

ORDINANCE NO. 2025-09

AN ORDINANCE OF THE CITY OF SANTA CRUZ AMENDING SANTA CRUZ
MUNICIPAL CODE SECTION 18.49.050

WHEREAS, on April 27, 2021, the City passed Ordinance No. 2021-11, which created the Santa Cruz Municipal Code Chapter 18.49, “Public Safety Impact Fee.”

WHEREAS, in 2024 City engaged the services of Finance DTA to conduct a new Public Safety Impact Fee Nexus Study to evaluate and update the Public Safety Impact Fee charged to new residential and non-residential development; and

WHEREAS, Finance DTA recommended removing the exemptions to the fee for accessory dwelling units of 750 square feet or greater and for affordable housing because both types of projects increase the demand on police and fire services and both types of developments should be required to pay their fair share to maintain the existing levels of services; and

WHEREAS, the intent of this ordinance is to remove those exemptions.

BE IT ORDAINED By the City of Santa Cruz as follows:

Section 1. Santa Cruz Municipal Code section 18.49.050 “Exemptions” is hereby amended as follows:

18.49.050 Exemptions.

A. The following exemptions from the requirements for fees and exactions are imposed:

- 1) Any type of project determined by the City council to have a reduced or insignificant public safety impact as per Section 18.49.070.
- 2) Repairs or Replacement. The repair, remodel, modification, reconstruction or replacement of a residential or nonresidential building substantially equivalent to the preexisting building. Additional square footage beyond the preexisting amount is not exempt. Includes residential and nonresidential units being replaced due to a natural disaster.
- 3) Accessory dwelling units and junior accessory dwelling units of less than 750 square feet.
- 4) Public Project. Projects undertaken by a public agency, except projects undertaken by a private developer on public property, and except property not used exclusively for a governmental purpose.

- 5) Project with Complete Application on Effective Date of Ordinance. Project for which an application for permit was complete prior to the effective date of the ordinance codified in this section, except for any project which is required to comply with these measures pursuant to the provisions of a development agreement.

B. Change of use is entitled to an offset or a credit:

- 1) If a project is changing its use, a credit in the amount offsetting the impact of its prior use shall be applied. For example, a development project converting existing hotel rooms into residential will have the fee for the proposed (including any addition) residential calculated and the fee for the existing hotel rooms calculated, and the existing hotel rooms will be credited against the new residential fee use. In the event that the credit exceeds the new fee, the fee shall be zero and no refunds are applicable.

C. No credits or exemptions will be given to properties that have been vacant for more than three years by the time of applying for building permit. (Ord. 2021-11 § 1, 2021).

Section 2. This ordinance shall take effect and be in full force thirty (30) days after final adoption.

PASSED FOR PUBLICATION this 22nd day of April 2025, by the following vote:

AYES: Councilmembers Trigueiro, Newsome, Golder, O'Hara; Vice Mayor Kalantari-Johnson; Mayor Keeley.

NOES: None.

ABSENT: Councilmember Brunner.

DISQUALIFIED: None.

APPROVED: _____
Fred Keeley, Mayor

ATTEST: _____
Bonnie Bush, City Clerk Administrator

PASSED FOR ADOPTION this 13th day of May 2025, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Fred Keeley, Mayor

ATTEST: _____
Bonnie Bush, City Clerk Administrator