



Anthony L. Solis/Sentinel graphics

Affordable apartments in the works

By **STETT HOLBROOK**
SENTINEL STAFF WRITER

A Danville developer is proposing to build two housing projects that would create 309 apartments, about 120 of them affordably priced.

Pacific Union Apartments has submitted plans to the city to build 206 units on Shaffer Road, and is expected to submit plans for a second project on Pacific Avenue at Cathcart Street soon.

Preliminary plans for the Pacific Avenue project include five levels of

Plans are to use project's tax revenue to keep costs down

rental housing, about 7,000 square feet of commercial space on the ground floor and underground parking. The top two floors would house two-story loft units.

The dense, in-fill projects are just the kind of development some members of the City Council have been touting in recent discussions about alleviating Santa Cruz's affordable-housing crunch.

"This would be a magnificent level

of affordability," said Mayor Tim Fitzmaurice.

While he is "optimistic" about the projects, he said details about financing and city subsidies have yet to be worked out.

Under a complex financing arrangement still under negotiation, the developer wants to use redevelopment tax revenue generated by the projects to help cover the cost of the large number of low- and very-low-income units.

Other funding would come from the abatement of \$1.4 million in city fees, tax-exempt bonds and tax credits

City Councilman Mark Primack said the Pacific Avenue site is an "excellent" location, an area where he wants to see high-density housing.

Local developer George Ow Jr. had proposed to develop the site, located near Gateways Books & Gifts. He has a plan on file with the city's planning

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department but is reportedly withdrawing from the project. He was unavailable to comment Friday.

The Shaffer Road project, located on 11 acres owned by Granite Construction Co. across from Raytek's corporate headquarters, calls for 102 one-bedroom units and 104 two-bedroom units. The metal and stucco-sided apartments would be built around a central open area that includes plans for a pool. The apart-

ments would be two- and three-stories tall. The developer has just begun the environmental review process for the project.

The land is zoned industrial, but converting it to residential use does not require major changes to city ordinances, said Don Lauritson, associate city planner. At 27 units per acre, the apartments are classified as medium density.

Primack said in general he opposes converting industrial land into housing "for housing's sake," but since UC Santa Cruz's Long Marine Lab and Seymour Marine Discovery Center are already in the area, he

will consider the project. He said the apartments could provide a good model for other mixed-income developments.

Taken together, the two projects offer a significant amount of affordable housing at a time when many residents are doubling up to pay rent or leaving the area altogether.

"The cumulative effect is what's it's all about," Fitzmaurice said.

Marina Malikoff contributed to this story.

Contact Stett Holbrook at sholbrook@santa-cruz.com.