CALIFORNIA COASTAL COMMISSION

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LCP-3-STC-23-0005-1-PART A (FLEXIBLE DENSITY UNITS) APRIL 14, 2023 HEARING EXHIBITS

Table of Contents

Exhibit 1: Proposed Amendment Text

21.06.020 DEFINITIONS.

As used in this chapter, the following terms and phrases are defined as follows:

A. "Building, housing and sanitation codes or ordinances" shall refer to the current adopted codes specified in Title 18, the California Fire Code and International Fire Code, all as modified, adopted and codified in this code. The phrase "building, housing and sanitation codes or ordinances" shall also refer to the city of Santa Cruz zoning ordinance as codified at Title 24, the city of Santa Cruz subdivision ordinance as codified at Title 23, and all provisions of California statutory law and this code pertaining to property-related sanitation, health, safety and nuisance, as well as state regulations promulgated pursuant to California statutory law, for which the city has enforcement authority.

B. "Director" shall refer to the city's director of planning and community development.

C. "Owner" shall mean any person who owns one or more residential rental dwelling units.

D. "Person" means and includes any individual, partnership of any kind, corporation, limited liability company, association, joint venture or other organization or entity, however formed, as well as trustees, heirs, executors, administrators, or assigns, or any combination of such persons. The terms "person," "owner," "operator," and "landlord" may herein be used interchangeably.

E. "Residential rental dwelling unit" shall mean a building or portion of a building that is rented or leased to tenants for residential purposes on a nontransient basis (when one or more tenants reside on the property or rent or lease the property for thirty consecutive days or longer) and which is owned in whole or in part by a landlord. This shall include but not be limited to single-family residences, duplexes, triplexes, apartment houses, townhouse dwellings, condominiums, boarding houses, lodging houses, rooming houses, single room occupancy units, small ownership units flexible density units, hotel and motel units, sober living facilities, fraternities, sororities, and dormitories in the city of Santa Cruz.

Part 7C: R-T(C) SUBDISTRICT C – BEACH COMMERCIAL

24.10.620 USE PERMIT REQUIREMENT.

(1) The following uses require an administrative use permit and design permit and are subject to other applicable requirements of the Municipal Code (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Subcategories of uses within these use categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):

(a) Accessory buildings containing plumbing fixtures subject to provisions of Section 24.12.140;

- (b) Acting/art/music/dance/studios/schools (610);
- (c) Apparel and accessory stores (250);

- (d) Churches (500);
- (e) Community organizations, associations, clubs and meeting halls (570);

(f) Convenience stores, subject to alcohol regulations in Chapter 24.12, Part 12 (240B);

- (g) Developed parks (710);
- (h) Undeveloped parks and open space (700);

(i) Eating and drinking establishments (except bars and fast-food restaurants) subject to live entertainment and alcohol regulations of Chapter 24.12 (280);

(j) Educational facilities (public/private) (510);

(k) Flexible density unit (FDU) housing (15 units or fewer) as part of a mixed-use project;

- (k-I) General merchandise stores (drug and department stores) (230);
- (+m) Government and public agencies (530);
- (m-n) Home furnishings (270);

(n-o) Large family daycare homes (no design permit required unless otherwise required as a result of a structural modification to the residence);

(e-p) Liquor stores, subject to alcohol regulations in Chapter 24.12, Part 12 (240B);

(p-q) Mixed residential, and commercial developments when multiple family units are located above first floor of commercial uses, subject to the R-T(A) District regulations (830);

(q-<u>r</u>) Multiple dwellings, townhouse dwelling groups and condominiums (three to nine units) subject to the R-T(A) District regulations (830);

(r-s) Museum and art galleries (600);

(s-t) Professional offices associated with a visitor-serving use (400);

(t-<u>u</u>) Repairs, alterations, maintenance services to household items (except boat repair) (340);

(u-v) Single-room occupancy (SRO) housing, fifteen units or fewer (860);

(<u>+w</u>) Specialty retail supply stores (290);

 $(\underline{w}-\underline{x})$ Supportive and transitional housing (three to nine units) subject to the R-T(A) District regulations;

Exhibit 1 LCP-3-STC-23-0005-1-Part A Page 2 of 13 (x-y) Temporary structures and uses;

 $(\underline{y}-\underline{z})$ Video rental (360B);

(z-aa) Sports and recreation facilities, without alcohol sales (720);

(aa-bb) Wireless telecommunications facilities, subject to the regulations in Chapter 24.12, Part 15.

(2) The following uses require a special use permit and design permit and are subject to other applicable requirements of the Municipal Code (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Subcategories of uses within these use categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):

- (a) Bars/taverns subject to alcohol regulations in Chapter 24.12, Part 12 (280C);
- (b) Communication and information (550);
- (c) Duplexes (810);
- (d) Educational facilities (public/private) (510);
- (e) Fast-food restaurants subject to alcohol regulations in Chapter 24.12, Part 12 (280H);
- (f) Financial, insurance, real estate offices (420);
- (g) Flexible density unit (FDU) housing (16 units or more) as part of a mixed-use project;
- (g-h) Marine facilities and related uses (560E):
 - (i) Related research facilities (400L);
 - (ii) Related storage and warehousing (330);
 - (iii) Fish/seafood wholesale sales (200F);
- (h i) Medical/health offices (410);

(Hj) Mixed residential and commercial developments with noncommercial uses on the ground floor, subject to the R-T(A) District regulations (830);

 $(j-\underline{k})$ Multiple dwellings, townhouse dwelling groups and condominiums ten units or more subject to the R-T(A) District regulations (840);

Exhibit 1 LCP-3-STC-23-0005-1-Part A Page 3 of 13 (k l) Nightclubs/music halls, subject to live entertainment and alcohol regulations in Chapter 24.12, Part 12 (630);

(1 m) Off-site public/private parking facilities, five or more spaces (930);

(mn) Personal services (except contractors' yards and mortuaries) (310);

(n o) Professional offices (400), except as associated with a visitor-serving use;

(ep) Single-family residences if lot size does not allow multifamily development (800);

(p g) Single-room occupancy (SRO) housing, sixteen units or more (860);

(q <u>r</u>) Sports and recreation facilities subject to alcohol regulations in Chapter 24.12, Part 12 (720);

 $(\underline{r} \underline{s})$ Supportive and transitional housing, ten or more units subject to the R-T(A) District regulations;

(<u>s t</u>) Theaters (620);

(t-u) Triplexes (820);

 $(\underline{u} \underline{v})$ Utilities and resources (540).

Part 8: C-C COMMUNITY COMMERCIAL DISTRICT

24.10.730 USE PERMIT REQUIREMENT.

1. The following uses require an administrative use permit and are subject to other applicable requirements of the municipal code (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Subcategories of uses within these use categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):

a. Accessory buildings containing plumbing fixtures subject to provisions of Section 24.12.140;

b. Ambulance services (410B);

c. Auto services and repair subject to performance standards in Section 24.12.900 (350);

d. Bakery, handicrafts or similar light manufacturing and assembly uses associated with retail sales if floor area is less than seven thousand square feet and retail sale or service area occupies at least thirty percent of the floor area;

Exhibit 1 LCP-3-STC-23-0005-1-Part A Page 4 of 13

- e. Brewpubs and microbreweries, subject to alcohol regulations in Part 12 of Chapter 24.12;
- f. Boat repairs (340D);
- g. Building materials/garden supplies (220);
- h. Cannabis retail, subject to the commercial cannabis regulations, Part 14 of Chapter 24.12;
- i. Churches (500);
- j. Communication and information services (550);
- k. Community organizations, associations, clubs and meeting halls (570);
- I. Developed parks (710);
- m. Educational facilities (public/private) (510);

n. Fast-food restaurants or drive-in eating facilities subject to performance standards in Section 24.12.290, and subject to live entertainment and alcohol regulations of Chapter 24.12 (280H);

o. Flexible density unit (FDU) housing, 15 units or fewer;

- e-p. Foster family homes;
- p g. Government and public agencies (530);
- q <u>r</u>. Lodging (300);

r-s. Mixed residential and commercial/office developments involving permitted or administrative uses on the ground floor and from three to nine multiple dwellings or condominiums above the first floor;

st. Motor vehicle dealers and supplies (260);

t-<u>u</u>. Multiple dwellings or condominiums, three to nine units subject to the minimum (net) land area per dwelling unit of the R-M District (830);

<u>u-v</u>. Off-site public/private parking facilities, five or more spaces (930);

- v-w. Recycling collection facilities;
- w-x. Single-room occupancy (SRO) housing, fifteen units or fewer (860);
- <u>x-y</u>. Tasting rooms, subject to alcohol regulations in Part 12 of Chapter 24.12;

<u>y-z</u>. Temporary structures and uses;

z-aa. Thrift stores (290m);

aa bb. Undeveloped parks and open space (700);

bb-cc. Utilities and resources (540);

cc.dd. Veterinarians (410A);

dd <u>ee</u>. Wireless telecommunications facilities, subject to the regulations in Part 15 of Chapter 24.12.

2. The following uses require a special use permit and are subject to other applicable requirements of the municipal code. All industrial classifications from 100 to 155 shall be limited to operations that occupy less than five thousand square feet of floor area and shall comply with all performance standards listed in Part 2 of the Environmental Resource Management provisions (numerical references at the end of these categories reflect the general use classifications listed in the city's land use codes. Subcategories of uses within these use categories can be found in the land use codes, but they are not intended to be an exhaustive list of potential uses):

a. Bar and cocktail lounges subject to live entertainment and alcohol regulations of Chapter 24.12 (280C);

- b. Carpenter, electrical, plumbing, heating, and furniture upholstery shops;
- c. Community care facilities;
- d. Large family daycare;
- e. Contractor/building (310E);
- f. Convenience stores, subject to alcohol regulations in Part 12 of Chapter 24.12 (240B);
- g. Fabricated metal products (manufacturing) (150);
- h. Fabricated wire products (manufacturing) (155A);
- i. Flexible density unit (FDU) housing, 16 units or more;
- i-j. Food and beverage preparation (manufacturing) (100);
- j-k. Furniture and fixtures (manufacturing) (120);
- k-I. Hospitals (520);
- +m. Laboratory research experimentation, testing, software development;

Exhibit 1 LCP-3-STC-23-0005-1-Part & Page 6 of 13 m-n. Liquor stores, subject to alcohol regulations in Part 12 of Chapter 24.12;

n-o. Local/interurban passenger transit (bus, cab) (560B);

e-p. Millwork, textile products, knit goods, woven fabrics, clothing (manufacturing) (105);

<u>p-g.</u> Mixed residential and commercial/office developments, with ten or more multiple dwellings or condominiums, either above commercial uses or units on the same lot (840);

<u>q-r</u>. Multiple dwellings and condominiums, ten or more units subject to the minimum land area (net) per dwelling unit of the R-M District (840);

r-s. Mortuaries (310I);

s-t. Motion picture production (manufacturing) (155E);

t-<u>u</u>. Nightclubs/music halls subject to live entertainment and alcohol regulations of Chapter 24.12 (630);

- u-v. Rental services (360);
- $+\underline{w}$. Single-room occupancy (SRO) housing sixteen units or more (860);

w-x. Solar equipment (manufacturing) (155C);

<u>x-y</u>. Sports recreation facilities, subject to alcohol regulations in Part 12 of Chapter 24.12 (720);

<u>y-z</u>. Stone, clay, glass products (manufacturing) (140);

z-aa. Storage and warehouse when connected with permitted use (330);

aa <u>bb</u>. Wholesale trade (nondurable goods) (200):

- (a) Bakery,
- (b) Confectionery,
- (c) Dairy,
- (d) Health foods;

bb-cc. Wholesale trade (durable goods) (210):

- (a) Paper products and related (210E),
- (b) Special equipment (machine supply) (210F);

cc-<u>dd</u>. Smoking lounges as defined in Section 24.22.748.2 and subject to siting criteria and performance standards in Chapter 5.54.

Part 24(A): CBD SUBDISTRICT E – LOWER PACIFIC AVENUE

24.10.2370 USE PERMIT REQUIREMENT.

1. The following uses are subject to approval of an administrative use permit in the Lower Pacific Avenue Subdistrict and possibly other requirements of the Municipal Code (numerical references at the end of these categories reflect the general use classifications listed in the city's Land Use Codes. Further refinement of uses within these categories can be found in the Land Use Codes, but they are not intended to be an exhaustive list of potential uses):

a. Auto supply stores (260C);

b. Bakery, micro-brewery (subject to alcohol regulations in Part 12 of Chapter 24.12), handicrafts or similar light manufacturing and assembly uses associated with retail sales, if floor area is less than seven thousand square feet and retail sale or service area occupies at least thirty percent of the floor area;

- c. Brew pubs, subject to alcohol regulations in Part 12 of Chapter 24.12;
- d. Churches (500);
- e. Communication and information services (550);
- f. Community organizations, associations, clubs, and meeting halls (570);
- g. Developed parks (710);

h. Fast-food restaurants or drive-in eating facilities subject to performance standards in Section 24.14.290 and subject to alcohol regulations in Part 12 of Chapter 24.12 and Section 24.14.290 (280H);

- i. Financial, insurance, real estate offices (420);
- j. Financial services (320);
- k. Flexible density unit (FDU) housing (15 units or less) as part of a mixed-use project;
- Ik. Foster family homes;
- ml. Government and public agencies (530);
- <u>n</u>m. Medical/health offices (except veterinarians and ambulance services) (410);

on. Off-site public/private parking facilities (930);

po. Professional offices (400);

<u>q</u>p. Professional/personal services (except contractors yards and mortuaries) (310);

rq. Recycling collection facilities;

<u>s</u>r. Sports, recreation and entertainment facilities subject to alcohol regulations in Part 12 of Chapter 24.12 (720);

ts. Temporary structures and uses;

<u>u</u>t. Utilities and resources (540);

vu. Veterinarians (410A);

 \underline{w} . Wireless telecommunications facilities, subject to the regulations in Part 15 of Chapter 24.12.

2. The following uses are subject to approval of a special use permit and design permit in the Lower Pacific Avenue Subdistrict and possibly other requirements of the Municipal Code (numerical references at the end of these categories reflect the general use classifications listed in the city's Land Use Codes. Further refinement of uses within these categories can be found in the Land Use Codes, but they are not intended to be an exhaustive list of potential uses):

a. Bar and cocktail lounges, subject to alcohol regulations in Part 12 of Chapter 24.12 (280C);

b. Community care facilities;

c. Community care residential facilities;

d. Contractor/building (310E);

e. Convenience/liquor stores, subject to alcohol regulations of Part 12 of Chapter 24.12 (240B);

f. Flexible density unit (FDU) housing (16 units or more) as part of a mixed-use project;

f-g. Night clubs (amplified live entertainment), subject to alcohol regulations of Part 12 of Chapter 24.12 (630);

g-h. Single-room occupancy (SRO) (860);

<u>h-i</u>. General retail merchandise (drug and department stores) exceeding sixteen thousand square feet (230);

Exhibit 1 LCP-3-STC-23-0005-1-Part A Page 9 of 13 i-j. Smoking lounges as defined in Section 24.22.748.2 and subject to siting criteria and performance standards in Chapter 5.54.

24.12.240 NUMBER OF PARKING SPACES REQUIRED.

Small ownership unit (SOU) Flexible density unit (FDU) 1 space for each dwelling unit

24.12.1050 PROGRAM STANDARDS.

1. SRO units shall comply with the underlying development standards of the zoning district in which they are located, except that requirements for minimum lot area per dwelling unit shall not apply to SRO units.

2. SRO units shall not be subdivided or individually sold.

Part 16: SMALL OWNERSHIP UNIT HOUSING

Part 16: FLEXIBLE DENSITY UNIT HOUSING

24.12.1500 PURPOSE.

The purpose of these regulations is to provide additional options for affordable ownership housing by providing incentives for the development of reduced-size ownership dwelling units, defined as small ownership units (SOU).

The purpose of these regulations is to provide additional options for housing by producing incentives for the development of reduced size dwelling units, defined as Flexible Density Units (FDU). This unit type encourages developers to create a community where a variety of income levels and household sizes interact.

24.12.1510 DEFINITION.

"Small ownership unit" or "SOU" is a dwelling unit containing no more than one bedroom and floor area ranging from four hundred to six hundred fifty square feet, located on a separate subdivided parcel and included in a residential development where all dwelling units are SOU units and are offered for sale to the general public.

> Exhibit 1 LCP-3-STC-23-0005-1-Part¹A Page 10 of 13

"Flexible Density Unit" or "FDU" is a dwelling unit ranging from two hundred twenty to six hundred fifty square feet that is exempt from General Plan and Zoning Ordinance density standards. Developments including this unit type may consist solely of FDUs or include other residential units.

24.12.1520 DEVELOPMENT STANDARDS.

1. Density. SOU <u>FDU</u> units shall comply with the underlying development standards of the zoning district in which they are located, except that requirements for minimum lot area per dwelling unit shall not apply to SOU <u>FDU</u> units.

2. Unit Size. The floor area of SOU FDU units may range from a minimum of four hundred two hundred twenty square feet to a maximum of six hundred fifty square feet.

3. Unit Configuration. SOU units may have a maximum of one bedroom. No additional separate enclosed rooms with doors, except for bathrooms, shall be allowed in SOU units.

3. Minimum Dwelling Units Requirement. Residential or mixed-use projects shall contain at least three dwelling units to qualify for use of the FDU unit type. FDU units can count towards this requirement.

4. Open Space. A residential project comprised of SOU units shall contain at least one hundred fifty square feet of usable open space per SOU unit. This requirement may be met by any combination of private and/or common open space. Common landscaped areas less than ten feet wide shall not be included in usable open space.

4. Open Space. FDU units shall comply with the underlying development standards of the zoning district in which they are located, except that requirements for minimum open space per dwelling unit shall not apply to FDU units. In lieu of the district regulations for open space, minimum usable open space per dwelling unit for FDU units shall be defined by Section 24.12.1530.

5. Storage Facilities. All <u>SOU FDU</u> units shall have access to private usable storage space containing a minimum of two hundred cubic feet. The required storage space may be incorporated into private garages or carports; provided, that the garage or carport has adequate space for a vehicle, as required by Part 3, Chapter 24.12.

6. Bicycle Parking. One Class 1 bicycle storage facility shall be provided for each SOU <u>FDU</u> unit. The required private usable storage space provided for each SOU <u>FDU</u> unit may be utilized to meet this requirement.

7. Covered Parking. Covered parking is not required.

8. Zoning. In addition to the permitted land use districts in Chapter 24.10, FDUs shall be permitted in the Central Business District (CBD) pursuant to the Development Standards and Design Guidelines section of the Downtown Plan.

> Exhibit 1 LCP-3-STC-23-0005-1-Part¹A Page 11 of 13

24.12.1530 COVENANTS, CONDITIONS, AND RESTRICTIONS.

1. All projects comprised of SOU units shall be common interest developments as defined by Section 1351 of the California Civil Code.

2. Prior to approval of a final map for a residential project comprised of SOU units, the city attorney and director of planning and community development shall review the project's covenants, conditions, and restrictions to ensure that they conform to the requirements of this section. The approved covenants, conditions and restrictions shall be recorded against the residential project concurrently with recordation of the final map.

3. Covenants, conditions, and restrictions for a residential project comprised of SOU units shall conform with all provisions of state law, including requirements for maintenance reserves, and shall in addition include the following provisions:

a. Prohibition on the use of garages and carports for any use other than parking moving vehicles and other uses specifically identified in the approved plans;

b. Prohibition on rental of more than fifty percent of the SOU units in the residential project;

c. Requirement that any SOU unit that is rented be managed by a single management company designated by the homeowners association to manage all rental units in the residential project; and

d. Requirement that the homeowners association submit an annual report to the city identifying all rental units; verifying compliance with restrictions on the use of garages and carports; and identifying the management company responsible for managing all rental units in the development.

- 4. SOU developments may be located in the following zoning districts:
 - a. R-T(C) Subdistrict C Beach Commercial;
 - b. C-C Community Commercial District;
 - c. CBD Subdistrict E Lower Pacific Avenue;
 - d. Central Business District (CBD).

24.12.1530 OPEN AND COMMON SPACE.

1. Residential or mixed-use projects containing FDUs shall contain at least one hundred fifty square feet of usable open space per FDU unit. This requirement may be met by any combination of private space, outdoor open space, or indoor common space.

2. Residential or mixed-use projects containing FDUs shall require a minimum of two hundred square feet of outdoor open space and two hundred square feet of indoor common space.

Exhibit 1 LCP-3-STC-23-0005-1-Part¹A Page 12 of 13 Maintenance areas, laundry facilities, storage (including bicycle storage), and common hallways shall not be included as usable indoor common space. Landscape areas that are less than ten feet wide shall not be included as outdoor open space.

3. Outdoor open spaces and indoor common spaces shall be designed to accommodate appropriate furnishings and shall be furnished for use by residents. Appropriate furnishings for indoor common space may include such items as lounge chair(s) and/or couch(es), table(s) with chairs, writing desk(s), and television(s). Appropriate furnishings for outdoor open spaces may include such items as outdoor bench(es), table(s) with chairs, barbecue(s), and shade umbrella(s).

4. In any residential or mixed use development containing FDUs, common laundry facilities shall be provided on site at the rate of one washer and one dryer per ten residential units that do not contain both a washer and a dryer. Fractional ratios shall be rounded up to the next whole number.

5. Laundry facilities that have a minimum of two washers and two dryers must be provided in a separate room.

24.22.361 FIRST APPROVAL.

The first of the following approvals to occur with respect to a residential development: specific plan, development agreement, planned development permit, tentative map, minor land division, use permit, design permit, building permit, or any other permits listed in Section 24.04.030.

24.22.362 FLEXIBLE DENSITY UNIT (FDU)

<u>"Flexible Density Unit" or "FDU" is a dwelling unit ranging from two hundred twenty to six hundred fifty square feet that is exempt from General Plan and Zoning Ordinance density standards.</u> Developments including this unit type may consist solely of FDUs or include other residential units.

24.22.366 FLOOR AREA.

The sum of the gross horizontal real floor area within the perimeter of the outside walls of all buildings, including accessory buildings and accessory dwelling units, on a lot as measured from the exterior surface of the exterior walls, with no deduction for hallways, stairs, closets, wall thickness. The area includes covered residential parking and is the total of all stories. Stairways shall count only once for floor area, however, any portions of buildings, including stairwells, over seventeen feet in interior height, are counted twice for the purposes of computing floor area. Uncovered courtyards or atriums enclosed by three sides and with the space open to the street above the first floor do not count as floor area. Unenclosed porches, balconies, decks, patios, roof overhangs and similar architectural features and non-habitable basements that are fully subterranean below finished grade do not count as floor area.

24.22.748.1 SMALL OWNERSHIP UNIT (SOU).

A dwelling unit containing no more than one bedroom and a floor area ranging from four hundred to six hundred fifty square feet, located on a separate subdivided parcel and included in a residential development where all dwelling units are SOU units and are offered for sale to the general public.

Exhibit 1 LCP-3-STC-23-0005-1-Part¹² Page 13 of 13