REDEVELOPMENT AGENCY



COUNTY OF SANTA CRUZ-

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June 4, 1998

Agenda: June 16, 1998

Board of Directors County of Santa Cruz Redevelopment Agency 701 Ocean Street Santa Cruz. CA 95060

Duplex on Chanticleer Park Property

Dear Members of the Board:

In December, 1996, the Redevelopment Agency purchased the Chanticleer park site property; this property includes a number of residential units. At the time of the purchase, many of these units had been converted to illegal uses. Over the course of the last year and a half, we have remedied almost all of these illegal conversions. The one unit remaining to be corrected is an illegally-converted duplex, which the County recognizes as a single family residence. (The unit is now vacant.) As part of the illegal conversion to a duplex, there was also an illegal addition to the structure.

There are now two options for converting the unit back to a legal single family residence. Both options will include removing the second kitchen and reconfiguring the interior to make it work as a single unit. In addition, the Agency may either demolish the illegal addition portion, which would include removing the second bathroom, or may apply for a building permit to recognize the area of the addition. The first option would result in a three- bedroom, one-bath unit, while the second option would allow a four-bedroom, two-bath unit. The cost for the two options is about the same, estimated at approximately \$30,000 - \$35,000.

Because there is currently no funding for construction of the park, making it likely that the Agency will continue to operate the property as residential rental units for five years or longer, and because rental income would pay back the costs of the work within two to three years, we believe it is prudent to proceed with the conversion of this illegal unit back to a single family residence that can be rented. We are recommending that your Board approve proceeding with the option that will recognize the addition, creating a four-bedroom home because conversion to the larger unit will be more cost-effective, in that it will allow for higher rents. The next steps are to obtain the building permit, and to submit the project to General Services to bid. The contract will be brought back for your Board's consideration as part of that process.

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It is therefore RECOMMENDED that your Board, as the Board of Directors for the Redevelopment Agency, direct the Agency Administrator to proceed with the conversion of the illegal duplex at the Chanticleer property to a legal single family residence, as described in this letter.

Very truly yours,

Tom Burns

Redevelopment Agency Administrator

TB:PH

RECOMMENDED:

Susan A. Mauriello

Redevelopment Agency Director

cc. RDA

Planning Department - Dave Laughlin

SIBDUPLEX.