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3500 PAUL SWEET ROAD
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SANTA CRUZ, CA 95065



Table with 3 columns: Issue, Description, Date. Includes APN 025-013-37, Project number 22140, and Planning Revision 05-15-25.

STATE HOUSING LAW & PROJECT INFO
GPO.01

STATE HOUSING LAW INFORMATION

3500 Paul Sweet - Application # 241360 | 3500 Paul Sweet Rd, Santa Cruz, CA 95065

STATEMENT OF APPLICATION

This is an application for a housing development permit, as defined in Gov. Code § 65905.5(b)(3), and the application must be reviewed pursuant to the Permit Streamlining Act (Gov. Code § 65920 et. seq.).
Per Gov. Code § 65943(a), "Not later than 30 calendar days after any public agency has received an application for a development project, the agency shall determine in writing whether the application is complete and shall immediately transmit the determination to the applicant for the development project..."

SB 330 PRELIMINARY APPLICATION

Applicant provided an "SB 330 preliminary application" including all of the information required for a preliminary application in accordance with Gov. Code § 65941.1. Having provided this preliminary application containing all of the required information, the preliminary application is deemed complete pursuant to Gov. Code § 65941.1(a).
The number of residential units (as per Gov. Code § 65589.5(o)(2)(E)), "... exclusive of any increase resulting from the receipt of a density bonus, incentive, concession, waiver, or similar provision, including any other locally authorized program that offers additional density or other development bonuses when affordable housing is provided..." in the preliminary application was 27 units. That number in this application is 79 units, which is a change of 192.6%.

HOUSING ACCOUNTABILITY ACT AND BUILDER'S REMEDY

The Project provides 7.59% of total units as defined in Gov. Code § 65915(o)(8)(A) for extremely low income households (or deeper affordability), and thus qualifies under Gov. Code § 65589.5(d) and (h)(3)(C)(i)(i) (i.e., HAA housing for mixed-income households 7% ELI) as a housing development project for very low, low-, or moderate-income households, and the "... local agency shall not disapprove the housing development project ... or condition approval in a manner that renders the housing development project ... infeasible ... " except in accordance with subdivision (f) of the Housing Accountability Act.

MINISTERIAL PROCESSING

The Project does not qualify for ministerial processing.

STATE DENSITY BONUS LAW ELIGIBILITY

The Project meets or exceeds the minimum eligibility qualifications to use the State Density Bonus Law (SDBL) in accordance with Gov. Code § 65915(b)(1)(B) by providing 6 very low income (or deeper affordability) units, which is 7.6% of total units, as defined in § 65915(o)(9).

PARKING REQUIRED

The Project requires a Concession to reduce parking requirements to 68 spaces. See under Concessions.
The Parking Required and Parking Proposed for the Project is calculated and indicated under PARKING REQUIRED on Sheet GPO.02. The Parking Provided covers the intent of the Applicant to provide 68 parking spaces and to provide the EV and ADA parking spaces required by State and Federal law.

TOTAL DENSITY

This is a builder's remedy project that is allowed a maximum base density of 98.9 units in accordance with Gov. Code § 65589.5(h)(11)(C)(i)(i) and Gov. Code § 65589.5(h)(11)(C)(ii)(i). This number rounds up to 99 units in accordance with Gov. Code § 66915(g). Pursuant to Gov. Code § 65589.5(f)(6)(C)(ii) and (h)(11)(C), for a builder's remedy project the "base density" used to calculate a density bonus may be lower than, but not exceed, the greatest of the densities allowed by 65589.5(h)(11)(C). The project proposes 79 units of base density.
State Density Bonus Law allows up to 50 bonus units if the Project maxes out the "first" density bonus, plus up to 50 bonus units if the Project maxes out the "second" density bonus.
State ADU law allows up to 2 units of "lot-based" ADUs (2 ADUs per legal parcel with a proposed multifamily structure) per Gov. Code § 6632(a)(4)(A)(ii).

Table with 5 columns: Base Density, Density Bonus, Density Bonus, ADUs, Total. Shows 99 Units Base Density, 50 Units Density Bonus, 50 Units Density Bonus, 2 Units ADUs, and 201 Units Total.

BASE DENSITY BUILDER'S REMEDY BASE UNITS PROPOSED 79 UNITS

Builder's Remedy Density - Base Units Allowed
The Project site has a total area of 25,471 sq ft (0.585 acres), per Survey, and a maximum base density, without builder's remedy, of 44.69 dwelling units per acre. The maximum base density is a blend of densities across land areas with different zoning and/or general plan designations. The maximum base density, without builder's remedy, is 26.1 units. This number rounds up to 27 units in accordance with Gov. Code § 65915(g).
This is a builder's remedy project that is allowed a maximum base density of 98.9 units in accordance with Gov. Code § 65589.5(h)(11)(C)(i)(i) and Gov. Code § 65589.5(h)(11)(C)(ii)(i). This number rounds up to 99 units in accordance with Gov. Code § 66915(g). Pursuant to Gov. Code § 65589.5(f)(6)(C)(ii) and (h)(11)(C), for a builder's remedy project the "base density" used to calculate a density bonus may be lower than, but not exceed, the greatest of the densities allowed by 65589.5(h)(11)(C). The project proposes 79 units of base density.

Table with 8 columns: Lot, General Plan, Specific Plan, Zoning, Max DUA, Gross Lot Area, Source of Area, Unit Density. Shows 3 lots with various zoning and unit densities.

BONUS DENSITY BONUS UNITS PROPOSED 26 UNITS

The Project seeks a density bonus in accordance with Gov. Code § 65915(b)(1)(B) by providing 6 VLI units (or lower), which is 7.59% of the 79 "total units" as defined in Gov. Code § 65915(o)(9). Because this is a builder's remedy project providing ELI units in accordance with Gov. Code § 65589.5(h)(3)(C)(i)(i), Gov. Code § 65589.5(f)(6)(C)(iv) requires that the Project "... shall be eligible for the same density bonus, incentives or concessions, and waivers or reductions of development standards as provided to a housing development project that dedicates three percentage points more units to very low income households ...". The percentage VLI is thus adjusted to 10.59%, which rounds down to 10%. The Project therefore qualifies for a 32.50% "first" density bonus of 26 units in accordance with Gov. Code § 65915(f)(2).
The Project is not applying for the "second" density bonus available pursuant to Gov. Code § 65915(f).
The Project qualifies for 26 bonus units, and proposes 26 bonus units.

BONUS UNITS ALLOWED (CALCULATED ON BUILDER'S REMEDY BASE UNITS PROPOSED)

Table with 5 columns: Base Units, Affordable Units, % Affordable, % Bonus, Bonus Units. Shows 79 Base Units, 6 VLI units Affordable, 32.50% % Affordable, 32.50% % Bonus, and 26 Bonus Units.

\* This is a builder's remedy project and adds 3 percentage points to the % VLI units. Ref: Gov. Code § 65589.5(f)(6)(C)(iv).

LOT-BASED ADUs LOT-BASED ADUs PROPOSED 0 UNITS

In accordance with Gov. Code § 6632(a)(4)(ii), State law requires that a local agency approve "[o]n a lot with a proposed multifamily dwelling, not more than two detached accessory dwelling units." The Project consists of 1 legal lot(s) on which a multifamily dwelling is proposed. Thus, the Project is allowed 2 such "lot-based" ADUs. However, no lot-based ADUs are proposed with this application.

EXISTING RESIDENTIAL UNITS & REPLACEMENT UNITS

The Project Site contains 1 existing residential unit on an existing assessor parcel: APN 022-481-21 contains one (1) one-bedroom, one-bath house, and no other residential units. The house has been rented to persons of unknown income category. This unit is subject to the replacement requirements of Gov. Code § 65915(c)(3), and a one-bedroom, one-bath unit in the new building will be deed restricted to VLI rents (or deeper affordability) and serve as the replacement unit for the existing house.

- 1 Floor Area Ratio (FAR)
2 Building Height
3 Setbacks
4 Parking
5 Usable Open Space
6 SCCC 13.11.075(A)(2)(a) requiring incorporation of mature trees. No on-site trees will be retained.

The following OVERARCHING Objective County of Santa Cruz Design Guidelines

- A4 On-Site Parking
A5 Setbacks
B1 Upper floor stepbacks
D3 Parking and Access
D8 Bike Parking
F1 Stepped Massing
G4 Tree Placement
I4 Utility Screening
The following MULTIFAMILY RESIDENTIAL Objective County of Santa Cruz Design Guidelines
A1 Building Placement - Neighborhoods
A3 Building Orientation
B1 Building Mass
B5 Building Step-Backs
C1 Private Open Space
C2 Common Open Space

CONCESSIONS / INCENTIVES

Because this is a builder's remedy project providing ELI units in accordance with Gov. Code § 65589.5(h)(3)(C)(i)(i), Gov. Code § 65589.5(f)(6)(C)(iv) requires that the Project "... shall be eligible for the same ... incentives or concessions ... as provided to a housing development project that dedicates three percentage points more units to very low income households ...". The percentage VLI is thus adjusted to 10.59%, which rounds down to 10%. Because the project includes 10% of total units (excluding density bonus units) provided at VLI or deeper affordability, the Project qualifies for 2 concessions / incentives in accordance with Gov. Code § 65915(d)(2)(A).
The Project qualifies for an additional 2 concessions / incentives in accordance with Gov. Code § 65589.5(f)(6)(C)(ii), because the Project is a builder's remedy project. The Project qualifies for a total of 4 concessions / incentives.
The following concessions / incentives are proposed with this application. Concessions / Incentives may be changed, added, or removed prior to final project approval.

CONCESSIONS / INCENTIVES - 4 AVAILABLE. 4 Used.

- 1 Expedite Appeal Process - In the event of any appeal of the Project or any of its approvals, the County shall hold a hearing to consider the appeal(s) before the Board of Supervisors within 15 calendar days after the expiration of the appeal period prescribed by Santa Cruz County Code. County shall not grant or allow any extension of the appeal period, except that upon request of the Applicant, County shall grant an extension specified by the Applicant not to exceed 75 calendar days beyond the 15 calendar day deadline to conduct the Board of Supervisors hearing. The Board of Supervisors shall not refer the appeal(s) to any subordinate decision-making body before deciding whether to approve or deny the appeal. County shall do all things necessary to effectuate this concession, including making timely public notices to allow for the expedited appeal before the Board of Supervisors. If any element of this concession is contrary to state law, the County shall expedite its decision on the appeal as nearly consistent with this concession as is allowed by state law. This concession/incentive is requested pursuant to Gov. Code §§ 65915(d) and 65915(k)(3). This concession will result in identifiable and actual cost reductions to provide for affordable housing costs. Appeals and their associated delays to final project approval impose substantial costs in the form of land carrying costs, fees to consultants, increases in construction costs due to inflation, etc.
2 Priority Processing - Applicant requests that upon making the determination that this development permit application is complete, the project will be immediately assigned to staff for processing in advance of all nonpriority applications (i.e., any development permit application that has not requested an incentive or concession for priority processing) including scheduling for environmental review (if required) and subsequent scheduling for public hearing and final action by the decision-making body or bodies. This concession/incentive is requested pursuant to Gov. Code §§ 65915(d) and 65915(k)(3). This concession will result in identifiable and actual cost reductions to provide for affordable housing costs. Accelerating final project approval saves substantial costs in the form of land carrying costs, increases in construction costs due to inflation, etc.

3 Reduce the parking required by Santa Cruz County Code to 68 spaces.

The parking required for the project by Santa Cruz County Code and the State Density Bonus Law, subdivision (g), shall be reduced to 68 spaces or a lesser number of spaces if there is no feasible means of providing 68 spaces within the surface area of the proposed parking field while meeting state and federal law. The project owner intends to provide parking as indicated in the project plans, and to provide ADA and EV parking spaces as required by State and Federal Law. However, the development permit approval for this Project shall not require the project to provide more parking spaces than can be feasibly located within the bounds of the proposed parking field area, while complying with state and federal law. The project qualifies for parking reductions in accordance with the State Density Bonus Law. Applicant chooses to request this concession in addition to other parking reductions and SDBL waivers. This concession/incentive will result in identifiable and actual cost reductions to provide for affordable housing costs. This concession/incentive is requested pursuant to Gov. Code Sections 65915(d) and 65915(k)(3). The cost of constructing parking spaces is a major component of a project's cost. If laws change such that providing the 68 pro-proposed parking spaces requires a larger parking field, then the provision of a lesser number of parking spaces would result in identifiable and actual cost savings.

4 See at bottom right.

WAIVERS / REDUCTIONS OF DEVELOPMENT STANDARDS

In accordance with Gov. Code 65915(e)(1), "in no case may a city, county, or city and county apply any development standard that will have the effect of physically precluding the construction of a development meeting the criteria of subdivision (b) at the densities or with the concessions or incentives permitted by this section. Subject to paragraph (3), an applicant may submit ... a proposal for the waiver or reduction of development standards ..."
The court in Waller v. City of Berkeley found (emphasis added) "standards may be waived that physically preclude construction of a housing development meeting the requirements for a density bonus, period."
The court in Bankers Hill 150 v. City of San Diego found (emphasis added) "unless one of the statutory exceptions applies, so long as a proposed housing development project meets the criteria of the Density Bonus Law by including the necessary affordable units, a city may not apply any development standard that would physically preclude construction of that project as designed, even if the building includes "amenities" beyond the bare minimum of building components."
It is mandatory for a jurisdiction to not apply development standards that would preclude a density bonus project as designed and proposed. A jurisdiction may not require the project to be redesigned to conform to any development standard that conflicts with the project's design. It is optional for an applicant to request a waiver.

The SDBL does not permit a jurisdiction to require any documentation for a waiver. However, to assist the jurisdiction in complying with the SDBL prohibition on applying development standards that would physically preclude the Project as designed and proposed, the Applicant has identified the following development standards which, if applied, would physically preclude the Project, and hereby proposes that the Jurisdiction waive or reduce ALL conflicting development standards.

- 1 Floor Area Ratio (FAR)
2 Building Height
3 Setbacks
4 Parking
5 Usable Open Space
6 SCCC 13.11.075(A)(2)(a) requiring incorporation of mature trees. No on-site trees will be retained.

The following OVERARCHING Objective County of Santa Cruz Design Guidelines

- A4 On-Site Parking
A5 Setbacks
B1 Upper floor stepbacks
D3 Parking and Access
D8 Bike Parking
F1 Stepped Massing
G4 Tree Placement
I4 Utility Screening
The following MULTIFAMILY RESIDENTIAL Objective County of Santa Cruz Design Guidelines
A1 Building Placement - Neighborhoods
A3 Building Orientation
B1 Building Mass
B5 Building Step-Backs
C1 Private Open Space
C2 Common Open Space

REFERENCES TO CODE SECTIONS ARE EXAMPLES AND FOR THE CONVENIENCE OF THE JURISDICTION. WAIVERS ARE REQUESTED FOR ALL DEVELOPMENT STANDARDS THAT HAVE THE EFFECT OF PHYSICALLY PRECLUDING CONSTRUCTION OF THE PROJECT AS DESIGNED AND PROPOSED.

BELOW-MARKET-RATE HOUSING INFORMATION

LOCAL INCLUSIONARY HOUSING ORDINANCE
This Jurisdiction does not require inclusionary housing for the Project and/or Site.

SUMMARY OF BELOW-MARKET-RATE UNITS REQUIRED

The housing laws invoked by the Project, and the number of below-market-rate units required to satisfy each law, are shown in the below table. A unit designated to satisfy an inclusionary zoning requirement is included in the "total units" as defined in the SDBL, and if that unit also meets the requirements for an SDBL targeted unit, it counts as both an inclusionary unit and a targeted unit. (Gov. Code § 65915(o)(9)(A)(ii)) The definition of lower-income households includes very low income households and extremely low income households (Health and Safety Code § 50079.5); and the definition of very low income households includes extremely low income households (Health and Safety Code § 50105). Therefore VLI and ELI units satisfy LI requirements; and ELI units satisfy VLI requirements. The "Units Required" is the minimum number of units that will satisfy all of the laws in the table.
A concession/incentive can be used to modify a requirement of an inclusionary housing ordinance. This table represents the required inclusionary units (if any) without applying any concession/incentive on the inclusionary requirement.

Table: Below-Market-Rate Units Required for Each Housing Law. Columns: Affordability Level, All Housing Laws Below-Market Units Required, State Density Bonus Law (SDBL), Inclusionary Housing Not Required, HAA Housing for mixed-income households 7% ELI, Not Used. Rows: Section 8, MI units, LI units, VLI units, ELI units, All units, Total Required.

SUMMARY OF BELOW-MARKET-RATE UNITS PROVIDED

The table below shows the "Units Provided to Satisfy All Housing Laws" at each affordability level. (These are the units proposed for the approval of the housing development permit; the project may provide additional affordability to satisfy financing or other requirements.)
The units provided meet or exceed the number of units required to satisfy all housing laws (as shown in the table above), considering any concession/incentive (shown at left) that modifies an inclusionary housing ordinance.
• The two columns headed "Percentage of Total Units" show the units provided as a percentage of the "total units" as defined by Gov. Code 65915(o)(8) (i.e., the units in the project, including ADUs, but not including density bonus units).
• The two columns headed "Percentage of All Units" show the units provided as a percentage of all of the units included in this housing development permit application, including density bonus units.
• The "Below-Market" columns show the percentage of units that are reserved for the specified affordability level.
• The "Lower-income" columns show the percentage of units that are Low Income or a deeper level of affordability.
This data table is provided because different housing laws require calculation of percentages based on "total units" or "all units" and based on different affordability levels.

Table: Below-Market-Rate Units Provided to Satisfy All Housing Laws. Columns: Affordability Level, Below-Market Units Provided, Percentage of Total Units, Percentage of All Units. Rows: Section 8, MI units, LI units, VLI units, ELI units, All units, Total Proposed.

CONTINUED AFFORDABILITY OF AFFORDABLE UNITS FOR STATE DENSITY BONUS LAW

Applicant agrees to comply with all applicable provisions of Gov. Code § 65915(b) and (c), including the affordable rents and/or sale prices of units in the development.
In accordance with Gov. Code § 65915(c)(1)(A), applicant agrees to the continued affordability of all very low and low-income rental units that qualified the Project for the award of the density bonus for 55 years; or a longer period of time if required by the construction or mortgage financing assistance program, mortgage insurance program, or rental subsidy program.

UNITS TO BE DESIGNATED AS AFFORDABLE UNITS FOR STATE DENSITY BONUS LAW

The units within the development project that will be deed-restricted in accordance with Gov. Code § 65915(b) and (c) will be determined in accordance with all applicable State laws, and will be specified in the recorded affordable housing covenant. The Project plans do not identify the "targeted units" (i.e., the units deed-restricted as affordable units that qualify the Project for the benefits of the State Density Bonus Law (SDBL)).
The SDBL does not require, and the local Jurisdiction may not require, the applicant to designate which specific units will be the targeted units. The SDBL does not require "dispersal" or "comparability" of the targeted units, and allows a development to "float" a deed restriction among units, such that the deed restricted units may change throughout the 55-year deed restriction.
However, local inclusionary housing requirements may require that specific units be designated as the inclusionary units, in which case such inclusionary units will be designated as required by the local Jurisdiction, unless a concession or incentive is used to modify such inclusionary housing requirement.

Concession / Incentive #4

Reduce the ratio of tree replacement requirements to 0:1. The Project shall not be required to comply with Santa Cruz County General Plan Policy ARC-3.1.6 and Santa Cruz County Code Sections 16.32.090 (B)(1), and shall not be required to provide replacement plantings, nor pay into a County in-lieu fee program, nor provide offsite habitat preservation. No Habitat Mitigation Plan shall be required. The Project is exempt from CEQA; the Project site does not contain sensitive CEQA habitat, and no CEQA mitigations are required for the less-than-significant impacts to an oak grove that extends onto the fringe of the Project site. This concession/incentive will result in identifiable and actual cost reductions (for tree replacement, in-lieu fees, or offsite habitat preservation) to provide for affordable housing costs. This concession/incentive is requested pursuant to Gov. Code Sections 65915(d) and 65915(k)(1) and (3).