

Prohousing Designation Program Application



**State of California
Governor Gavin Newsom**

**Tomiquia Moss, Secretary
Business, Consumer Services and Housing Agency**

**Gustavo Velasquez, Director
Department of Housing and Community Development**

**Megan Kirkeby, Deputy Director
Division of Housing Policy Development**

651 Bannon Street
Sacramento, CA 95811

Website: <http://www.hcd.ca.gov/planning-and-community-development/prohousing-designation-program>

Email: ProhousingPolicies@hcd.ca.gov

February 2025

Prohousing Designation Program Application Package Instructions

The applicant is applying for a Prohousing Designation under the Prohousing Designation Program (“**Prohousing**” or “**Program**”), which is administered by the Department of Housing and Community Development (“**Department**”) pursuant to Government Code section 65589.9.

The Program creates incentives for Jurisdictions that are compliant with State Housing Element Law and that have enacted Prohousing Policies. These incentives will take the form of additional points or other preference in the scoring of applications for competitive housing and infrastructure programs. The administrators of each such program will determine the value and form of the preference.

In order to be considered for a Prohousing Designation, the applicant must accurately complete all sections of this application, including any relevant appendices. The Department reserves the right to request additional clarifying information from the applicant.

This application is subject to Government Code section 65589.9 and to the regulations (Cal. Code Regs., tit. 25, § 6600 et seq.) adopted by the Department in promulgation thereof (“**Regulations**”). All capitalized terms in this application shall have the meanings set forth in the Regulations.

All applicants must submit a complete, signed application package to the Department, in electronic format, in order to be considered for a Prohousing Designation. Please direct electronic copies of the completed application package to the following email address: ProhousingPolicies@hcd.ca.gov.

A complete application will include all items identified in the Application Checklist.

In relation to **Appendix 1**, the Formal Resolution for the Prohousing Designation Program, please use ~~strike through~~ and underline if proposing any modifications to the text of the Resolution. Please be aware, any substantive deviations from the Formal Resolution may result in an incomplete application and will likely be subject to additional internal review and potential delays.

Appendix 2, the Proposed Policy Completion Schedule, applies only if an application includes proposed policies.

Appendix 3, Self-Scoring Sheet and Sample Self-Scoring Sheet, includes a blank template to be completed by the applicant as part of the application, as well as a Sample Self-Scoring Sheet with an example of how this template may be completed.

Appendix 4 lists examples of Prohousing Policies with enhancement factors to aid applicants in understanding how enhancement factors may be applied.

Appendix 5 provides a sample template to assist applicants with confirming the treatment of homeless encampments within the jurisdiction is consistent with USICH's "7 Principles for Addressing Encampments."

Appendix 6 provides a checklist to confirm that a Diligent Public Participation Process was conducted.

Appendix 7 is where the applicant will include any additional information and supporting documentation for the application.

If you have questions regarding this application or the Program, or if you require technical assistance in preparing this application, please email ProhousingPolicies@hcd.ca.gov.

Application Checklist

	Yes	No
Application Information	☒	☐
Certification and Acknowledgement	☒	☐
The Legislative Information form is completed.	☒	☐
The Threshold Requirements Checklist is completed.	☒	☐
A duly adopted and certified Formal Resolution for the Prohousing Designation Program is included in the application package. (See Appendix 1 for the Formal Resolution for the Prohousing Designation Program form.)	☒	☐
If applicable, the Proposed Policy Completion Schedule is completed. (See Appendix 2 .)	☒	☐
The Self-Scoring Sheet is completed. (See Appendix 3 for the Self-Scoring Sheet and the Sample Self-Scoring Sheet.)	☒	☐
One-page summary describing consistency with the 7 Principles for Addressing Encampments is completed. (See Appendix 5 for a template to assist.)	☒	☐
The checklist confirming that a Diligent Public Participation process was conducted. (See Appendix 6 for the template.)	☒	☐
Additional information and supporting documentation (Applicant to provide as Appendix 7 .)	☒	☐

Application Information

Applicant (Jurisdiction):	City of Santa Cruz
Applicant Mailing Address:	809 Center St, Room 101
City:	Santa Cruz
ZIP Code:	95060
Website:	www.santacruzca.gov
Authorized Representative Name	Lee Butler
Authorized Representative Title:	Director of Community Development
Phone:	831-420-5110
Email:	cityplan@santacruzca.gov
Contact Person Name:	Jessica de Wit
Contact Person Title:	Housing & Community Development Manager
Phone:	831-420-5108
Email:	affordablehousing@santacruzca.gov
Total Self-Score (Based on Appendix 3):	78

CERTIFICATION AND ACKNOWLEDGMENT

As authorized by the Formal Resolution for the Prohousing Designation Program (Resolution No. 30,681), which is attached hereto and incorporated by reference as if set forth in full, I hereby submit this full and complete application on behalf of the applicant.

I certify that all information and representations set forth in this application are true and correct.

I further certify that any proposed Prohousing Policy identified herein will be enacted within two (2) years of the date of this application submittal.

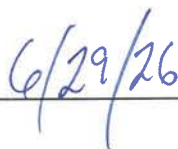
I acknowledge that this application constitutes a public record under the California Public Records Act (Gov. Code, § 6250 et seq.) and is therefore subject to public disclosure by the Department.

Signature: _____



Name and Title: Lee Butler, Director of Community Development

Date: _____



Legislative Information

District	Number	Legislators Name(s)
State Assembly District	28	Gail Pellerin
State Senate District	17	John Laird

Applicants can find their respective State Senate representatives at <https://www.senate.ca.gov/>, and their respective State Assembly representatives at <https://www.assembly.ca.gov/>

Threshold Requirements Checklist

The applicant meets the following threshold requirements in accordance with Section 6604 of the Regulations:

	Yes	No
The applicant is a Jurisdiction.	☒	☐
The applicant has adopted a Compliant Housing Element.	☒	☐
The applicant has submitted or will submit a legally sufficient Annual Progress Report prior to designation.	☒	☐
The applicant has completed or agrees to complete, on or before the relevant statutory deadlines, any rezone program or zoning that is necessary to remain in compliance with Government Code sections 65583, subdivision (c)(1), and 65584.09, subdivision (a), and with California Coastal Commission certification where appropriate.	☒	☐
The applicant is in compliance, at the time of the application, with applicable state housing law, including, but not limited to those included in Government Code section 65585, subdivision (j); laws relating to the imposition of school facilities fees or other requirements (Gov. Code, § 65995 et seq.); Least Cost Zoning Law (Gov. Code, § 65913.1); Permit Streamlining Act (Gov. Code, § 65920 et seq.); and provisions relating to timeliness of CEQA processing by local governments in Public Resources Code sections 21080.1, 21080.2, and 21151.5(a).	☒	☐
The applicant further acknowledges and confirms that its treatment of homeless encampments on public property complies with and will continue to comply with the constitutional rights of persons experiencing homelessness and that it has submitted a one-page summary to the Department demonstrating how the applicant has enacted best practices in their jurisdiction related to the treatment of unhoused individuals camping on public property, consistent with United States Interagency Council on Homelessness' "7 Principles for Addressing Encampments," (June 17, 2022 update), hereby incorporated by reference.	☒	☐
The applicant has duly adopted and certified, by the applicant's governing body, a Formal Resolution for the Prohousing Designation Program, which is hereby incorporated by reference. (A true and correct copy of the resolution is included in this application package.)	☒	☐

Scoring Criteria
Category 1: Favorable Zoning and Land Use

Category	Prohousing Policy Description	Points
1A	Sufficient sites, including rezoning, to accommodate 150 percent or greater of the current or draft RHNA, whichever is greater, by total and income category. These additional sites must be identified in the Jurisdiction's housing element adequate sites inventory, consistent with Government Code section 65583, subdivisions (a)(3) and (c)(1).	3
1B	Permitting missing middle housing uses (e.g., duplexes, triplexes, and fourplexes) by right in existing low-density, single-family residential zones in a manner that exceeds the requirements of SB 9 (Chapter 162, Statutes of 2021, Gov. Code, §§ 65852.21, 66411.7).	3
1C	Sufficient sites, including rezoning, to accommodate 125 to 149 percent of the current or draft RHNA, whichever is greater, by total and income category. These points shall not be awarded if the applicant earns three points pursuant to Category (1)(A) above. These additional sites must be identified in the Jurisdiction's housing element adequate sites inventory, consistent with Government Code section 65583, subdivisions (a)(3) and (c)(1).	2
1D	Density bonus programs that allow additional density for additional affordability beyond minimum statutory requirements (Gov. Code, § 65915 et seq.).	2
1E	Increasing allowable density in low-density, single-family residential areas beyond the requirements of state Accessory Dwelling Unit Law, (Gov. Code, §§ 65852.2, 65852.22) (e.g., permitting more than one converted ADU; one detached, new construction ADU; and one JADU per single-family lot), and in a manner that exceeds the requirements of SB 9 (Chapter 192, Statutes of 2021, Gov. Code, §§ 65852.21, 66411.7). These policies shall be separate from any qualifying policies under Category (1)(B).	2
1F	Eliminating minimum parking requirements for residential development as authorized by Government Code section 65852.2; adopting vehicular parking ratios that are less than the relevant ratio thresholds at subparagraphs (A), (B), and (C) of Gov. Code section 65915, subdivision (p)(1); or adopting maximum parking requirements at or less than ratios pursuant to Gov. Code section 65915, subdivision (p).	2
1G	Zoning or incentives that are designed to increase affordable housing development in a range of types, including, but not limited to, large family units, Supportive Housing, housing for transition age foster youth, and deep affordability targeted for Extremely Low-Income Households in all parts of the Jurisdiction, with at least some of the zoning, other land use designation methods, or incentives being designed to increase affordable housing development in higher resource areas shown in the TCAC/HCD Opportunity Map, and with the Jurisdiction having confirmed that it considered and addressed potential environmental justice issues in adopting and implementing	2

	this policy, especially in areas with existing industrial and polluting uses.	
1H	Zoning or other land use designation methods to allow for residential or mixed uses in one or more non-residential zones (e.g., commercial, light industrial). Qualifying non-residential zones do not include open space or substantially similar zones.	1
1I	Modification of development standards and other applicable zoning provisions or land use designation methods to promote greater development intensity. Potential areas of focus include floor area ratio, height limits, minimum lot or unit sizes, setbacks, and allowable dwelling units per acre. These policies must be separate from any qualifying policies under Category (1)(B) above.	1
1J	Establishment of a Workforce Housing Opportunity Zone, as defined in Government Code section 65620, or a Housing Sustainability District, as defined in Government Code section 66200.	1
1K	Establishment of an inclusionary housing program requiring new developments to include housing affordable to and reserved for low- and very low-income households, consistent with the requirements of AB 1505 (Chapter 376, Statutes of 2017, Gov. Code, § 65850.01).	1
1L	Other zoning and land use actions not described in Categories (A)-(K) of this section that measurably support the Acceleration of Housing Production.	1

Scoring Criteria
Category 2: Acceleration of Housing Production Timeframes

Category	Prohousing Policy Description	Points
2A	Establishment of ministerial approval processes for multiple housing types, including, for example, single-family, multifamily and mixed-use housing.	3
2B	Acceleration of Housing Production through the establishment of streamlined, program-level CEQA analysis and certification of general plans, community plans, specific plans with accompanying Environmental Impact Reports (EIR), and related documents.	2
2C	Documented practice of streamlining housing development at the project level, such as by enabling a by-right approval process or by utilizing statutory and categorical exemptions as authorized by applicable law, (e.g., Pub. Resources Code, §§ 21155.1, 21155.4, 21159.24, 21159.25; Gov. Code, § 65457; Cal Code Regs., tit. 14, §§ 15303, 15332; Pub. Resources Code, §§ 21094.5, 21099, 21155.2, 21159.28).	2
2D	Establishment of permitting processes that take less than four months to complete. Policies under this category must address all approvals necessary to issue building permits.	2
2E	Absence or elimination of public hearings for projects consistent with zoning and the general plan.	2
2F	Priority permit processing or reduced plan check times for homes affordable to Lower-Income Households.	2
2G	Establishment of consolidated or streamlined permit processes that minimize the levels of review and approval required for projects, and that are consistent with zoning regulations and the general plan.	1
2H	Absence, elimination, or replacement of subjective development and design standards with objective development and design standards that simplify zoning clearance and improve approval certainty and timing.	1
2I	Establishment of one-stop-shop permitting processes or a single point of contact where entitlements are coordinated across city approval functions (e.g., planning, public works, building) from entitlement application to certificate of occupancy.	1
2J	Priority permit processing or reduced plan check times for ADUs/JADUs or multifamily housing.	1
2K	Establishment of a standardized application form for all entitlement applications.	1
2L	Documented practice of publicly posting status updates on project permit approvals on the internet.	1
2M	Limitation on the total number of hearings for any project to three or fewer. Applicants that accrue points pursuant to category (2)(E) are not eligible for points under this category.	1
2N	Other policies not described in Categories (2)(A)-(M) of this section that quantifiably decrease production timeframes or promote the streamlining of approval processes.	1

Scoring Criteria

Category 3: Reduction of Construction and Development Costs

Category	Prohousing Policy Description	Points
3A	Waiver or significant reduction of development impact fees for residential development with units affordable to Lower-Income Households. This provision does not include fees associated with the provision of housing affordable to Lower-Income Households (e.g., inclusionary in lieu fees, affordable housing impact fees, and commercial linkage fees).	3
3B	Adoption of policies that result in less restrictive requirements than Government Code sections 65852.2 and 65852.22 to reduce barriers for property owners to create ADUs/JADUs. Examples of qualifying policies include, but are not limited to, development standards improvements, permit processing improvements, dedicated ADU/JADU staff, technical assistance programs, and pre-approved ADU/JADU design packages.	2
3C	Adoption of other fee reduction strategies separate from Category (3)(A), including fee deferrals and reduced fees for housing for persons with special needs. This provision does not include fees associated with the provision of housing affordable to Lower-Income Households (e.g., inclusionary in lieu fees, affordable impact fees and commercial linkage fees).	1
3D	Accelerating innovative housing production through innovative housing types (e.g., manufactured homes, recreational vehicles, park models, community ownership, and other forms of social housing) that reduce development costs.	1
3E	Measures that reduce costs for transportation-related infrastructure or programs that encourage active modes of transportation or other alternatives to automobiles. Qualifying policies include, but are not limited to, publicly funded programs to expand sidewalks or protect bike/micro-mobility lanes, creation of on-street parking for bikes, transit-related improvements, or establishment of carshare programs.	1
3F	Adoption of universal design ordinances pursuant to Health and Safety Code section 17959.	1
3G	Establishment of pre-approved or prototype plans for missing middle housing types (e.g., duplexes, triplexes, and fourplexes) in low-density, single-family residential areas.	1
3H	Adoption of ordinances that reduce barriers, beyond existing law, for the development of housing affordable to Lower-Income Households.	1
3I	Other policies not described in Categories (3)(A)-(H) of this section that quantifiably reduce construction or development costs.	1

Scoring Criteria
Category 4: Providing Financial Subsidies

Category	Prohousing Policy Description	Points
4A	Establishment of a housing fund or contribution of funds towards affordable housing through proceeds from approved ballot measures.	2
4B	Establishment of local housing trust funds or collaboration on a regional housing trust fund, which include the Jurisdiction's own funding contributions. The Jurisdiction must contribute to the local or regional housing trust fund regularly and significantly. For the purposes of this Category, "regularly" shall be defined as at least annually, and "significant" contributions shall be determined based on the impact the contributions have in accelerating the production of affordable housing.	2
4C	Demonstration of regular use or planned regular use of funding (e.g., federal, state, or local) for preserving assisted units at-risk of conversion to market rate uses and conversion of market rate uses to units with affordability restrictions (e.g., acquisition/rehabilitation). For the purposes of this category, "regular use" can be demonstrated through the number of units preserved annually by utilizing this funding source.	2
4D	Provide grants or low-interest loans for ADU/JADU construction affordable to Lower- and Moderate-Income Households.	2
4E	A comprehensive program that complies with the Surplus Land Act (Gov. Code, § 54220 et seq.) and that makes publicly owned land available for affordable housing, or for multifamily housing projects with the highest feasible percentage of units affordable to Lower Income Households. A qualifying program may utilize mechanisms such as land donations, land sales with significant write-downs, or below-market land leases.	2
4F	Establishment of an Enhanced Infrastructure Financing District or similar local financing tool that, to the extent feasible, directly supports housing developments in an area where at least 20 percent of the residences will be affordable to Lower-Income Households.	2
4G	Prioritization of local general funds to accelerate the production of housing affordable to Lower-Income Households.	2
4H	Directed residual redevelopment funds to accelerate the production of affordable housing.	1
4I	Development and regular (at least biennial) use of a housing subsidy pool, local or regional trust fund, or other similar funding source sufficient to facilitate and support the development of housing affordable to Lower-Income Households.	1

4J	Prioritization of local general funds for affordable housing. This point shall not be awarded if the applicant earns two points pursuant to Category (4)(G).	1
4K	Providing operating subsidies for permanent Supportive Housing.	1
4L	Providing subsidies for housing affordable to Extremely Low-Income Households.	1
4M	Other policies not described in Categories (4)(A)-(L) of this section that quantifiably promote, develop, or leverage financial resources for housing affordable to Lower-Income Households.	1

Scoring Criteria Enhancement Factors

The Department shall utilize enhancement factors to increase the point scores of Prohousing Policies. An individual Prohousing Policy may not use more than one enhancement factor. Each Prohousing Policy will receive extra points for enhancement factors in accordance with the chart below.

Category	Prohousing Policy Description	Points
1	The policy represents one element of a unified, multi-faceted strategy to promote multiple planning objectives, such as efficient land use, access to public transportation, housing affordable to Lower-Income Households, climate change solutions, and/or hazard mitigation.	2
2	Policies that promote development consistent with the state planning priorities pursuant to Government Code section 65041.1.	1
3	Policies that diversify planning and target community and economic development investments (housing and non-housing) toward place-based strategies for community revitalization and equitable quality of life in lower opportunity areas. Such areas include, but are not limited to, Low Resource and High Segregation & Poverty areas designated in the most recently updated TCAC/HCD Opportunity Maps, and disadvantaged communities pursuant to Health and Safety Code sections 39711 and 39715 (California Senate Bill 535 (2012)).	1
4	Policies that go beyond state law requirements in reducing displacement of Lower-Income Households and conserving existing housing stock that is affordable to Lower-Income Households.	1
5	Rezoning and other policies that support intensification of residential development in Location Efficient Communities.	1
6	Rezoning and other policies that result in a net gain of housing capacity while concurrently mitigating development impacts on or from Environmentally Sensitive or Hazardous Areas.	1
7	Zoning policies, including inclusionary housing policies, that increase housing choices and affordability, particularly for Lower-Income Households, in High Resource and Highest Resource areas, as designated in the most recently updated TCAC/HCD Opportunity Maps.	1
8	Other policies that involve meaningful actions towards Affirmatively Furthering Fair Housing outside of those required pursuant to Government Code sections 65583, subdivision (c)(10), and 8899.50, including, but not limited to, outreach campaigns, updated zoning codes, and expanded access to financing support.	1

Self-Scoring Sheet Instructions

The Department shall validate applicants' scores based on the extent to which each identified Prohousing Policy contributes to the Acceleration of Housing Production. The Department shall assess applicants' Prohousing Policies in accordance with statutory requirements and the Regulations.

The Department shall further assess applicants' Prohousing Policies using the following four scoring categories: Favorable Zoning and Land Use, Acceleration of Housing Production Timeframes, Reduction of Construction and Development Costs, and Providing Financial Subsidies. Applicants shall demonstrate that they have enacted or proposed at least one policy that significantly contributes to the Acceleration of Housing Production in each of the four categories. A Prohousing Designation requires a total score of 30 points or more across all four categories.

Instructions

Please utilize one row of the Self-Scoring Sheet for each Prohousing Policy.

- **Category Number:** Select the relevant category number from the relevant Scoring Criteria list in this application. Where appropriate, applicants may utilize a category number more than once.
- **Concise Written Description of Prohousing Policy:** Set forth a brief description of the enacted or proposed Prohousing Policy.
- **Enacted or Proposed:** Identify the Prohousing Policy as enacted or proposed. For proposed Prohousing Policies, please complete **Appendix 2: Proposed Policy Completion Schedule**.
- **Documentation Type:** For enacted Prohousing Policies, identify the relevant documentary evidence (e.g., resolution, zoning code provisions). For proposed Prohousing Policies, identify the documentation which shows that implementation of the policy is pending.
- **Web Links/Electronic Copies:** Insert the Web link(s) to the relevant documentation or indicate that electronic copies of the documentation have been attached to this application as **Appendix 7**.
- **Points:** Enter the appropriate number of points using the relevant Scoring Criteria list in this application.
- **Enhancement Category Number (optional):** If utilizing an enhancement factor for a particular Prohousing Policy, enter the appropriate category number using the relevant Scoring Criteria list in this application.
- **Enhancement Points (optional):** If utilizing an enhancement factor for a particular Prohousing Policy, enter the point(s) for that Prohousing Policy.
- **Total Points:** Add the enhancement point(s) to the Prohousing Policy's general point score.

Appendix 1: Formal Resolution for the Prohousing Designation Program

RESOLUTION NO. NS-30,681

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ AUTHORIZING APPLICATION TO AND PARTICIPATION IN THE PROHOUSING DESIGNATION PROGRAM

WHEREAS, Government Code Section 65589.9 established the Prohousing Designation Program (“PDP” or “Program”), which creates incentives for jurisdictions that are compliant with state housing element requirements and that have enacted Prohousing local policies; and

WHEREAS, such jurisdictions will be designated Prohousing, and, as such, will receive additional points or other preference during the scoring of their competitive Applications for specified housing and infrastructure funding; and

WHEREAS, the California Department of Housing and Community Development (“Department”) has adopted regulations (Cal. Code Regs., tit. 25, § 6600 et seq.) to implement the Program (“Program Regulations”), as authorized by Government Code Section 65589.9, subdivision (d); and

WHEREAS, the City of Santa Cruz (“Applicant”) desires to submit an Application for a Prohousing Designation (“Application”).

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

1. Applicant is hereby authorized and directed to submit an Application to the Department.
2. Applicant acknowledges and confirms that it is currently in compliance with applicable state housing law.
3. Applicant acknowledges and confirms that it will continue to comply with applicable housing laws and to refrain from enacting laws, developing policies, or taking other local governmental actions that may or do inhibit or constrain housing production. Examples of such local laws, policies, and actions include moratoriums on development; local voter approval requirements related to housing production; downzoning; and unduly restrictive or onerous zoning regulations, development standards, or permit procedures. Applicant further acknowledges and confirms that the Prohousing Policies in its Application comply with its duty to Affirmatively Further Fair Housing pursuant to Government Code sections 8899.50 and 65583. Applicant further acknowledges and confirms that its general plan is in alignment with an adopted sustainable communities strategy pursuant to Public Resources Code section 21155- 21155.4. Applicant further acknowledges and confirms that its policies for the treatment of homeless encampments on public property comply with and will continue to comply with the Constitution and that it has enacted best practices in its jurisdiction that are consistent with the United States Interagency Council on Homelessness’ “7 Principles for Addressing Encampments” (June 17, 2022, update).

4. If the Application is approved, Applicant is hereby authorized and directed to enter into, execute, and deliver all documents required or deemed necessary or appropriate to participate in the Program, and all amendments thereto (the "Program Documents").
5. Applicant acknowledges and agrees that it shall be subject to the Application; the terms and conditions specified in the Program Documents; the Program Regulations; and any and all other applicable law.
6. Community Development Director is authorized to execute and deliver the Application and the Program Documents on behalf of the Applicant for participation in the Program.

PASSED AND ADOPTED this 23rd day of June 2026 by the following vote:

AYES: Councilmembers Trigueiro, Brunner, Newsome, Golder, O'Hara; Vice Mayor Kalantari-Johnson; Mayor Keeley.

NOES: None.

ABSENT: None.

DISQUALIFIED: None.

APPROVED: _____

Fred Keeley, Mayor

ATTEST: _____

Bonnie Bush, City Clerk Administrator

Appendix 2: Proposed Policy Completion Schedule

Category Number	Concise Written Description of Proposed Policy	Key Milestones and Milestone Dates	Anticipated Completion Date	Notes

Appendix 3: Self-Scoring Sheet and Sample Self-Scoring Sheet

Self-Scoring Sheets

Category Number	Concise Written Description of Prohousing Policy	Enacted or Proposed	Documentation Type (e.g., resolution, zoning code)	Insert Web Links to Documents <u>or</u> Indicate that Electronic Copies are Attached as Appendix 7	Points	Enhancement Category Number	Enhancement Points	Total Points

1B	The City currently allows up to four units by right pursuant to SB 9, when a parcel is subdivided into two lots, allowing up to two units on each resulting parcel. Without a land division, under SB 9, the City allows up to two units on a parcel, however, in this case the parcel could also construct ADU's resulting in up to 5 dwelling units plus 1 additional JADU. In addition, the adopted 6th Cycle Housing Element includes multiple programs to expand missing middle housing beyond SB 9, including implementation of SB 10 to increase density in transit-rich areas, zoning amendments to allow conversion of larger homes into multiple units beyond existing limits, and expansion of Flexible Density Units (FDUs) in additional districts, particularly in higher-resource areas.	E	City of Santa Cruz 2023-2031 Housing Element (6th Cycle) - Objectives 1.3e, 6.2c, 6.2d, 6.2e, and 6.2f	See here	3				3
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1C	The City of Santa Cruz 2023-2031 Housing Element Sites Inventory provides substantial excess residential capacity above the City's RHNA allocation, including approximately 46% additional overall capacity and a 74% buffer in the above moderate-income category.	E	City of Santa Cruz 2023-2031 Housing Element (6 th Cycle) - Table G-2 on pg. 508	See here	2			2
1D	The City implements a local Density Bonus Program (SCMC Section 24.16.220) that allows increased residential density for projects providing affordable housing, including a 27.5% increase in density for qualifying rental housing developments. In addition, the City has established a Downtown Density Bonus Program as part of the Downtown Plan Expansion, which is a local incentive program that offers increased development capacity in exchange for higher affordable housing production, providing a more attractive alternative to the State Density Bonus.	E	City Council meeting Agenda Item # 16 (Oct. 22, 2024) City of Santa Cruz Downtown Plan and City website	See here and here See here and here	2			2

1E	Duplexes are allowed on corner lots in the R-1 zones that are 7500sf or larger. Local Code allows up to 3 ADUs with a Duplex, for 5 units total. The local code also expands upon state ADU law, allowing an additional ADU per single-family home lot, bringing the total allowed to three ADUs plus a JADU. Claiming Enhancement points consistent with state planning priorities to promote infill development.	E	Santa Cruz Municipal Code 24.10.330 (2)j and 24.16.140.(1)a	See here and here	2	1	2	4
1F	Outside the Coastal zone, zero parking is required for any ADU, and no parking spaces removed to build an ADU is required to be replaced. Coastal Commission required one parking space per ADU in a limited area of the Coastal Zone, where they determined public parking access is limited. Coastal Zone areas outside of the impacted parking zone require no parking for ADUs. Residential parking standards. Parking ratios less than 65915 (p)(1) A and C, but not B.	E	Santa Cruz Municipal Code 24.12.240 (ADU and Residential Parking standards)	See here	2	1	2	4

1G	The City uses zoning and incentives to expand affordable housing across unit types, including large family units, supportive housing, and Extremely Low-Income households. FDU Ordinance: This ordinance was adopted with an intended purpose of providing additional options for housing by producing incentives for the development of reduced-size dwelling units within a multi-family residential or mixed-use development. FDU's, which can be rentals or ownership units, do not count toward density requirements but would still be limited by other zoning standards for setbacks, floor area ratio, parking, height, and open space. For example, a development project could contain larger units up to the maximum density allowed and then add FDU's, so long as all of the other site standards allow it. FDU's can be and are being used with the Density Bonus, including waiver and concession/incentive deviation from development standards.	E	Downtown Plan Expansion Approved Documents City Council Meeting Agenda Item# 26 - San Lorenzo River Flood Control Project (Dec. 13, 2022) City of Santa Cruz 2023 – 2031 Housing Element (6th Cycle) Chapter 2, Section 7: Resource Conservation & Enviro Stewardship (PDF pg. 68) City Council Meeting – Agenda Item #26 (Mar. 22, 2022) – FDU Ordinance City Webpage – Fee Deferral & Waiver Policies	See here See here See here See here	2	1	2	4
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	Fee Deferral Ordinance/Policy: Ordinance allows development review fees (Building, Community Development, Fire, Parks, Police, Public Works, and Water) deferrals for 100-percent affordable housing projects (affordable to low and very-low income households) for up to five years following issuance of a Certificate of Occupancy. Recent zoning updates allow low-barrier navigation centers and licensed community care facilities by-right, and the Coral Street Overlay permits temporary and 100% affordable housing by-right. The Downtown Plan supports higher-density housing in a high-resource area, including projects with large family units, supportive AB 2162 housing, and FUP and HOME-ARP units. (Example: Pacific Station North Apartments) In 2025, the City made zoning updates to allow low-barrier navigation centers as a by-right use in		Santa Cruz Municipal Code 24.12.165 - Low Barrier Navigation Center Santa Cruz Municipal Code 24.10.4400Coral St Overlay District and City Council Staff report on Agenda Packet pg. 142 (Mar. 10, 2026)	See here See here and here				
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	all mixed-use and commercial zone districts that allow multi-family housing. We also updated the zoning ordinance to allow licensed community care residential facilities as a by-right use within existing residential dwellings in all residential districts. In March 2026, the City Council adopted the Coral Street Overlay zoning district, within which temporary housing uses and 100% affordable housing are by-right. Regarding Environmental justice considerations, the City has a multi-decade process in place for planning/building/certifying the San Lorenzo River levee with the Army Corps of Engineers to safeguard the Downtown from flooding.							
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1H	Residential development is principally permitted in most commercial zones in Santa Cruz, requiring only a Design Permit. The C-C zone, which is the City's largest commercial zone, allows both mixed-use development (with no density limit for the residential component, just FAR) and stand-alone residential uses at a multifamily density up to 20 du/acre. Many sites along the City's main corridors that were formerly zoned commercial have been rezoned to mixed use zoning classifications to facilitate more and higher-intensity mixed-use development. Enhancement points for this program as it implements the principles of the City's General Plan to focus development into infill areas in existing commercial corridors, consistent with multiple state planning goals and in Location Efficient Communities.	E	Santa Cruz Municipal code 24.10.730	See here	1	1	2	3
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11	The City has created a new unit type called Flexible Density Units (FDUs) that can be added to residential or mixed-use development in four commercial zone districts, including the City's Downtown, which allows development in those zones to exercise the full FAR permitted, even if this exceeds a relevant density standard that would otherwise apply. Through its Objective Development Standards for Multi-Family Housing project, in late 2022, the City rezoned various areas of the City's key commercial corridors to mixed use, including increasing maximum height limits in those areas, as a way to facilitate housing development. The City also completed two separate updates to the Downtown Plan in the last seven years that increased FAR and/or height limits and expanded the area covered by the Downtown Plan. Enhancement points for this program, as it implements the principles of the City's General Plan to focus	E	Santa Cruz Municipal code 24.12.1500 Part 16 City of Santa Cruz Downtown Plan and City website	See here See here and here	1	1	2	3
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	development into infill areas in downtown and existing commercial corridors, consistent with multiple state planning goals, and in Location Efficient Communities. As FDUs are small units, enhancement points for increasing housing options and affordability in High Resource Areas are also claimed.							
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1K	The City of Santa Cruz adopted an Inclusionary Housing Ordinance that requires new residential development to include deed-restricted affordable units. The ordinance generally requires a percentage of units in new developments to be affordable to low-income households, with deeper affordability requirements applicable to certain housing types, including very low-income units in single-room occupancy developments. The City's inclusionary requirements are implemented consistent with State law, including AB 1505, and apply broadly to new residential development projects. This program ensures the ongoing production of affordable housing units integrated within market-rate developments.	E	Santa Cruz Municipal Code 24.16 (Inclusionary Housing / Measure O section) And City website	See here See here	1	1	2	3
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2B	The City has completed EIRs as necessary for the adopted 2030 General Plan, and also for the Downtown Plan and the Downtown Plan Expansion. These program-level documents have allowed conforming projects to tier off the existing analysis and conduct more streamlined project-level reviews when necessary.	E	Webpage: Final EIR for General Plan Webpage: Final EIR for Downtown Plan	See here See here	2	1	2	4
2E	No public hearings are required for conforming residential development in any Single-Family or Multifamily residential zone. In Mixed-Use zones, any project that includes up to 50 housing units and is fully conforming does not require a public hearing for entitlement.	E	City Council Meeting - Agenda Item #31 (Dec. 13, 2022) Ordinance 2022-19 City Council Meeting (Dec. 13, 2022) Agenda Packet pg. 435 (Section 24.04.130)	See here See here See here	2	1	2	4

2G	All entitlement permits are processed concurrently at the highest level of review per SCMC 24.04.150. The standard application and submittal checklist are provided on the Community Development Department website. We accept digital entitlement applications and perform electronic permit review. The City utilizes an Online Planning Application Inquiry system that streamlines housing development by enabling digital submittals, and real time status tracking.	E	Santa Cruz Municipal Code 24.04.150 City Websites	See here See here and here	1	1	2	3
2H	The code for “Objective Design Standards for Multifamily Housing” is adopted citywide. Enhancement points for this program as it implements the principles of the City’s General Plan to focus development into infill areas in existing commercial corridors, consistent with multiple state planning goals and in Location Efficient Communities.	E	City Council Meeting - Agenda Item #31 (Dec. 13, 2022) Ordinance 2022-19 Santa Cruz Municipal Code 24.12.185	See here See here See here	1	2	1	2

2K	The City maintains a standard list of required application materials that is posted and available on their website, as well as the application forms for Preapplications and SB330 Preliminary Applications. The list of materials is used to complete the Universal Land Use Application, and the Application forms are used to streamline the SB 330 Preliminary Application process. The checklist and application forms are used by all housing development projects with two or more dwelling units.	E	City Website – required application materials City Website – Application Process information & online services SB 330 Pre-application List of Required Materials Stormwater Checklist	See here See here See here See here	1	1	2	3
2L	The City practices publicly posting status updates on project permit approvals on the Internet.	E	City Websites	See here and see here	1			1
3A	The City of Santa Cruz waives or reduces certain development impact fees for 100 percent affordable housing projects, including Childcare Impact Fees.	E	Santa Cruz Municipal Code 18.48. - CHILDCARE IMPACT FEES Childcare Impact Fees Exemption PDFs online	See here See here and here	3			3

3B	City ADU incentives include alternative parking requirements are available for ADUs and JADU. Conversion ADUs are allowed in entitled space, not just existing space. Thus, a developer does not need to build a garage or storage space only to convert it. Once entitled, they can submit building permits for the conversion to ADUs and construct the ADUs with the rest of the project, allowing developers to plan for more density (up to 25% more units in multi-family projects) and providing significant cost and time savings. Per the code: notwithstanding any other regulation or definition of the code, a junior accessory dwelling unit shall be permitted on parcels in zones where single-family dwellings are an allowed use and where single-family structures exist or are proposed on the site. The City has established an ADU legalization program with dedicated staff to assist homeowners in legalizing their units under AB 2533 or	E	Santa Cruz Municipal Code 24.16.160 Santa Cruz Municipal Code 24.16.125.2 & Santa Cruz Municipal Code 24.12.240 Citywide Fee Schedule – PDF pg. 16	See here See here See here	2	1	2	4
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	other applicable standards. The City also provides technical assistance on the ADU webpage with guidance on regulations, permit processes, and fees. The City also adopted a local code that allows for ADUs to be sold separately as condominiums. The City allows applicants to seek discretionary review for ADUs in unusual situations where an ADU would otherwise not be allowed by following our objective ADU development standards, and the City allows a conversion ADU to expand by up to 150 square feet regardless of the proposed use of that area, whereas state law only requires that when the expansion is for ingress and egress. The City also reduces certain ADU-specific fees, including the reduced “General Plan Maintenance Fee: ADU” identified in the Citywide Fee Schedule under line item PL-CP37. This reduced fee structure lowers development costs and reduces financial barriers to ADU production.							
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3C	City Code section 24.16.215(3) provides density bonuses for Special Needs projects which reduces development costs through economies of scale and the ability to access more subsidy due to the increased unit count. Additionally, the City adopted a Fee Deferral Policy allowing 100% affordable housing projects to defer most development review fees to five years after occupancy, reducing upfront development costs and improving project feasibility. The policy streamlines the administrative approval process for qualifying projects by allowing staff to approve fee deferrals.	E	Santa Cruz Municipal Code 24.16.215 (3) City Council meeting Agenda Item # 17 (Mar. 10, 2026) Resolution NS-30,634	See here See here See here	1			1
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3D	Safe Parking Program developed by the City providing locations where oversized vehicles can safely park overnight. Modular housing is treated the same as stick-built housing in terms of permitting, except that various building inspections are done at the factory instead of in the field. Flexible density units allowed to increase the supply of smaller, relatively more affordable housing units, without counting towards increasing the density of a project.	E	Webpage (Safe Parking Program) Santa Cruz Municipal Code 24.12.185 City Council Meeting – Agenda Item #26 (Mar. 22, 2022) – FDU Ordinance Santa Cruz Municipal code 24.12.1500 Part 16	See here See here See here See here	1	3	1	2
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3E	The City of Santa Cruz funds and constructs active transportation projects. Since 2020, the City has secured over \$76M in funding to build out transit-oriented infrastructure in the City's downtown consisting of road, sidewalk, bike lane, and alleyway improvements and connections, as well as bike and pedestrian projects, with an emphasis on types of facilities that increase safety for non-motorized users throughout the City. The City awarded a contract and launched a new bike share program in June 2023. The program is regional to encourage non-auto use. The City funds and manages the GO Santa Cruz program for all downtown employees. This program provides free transit passes, bike locker cards, carpool incentives, education, and encouragement for non-auto use. The City funds, installs, and manages the bike locker program. This program provides publicly accessible bike lockers available for 5 cents/hour. The City has	E	City Council Meeting - Agenda Item # 41 (Jun. 22, 2021) City Webpages: Go Santa Cruz - Transportation Options, Transportation Programs (including Bicycle Locker Rentals), and Public Works Projects	See here, here, and here See here, here, and here	1	1	2	3
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100 bicycle lockers Downtown to rent to the public. These bicycle lockers provide enclosed, secure storage and can be rented for just 5¢ per hour with the use of a smart card. The City has recently conducted Traffic Calming pilots on Seabright Ave., Western Dr., and Poplar Ave. Lane reduction created a separated bikeway and pedestrian path at Bay St. between Escalona Dr. and Nobel Dr. Escalona Dr. had sidewalk infill to create a continuous sidewalk on one side of the roadway, addition of bike lanes in portions, and 50 new accessible ramps. California St. between Laurel St. and Walnut Ave. had daylighting of intersections in the school zone to enhance safety. Signals Advanced Dilemma Zone Detection added for safety improvement for all modes at signalized intersections. Rail Trail Segment 7 Phase 2 completion, and Wharf Roundabout improvements for bike safety.								
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3G	The City adopted Policy 1.3f in the Housing Element, consisting of a program in 2025 to streamline review of projects up to four units that have previously been approved for development during the same Building Code cycle. This allows developers of these projects to reuse plans on multiple sites or share the approved plans with other property owners. In 2024, the City also established Policy 1.5c in the Housing Element, an ADU pre-approval program that promoted efforts to incentivize ADUs, waiving permitting fees for deed-restricted low-income units, legalizing unpermitted units, and a streamlined review process. The program provides streamlined processing and reduced plan check costs for ADU building plans that have been approved at another site within the City, while recognizing that various items, such as setbacks, utility connections, soil conditions, archeological resources, and other issues, will	E	City of Santa Cruz 2023 – 2031 Housing Element (6 th Cycle), PDF page 27 & 30	See here	1			1
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	require applicants to submit site-specific information that will require the City's review and associated fees.							
3H	The City adopted the Coral Street Overlay. The new overlay district allows 100% affordable housing as a principally permitted use in addition to supportive housing and temporary housing types.	E	Santa Cruz Municipal Code 24.10.4400 - 24.10.4440 (Part 44: CORAL STREET OVERLAY DISTRICT)	See here	1			1

3I	City has its own local density bonus in addition to the State density bonus to encourage development feasibility with increased density, which reduces development and operations costs through economies of scale. The City also complies with existing State Density Bonus Law and has approved multiple applications in excess of the City Density Bonus limit. Further, the City is proposing to update the Local Density Bonus to fully conform to the State Density Bonus as part of the 6 th cycle Housing Element.	E	City Council Meeting Agenda Item #21 (Aug. 25, 2020) Reso NS-29,711 Santa Cruz Municipal Code - Ordinance No. 2021-04 Santa Cruz Municipal Code 24.16.215 City of Santa Cruz 2023-2031 Housing Element (6th Cycle) City of Santa Cruz Downtown Plan Pages 112-115, & 223	See here See here See here See here	1			1
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4A	The City utilizes proceeds from voter-approved Measure C to fund affordable housing programs, representing a dedicated local funding source that contributes directly to housing production and preservation.	E	Santa Cruz Municipal Code Chapter 3.34 City Attorney Ballot Title/Summary, and Impartial Analysis Resolution No. NS-30,531	See here See here and here See here	2			2
4B	The City of Santa Cruz Affordable Housing Trust Fund (AHTF) plan was approved by City Council in 2000 and fully enacted in 2003. Developer in-lieu fees and other eligible revenues are used exclusively for affordable housing creation and preservation. Eligible projects may include new construction, multifamily rehabilitation, conversion of market rate into affordable units, and construction of ADUs.	E	2026 In-Lieu Fee Annual and Five-Year Report	See here	2			2

4C	The City of Santa Cruz has utilized funding to preserve affordable housing units at risk of conversion to market-rate housing. For example, in January 2026, the City approved a \$1 million affordability preservation loan for the Palomar Inn to help preserve housing affordability and reduce displacement impacts as affordability restrictions transitioned at the property. Claiming enhancement factor category 4 as this is in accordance with an adopted Housing Element Policy 2.5 Preserve at-risk affordable housing.		City Council Meeting Item #17 (Jan. 13, 2026) - Palomar Inn Affordable Housing Preservation City of Santa Cruz 2023-2031 Housing Element (6th Cycle) - Policy 2.5	See here See here	2	4	1	3
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4E	The City's Inclusionary Housing Ordinance allows developers to satisfy certain affordable housing obligations through donating land to the City's Affordable Housing Trust Fund (AHTF), resulting in publicly owned land intended for affordable housing. This is consistent with the intent of the Surplus Land Act. With the donated land that becomes publicly owned land, the City typically can get a much higher density for total number of units when the project is 100% affordable to low-income households utilizing State Density Bonus laws, furthering affordable housing production. Per the code, for residential developments with an inclusionary requirement of seven or more inclusionary units, an applicant may propose to donate a minimum of fifteen percent of the net developable land area of the residential	E	Santa Cruz Municipal code 24.16.030 (7a-7b) City website - Significant Projects	See here See here	2			2
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	development to the city for the construction of a project with at least twenty-five percent of its total units restricted to low income households or below, or a lesser amount of land if the parcel is adjacent to a City owned land and the parcel is determined a critical component of a larger city supported affordable housing project. The City has also utilized publicly owned land as part of its homelessness and affordable housing response efforts, including sites dedicated for affordable housing and supportive housing development consistent with the intent of the Surplus Land Act. Recent examples from just the past few years include Pacific Station South, Pacific Station North, Library/Affordable Housing project, 524 Center, and the upcoming 125 Coral Street. The first four projects above are all 100% affordable projects either under construction or recently completed, whereas the last							
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	one has construction grant funding for a residential substance use disorder treatment facility, but it but is in the design phase.							
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4F	The City of Santa Cruz established the Santa Cruz Enhanced Infrastructure Financing District (EIFD). On February 19th, 2026, the Santa Cruz Public Financing Authority adopted a resolution to approve establishing the Santa Cruz EIFD, this resolution approved the Infrastructure Financing Plan (IFP) along with the EIFD map and boundary. The Santa Cruz EIFD includes the Santa Cruz Downtown Plan Expansion Area, several mixed-use corridors, and various other housing and blended-use development opportunity sites within the City that stand to benefit from catalytic infrastructure improvements with communitywide and regional benefit. The IFP specifically identifies affordable housing, housing supportive infrastructure in the Downtown Expansion Area, and housing supportive infrastructure along key corridors, as eligible projects for EIFD funding. The Downtown Expansion Area specifically targets adding 1,600 – 1,800 units of housing of which a percentage would	E	Resolution No. NS-30,457 Resolution No. PFA-2026-01 City Downtown Plan and City website Choose Santa Cruz website: Upcoming Significant Downtown Projects	See here See here See here and here See here	2			2
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	be affordable based on the 20% City inclusionary requirement. The City is currently in process of completing its EIFD filing with the State Board of Equalization.							
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4G	The City has utilized General Funds to provide a loan to the Affordable Housing Trust Fund (AHTF) to help advance affordable housing projects, including the 136 River Street development. The site was acquired for a future affordable housing project through a City loan allowing the affordable housing developer to acquire the land, which has subsequently received tax credits and is now under construction. While dedicated affordable housing revenues such as Measure C and AHTF monies are generally preferred, the City has also utilized General Fund monies to help advance affordable housing projects, such as 136 River Street development, with the intent that the AHTF would reimburse those funds as revenues become available. Additionally, the City commits substantial General Fund funded staff time toward advancing affordable housing projects. The City also regularly makes City-owned land available in the form of	E	City Council Meeting Item #10 (Feb. 24, 2026) - 136 River acquisition City Economic Development Director letter – March 2023	See here See Appendix 7	2			2
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	ground leases for affordable housing projects. These ground leases generally have negligible or no rent. Other affordable housing projects with below-market City-owned ground leases include Tannery Lofts, Metro Pacific Station North, Pacific Station South, Gault St. Senior Apartments, the Downtown Library Affordable Housing Project, and others. Making the ground leases available at below market rates to affordable housing projects offsets what could otherwise be an asset and source of revenue to the City General Fund and Public Trust. The City has also supported affordable housing through the donation of land for affordable housing developments, including Pacific Station North, Pacific Station South, Cedar Street Apartments, and the Downtown Library Mixed Use Project sites.							
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4H	Residual payments on Successor Agency (formerly Redevelopment Agency) loans and interest on the loans create additional funding which is available for the creation and preservation of affordable housing. Former RDA bonds available for housing and accrued interest on bonds are also made available to 100% affordable housing projects.	E	Successor Agency Annual Report FY22	See here	1			1
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4I	The City regularly allocates both state and local funding, from the Affordable Housing Trust Fund (AHTF) and City Public Trust, as well as contributing land, in the form of ground leases to affordable housing projects. Example, recent commitment to the Downtown Library Affordable Housing project. The City's inclusionary ordinance allows for developer In-Lieu fees to be regularly received into the AHTF and used for the preservation and construction of affordable housing. The AHTF, created in 2003, serves as the local housing trust fund through which most available funding for affordable housing passes. The City utilizes multiple dedicated funding sources, including federal HOME and CDBG funds, to support housing programs serving lower-income households. These funds are administered on an ongoing basis and support both the development and preservation of affordable	E	City Websites - HUD Consolidated Plan webpage and AHTF webpage City Economic Development Director letter – March 2023 Economic Development and Housing Department FY25 Budget	See here and here See Appendix 7 See here	1			1
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	housing, as well as direct assistance programs such as security deposit and emergency rental assistance.							
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4M	The City supports anti-displacement and housing stability efforts through locally supported rental assistance and eviction prevention programs administered in partnership with Community Action Board (CAB), along with tenant relocation assistance protections that exceed state law requirements by extending eligibility to moderate income households in addition to lower income households. Through the City's partnership with CAB, Affordable Housing and Sustainable Communities (AHSC) funded rental assistance and eviction prevention services have also been made available to eligible low-income households, including residents of The Palomar Inn. These programs help reduce local displacement risk and preserve housing stability for vulnerable households. Claiming enhancement factor point here as this item is an example of exceeding state law requirements in reducing displacement by extending	E	Santa Cruz Municipal Code Chapter 21.03 City Website – Tenant Resources (Local) City Website PDF - Demolition of Housing Commitment Letter for anti-displacement – CAB Partnership CAB webpage Security Deposit Program webpage	See here See here See here See Appendix 7 See here See here	1	4	1	2
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	relocation assistance protections beyond lower income households to include moderate income households. Additionally, in partnership with the Housing Authority of the County of Santa Cruz, the City supports a Landlord Incentive program, and a Security Deposit program. The Security Deposit Assistance Program administered by the Housing Authority of the County of Santa Cruz, providing eligible low-income households with assistance for up to one month's rent toward security deposits within Santa Cruz city limits.							
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Appendix 4: Examples of Prohousing Policies with Enhancement Factors

If a Prohousing Policy incorporates any of the enhancement factors specified in the Scoring Criteria Enhancement Factors chart, it will receive extra points as indicated therein. Examples of such qualifying Prohousing Policies include the following:

Category 1: Favorable Zoning and Land Use

- Rezoning sufficient sites to accommodate 150 percent or greater of the Regional Housing Needs Allocation by total or income category, including sites in Location Efficient Communities.
- Rezoning sufficient sites to accommodate 150 percent or greater of the Regional Housing Needs Allocation by total or income category, including sites in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Rezoning to accommodate 125 to 149 percent of the Regional Housing Needs Allocation in downtown commercial corridors or other infill locations.
- Expanding density bonus programs to exceed statutory requirements by 10 percent or more in Location Efficient Communities.
- Reducing or eliminating parking requirements for residential development as authorized by Government Code section 65852.2 in Location Efficient Communities.
- Increasing allowable density in low-density, single-family residential areas beyond the requirements of state Accessory Dwelling Unit Law in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Modification of development standards and other applicable zoning provisions to promote greater development intensity in downtown commercial corridors or other infill locations.
- Coupling rezoning actions with policies that go beyond state law requirements in reducing displacement of lower-income households and conserving existing housing stock that is affordable to lower-income households.

Category 2: Acceleration of Housing Production Timeframes

- Ministerial approval processes for multifamily housing in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Streamlined, program-level CEQA analysis and certification of specific plans in Location Efficient Communities.
- Documented practice of streamlining housing development at the project level in downtown commercial corridors and other infill locations.
- Expedited permit processing for housing affordable to lower-income households in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).

Category 3: Reduction of Construction and Development Costs

- Fee waivers for affordable housing in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Fee waivers or reductions for higher density housing in downtown commercial corridors or other infill locations.
- Measures that reduce costs and leverage financial resources for transportation-related infrastructure or programs in Low Resource and High Segregation & Poverty areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Adoption of universal design ordinances to increase housing choices and affordability for persons with disabilities in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Permitting innovative housing types, such as manufactured homes, recreational vehicles or park models, in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).

Category 4: Providing Financial Subsidies

- Targeting local housing trust funds to acquisition or rehabilitation of existing affordable units, or to affordable units at risk of converting to market rate uses, in Low Resource and High Segregation & Poverty areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Marketing grants and other financial products for ADUs/JADUs in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Utilizing publicly owned land for affordable housing in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Establishment of an Enhanced Infrastructure Financing District or similar local financing tool in a Low Resource or High Segregation & Poverty area (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Directing residual redevelopment funds or general funds to conservation or preservation of affordable housing in areas at high risk of displacement.

Appendix 5: Homeless Encampments

[Subchapter 6.6 Prohousing Designation Program](#) requires applicants to confirm that its treatment of encampments on public property complies with and will continue to comply with the constitutional rights of persons experiencing homelessness. An application must include a one-page summary demonstrating how the applicant has enacted best practices in their jurisdiction related to the treatment of unhoused individuals camping on public property, consistent with the United States Interagency Council on Homelessness' "7 Principles for Addressing Encampments (June 17, 2022). The following template and certification are included to help jurisdictions meet this threshold.

- **Principle 1: Establish a Cross-Agency, Multi-Sector Response to Encampments –** Describe how system partners (name partners) work together to prioritize health and safety both for residents and unsheltered individuals. (350 characters max)

The City coordinates with system partners including the Continuum of Care, County of Santa Cruz, People First, Encompass, Community Bridges, Community Action Board, Housing Matters, Santa Cruz Police Department, Public Works, and outreach teams to address encampments. Partners collaborate to prioritize health and safety through outreach, service connections, sanitation, and pathways to shelter.

- **Principle 2: Engage Encampment Residents to Develop Solutions –** Describe street outreach efforts to engage with encampment residents to find alternative shelter, housing, and service options using the housing first approach before an existing encampment is closed. (350 characters max)

Outreach teams, including full-time City employee homeless outreach staff, engage encampment residents prior to closures using a Housing First approach, building trust and connecting individuals to shelter, housing navigation, healthcare, and supportive services while prioritizing voluntary transitions to safer alternatives.

- **Principle 3: Conduct Comprehensive and Coordinated Outreach –** Describe multidisciplinary connection strategies and linkages to resources and permanent housing solutions that is customized to individual needs. If applicable, describe how the jurisdiction uses the coordinated entry system to connect individuals to resources and permanent housing. (350 characters max)

Multidisciplinary outreach teams coordinate with service providers to assess individual needs and connect unsheltered individuals to healthcare, behavioral health, shelter, and housing resources through the Coordinated Entry System and pathways to permanent housing.

- **Principle 4: Address Basic Needs and Provide Storage –** Describe efforts to meet basic needs, health, safety, and access to storage (timeframes) for people experiencing unsheltered homelessness while creating clear pathways to permanent housing. (350 characters max)

The City works with outreach and service partners to meet immediate needs including sanitation, food, healthcare, and storage options when available. Outreach teams connect individuals to shelter, housing navigation, and services that support transitions to stable housing.

- **Principle 5: Ensure Access to Shelter or Housing Options** – Describe how low barrier resources to housing and supportive services are communicated to encampment residents. Include how strategies involve alternative measures to criminalization, focusing on service engagement and harm reduction. (350 characters max)

The City's outreach team engages in street-level outreach with people in encampments. They offer practical help and support; provide access to shelter and services; and make life-saving connections with people. Our Safe Parking Program and two shelters, 1220 Transitional Community Camp and City Overlook, are key parts of the City's homelessness response efforts offering up to 165 shelter spaces.

- **Principle 6: Develop Pathways to Permanent Housing and Supports** – Describe Housing First strategies emphasizing low barriers, a harm-reduction model, and services to support people obtaining permanent housing more efficiently. Identify efforts to align federal, state, and local funding/programs to provide clear pathways to permanent housing. (350 characters max)

The City advances Housing First strategies that reduce barriers and emphasize harm reduction while connecting individuals to shelter, housing navigation, and supportive services. Federal, state, and local funding are aligned to expand pathways to permanent housing.

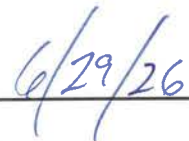
- **Principle 7: Create a Plan for What Will Happen to Encampment Sites After Closure** – Describe plans for former encampment spaces (long-term solutions to prevent encampments from reoccurring). Include efforts to emphasize safety, accessibility, and inclusivity that improve infrastructure. Example: Communities can include curb cuts to increase mobility access and enhanced lighting to encourage safety. (350 characters max)

Following encampment closures, the City restores sites to improve safety, accessibility, and community use. Improvements may include lighting, sanitation, landscaping, and accessibility upgrades. Ongoing monitoring and outreach help prevent re-encampment.

Certification and Authorization:



Signature of Authorized Representative



Date

Appendix 6: Public Participation Checklist

Pursuant to Sections 6601, 6602, and 6605, applicants are required to demonstrate how they have engaged in a “Diligent Public Participation Process.”

Please complete this checklist, and sign, to confirm that the applicant has complied with this requirement. Attach and reference any comments you received during the process.

Regulation Text	Explanation	Yes	No
Outreach through a variety of methods and languages to ensure access to the public process and provide opportunities for public input.	Applicant should use methods such as newspaper ads, email, social media, fliers, etc., to inform the public that an application has been drafted and posted for public comment. Language access should reflect languages spoken in your local community and should be available in multiple languages in print media or upon request for digital media.	☒	☐
The City utilized multiple outreach methods to inform the public of the draft application and opportunity to comment, including email distributions, newsletters, social media, flyers, a community-based text message distribution, and a dedicated program/project webpage. Outreach was provided in English and Spanish, and printed copies of the application were available upon request. Supporting documentation is included in Appendix 7.			
Specific effort to engage all segments of the community, including individuals or representatives of lower-income and special needs households, for-profit and non-profit developers, and special needs service providers.	Individuals and organizations representing lower-income and special needs households, for-profit and non-profit developers, and special needs service providers should be engaged, informed of, and offered an opportunity to comment on the application. Outreach lists utilized for Housing Element compliance would suffice.	☒	☐
The City conducted targeted outreach to a broad range of stakeholders through its Community Development distribution lists, which include subscribers from prior Housing Element outreach efforts, as well as through community-based organizations, and other public communication channels. The City also coordinated with Nueva Vista Community Resources (NVCR) to expand outreach to lower-income populations. NVCR serves individuals in need, youth, and families in Santa Cruz. They specifically target the Beach Flats and Lower Ocean neighborhoods which are located in the City’s Neighborhood Revitalization Strategy Area (NRSA). A NRSA is a special federal designation created by the U.S. Department of Housing and Urban Development (HUD) to help cities heavily concentrate investments and resources into their most distressed or low-income neighborhoods. Supporting documentation is included in Appendix 7.			

Availability of the draft document to the public, including notification to interested parties and all segments of the community, for thirty (30) calendar days and subsequent versions for seven (7) calendar days.	Applicants should post the application in print and digital forms, collect comments, and incorporate those comments into the application if necessary. Making the application available to the public could be satisfied by posting the application online and/or announcements through other mediums (e.g., local newspapers) so long as these forums include diverse segments of the community, including individuals or representatives of lower-income and special needs households, for-profit and non-profit developers, and special needs service providers.	☒	☐
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The draft Prohousing Designation Program application was posted (and is currently available) on the City's website at www.santacruzca.gov/prohousing for a 30-day public comment period from May 20, 2026, through June 20, 2026. The City provided public notice of the comment period through multiple communication channels and made printed copies available upon request. Supporting documentation is included in Appendix 7.

Public hearings and informative meetings.	For the purposes of satisfying this requirement, a City Council or Board of Supervisors meeting informing the public of the jurisdiction's intent to submit a Prohousing Designation Program application, in addition to any subsequent meetings necessary to make revisions in response to public comment, will satisfy this requirement.	☒	☐
---	--	-------------------------------------	--------------------------

The City Council considered the draft Prohousing Designation Program application during a regular City Council meeting held on June 23, 2026. Two members of the public made a public comment on the item at the City Council meeting. The recorded public meeting, full meeting agenda, meeting minutes, staff report, and resolution are available on the City's website at:
<https://ecm.cityofsantacruz.com/OnBaseAgendaOnline/Meetings/Search?dropid=4&mtids=103%2C104%2C105%2C106>

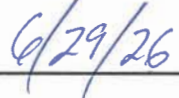
Consideration of comments, including incorporation of comments into a jurisdiction's application and Prohousing Policies as appropriate.	Provide all comments received with a description of how the comment was incorporated into the application. If the comment is not appropriate for incorporation, please describe why.	☒	☐
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All comments received during the 30-day public comment period were reviewed and considered by City staff. Copies of all comments received are included in Appendix 7, along with a summary table documenting the City's consideration of each comment and whether revisions to the application were made.

Certification and Authorization:



 Signature of Authorized Representative



 Date

Appendix 7:

Additional Information and Supporting Documentation

March 17, 2023

Eden Housing
Attn: Dixie Baus - Director of Real Estate Development
22645 Grand Street
Hayward, CA 94541

Dear Ms. Baus-

This letter shall serve as evidence of the City of Santa Cruz commitment to provide financial assistance to the Downtown Library Affordable Housing Project. The City of Santa Cruz has fee simple title ownership of the land parcels comprising the Downtown Library Affordable Housing Project located at 600-698 Cedar Street, Santa Cruz, California. Using the State HCD Local Housing Trust Fund (LHTF) 2020 Program funds, \$3,650,000 of this State funding has been committed for the pre-development, construction and permanent financing of the Project. Per the LHTF guidelines, the City is required to provide a match of \$1,450,000 with the Affordable Housing Trust Fund.

As additional LHTF match, the City, acting on behalf of the City Affordable Housing Trust Fund (AHTF), is contributing the land to Eden Housing or its affiliate, in the form of a long-term ground lease. As part of the pre-development, construction and permanent financing, the loan will have a term for a minimum of 55 years from the Project's Placed in Service date and a 3% interest rate. The terms and conditions set forth in this commitment letter are contingent upon securing commitments for a 4% Low Income Housing Tax Credit reservation by December 31, 2024.

Below are the terms of the City Loan totaling \$5,100,000:

Lender: City of Santa Cruz

Borrower: A to be formed Limited Partnership

Loan Amount: \$5,100,000 (\$3,650,000 HCD LHTF and \$1,450,000 AHTF).

Interest Rate: 3%

Payment Schedule: Interest and Principal to be paid from residual receipts

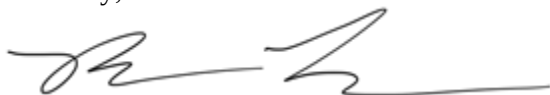
Term: 55 years from Placed in Service

Property Location: 600-698 Cedar St. Santa Cruz, CA 95060

Project Description: 124 Affordable rental apartments restricted to 60% AMI and below (includes 1 unrestricted manager unit)

Please contact us with any questions and we look forward to seeing this project come to fruition.

Sincerely,



Bonnie Lipscomb
Economic Development Director

March 13, 2023

Re: Eviction Prevention Program – Anti Displacement Work Plan for Santa Cruz Downtown Library Affordable Housing

The City of Santa Cruz has prepared this letter to provide the basic assumptions used as the foundation for our partnership to provide an Anti-Displacement Program (PGM) for the Santa Cruz Downtown Library Affordable Housing Project. We have drafted this work plan to identify the deliverables, budget, timeline, and roles.

1. PGM Name: Anti-Displacement Eviction Prevention Program
2. Summary: In partnership with Community Action Board of Santa Cruz County, the City of Santa Cruz would fund an eviction prevention program that would provide direct assistance to landlords, on behalf of very-low income (50% AMI) households. The City of Santa Cruz provides limited funding of approximately \$11,000 annually for an eviction prevention program in the Beach Flats neighborhood, which it was able to expand city-wide 2 times previously, in FY21 with HOME funding (\$200,000) under pandemic waivers and in FY22 with a one-time installment of State funding (\$150,000) for homelessness and homelessness prevention. The additional funding sources are exhausted, and the Anti-Displacement funding would allow the program to once again be expanded city-wide.
3. Tasks
 - Task 1: Partner Agency-Provide eviction prevention services in the form of direct rental payments to landlords for very low-income households at risk of homelessness (approximately 25-40 households). Assistance would be for a maximum of 3 months and a maximum of \$5,000 per household.
 - Task 2: Partner Agency Provide program management in the form of: eligibility and income determination, lease and landlord coordination, referral services, case management, rent distribution, program reporting and record-keeping.
 - Task 3: City of Santa Cruz- Provide Program administration of Anti-displacement funding, including contracts, budget, monitoring and reimbursement of program costs.
4. Budget
 - Partner Agency Indirect staff costs and other administration costs: \$12,720
 - City Administration: \$10,000
 - Partner Agency Direct staff program costs: \$22,280
 - Other - Direct Tenant Based Rental Assistance: \$105,000
 - Total: \$150,000
5. Deliverables
 - Eviction prevention services for 25-40 low-income households using anti-displacement funding.
 - Referral services for alternate funding to an additional 25-40 low-income households.
6. Proposed implementation Timeline

- The PGM will commence within six months of receiving funding from HCD and will terminate 36 months later. Though, based on prior funding awarded to Eviction Prevention Programs and the level of need in the City of Santa Cruz, this level of funding is expected to last under one year.
7. Current status of work
- Program exists and is ongoing but work of expanding the program and allocating additional funding would only begin if awarded this funding source.
8. Current status of the role the City of Santa Cruz plays in the Project Area
- The City of Santa Cruz advocates for housing creation as a direct project partner in several affordable housing projects underway in the City, contributing City owned land, City funding, project management and coordinating funding opportunities. The City also proactively seeks opportunities to fund partner agency housing initiatives such as the eviction prevention program, to seek and utilize all available funding to prevent displacement and keep people in the housing that they already have. Located in the heart of downtown, the Downtown Library Affordable Housing and Mixed-Use project is one that the City is taking a lead role in, as it aligns with many City goals such as increasing infill housing, as well as creating housing near jobs and transit.
9. Proposed measures of success & tracking protocols
- Assisting 25-40 households with direct rental assistance to avoid eviction and providing referral services for an additional 25-40 households to be helped with alternate funding sources.

If awarded AHSC funds, both parties agree to work together to implement this PGM scope of work at the Project.

Respectfully,



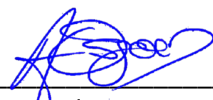
Bonnie Lipscomb
Economic Development Director
City of Santa Cruz

ACCEPTED AND ACKNOWLEDGED

DTLMU Investors, L.P.,
a California limited partnership

By: Eden DTLMU, LLC,
a California limited liability company,
its managing general partner

By: Eden South Bay, Inc.,
a California nonprofit public benefit corporation,
its sole member

By: 
Name: Andrea Osgood
Its: Sr. Vice President of Real Estate
Development

Anti Displacement PGM – Additional Information

1. Proposed program type:
 - Anti Displacement
2. Program Description
 - Expansion of existing Eviction Prevention Program for very-low income households in the City of Santa Cruz
3. Who are the targeted users for the Program?
 - City of Santa Cruz residents at risk of homelessness due to eviction. Eligible applicants must be at 50% AMI or below, rent must be past due and the landlord must be willing to accept the rent on behalf of the tenant.
4. What is the issue or need that the Program is attempting to address, and how will it successfully address the issue or need?
 - Over 25% of residents of Santa Cruz County are rent burdened, paying over 50% of their incomes for housing. Therefore, low-income households are in a constantly precarious position of being one large medical bill, cut in hours or car repair away from losing their housing. Providing direct rental assistance in the form of payments to landlords allows the tenants a chance to maintain their housing when they encounter unforeseen financial hardships.
5. Describe additional design challenges and development costs incurred to meet the requirements of the Program.
 - No challenges were encountered in identifying this PGM scope.

Public Participation

Public Comment Summary Log

#	Date	Summary of Comment	City Consideration
1	5/22/2026	Opposition to additional housing development and reduced development barriers.	Comment reviewed and considered. No application revisions proposed.
2	5/22/2026	Opposition to additional housing development.	Comment reviewed and considered. No application revisions proposed.
3	5/22/2026	Concerns expressed about the level of detail and accuracy of information in the draft application and/or City 's website, while also raising questions regarding County administered housing programs and requirements that are outside the scope of the City's Prohousing application and jurisdiction.	Comment reviewed. Application purpose is to document local prohousing policies for HCD review; no revisions proposed.
4	5/24/2026	Suggested voter approval prior to pursuing Prohousing Designation.	Comment reviewed and considered. No application revisions proposed.
5	6/6/2026	Commenter requested clarification regarding the number of housing units referenced in the General Plan and Housing Element, whether submission of the Prohousing Designation application commits the City to construction of those units, and whether the designation could be revoked if fewer units are built than anticipated.	Comment reviewed and considered. Questions relate primarily to interpretation of the Housing Element, General Plan, and Prohousing Designation program requirements. Response to questions was provided. No changes to the application were made in response to the comment.
6	6/12/2026	Commenter requested delaying the Prohousing application until after the primary election votes are counted and the new Mayor and City Council are determined. The commenter also requested additional information on existing housing commitments and the impacts of future housing growth on infrastructure, public services, emergency preparedness, transportation, water supply, neighborhoods, environmental resources, and climate change.	The comment was reviewed and considered. The Prohousing Designation application does not approve specific housing projects but documents existing housing-related policies and programs. Potential impacts associated with future development are evaluated through applicable project review and environmental review processes.
7	6/20/2026	The commenter contends that the City's policy example in Category 3B should be revised regarding conversion ADUs in entitled multifamily projects, stating that such conversions are not permitted under state and local law. The commenter states that the text can largely remain as written but should be clarified to specify that such conversions are not permitted in entitled multifamily buildings.	The comment was reviewed by staff and the City Attorney's Office. The City's position remains as reflected in the Prohousing application and prior staff reports. No changes to the application are recommended. Response to comment was provided.

Comment #1

From: [Jessica M](#)
To: [City of Santa Cruz - Housing Division](#)
Subject: Prohousing Program
Date: Friday, May 22, 2026 12:01:24 PM

I'm firmly against additional housing! Too many people here already. No additional infrastructure implemented and who's paying for all that? I'm also against reducing barriers to building. These multi story structures with no parking are defacing our town.

Comment #2

From: [steve dettle](#)
To: [City of Santa Cruz - Housing Division](#)
Subject: Affordable housing ??
Date: Friday, May 22, 2026 12:20:13 PM

STOP BUILDING !! We all know it's for students ,homeless and illegals !!
Sent from my iPad

Comment #3

From: [Kevin Cummings](#)
To: [City of Santa Cruz - Housing Division](#)
Subject: Pro Housing App Comment
Date: Friday, May 22, 2026 4:50:03 PM

Hello

I think your Housing Application as of this draft has a lot of very general information, some of which is not accurate, and lacks specifics.

For example:

Nothing about income requirements for Santa Cruz County or even links on where to go to find them for various affordable housing programs.

Nothing about the various tiers:

30% AMI

50% AMI

60% AMI

80% AMI

Nothing about the fact that Santa Cruz County is a high cost area so that the term percentage of AMI is a misnomer as the AMI is actually boosted.

This makes more people eligible.

The BIG thing is there is NOTHING about affordable housing where the Vouchers are assigned to the property.

Also, the Section 8 list has been closed for 8 years! Nothing about that either.

And there is a romantic notion that rents are capped at 30%. That is only for Section 8 Voucher Holders and in some cases 100% affordable projects. People can get into an affordable housing complex and easily still pay 40% or more in rent - easily.

People ought to know if they are eligible or not.

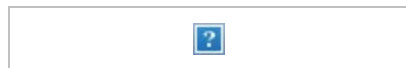
For example, I am a CalPers retire, my wife and I BOTH draw social security income and yet we are considered Very Low Income despite a fixed income of \$84,000 a year (The Cap is \$87,000 in 2026)

Frankly, it doesn't look like a lot of time has been put into the site as it currently stands, and many of the links lead to outdated or inaccurate info.

Good luck! It is hard to please everyone, I realize that.

best regards,

--



Kevin Cummings
President



Comment #4

From: [Patrice Boyle](#)
To: [City of Santa Cruz - Housing Division](#)
Subject: Proposing designation
Date: Sunday, May 24, 2026 8:14:30 AM

This program should be agreed upon by the people of Santa Cruz through a ballot measure, before the city manager decides to enact this program.

Sincerely, Patrice Boyle

Sent from my iPhone

Comment #5

From: [KaoSowa Junk](#)
To: [City of Santa Cruz - Housing Division](#)
Subject: Question about City of Santa Cruz new Prohousing Designation
Date: Saturday, June 6, 2026 10:03:33 AM

Dear City Staff,

I am trying to educate myself about the city's prohousing designation application and have the following questions to which I would greatly appreciate your answers before the comment period on the application expires. I apologize if these are very basic questions.

Question 1: Is the city proposing to allow 5,454 or 8,364 housing units in its General Plan (I have read different things from different sources)?

Question 2: By submitting this prohousing designation application, is the city thereby legally committing itself to allowing the 5,454 housing units to be built that are identified in Table G-2 in Appendix G in the Housing Element included in the city's General Plan?

Question 3: If less than 5,454 housing units are built, is the city's prohousing designation somehow revoked?

Thank you,

Nancy Kao

Comment #6

From: [melanie mayer](#)
To: [City of Santa Cruz - Housing Division](#)
Subject: COMMENT ON DRAFT PRO-HOUSING APPLICATION
Date: Friday, June 12, 2026 2:29:32 PM

You must realize that the pro-housing program to date is a VERY contentious program.

WAIT UNTIL NEW MAYOR AND CITY COUNCIL ARE DETERMINED FROM COMPLETION OF JUNE 2026 VOTING COUNT. They need to be in dialog with all residents.

EXPLAIN HOW MANY NEW HOUSING UNITS WE ARE ALREADY COMMITTED TO.

THEN HAVE DETAILED INFORMATION AVAILABLE EXPLAINING HOW IMPACTS OF CURRENTLY IN-PROGRESS NEW HOUSING PROJECTS WILL BE ADDRESSED.

E.G. • HOW EMERGENCY RESPONDING TO FIRE, MEDICAL ISSUES WILL MEET NEEDS OF PROJECTED NEW RESIDENTS. (emergency rooms are often already unable to respond to current needs)

- TRAFFIC AND PEDESTRIAN ISSUES FROM INCREASED HOUSING—some sort of analysis of where new residents will be going and how will they get there? ...need for new parking? ...traffic patterns?

- WATER SUPPLY (when we already have water restrictions)

- PLANNING FOR EMERGENCY EVACUATIONS FOR WILDFIRES, FLOODS, TSUNAMIS, EARTHQUAKES

- HOW PREPARE FOR ALIENATION ISSUES RESULTING FROM MASS HOUSING VERSUS MORE RELATABLE NEIGHBORHOODS

- HOW CAN WE HAVE A HEALTHY ENVIRONMENT FOR NATURAL WORLD (PLANTS, ANIMALS, PEOPLE) IF WE CONTINUE TEARING OUT PLANTS AND DISRUPT LIVING OF WILD AND MIGRATORY ANIMALS TO MAKE SPACE FOR MORE BUILT ENVIRONMENTS, AND PACKING IN BUILDINGS

WITH NO PRIVACY OR FRESH AIR BETWEEN THEM.

- * HOW DOES THE NEW HOUSING MITIGATE CLIMATE CHANGE ISSUES?

DO NOT ASSUME THAT WE CAN JUST GO AHEAD WITH MORE OF WHAT WE HAVE BEEN DOING !!

Comment #7

From: [David Carlson](#)
To: [City of Santa Cruz - Housing Division](#)
Cc: [City Council](#); [City Plan](#)
Subject: Comment on Prohousing Application
Date: Saturday, June 20, 2026 12:28:29 PM

Prohousing Policy 3B is Wrong Regarding Conversion ADUs in Multifamily Projects

The application contains an error in Appendix B Self-Scoring Sheet Category 3B. The description of the Prohousing policy in Category 3B states in part:

Conversion ADUs are allowed in entitled space, not just existing space. Thus, a developer does not need to build a garage or storage space only to convert it. Once entitled, they can submit building permits for the conversion to ADUs and construct the ADUs with the rest of the project, allowing developers to plan for more density (up to 25% more units in multifamily projects) and providing significant cost and time savings.

That paragraph misinterprets the definition of a conversion ADU in Santa Cruz Municipal Code (SCMC) 26.16.125.2 by wrongly conflating conversion ADUs on single-family versus multifamily lots.

The definition of a Conversion ADU in SCMC 24.16.125.2 states:

“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.

Converting an entitled building to an ADU is merely changing the use of an approved building. While a single-family property owner may decide to change the use of an approved building prior to building it, this option does not extend to multifamily developments. Such conversions are not allowed in entitled multifamily buildings by the definition itself and because they are prohibited by other provisions in both state and local law.

First, the definition addresses multi-unit (multifamily) dwellings separately with the sentence beginning, “On property developed with multi-unit buildings...”, which has no other meaning except an existing multifamily building. That language cannot be interpreted in any other way to include an entitled multifamily building because on its face a developed building means an existing building. This is the obvious intent of the text in the definition because it is reinforced by the fact that other provisions of both state and local law prohibit such conversions in merely entitled multifamily buildings.

Second, SCMC 24.16.125.10.c defines a state-wide exemption ADU to include a conversion of space not used as livable space in an *existing* multifamily building [emphasis added]. This is consistent with state ADU law that only allows multiple ADUs within the portions of existing multifamily dwelling structures that are not used as livable space up to 25 percent of the existing number of units (Government Code 66323(a)(3)).

Third, even if it is assumed that conversion ADUs in an entitled multifamily building are not state-wide exemption ADUs, but instead are nonexempt ADUs, SCMC 24.16.140.1.b prohibits nonexempt ADUs on lots developed with multi-unit buildings.

In summary, there are multiple layers of provisions in both state and local law that consistently and intentionally serve to prohibit conversion ADUs in entitled multifamily buildings. There is good reason for this. Such buildings are designed using State Density Bonus Law (DBL) with its already generous standards allowing multifamily buildings to be up to 100 percent larger than existing local standards would normally allow. Allowing such buildings to be designed to accommodate conversion ADUs means allowing the size of the project to go well beyond, by 25 percent, the already generous standards of State Density Bonus Law. Even more egregious, the 25 percent larger building takes advantage of the generous concessions and incentives afforded to such projects under DBL. However, DBL does not allow the granting of concessions or incentives that would be contrary to state or federal law (Government Code 65915(d)(1)(C)). Since incorporating conversion ADUs in the design of a multifamily building is not allowed under state ADU law, it is also not allowed under DBL. The implications are summarized in the City's own brief in the Food Bin project lawsuit:

The distinction between “existing” and “entitled” structures found in the definitions of conversion ADUs and statewide exempt ADUs is deliberate and meaningful. If the City were to allow conversion ADUs in multifamily buildings that do not yet exist, it would create an impermissible loophole allowing developers to skirt density standards by proposing multiple floors of empty space to expand the number well beyond the maximum allowed by the already generous standards of the DBL (*Density Bonus Law*). The City's ADU regulations purposefully define conversion ADUs as nonexempt ADUs and prohibits them in multifamily projects to avoid this kind of chicanery.

Prohousing Policy 3B Must be Revised

Category 3B must be changed to remove the reference to conversion ADUs in entitled multifamily projects because they are not allowed under both state and local law. The text can mostly remain but should be clarified with a statement that such conversions are not allowed in entitled multifamily buildings.

Why is this important?

While the City Attorney's brief accurately explains why conversion ADUs in merely entitled multifamily buildings are impermissible, the text in Category 3B of the Prohousing application endorses the practice. This is important because it appears to be setting the stage in an attempt to allow such impermissible conversions in several projects already approved and entitled but have not applied for building permits. This

will ultimately fail as further explained below.

Why does this matter?

Since the City Attorney's briefing in the Food Bin Project lawsuit, two other multifamily projects have been approved by the Planning Commission and the City Council that are 25 percent larger than they are allowed to be under the DBL. The Clocktower Project and the 1811-1819 Mission Street Project both include extra spaces on the floor plans that are obviously intended to be converted to 25 percent more units than were approved. If it were even permissible, approval of 25 percent more units would require a major modification of the planning permits. Furthermore, the impacts those projects would have if they were constructed as designed are significant. In the case of the Clocktower Project, two iconic Redwood trees are slated for removal because the project is 25 percent larger than the law allows. Under the already generous standards of the DBL, a legally and properly designed project could save the Redwoods. In the case of the 1811-1819 Mission Street Project, a legally and properly designed project under DBL could remove an entire floor and reduce the impact of a multistory project that would loom over the houses and yards of a surrounding single-family neighborhood.

As they stand, the Clocktower project and the Mission Street project are unbuildable as designed because of yet another layer of state and local ADU law regarding conversion ADUs in multi-unit buildings. SCMC 24.16.125.2 and 24.16.125.10.c Definitions and 24.16.140.1.b.i General Development Standards all require for existing multifamily buildings that only space not used as livable space qualifies to be converted to ADUs. In both projects the spaces intended to be converted to ADUs are variously labeled as livable spaces and therefore do not qualify for conversion to ADUs. There is no getting around this situation because the developer has already indicated on the approved plans the spaces are intended to be livable spaces and this cannot be undone.

In the end, this type of chicanery in the entitlement process results in no cost or time savings and represents a disservice to the community that expects both applicants and City staff to advance housing projects that respect the law and the community and can be financed and built. The Food Bin, Clocktower, and Mission Street projects are all failures in this regard. Any other project that attempts to follow proposed Prohousing Policy 3B as written will also fail.

Sincerely,

David Carlson

Santa Cruz resident

City of Santa Cruz Update

City of Santa Cruz, California sent this bulletin at 05/15/2026 09:46 AM PDT

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May 15, 2026



CITY UPDATES

Upcoming Public Comment Period - Prohousing Application

On May 20, the City will begin accepting public comment on its 2026 Prohousing Application during a 30-day public comment period. The Prohousing Designation Program recognizes jurisdictions that are implementing local policies and programs to support housing production and affordability.

In addition to the statewide recognition, the Prohousing designation also qualifies the City for certain grant opportunities and makes the City more competitive on other grants. For example, the City's current Prohousing designation qualified the City for a \$500,000 grant award that went towards the City's rental assistance program, which helps low-income households avoid eviction.

The comment period is May 20 through June 20. Submit comments to:
affordablehousing@santacruzca.gov



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City of Santa Cruz Update

City of Santa Cruz, California sent this bulletin at 06/12/2026 01:11 PM PDT

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June 12, 2026



CITY UPDATES

Public Comment Open for Draft Prohousing Application

The City is accepting public comments on its draft 2026 Prohousing Application through June 20.

The State of California's Prohousing Designation Program recognizes jurisdictions that have adopted policies and programs that support housing production and affordability. In addition to statewide recognition, a Prohousing designation can enhance eligibility and competitiveness for grants supporting affordable housing, infrastructure, transportation, climate resilience, and community planning projects.



Santa Cruz's current Prohousing designation qualified the City for a \$500,000 grant that supports rental assistance programs for low-income households at risk of eviction.

Review the draft application linked below and submit comments by June 20.

[View the Draft Application](#)

[Pay Online](#)

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[Report a Concern](#)

Report neighborhood issues, hazards, traffic, code violations and more.

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From: City of Santa Cruz <news@connect.santacruzca.gov>
Sent: Friday, May 15, 2026 12:01 PM
To: City of Santa Cruz - Housing Division
Subject: Upcoming Public Comment Period - Prohousing Application



Upcoming Public Comment Period - Prohousing Application

On May 20, 2026, the City of Santa Cruz will begin accepting public comment on its 2026 Prohousing Application during a 30-day public comment period. The Prohousing Designation Program recognizes jurisdictions implementing policies and programs that support housing production and affordability.

- **Comment Period:** May 20, 2026 through June 20, 2026
- **View the draft application:** Beginning May 20, 2026 at www.santacruzca.gov/prohousing
- **Submit comments to:** affordablehousing@santacruzca.gov and include "Prohousing Application Comment" in the subject line of your email.

Please feel free to share this information with others who may be interested.

[View Prohousing App](#)

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This email was sent to affordablehousing@santacruzca.gov using govDelivery Communications Cloud on behalf of: City of Santa Cruz,
California · 809 Center Street · Santa Cruz, CA 95060



From: City of Santa Cruz <news@connect.santacruzca.gov>
Sent: Friday, May 22, 2026 11:16 AM
To: City of Santa Cruz - Housing Division
Subject: Public Comment Period Open: Draft Prohousing Application



Public Comment Period Open: Draft Prohousing Application

The City of Santa Cruz is currently accepting public comments on the Draft 2026 Prohousing Application.

On May 20, 2026, the City began a 30-day public comment period for the draft application. The Prohousing Designation Program recognizes jurisdictions that implement local policies and programs to support housing production and affordability.

- **View the draft application at:** santacruzca.gov/prohousing
- **Submit comments to:** affordablehousing@santacruzca.gov (Please include "Prohousing Application Comment" in the subject line.)
- **Public Comment Period:** May 20, 2026, through June 20, 2026

Please feel free to share this information with others who may be interested.

[View Prohousing App](#)

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City of Santa Cruz UPCOMING PUBLIC COMMENT PERIOD - PROHOUSING APPLICATION



On May 20, 2026, the City of Santa Cruz will begin accepting public comment on its 2026 Prohousing Application during a 30-day public comment period. The Prohousing Designation Program recognizes jurisdictions implementing policies and programs that support housing production and affordability.

- Comment Period: 5/20/26 through 6/20/26
- View draft application beginning 5/20/26 at: www.santacruzca.gov/prohousing.
 - Printed copies are available upon request
- Submit comments to: affordablehousing@santacruzca.gov

For more information, scan the QR code above or visit www.santacruzca.gov/prohousing



Ciudad de Santa Cruz

PRÓXIMO PERIODO DE COMENTARIOS PÚBLICOS- SOLICITUD PROHOUSING

El 20 de mayo de 2026, la Ciudad de Santa Cruz comenzará a recibir comentarios del público sobre su Solicitud Prohousing de 2026, durante un periodo de comentarios públicos de 30 días. El Programa de Designación Prohousing reconoce a las jurisdicciones que implementan políticas y programas que fomentan la producción de vivienda y su asequibilidad.

- Período de comentarios: del 20/05/26 al 20/06/26
- Ver el borrador de la solicitud: A partir del 20/05/26 en www.santacruzca.gov/prohousing
 - Copias impresas disponibles a petición
- Enviar comentarios a: affordablehousing@santacruzca.gov

Para más información, escanee el código QR de arriba o visite **www.santacruzca.gov/prohousing**

