

## **Planning and Building Departments’ Relationship to Illegal Building**

### **Synopsis**

Planning and Building Departments affect the growth of an area by the enforcement of zoning and building regulations. Planning and building regulations that are too complex and difficult to understand may deter people from building. In some cases, people may build illegally as they perceive it too difficult to deal with these government agencies. This illegal growth may pose safety hazards to occupants and neighbors, as well as affecting the community as a whole. Revenue is also lost as these structures are not assessed and people do not pay their share of taxes on these illegal structures.

### **Background**

Planning Departments within the county have been the subject of many Grand Jury investigations.<sup>1</sup> Political candidates have promised to reform the County Planning Department.<sup>2</sup> Some candidates have entered politics because of problems they have had with planning and building departments.<sup>3</sup> Former planning department employees have started consulting businesses to guide people through the complex permitting processes.<sup>4</sup>

Cities and counties get their legal basis to create land use and building regulations through police powers established by common law, the courts and the California Constitution. The purpose of these regulations is to allow a city or county to “protect the public health, safety and welfare of its residents.”<sup>5</sup>

In order to be “built to code,” permits are required before a building or structure is “erected, constructed, enlarged, altered, repaired, moved, improved, removed, converted or enlarged.”<sup>6</sup> Building departments accept applications and plans. They review these documents for compliance with building codes. Other departments and agencies review them for compliance with their own codes (zoning, fire, environmental health, etc.).<sup>7</sup> Some people say that planning and building departments provide conflicting information and take too long to issue permits.<sup>8</sup> Some planning officials say that some residents build illegally because of the high costs for plans, architects, engineers, permit fees, taxes and

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<sup>1</sup> Grand Jury reports 2000-2001, 2002-2003.

<sup>2</sup> Jondi Gumz, “5<sup>th</sup> District hopefuls speak out at forum,” Santa Cruz Sentinel, 15 February 2004, p. A-19.

<sup>3</sup> Brian Seals, “Out-of-towners seek local support for state Senate run,” Santa Cruz Sentinel, 14 February 2004, p. A-14.

<sup>4</sup> Santa Cruz Sentinel, 1 February 2004.

<sup>5</sup> Curtin's California Land Use and Planning Law, 2003.

<sup>6</sup> 1997 Unified Building Code, section 106.1.

<sup>7</sup> 1997 Unified Building Code.

<sup>8</sup> Santa Cruz Sentinel, 25 June 2002.

the like.

## **Scope**

This report looks at the reasons people build illegal units, do work without permits and contribute to illegal growth. It recommends measures that legislative bodies and planning and building departments can take to encourage people to get permits and to encourage legal growth.

## **Sources**

The Grand Jury:

- Interviewed city and county staff.
- Toured the County Planning Department.
- Investigated citizen complaints.
- Surveyed the five building departments in the county.

Reviewed:

- Previous Grand Jury Reports.
- 2003 Santa Cruz County Community Assessment Project Report.
- Local news articles.
- Minutes, agendas, correspondence and reports from Santa Cruz County Board of Supervisors meetings.
- Jurisdiction Web sites.
- Sections of jurisdiction reports, such as the draft of the Santa Cruz County Housing Element.

## **Why Permits Are Required**

Permits are required before doing any construction work.<sup>9</sup>

People have died in fires in illegally built units. Fires and carbon monoxide poisoning can result from improperly vented stoves and appliances.<sup>10</sup>

The Building Code requires smoke detectors. Lack of smoke detection may contribute to fire related deaths.<sup>11</sup>

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<sup>9</sup> 1997 Uniform Building Code 106.1.

<sup>10</sup> Marina Malikoff, "Illegal units worry fire officials," [Santa Cruz Sentinel](#), 2 December, 2000, p. 1.

<sup>11</sup> 1997 Uniform Building Code; Cathy Redfern, "Woman dies in fire..." [Santa Cruz Sentinel](#), 2003.

## **Factors Contributing to Housing Needs**

There were 99,744 housing units in Santa Cruz County in 2002.<sup>12</sup>

The median sales price of homes in Santa Cruz County is continually rising. The median sales price of a new home in 2001 was \$527,000.<sup>13</sup> In March of 2004 median price of a single-family home reached \$603,125.<sup>14</sup>

Per capita personal income dropped from \$37,866 in 2000 to \$36,865 in 2001. The median family income has risen from \$69,000 in 2002, to \$74,600 in 2003.<sup>15</sup>

The 2000 U.S. Census reported that 29,383 of the county's 247,530 people were at the poverty level in Santa Cruz County.<sup>16</sup>

The 2003 Santa Cruz Community Assessment Project reported the amount of money that survey respondents said they spent on housing for 2003.

	<b>Caucasians</b>	<b>Latinos</b>	<b>All respondents</b>
Spent over 50% of income on housing	41%	77%	51%
Spent over 75% of income on housing	13%	38%	21%

**Table 1. Amount of take-home income spent on housing, 2003, Santa Cruz County, broken down by race.**

**Source: 2003 Santa Cruz County Assessment Project.**

<sup>12</sup><http://quickfacts.census.gov/qfd/states/06/06087.html>.

<sup>13</sup>Santa Cruz County Community Assessment Project 2003, p. 39.

<sup>14</sup>*Santa Cruz Sentinel*, 9 April 2004

<sup>15</sup> Santa Cruz County Community Assessment Project 2003, p. 35.

<sup>16</sup>Santa Cruz Community Assessment Project 2003, p. 48, source U.S. Census Bureau, Census 2000 Summary file 3, [http://www.appliedsurveyresearch.org/products/CAP9\\_Economy2%20.pdf](http://www.appliedsurveyresearch.org/products/CAP9_Economy2%20.pdf).

The figures were also given regionally.

	<b>North County</b>	<b>South County</b>	<b>San Lorenzo Valley</b>
Spent over 75% of income on housing	18%	26%	13%

**Table 2. Amount of take-home income spent on housing, Santa Cruz County, 2003, broken down by region.**

**Source: 2003 Santa Cruz County Assessment Project.**

### ***Governmental Factors Contributing to Illegal Growth***

The high cost of housing is perceived as a reason that people leave the area for more affordable housing elsewhere.<sup>17</sup>

The county has increased the number of planned housing units from 2,621 to 3,441 units (by 2007), and has increased density from 17 to 25 units per acre in some areas in order to get its housing plan approved and certified by the state. Santa Cruz County has not complied with the state requirement to have a certified housing plan for over ten years.<sup>18</sup> A resident has used the argument that the county cannot enforce zoning codes because it does not have a certified housing plan.<sup>19</sup>

People perceive that complying with zoning and building codes in the county is difficult because it is expensive and complex and because they get conflicting information from planners and inspectors. Some people believe there has been a large amount of illegal building in the county because of the high cost and excessive complexity of acquiring permits.<sup>20</sup>

The county has relaxed some regulations for second units, which resulted in the number of applications increasing from 25 in a typical year to 48 in a six-month period.<sup>21</sup>

Some people believe Santa Cruz County has a housing shortage and that houses are not affordable. They say that causes people to leave the area in search of affordable

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<sup>17</sup> [Santa Cruz Sentinel](#), 7 March 2004.

<sup>18</sup> [Santa Cruz Sentinel](#), 23 March 2004.

<sup>19</sup> [Santa Cruz Sentinel](#), 1 February 2004.

<sup>20</sup> [Santa Cruz Sentinel](#), 3 February 2004.

<sup>21</sup> [Santa Cruz Sentinel](#), 1 February 2004.

housing.<sup>22</sup>

County residents have complained of several issues:

- Long waiting periods to acquire permits (in some cases years).
- Constantly changing rules.
- Increasing costs and fees.
- Staff changes.
- Lack of accountability.<sup>23</sup>

The City of Santa Cruz received similar criticism that its Planning Department continually changes the rules. Critics say the department's philosophy is "just say no."<sup>24</sup> Other residents have described staff as helpful, fair, prompt, professional and said they were treated "humanely."<sup>25</sup>

Some residents say there is political influence involved with the permit process.<sup>26</sup> A 2003 Grand Jury report described pressure on the planning staff from elected officials.<sup>27</sup>

### **Possible Solutions**

In June 2002, the Santa Cruz County Board of Supervisors proposed recommendations to improve the permit and planning process, such as making applicants aware of their rights during the process. The Planning Department implemented a few of the recommendations. It did not implement others, citing the following reasons:

- The complexity of the established process.
- Legal requirements.
- State mandates, such as environmental regulations.<sup>28</sup>

Streamlining processes have been used in San Jose area planning departments. Some

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<sup>22</sup> Santa Cruz Sentinel, "Getting legal...", September 1, 2004, "Residents plead...", November 7, 2001.

<sup>23</sup> Santa Cruz County Supervisors Almquist and Wormhoudt, letter to Board of Supervisors, dated 19 June 2002 presented on the 25 June 2002 agenda of the Board of Supervisors regular meeting.

Jeanene Harlick, "Third District supervisor candidates face off in Bonny Doon," Santa Cruz Sentinel, 10 January 2002. Heather Boerner, "Supervisors want shorter, cheaper planning process," Santa Cruz Sentinel, 25 June 2002.

<sup>24</sup> Heather Boerner, "Getting legal: Tiny garage becomes part of a neighborhood," Santa Cruz Sentinel, 1 September 2002.

<sup>25</sup> Jeff Talmadge, "Planning...", Santa Cruz Sentinel, 6 August 2002. "Contractor thanks planning department," Santa Cruz Sentinel, Letter to the Editor, 5 February 2001.

<sup>26</sup> Pat Dugan, "Clean up permit process," Santa Cruz Sentinel, Letter to the editor, 26 March 2001.

<sup>27</sup> 2003 Santa Cruz County Grand Jury report.

<sup>28</sup> Santa Cruz Sentinel, 25 June 2002. Also in Board of Supervisors Minutes 25 June 2002, 1 October 2002, 10 December 2002, 11 February 2003, 25 February 2003, and from letter dated 25 June 2002, <http://sccounty01.co.santa-cruz.ca.us/bds/Govstream/archive/ArchiveIndex.asp>.

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jurisdictions have used a Total Quality Management (TQM)<sup>29</sup> approach to reduce steps and shorten the time it takes to process permits. These jurisdictions have taken a regional approach to code adoption and processes, as well as Internet technical advantages.<sup>30</sup>

### ***Field Investigation and Interviews***

The Grand Jury interviewed government officials and conducted surveys relating to building permits and code enforcement. The results are summarized in the chart on the opposite page.

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<sup>29</sup> Total Quality Management is a management theory put forth by Dr. W. Edwards Demming. This theory stresses teamwork, research, employee training and education, innovation and continuous improvement. The theory has proven to be very successful in foreign nations such as Japan. It has also been widely adopted by American companies. (Recommended reading: Mary Walton, [The Demming Management Method](#), 1985, and Daniel Hunt, [Quality in America](#), 1992). These ideas are also being adapted to government (See Al Gore, [Report of National Performance Reviews](#); [Businesslike Government](#), 1996; [Common Sense Government Works Better and Costs Less](#), 1995; [Serving the American Public](#); [Best Practices in Customer Driven Strategy](#), 1997).

<sup>30</sup> <http://www.jointventure.org/initiatives/smartpermit/index.html>, “Valley Permits Streamlined,” [Santa Cruz Sentinel](#), 22 March 2001.

**Findings**

1.

<b>JURISDICTION and population</b>	<b>Capitola 10,150</b>	<b>Santa Cruz 55,600</b>	<b>Scotts Valley 11,650</b>	<b>Watsonville 47,600</b>	<b>Santa Cruz County (unincorporated) 134,700</b>
<b>Number of building permits issued last fiscal year</b>	359	1,593	373	1,176	3,794
<b>Number of residential permits</b>	269	1,250 (est.)	307	981	Does not track in this manner.
<b>Number of commercial permits</b>	90	343 (est.)	66	195	Does not track in this manner.
<b>Average number of days from permit application until issuance</b>	7	121	21	16.1	Does not track in this manner.
<b>Average number of days for commercial permits</b>	45	102	45	20.5	Does not track in this manner.
<b>Fee to be paid * before issuance of a building permit for a 1,500 sq. ft. house</b>	\$19,252	\$16,155	\$42,045	\$29,837	\$25,998 (2,500 sq.ft. house, doesn't include water, discretionary planning, soils/ geologic fees)
<b>Illegal units and garage conversions discovered last fiscal year.</b>	2	92	4	259	320 (estimated)
<b>Number of staff in Building Dept.</b>	2	6	2.25	9	22
<b>Estimated # of illegal units</b>	100+	1,000 to 5,000	20-30	8,000	Would not estimate. ("A lot")

**Table 3. Survey of planning departments in Santa Cruz County, 2004.**

Source: Santa Cruz County Grand Jury 2003-2004 Survey.

\* See Appendix for detailed table

**Response: City of Capitola AGREES.**

**Response: City of Santa Cruz PARTIALLY AGREES.**

*The numbers representing process time for “Average number of days from permit application until issuance” and “Average number of days for commercial permits” do not accurately reflect overall performance. For example, the City of Santa Cruz does not normally take 121 days to process permits. The average time for a new dwelling, that is complete, accurately prepared and not requiring discretionary review, is only about 15 to 20 days. What extends the average is plans that require multiple rechecks or sit for long periods of time before either revisions are submitted or the applicant finally picks up the permit. The same is true for commercial permits.*

**Response: Santa Cruz County Board of Supervisors AGREES.**

*The County agrees with the finding insofar as it refers to County operations. The County cannot comment on the accuracy of the information provided for the cities.*

*As the data illustrates, the County Planning Department processes and inspects over 50% of the building permits issued by all jurisdictions within the entire county area. The County generally does not track the average number of days to complete the permit process, because often delays in the process are the direct result of the applicant not resubmitting required information. Initial processing times are well within the range of those described by the various cities.*

**Response: City of Scotts Valley AGREES.**

**Response: City of Watsonville PARTIALLY AGREES AND DISAGREES.**

*“Fees to be paid before issuance of a 1,500 sq. ft. house”      “\$29,837”*

*Partially agrees - The fee estimate as shown includes a \$10,270 affordable housing in-lieu fee. While this fee is applicable to a single family home on an existing parcel of record, the vast majority of the 981 residential permits were not subject to the fee as they were part of larger subdivisions (6 or more homes) with inclusionary affordable units, thus were not required to pay the affordable housing in-lieu fee.*

*“Number of staff in Building Dept.”      “9”*

*Partially agrees - The nine staff identified in the survey includes three permit center staff and two code enforcement officers. The permit center staff handles a multitude of issues including zoning, business license review and engineering related functions. The Code Enforcement Officers address a variety of issues that overlap building functions, but also include substantial property maintenance issues. Since the survey was completed, the*



*City hired a civilian fire prevention position that is under Community Development.*

*“Estimated # of illegal units” “8,000”*

*Disagree - During the primary harvesting time for strawberries and other row crops, it is likely that the City sees upwards of 8,000 additional residents. Many of these residents crowd into existing units, garages and storage buildings. We would estimate that the actual number of illegal units is closer to 1,000-2,000.*

### **Reported from Jurisdictions**

They were also asked what factors they believe contribute to people not getting permits. The answers to that question and the findings of what jurisdictions believe about themselves are listed below.

#### **City of Santa Cruz**

2. The city said it is diligent in performing plan checking.

**Response: City of Santa Cruz AGREES.**

3. The city said that many factors contribute to the average time from application to issuance of permits.

**Response: City of Santa Cruz AGREES.**

4. Specialized plan checks and engineering plan checking are outsourced.

**Response: City of Santa Cruz AGREES.**

5. The city cited several reasons for problems and delays:

- Applicants do not provide adequate plans.
- They do not pick up and correct plans in a timely manner.
- They do not pick up approved permits when they are ready.

These situations affected the city’s average number of days to issue permits.

**Response: City of Santa Cruz AGREES.**

6. City officials said they stress interpersonal service and receive compliments for good service.

**Response: City of Santa Cruz AGREES.**

7. Decision-making is decentralized.

**Response: City of Santa Cruz AGREES.**

8. The City Council has a hands-off approach and lets staff do their jobs.

**Response: City of Santa Cruz AGREES.**

9. Code enforcement is more reactive, unless a violation presents itself to them.

**Response: City of Santa Cruz PARTIALLY AGREES.**

*An exception is the Beach Flats target area, which is a pro-active enforcement area.*

10. Staff said permits are not obtained because:

- People are not informed one is needed.
- Other professionals say that permits are not needed.
- They are not affordable.
- People have no desire to obtain them.
- A project may not qualify for a permit to be built.

**Response: City of Santa Cruz PARTIALLY AGREES.**

*Another possibility is that people also want to avoid the bureaucratic process.*

11. The city has made it less restrictive and easier to build accessory dwelling units (Granny units).<sup>31</sup>

**Response: City of Santa Cruz AGREES.**

**Scotts Valley**

12. This city returned calls on the same day and delivered information to the Grand Jury within six days.

**Response: City of Scotts Valley AGREES.**

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<sup>31</sup> Heather Boerner, "Granny-unit amendment could affect thousands in Santa Cruz," [Santa Cruz Sentinel](#), 30 July 2002.

13. Staff is reactive to code violation complaints.

**Response: City of Scotts Valley AGREES.**

14. Staff said permits are not obtained because:

- The cost and difficulty in obtaining them.
- Environmental regulations, such as those enforced by State Fish and Game concerning endangered species like the Mt. Hermon June Beetle.

**Response: City of Scotts Valley PARTIALLY DISAGREES.**

*The two reasons cited above are not exclusive of other reasons that permits are not obtained. There are many other potential reasons why permits are not obtained.*

### **Capitola**

15. This city reports that its city councils have always stressed good customer service.

**Response: City of Capitola AGREES.**

16. The city is primarily built out, so certain violations like weed abatement are not an issue.

**Response: City of Capitola AGREES.**

17. This city said it is very efficient in issuing permits.

**Response: City of Capitola AGREES.**

### **Watsonville**

18. This city says it is very customer-oriented.

**Response: City of Watsonville AGREES.**

19. It issues “over-the-counter” permits for non-complicated residential and commercial additions ranging in size from 500 square feet up to 1,200 square feet, in 20 to 30 minutes. Staff does this with counter reviews on Mondays and Wednesdays.

**Response: City of Watsonville PARTIALLY AGREES.**

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*Since the survey was completed, as a result of budget constraints, the City has reduced over the counter reviews to Wednesday mornings only.*

20. It is proactive in code enforcement. All of its inspectors issue stop work notices if they see work without permits. They issue citations for illegal garage conversions.

**Response: City of Watsonville AGREES.**

21. It has a continuous improvement philosophy of “What can we do to make it better?”

**Response: City of Watsonville AGREES.**

**County of Santa Cruz**

22. The county said it is enforcing complex regulations.

**Response: Santa Cruz County Board of Supervisors AGREES.**

23. Conditions inherent to the unincorporated areas of the county such as sloping sites, geologic hazards and proximity to riparian corridors (like streams) make it more difficult to compare with a flat city lot. These factors lead to difficulties with people providing adequate plans and addressing these factors.

**Response: Santa Cruz County Board of Supervisors AGREES.**

*Not only do difficult rural sites result in difficulties for the public in submitting plans, but they often raise complex issues for staff in the course of the plan review process.*

24. The county does not track permits by residential or commercial, but uses other categories. The average time range from application for a permit until issuance is shown in Table 4 on the opposite page.

Type	Number of days
Minor residential remodels and additions less than 500 sq. ft.	24
Major residential additions greater than 500 sq. ft. and commercial additions	38
Single family dwellings	49
Commercial tenant improvements	35
Large commercial and multi-unit residential projects	70

**Table 4. Average length of time between permit application and issuance, County of Santa Cruz**

**Source: 2003-2004 Santa Cruz County Grand Jury Survey**

**Response: Santa Cruz County Board of Supervisors DISAGREES.**

*The data in Table 4 represents the time taken to complete the initial review of a permit, not the time for issuance.*

25. County officials gave several reasons that permits are not obtained:

- Costs (plans, engineering, permit fees, impact fees, fire sprinklers, tax reassessment).
- Without fines and penalties, the financial incentive may outweigh any risks.
- Some projects are built illegally because they would not qualify for permits.
- There is a tradition of owner-built projects without permits, especially in rural areas.

**Response: Santa Cruz County Board of Supervisors AGREES.**

26. County code enforcement is complaint driven (reactive).

**Response: Santa Cruz County Board of Supervisors PARTIALLY AGREES.**

*While code enforcement actions are generally in response to public complaints, some are as a result of conditions observed by various county staff, including those of the Planning Department.*

### ***Miscellaneous Findings***

These findings represent individual views from various jurisdictions. They are listed separately to protect the confidentiality of agencies interviewed.

27. Disability accessibility is required by law on new permits, but is not enforced by many jurisdictions.

**Response: City of Capitola DISAGREES.**

*Conversely, Capitola rigorously enforces ADA accessibility requirements.*

**Response: City of Santa Cruz DISAGREES.**

*Most/all jurisdictions enforce disability accessibility codes, some better than others.*

**Response: Santa Cruz County Board of Supervisors PARTIALLY DISAGREES.**

*Disability accessibility regulations are enforced within the unincorporated area and are taken very seriously. The County is not in a position to evaluate how seriously other jurisdictions take the requirements for access for persons with disabilities.*

**Response: City of Scotts Valley DISAGREES.**

*Scotts Valley actively enforces disability accessibility regulations with each building permit and requires improvements to sites as required by State Law. All work for ADA accessibility is required to be completed prior to signing off the final permit.*

**Response: City of Watsonville PARTIALLY DISAGREES.**

*The City of Watsonville enforces both ADA and Title 24 accessibility provisions as required by law.*

28. Some officials said that more regulations slow growth.

**Response: City of Capitola AGREES.**

*Generally, the more regulations, the more time it takes to ensure project consistency with applicable regulations.*

**Response: City of Santa Cruz PARTIALLY AGREES.**

*Many new regulations do not adversely affect growth.*

**Response: Santa Cruz County Board of Supervisors DISAGREES.**

*The County cannot comment on whether some officials may have said this. However, the County disagrees with the content of the statement. The mere act of enacting new regulations does not in and of itself slow growth. In the unincorporated area, in spite of adopting new land use regulations over the years, the rate of new residential permits has been steady for over ten years. Of course, it is certainly possible, depending on the nature of land use regulations and how they are administered, that the effect can be to slow down the review process for new development applications and ultimately the rate of new development.*

**Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.**

*The type of regulation that is in place may or may not slow growth.*

**Response: City of Watsonville PARTIALLY DISAGREES.**

*There remains a fine balance between protecting public health and safety while allowing for growth. Watsonville has strived to find this balance. At times, what is perceived as “more” regulations is actually a streamlining/change of regulations.*

29. Some officials said that people do not like regulatory agencies.

**Response: City of Capitola PARTIALLY AGREES.**

*Some people do not like regulatory agencies, particularly if regulations impede need or desire of theirs. However, other people do like regulatory agencies, as regulations can ensure public health and safety and maintenance of community standards and values.*

**Response: City of Santa Cruz PARTIALLY AGREES.**

*While most people would rather not have to deal with regulatory agencies, most understand that they are necessary. The problem lies in agencies that make the process overly difficult and expensive.*

**Response: Santa Cruz County Board of Supervisors PARTIALLY AGREES.**

*The County cannot speak to the accuracy of this very general statement. Nevertheless, generally speaking, people often do not like regulatory agencies when*

*they need permission for their own actions, but are supportive of the agencies when they are restricting what their neighbors can do.*

**Response: City of Scotts Valley AGREES.**

*However, there are some people who have been very satisfied with their experiences working with local government.*

**Response: City of Watsonville PARTIALLY DISAGREES.**

*There are many people in Watsonville who appreciate the work of the Department in protecting their place of residence and many times their principal investment. We have customers who do not like to pay fees or to be subject to review by our inspectors; this is the nature of the department.*

30. Staff said it performs in a professional manner.

**Response: City of Capitola AGREES.**

**Response: City of Santa Cruz AGREES.**

**Response: Santa Cruz County Board of Supervisors AGREES.**

*The County requires employees to act in a professional manner and takes appropriate actions in those limited instances when staff do not comply with County standards of conduct.*

**Response: City of Scotts Valley AGREES.**

**Response: City of Watsonville AGREES.**

31. Loss of businesses is an issue in the City and County of Santa Cruz as companies move to areas where labor and housing are cheaper.

**Response: City of Capitola PARTIALLY AGREES.**

*Certain types of companies have moved, however other companies and uses continue to be established and to thrive in Santa Cruz.*

**Response: City of Santa Cruz AGREES.**

**Response: Santa Cruz County Board of Supervisors AGREES.**



*The County is concerned about the potential for businesses to relocate to areas with lower housing and labor costs. More likely, our high cost housing area has served to discourage businesses from relocating to our area.*

**Response: City of Scotts Valley AGREES.**

**Response: City of Watsonville CANNOT RESPOND.**

*This finding was not directed to Watsonville.*

32. Some officials said the county takes too long to issue permits.

**Response: City of Capitola PARTIALLY AGREES.**

*The County does seem to take longer than other jurisdictions to issue permits, however it is difficult to conclude that it takes “too long” because every project is different with regard to the constraints and regulations that apply. Lacking firsthand knowledge, it is difficult to generalize.*

**Response: City of Santa Cruz CANNOT RESPOND.**

*The City of Santa Cruz is in no position to comment on this suggestion.*

**Response: Santa Cruz County Board of Supervisors DISAGREES.**

*The department is working to improve the time used for processing discretionary permits, and current schedules reflect the complexity of development in the unincorporated area.*

**Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.**

*This response applies to the County of Santa Cruz.*

**Response: City of Watsonville CANNOT RESPOND.**

*This finding was not directed to Watsonville.*

33. Some officials said that planning and building employees leave the county's jurisdiction to work elsewhere because the county does not provide good customer service.

**Response: Santa Cruz County Board of Supervisors DISAGREES.**

*The Planning Department conducts informal exit interviews when employees depart. While there have been issues about workload issues and salaries expressed through that process, to our knowledge no one has left due to the county's performance relative to customer service.*

34. It was reported that there is not enough staff, regular or specialized, to address permit applications in a timely manner, especially during times of increased permit activity. Some projects “fall through the cracks.”

**Response: City of Capitola PARTIALLY AGREES.**

*The City of Capitola, with only one full-time planner responsible for permits, is understaffed in the Community Development Department. However, contract staff is used during times of increased permit activity, and projects do not fall through the cracks.*

**Response: City of Santa Cruz PARTIALLY AGREES.**

*In the City of Santa Cruz this is the rare exception rather than the rule.*

**Response: Santa Cruz County Board of Supervisors DISAGREES.**

*Clearly over the years, as a result of a number of issues, there have been delays in filling vacancies. In some cases, those staff shortages have resulted in longer processing times. However, we are not aware of applications “falling between the cracks.” The County's extensive computer tracking systems are designed to ensure that all applications are appropriately processed.*

**Response: City of Scotts Valley DISAGREES.**

*While there are times of higher levels of permit activity, when this occurs, it can take longer to obtain a permit. However, projects do not “fall through the cracks” and we actively respond to customers on a regular basis. We employ a “first come, first served” policy. The time to process permits does bear a strong relationship to the completeness and accuracy of the application submitted.*

**Response: City of Watsonville AGREES.**

*Budget constraints will always impact these functions. It is also difficult to hire and retain qualified individuals given the high cost of housing.*

35. Some staff from different jurisdictions cooperate to solve problems, but some do not. There has been no regional approach to solutions, as has occurred with jurisdictions in the San Jose area.

**Response: City of Capitola DISAGREES.**

*Staff do cooperate when there is need and opportunity to cooperate; such as with the Housing Element update process, and transportation planning, through the Association of Monterey Bay Area Governments, and the Regional Transportation Commission. Fundamentally, however, different jurisdictions are each political entities, and decision-making processes in the different jurisdictions can sometimes reflect the different values or priorities of that jurisdiction.*

**Response: City of Santa Cruz DISAGREES.**

*Staff meets regularly with other Monterey Bay agencies to develop regional consistency.*

**Response: Santa Cruz County Board of Supervisors DISAGREES.**

*While there is always room for greater inter-jurisdictional cooperation, there is adequate coordination between the jurisdictions on most critical land use issues. There are currently regional discussions regarding transportation issues. The water and land use agencies interact on a regular basis. And, the issue of affordable housing approaches is the most common topic of discussion between the local planning agencies. As well, in the area of land use regulations, local jurisdictions often interact on approaches for designing land use regulations.*

**Response: City of Scotts Valley DISAGREES.**

*We are actively cooperating with many jurisdictions on a variety of issues.*

**Response: City of Watsonville DISAGREES.**

*The City of Watsonville has no direct knowledge of a lack of cooperation by jurisdictions. The lack of staffing identified in finding 34 has significantly limited our ability to work on the larger picture issue of regional consistency. Our customer base is made up of primarily local builders and homeowners that see little benefit of having regulations consistent with the City of Santa Cruz as an example; they much prefer getting their project completed in a timely manner.*

36. Santa Cruz County is an expensive place to live compared to median home prices in most other areas.

**Response: City of Capitola AGREES.**

**Response: City of Santa Cruz AGREES.**

**Response: Santa Cruz County Board of Supervisors AGREES.**

**Response: City of Scotts Valley AGREES.**

**Response: City of Watsonville AGREES.**

37. A comparison of some jobs indicates that Santa Cruz County pays less than other jurisdictions and the private sector:

**Planner (mid-level, September 2002)**

• Santa Cruz County	\$53,184
• City of Santa Cruz	\$59,964
• Private sector	\$83,200
• San Mateo County	\$58,998
• Santa Clara County	\$62,007
• Monterey County	\$59,112 <sup>32</sup>

**Response: City of Capitola PARTIALLY AGREES.**

*It is necessary to compare the job duties and required skill and experience level of various positions to ensure an “apples to apples” comparison; however it does appear that Santa Cruz County mid-level planner salaries are lower than many other jurisdictions.*

**Response: City of Santa Cruz AGREES.**

**Response: Santa Cruz County Board of Supervisors AGREES.**

*The County is unable to ascertain the source of the exact numbers cited in the Grand Jury report, but they appear to generally indicate the relative pay of the different jurisdictions in 2002. Since that time, the County has undertaken some equity adjustments with the intention of closing that gap.*

**Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.**

*We have not conducted a salary survey to validate the finding.*

**Response: City of Watsonville PARTIALLY DISAGREES.**

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<sup>32</sup> “County pay at heart of threat: Salary reveals workers often labor for less...”  
<http://www.santacruzsentinel.com/archive/2002/September/13/local/stories/021local.htm>

*The City of Watsonville mid level salary for Associate Planner (commensurate with referenced positions) pays approximately \$48,000 annually or almost \$5,000 less than that noted for Santa Cruz County. Benefits are also a factor and really should be part of the equation when comparing positions.*

38. Twenty-seven cities and two counties in the San Jose area use a Total Quality Management approach by adopting uniform building codes and forms to improve the permit process.<sup>33</sup>

**Response: City of Capitola CANNOT RESPOND.**

*The City of Capitola has no knowledge of that specific arrangement.*

**Response: City of Santa Cruz AGREES.**

*The City of Santa Cruz participates in this process.*

**Response: Santa Cruz County Board of Supervisors CANNOT RESPOND.**

*The County is not in a position to agree or disagree with this finding. While there was a concerted effort many years ago to coordinate business-related permits among Santa Clara communities, we are not currently aware of the status of that effort.*

**Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.**

*We participated in the development of the “Smart Building Permit” process in the San Jose area. After participation we found that the issues were closely associated with the large computer corporations that had significant issues with privacy for their business product and large architectural firms working with multiple jurisdictions. The application of this system to our area would most likely not address application processing issues here. We deal more with individual property owners, rather than large corporations and large architectural firms. We agree there can be merit in standardizing systems within our region, however.*

**Response: City of Watsonville AGREES.**

*We are aware of the program, but cannot confirm the exact number of jurisdictions employing TQM.*

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<sup>33</sup> Greg Larsen, “Smart Growth in Silicon Valley,” The New Democrat,  
[http://www.ndol.org/ndol\\_ci.cfm?kaid=116&subid=154&contentid=1275](http://www.ndol.org/ndol_ci.cfm?kaid=116&subid=154&contentid=1275) 1-March 1999

39. Citizens have organized to have more control over the planning process.<sup>34</sup>

**Response: City of Capitola AGREES.**

*Citizen's groups are an important part of the land use planning process, and decision-makers value the participation of citizen's groups.*

**Response: City of Santa Cruz PARTIALLY AGREES.**

*This "organization" is off base, as is the challenge to "redtag."*

**Response: Santa Cruz County Board of Supervisors DISAGREES.**

*We are not aware of any citizen groups organized to have "more control over the planning process." Rather, what we have seen, off and on over the years, are attempts to organize those who have been cited for illegal construction activities in an attempt to simplify what they need to do to justify their illegal construction.*

**Response: City of Scotts Valley PARTIALLY DISAGREES.**

*We are aware of some groups who have formed to improve systems at the County of Santa Cruz and City of Santa Cruz. We recently corresponded with one particular group to offer to meet and discuss any issues related with Scotts Valley. They responded that they currently had no issues with Scotts Valley.*

**Response: City of Watsonville PARTIALLY DISAGREES.**

*In the City of Watsonville, we include the community and encourage public involvement in the process from the beginning. Rarely have we been at a point where the community has been forced to organize because there was no other option provided.*

40. Currently, there are no politically independent advocates or citizen boards available that are specific to planning and building issues and complaints (except for the Civil Grand Jury, which can only make recommendations in a report). Legislators appoint current Planning Commissions. Legislators appoint Building and Fire Boards of review, only address code interpretation, and seldom if ever meet.<sup>35</sup>

**Response: City of Capitola PARTIALLY AGREES.**

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<sup>34</sup> Jondi Gumz, "County's authority to 'redtag' challenged," Santa Cruz Sentinel, 1 February 2004, p A-19

<sup>35</sup> Santa Cruz County Web site.

*Although legislators appoint Planning Commissions, there are varying degrees of how “politicized” Planning Commissions become. Some Planning Commissions try to focus on quality land use decisions and consistent interpretation and application of codes, and thus minimize politics in planning.*

**Response: City of Santa Cruz AGREES.**

**Response: Santa Cruz County Board of Supervisors DISAGREES.**

*The County disagrees with this finding and believes that the current situation is appropriate. Citizens are an active part of the public hearing process and participation is vigorous.*

**Response: City of Scotts Valley AGREES.**

*The City agrees with this finding, but also wishes to point out that our process is continually improved and modified in response to citizen comments. As a smaller jurisdiction, Scotts Valley is very accessible to its citizens and can respond to process issues in a timely manner.*

**Response: City of Watsonville PARTIALLY DISAGREES.**

*The City of Watsonville believes in “home rule” and that the residents and voters should have the right to select who and how they are represented and that another board would only increase delays in the development process. The Board of Appeals has, by building code, a very specific role and should be needed seldomly if the building official and staff perform their duties.*

41. Jurisdictions do not track performance in such a way that they can use it to compare themselves to other jurisdictions. They do not belong to performance comparison organizations, such as The International City/County Management Association (ICMA).

**Response: City of Capitola AGREES.**

**Response: City of Santa Cruz PARTIALLY AGREES.**

*The City of Santa Cruz is able to track its own performance. However, there is not sufficient data from other agencies to compare to.*

**Response: Santa Cruz County Board of Supervisors AGREES.**

*The issues from one jurisdiction to another are quite different and attempts to establish common methods to track and compare performance are a challenge.*

*That is not to say that a local jurisdiction should not clearly define its own expectations of its operations and measure performance against those goals and benchmark expectations to the extent possible.*

**Response: City of Scotts Valley PARTIALLY DISAGREES.**

*We do agree that we do not compare our performance to other jurisdictions, as that information is not readily available to the City of Scotts Valley. However, in Scotts Valley, reports are published on a regular basis to track applications and status of applications. We also are evaluating staff performance by tracking time spent on each particular project. We strongly adhere to the timelines set by the Permit Streamlining Act.*

**Response: City of Watsonville PARTIALLY DISAGREES.**

*The City of Watsonville has found little benefit in utilizing comparison of performance given the uniqueness of each community and the stakeholder groups. The City Manager is a member of ICMA.*

42. The County Planning Department reviews zoning sections of the County Code. It presented the Board of Supervisors with suggested changes to the County Code to:
- Make it clearer.
  - Give clearer definitions.
  - Correct grammatical and spelling errors.

**Response: Santa Cruz County Board of Supervisors AGREES.**

*That action was only the first of many actions that will be taken to simplify both the formal regulations and administrative processes.*

43. The County Board of Supervisors has made previous attempts to improve the permit process.

**Response: Santa Cruz County Board of Supervisors AGREES.**

*Over the years the Board of Supervisors has acted to encourage streamlining of the permit processes while not sacrificing the ability to properly review and condition projects. The Board will continue that effort.*

44. The Assessor's Office is usually notified after a permit for a structure is obtained, but not when it is discovered by a Code Enforcement action. An illegal structure



can exist for years, and then be demolished when found out, but without incurring any tax liability.

**Response: Santa Cruz County Board of Supervisors DISAGREES.**

*The Planning Department and Assessor, as part of the new land use tracking system, are developing a system that will allow for such referrals.*

45. All California counties must produce Housing Elements. A Housing Element is a plan that discusses how the county will accommodate its fair share of growth. The fair share of growth is set by the state. The county has not had a state-certified Housing Element for 10 years. Its current proposed Housing Element is undergoing corrections and clarifications requested by the State of California.

**Response: Santa Cruz County Board of Supervisors AGREES.**

*The County remains committed to receiving certification of its Housing Element.*

## **Conclusions**

1. The permitting processes are often too slow, too complex and too costly. Making the system simpler, cheaper and faster could encourage more people to comply. Amnesty programs could help. More people in compliance would mean more people are paying taxes and revenues would increase.
2. Some officials and staff have tried, and continue to try to improve the system.
3. A Total Quality Management approach could benefit all jurisdictions.
4. Citizens would like more influence over how the Planning and Building Departments operate.
5. If Planning and Building Departments notified the Assessor's Office of illegal construction as soon as it is discovered, the Assessor might be able to determine a value for taxes.
6. Processing may get bogged down in some specialized areas of review. A qualified independent review board could help by confirming or refining staff determinations.
7. Applicants need an independent advocate, not politically tied to a legislative body, and an independent review board, with the authority to make staff act with due diligence and to hear complaints and appeals.

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8. Some jurisdictions do not have enough employees, regular or specialized, to perform their duties expediently.
9. There is no regional approach to permitting, such as that which has been successful in the San Jose area.
10. Jurisdictions have varied departmental performance measures.
11. Scotts Valley responded promptly, professionally and courteously. It had the shortest response time of all the jurisdictions investigated.
12. Capitola had a quick turn around time for residential reviews.
13. Watsonville provides over the counter plan reviews, a friendly customer service orientation and pro-business attitude.
14. The City of Santa Cruz stresses interpersonal service and provides service-oriented training to staff.
15. Some county staff return phone calls promptly and have a professional courteous manner.
16. Customer service was also influenced by city councils that stressed its importance, and by councils that did not interfere with staff operations and decisions.
17. People do not like planning and building departments because of their regulatory functions. In spite of public perceptions, in most cases staff operates in a professional manner.
18. County planning's attempt to simplify the County Code is a good step toward improving the system.
19. After more than a decade, the county is close to achieving a state certified Housing Element.
20. County Planning has lost staff because they can make more money elsewhere and it is so expensive to live here.
21. The City of Santa Cruz has taken a positive step toward helping people and housing, by making it less restrictive and less expensive to build Accessory Dwelling Units (Granny units).
22. Owners and tenants of illegal units enjoy all of the benefits of a tax-paid infrastructure, such as parks, schools, law enforcement and libraries, but do not pay

their share of taxes. Taxpayers provide the money for benefits that everyone enjoys.

## **Recommendations**

1. All jurisdictions should commit themselves to making the permitting processes faster, easier and cheaper. Legislative bodies should consider amnesty programs, reduction in fees, reducing restrictions and streamlining permit processes in order to encourage people to build legally and to legalize existing illegal structures.

### **Response: City of Capitola PARTIALLY AGREES.**

*It must be remembered that the development permitting process is foremost a regulatory process. The goal of the regulatory intent should be the first priority, then taking the steps necessary to make the process faster, easier and cheaper. The City of Capitola is undertaking an effort to clarify its zoning ordinance, has hired contract staff to ensure timely processing of applications, and charges fees based on actual cost recovery for the project, such that applicants are refunded permit fees if less staff time than anticipated is taken.*

### **Response: City of Santa Cruz AGREES.**

*The recommendation has been implemented. The City of Santa Cruz continuously strives to make the permitting process faster and easier by providing personal service and advice, application and educational materials, and outsourced plan checking services at no additional expense. The City's fee rates for permitting are currently among the lowest in the County. Illegal construction in the City usually involves the creation of accessory dwelling units (ADUs) through conversion of garages or accessory structures without the benefit of permits. To encourage the legal development of ADUs, the City has enacted Zoning Ordinance changes that relax on-site covered parking requirements and make most ADU applications approvable over the counter, thereby avoiding the substantial cost of discretionary use permits. Additionally, the City developed prototype designs and a "how to" handbook for homeowners interested in developing ADUs. The City Council chose to take this proactive approach of facilitating legal development rather than an amnesty program, which implies an aggressive code enforcement effort, due to the lack of staff resources to support an intensive abatement program.*

### **Response: Santa Cruz County Board of Supervisors AGREES.**

*This recommendation is being implemented as part of an overall review of the current land use regulations which will take place over the next several years. The*

*first phase of that process, beginning to correct code inconsistencies and errors, has already begun by the Board of Supervisors. As well, the Planning Department is currently reviewing its administrative processes with the intention of simplifying requirements and streamlining processes, where appropriate.*

**Response: City of Scotts Valley AGREES.**

*The recommendation has already been implemented. Scotts Valley has adopted amnesty programs for correcting illegal construction, reduced fees for correcting illegal second dwelling units and for tree removal permits and amended regulations to streamline permit processes.*

**Response: City of Watsonville PARTIALLY AGREES.**

*This recommendation requires further analysis. We have implemented the streamlining of processes. We remain concerned that amnesty programs only encourage more illegal construction and are not sustainable without modifications at the State level on Title 24 energy codes and other similar codes. The City has approached local legislators to carry legislation to address these issues and we will continue to do so.*

2. The legislative bodies of the cities and county, and the management of their respective Planning and Building Departments should consider policies of Total Quality Management (TQM) to promote teamwork of employees and the public, and continuous improvement of the system. Training and education of employees should emphasize customer service.

**Response: City of Capitola PARTIALLY AGREES.**

*TQM has advantages and disadvantages. Certainly effective management systems should be in place to increase the delivery of services in every department.*

**Response: City of Santa Cruz AGREES.**

*The recommendation has been implemented. The City of Santa Cruz has for years fostered in its employees a culture of customer service and teamwork, which are at the heart of the Total Quality Management concept and similar tools of organizational management. The Department of Planning and Community Development periodically conducts department-wide training emphasizing team building and customer service.*

**Response: Santa Cruz County Board of Supervisors AGREES.**

*This recommendation is being implemented as part of an overall review of the*

*current land use regulations that will take place over the next several years. The first phase of that process, beginning to correct code inconsistencies and errors, has already begun by the Board of Supervisors. As well, the Planning Department is currently reviewing its administrative processes with the intention of simplifying requirements and streamlining processes, where appropriate.*

**Response: City of Scotts Valley AGREES.**

*The City has implemented processes to promote teamwork, improve morale, and to ensure quality communication and responsiveness to our customers. Customer service is emphasized on a daily basis and staff members are evaluated on the basis of their relationships with customers, their ability to process applications in a timely manner, and their relationships with co-workers.*

**Response: City of Watsonville AGREES.**

*This recommendation has been implemented.*

3. The legislative bodies of the cities and county should appoint public boards to review current ordinances and department procedures in order to make recommendations for improvement. The boards should be composed of individuals with a variety of interests throughout the county, to provide fair and balanced assessments and recommendations for improvement and implementation. Examples might include:
  - One member from a real estate group.
  - One member from an environmental group.
  - One member from a builders group.
  - One member from a public housing group.

**Response: City of Capitola PARTIALLY AGREES.**

*The City of Capitola is currently conducting public hearings to update and clarify its zoning ordinance. Members of the public are welcome to attend, and outreach to the design and building community has occurred. Whether a public board as described above is needed should be a decision of each jurisdiction, based upon the significance of the need to improve current ordinances and procedures.*

**Response: City of Santa Cruz DISAGREES.**

*The recommendation will not be implemented, because it is not warranted. The City of Santa Cruz already has appointed boards in place to deal with citizen complaints and appeals—the Planning Commission and the Board of*

*Building Appeals. Our staff and management team is usually effective in solving problems of individual customers.*

**Response: Santa Cruz County Board of Supervisors DISAGREES.**

*This recommendation will not be implemented. It is the responsibility of the Board of Supervisors and Planning Commission to review the current county ordinances. The Planning Director is responsible for making appropriate recommendations relative to changes to those ordinances. The Planning Director is currently pursuing an aggressive strategy to address the deficiencies of the department's administrative systems. As part of that process, staff is expected to consult with various involved community groups.*

**Response: City of Scotts Valley DISAGREES.**

*We have an alternative process already in place for property and business owners to address the City to consider code/process amendments. This process allows for direct access to the City Council to request the initiation of a Code amendment or change in policy or procedure. The City has been successful in making changes to address issues where the Code was not adequate or too cumbersome. Staff is also encouraged to bring forward Codes, policies or processes that are not working so that they can be improved. We do not believe that such a board could be as effective as our current process.*

**Response: City of Watsonville DISAGREES.**

*This will not be implemented in this form. The City has a Planning Commission made up of citizens. The City Council establishes working groups and committees. Overall, the City works well with community members and stakeholder groups. These actions will continue on an "as needed" basis and in response to community demands.*

4. The Board of Supervisors should appoint a qualified board of appeal and review for geologic approval, so the county geologist's decisions may be reviewed.

**Response: Santa Cruz County Board of Supervisors DISAGREES.**

*This recommendation will not be implemented. The County has been presented no information (including in the Grand Jury Report) to indicate that there is a problem or to justify the recommendation.*

5. The legislative bodies should appoint an ombudsman to act as an advocate for the public, and a review board to hear complaints and render authoritative decisions concerning planning and building issues.

**Response: City of Capitola DISAGREES.**

*Department Directors, City Managers, Planning Commissions, and City Councils presently carry out this function for the City of Capitola.*

**Response: City of Santa Cruz DISAGREES.**

*The recommendation will not be implemented, because it is not warranted. As noted in the response to Recommendation 3 above, staff is usually effective in solving our customers' problems, and review boards already exist to hear complaints and appeals.*

**Response: City of Scotts Valley PARTIALLY AGREES.**

*The City has already implemented an alternative form of ombudsman process. We have two existing appeals boards to address building and code enforcement issues, and we offer appeals to planning issues to the Planning Commission. We do agree that these boards are not often used for such issues, but given the low volume of code enforcement issues and the ability for staff to work out issues with applicants in an independent fashion, there is not a volume of problems occurring to warrant establishment of an ombudsman position. Also, the Community Development Director and City Manager serve in a quasi-ombudsman role. If applicants are having problems, they can approach the Community Development Director and City Manager to have their issues addressed.*

**Response: City of Watsonville PARTIALLY DISAGREES.**

*This recommendation requires further analysis. City staff has made a preliminary assessment of the concept. However, budget constraints, other priorities and general logistical concerns have delayed any form of implementation. Given current budget constraints, it is unlikely that this will be implemented.*

6. Planning and Building Departments should notify the County Assessor's Office when illegal units and structures are discovered, so they may be assessed.

**Response: City of Capitola AGREES.**

**Response: City of Santa Cruz AGREES.**

*The recommendation has been implemented. Staff advises the County Assessor's Office upon sending a Notice of Violation to a property owner and also provides to the Assessor's Office a copy of the building official's Notice and Order detailing illegal conditions and activities.*

**Response: Santa Cruz County Board of Supervisors AGREES.**

*This recommendation is being implemented. The Planning Department and Assessor, as part of the new land use tracking system, will develop a system that will allow for such referrals.*

**Response: City of Scotts Valley AGREES.**

*The City has implemented a process to forward copies of permits that result from our code enforcement process to the Assessor.*

**Response: City of Watsonville DISAGREES.**

*This recommendation will not be implemented. Once the City is aware of the illegal construction, we are obligated to abate the problem. The Assessor's Office receives notice of demolition and building permits so as to maintain their records. The act of assessing individuals for illegal construction creates an inherent conflict with enforcement. One County government entity acknowledges and taxes while the City cites and abates it. The Assessor's Office should report illegal construction to the City. Furthermore, Assessor's records should be available for public review as a public record without owner consent for better disclosure and accountability.*

7. During times of excessive permit activity which result in delays and overburdens staff, jurisdictions should allow applicants to use an approved private sector specialist, such as an engineer or geologist, to perform plan checking in order to expedite the permit process.

**Response: City of Capitola PARTIALLY AGREES.**

*The City of Capitola has contracted with a permit planner who is assigned "overflow" projects, at the discretion of the Community Development Director, which is cost-neutral to the applicant. The Building Department does use outside plan checkers for certain projects. Capitola is not generally considered to be slow in processing planning and building permits.*

**Response: City of Santa Cruz AGREES.**

*The recommendation has been implemented. For the past 15 years the City of Santa Cruz has employed the services of an outside plan-checking agency, which has the staffing and breadth of professional expertise to handle fluctuations in workload and complex projects.*

**Response: Santa Cruz County Board of Supervisors PARTIALLY AGREES.**



*This recommendation is being implemented, but in a different fashion than that suggested by the Grand Jury. While the Grand Jury's concerns regarding reasonable processing times are appropriate, we do not believe that transferring the County's legal responsibilities to private companies will best solve this problem, and could expose the County to unnecessary liability. Instead, the County is exploring alternative means to staff for predictable seasonal workload peaks.*

**Response: City of Scotts Valley AGREES.**

*The City has already implemented this recommendation. We have a system for outside planning and building services. However, it is important to note that contracting out such services requires notice to unions if it is related to particular bargaining units. The notice process can some times deflate the benefit of using an outside service.*

**Response: City of Watsonville AGREES.**

*The City has implemented this recommendation.*

8. All of the jurisdictions in the county should take a regional approach to creating regional standards for applications, permitting, inspections, etc. as has been accomplished in San Jose area jurisdictions. This could streamline processes and provide uniformity and fairness.

**Response: City of Capitola PARTIALLY AGREES.**

*There may be some areas where uniformity could be of benefit to jurisdictions and to applicants. However, different circumstances and different regulations will likely result in continued need for variation of process.*

**Response: City of Santa Cruz AGREES.**

*The recommendation has been implemented by the City of Santa Cruz which, along with the City of Capitola, has participated actively in regional efforts of local building officials to standardize methodology for the implementation of codes. These are joint efforts of the Monterey Bay, Peninsula, and East Bay Chapters of the International Code Council. Unfortunately, building officials of the other jurisdictions in Santa Cruz County, including the County, do not regularly participate in these activities.*

**Response: Santa Cruz County Board of Supervisors DISAGREES.**

*This recommendation will not be implemented. While the standard approach*

*method for industrial tenant improvements may have been successful in Santa Clara County, their issues are considerably different than in Santa Cruz County. We believe that the most important issues for Santa Cruz County residents and business owners are clear regulations that are consistently enforced by a staff with a strong customer orientation. We believe that efforts are underway in the Planning Department to make major strides to meet those goals in the next several years.*

**Response: City of Scotts Valley DISAGREES.**

*The City would have to indicate that we could not implement such a system at this time. The City is interested in implementing such a program, and would be happy to participate in and work on developing uniform systems. At this time, however, our staffing levels and budget would not allow us to be in charge of spearheading such an effort and we cannot provide a timeline for setting up such a process.*

**Response: City of Watsonville PARTIALLY AGREES.**

*This recommendation has not yet been implemented. We agree that this regional process should occur. We believe that, at minimum, the Monterey County jurisdictions should also be included. We will participate in the process when initiated.*

9. Uniform departmental performance measures should be established and maintained so a jurisdiction can set goals and gauge how well it is doing.

**Response: City of Capitola PARTIALLY AGREES.**

*With a staff of three planners for all permits, planning and redevelopment/affordable housing, there is not really any “overlap” in duties for the Capitola planning positions, so “uniform” performance measures for the planners to compare themselves to each other are not relevant here, but could be useful elsewhere.*

**Response: City of Santa Cruz DISAGREES.**

*The recommendation will not be implemented, because it is not reasonable. Performance measures would need to relate to the nature, extent, and complexity of the workload, which varies greatly from jurisdiction to jurisdiction.*

**Response: Santa Cruz County Board of Supervisors AGREES.**

*This recommendation is currently being implemented. As described earlier, the department is going through a careful evaluation of its procedures and regulations. As part of that process, prior performance goals are being reevaluated and*

*expanded. It is anticipated that these changes will be phased in over the next several years.*

**Response: City of Scotts Valley AGREES.**

*We have already implemented such a system; see our response to Recommendation No. 2.*

**Response: City of Watsonville AGREES.**

*The City has implemented this recommendation. We will continue to strive to improve.*

10. The county should continually improve its processes.

**Response: Santa Cruz County Board of Supervisors AGREES.**

*This recommendation is currently being implemented, as has been described above.*

11. The county should take measures to retain good, hardworking staff.

**Response: Santa Cruz County Board of Supervisors AGREES.**

*This recommendation is currently being implemented, both as has been described earlier and through salary equity actions previously taken by the Board of Supervisors.*

12. The Board of Supervisors should be commended for trying to make the county planning processes better.

**Response: Santa Cruz County Board of Supervisors AGREES.**

*The Board appreciates the Grand Jury's recognition of its efforts.*

13. The City Councils of Capitola, Santa Cruz, Scotts Valley and Watsonville should be commended for conveying the importance of customer service to city staff, and allowing staff to make decisions without interference.

**Response: City of Capitola AGREES.**

*Recognizing that as the Council exercises its legal authority over planning and development matters, such action does not constitute interference.*

**Response: City of Santa Cruz AGREES.**

*The recommendation has been implemented.*

**Response: Santa Cruz County Board of Supervisors CANNOT RESPOND.**

*This recommendation does not apply to the County.*

**Response: City of Watsonville AGREES.**

*The City has implemented this recommendation. We appreciate the acknowledgement.*

14. The staff of all jurisdictions should be commended for providing professional services to customers who may dislike them because of the regulatory nature of their jobs.

**Response: City of Capitola AGREES.**

**Response: City of Santa Cruz AGREES.**

*The recommendation has been implemented.*

**Response: Santa Cruz County Board of Supervisors AGREES.**

*The Board of Supervisors appreciates and shares the Grand Jury's recognition of the difficulty of regulating land use activities in this county.*

**Response: City of Scotts Valley AGREES.**

*This recommendation does not appear to require any implementation. Thank you for the comment.*

15. The County Planning Department should be commended for trying to correct typographical errors, better define terms and make things clearer in the County Code. They should continue to do this, heeding the input of the public.

**Response: Santa Cruz County Board of Supervisors AGREES.**

*The Board of Supervisors appreciates and shares the Grand Jury's recognition of the Planning Department's efforts to simplify the codes.*

16. The County Planning Department staff should be commended for its hard work on the Santa Cruz County Housing Element.

**Response: Santa Cruz County Board of Supervisors AGREES.**

*The Board of Supervisors appreciates and shares the Grand Jury's recognition of the Planning Department's efforts to obtain certification of the Housing Element.*

17. The City of Santa Cruz should be commended for making the regulations for Accessory Dwelling Units (Granny units) less restrictive.

**Response: City of Santa Cruz AGREES.**

*The recommendation has been implemented.*

18. People who do the hard work of getting permits to make their communities safe and legal, thereby preserving the value of their neighborhoods and paying their share of taxes resulting from getting permits, should be commended.

### **Responses Required**

<b>Entity</b>	<b>Findings</b>	<b>Recommendations</b>	<b>Respond Within</b>
Capitola City Council	1, 15 - 17, 27 - 32, 34 - 41	1 - 3, 5 - 9, 13, 14	90 days (September 30, 2004)
Santa Cruz City Council	1 - 11, 27 - 32, 34 - 41	1 - 3, 5 - 9, 13, 14, 17	90 days (September 30, 2004)
Santa Cruz County Board of Supervisors	1, 22 - 45	1 - 4, 6 - 16	90 days (September 30, 2004)
Scotts Valley City Council	1, 12 - 14, 27 - 32, 34 - 41	1 - 3, 5 - 9, 14	90 days (September 30, 2004)
Watsonville City Council	1, 18 - 21, 27 - 32, 34 - 41	1 - 3, 5 - 9, 13	90 days (September 30, 2004)

## APPENDIX

- A. Comparison of Various Building Permit Fees  
By Jurisdiction
- B. Code Enforcement Survey  
Jurisdiction
- C. Building Department Survey
- D. Code Enforcement Survey

### Comparison of Various Building Permit Fees By Jurisdiction

Jurisdiction	Capitola	Santa Cruz	Scotts Valley	Watsonville	County of Santa Cruz
Building Plan Check	2,061	893	864	788	---
Planning Plan Check	634	761	167	250	246
Building Permit	3,171	1,375	(est.)250 0	1,900	5,796
Fire	---	248	225	75	750
Parks and Rec.	---	4,500	6,297	2,001	3,000
Water	5,856	3,356	16,702	2,820	not incl. <sup>36</sup>
Sewer fee	4,500	1,200	5,425	1,343	3,000
Traffic Impact	0	0	3,546	1,820	4,350
School fee	3,000	2,340	4,650	5,700	5,125
Affordable Housing	---	---	---	10,270	---
Discretionary Planning	---	---	---	---	not incl. <sup>37</sup>
Soil/Geologic fees	---	---	---	---	not incl. <sup>38</sup>
Other fees	30	1,482	1,669	2,871	3,731
<b>TOTAL</b>	<b>\$ 19,252</b>	<b>\$16,155</b>	<b>\$ 42,045</b>	<b>\$ 29,838</b>	<b>\$ 25,998</b>

<sup>36</sup> Fees vary by Water District. Some examples: San Lorenzo Valley Water - \$6,466. Soquel Creek Water - \$8,900. Lompico Water - \$13,500, plus infrastructure development costs (meter and piping cost by builder paid contractor).

<sup>37</sup> This fee is only required in approximately 10% of cases and may range from \$2,500-\$5,000 based on actual cost of staff time. (Source: Santa Cruz County staff)

<sup>38</sup> The soil/ geo fee is based on where the lot is located. If a lot is flat and in an area with no soil problems or geologic hazards, there may not be any fee required. For a lot in mountainous terrain, there may be fees to review required geologic hazard and soils reports. Some examples of these fees are: Minor Geologic Hazard Site Review - \$1,139. Soil Report Review \$811. Geologic Report Review, flat fee of \$1,190 plus \$130+ per hour for an engineer's review. (Source: Santa Cruz County staff)

**Code Enforcement Survey  
Jurisdiction**

1. How many cases were opened in the last fiscal year?
2. How many cases were closed in the last fiscal year?
3. How many open cases are there currently?
4. How many illegal dwelling or garage conversions were there in the last fiscal year?
5. How many work without permit cases were there in the last fiscal year?
6. What is the average length of time to start an investigation once the complaint is first received?
7. What is the average length of time to get compliance once a complaint is first received?
8. How many Code Enforcement staff are there?
9. What type of complaints does Code Enforcement handle?
10. How many illegal units do you suspect are in the community?
11. What percentage do you think you find?
12. Why do you think people do not get permits?

### Building Department Survey

1. How many building permits were issued during the last fiscal year?  
Residential \_\_\_\_\_ Commercial \_\_\_\_\_ Total \_\_\_\_\_
2. How many staff members are in the Building Department?
3. What are the average number of days once a permit is applied for, until the permit is issued?  
Residential \_\_\_\_\_ Commercial \_\_\_\_\_ Combined average \_\_\_\_\_

If the department does not track these averages, take a random sampling of at least ten permits. Total the number of days from date applied for until date issued. Divide that number by the number of permits sampled to arrive at an average.

4. What are the average number of days to get a plan change, from first day applied for, until issued?  
Residential \_\_\_\_\_ Commercial \_\_\_\_\_ Combined average \_\_\_\_\_

If the department does not track these averages, use the same formula as above to arrive at an average.

5. How were the averages arrived at?  
Average of total permits \_\_\_\_\_ Random sampling \_\_\_\_\_
6. List all of the fees required in order to be issued a permit for a residential dwelling that is 1500 square feet, type V, wood frame, good construction.

Plan Check fee \_\_\_\_\_  
Permit fee \_\_\_\_\_  
Traffic Impact \_\_\_\_\_  
School Impact \_\_\_\_\_  
Water fee \_\_\_\_\_  
Sewer fee \_\_\_\_\_  
(or septic system) \_\_\_\_\_  
Other fees (list)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Total \_\_\_\_\_



### Code Enforcement Survey

1. Were you aware that you may have been committing a violation?  
Yes  No  Wasn't sure
2. How do you think your violation was found out?  
Neighbor  Building Inspector  Code Enforcement Officer  Other
3. How were you told to correct the violation?  
Verbally  Correction Notice  By phone  By Mail  In person
4. Did the person dealing with you act in a professional manner?  
Yes  No  Sometimes
5. Did you receive a citation and fine?  
Yes  No
6. Did you think the citation was fair?  
Yes  No
7. Do you think the law was fair?  
Yes  No
8. Why didn't you get a permit? (maybe more than one answer)  
Too hard to deal with the Building Dept.  Planning Dept.  Other  
Depts. \_\_\_\_\_  
Didn't think it would be allowed  Didn't want my taxes to go up   
Thought the fees were too high  Don't like dealing with government   
It would take too long  Didn't think they would let me do what I want   
Other \_\_\_\_\_
9. How would you describe the customer service from the departments you had to deal with?  
Great  Very good  Good  Not so good  Poor/ bad
10. Would you have gotten a permit if the governing agencies:  
Were easier to deal with  Had better customer service   
Let you build what you wanted  Had lower fees  Didn't raise your taxes   
Taxes were lower