



**County of Santa Cruz Board of Supervisors
Agenda Item Submittal**

From: Planning: Sustainability and Special Projects
(831) 454-2580

Subject: Strategies to Support Rebuilding after the CZU Lightning Complex Fire Disaster

Meeting Date: September 15, 2020

Recommended Action(s):

1. Direct the Planning Director to return to the Board on October 6, 2020 with a proposed contract for consultant staff and resources to process building and related permits for reconstruction of legal structures affected by the CZU Lightning Complex Fire Disaster;
2. Direct the County Counsel's Office to work with County land use permitting agencies and, if determined to be needed, return to the Board on October 6, 2020 with an Urgency Ordinance that would amend the County Code, or with other recommended actions as appropriate, to support streamlined recovery and rebuilding;
3. Confirm that individual Demolition Permits are not required for structures destroyed by the CZU Fire Disaster, and direct the Building Official to document such demolition/destruction into County records in an alternate manner and make documentation available as requested by property owners;
4. Confirm use of the Temporary Permit approach to allow establishment of temporary accommodations either on-site or off-site for properties and households affected by the CZU Fire Disaster;
5. Authorize collection of Building Plan Check Fees at the time a Building Permit is issued for reconstruction of legal structures, determine that it may be in the public interest to reduce or waive some other costs associated with recovery and rebuilding permits, and direct the County Administrative Office to return to the Board on October 6, 2020 with proposed amendments to the Unified Fee Schedule, if needed;
6. Indicate support, in concept, for a Felton Quarry temporary permit to be issued by staff that would allow the Quarry to receive and process/recycle concrete, asphalt and other hardscape materials as appropriate from sites affected by the CZU Fire Disaster; and
7. Direct staff to undertake program design activities for a potential "Legacy Older Structures Program (LOSP)" and a potential "Fire Area Improvement Reconstruction Program (FAIRP)" as generally described in this report, and to return to the Board on November 17, 2020 with program guidelines and/or code

revisions that would be needed for recommended feasible programs for situations that involve unpermitted structures that have been damaged/destroyed by the CZU Lightning Complex Fire, in a manner consistent with overall public health, safety, and welfare, after collaborating with Environmental Health, Fire Districts, and other permitting agencies.

Executive Summary

County Planning, Public Works, and Environmental Health staff are returning at the Board’s request with detailed information regarding a streamlined collaborative process for rebuilding the homes and structures lost or damaged in the CZU Lightning Complex Fire Disaster, consistent with the principles shared by the Board of Supervisors at the September 1, 2020 meeting.

Background

The CZU Lightning Complex Fire Disaster has resulted in an unprecedented level of destroyed and damaged structures within unincorporated Santa Cruz County. About 1,431 structures have been destroyed and 134 structures damaged, with a preliminary total damage valuation of \$340 Million including public infrastructure. Of the structures destroyed, 911 are single family homes, 3 are multiple residential, 148 are commercial or mixed-use structures, and 391 are other minor structures. About 90 of the damaged structures are homes. The CZU Lightning Complex Fire affected sites located within the Third District (Supervisor Coonerty) and Fifth District (Supervisor McPherson), as summarized below.

Type of Structure	Destroyed			Damaged		
	3 rd District	5 th District	Total	3 rd District	5 th District	Total
Residences	467	444	911	28	58	86
Multiple Residences	2	1	3	0	0	0
Mixed commercial-residential	2	1	3	0	0	0
Non-residential structures	101	44	145	6	10	16
Other minor structures	238	131	369	16	16	32
Total *	810	621	1,431	50	84	134

* Preliminary damage valuation is about \$310 Million for private structures, and \$30 Million for public infrastructure

Analysis

County Rebuilding Strategies

This report addresses principles identified by the Board of Supervisors at its September 1, 2020 meeting, and other key considerations:

- A. Temporary Housing, both On-site and Off-site
- B. Website and Resources to Explain and Assist with Next Steps for Rebuilding
- C. Streamlined Permit Processes
- D. Special Considerations for Soils/Geologic, Septic Systems, Fire Code Compliance

- E. Permit Fees Reduction; and No Cost (or Low Cost) Debris Disposal Fees
- F. Potential Approaches to Situations of Unpermitted Structures

Key Rebuilding Steps

1. Damage Assessment: Structures, Infrastructure, Services
2. Insurance and FEMA Claims
3. Calamity Application to County Assessor's Office
4. Records Room Inquiry and Research: Planning Dept, Construction Plans, etc.
5. Method for Debris and Hazardous Waste Removal (EPA, State, Private)
6. Implement and Obtain Environmental Clearance for Debris/HazMat Removal
7. Implement Site Stabilization Measures such as Erosion Control, as needed
8. Evaluate potable water source and current septic system. If satisfactory, Environmental Health approval will be given. Or submit plans and septic permit application for upgrade if needed.
9. Technical Report(s) (e.g., soils/geotechnical) and Proposed Project Plans
10. IF Needed: Submit Reports and Plans for Discretionary Zoning and/or Environmental Resource Review/Permit (potentially can submit concurrently with building permit)
11. Submit Report(s) and Building Permit Plans to Building Division - E-Plan (electronic)
12. Obtain Contractor / Project Construction Resources
13. Pull Building Permit and Commence Construction; Obtain Inspections; Final Project

A separate document outlining the key rebuilding steps and additional information for each step is included as an attachment.

A. Temporary Housing, both On-site and Off-site

With this extent of destroyed and damaged homes, it is essential that the County be flexible and accommodating for households to establish alternate living situations. Attached to this report and on the County Rebuilding Website is Guidance for how those affected by the disaster can apply for Temporary Permits. These permits can be quickly issued remotely by County staff, for accommodations located either on the site of the lost home once it is safe, or at off-site locations, which can include RVs or other approaches. Temporary permits can allow for a three-year term of temporary use, with potential for one-year extensions to a maximum of six years.

However, any site to be used for temporary housing must have PG&E or an approved alternate power source restored, potable water available, and an acceptable means of sewage disposal. Debris/hazardous material removal must be sufficiently completed, and the site accepted for such use. In no case shall generators provide the main source of power. County staff will not typically visit the site in advance of temporary permit issuance; however, temporary housing at a burn site may require inspection of installation, power supply, water and/or septic provisions. Also, owner execution of a Declaration of Hazard and Liability Release is required upon acceptance of the permit to reflect that sites in the damaged areas may be subject to new or different hazards. These could include but not be limited to different stormwater runoff patterns, erosion, debris flows, and trees that may fall.

The website link for the application is:

http://sccoplanning.com/Portals/2/County/Planning/forms_docs/Temp_Permit_Application.pdf?version=061120%3E

B. Website and Resources to Explain and Assist with Next Steps for Rebuilding

To date, County staff has created a website with information specific to rebuilding after the disaster, and links to pertinent information for each of the key steps continue to be uploaded. The website address is: <http://santacruzcounty.us/FireRecovery.aspx>

Standard recommended project specifications and protocols are being prepared by County professionals, which will also be available on the website so that applicants can incorporate them into project plans. The 'e-Plan' building application tracking system has been modified to assign priority processing for disaster-related permits, and the routing/plan check process has been simplified for reconstruction projects. A consolidated email "ticket" tracking system is under construction, to address and avoid issues related to County staff receiving "multiple/repeated emails" sent by one individual to many County staff recipients.

Once an owner is ready to work on reconstruction plans, a visit to the County Recovery and Rebuilding website should be the next step for obtaining information. It is recommended that relevant environmental or Department of Public Works (DPW) "pre-determined specifications and protocols" be downloaded for incorporation into proposed project plans. After first "virtually" doing research through the website, the applicant will be better prepared to meet with County personnel by appointment, in person, over the internet, or by phone. Appointment times will be reserved and prioritized for disaster recovery projects. Staff and consultants will be charged with providing timely and excellent service.

Most of the damaged properties are served by private septic systems, many of which are old and do not meet current standards. Reconstruction will require that the septic system be demonstrated to meet current standards or that the system be upgraded under permit to meet standards. A qualified professional is recommended to assist the owner. Information for this process will be available on the Recovery and Rebuilding website.

C. Streamlined Permit Processes

Streamlining Framework. Land use permitting agencies must respond with appropriate levels of staffing and resources to assist owners with obtaining reconstruction permits as soon as possible at reasonable cost, and with policies and regulations that support rebuilding consistent with public health, safety, and welfare. The departments and agencies involved with building permits have collaborated to identify existing and new protocols to be used to review and facilitate reconstruction projects involving legal structures. Many existing County Code provisions support reconstruction of legal structures after disaster; work to identify any further needed code amendments is taking place; and any needed amendments are proposed to be scheduled for Board consideration at the October 6, 2020 meeting.

In general, reconstruction of legal structures can and will be facilitated. It should be recognized, however, that proposed reconstruction of previously unpermitted/illegal structures will be subject to a different framework of regulations, permit requirements and costs. Preliminary options for how to approach previously unpermitted development have been identified, and work to further develop those options is needed. County staff will provide assistance and priority to all disaster sites; however, owners need to know that working to permit previously unpermitted situations will be more difficult. Also, any rebuilding activities will need to meet current building and other codes, including septic requirements.

Existing Regulatory Framework Accommodates Reconstruction of Structures in Substantial Conformance with Prior Structure. While the extent of destruction from the CZU Fire Disaster has not been previously experienced in the unincorporated area, the County Code does anticipate and accommodate the need to regulate “reconstruction” after disasters differently than “new construction”. Most of the County’s applicable regulations allow reconstruction of what had legally existed, including changes to meet current building codes and other changes that are in “substantial conformance” (e.g., within 10% of size) with what had existed. In fact, even if an owner desires to make changes, such as shifting the location of the home on the parcel somewhat, or expanding the size of a legal non-conforming structure by more than 10%, simplified administrative (staff only) review processes are usually available which can typically occur with the same plans and concurrent with the building permit review process. Sometimes an owner prefers this approach because the end result is a home or structure that better meets an owner’s current needs as compared to what had existed. A memo posted on the rebuilding website summarizes “*Key County Code Provisions Regarding Rebuilding After Fire Disaster*” for reconstruction of nonconforming structures, septic systems, emergency permits, and exemptions from requirements such as coastal permits.

It is important to emphasize that most single-family homes require only a building permit and potentially a septic upgrade permit even in regular times. It is generally only in certain coastal, environmental constraint areas, or if a home exceeds 5,000 square feet in size, that a discretionary zoning permit from the Planning Department is required. Discretionary permits generally involve more scrutiny and judgment, rather than evaluation for compliance with a fixed set of building standards.

Consultant Assistance to Ensure Available and Streamlined Services. While County staff from all land use permitting agencies are collaborating and committed to assisting recovery as reviewed in this report, the scale of rebuilding and demand for services requires additional resources. As a result of similar fire disasters in other areas, there are firms with deep experience providing these services to other communities, from initial contact with owners to inspections of construction projects. Private consulting firms are able to scale up staffing levels much more nimbly, and have demonstrated ability to issue building permits within five to seven working days from submittal of a complete application. More complex situations, such as involving new or upgraded/enhanced septic systems, are likely to require more time for reviewing agencies accept the plans and allow for issuance of the building permit.

It is recommended that a consulting firm that specializes in providing quick disaster recovery permit processing be engaged to provide that service to Santa Cruz County. The emphasis of the consultant will be on building permits; review and permitting of non-structural aspects such as septic systems may be addressed by existing County staff or different consultants. Hiring consultants will allow for review, issuance, and inspection of recovery permits and projects to occur at the scale and pace that is needed to help owners rebuild as soon as possible. Consultant selection is underway, a proposed contract(s) will be negotiated with the most-qualified firm(s), and staff is preparing to return to the Board meeting of October 6, 2020 for authorization to execute contract(s). Tentatively, the initial amount of the contract is estimated at from \$3 to \$5 million, with funding to be provided at an identified percentage of the standard building processing, plan check and inspection fees (the Planning Department would retain some modest percentage of those fees to cover its costs).

Key Streamlining Protocols and Caveats. While the County typically requires only a building permit for new or reconstructed homes, it is recognized that building permits can be subject to a multitude of complex requirements related to stormwater drainage, road and driveway access, water wells, septic/sanitation systems, setbacks from property lines, and environmental resources and hazards.

The destroyed and damaged sites generally have septic systems rather than sewer. While some systems may be in good condition, code requires that systems meet or are upgraded to meet current standards, and it is expected that many systems will need to be replaced or enhanced. It will continue to be important that Environmental Health or similarly qualified consultant staff oversee septic system arrangements and plans. The County Code authorizes reconstruction after a disaster, and the current 1-acre minimum lot size for homes on septic systems will not apply. (Although if an owner owns adjacent parcels, merging the parcels to meet the 1-acre standard would be required.) A functioning septic system that meets current standards will always remain a requirement, which may be more challenging for certain smaller properties. Until the County's Local Agency Management Program ("LAMP") for on-site wastewater treatment is accepted by the State (expected in December 2020), the Regional Water Quality Control Board (Regional Board) may continue to require their review of permits for septic systems that require enhanced treatment or that cannot meet current standards for conventional systems.

Given that the fire rebuilding sites accommodated homes in the past, and that the magnitude and types of permit considerations can be anticipated, it is possible for certain project "specifications and protocols" to be pre-determined by agencies in advance of actual application review. The objective is to ensure restoration of similar levels of services / impacts as had existed, or to do better if feasible, with basic health and safety ensured. The specifications and protocols will be made available on the County's rebuilding website. As long as applicants incorporate the pre-determined standards into their plans and projects, their building permit applications would *NOT* need to be routed for DPW review of Stormwater Management, Encroachments (Roads, Driveways), and Sanitation/Sewer, and therefore no plan check fees for these would be charged.

A similar approach can be taken for Environmental (SCCC Title 16) reviews related to

natural resources and hazards. It is estimated that only about twenty (20) of the destroyed homes were located in floodplain areas. Reconstruction of those homes will need to comply with FEMA and County floodplain standards, including elevation of the home above the 100-year flood level at the site. Homes cannot be significantly enlarged if the septic system cannot be located outside of the floodplain. No biotic or habitat review is needed for homes to be reconstructed in substantially the same location, and even for homes that propose to shift locations or expand, most parcels are located outside of biotic resource areas and will not require biotic review, with the exception of Sandhills habitat (see below).

Reconstruction of homes located in sandhills habitat (about 63 are in mapped *potential habitat*, with habitat *likely present* on approximately one-third of those) will need to be reviewed more closely. Reconstructions in the same location will be streamlined; however, for shifts of location or increased footprints, there may be impacts that need to be mitigated. These types of projects may purchase credits from the IPHCP Mitigation Bank to compensate for the additional impacted area, and may be eligible for a discounted rate due to their fire rebuild status. Enhanced septic treatment may be required in the Sandhills area.

Projects that involve streams and riparian areas may need to be reviewed more closely. For sites that need to fix or install new culverts or bridges in or near a stream/riparian area, and/or for homes located within a riparian corridor, a set of pre-determined “riparian specifications and protocols” are being prepared and can be incorporated into building plans to allow the property owner to “sign on” to a Master Riparian Exception Permit that the County is currently pursuing. While a Master Riparian Exception Permit would streamline local permitting requirements, property owners will still be required to obtain any other required state and/or federal permits. County staff are engaged in ongoing discussions with the relevant state and federal agencies to determine what relief may be available due to the disaster status, and are also exploring the feasibility of obtaining participating agency approval for property owners to sign on to the existing “Partners in Restoration” Master Riparian Exception Permit through the Resource Conservation District (RCD), which includes outside agency approvals, rather than a site-specific new Riparian Exception Permit (which will also be an option).

D. Special Considerations for Soils/Geologic, Septic Systems, Fire Code Compliance

Roads and Driveways. It is generally expected that reconstruction sites will use the same access road and driveways that had been used prior to the fire. For these situations, there is no need to route plans and obtain a DPW approval of access and driveway encroachments. However, if modified access or new driveways are proposed, the standard review process and fees will be required. That would likely also involve grading for which a soil/geotechnical report, grading plan, and grading permit would be necessary.

Foundations. Regarding the re-use of foundations, it is the experience in Sonoma County and other areas that have experienced widespread fire damage, that the strength-bearing characteristics of foundations are too changed and compromised by the fire to be re-used. Even if the existing foundations retain the material properties to

be re-used, they need to be shown (or upgraded) to meet minimum California Building Code requirements for foundations. This requires establishment of “as-built” dimensions and slope setbacks via original building plans (which may not be available) and destructive materials testing and evaluation by a structural engineer. After investing in these costly endeavors, property owners may still find they are unable to re-use their foundations. Moreover, the time, money, and energy it takes to rebuild a new home is so significant that the effort deserves a solid foundation for the future. The benefits are well worth the cost of a geotechnical report and a proper foundation designed for site conditions.

Geology, Geotechnical, Grading and Erosion Control Considerations. There are a multitude of different geologic and geotechnical contexts that exist in the North Coast, Bonny Doon and San Lorenzo Valley burn areas. Terrain includes geologically complex formations with steep slopes, incised drainages, landslides, and erosion prone areas that can impact the safety of home sites. Burn conditions can exacerbate these hazardous conditions due to removal of vegetation, and creation of a “hydrophobic” soil layer. Rain events in these conditions can result in larger volumes of water traveling faster down hillsides. Where drainage encounters areas of loose soil collected on the slope face, a debris flow can occur, whereby the entire soil mass becomes saturated and flows downslope at high velocity, impacting whatever is in its path including structures. These same high-intensity rainfall conditions can cause accelerated soil erosion and result in other types of slope instability. The dramatic and tragic 2018 mudflows that occurred in Montecito, Santa Barbara County, when a high intensity rain event followed a disastrous fire, illustrate the level of elevated risk due to geologic hazards that may exist (that event involved over 400 homes and 20 fatalities).

In addition to geologic hazards created or exacerbated by burn conditions, some existing homesites may be in areas subject to “imminent life safety threat” from geologic hazards. Reconstruction and development at those sites will require mitigation measures to ensure the safety of occupants. Homesites that may fall into this category include locations that were developed prior to the County Geologic Hazard Ordinance and State regulations related to geology. Homesites may have been unknowingly sited in hazardous locations. Also, some sites may have been established later, but have subsequently become threatened as a result of ongoing geologic processes. Many of these locations and processes are known to geology staff and professionals in the County.

A further comment about the increased debris flow hazard that has been created by the CZU Lightning Complex Fire, is that the degree of hazard is a function of future rainfall events, erosion control measures, and owner efforts to establish effective erosion control, compact loose soils, and implement debris walls or other strategies to mitigate potential hazards. With the exception of debris walls, these mitigations can and should be pursued by owners as soon as feasible, and can occur in advance of reconstruction of structures. Information to characterize the level of hazards within certain geologic units may be available from the Watershed Emergency Response Team (WERT -- a multi-agency post-fire hazard assessment team that includes CalFire, US Geological Survey and US Forest Service scientists) by about the end of September 2020. Information about grading, erosion control, debris/retaining walls and other strategies can be obtained from the professional geotechnical engineer and geologist community,

the County website, and other sources. Debris flow hazards exacerbated by the CZU Fire Disaster are expected to lessen with time, but in the first seasons after a fire it may be that the only feasible mitigation for some locations will be a program of monitoring, notice and evacuation from homes during heightened rain events. This is due to the large extents of areas that can be affected, as a debris flow travels downslope, gathers speed and material, and affects even areas that had not been directly affected by the fire.

For the above reasons, review of “earth” related conditions at rebuilding sites will need to be completed in a deliberate manner. The County Geologist, using local data and data/analysis from other agencies, such as WERT, has created a screening tool to assist the County and applicants with determining whether or not a Geologic Report or update of a prior report is needed. Some areas or situations can be completely screened out and a quick determination made that no geologic report is needed; however, others will be more case-by-case. Once cleared, then only soils/geotechnical reports will be required. To ensure availability of County geologic staff for any sites requiring geologic review, a second Certified Engineering Geologist has been added to the County Geologist’s team on a consulting basis.

In light of the broad public interest and somewhat diffuse nature of the present geologic hazard, the Planning Department proposes that any and all activities of the County Geologist related to disaster recovery and reconstruction be provided at no cost to individual applicants.

It is not uncommon for applicants to question or object to the need for a soils/geotechnical report even in “regular” times. And in this reconstruction context, it is understandable that property owners may assume that since a home was previously at the location, a replacement home should be able to re-use the foundation if it still exists, or that a new foundation in about the same location should not need a geotechnical report assessing the development envelope. It is therefore useful to elaborate on why a soils report is needed in order to ensure an appropriately designed new foundation.

The general, standard requirement for soils reports has been anchored in the California Building Code since 2007. Prior to that time, the requirement tended to be a more local, case-by-case determination. While at times the requirement can be waived, such as in urban or other locations where the soil/geotechnical characteristics are fairly uniform and predictable, most of the time a soils/geotechnical report is required for new foundation, or to inform the design/alterations to an existing foundation what will be relied upon to support a structural alteration, such as a second floor addition. It is especially true that in North Coast and San Lorenzo Valley locations, soil conditions are less predictable and highly variable, necessitating that a geotechnical report be prepared for all rebuilt structures. The cost of a geotechnical report is minimal relative to the overall costs of a project. Based on discussions with other jurisdictions, the potential obstacle to be addressed is not cost, but availability of geotechnical consultant resources, drill rigs, and so forth to get the report done.

Given the previously developed nature of the rebuilding sites, there are additional streamlining and cost-reduction process changes that can be used for disaster recovery projects. These include waiving peer reviews of soils/geotechnical reports, and limiting

environmental plan check and inspections, which would only occur for sites involving heightened concern about resources or hazards as explained above.

County staff have discussed these matters with local geotechnical and engineering consultants, who are also aware of the challenge and have been discussing strategies to accommodate the anticipated volume of requests. As with geology, it may be possible for professionals and the County to identify and agree upon “neighborhood” standard protocols for certain similarly situated areas, as may be true for areas of Bonny Doon. Another strategy that could possibly be explored is whether a feasible strategy might be to incorporate highly conservative assumptions into project designs - i.e. assume “worse than reasonably foreseeable”, and “over-engineer / over-build” certain aspects of foundation and structural designs. This could be contemplated for projects meeting certain site criteria if there is a shortage of drilling and testing resources.

Septic System Considerations. Somewhat related to soils and geotechnical issues, is the matter of septic systems. Records, pumper reports, investigation and testing may be needed to evaluate the feasibility of continuing to use the existing systems. The age and condition of existing systems (either prior to or as a result of the fire) may indicate that it is time to consider upgrading or installing an enhanced septic system. As noted earlier, the County Code authorizes reconstruction after a disaster, and the current 1-acre minimum lot size for reconstruction of legal/permitted homes on septic systems will not apply. There will be a need to meet current standards for setbacks to streams and to wells. A functioning septic system that meets standards will remain a requirement, which may be more challenging for certain smaller properties. Until the County’s Local Agency Management Program (“LAMP”) for on-site wastewater treatment throughout the county is accepted by the State (expected in December 2020), the Regional Board will likely require their review permits for septic systems that need enhanced treatment or cannot meet State standards. Potential for modifying these review requirements is under discussion with Regional Board staff.

Wells and Small Private Water Systems. Repair of private water systems and wells will be reviewed by the County Environmental Health Division. No building permit can be issued for work to repair or reconstruct habitable structures until potable water is available to the site. A licensed well driller or pump company may provide documentation for the water system. If a repair is needed, there will be no charge for the required permit from County Environmental Health. Also, a “will serve” letter or other clearance from a water provider will not necessarily be required at the time of building permit application submittal, but will be required prior to issuance of the building permit.

Fire Code Compliance. The CZU Lightning Complex Fire has affected structures that are located within four different fire districts: CalFire (the majority), Boulder Creek, Ben Lomond and Felton. Each of these agencies administers the same Fire Code, reflecting State standards as modified through local amendments for certain items. While certain of those amendments allow reductions of usual access width and other road standards, even meeting the reduced standards can be a challenge on some of the fire-affected sites. Inability to meet standards has at times resulted in owners constructing homes without permits. Where Fire Code standards can be met, they certainly must be met,

and reconstructed homes will need to incorporate new “Wildland Urban Interface” (WUI) building and fire code standards, including use of fire-resistant materials and on-site water storage. Compliant access may already exist or can be provided through improvements to existing conditions.

In these rural areas, compliance with the Fire Code is can be a challenge for development on certain lots. Fire Code Officials do have authority to grant exceptions to applicable Code standards, including access road standards, but are appropriately concerned about safety. Given the extent of damage and large burn areas, there may be potential to work with the Fire Districts to create a new programmatic “alternate methods” approach to support approval of exceptions, or otherwise meet the Fire Code at some locations. Under an “Alternate Methods” program, an In-Lieu Fee program could be explored. With number of properties that could participate, there might be a significant amount of funding generated within a predictable timeframe. DPW may be able to facilitate partnerships between County Service Area/Road Associations and Fire Districts, to implement road access improvements such as turnouts, grade smoothing, and widenings at key locations. County staff has initiated discussion with Fire Districts to determine feasible ways of addressing these situations, to support rebuilding with adequate fire mitigation in place, improved over prior conditions.

E. Permit Fees Reduction; and No Cost (or Low Cost) Debris Disposal Fees

Fee Considerations. Usually, the County requires Demolition Permits for sites being cleared of prior structures; however, for fire rebuild projects, the County will document the demolition in an alternate way and there will be no fee. For reconstruction projects, some of the typical agency plan review activities will not be needed, as it is assumed that projects will incorporate the pre-determined project specifications and protocols consistent with health and safety, and will not increase impacts beyond the pre-disaster level. For this reason, some of the usual “routings” and “flat fees” charged by a variety of agencies will not be necessary. Certain other reviews can be provided more efficiently due to the numbers of similar reviews that will occur in roughly the same areas within a compressed timeframe. For these, which include zoning plan check and small grading permits, costs can be recovered with fees set at 50% of usual levels. In general, Planning Department/Building fees will be limited to building processing, plan check and inspection in most cases. Consultant costs will be paid from those fees, so that rebuilding plan check and inspections can occur in an expedited and streamlined manner.

It is proposed that the Board authorize collection of the Building Plan Check Fee at the time of building permit issuance rather than at application submittal. This means that only the BP Processing Fee, Environmental Health Review Fee, reduced Zoning Plan Check and minor State of CA Fees, and any Grading Permit Review Fee (if grading is involved) would be collected at the time of submittal. This reduces the applicant’s “up front” costs and defers much of the fee burden to a time that the owner has gathered resources and financing for reconstruction.

To provide a sense of the level of anticipated fees for reconstruction projects that are in substantial conformance with the prior structures, the chart below shows expected building fees for an assumed 2,000 square foot replacement home in Bonny Doon, that

does not require upgrade of the permitted septic system. The chart below also shows the fees that would typically be charged for new homes which will NOT be charged for those types of reconstruction projects. In summary, the estimated level of fees for a 2,000 sf reconstruction project in Bonny Doon, *without geologic report or grading permit or septic or well permit*, would be about \$10,867, and of that amount \$3,982 (about 37%) would be collected at time of application submittal with the remaining \$6,885 paid upon issuance of the building permit.

\$10,867 ESTIMATE OF APPLICABLE FEES*:

Building Processing	3,236
EH - Environmental Health Review Fee	349
PL - Technology Fee	397
PL - Zoning Plan Check (rebuilt @50%)	371
Subtotal Due at Submittal:	\$3,982
Building Plan Check/Green Building	3,533
Building Permit / Inspections	2,907
CA Admin, Strong Motion, Tech Fees (sent to State)	74
TOTAL	\$10,867

TYPICAL NON-APPLICABLE FEES (\$5,926 not charged)*:

Demolition Fee	354
General Plan Update & Implementation Fees	695
Soils Report Review	1,573
Environmental Plan Check	576
Environmental Inspections	525
Zoning Plan Check (50% reduction)	371
DPW - Roads Review	433
DPW - Drainage Review	970
DPW - Impervious Area Fee @ \$1.42 /sf; assume new 300 sf	429

** Note that Impact Fees such as School, Parks, Child Care and Affordable Housing Impact Fees are NOT charged for “substantially equivalent” units, as there are not “new” impacts. Under Option 1 and 2 Programs for allowing reconstruction of previously unpermitted structures, staff may consider proposing applicable impact fees be paid at 50% of current rates, to reflect that some level of prior impacts had been existing, but had not complied with fees.*

Note that debris/hazardous material removal and disposal fees will be avoided by property owners if they elect to participate in the “public option” (EPA and/or State of CA). To disincentivize use of the Buena Vista landfill, standard fees should be charged. Use of the Marina facility is preferred. The Felton Quarry is preparing to accept concrete/asphalt and similar materials.

F. Potential Approaches to Situations of Unpermitted Structures

Unpermitted Homes and Structures. Without a doubt, the most complex topic to be addressed by regulatory permitting agencies during the disaster recovery process is that of unpermitted construction. Within the San Lorenzo Valley and Last Chance areas in particular, there were many homes that had been constructed entirely without

permits. It is also not uncommon that additions and other unpermitted construction occurred to otherwise legally permitted homes. In some cases, it would have been possible to obtain a permit but the owners had some reasons for not doing so. In other cases, there were significant obstacles to obtaining a permit such as inability to meet road or septic standards, or inability to address geologic hazard constraints. Where a site and home can be approved in compliance with reconstruction standards, building permits will be issued. However, it is expected that there are many situations where the unpermitted structures that were constructed cannot meet all applicable standards. Many of these situations have existed and have been providing housing for many years, and property owners will want to re-establish homes. Owners may or may not be able to receive insurance proceeds; if not then that is likely going to lead to properties being listed for sale. Prices will reflect the prospects for new owners to develop and use the properties. In light of housing shortages, some reasonable accommodation should be considered, but with basic safety thresholds ensured. It must also be recognized that illegal, unpermitted septic systems in any location, will not be accepted under any circumstance. Properties must meet the Local Area Management Program (LAMP) requirements for septic/sewage disposal, including design standards with testing.

In recent years, the County of Santa Cruz has been implementing regulatory approaches that can allow for recognition and/or occupancy of homes or improvements that are not fully compliant with codes, and are therefore considered unpermitted. Sometimes projects can submit for a permit and achieve full legal status. Other times, a site/project cannot meet all code requirements but can be improved as needed to meet basic safety/habitability standards. The homes can be occupied after certification by the County Building Official; the program is known as the "Safe Structures Program" (SSP) or "LIAP" (Limited Immunity Amnesty Program). There has been limited use of these programs due to the difficulty of meeting requirements of other agencies such as Fire and DPW. For those that have participated, the process includes a Declaration recorded on property title, regarding the conditions on the site and the low priority for enforcement even though not legal/permitted.

Expanding on the SSP/LIAP approach, reconstruction of destroyed illegal structures in the CZU Lightning Complex Fire disaster area may provide an opportunity to achieve greater code compliance than previously existed. Strategies such as "programmatic mitigation" and/or "in-lieu fees" could potentially provide "alternate methods" that would improve conditions either on- or off-site. Such an approach could potentially result in fully legal status of the reconstruction project, if geologic, building, and septic standards can be met on-site, with off-site alternate provisions potentially made for some aspects of fire code compliance. Of course, it is possible that some illegal/unpermitted sites have constraints that will be too expensive, too difficult, or impossible to overcome to achieve the necessary level of health and safety.

Staff has identified two possible approaches to address properties with unpermitted situations. These would pertain to for Building Permits for structures, and include: (1) a broad "grandfathering in" of structures that are documented to have existed prior to 1986 but were destroyed/damaged in the CZU Lightning Complex Fire, treating them as legal non-conforming structures for the purposes of reconstruction / replacement; and (2) allowing reconstruction, occupancy and use of homes on sites where the structure had NOT existed prior to 1986; even though the site is not fully compliant with all

aspects of applicable codes. Under the second approach, non-compliance with certain site-related codes could possibly be tolerated with mitigation through on-site, off-site or in-lieu programs, at the discretion of the appropriate agency (e.g. Fire, DPW). Under both options, however, the reconstructed homes themselves would need to meet current building code requirements, as well as the LAMP septic system requirements.

The two options are not mutually exclusive; the Board could direct staff to implement both approaches which would make pre-1986 structures legal non-conforming, and 1986 and newer structures eligible for reconstruction through participation in on-site, off-site and in-lieu mitigations for certain aspects of the development.

Option 1: Structures Existing 1985 or Earlier - "Legacy Older Structures Program" ("LOSP") approach. The reasons for selecting the 1985 date is that the structures would have existed for 35 years, it is likely that current owners had not created the condition, and the status of the County's building permit records prior to 1986 are not 100% complete - meaning that it may be difficult for the County (and the owner) to conclusively determine that a structure is or is not permitted/legal. In a sense, a "Legacy Older Structures Program" would treat structures the same way that 1956 and earlier "legacy" structures are currently treated: they are considered Legal Nonconforming. The County did not have a Building Code in effect until 1956, and so currently all structures that pre-date 1956 are considered to be legal non-conforming. Of course, ANY structure whether legacy, legal non-conforming or unpermitted/illegal, must meet basic housing safety and quality standards.

Option 2: "Fire Area Improvement Reconstruction Program" ("FAIRP"). Reconstruction, occupancy and use of homes within the disaster area could be permitted even though all aspects of the development would not be fully compliant with all "standard" aspects of applicable codes. Non-compliance with certain site-related codes would be tolerated with mitigation through alternate on-site, off-site or in-lieu programs. The homes and structures being reconstructed would themselves need to meet current building code requirements. The feasibility of this approach will depend on working with and support of other agencies, especially the Fire Districts, to identify and reach agreement on the appropriate and feasible programmatic mitigation strategies and in-lieu approaches.

The Planning Department recommends that the Board of Supervisors direct staff to pursue implementation of both Options 1 and 2 as generally described above, returning to the Board on November 17, 2020 with code amendments and program guidelines as needed after collaborating with Environmental Health, Fire Districts, and other land use permitting agencies.

Strategic Plan Element(s)

Priority and streamlined processing of applications for Temporary Permits and Building Permits to assist those affected by the CZU Lightning Complex Fire will support the Comprehensive Health and Safety, Attainable Housing, Dynamic Economy, Sustainable Environment, and Operational Excellence elements of the County Strategic Plan.

Submitted by:

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Recommended by:

Carlos J. Palacios, County Administrative Officer

Attachments:

- a Fire Recovery - Temporary Residence Permits
- b Key Rebuilding Steps