

RESOLUTION NO. NS-30,284

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ ACCEPTING CALIFORNIA COASTAL COMMISSION MODIFICATIONS TO DOWNTOWN PLAN AMENDMENTS AND LOCAL COASTAL PROGRAM IMPLEMENTATION PLAN AND MAKING THOSE AMENDMENTS TO THE DOWNTOWN PLAN AND LOCAL COASTAL PROGRAM IMPLEMENTATION PLAN RELATING TO AFFORDABLE HOUSING IN-LIEU FEES ASSOCIATED WITH NONRESIDENTIAL PROJECTS REQUESTING ADDITIONAL HEIGHT, AND DIRECTING THE PLANNING DIRECTOR TO TRANSMIT THE ACCEPTANCE TO THE CALIFORNIA COASTAL COMMISSION

WHEREAS, pursuant to authority delegated to the City of Santa Cruz by the California Coastal Commission, the City of Santa Cruz regulates development in the portion of the coastal zone that lies within the City Limits and that is outside of the original jurisdiction of the California Coastal Commission; and

WHEREAS, Chapter 4 (Development Standards and Design Guidelines) of the Downtown Plan is part of the Local Coastal Program; and

WHEREAS, the City Planning Commission held a public hearing on September 21, 2023 and found that the public necessity, and the general community welfare, and good zoning practice shall be served and furthered with the adoption of the Downtown Plan amendments; and that the proposed amendments are in general conformance with the principles, policies and land use designation set forth in the General Plan and Local Coastal Land Use Plan; and

WHEREAS, on October 24, 2023 the City Council adopted Resolution NS-30,231 amending the Downtown Plan and Local Coastal Program, and directed City Staff to submit those amendments to the California Coastal Commission for certification; and

WHEREAS, on December 15, 2023, the California Coastal Commission held a public hearing on the amendments to the Local Coastal Program implementing the Downtown Plan amendments adopted by the City Council and certified the amendments to the Downtown Plan with modifications; and

WHEREAS, the California Coastal Commission sent a letter dated January 16, 2024 that identified the Commission's action at their December 15, 2023 hearing, and through separate correspondence, provided the modified language approved by the Coastal Commission at that hearing; and

WHEREAS, the City Council considered and acted upon the California Environmental Quality Act ("CEQA") analyses, findings, and determinations associated with the initial amendment package on October 24, 2023; those determinations are consistent with and remain unchanged by the minor amendments associated with the Coastal Commission's action that are the subject of this resolution; and insofar as the proposed changes to the Downtown Plan are amendments to the Local Coastal Program Implementation Plan, the application of the proposed amendments in the coastal zone is statutorily exempt from California Environmental Quality Act

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("CEQA") review pursuant to CEQA Guidelines Section 15265 and the California Public Resources Code Section 21089.9;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Santa Cruz City Council hereby accepts the California Coastal Commission's suggested modifications to the Downtown Plan and adopts modifications to the Downtown Plan and Local Coastal Program Implementation Plan consistent with the changes requested by the Coastal Commission, as shown in Exhibit A attached hereto.

BE IT FURTHER RESOLVED AND ORDERED that the Santa Cruz City Council hereby directs the Director of the Planning & Community Development Department or their designee to transmit this acceptance and any adopted resolution that incorporates these modifications to the California Coastal Commission for concurrence by its Executive Director.

PASSED AND ADOPTED this 23<sup>rd</sup> day of January, 2024, by the following vote:

AYES: Councilmembers Newsome, Brown, Brunner, Kalantari-Johnson; Vice Mayor Golder; Mayor Keeley.

NOES: None.

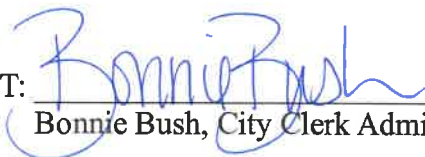
ABSENT: Councilmember Watkins.

DISQUALIFIED: None.

APPROVED:

  
Fred Keeley, Mayor

ATTEST:

  
Bonnie Bush, City Clerk Administrator

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EXHIBIT A

In Section H Additional Height Zones of the Downtown plan, Subsection H.1 on or about Pages 72-73 of the Downtown Plan shall be amended as follows to note that in Subsection 1.b.vi, the in-lieu fee shall be a minimum of \$5 per square foot.

*Editorial notes: 1) All other Subsections under H.1 (e.g., H.1.a, and H.1.c through H.1.e) remain unchanged. 2) Bolded information below is to highlight the changes associated with this ordinance and shall not be bolded in the final version of the approved Downtown Plan.*

1. Additional Height Zone A.

Properties on Pacific Avenue and within 150 feet of Pacific Avenue between Water and Lincoln Streets, and within 200 feet of Pacific Avenue between Lincoln and Laurel Streets (as measured perpendicular from the property line along Pacific Avenue) , certain properties located on the east side of Cedar Street between Mission Street and Ocean Alley, and the west side of Front Street between Cathcart and Laurel Streets shall be considered within the "Additional Height Zone A", within which additional height above the 55 foot Base Height limit may be requested for buildings meeting certain criteria (See Figure A-1: Downtown Plan Heights). The intent of the Additional Height Zone A is to preserve the overall character of the existing development pattern, while allowing a discretionary intensification of use and increased height to maintain a compact urban core. For eligible development projects that overlap the Base Height and Additional Height Zone boundary, all portions of the project exceeding the 55 foot base height shall be located within to the Additional Height Zone as shown in Figure A-1.

- a. Eligible Development Projects. The granting of building height above the 55 foot Base Height limit is discretionary and requires a Design Permit with the recommendation of the Planning Commission to the City Council, which must approve the additional height. To achieve approval, the applicant must demonstrate that the proposed project meets the criteria described below. Applicants for development within the Additional Height Zone A may request additional height as indicated below, if one of the following conditions is met:
  - i. The aggregate parcel size is greater than 15,000 square feet, which may include land not located within the Additional Height Zone;
  - ii. The frontage along Pacific Avenue is greater than 150 feet, or at least 100 feet with 150 feet of frontage along an east-west street;
  - iii. The parcel is located between adjacent structures of four or more floors in height; or
- b. Additional Height Criteria for Project Approval. The development project shall be found consistent with the following overarching City objectives:
  - i. The additional height will help to achieve the First Principles of the Downtown Plan (e.g. form, housing, accessibility and open space).
  - ii. The additional height will contribute to an improved social and economic environment.
  - iii. The form of the development promotes the appearance of a grouping of buildings rather than large, monolithic building masses.
  - iv. The development receiving additional height will physically and/or financially

- contribute its fair share (through an Improvement District, Development Agreement or similar mechanisms) to the implementation of internal pedestrian connections between Pacific Avenue and Front Street.
- v. The additional height will help to meaningfully achieve one or more of the following key community objectives, including but not limited to: Economic Development Contributions to the Downtown, Affordable Housing, Day Care Center, exceed Green Building minimums, Incubator Space for Small Business, Public Access Easements, Public Right-of-way Improvements, Publicly Accessible Open Space, Structured or Shared Parking, and Transportation Demand Management concepts.
  - vi. Affordable Housing Public Benefit Fee For Non-Residential Projects. An application for additional height is voluntary. Because an applicant requesting additional height is receiving a benefit in the form of increased height and intensity, and to ensure that non-residential projects which are granted additional height reasonably contribute to the City's need for affordable housing, non-residential projects that are granted additional height shall be required to pay an in-lieu public benefit fee. **The in-lieu public benefit fee shall be a minimum** of \$5.00 per square foot of gross floor area occurring above the 55-foot Base Height limit (i.e., the additional gross floor area occurring within the project on levels that exceed the 55-foot Base Height limit). The fee shall be paid prior to occupancy of the project. All fees provided collected under this section shall be deposited in the City of Santa Cruz's affordable housing trust fund.

In Section H Additional Height Zones of the Downtown plan, Subsection H.2 on or about Pages 78-79 of the Downtown Plan shall be amended as follows to note that in Subsection 2.b.vii, the in-lieu fee shall be a minimum of \$5 per square foot.

*Editorial notes: 1) All other Subsections under H.2 (e.g., H.2.a, and H.2.c through H.2.e) remain unchanged. 2) Bolded information below is to highlight the changes associated with this ordinance and shall not be bolded in the final version of the approved Downtown Plan.*

2. Additional Height Zone B.

The Additional Height Zone B includes properties located on the east side of Front Street between Soquel Avenue and Laurel Street.

- a. Eligible Development Projects. The granting of building height above the 50-foot Base Height limit is discretionary and requires a Design Permit with the recommendation of the Planning Commission to the City Council, which must approve the additional height. To achieve approval, the applicant must demonstrate that the proposed project meets the criteria described below. Applicants for development within the Additional Height Zone B may request additional height as indicated below if one of the following conditions is met:
  - i. The aggregate parcel size is greater than 15,000 square feet;
  - ii. The frontage along Front Street is greater than 100 feet;

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- iii. The parcel is located between adjacent structures of three or more floors in height;  
or
- b. Additional Height Criteria for Project Approval. The development project shall be found consistent with the following overarching City objectives:
  - i. The additional height will help to achieve the First Principles of the Downtown Plan (e.g. form, scale, housing, accessibility and open space);
  - ii. The additional height will contribute to an improved social and economic environment;
  - iii. The form of the development promotes the appearance of a grouping of buildings rather than large monolithic building masses;
  - iv. The development receiving additional height will physically and/or financially contribute its fair share (through an Improvement District, Development Agreement or similar mechanisms) to the implementation of internal pedestrian connections between Front Street and the Riverwalk;
  - v. The additional height will help to meaningfully achieve one or more of the following key community objectives, including but not limited to: Economic Development Contributions to the Downtown, Affordable Housing, Day Care Center, exceed Green Building minimums, Incubator Space for Small Business, Public Access Easements, Public Right-of-way Improvements, Publicly Accessible Open Space, Structured or Shared Parking, and Transportation Demand Management concepts.
  - vi. Clear demonstration of the public benefit relating to two principal objectives: high quality public access between Front Street and the river, and the appropriate treatment of the riverfront edge along the Riverwalk.
  - vii. Affordable Housing Public Benefit Fee For Non-Residential Projects. An application for additional height is voluntary. Because an applicant requesting additional height is receiving a benefit in the form of increased height and intensity, and to ensure that non-residential projects which are granted additional height reasonably contribute to the City's need for affordable housing, non-residential projects that are granted additional height shall be required to pay an in-lieu public benefit fee. **The in-lieu public benefit fee shall be a minimum of \$5.00 per square foot of gross floor area occurring above the 50-foot Base Height limit (i.e., the additional gross floor area occurring within the project on levels that exceed the 50-foot Base Height limit).** The fee shall be paid prior to occupancy of the project. All fees provided collected under this section shall be deposited in the City of Santa Cruz's affordable housing trust fund.