



Cruz Hotel  
City Council  
March 26, 2024

# Site Location





# Project Proposal

- Demolish commercial building
- Six-story 232 room Hotel
- 3 floors of underground parking
- Ground floor retail
- Banquet/Conference Space
- Restaurant/Bar/Café
- Gym/Spa/Rooftop Pool

# Project Permits

- ▶ Nonresidential Demolition Authorization Permit
- ▶ Heritage Tree Removal Permit
- ▶ Boundary Adjustment
- ▶ Coastal Permit
- ▶ Special Use Permit
- ▶ Administrative Use Permit
- ▶ Design Permit
- ▶ Revocable License for Outdoor Ext Area



# Planning Commission

- ▶ February 15, 2024
- ▶ Commission comments:
  - ▶ Well thought out, attractive building, downtown identity
  - ▶ Great location next to riverwalk, affordable housing nearby
  - ▶ First rate public spaces (Maple Alley/Riverwalk) - huge public benefit
  - ▶ Hotel big part of downtown economic development
  - ▶ Employee parking
  - ▶ Great amenities (rooftop/riverwalk/etc.)
- ▶ Approved 6-0



# General Plan Designation

- Regional Visitor Commercial (RVC)/Downtown Santa Cruz
- Natural Area (NA)
- Downtown Plan/San Lorenzo Urban River Plan calls for publicly accessible outdoor extension area connecting to Riverwalk

# General Plan Policies

- **Community Design CD1.5.2** *Provide incentives for new development adjacent to the San Lorenzo River that includes patios overlooking the river, enhanced connections to the levee trails, and other design features that connect the built environment to the river.*
- **Community Design CD5.2.1** *Encourage buildings to be oriented towards sidewalks, public plazas, walkways, or rivers and to include features such as public benches and natural seating areas.*
- **Mobility Development Policy M1.3** - *Create pedestrian-friendly frontage and streetscapes and attractive pedestrian-oriented areas.*
- **Economic Development ED1.1.2** – *Support the development and expansion of businesses that make a balanced contribution to the cultural, environmental, and economic health of the city.*

# General Plan Policies

- **Economic Development ED 1.1.6** - *Revitalize the RiverFront area.*
- **Economic Development ED 1.5.1** - *Encourage the development of facilities that would accommodate conferences and conference-goers in conjunction with existing or new hotel development.*
- **Economic Development ED 1.5.2** - *Attract a top-end, full-service hotel to expand and improve the year-round conference segment of the tourism market.*
- **Economic Development ED5.1.1** *Provide for the development of supporting land uses adjacent to retail shopping areas, while assuring protection of existing residential neighborhoods.*
- **Parks, Recreation, and Open Space PR4.1.3** *Maintain and enhance the recreational value of the San Lorenzo River walkway*



# Downtown Plan



- Unique character but consistent with DP design standards
- Consistent with Height Zone B
- Visitor-Serving
- Strong Linkage to Riverwalk
- Enhances pedestrian and bike usage

# Downtown Plan

## Additional Height Request

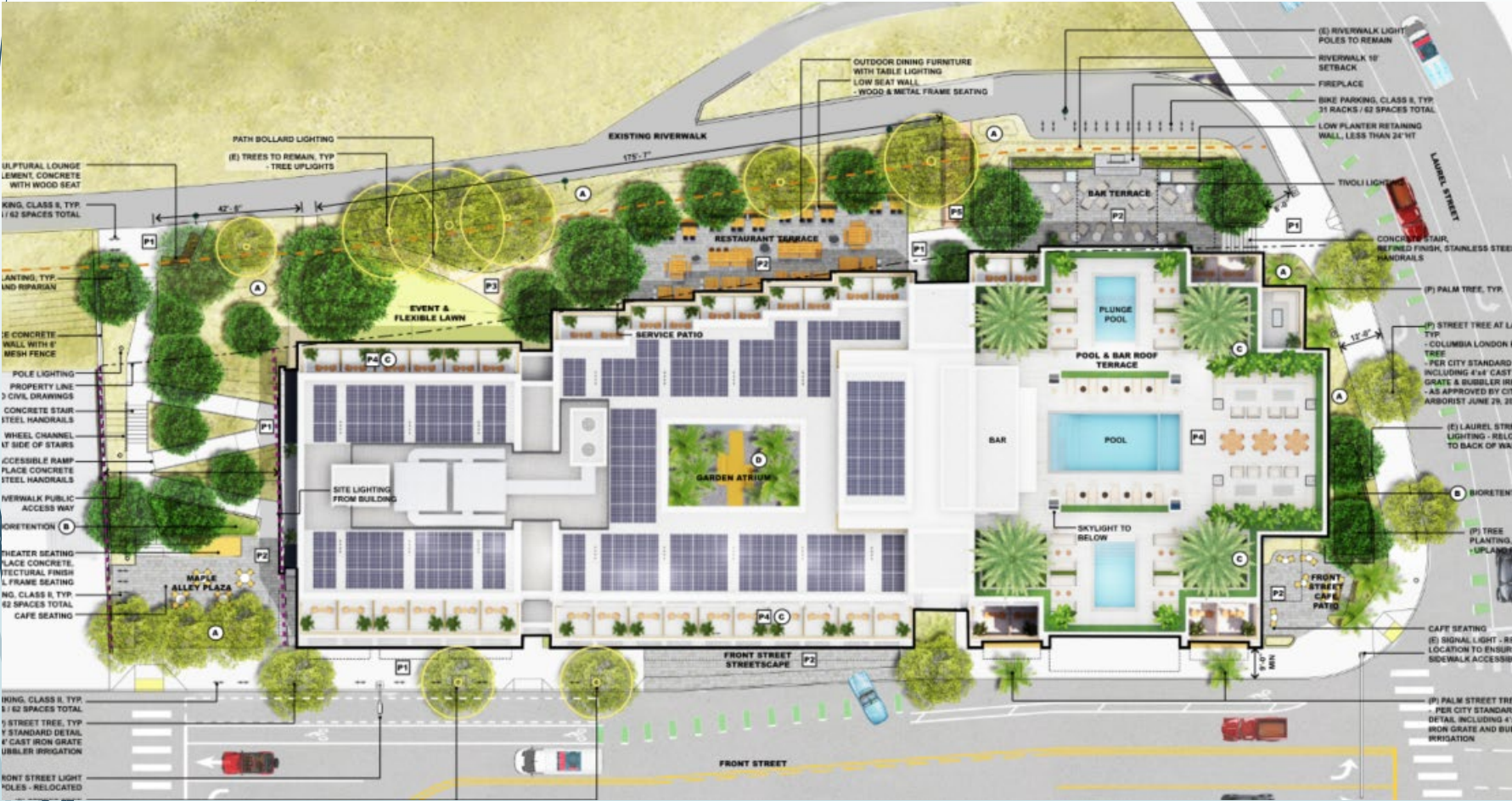




# Affordable Housing In-Lieu Fee

- ▶ \$5.00/square foot above 50-foot base height
  - ▶ 45,500 sq ft x \$5.00 = approx. \$230,000
- ▶ Affordable Workforce Housing
  - ▶ Four offsite dwelling units to be made available at subsidized rents for low or very-low income employees
  - ▶ Pay no more than 30% of income
- ▶ If not feasible, provide in-lieu fee equivalent to cost of providing four low-income units

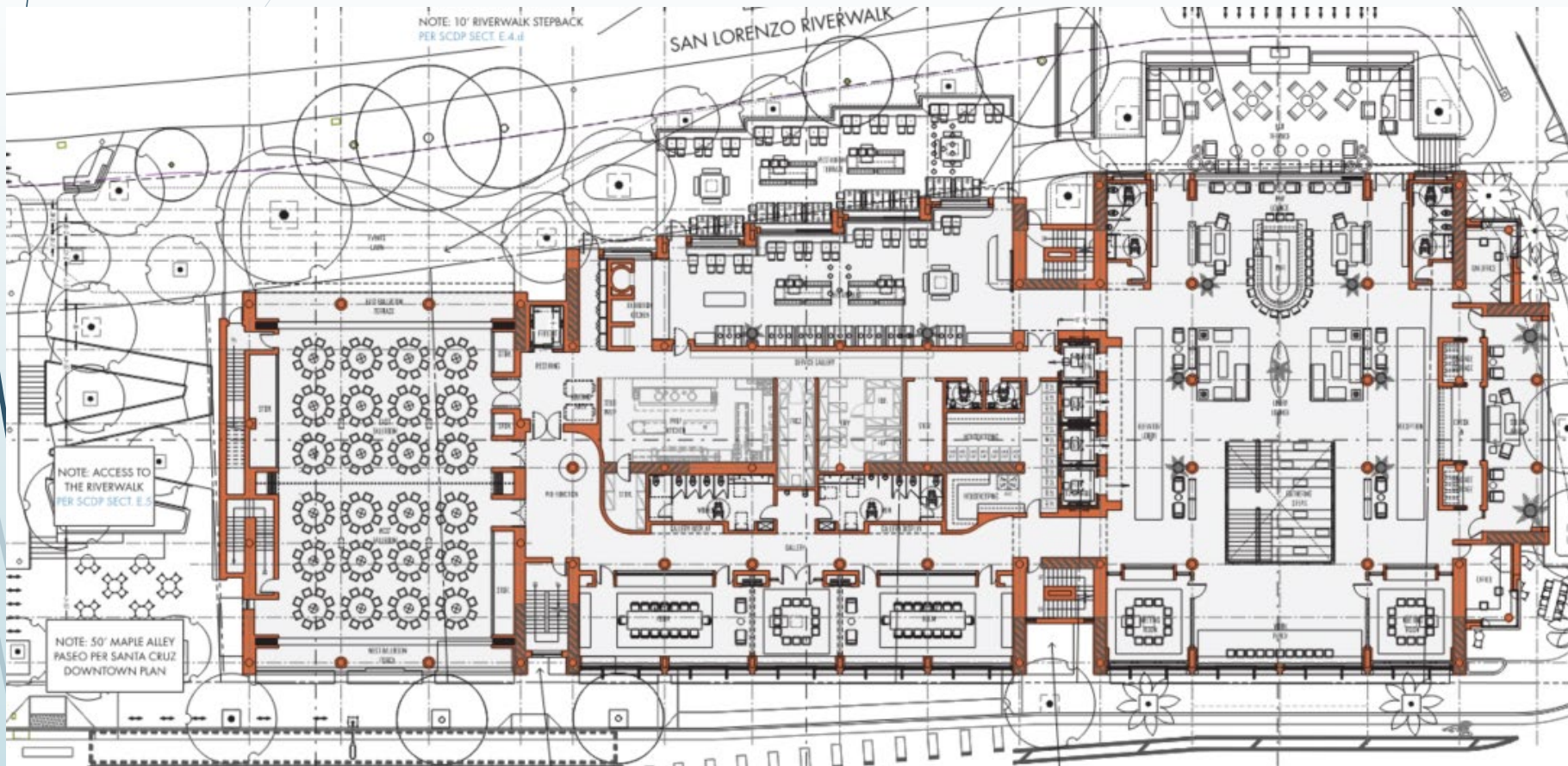
# Design Permit



# Front St. Elevation



# Second Floor Plan



# Laurel St. Elevation





# Parking

- CC Reso NS-30,132
- .25 spaces per room
- 58 spaces required
- 214 parking spaces provided
- 82 Class 1 Bike Spaces
- 32 Class 2 Bike Spaces





# Off-Site Improvements

- Sidewalk expansion
  - 12' Front St.
  - 8' Laurel St
- Four new streetlights along Front
- Maple Alley pedestrian/bike connection
- Riverwalk (levee pathway)
- New street trees
- Directional curb ramp install at Front/Laurel St
- Extension of Riverwalk along Laurel to intersection
- Underground utilities

# Maple Alley



# Coastal Permit

- ▶ Located in CZ-O and SP-O districts
- ▶ Consistent with Local Coastal Program
- ▶ Provides visitor-serving uses
- ▶ Low-Cost Visitor and Recreational Facilities

# Low Cost Visitor & Recreational Facilities

- \$50,000 contribution to Santa Cruz Hostel Society
- \$50,000 contribution to the Boys and Girls Clubs of SC County to revitalize their indoor swimming pool
- Free bike rentals
- Bike rentals
- Free public Wifi
- Community days for local non-profits to have access to rooftop/conference facilities
- Restroom, bar, restaurant services will remain publicly accessible during operating hours
- \$50,000 contribution toward City Trolley Service
- Tower viewers for visitors to view the river habitat

# Low Cost Visitor Accommodations

Six family suites w kitchenettes

<b>Low Cost Visitor In-lieu Fee (Voluntary)</b>	<b>57.25 room x \$144,750</b>	<b>\$8.3 Million</b>
Housing In-lieu Fee (Required)	\$5.00/sq ft x 45,400 sq ft	-\$230,000
Additional Housing Benefit (Voluntary)	4 units x \$700,000	-\$2.8 Million
Hostel Society Contribution (Voluntary)	\$50,000	-\$50,000
Boys & Girls Club Contribution (Voluntary)	\$50,000	-\$50,000
	Total Low Cost Overnight After Credits	Approx \$5.17 Million



# Environmental Review

- CEQA Categorical Exemption
- Project within developed urban area
- CEQA Guidelines Section 15332 (Class 32 – Infill Development Projects)
  - VMT
  - Noise
  - Flooding



# Recommendation

That the City Council:

- Acknowledge the environmental determination; and
- Approve the Coastal Permit, Non-Residential Demolition Authorization Permit, Design Permit, Boundary Line Adjustment, Special Use Permit, Administrative Use Permit, Additional Height Request, a Revocable License for an Outdoor Extension Area, and Heritage Tree Removal Permit to construct a 232-room hotel and associated facilities, and make a finding that the sale of the exempt surplus properties is consistent with the General Plan in accordance with the Surplus Lands Act, based on the Findings and Conditions of Approval listed in the Draft Resolution (Attachment 1).



End

