



# Chapter 2

*Policy Plan*



## Policy Plan

The provision of housing that fulfills the diverse needs of the community is a fundamental priority for the City. The Policy Plan provides a statement of the community's goals, policies, and objectives relative to housing production, rehabilitation, conservation, and assistance for all residents in Santa Cruz. This chapter builds upon the identified housing needs and evaluates constraints and resources to address housing needs in the community. To that end, this chapter is organized around three themes:

- Goals guiding efforts to address housing needs facing the City;
- Policies addressing key housing topics and issues, followed by specific actions the City will implement to achieve the City's goals; and,
- Quantified objectives for housing production, rehabilitation, and conservation for the 2023-2031 planning period.

## A. Housing Goals

### **Goal 1: Housing Production.**

Facilitate housing production that meets the present and future housing needs of Santa Cruz residents.

### **Goal 2: Affordable Housing.**

Provide an increased and protected supply of housing affordable to extremely low, very low, low, and moderate-income households.

### **Goal 3: Special Needs Housing and Homelessness.**

Provide accessible housing and supportive services that provide equal housing opportunities for special needs populations, including the unhoused and those at risk of homelessness.

### **Goal 4: Housing Assistance.**

Provide increased opportunities for low- and moderate-income residents to rent or purchase homes.

### **Goal 5: Neighborhood Vitality.**

Improve housing and neighborhoods throughout Santa Cruz and in designated target areas while protecting residents from displacement.

### **Goal 6: Affirmatively Further Fair Housing.**

The City shall seek to combat housing discrimination, undo historic patterns of segregation, and lift barriers that restrict access to foster a more inclusive community and help achieve racial equity and fair housing choice.

### **Goal 7: Resource Conservation and Environmental Stewardship.**

Fulfill the City's housing needs while promoting an environmentally sustainable, compact community with clearly defined urban boundaries that takes into consideration the existing and potential impacts of sea level rise and climate change, particularly on underserved communities.

## B. Housing Policies

Each Goal is briefly described in the sections below, followed by policies and objectives that would help to achieve that goal. While many objectives achieve more than one goal and policy, they are grouped by the primary policy and goal they would achieve. The policies and objectives are then grouped all together into a table. This table notes additional goals and policies that each objective supports and outline the type of action, timelines, and metrics by which to measure progress.

An important piece of this 6<sup>th</sup> Cycle Housing Element is the City's efforts to Affirmatively Further Fair Housing (AFFH). Objectives which further fair housing are marked according to the following topics it addresses:

1. Enhancing housing mobility strategies
2. Encouraging development of new affordable housing in high-resource areas
3. Improving place-based strategies to encourage community conservation and revitalization, including preservation of existing affordable housing
4. Protecting existing residents from displacement

In addition, AFFH objectives include information on geographic targets and metrics, as shown below:

AFFH: Topic Reference (with numbers referring to those in the list above); Geographic Target;  
Metric(s)

Certain objectives may not pinpoint exact geographic targets due to the AFFH results in Appendix D showing no particularly unique areas or due to overall citywide efforts; as such, they are marked to be targeted "Citywide." In addition, the City has a lot of TCAC High Resource areas, meaning "Citywide" targets would provide greater housing opportunities and affordability in these High Resource areas. Metrics are applied as objectives for the City to work towards over a certain timeframe and a geographic target for the metric (like high resource areas) is identified where possible.

## 1. Housing Production

Persons and households of different ages, types, income levels, and lifestyles have a variety of housing needs and preferences. Moreover, housing needs evolve over time in response to changing life circumstances. Providing an adequate supply and diversity of housing accommodates changing housing needs of residents, promotes an inclusive community that welcomes all residents, and achieves larger social and equity goals in Santa Cruz.

### Policy 1.1

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

Providing new housing to accommodate projected employment and population growth and to meet the needs of existing residents is a major objective of the City. To that end, the Housing Element identifies “adequate” sites to accommodate the City’s share of the region’s housing needs from 2023-2031. Adequate sites are those with sufficient development and density standards, water and sewer services, and adequate infrastructure.

To continuously consider the future vision for Santa Cruz and its community is another major objective of the City. Beyond maintaining adequate sites to accommodate the City’s share of the regional housing need, the City seeks to also proactively allow for residential developments that will meet the community’s ever evolving housing needs. Maintaining adequate sites and flexible development practices allows the City to consider future housing capacity beyond this planning period.

### Objectives:

**1.1a.** Adopt a certified Housing Element with adequate sites to meet a range of housing needs by December 15, 2023.

|                    |                                                                                                                                                                                     |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Revise the Housing Element document in accordance with HCD’s draft review feedback and prepare a final Housing Element document certified by the City Council by December 15, 2023. |
| Agency:            | Planning and Community Development Department                                                                                                                                       |
| Funding Source:    | General Fund                                                                                                                                                                        |
| Relevant Policies: | 1.1                                                                                                                                                                                 |

**1.1b.** Maintain an inventory of available vacant and underutilized sites citywide that can accommodate new housing and post that inventory for the public to view.

|                    |                                               |
|--------------------|-----------------------------------------------|
| Timeframe:         | Review the inventory on an annual basis.      |
| Agency:            | Planning and Community Development Department |
| Funding Source:    | General Fund                                  |
| Relevant Policies: | 1.1                                           |



**1.1c.** Maintain a GIS website that provides mapping of high-quality transit corridors and transit stops to encourage developers to take advantage of additional development allowances when sites are near these areas.

Timeframe: Regularly communicate with METRO and AMBAG and update the GIS maps any time there are changes to high-quality transit corridors and transit stops.

Agency: Planning and Community Development Department and Public Works Department

Funding Source: General Fund

Relevant Policies: 1.1, 7.3

**1.1d.** Enforce unit replacement requirements for projects that include the demolition of one or more units, in compliance with Government Code section 66300.

Timeframe: Enforce unit replacement requirements in compliance with Government Code section 66300.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 1.1

AFFH: 3; Citywide; Apply for every project that includes demolition of one or more units.

**1.1e.** Facilitate lot consolidation to promote the development of affordable units on small parcels measuring less than 0.5 acres by meeting with property owners to discuss development opportunities and adopting lot consolidation incentives such as more favorable development standards, an FAR density bonus, streamlined processing, or financial incentives.

Timeframe: Adopt lot consolidation incentives to facilitate the development of affordable units on small parcels by December 2026.

Agency: Planning and Community Development Department, Economic Development and Housing Department

Funding Source: General Fund

Relevant Policies: 1.1

## Policy 1.2

Concentrate most new housing in the central core, along major commercial corridors, and on major opportunity sites consistent with the Land Use Element.

Recognizing the limited availability of land and the City's commitment to preserve open space, the General Plan encourages a compact urban form. High density development, mixed uses, transit- and pedestrian-oriented land uses, and other creative housing types are encouraged. To that end,

the City's Zoning Ordinance currently allows higher densities, reduced parking requirements, and higher building heights for residential projects in the Central Core and along major corridors.

## Objectives:

**1.2a.** Adopt a program level EIR and approve the Downtown Plan Expansion Project to facilitate housing development in the expansion area.

Timeframe: Release draft EIR and draft Plan by the end of March 2024 and adopt the Final EIR and Downtown Plan Expansion Project by the end of December 2024.

Agency: Planning and Community Development Department

Funding Source: General Fund, REAP 1.0 Grant (State of California)

Relevant Policies: 1.2, 5.5

**1.2b.** Implement and maintain the City's recently adopted Objective Standards for developments to provide more certainty and further encourage development Citywide and along key transportation corridors, and review the Objective Standards every two years after adoption to determine if further changes are needed to ensure the standards provide the clarity and certainty of outcomes intended. If conflicts exist between the Objective Standards and findings or requirements in the City's Area Plans or other adopted documents, the Objective Standards will take precedence.

Timeframe: Review the Objective Standards and assess necessary changes by June 2024 and every two years thereafter. Conduct community outreach and present potential changes to the Planning Commission and City Council within six months of each assessment.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 1.2, 1.3, 7.3

**1.2c.** Receive California Coastal Commission approval of the Objective Standards within the Coastal Zone so that they align with the General Plan development standards.

Timeframe: Submit the Local Coastal Program Amendment by May 2023 and coordinate with the Coastal Commission during their review process to help ensure approval by December 2024.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 1.2, 7.3



**1.2d.** Adopt rezonings in the Ocean Street Area Plan so that they align with the General Plan development standards.

Timeframe: Perform community outreach and the necessary environmental review to draft rezonings for the Ocean Street Area Plan to be presented to presented to Planning Commission and City Council December 2024, and upon approval, submit the rezonings to the Coastal Commission as a Local Coastal Program Amendment.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 1.2

AFFH: 1, 3; Ocean Street Area Plan; Zoning allows for full General Plan capacity for all parcels in the Area Plan.

**1.2e.** Support a balance of jobs and housing land uses by only considering residential use in industrial land if it is ancillary to industrial land’s full employment capacity being achieved in an economically viable manner and if it does not negatively impact existing or future industrial uses in the area, except in the vicinity of Coral Street on properties where homeless services or affordable housing are identified in the properties’ respective General Plan Land Use Designations as an allowable use. Adopt a Coral Street Overlay that builds off existing services and resources to provide homeless services and related residential use standards for that specific, immediate area.

Timeframe: Review projects that seek to rezone industrial land as they are submitted and seek to maintain employment capacity, and adopt a Coral Street Overlay by June 2025.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 1.2

AFFH: 3; Industrial areas and proposed Coral Street Overlay area; Facilitate development of at least one new project that provides supportive housing or homeless services through the adoption of the Coral Street Overlay.

**Policy 1.3**

Facilitate the production of residential units through design and compatibility review, use of objective development standards, and regulatory and/or financial incentives.

The City understands the importance of timely and transparent development review processes in facilitating housing development. It also seeks to use its recently approved objective development standards and another regulatory tools to promote the development of housing.

## Objectives:

**1.3a.** Implement a new permit software system to streamline and improve development review processes in permit tracking, electronic submittal, and electronic review of plans.

Timeframe: Implement a new permit software system and have it go live by December 2024.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.3

**1.3b.** Coordinate yearly meetings with the development community (at minimum) to learn about process improvements, housing impediments, and associated policy and code amendments that can be addressed to promote efficiency and predictability in the development review process and implement approaches to improve project feasibility.

Timeframe: Meet annually with the development community to hear their perspectives on process improvements, code changes, housing impediments, and how the City can help address those issues, and take steps to address the issues.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.3

**1.3c.** Adopt code changes that reduce parking requirements, increase shared parking allowances, and increase off-site parking allowances to further facilitate housing, with the ultimate goal to eliminate parking minimums citywide by January 2028.

Timeframe: Review parking standards, conduct community outreach, and adopt parking reduction code amendments, with the goal to eliminate minimum parking requirements citywide by January 2028.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.3, 1.7

**1.3d.** Conduct a fee review to determine if the current fee structure covers applicable City costs for projects of varying sizes and scopes.

Timeframe: Conduct a development fee review by June 2024  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.3



**1.3e.** Adopt code changes that utilize SB 10 allowances to increase residential density in transit rich areas, including evaluation of how deed-restricted affordable housing can be added.

Timeframe: Research SB 10 use in other jurisdictions, conduct community outreach, and present Council with options for SB 10, and adopt code changes by March 2026.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 1.2, 1.3, 1.7, 2.2, 7.3

AFFH: 1, 2; High quality transit corridors and a half-mile radius; Provide for the development of 50 units through SB 10 allowances throughout the planning period.

**1.3f.** Streamline and reduce costs of building plan check for residential projects of four or fewer units if the building plans have previously been submitted and approved by the City in the same Building Code cycle.

Timeframe: Review similar development pre-approval programs in other jurisdictions and implement a pre-approval program for residential projects of four or fewer units by December 2025.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 1.3, 1.5, 2.2. 6.2

**1.3g.** Adopt zoning changes by January 2027 to align development standards and use allowances with the maximum intensity already allowed under state law, following a comprehensive review. Zoning changes will include heights and lot coverages among other development standards. State law requires that properties be allowed to achieve their maximum intensity using either General Plan or Zoning Ordinance standards. The City follows this law currently by waiving standards that preclude maximum densities; however, this creates uncertainty for developers and community members, and code amendments would remedy that uncertainty.

Timeframe: Review development standards by January 2026 and adopt appropriate code changes by January 2027.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 1.3

**1.3h.** Place residential projects (and mixed-use projects with residential components) that conform to all objective standards on the consent agenda for any applicable public hearing, including if they deviate from standards through allowable density bonus waivers or concessions/incentives, so long as no special circumstances exist that necessitate staff and decision-maker discussion of the project.

Timeframe: Immediately following adoption of the Housing Element, place fully-conforming residential and mixed-use with residential projects on the consent agenda for applicable public hearings, except in rare cases where special circumstances exist.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 1.3

**1.3i.** As part of the HCD Annual Progress Report, the City will monitor the progress of pending projects in the entitlement process, and if projects are not sufficiently progressing toward building permits or if the City is not meeting the pro-rated share of the RHNA at all income levels, including ADU production and affordability, as of midway through the Housing Element Cycle, the City will evaluate its sites inventory and capacity to maintain adequate sites throughout the planning period and, if necessary, identify strategies to streamline and/or assist projects through entitlement, adopt amendments to the ADU development regulations, or implement other strategies, such as general plan and zoning changes to allow for greater residential densities.

Timeframe: Annually as part of the HCD Annual Progress Report.

Agency: Planning and Community Development Department and Economic Development and Housing Department

Funding Source: General Fund

Relevant Policies: 1.3

## Policy 1.4

Facilitate alternative housing types that respond to Santa Cruz's diverse population and housing needs, especially those for single-person households, low-income households, students, and special housing needs groups.

Santa Cruz faces the challenge of meeting the housing needs of residents, particularly given the needs of single-person households, low-income households, students, and special housing needs groups. With diminishing vacant land and a diversity of housing needs, alternative housing types will need to be built in a creative manner. New alternative housing types are being constructed within the City and opportunities for such development should be encouraged.

### Objectives:

**1.4a.** Create and/or revise development standards for co-housing, housing cooperatives, live/work and other alternative housing types.

Timeframe: Review best practices, meet with the development community, and conduct community outreach to develop potential amendments to development standards for alternative housing types and present City Council with any recommended amendments by December 2029.

Agency: Planning and Community Development Department

Funding Source: General Fund  
Relevant Policies: 1.4, 1.7, 2.2, 6.2  
AFFH: 1, 2, 4; Citywide, while providing for new allowances in lower resource areas (Beach Flats and Lower Ocean) and high resource areas; at least 1 project per year.

**1.4b.** Meet with the development community to discuss potential barriers to the development of alternative types of housing and use that information to adopt policy or code changes that facilitate the production of alternative housing types.

Timeframe: Meet annually with the development community and subsequently adopt code amendments approximately once every 18 months.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.4, 6.2

**1.4c.** Communicate with HCD and State representatives to encourage the State to recognize non-traditional types of housing units for RHNA purposes.

Timeframe: Initiate conversations with HCD And State representatives by March 2024.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.4, 3.5

## Policy 1.5

### Facilitate the development of Accessory Dwelling Units.

Accessory Dwelling Units (ADUs) can be an important source of affordable housing, provide a source of revenue to fixed-income households, and facilitate multi-generational living. The City has historically had and still maintains ADU standards that are more lenient than what State law mandates, and some recent State law changes have been influenced by standards that Santa Cruz put in place. Due to recent updates in State law and continued interest from the community, the City will continue to update development standards and zoning requirements to further facilitate ADU development.

#### Objectives:

**1.5a.** Maintain an inventory of ADU applications, location, affordability, etc. to ensure adequate ADU development is occurring to meet the 6th cycle RHNA. Annually review ADU development progress as part of the HCD Annual Progress Report and if necessary, adopt amendments to the ADU development regulations within 18 months of the annual review to further facilitate ADU production.

|                    |                                                                                                                                                                                              |
|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Review ADU development progress annually, and if ADU production is less than projected, adopt ADU regulation amendments within 18 months of the annual review.                               |
| Agency:            | Planning and Community Development Department                                                                                                                                                |
| Funding Source:    | General Fund                                                                                                                                                                                 |
| Relevant Policies: | 1.3, 1.4, 1.5, 6.2                                                                                                                                                                           |
| AFFH:              | 1, 2; Citywide, with a focus on high opportunity areas/single family neighborhoods; at least 73 ADUs per year with 292 affordable to lower income households throughout the planning period. |

**1.5b.** Continue to implement the City’s ADU program and communicate with ADU applicants to identify ways to modify the program in a manner that facilitates the production of ADUs, including continuation of the allowance for conversion of non-habitable space in multi-family projects to ADUs to be constructed simultaneously with new development projects. Continue public awareness campaigns regarding the construction of ADUs and available incentives through diverse forms of media and outreach distribution.

|                    |                                                                                                                                                                                                                                                                                                               |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Communicate with ADU development applicants as needed to determine if modifications to the ADU regulations should be considered.                                                                                                                                                                              |
| Agency:            | Planning and Community Development Department                                                                                                                                                                                                                                                                 |
| Funding Source:    | General Fund                                                                                                                                                                                                                                                                                                  |
| Relevant Policies: | 1.3, 1.4, 1.5, 6.2                                                                                                                                                                                                                                                                                            |
| AFFH:              | 1, 2; Citywide, including (for ADUs in multi-family projects) along transit corridors with nearby access to goods and services; Maintain information on the City’s website and communicate opportunities to developers on a project-by-project basis – with the goal of permitting at least 73 ADUs per year. |

**1.5c.** Provide 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 require applicants to submit site-specific information that will require the City’s review and associated fees.

|                    |                                                     |
|--------------------|-----------------------------------------------------|
| Timeframe:         | Institute ADU pre-approval program by January 2024. |
| Agency:            | Planning and Community Development Department       |
| Funding Source:    | General Fund                                        |
| Relevant Policies: | 1.3, 1.5, 2.2. 6.2                                  |
| AFFH:              | 1, 2; Citywide; at least 73 ADUs per year.          |

**1.5d.** Present to Council amendments to the City’s ADU regulations regarding owner occupancy to provide greater flexibility to existing and future ADU developments.

Timeframe: Review best practices, conduct community outreach, and prepare amendment to the ADU owner occupancy regulations for Council to consider by May 2024.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 1.3, 1.5, 2.2. 6.2

AFFH: 1, 2; Citywide, particularly in predominantly single-family neighborhoods, including high-opportunity areas; Provide for the development of 100 ADUs due to greater flexibility and outreach conducted.

**1.5e.** Annually survey ADU owners to receive information on types of rental and affordability levels to help ensure accurate Annual Progress Report accounting.

Timeframe: Survey ADU owners annually prior to the Annual Progress Report submittal deadline.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 1.5, 1.7

AFFH: 1, 2; Citywide; 292 total ADUs affordable to lower income and 234 ADUs affordable to moderate incomes by the end of the planning period.

**1.5f.** Update resources that facilitate legalization of unpermitted ADUs if they meet applicable building standards.

Timeframe: Continue existing legalization program and update online materials for individuals in the legalization process by April 2025 and yearly thereafter.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 1.3, 1.4, 1.5, 2.5, 6.1

AFFH: 1, 2, 3, 4; Citywide; Legalize 20 ADUs per year and engage 40 property owners with unpermitted ADUs per year.

**1.5g.** Continue to waive City permitting fees for low-income ADUs units that are deed-restricted for 55 years.

Timeframe: Continue existing low-income ADU fee waiver program.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 1.3, 1.4, 1.5, 2.2



AFFH: 1, 2; Citywide, with a focus on high opportunity areas and single-family neighborhoods; at least 5 deed-restricted low-income ADUs in the planning period.

## Policy 1.6

Use the City's Planned Development Permit (PD) process to facilitate non-conforming development while also serving public objectives more fully than development permitted solely under conventional zoning.

The Planned Development Permit (PD) is a quasi-judicial technique to foster development plans that serve public objectives more fully than plans permitted solely under conventional zoning. In such cases, the City will consider modifications to: building setbacks, street standards, lot coverage, lot area, parking and loading, landscaping, open space, uses, and maximum height. The PD permit has been used successfully to facilitate a range of housing projects. To be eligible for a PD permit, however, the project must occupy a lot of at least 20,000 square feet in area and be approved by the City Council. The minimum lot size requirement could, in some cases, constrain the production of nontraditional housing on smaller infill lots. While the Planned Development process has largely been superseded by the use of density bonuses, it may provide development potential for smaller projects or other projects where a density bonus is not requested.

### Objectives:

**1.6a.** Utilize the Planned Development Permit process to facilitate housing development by considering modifications to building setbacks, street standards, lot coverage, lot area, parking and loading, landscaping, open space, uses, and maximum height.

Timeframe: Continue Planned Development Permit Program  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.3, 1.6, 2.2

**1.6b.** Amend the Zoning Ordinance to allow PD Permits on infill lots less than the current standard of 20,000 square feet in area.

Timeframe: By December 2026, amend the Zoning Ordinance to allow PD Permits on infill lots less than the current standard of 20,000 square feet in area.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.3, 1.6

## Policy 1.7

Provide meaningful opportunities for public engagement with development proposals for new housing so the public can provide informed feedback on the proposal.

Meaningful and informed public participation helps ensure that proposals for new housing meet community expectations and are consistent with the City's General Plan. Santa Cruz offers many venues for residents to learn about proposed projects and provide meaningful input.

An informed community is key to the success of the Housing Element's goals and policies, as well as for the development of housing that addresses the community's needs. The City will host community workshops to receive feedback from the community and educational meetings to provide details on City processes, development projects, and available resources and services.

### Objectives:

**1.7a.** Maintain and implement the official Public Outreach Policy for Planning Projects adopted by Council in 2018 and revised in 2019.

Timeframe: Continue to use the adopted Public Outreach Policy for Planning Projects for all Planning projects.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.7

**1.7b.** Maintain a website and access to a public information counter to provide accurate and clear information to the public and development community about policies, projects, and the development review process.

Timeframe: Continue regularly update websites and maintain access to a public information counter.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.7

**1.7c.** Provide educational materials such as webpages and brochures that provide information on key planning and housing issues and are updated over time. These include information on changes to planning processes, new legislation becoming effective, and new programs available to customers.

Timeframe: Continue to provide educational materials and update the materials in a timely manner following any changes to planning processes, new legislation, or new programs available.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.7



2. Affordable Housing

Affordable housing allows persons of all economic segments to live in the community, provides housing for the City’s workforce, allows the integration of different family sizes, income levels, and racial/ethnic groups, and furthers larger social goals. The City’s affordable housing policies encourage the production and preservation of affordable housing.

**Policy 2.1**  
Enable mixed-income projects that encourage greater diversity within housing projects.

The City recognizes that mixed-income neighborhoods provide a variety of benefits to the City including a chance for residents to learn from others of different backgrounds and interests. This helps to broaden perspectives and deepen understanding of other people’s values and points of view, leading to more respect and understanding. The primary way the City promotes mixed-income housing development is through its inclusionary ordinance (which currently requires 20% of the base project units at 50% AMI for SRO projects and 80% AMI for all other residential development).

Objectives:

**2.1a.** Maintain and implement the City’s Inclusionary Ordinance. Review the Inclusionary Ordinance to determine if amendments are needed to ensure that the inclusionary requirements provide the maximum number of affordable units or deeper levels of affordability without being a barrier to housing development, while considering implications for how developers will use density bonus and how the City’s Inclusionary Ordinance interfaces with density bonus proposals. Analysis will evaluate affordability levels to incentivize deeper levels of affordable housing, such as extremely low income units, or more moderate income units depending on needs.

Timeframe: Review the Inclusionary Ordinance and present amendment options to City Council by December 2026.

Agency: Planning and Community Development Department, Economic Development and Housing Department

Funding Source: General Fund

Relevant Policies: 2.1, 2.2, 3.1, 3.7, 6.2

AFFH: 1, 2; Citywide; Require every residential project to follow the City’s Inclusionary Ordinance requirement to support achieving the City’s RHNA targets with the goal of providing 250 affordable units during the planning period.

**2.1b.** Develop a program and/or incentives that increase rental and homeownership opportunities for moderate income / workforce housing units.

Timeframe: Review the Inclusionary Ordinance and present workforce housing amendment options to City Council by December 2026.

Agency: Planning and Community Development Department, Economic Development and Housing Department

Funding Source: General Fund  
Relevant Policies: 2.1, 2.2, 3.1, 3.7, 6.2  
AFFH: 1, 2, 3; Citywide, with a focus on transit corridors; 1 project per year utilizing the workforce housing amendments.

## Policy 2.2

Develop creative ways to facilitate more affordable housing development in the City.

The City recognizes that creative approaches are needed to facilitate additional affordable housing development. The City will utilize lobbyists and affordable housing advocates to promote affordable housing development and will seek to provide regulatory and/or financial incentives to facilitate affordable housing production, particularly in the case of affordable units not otherwise able to secure additional State and federal financial assistance.

### Objectives:

**2.2a.** Study ways of providing affordable housing currently included, but not highly utilized, in the City's Inclusionary Ordinance, such as allowing affordable units to be provided off-site or incentivizing land dedication in favor of units provided as part of a development project.

Timeframe: Review the Inclusionary Ordinance and present amendment options to City Council by December 2026.  
Agency: Planning and Community Development Department, Economic Development and Housing Department  
Funding Source: General Fund  
Relevant Policies: 2.1, 2.2, 3.1, 3.7, 6.2

**2.2b.** Update the City's ordinance related to fee waivers for affordable units to provide more clarity and to streamline the approval process.

Timeframe: Update the City's ordinance related to fee waivers for affordable units to provide more clarity and to streamline the approval process by January 2026.  
Agency: Economic Development and Housing Department and Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 2.1, 2.2, 3.1, 6.2

**2.2c.** Explore additional funding mechanisms that can provide one-time, or more importantly, ongoing funding for affordable housing, such as a ballot measure that would fund affordable housing.

Timeframe: Support additional funding for affordable housing, including support for the affordable housing measure currently contemplated for the ballot by November 2024.

Agency: City Council, City Manager's Office, Economic Development and Housing Department

Funding Source: General Fund

Relevant Policies: 1.3, 2.1, 2.2, 3.1, 3.3, 3.4, 3.6, 3.7, 6.2

AFFH: 1, 2; Citywide; Support additional funding for 100 percent affordable housing projects with the goal to fund at least four affordable housing projects in the planning period.

**2.2d.** Direct City lobbyists to concentrate on state and federal legislation that would help fund affordable housing.

Timeframe: Lobby the state and national governments for affordable housing funding yearly prior to legislative sessions and on an ongoing basis.

Agency: City Manager's Office

Funding Source: General Fund

Relevant Policies: 1.3, 2.1, 2.2, 3.1, 3.3, 3.4, 3.6, 3.7, 4.2, 6.2

**2.2e.** Continue to engage with affordable housing advocates during the creation of policy and during the development review process to help achieve successful affordable housing outcomes.

Timeframe: Meet with affordable housing advocates when new housing policy is being developed.

Agency: Planning and Community Development Department, Economic Development and Housing Department

Funding Source: General Fund

Relevant Policies: 2.1, 2.2, 6.2

**2.2f.** Utilize the City's single-room occupancy and Flexible Density Unit regulations to facilitate the development of a variety of housing types, specifically smaller units, that address the needs of low- and extremely low-income households. Facilitate the development of 100 very low-income units through single-room occupancy development.

Timeframe: Maintain and implement the City's single-room occupancy and Flexible Density Unit regulations (small units with no density requirement) and review the regulations as needed.

Agency: Planning and Community Development Department

Funding Source: General Fund  
Relevant Policies: 1.3, 2.1, 2.2, 3.1, 6.2  
AFFH: 1, 2; Citywide, with a focus on transit corridors; 100 very low-income units throughout the planning period.

**2.2g.** Adopt an ordinance that allows 100 percent affordable residential development that conforms to applicable objective standards, not including density bonus waivers and concessions/incentives, to be considered a “by-right” use that only requires ministerial Planning approval and Building Permits to be constructed in residential and mixed-use zones.

Timeframe: Adopt an ordinance that allows 100 percent affordable residential development to be considered a “by-right” use by December 2025.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.3, 2.2, 2.4, 3.1, 3.4, 3.7, 6.2

**2.2h.** Adopt SB 35 application review processes for eligible projects that meet the requirements established in Government Code Section 65913.41.

Timeframe: Adopt SB 35 application review processes which comply with Government Code Section 65913.41 by December 2025.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 2.2

**2.2i.** Create a packet outlining land use and development information that helps to facilitate affordable housing production, particularly low and extremely low income units, on faith-based organization sites, and provide that information, along with staff contact details, to owners and occupants of faith-based sites within the city at least every two years. Assist property owners in the development of housing including assisting with entitlements, outreach and contact with affordable housing developers, supporting funding applications, providing technical assistance, and granting incentives such as waiving fees and reducing development standards.

Timeframe: Create an informational packet and do initial delivery by April 2025 and then update and provide subsequent deliveries every two years thereafter.  
Agency: Planning and Community Development Department, Economic Development and Housing  
Funding Source: General Fund  
Relevant Policies: 1.3, 1.4, 2.2, 2.3, 2.4, 3.1, 6.2, 6.3  
AFFH: 1, 2, 3; Faith-based properties; engage property owners at least every two years with the goal to facilitate at least two affordable housing projects on faith-based properties in the planning period.



## Policy 2.3

Support the Density Bonus as a valuable tool for incentivizing the development of housing and the inclusion of affordable units in housing projects.

The Density Bonus Program continues to be a valuable tool, in tandem with the Affordable Housing Ordinance, to allow developers to build additional housing units which help subsidize the inclusion of affordable units in the project. The Density Bonus Ordinance was updated in 2018 and 2020 to comply with changes in State law; however, additional revisions are needed to fully reflect the state law allowances, except where the City's code further facilitates housing production.

The City's Density Bonus Ordinance currently allows a developer to construct 20 percent more units than allowed under the Zoning Ordinance for projects that dedicate ten percent of units for lower income households, five percent for very low-income households, and/or for qualified senior housing developments with at least 35 units. The Ordinance includes the opportunity for developments of at least five units to utilize up to three incentives.

Government Code Section 65915 authorizes an applicant to receive two incentives or concessions for projects that include at least 17 percent of the total units for lower-income households, at least 10 percent of the total units for very low-income households, or at least 20 percent moderate-income households. It also allows an applicant to receive up to three incentives or concessions for projects that include at least 24 percent of the total units for lower income households, at least 15 percent of the total units for very low-income households, or at least 30 percent for persons or families of moderate-income households. Lastly, Government Code Section 65915 also allows projects proposing up to 50 percent additional density provided those projects produce the additional below market rate (BMR) units in the "base" portion of the project – unless the locality already allows a bonus above 35 percent.

### Objectives:

**2.3a.** Amend the Density Bonus Ordinance to fully reflect State Density Bonus Law allowances, except where the City's code further facilitates housing production.

|                    |                                                     |
|--------------------|-----------------------------------------------------|
| Timeframe:         | Amend the Density Bonus Ordinance by December 2024. |
| Agency:            | Planning and Community Development Department       |
| Funding Source:    | General Fund                                        |
| Relevant Policies: | 1.3, 2.1, 2.3, 6.2                                  |

**2.3b.** Continue implementation of the City and State Density Bonus laws.

|                    |                                                                                                                                              |
|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Maintain and Implement the City Density Bonus Ordinance and the State Density Bonus and adopt amendments to comply with State law as needed. |
| Agency:            | Planning and Community Development Department                                                                                                |
| Funding Source:    | General Fund                                                                                                                                 |
| Relevant Policies: | 1.3, 2.1, 2.3, 6.2                                                                                                                           |

## Policy 2.4

Support Public-Private Partnerships that facilitate the development of affordable housing.

In today's housing market, creative approaches and partnerships are required to finance and build affordable housing. The Housing Authority of the County of Santa Cruz, Mercy Housing California, Mid-Peninsula Housing, South County Housing, Habitat for Humanity, For-the-Future Housing, Community Housing Land Trust, Santa Cruz Community Counseling Center, Inc., and other housing groups and agencies offer expertise in developing and managing affordable housing. In addition, the City has partnered with nonprofit and for-profit developers of affordable housing to build housing. The City has granted regulatory concessions (such as density bonuses), subsidized the replacement of infrastructure, modified development regulations, lowered development and impact fees, and provided direct assistance to such groups. Working with affordable housing developers enables the City to better provide high quality and affordable housing. The City's Economic Development and Housing Department cultivates public-private partnerships to develop affordable housing.

### Objectives:

**2.4a.** Coordinate with: the Housing Authority of the County of Santa Cruz, Mercy Housing California, Mid-Pen Housing, Habitat for Humanity, For-the-Future Housing, Community Housing Land Trust, Santa Cruz Community Counseling Center, Inc., and other housing groups and agencies offering expertise in developing and managing affordable housing. Use the coordination to identify and implement policies or code changes that better facilitate affordable housing and affirmatively further fair housing.

|                    |                                                                                                                                                 |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Coordinate at least annually with affordable housing groups and agencies and implement changes in response to feedback.                         |
| Agency:            | Planning and Community Development Department, Economic Development and Housing Department                                                      |
| Funding Source:    | General Fund                                                                                                                                    |
| Relevant Policies: | 1.7, 2.1, 2.2, 2.4, 3.1, 3.4, 4.2 6.2                                                                                                           |
| AFFH:              | 1, 2, 3, 4; Citywide with a focus on opportunities on candidate housing sites; On average, one 100 percent affordable housing project per year. |

**2.4b.** Partner with nonprofit and for-profit developers of affordable housing to build housing to meet the Regional Housing Needs Allocation targets.

|                    |                                                                                                                                                                                                                   |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Partner with nonprofit and for-profit developers of affordable housing on an ongoing basis, whenever possible, to build housing. At least annually reach out to developers to identify development opportunities. |
| Agency:            | Economic Development and Housing Department                                                                                                                                                                       |
| Funding Source:    | General Fund                                                                                                                                                                                                      |
| Relevant Policies: | 2.1, 2.2, 2.4, 3.1, 3.4, 3.6, 3.7, 6.2                                                                                                                                                                            |
| AFFH:              | 1, 2; Citywide with a focus on candidate housing sites opportunities; On average, one 100 percent affordable housing project per year.                                                                            |

**2.4c.** Acquire properties when possible as part of a public-private partnership to develop affordable housing or convert existing units into deed-restricted affordable units.

Timeframe: Acquire properties for deed-restricted affordable housing on an ongoing basis, when feasible funding and viable development opportunities exist.

Agency: Economic Development and Housing Department

Funding Source: Affordable Housing Trust Fund

Relevant Policies: 2.1, 2.2, 2.4, 3.1, 3.4, 3.7, 6.2

AFFH: 1, 2, 3, 4; Citywide, with a focus in and around downtown and other areas where higher density projects are supported, such as transit corridors; 4 projects throughout the planning period.

## Policy 2.5

Preserve at-risk affordable housing.

The City's Affordable Housing Preservation Ordinance governs noticing procedures for the conversion of at-risk affordable units and allows the City and qualified nonprofit housing organizations an opportunity to negotiate to purchase the project or extend the affordability restrictions. In addition, the City plays an active role in financially assisting at-risk projects in return for extended affordability controls on the projects. The City tracks the expiration of affordability agreements and contacting owners of projects with future expirations to explore partnerships that would allow for the extension of the affordability terms. The City typically aims to convert those units to be affordable in perpetuity.

### Objectives:

**2.5a.** Preserve 372 at-risk units by working with interested agencies and community organizations to monitor their status, provide technical and/or financial assistance in return for extended affordability controls, and review tenant notification prior to project conversion. The City will continue to comply with all noticing requirements. Prior to the expiration of affordability covenants, the City will proactively outreach to tenants and owners to provide education and assistance as appropriate.

Timeframe: Coordinate often (at least annually) with affordable housing groups and agencies to preserve 372 at-risk units.

Agency: Planning and Community Development Department, Economic Development and Housing Department

Funding Source: General Fund

Relevant Policies: 1.7, 2.5, 3.1, 6.1, 6.2, 6.4

AFFH: 3, 4; At-risk units; preserve 372 at-risk units throughout the planning period.



**Policy 2.6**  
Provide water and sewer service priority to lower-income households.

Per Chapter 727, Statutes of 2004 (SB 1087), upon completion of an amended or adopted housing element, jurisdictions are responsible to immediately distribute a copy of the Housing Element to area water and sewer providers. This legislation allows for coordination between the City and service providers when considering approval of new residential projects. Additionally, water and sewer providers must grant priority for service allocations to proposed developments that include housing units affordable to lower-income households.

**Objectives:**

**2.6a.** Include projected water use for all housing defined in the Housing Element in regularly-scheduled updates to the City’s Urban Water Management Plan. Establish a policy and implementing procedures to grant priority for service to proposed developments that include units affordable to lower-income households, should its long-term water supply, treatment process, or distribution system capacity issues limit the City’s ability to meet all planned future water service needs. Establish a policy and implementing procedures to grant priority sewer service to developments with units affordable to lower-income households, should long-term wastewater treatment or collection system capacity issues limit the City’s ability to meet all planned future wastewater service needs.

|                    |                                                                                                                                                                                                                                                                                                                     |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Update the City’s Urban Water Management Plan every five years, as required by state law and regulations, with the next update due in 2026. Establish a policy and implementing procedures to grant priority water and sewer service to developments with units affordable to lower-income households by June 2026. |
| Agency:            | Planning and Community Development Department, Water Department, Public Works Department                                                                                                                                                                                                                            |
| Funding Source:    | General Fund                                                                                                                                                                                                                                                                                                        |
| Relevant Policies: | 1.3, 2.6, 6.2, 7.1                                                                                                                                                                                                                                                                                                  |

**3. Special Needs and Homelessness**

Santa Cruz is home to people with special housing needs that result from income level, family characteristics, disability, or other issues. These groups include, but are not limited to: seniors, families with children, people with disabilities, single-parent families, college students, farm workers, and people who are experiencing homelessness. Santa Cruz is committed to furthering a socially and economically integrated community and therefore is committed to providing a continuum of housing and supportive services to help address the diverse needs of residents.

## Policy 3.1

Create housing for low-income families with children and persons with disabilities.

The Santa Cruz population of families with children has been shrinking in recent years and the housing need for this type of household can generally be met through the current development market. However, Santa Cruz recognizes the importance of a living environment conducive to low-income families with children and is committed to the development of affordable and accessible family housing in the City, including projects that contain childcare facilities. In past years, the City has entered into development agreements for the Pacific Station South (59 VLI and 10 LI units), Pacific Station North (27 ELI and 28 LI), and the library mixed-use project, which includes 124 units of housing affordable to low- and very low-income households and includes a childcare facility. Additionally, the City provided financial assistance to the Water Street Apartments, a 41-unit, 100 percent affordable project with 8 units reserved for disabled persons with a preference for individuals who would benefit from developmental disability support services. The City will continue working with affordable housing developers and nonprofit organizations to provide for the needs of low-income families.

### Objectives:

**3.1a.** Include childcare opportunities in conjunction with affordable housing development when possible. Assist in the development of at least 100 affordable units with access to childcare facilities throughout the planning period.

|                    |                                                                                                                         |
|--------------------|-------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Include childcare opportunities in conjunction with affordable housing development, when possible, on an ongoing basis. |
| Agency:            | Planning and Community Development Department, Economic Development and Housing Department                              |
| Funding Source:    | General Fund                                                                                                            |
| Relevant Policies: | 3.1, 3.2                                                                                                                |

**3.1b.** Work with other agencies, community groups, and non-profits to develop housing for persons with disabilities and to publicize housing accessible to persons with disabilities. Assist in the development of at least 50 units for persons with disabilities throughout the planning period.

|                    |                                                                                                                                                                        |
|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Work with housing partners on an ongoing basis to publicize and assist with housing accessible to persons with disabilities for at least 50 persons.                   |
| Agency:            | Planning and Community Development Department, Economic Development and Housing Department                                                                             |
| Funding Source:    | General Fund                                                                                                                                                           |
| Relevant Policies: | 1.7, 3.1, 3.4                                                                                                                                                          |
| AFFH:              | 1, 3; Citywide, with a focus on areas with higher percentages of disabilities (see Figure D-9); 50 units for persons with disabilities throughout the planning period. |

**3.1c.** Update Zoning Ordinance reasonable accommodation codes, establish reasonable accommodations procedures, and make information on resources readily available on the City’s website. The Fair Housing Act requires jurisdictions to provide reasonable accommodations with regard to rules, policies, practices, and procedures where such accommodations may be necessary to make housing accessible for persons with disabilities. Reasonable accommodations provide a basis for residents with disabilities to request flexibility in the application of land use and zoning regulations or, in some instances, even a waived of certain regulations or requirements to ensure equal access to housing opportunities.

Timeframe: Adopt reasonable accommodations procedures by January 2025 and make information on the process and resources available for persons with disabilities within 6 months of adoption of the procedures.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 3.1

**3.1d.** Update Zoning Ordinance requirements related to community care licensing facilities of seven or more people to allow these uses in all residential zones, if necessary, and modify the permitting process to permit the uses with objectivity to facilitate approval certainty similar to other uses of the same type in the same zone.

Timeframe: Adopt community care licensing updates by January 2025.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 2.2, 3.1

## Policy 3.2

Provide high quality care alternatives such as childcare centers and family daycare for children and youth that are available, affordable, and accessible to those persons who live or work in the City.

Santa Cruz recognizes that our children represent the future. In today’s market, the high cost of rental and ownership housing typically requires that all adult family members work. The availability of affordable care for children and youth is necessary to provide an environment conducive to healthy and safe development and to enable families to continue to live in Santa Cruz. The City is committed to making high quality care alternatives for children and youth available, affordable, and accessible to those persons who live or work in the City, including childcare centers and family daycare homes. The City recently implemented a childcare impact fee on development project to help fund childcare opportunities throughout the City. The City is also committed to planning affirmatively for childcare through land use, zoning, and permitting procedures. Recent Zoning Ordinance updates brought the Zoning Ordinance into compliance with State law by including family daycare homes as an allowed use in any district that allows residential uses.



## Objectives:

**3.2a.** Continue to assist nonprofit and for-profit organizations that provide services to children, youth, and families with children.

Timeframe: Assist nonprofit and for-profit organizations that provide services to children, youth, and families with children on an ongoing basis.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 3.2, 5.4

**3.2b.** Support childcare centers and facilities in new residential developments and employment centers, and use the funding collected through the City's Childcare Impact Fee to facilitate provision of new, expanded, or improved childcare facilities in the City.

Timeframe: Use the funding collected through the City's Childcare Impact Fee to facilitate provision of childcare facilities in the City.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 2.1, 3.1, 3.2

## **Policy 3.3**

Implement the City's Homelessness Response Action Plan and maintain the relationship with the Continuum of Care to support housing solutions for the homeless as well as a wide variety of supportive services.

Santa Cruz has the County's largest number of persons experiencing homeless. More homeless services are provided in the City than anywhere else in the County. The City received State Homelessness Response funding in 2021 and approved a three-year Homelessness Response Action Plan in March 2022 to prioritize and coordinate comprehensive actions that respond to homelessness. As a member of the Continuum of Care (CoC, called the Housing for Health Partnership), the City also coordinates with governmental, non-profit, and private sector partners to distribute local, state, and federal funding to assist people experiencing homelessness. The City plays an instrumental role in the CoC by supporting the continued operation of homeless services, funding the majority of the Continuum's operations, and applying for grants on behalf of nonprofits.

In addition to offering shelter and services to the homeless, the City is committed to preventing homelessness by assisting at-risk populations, such as those with extremely low incomes, through emergency assistance and the development of stable, affordable housing. Santa Cruz also has a significant number of transitional and permanent supportive housing units for people with disabilities, psychiatric illness, HIV/AIDS, and substance problems; more transitional and supportive units are currently in the pipeline. The City also contracts with nonprofit organizations providing employment training, childcare, rental assistance, and other supportive services.

## Objectives:

**3.3a.** Actively seek funding to implement the three-year Homelessness Response Action Plan approved in 2022 and update the plan periodically to respond to changing needs.

Timeframe: Annually apply for grants or pursue legislative funding opportunities to implement the three-year Homelessness Response Action Plan by December 2025 and update the plan on an ongoing basis to respond to changing needs.

Agency: City Manager's Office

Funding Source: General Fund

Relevant Policies: 1.3, 1.4, 2.1, 2.2, 2.4, 3.1, 3.2, 3.3, 3.4, 3.6, 4.2, 6.2, 6.3

AFFH: 1, 3; Citywide, specifically to existing organizations and areas of focus identified in the Homelessness Response Action Plan; When the City receives funding for such purposes, operate, or provide funding for the operation of, at least one shelter facility that serves at least 25 people at a time.

**3.3b.** Meet monthly with the County homelessness response representatives, Continuum of Care, and/or homeless service providers. Use the Homelessness Response Action Plan update to guide and increase homelessness response capacity through integrating citywide services, creating and maintaining a full-time team dedicated to homelessness response, and coordinating with external partners to work collectively on homelessness response solutions for the City, and coordinate with the County and Continuum of Care on updates to their respective homelessness response planning documents.

Timeframe: Meet monthly with the County homelessness response representatives, Continuum of Care, and/or homeless service providers in relation to implementing respective homelessness response action plans.

Agency: City Manager's Office

Funding Source: General Fund

Relevant Policies: 2.4, 3.1, 3.3, 3.4, 3.6, 6.2

AFFH: 3; Citywide, with a service focus on areas with concentrations of homeless or those at risk of homelessness, such as Coral Street, open spaces, and downtown; Meet monthly with key homeless service providers with the goal of partnering to facilitate the continuation, expansion, or establishment of at least two service programs or development projects per year that serve homeless.

### **3.3.c. Collect and share public data, systems, and metrics with the County and community-based organizations.**

|                    |                                                                                                                                                                                                                                                                                                                     |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Regularly coordinate with the County and community-based organization to help ensure the most relevant public data, systems, and metrics are being used in policy decisions.                                                                                                                                        |
| Agency:            | Planning and Community Development Department, City Manager's Office                                                                                                                                                                                                                                                |
| Funding Source:    | General Fund                                                                                                                                                                                                                                                                                                        |
| Relevant Policies: | 3.3, 3.6                                                                                                                                                                                                                                                                                                            |
| AFFH:              | 1, 3; Citywide, with services and data collection focused in areas with higher concentrations of homeless, such as downtown, Coral Street, and open spaces; Utilize shared databases, such as the Homeless Management Information System, for case management, and collect and share public data at least annually. |

### **3.3d. Develop annual targeted state and federal legislative asks related to homelessness response efforts and be a leader in the effort to build a statewide coalition of municipalities advocating for legislative changes and funding to support reducing homelessness.**

|                    |                                                                                                                                                                                                                                                                                                     |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Annually develop targeted state and federal legislative asks related to homelessness response efforts and continue ongoing efforts to build a statewide advocacy coalition to support reducing homelessness.                                                                                        |
| Agency:            | City Manager's Office                                                                                                                                                                                                                                                                               |
| Funding Source:    | General Fund                                                                                                                                                                                                                                                                                        |
| Relevant Policies: | 3.3, 3.4, 3.6, 4.2, 6.2                                                                                                                                                                                                                                                                             |
| AFFH:              | 1, 3; Citywide, with a focus in areas with higher concentrations of homeless, such as downtown, Coral Street, and open spaces; Fund at least two service program or development projects that support the City's homelessness response efforts through targeted state and federal legislative asks. |

### **3.3e. Develop new supportive housing and homelessness services at the Coral Street campus, such as a navigation center, and by seeking partnerships and funding to effectuate the Council-adopted vision for the area.**

|                    |                                                                                                                                                                                                       |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Apply for at least one grant in the next two years and actively seek partnerships and funding to provide new supportive housing and homelessness services within the Coral Street Vision Report area. |
| Agency:            | Planning and Community Development Department, Economic Development and Housing Department                                                                                                            |
| Funding Source:    | General Fund                                                                                                                                                                                          |
| Relevant Policies: | 2.1, 2.2, 2.4, 3.1, 3.3, 3.4, 3.6, 4.2, 6.2                                                                                                                                                           |

AFFH: 1, 3; Coral Street Vision Report area; Facilitate at least one new supportive housing and/or homelessness services project within the Coral Street Vision area by December 2026.

**3.3f.** Amend the Zoning Ordinance to comply with the requirements of AB 139 and AB 2339. Code amendments will revise parking requirements and the definition of emergency shelters to include other interim interventions; amend a zone to permit emergency shelters without discretionary action in a zone(s) that allows residential uses; ensure sufficient capacity to accommodate the need for emergency shelters, including proximity to transportation and services; and modify development standards if appropriate to comply with statutory requirements.

Timeframe: Amend the Zoning Ordinance to comply with AB 139 and AB 2339 within one year of adoption. The City will review emergency shelter requirements every three years, beginning in 2026, and if appropriate, will adopt relevant amendments in response to changes in State law within one year of review.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 3.3, 3.4

AFFH: 1, 2, 3; Citywide with a focus on AB 2339 eligible sites and zones that permit emergency shelters; Review State Law every year for Zoning Ordinance updates and adopt amendments within one year of review.

**3.3g.** Continue to fund and partner with the County's Continuum of Care to provide shelter services, and continue to encourage other jurisdictions' similar funding, participation, and partnership with the County's Continuum of Care and shelter service provision.

Timeframe: Provide funding to and partner with the County's Continuum of Care to provide shelter services and continue to encourage involvement from other jurisdictions.

Agency: City Manager's Office

Funding Source: General Fund

Relevant Policies: 3.3, 3.4, 3.6

AFFH: 1, 2, 3; Citywide; Provide funding and partner with the County's Continuum of Care to encourage involvement from other jurisdictions, with the goals of the City contributing at least \$215,000 annually to help support a share of at least 7,000 overnight stays across the county during each year (~19 beds per night, if each of those beds were available for 365 days per year), recognizing that the City is only fully in control of its own contribution and that the Continuum of Care oversees establishment of these particular shelter beds.

## **3.3h. Work with partner agencies and advocate for expanded homelessness response services within the County and outside the City's jurisdiction.**

|                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Advocate for expanded homelessness responses services within the County and outside the City's jurisdiction.                                                                                                                                                                                                                                                                                                                                                             |
| Agency:            | City Manager's Office                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Funding Source:    | General Fund                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Relevant Policies: | 3.3, 3.4, 3.6                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| AFFH:              | 1, 2, 3; Citywide; Meet with the County and service providers at least monthly to coordinate on the expansion of homelessness response efforts across Santa Cruz County, including within the City of Santa Cruz per the City's Homelessness Response Plan. Partner on at least one homelessness response funding request per year with the goal of expanding funding for at least two service programs and at least one development project during the planning period. |

## **3.3i. Provide resources to help connect the homeless population with supportive services, and actively promote said resources through City Outreach staff who interact with people experiencing homelessness.**

|                    |                                                                                                                                                                                                                                 |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Utilize the City's Homelessness Response and City Outreach staff to help provide resources to the people experiencing homelessness.                                                                                             |
| Agency:            | City Manager's Office                                                                                                                                                                                                           |
| Funding Source:    | General Fund                                                                                                                                                                                                                    |
| Relevant Policies: | 3.3, 3.6                                                                                                                                                                                                                        |
| AFFH:              | 1, 3; Citywide, with a focus on areas of concentrated homelessness such as the downtown region, parks, open spaces, and along Highways 1 and 9; Engage an average of at least 20 people experiencing homelessness per work day. |

## **3.3j. Minimize environmental degradation caused by unsanctioned camps.**

|                    |                                                                                                                                                                                                                                                                           |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Initiate environmental mitigation efforts within the three-year Homelessness Response Action Plan timeframe to help reverse degradation caused by unsanctioned camps and partner with community groups to help restore sensitive habitats affected by unsanctioned camps. |
| Agency:            | City Manager's Office                                                                                                                                                                                                                                                     |
| Funding Source:    | General Fund                                                                                                                                                                                                                                                              |
| Relevant Policies: | 3.3                                                                                                                                                                                                                                                                       |

### 3.3k. Apply for grant funding to create a waste disposal program for recreational vehicle owners.

Timeframe: Apply for waste disposal grant funding by June 2025.  
Agency: City Manager's Office  
Funding Source: General Fund  
Relevant Policies: 3.3, 4.2

### 3.3l. Amend the Zoning Ordinance to establish a ministerial approval process and regulations which approve low-barrier navigation centers by-right that meet State requirements.

Timeframe: Amend the Zoning Ordinance to establish a ministerial approval process and regulations which approve low-barrier navigation centers that meet State requirements by-right by June 2025.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 3.3

## Policy 3.4

Facilitate permanent supportive housing units, transitional housing options, and extremely low income units for residents through funding and partnerships.

Santa Cruz has a large population requiring supportive living services to preserve and maintain equal housing opportunities and choice. This includes people with disabilities, formerly homeless people, persons recovering from substance abuse, persons living with chronic disabling conditions such as HIV/AIDS, and other special needs groups. "Supportive Living Housing Services" is a broad term that encompasses a range of community services and types of assistance. The concept goes beyond the traditional single-service delivery "supportive services" and seeks to enable individual special needs recipients to achieve a significantly greater quality of life and independence and to adapt as individual needs change over time. The City recognizes that permanent supportive housing can broadly service a variety of special needs groups. Whatever the level of service or setting required, the City remains committed to continue providing permanent supportive housing options for residents as funds are available.

### Objectives:

**3.4a.** Continue supporting organizations in maintaining permanent supportive housing and providing assistance to special needs groups. Assist a minimum of 150 special needs households including but not limited to persons experiencing homelessness in finding housing and supportive services throughout the planning period.

Timeframe: Continue support for maintaining permanent supportive housing and providing assistance to special needs groups.  
Agency: Economic Development and Housing Department  
Funding Source: Affordable Housing Trust Fund, State and Federal grants and loans  
Relevant Policies: 3.1, 3.4, 3.6, 4.2, 5.4

**3.4b.** Amend the Zoning Ordinance to reflect State law requirements for transitional and supportive housing, and permit transitional and supportive housing in all zones allowing residential uses, as residential uses, similar to other residential uses of the same types in the same zone.

Timeframe: Amending the Zoning Ordinance to reflect State law by December 2026.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.2, 3.1, 3.4, 6.2, 7.3

**3.4c.** Continue to facilitate 100 percent affordable supportive housing projects that comply with Government Code Section 65651 (AB 2162) and permit this use without discretionary review, and on a project-by-project basis, go beyond state law and establish qualifying projects above 50 units as by-right development.

Timeframe: Support the use of AB 2162 incentives for qualifying projects on an ongoing basis and ask for Council direction to go beyond State law on a project by project basis.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.3, 2.1, 2.2, 3.1, 3.4, 6.2

## Policy 3.5

Facilitate new student housing as well as housing for university faculty and staff.

Over the next 20 years, the University has committed to constructing additional housing pursuant to its Long-Range Development Plan (2021 LRDP) to provide housing for 100 percent of projected student growth of approximately 8,500 students for a total of 28,000 students by 2040. In addition, UCSB has committed to provide new housing for approximately 25 percent of new faculty and staff, approximately 558 additional new housing units.

The City supports UCSB's goal to provide housing opportunities commensurate with goals set forth in the LRDP. The City Council and Chancellor and City and University staff meet to collaborate on facilitating new student, faculty, and staff housing. Housing currently in process includes a new housing project, Student Housing West, with space for approximately 2,900 undergraduate and graduate students as well as 140 units for student families. An addition to Kresge College will also add 400 new student beds. These housing units are included in the prior LRDP (2005-2020) and are not included in the totals planned in the 2021 LRDP.



## Objectives:

**3.5a.** Collaborate with UCSC on ways to increase the supply of student, faculty and staff housing on the University campus. Facilitate the development of 305 on-campus units, as detailed in Appendix G, throughout the planning period.

Timeframe: Collaborate with UCSC on ways to increase the supply of student, faculty and staff housing on the University campus and facilitate the development of 305 on-campus units  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.2, 1.4, 2.4, 3.5, 7.3

**3.5b.** Support state legislation that would advance the housing goals of the community such as facilitating construction of new student housing and increasing funding for housing on the UCSC campus.

Timeframe: Support State legislation that would facilitate on-campus housing at UCSC on an ongoing basis.  
Agency: City Manager's Office  
Funding Source: General Fund  
Relevant Policies: 1.4, 3.5, 3.7

## **Policy 3.6**

Provide community programming funding to support the special needs and homeless populations in finding housing and supportive services.

In recent years, the City has provided approximately \$1 million each year to a variety of nonprofit human service and housing development organizations supporting numerous programs that assist homeless persons, very low- and low-income households, families with children, women, and others in finding housing and supportive services.

## Objectives:

**3.6a.** Support City-led efforts or non-profit human service and housing development organizations to assist the homeless, very low- and low-income households, families with children, single-parent households, persons with disabilities, and others in finding housing and supportive services, including through directing funding such as HOME Investment Partnership (HOME) funds and Community Development Block Grant (CDBG) to those causes. Assist a minimum of 150 special needs households, including but not limited to persons experiencing homelessness, in finding housing and supportive services throughout the planning period.

Timeframe: Assist a minimum of 150 special needs households throughout the planning period.  
Agency: Economic Development and Housing Department, Planning and Community Development Department

Funding Source: Affordable Housing Trust Fund, State and Federal grants and loans, General Fund  
Relevant Policies: 2.4, 3.1 3.3, 3.4, 3.6, 4.2, 5.4, 6.1, 6.2,

## Policy 3.7

Support agriculture and employee housing where applicable.

The California Health and Safety Code Section 17021.5 and 17021.6 requires agricultural employee housing to be permitted by-right, without a Conditional Use Permit or other discretionary permit, in single-family residential zoning districts for six or fewer persons and in agricultural zones with no more than 12 units or 36 beds.

Recent legislation has also created new avenues for school districts to create housing for their employees and the City of Santa Cruz supports those efforts.

### Objectives:

**3.7a.** Amend the Zoning Ordinance to reflect California Health and Safety Code Sections 17021.5 and 17021.6 that require agricultural employee housing to be permitted by-right, without a Conditional Use Permit or other discretionary permit, in single-family residential zoning districts for six or fewer persons and in agricultural zones with no more than 12 units or 36 beds.

Timeframe: Amend the Zoning Ordinance to reflect Government Code Sections 17021.5 and 17021.6 by December 2026.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.3, 3.7

**3.7b.** Support and facilitate the efforts of the Santa Cruz City School District to provide workforce housing for its employees and update local codes to match or exceed allowances found in state law. Authorize development of 50 workforce housing units throughout the planning period.

Timeframe: Provide ongoing support for the Santa Cruz City School District to provide workforce housing and facilitate those efforts through updates to local codes as needed.  
Agency: Planning and Community Development Department, Economic Development and Housing Department  
Funding Source: General Fund  
Relevant Policies: 1.3, 3.7  
AFFH: 1, 2, 4; Citywide, with specific engagement towards opportunities on school-owned sites; 50 workforce housing units throughout the planning period.

**3.7c.** Communicate annually with employers who provide seasonal housing, such as University of California Santa Cruz, to encourage them to connect with those in need of short-term housing, such as farmworkers.

Timeframe: Annually communicate with employers who provide short term housing, encouraging them to offer their housing during the off-season to others who have seasonal housing needs, such as farmworkers.

Agency: Planning and Community Development Department, Economic Development and Housing Department

Funding Source: General Fund

Relevant Policies: 1.4, 3.4, 3.5, 3.7

AFFH: 1, 4; Citywide, with specific engagement towards employers who provide seasonal housing; 50 workforce housing units throughout the planning period.

## 4. Housing Assistance

Rapid increases in rents in recent years have placed a disproportionate burden on and, in some cases, have displaced lower income residents. Due to rising housing prices, moderate income households (e.g., health care workers, public safety workers, teachers, and others) may leave Santa Cruz to seek affordable housing in neighboring cities. Providing housing assistance, where feasible, helps maintain an economically and socially balanced community.

### Policy 4.1

Support the provision of rental assistance in the event of a household having insufficient funds for a security deposit or rent payment.

In recent years, rising rental costs mean that some households may have insufficient income for a security deposit and cannot secure an apartment. The City contracts with the County Housing Authority to assist low-to-moderate income households with the security deposit and last month's rent. The security deposit is provided in the form of a grant to the tenant. With agreement of the landlord, the Housing Authority guarantees the last month's rent as a Letter of Credit and the tenant pays 1/12 the amount each month over one year. The Housing Authority pays the shortfall if the tenant defaults. The City also funds, through Community Action Board of Santa Cruz County, Inc., an emergency rental assistance program to prevent the eviction of tenants or homeowners for a short transition period to allow tenants to stabilize their finances.

### Objectives:

**4.1a.** Continue to contract with the Housing Authority of the County of Santa Cruz or other partners to provide culturally responsive outreach and assist low- to moderate-income households with the security deposit and last month's rent and continue to fund a third-party, emergency rental assistance program to prevent eviction for a short transition period. Assist a minimum of 100 low- and moderate-income households throughout the planning period. Communicate with the Housing Authority, third-party rental assistance administrators, and other community partners

to determine potential barriers to accessing this assistance and determine options and implement improvements to the process.

|                    |                                                                                                                                                                                                                                                                                                                                                     |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Continue to contract with the Housing Authority of the County of Santa Cruz or other partners on an ongoing basis to assist at least 100 low-to-moderate income households in the Housing Element cycle. Meet with community partners by January 2025 to determine options for improvements and establish a schedule for implementing improvements. |
| Agency:            | Economic Development and Housing Department, City Manager's Office, Housing Authority of the County of Santa Cruz                                                                                                                                                                                                                                   |
| Funding Source:    | Affordable Housing Trust Fund, State and Federal grants and loans                                                                                                                                                                                                                                                                                   |
| Relevant Policies: | 2.5, 5.4, 6.1                                                                                                                                                                                                                                                                                                                                       |
| AFFH:              | 3, 4; Citywide, with focused engagement towards neighborhoods with more concentrated low- and moderate-income households (Beach Flats and Lower Ocean); Assist at least 100 low- and moderate-income households throughout the planning period.                                                                                                     |

## Policy 4.2

Investigate and apply for various state, federal, and private sources to provide financing for the construction of new housing and the provision of supportive services.

Various State, federal, and private sources provide financing for the construction of new housing and provision of supportive services. CalHome Grants and other State and federal sources fund affordable ownership and rental housing, neighborhood revitalization efforts, special needs housing and supportive services, downtown revitalization, and a variety of other programs that address housing needs of communities across the state. Many of these programs benefit Santa Cruz residents and nonprofit organizations.

### Objectives:

**4.2a.** Apply for CalHome grants and other state and federal sources each time the City deems the application is competitive and the funding can be adequately leveraged in an effort to expand homeownership opportunities to low- and moderate-income buyers through homebuyer assistance.

|                    |                                                                                                                                                                                                                  |
|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Apply for CalHome grants and other State and Federal funding sources each time the City deems the application is competitive and the funding can be adequately leveraged for homebuyer assistance.               |
| Agency:            | Economic Development and Housing Department                                                                                                                                                                      |
| Funding Source:    | General Fund                                                                                                                                                                                                     |
| Relevant Policies: | 4.2, 6.1, 6.4                                                                                                                                                                                                    |
| AFFH:              | 1, 4; Citywide, with attention to areas of high opportunity; Apply for grant funding when feasible, with the goal to apply for at least two grants to fund at least two projects throughout the planning period. |



**4.2b.** Support the continuation of the Affordable Housing Trust Fund to promote the development and preservation of affordable housing, particularly extremely low income units, and to utilize as leverage for other sources of funding.

|                    |                                                                                                                                                                                                            |
|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | On an annual basis, allocate Permanent Local Housing Allocation (PLHA) funding to continue to support the Affordable Housing Trust Fund to promote the development and preservation of affordable housing. |
| Agency:            | Economic Development and Housing Department                                                                                                                                                                |
| Funding Source:    | Affordable Housing Trust Fund, State and Federal grants and loans, General Fund                                                                                                                            |
| Relevant Policies: | 2.4, 3.1, 3.4, 6.1, 6.2                                                                                                                                                                                    |
| AFFH:              | 1, 2, 3, 4; Citywide, with particular focus on areas of high opportunity and transit corridors; Promote the development of 100 extremely low-income units and preservation of 372 at-risk units.           |

**5. Neighborhood Vitality**

Quality of life is shaped, in part, by neighborhood conditions in Santa Cruz. As an older, established community, Santa Cruz requires a concerted effort to encourage the maintenance, rehabilitation, and improvement of housing and to promote sustainable, livable neighborhoods. In neighborhoods, a continued focus is needed on upgrading infrastructure, improving community facilities, and providing public services. City community development policies seek to balance the need for accommodating new housing, respecting neighborhood character, enhancing infrastructure and public services, and promoting vital residential neighborhoods all the while protecting existing households from displacement.

**Policy 5.1**  
Provide Code Enforcement services to ensure that the character and quality of neighborhoods and housing is maintained.

Code enforcement is important to ensuring that the character and quality of neighborhoods and housing is maintained. The City’s Code Compliance Division inspects properties for compliance with State and local regulations governing building and property maintenance. If deficiencies are found, the property owner has a specified period of time to voluntarily correct the problem. Should corrections not occur, the City can issue citations or initiate legal action. In situations where violations threaten the safety of tenants, property owners must provide up to four months of relocation assistance. However, the City seeks voluntary compliance through educating property owners and may refer property owners to programs for available financial and technical assistance.

## Objectives:

**5.1a.** Continue to implement the City's code enforcement program as a key method of maintaining the quality of neighborhoods and housing.

Timeframe: Continue to implement the City's code enforcement program  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 5.1, 5.2, 5.4  
AFFH: 3; Citywide, with particular attention to the City's lower income areas (Beach Flats and Lower Ocean); Identify and assist 80 units in need of rehabilitation.

**5.1b.** Continue to proactively offer special code compliance assistance like free community clean-up and refuse disposal days in lower income areas such as Beach Flats and Lower Ocean and work with community groups in those areas to increase awareness of neighbors in those areas.

Timeframe: Provide refuse disposal days in lower income areas at least once a year.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 5.1, 5.2, 5.4  
AFFH: 3; Beach Flats and Lower Ocean neighborhoods; Provide at least one neighborhood clean-up and refuse disposal day per year in the Beach Flats and in Lower Ocean, and aim to assist at least 20 households per event per year.

## **Policy 5.2**

Provide a rental housing inspection program that improves the quality of housing, neighborhood conditions, and health of residents.

Given the age of housing in Santa Cruz, some older homes may experience deferred maintenance or have substandard electrical, plumbing, or other systems. Many of these conditions may not be evident to residents or property owners. In order to improve the quality of housing, neighborhood conditions, and health of residents, the City benefits from a rental housing inspection program. The Rental Inspection Program requires rental properties to undergo periodic inspections to ensure the prevention and correction of basic housing code violations.

## Objectives:

**5.2a.** Continue to administer the City's rental inspection program to ensure maintenance of a healthy and safe rental housing stock throughout the City. Assist a minimum of 100 units in need of rehabilitation.

Timeframe: Continue to administer the City's rental inspection program.  
Agency: Planning and Community Development Department  
Funding Source: General Fund

Relevant Policies: 5.1, 5.2, 5.4  
 AFFH: 3, 4; Citywide, with particular attention to ensuring that residents in lower income areas (Beach Flats and Lower Ocean) have safe and healthy homes; Assist 100 units in need of rehabilitation.

**5.2b.** Develop an expanded outreach program on the City’s rental inspection program and other Code Enforcement initiatives by working with other City departments, community groups, or non-profit organizations to reach people in need of help who are unaware of the program or its benefits.

Timeframe: Expand the City’s rental inspection program outreach by March 2025.  
 Agency: Planning and Community Development Department  
 Funding Source: General Fund  
 Relevant Policies: 1.7, 5.1, 5.2,  
 AFFH: 3, 4; Citywide with particular focus on harder-to-reach communities (e.g., Spanish-speaking), lower income areas (e.g., Beach Flats and Lower Ocean), and properties identified as needing some rehabilitation; Assist 100 households as a result of the outreach efforts, e.g., through units being added to the Rental Inspection Service.

## Policy 5.3

Provide housing rehabilitation assistance to low-income households when feasible.

The City of Santa Cruz recently partnered with the City of Watsonville and received a shared grant for rehabilitation and electric conversion work on 25 low-income homes in each city. The Unified Housing Rehabilitation Program (UHRP) also provides Federally funded loans to low-income homeowners or rental property owners with low-income tenants to upgrade housing or eliminate substandard or unsafe housing conditions. Eligible work includes repairs to electrical and plumbing systems, seismic upgrades to foundations, painting, replacement of roofing, energy conservation devices, and modifications to improve accessibility for people with disabilities. Depending on the funding sources, the loan terms require the unit to remain affordable to low-income households for up to 15 years after rehabilitation.

### Objectives:

**5.3a.** Assist a minimum of 100 units during the planning period through local, state, and federal partnerships to fund or extend loans to low-income homeowners or rental property owners with low-income tenants to upgrade housing or eliminate substandard or unsafe housing conditions.

Timeframe: Assist a minimum of 100 units during the planning period through local, state, and federal partnerships to fund or extend loans housing upgrades.  
 Agency: Planning and Community Development Department, Economic Development and Housing Department  
 Funding Source: Affordable Housing Trust Fund, State and Federal grants and loans



Relevant Policies: 4.2, 5.3  
 AFFH: 3, 4; Citywide, with a focus on areas of greater occurrence of lower incomes (particularly downtown, Beach Flats, and Lower Ocean); Assist a minimum of 100 low-income households during the planning period.

**5.3b.** Seek out housing rehabilitation program funding that would particularly increase energy efficiency within a project or assist low-income seniors to age in place.

Timeframe: Follow the Climate Action Plan 2030 Decarbonization Roadmap that seeks to provide funding for low-income and senior housing assistance for energy efficiency and building electrification.  
 Agency: Planning and Community Development Department, Economic Development and Housing Department, City Manager’s Office  
 Funding Source: Affordable Housing Trust Fund, State and Federal grants and loans, General Fund  
 Relevant Policies: 4.2, 5.3  
 AFFH: 3, 4; Citywide, with a focus on areas of greater occurrence of lower incomes (particularly downtown, Beach Flats, and Lower Ocean); Apply for at least one applicable grant during the planning period, and aim to assist 50 households throughout the planning period.

## Policy 5.4

Provide additional support to historically underserved areas, such as Beach Flats and Lower Ocean.

Certain areas of Santa Cruz, such as Beach Flats and Lower Ocean, are home to large a proportion of the City’s low- to moderate-income and minority households and experience low homeownership and higher prevalence of overcrowding and substandard living conditions. The City will continue to seek ways to better support these areas.

### Objectives:

**5.4a.** Provide targeted and culturally responsive outreach to the South of Laurel, Beach Flats, and Lower Ocean neighborhoods for policy initiatives and projects that may affect those areas and work with community members to promote increased participation.

Timeframe: Provided targeted outreach to the South of Laurel, Beach Flats, and Lower Ocean Neighborhoods whenever policy initiatives and projects may affect those areas.  
 Agency: Planning and Community Development Department  
 Funding Source: General Fund  
 Relevant Policies: 1.7, 5.4, 6.1, 6.4  
 AFFH: 3, 4; South of Laurel, Beach Flats, and Lower Ocean neighborhoods; Engage communities upon each policy initiative and project that may affect those areas – aim to engage at least 30 individuals per initiative/project.

**5.4b.** Annually host a neighborhood meeting to gather input and feedback from historically underserved communities and relevant organizations and agencies regarding resident’s needs.

Timeframe: Annually host a neighborhood meeting to gather feedback on resident needs.

Agency: Planning and Community Development Department, Economic Development and Housing Department, City Manager’s Office

Funding Source: General Fund

Relevant Policies: 1.7, 5.4, 6.1, 6.4

AFFH: 3, 4; South of Laurel, Beach Flats, and Lower Ocean neighborhoods; Annually host at least one neighborhood meeting and aim to engage at least 50 households annually.

**5.4c.** Continue to utilize the HUD Neighborhood Revitalization Strategy Area (NRSA) designation to target support for the NRSA services such as tutoring, food pantry, translation services, referral services, rent assistance, and more to the community in historically underserved areas.

Timeframe: Continue to support NRSA services in historically underserved areas.

Agency: Economic Development and Housing Department, Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 1.7, 5.4

AFFH: 3, 4; HUD NRSA neighborhoods; Assist a minimum of 100 households in the planning period.

## Policy 5.5

Protect susceptible populations while improving infrastructure, resources, and access to affordable units.

Displacement may occur for a variety of reasons, including rising housing costs and gentrification (a result of changing urban areas attracting wealthier households and displacing existing, lower income households). The City has identified one census tract (downtown neighborhoods) currently experiencing displacement of very-low-income households and another census tract with a population at risk of displacement (the Beach Flats and Lower Ocean neighborhoods). In comparison to the City as a whole, both tracts report higher rates of renter households, Latinx population, households with limited English-speaking ability, and lower household incomes. Therefore, residents of these two areas are considered more at-risk of displacement.

To preserve existing neighborhoods and protect susceptible populations while improving infrastructure, resources, and access to affordable units, the City is implementing anti-displacement strategies such as relocation assistance if a large rent increase creates the need for tenants to move, relocation assistance if tenants must move due to unsafe conditions, funding for emergency rental assistance, and codes protecting tenants from landlord retaliation. These programs or similar ones should be maintained, and potential ways to expand tenant protections should be explored.

## Objectives:

**5.5a.** Maintain and continue to implement the City’s affordable housing preservation strategies, such as negotiating agreements to extend the length of affordable housing deed restrictions that are set to expire.

Timeframe: Continue to implement the City’s existing affordable housing preservation strategies.

Agency: Planning and Community Development Department, Economic Development and Housing Department

Funding Source: General Fund

Relevant Policies: 2.5, 5.5, 6.1

**5.5b.** Adopt anti-displacement policies, programs, or code amendments, such as additional anti-retaliation policies and programs or a revised first right of refusal to tenants displaced due to development, after evaluating the effectiveness of existing anti-displacement strategies and tools and engaging with the community to develop a list of best practices and recommendations.

Timeframe: Implement new anti-displacement measures by September 2025.

Agency: Planning and Community Development Department, Economic Development and Housing Department

Funding Source: General Fund

Relevant Policies: 5.4, 5.5, 6.1, 6.4

AFFH: 3, 4; Citywide, with a particular focus on low income tenants and in lower-income areas of the City (Beach Flats and Lower Ocean); Assist a minimum of 100 households during the planning period.

**5.5c.** Establish a program that promotes the rental protections that are in effect, including bilingual tenant legal services, and utilize a variety of means to distribute that information widely with a focus on getting that information disseminated in lower-income areas.

Timeframe: Establish a program to disseminate rental protection information, especially to lower-income areas, by June 2024, and they continue this program on an ongoing basis thereafter.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 5.4, 5.5, 6.1, 6.4

AFFH: 4; Citywide, with a focus on areas of greater occurrence of lower incomes (particularly downtown, Beach Flats, and Lower Ocean); Engage at least 25 households in identified areas annually.



6. Affirmatively Further Fair Housing

Pursuant to AB 686, the City will affirmatively further fair housing by taking meaningful actions that foster inclusive communities free from barriers that restrict access to opportunities based on protected classes, as defined by State law. The City shall seek to combat housing discrimination, undo historic patterns of segregation, and lift barriers that restrict access to foster a more inclusive community and help achieve racial equity and fair housing choice.

**Policy 6.1**  
Seek to mitigate displacement risks and remove barriers to housing choice vouchers.

The Housing Authority of Santa Cruz County administers the Housing Choice Voucher (previously known a Section 8 vouchers) rental assistance program for Santa Cruz. This program extends rental subsidies to very low-income households and offers the tenant a voucher that pays the difference between the current fair market rent (FMR) established by the Housing Authority and 30 percent of the tenant’s income. A tenant may choose housing that costs more than the FMR and pay the extra rent above the standard. In recent years, the volatility of the local rental market, as related to the FMR, has presented challenges in ensuring that the voucher program remains attractive to landlords.

Objectives:

**6.1a.** Work with the Housing Authority of the County of Santa Cruz and property owners with the goal to continue funding that provides incentives to rent to vouchers holders. Provide funding for at least one incentive program per year.

|                    |                                                                                                                                             |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe:         | Coordinate annually with the Housing Authority of the County of Santa Cruz to continue funding incentives to landlords for voucher rentals. |
| Agency:            | Economic Development and Housing Department, Housing Authority of the County of Santa Cruz                                                  |
| Funding Source:    | Affordable Housing Trust Fund, State and Federal grants and loans                                                                           |
| Relevant Policies: | 6.1, 6.4                                                                                                                                    |
| AFFH:              | 1, 3, 4; Citywide with focus on current and potential future voucher rental properties; Fund at least one incentive program per year.       |

**6.1b.** Coordinate with the County Housing Authority of the County of Santa Cruz annually to identify and provide support for pursuing funding opportunities for voucher holder and low-income tenant assistance programs, including, but not limited to, assistance with security deposits and moving expenses. Assist a minimum of 100 households throughout the planning period.

|            |                                                                                                                                                                                                                                                                       |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Timeframe: | Coordinate with the Housing Authority of the County of Santa Cruz annually to support the identification of funding opportunities for voucher holders and low-income tenant assistance programs to assist a minimum of 100 households throughout the planning period. |
| Agency:    | Economic Development and Housing Department, Housing Authority of the County of Santa Cruz                                                                                                                                                                            |

Funding Source: General Fund  
Relevant Policies: 6.1, 6.2, 6.4  
AFFH: 1, 4; Citywide, with a focus on areas of greater occurrence of lower incomes (particularly downtown, Beach Flats, and Lower Ocean); Assist a minimum of 100 households throughout the planning period.

**6.1c.** Provide support to the Housing Authority of the County of Santa Cruz during implementation of their “Moving to Work” program, which will expand opportunities for financial assistance and vouchers.

Timeframe: Provide support to the Housing Authority of the County of Santa Cruz during implementation of their “Moving to Work” program by December 2025.  
Agency: Economic Development and Housing Department  
Funding Source: General Fund  
Relevant Policies: 4.2, 6.1

**6.1d.** Support the Housing Authority of the County of Santa Cruz in adopting more vouchers for special needs groups such as persons with disabilities or larger, low-income families with children.

Timeframe: By December 2027, support the Housing Authority of the County of Santa Cruz in adopting more vouchers for special needs groups.  
Agency: Economic Development and Housing Department  
Funding Source: General Fund  
Relevant Policies: 3.1, 6.1

**6.1e.** Develop a proactive approach to inform renters about various resources that may be available to them, such as rental and security deposit assistance programs, with a focus on providing information in low-income areas like Beach Flats and Lower Ocean.

Timeframe: Develop a program by March 2025 to proactively inform renters about resources that may be available to them and continue the program thereafter on an ongoing basis.  
Agency: Planning and Community Development Department, Economic Development and Housing Department.  
Funding Source: General Fund  
Relevant Policies: 5.4, 6.1, 6.4  
AFFH: 1, 4; Citywide, with a focus on areas of greater occurrence of lower incomes (particularly downtown, Beach Flats, and Lower Ocean); Assist a minimum of 100 households throughout the planning period.



**Policy 6.2**  
Support affordable housing and the siting of new housing that furthers fair housing.

Santa Cruz recognizes that the location of affordable housing can help counter historic patterns of segregation in land use. The City will look for ways to expand housing opportunities in single-family zoning and areas of higher resources based on the California Tax Credit Allocation Committee (CTCAC) and HCD data.

**Objectives:**

**6.2a.** Annually conduct outreach to developers and community organizations to identify development opportunities and incentives for the creation of affordable housing units.

Timeframe: Annually conduct outreach to developers and community organizations to identify development opportunities and incentives for the creation of affordable housing units.

Agency: Planning and Community Development Department, Economic Development and Housing Department

Funding Source: General Fund

Relevant Policies: 1.3, 1.7, 2.2, 2.4, 6.2

AFFH: 1, 2; Citywide, with a focus on areas within a half-mile of high quality transit, where amenities are nearby and where affordable projects are eligible for additional density bonus benefits; Engage developers and community organizations annually with the goal of facilitating at least one 100 percent affordable housing project per year.

**6.2b.** Continue to implement the City’s Inclusionary Ordinance to create mixed-income developments throughout the City. Facilitate the development of a minimum of 250 affordable units through the Inclusionary Ordinance.

Timeframe: Continue to implement the City’s Inclusionary Ordinance to create mixed-income developments throughout the City to create at least 250 affordable units through the Inclusionary Ordinance.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 2.1, 6.2

AFFH: 1, 2; Citywide; 250 affordable units.

**6.2c.** Revise ADU regulations to provide additional units in single-family zoning by such methods as removing owner occupancy requirements, allowing additional ADUs under certain circumstances, or similar measures.

Timeframe: By May 2024, conduct community outreach and present City Council with a proposed amendment to the ADU regulations to further support ADU development.

Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.3, 1.5, 1.7, 6.2  
AFFH: 1, 2; single-family zoned neighborhoods; Facilitate the development of 100 ADUs throughout the planning period through additional engagement and ADU regulation amendment(s).

**6.2d.** Adopt an ordinance that expands housing opportunities in single-family zones by amending the Zoning Ordinance to allow the conversion of larger homes to multiple units when doing so would currently exceed limitations on types of housing allowed and would currently exceed density limits.

Timeframe: Adopt Zoning Ordinance amendments to expand housing opportunities in single-family zones by December 2029.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.3, 1.7, 2.1, 2.2, 6.2  
AFFH: 1, 2; single-family zoned neighborhoods; 10 affordable housing units through the planning period.

**6.2e.** Expand the use of Flexible Density Units into more zoning districts in conjunction with an SB 10 overlay district to provide opportunities for more small units in the City, particularly in higher resource areas.

Timeframe: Conduct community outreach and present Council with an amendment to the Zoning Ordinance to expand the use of Flexible Density Units in conjunction with an SB 10 overlay district by December 2026.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.3, 1.7, 2.1, 2.2, 6.2  
AFFH: 1, 2; Citywide, with a focus on higher resource areas and high quality transit corridors and a half-mile radius; Facilitate the production of 50 small units throughout the planning period in areas where such units are not currently allowed.

**6.2f.** Develop a local ordinance to implement SB 9 consistent with State law.

Timeframe: Amend the Zoning Ordinance to reflect State law by December 2027.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.3, 1.5, 6.2  
AFFH: 1, 2; Citywide single-family neighborhoods; Aim to facilitate the development of 50 SB 9 units throughout the planning period.



**6.2g.** Recruit residents from areas of concentrated poverty and from underrepresented groups to serve on boards, committees, task forces, and other local government decision-making or recommending bodies with the goal of identifying two new members to participate.

Timeframe: Complete initial recruitment by January 2025, and then continue recruitment efforts on an ongoing basis thereafter with the goals of identifying two new members to participate.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 1.7, 6.2

AFFH: 3; Citywide, with a focus on areas of greater occurrence of lower incomes (particularly downtown, Beach Flats, and Lower Ocean); Identify two new members.

## Policy 6.3

Support the development and marketing of accessible housing, senior housing, and tenant services.

The City can utilize its many communication channels to affirmatively market and promote housing opportunities throughout the city and support equal access to government-assisted housing and services.

### Objectives:

**6.3a.** Work with landlords, the Housing Authority of the County of Santa Cruz, and the regional center for developmental services to create a list of properties suitable and available for persons with disabilities and seniors.

Timeframe: By June 2027, make the list of properties available to partnering organization and publicly available on the City website.

Agency: Planning and Community Development Department, Economic Development and Housing Department

Funding Source: General Fund

Relevant Policies: 3.6, 6.3

**6.3b.** Continue to fund bi-lingual tenant legal counseling services, and continue to update and provide understandable, bi-lingual information about most readily used housing/tenant laws, such as the City's Large Rent Increase Ordinance, Relocation Assistance Ordinance, or State rental application law.

Timeframe: Inform bi-lingual tenant legal counseling service providers of funding availability, encourage them to apply for available City funding opportunities, and update the City's information resources as needed.

Agency: Economic Development and Housing Department

Funding Source: Affordable Housing Trust Fund, State and Federal grants and loans

Relevant Policies: 3.6, 5.4, 6.3  
AFFH: 3, 4; Citywide, with a focus on neighborhoods with higher rates of Spanish-only speakers; Ensure all materials and tenants services are translated or available for translation. Provide such resources to relevant organizations annually, and proactively provide to households in substandard units or to those who would otherwise benefit from such materials, with a goal of providing the information to at least 50 low-income households or households in substandard units per year.

**6.3c.** Maintain the AARP Age-Friendly Community designation and assemble a standing committee of City staff to coordinate projects and operations that integrate the Age-Friendly Community program pillars.

Timeframe: Complete a needs assessment by January 2025 and continue City staff coordination on relevant projects on an ongoing basis thereafter.  
Agency: Parks and Recreation Department, Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 2.4, 3.6, 5.5, 6.3

## Policy 6.4

Consider displacement risks due to new development, economic trends, and the environment, and provide community investments to support fair housing.

Santa Cruz understands that new development can increase the risk of displacement, especially for sensitive populations. It is also known that sensitive populations are more likely to live in areas susceptible to displacement due to climate change and other environmental factors and the City can work towards mitigating those displacement risks.

### Objectives:

**6.4a.** Apply for at least one grant per year focused on improving community assets such as recreational facilities and programs, social service programs, parks, streets, active transportation, and infrastructure in areas identified as those in highest need.

Timeframe: Apply for at least one grant per year focused on improving community assets such as recreational facilities and programs, social service programs, parks, streets, active transportation, and infrastructure in areas identified as those in highest need.  
Agency: Economic Development and Housing Department  
Funding Source: Affordable Housing Trust Fund, State and Federal grants and loans, General Fund  
Relevant Policies: 4.2, 5.4, 5.5, 6.1, 6.4

AFFH: 3, 4; Citywide, with a focus on areas identified as those in highest need; Apply for at least one grant per year. Receive a grant award for and implement at least three projects or programs during the reporting period.

**6.4b.** Amend the City’s Relocation Ordinance to include Right of First Refusal requirements for existing, low-income households who are vacated from their housing situation due to redevelopment.

Timeframe: Present to City Council amendments to the City’s Relocation Ordinance by September 2025.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 6.1, 6.4

AFFH: 3, 4; Citywide, with a focus on neighborhoods with greater amounts of lower income households (Beach Flats and Lower Ocean); Provide available resources to all existing, low-income households who are vacated due to redevelopment, on a project-by-project basis and within two months of a formal development application being filed.

**6.4c.** Maintain, implement, and update the City’s Local Hazard Mitigation Plan (LHMP) and Climate Adaptation Plan (CAAdP) on the required schedule to, among other things, reduce the likelihood of displacement associated with flooding, sea level rise, and wildfire.

Timeframe: Maintain, implement, and update the City’s Local Hazard Mitigation Plan and Climate Adaptation Plan.

Agency: City Manager’s Office

Funding Source: General Fund

Relevant Policies: 6.1. 6.4. 7.4

**6.4d.** Provide assistance to tenants by maintaining the City’s Large Rent Increase Ordinance and expand outreach efforts to actively disseminate information on the City’s Large Rent Increase Ordinance to landlords enrolled in the Residential Rental Inspection Program and to tenants throughout the City.

Timeframe: By December 2024, create a process to provide information on the City’s Large Rent Increase Ordinance to landlords enrolled in the Residential Rental Inspection Program.

Agency: Planning and Community Development Department

Funding Source: General Fund

Relevant Policies: 6.1, 6.4

AFFH: 3, 4; Citywide; Provide assistance to all tenants throughout the planning period by maintaining the Large Rent Increase Ordinance and expanding outreach – aim to engage at least 50 households annually.

## **6.4e.** Maintain the City’s mobile home rent control ordinance.

Timeframe: Maintain the City’s mobile home rent control ordinance.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 6.1, 6.4  
AFFH: 3, 4; Mobile Home Parks; Maintain the mobile home rent control ordinance.

## **6.4f.** Approach the Housing Authority, Community Action Board, or other community partner about exploring the potential to administer a universal rental application form that minimizes costs and administrative hurdles for rental applications.

Timeframe: Coordinate with community partners and determine the feasibility of a universal rental application form by June 2025.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 6.2, 6.4

## **7. Resource Conservation and Environmental Stewardship**

The City of Santa Cruz remains committed to protecting the beauty and integrity of its natural environment, particularly in light of anticipated population growth, consumption levels, climate change, technology impacts, tourism, and other pressures associated with urban life. Balancing environmental preservation with fulfilling the City’s housing needs and the provision of infrastructure and services remains a priority.

Santa Cruz residents benefit from a range of natural features, including hillsides, rivers and streams, the ocean and coastline, air quality, and forestland. These resources enhance the quality of life for Santa Cruz residents and make Santa Cruz a popular tourist destination. The City remains committed to protecting the beauty and integrity of its natural environment, particularly in light of anticipated impacts noted above. Climate adaptation strategies and adaptive design approaches to building in climate hazard zones are also needed. Balancing environmental preservation with housing goals and the provision of infrastructure and services remains a priority.

### **Policy 7.1**

Implement the City’s Securing Our Water Future policy.

Santa Cruz produces and delivers to nearly 100,000 water customers inside the City of Santa Cruz and in adjacent areas outside the City limits in unincorporated Santa Cruz County and the City of Capitola. The City’s major source of supply is the San Lorenzo River and other surface water sources, which have also been identified as a sensitive habitat for coho salmon and steelhead trout. The City has reached agreements with state and federal regulators to provide the instream flows needed to support and enhance recovery of threatened steelhead trout and endangered coho salmon. These flow commitments have been integrated into the City’s water supply augmentation planning efforts that are designed to improve the reliability of Santa Cruz’s water

supply with a special focus on increasing supply resiliency in the face of longer and more frequent droughts.

Santa Cruz water service customers have achieved and are sustaining an unprecedented level of water use efficiency that is supported by a strong community ethic focused on sustainability. Santa Cruz residents' current indoor and outdoor water use is approximately 44 gallons per capita per day, making it one of the most efficient water utilities in the country. The City has an ongoing commitment to encourage the continuation of efficient water use practices and behaviors and is supporting this goal through investments in advanced metering technology that provides customers with real-time access to their water use and supports virtually instantaneous leak detection. As new housing stock is developed, local per capita water usage is expected to continue to decrease through the increased proportion of multi-family housing using highly efficient fixtures and appliances required by current codes. Recent work to update the City's water supply reliability policy recognizes the importance of the community's ongoing commitment to water use efficiency, but also acknowledges that, by itself, water conservation cannot resolve the system's long-standing water supply reliability problem. This long-standing problem is, in fact, becoming even more challenging in the face of climate change that is increasing the variability of the City's water supply resources.

The City's newly adopted Securing Our Water Future policy has supply augmentation as its focus because, given the already highly efficient level of water use by most customers, demand reduction through mandatory restrictions or water rationing are no longer relatively low cost and simple to implement solutions. The policy establishes a supply reliability goal of both planning for climate change conditions and meeting customer water demand given the assumption of ongoing water use efficiency. Growth in water demand has only a marginal impact on overall water system demand. Climate driven water supply variability, in which there is an increase in the frequency and length of back-to-back droughts, is making the system's long-standing vulnerability to droughts a critical priority for action.

## Objectives:

**7.1a.** Implement a water supply augmentation strategy consistent with the adopted City water policy and plans.

|                    |                                                                                |
|--------------------|--------------------------------------------------------------------------------|
| Timeframe:         | Implement the City's Securing Our Water Future supply augmentation strategies. |
| Agency:            | Water Department                                                               |
| Funding Source:    | Enterprise Funds                                                               |
| Relevant Policies: | 7.1                                                                            |

**7.1b.** Plan for water supply reliability to meet all customer water demand under climate change conditions and maintain a continuing emphasis on reinforcing current levels of customer water use efficiency.

Timeframe: Use the City’s Securing Our Water Future policy to plan for water supply reliability on an ongoing basis.

Agency: Water Department

Funding Source: Enterprise Funds

Relevant Policies: 7.1

**7.1c.** Ensure that adequate solid waste, stormwater, and sewer services continue to be available for residents and businesses through advance planning. Evaluate conveyance capacity as part of development application review and identify and implement steps to upgrade conveyance capacity when necessary.

Timeframe: Plan for and implement strategies to ensure that adequate solid waste, stormwater, and sewer services continue to be available for residents and businesses, both proactively and as part of the development review process.

Agency: Public Works Department

Funding Source: Enterprise Funds

Relevant Policies: 7.1

## Policy 7.2

Support green building principles and building decarbonization efforts to reduce and respond to global warming and impact of climate change.

Santa Cruz is committed to protecting the environment and promoting a sustainable community. To fulfill this commitment, the City implements a Green Building Ordinance that requires construction projects to attain a minimum number of “green building points” to be able to obtain building permits. The program works in conjunction with other programs to include best management practices, deconstruction and reuse of materials, erosion control and grading ordinances, energy and waste management, and application to residential, commercial, and industrial projects.

The City also has an ordinance that prohibits natural gas infrastructure in new buildings. The ordinance reduces greenhouse gas emissions and improves indoor air quality and safety. Consistent with the City’s Climate Action Plan, the City is conducting outreach and research as the initial step in developing building decarbonization and electrification ordinance language for existing buildings. Additionally, the City implements the California Green Building Standards Code (CalGreen), which was established to meet the AB 32 goals of establishing a comprehensive program of cost-effective reductions of greenhouse gases (GHGs) to 1990 levels by 2020. The State has recently released an updated 2022 CalGreen Code. The City will amend its Municipal Code and the Green Building Ordinance where necessary to complement the 2022 CalGreen standards.

The City developed its Green Building Program in 2005, prior to the adoption of CalGreen. As CalGreen, which was published several years after the City's program, has evolved, many of the City's standards have been incorporated into CalGreen. As the City's program incorporates a point system that is calculated through a checklist and CalGreen also requires an additional checklist, the City is considering changes that might achieve the same sustainability goals while reducing the time and paperwork burden on the developer.

## Objectives:

**7.2a.** Expand upon current efforts to decarbonize and electrify existing buildings, including seeking incentives for the associated construction and remodeling.

Timeframe: Use the Climate Action Plan to support decarbonization and electrification efforts on an ongoing basis.  
Agency: City Manager's Office  
Funding Source: General Fund  
Relevant Policies: 1.3, 5.3, 7.2, 7.4

**7.2b.** Continue to support green building principles and the existing building decarbonization and electrification efforts. Consider adjustments to the programs as needed to respond to external conditions and meet the City's latest sustainability goals.

Timeframe: Support the City's current green building, decarbonization, and electrification efforts on an ongoing basis.  
Agency: City Manager's Office  
Funding Source: General Fund  
Relevant Policies: 7.2, 7.4

**7.2c.** Amend the Municipal Code and Green Building Ordinance to compliment the 2022 CalGreen Code.

Timeframe: By December 2025, amend the Municipal Code and Green Building Ordinance to reflect the 2022 CalGreen Code.  
Agency: City Manager's Office, Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 7.2

**7.2d.** Use the Climate Action Plan's Development Compliance Checklist as part of review of all new housing projects to support relevant Climate Action Plan actions and help ensure compliance.

Timeframe: Use the Climate Action Plan's Development Compliance Checklist for development review on an ongoing basis and update the Climate Action Plan targets, measures, and actions as required by the State.  
Agency: Planning and Community Development Department, City Manager's Office



Funding Source: General Fund  
Relevant Policies: 7.2, 7.4

## Policy 7.3

Support transit-oriented development and non-motorized transportation.

Santa Cruz's desire to preserve environmental features, protect sensitive habitats, and shape future urban growth led to the establishment of a greenbelt surrounding the community. Residents recognized as a quid pro quo that future housing growth would be accommodated within a dense urban core and along major transportation corridors. The City supports connections between land uses and transportation networks (including transit, bicycle, and pedestrian) to minimize automotive dependence. In addition, the State has recently passed a number of laws encouraging denser residential development close to high-quality transportation. To that end, the City is processing high-density multifamily projects in the Downtown Core, single-room occupancy units and mixed-use developments along major corridors, and other similar projects. Zoning Ordinance incentives allow for higher density residential structures in these areas because of their proximity to transportation, public services, and facilities.

### Objectives:

**7.3a.** Facilitate the development of transit-oriented development through General Plan and Zoning Ordinance standards.

Timeframe: Follow the General Plan and Zoning Ordinance to facilitate transit-oriented development on an ongoing basis.  
Agency: Planning and Community Development Department  
Funding Source: General Fund  
Relevant Policies: 1.2, 1.3, 7.3

**7.3b.** Collaborate with City departments and other local agencies to link land uses and transportation systems and promote bicycle- and pedestrian-friendly neighborhoods.

Timeframe: Collaborate with City department and other local agencies on an ongoing basis to support quality land use and transportation interplay and promote bikeable and walkable neighborhoods.  
Agency: Planning and Community Development Department, Public Works Department  
Funding Source: General Fund  
Relevant Policies: 1.2, 7.3

## Policy 7.4

Support the safety of existing and future households as climate emergencies such as floods and wildfires occur more frequently due to climate change.

The City of Santa Cruz 2030 General Plan was adopted in June 2012 and amended in October 2019 to include the Local Hazard Mitigation Plan and Climate Adaptation Plan per SB 379. Senate Bill 1035 (SB 1035) requires the City to revise its Hazards, Safety, and Noise Element of the General Plan to identify flood hazards and address the risk of fire hazards in certain lands upon each revision of the Housing Element.

Additionally, Santa Cruz experienced severe damage and displacement events due to floods and fires during the 5th planning cycle – including the 2020 CZU Lightning Complex fire and 2023 bomb cyclone flooding event. As such, the City recognizes the dire need to ensure the safety of existing and future households as climate emergencies occur more often due to climate change. In 2019, the City adopted a Wildland-Urban Interface ordinance to ensure that new building projects adjacent to wildlands, where fire danger is higher than in the City core, address fire safety issues in building construction.

### Objectives:

#### 7.4a. Publish and maintain an emergency resources page on the City's website.

Timeframe: Publish an emergency resources page on the City's website by January 2026 and maintain it thereafter.

Agency: City Manager's Office

Funding Source: General Fund

Relevant Policies: 7.4

#### 7.4b. Use a variety of means such as social media, text messages, targeted reverse 911, City and other websites, press releases, and email lists to provide emergency information quickly.

Timeframe: Utilize available tools to provide emergency information quickly on an ongoing basis.

Agency: City Manager's Office

Funding Source: General Fund

Relevant Policies: 7.4

#### 7.4c. Update and implement Local Hazard Mitigation Plan and Climate Adaptation Plan, both of which identify programs, resources, and policy decisions for areas at risk of flooding and fires.

Timeframe: Update the Local Hazard Mitigation Plan and Climate Adaptation Plan by June 2024.

Agency: City Manager's Office

Funding Source: General Fund

Relevant Policies: 7.4

## C. Quantified Objectives

Table 2-1 summarizes the City's quantified objectives for the 6<sup>th</sup> planning cycle by income level.

| Table 2-1: 6 <sup>th</sup> Cycle Quantified Objectives            |                       |     |          |                |       |
|-------------------------------------------------------------------|-----------------------|-----|----------|----------------|-------|
| Objectives                                                        | Units by Income Level |     |          |                |       |
|                                                                   | Very Low              | Low | Moderate | Above Moderate | TOTAL |
| 6 <sup>th</sup> Cycle RHNA                                        | 859                   | 562 | 709      | 1,606          | 3,736 |
| <b>New Construction</b>                                           |                       |     |          |                |       |
| ADU Production <sup>1</sup>                                       | 292                   |     | 234      | 58             | 584   |
| Pipeline Projects <sup>1</sup>                                    | 702                   |     | 312      | 1,560          | 2,574 |
| Affordable units with access to childcare facilities              | 100                   |     |          |                | 100   |
| Housing for Persons with Disabilities                             | 50                    |     |          |                | 50    |
| Student Housing                                                   |                       |     | 242      |                | 242   |
| Workforce Housing                                                 |                       |     | 50       |                | 50    |
| Affordable units built through the Inclusionary Ordinance         | 250                   |     |          |                | 250   |
| SRO units (for extremely low-income households)                   | 100                   |     |          |                | 100   |
| <b>Conservation and Preservation</b>                              |                       |     |          |                |       |
| Rehabilitation                                                    | 100                   |     |          |                | 100   |
| Preservation of At-Risk Units                                     | 372                   |     |          |                | 372   |
| <b>Household Assistance</b>                                       |                       |     |          |                |       |
| Special needs households                                          | 150                   |     |          |                | 200   |
| Persons experiencing homelessness                                 | 150                   |     |          |                | 100   |
| Rental and tenant assistance programs                             | 100                   |     |          |                | 70    |
| <b>AFFH Metrics</b>                                               |                       |     |          |                |       |
| 1.3e. Increased Residential Density in Transit Rich Areas         | 50                    |     |          |                | 50    |
| 2.1a. Inclusionary Ordinance Review                               | 250                   |     |          |                | 250   |
| 2.2f. Single-Room Occupancy and Flexible Density Unit Regulations | 100                   |     |          |                | 100   |
| 3.1b. Housing for Persons with Disabilities                       | 50                    |     |          |                | 50    |
| 3.7b. Workforce Housing                                           | 50                    |     |          |                | 50    |
| 3.7c. Seasonal Housing                                            | 50                    |     |          |                | 50    |
| 4.1a. Outreach and Assist Low-to moderate-income households       | 100                   |     |          |                | 100   |
| 4.2b. Continuation of the Affordable Housing Trust Fund           | 100                   |     |          |                | 100   |
| 5.1.a. Maintaining the Quality of Neighborhoods and Housing       | 80                    |     |          |                | 80    |
| 5.1b. Offer Special Code Compliance Assistance                    | 160                   |     |          |                | 160   |
| 5.2a. Continuation of the City's Rental Inspection Program        | 100                   |     |          |                | 100   |

| Table 2-1: 6 <sup>th</sup> Cycle Quantified Objectives                              |                       |     |          |                |       |
|-------------------------------------------------------------------------------------|-----------------------|-----|----------|----------------|-------|
| Objectives                                                                          | Units by Income Level |     |          |                |       |
|                                                                                     | Very Low              | Low | Moderate | Above Moderate | TOTAL |
| 6 <sup>th</sup> Cycle RHNA                                                          | 859                   | 562 | 709      | 1,606          | 3,736 |
| 5.2b. Develop and Expanded Outreach Program to the City's Rental Inspection Program | 100                   |     |          |                | 100   |
| 5.3a. Local, State, and Federal Partnership                                         | 100                   |     |          |                | 100   |
| 5.3b. Seek out Housing Rehabilitation Program Funding                               | 50                    |     |          |                | 50    |
| 5.4b. Annual Neighborhood Meeting                                                   | 50                    |     |          |                | 50    |
| 5.4c. Utilize the HUD NRSA Designation                                              | 100                   |     |          |                | 100   |
| 5.5b. Adopt Anti-Displacement Policies, Programs, or Code Amendments                | 100                   |     |          |                | 100   |
| 5.5c. Establish a Rental Protection Programs and Distribute Information Citywide    | 200                   |     |          |                | 200   |
| 6.2b. Inclusionary Ordinance                                                        | 250                   |     |          |                | 250   |
| 6.2d. Adopt a Zoning Ordinance Amendment to expand in Single-Family zones           | 10                    |     |          |                | 10    |
| 6.2e. Small Units in Higher Resource Areas                                          | 50                    |     |          |                | 50    |
| 6.2f. Consistency with SB 9                                                         | 50                    |     |          |                | 50    |
| 6.3b. Providing Bi-lingual Tenants Resources                                        | 50                    |     |          |                | 50    |
| Notes:                                                                              |                       |     |          |                |       |
| 1. See Table G-2                                                                    |                       |     |          |                |       |