

ORDINANCE NO. 2025-18

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ AMENDING
CHAPTER 24.04.160 “LIFE OF PERMIT” OF THE CITY OF SANTA CRUZ MUNICIPAL
CODE TO EXTEND THE DURATION OF CERTAIN COMMERCIAL USE PERMITS
THROUGH JANUARY 1, 2030

WHEREAS, the City of Santa Cruz continues to advance the goals of its Economic Development Strategy, including revitalizing and reoccupying vacant commercial spaces throughout the City; and

WHEREAS, the COVID-19 pandemic, subsequent economic disruptions, and shifting commercial market conditions have contributed to prolonged vacancies and economic uncertainty for small businesses seeking to activate existing commercial spaces; and

WHEREAS, Municipal Code section 24.04.160 currently limits the life of most use permits to thirty-six (36) months from approval, and further provides for expiration if a permitted use ceases for six (6) consecutive months, regardless of intent to abandon; and

WHEREAS, in both 2009 and 2022, the City Council previously adopted time-limited extensions of permit validity in response to economic hardship and public emergency conditions; and

WHEREAS, the City Council now desires to further facilitate business retention and reactivation of vacant commercial tenant spaces by extending the life of all commercial use permits that were valid at any time from January 1, 2019 through December 31, 2026, through January 1, 2030, unless otherwise extended; and

WHEREAS, the Planning Commission reviewed this ordinance at a duly noticed public hearing on July 17, 2025 and recommended approval; and

WHEREAS, the City Council finds that this ordinance is consistent with the City’s General Plan, Local Coastal Program, and the public health, safety, and welfare of the community, as further detailed in the associated staff reports.

BE IT ORDAINED, by the City Council of the City of Santa Cruz as follows:

SECTION 1. Chapter 24.04.160 “Life of Permit” is hereby amended to read as follows:

“24.04.160 LIFE OF PERMIT.

1. Expiration.

- a. Each approved permit shall expire and become null and void thirty-six months from the date on which it is approved, unless exercised; a lesser time period may be specified. A relocation permit shall be exercised within six months.

- b. An approved permit applies to the subject property and runs with the land. Once exercised, an approved permit remains effective unless terminated or modified and remains effective even if the subject property is rezoned.
- c. An approved permit is transferable to any future owner of the subject property.
- d. Any modification to projects involving a coastal permit shall be found consistent with the certified Local Coastal Plan and shall follow the notice of final action procedures included in Section 24.08.260.
- e. Any use permit which has been exercised shall expire and become void where the use has ceased for a period of six consecutive months, whether or not it is the intent to abandon said use.
- f. Notwithstanding subparagraph e., above, all active commercial use permits as of January 1, 2019, and those approved up to and including December 31, 2026, shall have the life of the permit automatically extended to January 1, 2030, unless otherwise extended by the City Council. This extension shall not apply to residential or mixed-use permits, nor to any permits that were revoked or expired prior to January 1, 2019.

SECTION 2. This ordinance shall take effect and be in force thirty (30) days after final adoption, except for application within the Coastal Zone, where the ordinance shall take effect only upon certification by the California Coastal Commission.

SECTION 3. Severability. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

SECTION 4. CEQA. The City Council finds that the proposed ordinance amendments fall within the analyzed development potential in the City's existing 2030 General Plan Environmental Impact Report, as they are intended to fully implement the adopted General Plan Land Use maps and policies. The proposed amendments would not result in increased densities or intensification of uses; rather, these proposed amendments will allow for the extension of permits for existing or approved uses. The proposed amendments are also exempt from CEQA under CEQA Guidelines Section 15301 (Existing Facilities) as the amendments themselves do not change the approved underlying use, only the extension of the approved use permit. In addition, the ordinance qualifies for the commonsense exemption under CEQA Guidelines Section 15061(b)(3), as it can be seen with certainty that there is no possibility the ordinance may have a significant effect on the environment.

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PASSED FOR PUBLICATION this 26th day of August, 2025, by the following vote:

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

NOES: None.

ABSENT: Councilmember Newsome.

DISQUALIFIED: None.

APPROVED: _____
Fred Keeley, Mayor

ATTEST: _____
Bonnie Bush, City Clerk Administrator

PASSED FOR FINAL ADOPTION this XX day of XX, 2025, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Fred Keeley, Mayor

ATTEST: _____
Bonnie Bush, City Clerk Administrator

This is to certify that the above and foregoing document is the original of Ordinance No. 2025-18 and that it has been published or posted in accordance with the Charter of the City of Santa Cruz.

Bonnie Bush, City Clerk Administrator