

CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT OFFICE
725 FRONT STREET, SUITE 300
SANTA CRUZ, CA 95060
(831) 427-4863

Th10a



Prepared January 25, 2007 (for February 15, 2007 Hearing)

To: Commissioners and Interested Persons

From: Charles Lester, Senior Deputy Director
Steve Monowitz, Central Coast District Manager
Susan Craig, Coastal Planner

Subject: Santa Cruz County LCP Minor Amendment Number 3-06 (Condominium/Townhouse Conversions)

Santa Cruz County's Proposed Amendment

Santa Cruz County is proposing to amend its certified Implementation Plan (Zoning Ordinance) to make minor modifications that clarify the provisions for conversion of existing residential rental units to condominiums/townhouses. The requested amendment was filed January 16, 2007 pursuant to Coastal Act Section 30514(b) and California Code of Regulations Sections 13554 and 13555. The proposed amendment strictly limits conversions of residential rental units to condominiums/townhouses based on specific criteria (see page 2 of Exhibit #2 for these criteria). The objective of the proposed amendment is to further the County's efforts to retain rental housing availability within the County. See Exhibit #1 for the County's proposed changes to Section 13.03.050, Section 14.01.202, and Chapter 14.02 of the certified Zoning Ordinance.

Minor LCP Amendment Determination

Based on its review of the submitted materials, the Executive Director has determined that the proposed LCP amendment qualifies as a minor amendment. Section 13554(a) of the California Code of Regulations defines minor amendments to certified Implementation Plans (zoning ordinance) as:

CCR Section 13554(a). Changes in wording which make the use as designated in the zoning ordinances, zoning district maps or other implementing actions more specific and which do not change the kind, location, intensity, or density of use and which are found by the Executive Director of the Commission or the Commission to be consistent with the land use plan as certified by the Commission.

The amendment will not change the kind, location, intensity, or density of use of an underlying residential zoning district, but will simply require that one of four criteria be met before a residential rental unit can be converted into a condominium or townhouse. The amendment will not conflict with any policy or standards contained within the certified Land Use Plan or Chapter 3 of the Coastal Act.

The purpose of this notice is to advise interested parties of the Executive Director's determination (pursuant to CCR Section 13555) that the proposed amendment is minor as defined in CCR Section 13554(a).



California Coastal Commission

February 2007 Meeting in San Diego

Staff: S. Craig Approved by:

Th10a-2-2007

Coastal Commission Concurrence

Pursuant to CCR Section 13555, the Executive Director will report this determination to the Coastal Commission at its February 2007 meeting at the Catamaran Resort Hotel located at 3999 Mission Boulevard in San Diego. The Executive Director will also report any objections to the determination that are received within ten working days of posting of this notice. The proposed minor amendment will be deemed approved and will become effective immediately unless one-third of the appointed members of the Commission request that it be processed as a major LCP amendment (CCR Section 13555(b)).

For further information regarding the proposed LCP amendment or the Commission's procedures, please contact Susan Craig in the Coastal Commission's Central Coast District Office in Santa Cruz at the address or phone number listed above. Objections to the proposed minor LCP amendment should be submitted in writing by February 8, 2007.

Exhibits:

Exhibit 1: Proposed Zoning Ordinance Changes

Exhibit 2: County Staff Report

Exhibit 3: Board of Supervisors' Resolution

ORDINANCE NO. 4844

0499

AN ORDINANCE AMENDING SECTION 13.03.050 (b) (2), 14.01.202 (c) AND CHAPTER 14.02 OF THE SANTA CRUZ COUNTY CODE RELATING TO THE CONVERSION OF EXISTING STRUCTURES TO RESIDENTIAL CONDOMINIUMS, COMMUNITY APARTMENT PROJECTS, STOCK COOPERATIVES, OR TOWNHOUSES

The Board of Supervisors of the County of Santa Cruz ordains as follows:

SECTION I

Subsection (b) 2 of Section 13.03.050 of the Santa Cruz County Code is hereby amended for the reference to Chapter 14.02 to read as follows:

Chapter 14.02 Condominium and Townhouse
 Conversion Regulations

SECTION II

Subsection (c) of Section 14.01.202 of the Santa Cruz County Code is hereby amended to read as follows:

(c) General Provisions. No structure constructed as a multiple-family dwelling or group of dwellings shall be converted to a project pursuant to this chapter or the Subdivision Map Act within three years after construction was completed. ~~This restriction is enacted to provide that design considerations for a project be subjected to approval by the County at the earliest possible time in order to obtain the optimum use of land space and common areas.~~ (Ord. 2093, 2/25/75; 2213, 12/2/75; 2222, 12/16/75; 2443, 6/7/77; 2841, 1/15/80; 3114, 6/2/81; 3154, 9/1/81; 3436, 8/23/83; 4243, 3/23/93)

SECTION III

Chapter 14.02 of the Santa Cruz County Code is hereby revised in its entirety to read as follows:

Chapter 14.02: Condominium and Townhouse Conversion Regulations

Sections:

- 14.02.010 Purpose
- 14.02.020 Amendment
- 14.02.030 Definitions

CCC Exhibit 1
(page 1 of 8 pages)

14.02.040	General Provisions
14.02.060	Enforcement
14.02.070	Appeals
<u>14.02.080</u>	<u>Severability</u>

14.02.010 Purpose.

The purpose of this Chapter is to establish requirements and procedures for the control and approval of conversions of approved or existing multiple-family rental housing to residential condominiums, community apartment projects, and stock cooperatives and townhouses. Because there exists a limited amount of rental housing in the county, the conversion of approved or existing rental housing to residential condominiums, community apartment projects, and stock cooperatives and townhouses may conflict with the policy of the county to provide a reasonable balance of rental and ownership housing for low and moderate income persons. This Chapter is intended to implement the policies of the County General Plan and Local Coastal Program Land Use Plan. (Ord. 3331, 11/23/82).

14.02.020 Amendment.

This chapter implements policies of the Local Coastal Program Land Use Plan adopted and certified in compliance with the Coastal Act of the State of California. Amendments to this chapter are subject to approval by the State Coastal Commission when they affect the administration of the certified Local Coastal Program, and such amendments must be processed following the hearing and notice procedure of Chapter 13.03 of the Santa Cruz County Code pertaining to Local Coastal Program Administration. (Ord. 3331, 11/23/82)

14.02.030 Definitions.

Approved Dwellings. A housing project which has received all land use approvals and has not been constructed or if constructed, has not obtained all clearances for occupancy.

Conversion. A change in the type of ownership of a parcel or parcels of land, together with the approved or existing attached structures, to that defined for a condominium project or townhouse project regardless of the present or prior use of such land and structures and whether substantial improvements have been made or are to be made to such structures.

Dwelling. A structure for human habitation providing complete independent living facilities for one or more persons.

Limited-equity housing cooperative. A corporation which meets the criteria of Section 11003.2 or any successor provisions of the

Business and Professions Code and Section 33007.5 or any successor provisions of the Health and Safety Code.

Low and Moderate Income. Those income levels as defined in the Housing Element of the County General Plan and as updated to reflect current estimates of median household income limits as prepared from time to time by U.S. Department of Housing and Urban Development.

Multiple-Family Dwelling. A structure containing more than one dwelling unit and designed for permanent occupancy or occupied by more than one family.

Project. Community apartments; condominiums, stock cooperatives, limited-equity cooperatives, and townhouses

Stock Cooperative. A corporation holding title to improve real property where substantially all of the shareholders of such corporation receive a right of exclusive occupancy in a portion of the real property as further defined in Section 11003.2 of the Business and Professions Code.

Townhouse. A real estate development consisting of separately owned lots, parcels, or areas, with one or more additional contiguous or non-contiguous lots, parcels or areas owned in common by the owners of the separate lots, parcels, or areas; as defined in Business and Professions Code, Section 11003.

(Ord. 2093, 2/25/75; 2213, 12/2/75; 2222, 12/16/75; 2443, 6/7/77; 2841, 1/15/80; 3114, 6/2/81; 3154, 9/1/81; 3331, 11/23/82; 4496-C, 8/4/98)

14.02.040 General provisions.

(a) No structure constructed as a multiple-family dwelling or group of dwellings shall be converted to a project pursuant to this chapter or the Subdivision Map Act within three years after construction is completed. ~~This restriction is enacted to provide that design considerations for a project be subjected to approval by the County at the earliest possible time in order to obtain the optimum use of land space and common areas.~~

(b) The conversion of existing occupied residential real property or property capable of being occupied into a project shall not be approved unless all the following findings can be made:

~~1. The rental vacancy rate in Santa Cruz County is three percent or higher and will not fall below three percent as a result of the proposed conversion. The County shall estimate that the rental vacancy rate in the county is equivalent to the overall vacancy rate (excluding housing units under construction) for Santa Cruz County (SMSA), as listed in the most recent survey issued by the Federal Home Loan Bank of San Francisco.~~

~~1.2. Each of the tenants of the proposed project has or will have received all applicable notices and rights now or hereafter required by the state Subdivision Map Act, including written notice of intention to convert, at least sixty (60) days prior to the filing of a tentative map~~

pursuant to Section 66452.9 of the Government Code; ten (10) days' written notification that an application for a public report will be or has been submitted to the Department of Real Estate, and that such report will be available upon request pursuant to Section 66427.1(a) of the Government Code; written notice of public hearing and of the tenant's right to appear and to be heard on the proposed conversion pursuant to Section 66451.3 of the Government Code; and copies of the staff report on the tentative map at least three days prior to any hearing or action on such map pursuant to Section 66452.3 of the Government Code.

2. ~~3.~~ At the time of issuance of the written notice of intention to convert, the applicant has informed the tenants that a tenants' association has the right to negotiate for the purchase of the structure as a cooperative.

3. ~~4.~~ Each of the tenants of the proposed project has been, or will be, given written notification within ten (10) days of approval of a final map for the proposed conversion.

4. ~~5.~~ Each of the tenants of the proposed project has been or will be given one hundred eighty (180) days written notice of intention to convert prior to termination of tenancy due to conversion or proposed conversion. Tenants aged sixty-two (62) or older or persons with disabilities or with minor children have or will be given an additional one hundred twenty (120) days in which to find suitable replacement housing. The provisions hereof shall not alter or abridge the rights or obligations of the parties in performance of their covenants, including but not limited to the provision of services, payment of rent or the obligations imposed by Sections 1941, 1941.1, 1941.2, 1941.3 and 1941.4 of the California Civil Code.

5. ~~6.~~ Each of the tenants of the proposed project has or will be given the right to cancel any existing lease following receipt of the written notice of public hearing by providing written notice to the landlord.

6. ~~7.~~ Each of the tenants of the proposed project has been or will be given notice of an exclusive right to contract for the purchase of his or her respective unit, or in the case of a cooperative the share controlling the dwelling unit then occupied by the tenant (or any other dwelling unit in the project not claimed by the tenant) upon the same terms and conditions that such unit will be initially offered to the general public or terms more favorable to the tenant. The right shall run for a period of not less than ninety (90) days from the date of issuance of the subdivision public report pursuant to Section 11018.2 of the Business and Professions Code, or approval of the application by the County if a subdivision public report is not required, unless the tenant gives prior written notice of his or her intention not to exercise the right.

7. ~~8.~~ Each of the tenants of the proposed project who resided in the project at the time of the issuance of the notification of intention to convert has or will be offered moving and relocation assistance

amounting to one and one-half times the tenant's monthly rent, except when the tenant has given notice of his or her intent to move prior to issuance of the notification of intention to convert.

(c) Conversions may be permitted only if:

~~Notwithstanding the provisions of subsection (b)(1) above, C~~conversions of approved dwellings or existing multiple-family dwellings or groups of dwellings may be permitted only if:

1. One hundred (100) percent of the ~~new converted units to be created by the conversion~~ are enforceably restricted so as to be affordable to, and occupied solely by, low or moderate average or below average income persons for the life of the unit a minimum of thirty (30) years; an example of this type of conversion would be a limited equity cooperative as defined by state law; or
2. For conversions involving four or fewer existing units, no fewer than one-half of the units to be converted will must be sold to persons who have resided in the project for a period of three years prior to the notification of intention to convert in order for the conversion to be approved. In determining the number of residential conversion units, any decimal fraction less than or equal to 0.50 shall be disregarded, and any decimal fraction greater than 0.50 shall be construed as requiring one unit; or
3. The conversion involves a single existing unit or the conversion involves four or fewer existing units equaling 20% or greater of the total project and occurs in connection with the construction of a new unit or units on the same parcel with a minimum of 20% of the total project being affordable to low and moderate persons for the life of the unit.
4. ~~The conversion involves four or fewer existing units and occurs in connection with the construction of a new unit or units on the same parcel.~~

(d) Rents will not be increased from the time of filing of the application for conversion until relocation takes place or until the application is denied or withdrawn, unless first approved by the Planning Commission. The Planning Commission shall allow for reasonable increases in rent due to documented increases in utilities and taxes.

(e) Each of the tenants of the proposed project who first resided in the project after the notification of intention to convert shall be provided with a written notice stating that the unit is planned for conversion and may be subject to future sale. Such tenants shall also be given copies of all notices required by this section which have been issued for their units.

(f) The applicant for conversion of an existing structure to a project shall provide the following information:

(1) A building and zoning history, to the extent available, detailing the date of construction, major uses since construction and the dates, nature, and scope of major repairs and alterations since construction.

- (2) A property report detailing the condition and useful life of the roof, foundation, mechanical, electrical, plumbing and structural elements of all existing buildings and structures, prepared by a certified engineer. (A copy of this report shall be furnished to each prospective purchaser by applicant prior to sale of the unit.)
- (3) A structural pest report prepared by a licensed structural pest control operator.
- (4) A preliminary set of plans for the structure(s) to be converted.
- (5) A statement of the number of units, the size of units, the number of tenants, and a listing of the names and addresses of all tenants.
- (6) A statement certifying that all present tenants have been notified in writing of the intent to apply for conversion, and of all of their rights and responsibilities as outlined in this section.

(7) A statement of the repairs and improvements which will be done prior to sale of the units.

(8) A description of the condition of the common areas, including landscaping, recreational features, and facilities within the project area.

(9) A description of the provisions for management and maintenance of common areas and facilities within the project.

(g) A permanent record of the notices required to be provided by the terms of this section shall be kept by the applicant for a period of one year thereafter; such record to include:

(1) A copy of each notice showing the date of which it was delivered or mailed; and

(2) Proof of the giving of the notice consisting of:

(A) If delivered, the signature of the person to whom it was delivered acknowledging such delivery; or

(B) If mailed, proof of mailing, and the return receipt if a receipt was returned by the recipient of the notice.

~~(h) Provision of Replacement Housing.~~

~~(1) The applicant shall provide a replacement housing unit for each converted unless one of the following conditions can be met:~~

~~(A) The unit to be converted is not occupied by an individual or household of low and moderate income;~~

~~(B) The residential structure to be converted contains two or fewer dwelling units;~~

~~(C) The group of residential structures to be converted contains ten (10) or fewer dwelling units;~~

~~(D) The conversion is being requested to convert the use of the parcel to one which is "coastal dependant" or "coastal related" in conformance with the parcel's designation in the Land Use Element of the General Plan.~~

~~(2) The following standards shall apply to the required replacement housing:~~

~~(A) Location. The replacement dwelling units shall be located on the site of the structure if feasible. If the structure to be converted is located within the coastal zone, and on-site replacement housing is not feasible, replacement~~

~~housing shall be located elsewhere within the coastal zone, or if this is not feasible, within three miles of the coastal zone.~~

~~(B) Timing and Bonding. The replacement dwelling units shall be provided and available for occupancy within three years from the date of the recording of the project's final map. The applicant shall provide a bond in the amount of ten thousand dollars (\$10,000.00) for each replacement unit required. At the applicant's option, or if the replacement units are not provided within the three-year period, the bond shall be forfeited to the County and used to assist in the provision of affordable housing.~~

~~(C) Affordability. The replacement dwelling units shall be affordable housing units, as defined in Chapter 17.10, and shall be subject to the provisions of that chapter. (Ord. 2093, 2/25/75; 2213, 12/2/75; 2222, 12/16/75; 2443, 6/7/77; 2841, 1/15/80; 3114, 6/2/81; 3154, 9/1/81; 3331, 11/23/82; 3481, 11/22/83; 4642 § 5, 11/6/01; Ord. 4784 §§ 2, 3, 4/26/05; Ord. 4794 §§ 2, 3, 6/7/05; Ord. 4819 §§ 2, 3, 3/7/06)~~

14.02.060 Enforcement.

~~The Planning Director, pursuant to the provisions of Section 836.5 of the Penal Code of the State of California, is hereby authorized to arrest a person without a warrant whenever he has reasonable cause to believe that the person has committed an infraction in their present which is a violation of any of the provisions of this chapter. Upon making such an arrest, the Planning Director shall prepare a citation and release the person arrested pursuant to Section 853.6 of the Penal Code of the State of California, the provisions of which are hereby adopted by reference as part of this section. (Ord. 3331, 11/23/82)~~

(a) The provisions of this chapter and Chapter 19 of the County Code shall apply to all agents, successors and assigns of an applicant. No building permit or occupancy permit shall be issued, nor any development approval be granted which does not meet the requirements of this chapter. The County shall suspend or revoke any building permit or development approval upon finding a violation of any provision of this chapter.

(b) Any person, firm, or corporation, whether as principal, agent, employee or otherwise, violating or causing the violation of any of the provisions of this chapter, shall be guilty of a misdemeanor, and upon conviction thereof shall be punishable for each offense by a fine of not less than five hundred dollars (\$500.00) for each day in which such violation occurs, or by imprisonment in the county jail for a term not exceeding six months, or by both fine and imprisonment. Such person, firm, or corporation shall be deemed to be guilty of a separate offense for each and every day during any portion of which any violation of this chapter is commenced, continued, or permitted by such person, firm, or corporation, and shall be punishable as herein provided.

(c) The County may institute injunction, mandamus, or any appropriate legal actions or proceedings for the enforcement of this chapter.

14.02.070 Appeals.

All appeals of actions taken pursuant to the provisions of this chapter shall be made in conformance with the procedures in Chapter 18.10; provided, however, that code enforcement actions and decisions are not subject to administrative appeal except for appeals of revocation of permits pursuant to Section 18.10.136(c). (Ord. 4391A, 4/2/96; 3331, 11/23/82)

14.02.080 Severability

If any provision of this chapter or application thereof to any person or circumstances is held invalid, this invalidity shall not affect other provisions or applications of this chapter which can be given effect without the invalid provision or application, and to this end, the provisions of this chapter are declared to be severable. This chapter shall be liberally construed to achieve the purposes of this chapter and to preserve its validity.

SECTION IV

This ordinance shall become effective upon certification by the California Coastal Commission.

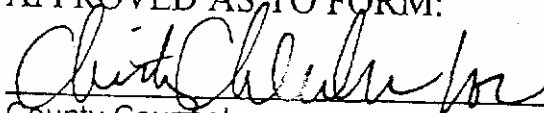
PASSED AND ADOPTED this _____ day of _____ 2006 by the Board of Supervisors of the County of Santa Cruz by the following vote:

AYES: SUPERVISORS
NOES: SUPERVISORS
ABSENT: SUPERVISORS
ABSTAIN: SUPERVISORS

Chairman of the Board of Supervisors

Attest: _____
Clerk of the Board

APPROVED AS TO FORM:



County Counsel

CCC Exhibit 1
(page 8 of 8 pages)

Don
0493



COUNTY OF SANTA CRUZ

PLANNING DEPARTMENT

701 OCEAN STREET, 4TH FLOOR, SANTA CRUZ, CA 95060
(831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123
TOM BURNS, PLANNING DIRECTOR

November 15, 2006

AGENDA DATE: December 5, 2006

Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

SUBJECT: PUBLIC HEARING TO CONSIDER AMENDMENTS TO THE SUBDIVISION AND ZONING REGULATIONS RELATING TO CONDOMINIUM AND TOWNHOUSE CONVERSIONS

Members of the Board:

In early 2005 staff brought to your attention flaws in the County's Condominium Conversion Ordinance, and recommended that an interim ordinance be adopted to provide time to develop a permanent ordinance to properly address condominium conversions. This item is to consider final recommendations to that Ordinance, including consideration of input from the Planning Commission.

HISTORY

In 1982, the County adopted Ordinance No. 3331, which established Chapter 14.02 – Condominium Conversion Regulations. That ordinance was adopted in response to increasing conversions of rental housing to ownership units and to preserve rental-housing stock, implementing both the adopted General Plan and Housing Element policies and State law. One of the important provisions of Chapter 14.02 prohibited the conversion of existing rental housing unless the rental vacancy rate in Santa Cruz County is less than 3% as determined by the most recent survey issued by the Federal Home Loan Bank of San Francisco.

In early 2005, staff brought to your Board's attention the fact that the Federal Home Loan Bank of San Francisco no longer calculates a vacancy rate for Santa Cruz County, thus rendering this provision unenforceable. Staff recommended that an interim ordinance be adopted while staff investigated policy approaches to address condominium conversions. At that time, your Board adopted an Interim Ordinance effective for 45 days, and directed staff to return at a later date with a time extension to that Interim Ordinance. In early, 2006, your Board adopted the final extension to the interim ordinance, with that to expire on April 26, 2007.

CCC Exhibit 2
(page 1 of 3 pages)

PROVISIONS OF INTERIM ORDINANCE

The interim ordinance deletes the provision regarding the vacancy rate and retained four exception criteria for the conversion to condominiums or townhouses. The ordinance allows the conversion to condominiums only if one of the following criteria is met:

1. One hundred (100) percent of the new units to be created by the conversion are enforceably restricted so as to be affordable to, and occupied solely by, average or below average income persons for a minimum of thirty (30) years; an example of this type of conversion would be a limited equity cooperative as defined by state law;
2. For conversions involving four or fewer units, no fewer than one-half of the units to be converted will be sold to persons who have resided in the project for a period of three years prior to the notification of intention to convert;
3. The conversion involves a single existing unit; or
4. The conversion involves four or fewer existing units and occurs in connection with the construction of a new unit or units on the same parcel.

PROPOSED PERMANENT ORDINANCE

Staff has researched methods used in other communities to address condominium conversions. Those jurisdictions that use vacancy rates to trigger restrictions either rely on third party research, staff verification through extensive research, or representative sampling. No jurisdiction uses an established, published vacancy rate source and, therefore, staff recommends that the County seek other methods to preserve rental housing.

The Condominium Conversion regulations have been in effect since 1982. Because of low vacancy rates for the past two decades, conversions have generally been allowed only if one of the four criteria listed above is met. This has proven to be effective in protecting existing rental housing. Staff research discovered only ten units that had been converted since 2002.

As a result, we believe that the best long-term policy approach is one that strictly limits condominium conversions to narrow situations, and is not affected by vacancy rates. This approach would be similar to the standards contained in the interim ordinance.

One other proposed revision would require that the ordinance apply to both approved and not yet constructed dwellings. This will ensure that approved rental projects will be constructed as rental units. Nearly half of approved (non-subsidized) rental housing approved since 2002 has been converted to condominiums or townhouses prior to final inspection. In the past, these conversions have not been subject to the ordinance. Staff believes that this change will further the efforts of the County to retain rental housing in the County consistent with the Housing Element.

Finally, several minor changes are proposed to the ordinance. These include the following:

- The correction of reference citations of applicable state law. The adopted ordinance erroneously cited a section within the Health and Safety Code and failed to include a proper reference to the correct section.
- The inclusion of reference citations of various state laws that have become effective after Chapter 14.02 became effective in 1982.

- The formal inclusion of Townhouses under this ordinance to codify Planning Department practices.
- Deletion of the replacement housing provisions to be consistent with court actions and Santa Cruz County Code Chapter 12.06.
- The modification of sections of the ordinance to be consistent with other sections of the County Code. For example, the time frame a unit shall remain as an Inclusionary Housing unit and revisions to the enforcement section.
- Revisions to the definitions section to include a definition for Approved Dwelling and Townhouse.
- Inclusion of a severability section.

These additional revisions were developed in consultation with County Counsel.

ENVIRONMENTAL REVIEW

The proposed ordinance changes are subject to the California Environmental Quality Act. The proposed revisions were reviewed and determined to not directly or indirectly lead to foreseeable physical changes that might impact the environment. Because of this fact, the proposed revisions are not subject to CEQA. The Notice of Exemption is attached as Attachment 4.

CONCLUSION AND RECOMMENDATION

Staff believes that the proposed amendments to the County's Condominium Conversion Policies reflects your Board's adopted objectives and polices to retain rental housing stock.

It is therefore **RECOMMENDED** that your Board take the following actions:

1. Conduct a public hearing on the proposed Ordinance amendments;
2. Adopt the Resolution (Attachment 1) and the attached Ordinance (Attachment 3) approving the amendments to Sections 13.03 and 14.01 and to Chapter 14.02;
3. Certify the CEQA Notice of Exemption (Attachment 4); and
4. Direct the Planning Department to forward the amendments to the Coastal Commission for review and certification as part of the 2006 Round 3 submittal.

Sincerely,



TOM BURNS
Planning Director

RECOMMENDED:



SUSAN A. MAURIELLO
County Administrative Officer

CCC Exhibit 2
(page 3 of 3 page)

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

RESOLUTION NO. 391-2006

On the motion of Supervisor Wormhoudt
duly seconded by Supervisor Pirie
the following is adopted:

RESOLUTION ADOPTING AN ORDINANCE AMENDING SANTA CRUZ COUNTY
CODE SECTIONS 13.03.050 (b) (2), 14.01.202 (c) AND CHAPTER 14.02 OF THE SANTA
CRUZ COUNTY CODE RELATING TO THE CONVERSION OF EXISTING STRUCTURES
TO RESIDENTIAL CONDOMINIUMS, COMMUNITY APARTMENT PROJECTS, STOCK
COOPERATIVES, OR TOWNHOUSES.

WHEREAS, the Board of Supervisors directed that an ordinance amendment be developed to amend the Condominium Conversion regulations within Volume II of the Santa Cruz County Code; and

WHEREAS, the preservation of the existing rental housing stock and, particularly, rental housing for low and moderate income persons, is necessary for the public welfare and to implement the objectives and policies of the General Plan/Local Coastal Program Land Use Plan; and

WHEREAS, the proposed amendments implement General Plan/LCP Housing Element Objective 3.7 concerning the retention of existing stock of rental units; and

WHEREAS, the proposed amendments implement General Plan/ LCP Housing Element Policy 3.1 and Policy 3.7 concerning the continuation of the Condominium Conversion Ordinance to protect existing stock of rental units; and

WHEREAS, one of the purposes of Chapter 14.02 Condominium Conversion Regulations is to provide a reasonable balance of rental and ownership housing within the county and prevent the reduction of the supply of rental housing for low and moderate income persons; and

WHEREAS, Chapter 13.03 and Chapter 14.02 of the County Code are implementing ordinances of the Local Coastal Program (LCP) and the proposed amendments to Chapter 13.03 and Chapter 14.02 constitute amendments to the Local Coastal Program; and

WHEREAS, the proposed amendments have been determined to be consistent with the California Coastal Act; and

WHEREAS, the Planning Commission has held a duly noticed public hearing and has considered the proposed amendments, and all testimony and evidence received at the public hearing; and

WHEREAS, the Planning Commission found that the proposed amendments to the Santa Cruz County Code to be consistent with the policies of the General Plan and Local Coastal Program and other provisions of the County Code, and will contribute to the retention of existing rental housing stock; and

CCC Exhibit 3
(page 1 of 2 pages)

WHEREAS, the Environmental Coordinator issued a Categorical Exemption for these amendments and the Planning Commission has reviewed the environmental document and finds that the proposed amendments have been processed consistent with applicable provisions of the California Environmental Quality Act (CEQA) and the County of Santa Cruz environmental guidelines; and

WHEREAS, the Board of Supervisors has held a duly noticed public hearing and has considered the proposed amendments, and all testimony and evidence received at the public hearing.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the Board of Supervisors hereby certifies the Categorical Exemption under CEQA and approves the amendments to County Code Sections 13.03.050 (b) (2), 14.01.202 (c) and Chapter 14.02 relating to the conversion of existing structures to residential condominiums, community apartment projects, stock cooperatives, or townhouses.

BE IT FURTHER RESOLVED AND ORDERED that the Board of Supervisors hereby directs these amendments be submitted to the State of California Coastal Commission as part of the next 2006 "rounds" package.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 5th day of December, 2006 by the following vote:

AYES:	SUPERVISORS	Wormhoudt, Pirie, Beautz, Campos and Stone
NOES:	SUPERVISORS	None
ABSENT:	SUPERVISORS	None
ABSTAIN:	SUPERVISORS	None

MARK W. STONE

Mark Stone, Chairperson

ATTEST:

GAIL T. BORKOWSKI

Clerk of the Board

APPROVED AS TO FORM:

[Signature]
County Counsel

DISTRIBUTION: County Counsel
Planning Department

STATE OF CALIFORNIA	ss
COUNTY OF SANTA CRUZ)
I, SUSAN A. MAURIELLO, County Administrative Officer and ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California do hereby certify that the foregoing is a true and correct copy of the resolution passed and adopted by and entered in the minutes of the said board. In witness whereof I have hereunto set my hand and affixed the seal of the said Board on <u>12/5</u> 20 <u>06</u>	
SUSANA MAURIELLO, County Administrative Officer	
By <i>[Signature]</i>	Deputy