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Housing Santa Cruz County

*Our community thrives when all of our community members
have access to safe, stable, affordable homes.*

August 2021 Newsletter

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HSCC Governing Board News

HSCC welcomed Erica Padilla Chavez, Pajaro Valley Prevention and Student Services, to its governing board. The complete list of governing board members can be viewed [here](#). The Executive Board is working diligently to

hire the organization's first executive director and hopes to complete the hiring process within the next few weeks. HSCC continues to expand our social media outreach with followers on [Facebook](#), [Instagram](#), [LinkedIn](#) and [Twitter](#). Please take a moment to click on a link and follow HSCC.

Other efforts include the formation of a working group to explore ways to increase the number of affordable housing units in the proposed redevelopment of the Capitola Mall. We'll keep you posted on the group's progress.

We continue to grow our membership and increase our influence on housing policies. If you haven't yet become a member, please join us in our efforts to provide affordable housing opportunities for all Santa Cruz County residents.

Finally, a big thank you to our volunteer newsletter editor Linda Kerner!

Don Lane, HSCC Interim Governing Board Chair

Is Santa Cruz County "Pro-Housing"?

The state of California's Housing and Community Development Department has created a [new program to designate housing-friendly local communities as Prohousing](#). Communities that adopt certain prohousing policies can receive more funding from the state. HSCC will be working with local governments to see if we can earn the state Prohousing designation and open the door to more local jurisdictional affordable housing opportunities.

Spotlight on 831 Water Street in Santa Cruz

Perhaps no local project encapsulates upcoming community struggles over affordable housing development than the proposal for 831 Water Street in the city of Santa Cruz. The project will create 150 apartments of which about half will be rent-restricted affordable apartments. The proposed project is located on a primarily commercial street (and the land is currently in commercial use) but it is adjacent to a residential neighborhood. The proposed development

will be five stories tall, which is taller than any nearby structures, but the building height is allowable under state and local regulations. Because it has significant affordable housing included, it is legally exempt from some local approval processes but neighbors have been actively involved in efforts to resist the current project. HSCC has not yet taken a position on this project and we welcome your thoughts as we consider our stance. More info can be found [HERE](#).

ADUs Offer Effective Solutions to Our Affordable Housing Crisis

In recent years, local and state leaders have pushed ADU (Accessory Dwelling Unit) development as part of the solution to our current housing shortage. With limited land resources, homeowners willing to construct ADUs or Junior ADUs on their property can make a significant contribution to address our affordable housing crisis. ADUs are affordable by design to renters due to their small size and provide infill development in existing neighborhoods. Local jurisdictions continue to look for ways to streamline ADU development and create incentives to increase local housing stock and provide housing to meet the critical need for affordable homes for people who live and work in Santa Cruz County communities. ADUs can help address the housing affordability gap and supply shortfall that our community currently faces.

The following articles include some creative strategies and regulation changes being explored to promote ADU development to address the housing affordability gap and supply shortfall that our community currently faces.

Can You ADU?

HSCC is regularly exploring different ways to increase affordable housing opportunities in Santa Cruz County. One of our members has come up with an idea that has potential but it would take the active cooperation of some community members who own "single family" homes or other property suitable for residential use.

Here are the nuts and bolts: a property owner would allow a local nonprofit organization to use a piece of buildable land of any size (300 square feet for example). The organization would fund and build an ADU or other permitted housing unit from start to finish. The property owner would not need to do anything other than to decide what color to paint it and select a low-income individual or someone with a Section 8 voucher to occupy the unit. The rent payments would be used to pay off the loan that the nonprofit would take out to build the unit, plus taxes and maintenance. Any excess revenue beyond costs would go to the property owner. And, the equity would accrue to the property owner, who would own the new building in stages, with full ownership occurring in 30 years. The homeowner's property value increases with no cost to them and a low-income person gets a place to rent at an affordable rate.

If you or a property owner you know might be interested in participating in this program, please send us an email at admin@HousingSantaCruzCounty.com.

County Considers Proposal to Streamline Building ADUs

On Tuesday, August 10th the Board of Supervisors considered County code amendments for ADU construction. Some changes would align county code with new state law while other changes go beyond state law to further streamline ADU development. Proposed changes included:

- No public hearing for ADU building permits in non-residential areas.
- A maximum of one ADU and one junior ADU per single-family home.
- For multi-family properties, a maximum of two ADUs plus conversion ADUs associated with up to 25% of the units. ADUs can be attached to each other.
- No special approval for separate driveways for ADUs or junior ADUs.
- For owners rebuilding after a disaster, ADUs can be rebuilt before the primary home.
- No owner occupancy requirement on property.
- No design review.
- No impact fees for standard ADUs smaller than 750 square feet

While members of the Board were generally supportive of the staff

recommendations, there were three proposed amendments that staff was asked to revisit and bring back to the Board for further discussion. Staff was asked to provide clarifying language to the maximum allowable size for conversion ADUs, add language to allow for some form of design review as well as further discussion about elimination of the owner occupancy requirement.

Did You Know About the County's ADU Forgivable Loan Program?

The County offers loans of up to \$40,000 to homeowners adding an ADU to their property who are willing to rent the ADU to low income households at affordable rents for up to 20 years. The new ADU must be located in the unincorporated Santa Cruz County area, which includes the North Coast, San Lorenzo Valley, Live Oak, Soquel, Aptos, Corralitos, Freedom and Amesti. The ADU loan is provided at 3% simple interest, deferred for 20 years, and will be forgiven after 20 years if the ADU has been rented in compliance with the low-income restriction for the entire 20-year term. Homeowners may opt out of the deed restriction at any time by paying back the loan in full (principal plus accrued interest). Click on the link for more information about the [ADU Forgivable Loan Program](#)

Become a part of the solution to our housing crisis - build an ADU!

City of Santa Cruz Changes ADU Parking Rules

On August 10th, City Council members considered changes to parking rules for ADUs in the Coastal zone. Off-street parking requirements can increase costs and make it harder for homeowners to build ADUs. In 2019, the Council eliminated off-street parking requirements for ADUs outside of the Coastal Zone. The City wanted to also eliminate the parking requirement for each ADU bedroom in the Coastal Zone but the Coastal Commission did not want to reduce parking requirements on the Coast. A compromise was reached and the Council approved the elimination of off-street parking requirements for most ADUs on the Coastal Zone except for ADUs within 500 feet of the coast

or in areas with limited parking.



Projects in the Pipeline

City of Santa Cruz

130 Center Street

The proposed housing project at 130 Center Street is located across the street from Depot Park. The six-story mixed use development would include 233 studio apartments from 295 to 400 square feet with 23 units for very-low income households and eight units for moderate income households. Underground and a ground-floor garage would provide 209 parking spaces.

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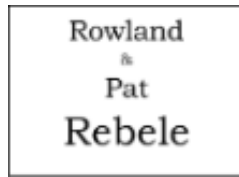


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Alexander Gaguine





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- \$1,000 - Champion

Visit www.housingsantacruzcounty.com/join-us to securely submit your donation or mail check to Housing Santa Cruz County, 132 Van Ness Avenue, Santa Cruz, CA 95060. All donations are tax deductible.

Contact Us: admin@housingsantacruzcounty.com

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