ArtHaus Ocean 530, 542, 548 Ocean Street

Santa Cruz, California 95060

Community Meeting May 20, 2024









ArtHous

Outline:

- 1. **Introduction & Project Goals** Riaz Capital
- 2. **Project Overview** Workbench
- 3. **Project Design** Workbench
- 4. **Q&A** Riaz Capital + Workbench

Introduction Who We Are Why ArtHaus Ocean? Project Team

Who We Are



Riaz Capital is an Oakland-based development and asset management company, focused on creating and innovating entry-level housing throughout California.

For over 20 years, we have been building and operating a portfolio of stylish, transit-oriented, and contextually appropriate housing. Our units are specifically designed for middle income earners — Teachers, Nurses, Non-profit Employees, City Officials and those who do not fit the mold of traditional housing.



20+ Years of Bay Area Development



1,500+ Units Under Management



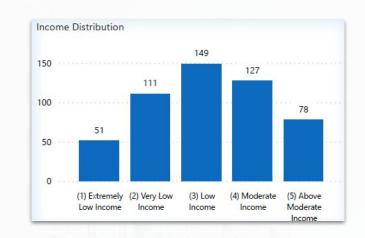
1,400 Units Under Development



57 Buildings

Our Current Residents

- **Over 60%** of Residents qualify as Low Income (less than 80% of Area Median Income)¹
- **Over 80%** of Residents qualify as Moderate Income (less than 120% of Area Median Income)¹
- Majority of Units are priced at or below Low Income
 (80% of Area Median Income) rent limits
- **100% of Units** are priced at or Below Moderate Income (120% of Area Median Income) rent limits









Our Impact

Riaz Capital partners with local nonprofits to provide housing to their employees, allowing their employees to live in the same communities where they work.



Oakland Roots is a purpose-driven soccer team that seeks to harness the magic of Oakland and the power of sports as a social force for good



Confronting educational inequity by securing housing that is more affordable for Oakland teachers



Builds equity in education by increasing Black male teacher representation



International Rescue Committee helps victims of humanitarian crises survive, recover and rebuild their lives

Riaz Capital Projects











Why Santa Cruz?



At Riaz Capital we are committed to helping solving California's housing crisis. This crisis is particularly acute in Santa Cruz:

In the 2021 University of California Undergraduate Experience Survey, UC Santa Cruz students reported the highest level of housing insecurity and homelessness as compared to their peers at the other UCs. The Survey indicated nearly 1 in 10 US Santa Cruz experiences homelessness in their time at the University.¹

In 2023, the National Low Income Housing Coalition found residents within the Santa Cruz-Watsonville Metropolitan Area have the highest cost burden for a two-bedroom rent in the country.²

We appropriately size units, amenities, and parking to provide more apartments at attainable rents.

^{1: &}quot;Accountability Report, 2021", University of California, Chapter 2: Undergraduate students: affordability

^{2: &}quot;Out of Reach", National Low Income Housing Coalition, 2023

Project Team

Riaz Capital has partnered with local architecture and development firm Workbench to ensure the project aligns with the culture and needs of Santa Cruz.

Together, we will design a project that:

- 1. Significantly improves the current site
- 2. Provides much need housing in a well connected part of Santa Cruz
- 3. Embraces Ocean Street as a main corridor for residents and visitors





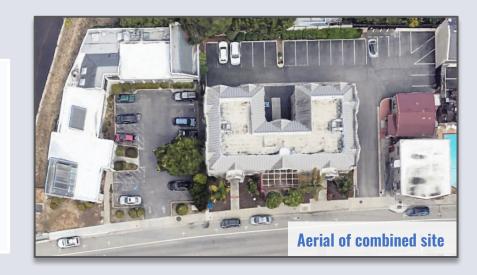






EXISTING SITE CONDITIONS

- 4 existing commercial buildings with surface parking
- Buildings are mostly vacant, 30-65 years old and inefficient, and are becoming a magnet for blight
- Narrow 6' sidewalks with no street trees and no stormwater treatment
- No residential units.

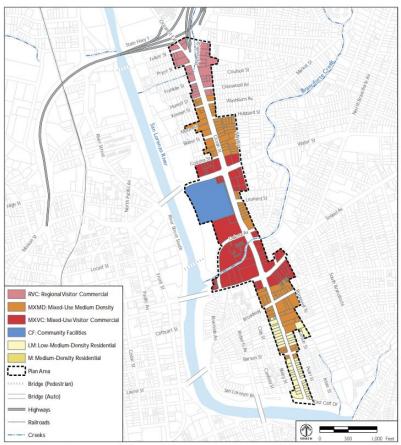








OCEAN STREET AREA PLAN - JANUARY 2014



Vision for the Ocean Street Corridor

The vision is that by the year 2030, Ocean Street will become a beautiful, multifaceted gateway to Santa Cruz that reflects the city's unique and diverse character.

The community envisions Ocean Street as a place to live, work, shop and visit: an attractive, pedestrian-friendly shopping district where local residents can fulfill many of their daily shopping needs without having to drive

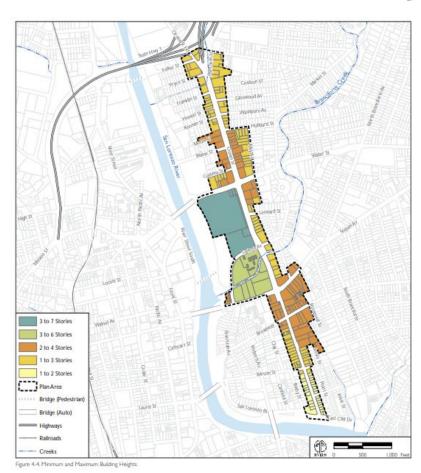
B. Land Uses

The Ocean Street Plan Area currently contains a diverse mix of land uses. The community's decisions about future uses on Ocean Street will help to reinforce its role as a place to live, work, shop and visit.

- Intensified Development and Development Opportunities. The City's General Plan 2030 will create opportunities for more intensive development in many parts of the Plan Area, especially on underutilized sites within the corridor. In addition, there are development opportunities on a number of large sites in the Plan Area, as well as the potential to consolidate parcels with common ownership for larger projects. The County Government Center site could potentially accommodate a shared parking garage, along with ground-floor retail businesses, due to its large size and prime location on Ocean Street.
- Mixed-Use Development. In many cities, including Santa Cruz, mixed-use development has proven to be an effective means of accommodating new housing while preserving land for commercial uses. Recent development proposals for Ocean Street suggest that there is strong interest in building new mixed-use projects in the Plan Area. However, it will be important to ensure that new mixed-use buildings include retail spaces that are large enough and include the necessary amenities to attract tenants.

https://www.cityofsantacruz.com/government/city-departments/planning-and-community-development/long-range-policy-planning/area-plans-and-city-zoning-code/ocean-street-area-plan

OCEAN STREET AREA PLAN - JANUARY 2014



Development and Taller Buildings along Ocean Street

The plan discusses the ability of taller buildings to frame public spaces especially along wide roads: On especially wide streets, such as Ocean Street, it is important for pedestrian comfort to provide taller buildings that define a strong "edge" for the street.

The community envisions that new buildings along Ocean Street will provide space for a variety of local and franchise businesses, and they will create new places to work, live and visit.

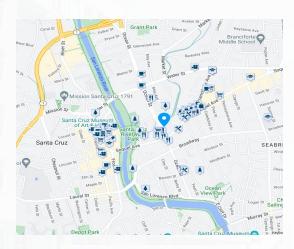
PROJECT SITE

The Project Site is located <0.5 miles from Downtown Santa Cruz and 12 public bus lines.

All three parcels are designated as Opportunity Sites within the City's Housing Element (adopted 3/22/16)









PROPOSED PROJECT

- 225 new residential units
 - 40 deed-restricted affordable
- Resident amenity spaces on 1st and 2nd floors
 - 6,300 SF Podium Terrace (open to air)
- 86 automobile parking spaces
- 225 Class I and 58 Class II bike stalls
- 1400 SF ground floor commercial Space
- 280' of new 15'-wide sidewalk with landscaping





DESIGN INSPIRATION















DESIGN INSPIRATION





















530, 542, 548 OCEAN STREET - View From Ocean St Towards Branciforte Creek

STREETSCAPE DESIGN

- Retail space and residential amenities activate the ground floor
- 15' sidewalk with landscaping beds, seating, and new street trees provide a new public amenity
- 58 Class II bike parking spaces for convenient use by residents, visitors, and/or customers



LEVEL 1 FLOOR PLAN





TYPICAL UPPER LEVEL (3 THRU 6)



Exterior Walkway

Trash/Recycle/Compost

MEP / ELEC.

Work Pods

Stairs & Elevator

CONSTRUCTION

Schedule:

- Anticipate Construction Start in December 2026
- Approximately 24 months to complete

Site Security:

- Project will have in person security at night and on weekends
- Full-time, monitored on-site camera system

Dust Control:

• We will implement dust control measures per OSHA and City of Santa Cruz requirements

Noise:

- We will abide by City of Santa Cruz approved construction hours
- We will typically operate from 8:00AM 5:00PM, occasionally 8:00AM to 6:00PM



Building Design

Concerns about the building height

The Ocean Street Area Plan proposes more density and height along the corridor. This project proposes to use the density bonus and in order to provide the affordable housing it needs to increase the height.

On the plans you are using 2.75 maximum FAR but Ocean Street Plan has 1.75 FAR as the maximum. Please clarify?

This is in the Mixed-Use Visitor Commercial (MXVC) which has a 1.0-2.75 FAR What concessions are being asked for in this project and in particular is the project asking for exception to objective standards on setbacks and upper floor setbacks that are at the 45 degree angle?

The project is still working through its final design and what waivers will be necessary, but at this time there will be a waiver requested on upper floor setbacks and the 45 degree angle neighborhood transition plane standard.

I love the height! I would like to see more "modulation" of the building to be less blocky. But keep the height.

The architecture is currently evolving, as shown in the design this evening. It will continue to be refined prior to the formal submittal.

I'm excited to see projects planned for Ocean Street! Is there more you can say about the landscaping to make the ground floor inviting? It seems a bit dark with the banding/overhang.

Yes, we are early in our design process and will be sure to include landscaping, lighting and color to activate these spaces.

Does the Objective Standards allow for 270 feet without any major design change or breaking up the face of it....? Seems very industrial / hotel like.

This is something we are studying as we develop the project. We are currently proposing building face modulation with material changes.

On Figure 4.4 of the Ocean Street Area Plan shown, the max height for these parcels is 1 to 3 stories.

The proposed project is a Density Bonus project, proposing affordable housing in exchange for concessions and waivers. These concessions and waivers can be used on City Zoning standards that physically preclude the construction of the affordable housing units, like building height limitations.

Parking

How many parking spaces will be provide vs. number of apartments?

We are proposing 86 parking spaces and 225 units.

On the plans you are using 2.75 maximum FAR but Ocean Street Plan has 1.75 FAR as the maximum. Please clarify?

This is in the Mixed-Use Visitor Commercial (MXVC) which has a 1.0-2.75 FAR Was a traffic study completed for this project?

Not yet. We will submit one with our formal planning application.

How does stacker parking work?

Stacker parking is a way to maximize the amount of parking we can achieve while minimizing the square footage consumed by that parking. It is essentially a mechanical lift that allows users to park their car and lift them up to park underneath, utilizing the volume of the parking area. You can search online for "Klaus Stacker Parking" to see examples similar to what is being proposed for this project.

Love the project! This is one of the best parking per unit ratios in the City!

Will building residents be allowed to park in the neighborhoods?

Building residents will not be issued parking permits for the adjacent neighborhoods.

Are stackers safe?

Parking stackers are routinely used in residential parking these days and are considered safe for the residents using them. We will provide product information in our formal planning submission.

Why are only 86 spaces being provided?

Our project is located less than 0.5 miles from a transit center with access to more than 12 public bus lines. The project is also less than a 10 minute walk or a 4 minute bike ride to downtown. We anticipate many residents who choose our location will do so because they can live without a car.

Under AB2097, no parking is required. However, recognizing that some residents could own a car, we are providing 86 spaces. We will provide 225 Class I bike parking stalls and 58 Class II stalls.

Neighborhood

Have you considered Pedestrian Safety at the entrance to the parking garage?

This has not been detailed out yet, but will be a focus as we further develop the project design. Our design will comply with ODS 24.12.185.7 that governs driveways and approaches.

How will the Project manage light and shadow impacts on the adjacent residential buildings?

The Project will submit a shadow study with its formal planning application. All exterior lighting will be dark-sky compliant, minimizing impacts to adjacent buildings.

What will the back of the building look like?

The building's design is still in process. The back of the building will be thoughtfully designed to match the front of the building.

What privacy will be provided to the rear neighbors? Are there any setbacks on the rear of the building? Are there any balconies proposed in the rear setback?

There is a 5' - 8' setback on the building beginning on Floor 2. No patios or balconies are proposed facing residents in the rear. The courtyard opens north and south away from the adjacent residential properties.

What will happen to the mature trees at back of the property?

We have had an arborist prepare a report about the trees on the site. We will reach out separately to set up a time to talk to each homeowner that abuts our property.

How will you minimize noise impacts on neighbors?

Residential windows will be STC-rated to comply with the City's General Plan. The courtyard is designed and programmed to be buffered from the surrounding residences. The building will provide a buffer for the courtyard.

How will delivery and trash trucks access the property?

The Project will propose to locate a loading zone within the parking lane on Ocean Street. This will allow for commercial and passenger loading to ensure residents, deliveries, and services do not impede the flow of traffic on Ocean Street.

May Avenue residents advocated for the County to install the locked gates along the creek between Ocean Street and May Avenue to prevent foot traffic from entering the neighborhood from Ocean Street.

The project is not proposing an opening at Ocean Street. We will plan on closing any openings that our project creates.

Other

What is the expected average rent for each of the units and in particular besides small units doing to make it "affordable by design"?

Because this project is approximately 4-5 years from completion it is hard to provide projected rents for that time. As Chris mentioned, we design our buildings in order for people earning a moderate level income can afford the unit.

The current site is located in a Flood Plain. What is the Project doing about that?

The project is proposing to raise the elevation of the property to take it out of the flood plain, we will then file a LOMR (letter of map revision) with FEMA which will take the property out of the flood plain.

Are families allowed? Are there amenities for children?

Yes, families are welcome to live in this building, the building amenities are not specifically designed for children but will be family friendly.

What is a Lot Line Adjustment?

Currently the site is comprised of 3 separate lots, the lot line adjustment will combine it into one lot allowing for the building to not be crossing lot lines.

Concern about infrastructure availability (water, sewer and electricity)

We have obtained will serve letters from all utility service providers for the project confirming they will be able to support the project when it is built.

Will there be on-site management?

Yes, there will be one on-site resident manager.

This type of housing is valuable not just for students, but also for older folks and those who are forced to move away because housing is so expensive.

Are there any blockers to development and how can the community support the project?

It is always helpful to have members of the community send letters of support to the City and for folks to attend any public meetings (like this one) expressing your support. We are also open for meetings with community members to discuss the project and process.

Appreciate the benefits of being able to walk for shopping and running errands, ie not drive cars. It's healthier to walk, and it helps environment not to drive.

Who do you envision in the retail space? There is a great need for child care facilities.

This is an interesting idea! This is something the project team / ownership will consider as the project design develops further.



Thank you!

If you have any questions please contact Chris Batson at cbatson@riazinc.com







