

# County Offers Small Contractors 3-For-1 Deal In Effort To Build Low-Cost Housing

By PAUL BEATTY  
Sentinel Staff Writer

In an attempt to encourage small contracting companies to build low-cost housing, county supervisors Tuesday said they will offer three regular building permits for every low-cost unit a contractor constructs.

Conservative Supervisors Wayne Moore and Dan Forbus agreed to the offer, but said it probably would not work.

Moore called it another piece of "the patchwork" that the county board was having to do to repair the damage of Measure J, the county's growth management ordinance.

Measure J restricts the number of building permits issued each year and demands that 15 percent of all new housing stock be in the low-cost range, or around \$50,000 a unit.

Chairman Gary Patton brought the program to the board for implementation this week. It had been given conceptual approval in February, but at that time the county Planning Department did not know if any permits would be returned when property owners found they would not be able to build this year.

As it has turned out, 15 of those with permits have abandoned them.

If there are small contractors—generally those building one, or only a few units at a time—willing to take the board's offer, they will be allowed to take out three "market rate" regular permits if they guarantee to build one low-cost unit.

It is estimated that a building permit

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adds from \$10,000 to \$25,000 to a property's worth. However, they are not to be sold on the open market or transferred with the property, although it is possible for the present property owner and permit holder to continue ownership until a house is built and then sell at that time.

Patton said the program would "try to help small contractors participate" in the low-cost housing program that heretofore has had "a bias that encourages larger developers."

Forbus said, "It's not much of a real incentive for these people to get permits they are going to lose money on. It's not something the board is generously giving and it's not that big a deal."

Patton said the damper on new home construction and the problem with getting low-cost homes is with the high interest rates currently charged.

Supervisor Joe Cucchiara then told Forbus that it was the small contractors who had proposed the three-for-one deal and

that "this is a way to acknowledge the small builder."

Moore responded, "This very program is an acknowledgement that Measure J is not working; it's another piece of lumber on a platform that is not working."

He said only the free market can solve the housing shortage and that Measure J was "an artificial" inhibition.

Cucchiara told him, "It may be artificial to someone who can afford \$100,000 for a home, but this program is a stimulus to those who can't—it's an offering of goodies."

As the argument continued, Forbus laughingly urged Patton to cut off the debate, telling him, "I've had enough useless information this morning."

Cucchiara said the program should work on a first-come, first-served basis, and the board unanimously voted to get the program started.