

58-unit complex proposed for Lower Ocean St.

\$22 million mixed-use project goes before Santa Cruz Planning Commission today

By JONDI GUMZ

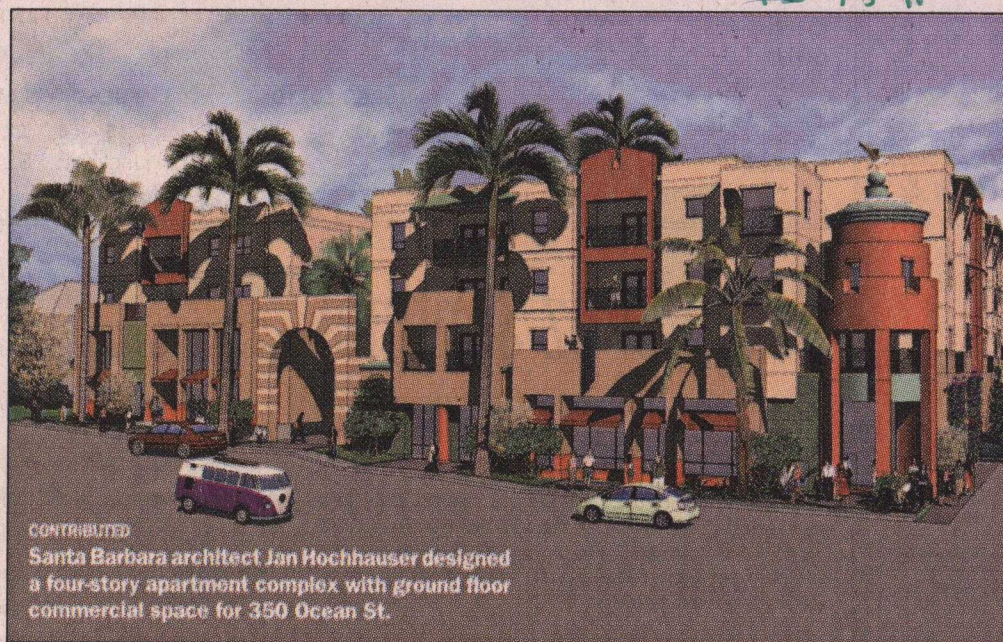
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SANTA CRUZ — The first major multifamily development since the housing crash will go to a public hearing at 7 p.m. today before the city Planning Commission.

Pacific West Communities proposes a four-story complex with 58 apartments and ground-floor commercial space on 1.4 acres at 350 Ocean St., removing 20 aging garden apartments, two single-family homes and 14 "heritage" trees, most of them palms.

"It's a great housing opportunity that's really needed," said Santa Cruz land-use consultant Owen Lawlor, who is working with Pacific West, which specializes in affordable housing.

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Santa Barbara architect Jan Hochhauser designed a four-story apartment complex with ground floor commercial space for 350 Ocean St.

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DEVELOPMENT

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The apartments would be rented to households meeting income guidelines. For example, a family of four making \$33,530 to \$57,480 would be eligible.

Plans call for 25 three-bedroom units, 16 two-bedroom units, 16 one-bedroom units and one manager's unit around a central courtyard.

The project budget is \$22 million and the developer is pursuing tax credits and financing, according to Lawlor.

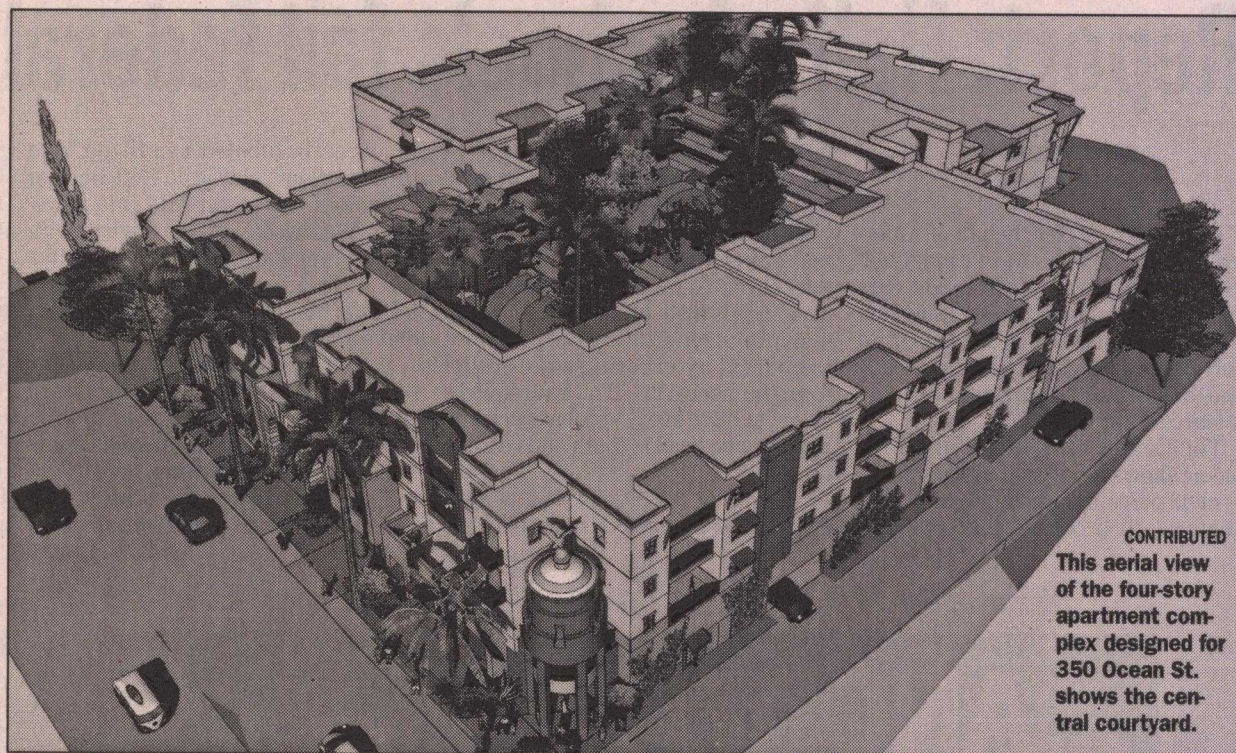
Based in Idaho, Pacific West has a portfolio of more than 60 California projects, including Pacifica Apartments in Watsonville.

The Santa Cruz site is adjacent to two motels, Pacific Inn and Motel Santa Cruz, and across the street from the 7-Eleven at Broadway.

The project, more than a year in the making, required working with three banks to acquire three properties and consulting with city staff and neighbors on Lower Ocean Street, Lawlor said.

The existing apartments, built as motel units in the 1950s, were given minimal maintenance, he added.

The previous owner bought the three parcels for more than \$5 million as the housing market heated up, intending to develop market-rate homes. When the housing market went bust, the proposal went nowhere and lenders



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This aerial view of the four-story apartment complex designed for 350 Ocean St. shows the central courtyard.

foreclosed.

The current ownership bought the three parcels for \$2 million.

Apartment tenants displaced by demolition must receive relocation assistance, but half the units are vacant.

The developer is asking for variations from the multifamily regulations on height, setbacks and use. Approval of the requisite planned

development permit requires a recommendation by the Planning Commission to the City Council, which has the final say.

Only two local residents submitted comments. Andy Shifrin asked about parking and Danielle Uharriet noted the building would be seven feet higher than others in the neighborhood.

City staff recommended approval,

saying the development met the parking requirement of 129 spaces, and that the city is encouraging mixed-use developments of three and four stories and a seven-foot height differential on a 42-foot building is "relatively minor."

Staff did recommend the southwest corner of the building, which features a landmark turret, be redesigned.