

County growth in a squeeze play

12-16-86

By STEVE SHENDER
Sentinel Staff Writer

SANTA CRUZ — County planners have recommended that the Board of Supervisors set the county's residential growth rate — 1.5 percent in 1986 — at 1 percent in 1987.

The recommendation comes with Measure J, the growth-management ordinance under which the county's annual residential building limits are set, under legal fire from the Santa Cruz County Builders Exchange.

And it comes with County Counsel Dwight Herr arguing in Superior Court, in response to the Builders Exchange challenge, that the ordinance has had no significant impact on the pace of residential construction in the county.

Measure J aims at controlling growth in unincorporated areas of the county through limits on residential building permits and requires that at least 15 percent of all new housing built must be affordable to renters and buyers of modest means.

The Builders Exchange contends that the 1.5-percent residential growth limit set by supervisors for this year has restricted the supply of low- and moderate-income housing here. The Exchange, which last year sued the county in behalf of Wilma Campbell, says the ordinance has thus discriminated against poor people in general, and minorities in particular.

Campbell has been identified by the Exchange as a black, low-income resident of Santa Cruz.

The Builders Exchange also

charges that because of Measure J, the county is failing to meet a 10-year housing goal set for it in 1980 by the Association of Monterey Bay Area Governments (AMBAG).

According to AMBAG, the county must develop 10,388 new housing units by 1990 in order to meet its "fair share" of Monterey Bay regional housing needs.

The county issued 3,890 building permits over the first five years of the decade.

Please see Page A4

County growth

Continued from Page A1

The Exchange wants the court to order supervisors to lift the ceiling on residential growth.

Meanwhile, spurred by consultants' recommendations, county planners are urging the board to move in the opposite direction.

In a report on Measure J's impact, released in October, environmental consultants said that the county's population has continued to increase at a 3-percent annual rate despite efforts by supervisors to limit residential growth to 1.5 percent a year.

The consultants attributed the population increase to an increase in the number of people per household and said the county should restrict building even more to compensate for it.

The also recommended that the county abandon its current practice of "carrying over" unclaimed building permits from year to year.

The county currently has a backlog of more than 1,000 unclaimed permits. That backlog will grow still more this year. More than 700 building permits were authorized by supervisors for 1986. Fewer than half of those are likely to be claimed this year.

County Counsel Herr argued in court Monday that because of the surplus of available building permits, it could not be claimed that Measure J was hurting either low- and moderate-income people or homebuilders.

County planners have urged supervisors to accept the consultants' recommendation for a tighter lid on building permits.

And they have recommended that the board phase out the practice of carrying over unclaimed building permits from one year to the next, except for permits for "affordable housing units."

Supervisors are to begin considering their recommendations this afternoon. No decision is expected before February, however.

Meanwhile the trial on the Builders Exchange suit will resume before Superior Court Judge Chris Cottle at 10 a.m. today.

Cottle has allotted three days for the trial, in which Herr is pitted against Lee Roy Pierce Jr. of the Pacific Legal Foundation — a conservative, Sacramento-based public interest law firm.

Monday, Pierce and Herr delivered their opening statements and Pierce called the first two of nine witnesses he plans to call to the stand before the trial is done.

In his opening remarks, Pierce asserted that the housing element of the county's General Plan was invalid because the county had overstated the number of residences built between 1980 and 1985 by more than 1,600 units and had thus understated the number still to be constructed in order to meet AMBAG fair-share housing goals.

Accusing county officials of "misrepresenting" housing figures to the state, Pierce said that since the county's housing element was invalid, the county's growth-management ordinance could not be legally enforced.

Pierce also asserted that not enough building permits had been allotted under Measure J to satisfy AMBAG's fair-share requirements for low-income housing here.

Herr acknowledged that the housing figures in the county's General Plan were wrong — he said planners had made a "mistake."

But he said that under state law, the court could not set aside the housing element — invalidating the

General Plan and halting all development in the county — simply because of an error. Herr said Cottle would also have to find that the mistake had been "prejudicial" to the Builders Exchange and Wilma Campbell.

But since the county had begun 1986 with a backlog of 1,000 unclaimed building permits, Herr said, "There's simply no prejudice."

The county counsel said that the carryover permits, combined with new permits authorized by supervisors for 1986, had translated into an effective growth rate of 4 percent this year.

Herr also said that over the last five years, the county had ranked second among 18 Monterey Bay area jurisdictions in providing for low and moderate-income housing.

Much of Monday's proceedings were taken up by testimony from Warren Freeman, a former AMBAG planner who was hired by the Builders Exchange to appear as an expert witness.

Called to the stand by Pierce, Freeman testified that the county was not meeting AMBAG's affordable housing goals, which he drafted in 1980.

Freeman agreed with an assertion by Pierce that the county's failure to meet the goals was "at least in part due to this policy of limiting building supply."

He said he couldn't "see the logic" of planners' recommendation that building permits be restricted further because household size was increasing.

But under questioning by Herr, Freeman conceded that an increase in average household size would result in a "significant" reduction in the number of housing units needed to meet AMBAG goals.

And he acknowledged that land costs, interest rates and inflation — all factors beyond the county's control — had contributed to the shortage of lower-cost housing.

Freeman refused to say how much the Builders Exchange had paid him to appear at the trial.

But he said, "if this trial goes on much longer, I'm going to go back to the Builders Exchange and ask for an adjustment of my contract."