

November 12, 2021

VIA E-MAIL

Mr. Tony Condotti City Attorney City of Santa Cruz 333 Church Street Santa Cruz, CA 95060 tcondotti@cityofsantacruz.com

Re: 831 Water Street – Mixed-Use Development (PLFYI 053) Extension of 90 -Day Project Approval Deadline

Dear Mr. Condotti:

Wendel Rosen, LLP represents Novin Development Corporation ("Client") in connection with a proposed mixed-use development project ("Project") in the City of Santa Cruz ("City"). The purpose of this correspondence is to confirm my Client's voluntary extension of time to ministerially approve the SB 35 Project.

The Santa Cruz City Council ("Council") undertook discretionary action on the Project at a public oversight meeting conducted on October 12, 2021 to deny the 831 Water Street SB 35 Project application based upon a series of motions. The Council's motions were approved on a 6-1 basis.

On October 14, 2021 and following the Council's motions, our Client has submitted supplemental information regarding the application ("Supplemental Information") to the City which was intended to address minor deficiencies identified in the October 12, 2021 staff report for the Project. The Supplemental Information was also intended to address the basis on which the Council denied a request for a concession authorized pursuant to the State Density Bonus Law (Government Code section 65915). The Supplemental Information was submitted before the end of the statutory 60-day timeframe by which the City was required to determine the Project's consistency with objective standards pursuant to Government Code section 65913.4

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(c)(1)(A). To date, the City has not acknowledged receipt of the Supplemental Information nor has it formally responded to the points raised therein.

We understand the Council has directed staff, following a closed session on November 9, 2021, to place an item on the Council's November 23, 2021 agenda to consider the rescission of the motions the Council approved to deny the Project at its October 12, 2021 public oversight meeting. In response to the Council's direction arising from the closed session, our Client hereby grants a 10-day extension to the 90-day statutorily-required ministerial approval deadline from November 13 to November 23, in order to accommodate this Council meeting. Should the Council take action on November 23 to rescind the motions approved on October 12, as well as invalidate and/or retract the SB 35 eligibility/denial letter issued by Mr. Lee Butler dated October 14, 2021 (which found that the project does not qualify for ministerial approval), our Client is willing to extend the 90-day ministerial project final determination deadline date from November 13, 2021 to December 14, 2021 to allow the City the opportunity to review the Supplemental Information submitted in response to Council's October 12 motions and the City's subsequent SB 35 eligibility/denial letter.

We understand that the Council is considering conducting another public oversight meeting regarding the Project prior to the extended 90-day SB 35 deadline of December 14, 2021; if this is occur, we wish to remind the City that, any additional public oversight meeting conducted by the Council in a way that inhibits, chills or precludes the ministerial approval of the Project, is a violation of the clear language of SB 35.

¹ The Client submitted its original SB 35 application on July 1, 2021; therefore the original 60-day consistency determination deadline was on or before September 29, 2021. On July 27, 2021, the Client submitted additional information related to the original application and voluntarily granted an extension of the 60-day consistency determination deadline to September 27, 2021. Thereafter, the Client voluntarily granted a further extension of the 60-day consistency determination deadline to October 14, 2021 in order to accommodate a City-requested public oversight meeting pursuant to SB 35.

² Typically, the City posts all project correspondence to the <u>City's project website</u>; notably, the Project's Supplemental Information correspondence has not been posted to the project website.

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Thank you and please do not hesitate to contact me should you have any questions.

Very truly yours,

WENDEL ROSEN LLP

Amara L. Morrison

ALM/CAB

cc: Client

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