

Santa Cruz agrees to replace aging Beach Flats apartments

New housing will have affordable rents

By **DAN WHITE**

SENTINEL STAFF WRITER

Beach Flats
SANTA CRUZ — Dozens of Beach Flats residents cheered Tuesday as the City Council voted to demolish two old apartment buildings on Leibrandt Avenue and replace them with 48 low-income housing units.

The council voted 6-1 to tear down 47 studio and one-bedroom apartments in the Lee and Dolphin complexes near the Boardwalk. The gate-protected project that would replace them would

11-15-01
house up to 250 people, and include a child-care and community center.

Residents, who listened to proceedings through Spanish-translation headsets, said they look forward to more space and comfort, and hope to see some action on the 20-year-old affordable-housing plan.

Residents in the two complexes slated for destruction would get priority in the new development.

If they are built, the apartments
Please see **HOUSING** on **BACK PAGE**

A-12 SANTA CRUZ SENTINEL Thursday, November 15, 2001



A youngster plays in front of the apartments at 136 Leibrandt St. on Wednesday. The complex is one of three that will be demolished to make way for low-income housing.

Bill Lovejoy/
Sentinel

Housing

Continued from Page A1

would go to those earning 60 percent or less of the area median income: \$65,000 for a four-person household.

The 48 apartments will include eight with four bedrooms, 21 with three bedrooms, 17 with two bedrooms and one with one bedroom.

"I can't tell you how many individuals will live there (but) 250) sounds reasonable," said Elisabeth Vogel of Mercy Housing, a nonprofit affordable housing developer.

Mercy Housing would own the buildings and serve as property manager.

Maria Gomez, a Spanish-speaking resident of the Dolphin complex, stood in front of her apartment Wednesday and pointed toward her home.

"It's in very bad condition," she said. "My apartment is very small, very ugly too, and it's old." Gomez supports

the new project and plans to live in it, she said.

The dissenting vote was cast by Councilman Mark Primack. He said the city is too emotionally wrapped up in an ill-conceived project that benefits too few people. The estimated \$12.7 million cost could put many more residents into affordable housing, he said.

It would have cost less to build the project on open land but none is available in Beach Flats, Vogel responded.

She said this project is more expensive than some previous Mercy Housing developments, including one at Neary Lagoon, because the property was appraised based on the income it generates now from rents.

Three other speakers who are regulars at council meetings also took issue with the project. But about 40 people stood up to support the plan, and wore stickers saying, "Beach Flats, Si!"

The city Redevelopment Agency has

been asked to cover \$3.2 million of the costs, Vogel said. City leaders will meet Tuesday to discuss funding.

The city appears likely to commit the money to the project — it already has bought the land.

The nonprofit agency is seeking about \$6 million from private investors as part of a state-administered federal tax credit program. The investors would buy the tax credits.

Mercy Housing would get a \$600,000 fee for the development, Vogel said. That money would be used to build more affordable-housing projects, she said.

While many Beach Flats residents support the plan, it ran into controversy at first when some residents were uneasy about the city's plans to relocate them for about a year while building is under way.

Contact Dan White at
dwhite@santa-cruz.com.