

The Housing Element addresses how Scotts Valley plans to meet the community's housing needs, particularly the availability, affordability, and adequacy of housing. The Housing Element defines strategies and programs for all economic and social groups. To these ends, the Housing Element:

- 1) Identifies adequate sites for a range of housing opportunities;
- 2) Provides guidance for developing adequate and affordable housing;
- 3) Addresses constraints to meeting the City's housing needs;
- 4) Defines approaches to conserve and improve housing conditions; and
- 5) Promotes housing opportunities for all persons.

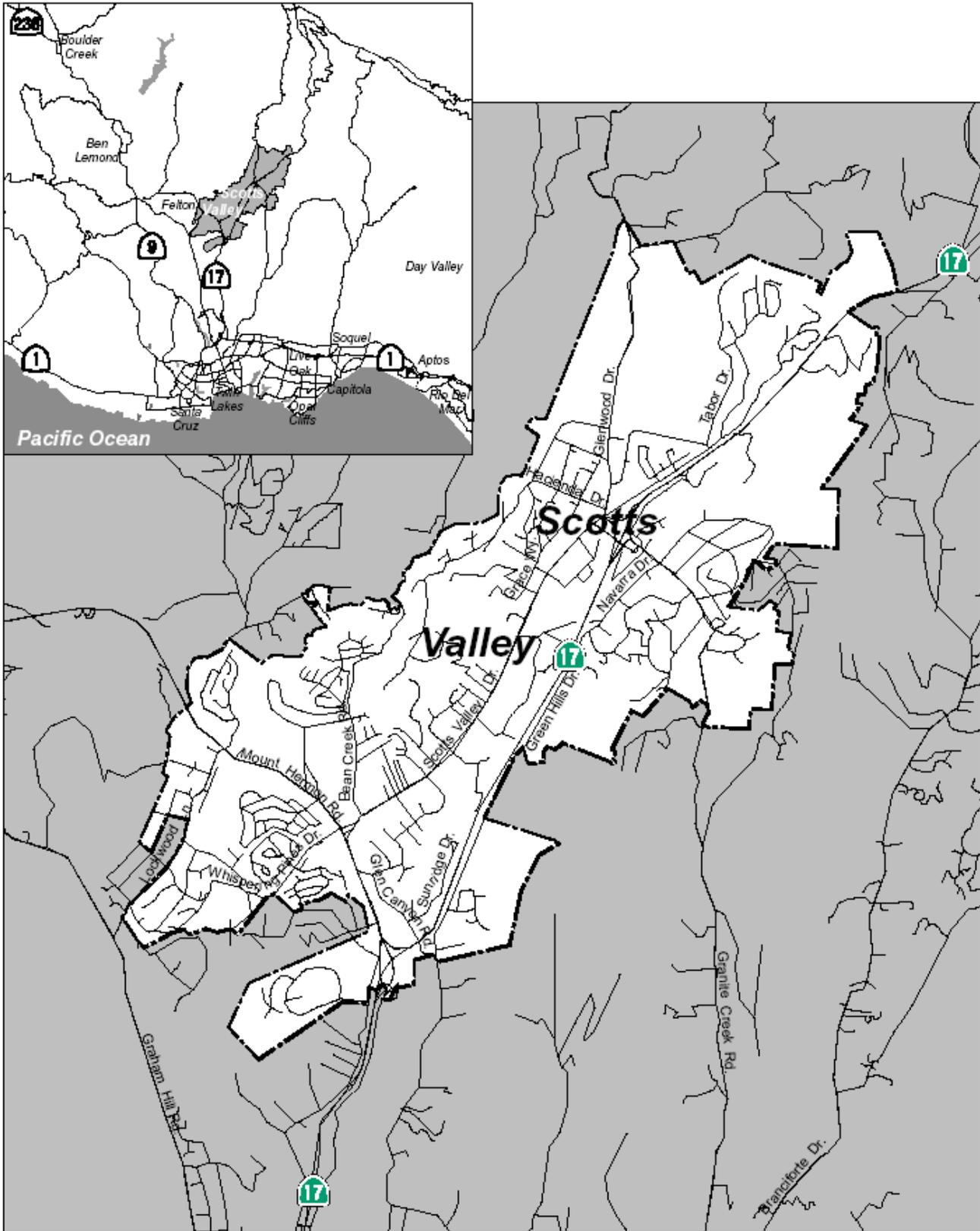
The following discusses the context for housing policy in Scotts Valley, the organization of the Housing Element, relationship to other chapters of the General Plan, and the public participation process involved in the preparation and adoption of the housing element.

## A. Community Context

The City of Scotts Valley is located in Northern Santa Cruz County in the redwoods of the Santa Cruz Mountains. Located south of Silicon Valley, Scotts Valley is approximately 6 miles north of Santa Cruz, 30 miles southwest of San Jose, and 68 miles south of San Francisco. Scotts Valley is known throughout the Santa Cruz County for its natural beauty, proximity to the Silicon Valley, and small-town character – making it an excellent place to live.

Since its incorporation in 1966, Scotts Valley has witnessed considerable changes, as local and regional employment opportunities have attracted many new residents to the community. Between 1970 and 2000, Scotts Valley has grown from a small town of 3,621 persons to a community of 11,385 persons. The Association of Monterey County Governments (AMBAG) 2008 Regional Forecasts show Scotts Valley's population has grown to 11,556 in 2005 and forecast a population of 11,923 in 2010.

The age distribution of residents has shifted over the past ten years. Between 1990 and 2000, the median age in the City increased from 35.9 years to 38.3 years, with an increasing proportion of the population comprised of middle-aged adults ages 45 to 64. This is largely attributable to an influx of persons and families who live in the community and commute to other areas, as well as work locally in the technology-dependent firms in Scotts Valley.



Source: Cotton/Bridges/Associates 2003; Census TIGER®, 2000.

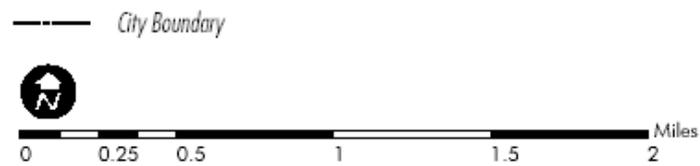


Figure 1  
Regional Location Map

As part of the Silicon Valley boom, many high technology firms located to the City of Scotts Valley during the late 1990s, providing many higher-paying employment opportunities. Scotts Valley's natural setting and excellent schools and new high school have made the community an attractive place to live. Coupled with population growth, Scotts Valley experienced a sharp decline in housing vacancies, with rental vacancies falling from 7.6% to 3.4% and ownership vacancies falling from 3.1% to only 0.7% between 1990 and 2000. The economic down turn in 2008 has not yet created a large number of rental vacancies or for sale units.

According to the Santa Cruz Association of Realtors, the median sales price of a single-family home increased by 40% between 1996 and 1999 and rose another 40% through 2002 at which time the median sales price for a single-family home neared \$600,000. By 2007 the median price was \$757,603. In 2008 the median price dropped back to \$611,000, a reflection of the 2008 economic conditions. Rental rates have also increased, with the median rent of \$1,500 in 2008. Rents have not dropped the same as for sale units and the City continues to have a vacancy rate below 4%.

Scotts Valley is faced with important issues: balancing employment and housing opportunities; matching the supply of and demand for housing; enhancing the affordability of housing for all segments of the population; preserving the quality of the housing stock; and preserving the environmental amenities that distinguish Scotts Valley. The 2009-2014 Housing Element sets forth a strategy to address these issues and provide guidance for local government decision-making in all matters relating to housing.

## **B. Organization of the Housing Element**

Scotts Valley's Housing Element was updated in 2007 for the 2002-2007 cycle. This Housing Element is a five-year plan for the period 2009 to 2014. The 2009-2014 Housing Element consists of the following major components:

- 1) Introduction to the Housing Element, including the planning context and process of updating the Housing Element (Chapter 1);
- 2) An analysis of the City's demographic and housing characteristics and trends (Chapter 2);
- 3) Review of potential market, governmental, and environmental constraints which impact the City's ability to address its housing needs (Chapter 3);
- 4) An evaluation of land and financial resources available to address Scotts Valley's housing goals (Chapter 4); and
- 5) A Housing Plan to address the City's identified housing needs, including housing goals, policies and programs (Chapter 5).

## **C. Relationship to General Plan Elements**

California Government Code Section 65300.5 requires that a general plan be internally consistent, so that no conflicts exist among the elements of the plan. The most important aspect of consistency among general plan elements is that policies and implementation measures in the general plan elements support one another to achieve the goals and vision of the general plan.

The Scotts Valley's General Plan consists of the following eight elements: 1) Land Use; 2) Circulation; 3) Housing; 4) Open Space, and Conservation; 5) Noise; 6) Safety; 7) Public Services and Utilities; and 8) Parks and Recreation. In preparing the 2009-2014 Housing Element, the City reviewed goals and policies of the eight elements of the Scotts Valley General Plan and concluded that the Housing Element is consistent with other General Plan elements through the adoption of complementary policies shown below. This Housing Element builds upon the other General Plan elements and is

**Chart 1-1  
Housing Element and General Plan Consistency**

General Plan Elements	Housing Element Goals				
	Conserve Housing & Neighborhood	Promote a Diversity of Housing	Assist in the Provision of Affordable Housing	Protect and Conserve Environmental Resources	Further Equal Housing Opportunity
Land Use		✓	✓	✓	✓
Circulation		✓	✓		
Open Space	✓	✓		✓	
Noise and Safety		✓	✓		
Public Services/Utilities	✓	✓	✓	✓	
Parks & Recreation			✓		

consistent with the goals and policies set forth therein. For example, residential development capacities established in the Land Use Element are incorporated in the Housing Element; environmental constraints in the Housing Element are consistent with the Open Space/Conservation and Public Services/Utilities elements. The City will continue to maintain consistency between General Plan elements by ensuring that proposed changes in one element will be reflected in other elements.

## D. Public Participation

Section 65583 (c) (5) of the Government Code requires local governments to “make diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.” To that end, the City has provided opportunities for residents and interested parties to recommend housing strategies and comment on the Scotts Valley Housing Element. The first opportunity was at the beginning of the process when the City held a scoping meeting on February 5, 2009 which was an opportunity for the public to provide input into the 2009-2014 Housing Element. This meeting was widely advertised throughout the community and in the local newspapers.

### 1. Public Review

Prior to adopting the draft Housing Element, the City conducted a meeting with the Planning Commission, to which the public was invited. To solicit input from groups that serve lower-income and special needs populations, the City mailed public hearing notices to the following interested parties:

- All Homeowner’s Associations
- Local developers
- County Office of Education
- Rural Legal Assistance
- SV Senior Center
- Mobile Home Parks
- Habitat for Humanity
- US Fish and Wildlife Service
- Sierra Club
- Affordable housing providers
- Utility Providers
- Larger Shopping Centers owners
- Chamber of Commerce
- Local Churches in the City
- SV School District and Board
- SV Water District and Board
- State Fish and Game Department
- SCC Transportation Commission
- Caltrans District 5
- Community Housing Developers

Copies of the draft Housing Element were provided to the Scotts Valley Water District, the Scotts Valley School District, and Chamber of Commerce. For organizations that did not directly receive a copy of the draft Housing Element, the Element was also available on the City’s website. Notification was published in the local newspaper in advance of each hearing and announcements of public hearings were made on the website. Display ads were also published in the local newspaper.

Scotts Valley also has significant environmental issues that must be addressed as part of the City’s overall housing policies. One such issue is the availability and adequacy of future water supplies for residents and businesses. The Housing Element reflects a commitment to work with the SVWD to address water source, transmission needs and guarantee an adequate supply for affordable housing projects.