



Suzi Merriam
Community Development Director, City of Watsonville
250 Main St
Watsonville, CA 95076

November 30, 2020

RE: 1482 Freedom Boulevard Project

Dear Ms. Merriam,

It is with great pleasure that Eden Housing submits our proposed plan for 1482 Freedom Blvd, a 53-unit, 100% affordable project in the City of Watsonville. We're thrilled to be able to deliver these homes to the greater Watsonville community and are incredibly appreciative of the City's partnership to make this project a success.

Eden is one of the oldest and most experienced affordable housing organizations in California. As a mission-driven non-profit, we serve low- and moderate-income families, seniors, and people living with disabilities, including formerly homeless individuals and families. Since our inception in 1968, Eden has developed, acquired, or rehabilitated more than 10,000 affordable units and currently provides homes to more than 22,000 lower-income residents. Over 250 households across 9 communities in Santa Cruz County call an Eden apartment home. We're committed to this region for the long haul and highly value our relationships with local leaders and policy makers who play such an integral role in making this work possible. Simply put, the City's support of this project is crucial to its success.

As you know, Eden Housing's proposal for 1482 Freedom Blvd is being submitted under SB 35, the state law which allows for streamlined, ministerial review of multifamily housing developments with an affordable component. The project complied with AB 168, a new state law which requires sponsors of SB 35 projects and the local agency granting planning approvals to first consult with local California Native American Tribes to ensure potential cultural artifacts on the site are protected. The City of Watsonville sent a Notice of Intent from Eden Housing to the local tribes identified by the California Native American Heritage Commission. The Notice was sent by the City on October 29, 2020. The 30-day window to accept the invitation for a scoping consultation expired on November 28th. The project is now eligible to apply for SB 35 ministerial approval.

As a 100% affordable project, it is also eligible for the City and State's Density Bonus incentives. Enclosed in this memo, we've included a checklist demonstrating the project's eligibility for SB 35 as well as an overview of allowed design elements pursuant to State Density Bonus Law and Watsonville Municipal Code Section 14-47.010 - 14-47.160. Also included are support letter from several local stakeholders.



Thank you once again for your support of this project. We look forward to working with the City in the coming months to bring these affordable homes to Watsonville.

Sincerely,

Andy Madeira,
Senior Vice President - Real Estate Development
Eden Housing



Suzi Merriam
Community Development Director, City of Watsonville
250 Main St
Watsonville, CA 95076

November 30, 2020

RE: 1482 Freedom Blvd Project - Density Bonus Information

Dear Ms. Merriam,

Eden Housing is writing as a follow up to the Density Bonus request for our Freedom Blvd project in Watsonville. This request follows our pre-application submitted by Zimmerman + Associates in July 2020.

Eden and Zimmerman are working diligently to design an attractive, efficient building for our residents while honoring the neighborhood context, working within a highly constrained site, and keeping costs within budget. The relief requested through the State Density Bonus law will greatly assist in the process to make this important project financially and physically feasible. Please see the following information for more details:

- 1. Site Plan:** A site plan and unit plans were submitted in a pre-application to city staff in July 2020. The most up to date site plan and unit plans are included in Zimmerman's plan submittal in October 2020. The site is 1.77 acres. The project's 53 units are split across two three-story buildings with a surface walkway connecting the two.
- 2. Unit Count:** The maximum number of units allowed under current zoning and the

1482 Freedom Affordable Unit Matrix						
Maximum No. Units permitted by zoning and general plan*						49
Unit Mix by AMI						
	25%	30%	40%	50%	Mngr	Total
1-br	4	2	4	3	-	13
2-br	-	7	8	10	1	26
3-br	-	4	7	3		14
Total	4	13	19	16	1	53
No. Bonus Units Proposed						4

Notes:

*The RM-3 Density Table in Section 14-16.405 of the Watsonville Municipal Code (WMC) limits the density of a residential project based on the number of units and by bedroom type. As calculated by City of Watsonville Principal Planner, Justin Meek in response to the Pre-Application on August, 14 2020, the project's unit mix imposes a 27.5 du/acre maximum density before density bonus is applied.





general plan is 49. As a 100% affordable project serving a range of AMI levels—none of which are greater than 80%—the project is eligible for up to an 80% increase in allowable density.¹ However, this proposal contemplates a far more modest increase, four additional “bonus units” for a total of 53.

3. **Tenure:** This project will be 100% affordable rental housing with the affordability of the units restricted for a period of 55 years by a California Tax Credit Allocation Committee (CTCAC) regulatory agreement.
4. **Existing Units:** There are currently no residential dwelling units on the site.
5. **Affordability Restrictions:** 1482 Freedom will be funded with the use of Federal Low-Income Housing Tax Credits (LIHTC). This funding, which is overseen by CTCAC, will mandate a regulatory agreement, restricting the project to affordability requirements for a period of 55 years. Units will be restricted to households earning 60% or less of the Area Median Income for Santa Cruz County as determined by CTCAC.
6. **Description of Requested Concessions:** Since 100% of the units will be for very low and extremely low income families, the project qualifies for four concessions.² Following Eden’s review of the site constraints, drawings, and costs, and in accordance with Govt. Code §Section 65915(d)(2)(C), we hereby seek relief from the following:
 - a. Minimum Area of Patios or Decks per Unit. Pursuant to Section III.C.3 of the Residential Development Standards for multifamily rental projects, each unit shall have 96 square feet of private open space and the remaining 104 square feet may be located in common courtyards.
 - i. *The project does not provide private decks or patios.*
 - b. Walking Distance to Unit. Pursuant to Section II.A of the Residential Development Standards for multifamily rental projects, the project must locate carports no further than 150 feet from its units and open space parking no further than 250 walking distance from its unit.
 - i. *Proposed: 80% of units with primary space within 150' from elevator, 100% of units with primary space within 180' from elevator, 80% of units within 200' of second space.*

¹ AB-1763 Planning and zoning: density bonuses: affordable housing,
https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=201920200AB1763

² Goetz, Jon and Sakai, Tom, “Guide to the California Density Bonus Law,” Meyers Nave, January 2020.
https://www.meyersnave.com/wp-content/uploads/California-Density-Bonus-Law_2020.pdf



7. Evidence of Cost Reductions:

Concessions

Requested Relief	Details	Cost
Removal of patios and balconies (Construction Costs)	Removal of 39 balconies at \$13,000/unit. Removal of 14 patios at \$5,200/unit.	\$579,800
Min patios or deck required (Operating Costs)	Reduction in \$150/unit/year in maintenance costs. This is a total of \$7,950/year and leads to an increase in our mortgage loan (measured by cash flow available for debt service) by about \$115,000.	\$115,000
Walking Distance From Unit (Construction Costs)	Would require adding an additional story to reduce walking distance between parking spaces and elevator ground floor. Assuming square footage stays the same, an additional story adds approximately \$300,000 to total cost to account for enhanced structural needs.	\$300,000
Total		\$994,800

8. Mixed Use Incentive: This project is not using the density bonus incentives to allow for a mixed-use building.

9. Development Standards Waivers & Modifications: Please see "Planning Code Summary" on page A0.0 of the Design Review Submittal submitted by Zimmerman + Associates for a list of all proposed waivers.

10. Parking Reduction: As noted by City of Watsonville Principal Planner Justin Meek in a response letter to the Pre-Application dated 08/14/2020, city staff "shall not require a vehicular parking ratio, inclusive of handicapped and guest parking, of a development meeting the criteria of subdivisions (b) and (c) of GOV Section 65915, that exceeds the following ratios:

- Zero to one bedroom: one on-site parking
- Two to three bedrooms: two on-site parking spaces
- Four and more bedrooms: two and one-half parking spaces

As such the maximum number of spaces that can be required for this project as proposed is 93 spaces—a ratio the project exceeds.

Parking Required Under Density Bonus Law			
		1482 Freedom	Required
Required Ratio		Unit Mix	Parking
0-1 Bedroom	1 : 1	13	13
2-3 Bedroom	2 : 1	40	80
4+ Bedroom	2.5 : 1	0	0
Total		53	93

11. Land Donation: This concession is not being requested for a land donation.

12. Child Care Facility: N/A – This concession is not being requested for a childcare facility.



13. Condominium Conversion: N/A – This concession is not being requested for a condominium conversion.

We thank you for your time and attention to this request and look forward to continuing to work with the City of Watsonville on this important project.

Sincerely,

Andy Madeira,
Senior Vice President - Real Estate Development
Eden Housing

SB 35 ELIGIBILITY REQUIREMENTS

Eligibility Requirement		Yes	No	Notes
Housing Type	The project is a multifamily housing development, including at least two units.	x		See Plan Submittal
Affordability	At least 10% of the base number of units (excluding density bonus units) built on-site are dedicated affordable to those earning no more than 80% AML.	x		See signed certificate for compliance with eligibility requirements
Site Requirement	The site is a legal parcel(s), located in the municipality or an unincorporated area within that municipality's sphere of influence.	x		Address is within Watsonville city limits.
Site Requirement	At least 75% of the perimeter of the site adjoins parcels currently or formerly developed with "urban uses." [1]	x		Site is 100% surrounded by urban uses: city streets, a fast food restaurant, a storage facility, and a residential property
Site Requirement	The site is either zoned or is designated by the municipality's General Plan land use map as allowing for residential use or residential mixed-use development by right or with a use permit. [2]	x		Zoned "Thoroughfare Commercial." Multifamily dwellings are allowed through a special use permit pursuant to WMC § 14-16.1203.
Site Requirement	The project either does not include a subdivision of land, or does include a subdivision of land and is: 1) receiving a low-income housing tax credit and subject to prevailing wage requirement, or 2) subject to the prevailing wage requirement, and a skilled and trained workforce is used.	x		See signed certificate for compliance with eligibility requirements
Site Requirement	The project meets all objective zoning and design review standards in effect at the time the application is submitted. <ul style="list-style-type: none"> • If the project is consistent with the minimum and maximum density range allowed within the General Plan land use designation, it is deemed consistent with housing density standards. • Any density bonus or concessions, incentives, or waivers of development standards or reduction of parking standards requested under the Density Bonus law (CA Government Code Section 65915) are deemed consistent with objective standards. • Objective standards are those that require no personal or subjective judgment and must be verifiable by reference to an external and uniform source available prior to submittal. Sources of objective standards include, without limitation: <ul style="list-style-type: none"> o General Plan, and o City Municipal Code. 	x		See page 1 of plan submittal
Site Requirement	<ul style="list-style-type: none"> • Parking. The project may provide up to one parking space per unit; however, no parking is required if the project meets any on the following criteria: <ul style="list-style-type: none"> o The project is located within ½ mile of a transit stop. o The project is located within a designated historic district. o The project is located within one block of a car share. o On-street parking permits are required but not offered to project occupants 	x		The applicant opts to use the parking required under Density Bonus Law which equates to 93 spaces.
Site Requirements	<p>The project site is located entirely outside each of the following areas or designations:</p> <ul style="list-style-type: none"> • Coastal zone; • Prime farmland of farmland of Statewide importance; • Wetlands, as designated by the U.S. Fish and Wildlife Service; • Lands under a conservation easement; <ul style="list-style-type: none"> • Conservation area as identified by an adopted habitat conservation plan; • Protected animal or plant species habitat, as identified by the State or federal government; • Governed by the Mobilehome Residency Law, the Recreational Vehicle Park Occupancy Law, or the Special Occupancy Parks Act; and 	x		<p>See California Coastal Commission https://www.coastal.ca.gov/maps/czb/</p> <p>See California Dept of Conservation https://maps.conservation.ca.gov/DLRP/CIFF/</p> <p>See U.S. Fish and Wildlife National Wetlands inventory https://www.fws.gov/wetlands/data/mapper.html</p> <p>See preliminary title report</p> <p>No species identified. Verified through: 1) NEPAassist https://www.epa.gov/nepa/nepassist; 2) USFWS Critical Habitat Maps https://fws.maps.arcgis.com/home/webmap/viewer.html?webmap=9d8de5e265ad4fe09893cf75b8dbfb77; 3) USFWS Wetlands Mapper https://fwsprimary.wim.usgs.gov/wetlands/apps/wetlands-mapper/</p> <p>No mobilehome on site (see preliminary title report)</p>

	<ul style="list-style-type: none"> Previously contained housing occupied by tenants within the past 10 years. 			Previously occupied by River Nursery and Flower shop. Shop has been vacant since at least Feb 2008 (see google streetview).
Site Requirements	<p>The project would not require demolition of housing subject to any of the following restrictions:</p> <ul style="list-style-type: none"> Recorded rent restrictions; Rent control; Occupied by tenants within the past 10 years; and A City, State or federally-designated historic structure. 	x		Previously occupied by River Nursery and Flower shop. Shop has been vacant since at least Feb 2008 (see google streetview).
	<p>The project is either located outside of an earthquake fault zone, or located in an earthquake fault zone and is compliant with the California and City Building Code Standards for seismic protection.</p>	x		Not located in earthquake fault zone per California Dept of Conservation https://maps.conservation.ca.gov/EQZApp/app/
	<p>The project is either located outside of a high or very high fire hazard severity zone, or is located in a high or very high fire hazard severity zone, and is:</p> <p>1) Excluded from the hazard zone by the City, or</p> <p>2) Subject to fire hazard mitigation measures pursuant to existing building standards or applicable State fire mitigation measures</p>	x		located outside of a high or very high fire hazard severity zone per Calfire map. https://osfm.fire.ca.gov/divisions/wildfire-planning-engineering/wildland-hazards-building-codes/fire-hazard-severity-zones-maps/
	<p>The project is either not located on a hazardous waste site or is located on a hazardous waste site and has been cleared for residential or residential mixed use by the Department of Toxic Substances Control.</p>	x		See CA Dept of Toxic Substances control: https://www.envirostor.dtsc.ca.gov/public/search?cmd=search&reporttype=CORTESE&site_type=CSITES,FUDS&status=ACT,BKLG,COM&reporttitle=HAZARDOUS+WASTE+AND+SUBSTANCES+SITE+LIST+%28CORTESE%29
	<p>The project is either not located in a 100-year flood zone as designated by FEMA, or is within a 100-year flood zone and has met either of the following requirements:</p> <p>1) the entire development is a “public work” for purposes of</p> <p>2) The applicant can demonstrate compliance with the minimum flood plain management criteria of the National Flood Insurance Program</p>	x		See FEMA: https://msc.fema.gov/portal/search?AddressQuery=brooklyn%2C%20ny#searchresultsanchor
Labor Provisions	<p>The applicant has completely filled out the Certificate for Compliance with Eligibility Requirements, certifying that either:</p> <p>1) the entire development is a “public work” for purposes of prevailing wage law, or</p> <p>2) the entire development is a “public work” for purposes of prevailing wage law, or</p>	x		See signed certificate for compliance with eligibility requirements





October 14, 2020

Mr. Max Heninger
Eden Housing
226445 Grand Street
Hayward, CA 94541

RE: 1482 Eden Housing's Freedom Boulevard Affordable Housing Project

Dear Max,

On behalf of Pajaro Valley Shelter Services (PVSS), I am writing in support of Eden's 1482 Freedom Boulevard project. PVSS's programs include a shelter, thirteen transitional housing units, and six permanent supportive housing units. One of the permanent supportive housing units is located at 62 Arista Court, a half of a block down Atkinson Lane.

Because of our Watsonville program, we are all too familiar with the lack of affordable housing and how it impacts our clients. We welcome the addition of housing in Watsonville and especially affordable housing that may serve our clients in the future. We are particularly excited that the 52 units will not just house families but that those families will also receive support services as needed.

Please contact us if we can be of assistance as you develop the project. We look forward to its completion.

Sincerely,

Michael Johnson
Executive Director
Pajaro Valley Shelter Services (PVSS)



October 13, 2020

The Honorable Mayor and City Council
City of Watsonville
275 Main St., Suite 400
Watsonville, CA 95076

Via email to

Dear Mayor Garcia and honorable City Council Members:

On behalf of people with developmental disabilities, Housing Choices recommends your support for Eden Housing's affordable housing project planned at 1482 Freedom Boulevard. In addition to meeting other pressing housing needs, this affordable housing project will include six apartments with Project-Based Vouchers subject to a preference for people with developmental disabilities who will benefit from the coordinated services of San Andreas Regional Center. This project builds on more than two decades of Housing Choices' successful collaboration with Eden Housing to include people with developmental disabilities in their affordable housing properties.

Watsonville is the location from which Housing Choices addresses the housing needs of people with developmental disabilities in both Monterey County and Santa Cruz County. According to the Department of Developmental Services, Watsonville is home to 745 people with developmental disabilities, of whom **363 are adults**. Of the adult population, **only 47 are living in their own apartment, while 257 are still living at home with aging parents**, often not by choice but because of the lack of housing options. This housing need will continue to grow in the years to come. Because of increases in the diagnosis of autism that began more than 30 years ago, we have seen a significant increase in the number of adults with developmental disabilities in their 30s and 40s, still living at home with aging parents. Significant gains in lifespan of this population in the past two decades will also contribute to the housing need.

We are especially committed to the inclusion of people with developmental disabilities at 1482 Freedom Boulevard because it will also include housing for farm workers. Recent studies identify an increased prevalence of developmental disabilities among farm worker families. We hope that Housing Choices' support for people with developmental disabilities at this site will increase awareness among farm worker families of the resources available to support families raising children with developmental disabilities.

Thank you for your support for housing for Watsonville residents of all incomes and abilities.

Sincerely,

Janette E. Stokley
Executive Director
Email jan@housingchoices.org



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County

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Staff: Kate Roberts, President & CEO

November 10, 2020

Mayor Rebecca Garcia and Council
275 Main St., Suite 400
Watsonville, CA 95076

Subject: Support for Proposed 1482 Freedom Blvd Project, Item 7-F

Dear Mayor Garcia and Watsonville City Councilmembers,

The Monterey Bay Economic Partnership (MBEP) was founded in 2015 and consists of over 80 public, private and civic entities located throughout Monterey, San Benito and Santa Cruz counties with a mission to improve the economic health and quality of life in the Monterey Bay region. Our Housing initiative consists of a broad coalition of community members, local employers, and organizations to advocate for and catalyze an increase in housing of all types and income levels in the region.

In October 2020, Eden Housing requested MBEP support for their proposed affordable housing development. We evaluated the project including receiving input from regional housing leaders and the MBEP Board Executive Committee before approving the development for our endorsement. The proposed 1482 Freedom Blvd project answers a critical need for housing in the community. The project consists of 52 one, two, and three-bedroom affordable apartment units which target section 8 voucher holders, farmworkers and disabled individuals. It has an affordability range of 25% to 50% AMI. The new apartments will meet high environmental standards including energy efficiency and production using solar panels.

MBEP's Housing Initiative supports the construction of housing in our region at all types and income levels in appropriate locations near existing jobs, transit and services. Additionally, MBEP's Climate Change Initiative advocates for the construction of transit-oriented housing developments and climate-resilient infrastructure. 1482 Freedom Blvd is in alignment with our housing production and climate change resiliency goals.

MBEP supports City staff recommendations to approve the funding commitment of \$1,000,000 to Eden Housing. Eden Housing is a highly reputable non profit housing development organization with over 40 years of experience developing high quality affordable rental communities. The City Council has an opportunity to expand access to housing for Watsonville residents with this project. Please vote to approve this funding.

Thank you for your consideration.

Sincerely

Kate Roberts
President & CEO

3180 Imjin Road, Suite 102
Marina, CA 93933 831.915.2806

Santa Cruz, San Benito, Monterey