Condo conversion curbs supported

An ordinance that would restrict the conversion of rental apartments to condominiums won conceptual approval from the Santa Cruz County Board of Supervisors Tuesday.

Despite remonstrances from Supervisors E. Wayne Moore Jr. and Dan Forbus that the effect of the ordinance would be to discourage construction of rental units, the board majority of Chairman Gary Patton, Joe Cucchiara and Robley Levy voted for the ordinance as a tool for the preservation of affordable rental units.

The ordinance is complicated but in essence it would ban conversion of rentals to condominiums except "where no less than half of the units will be sold to persons who have resided in the structure for a minimum of three years" and to conversions involving a single unit.

Also exempted from the ordinance would be conversions to "affordable housing" under the county's standards for such housing, provided the conversion is accompanied by a 30-year deed restriction to protect the affordability.

Conversions of other rental units not exempted from the ordinance's provisions would not be allowed unless the vacancy rate in rental units in the county is higher than 3 percent.

After viewing this latest version of the ordinance, Supervisor Moore sighed, "All the attractive things have disappeared, as I knew they would."

He was referring to the fact that in an earlier version, conversions of rental complexes of four or fewer units would have been exempted. Moore had indicated that with that provision in the ordinance would not be so offensive to him since it would enable the "little guy" to convert his units and most of the conversions were of small complexes anyway.

Moore had made it clear all along that, as a staunch defender of the rights of private property owners, he didn't believe any restrictions on conversions were correct.

Forbus, who frequently takes a less ideological position than his fellow conservative from the Pajaro Valley, said that as a practical matter, adoption of the ordinance wouldn't work the way its supporters wished.

"I fear you're really cutting off building any more rentals in this county," the Soquel-Live Oak area supervisor said.

But Chairman Patton, the instigator of the anti-conversion ordinance, said nobody was building rental units anyway and that an acceleration of conversions would deprive low and moderate income renters of a place to live.

"You stop the flow of blood before you start giving transfusions," Patton remarked.

He was supported by Midcounty Supervisor Levy, who noted that most of the

conversions that are going on are "paper conversions," that is conversions of units while they're still under construction and have never been occupied by renters. She said those "paper conversions" would still be allowed under the ordinance.

"There's a lot of merit to preserving rentals," she said, adding that builders of apartments had not been guaranteed an opportunity to convert to condominiums.

Patton and Mrs. Levy were joined by the San Lorenzo Valley's Cucchiara in approving the ordinance. It will have to undergo environmental review before the board can give it final approval, so the board agreed to extend a 90-day moratorium it had clamped on such conversions July 1 for another 60 days.

Ironically, the board gave a strong indication earlier in the day that it would approve the conversion of a big apartment complex in Live Oak to condominiums.

However, the conversion of the 128-unit Swan Lake Apartments complex would be subjected to many conditions, including the reservation of 35 percent of the units in the affordable category.

Owners of Swan Lake Apartments first applied for conversion long before the board approved its temporary moratorium.

In the Swan Lake case, Supervisor Levy voted with Forbus and Moore to send the matter back to the planning staff for findings that would make approval of the conversion consistent with county regulations. If that same vote prevails when the matter comes back to the board in three weeks, the conversion would be approved.

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