AGENDA

Meeting of the
Scotts Valley Planning Commission
In-Person and Remote Access
Date: March 13, 2025
Time: 6:00 PM

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066 OR Zoom Video Conference: https://us02web.zoom.us/j/88671741298	The agenda was posted on 3-7-2025 at City Hall, SV Public Works, SV Senior Center and online at www.scottsvalley.org.

COMMISSIONERS	CITY STAFF MEMBERS
Lori Gentile, Chair Chuck Maffia, Vice Chair David Hodgin, Commissioner Shawn Mosley, Commissioner Steve Simonovich, Commissioner	Taylor Bateman, Community Development Director Ben Noble, Consultant Sarah Wikle, Senior Planner Cathie Simonovich, City Clerk

MEETING NOTICE AND AGENDA PACKET MATERIALS

Notice regarding Planning Commission Meetings:
The Planning Commission meets regularly on the 2nd Thursday of each month (unless otherwise noticed) at 6pm in the City Hall Council Chambers located at 1 Civic Center Drive, Scotts Valley, CA 95066.

Agenda and Agenda Packet Materials:
The Planning Commission agenda and the complete agenda packet are available for review by 5pm the Friday before the Thursday meeting on the Internet at the City's website: https://www.scottsvalley.gov/129/Agendas-Minutes

Public Participation:
The meeting will be available in person and on Zoom. For those wishing to participate via Zoom, you can join from a PC, Mac, iPad, iPhone or Android device by entering or clicking on the following URL: https://us02web.zoom.us/j/88671741298

You will be given an opportunity to provide public comment at the appropriate times throughout the meeting via Zoom.

How to comment via Zoom:

1. At the appropriate times during the meeting for public comment on items not on the agenda and on specific agenda items, the Planning Commission Chair will announce that public comment will be accepted. Our usual time limits of three minutes per individual, or five minutes for an individual who is representing a group of three or more,

will apply. Please note that per our standard practice, this is not a question and answer time, but simply a time for you to provide comments to the Planning Commission.
2. There is an option on Zoom to raise your hand. Please click on this option when the Chair announces that public comments will be taken. If you are participating via dial-up only, use *9 to raise your hand at the requested time. Zoom places people in line automatically. When it is your turn, you will be un-muted and you will be able to make your comments based on the above time frames. Once your time is up, you will once again be muted and the next person in line will be given their opportunity to speak.

CALL TO ORDER 6:00 PM
(The Planning Commission Chair calls the meeting to order.)

PLEDGE OF ALLEGIANCE

ROLL CALL
(Planning Department staff conduct roll call of the Planning Commission.)

PUBLIC COMMENT TIME
This is the opportunity for individuals to make and/or submit written or oral comments to the Commission on any items within the purview of the Commission, which are NOT part of the Agenda. No action on the item may be taken, but the Commission may request the matter be placed on a future agenda.

ALTERATIONS TO CONSENT AGENDA
(The Commission can remove or add items to the Consent Agenda.)

CONSENT AGENDA
(The Consent Agenda is comprised of items which appear to be non-controversial. Persons wishing to speak on any items may do so raising their hand to be recognized by the Chair. These items will be acted upon in one motion unless they are removed from the consent agenda for discussion by the Commission.)

1. Planning Commission Meeting Minutes of 01-23-2025

ALTERATIONS TO REGULAR AGENDA
(Commission can remove or add items to the Regular Agenda.)

REGULAR AGENDA
(Persons wishing to speak on any item may do so by raising their hand to be recognized by the Chair.)

1. Study Session to provide input on Zoning Ordinance amendments to implement Housing Element programs

DISCUSSION ITEMS AND FUTURE AGENDA ITEMS

(The Planning Commission or Community Development Director may request to schedule items on future agendas.)

WRITTEN COMMUNICATIONS – FOR INFORMATION ONLY
DIRECTOR UPDATES

(The Community Development Director may provide any department or city updates that are available.)

ADJOURNMENT

(Adjournment shall be no later than 11pm unless extended by a four-fifths vote of all Planning Commission members or a unanimous vote of the members present per City Municipal Code Section 2.21.010.)

The City of Scotts Valley does not discriminate against persons with disabilities. The City Council Chambers is an accessible facility. If you wish to attend a Planning Commission meeting and require assistance such as sign language, a translator, or other special assistance or devices in order to attend and participate at the meeting, please call the Community Development Department at 831-440-5630 five to seven days in advance of the meeting to make arrangements for assistance. If you require the agenda of a Planning Commission meeting be available in an alternative format consistent with a specific disability, please call the Community Development Department. The California State Relay Service (TTY/VCO/HCO to Voice: English 1-800-735-2929, Spanish 1-800-855-3000; or, Voice to TTY/VCO/HCO: English 1-800-735-2922, Spanish 1-800-855-3000), provides Telecommunications Devices for the Deaf and Disabled and will provide a link between the TDD caller and users of telephone equipment.

MINUTES

Meeting of the
Scotts Valley Planning Commission
Date: January 23, 2025
Time: 6:00 PM

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066 OR Zoom Video Conference: https://us02web.zoom.us/j/88671741298	The agenda was posted on 1-17-2025 at City Hall, SV Senior Center, SV Public Works Building, and on the Internet at www.scottsvalley.gov.

CALL TO ORDER 6:00 PM

The Planning Commission meeting was called to order at 6:01 PM.

PLEDGE OF ALLEGIANCE

ROLL CALL

COMMISSIONERS PRESENT:	CITY STAFF MEMBERS PRESENT:
Lori Gentile, Chair Chuck Maffia, Vice Chair Shawn Mosley, Commissioner David Hodgin, Commissioner **ABSENT:** Steve Simonovich, Commissioner	Taylor Bateman, Community Development Director Sarah Wikle, Senior Planner Jordan Taylor, Administrative Secretary/Analyst

PUBLIC COMMENT TIME

None.

ALTERATIONS TO CONSENT AGENDA

None.

CONSENT AGENDA

1. Approve Planning Commission/Cultural Resources Preservation Commission meeting minutes of 9-12-2024

2. Approve Planning Commission meeting minutes of 10-10-2024

M/S: Hodgin / Maffia
To approve the Consent Agenda with no alterations.
Carried 4/0/1 (AYES: Gentile, Maffia, Mosley, Hodgin; NOES: None; ABSENT: Simonovich)

ALTERATIONS TO PUBLIC HEARING AGENDA

None.

PUBLIC HEARING AGENDA

1. Consideration of a Minor Land Division application (MLD23-002) to subdivide an existing ±24,068 square foot parcel into two parcels in the R-1-10 zoning district.

Senior Planner Sarah Wikle presented this item and responded to questions and comments from the Planning Commissioners.

Residents Art Welch and Martine Mahoudeau gave public comment and asked questions of staff and the property owner.

Community Development Director Taylor Bateman encouraged residents with questions or concerns to reach out to Senior Planner Wikle. Community Development Director Bateman also recommended that the Planning Commission add a condition that Parcel 2 should be required to participate in a road maintenance agreement for Blue Hills Court, whether one exists now or if one is created in the future, unless the road is maintained by the City, in which case the condition would not apply.

M/S: Maffia / Mosley
To Recommend Approval of the Minor Land Division Application (MLD23-001, EA23-006) to the City Council by adoption of Resolutions No. 1803.
Carried 4/0/1 (AYES: Gentile, Maffia, Mosley, Hodgin; NOES: None; ABSENT: Simonovich)

DISCUSSION ITEMS AND FUTURE AGENDA ITEMS

None.

WRITTEN COMMUNICATIONS – FOR INFORMATION ONLY
DIRECTOR UPDATES

None.

ADJOURNMENT

The meeting adjourned at 6:24 PM.

City of Scotts Valley
PLANNING COMMISSION
STAFF REPORT

Date:	March 13, 2025
Location:	City-wide
General Plan/Zoning:	All designations/zones
Request:	Hold study session to provide input on Zoning Ordinance amendments to implement Housing Element programs
Staff Planner:	Ben Noble, Consultant

STAFF RECOMMENDATION

The City is preparing amendments to the Zoning Ordinance to implement Housing Element programs. Staff requests Planning Commission feedback on a recommended approach to these amendments.

BACKGROUND

On December 20, 2023, the City Council adopted the 2023-2031 Housing Element of the General Plan (Housing Element). The Housing Element is the foundation for City housing policy as required by state law. The Housing Element includes programs with actions that the City must complete within a specified timeframe.

On December 4, 2024, the City Council adopted Zoning Ordinance amendments required by the Housing Element to be completed in 2024. These amendments addressed accessory dwelling units, by-right development, design review criteria, and other topics.

The Housing Element requires the City to complete additional Zoning Ordinance amendments in 2025. These include amendments to remove residential development constraints, incentivize development on large lots, incentivize lot consolidation, implement fair housing laws, and other topics. Further amendments that must be completed in 2026 include housing opportunity site rezoning and inclusionary housing ordinance revisions.

DISCUSSION

City staff is in the process of drafting the Zoning Ordinance amendments required by the Housing Element. Later this year, the Planning Commission will review all Zoning Ordinance amendments which must be completed in 2025.

To assist with the Zoning Ordinance amendment drafting process, staff requests preliminary Planning Commission feedback on amendments that address the following three topics:

1. Rezonings to Meet the RHNA
2. Residential Development Standards
3. Affirmatively Furthering Fair Housing

For each topic, the discussion below provides background information and proposes an approach. Staff request Planning Commission feedback on the proposed approach for each topic. Staff will use this input to help prepare draft Zoning Ordinance amendments for Planning Commission review at a future meeting.

Topic 1: Rezonings to Meet the RHNA

Scotts Valley has a regional housing needs allocation (RHNA) of 1,220 units for the 2023-2031 planning period. State law requires the Housing Element to identify adequate sites to accommodate this RHNA across all income levels. To provide adequate sites, Housing Element Program H-1.1 requires the City to rezone 35 properties to allow a residential density of 40 units per acre.

As shown in Figures 1 and 2, seven of these sites are “residential rezones” and 35 sites are “mixed-use rezones.” On a residential rezone site, the City must allow residential-only development (no commercial component required). On a mixed-use rezone site, the City may require residential development to include a commercial component but must allow projects with up to 70 percent residential floor area. On all rezone sites, the City must permit up to 40 dwelling units per acre with development standards (e.g., building height, lot coverage, setbacks) that allow for this density.

All but three rezone sites are currently zoned Service Commercial (C-S). Additional information about the sites can be found in Housing Element Appendix F.

Figure 1: Residential Rezone Sites

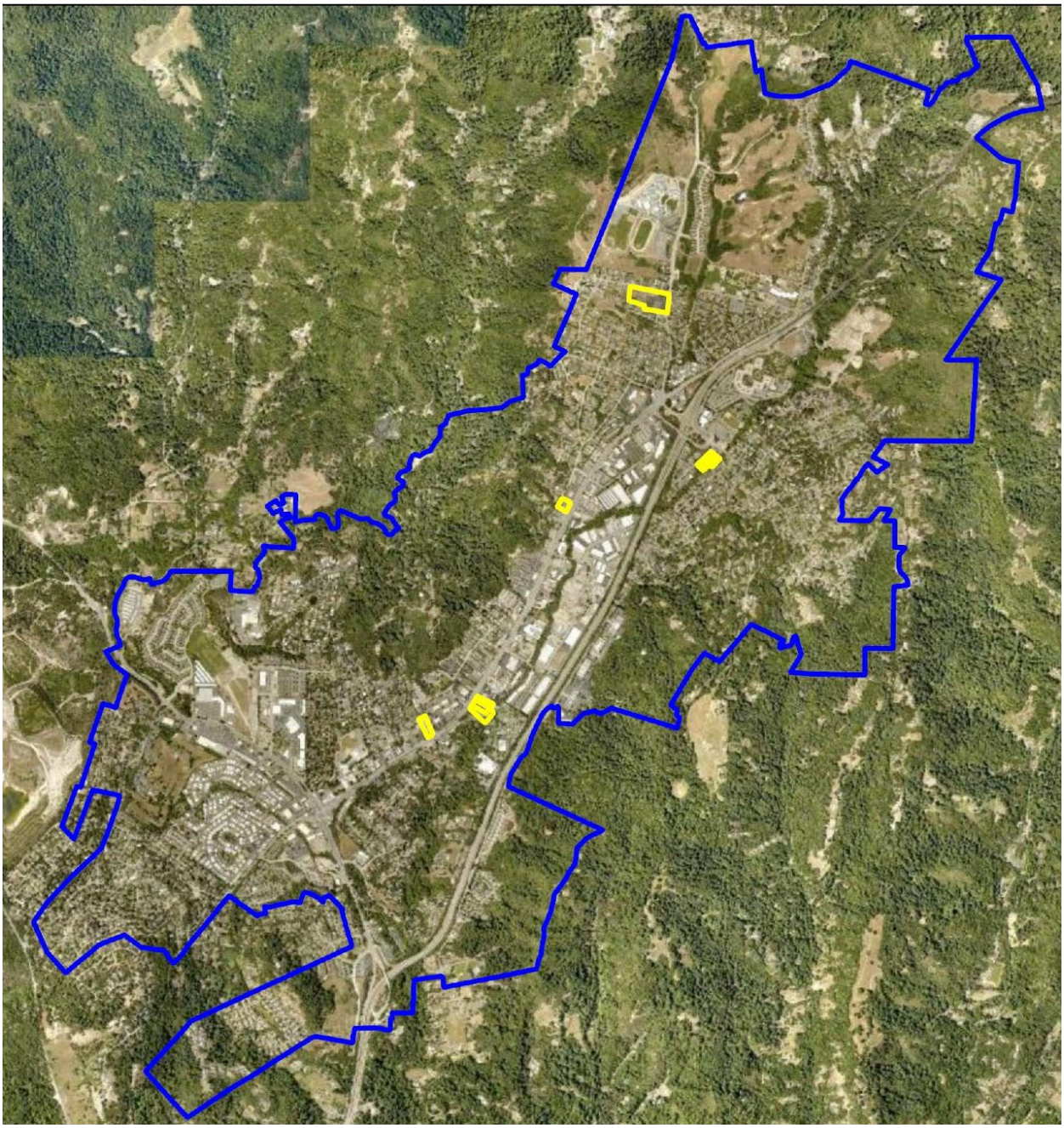
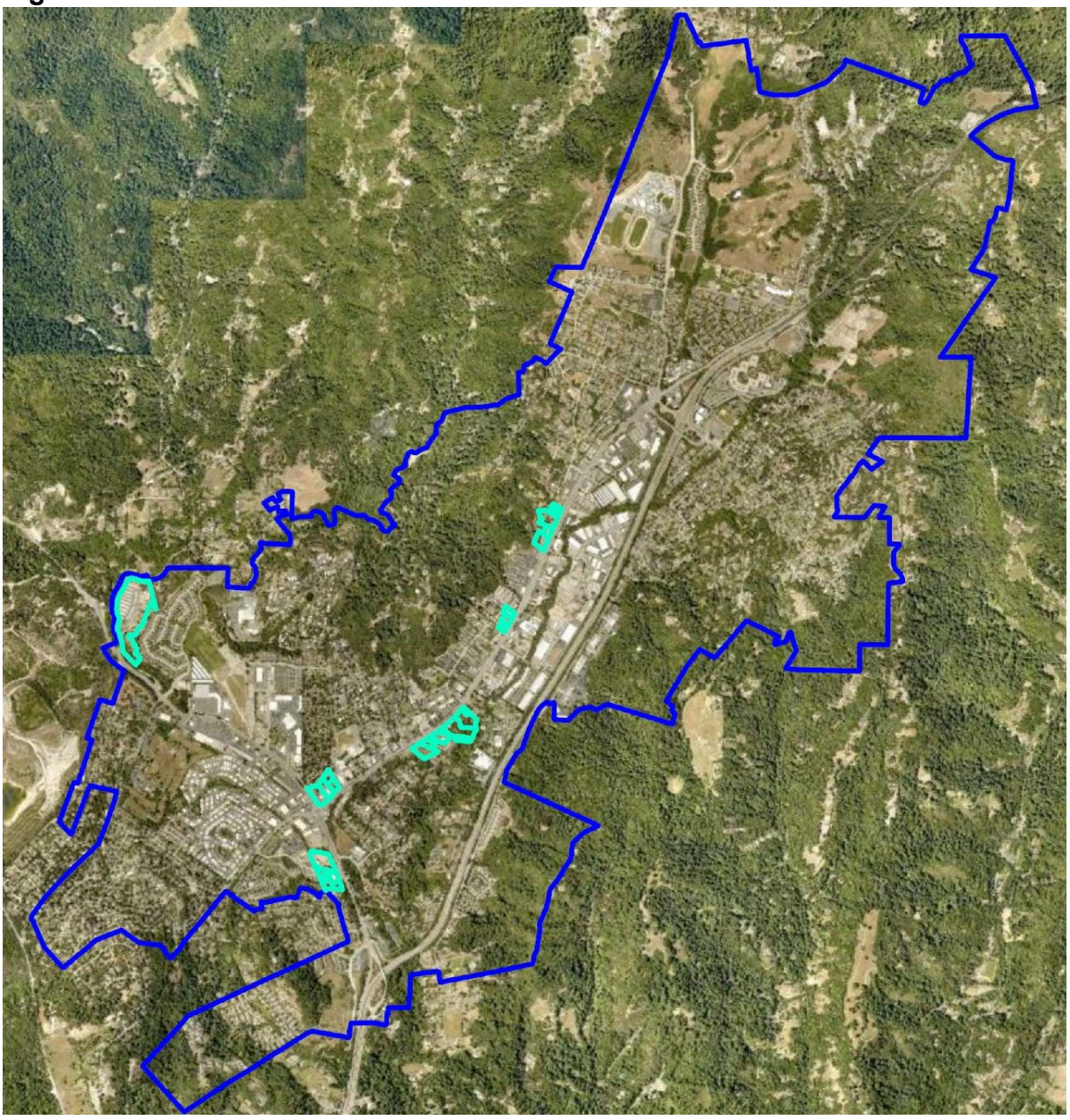


Figure 2: Mixed Use Rezone Sites



Proposed Amendments:

In 2024 the City adopted Zoning Ordinance amendments with a new Housing Element Opportunity Site (HE) combing district. The HE combining district, found in Chapter 17.41, establishes a by-right permitting process for Housing Element sites where required by state law. The HE combining district, as established in 2024, applies to the 35 rezone sites.

To implement Housing Element Program H-1.1, the proposed approach would modify the HE combining district to 1) allow a maximum density of 40 units per acre on the 35 rezone sites;

and 2) adjust other development standards as needed to accommodate this density. As required by Program H-1.1, the following provisions will apply to the rezone sites:

- Maximum density: 40 du/ac.
- Required commercial component on mixed-use rezone sites, with at least 30 percent total project floor area commercial.
- Allowed residential-only development (no commercial) on residential rezone sites.
- Increased building coverage from 45 percent to 60 percent to accommodate residential densities of up to 40 du/ac. Building coverage means the percentage of the lot occupied by a main or accessory building.
- Increased height to allow four-story development on parcels fronting Scotts Valley Drive and Mount Hermon Road (to accommodate 40 du/ac).
- Ability for applicant to request deviation from development standards that physically preclude construction of the housing development at its proposed density (maximum 40 du/ac).

The above provisions would apply only to the rezone sites. As discussed below, different standards apply to properties that are not rezone sites.

Topic 2: Residential Development Standards

Housing Element Program H-1.6 calls for the City to study existing residential development standards and to determine if these standards are a potential constraint to housing production. Program H-1.6 also states that the City shall adopt Zoning Ordinance amendments, if needed, to address and remove these constraints. These amendments would apply citywide in all areas, not just on the rezone sites or in the HE combining district.

Residential development standards include maximum density, minimum lot size and dimensions, minimum setbacks, maximum building and site coverage, maximum building heights, and minimum on-site parking.

Housing Element Appendix C analyzes governmental constraints to housing production in Scotts Valley, including development standards in the Zoning Ordinance. This analysis concludes that the minimum building coverage standard (45 percent and 35 percent, respectively) constrains mixed-use housing development at 20 units per acre. Required multifamily parking (two parking spaces per multifamily unit, plus one guest space per five units) also constrains multifamily and mixed-use development at 20 units per acre. Other development standards do not constrain residential development at permitted densities.

<u>Proposed Amendments</u>:

To implement Housing Element Program H-1.6, the proposed amendments would increase the maximum building coverage in the C-S and C-SC zones to 50 percent (outside of the HE combining district). Within the HE combining district (as discussed above), the maximum permitted building coverage would increase to 60 percent to allow for development at 40 units per acre.

The proposed amendments also include changes to required parking spaces. Table 1 shows existing and proposed residential parking requirements. No changes are proposed for single-family dwellings and townhomes. As required by Program H-1.6, two spaces would be

required for multifamily dwellings with three or more bedrooms. One space would be required for studio and one-bedroom units, and 1.5 spaces for two-bedroom units.

Table 1: Existing and Proposed New Required Parking Spaces

	Existing	Proposed New
Single-family Dwellings	3 spaces per unit (2-car garage + 1 additional covered or uncovered space)	No change
Townhomes*	2 spaces per unit plus one additional space for every five units	No change
Multifamily dwellings**	2 spaces per unit plus one additional space for every five units	Studio and 1 bedroom: 1 space 2 bedroom: 1.5 spaces 3+ bedroom: 2 spaces

*The Zoning Ordinance defines a townhome as “a one-family dwelling in a row of at least two such units in which each unit has its own front and rear access to the outside, no unit is located over another unit, and each unit is separated from any other unit by one or more common, fire-resistant walls.” This definition includes all townhomes regardless of the underlying form of ownership (e.g., fee simple, condominium).

**The Zoning Ordinance defines a multifamily dwelling as “a building, or portion thereof, designed or used for residence purposes by two or more families or housekeeping units,” This definition includes duplexes, triplexes, and apartment buildings.

When considering proposed changes to multifamily parking standards, the Planning Commission may wish to consider parking requirements in other Santa Cruz County jurisdictions, as shown in Table 2.

Table 2: Parking Requirements in Other Santa Cruz County Jurisdictions

	Resident Parking	Guest Parking
Santa Cruz		
Studio, 1 bdrm	1 per unit*	10% of required resident spaces for 5+ units
2+ bdrm	2 per unit*	
Capitola		
500 sq. ft. or less	1 per unit	None
501 – 750 sq. ft.	1.5 per unit	
751 sq. ft. or more	2 per unit	
Santa Cruz County		
Townhomes, 1 bdrm	1 per unit	20% of required resident parking
Townhomes, 2+ bdrm	2 per unit	
Multifamily, <750 sf	1 per unit	20-30% of required resident parking (none in transit priority area)
Multifamily, >750 sf	2 per unit, 1.5 in transit priority area	
Watsonville		
1-3 bdrm	2 per unit	

	Resident Parking	Guest Parking
4 bdrm	3 per unit	1 per 4-8 bedrooms depending on project size
5+ bdrm	4 per unit	

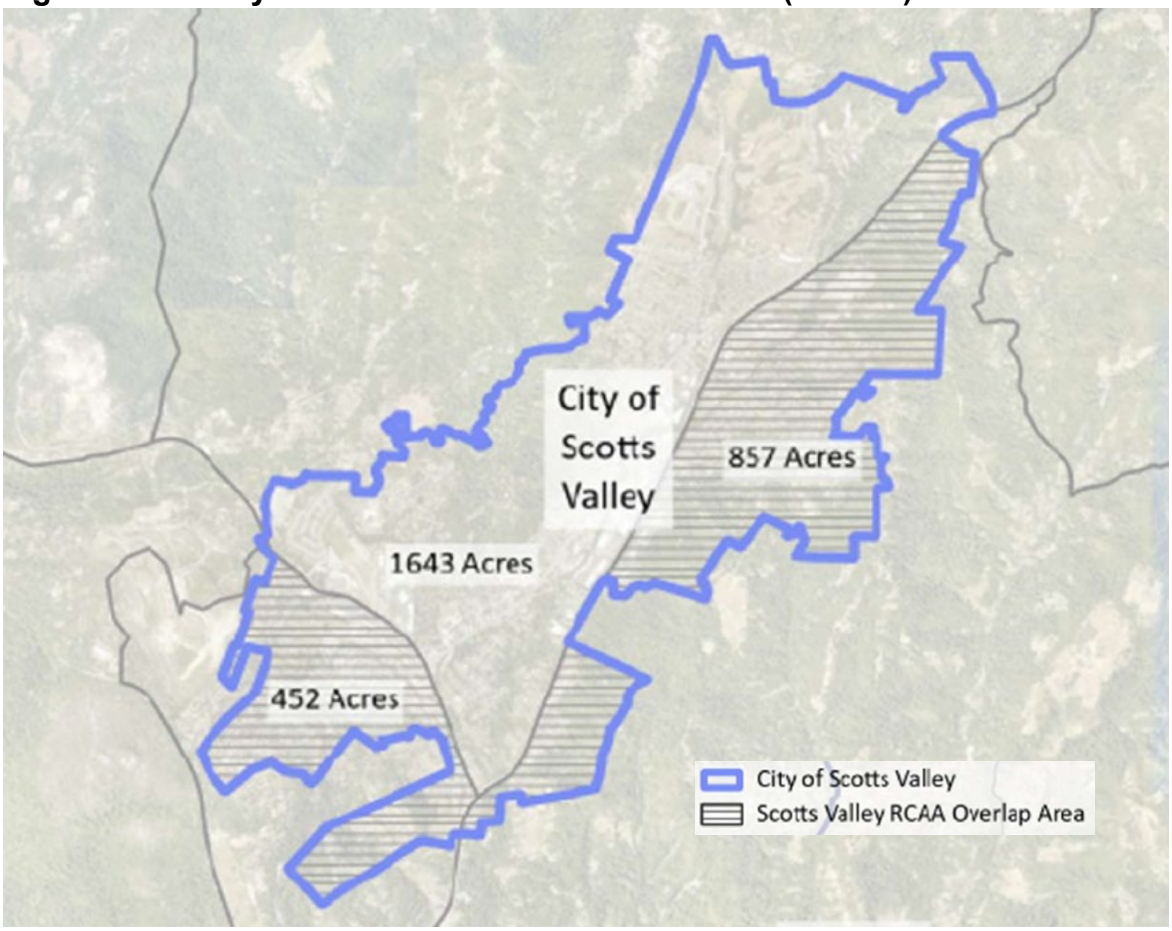
*Housing Element policy to eliminate parking minimums citywide by January 2028."

Topic 3: Affirmatively Furthering Fair Housing

As required by state law, Housing Element Program H-3.2 calls for the City to "affirmatively further fair housing" by taking actions to overcome patterns of segregation and increase access to opportunities for all residents. Program H-3.2 requires changes to development regulations that apply uniquely in "racially concentrated areas of affluence" (RCAA). Under state law, RCAA are areas with relatively high percentage of White population and high household incomes.

Figure 2 shows the RCAA boundary as identified in the Housing Element. RCAA in Scotts Valley includes all residential areas east of Highway 17 and south of Mount Hermon Road. The City identified these RCAA boundaries using the methodology recommended by the California Department of Housing and Community Development (HCD). These boundaries are established in the Housing Element consistent with state law and cannot be changed as part of the proposed Zoning Ordinance amendments.

Figure 2: Racially Concentrated Areas of Affluence (RCAAs)



Housing Element Program H-3.2 requires the following changes to development regulations within RCAA:

1. **Missing Middle Conversions**: Allow conversion of existing single-family residences into “missing middle” housing in lower density areas. In this context, missing middle housing means duplexes and triplexes designed to match the character of single-family residential neighborhoods.
2. **SB 9 Triplex**: Allow SB9 projects with three primary dwellings on a lot if at least one unit is deed restricted affordable to low-income households. SB9 is the state law that requires cities to permit two primary dwelling units on single-family lots. Under SB 9, one accessory dwelling unit (ADU) and one junior accessory dwelling unit (JADU) are also permitted on the lot with the two primary dwelling units. Scotts Valley adopted a local ordinance implementing SB9 ordinance in 2024 (SVMC Chapter 17.55).
3. **Permits for Townhomes and Condominium**: Remove the conditional use permit (CUP) requirement for condominiums and townhomes on R-1 parcels.

Proposed Amendments:

To implement Program H-3.2, the proposed amendments would create a new chapter in the Zoning Ordinance with all RCAA provisions. These provisions would address missing middle conversions, SB 9 triplexes, and permits for condominiums and townhomes, as follows:

1. **Missing Middle Conversions**. Within RCAA, an existing single-family home may be converted into a duplex or a triplex with standards to protect the public health and safety and ensure neighborhood compatibility. Standards will include the following:
    - The lot must conform to zoning district minimum lot area standard.
    - The lot may contain only one existing dwelling unit.
    - The conversion may only use existing living area in the primary dwelling (e.g., no conversion of accessory structures).
    - Minimum lot area of 5,000 sq. ft. per unit (2 units max on 10,000 sq. ft. R-1 lot, 3 units max on 15,000 sq. ft. R-1 lot).
    - Three units permitted only on lots with an average slope of less than 25 percent.
    - Conversions are not permitted on lot with existing ADUs, however ADUs may be added in the future as permitted by state law.
    - The conversion may not be combined with an SB 9 project.
    - Two on-site parking spaces must be provided for each unit. Parking spaces may not be in the front setback. The conversion may not add or enlarge an existing driveway curb cut.
    - Units must be connected to water and sewer.
    - Development must comply with public health and safety and environmental resource protection standards (e.g., fire safety, habitat protection).

2. **SB 9 Triplexes**. Within RCAA zoned R-1, an existing single-family home may be converted into an SB9 triplex if one or more new units on the site are deed restricted affordable to a very low or low-income household. The third SB 9 unit is subject to the following provisions:
    - Maximum floor area: 800 square feet.

- A third unit is not allowed with an SB 9 urban lot split.
- The third unit is allowed only as a modification to an existing dwelling.
- The third unit may be created by adding new floor area to the existing dwelling (not limited to conversion of existing floor area only).
- The third unit must comply with zoning district setbacks.
- The third unit must comply with all SB 9 standards, including public health and safety and environmental resource protection standards (except as modified above)

3. **Permits for condominiums and townhomes.** Within RCAA, townhouses and condominiums in the R-1 zone are a permitted use (no conditional use permit required.

NEXT STEPS

Based on feedback received from the Planning Commission, staff and consultants will prepare draft Zoning Ordinance amendments for Planning Commission review. The amendments will include additional details beyond the proposals contained in this report. The Planning Commission will hold a future public hearing to make a recommendation to the City Council on the amendments. Following Planning Commission recommendation, the City Council will hold a public hearing to consider adoption of the amendments.