



A G E N D A

Special Meeting of the Scotts Valley City Council

Date: March 23, 2016

Time: 6:00 p.m.

CITY OF SCOTTS VALLEY 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5602	MEETING LOCATION City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066	POSTING: The agenda was posted 3-18-16 at City Hall, SV Senior Center, SV Library and on the Internet at www.scottsvalley.org .
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Elected Officials Donna Lind, Mayor Randy Johnson, Vice Mayor Stephany E. Aguilar, Council Member Dene Bustichi, Council Member Jim Reed, Council Member	City Staff Members Chuck Comstock, Interim City Manager Kirsten Powell, City Attorney Taylor Bateman, Acting Community Development Dir Scott Hamby, Public Works Director John Weiss, Chief of Police Tracy Ferrara, City Clerk
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Notice regarding City Council Meetings:

The City Council meets regularly on the 1st and 3rd Wednesday of each month at 6:00 pm in the City Hall Council Chambers located at 1 Civic Center Drive, Scotts Valley, CA 95066.

Agenda and Agenda Packet Materials:

The City Council agenda and the complete agenda packet are available for review by 5:00 pm the Friday before the Wednesday meeting on the Internet at the City's website: www.scottsvalley.org and in the lobby of City Hall at 1 Civic Center Drive, Scotts Valley, CA. Pursuant to Government Code §54957.5, materials related to an agenda item, submitted after distribution of the agenda packet, are available for public inspection in the lobby of City Hall during normal business hours, Monday-Friday, 8am-12 pm and 1-5 pm. In accordance with AB 1344, such documents will be posted on the City's website at www.scottsvalley.org.

Televised Meetings:

City Council meetings are cablecast "Live" on Community Television of Santa Cruz County on Comcast Channel 25.

CALL TO ORDER 6:00 p.m.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

COMMITTEE REPORTS

(Council members are appointed to committees which are either City committees or committees dealing with other jurisdictions. This portion of the agenda allows the committee member to present oral or written reports to the Council regarding their committee assignments. It also allows the Council to make comments and give the committee member direction, as required.)

Interjurisdictional Committees:

✓	Criminal Justice Council	(Lind/Johnson)
✓	Transportation Commission	(Johnson/Lind)
✓	Metro Transit District Board	(Bustichi)
✓	County Integrated Waste Mgmt Local Task Force	(Lind/Hamby)
✓	City/School District Joint Committee	(Reed/Johnson)
✓	AMBAG	(Aguilar/Lind)
✓	LAFCO	(Lind)
✓	City Selection Committee	(Mayor)
✓	League of California Cities Delegate Program	(Aguilar)
✓	Hazardous Materials Advisory Commission	(Ron Whittle)
✓	Cultural Council	(Lind)
✓	Seniors Advisory Council	(Lind)
✓	Santa Margarita Ground Water Basin Advisory Committee	(Lind /Aguilar)
✓	Library Financing Authority/Joint Powers Boards	(CityManager)
✓	Library Advisory Commission	(Vacant)

Standing Local Committees:

✓	Traffic Safety Committee	(Lind/Aguilar)
✓	Economic Development	(Johnson/Bustichi)
✓	Affordable Housing	(Aguilar/Bustichi)
✓	Water Subcommittee	(Bustichi/Lind)
✓	Budget Subcommittee	(Mayor/Vice Mayor)
✓	Sign Subcommittee	(Bustichi/Lind)
✓	Green Building Permit Process Subcommittee	(Lind/Reed)

Project Specific Committees:

✓	Skypark Subcommittee	(Johnson/Bustichi)
✓	Gateway South Commercial	(Reed/Johnson)
✓	Glenwood Trails Subcommittee	(Aguilar/Reed)

CITY MANAGER REPORT

PUBLIC COMMENT TIME

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

ALTERATIONS TO CONSENT AGENDA

(Council 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 item may do so by raising their hand to be recognized by the Mayor.)

- A. Authorize the hiring of a part-time/temporary summer maintenance Worker for a term of four months, June through September, 2016
- B. Approve 2016 License Agreement between the City of Scotts Valley and the Scotts Valley/San Lorenzo Valley Youth Soccer Club for the use of Skypark Park
- C. Approve second reading and adoption of Ordinance No. 16-ZC-225 approving Zone Change ZC15-001 and Planned Development (PD) District overlays PD15-001 and PD15-002 to change the existing zoning district from I-RD(PD) (Industrial-Research & Development / Planned Development) to R-H/PD (High-Density Residential / Planned Development) and C-S/PD (Commercial-Service / Planned Development) for the "Enterprise Way" project consisting of 50 townhouse-style condominiums, a 120-room hotel, and related property improvements, on a vacant parcel located at the end of Santa's Village Road (previously approved Borland Phase II site), APN 024-031-017
- D. Accept bid from Courtteck Resurfacing for the Skypark Tennis Court improvements in the amount of \$13,000 (Polo Ranch funds), and the quote for resurfacing of the two half court basketball courts at Skypark Park in the amount of \$4,000 (Polo Ranch funds), authorize the City Manager to prepare and execute a contract for services, and authorize the Recreation Division Manager to move forward with the improvements this fiscal year

ALTERATIONS TO REGULAR AGENDA

(Council 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 Mayor.)

- 1. Consider approval of the Water Supply Agreement between the City of Scotts Valley and Pasatiempo Golf Club and authorize the Mayor to execute the agreement (CityAttorney)

PUBLIC HEARING (To be heard at 6:30 p.m.)

- 2. Consideration of Planning Commission recommendation to adopt the 2015-2023 Housing Element Update and to send it to the state for final certification; File Nos. ND16-001, GPA16-001 (Planning/Fodge)

- Open public hearing
- Close public hearing
- Approve Resolution No. 1119.32

REGULAR AGENDA

(For Regular Agenda items following the public hearing. Regularly scheduled subjects of discussion on the Regular Agenda include:)

- 3. Future Council agenda items
(This portion of the Regular Agenda allows the Council to determine items to be placed on a future agenda and to choose a date, if so desired.)

CONVENE TO CLOSED SESSION

CLOSED SESSION

SUBJECT:

- (1) City Manager Employment
Legal Authority: 54957
Staff Present: Interim City Manager, City Attorney, Chief of Police

RECONVENE TO OPEN SESSION

REPORT ON ACTION TAKEN DURING CLOSED SESSION

ADJOURNMENT

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 City Council 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 City Clerk's office at (831) 440-5602 five to seven days in advance of the meeting to make arrangements for assistance. If you require the agenda of a City Council meeting be available in an alternative format consistent with a specific disability, please call the City Clerk's Office. 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.

PROCEDURAL INFORMATION FOR THE PUBLIC

THE FOLLOWING IS THE PROCEDURE COUNCIL SHOULD TAKE IN APPROVAL OF A RESOLUTION:

1. Move the Resolution number for approval.
2. Second the motion.
3. Vote by body, a roll call vote is not required.

THE FOLLOWING IS THE PROCEDURE COUNCIL SHOULD TAKE IN INTRODUCTION/ADOPTION OF AN ORDINANCE:

1. Move the Ordinance number for introduction (or adoption).
2. Move the Ordinance be introduced by title only and waive the reading of the text.
3. Read the Ordinance title.
4. Second the motion.
5. Vote by body, a roll call vote is not required.

THE FOLLOWING IS THE PROCEDURE COUNCIL SHOULD TAKE IN PUBLIC COMMENT/PUBLIC HEARINGS:

Unless otherwise determined by the presiding officer of the meeting:

1. Three minutes allowed per individual to speak.
2. Five minutes allowed per individual representing a group of three or more.



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City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: March 16, 2016

TO: Honorable Mayor and City Council

FROM: Chuck Comstock, City Manager

SUBJECT: **AUTHORIZATION TO HIRE SUMMER MAINTENANCE WORKER**

SUMMARY OF ISSUES

The high use season of our parks is approaching (June through September). At this time, we have no weekend coverage for the parks, should there be a trash or restroom issue. We have no one on stand-by, and currently operate through a call-down scenario. Dispatch will call a maintenance employee until someone answers. This is unreliable and not fair to the City employee having some family plans and having to leave. Mr. Hamby and I are recommending a part-time temporary person at 24 hours a week during this peak season for weekend coverage at the parks and to help with backlog. (See Attachment A).

FISCAL IMPACT

The current budget (2015-16) has a funded Maintenance II position in the parks department. That person retired June 30, 2015 and has not been replaced, and the total compensation of \$74,000 has remained unspent for that purpose. The temporary position would cost \$22/hour and for one month would be \$2100. We are asking the City Council to consider a term of for four months during our peak season at total cost of \$8400.

STAFF RECOMMENDATION

The City Council approve the hiring of a part-time temporary maintenance worker for a term of four months, June through September, 2016.

Tracy Ferrara

From: Scott Hamby
Sent: Thursday, March 17, 2016 11:35 AM
To: Charles Comstock
Subject: temp summer labor

Chuck,

These are some of the things that are being delayed because of time constraints.

Work Tasks:

- Weeding and weed eating
- Spraying
- Litter control
- Blowing down sidewalks and parking lots
- Pressure washing
- Painting
- Painting red curbs
- Pot holes
- Replacing/repairing small signs (street signs, no parking etc....)

Scott Hamby
Public Works Director
City of Scotts Valley
(831) 438-5854
shamby@scottsvalley.org

**City of Scotts Valley
CITY COUNCIL STAFF REPORT**

DATE: March 23, 2016

TO: Honorable Mayor and City Council

FROM: Kristin Ard, Recreation Division Manager

SUBJECT: SV/SLV Soccer Club Skypark & Siltanen Park Site Use Agreement

SUMMARY OF ISSUE

Attached is a four year/eight month Site Use Agreement with the City of Scotts Valley and Scotts Valley/San Lorenzo Valley Soccer Club for field use at both Skypark and Siltanen Park. The soccer fields at Skypark were constructed with a \$100,000 financial contribution from the soccer club. The soccer program uses the fields annually for practices, clinics and games. The SV/SLV Soccer Club typically operates a limited program in the spring; they begin full practices in August and league play in September, ending the last weekend in November.

In prior years, the Soccer Club has paid \$13,000 for the field use and maintenance at Skypark only. The four year/eight month agreement totals \$110,000 in contributions and fees.

- 2016 \$22,500 one time, contribution toward the \$30,451 improvements
 \$13,500 annual fee
- 2017-2020 \$18,500 annual fee

This year the Recreation Division Manager met with the City's maintenance crew, sport field experts, and SV/SLV Soccer Club to come up with an aggressive field maintenance plan to preserve the fields. The 2016 maintenance breakdown includes some costs that will not recur in future years:

- | | |
|---|--------------------------------|
| • Top Soil, Skypark only | \$11,107.20 |
| • Seed, Skypark & Siltanen Park | \$ 5,394.00 |
| • EcoFert System Installation (liquid fertilization), | \$ 3,750.00 (One time cost) |
| • EcoFert (Monthly Average Cost is \$850/month) | \$10,200.00 (Ongoing annually) |

Total \$30,451.20

FISCAL IMPACT

2016 \$5,548.80 net revenue to the City after expense
2017-2020 \$8,300 net revenue to the City after expenses

STAFF RECOMMENDATION

Approve the five year, 2016-2020, Site Use Agreement between the City of Scotts Valley and the Scotts Valley/San Lorenzo Valley Soccer Club.

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SITE RENTAL AGREEMENT

THIS SITE RENTAL AGREEMENT, hereinafter referred to as "Agreement," is made and entered into by and between the CITY OF SCOTTS VALLEY, a California municipal corporation, hereinafter referred to as "Landlord," and SCOTTS VALLEY/SAN LORENZO VALLEY YOUTH SOCCER CLUB, hereinafter referred to as "Tenant."

RECITALS

1. Landlord is the owner of that certain parcel of real property located at 361 Kings Village Rd., Scotts Valley on which the Skypark Park is located and 127 Vine Hill School Rd., Scotts Valley on which Siltanen Park is located (the "Sites").

2. Tenant desires to use the Sites for the purposes of youth soccer on a regular basis.

NOW, THEREFORE, as full and complete consideration of the covenants and agreements hereinafter set forth, Landlord and Tenant agree as follows:

AGREEMENT

A. **PREMISES:** Landlord hereby rents to Tenant and Tenant hereby rents from Landlord for the time periods as set out in Attachment A, the Skypark Soccer Fields and the Siltanen Park Fields #1, #2, Adult Softball, and Girl's Softball (collectively referred to as the "Premises"). However, in the event Landlord receives a paid reservation for any of the Premises during one of the times listed on Attachment A, the Landlord may notify Tenant of such reservation no later than one week prior to the class, and Tenant shall have no rights to use the Premises during that time. Tenant shall have the right to use the Premises at other times, provided it requests such right to use the Premises no earlier than one week prior to the requested time and the Premises are not already committed to another party by Landlord.

B. **USE OF PREMISES:**

1. **Permitted Uses.** Landlord hereby grants permission to Tenant to occupy the Premises for youth soccer.

2. **Site Facilities.** Tenant shall not make any improvements to the Premises without the prior written consent of the Recreation Division Manager. Any equipment necessary for Tenant's operations shall be provided by Tenant and removed at the end of each use.

3. **Compliance with Governmental Regulations.** Tenant shall, at Tenant's expense, faithfully observe and comply with all Municipal, State and Federal statutes, rules, regulations, ordinances, requirements, and orders (collectively referred to as "Rules"), now in force or which may hereafter be in force pertaining to the Premises or Tenant's use thereof. The judgment of any court of competent jurisdiction, or the admission of Tenant in any action or proceeding against Tenant, whether Landlord be a party thereto or not, that Tenant has violated any Rules shall be conclusive proof of that fact as between Landlord and Tenant.

C. TERM: The Term ("Term") of this Agreement shall be for four years and eight months, and shall commence on April 1, 2016, and shall terminate on November 30, 2020, unless sooner terminated as provided herein.

D. RENT: Tenant agrees to pay Landlord, as a One Time Donation upfront for maintenance of Premises, \$22,500.00 due at the start this agreement. As Rent for the Premises for year 2016, Tenant will pay \$13,500.00, and for years 2017-2020, \$18,500.00 per year. Such payments shall be made by May 31 of each corresponding year during the Term to the party and at the address designated in Section G.

E. UTILITIES: Landlord shall pay for water and trash to the Premises.

F. HOLDING OVER: Should Tenant, with Landlord's written consent, remain on the Premises, or any portion thereof, after the date upon which the Premises is to be surrendered, Tenant shall become a tenant on a month-to-month basis upon all the terms, covenants and conditions of this Agreement. During any such month-to-month tenancy, Tenant shall pay monthly rent in the amount which was payable by Tenant during the immediately preceding month, subject to any rent adjustments as provided in the Agreement. Nothing in this Section is to be construed as a consent by Landlord to the occupancy or possession of the Premises by Tenant after the expiration of the term.

G. NOTICE: Any notice, request, demand, instruction or other communication to be given to either party hereunder shall be in writing and shall either be (a) hand-delivered, (b) sent by Federal Express or a comparable overnight mail service, (c) mailed by U.S. registered or certified mail, return receipt requested, postage prepaid, or (d) sent by telephone facsimile transmission provided that an original copy of the transmission shall be mailed by regular mail, to Landlord and Tenant at their respective addresses set forth below. Notice shall be deemed to have been given upon receipt or refusal of delivery of said notice. The addresses for the purpose of this section may be changed by giving notice. Unless and until such written notice is received, the last addressee and address stated shall be considered in effect for all purposes hereunder.

Landlord:

CITY OF SCOTTS VALLEY
One Civic Center Drive
Scotts Valley, CA 95066
Attn: City Manager
Tel: (831) 440-5600
Fax: (831) 438-2793

Tenant:

SCOTTS VALLEY/SAN LORENZO
VALLEY YOUTH SOCCER CLUB
P.O. Box 67038
Scotts Valley, CA 95067-7038

H. LIABILITY AND INDEMNITY:

1. **Of Landlord.** Tenant shall indemnify and hold harmless Landlord, and its agents, employees, partners, shareholders, officers, directors, invitees, and independent contractors (collectively "Agents") of Landlord against and from any and all claims, liabilities, judgments, costs, demands, causes of action and expenses (including, without limitation, reasonable attorneys' fees) arising from Tenant's use of the Premises or from any activity done, permitted or suffered by Tenant in or about the Premises. If any action or proceeding is brought against Landlord by reason of any such claim, upon notice from Landlord, Tenant shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord.

2. **Of Tenant.** Landlord shall indemnify and hold harmless Tenant, and its agents, employees, partners, shareholders, officers, directors, invitees, and independent contractors (collectively "Agents") of Tenant against and from any and all claims, liabilities, judgments, costs, demands, causes of action and expenses (including, without limitation, reasonable attorneys' fees) arising from Landlord's use of the Premises or from any activity done, permitted or suffered by Landlord in or about the Premises. If any action or proceeding is brought against Tenant by reason of any such claim, upon notice from Tenant, Landlord shall defend the same at Landlord's expense by counsel reasonably satisfactory to both Tenant and Landlord. The obligations of Tenant and Landlord under this Section H. shall survive any termination of this Agreement.

I. **SURRENDER:** Tenant agrees that on the last day of the Term, or Extended Term, Tenant shall surrender and vacate the Premises in good condition and repair (damage by Acts of God, fire, and normal wear and tear excepted). All property of Tenant not so removed in thirty (30) days, unless such non-removal is consented to by Landlord in writing, shall be deemed abandoned by Tenant, provided that in such event Tenant shall remain liable to Landlord for all reasonable costs incurred in storing and disposing of such abandoned property of Tenant. The obligations herein shall survive the termination of the Agreement.

J. **MAINTENANCE OF PREMISES:** Tenant shall not do anything to cause any damage to the Site. In the event damage is caused by Tenant or any of its customers, Tenant shall promptly repair the damage at its sole cost and expense.

K. **TERMINATION:** Either party has the right to terminate this Agreement at any time upon providing the other party thirty (30) days' written notice for any reason or no reason. Should either party terminate pursuant to this provision, the termination shall be subject to the surrender provisions set out above, as if it were the last day of the Term.

L. **TENANT'S DEFAULT:** The occurrence of any one of the following events shall constitute an event of Default on the part of Tenant ("Default"):

1. The complete abandonment of the Premises by Tenant;
2. Failure to pay Rent or any other monies due and payable hereunder, said failure continuing for a period of ten (10) days after written notice thereof from Landlord to Tenant;

3. A general assignment by Tenant for the benefit of creditors, without the prior written approval of Landlord, which approval shall not be unreasonably withheld;

4. The filing of a voluntary petition in bankruptcy by Tenant, the filing of a voluntary petition for an arrangement, the filing of a petition, voluntary or involuntary, for reorganization, or the filing of an involuntary petition by Tenant's creditors, said involuntary petition remaining undischarged for a period of sixty (60) days; notwithstanding the foregoing, this paragraph shall not apply if Tenant continues to make timely rental payments to Landlord;

5. Failure in the performance of any of Tenant's covenants, agreements or obligations hereunder which failure continues for ten (10) days after written notice thereof from Landlord to Tenant, provided that, if Tenant has exercised reasonable diligence to cure such failure and such failure cannot be cured within such ten (10) business day period despite reasonable diligence, Tenant shall not be in Default under this subsection unless Tenant fails thereafter diligently and continuously to cure such failures; or

6. Chronic delinquency by Tenant in the payment of Rent, or any other periodic payments required to be paid by Tenant under this Agreement. "Chronic Delinquency" shall mean failure by Tenant to pay Rent, or any other payments required to be paid by Tenant under this Agreement within ten (10) days after written notice thereof for any three (3) months (consecutive or nonconsecutive) during any twelve (12) month period. In the event of a Chronic Delinquency, in addition to Landlord's other remedies for Default provided in this Agreement, at Landlord's option, Landlord shall have the right to require that Rent be paid by Tenant quarterly, in advance.

Tenant agrees that any notice given by Landlord pursuant to the above shall satisfy the requirements for notice under California Code of Civil Procedure section 1161, and Landlord shall not be required to give any additional notice in order to be entitled to commence an unlawful detainer proceeding.

M. LANDLORD'S REMEDIES:

1. **Termination for Breach.** In the event of any Default by Tenant, then in addition to any other remedies available to Landlord at law or in equity and under this Agreement, Landlord shall have the immediate option to terminate this Agreement and all rights of Tenant hereunder by giving written notice of such intention to terminate. In the event that Landlord shall elect to so terminate this Agreement then Landlord may recover from Tenant:

a. the worth at the time of award of any unpaid Rent and any other sums due and payable which have been earned at the time of such termination; and

b. such reasonable attorneys' fees incurred by Landlord as a result of a Default, and costs in the event suit is filed by Landlord to enforce such remedy; and

2. **Re-entry.** In the event of any Default by Tenant, Landlord shall also have the right, and if Landlord terminates this Agreement in compliance with applicable law, to re-enter the Premises and remove all persons and property from the Premises; such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Tenant.

3. **Re-letting.** In the event of the abandonment of the Premises by Tenant or in the event that Landlord shall elect to re-enter as provided above or shall take possession of the Premises pursuant to legal proceedings or pursuant to any notice provided by law, Landlord may re-let the Premises.

4. **Cumulative Remedies.** The remedies herein provided are not exclusive and Landlord shall have any and all other remedies provided herein or by law or in equity.

5. **No Surrender.** No act or conduct of Landlord shall be deemed to be or constitute an acceptance of the surrender of the Premises by Tenant prior to the expiration of the Term, or as specifically provided for above, and such acceptance by Landlord of surrender by Tenant shall only flow from and must be evidenced by a written acknowledgment of acceptance of surrender signed by Landlord.

N. **LANDLORD'S DEFAULT:** Landlord shall not be considered to be in Default under this Agreement unless: (a) Landlord is given notice specifying the Default, and (b) Landlord has failed for thirty (30) days to cure the Default, if it is curable, or to institute and diligently pursue reasonable corrective acts for Defaults that cannot be reasonably cured within thirty (30) days.

O. **LIABILITY INSURANCE:** During the term of this Agreement, Tenant shall, at Tenant's expense, obtain and keep in force a policy of comprehensive public liability insurance with policy limits in the amount required by the Monterey Bay Area Insurance Fund for the Landlord to maintain for general liability and property damage. The limit of said insurance shall not limit the liability of the Tenant hereunder. Tenant may carry such insurance under a blanket policy provided such insurance adds Landlord as an additional insured. If Tenant shall fail to procure and maintain said insurance, Landlord may, but shall not be required to, procure and maintain said insurance, at the expense of Tenant. Upon request, Tenant shall deliver to Landlord certificates evidencing the existence and amounts of such insurance and naming Landlord as additional insured. No policy shall be cancelable or subject to reduction of coverage except after thirty (30) days prior written notice to Landlord.

P. **ASSIGNMENT BY TENANT:** Tenant shall not voluntarily or by operation of law assign all or any part of Tenant's interest in the Agreement or in the Premises, without Landlord's prior written consent, which consent may be withheld in the sole and absolute discretion of Landlord or conditioned.

Q. **ATTORNEY'S FEES:** In the event any legal action or proceeding, including arbitration and declaratory relief, is commenced for the purpose of enforcing any rights or remedies pursuant to this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party reasonable attorneys' fees, as well as costs of suit, in said action or proceeding, whether or not such action is prosecuted to judgment.

R. WAIVER: The waiver of any breach of any term, covenant or condition of this Agreement shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of Rent by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No delay or omission in the exercise of any right or remedy of Landlord on any Default by Tenant or in the exercise of any right or remedy of Tenant shall impair such a right or remedy or be construed as a waiver. Any waiver by Landlord of any Default must be in writing and shall not be a waiver of any other Default concerning the same or any other provisions of this Agreement.

S. INTEREST: Any installment of Rent and any other sum due from Tenant under this Agreement which is not received by Landlord within ten (10) days from when the same is due shall bear interest from such tenth (10th) day until paid at an annual rate equal to the maximum rate of interest permitted by law. Payment of such interest shall not excuse or cure any Default by Tenant.

T. SUBORDINATION: Landlord shall have the right to cause this Agreement to be and remain subject and subordinate to any and all mortgages and deeds of trust, if any ("Encumbrances") that are now or may hereafter be executed covering the Premises, or any renewals, modifications, consolidations, replacements or extensions thereof, for the full amount of all advances made or to be made thereunder and without regard to the time or character of such advances, together with interest thereon and subject to all the terms and provisions thereof; provided only, that upon the foreclosure of any such mortgage or deed of trust, so long as Tenant is not in Default, the holder thereof ("Holder") shall agree in writing to recognize Tenant's rights under this Agreement as long as Tenant shall pay the Rent and observe and perform all the provisions of this Agreement to be observed and performed by Tenant. Within twenty (20) days after Landlord's written request, Tenant shall execute, acknowledge and deliver any and all reasonable documents required by Landlord or the Holder to effectuate such subordination. If Tenant fails to do so, such failure shall constitute a Default by Tenant under this Agreement. Pursuant to the terms of this paragraph, Tenant hereby attorns and agrees to attorn to any person or entity purchasing or otherwise acquiring the Premises at any sale or other proceeding or pursuant to the exercise of any other rights, powers or remedies under such Encumbrance.

U. CONSTRUCTION: This Agreement shall be construed and interpreted in accordance with the laws of the State of California. If any provision of this Agreement shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of this Agreement and all such other provisions shall remain in full force and effect.

V. MISCELLANEOUS: This Agreement and any attached exhibits and addenda, as signed by the parties hereto, constitute the entire agreement between Landlord and Tenant; no prior written promises, nor prior, contemporaneous, or subsequent oral promises or representations, shall be binding. This Agreement shall not be amended or changed except by written instrument signed by the parties hereto. Section captions herein are for convenience only and neither limit or amplify the provisions of this instrument. The provisions of this instrument shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors, and assigns of said Landlord and Tenant.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Agreement as of the 23rd day of March, 2016.

LANDLORD:
CITY OF SCOTTS VALLEY

TENANT:

By: _____
Chuck Comstock
City Manager

By: _____
Its: _____

Attest:

Tracy A. Ferrara, City Clerk

Approved as to form:

Kirsten Powell, City Attorney

Attachment A:

Scotts Valley/San Lorenzo Valley Soccer Club Skypark& Siltanen field Use

Skypark filed Use Dates – Reference Field Layout for Field Numbering Scheme, Reference A.

04/01/2016-06/19/2016

- Monday, Wednesday, Thursday, Friday, Skypark Field #1 and #2, 3:00 pm – dusk
- Saturday Skypark Field #1 and #2 8:00 am - dusk
- Sunday Skypark Field #1 and #2, 8:00 am – dusk
- **See below for additional unavailable dates**

06/19/2016-07/24/2016

- Monday – Friday, Skypark Field #1, #2. 1:00 pm – dusk (Tuesdays all fields end at 5 pm)
- Saturday & Sunday, Skypark Field #1, #2. 8:00 am – dusk
- **See below for additional unavailable dates**

07/24/2016 – 08/28/2016

- Monday – Friday, Skypark Field #1, #2, and #3 1:30 pm – dusk
- Saturday & Sunday, Skypark Field #1, #2, and #3 fields, 8:00 am – dusk
- **See below for additional unavailable dates**

08/29/2016-11/20/2016

- Monday – Friday, Skypark Field #1, #2, and #3 Fields 3:00 pm – dusk
- Saturday & Sunday, Skypark Field #1, #2, and #3 fields, 8:00 am – dusk
- **See below for additional unavailable dates**

Fields Not Available to Scotts Valley/San Lorenzo Valley Youth Soccer Club on the following dates:

May: 5/1, 5/7, 5/15

June: 6/17, 6/18, 6/19, 6/24, 6/25, 6/26

July: 7/1, 7/2, 7/3, 7/4, 7/16, 7/17, 7/23, 7/31

August: 8/12, 8/13, 8/14, 8/19, 8/20, 8/21, 8/27, 8/28

September: 24, 25 (Santa Cruz Classic working with SVSLV soccer) All Day.

October: Pending Baseball Schedule

SV/SLV Youth Soccer club will work closely with Scotts Valley Middle School in an effort to accommodate SVMS' very limited fall soccer league play schedule. SV/SLV Youth Soccer Club will accommodate Scotts Valley Middle School on Field #3 as identified in field layout image, Reference A.

SV/SLV Youth Soccer club will work closely with Scotts Valley Recreation Department in order to accommodate the limited youth summer soccer camps, including their own, which utilize the fields one or two weeks each summer.

Additional dates may be scheduled with the Recreation Division Manager, depending on availability.

Siltanen Field Use Dates:

07/01/2016 – 11/20/2016

- Monday – Friday, 3 Fields 3:00 pm – dusk (Includes two upper fields and field space between lower baseball fields)
- Saturday & Sunday, 3 fields, 8:00 am – dusk

11/14/2016– 11/18/2016

- Monday – Thursday 1 lower field Large Softball field under lights (All Star Games) 6 pm to 9pm

Reference A: Skypark Field Layout – Reference



ORDINANCE NO. 16-ZC-225

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY APPROVING ZONE CHANGE ZC15-001 AND PLANNED DEVELOPMENT (PD) DISTRICT OVERLAYS PD15-001 AND PD15-002 TO CHANGE THE EXISTING ZONING DISTRICT FROM I-RD(PD) (INDUSTRIAL-RESEARCH & DEVELOPMENT / PLANNED DEVELOPMENT) TO R-H/PD (HIGH-DENSITY RESIDENTIAL / PLANNED DEVELOPMENT) AND C-S/PD (COMMERCIAL-SERVICE / PLANNED DEVELOPMENT) FOR THE “ENTERPRISE WAY” PROJECT CONSISTING OF 50 TOWNHOUSE-STYLE CONDOMINIUMS, 120-ROOM HOTEL, AND RELATED PROPERTY IMPROVEMENTS, ON A VACANT PARCEL LOCATED AT THE END OF SANTA’S VILLAGE ROAD (PREVIOUSLY APPROVED BORLAND PHASE II SITE) / APN 024-031-017

WHEREAS, the City of Scotts Valley has received an application and technical reports from CR&E Management and City Ventures (referred to together as the “applicant”), proposing to subdivide the parcel for development of a 50-unit residential development and 120-unit hotel, and related property improvements on a vacant 6.8-acre parcel, as shown on project plans dated January 19, 2016 (hotel), and December 2, 2015 (residential development) / APN 024-031-170; and

WHEREAS, the applicant has presented substantial evidence which supports the application; and

WHEREAS, the application is a “project” pursuant to the California Environmental Quality Act (“CEQA”), which requires the preparation and certification of an Environmental Impact Report in accordance with the requirements of the California Environmental Quality Act (“CEQA”) and

WHEREAS, the City selected Kimley-Horn and Associates, an independent environmental consultant (“consultant”) to prepare a Draft Environmental Impact Report (“Draft EIR”), paid for by the applicant; and

WHEREAS, the consultant prepared a Draft EIR (State Clearinghouse # 2015032086) in accordance with the State CEQA Guidelines and requirements. The Draft EIR was duly noticed, published, and distributed for a 45-day public review period from December 31, 2015 – February 16, 2016, and was made available for public review at City Hall, Planning Department; and

WHEREAS, the City’s consultant prepared a duly noticed and published Final Environmental Impact Report (Final EIR) on February 26, 2016, that was distributed to public agencies that commented on the Draft EIR, was made available at City Hall, Planning Department, the City’s website, and upon request at the Planning Department; and

WHEREAS, the Planning Commission held a duly published and noticed public hearing on March 3, 2016, pursuant to the requirements of the Scotts Valley Municipal Code and State Law, to review and consider the Final EIR and the requested planning permits (entitlements), take public testimony, and provide comments and recommendations to the City Council; and, after which, they recommended approval of the Final EIR and project to the City Council, subject to the recommended mitigation measures and amended conditions; and

WHEREAS, the City Council held a duly published and noticed public hearing on March 16, 2016, pursuant to the requirements of the Scotts Valley Municipal Code and State Law, to review and consider the Final EIR, the entitlements, and all other information in the record including, but not limited to, public testimony, and certified the Final EIR, adopted a Statement of Overriding Considerations for traffic impacts, and approved a Mitigation Monitoring and Reporting Program for the project in Resolution No. 1916; and,

WHEREAS, the City Council approved General Plan Amendment GPA15-001 in Resolution No. 1916.1; and,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Scotts Valley hereby approves, as further discussed in the City Council staff report dated March 16, 2016, as follows:

SECTION 1: Approve Zone Change ZC15-001 based on the following findings and as shown in the Zone Change Map in Exhibit A, attached hereto and incorporated herein:

1. ***The change in the zoning districts are consistent with the General Plan and the densities are compatible with adjacent uses and densities.*** The project meets the requirements of this finding because the project will change the existing I-RD(PD) zone to R-H/PD and C-S/PD, which are the appropriate zones and sequence to transition from the R-1-10/PD zoning district to the east in the 40-lot Polo Ranch subdivision underway and the I-RD(PD) zone of the existing Enterprise Technology Center to the south.

SECTION 2: Approve the Planned Development District Overlays PD15-001 based on the following findings and as shown in the Zone Change Map in Exhibit A, attached hereto and incorporated herein:

2. ***That the Planned Development Zoning District Overlays (PD) further the policies of the General Plan.*** The project meets the requirement of this finding in that the overall building locations, landscaping, and fencing/walls will ensure compatibility between commercial uses and their adjacent uses, per General Plan Land Use Element Objective LO-37. Rezoning the vacant and underused infill site to appropriate high-density encourages development of the underused parcel, consistent with Land Use Element Action LA-7. The hotel will be concentrated at the end of the urban core of the City, pursuant to Land Use Element Policy LA-45.

3. ***The proposed Planned Development District Overlays (PD) are consistent with the underlying land use designations and zoning districts and the of the City of Scotts Valley General Plan.*** The project meets the requirements of this finding because the PD district overlay will be combined with the base zoning districts. The resulting R-H/PD and C-S/PD zones allow specific development standards to address the constraint of an access easement crossing the property and to retain suitable trees that qualify for protection per City's Municipal Code.

NOW THEREFORE, BE IT FURTHER RESOLVED that, after careful consideration of the application and related materials, plans, maps, facts, exhibits, staff report, testimony and other evidence submitted in this matter, and incorporated herein by this reference, the City Council approves Zone Change ZC15-001 and Planned Development District Overlays PD15-001 and PD15-002 to change the zoning district on the project site located at the end of Santa's Village Road / APN 024-031-17, subject to the Zone Change Map / Planned Development Map in Exhibit A, attached hereto and incorporated herein.

THE ABOVE AND FOREGOING ORDINANCE was introduced for a first reading on the 16th day of March 2016, and passed and adopted on the 23rd day of March 2016, at a duly held meeting of the City Council of the City of Scotts Valley by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

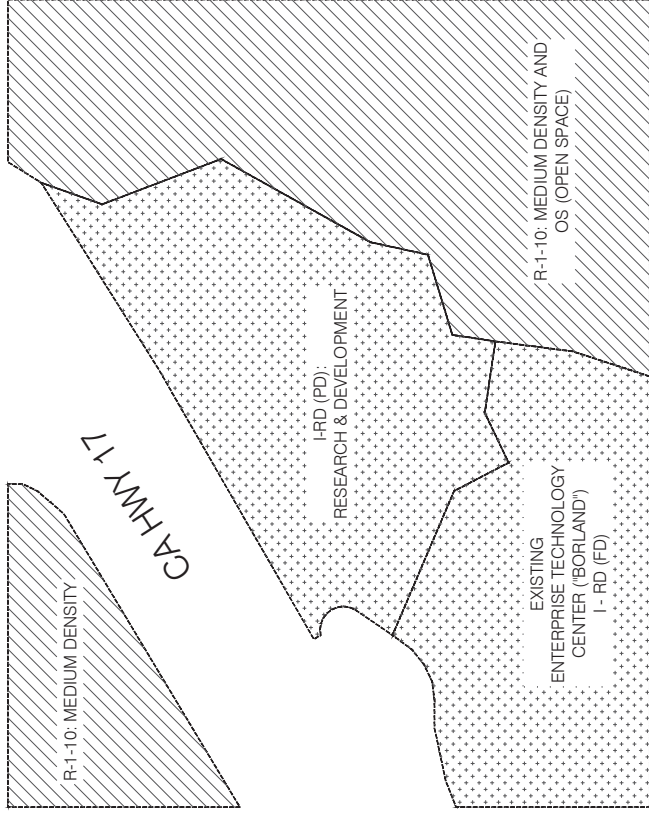
Approved: _____
Donna Lind, Mayor

Attest:

Tracy Ferrara, City Clerk

Approved as to Form:

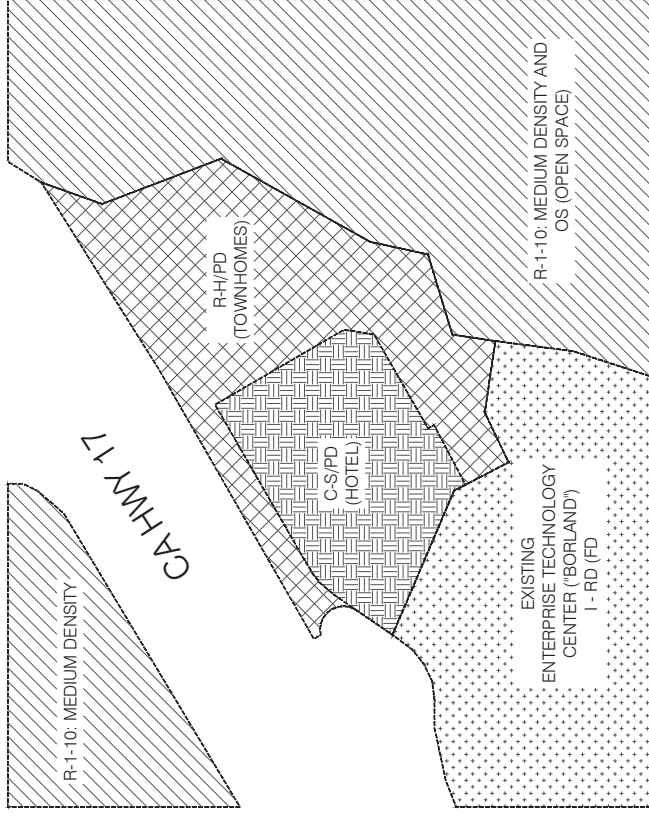
Kirsten Powell, City Attorney



EXISTING ZONING CLASSIFICATION

CITY OF SCOTT'S VALLEY ZONING MAP 2007

- I-RD (PD): RESEARCH & DEVELOPMENT
- R-1-10: MEDIUM DENSITY



PROPOSED ZONING CLASSIFICATION

CITY OF SCOTT'S VALLEY ZONING MAP 2007

- I-RD (PD): RESEARCH & DEVELOPMENT
- R-1-10: MEDIUM DENSITY
- C-S/PD: SERVICE
- R-H/PD: HIGH DENSITY

ENTERPRISE WAY

CITY VENTURES
SANTAS VILLAGE ROAD
SCOTT'S VALLEY, CA 95066



Architecture | Planning | Interiors

444 Spear Street, Suite 105
San Francisco, CA 94105
www.hunthalejones.com

t. 415-512-1300
f. 415-288-0288

ZONING MAP
ZM

SCALE: N.T.S.
DATE: 12.02.2015
PROJECT: 317031

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: March 23, 2016
TO: Honorable Mayor and City Council Members
FROM: Kristin Ard, Recreation Division Manager
SUBJECT: **SKYPARK TENNIS COURT AND BASKETBALL COURT IMPROVEMENTS**

SUMMARY OF ISSUE

Staff solicited bids from three contractors for tennis court improvements at Skypark Park. The general nature of the work would include repair of courts where asphalt is being pushed up, resurfacing and restriping of all courts, and striping of eight pickleball courts.

Two of the three contractors responded, and the lowest qualified bid for the project is \$13,000.

- | | |
|--------------------------|----------|
| 1. Courtteck Resurfacing | \$13,000 |
| 2. Saviano Company Inc. | \$17,200 |

We also have an estimate from the low bidder of approximately \$4,000 to resurface the two half basketball courts at Skypark Park. These courts were installed in 1999, and have never been resurfaced.

FISCAL IMPACT

\$17,000 from Lennar funds.

STAFF RECOMMENDATION

The City Council accept the bid from Courtteck Resurfacing for the tennis courts, and the quote for the basketball courts, subject to approval of a contract for services by the City Manager. Upon approval and execution of the contract, the Recreation Division Manager will move forward with the improvements this fiscal year.

**Scotts Valley City Council
CITY COUNCIL STAFF REPORT**

DATE: March 23, 2016

TO: Honorable Mayor and City Council Members

FROM: Kirsten Powell, City Attorney

**SUBJECT: APPROVAL OF WATER SUPPLY AGREEMENT BETWEEN THE CITY
OF SCOTTS VALLEY AND PASATIEMPO GOLF CLUB**

SUMMARY OF ISSUE

Due to the ongoing drought, Pasatiempo Golf Course ("PGC") has been working on alternative water supplies for its golf course. PGC approached both the Scotts Valley Water District ("SVWD") and the City about utilizing recycled water during certain times of the year for its golf course rather than potable water. After discussions with the appropriate state agencies and meetings with the City's Water Subcommittee, it was determined that rather than recycled water, the best source of water would be the City's secondary treated water. This is water that the SVWD does not need for recycled water and is therefore pumped to the ocean. PGC would utilize the City's pipes to transport the water from the Wastewater Treatment Plant (WWTP) to facilities PGC will be installing on its property at its expense.

Under the current recycled water agreement with SVWD, SVWD is entitled to up to one million gallons of recycled water per day. Currently, the SVWD does not have a demand for that much recycled water, so the City only makes as much as the SVWD needs and disposes of the other water that has not been treated. It is the water that is currently disposed in the ocean that would be transported to PGC. Because the City has contracted with SVWD for the recycled water, SVWD would have to consent to the City's agreement with PCG. City staff has been working with SVWD staff on this issue. It is anticipated that an agreement between the City and SVWD will be executed in April.

Under the proposed agreement with PCG, the City agrees to pump up to 35 million gallons per year through the City's pipes to PCG for 30 years. PCG will pay five equal installments of \$311,633.80 beginning May 1, 2016 for the use of the City's pipe and the water. Of the money received, \$151,633.80 of each installment is proposed to be paid to the SVWD for the relinquishment of its rights to the recycled water. The City will receive five equal installments of \$160,000. PCG is required to maintain insurance naming the City as an additional insured and repair any damage caused. The agreement is only effective if SVWD consents to it.

FISCAL IMPACT

The City will receive \$800,000 for the use of its pipe to PCG and the secondary treated water.

STAFF RECOMMENDATION

Approve the Water Supply Agreement between the City of Scotts Valley and Pasatiempo Golf Club and authorize the Mayor to execute the agreement.

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WATER SUPPLY AGREEMENT BETWEEN THE CITY OF SCOTTS VALLEY AND PASATIEMPO GOLF CLUB

This Water Supply Agreement ("Water Agreement" or "Agreement") is entered into this ____ day of _____, 2016 ("Effective Date"), by and between the City of Scotts Valley ("City") and Pasatiempo Inc. (aka Pasatiempo Golf Club or "PGC").

RECITALS

A. The City is a municipal corporation organized under the California Government Code section 34500 *et seq.*;

B. The City provides wastewater treatment and effluent management services for the City;

C. The City operates a secondary wastewater treatment plant and a tertiary treatment plant that are permitted to treat up to 1.5 million gallons per day and 1.0 million gallons per day, respectively;

D. Pursuant to that certain agreement entitled "Recycled Water Supply Use, Maintenance and Operation Agreement Between the City of Scotts Valley and the Scotts Valley Water District" dated September 4, 2013, the City currently contracts with the Scotts Valley Water District (the "District") for the provision of recycled water from its tertiary treatment plant, up to one million gallons per day, that can be sold for irrigation purposes within the City ("**Maintenance Agreement**");

E. Secondary treated water that is not treated to the tertiary standards and used by either the City or the District is discharged to the Pacific Ocean via a pipeline that runs immediately adjacent to PGC.

F. PGC is a California corporation, organized pursuant to the California Corporations Code section 200 *et seq.*;

G. PGC operates a golf course for public play and for its Shareholders within the County of Santa Cruz but outside of the City of Scotts Valley;

H. PGC currently utilizes potable water supplied by the City of Santa Cruz Water Department ("SCWD") for irrigation of its golf course;

I. PGC receives between 45 and 60 million gallons of water per year from SCWD;

J. California is an arid state and has recently experienced four consecutive years of drought, which has resulted in the declaration of a water shortage emergency by the State of California;

K. Secondary treated water ("Treated Water") produced by the City is suitable for ocean discharge pursuant to the City's Waste Discharge Requirements, Order No. R3-2013-0001, issued by the Regional Water Quality Control Board Region 3, and as amended. The use of the Treated Water for golf course irrigation is subject to any necessary approval by the Regional Water Quality Control Board and the State Water Resources Control Board, Division of Drinking Water;

L. The demand for Recycled Water has been limited and, as a result, the City discharges approximately 50% of its Treated Water through its ocean discharge pipe and into the Pacific Ocean for disposal during the warm weather months;

M. The City currently receives no revenue for its discharge of Treated Water into the ocean;

N. PGC seeks to secure a more reliable water supply for its operations by using a water supply that is underutilized;

O. The Parties desire an agreement that will provide PGC a priority to a certain amount of Treated Water in exchange for a payment from PGC; and

P. The Parties acknowledge that the District must consent to the City's sale of the Treated Water to PGC.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Representations and Warranties by City.** City represents and warrants to PGC, as follows:

1.1 Upon the consent of the District, the City will have all valid legal right, title and authority to sell the Treated Water;

1.2 With the exception of the Maintenance Agreement, the City has not granted and is not aware of the existence of any encumbrances with respect to the Treated Water that would prevent its sale to PGC;

2. **Term.** The term shall commence on the Effective Date identified above or the date the District consents to the terms of this Agreement, whichever shall occur later, and shall terminate on August 1, 2046, unless otherwise terminated or extended. At least one year prior to this date, the parties shall initiate good faith negotiations for the extension of this Agreement. This Agreement shall not become valid and neither party will have any obligation under this Agreement until such time as the District and the City reach agreement on the sale of the Treated Water. In the event the District and

the City cannot reach agreement, the Parties agree to reopen negotiations on the terms of this Agreement.

3. **Daily Volumes and Priority.**

3.1 Commencing with the Effective Date of this Agreement, PGC shall have a guaranteed right for diverting ("**Priority Right**") up to 35 million gallons per year of Treated Water in amounts not to exceed 170,000 gallons per day.

3.2 This Priority Right of PGC to Treated Water shall be senior to the rights of all others to the Treated Water produced by the City.

3.3 PGC shall provide notice to City of a request for its Priority Right at least twelve hours prior to its need.

3.4 All Treated Water in the ocean discharge pipeline that PGC has not declared as a Priority Right shall be referred to as non-Priority Treated Water or excess Treated Water.

3.5 Commencing with the Effective Date of this Agreement, PGC shall also have the right to divert any and all flow of excess Treated Water available in the ocean discharge pipeline. This diversion of non-Priority Treated Water by PGC shall be pursuant to the terms of Additional Payment in section 6.2.

4. **Delivery.**

4.1 **Rates of Delivery.** City shall deliver Treated Water to the Point of Delivery, as defined in Section 4.2 below, and as requested in section 3. Delivery may also be subject to limitations, as provided in Section 7 below.

4.2 **Points of Delivery and Return Flow.**

4.2.1 The Point of Delivery for the Treated Water is the diversion point off of Sims Road, as identified on Figure 1.

4.2.2 The Point of Return Flow, with Return Flow defined as the byproducts from the additional treatment of the Treated Water performed by PGC, is the diversion point off of Deer Path Road, as identified on Figure 2. The right to deliver Return Flow water as defined in this section is subject to the approval of the Regional Water Quality Control Board. PGC shall work with the City to properly document this discharge.

4.2.3 The discharge of Return Flow by PGC back into the Ocean Outfall Pipeline shall not cause the City to violate the effluent limits established by the City's Waste Discharge Requirements, Order No. R3-2013-0001, issued by the Regional Water Quality Control Board Region 3, and as amended.

4.2.4 To the extent that PGC's discharge of Return Flow into the Ocean Outfall Pipeline causes an exceedance of the City's effluent limitations in its

waste discharge requirements, PGC will cease the discharge of Return Flows until such time as compliance with the City's effluent limitations can be assured. In addition, PGC shall pay any fines or penalties imposed on the City in the event PGC's discharge of Return Flow causes the City to exceed the effluent limits established by the City's Waste Discharge Requirements, Order No. R3-2013-0001, issued by the Regional Water Quality Control Board Region 3, and as amended.

4.3 **Responsibility for Delivery.**

4.3.1 City will be responsible for all costs, permissions, permits and approvals to convey the Treated Water to the Point of Delivery, with the exception of the costs of installation of the valve required as provided in section 4.3.2.2 below. PGC shall support City in obtaining any necessary approvals to convey the water to the Points of Delivery.

4.3.2 PGC will be responsible for all costs, permissions, permits, approval and treatment of the Treated Water after City has delivered it to PGC.

4.3.2.1 PGC anticipates the need for an additional filtration system to be used by PGC to allow PGC to utilize the Treated Water. PGC will be fully responsible for the cost of the additional filtration system and well as the cost of permitting its use.

4.3.2.2 PGC anticipates the need for a valve in the ocean discharge pipeline to allow the use of Treated Water at PGC. This valve and its installation is estimated to cost \$200,000. PGC will pay the City for the valve and its installation.

5. **Water Quality.** The Treated Water shall be in compliance with the City's Waste Discharge Requirements, Order No. R3-2013-0001, issued by the Regional Water Quality Control Board Region 3, and as amended.

6. **Payments.**

6.1 Commencing May 1, 2017, PGC shall make five (5) annual payments of \$311,633.80 each on May 1st of each year to the City, with the last such payment on May 1, 2021. The City shall compensate the District for the loss of the portion of their entitlement pursuant to the terms of the agreement between the City and the District.

6.2 Commencing May 1, 2017, PGC shall pay an "**Additional Annual Payment**" to City in an amount of \$100 for each additional million gallons of Treated Water, cumulative, that are diverted in excess of 35 million gallons per year during the prior year.

7. **Limitations on the Provision of Treated Water**

(i) The Parties recognize that factors beyond the control of the City could cause operational difficulties at the WWTP resulting in the temporary production of Treated Water which does not meet the requirements for PGC's intended use or limited availability of Treated Water. In such case that is beyond the control of the City, the City Engineer or his/her designee may temporarily suspend the availability of Treated Water from the City's facilities to PGC ("Suspension of Production"). The City shall act diligently and use its best efforts to promptly re-establish the production of Treated Water and shall re-establish the District's supply of such water accordingly.

(ii) PGC assumes the risk of loss or damage resulting from a Suspension of Production due to causes beyond the City's control and hereby waives any right which it might have to recover from the City damages attributable to a Suspension of Production, provided that the City uses its best efforts and diligently pursues re-establishment of the production of Treated Water. PGC expressly reserves the right to recover its losses or damages from City in the event of a suspension of delivery that is under the control of the City.

8. **Agreements and Approvals from Third Parties.**

Each Party shall be responsible for its own approvals as may be necessary to complete the contemplated transaction. City shall be responsible for all approvals necessary, if any, to deliver Treated Water to PGC.

9. **Retention and Provision of Source Verification Records.**

PGC shall keep records necessary to quantify the deliveries of Treated Water to PGC. PGC shall provide these records to the City upon request. PGC shall install and the City shall have access to a flow meter to quantify the deliveries of Treated Water.

10. **Force Majeure.**

To the extent any Party is prevented by an event of Force Majeure from performing its obligations under this Agreement, such Party shall be excused from the performance of its obligations under this Agreement. The Party claiming Force Majeure shall use commercially reasonable efforts to eliminate or avoid the Force Majeure and resume performing its obligations; provided, however, that neither Party is required to settle any strikes, lockouts or similar disputes except on terms acceptable to such Party, in its sole discretion. The non-claiming Party shall not be required to perform or resume performance of its obligations to the claiming Party corresponding to the obligations of the claiming Party excused by Force Majeure.

11. **Notice.** In the event of any delay or nonperformance resulting from an event of Force Majeure, the Party suffering the event of Force Majeure shall, as soon as practicable, notify the other Parties in writing of the nature, cause, date of commencement thereof and the anticipated extent of any delay or interruption in performance; provided, however, that a Party's failure to give timely notice shall not affect such Party's ability to assert Force Majeure unless the delay in giving notice prejudices the other Parties.

12. **Termination.** PGC shall have the right to terminate this Agreement at will upon ninety (90) days prior written notice. For the avoidance of doubt, neither the City nor the District may unilaterally terminate this agreement. To the extent that this Agreement is terminated prior to termination date specified in section 2, any unearned monies already paid to the City (based on an annual amount of \$53,600.00) will be returned to PGC.

13. **Miscellaneous.**

13.1 **Organization and Authority.** The individuals executing this Agreement have full authority to enter into this Agreement on the terms and conditions set forth herein. The execution and delivery of this Agreement and performance by the Parties of their respective obligations under this Agreement will not violate or breach any agreement, covenant or obligation binding on any Party. There are no claims by third parties, pending or threatened, that would impair any Party's ability to perform its obligations under this Agreement.

13.2 **Successors and Assigns.** This Agreement shall be binding on and shall inure to the benefit of the Parties, their respective heirs, successors (by merger, consolidation or otherwise), assigns, devisees, administrators and representatives.

13.3 **Amendments.** No change, amendment or modification of this Agreement shall be valid or binding upon the Parties unless such change, amendment or modification shall be in writing and duly executed by all Parties.

13.4 **Captions.** The captions contained in this Agreement are for convenience and reference only and in no way define, describe, extend or limit the scope or intent of this Agreement or the intent of any provision contained herein.

13.5 **Severability.** The invalidity of one or more phrases, sentences, clauses or sections contained in this Agreement shall not affect the validity of the remaining portions of this Agreement so long as the material purposes of this Agreement can be determined and effectuated.

13.6 **No Waiver.** Any failure of any Party to enforce any of the provisions of this Agreement or to require compliance with any of its terms at any time

during the pendency of this Agreement shall in no way affect the validity of this Agreement, or any part hereof, and shall not be deemed a waiver of the right of such Party thereafter to enforce any and each such provision. Any consent or approval given pursuant to this Agreement shall be limited to its express terms and shall not otherwise increase the obligations of the Party giving such consent or approval or otherwise reduce the obligations of the Party receiving such consent or approval.

13.7 **Further Assurances.** All Parties agrees to execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary to effectuate the purposes and intent of this Agreement.

13.8 **Governing Law.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of California.

13.9 **Survival.** Notwithstanding any provision of this Agreement to the contrary, expiration or other termination of this Agreement shall not relieve the Parties of obligations that by their nature should survive such expiration or termination, including promises of indemnity and payment obligations.

13.10 **Attorneys' Fees.** In the event that any of the Parties fail to perform any of its obligations under this Agreement, or in the event a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the defaulting Party or the Party not prevailing in such dispute, as the case may be, shall pay any and all reasonable costs and expenses incurred by the other Party or Parties in enforcing or establishing its rights hereunder or otherwise with respect to the Agreement. Such costs shall include, without limitation, court costs and reasonable counsel fees, whether or not legal action was commenced, and shall also include, without limitation, all such costs and expenses incurred in an action or participation in, or in connection with, a case or proceeding under Chapter 7 or 11 of the Bankruptcy Code or any successor statute thereto.

13.11 **Notices.** All notices and demands which any Party hereto may be required or desires to serve upon any other Party under the terms of this Agreement shall be in writing and shall be served upon the other Party as follows:

If delivered to PGC: Pasatiempo Golf Club
Attn: General Manager
20 Clubhouse Rd.
Santa Cruz, CA 95060
Fax No.: (831) 426-0739

If delivered to City: City of Scotts Valley
Attn: City Manager
Scotts Valley, CA 95066
Telephone No.: (831)440-5600
Fax No.: (831) 438-2793

In the event a Party is no longer located at the address specified above and has not provided the other Party hereunder with a current address, reasonable effort shall be made to ensure actual delivery of any such notice.

13.12 **No Third Party Beneficiaries.** Except as otherwise expressly set forth herein, the Parties do not intend, and this Agreement shall not be construed, to create a third-party beneficiary status or interest in, nor give any third-party beneficiary rights or remedies to, any other person or entity not a party to this Agreement.

13.13 **Documents Included.** This Agreement consists of this document and the Exhibits, Appendices and Schedules attached hereto in accordance with the provisions hereof, which are specifically incorporated herein and made a part hereof by this reference.

13.14 **Counterparts.** This Agreement may be executed in one or more counterparts and delivered by facsimile or electronic mail, each of which counterparts shall, for all purposes, be deemed an original and all such counterparts, taken together, shall constitute one and the same instrument.

13.15 **Insurance.** PGC shall take out, and maintain during the life of this Agreement, insurance policies with coverage at least as broad as follows:

- a) General Liability Insurance. Commercial general liability insurance covering bodily injury, personal injury, property damage, products and completed operations with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to any act or omission by the PGC under this Agreement or the general aggregate limit shall be twice the required occurrence limit.

- b) Automobile Liability Insurance. If PGC or PGC's officers, employees, agents or representatives utilize a motor vehicle in performing any of the work or services under this Agreement, owned/non-owned automobile liability insurance providing combined single limits covering bodily injury and property damage liability with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence.
- c) Workers' Compensation Insurance. Workers' Compensation insurance as required by the California Labor Code. In signing this contract, PGC certifies under section 1861 of the Labor Code that City is aware of the provisions of section 3700 of the Labor Code which requires every employer to be insured against liability for workmen's compensation or to undertake self-insurance in accordance with the provisions of that code, and that PGC shall comply with such provisions before commencing the performance of the work of this Agreement.
- d) Deductibles. Any deductibles or self-insured retentions over \$10,000 must be declared in writing and approved by the District. At the option of the City, either: (a) the insurer shall reduce or eliminate such deductibles or self-insured retentions, or (b) PGC shall provide a bond, cash, letter of credit, guaranty or other security satisfactory to the City guaranteeing payment of the self-insured retention or deductible and payment of any and all costs, losses, related investigations, claim administration and defense expenses. The City, in its sole discretion, may waive the requirement to reduce or eliminate deductibles or self-insured retentions, in which case, PGC agrees that it shall be responsible for and pay any self-insured retention or deductible and shall pay any and all costs, losses, related investigations, claim administration and defense expenses related to or arising out of PGC's defense and indemnification obligations as set forth in this Agreement.
- e) Additional Insured Endorsement. PGC shall obtain a separate endorsement to all required insurance policies, except Workers' Compensation insurance and Professional Liability insurance, naming the City and its officers, officials and employees as additional insureds.
- f) Approved Insurers. Insurance shall be placed with California admitted insurers (licensed to do business in California) with a current rating by Best's Key Rating Guide of no less than A-:VII; except as otherwise approved by the City.
- g) Subcontractors. PGC shall require that all of its subcontractors are subject to the insurance and indemnity requirements stated herein, or shall include all subcontractors as additional insureds under its insurance policies.
- h) Certificates of Insurance. Prior to the date any improvements are made in accordance with the terms of this Agreement, PGC shall furnish the City with certificates of insurance showing coverage required by this Agreement.

10.17 Defense and Mutual Indemnification.

Each Party shall defend, indemnify and hold harmless the other Party, including their respective officers, directors, shareholders, employees, volunteers, representatives, agents, successors and assigns from and against all claims of third parties, and all associated losses, to the extent arising out of (a) a Party's gross negligence or willful misconduct in performing any of its obligations under this Agreement, or (b) a material breach by a Party of any of its representations, warranties, covenants or agreements under this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

"PGC"

Pasatiempo Golf Club

By: _____
Name: _____
Its: _____

"CITY"

City of Scotts Valley

By: _____
Name: _____
Its: _____

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: March 23, 2016

TO: Honorable Mayor and City Council

FROM: Michelle Fodge, Senior Planner

APPROVED: Taylor Bateman, Acting Community Development Director

SUBJECT: CONSIDERATION OF PLANNING COMMISSION
RECOMMENDATION TO CERTIFY NEGATIVE DECLARATION
ND16-001 AND APPROVE GENERAL PLAN AMENDMENT
GPA16-001 TO ADOPT THE 2015-2023 HOUSING ELEMENT
UPDATE AND SEND IT TO THE STATE FOR FINAL
CERTIFICATION

SUMMARY OF ISSUE

As regularly required by the California Department of Housing and Community Development (HCD), the City is updating its current Housing Element (HE), one of seven state-mandated chapters in the City's General Plan. The HE establishes how the City will address housing needs for all economic segments of the community, with a focus on low- to moderate-income households and special needs populations. The State defines low-moderate income as 50 percent to 120 percent of the area median for Santa Cruz County.

On October 7, 2015, the City Council authorized staff to send the *Draft 2015-2023 Housing Element Update* (in the required strikeout / underline format) to HCD for a pre-qualified streamlined review process, while making the document available for public review and comment. Meeting minutes are attached. Since then, staff has incorporated necessary revisions from HCD and some of the recommendations from community housing members. HCD has determined that the proposed *2015-2023 Housing Element Update* complies with State requirements.

On February 25, 2016, Planning Commission held a public hearing, took public testimony, and recommended that the City Council approve the proposed *2015-2023 Housing Element Update*. Therefore, it is recommended that the City Council conduct a public hearing, take public testimony, approve Negative Declaration ND16-001 and approve General Plan Amendment GPA16-001 to adopt the HE, and direct staff to send it to HCD for a final 90-day certification. The due date to adopt it is April 13, 2016.

DISCUSSION

Staff has prepared the following discussion for City Council consideration. For details on background, project description, Regional Housing Needs Allocation, please see the attached Planning Commission Staff Report.

1. **Key Changes in the Housing Element:** The proposed *2015–2023 Housing Element Update* represents a relatively minor update of the current 2009–2014 Housing Element to reflect existing conditions, including:
 - Updated demographic information;
 - Updated housing information for completed and pending projects;
 - Updated Housing Constraints analysis to reflect new ordinances adopted by the City, several of which were adopted to comply with State mandates;
 - Evaluation of the 2009–2014 Housing Element implementation; and,
 - Identification of completed housing programs, new programs, and programs proposed for removal.
2. **Changes since Last City Council Review in October 2015:** Since the City Council reviewed the *Draft 2015-2023 Housing Element Update*, the following changes have been made to the document as directed by HCD:
 - Added additional description of public participation activities and meetings held with stakeholder groups and how their comments were incorporated into the draft Housing Element (Chapter 1);
 - Provided quantified estimates of the number of existing housing in need of minor and/or major rehabilitation (Chapter 2);
 - Provided estimate of total capacity of zoning districts that permit emergency shelters by-right; and included a description of these zoning districts' proximity to services and public transportation (Chapter 2);
 - Revised required findings for Reasonable Accommodation Procedures to reflect correct adopted required findings (Chapter 3);
 - Added a new Program 19) to amend the City's definition of "family" to meet requirements per State and federal housing laws (Chapter 5);
 - Added a new program (Program 20) to meet requirements of Health and Safety Code Sections 17021.5 and 17021.6 for Employee Housing (Chapter 5);
 - Revised Program 18 to include very low- and low-income households (Chapter 5); and,
 - Revised multiple programs in the Housing Plan to indicate more specific quantification of program objectives and implementation time lines (Chapter 5).

ENVIRONMENTAL REVIEW

Pursuant to State CEQA Guidelines Section 15164, an addendum to a previously adopted Negative Declaration may be prepared if only minor technical changes or additions are necessary, and an addendum need not be circulated for public review but can be included in or attached to the final EIR or adopted negative declaration.

In preparation of this General Plan Amendment, the City has prepared an addendum to the 2009–2014 Housing Element Initial Study and Negative Declaration (File No. ND09-001). The addendum found that the *2015–2023 Housing Element Update* included no changes that would result in new or more severe environmental impacts, and that there is no new information of substantial importance that would result in new or more severe environmental impacts.

PUBLIC NOTICE AND COMMENT

1. **Public Notices and Copies of the Housing Element Made Available:** On February 12, 2016, a public notice was posted at City Hall, Scotts Valley Branch Public Library, and Scotts Valley Senior Center for this City Council meeting, in accordance with State law. The notice was also published in the PressBanner newspaper.

Copies of the *2015-2023 Housing Element Update* were made available at City Hall and:

- This page on the City's website:
<http://www.scottsvalley.org/planning/plans.html>
- This direct link:
http://www.scottsvalley.org/downloads/planning/Housing_Element/2016/HousingElement.Proposed.February2016.pdf

2. **Written Correspondence Received:** Comments received in the Fall of 2015 were included in previous staff reports and are also attached to this report. Comment topics ranged from specific program recommendations, plus, concerns about the lack of affordable apartments for disabled persons. In January 2016, Affordable Housing NOW!, a local housing advocacy group, provided excerpts from Santa Cruz County Housing Element Goals, which are attached. Since then, Affordable Housing NOW! has submitted a letter, which is attached.

FISCAL IMPACT

The City qualifies for a streamlined review by HCD; therefore, some time and monies have been saved. Implementing the proposed annual updates, creation of brochures, and website postings, and tracking other HCD requirements of the *2015-2023 Housing Element Update* will require staff time.

STAFF RECOMMENDATION

The Planning Commission recommends that the City Council approve Negative Declaration ND16-001 and General Plan Amendment GPA16-001 to adopt the *2015-2023 Housing Element Update* and send the document to HCD for final certification by April 13, 2016.

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* *Please note that a hard-copy of the 2015-2023 Housing Element Update is available in the lobby at City Hall, Monday-Thursday 8AM-12PM and 1PM-5PM, at One Civic Center Drive, Scotts Valley. An electronic copy is also available on this page of the City's website <http://www.scottsvally.org/planning/plans.html>.*

RESOLUTION NO. 1119.32

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY APPROVING NEGATIVE DECLARATION ADDENDUM ND16-001 AND APPROVING GENERAL PLAN AMENDMENT GPA16-001 TO ADOPT THE 2015-2023 HOUSING ELEMENT FOR THE CITY'S GENERAL PLAN

WHEREAS, Section 65350 et seq. of the California Government Code provides for the amendment of a city's General Plan by the legislative body of the city; and

WHEREAS, the City of Scotts Valley ("City") is required to update the Housing Element per the cycle / time line set by the CA State Department of Housing and Community Development ("HCD"); and

WHEREAS, the application is a "project" pursuant to the California Environmental Quality Act ("CEQA"); and

WHEREAS, in February 2009, an Initial Study and Negative Declaration ND09-001 was prepared for the City's 2009-2014 Housing Element, which determined that Housing Element itself and its adoption would not result in any significant environmental impacts; and ND09-002 was circulated and made available for the required comment period, pursuant to CEQA requirements;

WHEREAS, the City approved ND09-002 in 2009;

WHEREAS, Negative Declaration Addendum ND16-001 was prepared to the previously certified Negative Declaration ND09-002, pursuant to CEQA Sections 15162 and 15164; and

WHEREAS, Negative Declaration Addendum ND16-001 concluded that the *2015–2023 Housing Element Update* had no changes that would result in new or more severe environmental impacts, and that there is no new information of substantial importance that would result in new or more severe environmental impacts, because the housing programs in the 2015-2023 Housing Element are either the same and/or are similar to the housing programs evaluated/analyzed in the previous 2009-2014 Housing Element; therefore, the analysis of the previously certified ND09-002 is still valid; and

WHEREAS, Negative Declaration Addendum was made available for public review in the Planning Department at City Hall, and a public notice of the availability of this document was provided pursuant to the requirements of CEQA; and

WHEREAS, the project is determined to not have a significant impact on the environment based upon the results of the environmental assessment; and

WHEREAS, the Planning Commission held a duly published and noticed public hearing on February 25, 2016, to consider the Negative Declaration Addendum and General Plan Amendment to adopt the 2015-2023 Housing Element Update; and, after which, they recommended approval to the City Council; and

WHEREAS, the City Council held a duly published and noticed public hearing on March 23, 2016, to review and consider comments on the Negative Declaration Addendum and General Plan Amendment to adopt the 2015-2023 Housing Element Update; and,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Scotts Valley, hereby resolves as follows:

SECTION 1: That the environmental determination represents the independent judgment of the City.

SECTION 2: That the City Council of the City of Scotts Valley does hereby specifically make the following findings, as further clarified in the Interoffice Memorandum (City Council staff report), dated March 23, 2016, to approve Negative Declaration Addendum ND16-001, based on the following findings:

- A. *The Addendum to the Negative Declaration for the project has been completed in compliance with the California Environmental Quality Act (CEQA).*** The project meets the requirement of this finding in that Pursuant to State CEQA Guidelines Sections 15162, 15164, and 15168, an addendum to a previously adopted Negative Declaration may be prepared if only minor technical changes or additions are necessary, and an addendum need not be circulated for public review but can be included in or attached to the final EIR or adopted negative declaration. The City does hereby make the following findings: (1) it has independently reviewed and considered the Addendum; (2) that the proposed changes will not substantially increase the severity of the impacts previously disclosed in IS/ND09-002, and; (3) the proposed new housing programs will not involve any other conditions related to new information that can require a subsequent or supplemental Negative Declaration under the Public Resources Code Section 21166 and CEQA Guidelines Section 15162.
- B. *The documents and other materials constituting the record of the proceedings upon which the City's decision and its findings are based will be located at the Department of Planning of the City of Scotts Valley in the custody of the Community Development Director.***

The project meets the requirement of this finding in that copies of the Negative Declaration Addendum have been made available to the public for review at City Hall and posted on the City's website.

SECTION 3: That the City Council of the City of Scotts Valley does hereby specifically make the following findings, as further clarified in the Interoffice Memorandum (City Council staff report), dated March 23, 2016, to approve General Plan Amendment GPA16-001 to adopt the *2015-2023 Housing Element Update*, based on the following finding:

C. *The 2015-2023 Housing Element Update is consistent with the General Plan.* The project meets the requirement of this finding because it is in the public interest that the City Council approve Negative Declaration Addendum ND16-001 and General Plan Amendment GPA16-001 to adopt the 2015–2023 Housing Element, and that the public health, safety and welfare will be promoted and protected thereby.

SECTION 4: After careful consideration of the reconsideration, related materials, plans, maps, facts, exhibits, staff report, testimony, and any other evidence submitted in this matter, and incorporated herein by this reference, the City Council of the City of Scotts Valley does hereby approve Negative Declaration Addendum ND16-001 and General Plan Amendment GPA16-001 to adopt the *2015-2023 Housing Element Update* as shown in Exhibits A, B, and C, attached hereto and incorporated herewith.

THE ABOVE AND FOREGOING RESOLUTION was duly adopted and passed by the Planning Commission of the City of Scotts Valley at a regularly scheduled meeting held on the 23rd day of March, 2016, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Donna Lind, Mayor

Tracy Ferrara, City Clerk



Negative Declaration Addendum for the proposed 2015–2023 Housing Element Update for Adoption

Prepared by Kimley-Horn for the Planning Department – February 3, 2016
(File Nos. Negative Declaration ND16-001, General Plan Amendment GPA16-001)

INTRODUCTION

This addendum has been prepared to document compliance with the California Environmental Quality Act (CEQA) for the City of Scotts Valley's proposed Housing Element update. Pursuant to State law, the City is required to prepare an update to the Housing Element of the General Plan every eight years. The Housing Element describes the City's policies and programs for maintaining, improving, and expanding the supply of housing for all income levels consistent with regional housing needs, and for removing constraints to housing for persons with special needs.

This addendum provides an analysis of whether the adoption of the Housing Element update would result in any new or more substantial adverse environmental effects which were not previously analyzed in the Initial Study and Negative Declaration for the 2009-2014 Housing Element (File Nos. ND09-002 and GPA09-001), pursuant to CEQA Guidelines Sections 15162, 15164, and 15168.

PROJECT DESCRIPTION

The Housing Element is one of seven State-mandated general plan elements. The Housing Element establishes how the City will address housing needs for all economic segments of the community, with a focus on low- to moderate-income households and special needs populations. The City's current 2009–2014 Housing Element was updated in 2010 for the 2009–2014 cycle, and it was subsequently certified by the California Department of Housing and Community Development (HCD). The deadline to adopt the 2015–2023 Housing Element update is 120 days after December 15, 2015, which is April 13, 2016.

Housing Elements do not propose or require development of any residential use. Instead, it establishes local goals, policies, and actions the City will implement and/or

facilitate to address identified housing issues. In accordance with State law, the Housing Element must be updated every eight years to establish current housing and land use strategies reflective of changing needs, resources, and conditions.

As part of the Housing Element update process, the City has reviewed the goals and policies contained in the current Housing Element and analyzed the need for any changes. Other components of the Housing Element update include an assessment of existing and future housing needs, constraints on housing development and affordable housing programs.

Housing Elements must also demonstrate how a jurisdiction can provide for its fair share of a region's housing need as determined through the Regional Housing Needs Assessment (RHNA) process. HCD identifies the total housing need for each region of the State. In the Monterey Bay region, the Association of Monterey Bay Area Governments (AMBAG) distributes this regional need to local governments. Once a local government has received its RHNA, it must revise its Housing Element to demonstrate how it plans to accommodate its portion of the region's housing need.

AMBAG approved the RHNA for the 2015–2023 housing cycle on June 11, 2014. Scotts Valley's 2015–2023 RHNA is 140 units, down from 188 units in the previous cycle. During the previous 2009–2014 update, the City identified "opportunity sites" to accommodate the RHNA obligation. While some of these sites have since been developed, the remaining opportunity sites could accommodate 84 lower income units and 448 above moderate income units. Consequently, the City has adequate capacity to meet its RHNA obligation and does not need to rezone properties or identify any new opportunity sites for the draft 2015-2023 Housing Element Update.

Because the City has existing capacity to accommodate its share of the region's housing need, changes to the Housing Element are primarily updated demographic and housing information along with minor policy and state-required program revisions. The following summarizes the changes proposed in the 2015–2023 Housing Element update:

- Updated demographic information;
- Updated housing information regarding completed and pending projects;
- Updated Housing Constraints analysis to reflect new ordinances adopted by the City, several of which were adopted to comply with State mandates;
- Evaluation of the 2009-2014 Housing Element implementation; and,
- Identification of completed housing programs, new programs, and programs proposed for removal.

CEQA ADDENDUM PROCEDURES

This document has been prepared in accordance with CEQA Guidelines sections 15164 and 15168 to explain the rationale for determining that the proposed 2015–2023 Scotts Valley Housing Element update would not create any new or substantially more severe significant effects on the environment that were not analyzed in the 2009 IS/ND (File Nos. ND09-002 and GPA09-001).

In determining whether an Addendum is the appropriate document to analyze modifications to the 2009 IS/ND, State CEQA Guidelines Section 15164. Addendum to an EIR or Negative Declaration states:

- (a) The lead agency or responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred.*
- (b) An addendum to an adopted negative declaration may be prepared if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred.*
- (c) An addendum need not be circulated for public review but can be included in or attached to the final EIR or adopted negative declaration.*
- (d) The decision-making body shall consider the addendum with the final EIR or adopted negative declaration prior to making a decision on the project.*
- (e) A brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162 should be included in an addendum to an EIR, the lead agency's required findings on the project, or elsewhere in the record. The explanation must be supported by substantial evidence.*

Since the 2009 IS/ND was adopted, the environmental impacts of the 2015–2023 Housing Element update must be examined in light of the impact analysis in the adopted 2009 IS/ND to determine if additional CEQA documentation is required. One of the standards that applies is whether, under Public Resources Code Section 21166 and State CEQA Guidelines Sections 15162 and 15163, there are new significant effects or other grounds that require preparation of a subsequent negative declaration or supplemental negative declaration in support of further agency action on the project. Under these guidelines, a subsequent or supplemental negative declaration shall be prepared if any of the following criteria are met:

- (a) When an EIR has been certified or negative declaration adopted for a project, no subsequent EIR shall be prepared for that project unless the lead agency*

determines, on the basis of substantial evidence in light of the whole record, one or more of the following:

- 1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
 - 2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
 - 3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following:
 - A. The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
 - B. Significant effects previously examined will be substantially more severe than shown in the previous EIR;
 - C. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
 - D. Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.
- (b) If changes to a project or its circumstances occur or new information becomes available after adoption of a negative declaration, the lead agency shall prepare a subsequent EIR if required under subdivision (a). Otherwise the lead agency shall determine whether to prepare a subsequent negative declaration, an addendum, or no further documentation.
- (c) Once a project has been approved, the lead agency's role in project approval is completed, unless further discretionary approval on that project is required. Information appearing after an approval does not require reopening of that approval. If after the project is approved, any of the conditions described in subdivision (a) occurs, a subsequent EIR or negative declaration shall only be prepared by the public agency which grants the next discretionary approval for

the project, if any. In this situation no other responsible agency shall grant an approval for the project until the subsequent EIR has been certified or subsequent negative declaration adopted.

(d) A subsequent EIR or subsequent negative declaration shall be given the same notice and public review as required under Section 15087 or Section 15072. A subsequent EIR or negative declaration shall state where the previous document is available and can be reviewed.

As demonstrated in the environmental analysis contained herein, none of the conditions that had been analyzed in the 2009 IS/ND would change with adoption of the proposed 2015–2023 Housing Element update. Furthermore, no new information of substantial importance meeting the criteria listed in State CEQA Guidelines Section 15162 has been identified.

PRIOR ENVIRONMENTAL DOCUMENT

The Scotts Valley City Council adopted the 2009–2014 Housing Element and the associated Negative Declaration on December 2, 2009 (File Nos. ND09-002 and GPA09-001). The Negative Declaration found that adoption of the 2009–2014 Housing Element would have no substantial adverse impacts.

ENVIRONMENTAL REVIEW UPDATE CHECKLIST

I. AESTHETICS

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or “new information of substantial importance” that cause one or more effects to aesthetic resources including: scenic vistas; scenic resources including, but not limited to, trees, rock outcroppings, or historic buildings.; existing visual character or quality of the site and its surroundings; or day or nighttime views in the area?

Response: The proposed Housing Element update would not result in new or increased severity of significant visual and light/glare impacts beyond what was addressed in the 2009 IS/ND. The amendments to the Housing Element are consistent with the buildout assumptions under the adopted General Plan. There is nothing in the Housing Element update that would exempt a project from complying with General Plan scenic vista policies or the City’s Design Guidelines. The proposed Housing Element update would not result in substantial new rezoning or increases in density, and effects of rezoning these opportunity sites have been analyzed either in the General Plan EIR or a subsequent CEQA analysis for a respective development project.

II. AGRICULTURAL AND FORESTRY RESOURCES

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or "new information of substantial importance" that cause one or more effects to agricultural resources including: conflict with zoning for or result in rezoning of forest land; result in the loss of forest land or conversion of forest land to non-forest use; convert Important Farmland and/or conflict with existing zoning for agricultural use or Williamson Act contract?

Response: There are no farmlands of State or local importance, or agriculturally zoned properties in the City of Scotts Valley. Consequently, the 2009 IS/ND concluded that there would be no significant impacts to agriculture resources. The proposed Housing Element update would not result in any new impacts not previously considered by the 2009 IS/ND.

The 2009 IS/ND did not analyze forestry resources. However, there is no land zoned for forestry or timberland use in the City of Scotts Valley, and the Housing Element update would not result in the loss of such resources.

III. AIR QUALITY

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or "new information of substantial importance" that cause one or more effects to air quality including: conflicts with or obstruction of implementation of the Regional Air Quality Strategy (RAQS) or applicable portions of the State Implementation Plan (SIP); violation of any air quality standard or substantial contribution to an existing or projected air quality violation; a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or State ambient air quality standard; exposure of sensitive receptors to substantial pollutant concentrations; or creation of objectionable odors affecting a substantial number of people?

Response: The 2009 IS/ND found that the Housing Element would result in no significant impacts to air quality through an increase in mobile and stationary source emissions, cumulative contributions to regional air quality standards, exposure of sensitive receptors to substantial pollution concentrations, or generation of odors.

The proposed Housing Element update would not result in substantial new rezoning or increases in density, and effects of rezoning these opportunity sites have been analyzed either in the General Plan EIR or a subsequent CEQA analysis for a respective development project. Stationary sources installed as part of future projects would be required to be registered or permitted with the local air district. There are no changes or new information of substantial importance which indicate that the proposed Housing Element update would exacerbate air pollutant emissions beyond the analysis and conclusions in the 2009 IS/ND (File Nos. ND09-002 and GPA09-001) such that significant impacts would occur.

IV. BIOLOGICAL RESOURCES

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or "new information of substantial importance" that cause one or more effects to biological resources including: adverse effects on any sensitive natural community (including riparian habitat) or species identified as a candidate, sensitive, or special status species in a local or regional plan, policy, or regulation, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service; adverse effects to federally protected wetlands as defined by Section 404 of the Clean Water Act; interference with the movement of any native resident or migratory fish or wildlife species or with wildlife corridors, or impeding the use of native wildlife nursery sites; and/or conflicts with the provisions of any adopted Habitat Conservation Plan, Natural Communities Conservation Plan, or other approved local, regional or State habitat conservation plan, policies or ordinances?

Response: The 2009 IS/ND found that implementation of the Housing Element would not result in any significant impacts to biological resources. The proposed Housing Element update does not include any policies or actions which would involve new or altered physical changes to the environment which have the potential to adversely affect biological resources. Impacts of development of identified housing sites have been analyzed in their respective environmental documents.

The City requires development proposals in sensitive areas to provide biotic surveys and Habitat Conservation Plans to ensure compliance with the Endangered Species Acts. There have been no changes in the Housing Element or any new information of substantial importance to indicate that the proposed Housing Element update would result in new or more severe impacts to biological resources.

V. CULTURAL RESOURCES

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or "new information of substantial importance" that cause one or more effects to cultural resources including: causing a change in the significance of a historical or archaeological resource as defined in State CEQA Guidelines Section 15064.5; destroying a unique paleontological resource or site or unique geologic feature; and/or disturbing any human remains, including those interred outside of formal cemeteries?

Response: The 2009 IS/ND found that implementation of the Housing Element would not result in impacts to cultural resources because it would not result in an increase in density or rezoning of property. The proposed Housing Element update would not result in substantial new rezoning or increases in density, and effects of rezoning these opportunity sites have been analyzed either in the General Plan EIR or a subsequent CEQA analysis for a respective development project.

The General Plan designates areas that have or are known to have cultural resources as moderate or high cultural sensitivity zones. In these areas, development

proposals must have appropriate environmental clearance pursuant to State and federal laws. Therefore, there have been no changes or new information of substantial importance which indicate that the proposed Housing Element update would result in new or more severe impacts to cultural resources.

VI. GEOLOGY AND SOILS

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or “new information of substantial importance” that result in one or more effects from geology and soils including: exposure of people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving rupture of a known earthquake fault, seismic-related ground failure, including liquefaction, strong seismic ground shaking, or landslides; result in substantial soil erosion or the loss of topsoil; produce unstable geological conditions that will result in adverse impacts resulting from landslides, lateral spreading, subsidence, liquefaction or collapse; being located on expansive soil creating substantial risks to life or property; and/or having soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?

Response: The 2009 IS/ND found that implementation of the Housing Element would not result in significant impacts to/from geology and soils.

The Zayante Fault Zone is located approximately 1.5 miles north of the City of Scotts Valley, and is the closest major fault to the City. The Zayante Fault is tied to the San Andreas Fault system and capable of producing earthquakes of magnitude 7.4 on the Richter scale. The alluvial deposits of the area have a moderately low potential for liquefaction except for the younger alluvium found predominately along creeks and other water courses; these have moderate potential for liquefaction.

Any project built would need to conform to City and State building codes and regulations. There have been no changes to the project or new information of substantial importance which indicate that the proposed Housing Element update would result in new or more severe impacts to/from geology and soils.

VII. GREENHOUSE GASES

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or “new information of substantial importance” that show the project may generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment; or would conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emission of greenhouse gases?

Response: The 2009 IS/ND addresses greenhouse gases in the “Climate” section of the Air Quality analysis. The IS/ND found that implementation of the Housing

Element would not affect climate because the Element would not result in increased density or rezoning.

The proposed Housing Element update would not result in substantial new rezoning or increases in density, and effects of rezoning these opportunity sites have been analyzed either in the General Plan EIR or a subsequent CEQA analysis for a respective development project. There are no changes or new information of substantial importance which indicate that the proposed Housing Element update would result in new or more severe impacts to greenhouse gas emissions.

VIII. HAZARDS AND HAZARDOUS MATERIALS

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or "new information of substantial importance" that result in one or more effects from hazards and hazardous materials including: creation of a significant hazard to the public or the environment through the routine transport, storage, use, or disposal of hazardous materials or wastes; creation of a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment; production of hazardous emissions or handling hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school; location on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 creating a hazard to the public or the environment; location within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport; within the vicinity of a private airstrip resulting in a safety hazard for people residing or working in the project area; impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan; and/or exposure of people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?

Response: The 2009 IS/ND found that implementation of the Housing Element would not result in any significant impacts to/from hazards and hazardous materials.

The proposed Housing Element update would not result in substantial new rezoning or increases in density, and effects of rezoning these opportunity sites have been analyzed either in the General Plan EIR or a subsequent CEQA analysis for a respective development project.

All projects would conform to existing regulations regarding hazardous materials abatement and emergency response. There have been no changes or new information of substantial importance which indicate that the proposed Housing Element update would result in a new or more severe impact to hazards and hazardous materials.

IX. HYDROLOGY AND WATER QUALITY

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or “new information of substantial importance” that cause one or more effects to hydrology and water quality including: violation of any waste discharge requirements; an increase in any listed pollutant to an impaired water body listed under section 303(d) of the Clean Water Act ; cause or contribute to an exceedance of applicable surface or groundwater receiving water quality objectives or degradation of beneficial uses; substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level; substantially alter the existing drainage pattern of the site or area in a manner which would result in substantial erosion, siltation or flooding on- or off-site; create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems; provide substantial additional sources of polluted runoff; place housing or other structures which would impede or redirect flood flows within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map, including City Floodplain Maps; expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam; and/or inundation by seiche, tsunami, or mudflow?

Response: The 2009 IS/ND found that the implementation of the Housing Element would not result in impacts to hydrology and water quality.

The proposed Housing Element update would not result in substantial new rezoning or increases in density, and effects of rezoning these opportunity sites have been analyzed either in the General Plan EIR or a subsequent CEQA analysis for a respective development project. To reduce potential flood hazards, the City’s floodplain management ordinance requires flood proofing or elevation of structures above flood heights in federally-designated flood plains.

The City regulates development in flood hazard areas in accordance with the ordinance. To ensure that groundwater can be replenished with rainfall, the General Plan designates most of the city in a High Protection Recharge or High Management Recharge Zone. In these areas, the Municipal Code requires all new housing projects to incorporate storm water detention to mitigate concerns over groundwater recharge. Therefore, there have been no changes to or any new information of substantial importance which indicate that the proposed Housing Element update would result in new or more severe impacts to hydrology or water quality.

X. LAND USE AND PLANNING

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or “new information of substantial importance” that cause one or more effects to land use and planning including: physically dividing an established community; and/or conflicts with any applicable land use plan, policy, or regulation

of an agency with jurisdiction over the project adopted for the purpose of avoiding or mitigating an environmental effect?

Response: The 2009 IS/ND found that implementation of the Housing Element would not result in any significant impacts to land use and planning.

The proposed Housing Element update would not result in any new rezoning or substantial increases in density, and effects of rezoning these opportunity sites have been analyzed either in the General Plan EIR or a subsequent CEQA analysis for a respective development project. There have been no changes or information of substantial importance which indicate that the proposed Housing Element update would result in any new or more severe impacts to land use and planning.

XI. MINERAL RESOURCES

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or “new information of substantial importance” that cause one or more effects to mineral resources including: the loss of availability of a known mineral resource that would be of value to the region and the residents of the State; and/or loss of locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?

Response: There are no mineral resource deposits in the City of Scotts Valley which could be reasonably extracted given existing non-compatible land uses. Accordingly, the 2009 IS/ND found that implementation of the Housing Element would not result in any impacts to mineral resources. There have been no changes or new information of substantial importance which indicate that the proposed Housing Element update would result in new or more severe impacts to mineral resources.

XII. NOISE

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or “new information of substantial importance” that result in one or more effects from noise including: exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies; exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels; a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project; a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project; for projects located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, or for projects within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?

Response: The 2009 IS/ND found that implementation of the Housing Element would result in less-than-significant noise impacts.

The proposed Housing Element update would not result in substantial new rezoning or increases in density, and effects of rezoning these opportunity sites have been analyzed either in the General Plan EIR or a subsequent CEQA analysis for a respective development project. There have been no changes or new information of substantial importance which indicate that the proposed Housing Element update would result in new or more severe impacts to/from noise.

XIII. POPULATION AND HOUSING

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or "new information of substantial importance" that result in one or more effects to population and housing including displacing substantial numbers of existing housing or people, necessitating the construction of replacement housing elsewhere?

Response: The 2009 IS/ND found that implementation of the Housing Element would not result in any significant impacts to population and housing.

The proposed Housing Element update would not result in substantial new rezoning or increases in density, and effects of rezoning these opportunity sites have been analyzed either in the General Plan EIR or a subsequent CEQA analysis for a respective development project. Growth facilitated by the Housing Element would be within the growth projected under General Plan buildout. There have been no changes or information of substantial importance which indicate that the proposed Housing Element update would result in any new or more severe impacts to population and housing.

XIV. PUBLIC SERVICES

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or "new information of substantial importance" that result in one or more substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities or the need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the following public services: fire protection, police protection, schools, parks, or other public facilities?

Response: The 2009 IS/ND found that implementation of the Housing Element would not result in any significant impacts to public services.

The proposed Housing Element update would not result in substantial new rezoning or increases in density, and effects of rezoning these opportunity sites have been analyzed either in the General Plan EIR or a subsequent CEQA analysis for a respective development project. Projects would have to conform to existing City

regulations and undergo appropriate review for the provision of public services. There have been no changes or information of substantial importance which indicate that the proposed Housing Element update would result in any new or more severe impacts to public services.

XV. RECREATION

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or "new information of substantial importance" that result in an increase in the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated; or that include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?

Response: The 2009 IS/ND found that implementation of the Housing Element would not result in significant impacts to recreation.

The proposed Housing Element update would not result in substantial new rezoning or increases in density, and effects of rezoning these opportunity sites have been analyzed either in the General Plan EIR or a subsequent CEQA analysis for a respective development project. There have been no changes or information of substantial importance which indicate that the proposed Housing Element update would result in any new or more severe impacts to recreation.

XVI. TRANSPORTATION/TRAFFIC

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or "new information of substantial importance" that cause effects to transportation/traffic including: conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit; conflict with an applicable congestion management program, including, but not limited to, level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways; cause a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks; substantial increase in hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment); inadequate emergency access; and/or a conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?

Response: The 2009 IS/ND found that implementation of the Housing Element would not result in any significant impacts to transportation.

The proposed Housing Element update would not result in substantial new rezoning or increases in density, and effects of rezoning these opportunity sites have been analyzed either in the General Plan EIR or a subsequent CEQA analysis for a respective development project. Therefore, there have been no changes or information of substantial importance which indicate that the proposed Housing Element update would result in any new or more severe impacts to transportation.

XVII. UTILITIES AND SERVICE SYSTEMS

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or "new information of substantial importance" that cause effects to utilities and service systems including: exceedance of wastewater treatment requirements of the applicable Regional Water Quality Control Board; require or result in the construction of new water or wastewater treatment facilities, new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects; require new or expanded entitlements to water supplies or new water resources to serve the project; result in a determination by the wastewater treatment provider, which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments; be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs; and/or noncompliance with federal, State, and local statutes and regulations related to solid waste?

Response: The 2009 IS/ND found that implementation of the Housing Element would not result in any significant impacts to utilities and service systems.

The proposed Housing Element update would not result in substantial new rezoning or increases in density, and effects of rezoning these opportunity sites have been analyzed either in the General Plan EIR or a subsequent CEQA analysis for a respective development project. Regarding water supply, according to the Scotts Valley Water District's (SVWD) 2010 Urban Water Management Plan, although there have been significant years of drought, the overall storage in the basin is sufficient to provide adequate resources for the SVWD given the past, current, and anticipated future demand.

Regarding wastewater, the Scotts Valley Wastewater Recycling Facility has the capacity to treat 1.5 million gallons per day (mgd), enough to see the City through planned build-out. There have been no changes or information of substantial importance which indicate that the proposed Housing Element update would result in any new or more severe impacts to utilities and service systems.

XVIII. MANDATORY FINDINGS OF SIGNIFICANCE:

Since the previous EIR was certified or previous ND was adopted, are there any changes in the project, changes in circumstances under which the project is undertaken and/or “new information of substantial importance” that result in any mandatory finding of significance listed below?

Does the project degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?

Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?

Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?

Response: There have been no changes or any new information of substantial importance which indicate that the proposed Housing Element update would result in any new or more severe impacts to the quality of the environment, including adverse impacts to habitat for sensitive species, cumulative environmental impacts, or adverse direct or cumulative effects on human beings.

DETERMINATION

On the basis of this initial evaluation, I find that although the proposed project could have a significant effect on the environment, supplemental environmental review IS NOT required in this case as:

- a) The environmental impacts of the project were analyzed and disclosed in the project's Initial Study/Negative Declaration;
- b) There have been no substantial changes in the project that would result in new or more severe environmental impacts;
- c) There is no new information of substantial importance that would result in new or more severe environmental impacts; and,
- d) This determination reflects the independent judgment of the City.

Michelle Fodge, AICP, Senior Planner

Date

CITY OF SCOTTS VALLEY

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

INITIAL STUDY

for

The 2009-2014 Housing Element
General Plan Amendment GPA09-001

City of Scotts Valley, Applicant

February 27, 2009

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DRAFT 2009-2014 Housing Element can be viewed at www.scottsvally.org/planning.html

**CITY OF SCOTTS VALLEY
CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)
INITIAL STUDY**

I. INTRODUCTION

1. Project Address and Title:

City wide

General Plan Amendment GPA09-001

2. Lead Agency Name and Address:

City of Scotts Valley
One Civic Center Drive
Scotts Valley, CA 95066

3. Contact Person and Phone Number:

Susan Westman - Interim Community Development Director
(831) 440-5630

4. Project Sponsor's Name and Address:

City of Scotts Valley
One Civic Center Drive
Scotts Valley, CA 95066

5. General Plan Designation and Zoning:

Various

6. Project Description:

The project is the adoption of the 2009-2014 Housing Element to the General Plan which will replace the 2002-2007 Housing Element. The Housing Element demonstrates that there is adequate land currently zoned for housing to meet the City's Regional Fair Share Housing Goals. It is important to note that the adoption of the Housing Element does not approve any construction project, does not rezone any property to a higher density and will not change the building out objective currently included in the General Plan

7. Project Location:

The General Plan requirements are city wide.

8. Location Map:

II. ENVIRONMENTAL CHECKLIST

This section includes the CEQA check list and an expansion of responses made to questions on the CEQA checklist, mitigation measures where necessary to reduce impacts to less than significant levels, and a finding of significance for each potentially adverse impact.

A. AESTHETICS

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Have a substantial adverse effect on a scenic vista?	☐	☐	☐	☒
2. Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	☐	☐	☐	☒
3. Substantially degrade the existing visual character or quality of the site and its surroundings?	☐	☐	☐	☒
4. Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	☐	☐	☐	☒

Scenic Vista. The scenic vista in Scotts Valley are protected in the Open Space Conservation Element of the 1994 General Plan. There is nothing in the Housing Element that would exempt a project from complying with policies in the section of the General Plan.

Aesthetics. All projects developed in Scotts Valley will need to conform to the City Design Guidelines and General Plan.

Light and Glare.

Finding. For the "Aesthetics" category, the thresholds of significance have not been exceeded. There would be no impacts, therefore no mitigation is required.

B. AGRICULTURAL RESOURCES:

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	☐	☐	☐	☒
2. Conflict with existing zoning for agricultural use, or a Williamson Act contract?	☐	☐	☐	☒
3. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?	☐	☐	☐	☒

Discussion. There is no Prime Farmland, Unique Farmland, or Farmland of Statewide Importance by the Farmland Mapping and Monitoring Program of the California Resource Agency in Scotts Valley .

Finding. For the “Agricultural” category, the thresholds of significance have not been exceeded. There would be no impact on agricultural resources, therefore no mitigation is required.

C. AIR QUALITY

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Conflict with or obstruct implementation of the applicable air quality plan?	☐	☐	☐	☒
2. Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	☐	☐	☐	☒
3. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	☐	☐	☐	☒

C. AIR QUALITY

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
4. Expose sensitive receptors to substantial pollutant concentrations?	☐	☐	☐	☒
5. Create objectionable odors affecting a substantial number of people?	☐	☐	☐	☒

Data Sources: 1&3

Point and Non-point Source. The Monterey Bay Unified Air Pollution Control District (MBUAPCD) is responsible for limiting the amount of emissions that can be generated through the basin by various stationary sources. Specific rules and regulations have been adopted in the Air Quality Management Plan of 2000, which limit the emissions that can be generated by various uses and/or activities, and identify specific pollution reduction measures which must be implemented in association with various uses and activities. Emission sources subject to these rules are regulated through the MBUAPCD's permitting process. Any emissions sources that would be constructed as part of the proposed project would be subject to the MBUAPCD rules and regulations. The proposed development (the point source) does not include any processes or activities that would emit air pollutants, therefore, the proposed use does not have the potential for significant impacts that would conflict with the Air Quality Management Plan. For non-point source pollutants such as traffic, which is regulated by the State Air Resources Board (ARB), the proposed project will not result in significant impacts.

Wind Erosion. Construction of any site within Scotts Valley is required to submit an erosion control plan to the Building Official. This includes not only water erosion but also wind.

Climate. The adoption of the Housing Element will not effect climate as there is no increase in density or rezoning of property.

Odor. The adoption of the Housing Element will not effect odors as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Finding. For the "Air Quality" category, the thresholds of significance have not been exceeded. There would be no impact on air quality resources, therefore no mitigation is required.

D. BIOLOGICAL RESOURCES

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	☐	☐	☐	☒
2. Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	☐	☐	☐	☒
3. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	☐	☐	☐	☒
4. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	☐	☐	☐	☒
5. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	☐	☐	☐	☒

Wildlife and Habitat. The adoption of the Housing Element will not effect wildlife and habitat as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Heritage Trees. The adoption of the Housing Element will not effect heritage trees as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Finding. For the “Biological Resources” category, the thresholds of significance have not been exceeded. There would be no impact on biological resources, therefore no mitigation is required.

E. CULTURAL RESOURCES

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?	☐	☐	☐	☒
2. Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	☐	☐	☐	☒
3. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	☐	☐	☐	☒
4. Disturb any human remains, including those interred outside of formal cemeteries?	☐	☐	☐	☒

Cultural Resources. The adoption of the Housing Element will not effect cultural resources as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Paleontological Resources. The adoption of the Housing Element will not effect paleontological resources as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Finding. For the “Cultural Resources” category, the thresholds of significance have not been exceeded. There would be no impact on cultural resources, therefore no mitigation is required.

F. GEOLOGY AND SOILS

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:	☐	☐	☐	☒

F. GEOLOGY AND SOILS

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
a. Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mine and Geology Special Publication 42.	☐	☐	☐	☒
b. Strong seismic ground shaking?	☐	☐	☐	☒
3. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	☐	☐	☐	☒
4. Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	☐	☐	☐	☒
5. Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	☐	☐	☐	☒

Geotechnics. The adoption of the Housing Element will not effect geotechnics as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Grading. The adoption of the Housing Element will not effect grading as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Finding. Therefore, for this "Geology & Soils" category, the thresholds of significance have not been exceeded. There will be no impacts on geology or soil resources; therefore, no mitigation is required.

G. HAZARDS AND HAZARDOUS MATERIALS

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	☐	☒
2. Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	☐	☐	☐	☒
3. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	☐	☐	☐	☒
4. Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	☐	☐	☐	☒
5. For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	☐	☐	☐	☒
6. For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	☐	☐	☐	☒
7. Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☒
8. Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	☐	☐	☐	☒

Data Sources: 1&2

Hazardous Substances. The adoption of the Housing Element will not effect hazardous materials or substances as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Emergency Response. The adoption of the Housing Element will not effect emergency response as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Existing Health Hazards. The adoption of the Housing Element will not effect existing health hazards as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Finding. For this "Hazards and Hazardous Substances" category, the project would have no impact and therefore no mitigation is required.

H. HYDROLOGY AND WATER QUALITY

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Violate any water quality standards or waste discharge requirements?	☐	☐	☐	☒
2. Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	☐	☐	☐	☒
3. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?	☐	☐	☐	☒
4. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	☐	☐	☐	☒
5. Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?	☐	☐	☐	☒
6. Otherwise substantially degrade water quality?	☐	☐	☐	☒

H. HYDROLOGY AND WATER QUALITY

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
7. Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	☐	☐	☐	☒
8. Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	☐	☐	☐	☒
9. Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	☐	☐	☐	☒
10. Inundation by seiche, tsunami, or mudflow?	☐	☐	☐	☒

The adoption of the Housing Element will not effect hydrology and water quality as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Finding. For this "Hydrology and Water Quality" category, the project would have no impact and therefore no mitigation is required.

I. LAND USE AND PLANNING

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Physically divide an established community?	☐	☐	☐	☒
2. Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	☐	☐	☐	☒
3. Conflict with any applicable habitat conservation plan or natural community conservation plan?	☐	☐	☐	☒

Discussion. The adoption of the Housing Element will not effect land use and planning as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Finding. For this "Land Use and Planning" category, the project would have no impact and therefore no mitigation is required.

J. MINERAL RESOURCES

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	☐	☐	☐	☒
2. Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	☐	☐	☐	☒

Discussion. The adoption of the Housing Element will not effect mineral resources as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Finding. For this "Land Use and Planning" category, the project would have no impact and therefore no mitigation is required.

K. NOISE

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	☐	☐	☐	☒
2. Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	☐	☐	☐	☒

K. NOISE

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
3. A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	☐	☐	☐	☒
4. A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	☐	☐	☐	☒
5. For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	☐	☐	☐	☒
6. For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	☐	☐	☐	☒

Data Sources: 1,2&10

Long Term Noise Levels. The adoption of the Housing Element will not effect on long term noise levels as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Short Term / Temporary Noise Levels. The adoption of the Housing Element will not effect on shot term/temporary noise levels as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Finding. For this "Noise" category, the thresholds of significance have not been exceeded. Therefore, there will be no significant noise impacts.

L. POPULATION AND HOUSING

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	☐	☐	☐	☒
2. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	☒
3. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	☒

Data Sources: 1

Population. The adoption of the Housing Element will not effect population as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Finding. There is no potential for a significant impact due to substantial growth either directly or indirectly. For this "Population and Housing" category, the project would have no impact and therefore no mitigation is required.

M. PUBLIC SERVICES

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
1. Fire protection?	☐	☐	☐	☒

M. PUBLIC SERVICES

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
2. Police protection?	☐	☐	☐	☒
3. Schools?	☐	☐	☐	☒
4. Parks?	☐	☐	☐	☒
5. Other Public Facilities?	☐	☐	☐	☒

Data Sources: 1

Fire Services. The adoption of the Housing Element will not effect fire services as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Police Services. The adoption of the Housing Element will not effect police services as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Other Public Facilities. The adoption of the Housing Element will not effect on other public facilities as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Finding. For this "Public Service" category, the project would have no impact, and therefore no mitigation is required.

N. RECREATION

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	☐	☐	☐	☒
2. Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	☐	☐	☐	☒

Data Sources: 1

Discussion. The adoption of the Housing Element will not effect recreation as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Finding. For this "Recreation" category, the project would have no significant impacts and therefore no mitigation is required.

O. TRANSPORTATION AND TRAFFIC

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?	☐	☐	☐	☒
2. Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?	☐	☐	☐	☒
3. Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	☐	☐	☐	☒
4. Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	☐	☐	☐	☒
5. Result in inadequate emergency access?	☐	☐	☐	☒
6. Result in inadequate parking capacity?	☐	☐	☐	☒
7. Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?	☐	☐	☐	☒

Vehicle Trips. The adoption of the Housing Element will not effect vehicle trips as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Proposed Access. Does not apply.

Emergency Access. Does not apply.

Parking. Does not apply

Pedestrian & Bicyclist Safety. Does not apply

Finding. For this "Transportation and Traffic" category, the thresholds of significance have not been exceeded. There will be no impacts on "Transportation and Traffic", therefore, no mitigation is required.

P. UTILITIES AND SERVICE SYSTEMS

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	☐	☐	☐	☒
2. Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	☐	☐	☐	☒
3. Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects	☐	☐	☐	☒
4. Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	☐	☐	☐	☒
5. Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	☐	☐	☐	☒
6. Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	☐	☐	☐	☒
7. Comply with federal, state, and local statutes and regulations related to solid waste?	☐	☐	☐	☒

Discussion. The adoption of the Housing Element will not effect utilities and service systems as there is no increase in density or rezoning of property. Any project built will still need to conform to all city regulations.

Finding. For this "Utilities and Service Systems" category, the thresholds of significance have not been exceeded. There will be no impacts on "Utilities and Service Systems", therefore, no mitigation is required.

Q. MANDATORY FINDINGS OF SIGNIFICANCE

Will the proposed project result in the following environmental effects?	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
1. Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	☐	☐	☐	☒
2. Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	☐	☐	☐	☒
3. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	☐	☐	☐	☒

This project does not have the potential to significantly degrade the quality of the environment, including effects on animals or plants. Both short-term and long-term environmental effects associated with this project will be less than significant.

III. DETERMINATION:

On the basis of this initial evaluation:

I find that the proposed project will not have a significant effect on the environment, there WILL NOT be a significant effect in this case as:

- a) The above discussions do not identify any substantial adverse impacts to people as a result of the proposed project; and,
- b) This determination reflects the independent judgement of the City.

Susan Westman - Interim Community
Development Director

Date

Data Sources:

- 1. City of Scotts Valley, General Plan 1994. (on file)
- 2. City of Scotts Valley, Municipal Code. (on file)
- 3. Monterey Bay Unified Air Pollution Control District, CEQA Air Quality Guidelines, 2000 (on file).
- 4. Draft 2009-2014 Housing Element . This document is viewed at www.scottsvally.org/planning.html

City of Scotts Valley
PLANNING COMMISSION
SPECIAL MEETING
STAFF REPORT

Date: February 25, 2016

Applicant: City of Scotts Valley

Applications: Negative Declaration Addendum ND16-001
General Plan Amendment GPA16-001

Location: City-wide

General Plan / Zoning: City-wide

Environmental: An addendum has been prepared to the previously adopted Initial Study / Negative Declaration of the 2009-2014 Housing Element Update, in accordance with the California Environmental Quality Act (CEQA).

Request: Consideration of a recommendation of approval to the City Council a Negative Declaration Addendum and General Plan Amendment to adopt the 2015–2023 Housing Element Update to replace the current 2009–2014 Housing Element.

Staff Planner: Michelle Fodge, Senior Planner, at (831) 440-5632 or mfodge@scottsvalley.org

STAFF RECOMMENDATION

It is recommended that the Planning Commission conduct a public hearing on the prepared Negative Declaration Addendum and proposed General Plan Amendment to adopt the *2015–2023 Housing Element Update*, and recommend approval to the City Council by approval of the attached Resolution.

SUMMARY OF ISSUE

On October 7, 2015, the City Council authorized the release of the Draft 2015-2023 Housing Element Update to be referred to the California State Department of Housing and Community Development (HCD) for a pre-qualified streamlined review process, while making the document available for public review and comment.

Since then, staff has incorporated necessary revisions from HCD and some of the recommendations from community housing members. HCD has determined that the proposed *2015-2023 Housing Element Update* complies with State requirements

The proposed *2015-2023 Housing Element Update* requires Planning Commission review and recommendation to the City Council. The due date to adopt this document is April 13, 2016. Once adopted, the document will be sent to HCD for a final 90-day certification.

BACKGROUND

The Housing Element (HE) is one of seven state-mandated chapters called “Elements” in the City’s General Plan, which is the main land use policy document that the City uses to guide new construction and development in the City.

The HE establishes how the City will address housing needs for all economic segments of the community, with a focus on low- to moderate-income households and special needs populations. The State defines low-moderate income as 50 percent to 120 percent of the area median for Santa Cruz County.

The current 2009–2014 Housing Element was adopted in April 2009, which HCD subsequently certified.

PROJECT DESCRIPTION

Pursuant to Government Code 56683, the City is required to update its housing element to plan to accommodate its entire Regional Housing Need Allocation (RHNA) by income category. A definition of RHNA is provided in the discussion below.

In 2012, HCD initiated a new streamlined process for Housing Element updates, which allows eligible jurisdictions to update only those areas of the existing Housing Element where changes have occurred -- instead of conducting a comprehensive update. The City is eligible for the streamlined option and has prepared the 2015–2023 Housing Element Update in a strikeout / underline format, as required by HCD.

DISCUSSION

There have been a number of significant changes to State housing laws and policies since

the City's last Housing Element Update. In 2008, Senate Bill 375 was adopted which extended the Housing Element update cycle from four to eight years to better coordinate regional housing and transportation planning efforts. Agencies which fail to adopt a Housing Element update within 120 days of the deadline, however, are now placed on an abbreviated four year update cycle.

In 2011, the State terminated redevelopment agencies, which eliminated the City's main funding source for affordable housing programs. Between 2009 and 2014, eight low-income units, five moderate units, and 156 above-moderate units were built in the City.

1. Regional Housing Needs Allocation (RHNA)

Every City and County in California must plan for its fair-share of the region's housing need, as determined through the RHNA process. HCD identifies the total housing need for each region of the State. In the Monterey Bay region, the Association of Monterey Bay Area Governments (AMBAG) distributes this regional need to local governments.

Once a local government has received its RHNA, it must revise its Housing Element to show how it plans to accommodate its portion of the region's housing need.

On June 11, 2014, AMBAG approved the RHNA for the 2015–2023 housing cycle. The City's share of the 2015–2023 RHNA is 140 housing units, which has decreased from the previous RHNA of 188 units.

During the previous 2009–2014 update, the City identified "opportunity sites" to accommodate the RHNA obligation. While some of these sites have since been developed, the remaining opportunity sites could accommodate 84 lower income units and 448 above moderate income units. Consequently, the City has adequate capacity to meet its RHNA obligation and does not need to rezone properties or identify any new opportunity sites for the 2015–2023 Housing Element Update.

2. Key Changes in the Housing Element

The proposed *2015–2023 Housing Element Update* represents a relatively minor update of the current 2009–2014 Housing Element to reflect existing conditions, including:

- Updated demographic information;
- Updated housing information regarding completed and pending projects;
- Updated Housing Constraints analysis to reflect new ordinances adopted by the City, several of which were adopted to comply with State mandates;
- Evaluation of the 2009–2014 Housing Element implementation; and,
- Identification of completed housing programs, new programs, and programs proposed for removal.

3. Recent Changes since Last Review in October 2015

Since the Planning Commission and City Council reviewed the draft *2015-2023 Housing Element Update* in Fall 2015, the following changes have been made to the document as directed by HCD:

- Added additional description of public participation activities and meetings held with stakeholder groups and how their comments were incorporated into the draft Housing Element. (Chapter 1)
- Provided quantified estimates of the number of existing housing in need of minor and/or major rehabilitation. (Chapter 2)
- Provided estimate of total capacity of zoning districts that permit emergency shelters by-right; and included a description of these zoning districts' proximity to services and public transportation. (Chapter 2)
- Revised required findings for Reasonable Accommodation Procedures to reflect correct adopted required findings. (Chapter 3)
- Added a new program (Program 19) to amend the City's definition of "family" to meet requirements per State and federal housing laws. (Chapter 5)
- Added a new program (Program 20) to meet requirements of Health and Safety Code Sections 17021.5 and 17021.6 for Employee Housing. (Chapter 5)
- Revised Program 18 to include very low- and low-income households. (Chapter 5)
- Revised multiple programs in the Housing Plan to indicate more specific quantification of program objectives and implementation timelines. (Chapter 5)

PUBLIC NOTICE & COMMENTS RECEIVED

On February 12, 2016, a public notice was posted at City Hall, Senior Center, and Scotts Valley Branch Library for Planning Commission and City Council public hearings on February 25 and March 23, 2016, respectively, pursuant to State law and the City's Municipal Code (SVMC). Also, a 1/3-page ad of the public hearing notice was placed in the local newspaper the PressBanner, consistent with the minimum 1/8-page notice required per the SVMC. Copies of the *2015-2023 Housing Element Update* were made available at City Hall and

- This page on the City's website: <http://www.scottsvalley.org/planning/plans.html>
- This direct link:
http://www.scottsvalley.org/downloads/planning/Housing_Element/2016/Housing_Element.Proposed.February2016.pdf

Comments received in the Fall of 2015 were included in previous staff reports and are attached to this report. Comment topics ranged from specific program recommendations, plus to concerns about the lack of affordable apartments for disabled persons. Since then, Affordable Housing NOW!, a local housing advocacy group, provided excerpts from Santa

Cruz County Housing Element Goals, which are attached.

ENVIRONMENTAL REVIEW

Pursuant to State CEQA Guidelines Section 15164, an addendum to a previously adopted Negative Declaration may be prepared if only minor technical changes or additions are necessary, and an addendum need not be circulated for public review but can be included in or attached to the final EIR or adopted negative declaration.

In preparation of this General Plan Amendment, the City has prepared an addendum to the 2009–2014 Housing Element Initial Study and Negative Declaration (2009 IS/ND). The addendum found that the *2015–2023 Housing Element Update* included no changes that would result in new or more severe environmental impacts, and that there is no new information of substantial importance that would result in new or more severe environmental impacts.

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* *Please note that a hard-copy is available in the lobby at City Hall,
Monday-Thursday 8AM-12PM and 1PM-5PM, at One Civic Center Drive, Scotts
Valley.*

*An electronic copy of the proposed 2015-2023 Housing Element Update for
adoption is available on this page of the City's website:*

<http://www.scottsvally.org/planning/plans.html>

Or, this direct link:

*[http://www.scottsvally.org/downloads/planning/Housing_Element/2016/Housing
Element.Proposed.February2016.pdf](http://www.scottsvally.org/downloads/planning/Housing_Element/2016/Housing_Element.Proposed.February2016.pdf)*

Michelle Fodge

From: Taylor Bateman
Sent: Tuesday, August 18, 2015 8:35 AM
To: Michelle Fodge
Subject: FW: Housing

-----Original Message-----

From: Marylou Lamb [<mailto:fauxlamb@icloud.com>]
Sent: Sunday, August 09, 2015 5:12 PM
To: Taylor Bateman
Subject: Housing

Hello,

There is a dearth of affordable 1 bedroom and studio apartments available in this area. My disabled son, who could pay a reasonable rent, is on the list of 4 apartment complexes and there is a 4-5 year waiting list. New developments have 40-50 two, three and four bedroom apartments and only two or four singles included. I beg you to consider this when planning any new development. Adding to the inventory of 1 bedroom affordable apartments would greatly decrease the homeless population and also allow this 86 year old Mother to know her 52year old son won't be homeless when I leave this earth.

Marylou Lamb

Sent from my iPad



Affordable Housing NOW!
P.O. Box 2374, Santa Cruz, California 95063
(831) 465-8272
www.affordablehousingsantacruz.org

RECEIVED
OCT - 1 2015
CITY OF SCOTTS VALLEY

September 30, 2015

**Affordable Housing NOW
Taskforce Members**

Tim Willoughby, Chair
Nancy Abbey
Rose Ashford
C.M Berger
Tom Burns
David Foster
Gail Jack
Linda Kerner
Dean Lundholm
Wendy Macias
Coco Raner-Walter
Gretchen Regenhardt
Kathy Ruiz-Goldenkranz
Ken Thomas
Bruce Van Allen

Scotts Valley City Council
1 Civic Center Dr.
Scotts Valley, CA 95066

Subject: Comments on Draft Housing Element- October 7th

Dear Council Members:

Crisis! – the word you hear anywhere when the subject of housing comes up. Low wages combined with a high cost of living – caused primarily by rents – have pushed 22% of people living in Santa Cruz County below the poverty line according to the California Poverty Measure from the Stanford Center on Poverty and Inequality. Given the escalating pressures of market forces it will only get worse if steps are not taken to address the current housing crisis.

Affordable Housing NOW is a coalition recently established by members of the Crosson North County Democratic Club, Habitat for Humanity, Peoples' Democratic Club, and affordable housing advocates to engage community members in working together to find creative solutions to our current housing crisis. The coalition is exploring the complex issues related to affordable housing and advocating for proactive political solutions to those challenges. It is in that capacity that we submit our comments regarding the City's Draft Housing Element (HE).

*Working to create
more affordable
housing options for
moderate to low
income people who
live and work in
Santa Cruz County.*

We recognize the importance of the HE in outlining efforts for the next seven years but we also know there are solutions outside the rigid confines of the HE and the State review process. Since the City's draft HE has not yet been made available to the public, our comments address HE policies in general as well as broader efforts that could be taken to address the challenges of the housing crisis. Our comments, included as Attachment 1, focus primarily on:

- Creating expanded opportunities for building additional affordable housing, accomplished through the entire spectrum from traditional larger development projects to small-scale Secondary Dwelling Units;

- Ensuring the greatest benefit to the community from currently zoned sites for multi-family housing; and
- Creating new funding sources to replace Redevelopment Agency housing funds, including establishing a new AB-2 Community Revitalization and Investment Authority as a revenue source for affordable housing.

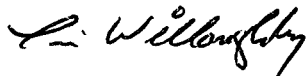
Outside of the HE policies and programs, we believe it is critical that key efforts be jump-started as soon as possible. Failure to act swiftly will have far reaching ramifications. The impact of the housing crisis is already widely felt by individuals, but it is also leading to substantial social and economic issues for our community. Lack of affordable workforce housing challenges the viability of businesses. Public service employees, schoolteachers, and firefighters are struggling to obtain affordable housing to enable them to continue to live and work in our community. Former residents forced out by rising housing costs become commuters from far away clogging our roadways.

Rather than putting something in the City's HE to address in future years, *now* is the time to act and take steps to maintain our local workforce and not force families out of our city in search of more affordable housing elsewhere. We urge your Council to give serious consideration to the policies and programs included in Attachment 1.

We understand that there is a long history between Scotts Valley and the State on the HE, and we appreciate the City's reluctance to add anything beyond the minimum needed to get the Element certified. However, housing is a basic need and your Council has a critical role to play to ensure that people who live and work in Scotts Valley have access to housing that is affordable. We therefore encourage you to see this process as more than a response to a State requirement. We hope you will view it as an opportunity to find solutions for the many individuals and families whose lives are severely impacted by the lack of quality affordable housing available to residents of the City of Scotts Valley.

Thank you for considering our comments.

Sincerely,



Tim Willoughby, Affordable Housing NOW Chair

Attachment 1: Housing Element Comments



Comments on Scotts Valley Housing Element

We recognize that addressing our local affordable housing crisis will require a myriad of actions that focus on encouraging new construction, preserving our existing affordable housing stock and a dedicated search for additional financial resources. We recommend the following measures to address new housing issues:

Encourage an increased range of housing choices, particularly for multi-family units and smaller-sized units.

- Recognizing the current housing crisis, we are hopeful that the City will use the RHNA numbers as a starting place for unit production and that the City will set higher internal goals, particularly for lower income units. Further, we would encourage the City to establish goals for unit production by income category.
- Secondary Dwelling Units are the main way that existing single-family neighborhoods can contribute to addressing the housing crisis. Therefore, we encourage the City to require the siting of proposed or future Secondary Dwelling Units on all lots as part of new subdivisions.
- Because sites and resources are scarce, we believe the City should encourage the redevelopment of existing single-level commercial buildings to include upper level residential units, where practical.
- We recommend that the City consider a range of policy changes to incentivize affordable housing projects, including allowing for increased densities for some projects containing smaller units and reduced parking standards.
- We strongly encourage the City to not allow the payment of a fee in-lieu of building affordable housing units as part of larger projects. In-lieu payments will increase local funding, but we believe that it is a poor tradeoff in terms of what will be produced by those funds.

Reduce Governmental constraints to housing

- In the event that the City has to restrict water connections in the future, there should be a policy in the Housing Element that requires a set aside of available connections for affordable housing units. This would meet the spirit of State law, which requires water and sewer districts to prioritize access for utility connections for affordable housing projects.
- Identify land use regulations that unintentionally inhibit Secondary Dwelling Unit construction
- Evaluate the impact of utility connection fees charged by the City and other entities and identify cost-savings to make Secondary Dwelling Unit construction more cost-effective
- Create incentives to promote affordable rental rates for Secondary Dwelling Units
- Create incentives, including reduced fee and fee waivers for affordable housing development

Preserve existing housing and expand affordability within existing housing stock:

Because the amount of new housing will always be small in relationship to the existing housing stock, any efforts taken by the City must address existing housing units. We therefore recommend that the City address the following with regard to existing housing issues:

- The Housing Element should include a policy that states that the City will take all reasonable measures to protect existing affordable housing units.
- Because the affordable housing crisis is the result of a growing gap between rents and wages, we encourage the City to support efforts to join the coalition of local cities exploring increasing minimum wages for low wage earners to address a portion of the affordability gap equation.
- In recognition of the rapid rate of rent increases, consider a Security Deposit Assistance Program to include first and last month rents.
- The shortage of quality rental housing at reasonable rent levels has become a major crisis in our community. Not only is it seriously impacting the lives of many renters, it will over time cause serious and social problems for the community. While we recognize the many complexities of the government engaging in the business of residential rent levels, we believe the City should at a minimum include a program in the Housing Element that evaluates the latest approaches to rent stabilization for future consideration.

Expand affordable housing financing:

We can have volumes of policies and programs in place, but if we don't have a solid source of local funding to support affordable housing activities, we aren't going to make much progress. We believe that it should be a very high priority for the City to explore and put in place a variety of sources to support affordable housing programs. In addition to supporting pending State legislation, we recommend the following actions be taken with regard to affordable housing financing:

- We support creating a Real Estate Transfer Tax for home sales over a specified threshold amount with a percentage of total sales price dedicated to an affordable housing fund.
- Dedicate a portion of TOT revenues to support the City's affordable housing program.
- We encourage the City to join other jurisdictions in lobbying the State to identify funds to replace lost RDA funds and to maximize the City's access to such funds, and the Federal government to recommit funding, recognizing that affordable housing is a national concern.

Excerpts from Santa Cruz Co. HE
r/cvd from Affordable Housing NOW! 1/8/16

GOAL 2: ENCOURAGE AND ASSIST IN THE DEVELOPMENT OF HOUSING

In order to increase the opportunities for housing production, the County must actively promote housing production and, where appropriate, provide financial assistance. Given reduced financial resources due to dissolution of the redevelopment agency, it is projected that most housing production will occur through private sector efforts. In order to encourage sustainable housing projects created with private funds, the County will need to further refine existing zoning standards, or develop new land use tools such as mixed use, live/work, permanent room housing and flexible residential zoning districts and/or overlay districts, as discussed below and in the Sustainable Santa Cruz County plan (2014). The following policies are intended to implement Goal 2:

Policy 2.3 Encourage and support housing development proposals that include accessory dwelling units (ADUs). For subdivision of R-1 zoned property where construction of buildings is included in the application, ensure that the site design and design of the buildings does not preclude the future development of an ADU on each lot. Where construction of buildings is not part of the land division application, include design guidelines in the approval of the land division that encourage ADUs to be included when the lots are developed, and that ensure that ADUs are not precluded by the design of the buildings.

GOAL 3: REMOVE UNNECESSARY GOVERNMENTAL CONSTRAINTS TO HOUSING

Santa Cruz County has integrated sustainable development principles in its land use planning for decades, through protecting agricultural lands and encouraging the majority of development to occur within defined urban service areas. Additionally, a significant portion of the urban area lies within the Coastal Zone, subjecting development to special coastal permit review processes. Because of the fragile environment and heightened level of community participation in the land use review processes, the County has over the years adopted extensive regulations to govern land use permitting processes. It is valuable to revisit those regulations from time-to-time to ensure that the regulatory system is not creating unintended outcomes with regard to overly cumbersome processes and regulations. Additionally, it is critical to take appropriate actions needed to support the existence of adequate infrastructure to support reasonable housing growth.

The following policies are intended to implement Goal 3:

- Policy 3.1 Maintain current policies that require affordable housing projects to receive priority processing through both the discretionary and building permit processes.
- Policy 3.2 Implement the Measure J growth management building permit allocation system in a manner that always "rolls forward" any unused Measure J building permit allocations, as allowed by the County Code, so that they are made available in the following year along with that year's new allocation. Allow that "rolled forward" permit allocations would expire at the end of the year.

The following programs are intended to implement Goal 3:

- Program 3.1 Continue to revise procedures and regulations to streamline and clarify building and development permit processes and regulations, including affordable housing and housing that is made affordable by design, and particularly for accessory dwelling units, agricultural employee housing, permanent room or SRO housing, mixed use projects, and other types of housing that increase the diversity of the housing stock, by tiering development process levels and adjusting permitting burdens relative to development impacts.

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- Program 3.2 Revise land use regulations to encourage accessory dwelling units (ADUs) through modifications to existing standards, and promote public awareness of those changes through the zoning counter and public brochures. Timeframe: 2016

- Program 3.3 Explore options to reduce the costs of infrastructure requirements for ADUs by working with water and fire agencies.

- Responsible Entity: Planning Department, Utility & Fire Districts ○ Timeframe: Ongoing

- Program 3.4 Work with local utility districts to ensure compliance with the state law requirement that all public sewer and water providers provide priority to and retain sufficient capacity for affordable housing projects.

- Responsible Entity: Planning Department, Utility Districts ○ Timeframe: Ongoing

GOAL 4: PRESERVE AND IMPROVE EXISTING HOUSING STOCK, AND PRESERVE AND EXPAND THE AVAILABILITY OF EXISTING AFFORDABLE HOUSING

It is more efficient to preserve and improve existing affordable housing than it is to construct a similar number of new units. Actions to help residents attain and retain affordable housing may include retaining affordability protections for single units and housing complexes, pro-actively preventing loss of Measure J units, and encumbering market rate units with long-term affordability covenants. Providing funding to assist residents in attaining, retaining and improving their housing is a critical aspect of the County's housing strategies. As rents and housing prices continue to exceed the reach of many households, it is important for the County to utilize its available housing resources to help residents attain, retain and improve affordable housing. Through a number of programs, the County strives to be able to provide resources to members of the community seeking affordable housing opportunities. This includes retaining affordability protections for single units and housing complexes, and encumbering market rate units with long-term affordability covenants using the Density Bonus Program and other available tools.

The following policy is intended to implement Goal 4:

Policy 4.1 Preserve the continued availability of the affordable housing stock located in the County's manufactured home parks.

The following programs are intended to implement Goal 4:

- Program 4.1 Preserve the continued availability of the affordable housing located in manufactured home parks, including retaining existing ordinances and regulatory programs regarding manufactured homes, including: mobile/manufactured home rent control, land use restrictions to limit conversion of mobile/manufactured home parks to other uses, and regulations that prevent conversion intended to transfer value from coaches to property.

- Program 4.2 Retain the Condominium Conversion Ordinance (County Code Chapter 14.02) to protect rental housing stock. *Don't know if this is an issue for SV – if not now, could be in the future...?*

Program 4.3 Continue to implement programs intended to assist low income households to maintain quality units in mobile/manufactured home parks including the County's CalHome funded manufactured home replacement program and the Mobilehome Park Rehabilitation and Purchase Fund.

o Responsible Entity: Planning Department o Timeframe: Ongoing

Program 4.12 Maintain the **Vacation Rental Ordinance** that limits conversion of existing housing units to vacation rentals in order to minimize the impact of such conversions on the stock of housing.

o Responsible Entity: Planning Department, Board of Supervisors o Timeframe: Ongoing

GOAL 5: PROMOTE HOUSING EQUAL OPPORTUNITY AND PRODUCTION OF SPECIAL NEEDS HOUSING UNITS

Addressing the particular housing needs of people with special needs is an important component of the County's housing efforts. Persons served by special needs housing include those who are homeless, elderly, disabled, farmworkers, female headed households, and large households.

The following programs are intended to implement Goal 5:

- Program 5.2 Continue to seek all available sources of financing for affordable housing opportunities for special needs households. Specifically target the following sources: ▪ Community Development Block Grants ▪ Affordable Housing and Sustainable Communities program (AHSC) ▪ Joe Serna, Jr. Farmworker Housing Grant Program ▪ Mobile/manufactured home Park Resident Ownership Program (MPROP) ▪ Multifamily Housing Program (MHP) ▪ CalHome Program ▪ Home Investment Partnerships Program (HOME) ▪ Other emerging financing tools o Responsible Entity: Planning Department o Timeframe: Ongoing

Program 5.13 Prioritize the use of local affordable housing dollars for projects that include housing affordable to ELI households by leveraging multifamily affordable rental funds. Priority populations include farmworkers, elderly, disabled and homeless populations. Funding streams that can be leveraged with County funds include USDA multi family programs, HUD Sections 811 and 202, Low Income Housing Tax Credits and Veterans Housing and Homelessness Prevention Program.

o Responsible Entity: Planning Department o Timeframe: 2016-2023

Consent Agenda:

- A. Approve City Council meeting minutes of 9-16-15
- B. Approve check register – 9-22-15, 9-21-15
- C. Approve out of state travel for Council Member Aguilar to attend the National League of Cities 2015 Congress of Cities and Exposition in Nashville, Tennessee, November 3-7, 2015, in conjunction with her role as the 2015 President of the League of California Cities, with all associated costs to be reimbursed by the League of California Cities
- D. Approve the Memorandum of Understanding between the City of Scotts Valley and the Mid Management Association for the term July 1, 2015 through June 30, 2017
- E. Approve Resolution No. 1551.24 establishing salary levels and establishing the management compensation benefit package for the Scotts Valley Management Team through June 30, 2017
- F. Approve Contract for Professional Services between the City of Scotts Valley and Pacific Crest Engineering in the amount of \$1,000 for geotechnical and related review of a submitted building permit application

**ALTERATIONS TO
REGULAR AGENDA**

M/S: Lind/Johnson

To approve the Regular Agenda.

Carried 5/0 (AYES: Aguilar, Bustichi, Johnson, Lind, Reed)

REGULAR AGENDA

1. Consider authorizing staff to send the Draft 2015-2023 Housing Element Update to the California Department of Housing and Community Development for the streamlined 60-day review period and to initiate a concurrent public review period

SP Fodge presented the written staff report and responded to questions from Council. She also stated that Arlene Granadosin, representing Kimley-Horn Associates, the City's consultant, was available for questions from Council.

Tim Willoughby, representing Affordable Housing Now, provided a letter with ideas and input for the City's Housing Element, and spoke in support of affordable housing.

Joy Hemz, Scotts Valley resident, spoke in support of affordable housing in Scotts Valley and asked that mobilehomes be looked at more thoroughly in order to keep them affordable.

M/S: Lind/Aguilar

To authorize staff to send the Draft 2015-2023 Housing Element Update to the California Department of Housing and Community Development for the streamlined 60-day review period and to initiate a concurrent public review period.

Carried 5/0 (AYES: Aguilar, Bustichi, Johnson, Lind, Reed)



Affordable Housing NOW!

P.O. Box 2374, Santa Cruz, California 95063

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CITY OF SCOTTS VALLEY

March 15, 2016

City of Scotts Valley City Council
One Civic Center Drive
Scotts Valley, CA 95066

Affordable Housing NOW! Taskforce Members

Tim Willoughby, Chair
Nancy Abbey
Rose Ashford
Tom Burns
David Foster
Gail Jack
Linda Kerner
Dean Lundholm
Wendy Macias
Coco Raner-Walter
Gretchen Regenhardt
Kathy Ruiz-Goldenkranz
Ken Thomas
Bruce Van Allen

*Working to create
more affordable
housing options for
moderate to low
income people who
live and work in
Santa Cruz County.*

Subject: Housing Element Public Hearing – March 23, 2016

Dear City Council Members:

Affordable Housing NOW! (AHN) is a coalition of organizations and community members working together to find creative solutions to preserve and increase affordable housing options for people who live and work in our community. We appreciate the opportunity to submit comments to your Council on the City's proposed Housing Element (HE).

Because the purpose of the HE is to ensure that the City adequately plans to meet the housing needs of all Scotts Valley residents regardless of income, we are concerned with the HE's lack of specificity and programs to address the housing needs of low income residents, seniors, families and young professionals. The HE openly acknowledges that there are limited housing options available for these population groups and includes the following statements:

Presently many low income seniors reside in subsidized units or mobile homes and have limited choices to move elsewhere. Moderate income families with children and young professionals can only afford apartments and may need to move to other communities to buy a home.

The HE states that providing adequate home ownership and rental opportunities remain a priority, yet no solutions are offered to address these housing needs – except moving out of the area! Affordable housing is about people. It is about City residents who contribute to, not diminish, the overall quality of life in our community. The HE is about ensuring that the City can provide housing for the very low, low, and moderate income residents. Because the HE sets policy for the next seven years, we strongly urge your Council to include specific actions with quantifiable goals and timelines to address the housing needs of lower income residents who desperately need and deserve an affordable place to live.

Furthermore, as we more closely review the document, we are particularly concerned about the misrepresentations contained in the Housing Element with regard to the City's ability to meet its RHNA goals. Without exception, the numbers presented in Chart 4-3 for lower income housing appear to be unsupported and there is no plan provided for any of the project-based lower income units shown in that chart. The City has no history of requiring lower income units through its inclusionary housing program, and there are no requirements in the Specific Plans for these sites for affordable housing. Sadly, this chart serves to mislead the public and the State reviewing agency (HCD) about the City's intentions with regard to accommodating its fair share of affordable housing.

Now is the time to act and take steps to provide affordable housing for Scotts Valley residents and not force them out of our city in search of more affordable housing elsewhere. Policies such as providing brochures and posting information to the City's website with a one-year implementation timeline will not help City residents who need affordable housing *now*! We urge your Council to consider incorporating the following recommendations into the proposed HE before sending it back to the State for final certification:

- **High Density Zoning:** We strongly urge the City to consider a range of policy changes to incentivize affordable housing projects, including allowing for increased densities along transit corridors for some projects containing smaller units and reduced parking standards. Because the City has provided no basis for providing lower income housing, at a minimum, that effort will need to identify a site to rezone for 20 units per acre minimum densities to accommodate the 56 lower income shortfall.
- **Inclusionary Ordinance Amendment:** We strongly urge the City to amend its inclusionary ordinance to expand its application city-wide, not just in the parts of the City that were designated to be part of the redevelopment project area.
- **Secondary Dwelling Units (SDUs):** SDUs are the main way that existing single-family neighborhoods can help address the housing crisis and the HE acknowledges that the City could accommodate a significant number of SDUs. We therefore urge the City to aggressively pursue strategies to promote SDU construction including providing incentives to reduce construction costs, such as reduced fee and fee waivers for affordable housing development and that the City explore allowing SDUs within broader zoning categories. We further recommend that the City prohibit the use of SDUs as short-term vacation rentals.
- **In-Lieu Fees:** We strongly urge the City to not allow the payment of a fee in-lieu of building affordable housing units as part of larger projects. In-lieu payments may increase local funding, but we believe that it is a poor trade-off in terms of what can realistically be built with these funds to increase the City's affordable housing stock.

Housing is a basic need and your Council has a critical role to play to ensure that people who live and work in Scotts Valley have access to housing that is affordable.

We therefore encourage you to view the HE as more than a response to a State requirement. But, even if you only see the HE process as meeting the letter of the law with regard to the State housing requirements, we find this document woefully inadequate. We hope you will not move forward and approve this document as it currently is drafted, but will instead take the time to meet the letter of the law and revise the HE to address solutions for the many individuals and families whose lives are severely impacted by the lack of quality affordable housing currently available to City residents.

Thank you for considering our comments.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tim Willoughby".

Tim Willoughby, Affordable Housing NOW! Chair

cc: State Housing and Community Development Department