

July 17, 2007 SANTA CRUZ NEIGHBORS public meeting – Delaware Street Project

Greg Larsen, Director of Planning and Community Development - Introduced the project and encouraged neighborhood meetings. The project is important to Santa Cruz, as it is the largest vacant parcel in Santa Cruz aside from open space areas and UCSC. It is zoned Industrial (IG), which is primarily for employment and economic centers.

It is expected that the DEIR will be out by Labor Day and to the Planning Commission for their review in December or January.

Sandy Brown, Planner for the project – The project is a Planned Development which allows variations from design standards and is generally used for large parcels. It must meet all General Plan policies. The Variations requested are

- 1) to have smaller lots.
- 2) to have a small amount of retail (up to 10%) which will be incidental to the industrial uses.
- 3) to keep the standard height limitation, but have 4 stories (lofts and mezzanines), instead of 2 stories as is common with older designs of large industrial buildings.
- 4) to allow non-covered parking for the residential parking.
- 5) to reduce building setbacks between the building internally only in order to cluster the buildings. The setbacks on the perimeter and for the riparian will remain at least at the standard.

There will be a 45-day comment period on the DEIR and a public meeting for comments on the DEIR in October. Thereafter, the EIR consultants will respond to the comments and issue a Final EIR in December. The project will then go to the Planning Commission and then to the City Council.

Craig French, applicant – Redtree purchased the property 2 years ago and began to study what the community wanted in this area and the business and economic potential for Santa Cruz. The large, old style, industrial buildings (Lipton, Texas instruments) do not meet the needs of current day Santa Cruz and are not helping the economy or creating jobs. The General Plan survey of residents found that the community wanted to promote local and small, diverse businesses, creation of jobs, and favored a mixed housing/work design for the Westside. The project is intended to be more than a 9-5 big box business, but more of a live/work style where business owners could acquire own their own space and the flexibility to grow with their businesses.

The design is green to meet the social concerns of the community. It consists of taking the 20 acres and dividing it up into 45 smaller lots with main loop access, smaller internal service roads, and smaller pedestrian walkways along the residential flats. The City required that the project be primarily industrial and that all first floor space would be industrial with residential on some of the upper floors, and that the retail be limited. The 45 lots are divided further into 26 buildings consisting of condominium spaces ranging in size from 650-35,000 some of which have flex-spaces that can be used as residential at the option of the owner. The total number of possible industrial/commercial units is 145. The residential units total maximum of 248 (which includes 87 flex spaces) are small, about 600 –9 00 s.f. The condominiums are expected to house some of the work force on-site.

Maximum build-out will be over 15 years and will consist of a maximum of 536,000 sf 145 condos and 240 residential. The residential component will be built along with the industrial. There will be a transit plaza and a central plaza (8,000 s.f).

All utilities will be underground. There will be CC&Rs regulating the project. There will be a Development Agreement which provides a process for the new business owner to apply for a building permit and if the design meets the approved guidelines, then a building permit will be issued. The design guidelines will set the criteria for development. It is not a traditional, big industrial floor plate, as that does not fit the economy of Santa Cruz. The intent is similar to the idea of Kelly's with a mixed uses, but keeping it industrial. It is to encourage local businesses who want to own their own space with flexibility to grow, and a live/work option, not the standard 9-5 shops, and to encourage smaller businesses.

Questions and Comments to the applicant from the public:

1. What open spaces are available?  
There are 2½ acres of open space with a pedestrian walkway in and adjacent to the riparian corridor. There are the two plazas and walkways open to the public. The project will be required to pay fees for parks. Urban agriculture will be encouraged.
2. Other examples of this type of project should be reviewed as I believe there is one near Ventura - the people in the residential component started outgrowing their spaces, but stayed on, with families and children, causing difficulties.
3. Can the CC&Rs be written to exclude the university from owning any part of the project because they don't pay taxes?  
I'm not sure it is a legal issue. No intent to transfer to the university and no interest by them as they already have space available nearby.

3. It would be great to set aside some acres for Community Supported Agriculture.  
There is no formal, planned community garden on site as the zoning calls for industrial.
4. Urban agriculture is good, but what about the "critters for fruits etc that are not picked or cleaned up?"  
The urban agriculture will be regulated by the CC &R's and maintained on a regular basis.
5. What about ADA compliance since there are no ground level residential units?  
Since residential is not being allowed on the ground floor at all there are ADA compliant elevators.
6. Why not consider a small boutique hotel?  
Didn't think about it rather we wanted to keep more industrial/commercial type business in keeping with the IG zone.
7. Should have trees along riparian - most of it looks like lawn.  
There is a tree plan that is not fully depicted on the drawing.
9. What is the Business Plan? How will ownership actually be achieved and development be administered?  
A prospective business could get into the project in a couple ways depending on its needs. It could buy a lot and put up a building or be an end user and rent or buy one or more condominium spaces depending on size of business.
10. This is a fabulous idea - is this the same site that the Bus Yard was proposed for several years back?  
Yes, but we knew the community's feelings about the Bus Yard and about a big box store and are going in a different and new direction.
11. Great project - Can you go higher in the center of the site near the plaza so that some of residential can get ocean views?  
We could but we would have to go over the height limitation so that is not proposed and we are not changing the skyline of the City.
12. Hope that the 10% retail number does not include any sales/showroom retail that is associated with the businesses occupying the development  
The 10% is for solely retail uses and will not restrict some retail incidental to the business.
13. How will this new development add to existing traffic. How is this going to be dealt with?  
The traffic will be analyzed in the EIR and the full built out worst-case scenario will be studied. We will not provide for all on site parking so that adjacent neighborhood is not impacted by parking. As project build out occurs we will have the ability to adjust if the uses generate more parking. With mixed uses we expect a lot of shared parking with mixed uses and the live/work arrangement.
14. Is this development going to comply with SC's affordable housing ordinance set-aside of 15%?  
Yes
15. Does this project provide for Rail to Trails?  
The project leaves room for a conversion. The decision for conversion is up to RTC Regional Transportation Commission and Union Pacific.