units except a connection between the accessory dwelling unit and the primary dwelling via common access to a shared garage, laundry room, or storage area; provided, that each unit meets the definition of dwelling unit found in Section 24.22.320.
- 3. The application to construct an accessory dwelling unit on a property that is designated as a historic resource by the National Register of Historic Places, the State of California, or by the City, including any property that has been determined to be eligible for the City's historic building survey list but the property owner has elected to not list the property (opt-out), shall

show substantial compliance with the guidelines of the Secretary of the Interior for development on such properties as confirmed in a report prepared by a professional historic consultant who is listed on the Department of Planning and Community Development's approved consultant list.

## 24.16.142 CONVERSION ACCESSORY DWELLING UNIT DEVELOPMENT STANDARDS.

- 1. Setbacks and Lot Coverage. Conversion accessory dwelling units shall be permitted to maintain the existing setbacks and lot coverage of the structure to be converted or reconstructed, regardless of their conformance to current zoning standards.
- 2. Reconstruction. Structures to be converted may either be converted utilizing the existing structural components of the building, or reconstructed within the existing three-dimensional physical space occupied by the structure.
- 3. Additions and Expansions. An accessory dwelling unit shall be considered a conversion accessory dwelling unit when the proposed dwelling unit is created primarily within an existing or reconstructed structure.
  - a. Expansions of floor space up to one hundred fifty square feet shall be permitted, and these expansions shall comply with the development standards that apply to new construction accessory dwelling units as stated in Section 24.16.141, and shall not enlarge the accessory dwelling unit beyond one thousand two hundred square feet, unless necessary to accommodate ingress and egress to the accessory dwelling unit.
  - b. Expansions of height up to two feet in additional height shall be permitted, and these expansions shall comply with the height limits set for new construction accessory dwelling units in Section 24.16.141.
  - c. Any expansion in excess of the above thresholds will trigger review as a new construction accessory dwelling unit, including assessment of any required fees.

<u>Section 18.</u> Section 21.16.150 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Deed Restrictions is hereby renamed and amended to read as follows:

## 24.16.150 DEED RESTRICTIONS USE STANDARDS.

Before obtaining a building permit for an accessory dwelling unit, or junior accessory dwelling unit the property owner shall file with the county recorder a declaration of restrictions containing a reference to the deed under which the property was acquired by the present owner and stating that:

- 1. For any unit that is not approved for separate sale under the provisions of 24.16.165: The accessory dwelling unit or junior accessory dwelling unit shall not be sold separately.
- 2. The unit is restricted to shall not be altered from the approved size except by approval of a subsequent building permit where the resulting unit meets the accessory dwelling unit development standards described in this Part.

- 3. The use of the accessory dwelling unit or junior accessory dwelling unit shall be in effect only so long as the property is in compliance with the ordinance as codified and the land use agreement recorded on the property, including any requirements regarding occupancy.
- 4. Neither an accessory dwelling unit nor an associated primary dwelling shall be used on a transient occupancy basis or for short-term/vacation rental purposes with a term of 30 or fewer days.
  - a. Exception. A legal accessory dwelling unit property that had legal status prior to November 10, 2015, and was in use as a short-term/vacation rental prior to that date, and for which the owner remits transient occupancy tax in compliance with Chapter 3.28 in full in a timely manner for the use of the property as short-term/vacation rental purposes, may continue the use.
- 5. For properties with accessory dwelling units that are located in a permit parking program district, the primary dwelling and the accessory dwelling unit combined shall qualify only for the number of residential parking permits that would have been available to the primary dwelling. No additional permits will be granted for the accessory dwelling unit. The property owner shall offer the tenant of an accessory dwelling unit a residential parking permit if requested by the tenant.
- 6. For properties developed with attached accessory dwelling units, any portion of the accessory dwelling unit that in the future is remodeled to become part of the primary dwelling shall meet the zone district development standards that apply the primary dwelling.
- 7. The accessory dwelling unit and primary dwelling unit shall be registered with the residential rental dwelling unit inspection and maintenance program.
- 4. The above declarations are binding upon any successor in ownership of the property; lack of compliance shall be cause for code enforcement.
- 5. The deed restrictions shall lapse upon removal of the accessory dwelling unit or junior accessory dwelling unit.
- 6. For properties with accessory dwelling units and/or junior accessory dwelling units that are located in a permit parking program district, the primary residence and the accessory dwelling unit combined shall qualify only for the number of residential parking permits that would have been available to the primary residence. No additional permits will be granted for the accessory dwelling unit. The property owner shall offer the tenant of an accessory dwelling unit a residential parking permit if requested by the tenant.
- 7. For properties developed with single-family homes, neither the accessory dwelling unit, the junior accessory dwelling unit, nor the primary unit shall be used as a short-term rental. On properties zoned for and developed with multifamily structures, the accessory dwelling unit shall not be used as a short-term or vacation rental. In units within condominium or townhouse properties that contain an accessory dwelling unit associated with a specific individual unit and

not the larger common condominium or townhouse complex, neither the accessory dwelling unit nor the associated condominium or townhouse unit shall be used as a short-term rental.

<u>Section 19.</u> Section 21.16.160 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Zoning Incentives is hereby amended to read as follows:

### 24.16.160 ZONING INCENTIVES.

The following incentives are to encourage construction of accessory dwelling units:

- 1. Affordability Requirements for Fee Waivers. In addition to any inclusionary housing requirements as set forth under Section 24.16.010 et seq., aAccessory dwelling units proposed to be rented at affordable rents, as established by the city, may have development fees waived per Part 4 of this chapter. Existing dwelling units shall be relieved of the affordability requirement upon payment of fees in the amount previously waived plus the difference between that amount and the fees in effect at the time of repayment.
- 2. Covered Parking. The covered parking requirement for the principal single-family dwelling shall not apply if an accessory dwelling unit is provided. However, no plumbing fixtures may be installed in any remaining existing garage or newly constructed garage on a property that has an accessory dwelling unit without approval of the zoning administrator.
- 3.2. Front or Exterior Yard Parking. Three parking spaces may be provided in the front or exterior yard setback under this incentive with the parking design subject to approval of the zoning administrator. The maximum impervious surfaces devoted to the parking area shall be no greater than the existing driveway surfaces at time of application. Not more than fifty percent of the front yard width shall be allowed to be parking area.
- 4.3. Tandem Parking. For a parcel with a permitted accessory dwelling unit, required parking spaces for the principal primary single-family dwelling and the accessory dwelling unit may be provided in tandem on a driveway. A tandem arrangement consists of one car behind the other. No more than three total cars in tandem may be counted towards meeting the parking requirement.

<u>Section 20.</u> Section 21.16.165 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Separate Sale of Accessory Dwelling Units is hereby amended to read as follows:

## 24.16.165 SEPARATE SALE OF ACCESSORY DWELLING UNITS

1. This section implements Government Code Section 66342, enacted by Assembly Bill 1033 (Ting). The purpose of this section is to apply objective local development standards for subdivisions covered by Government Code Section 66342 and is applicable only so long as Government Code Section 66342 is operative. Where this section or Government Code Section 66342 conflict with any other provisions of the municipal code, this section and Government

Code Section 66342 shall control. Any development standard or requirement not specifically addressed by this section or Government Code Section 66342 must conform to all other provisions of the municipal code and all other objective policies and requirements governing subdivisions.

- 2. Condominium parcels for the separate conveyance of one or more accessory dwelling unit(s) and their associated primary dwelling unit may be created on lots with single-unit buildings, and condominium parcels for the separate conveyance of one or more accessory dwelling unit(s) may be created on lots with multi-unit buildings, and such condominium parcels shall be approved only as provided by this section.
  - a. On sites with one single-family dwelling and one or more ADUs, the ADU(s) and the single-family dwelling shall each be mapped as condominiums.
  - b. On sites with multiple unmapped rental dwelling units and one or more ADUs, the ADU(s) and any associated primary dwelling shall each be mapped as condominiums, and the remaining rental dwelling units shall be mapped under a single condominium parcel.
  - c. On sites with multiple condominium units and one or more ADUs, the ADU(s) shall each be mapped as condominiums.
- 3. Creation of five of more condominium parcels under the provisions of this section for five or more accessory dwelling units shall require approval of a tentative map and final map consistent with the requirements of Title 23 of the Municipal Code.
- 4. <u>Creation of four or fewer condominium parcels under the provisions of this section</u> for accessory dwelling units and associated primary dwellings shall require approval of a parcel map consistent with the requirements of Title 23 of the Municipal Code.
- 5. The applicant shall obtain a parcel map or final map to establish the condominium parcels. A tentative map shall not be required.
- 5. <u>Units mapped under the provisions of this section shall not be required to comply with the Community Housing Project Requirements under Section 24.12.180, except:</u>
  - a. Each new construction accessory dwelling unit or new construction primary dwelling unit shall meet the open space requirement pursuant to Section 24.12.280.3 unless waived pursuant to Section 24.16.141.10.d, and
  - b. Each new construction accessory dwelling unit or new construction primary dwelling unit shall provide a minimum of two hundred cubic feet of enclosed storage space within the project capable of being secured by lock or other means for each unit, in addition to kitchen cupboards or clothes and linen closets, consistent with Section 24.12.180.4.
- 6. No off-street parking beyond that required by Section 24.16.141.2 shall be required for any accessory dwelling unit mapped as a condominium.
- 7. Accessory dwelling units and associated primary dwelling units mapped as condominiums pursuant to this section shall meet the inclusionary dwelling unit requirements under Section 24.16.020.
- 8. When no more than four condominium units are created from the conversion of existing accessory dwelling units and associated primary dwellings, the following shall apply:
  - c. The units may be converted to condominiums regardless of the multi-family housing vacancy rate consistent with Municipal Code Section 23.37.020.1.
  - d. Tenants displaced shall retain a first right of refusal if the unit is offered to sale to the general public consistent with Municipal Code Section 23.37.050.g.

- e. Relocation assistance in the amount of four months' rent shall be provided to tenants of low or moderate income who have resided in the unit within two years prior to the date of submission of the application for the conversion of the unit(s) consistent with Section 23.37.050.h.
- 9. <u>Consistent with Government Code Section 66341, an accessory dwelling unit shall be approved with a condominium lot for separate conveyance pursuant to the following:</u>
  - f. The condominiums shall be created pursuant to the Davis-Stirling Common Interest Development Act (Part 5 (commencing with Section 4000) of Division 4 of the Civil Code).
  - g. The condominiums shall be created in conformance with all applicable objective requirements of the Subdivision Map Act (Division 2 (commencing with Section 66410)) and all applicable objective requirements of Title 23, the Subdivision Ordinance.
  - h. Before recordation of the condominium plan, a safety inspection of the accessory dwelling unit shall be conducted as evidenced either through a certificate of occupancy from the City or a housing quality standards report from a building inspector certified by the United States Department of Housing and Urban Development.
  - i. Neither a subdivision map nor a condominium plan shall be recorded with the county recorder in the county where the real property is located without each lienholder's consent. The following shall apply to the consent of a lienholder:
    - i. A lienholder may refuse to give consent.
    - ii. A lienholder may consent provided that any terms and conditions required by the lienholder are satisfied.
  - j. Prior to recordation of the initial or any subsequent modifications to the condominium plan, written evidence of the lienholder's consent shall be provided to the county recorder along with a signed statement from each lienholder that states as follows: "(Name of lienholder) hereby consents to the recording of this condominium plan in their sole and absolute discretion and the borrower has or will satisfy any additional terms and conditions the lienholder may have."
  - k. The lienholder's consent shall be included on the condominium plan or a separate form attached to the condominium plan that includes the following information:
    - i. The lienholder's signature.
    - ii. The name of the record owner or ground lessee.
    - iii. The legal description of the real property.
    - iv. The identities of all parties with an interest in the real property as reflected in the real property records.
    - v. The lienholder's consent shall be recorded in the office of the county recorder of the county in which the real property is located.
  - 1. The City shall include the following notice to consumers on any accessory dwelling or junior accessory dwelling unit submittal checklist or public information issued describing requirements and permitting for accessory dwelling units, including as standard condition of any accessory dwelling unit building permit or condominium plan approval:
    - "NOTICE: If you are considering establishing your primary dwelling unit and accessory dwelling unit as a condominium, please ensure that your building permitting agency allows this practice. If you decide to establish your primary dwelling unit and accessory dwelling unit as a condominium, your condominium plan or any future modifications to the condominium plan must be recorded with

the County Recorder. Prior to recordation or modification of your subdivision map and condominium plan, any lienholder with a lien on your title must provide a form of written consent either on the condominium plan, or on the lienholder's consent form attached to the condominium plan, with text that clearly states that the lender approves recordation of the condominium plan and that you have satisfied their terms and conditions, if any.

In order to secure lender consent, you may be required to follow additional lender requirements, which may include, but are not limited to, one or more of the following:

- (a) Paying off your current lender. You may pay off your mortgage and any liens through a refinance or a new loan. Be aware that refinancing or using a new loan may result in changes to your interest rate or tax basis. Also, be aware that any subsequent modification to your subdivision map or condominium plan must also be consented to by your lender, which consent may be denied.
- (b) Securing your lender's approval of a modification to their loan collateral due to the change of your current property legal description into one or more condominium parcels.
- (c) Securing your lender's consent to the details of any construction loan or ground lease. This may include a copy of the improvement contract entered in good faith with a licensed contractor, evidence that the record owner or ground lessee has the funds to complete the work, and a signed statement made by the record owner or ground lessor that the information in the consent above is true and correct."
- m. If an accessory dwelling unit is established as a condominium, the homeowner shall notify providers of utilities, including water, sewer, gas, and electricity, of the condominium creation and separate conveyance.
- n. The owner of a property or a separate interest within an existing planned development that has an existing association, as defined in Section 4080 of the Civil Code, shall not record a condominium plan to create a common interest development under Section 4100 of the Civil Code without the express written authorization by the existing association. For purposes of this section, written authorization by the existing association means approval by the board at a duly noticed board meeting, as defined in Section 4090 of the Civil Code, and if needed pursuant to the existing association's governing documents, membership approval of the existing association.
- 10. Nothing in this section shall prohibit approval of an accessory dwelling with a condominium lot for separate conveyance pursuance to Government Code Section 66340-66341.

<u>Section 21.</u> Section 21.16.170 of Chapter 24.16 of the Santa Cruz Municipal Code regarding Junior Accessory Dwelling Units is hereby amended to read as follows:

## 24.16.170 JUNIOR ACCESSORY DWELLING UNITS.

1. Notwithstanding any other regulation or definition of this code, <u>onea</u> junior accessory dwelling unit shall be permitted on <u>parcelslots</u> in zones-where single-family dwellings are an allowed use, including in the R-S, R-1, R-L, R-M, R-H, R-T(A), R-T(B), R-T(C), R-T(D), R-T

- <u>T(E)</u>, and P-A zones; and where one or more single-familyunit structures buildings, including a single-family home, townhome, or a detached condominium or apartment on a site with multiple units, exist or are proposed on the site, lot; and where the owner of the property occupies the property as their primaryprincipal place of residence.
- 2. For the purposes of this section, "junior accessory dwelling unit" shall have the same meaning as defined in Section 65852.22 of the California Government Code.
- 3. Junior accessory dwelling units mustshall be attached to a single-familyunit dwellingbuilding, and may be created in any part of an existing or proposed single-familyunit dwellingbuilding, including in an attached garage., and may be created in an addition to a single-family dwelling. For purposes of this section, a proposed single-unit building shall mean the resulting building including the junior accessory dwelling unit, regardless of whether portions of the building already exist, and shall therefore include any new single-unit building or a single-unit building resulting from an addition to an existing single-unit building.
- 4. Junior accessory dwelling units mayshall be no larger than five hundred square feet in size.
- 5. Junior accessory dwelling units shall contain, at a minimum, the following features:
  - a. An exterior entrance separate from that of the primary homedwelling.
  - b. A cooking facility with appliances.
  - c. A food preparation counter and storage cabinets of reasonable size in relation to the size of the junior accessory dwelling unit.
- 6. Junior accessory dwelling units may include separate sanitation facilities or may share sanitation facilities with the primary dwelling. Where sanitation facilities are shared with the primary dwelling, the junior accessory dwelling unit shall have access to the primary dwelling through internal circulation and shall not be required to exit the <u>structurebuilding</u> in order to reach the entrance to the primary dwelling.
- 7. Junior accessory dwelling units that contain all the required features of a dwelling unit will not be required to maintain an interior connection between the junior accessory dwelling unit and the primary dwelling. Junior accessory dwelling units that do not contain all the required features of a dwelling unit will be required to maintain an interior connection between the junior accessory dwelling unit and the primary dwelling unit.
- 7. The property owner shall occupy either the junior accessory dwelling unit or the primary dwelling to which the junior accessory dwelling unit is attached as his or her principal place of residence. Owner-occupancy shall not be required if the owner is another governmental agency, land trust, or housing organization.
  - <u>a.</u> For purposes of this section, the property owner is:

- i. The majority owner(s) of the Property as shown in the most recent Santa Cruz County records.
- ii. If there is more than one property owner of record, the owner with the majority or highest ownership interest in the Property shall be deemed the property owner. Any property owner(s) of record holding an equal share interest in the Property may be deemed the majority property owner(s) if no other property owner owns a greater interest.
- iii. For property held by a corporation or business entity, a shareholder or officer of the corporation or business entity with the greatest shares or business interest as defined in the articles of incorporation, or other applicable business document.
- iv. For property held in trust: a) the Trustor(s) or Settlor(s) who created the trust in which the Property is held; or any person(s) or entity deemed as the legal owner of the Property held in trust in accordance with the trust document, and b) who has/have the highest ownership interest in the Property.
- 8. A deed restriction pursuant to Section 24.16.150 shall be required and recorded on the parcel. Before obtaining a building permit for a junior accessory dwelling unit, the property owner shall file with the county recorder a declaration of restrictions containing a reference to the deed under which the property was acquired by the present owner and including:
  - a. A prohibition on the sale of the junior accessory dwelling unit separate from the sale of the single-unit building, including a statement that the deed restriction may be enforced against future purchasers.
  - b. A restriction on the size and attributes of the junior accessory dwelling unit that conforms with the standards in 24.16.170.
- Section 22. The City Council finds and determines that the adoption of this ordinance is considered a "project" under California Code of Regulations, Title 14, section 15378(a)(1) of the California Environmental Quality Act (CEQA) Guidelines, typically subject to environmental review. The City Council finds that these amendments fall within the analyzed development potential in the City's existing 2030 General Plan EIR using the existing zoning and General Plan and, therefore, pursuant to Section 15183 of the CEQA Guidelines, no further environmental review under CEQA is required.
- <u>Section 23</u>. If any section or portion of this ordinance is found to be invalid by a court of competent jurisdiction, such finding shall not affect the validity of the remainder of the ordinance, which shall continue in full force and effect.
- <u>Section 24.</u> Ordinances 2022-22 and 2023-01 shall be rescinded when this ordinance takes effect and be in full force.
- <u>Section 25</u>. This ordinance shall take effect and be in full force thirty (30) days after final adoption.

PASSED FOR PUBLICATION this 8th day of October 2024, by the following vote:
AYES: NOES: ABSENT: DISQUALIFIED:
APPROVED:Fred Keeley, Mayor
ATTEST: City Clerk Administrator
PASSED FOR FINAL ADOPTION this 22 <sup>nd</sup> day of October 2024 by the following vote:
AYES: NOES: ABSENT: DISQUALIFIED:
APPROVED:Fred Keeley, Mayor
ATTEST: Bonnie Bush, City Clerk Administrator
This is to certify that the above and foregoing document is the original of Ordinance No. 2024-XX and that it has been published or posted in accordance with the Charter of the City of Santa Cruz.
City Clerk Administrator



## Planning Commission AGENDA REPORT

**DATE:** 8/30/2024

**AGENDA OF:** 9/5/2024

**DEPARTMENT:** Planning and Community Development

**SUBJECT:** Planning Commission Public Hearing to review and make a

recommendation on amending Santa Cruz Municipal Code Chapters 21.06, 23.04, 23.12, 23.37, 24.04, 24.08, 24.10, 24.12, and 24.16 and adding new sections 24.04.095 and 24.16.165 to maintain consistency with state regulations for accessory dwelling units, clarify existing standards, remove owner-occupancy requirements for existing accessory dwelling units, require properties with accessory dwelling units to enroll in the Residential Rental Inspection Program, and to allow for the condominium mapping and separate sale of accessory dwelling units and their associated primary dwellings. Amendments to Chapter 24.04; Chapter 24.08 Parts 5, 9A, 14, 21, and 22; Chapter 24.10 Parts 3, 4, 5, 6, 6A, 7, 8, 10, 11, 12, 13, 16, 19, 21, and 24(A); and Chapter 24.12 are part of the Local Coastal Program Implementation Plan (LCP IP) and will require approval by the California Coastal Commission prior to taking effect inside the Coastal Zone. (CEQA: Exempt pursuant to CEQA Guidelines Section 15061(b)(3) as a project that with certainty does not have an effect on the environment and

Section 15183 as a project consistent with the general plan for which an

EIR was certified.)

**RECOMMENDATION:** That the Planning Commission make findings for Zoning Ordinance amendments pursuant to Municipal Code Sections 24.06.040 and recommend that the City Council: 1) Acknowledge the Environmental Determination; 2) Approve the proposed ordinances amending accessory dwelling Unit Regulations and other minor technical amendments, including amendments to Santa Cruz Municipal Code Chapters 21.06, 23.04, 23.12, 24.04, 24.08, 24.10, 24.12, and 24.16 and adding new sections 24.04.095 and 24.16.165, and including amendments to the Local Coastal Program; 3) Approve changes related changes to Subdivision Ordinance Chapters 23.04 and 23.12 related to condominium mapping of accessory dwelling units and primary dwellings; 4) Rescind temporary ordinance 2022-22 and as extended by ordinance 2023-01; and 5) Direct the City Manager to submit the Local Coastal Program amendments to the California Coastal Commission for approval.

**BACKGROUND:** The City's accessory dwelling unit (ADU) regulations have evolved over the last several years in response to ongoing changes to state-level regulations as well as proactively on a local level as part of an effort to expand opportunities to create a variety of housing types. In December 2022, the City adopted a 45-day urgency ordinance that made minor changes to the

City's ADU regulations in response to two new state laws that required local adoption on a fast timeline before the end of that year. In January 2023, City Council extended the urgency ordinance to the end of 2024. A formal ordinance must be adopted prior to expiration of the urgency ordinance to permanently codify the approved language. When the City Council approves the formal ordinance, the urgency ordinance will be rescinded.

On February 6, 2024, as part of a statewide review of all jurisdictions, the California Department of Housing and Community Development (HCD) sent a letter to the Department of Planning and Community Development detailing a review of the City's accessory dwelling unit regulations and requiring several mostly minor corrections to ensure ongoing compliance with state law.

In addition to permanently adopting the revisions made in the urgency ordinance and updates required by HCD, the proposed modifications include removal of owner-occupancy restrictions for existing ADUs constructed prior to 2020, implementation of state laws that allow ADUs and their associated primary dwelling to be sold separately as condominiums, and addressing other topics or needed clarifications that have arisen during review of ADU permit applications. Development of these updates involved considering several policy questions that are also discussed below.

#### **DISCUSSION:**

State of California Housing and Community Development Department Letter. The letter sent by HCD included several comments relating to removing references to discretionary review or subjective standards, the number of statewide exemption ADUs (specific types of ADUs allowed by right pursuant to Government Code Section 66323) permitted on a single-family home lot, standards for Junior ADUs (JADUs), and conformance with state laws regarding owner-occupancy and separate sale of ADUs constructed by nonprofit developers. Following many discussions with HCD staff, the proposed amendments bring the Zoning Ordinance fully into compliance with state law. The attached comment response matrix details how the proposed amendments have addressed each of the comments from HCD.

Removal of Owner Occupancy Requirement and Residential Rental Inspection Service Enrollment

Historically, the City's ADU regulations required owner occupancy for properties with ADUs with the property owner being required to live on the property, either in the primary dwelling or in the ADU. In 2019, state senate bill SB 13 (Wieckowski) passed into law and prohibited local jurisdictions from imposing owner-occupancy requirements for ADUs approved between January 1, 2020 and January 1, 2025. In 2023, AB 976 (Ting) expanded on this legislation by removing owner occupancy requirements in perpetuity for all ADUs created in 2025 and beyond. The City's ADU regulations currently waive owner-occupancy requirements for those ADUs constructed between 2020 and 2025. The proposed modifications eliminate owner occupancy requirements for ADUs altogether, not only to bring requirements for ADUs constructed in 2025 and beyond in line with state law but also to remove owner-occupancy requirements for ADUs constructed prior to 2020. This modification will ensure fairness and consistency in applying regulations so that those with existing ADUs can share the same benefits afforded to those who create ADUs today and in the future. It should be noted that properties with JADUs, which are essentially smaller attached ADUs that can share bathroom facilities with the primary dwelling, still require owner occupancy as this is required by state law.

Since the City has historically required ADUs to have owner-occupancy and were considered an accessory use with direct oversight by the owner, they have been exempt from the City's Residential Rental Inspection Service (RRIS). However, since the proposed amendments would no longer require owners to live on site, single-family properties with ADUs would have the capacity to function like a typical duplex rental property, and ADUs on multi-family properties would function as additional rental units on those properties. Therefore, the proposed amendments would eliminate the exemption for ADUs, requiring these properties to enroll in the RRIS.

The purpose of the RRIS is to ensure that rental dwelling units meet basic health and safety standards. The RRIS requires all rental dwelling units in the city to participate, and participation involves an annual program fee, currently \$62, as well as an annual City inspection fee of \$28 per unit. The program does provide exemptions for units that are not being used as a rental property or where Section 8 Housing Choice Vouchers are used by the tenants and the Housing Authority conducts similar inspections. Those units would still require registration but would not require City inspections. Additionally, many properties are eligible for self-certification, which comes with reduced fees and an opportunity for owners to self-inspect their properties most years. Therefore, the RRIS helps ensure that rented ADUs meet the same basic health and safety standards as any other rental property.

## Separate Sale of ADUs

Two state laws in recent years have created opportunities to sell ADUs separately as condominiums. First, AB 587 (Friedman) was passed into law in 2019 and allowed ADUs and associated single-family detached residences to be constructed by a non-profit housing developer and sold via a tenants-in-common ownership structure. The law requires the City to allow these types of developments, and proposed language has been added to the amendments to address this requirement. The second state law is AB 1033 (Ting), passed into law in 2023 and codified as Government Code Section 66342, which permits local jurisdictions to adopt an ordinance to allow for any accessory dwelling units and their associated primary dwellings to be sold separately as condominiums. While local jurisdictions are not required to have an implementing ordinance, doing so would support the creation of a new type of ownership housing unit that may be more affordable by nature and create the potential for more variety in the city's housing market.

The proposed amendments implement these state laws in a new Section 24.16.165 within the municipal code's ADU regulations. With regard to implementing AB 1033, the proposed amendments would allow any number of permitted new construction or existing ADUs on a single-family or multi-family site to be mapped as condominiums. On sites with single-unit buildings, the primary dwelling associated with the ADU(s) could also be mapped and sold separately.

The new section includes several items that are required by Government Code Section 66342, including:

• The condominiums shall be created pursuant to the Davis-Stirling Common Interest Development Act;

- The condominiums shall be created in conformance with all applicable objective requirements of the Subdivision Map Act and all objective requirements of the City's subdivision ordinance;
- A safety inspection must be completed before recordation of the condominium plan;
- The applicant must obtain all lienholders' consent prior to recording the subdivision map or condominium plan;
- The City must include a notice to applicants on a submittal checklist or other public information regarding lender consent requirements;
- The homeowner is required to notify utility providers, including water, sewer, gas, and electricity, of the condominium creation and separate conveyance; and
- If a property is part of an existing association, the owner must obtain permission from the association to record the condominium plan.

The process would involve approval of a tentative map and final map for a project that involves the creation of five or more ADU condominiums on a site with a multi-family building as required by the Subdivision Map Act. On a site with a single-family home where the ADU(s) and associated primary dwelling are mapped as condominiums, or on a site with a multi-family building that is converting four or fewer ADUs into condominiums, the project would be exempt from requiring a tentative parcel map and instead would only require approval of a parcel map. Exempting the tentative map for these projects results in a process that is more streamlined and involves fewer fees for the applicant. For all projects, Government Code Section 66342 requires that the process would include review of only objective standards required by the subdivision ordinance. It should be noted that exempting these permits from a tentative map requires minor language changes to the Subdivision Ordinance. The Subdivision Ordinance (Title 23 of the municipal code) itself was not detailed in the public noticing for this item, though the notice did refer to "condominium mapping and separate sale of accessory dwelling units and their associated primary dwellings," which includes this topic. Therefore, staff recommends that the Planning Commission make a recommendation for City Council to approve these minor changes to the Subdivision Ordinance.

Municipal code regulations currently allow rental units to be converted to condominiums when at least 67 percent of the tenants purchase the condominium units or when the multi-family vacancy rate is more than five percent. The vacancy rate in Santa Cruz is consistently below five percent, which means that the 67 percent requirement would typically apply. Other displaced tenants have a right of first refusal for purchase of the condominium unit and are afforded two months of relocation assistance. These regulations were intended to protect against tenant displacement from conversions of entire apartment buildings to condominiums and not necessarily for the conversion of a single unit or handful of units. For ADU condominium conversions of up to four units, the proposed amendments would eliminate the 67 percent threshold and allow owners to remove their tenants to transfer ownership of the condominiums. This would remove a potential barrier to condominium conversion of an ADU since it would not otherwise be possible to map an existing ADU without selling it to the existing tenant. Making this measure more flexible would be coupled with strengthening other protections, including first right of refusal if the condominium is offered for sale to the general public and four months of relocation assistance for low- or moderate-income tenants who lived in the unit within the last two years. The proposal strikes a balance between facilitating the creation of ADU ownership units and protecting existing tenants.

Zoning Ordinance Section 24.12.180 requires certain development standards for community housing projects related to utilities, open space, storage areas, and off-street parking. While this section requires each unit in a community housing project to provide separate utilities to each unit, Government Code Section 66342 specifically requires applicants for ADU condominium units to contact the various utilities. Therefore, the proposed amendments do not include the local requirement for separate utilities but instead follow the state law requirement. With regard to open space, this standard is consistent with open space standards that would be applied to a new construction ADU except that state ADU law requires waiver of an open space standard if needed to allow an ADU of up to 800 square feet. Therefore, the proposed amendments require the open space standard only for new construction ADUs and with the caveat that the waiver could apply. The community housing project standards also require each unit to provide 200 cubic feet of storage space in addition to any kitchen cupboard, clothes closets, or linen closets. The proposed ADU condominium regulations include this requirement only for new construction ADUs as it could be cost prohibitive to construct an addition to an existing building if needed solely to provide such storage space.

Regarding off-street parking, Zoning Ordinance Section 24.12.180 and the associated parking requirements in Section 24.12.240 require community housing projects to provide one parking space per studio or one-bedroom unit, two parking spaces per two-bedroom unit, and guest parking at a rate of 10 percent of the total parking requirement. However, the City's ADU regulations do not require any parking for ADUs except for a small, defined area in the Coastal Zone. In addition, requiring parking for ADU condominium units could create a barrier to creating this type of housing and would therefore run against goals to support a variety of housing types. Finally, parking already is not required throughout much of the City, since most areas are within half a mile of a major transit stop, so any parking requirement would be restricted to a few small areas. Therefore, the proposed regulations for ADU condominiums require them to meet the same parking standards required for non-mapped ADUs. Specifically, no parking would be required except for within a small, defined area of the Coastal Zone.

## Other Policy Questions

Staff evaluated a number of other policy questions that arose as a result of responding to comments from HCD or from review of ADU building permit applications. The following provides a brief description of each question as well as staff recommendation.

## Number of ADUs

The ADU regulations currently limit the number of ADUs on sites with single-family homes to one and limit the number of ADUs on sites with multi-family buildings to two new construction ADUs plus a number of conversion ADUs equivalent to at least one but not more than 25% of the number of regular units in the building. However, state law requires the City to approve a specific number of statewide exemption ADUs that are different and distinct from any ADU that is created under the City's more flexible development standards that have been in place several years before the new state laws. A site with a single-family home, including a lot with a townhome or a lot with multiple detached units, has a right to two statewide exemption ADUs including a new construction detached ADU and a conversion ADU. However, many ADUs constructed in the city on single-family home sites do not meet the definition of a statewide exemption ADU but meet the more flexible city standards in terms of setbacks, height, or size. This means that if a single-family home property has an ADU that was approved under the City's

standards but that does not meet the definition of a statewide exemption ADU, that property would still be eligible to construct the two statewide exemption ADUs, bringing the total to three. Therefore, the proposed amendments account for this allowance by providing for one non-exempt ADU in addition to the two statewide exemption ADUs.

With regard to ADUs on multi-family sites, the City only amended its regulations in the last few years to reflect new statewide requirements to allow statewide exemption ADUs on these properties and did not allow ADUs on multi-family sites prior to this time. The proposed amendments clarify that only statewide exemption ADUs (two detached plus 25 percent conversion) are allowed on multi-family properties.

## Establishing objective standards for natural features

The review by HCD identified areas of the City's ADU regulations that still involve some form of subjective reasoning and indicated those should be revised to become objective. Under the current regulations, sites with natural features such as slopes, creeks, wetlands, sensitive habitats, and heritage trees have been reviewed on a case-by-case basis to determine the best location for the ADU given the applicant's desires and site constraints. While this approach has generally resulted in site layouts that meet both the applicant's desires and the City's interests in resource protection, it does not meet the state's test of objectivity. Therefore, objective standards have been created to set a proposed ADU a specific distance away from these natural features. This provides the City and the applicant with potentially less flexibility but does create a knowable, objective standard that the state requires.

## Waiver of standards

While the City may set objective site development standards, state law also requires these standards to be waived under some circumstances. Percentage of primary dwelling floor area, lot coverage, floor area ratio, open space, and front yard setback must be waived to the extent that they preclude the creation of an 800 square foot attached or detached ADU with four-foot front and side yard setbacks. In addition, any other development standard would need to be waived to the extent that it would preclude the creation of a statewide exemption ADU, which includes a range of new construction and conversion ADUs defined specifically in Government Code Section 66323. HCD has indicated that the City must waive these standards in an objective manner and not on a case-by-case basis.

Therefore, the proposed modifications include a subsection on waiver of standards and creates an objective hierarchy of when each standard may be waived. The first tier waives those standards that must be waived for any 800 square foot ADU with four-foot side and rear yard setbacks and gives the applicant the flexibility to decide how to waive those standards. For statewide exemption ADUs, applicants may waive additional standards in three tiers to provide for creation of the statewide exemption ADU. First, the applicant may waive standards related to aesthetics such as site layout and building design. The second tier allows waiver of standards related to resource preservation. Third, the applicant can waive standards related to safety, preserving the line of sight at driveways and intersections.

An applicant may only waive standards in the next tier if waiver of all standards in the previous tier does not result in a buildable area that would provide for the statewide exemption ADU. For example, an applicant may only waive standards related to resource preservation if they are proposing a statewide exemption ADU and waiver of standards for all 800 square foot ADUs

plus waiver of all aesthetic site development standards for statewide exemption ADUs do not create a buildable area for the proposed ADU. This setup creates an objective way to waive standards, while giving applicants some choice about which standards to waive and simultaneously protecting those standards that the City considers most important.

## Rail trail orientation

The existing regulations encourage ADUs adjacent to a street, alley, or the Monterey Bay Sanctuary Scenic Trail (also known as the rail trail) to be oriented toward these features. While the intention of these standards was to activate the rail trail and make it a more interactive and accessible amenity, in review of these standards, Public Works staff indicated a desire to keep rail trail entry points at designated street intersections or planned entries from larger residential developments rather than via gates from individual properties as this would help to maintain safety on the trail. In addition, many parts of the rail trail abut retaining walls with significant grade changes that would preclude an ADU from being accessed via the rail trail. Therefore, since ADUs should not, and in many circumstances cannot, be accessed from the rail trail, standards calling for ADU orientation to the rail trail have been removed. These standards still remain in place and have been made more objective for an ADU that is adjacent to a street or alley.

## Attached ADUs on substandard lots

The Zoning Ordinance includes specific site development standards for single-family homes on substandard lots in the R-1 zone districts. These development standards include a limitation of 45 percent lot coverage for all buildings and structures on the site, and the standards also limit the second story of a building to 50 percent of the size of the first story when the first story takes up more than 30 percent lot coverage. State law requires lot coverage to be waived to allow the creation of an ADU of up to 800 square feet, but it does not require such a waiver for a building's second story to first story ratio. This combination of rules creates confusion in how the standards should apply new ADUs that are attached to a single-family home on a substandard lot. For example, if an ADU is constructed in conjunction with a new home, then under most circumstances, unless the lot is severely constrained by size, an 800 square foot ADU and a single-family home can be constructed within a space that maximizes the building envelope, taking up 45 percent lot coverage and a second floor that is 50 percent the size of the first floor. However, if a new construction attached ADU is added to an existing house that has already maximized its floor area under these ratios, then the lot coverage limitation would need to be waived to allow the ADU. This scenario results in a building that is 800 square feet larger based on the order in which the single-family dwelling and ADU were created.

Staff recommends modifying the substandard lot regulations for ADUs in a way that make the rules equal regardless of the order of construction, that provide flexibility for applicants in how they want to design their ADUs, and that reflect the City's desire to regulate building form on substandard lots by limiting the massing of second stories. The proposed modifications would allow the single-family home to occupy up to 45 percent of the lot coverage and allow the ADU to exceed that coverage as needed to create an 800 square foot ADU. If the house and ADU were constructed at the same time, the two units would not be required to fit together within the 45 percent lot coverage limit. However, whether the single-family home is existing or constructed in conjunction with the ADU, the second floor of the building is always limited to half of the 45 percent lot coverage. In other words, a waiver of lot coverage for an ADU does not increase the potential size of the building's second floor.

## Converting nonconforming duplexes on R-1 lots to conforming SFD/ADU

One question that has come up in development inquiries is whether a nonconforming duplex in the single-family R-1 zone districts can be redesignated as a conforming single-family home with an ADU. The Zoning Ordinance restricts nonconforming duplex units from expanding in size. However, it would still be possible to add ADUs to the property, specifically two detached new construction ADUs and one conversion ADU, resulting in a development capacity of five units. Two units designated as a single-family home and an ADU on an R-1 zoned lot are considered principal permitted uses and therefore could be enlarged as allowed by the zone district and ADU development standards. On such a site, the development capacity would be one single-family home, three ADUs, and a junior ADU, also resulting in five units. So, while the development capacity is essentially the same between a site with a duplex and a site with a single-family home and ADU, naming the existing structure by one name (duplex) is more restrictive than by another name (single-family home and ADU) in that the duplex could not be expanded. The ability to redesignate a duplex as a single-family home and ADU would create an equal set of rules.

State law and the City's ADU regulations allow an ADU to be located on a site with a single-family home and allow an ADU to be created from the conversion of any building or portion of building on a site with a single-family home. So, when an R-1 lot contains a nonconforming use of two detached units, those are each considered single-family units for purposes of ADU regulations. One of the units could therefore be converted to an ADU, since the code allows an entire building to be converted if the result still includes a single-family unit on the site. However, if the two nonconforming duplex units are attached, then they are considered a multifamily building for which state law restricts conversion ADUs to non-habitable space. This means that one of the existing attached dwellings could not be converted to an ADU because the dwelling is habitable space. However, state ADU law also allows local jurisdictions to make rules that are more permissive than the state code regarding ADUs. Therefore, the proposed amendments include an exception to allow a nonconforming attached duplex to convert one of the units into an ADU, thereby turning the nonconforming use into a conforming use consisting of a single-family home with an ADU. This approach promotes flexibility in the creation of housing and fairness among both detached and attached nonconforming two-unit sites.

## 150 square feet addition to conversion ADUs

State ADU law allows a conversion ADU to expand the footprint of the converted structure by up to 150 square feet to provide for ingress and egress. The City's ADU regulations are more flexible and do not limit the 150 square foot expansion to ingress and egress only. Because of this more liberal standard, questions have arisen about how creatively this standard can be applied. For example, could the 150 square feet be used to attach a detached conversion ADU to the main unit? Or, on a two-story ADU, could a 150-square foot expansion of the footprint be interpreted to allow 150 square feet of floor area to be added on both the first and the second floor? To support flexibility in creating ADUs, staff recommends allowing such creative applications of the standard, and this flexibility is reflected in the proposed amendments. A more conservative approach could be to not allow attachments of units or to interpret the expansion as floor area and not footprint, which would limit a two-story structure expansion to 150 square feet total.

Allowing JADUs on sites with multiple detached units

Government Code Section 66333(a) limits JADUs to "one per residential lot zoned for single-family residences with a single-family residence built, or proposed to be built, on the lot." While the standard interpretation from HCD indicates that a JADU is allowed on a lot with only one single-family home, staff correspondence with HCD has confirmed that a more flexible interpretation of the government code section would be acceptable to the state. The existing regulations in the municipal code are not clear on whether a JADU is allowed on a lot that contains only one single-family home or whether one can be created on a lot that has multiple detached single-unit buildings. The proposed amendments apply the flexible interpretation of state law to allow a JADU on a lot that either has just one single-family home or has multiple detached single-unit buildings. It should be noted that the state law does not allow a JADU on a site with a multi-family dwelling, which is a building that contains more than one unit. So, while a JADU would be allowed on a multi-family site with detached units, it would not be allowed on a site with a multi-unit building. This interpretation parallels state ADU law that also applies different rules to lots with multiple detached units and lots with multiple attached units.

## Ordinance Reorganization and Clarifications

The draft amendments to the ADU regulations found in municipal code Chapter 24.16 Part 2 include reorganization of Sections 24.16.140-142 into a section on general standards, site development standards, and design standards. In addition, the amendments include consolidation of site development standards for attached, detached, and conversion ADUs into a single site development standards table, creating a concise reference for both the public and City staff. This reorganization results from feedback from permit reviews and will help to streamline and clarify future reviews. In addition, the definitions section in 24.16.125 has been expanded, and other minor language changes clarify the meaning of certain requirements.

## Minor Technical Changes

The draft ordinance amendments also include minor technical changes related not to ADUs but to objective standards for multi-family developments, specifically in Section 24.04.130 regarding which hearing body approves changes depending on the development type and the number of requested variations from objective standards. There was an administrative error that led to a discrepancy between the clean and strikeout versions that resulted in language being reviewed by the Coastal Commission and subsequently codified that was not the intended amendments reviewed by the PC and CC. The proposed amendments restore the text to that which was approved by the City Council. Since this language is referenced and relied upon regularly in processing development applications, staff seeks to remedy this error as soon as possible rather than waiting several more months for a more general set of Zoning Ordinance cleanup amendments.

## General Plan and Local Coastal Program Consistency

The proposed amendments further general plan policies to promote the production of housing and affordable housing, facilitate production of ADUs, and remove ADU owner-occupancy requirements, including:

• Housing Element Policy 1.1 Provide adequate sites and supporting infrastructure to accommodate housing through land use, zoning, and specific plan designations that encourage a broad range of housing opportunities.

- Housing Element Policy Policy 1.3 Facilitate the production of residential units through design and compatibility review, use of objective development standards, and regulatory and/or financial incentives.
- Housing Element Policy 1.5 Facilitate the development of Accessory Dwelling Units.
- Housing Element Policy 1.5b. Continue to implement the City's ADU program and
  communicate with ADU applicants to identify ways to modify the program in a manner
  that facilitates the production of ADUs, including continuation of the allowance for
  conversion of non-habitable space in multi-family projects to ADUs to be constructed
  simultaneously with new development projects. Continue public awareness campaigns
  regarding the construction of ADUs and available incentives through diverse forms of
  media and outreach distribution.
- Housing Element Policy 1.5d. Present to Council amendments to the City's ADU regulations regarding owner occupancy to provide greater flexibility to existing and future ADU developments.
- Housing Element Policy 2.2 Develop creative ways to facilitate more affordable housing development in the City.
- Housing Element Policy 6.2c. Revise ADU regulations to provide additional units in single-family zoning by such methods as removing owner occupancy requirements, allowing additional ADUs under certain circumstances, or similar measures.
- LU3.8 Allow the following residential uses to exceed the maximum densities in this chapter: Cf. LU1.3 and 3.7.1.
  - o Single-room occupancy (SRO) units;
  - o Flexible density units (FDU);
  - Small studio and one-bedroom units;
  - o Accessory dwelling units (ADU);
  - o Density bonus units; and
  - o Residential uses within areas designated High-Density Overlay District (HD-O).

Some of the proposed amendments are also part of the Local Coastal Program, including minor text changes to procedures for ADU coastal permits; standards for design permits, slope development permits, watercourse development permits, and watercourse variances as they relate to ADUs; zone district allowed uses and site standards related to ADUs; projections into setback areas; accessory buildings and structures; fencing and screening; and bicycle parking requirements for multi-family developments. These proposed amendments are also consistent with Local Coastal Program policies that support natural resource protection and infill of housing in existing neighborhoods, including:

- Environmental Quality Element 4.2 Preserve and enhance the character and quality of riparian and wetland habitats, as identified on Maps EQ-8 and EQ-11, or as identified through the planning process or as designated through the environmental review process.
- Environmental Quality Element 4.2.5 Protect and minimize the impact of development on bird, fish and wildlife habitat in and adjacent to waterways.
- Community Design Element 1.1 Infill and intensify land uses consistent with existing neighborhood or commercial district patterns in developed areas currently served by municipal services. (See policy L 2.1 and policies under L 2.6.3
- Community Design Element 6.1 Protect existing significant vegetation and landscaping that provides scenic as well as wildlife habitat and forage value. (See policies under Goal EQ 4.)

## Findings

Zoning Ordinance Section 24.06.040 requires that prior to making a recommendation for approval of Zoning Ordinance amendments to the City Council, the Planning Commission shall make findings that the public necessity, and the general community welfare, and good zoning practice shall be served and furthered; and that the proposed amendment is in general conformance with the principles, policies and land use designations set forth in the General Plan, Local Coastal Plan and any adopted area or specific plan. Similar findings are also required in the Local Coastal Program for any amendments to the LCP.

These findings include: (1) the proposed amendment is deemed to be in the public interest; (2) the proposed General Plan and/or Local Coastal Program amendment is consistent and compatible with the rest of the General Plan and LCP and any implementation programs that may be affected; (3) the potential impacts of the proposed amendment have been assessed and have been determined not to be detrimental to the public health, safety, or welfare; and (4) the proposed amendment has been processed in accordance with the applicable provisions of the California Government Code and the California Environmental Quality Act (CEQA).

The proposed amendments serve and further public necessity and general community welfare by supporting the creation of ADUs, a housing type affordable by nature, throughout the city. The amendments further good zoning practice by maintaining consistency with state law and improving clarity of regulations. The proposed amendments are in general conformance with the principles, policies and land use designations set forth in the General Plan, Local Coastal Plan and any adopted area or specific plan as described above. The proposed amendments are consistent with the provisions of CEQA as discussed at the end of this report.

## Community Outreach

The Department of Planning and Community Development held a virtual community meeting on August 15, 2024 consistent with the Department's Community Outreach Policy. Approximately 30 community members attended the meeting. Staff presented an overview of proposed amendments and obtained feedback from attendees. Questions and comments from the public focused mainly on how the Residential Rental Inspection Services program works and questions about legalizing unpermitted ADUs. Additional questions included how the separate sale of ADUs would apply to SB 9 developments and what parking requirement would apply to ADU condominiums. In Santa Cruz, SB 9 developments can include condominiums, so ADUs could be mapped as well under the separate sale provisions as long as all SB 9 requirements, such as owner occupancy, are met. Regarding parking, staff recommends that parking requirements reflect those for ADUs and not regular condominium units.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION: The proposed amendments are exempt from CEQA pursuant to Section 15183 as a project consistent with the General Plan for which an EIR was certified. Creation of objective standards related to natural resources such as slopes, heritage trees, watercourses and wetlands, and other sensitive habitats are consistent with existing regulations in the Zoning Ordinance and General Plan and involve the type of review that was considered in the General Plan EIR.

Planning Commission Meeting of September 5, 2024 **Accessory Dwelling Unit Regulation Amendments** Page 12

**HEALTH IN ALL POLICIES (HIAP):** HiAP is a collaborative approach to improving the health of all people by incorporating health considerations into decision-making across sectors and policy areas. HiAP is based on 3 pillars: equity, public health, and sustainability. The goal of HiAP is to ensure that all decision-makers are informed about the health, equity, and sustainability impacts of various policy options during the policy development process. The proposed changes to accessory dwelling unit regulations support the HiAP approach as these revisions support the creation of both rental and ownership accessory dwelling units that are typically more affordable by nature, allow for new types of ownership housing, and can provide seniors with an additional option for aging in place. The changes also support streamlined production of accessory dwelling units that create new infill housing units, which is an efficient and sustainable use of land. Therefore, the proposal is consistent with the three pillars of the HiAP.

**Submitted By:** Clara Stanger Senior Planner

**Approved By:** Matt VanHua, AICP Principal Planner

#### **ATTACHMENTS:**

- 1. Draft ordinance for accessory dwelling unit regulations amendments, LCP, strikeout-underline
- 2. Draft ordinance for accessory dwelling unit regulations amendments, non-LCP, strikeout-underline
- 3. Letter from HCD dated February 6, 2024
- 4. Matrix detailing City's responses to HCD comments on current ordinance

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

2020 W. El Camino Avenue, Suite 500 Sacramento, CA 95833 (916) 263-2911 / FAX (916) 263-7453 www.hcd.ca.gov



February 6, 2024

Lee Butler, Director of Planning and Community Development Planning and Community Development Department City of Santa Cruz 809 Center Street, Room 107 Santa Cruz, CA 95060

Dear Lee Butler:

## RE: Review of Santa Cruz's Accessory Dwelling Unit (ADU) Ordinance under State ADU Law (Gov. Code, § 65852.2)

Thank you for submitting the City of Santa Cruz (City) accessory dwelling unit (ADU) Ordinance No. 2022-22. (Ordinance), adopted December 13, 2022, to the California Department of Housing and Community Development (HCD). The Ordinance was received on December 13, 2023, HCD has reviewed the Ordinance and submits these written findings pursuant to Government Code section 65852.2, subdivision (h). HCD finds that the Ordinance does not comply with section 65852.2 in the manner noted below. Under that statute, the City has up to 30 days to respond to these findings. Accordingly, the City must provide a written response to these findings no later than March 8, 2024.

The Ordinance addresses many statutory requirements; however, HCD finds that the Ordinance does not comply with State ADU Law in the following respects:

• Section 24.08.810 – *Procedure* – The Ordinance states: "In the case of construction of an accessory dwelling unit pursuant to Section 24.16.100 et. Seq, this section shall apply only when alternative site configurations are available to an applicant that would permit the construction of a detached accessory dwelling unit up to eight hundred square feet in size without the need for a slope modification permit..." However, Government Code section 65852.2, subdivision (a)(1)(B)(i), requires the City to impose objective standards on ADUs. Objective standards are defined in subdivision (j)(7) as "standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal." Additionally, subdivision (a)(3), requires only a ministerial process for the approval of

ADUs. The slope permit process and the alternative site configurations present a discretionary approval process and subjective standards for compliance in violation of these subdivisions. Therefore, the City must amend the Ordinance to comply with State ADU Law.

- Section 24.16.130 4.a. Ministerial Timeline The Ordinance states that the state law requirement of a 60-day ministerial review timeline shall not apply when: "Additional administrative or discretionary review is required under applicable provisions of the Santa Cruz Municipal Code or otherwise allowed by state law." However, Government Code section 65852.2, subdivision (a)(3)(A), requires ministerial without discretionary review ADU permit applications to be approved or denied within 60 days. Further, if the local agency has not approved or denied the completed application within 60 days. the application shall be deemed approved. Finally, the Ordinance may not impose additional standards on ADUs other than those provided by Government Code section 65852.2, subdivision (a), and no other local ordinance, policy or regulation may be the basis of delay or denial of building or use permits for ADUs (Gov. Code, § 65852.2, subds. (a)(7) & (a)(8)). Therefore, the City must amend its Ordinance to clarify the nature of the 60day ministerial approval timeline and remove any additional administrative or discretionary review for ADU permit applications.
- Section 24.16.130 4.a. and Section 24.16.140 7. and 11. Discretionary Review The Ordinance states that: "Applications that propose to locate an accessory dwelling unit on a parcel or portion of a parcel triggering additional administrative or discretionary review shall only be relieved of the requirement for those reviews when no alternative site plan or project proposal can be created which would allow the creation of an up to eight-hundred-square-foot accessory dwelling unit that would not trigger additional reviews" (SCMC section 24.16.130 4.a.i.). The Ordinance indicates that "Higher fencing up to eight feet can be considered in unusual design circumstances, subject to review and approval of the zoning administrator." (SCMC section 24.16.140 7).

The Ordinance also states that: "All accessory dwelling units shall meet the objective design standards set forth in this code... which may require discretionary review" (SCMC section 24.16.140 11.). However, accessory dwelling units may only be approved: "ministerially <u>without discretionary review or a hearing</u>, notwithstanding Section 65901 or 65906 or any local ordinance regulating the issuance of variances or special use permits (Gov. Code, § 65852.2, subd. (a)(3)(A)) (emphasis added). As this section references no other ordinance sections regulating variances or special permits, ADUs may not be subject to discretionary review under any circumstances. Therefore, the City must amend its Ordinance to remove the potential for discretionary review of ADU permits.

- Section 24.16.130 8. *Historic Properties* The Ordinance states that: "Applications to construct accessory dwelling units on properties that are designated as historic resources by the city, the state of California, or by the National Register of Historic Places shall show substantial compliance with the guidelines of the Secretary of the Interior for development on such properties." However, pursuant to Government Code section 65852.2, subdivision (a)(1)(B)(i), jurisdictions may only impose objective standards the prevent adverse impacts on real proposed listed in the California Register of Historical Resources. As State ADU Law makes no similar carve out for properties on corresponding city-wide and national registries, the City may not preclude the development of ADUs on these properties for failing to show "substantial compliance with the guidelines of the Secretary of the Interior for development." Therefore, the City must amend its Ordinance to accurately reflect which historic properties may be subject to additional objective standards.
- Section 24.16.130 9. Citywide Creeks and Wetlands Plan The Ordinance states that: "Applications to construct accessory dwelling units on properties that are subject to the Citywide Creeks and Wetlands Plan shall demonstrate compliance with the requirements established in that plan for such properties, as implemented by Section 24.08.2100 et seq." Section 24.08.2100 states: "The Coastal Zone Overlay District is a district which combines with the underlying zone. The City's coastal regulations shall prevail where they conflict with regulations governing the underlying district. Any permitted, administrative or special uses in the underlying zoning district within the Coastal Zone Overlay District are subject to coastal permit regulations and findings, and may be authorized only by approval of a coastal permit, except as provided in Section 24.08.230, Exemptions."

Further, Section 24.08.230 states that "Minor projects lacking coastal significance, are exempted from the requirements of coastal development permit processing in accordance with the California Coastal Act of 1976 and the California Code of Regulations." While the City may impose separate standards on ADUs in coastal zones pursuant to the California Coastal Act and the local coastal program, it is unclear whether ADUs in the Citywide Creeks and Wetlands Plan are part of the local coastal program, or whether the City merely intends to apply existing standards for the Coastal Zone to the Citywide Creeks and Wetlands. Unless the Citywide Creeks and Wetlands Plan was adopted pursuant to the California Coastal Act, this Ordinance would violate Government Code section 65852.2, subdivision (a)(7) which states, "No other local ordinance, policy, or regulation shall be the basis for the delay or denial of a building permit or a use permit under this subdivision. Additionally, if the Ordinance in section is valid, it is unclear whether any exemption would qualify as "minor projects lacking coastal significance." Please clarify.

Government Code section 65852.2, subdivision (e) states, "Notwithstanding subdivisions (a) to (d), inclusive, a local agency shall ministerially approve an application for a building permit within a residential or mixed-use zone." Therefore, standards adopted pursuant to subdivisions (a)-(d) may not preclude ADUs created pursuant to subdivision (e). The City must amend the Ordinance to allow for this exception.

Section 24.16.140 1.a. – Number of ADUs per Parcel – The Ordinance states, for parcels zoned for and including a proposed or existing single-family home, "...One accessory dwelling unit shall be allowed for each parcel. Each parcel may also include a junior accessory dwelling unit..." However, Pursuant to Government Code section 65852.2, subdivision (e)(1), "Notwithstanding subdivisions (a) to (d), inclusive, a local agency shall ministerially approve an application...to create any of the following: (A) One accessory dwelling unit and one junior accessory dwelling unit (JADU) per lot with a proposed or existing single-family dwelling...(i) The accessory dwelling unit or junior accessory dwelling unit is within the proposed space of a single-family dwelling or existing space of a single-family dwelling or accessory structure." Moreover subparagraph (B) permits "One detached, new construction, accessory dwelling unit that does not exceed four-foot side and rear yard setbacks." The use of the term "any" followed by an enumeration of by-right ADU types permitted indicate that any of these ADU types can be combined on lots with existing or proposed single-family dwellings. Statute does not use 'or' nor "one of" to indicate only one or another would be applicable to the exclusion of the other.

Thus, if the local agency approves an ADU that is created from existing (or proposed) space of a single-family dwelling, or created from an existing accessory structure, and the owner subsequently applies for a detached ADU permit (or vice versa), which meets the size and setback requirements, pursuant to the subdivision, the local agency cannot deny the applicant, nor deny a permit for a ADU under this section. This permits a homeowner, who meets specified requirements, to create one (1) converted ADU, one (1) detached, new construction ADU, and one (1) JADU, in any order without prejudice, totaling three units. This standard simultaneously applies to ADUs created pursuant to Government Code section 65852.2, subdivision (e)(1)(C) and (D), on lots with proposed or existing multifamily dwellings according to specified requirements. Therefore, the City must amend its Ordinance to allow for the correct allotment of ADUs.

Section 24.16.140 1.b. – Multifamily Detached ADUs – The Ordinance states, "For parcels developed with and existing with an existing multifamily structure(s): Two new construction and at least 1 conversion accessory dwelling unit" on each parcel. However, Government Code section 65852.2, subdivision (e)(1)(D) specifies, that the "two new construction" ADUs are "located on a lot that has an existing or proposed multifamily dwelling, but are

detached from that multifamily dwelling and are subject to a height limitation in clause (i), (ii), or (iii), as applicable, of subparagraph (D) of paragraph (2) of subdivision (c), and rear yard and side setbacks of no more than four feet." Therefore, the City must amend the Ordinance to allow for ADUs with proposed multifamily dwellings and expand on the requirements of new construction ADUs in compliance with State ADU Law.

- Section 24.16.140 3. *Unit Size, Lot Coverage & Floor Area* The Ordinance states: "The floor area for new construction detached accessory dwelling units shall not exceed ten percent of the net lot area..." and "...shall not exceed fifty percent of the existing habitable floor area of the principal residential use of the property". The City appears to be limiting the size of ADUs based on lot coverage requirements and floor area ratio. However, local agencies may not establish any maximum size for an ADU based upon limits on lot coverage, floor area ratio, open space, front setbacks, and minimum lot size for either attached or detached dwellings that does not permit at least an 800 square foot accessory dwelling unit with four-foot side and rear yard setbacks (Gov. Code, § 65852.2, subd. (c)(2)(C)). Therefore, the City must amend its Ordinance to align with statute.
- Section 24.16.140 8.b. and 8.f.i. Occupancy The Ordinance states, "For accessory dwelling units permitted on or before December 31, 2019, or on or after January 1, 2025, the property owner or an adult member of the property owner's immediate family, limited to the property owner's spouse, adult children, parents, or siblings, and subject to verification by the city, must occupy either the primary or accessory dwelling as his or her principal place of residence..." However, effective January 1, 2024, Government Code section 65852.2, subdivision (a)(8), prohibits the City from imposing an owner-occupant requirement. Therefore, the City must amend the Ordinance to comply with State ADU Law.
- Section 24.16.140 9. Connections Between Units The Ordinance states: "At the discretion of the planning director, accessory dwelling units may be permitted to create direct access between units, or common access to a shared garage, laundry room, or storage area." However, jurisdictions may only impose objective standards on ADUs, which, by definition, involve no personal or subjective judgment by a public official (Gov. Code, § 65852.2, subd. (a)(1)(B)(i) & (j)(7)). A standard that depends on "the discretion of the planning director" involves subjective judgement by a public official and is thus not an objective standard. Therefore, the City must amend its Ordinance to remove this language.
- Section 24.16.141 1.c. and 2. Setbacks The Ordinance states: "A smaller front setback shall be granted only if needed to accommodate an accessory dwelling unit of up to 800 square feet." SCMC section 24.16.141 2. expands

on this allotment. However, while jurisdictions can impose front setbacks, they cannot preclude an ADU of 800 square feet or fewer from existing in the front setback, regardless of whether such an ADU could exist somewhere else on the lot. There exists no legislative provision of feasibility or conditionality regarding the preclusion of front setbacks on ADUs in statute. To read such a provision into subparagraph (C) would imply each of the preclusions listed apply a discretionary test of feasibility or additional conditions when applied. Therefore, the City must further amend its Ordinance to allow for ADUs built pursuant to Government Code section 65852.2, subdivision (c)(2)(C) within the front setback regardless of feasibility within the front setback.

- Section 24.16.141 4.b. Second Story Floor Area The Ordinance states: "The floor area for all second stories shall not exceed fifty percent of the first-floor area for all structures, except in cases where the first-floor area of the structure to which a second story is being added constitutes thirty percent or less of the net lot area." However, this requirement may preclude the development of accessory dwelling units pursuant to Government Code section 65852.2, subdivision (e). Therefore, the City must amend its Ordinance to clarify the exceptions to these design standards.
- Section 24.16.150 1. Separate Sale The Ordinance states: "The accessory dwelling unit or junior accessory dwelling unit shall not be sold separately." However, Government Code section 65852.26 and Government Code section 65852.2, subdivision (a)(10) provide for the separate sale of ADUs from the primary dwelling unit when certain conditions are met. The City must amend the Ordinance to comply with State ADU Law.
- Section 24.16.170 3. Attached Junior Accessory Dwelling Units (JADUs) The Ordinance states that: "Junior accessory dwelling units must be attached to a single-family dwelling..." Government Code section 65852.22, subdivision (a)(4) states, that a JADU must (emphasis added): "...be constructed within the walls of the proposed or existing single-family residence. For purposes of this paragraph, enclosed uses within the residence, such as attached garages, are considered a part of the proposed or existing single-family residence." JADUs may not be created by a new construction addition to the single-family residence. Therefore, the City must clarify that JADUs are only created within the walls of a proposed or existing single-family residence which includes enclosed uses such as attached garages.
- Section 24.16.170 7. JADU Entrance The Ordinance states: "Junior accessory dwelling units that do not contain all the required features of a dwelling unit will be required to maintain an interior connection between the junior accessory dwelling unit and the primary dwelling unit." However, Government Code section 65852.22, subdivision (a)(5)(B) states, that: "If a permitted junior accessory dwelling unit does not include a separate bathroom,

Lee Butler, Director of Planning and Community Development Page 7

the permitted junior accessory dwelling unit shall include a separate entrance from the main entrance to the structure, with an interior entry to the main living area." Requiring a separate entrance for JADUs for any reason beyond the lack of a separate bathroom within the JADU would violate this subdivision. Therefore, the City must amend its Ordinance to require separate entrances for JADUs under this circumstance and not due to JADUs lacking "all the required features of a dwelling unit."

Section 24.16.170 8. – Deed Restriction – The Ordinance states that: "A deed restriction pursuant to Section 24.16.150 shall be required and recorded on the parcel." However, Section 24.16.150 of the SCMC contains deed restriction provisions that go beyond what is provided by Government Code section 65852.22 (a)(3), such as SCMC sections 24.16.150 6. and 7. Therefore, the City must amend its Ordinance to only permit deed restrictions for JADUs pursuant to the terms specified in Government Code section 65852.22, subdivision (a)(3).

In response to the findings in this letter, and pursuant to Government Code section 65852.2, subdivision (h)(2)(B), the City must either amend the Ordinance to comply with State ADU Law or adopt the Ordinance without changes. Should the City choose to adopt the Ordinance without the changes specified by HCD, the City must include findings in its resolution that explain the reasons the City finds that the Ordinance complies with State ADU Law despite the findings made by HCD. Accordingly, the City's response should provide a plan and timeline to bring the Ordinance into compliance.

Please note that, pursuant to Government Code section 65852.2, subdivision (h)(3)(A), if the City fails to take either course of action and bring the Ordinance into compliance with State ADU Law, HCD may notify the City and the California Office of the Attorney General that the City is in violation of State ADU Law.

HCD appreciates the City's efforts in the preparation and adoption of the Ordinance and welcomes the opportunity to assist the City in fully complying with State ADU Law. Please feel free to contact Nicholas Green, of our staff, at (916) 841-6665 or at Nicholas.Green@hcd.ca.gov.

Sincerely,

Jamie Candelaria

Jamis Candelaria

Senior Housing Accountability Manager Housing Policy Development Division

**HCD Comment and Response Matrix** 

Comment #	Comment	Response
1	• Section 24.08.810 – <i>Procedure</i> – The Ordinance states: "In the case of construction of an accessory dwelling unit pursuant to Section 24.16.100 et. Seq, this section shall apply only when alternative site configurations are available to an applicant that would permit the construction of a detached accessory dwelling unit up to eight hundred square feet in size without the need for a slope modification permit" However, Government Code section 65852.2, subdivision (a)(1)(B)(i) [66314(b)(1)], requires the City to impose objective standards on ADUs. Objective standards are defined in subdivision (j)(7) as "standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal." Additionally, subdivision (a)(3) [66316], requires only a ministerial process for the approval of ADUs. The slope permit process and the alternative site configurations present a discretionary approval process and subjective standards for compliance in violation of these subdivisions. Therefore, the City must amend the Ordinance to comply with State ADU Law.	Section 24.08.810 has been amended to remove any requirement for a slope development permit for ADUS. In addition, an objective slope setback has been added to the development standards within the ADU ordinance (24.16.141.9.c). Statewide exemption ADUs can obtain a waiver to this standard if needed to construct the ADU (24.16.141.11.a.iv). So that the City can provide more flexibility and support development of additional ADUs, the ordinance includes a new provision to allow the applicant to obtain a slope development permit when the ADU can meet the standard but the applicant chooses not to (24.16.130.8).
2	• Section 24.16.130.3.a. – <i>Ministerial Timeline</i> – The Ordinance states that the state law requirement of a 60-day ministerial review timeline shall not apply when: "Additional administrative or discretionary review is required under applicable provisions of the Santa Cruz Municipal Code or otherwise allowed by state law." However, Government Code section 65852.2, subdivision (a)(3)(A), requires ministerial without discretionary review ADU permit applications to be approved or denied within 60 days. Further, if the local agency has not approved or denied the completed application within 60 days, the application shall be deemed approved. Finally, the Ordinance may not impose additional standards on ADUs other than those provided by Government Code section 65852.2, subdivision (a), and no other local ordinance, policy or regulation may be the basis of delay or denial of building or use permits for ADUs (Gov. Code, § 65852.2, subds.	The language referencing required additional administrative or discretionary review has been removed.

	(a)(7) & (a)(8)). Therefore, the City must amend its Ordinance to clarify the nature of the 60-day ministerial approval timeline and remove any additional administrative or discretionary review for ADU permit applications.	
3	• Section 24.16.130 4.a. and Section 24.16.140 7. and 11. – Discretionary Review – The Ordinance states that: "Applications that propose to locate an accessory dwelling unit on a parcel or portion of a parcel triggering additional administrative or discretionary review shall only be relieved of the requirement for those reviews when no alternative site plan or project proposal can be created which would allow the creation of an up to eighthundred-square-foot accessory dwelling unit that would not trigger additional reviews" (SCMC section 24.16.130 4.a.i.). The Ordinance indicates that "Higher fencing up to eight feet can be considered in unusual design circumstances, subject to review and approval of the zoning administrator." (SCMC section 24.16.140 7).	The language in Section 24.16.130.4. and 24.16.140.11 referring to discretionary review has been removed.  The language in Section 24.16.140.7 regarding fence height has been removed.
	The Ordinance also states that: "All accessory dwelling units shall meet the objective design standards set forth in this code which may require discretionary review" (SCMC section 24.16.140 11.). However, accessory dwelling units may only be approved: "ministerially without discretionary review or a hearing, notwithstanding Section 65901 or 65906 or any local ordinance regulating the issuance of variances or special use permits (Gov. Code, § 65852.2, subd. (a)(3)(A)) (emphasis added). As this section references no other ordinance sections regulating variances or special permits, ADUs may not be subject to discretionary review under any circumstances. Therefore, the City must amend its Ordinance to remove the potential for discretionary review of ADU permits.	
4	• Section 24.16.130.8. – <i>Historic Properties</i> – The Ordinance states that: "Applications to construct accessory dwelling units on properties that are designated as historic resources by the city, the state of California, or by the National Register of Historic Places shall show substantial compliance with the guidelines of the Secretary of the Interior for development on	Per correspondence from Nick Green, HCD, on 5/17/24, the City may apply as an objective standard for sites listed at the national or local level to show substantial compliance with the

such properties." However, pursuant to Government Code section 65852.2, subdivision (a)(1)(B)(i) [66314(b)(1)], jurisdictions may only impose objective standards the prevent adverse impacts on real proposed listed in the California Register of Historical Resources. As State ADU Law makes no similar carve out for properties on corresponding city-wide and national registries, the City may not preclude the development of ADUs on these properties for failing to show "substantial compliance with the guidelines of the Secretary of the Interior for development." Therefore, the City must amend its Ordinance to accurately reflect which historic properties may be subject to additional objective standards.

Secretary of the Interior standards. Therefore, no changes are proposed to this section.

5

• Section 24.16.130 9. — Citywide Creeks and Wetlands Plan — The Ordinance states that: "Applications to construct accessory dwelling units on properties that are subject to the Citywide Creeks and Wetlands Plan shall demonstrate compliance with the requirements established in that plan for such properties, as implemented by Section 24.08.2100 et seq." Section 24.08.2100 states: "The Coastal Zone Overlay District is a district which combines with the underlying zone. The City's coastal regulations shall prevail where they conflict with regulations governing the underlying district. Any permitted, administrative or special uses in the underlying zoning district within the Coastal Zone Overlay District are subject to coastal permit regulations and findings, and may be authorized only by approval of a coastal permit, except as provided in Section 24.08.230, Exemptions."

Further, Section 24.08.230 states that "Minor projects lacking coastal significance, are exempted from the requirements of coastal development permit processing in accordance with the California Coastal Act of 1976 and the California Code of Regulations." While the City may impose separate standards on ADUs in coastal zones pursuant to the California Coastal Act and the local coastal program, it is unclear whether ADUs in the Citywide Creeks and Wetlands Plan are part of the local coastal program, or whether the City merely intends to apply existing standards for the Coastal Zone to the Citywide Creeks and Wetlands. Unless the

The ordinance refers to 24.08.2100, which is the watercourse development permit section. The letter's language regarding the Coastal Zone Overlay District is actually in Section 24.08.210 and is not referenced by Section 24.16.130.9.

That being said, the ordinance has been amended to no longer refer to the Creeks and Wetlands Management Plan and instead creates an objective setback from creeks or wetlands (24.16.141.9.a and b) with waivers from the setback as needed to create a statewide exemption ADU (24.16.141.11.b.i and 24.16.141.11.c.ii and iii) and an option to obtain a watercourse development permit if the ADU can be located outside the setback (or inside the setback with waivers) but the applicant chooses to locate it within the setback (24.16.140.8).

It should also be noted that an ADU that is required to obtain a coastal permit must

	Citywide Creeks and Wetlands Plan was adopted pursuant to the California Coastal Act, this Ordinance would violate Government Code section 65852.2, subdivision (a)(7) which states, "No other local ordinance, policy, or regulation shall be the basis for the delay or denial of a building permit or a use permit under this subdivision. Additionally, if the Ordinance in section is valid, it is unclear whether any exemption would qualify as "minor projects lacking coastal significance." Please clarify.	demonstrate consistency with the Citywide Creeks and Wetlands Management Plan as that document is part of the Local Coastal Program. No changes are proposed in this regard.
5.5	Government Code section 65852.2, subdivision (e) [66323] states, "Notwithstanding subdivisions (a) to (d), inclusive, a local agency shall ministerially approve an application for a building permit within a residential or mixed-use zone." Therefore, standards adopted pursuant to subdivisions (a)-(d) may not preclude ADUs created pursuant to subdivision (e). The City must amend the Ordinance to allow for this exception.	The modifications include new language that provides for waivers of objective standards in an objective manner to the extent that they physically preclude the construction of a statewide exemption ADU (24.16.141.10 and 11).
6	• Section 24.16.140 1.a. – <i>Number of ADUs per Parcel</i> – The Ordinance states, for parcels zoned for and including a proposed or existing single-family home, "One accessory dwelling unit shall be allowed for each parcel. Each parcel may also include a junior accessory dwelling unit" However, Pursuant to Government Code section 65852.2, subdivision (e)(1), "Notwithstanding subdivisions (a) to (d), inclusive, a local agency shall ministerially approve an applicationto create any of the following: (A) One accessory dwelling unit and one junior accessory dwelling unit (JADU) per lot with a proposed or existing single-family dwelling(i) The accessory dwelling unit or junior accessory dwelling unit is within the proposed space of a single-family dwelling or existing space of a single-family dwelling or accessory structure." Moreover subparagraph (B) permits "One detached, new construction, accessory dwelling unit that does not exceed four-foot side and rear yard setbacks." The use of the term "any" followed by an enumeration of by-right ADU types permitted indicate that any of these ADU types can be combined on lots with existing or proposed single-family dwellings. Statute does not use 'or' nor "one of"	Correspondence from Nick Green, HCD, dated June 6, 2024 indicated that statewide exemption ADUs are required in addition to any non-exempt ADU on the lot. Therefore, the code has been revised to allow any statewide exemption ADUs plus one non-exempt ADU on a lot with a single-family building and to allow the number of statewide exemption ADUs on a lot with a multi-family building (24.16.141.1).

	to indicate only one or another would be applicable to the exclusion of the other.  Thus, if the local agency approves an ADU that is created from existing (or proposed) space of a single-family dwelling, or created from an existing accessory structure, and the owner subsequently applies for a detached ADU permit (or vice versa), which meets the size and setback requirements, pursuant to the subdivision, the local agency cannot deny the applicant, nor deny a permit for a ADU under this section. This permits a homeowner, who meets specified requirements, to create one (1) converted ADU, one (1) detached, new construction ADU, and one (1) JADU, in any order without prejudice, totaling three units. This standard simultaneously applies to ADUs created pursuant to Government Code section 65852.2, subdivision (e)(1)(C) and (D), on lots with proposed or existing multifamily dwellings according to specified requirements. Therefore, the City must amend its Ordinance to allow for the correct allotment of ADUs.	
7	• Section 24.16.140 1.b. — <i>Multifamily Detached ADUs</i> — The Ordinance states, "For parcels developed with and existing with an existing multifamily structure(s): Two new construction and at least 1 conversion accessory dwelling unit" on each parcel. However, Government Code section 65852.2, subdivision (e)(1)(D) specifies, that the "two new construction" ADUs are "located on a lot that has an existing or proposed multifamily dwelling, but are detached from that multifamily dwelling and are subject to a height limitation in clause (i), (ii), or (iii), as applicable, of subparagraph (D) of paragraph (2) of subdivision (c), and rear yard and side setbacks of no more than four feet." Therefore, the City must amend the Ordinance to allow for ADUs with proposed multifamily dwellings and expand on the requirements of new construction ADUs in compliance with State ADU Law.	The ordinance now includes a definition for a statewide exemption ADU that includes that a multifamily detached ADU can be within a proposed multifamily dwelling and includes the noted information on height and setbacks (24.16.125.8.d).
8	• Section 24.16.140 3. – <i>Unit Size, Lot Coverage &amp; Floor Area</i> – The Ordinance states: "The floor area for new construction detached accessory	Correspondence between the City to HCD indicates that during a conversation between

	dwelling units shall not exceed ten percent of the net lot area" and "shall not exceed fifty percent of the existing habitable floor area of the principal residential use of the property". The City appears to be limiting the size of ADUs based on lot coverage requirements and floor area ratio. However, local agencies may not establish any maximum size for an ADU based upon limits on lot coverage, floor area ratio, open space, front setbacks, and minimum lot size for either attached or detached dwellings that does not permit at least an 800 square foot accessory dwelling unit with four-foot side and rear yard setbacks (Gov. Code, § 65852.2, subd. (c)(2)(C)). Therefore, the City must amend its Ordinance to align with statute.	Sarah Neuse and HCD staff on March 4 <sup>th</sup> , it was determined that the City's ordinance as written was in compliance in this regard and that no changes were needed. Specifically, the code section in question limits ADU size based on lot area or a percentage of the main unit only when the ADU exceeds the thresholds of 850 square feet for a studio or one-bedroom units and 1,000 square feet for a unit with more than one bedroom. This standard has been relocated to the new site development standards table in Section 24.16.141.1.
9	• Section 24.16.140 8.b. and 8.f.i. — Occupancy — The Ordinance states, "For accessory dwelling units permitted on or before December 31, 2019, or on or after January 1, 2025, the property owner or an adult member of the property owner's immediate family, limited to the property owner's spouse, adult children, parents, or siblings, and subject to verification by the city, must occupy either the primary or accessory dwelling as his or her principal place of residence" However, effective January 1, 2024, Government Code section 65852.2, subdivision (a)(8) [66315], prohibits the City from imposing an owner-occupant requirement. Therefore, the City must amend the Ordinance to comply with State ADU Law.	These sections referring to occupancy have been removed from the code.
10	• Section 24.16.140 9. – Connections Between Units – The Ordinance states: "At the discretion of the planning director, accessory dwelling units may be permitted to create direct access between units, or common access to a shared garage, laundry room, or storage area." However, jurisdictions may only impose objective standards on ADUs, which, by definition, involve no personal or subjective judgment by a public official (Gov. Code, § 65852.2, subd. (a)(1)(B)(i) & (j)(7)). A standard that depends on "the discretion of the planning director" involves subjective judgement by a public official and is thus not an objective standard. Therefore, the City must amend its Ordinance to remove this language.	Section 24.16.140.9 has been relocated to 24.16.142.2 and amended to remove language related to subjective judgement.

11	• Section 24.16.141 1.c. and 2. – Setbacks – The Ordinance states: "A smaller front setback shall be granted only if needed to accommodate an accessory dwelling unit of up to 800 square feet." SCMC section 24.16.141 2. expands on this allotment. However, while jurisdictions can impose front setbacks, they cannot preclude an ADU of 800 square feet or fewer from existing in the front setback, regardless of whether such an ADU could exist somewhere else on the lot. There exists no legislative provision of feasibility or conditionality regarding the preclusion of front setbacks on ADUs in statute. To read such a provision into subparagraph (C) would imply each of the preclusions listed apply a discretionary test of feasibility or additional conditions when applied. Therefore, the City must further amend its Ordinance to allow for ADUs built pursuant to Government Code section 65852.2, subdivision (c)(2)(C) [66321.b.3] within the front setback regardless of feasibility within the front setback.	Per correspondence with Nick Green, HCD, dated DATE, the front yard setback can be imposed if it can also be waived in a manner that includes no subjectivity on the part of the City. The amended ordinance includes new language to waive a front yard setback in an objective manner to the extend that it physically precludes the construction of an 800 square foot attached or detached ADU with four-foot side and rear yard setbacks (24.16.141.10).
12	• Section 24.16.141 4.b. – Second Story Floor Area – The Ordinance states: "The floor area for all second stories shall not exceed fifty percent of the first-floor area for all structures, except in cases where the first-floor area of the structure to which a second story is being added constitutes thirty percent or less of the net lot area." However, this requirement may preclude the development of accessory dwelling units pursuant to Government Code section 65852.2, subdivision (e). Therefore, the City must amend its Ordinance to clarify the exceptions to these design standards.	Per correspondence to HCD, during a March 4 <sup>th</sup> meeting with HCD staff, HCD staff confirmed that the ordinance as written is not in conflict with state law.
13	• Section 24.16.150 1. – Separate Sale – The Ordinance states: "The accessory dwelling unit or junior accessory dwelling unit shall not be sold separately." However, Government Code section 65852.26 and Government Code section 65852.2, subdivision (a)(10) provide for the separate sale of ADUs from the primary dwelling unit when certain conditions are met. The City must amend the Ordinance to comply with State ADU Law.	Section 24.16.165.9 has been added to allow separate sale of ADUs as required by state law.
14	<ul> <li>Section 24.16.170 3. – Attached Junior Accessory Dwelling Units (JADUs)</li> <li>The Ordinance states that: "Junior accessory dwelling units must be attached to a single-family dwelling" Government Code section</li> </ul>	Language has been added clarifying that attached garages are a space within a

	65852.22, subdivision (a)(4) states, that a JADU must (emphasis added): "be constructed within the walls of the proposed or existing single-family residence. For purposes of this paragraph, enclosed uses within the residence, <b>such as attached garages</b> , are considered a part of the proposed or existing single-family residence." JADUs may not be created by a new construction addition to the single-family residence. Therefore, the City must clarify that JADUs are only created within the walls of a proposed or existing single-family residence which includes enclosed uses such as attached garages.	residence that may be converted to a JADU (24.16.170.3).  Per correspondence from the City to HCD describing a March 4 <sup>th</sup> conversation with HCD staff, HCD staff agreed that a "proposed" single family home can be interpreted to mean the resulting dwelling including a JADU, regardless of whether parts of that dwelling are already existing. The code section has been clarified to
15	• Section 24.16.170 7. – <i>JADU Entrance</i> – The Ordinance states: "Junior accessory dwelling units that do not contain all the required features of a dwelling unit will be required to maintain an interior connection between the junior accessory dwelling unit and the primary dwelling unit." However, Government Code section 65852.22, subdivision (a)(5)(B) states, that: "If a permitted junior accessory dwelling unit does not include a separate bathroom, the permitted junior accessory dwelling unit shall include a separate entrance from the main entrance to the structure, with an interior entry to the main living area." Requiring a separate entrance for JADUs for any reason beyond the lack of a separate bathroom within the JADU would violate this subdivision. Therefore, the City must amend its Ordinance to require separate entrances for JADUs under this circumstance and not due to JADUs lacking "all the required features of a dwelling unit."	reflect this interpretation (24.16.170.3).  Section 24.16.170.7 has been deleted. Section 24.16.170.6 indicates that an interior connection is required only when the jADU does not include a separate bathroom.
16	• Section 24.16.170 8. – <i>Deed Restriction</i> – The Ordinance states that: "A deed restriction pursuant to Section 24.16.150 shall be required and recorded on the parcel." However, Section 24.16.150 of the SCMC contains deed restriction provisions that go beyond what is provided by Government Code section 65852.22 (a)(3) [66333(c)], such as SCMC sections 24.16.150 6. and 7. Therefore, the City must amend its Ordinance to only permit deed restrictions for JADUs pursuant to the terms specified in Government Code section 65852.22, subdivision (a)(3).	References to JADUs have been removed from Section 24.16.150. Section 24.16.170.8 describes deed restriction requirements specific to JADUs and consistent with state law.



Sep 5, 2024

City of Santa Cruz 809 Center Street Santa Cruz, CA 95060

By Email: <a href="mailto:cityplan@santacruzca.gov">cityplan@santacruzca.gov</a>

**CC:** acondotti@abc-law.com; mhuffaker@santacruzca.gov; bbush@santacruzca.gov; lbutler@santacruz.gov

Re: Proposed Changes to Santa Cruz's ADU Ordinance

Dear Santa Cruz Planning Commission,

The California Housing Defense Fund ("CalHDF") submits this letter regarding agenda item 3 for the September 5, 2024 Planning Commission meeting, proposed amendments to the City's accessory dwelling unit ("ADU") ordinance. The proposed ordinance would violate state law in a number of ways, as detailed below.

#### **Background**

The law gives local governments authority to enact zoning ordinances that implement a variety of development standards on ADUs. (Gov. Code, § 66314.) The standards in these local ordinances are limited by state law so as not to overly restrict ADU development. (See *id*.) Separately from local ADU ordinances, Gov. Code, § 66323 prescribes a narrower set of ADU types for which it imposes a ministerial duty on cities to approve. "Notwithstanding Sections 66314 to 66322 ... a local agency shall ministerially approve" these types of ADUs. (*Id*. at subd. (a).) This means that ADUs that satisfy the minimal requirements of section 66323 must be approved regardless of any contrary provisions of the local ADU ordinance. (*Ibid*.) In addition, ADUs that qualify for the protections of Gov. Code, § 66323, like other ADUs, must be processed by local governments within 60 days of a complete permit application submittal. (Gov. Code, § 66317, subd. (a).))

Additionally, state law prohibits creating regulations on ADU development not explicitly allowed by state law. Government Code Section 66315 states, "No additional standards, other than those provided in Section 66314, shall be used or imposed, including an owner-occupant requirement, except that a local agency may require that the property may be used for rentals of terms 30 days or longer."

### Impermissible Development Standards

Santa Cruz Code ("SCC") Section 24.16.141 would place numerous impermissible development standards on ADUs, as detailed below:

SCC Section 24.16.141(1) imposes front yard setbacks on detached ADUs. However, for ADUs that meet the requirements of Government Code Section 66323, subd. (a), the City may not impose any front setback requirement at all.

SCC Section 24.16.141(1) imposes the exterior side yard setback standard of the underlying zoning district on detached ADUs. However, the City may only impose four foot side yard setbacks on ADUs. (Gov. Code, § 66314, subd. (d)(7).) In addition, ADUs "constructed in the same location and to the same dimensions as an existing structure" are entirely exempt from any setback requirements. (*Ibid.*)

SCC Section 24.16.141(1) requires a building-to-building separation of six feet for ADUs. However, for ADUs that meet the requirements of Government Code Section 66323, subd. (a), the City may not impose any building to building separation requirement at all.

SCC Section 24.16.141(1) prohibits "An expansion of up to 150 square feet shall not enlarge the accessory dwelling unit beyond one thousand two hundred square feet unless necessary to accommodate ingress and egress to the accessory dwelling unit." However, for ADUs that meet the requirements of Government Code Section 66323, subd. (a)(1)(A), the City may not disallow a 150 square foot expansion so long as that expansion is only for accommodating ingress and egress, regardless of whether a plan reviewer considers it "necessary."

SCC Section 24.16.141(6) requires a "Clear corner triangle and clear vision area" for ADUs. However, for ADUs that meet the requirements of Government Code Section 66323, subd. (a), the City may not impose any such standards.

SCC Section 24.16.141(7) imposes lot coverage and second story standards on ADUs. However, for ADUs that meet the requirements of Government Code Section 66323, subd. (a, the City may not impose any such standards.

SCC Section 24.16.141(8) imposes archaeological controls on ADUs. However, for ADUs that meet the requirements of Government Code Section 66323, subd. (a), the City may not impose any such standards.

SCC Section 24.16.141(9) imposes minimum distances from certain natural features. However, for ADUs that meet the requirements of Government Code Section 66323, subd. (a), the City may not impose any such standards.

SCC Sections 24.16.141(10) and (11) create a multiple-step waiver process to ensure that an ADU of 800 square feet can be created. However, this process is not allowed by state law. As stated above, ADUs that meet the requirements of Government Code Section 66323, subd. (a) may not be subject to any standard other than four foot side and rear setbacks (or the setbacks of the existing, converted structure) and the height limitations outlined Government Code Section 66321, subd. (b)(4). State law does not allow cities to impose such requirements and only remove them if reviewing officials can be convinced that they must be waived.

SCC Section 24.16.142(1) imposes all the objective design standards of the entire City code on ADUs. This is clearly impermissible. Firstly, only standards listed in Government Code Section 66314 may be imposed on ADUs, not all design standards. Secondly, only basic height and setback requirements may be imposed on ADUs that meet the requirements of Government Code Section 66323, subd. (a), as discussed above.

SCC Section 24.16.142(2) creates requirements for ADU entrances, fenestration, and landscaping. Against, none of these requirements may be imposed on ADUs that meet the requirements of Government Code Section 66323, subd. (a), as discussed above.

SCC Section 24.16.142(2\*) [the second use of Section 24.16.142(2) in the proposed code] forbids connections between an ADU and the primary unit. Again, this requirement may not be imposed on ADUs that meet the requirements of Government Code Section 66323, subd. (a), as discussed above.

SCC Section 24.16.1429(3) regulates ADU development on properties listed by the "National Register of Historic Places, the State of California, or by the City, including any property that has been determined to be eligible for the City's historic building survey list but the property owner has elected to not list the property (opt-out) ..." However, Government Code Section 66314, subd. (b) only allows the imposition of historic standards on ADU development on state register sites, not properties listed on the National Register or local landmarks/surveys but not the state register. Furthermore, no such standards may be imposed on ADUs that meet the requirements of Government Code Section 66323, subd. (a), as discussed above.

### Impermissible Inclusionary Housing Requirements

Section 24.16.020(7) places an inclusionary housing requirement on ADU development. However, Government Code Section 66315 states, "No additional standards, other than those provided in Section 66314, shall be used or imposed, including an owner-occupant requirement, except that a local agency may require that the property may be used for

rentals of terms 30 days or longer." A deed restriction would be an "additional standard" and thus cannot be imposed. Additionally, given that the City is already assuming in its Housing Element that a certain percentage of ADUs are naturally affordable, it is illogical to also require an inclusionary requirement if the ADUs are already naturally affordable.

## Impermissible Restriction on Short-Term Rentals of the Primary Unit

SCC Section 24.16.140(3) forbids the short term rental of condo units and townhouses after an ADU has been developed on the property. Unless the City forbids the short term rental of all condo units and townhouses in the City, it may not specifically forbid the short term rental of condo units and townhouses where an ADU has been developed. Not only might this have a chilling effect on ADU production, in spite of the fact that the City is planning on building 584 ADUs during its current Housing Element Cycle, but this would mean that the City is imposing an additional standard on ADU development not specifically mentioned in state law. And as discussed above, Government Code Section 66315 states, "No additional standards, other than those provided in Section 66314, shall be used or imposed, including an owner-occupant requirement, except that a local agency may require that the property may be used for rentals of terms 30 days or longer." A restriction on the short term rental of the primary unit is an "additional standard" and thus cannot be imposed.

## **Approval Process**

SCC Section 24.16.130 allows for a discretionary process for the approval of ADUs that do not meet the standards in the code. However, Government Code Section 66316 only allows for ministerial approvals: "... an accessory dwelling ordinance adopted by a local agency shall provide an approval process that includes only ministerial provisions for the approval of accessory dwelling units and shall not include any discretionary processes, provisions, or requirements for those units..." Additionally, if the City amends its ordinance to comply with state law, then there will be no need for such a process.

## The Required Deed Restrictions Are Unenforceable

SCC Section 24.16.150 requires a deed restriction to be recorded against the property as a condition of developing an ADU. However, such deed restrictions imposed on ADUs are unenforceable. This is due to the absence of horizontal privity between the City and the applicant. In other words, since the City does not own the applicant's property at the time of the application, and does not own a neighboring property to whose benefit the proposed restriction(s) redound, black letter property law bars the restrictions from binding future property owners. (See, e.g., *Scaringe v. J. C. C. Enters.* (1988) 205 Cal.App.3d 1536 [describing the types of privity relationship between covenanting parties that allow enforcement of a deed restriction]; see also Civ. Code §§ 1460 et seq.)

Additionally, Government Code Section 66315 states, "No additional standards, other than

those provided in Section 66314, shall be used or imposed, including an owner-occupant requirement, except that a local agency may require that the property may be used for rentals of terms 30 days or longer." A deed restriction would be an "additional standard" and thus cannot be imposed.

\*\*\*

CalHDF is a 501(c)(3) non-profit corporation whose mission includes advocating for increased access to housing for Californians at all income levels, including low-income households. You may learn more about CalHDF at <a href="https://www.calhdf.org">www.calhdf.org</a>.

Sincerely,

Dylan Casey

CalHDF Executive Director

James M. Lloyd

CalHDF Director of Planning and Investigations

From: Claire Castagna
To: City Council
Subject: Changes to ADU law

**Date:** Saturday, October 5, 2024 7:12:11 AM

#### Re:

Another proposed change would require that all ADUs are required to be inspected by the city's Residential Rental Inspection Service as they were exempt before. With owner occupancy no longer required, ADUs would be seen as functioning more as a rental property so city staff recommends that the exemption be removed to ensure they are adequately maintained.

Not ALL ADUs should be under the City's Rental Inspection program, which seems to be wanting to build their budget, charging people more and more for the illusion of providing a service, in reality, barely needed. Landlords are charged annually to inspect their own property! An actual inspector shows up every 5 years—so for 80% of the time, it's one big paper push. What are the percentages of serious problems "uncovered" by inspecting rentals? That data should drive the decision to expand or exist at all.

If the City can see in the data the need to include non-owner occupied ADUs, at least it's consistent with the current inspection policy. It is inconsistent to require annual inspection of a part of a owner occupied home, including their backyard, driveway, garage, shed or ADU. The City staff doesn't seem to appreciate that most citizens and homeowners are good people doing the right thing. Now the staff wants to charge even more people annually for completing a form attesting to be good. Seems like one more way to build the department's budget.

Sincerely, Claire Castagna Santa Cruz From: Kirsten
To: City Council

**Subject:** [CAUTION: Verify Sender Before Opening!] 10/08/24 Council Agenda Item 15: ADUs

**Date:** Sunday, October 6, 2024 10:41:11 PM

Attachments: sccouncilADU.docx

## Hello,

My parents have requested that I electronically submit their letter for consideration at the October 8th Council meeting regarding Accessory Dwelling Unit revisions. Thank you for your consideration on this very important issue.

Sincerely,

Kirsten Garrard

Dear Honorable Mayor and Council Members of the City of Santa Cruz, California:

We are writing to express our <u>strong support</u> of the City of Santa Cruz Planning Commission and staff recommendations to make Accessory Dwelling Unit (ADU) ownership in the City consistent and equitable Citywide by removing the current owner-occupied deed restriction requirements that pertain to a limited number of residential homes with ADUs.

Giving homeowners the option to recind the current deed restrictions streamlines the process, creates more affordable housing and levels the playing field for the handful of homeowners with ADUs burdened down with the many restrictions that other homes with ADUs do not have. Again, we strongly encourage you to approve the Planning Commission and staff recommendations.

Sincerely,
Tom and Mary Hamilton
118 Manor Ave
Santa Cruz, CA 95060

From: PJ Grube
To: City Council

**Subject:** Community Feedback

**Date:** Monday, October 7, 2024 10:15:48 AM

## Low Cost Housing and ADU Condominiums

The failure of Low-cost housing has an origin. in the late 60s early 70s condominiums were approved on multi residential property. Even existing apartment complexes were converted to condominiums, basically removing them from the rental market.

Apartments were our low-cost housing driven by market forces.

It is now rare to see a new apartment complex built that is not designed as condominiums.

We have consistently built housing units with more and more amenities, raising their market values.

We need less amenities, smaller units and more density. Rich people tend to not want this type of housing.

The idea of allowing ADU to be condominiums is only exacerbating the ever decreasing affordability of housing.

The difference between renting an ADU and buying a one bedroom one bath ADU is all you need to look at to be convinced.

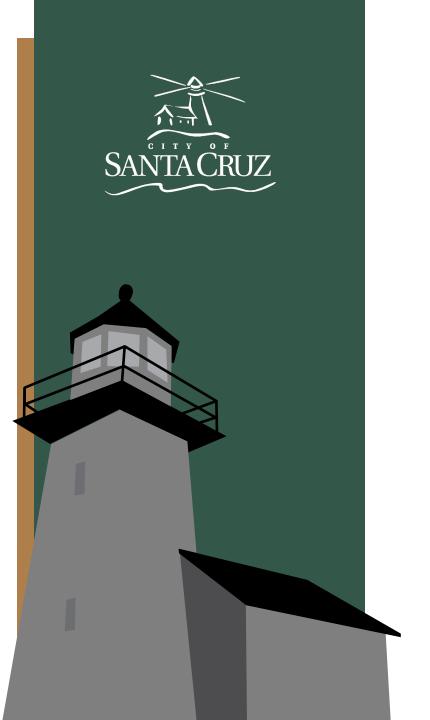
Buying would be \$600,000 at 6.39% interest, fully amortized is \$3,750 per month + \$150 tax and insurance = \$3,900 per month.

Renting a one bedroom = \$2,000-\$2,700

Zoning needs to be change to have an apartment specific multi-unit zoning category, no condominiums.

The expectation that government should supply us affordable housing has to stop. We need a market driven supply and demand system. Driven by tax incentives to create safe, minimum size, low amenity, greater density, not over engineered apartment units.

PJ Grube Real Estate Broker 45 years



# Accessory Dwelling Unit Ordinance Amendments

Santa Cruz City Council
October 8, 2024



# **Proposed Changes**

- Permanently adopt urgency ordinance changes
- State law consistency
- ADU ordinance clarity
- Remove owner occupancy and require Rental Inspection enrollment
- Separate sale of ADUs



# **Owner-Occupancy/RRIS**

## **Current Requirements**

- Owner-occupancy waived for ADUs built 2020 or later
- ADUs exempt from rental inspection service

## **Proposed Amendments**

- Remove owner-occupancy for all ADUs
- Residential Rental Inspection Service enrollment required



# Separate Sale: AB 1033

- Allows condominium mapping of sites with ADUs
- More variety in housing market
- Opportunity for lower-cost ownership housing
- Ministerial approval process for four or fewer condos
- Tenant displacement assistance



# **Community Feedback**

- August 15: Community meeting
- August 23: Santa Cruz County Association of Realtors
- September 19: Westside Engagement Community Meeting



# **Planning Commission: Sept. 5**

- Agreed with staff recommendation for approval
- Review Housing Defense Fund letter and state law conformance

15 239



## Next steps

- City Council 2<sup>nd</sup> reading
- 30 day after 2nd reading Changes in effect, Local Coastal Program changes not in effect in Coastal Zone until approved by Coastal Commission
- December January: new state law required changes



## Recommendation

- 1) Acknowledge the Environmental Determination;
- 2) Approve the proposed ordinances amending accessory dwelling Unit Regulations and other minor technical amendments, including amendments to Santa Cruz Municipal Code Chapters 21.06, 23.04, 23.12, 24.04, 24.08, 24.10, 24.12, and 24.16 and adding new sections 24.04.095 and 24.16.165, and including amendments to the Local Coastal Program;
- 3) Rescind temporary ordinance 2022-22, extended by ordinance 2023-01 when new ordinance goes into effect

15 241



## City Council AGENDA REPORT

**DATE:** 09/17/2024

**AGENDA OF:** 10/08/2024

**DEPARTMENT:** City Manager

**SUBJECT:** Santa Cruz County Civil Grand Jury Response (CM)

**RECOMMENDATION:** Motion to authorize the Mayor to submit responses to the Santa Cruz Civil Grand Jury on behalf of the Santa Cruz City Council for the (1) *Honoring Commitments to the Public*, (2) *Housing for Whom*, and (3) *Preventing Rape and Domestic Violence* reports.

**BACKGROUND:** The Grand Jury issued three reports which require responses from the Santa Cruz City Council. The full reports can be accessed here: <a href="https://www.santacruzcountyca.gov/Departments/GrandJury/2023-2024GrandJuryReportsandResponses.aspx">https://www.santacruzcountyca.gov/Departments/GrandJury/2023-2024GrandJuryReportsandResponses.aspx</a>. The required responses included:

- 1. Honoring Commitments to the Public—Review of 2020-21 Grand Jury Report Responses Response due date: October 9, 2024;
- 2. Housing For Whom? An Investigation of Inclusionary Housing in the City of Santa Cruz Response due date: October 9, 2024; and
- 3. Preventing Rape and Domestic Violence—Where's the Priority? Response due date: October 9, 2024.

**DISCUSSION:** At the September 10, 2024, City Council meeting, the Council approved the formation of a City Council subcommittee to review the responses prepared by staff and to submit a request to the Santa Cruz Civil Grand Jury for an extension to submit their responses from September 25th to October 9, 2024. The Civil Grand Jury approved the extension. The subcommittee was formed with Councilmembers Brown, Brunner and Mayor Keeley. After gathering feedback from the Council subcommittee and various City Departments, staff has prepared responses for Council's review. The Council is being requested to authorize the Mayor to respond, on behalf of the Council, to the published Civil Grand Jury reports that required responses. Upon approval, responses will be submitted to the Civil Grand Jury by October 9, 2024.

## CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION:

Under Pub. Resources Code, § 21065, the proposed Council action is not a "project" under CEQA because no direct or indirect physical change to the environment is anticipated, nor does the proposed Council action represent the type of "activity" described in subdivisions (a) through (c) of Section 21065.

**HEALTH IN ALL POLICIES (HiAP):** The City's prioritization of the subject areas addressed by the Grand Jury reports is supportive of many current Collective of Results and Evidence-based Investments program goals pertaining to health and wellness, economic security and mobility, thriving families, community connectedness, healthy environments, a safe and just community, and stable, affordable housing and shelter. While there is little nexus with sustainability, the City activities to address the Grant Jury's subject areas support two of the three pillars of HiAP, equity and public health, as well as related community well-being outcome metrics adopted as part of the HiAP initiative.

#### FISCAL IMPACT: None.

Prepared By:	Submitted By:	Approved By:
Gina Liebig	Michelle Templeton	Matt Huffaker
Principal Management	Assistant City Manager	City Manager
Analyst		

#### **ATTACHMENTS:**

- 1. HONORING COMMITMENTS TO THE PUBLIC.PDF
- 2. HOUSING FOR WHOM TRACK CHANGES.DOC
- 3. HOUSING FOR WHOM CLEAN.DOC
- 4. PREVENTING RAPE AND DOMESTIC VIOLENCE RESPONSE TRACK CHANGES.DOCX
- 5. PREVENTING RAPE AND DOMESTIC VIOLENCE RESPONSE CLEAN.DOCX



701 Ocean Street, Room 318-I Santa Cruz, CA 95060 (831) 454-2099 grandjury@scgrandjury.org

## **Honoring Commitments to the Public**

Review of 2020-21 Grand Jury Report Responses

## **Summary**

The value of Grand Jury reports and recommendations comes when government agencies actually improve their transparency and efficiency. It typically takes two years for results to be measurable.

The 2023-24 Santa Cruz County Civil Grand Jury reviewed local government responses to three of the nine 2020-21 Grand Jury reports. The other six (6) reports were in compliance. The purpose was to determine whether the named local government officials and their agencies met their stated commitments. Following through on these commitments is required by California Penal Code section 933.05.

In two cases, the agencies promised to take action at some unspecified time in the future. This is not an appropriate response. The specific time action will be taken is required to be specifically stated.

The Grand Jury investigation on those two cases discovered that there was significant action taken, though in the case of one report Grand Jury recommendations were not fully implemented. In the third case, the specific recommendations could not be addressed due to changing circumstances. The reports reviewed, and agency actions, are below:

- Santa Cruz County Agricultural Commissioner's Office Can Get By with a Little Help from its Friends: The Commissioner's Office still has work to do. Four new recommendations have been made to address the original recommendation, which is still unmet.
- Wildfire Threat to the City of Santa Cruz: Commitments were partially met.
- The CZU Lightning Complex Fire Learn...or Burn?: Commitment has been met.

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#### **Background**

Each year the Santa Cruz County Civil Grand Jury (Grand Jury) investigates local government operations. It then issues reports with the goal of improving government efficiency and effectiveness, and promoting accountability and transparency. The Grand Jury reports make recommendations for improvements. When called for in the report, elected local government officials and governing bodies are required to respond to the Grand Jury's findings and recommendations.

Each investigated organization receives a copy of the Grand Jury's report and a response packet that includes the instructions. They send their responses to the presiding judge of the Superior Court with a copy to the Grand Jury. Elected officials must respond within 60 days and governing bodies are required to respond within 90 days.

Only governing bodies and elected county officers are required to respond to Grand Jury reports. However, the Grand Jury may invite a response from other "responsible officers" such as the chief administrative officer of a government function.

Readers interested in a more comprehensive look at the Grand Jury reports and responses are encouraged to read the original reports and responses. All may be found on the County's Grand Jury web page in the Reports section.

## Scope and Methodology

For this Honoring Commitments report, the Grand Jury reviewed responses to the following three 2020-21 reports:

- Santa Cruz County Agricultural Commissioner's Office Can Get By with a Little Help from Its Friends. [1]
- Wildfire Threat to the City of Santa Cruz<sup>[2]</sup>
- The CZU Lightning Complex Fire Learn...or Burn?[3]

The 2023-24 Grand Jury has followed up with the responding agencies for these selected reports. The Grand Jury wanted to know whether the agencies actually did implement recommendations as they said they would, or that they did the further analysis, and what the outcome was. Without follow-up these recommendations can fall by the wayside and drop out of public view.

Online research of websites, news articles, and published reports as well as interviews were all employed by the Grand Jury to investigate these issues.

Grand Juries are authorized to review report responses for each of the following categories. However, the responses in this report address only categories 2 and 3 as listed below:

- 1. HAS BEEN IMPLEMENTED provide a summary of the action taken,
- 2. HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE provide a timeframe or expected date for implementation,

- 3. REQUIRES FURTHER ANALYSIS provide an explanation, scope, and parameters of an analysis to be completed within six months, or
- 4. WILL NOT BE IMPLEMENTED provide an explanation of why it is not warranted or not reasonable.

## Investigation

# 1. Santa Cruz County Agricultural Commissioner's Office Can Get By with a Little Help from Its Friends

This report from the 2020-21 Grand Jury had to do with managing resident notification gaps related to agricultural pesticide applications near schools and neighborhoods.

The Watsonville City Council responded to public demands for advance notice of pesticide use in nearby neighborhoods with a City Council resolution.

It was believed that the Santa Cruz County Agriculture Commissioner's office could post the submitted and approved notices online, indicating that pesticide application was about to take place.<sup>[1]</sup>

#### 2020-21 R2: Recommendation by Grand Jury

Within six months, the Board of Supervisors should assess and initiate online posting, text, or email notification of pesticide applications for nearby neighborhoods.<sup>[4]</sup>

## 2020-21 R2: Response and Explanation from Santa Cruz County Board of Supervisors

#### WILL NOT BE IMPLEMENTED - explain why

Our County has been engaged with community members residing next to farms that may have questions or want information about the use of pesticides. These engagement efforts are led by the Agricultural Commissioner who works with our growers and community members to encourage more communication.

The California Department of Pesticide Regulation (DPR) is in the early stages of assessing feasibility for a statewide notification program and DPR is the appropriate agency to lead these efforts to ensure a program that is equitable and consistent across the State. [5]

## 2020-21 R3: Recommendation by Grand Jury

Within six months, the Board of Supervisors should lobby the state and the Department of Pesticide Regulation to require that specific location information useful to the public be included on forms such as the Restricted Material Permits and the Notice of Intent forms.<sup>[4]</sup>

## 2020-21 R3: Response and Explanation from Santa Cruz County Board of Supervisors

#### WILL NOT BE IMPLEMENTED – explain why

These efforts are already underway by the California Department of Pesticide Regulation (DPR). DPR is in the early stages of engaging stakeholders on the development of a statewide pesticide notification program. DPR plans to have listening sessions with communities throughout the State later this year to receive feedback and comments regarding information that would be important as part of any notification process including more site-specific information. Input from communities and stakeholders will drive the specific information that will be included on notifications and whether Restricted Material Permits and Notices of Intent are the best outlets to provide this information. It is possible that notification information may be provided in a different format in an effort to make the information comprehensive.<sup>[5]</sup>

#### 2023-24 Grand Jury Follow-up to R2 and R3

Even though the responses to these recommendations were neither:

HAS BEEN IMPLEMENTED nor

HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE.

the 2023-24 Grand Jury assessed that the responses did require follow-up to assure the public that the issue is being addressed.

The 2023-24 Grand Jury did research on the California Department of Pesticide Regulation website, and interviewed personnel in the Santa Cruz County Agricultural Commissioner's Office as well as officials of the City of Watsonville. [6]

The Grand Jury learned that the DPR is indeed developing a new system of notification for agricultural pesticide applications statewide, called "Spray Days Now." A preliminary version of that application has been tested in four California counties, including Santa Cruz County. The testing was done with the participation of the Santa Cruz County Agricultural Commissioner and several residential communities near agricultural fields. [6] [7] [8]

The program has two modes of operation. The first is passive. It allows anyone to go to a specific website where they will be presented with a map of California. The user can then drill down on the map to their (or any) specific location and locate any planned pesticide application in that area. The second mode is more active. It allows a user to sign up to be notified anytime a pesticide application is to be made in an area near their home, business, school, etc.<sup>[7]</sup>

This new program was initially scheduled to be rolled out in the spring of 2024, but due to various project issues it is now expected to be ready by spring of 2025. [7]

The Grand Jury found, through interviews with officials at the county and city levels, that information about the new program being developed by the CDP has not been successfully communicated to impacted south county city officials.

The County Agricultural Commissioner's Office is the primary liaison to the state Department of Pesticide Regulation. The information in this section was largely furnished by the Commissioner's Office. To corroborate this data, fact finding with other agencies such as the City of Watsonville or Pajaro Valley School District was done. The Grand Jury did not observe content reflecting the plan on those agency websites and was not briefed on it by those agencies based on interviews.<sup>[8] [9]</sup>

The Grand Jury did learn some good news from the County Agricultural Commissioner. As science progresses, less toxic pesticides are being developed and released regularly. This reduces the severity of health and environmental impacts in the community. There is also growth in the organic control of pests, again reducing hazards to the public. In addition, many growers in Santa Cruz County are now investing in artificial intelligence driven machines, such as one that goes through the crop fields and vacuums up any unwanted insect pests, and one that can selectively destroy weeds with laser beams, avoiding the crop plants. These methods further reduce negative impacts and allow the growers to continue producing high quality agricultural products.<sup>[7]</sup>

## **Findings**

- **F1.** The California Department of Pesticide Regulation is developing a new system of notification for agricultural pesticide applications statewide and the proof of concept shows promise of being a good solution for notifying the public of pesticide application information in a timely manner.
- **F2.** The Active and Passive modes of notification will allow access to members of the public in a manner of their choosing. Some people are comfortable signing up for notifications, others are not and would prefer to look up the information anonymously. This appears to provide most people the option to choose the method with which they are most comfortable.
- **F3.** Because project delays have put off the release of the new system until the Spring of 2025, rather than 2024 as originally proposed, it is even more important that the public be made aware of what the new system will provide to them.
- **F4.** As science progresses, less toxic pesticides are being developed and released regularly, and growers are finding acceptable alternatives to many pesticides. Less toxic pesticide use in Santa Cruz county is leading to lower risks to human and environmental health.
- **F5.** Communication between the Agricultural Commissioner's Office and other south county officials concerning pesticide management is not adequate, leading to a higher risk to human health.

#### Recommendations

- **R1.** The Grand Jury recommends that the Office of the Agricultural Commissioner makes known to City of Watsonville officials and various governmental agencies information about advances in agricultural pest control, including less toxic pesticides and alternative methods of pest eradication. This information should be shared by September 30, 2024. (F4, F5)
- **R2**. The Grand Jury recommends that the Office of the Agricultural Commissioner inform the public about advances in agricultural pest control, particularly to residents in areas commonly exposed to pesticide applications. This should be completed by October 15, 2024. (F4, F5)
- **R3**. The Grand Jury recommends that the Office of the Agricultural Commissioner makes known to City of Watsonville officials and various governmental agencies, information about the "Spray Days Now" notification system being developed by the state DPR. Information should be shared by September 30, 2024. (F1, F2, F3, F5)
- **R4**. The Grand Jury recommends that the Office of the Agricultural Commissioner communicate information to the public about the "Spray Days Now" notification system being developed by the state DPR, especially in areas impacted by pesticide use. This should be completed by October 15, 2024. (F1, F2, F3, F5)

#### 2. Wildfire Threat to the City of Santa Cruz

The Grand Jury of 2020-21 investigated the high risk probability of wildfires, especially in areas surrounding the City of Santa Cruz known as the Wildland Urban Interface Area (WUI). The Grand Jury wanted to know how the high risk of wildfires was being addressed and our level of preparedness. The 2020-21 report specifically addressed the issue of homeless encampments and how they contributed to wildfire risk in WUI areas of the city.<sup>[2]</sup>

## 2020-21 Grand Jury Report, Recommendation R2

In the next three months, the City Council needs to have more transparent and formal coordination with the county on management of homeless resources. [2]

## 2020-21 R2: Response and Explanation from Santa Cruz City Council Has not yet been implemented but will be in the future.

The 2x2 Committee, consisting of the City's Mayor and Vice Mayor as well as the County Supervisors from Districts 3 & 5, meets every other week on homelessness issues. The Mayor and Vice Mayor provide a verbal report on those discussions at Council meetings on a monthly basis. County/City coordination through the Homeless Action Partnership has not been as transparent as it could be; however, the County has proposed a new charter to regional participants and it should increase transparency. It has been adopted by the HAP and is proceeding with consideration by cities and the county.<sup>[2]</sup>

#### 2023-24 Grand Jury Follow-up and City Response to R2

The following is an excerpt from the Office of the City Manager of Santa Cruz in response to the Grand Jury's request for their follow-up to recommendations made in the 2020-21 Grand Jury report Wildfire Threat to the City of Santa Cruz:

City and County representatives began informally meeting in 2016. In January of 2018, both the City and the County formalized their respective agencies' participation and communication through a committee known as the 2x2. The 2x2 was composed of two members from the County Board of Supervisors and two members from the City Council to improve coordination between the agencies regarding homelessness issues. The goal was to form a regional response, in partnership with the County, to strengthen City efforts to improve how we respond to the homelessness crisis.

In January of 2022, the Santa Cruz County Housing for Health Partnership (H4HP) Policy Board was created to replace the Homeless Action Partnership (HAP) oversight groups. The newly created H4HP serves as the federally designated Housing and Urban Development Department (HUD) Continuum of Care (CoC) Board for Santa Cruz County and coordinates resources, programs, and services focused on preventing and ending homelessness.<sup>[10]</sup> [11]

Prior to the creation of the H4HP Policy Board, the HAP CoC oversight groups included staff from the County's four cities, the County, a member of the health sector, members from various non-profits serving the homeless community, and those with lived experience. The HAP groups did not include elected officials. Subsequently, changes were made to the CoC governance structure to ensure broader and deeper engagement of City and County leaders in the CoC planning and decision-making process, with the additional option to include elected officials from the cities and the County on the Policy Board. The current Policy Board membership overlaps with individuals historically involved with the 2x2 and HAP. The City of Santa Cruz has two seats on the policy board, which may be filled by elected officials, government staff, or other citizens. Therefore, the 2X2 was eliminated, however staff continue to meet on a bi-weekly basis. to collaborate on projects of mutual interest related to homelessness. [12] [13] [14]

Grand Jury research found that the Santa Cruz County Housing for Health Partnership is in place. This group is a collaboration between the County's Human Services Department and a coalition of partners and resources for the purpose of preventing and ending homelessness within our County. The partnership includes a wide variety of members from the community including Santa Cruz City Council members, Board Supervisors, agency representatives, and County senior-level employees.

In March 2019 the Partnership began developing the Healthy Santa Cruz County Strategic Framework. The Framework contains steps aimed to reduce "unsheltered and overall homelessness countywide by January 2024." The Framework outlines a detailed plan to accomplish this goal.<sup>[15]</sup>

With regard to the City Manager's response to 2020-2021 Recommendation R2, the City has met its commitment to formally collaborate with the County for the purpose of managing homeless resources and reducing homelessness in our County.

#### 2020-21 R8: Recommendation by Grand Jury

In the next six months, the City Council should produce a detailed plan and accounting of how the federal and state homeless funds are used. [2]

#### 2020-21 R8: Response and Explanation from Santa Cruz City Council

#### Has not yet been implemented but will be in the future.

The City has detailed information on how all state and federal funds received to date have been spent. The City received additional, direct funding from the state as part of the current state budget, and the requirements for how that will be spent and what that will fund are still to be determined. Similarly, direct funding from the American Rescue Act will go towards homelessness, but specifics related to that spending and the associated limitations are still to be determined. City staff are working with a consultant to provide a consolidated report on various City expenditures, including prior and upcoming state and federal fund expenditures.

#### 2023-24 Grand Jury Follow-up and City Response to R8

The following is an excerpt from the Office of the City Manager of Santa Cruz in response to the Grand Jury's request for their follow-up to recommendations made in the 2020-21 Grand Jury report Wildfire Threat to the City of Santa Cruz:

A detailed plan for the use of funds was originally developed in March of 2022. The cost projections were revised in May of 2022. Further updates to the budget were presented to the City Council in December of 2022. During the budget presentations to the City Council for FY24, a summary of expenditures was presented to the City Council on May 23, 2023. [12] [16]

The City's response to the Grand Jury's 2020-21 report states that the City has "detailed information on how all state and federal funds received to date have been spent." Yet no such information appears to have been provided.

The City's FY 2024 Annual Budget attached to the May 23, 2023 City Council meeting contains only high level revenue and expenditure line items for Homeless Response Program Funds. Revenues of \$14M in 2022 appear to be a lump sum to be spread over an unknown number of years. Overall expenditure figures for 2022 (actual), 2023 (adopted budget), and 2024 (adopted budget) total approximately \$20M.

## **Finding**

**F6.** With regard to the City Manager's response to Recommendation R8, the City's FY 2024 Annual Budget does not provide a detailed plan and accounting of how homeless funds have been used. The City's response only partially fulfilled its commitment to make related budget figures available.

#### Recommendations

- **R5.** Within 90 days the City Manager should publish the figures that their initial response indicated were available for prior for years. (F6)
- **R6.** Within 90 days the City should publish the summary of expenditures as presented to the City Council in May 2023 that expand on the figures provided in the FY 2024 Annual Budget. (F6)

#### 3. The CZU Lightning Complex Fire – Learn...or Burn?

The CZU Lightning Complex fires of August 2020 were ignited by over three hundred lightning strikes in the counties of Santa Cruz and San Mateo. The fires burned for thirty seven days creating the largest wildfire in the history of Santa Cruz County. The 2020-21 Grand Jury wanted to know how the governmental response to the fire measured up and whether it could be deemed prepared for the next wildfire eventuality. [3]

#### 2020-21 R3: Recommendation by Grand Jury

Within the next six months, the Board of Supervisors should require that CAL FIRE produce timely after-action reports for all major incidents.<sup>[3]</sup>

## 2020-21 R3: Response and Explanation from Santa Cruz County Board Of Supervisors

#### Requires further analysis

CAL FIRE, as County Fire has participated in County after action reviews and participates in monthly coordination meetings with law enforcement, CAO, and The County Fire Chiefs Association met to discuss lessons learned and continues to meet and work together. Substantive concerns at the State level are outside the local span of control to address. County Fire and its State CAL FIRE partners provided a professional response under considerable strain from the magnitude of this incident. [3] [17]

# 2023-24 Grand Jury Follow-up and Santa Cruz County Board Of Supervisors Response to R3

The following is the response from the Director of the Office of Response, Recovery and Resiliency (OR3), David Reid, on behalf of the Board of Supervisors 2023-24:

CAL FIRE has and will participate in After Action Reviews conducted by the County Office of Response, Recovery and Resilience for all major incidents that impact the County. OR3 is coordinating closely with CAL FIRE as County Fire on Wildfire Prevention activities, the County of Santa Cruz Emergency Operations Plan update, and alert and warning practices. [17] [18]

In addition to the above statement from the Office of Response, Recovery and Resiliency, the Grand Jury acquired a copy of a report titled 2020 CZU Lightning

Complex Fire: After-Action Report and Improvement Plan, published on December 7, 2021.<sup>[19]</sup> The purpose of the report was to provide an analysis of the strengths and weaknesses of the Emergency Operation Center's (EOC) core capabilities and identify improvement strategies.

The County of Santa Cruz and coordinating response partners held feedback sessions in order to assess the successes and failures of the CZU response. CAL FIRE is listed in Appendix C of the After-Action Report as a contributing partner although it is difficult to determine to what extent CAL FIRE participated.

These sessions produced an extensive list of emergency management program opportunities for improvement and functional gaps. At the time the report was published, working groups had been meeting weekly to bi-weekly to address the prioritized improvement goals. At that time several process improvements had been completed. Several others were under development or not yet started.

The 2023-24 Grand Jury is pleased with the thoroughness and completeness of the response to the Grand Jury's recommendation.

#### **Finding**

F7. The joint effort between CAL Fire and OR3, as well as many other partners listed in the report, to improve preparedness for future wildfires is well-documented in the above-mentioned *After-Action Report and Improvement Plan*. Furthermore, the Grand Jury's recommendation that this undertaking commence within 6 months of the Grand Jury report publication did take place in the allotted time period. However, the Grand Jury did not find the original report or any published updates to the initial report that included progress towards the report's stated objectives. Such publications would reassure the public that wildfire preparedness is a priority and is being addressed.

#### Recommendation

R7. The Grand Jury requests an update as to the progress to date of the objectives outlined in the December 2021 After-Action Report in Appendix A: CORE CAPABILITIES / IMPROVEMENT PLAN and further requests that the OR3 publish this update on its website. (F7)

#### Conclusion

As previously mentioned in the Summary, the 2023-24 Grand Jury reviewed responses to three of the nine 2020-21 reports and found that, to varying degrees, commitments were kept. In some cases, the agencies are implementing recommendations but it's not clear if the actions are in response to the Grand Jury or whether they were instigated by the agencies. The Grand Jury continues to recommend that all organizations create and regularly update formal records of the actions they take to address Grand Jury recommendations, and to share those records with the public, in accordance with CA Penal Code section 933(c).

## **Required Responses**

Respondent	Findings	Recommendations	Respond Within/ Respond By
Santa Cruz County Board of Supervisors	F1–F5, F7	R1–R4, R7	90 days September 16, 2024
Santa Cruz City Council	F6	R5, R6	90 days September 16, 2024

## **Invited Responses**

Respondent	Findings	Recommendations	Respond Within/ Respond By
Santa Cruz County Agricultural Commissioner	F1–F5	R1–R4	90 days September 16, 2024
Santa Cruz City Manager	F6	R5, R6	90 days September 16, 2024
Director, Santa Cruz County Office of Response, Recovery and Resiliency	F7	R7	90 days September 16, 2024

#### **Definitions**

**CAO:** Chief Administrative Office

**EOC:** Emergency Operation Center

**DPR:** Department of Pesticide Regulation **H4HP:** Housing for Health Partnership

**HUD:** US Department of Housing and Urban Development

OR3: Office of Response, Recovery and Resiliency

**WUI:** Wildland Urban Interface area **HAP:** Homeless Action Partnership

#### **Sources**

#### References

 2020-2021 Santa Cruz Civil Grand Jury. June 29, 2021. 2020-21 Grand Jury Report. Santa Cruz County Agricultural Commissioner's Office Can Get By with a Little Help from Its Friends. Accessed March 20, 2024. <a href="https://www.santacruzcountyca.gov/Portals/0/County/GrandJury/GJ2021\_final/7\_AgComm\_Report.pdf">https://www.santacruzcountyca.gov/Portals/0/County/GrandJury/GJ2021\_final/7\_AgComm\_Report.pdf</a>

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- Santa Cruz County Housing for Health Partnership. January 1, 2021. "Housing for a Healthy Santa Cruz: A Strategic Framework for Addressing Homelessness in Santa Cruz County." housingforhealthpartnership.org. Accessed May 5, 2024. <a href="https://housingforhealthpartnership.org/Portals/29/hap/pdf/2021\_HousingForHealth-Framework.pdf">https://housingforhealthpartnership.org/Portals/29/hap/pdf/2021\_HousingForHealth-Framework.pdf</a>
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   https://santacruzcountyfire.com/wp-content/uploads/2022/09/fdac min 3-16-22.pdf
- 18. Confidential Grand Jury document.
- 19. Confidential Grand Jury document.

#### Websites

California Department of Pesticide Regulation, Statewide Pesticide Application
Notification System <a href="https://www.cdpr.ca.gov/docs/pesticide\_notification\_network/">https://www.cdpr.ca.gov/docs/pesticide\_notification\_network/</a>

Housing for a Healthy Santa Cruz County Strategic Framework
<a href="https://housingforhealthpartnership.org/Portals/29/hap/pdf/2021\_HousingForHealth-Framework.pdf">https://housingforhealthpartnership.org/Portals/29/hap/pdf/2021\_HousingForHealth-Framework.pdf</a>

City of Santa Cruz FY 2024 Annual Budget
<a href="https://www.cityofsantacruz.com/home/showpublisheddocument/93316/638283">https://www.cityofsantacruz.com/home/showpublisheddocument/93316/638283</a>
949368870000#page=367



# The 2023–2024 Santa Cruz County Civil Grand Jury Requires the

## **Santa Cruz City Council**

to Respond by September 19, 2024

to the Findings and Recommendations listed below which were assigned to them in the report titled

## **Housing For Whom?**

An Investigation of Inclusionary Housing in the City of Santa Cruz

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. The California Penal Code (PC) §933(c) requires you to respond as specified below and to keep your response on file.

Your response will be considered **compliant** under <u>PC §933.05</u> if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

#### **Instructions for Respondents**

Your assigned <u>Findings</u> and <u>Recommendations</u> are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase PC §933.05:

- 1. For the Findings, mark one of the following responses with an "X" and provide the required additional information:
  - a. AGREE with the Finding, or
  - b. **PARTIALLY DISAGREE with the Finding** specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** provide an explanation of the reasons why.
- 2. For the Recommendations, mark one of the following actions with an "X" and provide the required additional information:
  - a. HAS BEEN IMPLEMENTED provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** provide an explanation of why it is not warranted or not reasonable.
- 3. Please confirm the date on which you approved the assigned responses:

We approved these re	esponses in a regular	public meeting	as shown
in our minutes dated			<u>.</u>

4. When your responses are complete, please email your completed Response Request as a PDF file attachment to both

The Honorable Katherine Hansen, Grand Jury Supervising Judge Katherine.Hansen@santacruzcourt.org and

The Santa Cruz County Grand Jury <a href="mailto:grandjury@scgrandjury.org">grandjury@scgrandjury.org</a>.

If you have questions about this request form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to grandjury@scgrandjury.org.

## **Findings**

F1. The contradictory entries on the City's website and in the City's legal documents on whether Inclusionary Housing is restricted to Low, Very Low and Extremely Low-income levels or whether it includes the Moderate-income level is a major discrepancy with consequences about who is eligible for and who obtains Inclusionary Housing.

	AGREE
	PARTIALLY DISAGREE
X	DISAGREE

Response explanation (required for a response other than Agree):

The process for determining income eligibility depends on the governing resolution that was approved by the City Council at the specific point in time that the affordable housing agreement between the City and the Developer was executed. This does not change over time for units in a specific project, so a project approved in 2007 would have different requirements and governing resolutions than a project approved in 2024. On the City's Measure O Resolutions and Ordinances web page, eight resolutions are posted that govern the calculation of income eligibility for Inclusionary Housing / Measure O units in the City of Santa Cruz. Measure O is a voter-approved initiative originally adopted in 1979 that requires developers of residential projects to provide a certain percentage of the total number of units as affordable to income eligible households. The City's Inclusionary Ordinance (Municipal Code Chapter 24.16, Part One) codifies the requirements of Measure O. Each resolution was approved by Santa Cruz City Council at different times to establish the income, monthly housing cost guidelines, and asset limits for the inclusionary units throughout the City of Santa Cruz. Additionally, each project has specific requirements related to the affordability threshold depending on the project type. The applicable resolution for an available Inclusionary Unit is noted when a unit is available either under the "AVAILABLE MEASURE O UNITS FOR PURCHASE" or "AVAILABLE MEASURE O UNITS FOR RENT" lists respectively.

**F2.** The City has no data on whether Inclusionary Housing is occupied by income-verified local residents and local workers. Both groups are given preference for housing as required by Ordinance. Without data, neither the City nor the community can be assured that such housing is meeting its intended purpose.

	AGREE
_	PARTIALLY DISAGREE
Χ	DISAGREE

#### **Response explanation** (required for a response other than **Agree**):

Generally, the intended purpose for inclusionary housing is to serve low-income households (with exceptions allowing moderate-income housing for some projects). Local preferences are not required by Measure O; they were initially adopted in October 2006, and some projects are not subject to the preferences.

Our annual compliance monitoring verifies income eligibility of occupants of rental inclusionary housing. We also confirm eligibility of homebuyers when a for-sale unit is purchased. The Santa Cruz Housing Authority reviews the actual applications and confirms income eligibility for Measure O units, and the City reviews the Housing Authority's determination and associated documentation. However, in 100 percent affordable projects, the City's agreements generally allow the property manager to review and certify tenant applications, because those projects are subject to the requirements of multiple funding sources and then the property manager sends this reporting to the City for annual review and verification. In some cases, conditions placed on federal, or state funds may not be consistent with the City's preferences. However, at initial lease-up, where permitted, typically the developer establishes a lottery system with rankings based on the required preferences.

Staff has recently initiated a new compliance form for developers/property managers to sign prior to Temporary Certificate of Occupancy, when the units are getting ready to be leased up or sold, verifying that the developer or property manager is complying with the City's local preference policy. In addition, the affordable housing agreements entered into between the City and the Developer at the time of building permit issuance require the Developer to comply with the City's local preferences, and these agreements are recorded on title.

The City believes that the mechanisms in place effectively enforce the City's preferences to the extent possible given existing agreements and state and federal laws, while avoiding excessive administrative burdens on property managers.

**F3.** The City has no data on the percentage of units in Inclusionary and 100% Affordable Housing projects that are rented to UCSC students. This leaves the City and the public unable to assess the impact of UCSC on the local affordable housing supply. Such data is important for the City's ongoing negotiations with UCSC to build more on-campus housing.

_	AGREE
_x_	PARTIALLY DISAGREE
	DISAGREE

**Response explanation** (required for a response other than **Agree**):

The City does not currently track the percentage of UCSC students occupying Inclusionary Units or 100% affordable housing projects. The City does recommend that UCSC track where their students live. The impact of UCSC students on the availability of inclusionary units is likely fairly limited as the income eligibility requirements would disqualify UCSC students who are claimed as dependents by their parents.

At this time, the City is unaware of UCSC students renting inclusionary units. Most undergraduate students (nearly 90% of USCS students) are likely to be claimed as dependents. If the students are dependents, then the entire household's income must be shown on the Measure O application and all household members must reside in the unit as their principal place of residence. This likely excludes most students from being deemed eligible for inclusionary housing. The City recommends that UCSC track where their students live, which would allow the City to determine if they are residing in inclusionary unit

#### Recommendations

- **R1.** The Grand Jury recommends that the Santa Cruz City Council state exactly which HCD Income Levels are covered by the City's Inclusionary Housing Ordinance and Resolutions, and make that information public by December 31, 2024. (F1)
- \_x\_ HAS BEEN IMPLEMENTED summarize what has been done

  HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE –

  summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_\_\_ WILL NOT BE IMPLEMENTED explain why

#### Required response explanation, summary, and timeframe:

The HCD income is listed in each linked resolution on the City's Measure O Rents and Incomes webpage. Please note that State HCD updates the income limits annually and these are the incomes that the City uses to determine the City's Measure O calculations as specified by each resolution.

Additionally, the specific resolution for an available inclusionary unit is noted when a unit is available either under the "AVAILABLE MEASURE O UNITS FOR PURCHASE" or "AVAILABLE MEASURE O UNITS FOR RENT" lists respectively.

The chart below summarizes the number of units monitored by affordability level in the City of Santa Cruz since 1964. Staff will post a more comprehensive breakdown by project to the City's website during the current calendar year.

	Total Units	Afford. Units	Ex Low	<u>Very</u> <u>Low</u>	<u>Low</u>	Mod
TOTALS:	<u>5769</u>	<u>2642</u>	<u>117</u>	1275	996	<u>254</u>

- **R2.** The Grand Jury recommends that the Santa Cruz City Council develop an ongoing system to track, document and verify within 30 days of occupancy whether a unit is occupied by an income-verified local resident or local worker as required by the Ordinance, specifying which category the renter fulfills, and have such a system in place by January 31, 2025. (F2)
- \_x\_ HAS BEEN IMPLEMENTED summarize what has been done
  - HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_\_\_ WILL NOT BE IMPLEMENTED explain why

The City local preference only applies to the following resolutions: NS-29,463, NS-27,885, NS-27,629, and NS-27,383; the earliest resolution was adopted in October 2006. The City's practice is generally not to reveal personally identifiable information for residents of inclusionary units and so does not provide preference information for a specific unit address that is rented or sold. Please refer to the City's response to Finding #2 for more information on the City's compliance monitoring.

Please note per the previous response which included the breakdown of affordable units by affordability level that staff will post a comprehensive breakdown of affordable units by project to the City's website during the current calendar year.

- **R3.** The Grand Jury recommends that the Santa Cruz City Council document the percentage of the City's Inclusionary and 100% Affordable Housing units that are rented to UCSC students, making that data public by February 28, 2025 with annual updates. (F3)
- HAS BEEN IMPLEMENTED summarize what has been done
  - HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE -
- summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_x\_ WILL NOT BE IMPLEMENTED explain why

As previously stated in the response for F3, at this time, the City is unaware of UCSC students renting inclusionary units. Most undergraduate students (nearly 90% of USCS students) are likely to be claimed as dependents. If the students are dependents, then the entire household's income must be shown on the Measure O application and all household members must reside in the unit as their principal place of residence. This likely excludes most students from being deemed eligible for inclusionary housing. The City recommends that UCSC track where their students live, which would allow the City to determine if they are residing in inclusionary units.

- **R4.** The Grand Jury recommends that the Santa Cruz City Council create an Inclusionary Housing public dashboard that covers the data called for in this report by February 28, 2025. (F1, F2, F3)
- \_x\_ HAS BEEN IMPLEMENTED summarize what has been done
  - HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE -
- summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_\_\_ WILL NOT BE IMPLEMENTED explain why

The City does not want to stigmatize tenants of Inclusionary/Measure O units by publicly releasing their addresses. Specific units available for rent or sale are listed on the City's Measure O website. The City currently curates an interactive map, which notes the inclusionary requirement for larger projects, but does not directly display which specific units are affordable. Please refer to the website link here:

https://www.choosesantacruz.com/resources/affordable-housing-projects-map



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The Honorable Katherine Hansen, Grand Jury Supervising Judge Katherine.Hansen@santacruzcourt.org and

The Santa Cruz County Grand Jury <a href="mailto:grandjury@scgrandjury.org">grandjury@scgrandjury.org</a>.

If you have questions about this request form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to grandjury@scgrandjury.org.

## **Findings**

F1. The contradictory entries on the City's website and in the City's legal documents on whether Inclusionary Housing is restricted to Low, Very Low and Extremely Low-income levels or whether it includes the Moderate-income level is a major discrepancy with consequences about who is eligible for and who obtains Inclusionary Housing.

	AGREE
	PARTIALLY DISAGREE
_X_	DISAGREE

**Response explanation** (required for a response other than **Agree**):

The process for determining income eligibility depends on the governing resolution that was approved by the City Council at the specific point in time that the affordable housing agreement between the City and the Developer was executed. This does not change over time for units in a specific project, so a project approved in 2007 would have different requirements and governing resolutions than a project approved in 2024. On the City's Measure O Resolutions and Ordinances web page, eight resolutions are posted that govern the calculation of income eligibility for Inclusionary Housing /Measure O units in the City of Santa Cruz. Measure O is a voter-approved initiative originally adopted in 1979 that requires developers of residential projects to provide a certain percentage of the total number of units as affordable to income eligible households. The City's Inclusionary Ordinance (Municipal Code Chapter 24.16, Part One) codifies the requirements of Measure O. Each resolution was approved by Santa Cruz City Council at different times to establish the income, monthly housing cost guidelines, and asset limits for the inclusionary units throughout the City of Santa Cruz. Additionally, each project has specific requirements related to the affordability threshold depending on the project type. The applicable resolution for an available Inclusionary Unit is noted when a unit is available either under the "AVAILABLE MEASURE O UNITS FOR PURCHASE" or "AVAILABLE MEASURE O UNITS FOR RENT" lists respectively.

F2.	The City has no data on whether Inclusionary Housing is occupied by
	income-verified local residents and local workers. Both groups are given
	preference for housing as required by Ordinance. Without data, neither the
	City nor the community can be assured that such housing is meeting its
	intended purpose.

_	AGREE
_	PARTIALLY DISAGREE
Χ	DISAGREE

Response explanation (required for a response other than Agree):

Generally, the intended purpose for inclusionary housing is to serve low-income households (with exceptions allowing moderate-income housing for some projects). Local preferences are not required by Measure O; they were initially adopted in October 2006, and some projects are not subject to the preferences.

Our annual compliance monitoring verifies income eligibility of occupants of rental inclusionary housing. We also confirm eligibility of homebuyers when a for-sale unit is purchased. The Santa Cruz Housing Authority reviews the actual applications and confirms income eligibility for Measure O units, and the City reviews the Housing Authority's determination and associated documentation. However, in 100 percent affordable projects, the City's agreements generally allow the property manager to review and certify tenant applications, because those projects are subject to the requirements of multiple funding sources and then the property manager sends this reporting to the City for annual review and verification. In some cases, conditions placed on federal, or state funds may not be consistent with the City's preferences. However, at initial lease-up, where permitted, typically the developer establishes a lottery system with rankings based on the required preferences.

Staff has recently initiated a new compliance form for developers/property managers to sign prior to Temporary Certificate of Occupancy, when the units are getting ready to be leased up or sold, verifying that the developer or property manager is complying with the City's local preference policy. In addition, the affordable housing agreements entered into between the City and the Developer at the time of building permit issuance require the Developer to comply with the City's local preferences, and these agreements are recorded on title.

The City believes that the mechanisms in place effectively enforce the City's preferences to the extent possible given existing agreements and state and federal laws, while avoiding excessive administrative burdens on property managers.

**F3.** The City has no data on the percentage of units in Inclusionary and 100% Affordable Housing projects that are rented to UCSC students. This leaves the City and the public unable to assess the impact of UCSC on the local affordable housing supply. Such data is important for the City's ongoing negotiations with UCSC to build more on-campus housing.

	AGREE
_x_	PARTIALLY DISAGREE
	DISAGREE

**Response explanation** (required for a response other than **Agree**):

The City does not currently track the percentage of UCSC students occupying Inclusionary Units or 100% affordable housing projects. The City does recommend that UCSC track where their students live. The impact of UCSC students on the availability of inclusionary units is likely fairly limited as the income eligibility requirements would disqualify UCSC students who are claimed as dependents by their parents.

At this time, the City is unaware of UCSC students renting inclusionary units. Most undergraduate students (nearly 90% of USCS students) are likely to be claimed as dependents. If the students are dependents, then the entire household's income must be shown on the Measure O application and all household members must reside in the unit as their principal place of residence. This likely excludes most students from being deemed eligible for inclusionary housing. The City recommends that UCSC track where their students live, which would allow the City to determine if they are residing in inclusionary unit

#### Recommendations

- **R1.** The Grand Jury recommends that the Santa Cruz City Council state exactly which HCD Income Levels are covered by the City's Inclusionary Housing Ordinance and Resolutions, and make that information public by December 31, 2024. (F1)
- \_x\_ HAS BEEN IMPLEMENTED summarize what has been done
  - HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE –
     summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_\_\_ WILL NOT BE IMPLEMENTED explain why

#### Required response explanation, summary, and timeframe:

The HCD income is listed in each linked resolution on the City's Measure O Rents and Incomes webpage. Please note that State HCD updates the income limits annually and these are the incomes that the City uses to determine the City's Measure O calculations as specified by each resolution.

Additionally, the specific resolution for an available inclusionary unit is noted when a unit is available either under the "AVAILABLE MEASURE O UNITS FOR PURCHASE" or "AVAILABLE MEASURE O UNITS FOR RENT" lists respectively.

The chart below summarizes the number of units monitored by affordability level in the City of Santa Cruz since 1964. Staff will post a more comprehensive breakdown by project to the City's website during the current calendar year.

	Total Units	Afford. Units	Ex Low	Very Low	Low	Mod
TOTALS:	5769	2642	117	1275	996	254

- **R2.** The Grand Jury recommends that the Santa Cruz City Council develop an ongoing system to track, document and verify within 30 days of occupancy whether a unit is occupied by an income-verified local resident or local worker as required by the Ordinance, specifying which category the renter fulfills, and have such a system in place by January 31, 2025. (F2)
- x HAS BEEN IMPLEMENTED summarize what has been done
  - HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED explain why

The City local preference only applies to the following resolutions: NS-29,463, NS-27,885, NS-27,629, and NS-27,383; the earliest resolution was adopted in October 2006. The City's practice is generally not to reveal personally identifiable information for residents of inclusionary units and so does not provide preference information for a specific unit address that is rented or sold. Please refer to the City's response to Finding #2 for more information on the City's compliance monitoring.

Please note per the previous response which included the breakdown of affordable units by affordability level that staff will post a comprehensive breakdown of affordable units by project to the City's website during the current calendar year.

- **R3.** The Grand Jury recommends that the Santa Cruz City Council document the percentage of the City's Inclusionary and 100% Affordable Housing units that are rented to UCSC students, making that data public by February 28, 2025 with annual updates. (F3)
- HAS BEEN IMPLEMENTED summarize what has been done
  - HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE -
- summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_x\_ WILL NOT BE IMPLEMENTED explain why

As previously stated in the response for F3, at this time, the City is unaware of UCSC students renting inclusionary units. Most undergraduate students (nearly 90% of USCS students) are likely to be claimed as dependents. If the students are dependents, then the entire household's income must be shown on the Measure O application and all household members must reside in the unit as their principal place of residence. This likely excludes most students from being deemed eligible for inclusionary housing. The City recommends that UCSC track where their students live, which would allow the City to determine if they are residing in inclusionary units.

- **R4.** The Grand Jury recommends that the Santa Cruz City Council create an Inclusionary Housing public dashboard that covers the data called for in this report by February 28, 2025. (F1, F2, F3)
- \_x\_ HAS BEEN IMPLEMENTED summarize what has been done
  - HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE -
- summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_\_\_ WILL NOT BE IMPLEMENTED explain why

The City does not want to stigmatize tenants of Inclusionary/Measure O units by publicly releasing their addresses. Specific units available for rent or sale are listed on the City's Measure O website. The City currently curates an interactive map, which notes the inclusionary requirement for larger projects, but does not directly display which specific units are affordable. Please refer to the website link here: <a href="https://www.choosesantacruz.com/resources/affordable-housing-projects-map">https://www.choosesantacruz.com/resources/affordable-housing-projects-map</a>



# The 2023–2024 Santa Cruz County Civil Grand Jury Requires the

## **Santa Cruz City Council**

to Respond by September 25, 2024

to the Findings and Recommendations listed below which were assigned to them in the report titled

# City Of Santa Cruz: Preventing Rape and Domestic Violence

Where's The Priority?

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. The California Penal Code (PC) §933(c) requires you to respond as specified below and to keep your response on file.

Your response will be considered **compliant** under <u>PC §933.05</u> if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

#### **Instructions for Respondents**

Your assigned <u>Findings</u> and <u>Recommendations</u> are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase <u>PC §933.05</u>:

- 1. For the Findings, mark one of the following responses with an "X" and provide the required additional information:
  - a. AGREE with the Finding, or
  - b. **PARTIALLY DISAGREE with the Finding** specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** provide an explanation of the reasons why.
- 2. For the Recommendations, mark one of the following actions with an "X" and provide the required additional information:
  - a. HAS BEEN IMPLEMENTED provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** provide an explanation of why it is not warranted or not reasonable.
- 3. Please confirm the date on which you approved the assigned responses:

We approved these responses in a regular public meeting	as shown
in our minutes dated	

4. When your responses are complete, please email your completed Response Request as a PDF file attachment to both

The Honorable Katherine Hansen, Grand Jury Supervising Judge Katherine.Hansen@santacruzcourt.org and

The Santa Cruz County Grand Jury <a href="mailto:grandjury@scgrandjury.org">grandjury@scgrandjury.org</a>.

If you have questions about this request form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to grandjury@scgrandjury.org.

## **Findings**

- **F1.** Since 2016, the lack of comprehensive Annual Reports with detailed metrics on rape, including the tracking of stranger rape, leaves the community less informed, more vulnerable, and less safe.
- \_\_ AGREE
  \_\_ PARTIALLY DISAGREE
  \_X\_ DISAGREE

**Response explanation** (required for a response other than **Agree**):

The Santa Cruz City Council ("the Council) disagrees with the assertion that the community is less informed due to the Annual Report lacking detailed metrics. The Annual report includes both current and historical data on rape and domestic violence. While dDetailed metrics on rape such as stranger rape, age, gender, location, etc.. are not mandated, however, the CPVAW has voted to receive detailed metrics on the type of crimes committed which it has determined to be more useful to their efforts to prevent rape & domestic violence. the Annual Report is required by Ordinance No. 81-29, Section 5.(d), requires the Commission for Prevention of Violence Against Women ("the Commission") to "...submit annually, and the City Council review and act upon a report documenting, in detail, City, community, and police efforts to carry out the purposes of this ordinance."

Up until 2016 the Annual Reports contained demographic information which included reporting on stranger versus acquaintance rape. From approximately 2017-2022 there was significant turnover in staff to the commission, the commission members, and a world-wide pandemic which impacted the commissions receipt of rape and domestic violence data. In addition, there was not an annual report prepared by the Commission during that time. Over the years, the reports have included relevant data on rape and domestic violence, including The most recent Annual Report for 2023. The 2023 Report includes details from the FBI Uniform Crime Report (UCR) for rape as well as data from 2010-2023 on the following California Penal Code Sections relating to rape: 220 Attempted Rape; 261/262 Rape; 286 Sodomy; 387/288 Oral Copulation and 289 Penetration with a foreign object. Additionally, the 2023 report also includes domestic violence statistics from 2015 to 2023.

The Council disagrees with the Grand Jury's claim that a lack of detailed metrics on rape leaves the community more vulnerable and less safe. The absence of specific metrics in the Annual Report, or its contents, does not correlate to increased vulnerability or decreased safety. In fact, the FBI Uniformed Crime Report shows a 26% reduction in rape from 2022 to 2023, along with a 34% decrease in Domestic Violence cases by from 2020 to 2021 and a decline of 14% between 2022 and 2023. The Commission voted in November 2023 to accept a revised reporting format for rape and domestic violence statistics to include all FBI UCR Data, and various California Penal Code Sections on rape and domestic violence. In August of 2024, the Commission began receiving rape data from the National Incident-Based Reporting System (NIBRS). If the Commission chooses to reassess the metrics it requests from SCPD, including stranger rape data, the SCPD is prepared to provide the requested information. However, the Commission must decide what metrics it needs to review and how the Commission will utilize the information in relation to prevention and education. When the Commissioners request various information and try to compare it to UCR data and/or National Incident-Based Reporting System/California Incident-Based Reporting System (NIBRS/CIBRS) the information may not be consistent because the methodology for collecting the data sets are not the same, which causes confusion and leads to the perception of deception which is not accurate.

In 2024, in an effort to better inform the community, and keep people safe, the Commission has enhanced their outreach and education to the community by collaborating with other Community Based Organizations to raise awareness about prevention and available services to victims of rape and domestic violence. This includes co-sponsoring the "Stronger Together" Fun Run/5K Race with Monarch Services in September 2023 & 2024, participating in both the Dyke and Pride Parades, the 2024 March to End Homelessness and the "She is Beautiful" race. Additionally, the Commission partnered with Monarch Services by providing \$6,000 to support their efforts to end domestic violence and provide assistance to victims of rape.

F2.	By highlighting a generic national statistic on stranger rape, rather than assessing local metrics in the CPVAW 2023 Report, the City is minimizing stranger rape and misleading the public into a possible false sense of security.
	AGREE

\_\_ AGREE
\_X\_ PARTIALLY DISAGREE
\_\_ DISAGREE

**Response explanation** (required for a response other than **Agree**):

The CPVAW 2023 Annual Report includes, as approved by the Commission on November 1, 2023, data from the US Department of Justice, Federal Bureau of Investigations, Uniform Crime Report on Rape, which is data specific to the City of Santa Cruz. The Annual Report also includes specific data on 5 types of Sexual Assault violations committed in the City of Santa Cruz. It is correct that this data does not distinguish between a stranger and an acquaintance. While this type of distinction may be useful, there is no data supporting that this is misleading the public into a false sense of security. The data cited in the Annual Report is from a nationally recognized association; Rape, Abuse, Incest National Network (RAINN) and is consistent with previous data analysis as reported in the 2005-07 Annual Report.

The data shows that the City is safer in 2023 than in previous years. The Uniformed Crime Report shows a decrease in rape by 26% from 2022 to 2023, and a decrease in Domestic Violence cases by 34% from 2020 to 2021 and a decrease of 14% between 2022 and 2023.

If the Commission chooses to reconsider its previous decision on which metrics SCPD should provide to the Commission, including stranger rape, SCPD will provide that information. SCPD supports the collection of this information but would prefer the Commission decide on all the metrics they are interested in and show how it will be useful towards the prevention and education mission of CPVAW. SCPD feels both national statistics on stranger rape and local metrics are important to provide the public with a local view as well as a broader perspective.

F3.	The lack of attention to long-time Commission programs such as the Safe Place Network and the Bar Coaster program leaves residents and visitors without important resources for their personal safety.
	AGREE
	PARTIALLY DISAGREE
X	DISAGREE

The Commission believes in leveraging their funds to partner with community-based organizations who specialize in providing victims of domestic violence and rape with much needed financial support to continue their successful programs and services. These organizations provide tangible resources that the Commission could not provide nor have the expertise to provide. In 2024, the Commission provided the following with sponsorships to support local non-profit organizations: \$2,000 to Walnut Ave Women's Center, a non-profit organization based in Santa Cruz that provides direct services to survivors of domestic violence including prevention and education and \$6,000 to Monarch Services, another local non-profit that offers immediate crisis response to survivors of domestic violence, sexual assault and human trafficking.

The Commission has created new programs to promote personal safety. In 2023, the Commission partnered with the Santa Cruz City School district to provide high school students with an on-line course through Vector Solutions. This program offered targeted courses for grades 6-8 and 9-12, which reached approximately 2,000 students. This mandatory program enabled the school to extend its reach, empowering more students to make informed choices, resist peer pressure, and foster healthy relationships. Topics included: Dealing with Stress and Anxiety; Self-Harm Awareness and Resolving Disagreements. Additional content included Mental Health and Wellbeing, Healthy Relationships & Inclusion, Personal & Community Safety and Student Safety and Wellness.

The City is the only local agency to have a Victim Advocate on staff in the Police Department. This important resource keep victims informed of their rights in the legal system and makes referrals to local agencies. The Advocate works with victims to ensure they are treated with fairness and respect.

With regards to the Bar Coaster Program, the Commission agrees with continuing this program. As of July 1<sup>st</sup>, State Law requires all bars that do not provide food to provide drug testing kits to customers. The Commission supports this new law. In June of 2024, the Commission purchased an additional 500 drug testing coasters to distribute to bars located in the City of Santa Cruz.

The Commission had a program entitled Safe Place Network which is no longer active. The program began over 25 years ago by providing a window sticker to businesses stating they were a "Safe Place"; however, there was very little to no training provided for businesses and their staff. The program also lacked a comprehensive marketing and outreach plan to inform visitors and the community of its existence. There are no metrics or data to substantiate the claim that not having this program has left residents and visitors without important resources for their personal safety. However, the Commission could consider re-establishing the program if it chooses to do so in the future.

Г4.	Cruz City Schools lessens students' ability to prevent sexual assault and interpersonal violence, inconsistent with the mandate of Ordinance 81-29.
	AGREE
	PARTIALLY DISAGREE
_X_	DISAGREE

The Commission has offered self-defense classes either through City Schools and/or the Parks and Recreation Department. Over the years, participation in the Parks & Recreation program significantly declined, leading to the cancellation of classes.

In FY2023, the City Council approved a budget of \$15,000 for self-defense classes to be administered by the Commission. In November of 2023, the Commission considered how best to use the funds at a regularly scheduled public meeting. The Commission considered two options: 1) Self Defense program through the City Parks & Recreation Department, or 2) A proposal by City Schools for an on-line course through a private contractor, Vector Solutions. The Commission chose the City Schools proposal.

This program offered targeted courses for grades 6-8 and 9-12, which reached approximately 2,000 students. This mandatory program enabled schools to extend their reach significantly, empowering more students to make informed choices, resist peer pressure, and foster healthy relationships. Topics included: Dealing with Stress and Anxiety; Self-Harm Awareness and Resolving Disagreements. Additional content included Mental Health and Well-being, Healthy Relationships & Inclusion, Personal & Community Safety and Student Safety and Wellness.

Vector Solutions is already being used in other school districts across the country to reduce violence against women. This valuable program will help prevent violence against women by providing students with the knowledge and skills they need to make healthy choices and build positive relationships.

In addition, the Commission authorized an additional \$5,000 to enable one Commissioner to work with the Parks and Recreation department to offer a self-defense course. Unfortunately, the program never came to fruition, and the funds were not spent.

In the FY25 Budget, the City Council approved re-authorization of \$15,000 to continue offering these types of programs. The Commission will consider how to utilize those funds at their meeting on September 4, 2024.

F5.	The City's replacement of a dedicated 20-hour per week Commission staff
	position with rotating staff with minimal hours has resulted in a loss of
	visibility for the prevention of rape and domestic violence, a loss of
	community connections, a lack of programs, inadequate resource
	distribution and less public awareness.

	AGREE
_	PARTIALLY DISAGREE
_X_	DISAGREE

The part-time Events Coordinator position was eliminated in 2016/2017 and replaced with a more senior staff member to provide enhanced support to the Commission. From 2017 to 2020, there were three staffing changes involving personnel from both the City Manager's Office and the Police Department. The Commission also saw turnover among its members during this same period. Additionally, the COVID-19 pandemic severely limited the Commission's ability to organize and participate in public events, as well as to support local non-profits and schools until 2022.

In 2023, as the community began to recover from the pandemic, the Commission resumed its participation in and organization of events.

As part of the Fiscal Year 2024, the City Council also approved funding for an Administrative Assistant III staff position that will dedicate half of their work week (20 hours per week) to supporting the Commission's work. With the addition of this new position, the Commission will have more staff support than it has had for the last several years.

Notably, crime data indicates that the city is safer in 2023 than in previous years. The Uniformed Crime Report reveals a 26% decrease in rape incidents from 2022 to 2023, as well as a 34% drop in domestic violence cases from 2020 to 2021, and a further decline of 14% between 2022 and 2023.

F6.	The City's refusal to allow the Commission continued access to redacted
	police reports prevents the Commission from making recommendations for
	police training and evaluating community complaints as required by
	Ordinance.

	AGREE
	PARTIALLY DISAGREE
X	DISAGREE

The Commission's inability to review redacted police reports does not prevent the Commission from either making recommendations for police training or evaluating community complaints. The Commission does not require redacted police reports to fulfill its duty to hear citizen's complaints about the City Police Department's service to women who have been raped or battered (Ordinance #81-29 Section 5.(d) 4) or to make recommendations to the City Council regarding police training in the areas of rape and domestic violence (Ordinance #81-29 Section 5.(d)5).

Police reports documenting instances of rape, sexual assault, or domestic violence are extremely sensitive. These reports provide intimate details about horrific crimes. Even if heavily redacted, it is likely the reports would still include details that would enable some to identify the victim or parties involved.

The Commission received redacted police reports from approximately 1984 to 2010. However, around 2010-2017 the Commission began to receive summary demographic data from SCPD. From approximately 2017-2022 there was significant turnover in staff to the commission and a world-wide pandemic which impacted the commissions receipt of rape and domestic violence data. In 2023, a request was made by the Commission for the City Attorney to attend a CPVAW meeting to discuss and provide a recommendation to them regarding the ability to receive redacted police reports. Given the extremely sensitive nature of these police reports, even when redacted, the City Attorney's Office recommendeds not to provide redacted police reports to the Commission for the following reasons:

- (1) Under the Brown Act, there is no legal basis for the Commission (or the Commission's Police Subcommittee) to review the redacted police reports in a confidential or closed session (see Gov't Code § 54962).
- (2) While the Commission is not permitted to meet in closed session, the Commission could hypothetically meet in open session to review the reports. However, review of police reports in open session would waive any applicable exemption under the Public Records Act (Gov't Code § 7921.505), and the City would be required to release those redacted reports to any member of the public that requests them. In other words, if the Commission were to review the redacted police reports in open session, the City would be waiving the future confidentiality of those reports, without the consent of the individuals who are referenced in that report, and without input as to how that lack of confidentiality might impact their lives.
- (3) The City is legally prohibited from releasing some reports, even in redacted form. For example, state law prohibits the release of a police report where a juvenile is the subject of the report (Wel & Inst Code § 827.95), or reports involving mandated reports

of suspected child abuse and neglect (Penal Code § 11167.5). Various Constitutional provisions, such as The Victims' Bill of Rights Act of 2008: Marsy's Law, Section 28 of Article I of the California Constitution, or the right to privacy afforded by Section 1 of Article I of the California Constitution may also be considered when determining whether to release a police report. Even for reports that the City is not legally prohibited from releasing, all of the referenced police reports are generally exempt from disclosure to the public pursuant to Government Code section 7923.600.

Based on the foregoing, including the advice of the City Attorney's Office, the Commission voted to *not* require the SCPD provide redacted police reports to the Commission or the Commission's Police Sub-Committee. However, the Commission did vote to include additional California Penal Code Sections, all Domestic Violence cases, and the FBI Uniform Crime Reporting data in the monthly data SCPD reports to the Commission.

The Commission still retains the ability to hear citizen complaints regarding the SCPD's service to women who have been raped or battered. With improvements in technology and changes in state law and City Council requirements, citizen complaints go directly to the SCPD Professional Standards Unit, the Chief of Police, and the Independent Police Auditor. Any concerns about a Police Department employee's conduct, actions or service are investigated by the Police Department's Professional Standards Unit. All completed investigations are reviewed by the Independent Police Auditor to provide an independent review of the citizen complaint process. The Independent Police Auditor provides an annual report to the City Council in a public meeting on the level of thoroughness and objectivity of these investigations. The process to file a complaint can either be started in person at the Police Department, online on the SCPD website, or directly through the Independent Police Auditor.

The City also employs a Victim Advocate and is the only one in the county that does so. The Advocate provides information to victims about their rights and the criminal legal system and makes referrals to local agencies when appropriate. The Advocate works alongside SCPD personnel to ensure all victims of domestic violence and sexual assault are treated with fairness and respect. The Victim Advocate also provides training to officers and detectives to provide the highest level of professional service to the victims.

With regards to Police Training, the CPVAW Police Subcommittee received a presentation on November 1, 2023, from SCPD on their training standards. This provided an opportunity for the Commission to review and provide input on SCPD's training program. The Police Subcommittee intends to conduct an annual review of the SCPD training program. All SCPD training records are kept up to date and in accordance with State law and Peace Officer Standards and Training (POST) standards.

F7.	The SCPD's decision to drop stranger rape alerts and case-by-case updates leaves the community unaware about this serious crime and therefore less safe.
	AGREE

\_\_ AGREE
\_\_ PARTIALLY DISAGREE
X DISAGREE

Response explanation (required for a response other than Agree):

SCPD has not made the decision to drop stranger rape alerts and case-by-case updates. If there was a stranger rape case and an alert to the community was appropriate, SCPD would not hesitate to make the community aware. SCPD is very active on social media, and transparently shares valuable information with the community.

F8.	The inconsistencies the Grand Jury found in SCPD's rape numbers means
	the public, the CPVAW and the City have no accurate metrics about
	reported rape, leaving the community ill-informed and Annual Commission
	Reports unreliable.

	AGREE
	PARTIALLY DISAGREE
X	DISAGREE

City of Santa Cruz Ordinance No. 81-29 establishes specific responsibilities and cooperation between SCPD and CPVAW:

- Section 5(e): The Commission for the Prevention of Violence Against Women, in carrying out its duties shall have the authority to call upon members of the Police Department to present information which is not defined as confidential by State law. The Santa Cruz Police Department shall offer full and open cooperation to the Commission.
- **Section 6(b):** The Police Department shall create a separate statistical report form to document and consolidate all domestic violence and women beating calls. This shall be compiled monthly.

The SCPD has adhered to these requirements, explicitly providing data as the Commission requested. Before the February 7, 2024, CPVAW meeting, where the SCPD's statistical report (Appendix A – Figure 8 Full Table) was first presented, the SCPD had been producing a simplified statistical monthly report. This report included data on domestic violence calls, domestic violence cases, rape cases, sexual assaults, stalking cases, and intimate partner homicide cases.

At the November 1, 2023, CPVAW meeting, upon a specific commissioner's request and approved by the Commission, sodomy and forcible sexual penetration with a foreign object were separated from the generalized rape column, and assault to commit rape was added. In the following two meetings (February 1, 2024, and May 1, 2024), SCPD complied and continued to make improvements to provide an accurate and comprehensive statistical report. Improvements included updating all the monthly summary values to reflect the addition of any cold cases when they occurred, not when reported, and footnotes were added to provide clarifying language. This was to try and explain why the old numbers had changed from previous reports.

Discrepancies in Appendix A – Figure 8 Full Table were due to the removal of cases involving minors during the development of the new table format and improper communication of this omission. The oversight was corrected in the following report (Appendix B – Figure 9 Full Table), presented to CPVAW on May 1, 2024, and included up-to-date data encompassing all genders, adults, and minors.

The SCPD would like to respond to the Grand Jury's assessment of the SCPD's statistical report (Appendix A – Figure 8 Full Table). The Grand Jury compared the year 2021 Case Totals to SCPD's website UCR figure of reported rape totals for the same year and

questioned why the two values - 34 vs. 26 did not match and therefore concluded the statistical report was inaccurate. As defined in the SCPD response to the Grand Jury's R4 question, UCR data reports out monthly victim counts, while NIBRS reports on the total number of rape-related offenses.

In effect, the SCPD's monthly statistical report does both, but special consideration is needed when summing values. Rape cases can involve multiple offenses, and a case typically involves only one victim. The SCPD statistical report breaks out rape-related offenses but places an asterisk next to any offense that is already associated with another offense listed in the same case. By excluding any value with an asterisk while summing values, the SCPD statistical report will provide a rape case count similar to UCR Summary data. If all rape-related values are summed, ignoring the presence of asterisks, the SCPD statistical report will generate a rape offense count similar to NIBRS data.

Due to the confusion reported in the grand jury report, the SCPD has reservations regarding the effectiveness of the current format of the monthly statistical report in keeping the community well-informed. The SCPD requests that the Commission review what data is needed to better understand the nature and extent of rape-related crimes in the community and asks the Commission to provide details on how it intends to use the data to tailor prevention and intervention strategies. A better understanding of the Commission's work plan will help improve the collaborative work between the Commission and the SCPD.

To add to the confusion, one member of the Commission has requested certain metrics not consistent with the other members of the Commission. The SCPD, trying to be collaborative and responsive, provided this information but it has been taken out of context, creating confusion and the perception the SCPD is changing the data. The SCPDt recommends, prior to producing any future data or metrics, the Commission decides exactly what information they are looking for and what they will do with the information in the world of prevention and education. There are many different means to produce the data, but it will be clearer to the Commission and the public if we can agree on one methodology and then understand the nuisances of that data.

The SCPD remains committed to providing accurate and comprehensive statistical reports, ensuring transparency and continuous improvement in response to the Commission's needs.

F9.	leads to public confusion and potential undercounting of rape crimes in the City.
	AGREE
	PARTIALLY DISAGREE

X DISAGREE

When the Federal Government changed the definition of rape in 2013, SCPD immediately included the additional penal codes that now fall under the new definition and have been reporting these numbers since this change. The lack of consistency is more related to the different data collected and methodologies between UCR data, NIBRS/CIBRS, and specific metrics requested by the Commission.

F10.	domestic violence leaves the community less aware and less safe.
	AGREE
	PARTIALLY DISAGREE
<b>x</b>	DISAGREE

The absence of rape and domestic violence prevention from the Public Safety focus area of the Five-Year Strategic Plan does not lessen its significance as a priority for the City. The recently adopted strategic plan serves as a framework that balances community needs with the City's resource capacity. It reflects the policy priorities set by the City Council and acts as a high-level roadmap for future actions. The plan includes a vision to guide future focus, seven focus areas to direct organizational efforts, goal statements, strategies for achieving these goals, and a workplan for implementation.

The lack of specific mention of the Commission in the Five-Year Strategic Plan does not imply that the community is less informed or safe regarding the prevention of rape and domestic violence. Moreover, it does not undermine the Council's commitment to these issues. Notably, the Commission is the only advisory body that receives a dedicated budget and staffing from the City Council. The Council has demonstrated its commitment by increasing the Commission's budget by over 150% for FY25, enabling additional staff support and resources to further the Commission's goals in preventing rape and domestic violence in Santa Cruz.

F11.	The City Manager's Weekly Update to the community has not highlighted the work of the CPVAW for the past two years, effectively relegating the
	prevention of rape and domestic violence to a low priority, leaving the public uninformed.

	AGREE
	PARTIALLY DISAGREE
Χ	DISAGREE

There is no evidence to suggest that the absence of the Commission's activities in the City Manager's Weekly Updates has left the public uninformed or perceived as a low priority. The Weekly Update is a communication tool that shares relevant city activities and projects, drawing information from City Departments and highlighting key city council actions and significant projects. The Commission is encouraged to submit updates about its work to the City Manager's office for inclusion.

The Commission focuses on partnering with community-based organizations that specialize in supporting victims of domestic violence and sexual assault. In 2024, the Commission provided funding to local non-profits, including \$2,000 to the Walnut Avenue Women's Center, which offers direct services to survivors, and \$8,000 to Monarch Services, which provides crisis response for survivors of domestic violence, sexual assault, and human trafficking. These organizations have a broader reach than the City Manager's Weekly Update, effectively disseminating more information to the public.

Furthermore, the Commission has significantly increased its community presence by participating in events such as co-sponsoring the "Stronger Together" Fun Run/5K with Monarch Services in September 2023 and 2024, marching in the Dyke March and the 2024 Pride Parade, and taking part in the 2024 March to End Homelessness and the "She is Beautiful" race. These events enhance awareness and provide crucial information on preventing rape and domestic violence.

Additionally, the Commission has launched a dedicated newsletter to highlight its events and activities, allocating funds for two publications in FY25. It also uses social media platforms to promote and inform the community about the initiatives of the Commission.

#### Recommendations

The Grand Jury recommends that the City Council fund a dedicated staff

- person for the Commission with skills commensurate to the need for program and resource development, community outreach and visibility, data research and report writing and have such position advertised by December 31, 2024. (F5, F3)

  HAS BEEN IMPLEMENTED summarize what has been done

  HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe

  REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_\_\_ WILL NOT BE IMPLEMENTED explain why

R1.

#### Required response explanation, summary, and timeframe:

As part of the FY25 Budget, the City Council has approved a part-time (20 hours per week) Administrative Assistant III to support the work of the Commission. The recruitment is scheduled to begin in late August or early September 2024.

- R2. The Grand Jury recommends that the City Council reevaluate the legal ability of CPVAW commissioners to access redacted police reports of rape as described in this investigation, and present the results of that research by December 31, 2024. (F6)
   HAS BEEN IMPLEMENTED summarize what has been done
   HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- X\_\_\_ WILL NOT BE IMPLEMENTED explain why

#### Required response explanation, summary, and timeframe:

Police reports documenting instances of rape, sexual assault, or domestic violence are extremely sensitive. These reports provide intimate details about horrific crimes. Even if heavily redacted, it is likely the reports would still include details that would enable some to identify the victim or parties involved.

Given the extremely sensitive nature of these police reports, even when redacted, the City Attorney's Office recommends not to provide redacted police reports to the Commission for the following reasons:

- (1) Under the Brown Act, there is no legal basis for the Commission (or the Commission's Police Subcommittee) to review the redacted police reports in a confidential or closed session (see Gov't Code § 54962).
- (2) While the Commission is not permitted to meet in closed session, the Commission could hypothetically meet in open session to review the reports. However, review of police reports in open session would waive any applicable exemption under the Public Records Act (Gov't Code § 7921.505), and the City would be required to release those redacted reports to any member of the public that requests them. In other words, if the Commission were to review the redacted police reports in open session, the City would be waiving the future confidentiality of those reports, without the consent of the individuals who are referenced in that report, and without input as to how that lack of confidentiality might impact their lives.
- (3) The City is legally prohibited from releasing some reports, even in redacted form. For example, state law prohibits the release of a police report where a juvenile is the subject of the report (Wel & Inst Code § 827.95), or reports involving mandated reports of suspected child abuse and neglect (Penal Code § 11167.5). Various Constitutional provisions, such as The Victims' Bill of Rights Act of 2008: Marsy's Law, Section 28 of Article I of the California Constitution, or the right to privacy afforded by Section 1 of Article I of the

California Constitution may also be considered when determining whether to release a police report. Even for reports that the City is not legally prohibited from releasing, all of the referenced police reports are generally exempt from disclosure to the public pursuant to Government Code section 7923.600.

Based on the foregoing, including the advice of the City Attorney's Office, the Commission voted to *not* require the SCPD to provide redacted police reports to the Commission or the Commission's Police Sub-Committee.

R3. The Grand Jury recommends that the City Council begin evaluating options with the Santa Cruz City School District to reinstate the in-person self-defense program for middle and high school students of all genders by January 31, 2025. (F4)
 HAS BEEN IMPLEMENTED – summarize what has been done HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE – summarize what will be done and the timeframe
 REQUIRES FURTHER ANALYSIS – explain the scope and timeframe (not to exceed six months)
 WILL NOT BE IMPLEMENTED – explain why

#### Required response explanation, summary, and timeframe:

The Commission has previously offered self-defense classes either through City Schools and/or the Parks and Recreation Department. Over the years, participation in the Parks & Recreation program significantly declined, leading to the cancellation of classes. Based on the lack of participation, free classes sponsored by the Commission are no longer offered through Parks and Recreation.

In FY2023, the City Council approved a budget of \$15,000 for self-defense classes to be administered by the Commission. In November of 2023, the Commission considered how best to use the funds at a regularly scheduled public meeting. The Commission considered two options: 1) Self Defense program through the City Parks & Recreation Department or 2) A proposal by Santa Cruz City Schools for an on-line course through a private contractor, Vector Solutions. The Commission chose the City Schools proposal.

This program offered targeted courses for grades 6-8 and 9-12, which would reach approximately 2,000 students. This mandatory program would enable the school to extend its reach, empowering more students to make informed choices, resist peer pressure, and foster health relationships. Topics included: Dealing with Stress and Anxiety; Self-Harm Awareness and Resolving Disagreements. Additional content included Mental Health and Wellbeing, Healthy Relationships & Inclusion, Personal & Community Safety and Student Safety and Wellness.

Vector Solutions is already being used in other school districts across the country to reduce violence against women. This valuable program will help prevent violence against women by providing students with the knowledge and skills they need to make healthy choices and build positive relationships.

In addition, the Commission authorized an additional \$5,000 to enable one Commissioner to work with the Parks and Recreation department to offer a self-defense course. Unfortunately, the program never came to fruition, and the funds were not spent.

In the FY25 Budget, the City Council approved re-authorization of \$15,000 to continue offering these types of programs. Consideration of how to utilize these funds will be considered by the Commission at its meeting on September 4, November 6, 2024.

- R4. The Grand Jury recommends that the SCPD update its website to include the detailed metrics on Rape Incidents submitted to NIBRS and CIBRS, ensuring all data entries are accurate and available at each meeting of the CPVAW, and have this in place by January 31, 2025. (F8, F9)
   HAS BEEN IMPLEMENTED summarize what has been done
   HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_x\_ WILL NOT BE IMPLEMENTED explain why

#### Required response explanation, summary, and timeframe:

The publication of metrics on rape incidents from the National Incident-Based Reporting System (NIBRS) and California Incident-Based Reporting System (CIBRS) would introduce an additional data set to the two preexisting data sets regularly published by the Santa Cruz Police Department (SCPD) – Uniform Crime Reporting (UCR) data and its own monthly statistical data report provided to the Commission. SCPD believes this would increase public confusion regarding rape incidents within the City of Santa Cruz. All three data sets report on rape occurrence, but variations in methodology, scope, and level of detail make direct comparisons unsound.

#### **Uniform Crime Reporting System (UCR)**

The UCR Summary system reports are based on when a crime is reported, not when the crime occurs. For example, in many rape-related cases, individuals come forward weeks, months, or even years after being victimized. This limitation can distort monthly victim counts and create erroneous trends within a community. Another constraint lies in how the data is prioritized. UCR Summary data reflects the hierarchy rule, which states that only the most severe crime contributes to an agency's monthly crime totals when more than one offense occurs within an incident. For example, an incident involving a murder, robbery, and rape, the stats only reflect the homicide for the monthly totals, as homicide is the highest offense on the hierarchy.

UCR data is calculated by the number of victims and does not account for multiple offenses committed against one victim during one incident. For example, a victim of rape (261 pc) could also be a victim of oral copulation (288a pc) and sodomy (286 pc). All of these offenses fall under the definition of rape per the new definition in 2013 but there are different penal code sections and charges. UCR data will calculate this example as one incident because it only includes one victim. However, in other reporting methodologies like NIBRS or metric collecting like CPVAW has requested, the one incident can be counted multiple times depending on the number of penal code sections or charges brought forward on the perpetrator.

**National Incident-Based Reporting System (NIBRS)** 

NIBRS collects detailed data on each reported crime incident, including information on the victim, offender, location, weapon used, and circumstances surrounding an incident. Unlike UCR Summary, NIBRS captures all offenses reported in a single incident, providing a more complete picture of criminal activity. NIBRS' labile data set allows for constant updates to monthly summaries as cold cases are reported.

Publishing static monthly NIBRS/CIBRS data on SCPD's website or through the Commission's meetings immortalizes data designed to change over time, offering little added benefit to the public. NIBRS/CIBRS data is not updated until several weeks after the end of each month, producing the data monthly would cause more confusion and provide inaccurate data to the public.

The level of detailed data provided by NIBRS allows law enforcement agencies, policymakers, and researchers to better understand the nature and extent of crime in their communities, identify emerging trends, and tailor prevention and intervention strategies accordingly, but may not be suitable for public consumption without proper analysis and a simplified synopsis.

Additionally, unlike UCR data, NIBRS/CIBRS data will change based on when a crime occurred versus when the crime was reported. Therefore NIBRS/CIBRS data is fluid and could constantly change. However, UCR data is locked once each month is complete. This adds to the confusion and perception of the inaccuracies to the data.

- **R5.** The Grand Jury recommends that the SCPD reinstate community alerts for incidents of stranger rape, with case-by-case updates, by December 31, 2024. (F7)
- \_x\_ HAS BEEN IMPLEMENTED summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_\_\_ WILL NOT BE IMPLEMENTED explain why

#### Required response explanation, summary, and timeframe:

SCPD never stopped executing community alerts for incidents of stranger rape when the circumstances were necessary to keep the community safe and well-informed.

- **R6.** The Grand Jury recommends that the Commission and the SCPD submit comprehensive annual reports as called for in Ordinance 81-29, using the 2005-07 reports as a model, with the 2024 Annual Report placed on the Commission's agenda by December 31, 2024 and future reports submitted on a consistent, annual basis. (F1)
- **HAS BEEN IMPLEMENTED –** summarize what has been done
  - HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE –
- summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe
   (not to exceed six months)
- \_X\_ WILL NOT BE IMPLEMENTED explain why

#### Required response explanation, summary, and timeframe:

The Annual Report as required by Ordinance No. 81-29, Section 5.(d), requires the Commission to "...submit annually, and the City Council review and act upon a report documenting, in detail, City, community, and police efforts to carry out the purposes of this ordinance." The Ordinance does not require the Annual Report to provide detailed metrics on rape. However, various Annual Reports over the years have included data on rape and domestic violence, including the most recent Annual Report for 2023. The 2023 Report includes details the FBI Uniform Crime Report for Rape and Domestic Violence from 2015 to 2023, and data from 2010-2023 on the following California Penal Code Sections relating to Rape: 220 Attempted Rape; 261/262 Rape; 286 Sodomy; 387/288 Oral Copulation and 289 Penetration with a foreign object. The Commission will continue to provide comprehensive reports as required by the Ordinance.

The 2023 Annual Report is modeled after the 2005-2007 and the 2008-2010 Annual Report. Both of those reports were a Joint Report by the Commission and the Santa Cruz Police Department, same as the 2023 Report. Both reports contain data on sexual assault including incidents by Penal Code Violations. However, the previous reports did not contain information on Domestic Violence which the 2023 report contains. The previous reports include an analysis of demographics within each rape case which has not been conducted since 2017. The Commission, not individual commissioners, must decide what information or metrics they would like to see and how the information will be used towards prevention and education. There needs to be an agreement of what set of data and metrics will be evaluated because the combination of different sets of data causes confusion and the perception of deception.

The Annual Report should include a full years' worth of data, therefore presenting an annual report in December would not include a full years' worth of data. In order to provide the community with a comprehensive report, with a full year's worth of data, the report will be presented at the February meeting of the following year.

R7. The Grand Jury recommends that the 2023 Report be amended to remove the national entry on stranger rape, replacing it with accurate data for the City of Santa Cruz by December 31, 2024. (F2)
HAS BEEN IMPLEMENTED – summarize what has been done HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE – summarize what will be done and the timeframe
REQUIRES FURTHER ANALYSIS – explain the scope and timeframe (not to exceed six months)
WILL NOT BE IMPLEMENTED – explain why

#### Required response explanation, summary, and timeframe:

The 2023 Annual Report provides a comprehensive data analysis over a 14-year period on rape and 16 years' worth of data on domestic violence cases in the City of Santa Cruz. While the Annual Report does not distinguish between acquaintance and stranger rape, the data is accurate. The Ordinance does not require the Annual Report to provide crime data, however, because the data on the number of cases is readily available and is compiled by the SCPD it is included in the Annual Report. Ordinance No. 81-29, Section 5.(d), requires the Commission to "...submit annually, and the City Council review and act upon a report documenting, in detail, City, community, and police efforts to carry out the purposes of this ordinance."

SCPD supports the collection of this information if the Commission decides on all the metrics they are interested in and shows how it will be useful towards the prevention and education mission. SCPD feels both national statistics on stranger rape and local metrics are important to provide the public with a local view as well as a broader perspective. The data SCPD has presented is accurate, but some confusion has arisen based on the different methodologies of UCR data, NIBRS/CIBRS, and specific requests from the Commission.

The Grand Jury recommends that the CPVAW update the status of the Safe Place Network and the Bar Coasters program. If the programs are to be discontinued, a public CPVAW meeting is advised for that decision. If the programs are to be continued, the date of January 31, 2025 is recommended for the full reinstatement of these programs. (F3)
 HAS BEEN IMPLEMENTED – summarize what has been done HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE – summarize what will be done and the timeframe
 REQUIRES FURTHER ANALYSIS – explain the scope and timeframe (not to exceed six months)
 WILL NOT BE IMPLEMENTED – explain why

#### Required response explanation, summary, and timeframe:

The Commission will agendize the Safe Place Network at their September 4, 2024February 5, 2025 meeting to consider whether or not to continue the program.

The Bar Coaster program is in place. As of June 2024, an additional 500 coasters were purchased to be distributed to local bars.

- **R9.** The Grand Jury recommends that Focus Area 5, Public Safety of the 2023-28 Five Year Strategic Plan include an entry prioritizing the prevention of rape and domestic violence, as mandated by Ordinance 81-29, and published by February 28, 2025. (F10)
- **HAS BEEN IMPLEMENTED –** summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_X\_ WILL NOT BE IMPLEMENTED explain why

#### Required response explanation, summary, and timeframe:

The absence of rape and domestic violence prevention from the Public Safety focus area of the Five-Year Strategic Plan does not lessen its significance as a priority for the City. The recently adopted strategic plan serves as a framework that balances community needs with the City's resource capacity. It reflects the policy priorities set by the City Council and acts as a high-level roadmap for future actions. The plan includes a vision to guide future focus, seven focus areas to direct organizational efforts, goal statements, strategies for achieving these goals, and a workplan for implementation.

The lack of specific mention of the Commission in the Five-Year Strategic Plan does not imply that the community is less informed or safe regarding the prevention of rape and domestic violence. Moreover, it does not undermine the Council's commitment to these issues. Notably, the Commission is the only advisory body that receives a dedicated budget and staffing from the City Council. The Council has demonstrated its commitment by increasing the Commission's budget by over 150% for FY25, enabling additional staff support and resources to further the Commission's goals in preventing rape and domestic violence in Santa Cruz.

- **R10.** The Grand Jury recommends that the City Manager increase the visibility of the CPVAW programs and events by publishing relevant information, at least quarterly, in the City Manager's Weekly Update and that the first article be published by December 31, 2024. (F11)
- **HAS BEEN IMPLEMENTED –** summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_X\_ WILL NOT BE IMPLEMENTED explain why

#### Required response explanation, summary, and timeframe:

There is no evidence to suggest that the absence of the Commission's activities in the City Manager's Weekly Updates has left the public uninformed or perceived as a low priority. The Weekly Update is a communication tool that shares relevant city activities and projects, drawing information from City Departments and highlighting key city council actions and significant projects. <u>The Commission is encouraged to submit updates about its work to the City Manager's office for inclusion when appropriate</u>.

The Commission focuses on partnering with community-based organizations that specialize in supporting victims of domestic violence and sexual assault. In 2024, the Commission provided funding to local non-profits, including \$2,000 to the Walnut Avenue Women's Center, which offers direct services to survivors, and \$8,000 to Monarch Services, which provides crisis response for survivors of domestic violence, sexual assault, and human trafficking. These organizations have a broader reach than the City Manager's Weekly Update, effectively disseminating more information to the public.

Furthermore, the Commission has significantly increased its community presence by participating in events such as co-sponsoring the "Stronger Together" Fun Run/5K with Monarch Services in September 2023 and 2024, marching in the Dyke March and the 2024 Pride Parade, and taking part in the 2024 March to End Homelessness and the "She is Beautiful" race. These events enhance awareness and provide crucial information on preventing rape and domestic violence.

Additionally, the Commission has launched a dedicated newsletter to highlight its events and activities, allocating funds for two publications in FY25. It also uses social media platforms to promote and inform the community about the initiatives of the Commission.



# The 2023–2024 Santa Cruz County Civil Grand Jury Requires the

### **Santa Cruz City Council**

to Respond by September 25, 2024

to the Findings and Recommendations listed below which were assigned to them in the report titled

## City Of Santa Cruz: Preventing Rape and Domestic Violence

Where's The Priority?

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. The California Penal Code (PC) §933(c) requires you to respond as specified below and to keep your response on file.

Your response will be considered **compliant** under <u>PC §933.05</u> if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

#### **Instructions for Respondents**

Your assigned <u>Findings</u> and <u>Recommendations</u> are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase <u>PC §933.05</u>:

- 1. For the Findings, mark one of the following responses with an "X" and provide the required additional information:
  - a. AGREE with the Finding, or
  - b. **PARTIALLY DISAGREE with the Finding** specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** provide an explanation of the reasons why.
- 2. For the Recommendations, mark one of the following actions with an "X" and provide the required additional information:
  - a. HAS BEEN IMPLEMENTED provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** provide an explanation of why it is not warranted or not reasonable.
- 3. Please confirm the date on which you approved the assigned responses:

We approved these respon	nses in a regular	public meeting	as shown
in our minutes dated			_•

4. When your responses are complete, please email your completed Response Request as a PDF file attachment to both

The Honorable Katherine Hansen, Grand Jury Supervising Judge Katherine.Hansen@santacruzcourt.org and

The Santa Cruz County Grand Jury <a href="mailto:grandjury@scgrandjury.org">grandjury@scgrandjury.org</a>.

If you have questions about this request form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to grandjury@scgrandjury.org.

### **Findings**

**F1.** Since 2016, the lack of comprehensive Annual Reports with detailed metrics on rape, including the tracking of stranger rape, leaves the community less informed, more vulnerable, and less safe.

_	AGREE
	PARTIALLY DISAGREE
Χ	DISAGREE

**Response explanation** (required for a response other than **Agree**):

The Santa Cruz City Council ("the Council) disagrees with the assertion that the community is less informed due to the Annual Report lacking detailed metrics. The Annual report includes both current and historical data on rape and domestic violence. Detailed metrics on rape such as stranger rape, age, gender, location, etc.. are not mandated, however, the CPVAW has voted to receive detailed metrics on the type of crimes committed which it has determined to be more useful to their efforts to prevent rape & domestic violence.

Up until 2016 the Annual Reports contained demographic information which included reporting on stranger versus acquaintance rape. From approximately 2017-2022 there was significant turnover in staff to the commission, the commission members, and a world-wide pandemic which impacted the commissions receipt of rape and domestic violence data. In addition, there was not an annual report prepared by the Commission during that time. The most recent Annual Report for 2023 includes details from the FBI Uniform Crime Report (UCR) for rape as well as data from 2010-2023 on the following California Penal Code Sections relating to rape: 220 Attempted Rape; 261/262 Rape; 286 Sodomy; 387/288 Oral Copulation and 289 Penetration with a foreign object. Additionally, the 2023 report also includes domestic violence statistics from 2015 to 2023.

The Council disagrees with the Grand Jury's claim that a lack of detailed metrics on rape leaves the community more vulnerable and less safe. The absence of specific metrics in the Annual Report, or its contents, does not correlate to increased vulnerability or decreased safety. In fact, the FBI Uniformed Crime Report shows a 26% reduction in rape from 2022 to 2023, along with a 34% decrease in Domestic Violence cases by from 2020 to 2021 and a decline of 14% between 2022 and 2023. The Commission voted in November 2023 to accept a revised reporting format for rape and domestic violence statistics to include all FBI UCR Data, and various California Penal Code Sections on rape and domestic violence. In August of 2024, the Commission began receiving rape data from the National Incident-Based Reporting System (NIBRS). If the Commission chooses to reassess the metrics it requests from SCPD, including stranger rape data, the SCPD is prepared to provide the requested information. However, the Commission must decide what metrics it needs to review and how the Commission will utilize the information in relation to prevention and education. When the Commissioners request various information and try to compare it to UCR data and/or National Incident-Based Reporting System/California Incident-Based Reporting System (NIBRS/CIBRS) the information may not be consistent because the methodology for collecting the data sets are not the same, which causes confusion and leads to the perception of deception which is not accurate.

In 2024, in an effort to better inform the community, and keep people safe, the Commission enhanced their outreach and education to the community by collaborating with other Community Based Organizations to raise awareness about prevention and available services to victims of rape and domestic violence. This includes co-sponsoring the "Stronger Together" Fun Run/5K Race with Monarch Services in September 2023 & 2024, participating in both the Dyke and Pride Parades, the 2024 March to End Homelessness and the "She is Beautiful" race. Additionally, the Commission partnered with Monarch Services by providing \$6,000 to support their efforts to end domestic violence and provide assistance to victims of rape.

F2.	By highlighting a generic national statistic on stranger rape, rather than assessing local metrics in the CPVAW 2023 Report, the City is minimizing stranger rape and misleading the public into a possible false sense of security.
	AODEE

	AGREE
_X_	PARTIALLY DISAGREE
	DISAGREE

The CPVAW 2023 Annual Report includes, as approved by the Commission on November 1, 2023, data from the US Department of Justice, Federal Bureau of Investigations, Uniform Crime Report on Rape, which is data specific to the City of Santa Cruz. The Annual Report also includes specific data on 5 types of Sexual Assault violations committed in the City of Santa Cruz. It is correct that this data does not distinguish between a stranger and an acquaintance. While this type of distinction may be useful, there is no data supporting that this is misleading the public into a false sense of security. The data cited in the Annual Report is from a nationally recognized association; Rape, Abuse, Incest National Network (RAINN) and is consistent with previous data analysis as reported in the 2005-07 Annual Report.

The data shows that the City is safer in 2023 than in previous years. The Uniformed Crime Report shows a decrease in rape by 26% from 2022 to 2023, and a decrease in Domestic Violence cases by 34% from 2020 to 2021 and a decrease of 14% between 2022 and 2023.

If the Commission chooses to reconsider its previous decision on which metrics SCPD should provide to the Commission, including stranger rape, SCPD will provide that information. SCPD supports the collection of this information but would prefer the Commission decide on all the metrics they are interested in and show how it will be useful towards the prevention and education mission of CPVAW. SCPD feels both national statistics on stranger rape and local metrics are important to provide the public with a local view as well as a broader perspective.

F3.	The lack of attention to long-time Commission programs such as the Safe
	Place Network and the Bar Coaster program leaves residents and visitors
	without important resources for their personal safety.

	AGREE
	PARTIALLY DISAGREE
X	DISAGREE

The Commission believes in leveraging their funds to partner with community-based organizations who specialize in providing victims of domestic violence and rape with much needed financial support to continue their successful programs and services. These organizations provide tangible resources that the Commission could not provide nor have the expertise to provide. In 2024, the Commission provided the following with sponsorships to support local non-profit organizations: \$2,000 to Walnut Ave Women's Center, a non-profit organization based in Santa Cruz that provides direct services to survivors of domestic violence including prevention and education and \$6,000 to Monarch Services, another local non-profit that offers immediate crisis response to survivors of domestic violence, sexual assault and human trafficking.

The Commission has created new programs to promote personal safety. In 2023, the Commission partnered with the Santa Cruz City School district to provide high school students with an on-line course through Vector Solutions. This program offered targeted courses for grades 6-8 and 9-12, which reached approximately 2,000 students. This mandatory program enabled the school to extend its reach, empowering more students to make informed choices, resist peer pressure, and foster healthy relationships. Topics included: Dealing with Stress and Anxiety; Self-Harm Awareness and Resolving Disagreements. Additional content included Mental Health and Wellbeing, Healthy Relationships & Inclusion, Personal & Community Safety and Student Safety and Wellness.

The City is the only local agency to have a Victim Advocate on staff in the Police Department. This important resource keep victims informed of their rights in the legal system and makes referrals to local agencies. The Advocate works with victims to ensure they are treated with fairness and respect.

With regards to the Bar Coaster Program, the Commission agrees with continuing this program. As of July 1<sup>st</sup> State Law requires all bars that do not provide food to provide drug testing kits to customers. The Commission supports this new law. In June of 2024, the Commission purchased an additional 500 drug testing coasters to distribute to bars located in the City of Santa Cruz.

The Commission had a program entitled Safe Place Network which is no longer active. The program began over 25 years ago by providing a window sticker to

businesses stating they were a "Safe Place"; however, there was very little to no training provided for businesses and their staff. The program also lacked a comprehensive marketing and outreach plan to inform visitors and the community of its existence. There are no metrics or data to substantiate the claim that not having this program has left residents and visitors without important resources for their personal safety. However, the Commission could consider re-establishing the program if it chooses to do so in the future.

Cruz City Schools lessens students' ability to prevent sexual assault and interpersonal violence, inconsistent with the mandate of Ordinance 81-29.
AGREE
PARTIALLY DISAGREE
DISAGREE

The Commission has offered self-defense classes either through City Schools and/or the Parks and Recreation Department. Over the years, participation in the Parks & Recreation program significantly declined, leading to the cancellation of classes.

In FY2023, the City Council approved a budget of \$15,000 for self-defense classes to be administered by the Commission. In November of 2023, the Commission considered how best to use the funds at a regularly scheduled public meeting. The Commission considered two options: 1) Self Defense program through the City Parks & Recreation Department, or 2) A proposal by City Schools for an on-line course through a private contractor, Vector Solutions. The Commission chose the City Schools proposal.

This program offered targeted courses for grades 6-8 and 9-12, which reached approximately 2,000 students. This mandatory program enabled schools to extend their reach significantly, empowering more students to make informed choices, resist peer pressure, and foster healthy relationships. Topics included: Dealing with Stress and Anxiety; Self-Harm Awareness and Resolving Disagreements. Additional content included Mental Health and Well-being, Healthy Relationships & Inclusion, Personal & Community Safety and Student Safety and Wellness.

Vector Solutions is already being used in other school districts across the country to reduce violence against women. This valuable program will help prevent violence against women by providing students with the knowledge and skills they need to make healthy choices and build positive relationships.

In addition, the Commission authorized an additional \$5,000 to enable one Commissioner to work with the Parks and Recreation department to offer a self-defense course. Unfortunately, the program never came to fruition, and the funds were not spent.

In the FY25 Budget, the City Council approved re-authorization of \$15,000 to continue offering these types of programs. The Commission will consider how to utilize those funds at their meeting on September 4, 2024.

F5.	The City's replacement of a dedicated 20-hour per week Commission staff
	position with rotating staff with minimal hours has resulted in a loss of
	visibility for the prevention of rape and domestic violence, a loss of
	community connections, a lack of programs, inadequate resource
	distribution and less public awareness.

	AGREE
	PARTIALLY DISAGREE
_X_	DISAGREE

The part-time Events Coordinator position was eliminated in 2016/2017 and replaced with a more senior staff member to provide enhanced support to the Commission. From 2017 to 2020, there were three staffing changes involving personnel from both the City Manager's Office and the Police Department. The Commission also saw turnover among its members during this same period. Additionally, the COVID-19 pandemic severely limited the Commission's ability to organize and participate in public events, as well as to support local non-profits and schools until 2022.

In 2023, as the community began to recover from the pandemic, the Commission resumed its participation in and organization of events.

As part of the Fiscal Year 2024, the City Council also approved funding for an Administrative Assistant III staff position that will dedicate half of their work week (20 hours per week) to supporting the Commission's work. With the addition of this new position, the Commission will have more staff support than it has had for the last several years.

Notably, crime data indicates that the city is safer in 2023 than in previous years. The Uniformed Crime Report reveals a 26% decrease in rape incidents from 2022 to 2023, as well as a 34% drop in domestic violence cases from 2020 to 2021, and a further decline of 14% between 2022 and 2023.

F6.	The City's refusal to allow the Commission continued access to redacted
	police reports prevents the Commission from making recommendations for
	police training and evaluating community complaints as required by
	Ordinance.

	AGREE
	PARTIALLY DISAGREE
Χ	DISAGREE

The Commission received redacted police reports from approximately 1984 to 2010. However, around 2010-2017 the Commission began to receive summary demographic data from SCPD. From approximately 2017-2022 there was significant turnover in staff to the commission and a world-wide pandemic which impacted the commissions receipt of rape and domestic violence data. In 2023, a request was made by the Commission for the City Attorney to attend a CPVAW meeting to discuss and provide a recommendation to them regarding the ability to receive redacted police reports. Given the extremely sensitive nature of these police reports, even when redacted, the City Attorney's Office recommended not to provide redacted police reports to the Commission for the following reasons:

- (1) Under the Brown Act, there is no legal basis for the Commission (or the Commission's Police Subcommittee) to review the redacted police reports in a confidential or closed session (see Gov't Code § 54962).
- (2) While the Commission is not permitted to meet in closed session, the Commission could hypothetically meet in open session to review the reports. However, review of police reports in open session would waive any applicable exemption under the Public Records Act (Gov't Code § 7921.505), and the City would be required to release those redacted reports to any member of the public that requests them. In other words, if the Commission were to review the redacted police reports in open session, the City would be waiving the future confidentiality of those reports, without the consent of the individuals who are referenced in that report, and without input as to how that lack of confidentiality might impact their lives.
- (3) The City is legally prohibited from releasing some reports, even in redacted form. For example, state law prohibits the release of a police report where a juvenile is the subject of the report (Wel & Inst Code § 827.95), or reports involving mandated reports of suspected child abuse and neglect (Penal Code § 11167.5). Various Constitutional provisions, such as The Victims' Bill of Rights Act of 2008: Marsy's Law, Section 28 of Article I of the California Constitution, or the right to privacy afforded by Section 1 of Article I of the California Constitution may also be considered when determining whether to release a police report. Even for reports that the City is not legally prohibited from releasing, all of the referenced police reports are generally exempt from disclosure to the public pursuant to Government Code section 7923.600.

Based on the foregoing, including the advice of the City Attorney's Office, the Commission voted to *not* require the SCPD provide redacted police reports to the Commission or the Commission's Police Sub-Committee. However, the Commission did vote to include additional California Penal Code Sections, all Domestic Violence cases, and the FBI Uniform Crime

Reporting data in the monthly data SCPD reports to the Commission.

The Commission still retains the ability to hear citizen complaints regarding the SCPD's service to women who have been raped or battered. With improvements in technology and changes in state law and City Council requirements, citizen complaints go directly to the SCPD Professional Standards Unit, the Chief of Police, and the Independent Police Auditor. Any concerns about a Police Department employee's conduct, actions or service are investigated by the Police Department's Professional Standards Unit. All completed investigations are reviewed by the Independent Police Auditor to provide an independent review of the citizen complaint process. The Independent Police Auditor provides an annual report to the City Council in a public meeting on the level of thoroughness and objectivity of these investigations. The process to file a complaint can either be started in person at the Police Department, online on the SCPD website, or directly through the Independent Police Auditor.

The City also employs a Victim Advocate and is the only one in the county that does so. The Advocate provides information to victims about their rights and the criminal legal system and makes referrals to local agencies when appropriate. The Advocate works alongside SCPD personnel to ensure all victims of domestic violence and sexual assault are treated with fairness and respect. The Victim Advocate also provides training to officers and detectives to provide the highest level of professional service to the victims.

With regards to Police Training, the CPVAW Police Subcommittee received a presentation on November 1, 2023, from SCPD on their training standards. This provided an opportunity for the Commission to review and provide input on SCPD's training program. The Police Subcommittee intends to conduct an annual review of the SCPD training program. All SCPD training records are kept up to date and in accordance with State law and Peace Officer Standards and Training (POST) standards.

	AGREE
F7.	The SCPD's decision to drop stranger rape alerts and case-by-case updates leaves the community unaware about this serious crime and therefore less safe.

\_\_ AGREE
\_\_ PARTIALLY DISAGREE
X DISAGREE

Response explanation (required for a response other than Agree):

SCPD has not made the decision to drop stranger rape alerts and case-by-case updates. If there was a stranger rape case and an alert to the community was appropriate, SCPD would not hesitate to make the community aware. SCPD is very active on social media, and transparently shares valuable information with the community.

F8.	The inconsistencies the Grand Jury found in SCPD's rape numbers means
	the public, the CPVAW and the City have no accurate metrics about
	reported rape, leaving the community ill-informed and Annual Commission
	Reports unreliable.

	AGREE
	PARTIALLY DISAGREE
X	DISAGREE

City of Santa Cruz Ordinance No. 81-29 establishes specific responsibilities and cooperation between SCPD and CPVAW:

- Section 5(e): The Commission for the Prevention of Violence Against Women, in carrying out its duties shall have the authority to call upon members of the Police Department to present information which is not defined as confidential by State law. The Santa Cruz Police Department shall offer full and open cooperation to the Commission.
- **Section 6(b):** The Police Department shall create a separate statistical report form to document and consolidate all domestic violence and women beating calls. This shall be compiled monthly.

The SCPD has adhered to these requirements, explicitly providing data as the Commission requested. Before the February 7, 2024, CPVAW meeting, where the SCPD's statistical report (Appendix A – Figure 8 Full Table) was first presented, the SCPD had been producing a simplified statistical monthly report. This report included data on domestic violence calls, domestic violence cases, rape cases, sexual assaults, stalking cases, and intimate partner homicide cases.

At the November 1, 2023, CPVAW meeting, upon a specific commissioner's request and approved by the Commission, sodomy and forcible sexual penetration with a foreign object were separated from the generalized rape column, and assault to commit rape was added. In the following two meetings (February 1, 2024, and May 1, 2024), SCPD complied and continued to make improvements to provide an accurate and comprehensive statistical report. Improvements included updating all the monthly summary values to reflect the addition of any cold cases when they occurred, not when reported, and footnotes were added to provide clarifying language. This was to try and explain why the old numbers had changed from previous reports.

Discrepancies in Appendix A – Figure 8 Full Table were due to the removal of cases involving minors during the development of the new table format and improper communication of this omission. The oversight was corrected in the following report (Appendix B – Figure 9 Full Table), presented to CPVAW on May 1, 2024, and included up-to-date data encompassing all genders, adults, and minors.

The SCPD would like to respond to the Grand Jury's assessment of the SCPD's statistical report (Appendix A – Figure 8 Full Table). The Grand Jury compared the year 2021 Case Totals to SCPD's website UCR figure of reported rape totals for the same year and

questioned why the two values - 34 vs. 26 did not match and therefore concluded the statistical report was inaccurate. As defined in the SCPD response to the Grand Jury's R4 question, UCR data reports out monthly victim counts, while NIBRS reports on the total number of rape-related offenses.

In effect, the SCPD's monthly statistical report does both, but special consideration is needed when summing values. Rape cases can involve multiple offenses, and a case typically involves only one victim. The SCPD statistical report breaks out rape-related offenses but places an asterisk next to any offense that is already associated with another offense listed in the same case. By excluding any value with an asterisk while summing values, the SCPD statistical report will provide a rape case count similar to UCR Summary data. If all rape-related values are summed, ignoring the presence of asterisks, the SCPD statistical report will generate a rape offense count similar to NIBRS data.

Due to the confusion reported in the grand jury report, the SCPD has reservations regarding the effectiveness of the current format of the monthly statistical report in keeping the community well-informed. The SCPD requests that the Commission review what data is needed to better understand the nature and extent of rape-related crimes in the community and asks the Commission to provide details on how it intends to use the data to tailor prevention and intervention strategies. A better understanding of the Commission's work plan will help improve the collaborative work between the Commission and the SCPD.

To add to the confusion, one member of the Commission has requested certain metrics not consistent with the other members of the Commission. The SCPD, trying to be collaborative and responsive, provided this information but it has been taken out of context, creating confusion and the perception the SCPD is changing the data. The SCPD recommends, prior to producing any future data or metrics, the Commission decides exactly what information they are looking for and what they will do with the information in the world of prevention and education. There are many different means to produce the data, but it will be clearer to the Commission and the public if we can agree on one methodology and then understand the nuisances of that data.

The SCPD remains committed to providing accurate and comprehensive statistical reports, ensuring transparency and continuous improvement in response to the Commission's needs.

F9.	leads to public confusion and potential undercounting of rape crimes in the City.
_	AGREE
_	PARTIALLY DISAGREE

X DISAGREE

When the Federal Government changed the definition of rape in 2013, SCPD immediately included the additional penal codes that now fall under the new definition and have been reporting these numbers since this change. The lack of consistency is more related to the different data collected and methodologies between UCR data, NIBRS/CIBRS, and specific metrics requested by the Commission.

F1U.	domestic violence leaves the community less aware and less safe.
_	AGREE
_	PARTIALLY DISAGREE
X	DISAGREE

The absence of rape and domestic violence prevention from the Public Safety focus area of the Five-Year Strategic Plan does not lessen its significance as a priority for the City. The recently adopted strategic plan serves as a framework that balances community needs with the City's resource capacity. It reflects the policy priorities set by the City Council and acts as a high-level roadmap for future actions. The plan includes a vision to guide future focus, seven focus areas to direct organizational efforts, goal statements, strategies for achieving these goals, and a workplan for implementation.

The lack of specific mention of the Commission in the Five-Year Strategic Plan does not imply that the community is less informed or safe regarding the prevention of rape and domestic violence. Moreover, it does not undermine the Council's commitment to these issues. Notably, the Commission is the only advisory body that receives a dedicated budget and staffing from the City Council. The Council has demonstrated its commitment by increasing the Commission's budget by over 150% for FY25, enabling additional staff support and resources to further the Commission's goals in preventing rape and domestic violence in Santa Cruz.

F11.	The City Manager's Weekly Update to the community has not highlighted
	the work of the CPVAW for the past two years, effectively relegating the
	prevention of rape and domestic violence to a low priority, leaving the
	public uninformed.

	AGREE
	PARTIALLY DISAGREE
Χ	DISAGREE

There is no evidence to suggest that the absence of the Commission's activities in the City Manager's Weekly Updates has left the public uninformed or perceived as a low priority. The Weekly Update is a communication tool that shares relevant city activities and projects, drawing information from City Departments and highlighting key city council actions and significant projects. The Commission is encouraged to submit updates about its work to the City Manager's office for inclusion.

The Commission focuses on partnering with community-based organizations that specialize in supporting victims of domestic violence and sexual assault. In 2024, the Commission provided funding to local non-profits, including \$2,000 to the Walnut Avenue Women's Center, which offers direct services to survivors, and \$8,000 to Monarch Services, which provides crisis response for survivors of domestic violence, sexual assault, and human trafficking. These organizations have a broader reach than the City Manager's Weekly Update, effectively disseminating more information to the public.

Furthermore, the Commission has significantly increased its community presence by participating in events such as co-sponsoring the "Stronger Together" Fun Run/5K with Monarch Services in September 2023 and 2024, marching in the Dyke March and the 2024 Pride Parade, and taking part in the 2024 March to End Homelessness and the "She is Beautiful" race. These events enhance awareness and provide crucial information on preventing rape and domestic violence.

Additionally, the Commission has launched a dedicated newsletter to highlight its events and activities, allocating funds for two publications in FY25. It also uses social media platforms to promote and inform the community about the initiatives of the Commission.

# Recommendations

- R1. The Grand Jury recommends that the City Council fund a dedicated staff person for the Commission with skills commensurate to the need for program and resource development, community outreach and visibility, data research and report writing and have such position advertised by December 31, 2024. (F5, F3)
- HAS BEEN IMPLEMENTED summarize what has been done
   HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
   REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
   WILL NOT BE IMPLEMENTED explain why

# Required response explanation, summary, and timeframe:

As part of the FY25 Budget, the City Council has approved a part-time (20 hours per week) Administrative Assistant III to support the work of the Commission. The recruitment is scheduled to begin in late August or early September 2024.

- R2. The Grand Jury recommends that the City Council reevaluate the legal ability of CPVAW commissioners to access redacted police reports of rape as described in this investigation, and present the results of that research by December 31, 2024. (F6)
   HAS BEEN IMPLEMENTED summarize what has been done
   HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe
   (not to exceed six months)
- X\_\_\_ WILL NOT BE IMPLEMENTED explain why

Police reports documenting instances of rape, sexual assault, or domestic violence are extremely sensitive. These reports provide intimate details about horrific crimes. Even if heavily redacted, it is likely the reports would still include details that would enable some to identify the victim or parties involved.

Given the extremely sensitive nature of these police reports, even when redacted, the City Attorney's Office recommends not to provide redacted police reports to the Commission for the following reasons:

- (1) Under the Brown Act, there is no legal basis for the Commission (or the Commission's Police Subcommittee) to review the redacted police reports in a confidential or closed session (see Gov't Code § 54962).
- (2) While the Commission is not permitted to meet in closed session, the Commission could hypothetically meet in open session to review the reports. However, review of police reports in open session would waive any applicable exemption under the Public Records Act (Gov't Code § 7921.505), and the City would be required to release those redacted reports to any member of the public that requests them. In other words, if the Commission were to review the redacted police reports in open session, the City would be waiving the future confidentiality of those reports, without the consent of the individuals who are referenced in that report, and without input as to how that lack of confidentiality might impact their lives.
- (3) The City is legally prohibited from releasing some reports, even in redacted form. For example, state law prohibits the release of a police report where a juvenile is the subject of the report (Wel & Inst Code § 827.95), or reports involving mandated reports of suspected child abuse and neglect (Penal Code § 11167.5). Various Constitutional provisions, such as The Victims' Bill of Rights Act of 2008: Marsy's Law, Section 28 of Article I of the California Constitution, or the right to privacy afforded by Section 1 of Article I of the

California Constitution may also be considered when determining whether to release a police report. Even for reports that the City is not legally prohibited from releasing, all of the referenced police reports are generally exempt from disclosure to the public pursuant to Government Code section 7923.600.

Based on the foregoing, including the advice of the City Attorney's Office, the Commission voted to *not* require the SCPD to provide redacted police reports to the Commission or the Commission's Police Sub-Committee.

R3. The Grand Jury recommends that the City Council begin evaluating options with the Santa Cruz City School District to reinstate the in-person self-defense program for middle and high school students of all genders by January 31, 2025. (F4)
 HAS BEEN IMPLEMENTED – summarize what has been done HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE – summarize what will be done and the timeframe
 X. REQUIRES FURTHER ANALYSIS – explain the scope and timeframe (not to exceed six months)
 WILL NOT BE IMPLEMENTED – explain why

# Required response explanation, summary, and timeframe:

The Commission has previously offered self-defense classes either through City Schools and/or the Parks and Recreation Department. Over the years, participation in the Parks & Recreation program significantly declined, leading to the cancellation of classes. Based on the lack of participation, free classes sponsored by the Commission are no longer offered through Parks and Recreation.

In FY2023, the City Council approved a budget of \$15,000 for self-defense classes to be administered by the Commission. In November of 2023, the Commission considered how best to use the funds at a regularly scheduled public meeting. The Commission considered two options: 1) Self Defense program through the City Parks & Recreation Department or 2) A proposal by Santa Cruz City Schools for an on-line course through a private contractor, Vector Solutions. The Commission chose the City Schools proposal.

This program offered targeted courses for grades 6-8 and 9-12, which would reach approximately 2,000 students. This mandatory program would enable the school to extend its reach, empowering more students to make informed choices, resist peer pressure, and foster health relationships. Topics included: Dealing with Stress and Anxiety; Self-Harm Awareness and Resolving Disagreements. Additional content included Mental Health and Wellbeing, Healthy Relationships & Inclusion, Personal & Community Safety and Student Safety and Wellness.

Vector Solutions is already being used in other school districts across the country to reduce violence against women. This valuable program will help prevent violence against women by providing students with the knowledge and skills they need to make healthy choices and build positive relationships.

In addition, the Commission authorized an additional \$5,000 to enable one Commissioner to work with the Parks and Recreation department to offer a self-defense course. Unfortunately, the program never came to fruition, and the funds were not spent.

In the FY25 Budget, the City Council approved re-authorization of \$15,000 to continue offering these types of programs. Consideration of how to utilize these funds will be considered by the Commission at its meeting on November 6, 2024.

- R4. The Grand Jury recommends that the SCPD update its website to include the detailed metrics on Rape Incidents submitted to NIBRS and CIBRS, ensuring all data entries are accurate and available at each meeting of the CPVAW, and have this in place by January 31, 2025. (F8, F9)
   HAS BEEN IMPLEMENTED summarize what has been done
   HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_x\_ WILL NOT BE IMPLEMENTED explain why

The publication of metrics on rape incidents from the National Incident-Based Reporting System (NIBRS) and California Incident-Based Reporting System (CIBRS) would introduce an additional data set to the two preexisting data sets regularly published by the Santa Cruz Police Department (SCPD) – Uniform Crime Reporting (UCR) data and its own monthly statistical data report provided to the Commission. SCPD believes this would increase public confusion regarding rape incidents within the City of Santa Cruz. All three data sets report on rape occurrence, but variations in methodology, scope, and level of detail make direct comparisons unsound.

# **Uniform Crime Reporting System (UCR)**

The UCR Summary system reports are based on when a crime is reported, not when the crime occurs. For example, in many rape-related cases, individuals come forward weeks, months, or even years after being victimized. This limitation can distort monthly victim counts and create erroneous trends within a community. Another constraint lies in how the data is prioritized. UCR Summary data reflects the hierarchy rule, which states that only the most severe crime contributes to an agency's monthly crime totals when more than one offense occurs within an incident. For example, an incident involving a murder, robbery, and rape, the stats only reflect the homicide for the monthly totals, as homicide is the highest offense on the hierarchy.

UCR data is calculated by the number of victims and does not account for multiple offenses committed against one victim during one incident. For example, a victim of rape (261 pc) could also be a victim of oral copulation (288a pc) and sodomy (286 pc). All of these offenses fall under the definition of rape per the new definition in 2013 but there are different penal code sections and charges. UCR data will calculate this example as one incident because it only includes one victim. However, in other reporting methodologies like NIBRS or metric collecting like CPVAW has requested, the one incident can be counted multiple times depending on the number of penal code sections or charges brought forward on the perpetrator.

National Incident-Based Reporting System (NIBRS)

NIBRS collects detailed data on each reported crime incident, including information on the victim, offender, location, weapon used, and circumstances surrounding an incident. Unlike UCR Summary, NIBRS captures all offenses reported in a single incident, providing a more complete picture of criminal activity. NIBRS' labile data set allows for constant updates to monthly summaries as cold cases are reported.

Publishing static monthly NIBRS/CIBRS data on SCPD's website or through the Commission's meetings immortalizes data designed to change over time, offering little added benefit to the public. NIBRS/CIBRS data is not updated until several weeks after the end of each month, producing the data monthly would cause more confusion and provide inaccurate data to the public.

The level of detailed data provided by NIBRS allows law enforcement agencies, policymakers, and researchers to better understand the nature and extent of crime in their communities, identify emerging trends, and tailor prevention and intervention strategies accordingly, but may not be suitable for public consumption without proper analysis and a simplified synopsis.

Additionally, unlike UCR data, NIBRS/CIBRS data will change based on when a crime occurred versus when the crime was reported. Therefore NIBRS/CIBRS data is fluid and could constantly change. However, UCR data is locked once each month is complete. This adds to the confusion and perception of the inaccuracies to the data.

- **R5.** The Grand Jury recommends that the SCPD reinstate community alerts for incidents of stranger rape, with case-by-case updates, by December 31, 2024. (F7)
- \_x\_ HAS BEEN IMPLEMENTED summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_\_\_ WILL NOT BE IMPLEMENTED explain why

SCPD never stopped executing community alerts for incidents of stranger rape when the circumstances were necessary to keep the community safe and well-informed.

- **R6.** The Grand Jury recommends that the Commission and the SCPD submit comprehensive annual reports as called for in Ordinance 81-29, using the 2005-07 reports as a model, with the 2024 Annual Report placed on the Commission's agenda by December 31, 2024 and future reports submitted on a consistent, annual basis. (F1)
- **HAS BEEN IMPLEMENTED –** summarize what has been done
  - HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE –
- summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe
   (not to exceed six months)
- \_X\_ WILL NOT BE IMPLEMENTED explain why

The Annual Report as required by Ordinance No. 81-29, Section 5.(d), requires the Commission to "...submit annually, and the City Council review and act upon a report documenting, in detail, City, community, and police efforts to carry out the purposes of this ordinance." The Ordinance does not require the Annual Report to provide detailed metrics on rape. However, various Annual Reports over the years have included data on rape and domestic violence, including the most recent Annual Report for 2023. The 2023 Report includes details the FBI Uniform Crime Report for Rape and Domestic Violence from 2015 to 2023, and data from 2010-2023 on the following California Penal Code Sections relating to Rape: 220 Attempted Rape; 261/262 Rape; 286 Sodomy; 387/288 Oral Copulation and 289 Penetration with a foreign object. The Commission will continue to provide comprehensive reports as required by the Ordinance.

The 2023 Annual Report is modeled after the 2005-2007 and the 2008-2010 Annual Report. Both of those reports were a Joint Report by the Commission and the Santa Cruz Police Department, same as the 2023 Report. Both reports contain data on sexual assault including incidents by Penal Code Violations. However, the previous reports did not contain information on Domestic Violence which the 2023 report contains. The previous reports include an analysis of demographics within each rape case which has not been conducted since 2017. The Commission, not individual commissioners, must decide what information or metrics they would like to see and how the information will be used towards prevention and education. There needs to be an agreement of what set of data and metrics will be evaluated because the combination of different sets of data causes confusion and the perception of deception.

The Annual Report should include a full years' worth of data, therefore presenting an annual report in December would not include a full years' worth of data. In order to provide the community with a comprehensive report, with a full year's worth of data, the report will be presented at the February meeting of the following year.

R7. The Grand Jury recommends that the 2023 Report be amended to remove the national entry on stranger rape, replacing it with accurate data for the City of Santa Cruz by December 31, 2024. (F2)
HAS BEEN IMPLEMENTED – summarize what has been done HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE – summarize what will be done and the timeframe
REQUIRES FURTHER ANALYSIS – explain the scope and timeframe (not to exceed six months)
WILL NOT BE IMPLEMENTED – explain why

# Required response explanation, summary, and timeframe:

The 2023 Annual Report provides a comprehensive data analysis over a 14-year period on rape and 16 years' worth of data on domestic violence cases in the City of Santa Cruz. While the Annual Report does not distinguish between acquaintance and stranger rape, the data is accurate. The Ordinance does not require the Annual Report to provide crime data, however, because the data on the number of cases is readily available and is compiled by the SCPD it is included in the Annual Report. Ordinance No. 81-29, Section 5.(d), requires the Commission to "...submit annually, and the City Council review and act upon a report documenting, in detail, City, community, and police efforts to carry out the purposes of this ordinance."

SCPD supports the collection of this information if the Commission decides on all the metrics they are interested in and shows how it will be useful towards the prevention and education mission. SCPD feels both national statistics on stranger rape and local metrics are important to provide the public with a local view as well as a broader perspective. The data SCPD has presented is accurate, but some confusion has arisen based on the different methodologies of UCR data, NIBRS/CIBRS, and specific requests from the Commission.

R8. The Grand Jury recommends that the CPVAW update the status of the Safe Place Network and the Bar Coasters program. If the programs are to be discontinued, a public CPVAW meeting is advised for that decision. If the programs are to be continued, the date of January 31, 2025 is recommended for the full reinstatement of these programs. (F3)
 HAS BEEN IMPLEMENTED – summarize what has been done HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE – summarize what will be done and the timeframe
 REQUIRES FURTHER ANALYSIS – explain the scope and timeframe (not to exceed six months)
 WILL NOT BE IMPLEMENTED – explain why

# Required response explanation, summary, and timeframe:

The Commission will agendize the Safe Place Network at their February 5, 2025 meeting to consider whether or not to continue the program.

The Bar Coaster program is in place. As of June 2024, an additional 500 coasters were purchased to be distributed to local bars.

- **R9.** The Grand Jury recommends that Focus Area 5, Public Safety of the 2023-28 Five Year Strategic Plan include an entry prioritizing the prevention of rape and domestic violence, as mandated by Ordinance 81-29, and published by February 28, 2025. (F10)
- **HAS BEEN IMPLEMENTED –** summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe
- X WILL NOT BE IMPLEMENTED explain why

(not to exceed six months)

# Required response explanation, summary, and timeframe:

The absence of rape and domestic violence prevention from the Public Safety focus area of the Five-Year Strategic Plan does not lessen its significance as a priority for the City. The recently adopted strategic plan serves as a framework that balances community needs with the City's resource capacity. It reflects the policy priorities set by the City Council and acts as a high-level roadmap for future actions. The plan includes a vision to guide future focus, seven focus areas to direct organizational efforts, goal statements, strategies for achieving these goals, and a workplan for implementation.

The lack of specific mention of the Commission in the Five-Year Strategic Plan does not imply that the community is less informed or safe regarding the prevention of rape and domestic violence. Moreover, it does not undermine the Council's commitment to these issues. Notably, the Commission is the only advisory body that receives a dedicated budget and staffing from the City Council. The Council has demonstrated its commitment by increasing the Commission's budget by over 150% for FY25, enabling additional staff support and resources to further the Commission's goals in preventing rape and domestic violence in Santa Cruz.

- **R10.** The Grand Jury recommends that the City Manager increase the visibility of the CPVAW programs and events by publishing relevant information, at least quarterly, in the City Manager's Weekly Update and that the first article be published by December 31, 2024. (F11)
- **HAS BEEN IMPLEMENTED –** summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_X\_ WILL NOT BE IMPLEMENTED explain why

There is no evidence to suggest that the absence of the Commission's activities in the City Manager's Weekly Updates has left the public uninformed or perceived as a low priority. The Weekly Update is a communication tool that shares relevant city activities and projects, drawing information from City Departments and highlighting key city council actions and significant projects. <u>The Commission is encouraged to submit updates about its work to the City Manager's office for inclusion when appropriate</u>.

The Commission focuses on partnering with community-based organizations that specialize in supporting victims of domestic violence and sexual assault. In 2024, the Commission provided funding to local non-profits, including \$2,000 to the Walnut Avenue Women's Center, which offers direct services to survivors, and \$8,000 to Monarch Services, which provides crisis response for survivors of domestic violence, sexual assault, and human trafficking. These organizations have a broader reach than the City Manager's Weekly Update, effectively disseminating more information to the public.

Furthermore, the Commission has significantly increased its community presence by participating in events such as co-sponsoring the "Stronger Together" Fun Run/5K with Monarch Services in September 2023 and 2024, marching in the Dyke March and the 2024 Pride Parade, and taking part in the 2024 March to End Homelessness and the "She is Beautiful" race. These events enhance awareness and provide crucial information on preventing rape and domestic violence.

Additionally, the Commission has launched a dedicated newsletter to highlight its events and activities, allocating funds for two publications in FY25. It also uses social media platforms to promote and inform the community about the initiatives of the Commission.

From: Gillian Greensite

To: Fred Keeley; Renee Golder; Sandy Brown; Sonja Brunner; Scott Newsome; Martine Watkins; Shebreh Kalantari-

Johnson; City Council

**Subject:** Rebuttal to Council Response to Grand Jury reports

**Date:** Sunday, October 6, 2024 6:13:38 PM

Attachments: HOUSING FOR WHOM- Response to City Staff"s Responses.docx

PREVENTING RAPE & DV, staff responses & rebuttals.docx

Mayor Keeley, Vice-Mayor Golder and City Council members,

After the pleasant surprise of your forming a subcommittee to develop a City Council response to the two Grand Jury reports, I was surprised, not to mention disappointed, that you have made essentially no changes to the staff response.

At the very least I had expected your response would reflect consideration of the rebuttal to the staff response; that the text would demonstrate some revision based on the facts. There is no evidence of that. Given that some responses continue to be a misreading of the Findings and Recommendations and many contain inaccuracies, I ask that you more closely read and consider the attached rebuttals, one on Housing for Whom? and the other on Preventing Rape and Domestic Violence. Where's the Priority?

Thank you,

Gillian

# GRAND JURY REPORT 2023-2024 HOUSING FOR WHOM?

**REBUTTALS** to CITY REPONSES to GRAND JURY FINDINGS (F) and RECOMMENDATIONS (R)

# **Findings**

F1. The contradictory entries on the City's website and in the City's legal documents on whether Inclusionary Housing is restricted to Low, Very Low and Extremely Low-income levels or whether it includes the Moderate-income level is a major discrepancy with consequences about who is eligible for and who obtains Inclusionary Housing.

	5.1 <b>3</b>
_	AGREE
_	PARTIALLY DISAGREE
X	DISAGREE

Response explanation (required for a response other than Agree):

The process for determining income eligibility depends on the governing resolution that was approved by the City Council at the specific point in time that the affordable housing agreement between the City and the Developer was executed. This does not change over time for units in a specific project, so a project approved in 2007 would have different requirements and governing resolutions than a project approved in 2024. On the City's Measure O Resolutions and Ordinances web page, eight resolutions are posted that govern the calculation of income eligibility for Inclusionary Housing /Measure O units in the City of Santa Cruz. Measure O is a voter-approved initiative originally adopted in 1979 that requires developers of residential projects to provide a certain percentage of the total number of units as affordable to income eligible households. The City's Inclusionary Ordinance (Municipal Code Chapter 24.16, Part One) codifies the requirements of Measure O. Each resolution was approved by Santa Cruz City Council at different times to establish the income, monthly housing cost guidelines, and asset limits for the inclusionary units throughout the City of Santa Cruz. Additionally, each project has specific requirements related to the affordability threshold depending on the project type. The applicable resolution for an available Inclusionary Unit is noted when a unit is available either under the "AVAILABLE MEASURE O UNITS FOR PURCHASE" or "AVAILABLE MEASURE O UNITS FOR RENT" lists respectively.

#### Rebuttal to City Response on F1

The City's explanation that Inclusionary Housing income eligibility depends on the governing Resolution at a specific point in time begs the question that all eight City council Resolutions

between 1985 and 2018 mandate that such housing be restricted to Low, Very Low and Extremely Low- income categories. There is no explanation offered for the inclusion of Moderate Income, neither on the City's website nor in specific, cited market-rate projects.

**F2.** The City has no data on whether Inclusionary Housing is occupied by income-verified local residents and local workers. Both groups are given preference for housing as required by Ordinance. Without data, neither the City nor the community can be assured that such housing is meeting its intended purpose.

_	AGREE
_	PARTIALLY DISAGREE
_X_	DISAGREE

**Response explanation** (required for a response other than **Agree**):

Generally, the intended purpose for inclusionary housing is to serve low-income households (with exceptions allowing moderate-income housing for some projects). Local preferences are not required by Measure O; they were initially adopted in October 2006, and some projects are not subject to the preferences.

Our annual compliance monitoring verifies income eligibility of occupants of rental inclusionary housing. We also confirm eligibility of homebuyers when a for-sale unit is purchased. The Santa Cruz Housing Authority reviews the actual applications and confirms income eligibility for Measure O units, and the City reviews the Housing Authority's determination and associated documentation. However, in 100 percent affordable projects, the City's agreements generally allow the property manager to review and certify tenant applications, because those projects are subject to the requirements of multiple funding sources and then the property manager sends this reporting to the City for annual review and verification. In some cases, conditions placed on federal, or state funds may not be consistent with the City's preferences. However, at initial lease-up, where permitted, typically the developer establishes a lottery system with rankings based on the required preferences.

Staff has recently initiated a new compliance form for developers/property managers to sign prior to Temporary Certificate of Occupancy, when the units are getting ready to be leased up or sold, verifying that the developer or property manager is complying with the City's local preference policy. In addition, the affordable housing agreements entered into between the City and the Developer at the time of building permit issuance require the Developer to comply with the City's local preferences, and these agreements are recorded on title.

The City believes that the mechanisms in place effectively enforce the City's preferences to the extent possible given existing agreements and state and federal laws, while avoiding excessive administrative burdens on property managers.

**Rebuttal to City Response on F2** 

The City response sidesteps the main issue: the lack of data to verify whether Inclusionary Housing since 2006 is occupied by residents and local workers as required by the Municipal Code. Income-verification is a separate issue and was not of concern in the Grand Jury Findings. Nor of concern were the conditions imposed by federal and state funds.

Of concern is the lack of data to verify whether the mandated preferences for residents and local workers are being followed: whether in developers' rankings or in affordable housing agreements, including the new Compliance Form. The mechanisms in place do not provide any data to track and verify, let alone enforce the City's preferences.

How exactly does the City know that the developer is complying with the signed agreements? Which mechanism enforces the City's preferences? "To the extent possible" leaves a wide gap for non-compliance.

- F3. The City has no data on the percentage of units in Inclusionary and 100% Affordable Housing projects that are rented to UCSC students. This leaves the City and the public unable to assess the impact of UCSC on the local affordable housing supply. Such data is important for the City's ongoing negotiations with UCSC to build more on-campus housing.
  - AGREE
- \_x\_ PARTIALLY DISAGREE
- DISAGREE

**Response explanation** (required for a response other than **Agree**):

The City does not currently track the percentage of UCSC students occupying Inclusionary Units or 100% affordable housing projects. The City does recommend that UCSC track where their students live. The impact of UCSC students on the availability of inclusionary units is likely fairly limited as the income eligibility requirements would disqualify UCSC students who are claimed as dependents by their parents.

At this time, the City is unaware of UCSC students renting inclusionary units. Most undergraduate students (nearly 90% of USCS students) are likely to be claimed as dependents. If the students are dependents, then the entire household's income must be shown on the Measure O application and all household members must reside in the unit as their principal place of residence. This likely excludes most students from being deemed eligible for inclusionary housing. The City recommends that UCSC track where their students live, which would allow the City to determine if they are residing in inclusionary unit

**Rebuttal to City Response on F3** 

The City's response punts the issue to UCSC. It is the City, not UCSC that has a stake in knowing whether UCSC students are occupying the city's Inclusionary Housing.

The Grand Jury report documented that the City is unaware whether UCSC students occupy Inclusionary Housing, hence the Recommendation that this data be tracked. The assumption by the City that most undergraduate students, "nearly 90%" are not income eligible for Inclusionary Housing since they are likely to be dependents fails to acknowledge the sizable percentage of re-entry undergraduates (over 25 years of age) who are likely independent and likely eligible for Inclusionary Housing.

# Recommendations

- **R1.** The Grand Jury recommends that the Santa Cruz City Council state exactly which HCD Income Levels are covered by the City's Inclusionary Housing Ordinance and Resolutions, and make that information public by December 31, 2024. (F1)
- \_x\_ HAS BEEN IMPLEMENTED summarize what has been done
  - HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE -
- summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED explain why

#### Required response explanation, summary, and timeframe:

The HCD income is listed in each linked resolution on the City's Measure O Rents and Incomes webpage. Please note that State HCD updates the income limits annually and these are the incomes that the City uses to determine the City's Measure O calculations as specified by each resolution.

Additionally, the specific resolution for an available inclusionary unit is noted when a unit is available either under the "AVAILABLE MEASURE O UNITS FOR PURCHASE" or "AVAILABLE MEASURE O UNITS FOR RENT" lists respectively.

The chart below summarizes the number of units monitored by affordability level in the City of Santa Cruz since 1964. Staff will post a more comprehensive breakdown by project to the City's website during the current calendar year.

Required Response from the Santa Cruz City Council Housing For Whom? Due by September 19, 2024

Page 6 of 9

	Total Units	Afford. Units	Ex Low	Very Low	Low	Mod
TOTALS:	5769	2642	117	1275	996	254

#### Rebuttal to City Response on R1

This Recommendation has <u>not</u> been implemented. The Recommendation is not concerned with numbers of units at different affordability levels. It is concerned with <u>which</u> affordability levels are eligible for Inclusionary Housing.

<u>All City Resolutions limit eligible Income levels for Inclusionary Housing to Low, Very Low and Extremely Low. However, the City's website adds Moderate Income and in practice allows Moderate Income eligibility. Given these contradictions, the Grand Jury Recommendation is for the City to determine and state definitively, which Income levels are legally eligible for Inclusionary Housing.</u>

- R2. The Grand Jury recommends that the Santa Cruz City Council develop an ongoing system to track, document and verify within 30 days of occupancy whether a unit is occupied by an income-verified local resident or local worker as required by the Ordinance, specifying which category the renter fulfills, and have such a system in place by January 31, 2025. (F2)
- \_x\_ HAS BEEN IMPLEMENTED summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_\_\_ WILL NOT BE IMPLEMENTED explain why

The City local preference only applies to the following resolutions: NS-29,463, NS-27,885, NS-27,629, and NS-27,383; the earliest resolution was adopted in October 2006. The City's practice is generally not to reveal personally identifiable information for residents of inclusionary units and so does not provide preference information for a specific unit address that is rented or sold. Please refer to the City's response to Finding #2 for more information on the City's compliance monitoring.

Please note per the previous response which included the breakdown of affordable units by affordability level that staff will post a comprehensive breakdown of affordable units by project to the City's website during the current calendar year.

#### Rebuttal to City Response on R2

This Recommendation has <u>not</u> been implemented. The Grand Jury is aware that local and worker preferences were adopted in 2006 and states so in its report. This Recommendation is for the City to develop a system to track preferences going forward.

There is no need for revealing personally identifiable information, nor specific unit addresses in a tracking system for preference verification. To suggest this as a reason to not track preferences is a red herring. Similarly, there is no publicly available personal tax or income identification revealed in the Housing Authority's tracking and verification of individual incomes for Inclusionary Housing eligibility,

- **R3.** The Grand Jury recommends that the Santa Cruz City Council document the percentage of the City's Inclusionary and 100% Affordable Housing units that are rented to UCSC students, making that data public by February 28, 2025 with annual updates. (F3)
- **HAS BEEN IMPLEMENTED** summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe (not to exceed six months)
- \_x\_ WILL NOT BE IMPLEMENTED explain why

As previously stated in the response for F3, at this time, the City is unaware of UCSC students renting inclusionary units. Most undergraduate students (nearly 90% of USCS students) are likely to be claimed as dependents. If the students are dependents, then the entire household's income must be shown on the Measure O application and all household members must reside in the unit as their principal place of residence. This likely excludes most students from being deemed eligible for inclusionary housing. The City recommends that UCSC track where their students live, which would allow the City to determine if they are residing in inclusionary units.

#### Rebuttal to City Response on R3

The City's response punts the issue to UCSC. It is the City, not UCSC that has a stake in knowing whether UCSC students are occupying the City's Inclusionary Housing.

The statement in the City's response that most undergraduate students, "nearly 90%" are not income eligible for Inclusionary Housing since they are dependents ignores the sizable percentage of re-entry undergraduates (over 25 years of age) who are likely independent and likely eligible for Inclusionary Housing.

- **R4.** The Grand Jury recommends that the Santa Cruz City Council create an Inclusionary Housing public dashboard that covers the data called for in this report by February 28, 2025. (F1, F2, F3)
- \_x\_ HAS BEEN IMPLEMENTED summarize what has been done
  - HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS explain the scope and timeframe
- (not to exceed six months)
- \_\_\_ WILL NOT BE IMPLEMENTED explain why

The City does not want to stigmatize tenants of Inclusionary/Measure O units by publicly releasing their addresses. Specific units available for rent or sale are listed on the City's Measure O website. The City currently curates an interactive map, which notes the inclusionary requirement for larger projects, but does not directly display which specific units are affordable. Please refer to the website link here: <a href="https://www.choosesantacruz.com/resources/affordable-housing-projects-map">https://www.choosesantacruz.com/resources/affordable-housing-projects-map</a>

#### **Rebuttal to City Response on R4**

Recommendation 4 has <u>not</u> been implemented.

The Recommendation does not require nor call for the public release of Measure O tenants' addresses. That is alarmist and a misreading of the Recommendation.

The Recommendation is not asking for the number of Inclusionary units in specific projects nor the availability of such units, both of which are available on the City's website.

Recommendation 4 is for the creation of a public dashboard that includes the <u>numbers</u> or <u>percentage</u> of Inclusionary Units occupied by residents and local workers which are preferences required since 2006, as well as to track the percentage of such units occupied by UCSC students.

# **Grand Jury Reports 2023-2024**

# City Of Santa Cruz: Preventing Rape and Domestic Violence

Where's The Priority?

# Rebuttal to the City Council response to the Grand Jury Findings (F)

F1 & F2 The public is likely to disagree with the City Council and agree with the Grand Jury that the failure to track rapes committed by un-apprehended strangers in CPVAW reports since 2016 indeed leaves the community less informed and more vulnerable. The earlier Reports included the areas of town where such rapes were committed. This is crucial information for public safety, particularly for women and girls.

The sole data point in the 2023 CPVAW Report on rape (separated by specific Penal Codes) is the total numbers of rapes over time.

The City Council is incorrect in stating that the average national data on stranger rape from RAINN is consistent with the local data on stranger rape in the 2005-07 Annual Report. The local data for stranger rape was (and perhaps still is) significantly higher than the national average.

City Council entry notes a decrease in reported rape from 2022 to 2023 and claims this indicates the city is safer. This omits the fact that by August 2024, the number of reported rapes for the City (34) has already passed the total for the full year of 2023. Numbers alone do not measure safety. But informing the public of the numbers of rapes by strangers still at large and the areas of town where such rapes were committed may prevent another rape through increased awareness. Basic commonsense.

The City Council entry that comparing UCR data with NIBRS causes confusion reveals a lack of awareness of the readily available research from the FBI documenting that the difference between the former UCR numbers and updated NIBRS numbers on reported rape is negligible.

The City Council entry states that CPVAW has "enhanced its outreach and education" by cosponsoring a Fun Run and "She is Beautiful" Race and participating in a Dyke and Pride Parade

plus giving money to Monarch Services. This is not an enhanced effort but is a vastly reduced effort compared to the years of outreach and education documented in the Grand Jury report.

F4 The Vector Solutions well-being video is not a replacement for in-person self-defense classes. The Grand Jury report documents this distinction and the popularity and success of the in-person self-defense classes in the schools. "Healthy choices and building positive relationships" while important issues, are not consistent with or a replacement for skills on defending oneself against an aggressive assailant.

F5 Again, the entry that the city is safer in 2023 due to a decrease in reported numbers of rape from 2022 omits the fact that by August 2024, reported rape numbers have already exceeded the total for 2023.

It is insulting to the skills and accomplishments of past Commission Coordinator Kathy Agnone for the City Council to state that: "The part-time Events Coordinator position was eliminated in 2016/2017 and replaced with a more senior staff member to provide enhanced support to the Commission." It is also inaccurate. Support to the Commission was vastly reduced with Agnone's replacement.

F6 You may disagree with granting the Commission access to redacted police reports, which it has had for the past 30 years, but this lack of access prevents it from evaluating which areas of police response, if any, require further training. Similarly, the Commission cannot evaluate citizens' complaints if it can't review the report on which the complaint is based.

F7 Regarding public alerts for rapes by strangers, if SCPD claims it has not ended issuing public alerts of reported stranger rapes (unapprehended), please have SCPD provide the date of the most recent public alert of a rape by a stranger, including the text of the alert, manner and range of its distribution, and artist rendering of the suspect. What criteria does SCPD use to determine whether a public alert of an at- large, unknown suspect of rape is "appropriate"?

F8 This response is overly complicated and therefore unclear. To quote from the Grand Jury report: "One example: In Figure 8, the number entered for 2023 is eight rapes. In Figure 9, using the same definition, the number entered for 2023 is seventeen rapes." So, is the difference due to the omission of minors in Figure 8? If so, why was that difference not brought to the Commission's and the public's attention at the meeting? Why no asterisk? Why is F8 checked by staff as Disagree rather than Agree or Partially Agree?

F10 The City's Five-Year Strategic Plan is a statement of its priorities. It includes a section on Public Safety. To exclude any mention of rape and domestic violence prevention which are mandated to be one of the city's highest priorities is a significant oversight that should be acknowledged. The push back from staff is defensive rather than corrective. To mention the Commission's budget and staffing as rationale to demonstrate its prioritization is misleading. The modest budget and staffing are because the Commission has no department attached to it to provide resources.

F11 By disagreeing with this Finding, Council is missing an opportunity for corrective action.

# Rebuttal to the City Council response to the Grand Jury Recommendations (R)

R2 As someone who read over three hundred redacted police reports on rape while serving three terms on CPVAW, I can attest that the claim made against this Recommendation is inaccurate. The reports are heavily redacted. There is no ability to identify a victim, the location of the crime or other parties involved.

An alternative would be for Council to require that all SCPD reports of rape not under current investigation are reviewed by the City's Independent Police Auditor, Michael J. Gennaco with his report submitted to Council annually.

#### R3 See earlier rebuttal to F4.

R4 City Council's reasoning to reject the Grand Jury recommendation to use NIBRS data and replace obsolete UCR data is hard to fathom. It doesn't "introduce an additional data set" but rather uses the current data gathering tool that is used nationwide and which SCPD is already using. NIBRS gathers important metrics for community awareness such as whether the assailant is a stranger to the victim. Such metrics should be made available to the Commission and the community. To suggest they may not be suitable for public consumption is not in keeping with the intent of NIBRS. The fact that NIBRS data is fluid and is updated is not an argument against its usage.

#### R5 See rebuttal to F7

R6 It is inaccurate to claim that the 2023 Report is modeled after the 2005-2007 Report. A further inaccuracy is to state that the earlier report did not include Domestic Violence information, which it did.

R7 If both national and local data on rapes by strangers are important, as claimed in the response, then the local data (not available since 2016) should be released and made publicly available. The Grand Jury is not confused by UCR, NIBRS/CIBRS and neither should CPVAW.

R9 The City's Five-Year Strategic Plan is a statement of its priorities. It includes a section on Public Safety. To exclude any mention of rape and domestic violence prevention which are mandated to be one of the city's highest priorities is a significant oversight that should be acknowledged and corrected. To mention the Commission's dedicated budget and staffing to demonstrate its prioritization by the City is misleading. The modest budget and staffing are because the Commission has no department attached to it to provide resources.

R10 A disappointing response. Agreeing with this recommendation would go a long way towards correcting the Grand Jury documented marginalization of the prevention of rape and domestic violence in the City of Santa Cruz

Gillian Greensite October 6, 2024 From: Fred Keeley

To: Gillian Greensite; Renee Golder; Sandy Brown; Sonja Brunner; Scott Newsome; Martine Watkins; Shebreh

Kalantari-Johnson; City Council

**Subject:** RE: Rebuttal to Council Response to Grand Jury reports

**Date:** Monday, October 7, 2024 1:33:57 PM

Ms. Greensite,

Thank you.

A question to you: Are you corresponding as a Grand Jury member or private citizen?

Fred Keeley, Mayor City of Santa Cruz

From: Gillian Greensite < gilliangreensite@gmail.com>

**Sent:** Sunday, October 6, 2024 6:12 PM

**To:** Fred Keeley <fkeeley@santacruzca.gov>; Renee Golder <rgolder@santacruzca.gov>; Sandy Brown <sbrown@santacruzca.gov>; Sonja Brunner <sbrunner@santacruzca.gov>; Scott Newsome <snewsome@santacruzca.gov>; Martine Watkins <mwatkins@santacruzca.gov>; Shebreh Kalantari-Johnson <SKalantari-Johnson@santacruzca.gov>; City Council <CityCouncil@santacruzca.gov>

**Subject:** Rebuttal to Council Response to Grand Jury reports

\*\*\*\*CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.\*\*\*\*

Mayor Keeley, Vice-Mayor Golder and City Council members,

After the pleasant surprise of your forming a subcommittee to develop a City Council response to the two Grand Jury reports, I was surprised, not to mention disappointed, that you have made essentially no changes to the staff response.

At the very least I had expected your response would reflect consideration of the rebuttal to the staff response; that the text would demonstrate some revision based on the facts. There is no evidence of that. Given that some responses continue to be a misreading of the Findings and Recommendations and many contain inaccuracies, I ask that you more closely read and consider the attached rebuttals, one on Housing for Whom? and the other on Preventing Rape and Domestic Violence. Where's the Priority?

Thank you,

Gillian

From: Gillian Greensite
To: Fred Keeley

Cc: Renee Golder; Sandy Brown; Sonja Brunner; Scott Newsome; Martine Watkins; Shebreh Kalantari-Johnson; City

<u>Council</u>

**Subject:** Re: Rebuttal to Council Response to Grand Jury reports

**Date:** Monday, October 7, 2024 1:36:57 PM

Mayor Keeley,

As I clarified at the last council meeting, I am responding as a private citizen.

Gillian

On Oct 7, 2024, at 1:33 PM, Fred Keeley < fkeeley@santacruzca.gov > wrote:

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Fred Keeley, Mayor City of Santa Cruz

From: Gillian Greensite < gilliangreensite@gmail.com >

**Sent:** Sunday, October 6, 2024 6:12 PM

**To:** Fred Keeley < fkeeley@santacruzca.gov >; Renee Golder

<rgolder@santacruzca.gov>; Sandy Brown <sbrown@santacruzca.gov>; Sonja Brunner

<<u>sbrunner@santacruzca.gov</u>>; Scott Newsome <<u>snewsome@santacruzca.gov</u>>;

Martine Watkins < <u>mwatkins@santacruzca.gov</u>>; Shebreh Kalantari-Johnson

<<u>SKalantari-Johnson@santacruzca.gov</u>>; City Council <<u>CityCouncil@santacruzca.gov</u>>

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