

Housing Town Hall

June 22nd, 2023

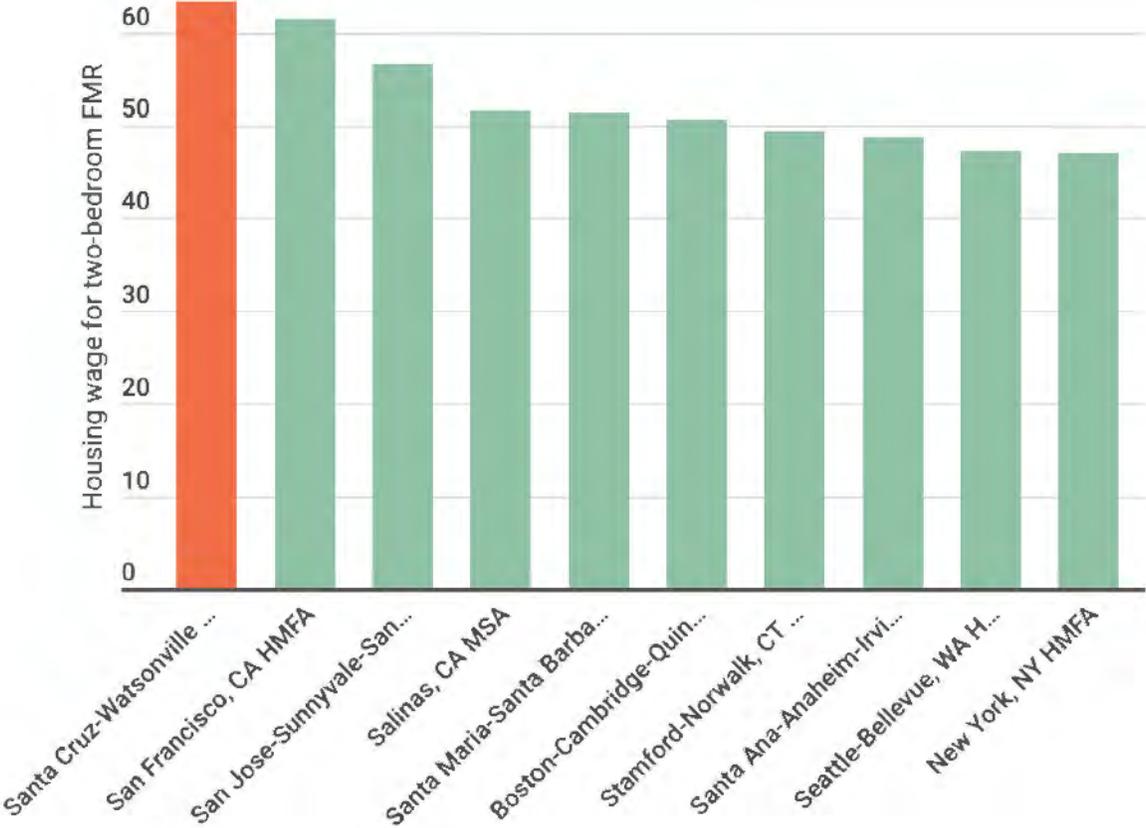


2023 Budget: Floral Park – Funded!



The News Today

Top 10 most expensive metro areas across U.S. for rents



Source: National Low Income Housing Coalition



Large Discrepancy Between Renters and Homeowners

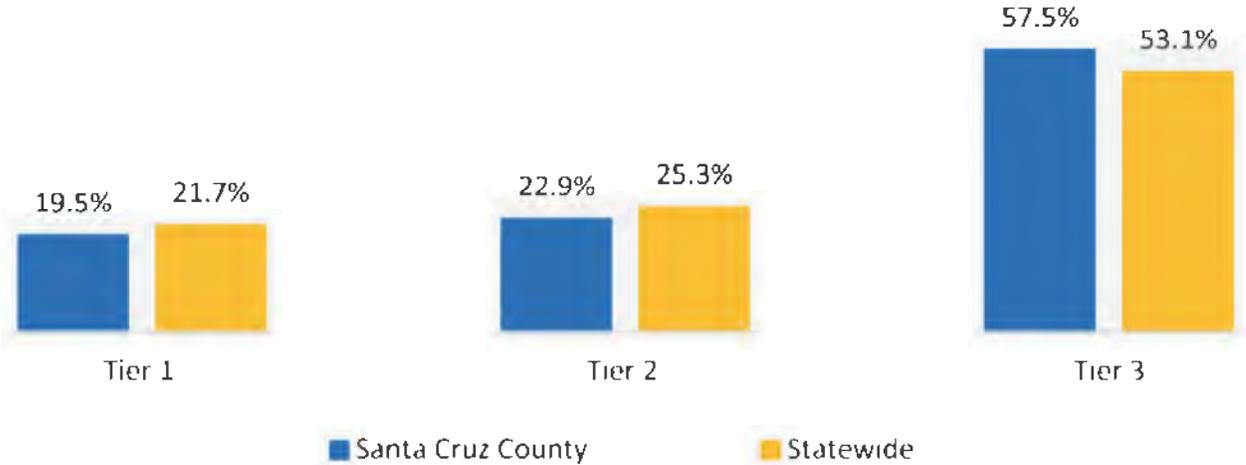


Source: 2021 5-year ACS.

Why Does it Matter to Me? Because We Need Workers

Figure 3 shows that Santa Cruz County has a larger share of lower-paying and lower-skilled jobs, and a smaller share of high and middle-paying jobs than the rest of California.

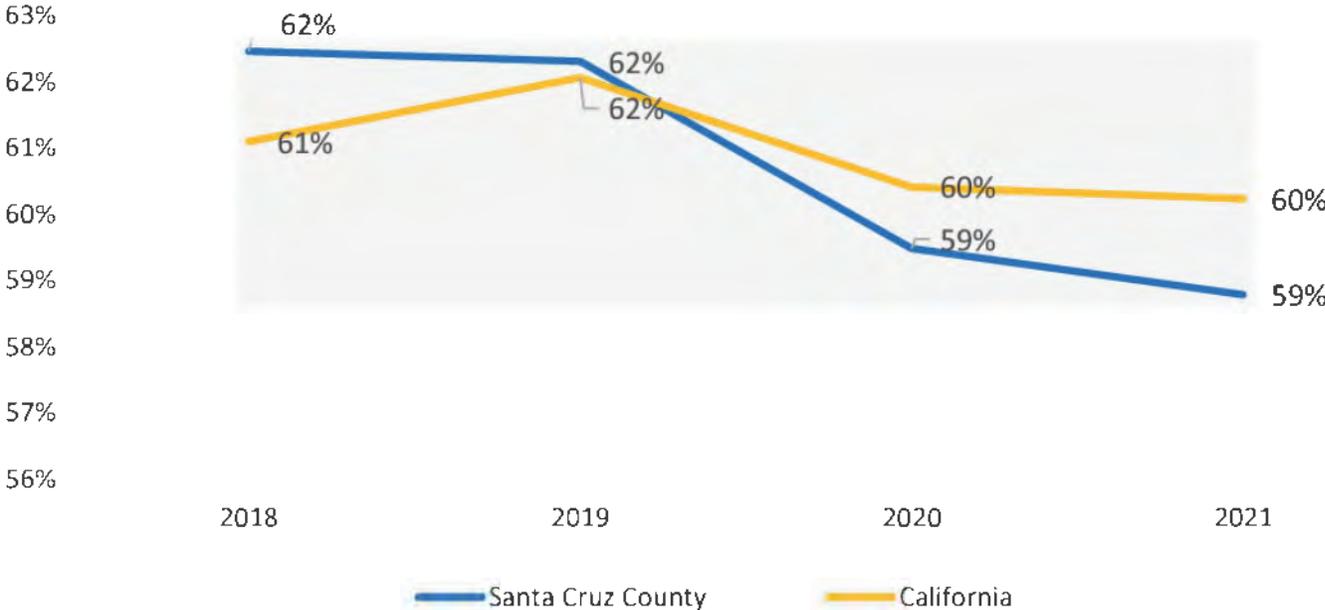
Figure 3. Job Composition by Tier (2021)⁶



Why Does it Matter to Me? Because We Need Workers

Figure 2 illustrates that the County's labor force participation rate has decreased below the statewide average following the COVID-19 pandemic, and has not recovered to pre-pandemic levels.

Figure 2. Labor Force Participation Rate (2018-2021)⁴



- The County shed 2,000 jobs during the Pandemic.
- In the next 10 years 51% of all the water workers in the County will reach retirement age.

New Affordable Housing Coming Online

- 1500 Capitola Rd
- 57 Units of Affordable Housing...
- ...thousands of applicants



Significant affordability challenges

- 2,299 people in the County experienced homelessness in 2022
- Average monthly rent of \$2,569 in Q4 2022.
- Rents in the County increased by 15% between Q4 2020 and Q4 2021 and 1.8% between Q4 2021 and Q4 2022.
- Almost 60% of renters in Santa Cruz County spend more than 30% of their income on housing.
- Only 16% of county residents can afford a median-priced home of \$1.2 million.



Santa Cruz County Community Development & Infrastructure Department

Santa Cruz County 2023 – 2031

6th Cycle Housing Element Update

Planning Commission Study Session
June 14, 2023

Santa Cruz County RHNA Allocation

Income Level	5 th Cycle RHNA	6 th Cycle RHNA	Percent Increase
<i>Very Low</i>	317	1,492	471%
<i>Low</i>	207	976	471%
<i>Moderate</i>	240	586	244%
<i>Above Moderate</i>	550	1,580	287%
Total RHNA	1,314	4,634	353%

In 5th Cycle County has permitted 1043 units - 79% of goal

Housing Needs

- Units affordable to low and moderate income
- Farmworker housing
- Teacher housing
- Smaller units & family units
- Senior housing
- Supportive housing for disabled, homeless, & those with mental health or substance abuse issues



Constraints

- Natural Environment
- High Demand
- Coastal Zone
- Regulatory Compliance
- Infrastructure & Services



6th Cycle Housing Element Update Requirements



- Update Housing Inventory
- Update 5th Cycle Policies & Programs
- Assessment of Fair Housing
- Affirmatively Furthering Fair Housing (AFFH)
- Accommodate Regional Housing Needs Allocation (RHNA)
- Robust Public Involvement
- CEQA Review

Climate Action and Adaptation Plan

- Provide housing for all residents without exacerbating environmental impacts
- Focus on infill housing in urban areas
- Develop housing along transportation corridors to reduce commutes
- Provide housing during disasters
- Recognize the connection between high(er) density, urban, all electric housing as a critical mitigation action



Housing Goals, Policies and Programs



Proposed New Programs (partial list)

- H-1C: By-right Overlay Zone (required by state law)
- H-1D: Site Consolidation Bonus
- H-1E: Rezone Opportunity Sites
- H-1F: Update Multi-family Development Standards
- H-2H: Proactive Code Enforcement for Vacation Rentals
- H-3D: Advocate for State Limits on Renter Application Fees
- H-4D Explore options for increasing supply & awareness of affordable, accessible housing for people with disabilities
- H-5: Explore requiring all new housing built in the County to be electric
- H-6E: Explore formation of a “CDBG Urban County” with local cities



AFFH and Fair Housing Analysis



Fair Housing Report

- Housing Needs Assessment
- Fair Housing Assessment
- Contributing Factors
- History of Segregation in the Region
- Access to Opportunity
- Population and Demographic Trends
- Integration and Segregation



Robust Public Engagement



Public Involvement and Robust Outreach!

- Community Panel
- Stakeholder Group
- Community Meetings
- Interactive website

www.sccoplanning.com/2023HousingElement



Community Meetings

- **Community Meeting #1**, May 15 (Aptos Village Park)
- **Community Meeting #2**, May 31 (virtual)
- **Public Meeting #3**, June 28 (5:30 pm at Watsonville Civic Plaza Community Room)

Interactive Housing Plan



What is the
Housing
Element?



Get Involved



Environmental
Review



Project
Documents



Contact Us

Interactive Housing Plan

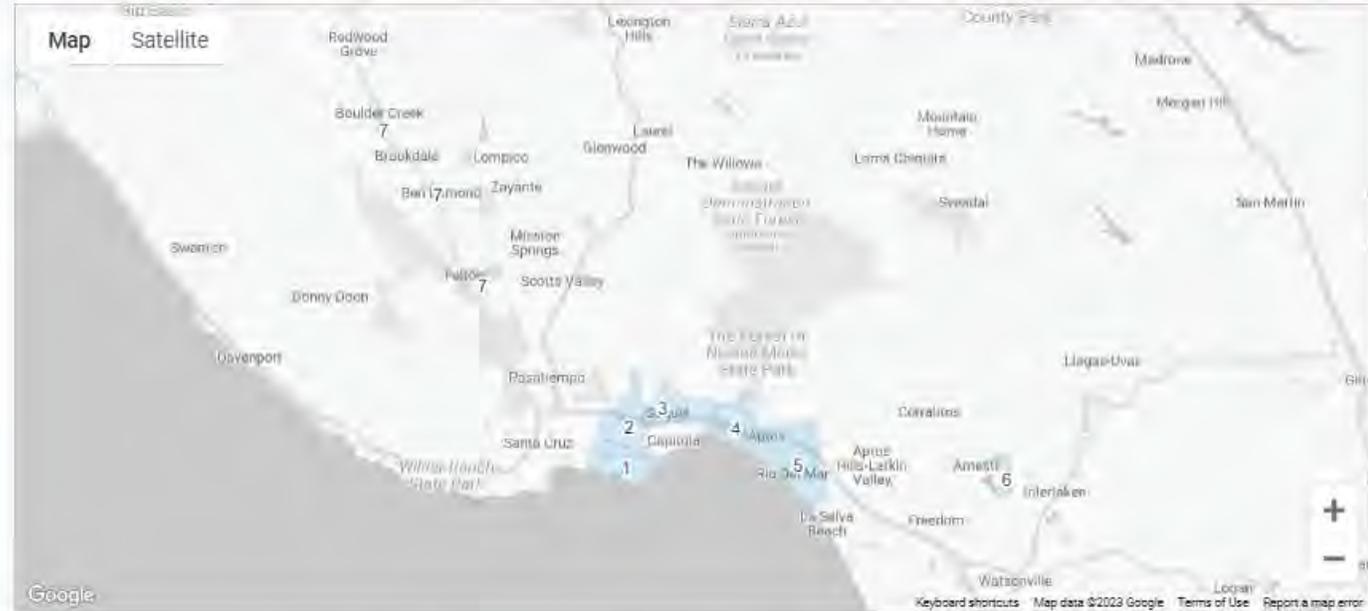
Create Your Own Housing Plan

https://santa_cruz_county_housing.abalancingact.com/InteractiveHousingPlan

Interactive Housing Plan

You do not have a housing plan.

-2,164 homes



Housing Needs

Regional Housing Needs Allocation (RHNA):
4,634 homes

Buffer: 464 homes

Where and What Kind

Existing Unit Capacity: 2,934 homes

1 Twin Lakes & Pleasure Point: 0 homes

2 Live Oak: 0 homes

Housing Sites Inventory

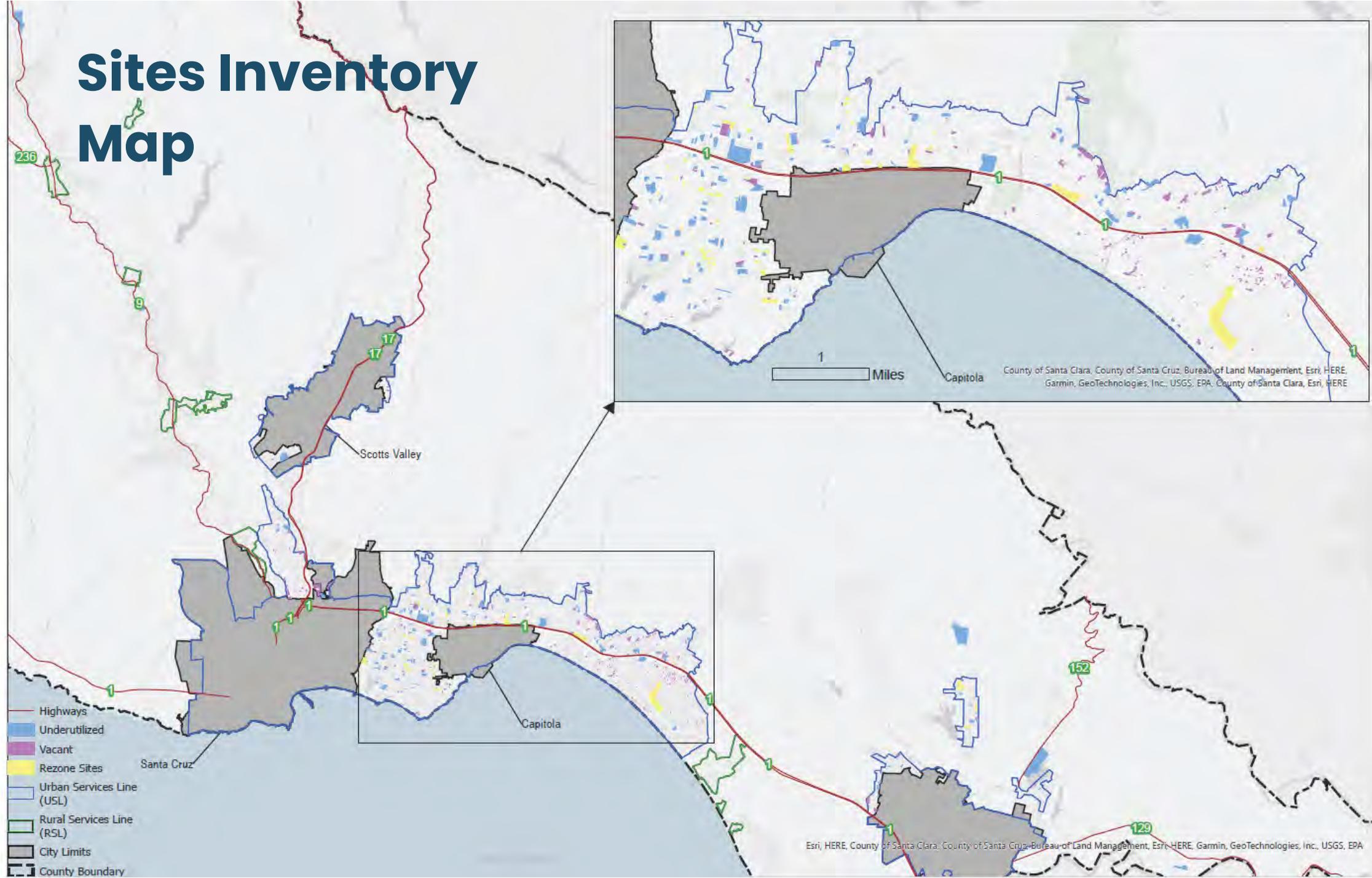


Housing Sites Inventory

Income Level	Housing Sites Inventory			
	RHNA	RHNA + Buffer	Existing Inventory	Deficit (Surplus)
Very Low	1,492	1,641	890	751
Low	976	1,074	888	186
Moderate	586	645	582	63
Above Mod	1,580	1,738	1,786	(48)
Total	4,634	5,098	4,146	952

Income Level	Potential Rezonings			
	Deficit	High Density/ RF/ Mixed Use	SB 10	Potential Parcels/ Units
Very Low	751	719	33	752
Low	186	602	66	668
Moderate	63	79	128	207
Above Mod	(48)	416	148	564
Total	952	1,816	375	2,191

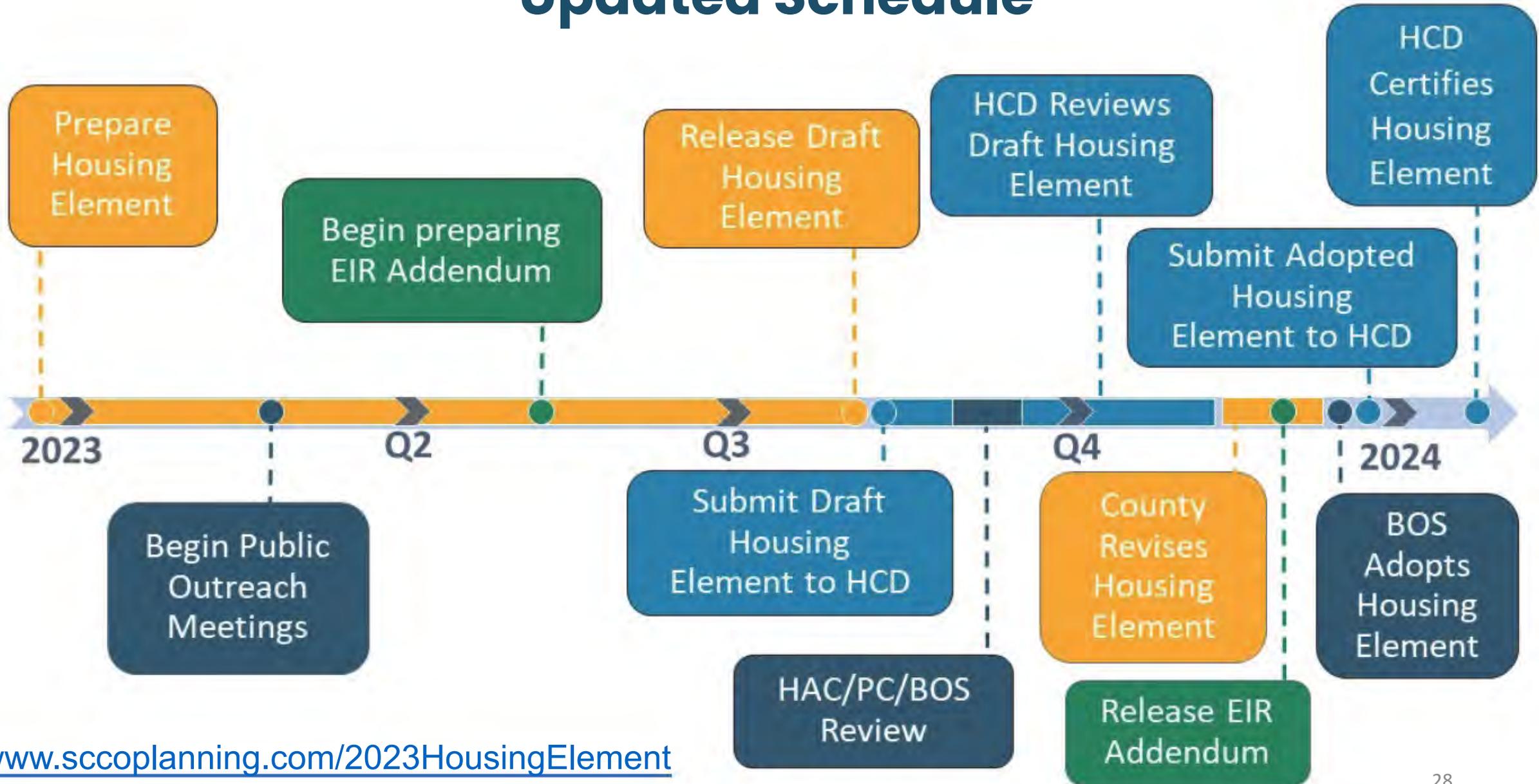
Sites Inventory Map



Next Steps



Updated Schedule



What's Next?

Community Open House

June 28th @ 5:30 – 7 pm

Watsonville Civic Plaza Community Room, 275 Main Street, 4th Floor



METRO Updates



- Youth Ride Free
- 29 hydrogen buses on order
- Bus on Shoulder on Highway 1
- Signal priority on Soquel Dr
- Reimagine METRO looking at 15 minute headways on three core urban routes
- ... and more funding will be needed

Water



- Recycled Water
- Aquifer storage
- Multi-family building is low water by design

Questions?

