

Development Potential Report APN 037-191-13/5606 Soquel Drive

Prepared by Swift Consulting Services, Inc.
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Introduction

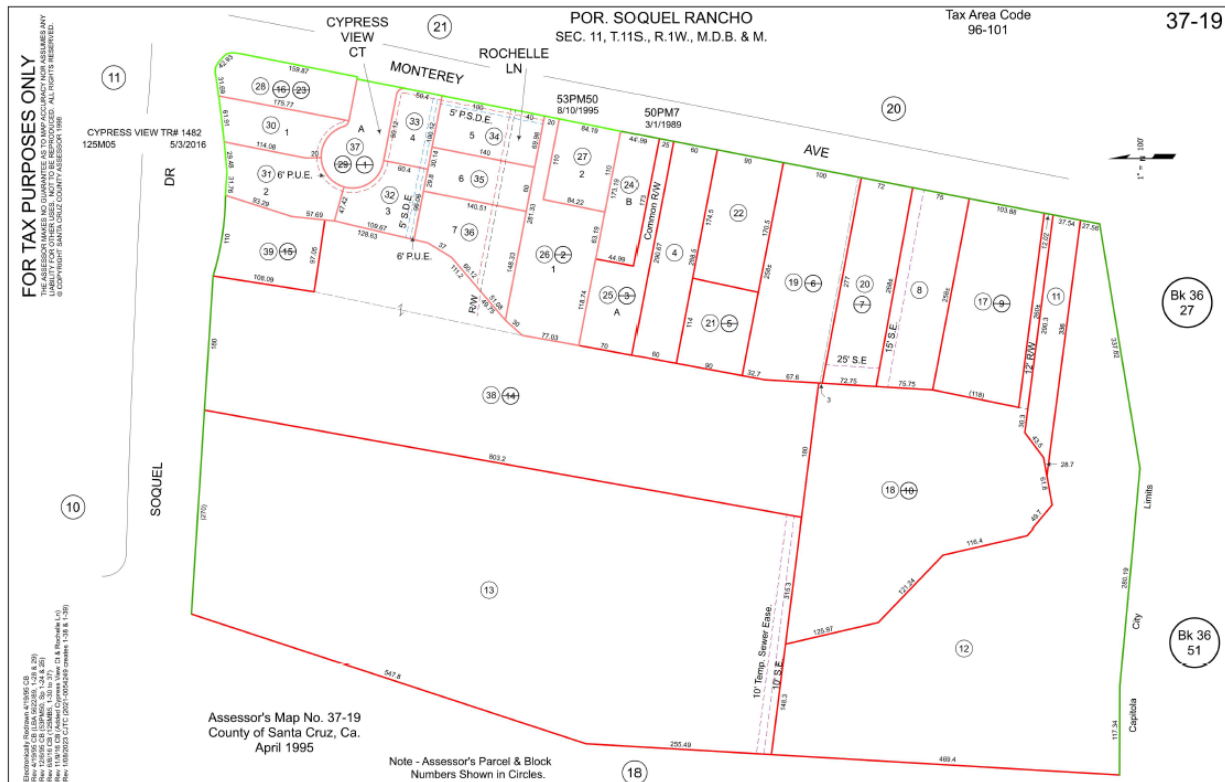
This report details the development potential of the 5.8280-acre property located at 5606 Soquel Drive in Santa Cruz County, California. It draws on county assessor data, and land use regulations, as well as select state laws, to provide an overview of the site's capacity for residential development under various scenarios, including base zoning and state density bonus incentives.

The report identifies land use policy conflicts and opportunities as well as risks associated with the environmental, political and infrastructure characteristics/issues, and the entitlement process of these scenarios.

It should be noted that this analysis, in no way, should be interpreted as a guarantee of development rights or entitlements. Such assurance can only be obtained by receiving approvals for a specific development proposal from the County of Santa Cruz and/or other necessary governmental agencies. The regulations, (and interpretation of the regulations) affecting development are subject to frequent change. Engineered improvement plans have not been prepared for the property. This report does not evaluate the financial feasibility of the development options considered herein.

1. Property Overview

The subject property, identified by APN 37-191-13, has a **total parcel size of approximately 5.83 acres (253,867.68 square feet)**. Of this, **4.55 acres (198,107 square feet)** are considered **developable**, with the remaining 1.28 acres (55,760.68 square feet) designated as open space.





The site is located within **half a mile of major transit stops**, specifically bus stops at Soquel Dr & Cunnison Ln (westbound) and Soquel Dr & Monterey Ave (eastbound), both served by Metro Routes #1, 2, and 55. This proximity qualifies the project for enhanced density bonuses and parking reductions under California law.

Urban Services Line

The property is located within the Urban Services Line, (USL) for the County of Santa Cruz. The Santa Cruz County General Plan characterizes the Urban Service Line as the distinction between rural and urban areas of the county. Per General Plan Objective 2.1, the distinction aims to encourage new development within urban areas and discourage division of land and intensification in rural areas. The Urban Services Line is considered by many politicians, past and present and many political and environmental activists to be the primary defense against suburban sprawl and the destruction of the rural character and sensitive environmental habitats throughout the County. SC County land use policies are focused on concentrating development within the Urban Services Line – encouraging development of underdeveloped infill sites within the USL. This presents a significant opportunity for the development of the subject property.

The Political Climate

The majority of residents of Santa Cruz County and the officials they have elected have historically been strident opponents to large residential developments and population growth in general. The no growth or limited growth movement has its origin in 1978 and the passage of Measure J which requires the County to set an annual growth rate. Over the past 50 years development proposals within the County, have for the most part been intensely opposed.

A very complex, time consuming and expensive permitting process and daunting regulatory maze has been established to implement Measure J within the County with the intention to control growth and maintain it at a slow rate. Statewide the concern over the environmental effects of growth has resulted in the establishment of CEQA (California Environmental Quality Act) in the early 1970s and numerous policies and regulations that prioritize and protect endangered species, water and air quality over the development of new housing.

Lawsuits contesting project approvals and CEQA (California Environmental Quality Act) determinations have been employed by opponents in an attempt to stop development projects. Unfortunately, these no/limited growth policies have contributed significantly to the severe housing shortage.

In recent years the State government has responded to the housing crisis by passing significant legislation intended to overcome local opposition to housing development. One of the most significant State measures that has been passed recently is SB330, known as the Housing Crisis Act of 2019 which amended the Housing Accountability Act. SB 330 states that: “(4) California needs an estimated 180,000 additional homes annually to keep up with population growth, and the Governor has called for 3.5 million new homes to be built by 2025.”

In September 2024, Governor Newsom signed a package of 32 housing bills intended to streamline the permitting process. The Housing Accountability Act, which is part of the Planning and Zoning Law, prohibits a local agency from disapproving, or conditioning approval in a manner that renders infeasible, a housing development project with at least 20% of the units affordable to very low, or low income households which is consistent with the objective standards in the General Plan and Zoning unless the local agency makes specified written findings based on a preponderance of the evidence that a housing development project would have a specific, adverse impact upon the public health or safety, and there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the development unaffordable to low- and moderate income households or rendering the development of the emergency shelter financially infeasible.

As used in this paragraph, a “specific, adverse impact” means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

However, it is important to recognize that the act specifies that one way to avoid the necessity to approve a project is to make findings that the housing development project is inconsistent with both the jurisdiction's zoning ordinance and general plan land use designation as specified in any element of the general plan as it existed on the date the application was deemed complete. This provision applies to communities that have an approved State Housing Element, which both the County and City now have.

These State Laws and the County's implementation of them have created an environment that is far more favorable to the development of housing. It is still common for local neighbors and anti-growth advocates to protest housing developments that are consistent with the General Plan and Zoning regulations. However, the decision makers and staff are cognizant that their power to obstruct and deny certain housing development types has been severely limited. Elected officials almost universally espouse the importance of developing new housing and streamlining the application and review process. In large part, staff in the County are taking an attitude of facilitation rather than obstruction. However, it must be recognized that the complicated, cumbersome and expensive permit process still exists and needs to be accounted for.

The County of Santa Cruz recently rezoned approximately 73 parcels and updated the General Plan to comply with the Housing Element and to comply with the State Regional Housing Allocation Numbers (RHNA). The County is required to rezone and amend the General Plan such that it can demonstrate a realistic probability that 4,634 residential units will be developed during this 8 year cycle of the Housing Element. The subject property was one of the 73 parcels whose General Plan designation and zoning were changed by the County to comply with the Housing Element and RHNA requirements. earlier in 2025.

Coastal Zone

The subject parcel is **not** within the Coastal Zone and therefore does not require coastal permits.

2. General Plan & Zoning

General Plan: Split designation – **Urban High Density Flex Residential (R-UHF)** on ~4.5 acres (supports 22–45 dwelling units/acre), and **Urban Open Space (O-U)** on ~1.3 acres (riparian corridor to be preserved for habitat and drainage).

It should be noted that there is an **inconsistency between the General Plan's Land Use Element and the Housing Element**. The Housing Element, adopted and certified by HCD in April 2024, lists a minimum density of 22 dwelling units (DU)/acre (128 units for the **entire** parcel) and a maximum density of 45 DU/acre (262 units for the **entire** parcel). However, the Land Use Element, amended December 17, 2024, designates approximately 78% (4.55 acres) as Residential-Urban High Flex (R-UHF) with a 22-45 DU/acre range, and the remaining 22% (1.28 acres) as Urban Open Space (O-U) with an effective maximum density of zero for multifamily residential development. One could interpret the Land Use Element's density requirements to suggest a maximum of 204 units and a minimum of 100 units on the site.

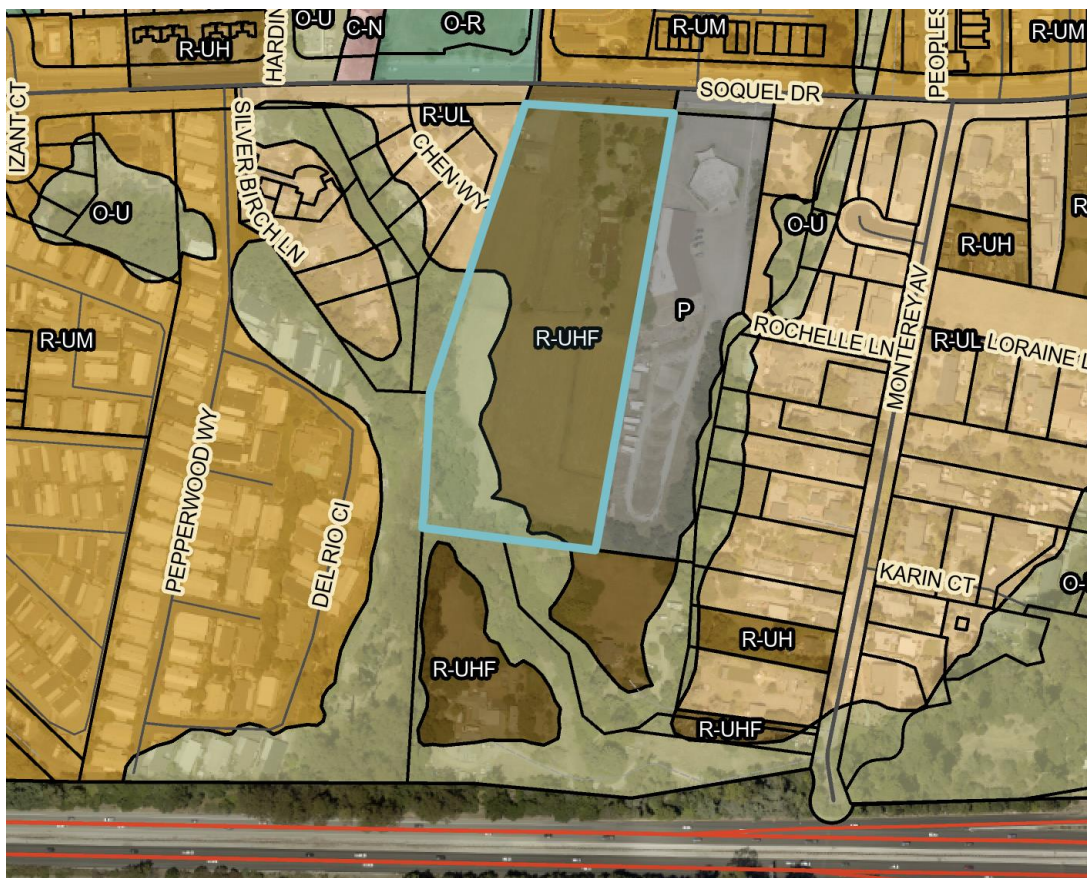
In our opinion this inconsistency could expose a project to legal challenge, regardless of the chosen entitlement approach. However, we feel the zoning policies and a project that invokes density bonus

law will minimize the risk created by this inconsistency between the General Plan Land Use Element and the General Plan Housing Element.

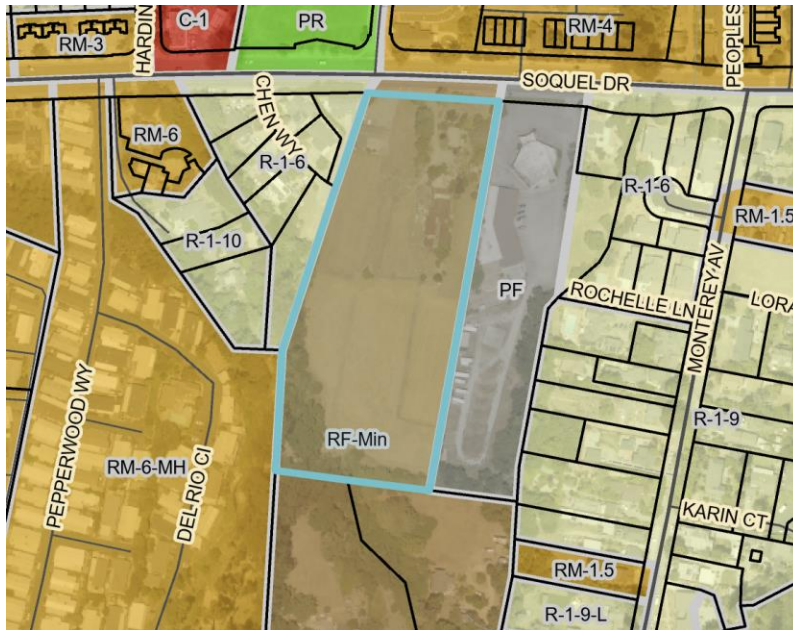
It is also important to note that the County Planning Dept has been very clear in providing directions on their website that states:

” The area of the parcel used for density calculation is the “gross site area,” which includes all of the land in the lot, including rights of way, corridor access, slopes, floodplains, riparian corridors – most everything. This is a change from previous zoning ordinance policies. However, where parcels include coastal bluffs, the gross site area does not include the bluff area, beach, or any tideland areas”

Furthermore, the County’s Housing Element Policy H 1.3 generally requires that multifamily developments include at least 75% of the maximum density in the Housing Element which calculates as a minimum **of 197 units** on this site.



The property's **zoning designation is RF-MIN** (Residential Flexible with a Ministerial Combining District overlay). This RF-MIN zoning allows for ministerial approval if specific affordability and objective design criteria requirements are met.



The RF zoning designation allows for a maximum of 45 DU/acre for the **entire** parcel, equating to 262 units. This is significant because state density bonus law (GC 65915(o)(6)) defines "Maximum allowable residential density" or "base density" as the greatest number of units allowed under the zoning ordinance, specific plan, or land use element of the general plan. Therefore, if state density bonus law is invoked, **the base density for this project is 262 units.**

The MIN overlay of the RF-MIN zoning allows for ministerial approval if the project includes **at least 20% of the total units as affordable to lower-income households (60% AMI)** and is consistent with the county's other affordable housing requirements. Permitted housing types under RF zoning that can benefit from ministerial approval include **townhomes, multifamily, or senior rental housing (SRH)**. Other uses like residential care facilities may require a conditional use permit and would not be subject to ministerial approval. It is infeasible to develop detached single-family homes on this site due to its size and state law requirements related to lower-income housing on housing element sites. Multifamily projects may include active commercial uses on the ground floor, such as eating and drinking establishments, entertainment, fitness, and neighborhood sales and services.

3. Local Development Standards

Development standards for the RF zoning are as follows:

- **Maximum Height:** 40 feet
- **Maximum Stories:** 3
- **Maximum FAR:**
 - 1.1 if project is < 30 DU/acre
 - 1.5 if project is > 30 DU/acre
 - No FAR maximum if 75% or more of parking is structured (underground, podium, or multi-story)
- **Lot Coverage:** No maximum
- **Setbacks:**
 - Front yard: 10 feet
 - Interior side yard: 5 feet
 - Rear yard: 15 feet
 - Garage/carport entries: 18 feet
 - Third story: 50% of third-story exterior walls must be set back an additional 10 feet
- **Open Space Requirements:** 15% of gross site area as common and/or private open space (minimum 20 feet dimension); 50% of units must include private open space (minimum 60 square feet per unit).
- **Parking Requirements:**
 - 1-bedroom townhomes: 1 space/unit + 20% guest parking
 - 2+ bedroom townhomes: 2 spaces/unit + 20% guest parking
 - Multifamily <750 GSF: 1 space/unit
 - Multifamily >750 GSF: 1.5 spaces/unit.

4. County of Santa Cruz Inclusionary Affordable Housing Requirement

The County of Santa Cruz requires that all projects with greater than 7 units provide **15%** of the units as determined by the base General Plan density as affordable to Moderate Income households with incomes of 80-120% of the County median income.

It is important to note that affordable units that are used to comply with County inclusionary affordable housing requirements can be used to qualify for a Density Bonus. When a density bonus is incorporated into a project, the total number of affordable units may be less than 15% of the total number of units in the project.

5. Preliminary Unit Count Analysis based on General Plan and Zoning (no Density Bonus)

The full parcel area of 5.83 acres is used to determine the allowable unit count under the maximum density cap per state density bonus law. However, for local zoning minimum and maximum density requirements, the developable area of 4.55 acres is used, with residential units concentrated on this buildable portion.

- Local Base Density Maximum per **land use element** (without Density Bonus) (45 du/acre on 4.55 acres): **204 units. 15% or 37 affordable moderate income units required.**
- Minimum Base Density per **land use element** (22 du/acre on 4.55 acres): **100 units. 15% or 15 affordable moderate income units required.**
- Maximum Base Density per **housing element** (45du/ac on 5.83 acres): **262. 15% or 40 affordable moderate income units required.**
- *Note: great density is possible via Density Bonus, ranging up to 524+ units per Table below*
- Minimum Density per **housing element** (75% of maximum density): **197 units. 15% or 30 affordable moderate income units required.**

6. Density Bonus Law (DBL) Scenarios - (Government Code §65915)

Density Bonus Law

California's **Density Bonus Law (Government Code § 65915)** is a key incentive for developers looking to increase housing density while incorporating affordable or senior housing units. This law grants projects the ability to exceed the number of market rate units allowed by local general plan and zoning restrictions in exchange for setting aside a portion of units for lower-income households or seniors. The law provides a **sliding scale of density bonuses** based on the percentage of affordable units and level of affordability included in a project. Developers can receive up to a **50% increase in allowable density** if they meet the following thresholds:

- Very Low-Income (VLI) Units: 15% of total units designated for VLI households qualifies for the maximum 50% density bonus.
- Low-Income (LI) Units: 24% of total units designated for LI households qualifies for the 50% bonus.
- Moderate-Income (MI) Units (For-sale projects only): 44% of total units designated for MI households qualifies for the 50% bonus.

Additionally, a senior housing development with at least 35 units automatically qualifies for a 20% density bonus, per Civil Code §§ 51.3 & 51.12. Civil Code Section 51.3 defines a "senior citizen housing development" as a residential community intended for, and solely occupied by, individuals aged 62 or older, or a housing development that has at least 35 units and is intended for, and operated for occupancy by, individuals aged 55 or older.

In addition to increased density, the law provides various incentives and waivers to enhance project feasibility. Parking requirements can be significantly reduced depending on the project size and affordability level, lowering land use demands and construction costs. Developers may also request increases in building height and floor area ratio (FAR), lot coverage.

Additionally, modifications to setbacks and open space requirements allow for greater site flexibility by adjusting lot coverage and the allocation of private or public open space. Some projects may also qualify for reduced or deferred impact fees, further improving financial viability.

Additional Density Bonuses

• **AB 1287 (Effective 2024):** Introduces a **stackable density bonus** that allows additional increases beyond the 50% cap for projects that provide additional affordable housing. The Density Bonus Law is a powerful tool for developers to increase unit yield, reduce costs, and streamline approvals while addressing California’s housing needs. By strategically incorporating additional affordable housing, projects can unlock higher densities, reduced parking mandates, and flexible zoning allowances, making development more financially viable.

The project's location within 1/2 mile of a major transit stop makes it eligible for enhanced density bonuses and parking reductions, under California law. A **base zoning of 262 units** is used as the calculation basis for density bonuses.

- **DBL Base Density (45 du/acre on 5.83 acres):** 262 units.
- **50% bonus for market-rate projects with increased affordability**
- **AB 1287 stacked bonus:** Up to 100% bonus for qualifying mixed-income projects
- **Potential bonus for 100% affordable projects:** 80% or unlimited (per AB 1763).
- **AB 1763:** unlimited density for 100% affordable and proximity to transit

The Table below outlines various density bonus scenarios and their resulting unit totals and affordability breakdowns, as well as eligibility for by-right approval under the county’s ministerial combining district:

Density Bonus Scenarios: Required Affordability by Scenario

Scenario	Affordability Breakdown	Bonus Achieved	Unit Total	Local Ministerial Eligible?	% Affordable of Total Units
1. For-Sale (15% Mod-Income)	15% moderate-income = 40 units (base); qualifies for 10% bonus	10%	289	No	13.8% Mod

2. Rental - 24% Low-Income	24% of 262 = 63 units (base); qualifies for 50% bonus	50%	393	No	16.0% LI
2A. Rental - 15% Very Low-Income	15% of 262 = 40 units (base); qualifies for 50% bonus	50%	393	No	10.2% VLI
3. AB 1287: 15% VLI + 15% Mod	15% VLI = 40 units + 15% Mod = 40 units; 80 BMR units qualifies for 50% base + 50% stacked bonus	100%	524	No	7.6% VLI & 7.6% Mod = 15.3%
3A. AB 1287: 25% VLI	25% VLI = 66 units; qualifies for 50% base + 38.75% stacked bonus	88.75%	495	No	13.3% VLI
4. 100% Affordable w/ Unlim Waivers	100% of total units (excl. manager's) restricted to VLI/LI/Mod (max 20% mod)	80%	472	Yes	100%
4A. 100% Affordable - AB 1287	Mix of VLI, LI, and Mod (e.g., 15% VLI + 70% LI + 15% Mod); qualifies for AB 1287 stacked bonus	100%	524	Yes	100%
4B. 100% Affordable - Unlimited (AB 1763)	All affordable, near transit, no waivers; density not capped but form constrained	Unlimited	>524	Yes	100%
5. Senior Housing - Market Rate	Market rate senior housing qualifies for 20% bonus	20%	315	No	0%
5A. Senior Housing - 24% Low-Income	24% of 262 = 63 LI units; bonus adjusted to 20% to keep 63 / 315 = 20% affordable	20%	315	Yes	20%

6. Rental - 5% VLI	The minimum 5% VLI units to qualify under SDBL = 14 units (50% AMI)	20%	315	No	4.4%
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7. Entitlement Pathways

Three primary entitlement pathways are available for the project:

- **Discretionary Approval:** Always available for any unit count or affordability scenario. However, it carries risks such as CEQA (California Environmental Quality Act) and political risk, which may lead to infeasible conditions of approval. CEQA risk may be mitigated via an AB 130 CEQA exemption (see additional considerations in Section 11).
- **Local Ministerial Approval:** Available if the project sets aside **at least 20% of the total units as affordable to lower-income households (60% AMI)**. This pathway minimizes CEQA risk and reduces political risk, and it does not require labor standards like prevailing wage.
- **SB 423 Streamlining:** Available in unincorporated Santa Cruz County if the project meets the required affordability requirements, labor standards, and completes a tribal consultation process.

Santa Cruz County is currently subject to SB 423 streamlining for 10% affordable projects. A more rigorous review of the various geographical and environmental standards is necessary to determine site eligibility, however a preliminary review indicates SB 423 streamlining is likely available for the subject site. **Any project that seeks to utilize SB 423 streamlining must pay prevailing wages to all construction workers utilized on the project.** Projects with more than 50 units are also required to pay certain worker healthcare costs. Please note: if the project exceeds 85 feet in height, it would also be required to contract with a contractor that employs a skilled and trained workforce. The affordability thresholds to meet for SB 423 streamlining are:

- **For-Rent Projects:** At least **10%** of the **base density units** must be deed-restricted to Very Low Income (VLI; 50% AMI) households.
- **For-Sale Projects:** At least **10%** of the **base density units** must be deed-restricted to Low Income (80% AMI) households. The project may also be required to provide a total of 15% of the base density of the units as affordable to moderate income (120% AMI) households per the local affordability requirements. Low-Income units count towards satisfying the moderate income unit requirement.
- **100% Affordable For-Rent Projects** also qualify, however 100% affordable projects aren't included in this analysis because they also qualify for the county's ministerial approval without the prevailing wage labor requirement.

8. Parking Analysis

For a 262-unit project with an assumed 50/50 mix of smaller and larger unit sizes (<750 sf and >750 sf), approximately **380 parking spaces are required under local parking requirements** (131 units at 1 space, 131 units at 1.5 spaces, plus 20% guest parking). This necessitates structured parking for higher unit counts. Projects utilizing waivers associated with density bonus provision frequently proposed reductions in parking standards. Please note, however, that **because this project is located within ½ mile of a major transit stop, no minimum parking requirements apply to this site at all.**

9. Height Limits and Building Typologies

Under Gov. Code §65915, a project utilizing a density bonus (except for unlimited density under AB 1763) is entitled to an unlimited number of development standard waivers, including height limits, if the standard physically precludes the project as proposed. Therefore, all scenarios except Scenario 4B may waive the 40-foot / 3-story cap entirely.

Scenario 4B (unlimited density via AB 1763) receives a default 3-story or 33-foot height increase over and above the zone district 3 story limit but is not automatically entitled to waivers unless the developer limits the project to the maximum 80% density bonus. A separate density bonus concession could still eliminate the height limit in Scenario 4B if applicable.

An all-townhome development is not feasible for higher densities, as the site appears to be able to yield a roughly 110–130 townhomes using the entire developable area, which is well below density bonus scenarios.

The attached Table 1 outlines a preliminary conceptual approximations of heights and building typologies for various scenarios. Attachment 1 provides characteristics of recently approved or proposed projects of comparable property size and density to illustrate the heights and possible typology of project design.

10. Additional Considerations

CEQA Requirements

The California Environmental Quality Act (CEQA) mandates that state and local agencies evaluate and disclose the environmental impacts of proposed projects before granting approvals. This process typically begins with an Initial Study (IS) to assess potential effects. If no significant impacts are identified, a Negative Declaration (ND) is issued. If impacts can be mitigated, a Mitigated Negative Declaration (MND) is prepared. However, if significant environmental impacts are anticipated, a full Environmental Impact Report (EIR) is required, analyzing alternatives and mitigation measures. At a minimum an Initial Study will be required to evaluate the potential impacts. An EIR is an extensive evaluation of the environmental impacts and is both expensive, frequently costing \$250,000 or more and adding roughly 9 months to a year in the approval process. Depending on how the project is positioned relative to various housing legislation the project may be exempt from environmental review.

Assembly Bill 130, which became law on June 30th, 2025, creates a new statutory CEQA exemption for qualifying infill housing projects. Based on a preliminary analysis, it appears that the subject property could qualify for the AB 130 statutory CEQA infill exemption if the project sponsor adheres to the eligibility requirements.

Please refer to Attachment 2 that outlines the additional requirements for a project to qualify for an AB 130 CEQA exemption:

Water

The property is served by the Soquel Creek Water District. The Water Demand Offset, WDO program/fee was terminated in 2023.

The 2025 fees are below:

Meter Size	2025 Capacity Charge
5/8-inch Restricted	\$5,335
5/8-inch	\$10,670
1-inch	\$26,675
1.5-inch	\$53,350
2-inch	\$133,376
3-inch	\$266,752
4-inch	\$533,504
6-inch	\$853,606

Per District Ordinance all units must be metered individually unless the building is classified as a low income development.

According to Water District staff, Alyssa Abby and Taj Dufour there are no supply restrictions on new developments in the District at this time.

There is a high pressure (over 125psi) 12” ductile iron main as well as a 16” PVC (50 psi) main. The hydrant at Chen Way shows a static pressure of 55 PSI. Further information about the water system can be obtained by contacting Water District Engineering staff.

Grading & Drainage

It appears that a significant amount of fill was placed at the south portion of the property in the 1970’s. Exhibit 1 includes a copy of a Grant of Right to Dispose of Materials on the subject property between the then property owner and Granite Construction. The Grant states the purpose to be,” to dispose of excess excavated material from Soquel Road project.”

We have been unable to find a record of plans or County authorization of this fill.

A Grading Permit # 24898 was issued in 1971. Exhibit 2. To date neither the County Public Works or Planning Dept have been able to locate the details of what this grading permit was for.

This fill material will need to be analyzed as part of a detailed comprehensive geotechnical investigation of the property. The suitability of the fill to support residential and /or parking structures will need to be evaluated and the extent of over excavation, recompaction and/or engineered fill determined if any.

Additionally, the location of the fill may be problematic in that it could have been placed in an area that was, at the time of fill placement, a riparian corridor or oak woodland with significant biotic resources. If permits were not obtained to authorize the fill, additional historical air photo analysis and biotic evaluation may be required. This in turn could result in the need to obtain a Riparian Exception Permit and possible State Fish & Wildlife and Army Corps of Engineers permits for impacts on these resources.

County storm drainage policy mandates that post-development runoff rates from a 10-year storm event must not exceed pre-development levels. Additionally, stormwater from a 1-2 year storm event needs to be retained on-site and treated to preserve water quality. This can typically be achieved through methods like bioswales, pervious pavement, and silt and grease pavers. To manage post-development runoff, stormwater detention or retention systems such as detention basins or percolation pits are often employed. A detailed drainage plan designed by a civil engineer will be required. This plan must receive approval from County of Santa Cruz.

Sanitation

According to Bryan Wardlow , engineer with County Sanitation, there is no active sewer moratorium affecting this parcel. Sewer availability reviews are specific to an individual development or request. Although Bryan was not intimately familiar with the sewer availability review for the neighboring senior housing project he did not see any documents indicating that they encountered issues at that time. However, capacity that is granted for one development does not imply that there is additional capacity available for future nearby developments.

According to Mr. Wardlow, a proposal of this size would require that the applicant put a deposit (minimum \$3,000 initial deposit) into an at-cost account to fund a sewer capacity analysis to determine if there is sufficient downstream availability or if offsite improvements would be required as a condition of the development. The proposed connection location and information regarding the building unit count with beds/baths and any commercial flow that is proposed would need to be provided.

Electrical, Gas, Telephone

The County of Santa Cruz requires that new utility services be installed underground for increases in development density beyond one house per existing parcel.

Additionally, we anticipate that the County will move toward prohibiting new development from being served by natural gas in the near future and require the electric power only is provided. The City of Santa Cruz previously mandated electric-only utilities, however, this policy was recently withdrawn following a court ruling.

For electrical and dry utility designs, either PG&E can prepare the plans, or a private electrical engineer can develop and submit designs to PG&E for review. It is expected that current cable and telephone providers, such as AT&T or Comcast, would extend service to this development. However, availability should be substantiated with direct confirmation from these service providers, as it was not verified during the site visit.

Biotic Resources

Approximately 1.28 acres is designated as potentially containing biotic resources. A biotic assessment will need to be conducted by a County recognized biologist to clearly identify what biotic resources, if any, are present on the property and the degree to which they will limit development of the parcel.

It appears this area could contain Oak Woodland and riparian resources. This is a protected habitat which the County encourages avoidance and stringent mitigations if Oak Woodlands or riparian resources cannot be avoided.

Historical & Cultural Resources

The parcel is not mapped as containing archeological resources per the County GIS mapping system. However, a historical and cultural resources study will be required due to the age of the house on the property. County protocol requires that any structure older than 50 years requires evaluation for potential historical and cultural significance.

Traffic

Traffic impacts of projects historically have been assessed based on Level of Service (LOS), a metric that primarily focused on traffic congestion.

However, as of July 1, 2020, the focus has shifted to Vehicle Miles Traveled (VMT), a measure that reflects the total miles driven by vehicles associated with a project. This shift aligns with the state's broader goals of reducing greenhouse gas emissions, promoting infill development, and encouraging more sustainable transportation choices. Currently the County requires an evaluation of both the impacts of a project on LOS as well as VMT. A Traffic Analysis by a traffic engineer will most likely be required. The impact of a project relative to VMT is the measure of significance relative to CEQA(California Environmental Quality Act). The more vehicle trips a project generates and the longer those trips are, the greater the environmental impact. Projects that generate more than 50 trips during the PM peak hour will require a Traffic Analysis regarding LOS and other transportation issues. The LOS Standards are found in The General Plan.

Fire

Fire safety regulations in the County are designed to ensure that all new developments meet strict standards for fire prevention and emergency response. One of the primary requirements for new residential buildings is the installation of automatic fire sprinkler systems. Ensuring adequate fire access is another critical aspect of development. Any new structure located more than 150 feet from a public road must have a designated fire apparatus access road with a minimum width of 20 feet and a vertical clearance of at least 13 feet 6 inches. Additionally, proper circulation and turnaround areas are required to allow emergency vehicles to maneuver efficiently. Dead-end roads exceeding 150 feet in length must incorporate an approved turnaround, such as a cul-de-sac or hammerhead design, to facilitate fire apparatus movement.

Section 6.5.5 of the County of Santa Cruz General Plan Standards for New Dead-End Roads states:

The standard for new subdivisions of 5 or more lots shall not exceed 500' unless recommended by the applicable fire protection agencies and the Dept. of Public Works and approved by the Planning Commission.

Although this policy explicitly states for new subdivisions the Planning Dept has consistently been concerned about not creating excessively long dead-end streets. The provision of 2ndry access is a common mitigation. Additionally, the Planning staff and Commission have been concerned about pedestrian and bicycle connectivity between parcels. The subject property is approximately 800 feet deep. Site planning for the development will need to consider the length of access routes.

Two parcels to the south, APN 37-191-12 & 18 are located at the end of Monterey Ave, a dead-end street that is longer than 500'. These properties were rezoned to the RF Min designation allowing for up to 45 units per acre, base density, similar to the subject property. County staff has, in the past, required that a subdivision or multifamily development on one property provide secondary access for an adjacent property that would otherwise have no other means of providing secondary access. Preliminary planning for a residential development on the subject property should consider this issue of emergency access and connectivity with the adjacent properties. Secondary access routes are frequently gated and limited to emergencies only.

Water supply is another key consideration, as developments must demonstrate access to a reliable water source for firefighting. Fire hydrants are currently located in close proximity to the property on Soquel Dr. however additional hydrants will certainly be required within the project.

Early consultation with the Central Fire District can help clarify site-specific requirements.

Timing of Fee Payments

SB 937 Fee Deferral prohibits a local agency that imposes fees or charges on a residential development for the construction of public improvements or facilities from requiring the payment of those fees or charges until the date of the final inspection or the date the certificate of occupancy is issued, whichever occurs first, except for utility service fees, which the local agency is authorized

to collect at the time an application for utility service is received. The act exempts specified units in a residential development proposed by a nonprofit housing developer if the housing development meets certain conditions.

Next Steps

To advance the development of the property, the following key actions are recommended:

- Engage a geotechnical engineer to assess the fill placed at the rear of the site
- Engage a professional biologist -to assess the presence of protected species and assess the biotic constraints that may be present on the parcel. These include but are not limited to Oak Woodland; Riparian; Grasslands; various plant, insect and animal species.
- Engage Design & Engineering Professionals – to create conceptual development options and potential unit yield given preliminary assessment of site constraints.
- Evaluate financial feasibility of selected development schemes-
- Consult with appropriate Planning Dept staff and decision makers regarding the development concepts
- Potentially apply for formal but preliminary reviews of a preferred development option :Development Review Group(DRG)
- Retain civil engineers, architects, and environmental consultants- to refine site plans and prepare preliminary subdivision plans, infrastructure improvements, unit designs, etc.
- Determine CEQA Compliance Path – Initiate environmental assessments to identify potential constraints and determine the level of CEQA review required.
- Detailed Assessment of Infrastructure Needs – Secure will-serve letters for water and sanitation services, conduct traffic studies, and determine necessary on & off-site improvements.
- Submit Formal application for development, such as Subdivision, Development Permit; PUD; Density Bonus
- Engage housing advocates and outreach to neighbors and business- to explain development options, gain support and minimize opposition.

Summary

In our opinion this property is suitable and likely to obtain approvals from the County of Santa Cruz for a wide range of development scenarios. A project proposing between 197 and 262 unit would be consistent with the recent rezoning of the property to RF-Min, County Housing Element policy and State housing laws that have been passed to facilitate residential development. Significantly greater densities up to 526 units or more are possible depending on the percentage of affordable units and level of affordability.

A project as small as 100 units may be possible but will need to utilize creative justifications for the reduced density based on site constraints such as soil/fill conditions, biotic issues, traffic impacts and neighborhood opposition. A density bonus waiver of the Housing Element policy which requires a minimum 75% of the maximum density in the Housing Element may be possible to

achieve this lower density. This strategy is being used currently on another project in the Live Oak area based on riparian and biotic constraints.

Each scenario involves a trade-off between feasibility and development potential. The optimal approach will depend on financial considerations, market conditions, and the risk tolerance of the developer. Some of the State density bonus laws include a variety of other stipulations and requirements which may include prevailing wage, insurance requirements, skilled labor and others. Careful review of these requirements is necessary when considering these options.

Table 1**Expected Heights and Potential Building Typologies**

Scenario	Total Units	Likely Typology	Height Range	Comments
Min density	100-130	Townhouse	3 stories	2 stories over parking/tuck under + surface parking
Base (262 units)	262	2 over 1 podium	3 stories (40 ft)	Potential Conform to base zoning without waivers
Scenario 1	288	Podium	4-5 stories	Parking under podium + 3 stories wood frame
Scenario 2B	354	5-over-1 podium	6 stories (~65 ft)	Typical high-density multifamily infill product; waiver needed for height
Scenario 3 / 3A	495-524	5-over-2 or podium + wrap	6-7 stories	Structured podium garage necessary; waiver needed for height
Scenario 4 / 4A	472-524	5-over-2 podium or similar	6-7 stories	100% affordable, waivers permitted
Scenario 4B	>524	6-9 stories midrise	6-9 stories (~85 ft)	Unlimited density but capped on form (default 33' increase unless waived)
Scenario 5 / 5A	315	Podium, 4-5 story walk-up	4-5 stories	Efficient senior housing layout with elevator service

**Attachment 1
Comparable Developments
For 5606 Soquel**

41st and Soquel

Zoning C-2 & C-4
Gross Lot Area 117,743 / 2.7 ac
6 Stories
289 Units
235 Parking Stacker Stalls + 5 Standard stalls

908 Ocean Street

Zoning C-C
Lot Area 4.14 ac
3 & 5 Stories with underground parking
389 Units
382 Parking stalls

Anton Solana (Thurber/Soquel)

Zoning RF/C-2
Usable Lot Area 4.16 ac
5 Bldgs 3 - 5 Stories
173 Units
257 Parking Stalls

Sweet Homes (Paul Sweet Rd)

Zoning PA-Min
Lot Area 0.52 ac
6 Stories
105 Units
74 Garage parking stalls

Porter at Soquel Senior Living (5630 Soquel Dr.)

Zoning P-F & RU-L
Lot Area 4.0 ac
3 Stories
85 Beds
41 Parking Stalls

Delaware Addition

Zoning IG-2
Lot Area 3.44 acres (4 lots)
4 Stories
Mixed Use – 161 Units and 7,475 Commercial space
233 total Parking stalls

5940 Soquel Dr. Townhomes

Zoning RM-2-R
Lot Area 4.98 acres
17 - 3 Story buildings
100 townhomes

422 and 430 Meder St.

Zoning R1-10
Lot Area 6 acres
18 - 3 Stories
97 Townhomes for purchase
2 underground spots per unit, with 24 guest parking spots

Cabrillo College Student Housing

Zoning PF
4 Stories
624 beds (115 dormitories, 96 apartments and apartments and 60 apartments for families) 383 Cabrillo/241 UCSC
No additional parking proposed

Attachment 2

AB 130 CEQA Exemption Guidelines

AB 130 Tribal & Cultural-Resource Safeguards

- Lead agency must notify all traditionally-affiliated California Native American tribes within 14 days of deeming the application complete.
- Tribes have 60 days to request consultation; if requested, consultation must begin within 14 days and conclude within 45 days (plus one 15-day extension at the tribe's request).
- Conditions of approval must incorporate binding tribal cultural-resource protections, a Sacred Lands Inventory request, and a cultural records search.

AB 130 Environmental & Public-Health Criteria

- Requires a Phase I Environmental Site Assessment; if Recognized Environmental Conditions are identified, the applicant must perform a Preliminary Endangerment Assessment and mitigate any hazardous-substance releases to meet current state/federal standards.
- For sites within 500 feet of a freeway (note that portions of the subject property are within 500 feet of Highway 1):
 - Centralized HVAC with outdoor air intakes oriented away from the freeway.
 - No balconies facing the freeway.
 - MERV 16 air filtration, with filter changes at intervals specified in the exemption.

AB 130 Labor Standards

- Buildings over 85 feet tall must pay prevailing wage and employ a skilled & trained workforce.
- 100 percent-affordable projects (excluding manager's units) must pay prevailing wage for all workers on the project.
- In San Francisco, any project with 50 or more units must pay prevailing wage regardless of height.

AB 130 Processing Timeline & Legal Protections

- Once tribal consultation is complete (or tribes do not request consultation), the agency must approve or deny the application within 30 days.
- The statutory exemption is not subject to CEQA's "unusual circumstances" exception, offering stronger protection against litigation than categorical exemptions.

Exhibit 1

(SEWER REPAIR) 2024
APPRaisal WAIVER VALUATION Signed Copy 3/30/24

12.7.23

APN: 037-191-13

Owners: Stephen M. Seliskar, John I. Seliskar, & Alois R. Seliskar

Address: 5606 Soquel Drive, Soquel, CA 95071

Parcel Size: 5.82 Acres 253,867.68 square feet

Project: CC151-CC150 Sewer Replacement Emergency Project

Land rights being appraised:

- 1) Temporary Construction Easement (TCE) over an area of 13,797 square feet.

Purpose of Easement:

Approximately 68 linear feet of clay public sewer main running along the south side of APN 037-191-13 is cracking and broken in parts. The sewer main must be replaced with a new pipe to keep the sewer from spilling. Lining the pipe is not an option due to the large offsets of the joints and the severity of the breaks.

The project site will need to be accessed by construction vehicles from 5630 Soquel Drive. The equipment required will likely be an excavator, dump truck, long flatbed truck (for pipe delivery), butt fusion machine (for connecting the HDPE pipe segments), and pickup trucks. The project area will need to be cleared of brush to the extent necessary to dig the trench, install the pipe, and backfill the trench. Disturbance will be limited as much as feasible. The area will be accessed and covered with erosion control measures as necessary.

The project requires the acquisition of Temporary Construction Easement (TCE) rights across a portion of the subject property adjacent to the project.

Property Characteristics

A determination has been made to depart from performing a full appraisal (Appraisal Waiver Valuation consistent with 49 CFR 24.102(c) (2)) based upon the analysis below:

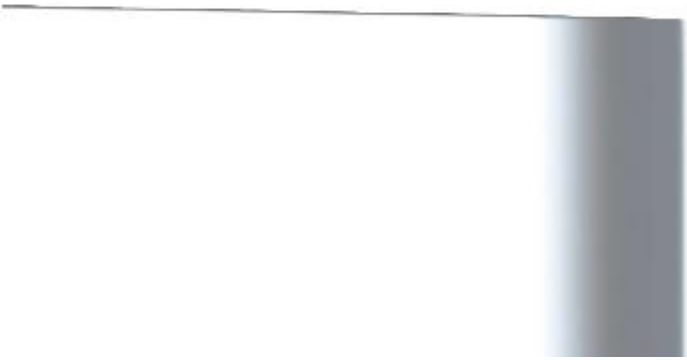
The subject site consists of approximately 5.82 acres (253,867.68 square feet). County records indicates the subject is improved with single-family residence. County records indicates a total of 994 square feet of living space with 3 bedrooms, 1 full bathroom, 130 square feet of decks. Records indicate the construction date was 1920 with an effective year of 1920. County records also indicates an additional outbuilding is located on the property. The outbuilding is reported to be approximately 1,390 square feet. Records do not indicate a bedroom or bathroom count for the outbuilding. Construction date of the outbuilding is reported to be 1975 with an effective year of 1975. At time of inspection, a detached 4-car garage and barn was noted on the property.

The site is connected to public utilities.

There is currently a 10-foot sewer easement at the southern end of the property boundary that spans the entire width of the property.

SANTA CRUZ COUNTY
COMMUNITY DEVELOPMENT &
INFRASTRUCTURE 2/1/24
ARHELETA TRUJILLO
SENIOR CIVIL ENGINEER
456 2384

JUSTIN ENOSES
ASSISTANT RESOURCE MANAGER
454 2160
INSPECTOR MARCOS



GRANT OF RIGHT TO DISPOSAL OF MATERIALS
FOR CONSTRUCTION PURPOSES

THIS AGREEMENT, dated September 22, 1971, between
Mr. Aloje SELLER hereinafter
called "Owners", and GRANITE CONSTRUCTION COMPANY, hereinafter
called "Contractor".

WITNESSETH THAT:

1. Owners represent and warrant that they are the owners in fee simple of the following described lands situated in the County of Santa Cruz, State of California, and described as follows:

Assessor's PARCEL No. 37-191-13
5600 SOROCU DRIVE SANTA CRUZ

and that they have the exclusive right to enter into this agreement and Owners agree to defend, hold harmless and indemnify Contractor from any and all actions, demands or claims made against Contractor by any person who may claim a title to or interest in said land or sand fill materials.

2. Owners grant to Contractor the right at any time and from time to time during the period of Sept. 1971 to May 1972 from and after the date of this agreement, to enter upon the aforesaid land and to dispose thereon of

EXCESS EXCAVATED MATERIALS FROM SOROCU
DRIVE ROAD PROJECT

3. Owners grant to Contractor the right of ingress and egress to and from said disposal area over lands of Owners situated as described above which right of way shall be so located as may be reasonable necessary or convenient for access to such location and for the transportation of materials thereto.

4. Owners hereby waive as against Contractor, its agents, servants and employees, all claims for damage of any kind, which may be suffered or incurred directly or indirectly by Owners, their agents or their employees, by reason of the use by Contractor of the land which is herein referred to or the exercise of any of the rights granted hereunder.

5. The within grant is not and shall not be construed as an agreement for the sale of tangible personal property.

6. The rights and privileges hereby granted or reserved to Contractor may, at the option of the Contractor, be exercised by any agent or assignee of the Contractor.

And 7. Contractor will place above materials by dumping COMPACTING, ~~Owner~~ agrees to do all spreading, covering or finish grading of said materials.

8. Contractor agrees to hold the Owners harmless from such loss or liability as they may incur by reason of claims or demands made or asserted by third parties as a result of acts of the Contractor, its agents, servants or employees in carrying on Contractor's activities under this agreement.

9. The Contractor agrees to keep in full force and effect at all times Public Liability and Property Damage Insurance covering the legal liability of the Contractor's operations.

10. This agreement shall inure to the benefit of and shall be binding upon the heirs, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, this agreement has been executed.

WITNESS:

X _____
(Owners)

5606 Seaman Drive

(Address)

San Jose, Calif. CA 95060
(Address)

GRANITE CONSTRUCTION COMPANY

By: Charles M. ...

Exhibit 2
(1 of 2)

Thomas, Seliskar et al 37-191-13
Soquel Drive
Santa Cruz
BP# 24898
10-20-71

Seliskar, S.-5606 Soquel Dr, Soquel
BP# 40208
10-25-74

Exhibit 2
(2 of 2)



200 SHAFER ROAD
POST OFFICE BOX 43
SANTA CRUZ, CA 950
TELEPHONE (408) 423-
Box 473
423 5846

GRANITE CONSTRUCTION COMPANY
ENGINEERING CONTRACTORS
SANTA CRUZ, CALIFORNIA 95060

June 26, 1973

C
O
P
Y

County of Santa Cruz
Planning Department
701 Ocean Street
Santa Cruz, California 95060

Attention: Steve Borossay

Subject: Grading Permit No. 24898
Granite Construction Company Job 4-44 1972

This will confirm our telephone conversation of June 20, 1973, relative to the subject project.

We confirm that we have issued purchase order for sufficient 54"-Class V pipe to replace 150 lineal feet of existing 54" RCP, as required by your letter of April 4, 1973. It is anticipated that shipment of this pipe will be made in 4 to 5 weeks.

The balance of the work required will be done in conformance with our letter of September 11, 1973.

GRANITE CONSTRUCTION COMPANY

By J.M. Browne
J.M. Browne

JMB:md
cc: Mr. Alojz Seltskar