Supervisors slash county's housing goals

By STEVE SHENDER

Sentinel Staff Writer

SANTA CRUZ — The Board of Supervisors revised a key element of the county's General Plan Tuesday, reducing by more than 78 percent the number of residential units the county must build between now and 1990 to meet its share of regional housing goals

The action came while the General Plan was under attack in Superior Court, where the Santa Cruz County Builders Exchange is pressing a suit to overturn residential-growth ceilings set by the board

under Measure J, the county's growth-management ordinance.

An official of the state Department of Housing and Community Development, here to testify at the Measure J trial, said Tuesday that he doubted his agency would approve the change.

Meanwhile, in court, it was revealed that state officials doubt the validity of the existing General Plan housing element, under which county housing goals are set.

A letter introduced as evidence at the trial Tuesday indicated that Housing and Community Development officials in Sacramento are poised to invalidate the housing element because building figures supplied to the state by the county have proved wrong.

The Builders Exchange contends the 1.5-percent residential growth limit set by supervisors for 1986 has restricted the supply of low- and moderate-income housing here. The Exchange says the ordinance has thus discriminated against poor people in general, and minorities in particular.

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

County planners have recommended that supervisors set a 1-percent residential growth limit for 1987. The board accepted that recommendation without comment Tuesday and set the issue for hearing in February.

Questions about building figures in the housing element have emerged as a key point in the legal assault on Measure J mounted by Lee Roy Pierce Jr., an attorney employed by the Pacific Legal Foundation — a conservative, Sacramento-based

public interest law firm handling the Builders Exchange suit.

The trial before Superior Court Judge Chris Cottle moves into its final day today.

According to Pierce, the housing element contains erroneous statistics that indicate that a 10-year housing goal set for the county in 1980 by the Association of Monterey Bay Area Governments (AMBAG) is being met.

Because the numbers are wrong, Pierce says, the housing element does not meet AMBAG's housing goals and is therefore invalid. And

Please see back of section

Housing

Continued from Page A1

because the housing element is invalid, says Pierce, the General Plan is no good. And because the General Plan is thus invalid, he says, the county cannot set residential growth limits.

And if Cottle accepts that line of reasoning, Pierce asserts, "the case is over."

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

In 1985, county planners told Housing and Community Development officials that the county was well along toward meeting that goal, a part of the county's housing element.

County planners told state officials then that between the beginning of 1980 and the end of 1984, 5,523 housing units had been built here, leaving the county more than halfway toward meeting the AMBAG goal.

But during a pretrial hearing on the Builders Exchange suit in October, County Counsel Dwight Herr conceded that the correct number of units for that period was 3,890.

Pierce said that left the county far short of meeting the AMBAG goal.

New housing figures have emerged since then. Housing and Community Development officials say the actual number of units built from 1980 to the end of 1984 was 4,147. Meanwhile, the county has produced new state Department of Finance figures indicating that 4,760 new housing units were constructed in unincorporated Santa Cruz County between 1980 and this year.

Planners used the latter figure as part of the revised housing element approved by supervisors Tuesday.

Under the new housing element, the county's 10-year fair-share housing goal will be reduced from 10,388 to 5,969 units.

County planners said the decrease was justified mainly by an increase in average household size in the county. They said Tuesday that the increase was part of a statewide trend, and not a result of Measure J growth limits.

The net result of the change would be to reduce by 4,419 the number of housing units which must be built in the county by 1990 to meet the AMBAG goal.

The new housing element will be sent to Housing and Community Development for review and approval.

William J. Murphy, an official with the agency's Division of Hous-

ing Policy Development, said Tuesday that he did not think state housing officials would approve the revised document unless it is also approved by AMBAG.

But county planners said there are no procedures for submitting the changes to AMBAG.

Meanwhile, Pierce introduced into evidence at the trial a letter from Murphy's boss, Christine M. Diemer, to County Administrative Officer George Newell indicating that Housing and Community Development may rule the county's current housing element invalid.

Diemer wrote Newell last week that if it were true that the housing production numbers given to her department by county planners in 1985 were wrong, the department "would consider" an earlier opinion that the housing element was in compliance with state law "to have been invalid from its inception."

"Santa Cruz County may therefore have been without a valid housing element since July 1, 1985," Diemer wrote.

Murphy said Tuesday that Housing and Community Development officials could not order the county's General Plan set aside because its housing element is faulty. But he indicated that that finding could be used as ammunition in lawsuits against the county.