

**SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR  
AGENCY OVERSIGHT BOARD**

**AGENDA**

Governmental Center Building  
701 Ocean Street, Room 525, Santa Cruz, CA  
Tuesday, January 16, 2018 - 11:00 a.m.

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1. Call to Order/Roll Call
2. Consideration of Late Additions to the Agenda; additions and deletions to the Agenda
3. ORAL COMMUNICATIONS - Opportunity for members of the public to address the Board on matters which are within the jurisdiction of the Board but not on today's agenda
4. Consider adoption of a resolution approving the minutes of the January 17, 2017 and April 13, 2017 meetings of the Oversight Board
5. Consider adoption of a resolution electing a Chairperson and Vice-Chairperson
6. Consider adoption of a resolution accepting and filing status report on the 2017 Series A Tax Allocation Refunding Bonds, Basic Financial Statements of the Santa Cruz County Redevelopment Successor Agency for the period ended June 30, 2017, Long Range Property Management Plan Update, and Consolidation of Redevelopment Successor Agency Oversight Boards
7. Consider adoption of a resolution approving the administrative budgets of the Santa Cruz County Redevelopment Successor Agency for the 6-month periods July 1, 2018 through December 31, 2018, and January 1, 2019 through June 30, 2019
8. Consider adoption of a resolution approving the Recognized Obligation Payment Schedule for July 1, 2018 through June 30, 2019 (ROPS 18-19)

**ADJOURNMENT**

BEFORE THE SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD  
RESOLUTION NO. \_\_\_\_\_

On the motion of \_\_\_\_\_ duly seconded by \_\_\_\_\_ the following resolution is adopted:

RESOLUTION APPROVING MEETING MINUTES OF THE  
OVERSIGHT BOARD

WHEREAS, the Santa Cruz County Redevelopment Successor Agency Oversight Board ("Oversight Board") has been established to direct the Santa Cruz County Redevelopment Successor Agency ("Successor Agency") to take certain actions to wind down the affairs of the former Santa Cruz County Redevelopment Agency ("Agency") in accordance with the requirements of Assembly Bill 26 ("ABx1 26"), also known as chapter 5, Statutes 2011, First Extraordinary Session, which added Part 1.8 and Part 1.85 of Division 24 of the California Health and Safety Code, Assembly Bill 1484, also known as chapter 26, Statutes of 2012, and Senate Bill 107, 2015-16 Legislative Session, which made certain revisions to the statutes added by ABx1 26; and

WHEREAS, Health and Safety Code Section 34179 (e) requires that all actions taken by the Oversight Board shall be adopted by resolution; and

WHEREAS, the Oversight Board conducted public meetings on January 17, 2017, and April 13, 2017, the minutes of which are attached as Exhibits 1 and 2; and

WHEREAS, these meeting minutes reflect the actions of the Oversight Board;

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED by the Santa Cruz County Redevelopment Successor Agency Oversight Board as follows:

SECTION 1. The above Recitals are true and correct.

SECTION 2. The meeting minutes of the Oversight Board meetings on January 17, 2017, and April 13, 2017, are hereby approved.

PASSED, APPROVED and ADOPTED by the Santa Cruz County Redevelopment Successor Agency Oversight Board, this \_\_\_ day of \_\_\_\_\_, 2018 by the following vote:

AYES:  
NOES:  
ABSENT:

\_\_\_\_\_  
Chairperson of the Santa Cruz County Redevelopment  
Successor Agency Oversight Board



**PROCEEDINGS OF THE  
SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY  
OVERSIGHT BOARD**

**VOLUME 2017, NUMBER 1  
January 17, 2017 – Regular Meeting**

**ACTION SUMMARY MINUTES**

**VOTING KEY:**

C = Cirillo  
G = Geisreiter (VC)  
H = Hart  
L = Leopold (Chair)  
HI = Hall  
Ro = Rozario  
Re = Reece

First Initial indicates maker of motion, second initial indicates the “second”; upper case letter = “yes” vote; lower case letter = “no” vote; ( ) = abstain; // = absent

1. **Call to Order/Roll Call** – The meeting was called to order by Chair Leopold at 9:01 a.m. Members present: Cirillo, Geisreiter, Hart, Leopold, Rozario and Reece  
Absent: Steve Hall (interim representative from Central Fire District)
2. **Consideration of Late Additions to the Agenda; additions and deletions to Consent and Regular Agendas** - None
3. **Oral Communications** – There were no comments from the public; during this time, Betsey Lynberg commented on Susan Mauriello’s upcoming retirement and acknowledged her efforts with RSA-OB, as did Chair Leopold and Director Geisreiter
4. **ADOPTED Resolution No. 1-2017OB** approving the minutes of March 29, 2016  
ReGHRo(CiL)/HI/
5. **ADOPTED Resolution No. 2-2017OB** approving the meeting schedule for 2017-18  
CRoGHLRe/HI/
6. **ADOPTED Resolution No. 3-2017OB** re-electing John Leopold as Chairperson for 2017, and Reed Geisreiter as Vice-Chairperson for 2017  
ReHCGLRo/HI/

Minutes of RSA Oversight Board  
January 17, 2017

7. ADOPTED **Resolution No. 4-2017OB** accepting and filing the status report on the 2016 Tax Allocation Refunding Bonds, Series A, Basic Financial Statements of the Santa Cruz County Redevelopment Successor Agency for the period ended June 30, 2015, and Long Range Property Management Plan Update.

CReGHLRo/HI/

8. ADOPTED **Resolution No. 5-2017OB** approving the administrative budgets of the Santa Cruz County Redevelopment Successor Agency for 6 month periods July 1, 2017 thru December 31, 2017, and January 1, 2018 through June 30, 2018.

GROCHLRe/HI/

9. ADOPTED **Resolution No. 6-2017OB** approving the Recognized Obligation Payment Schedule July 1, 2017 thru June 30, 2018 (ROPS 17-18)

ReCGHLRo/HI/

Meeting adjourned at 9:18 a.m.

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Minutes of RSA Oversight Board  
January 17, 2017

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Approved: \_\_\_\_\_  
Chair, Oversight Board

Attest: \_\_\_\_\_  
Clerk of the Oversight Board

Date: \_\_\_\_\_

NOTE: This set of Santa Cruz County Redevelopment Successor Agency Oversight Board minutes is scheduled to be approved January 16, 2018.

**PROCEEDINGS OF THE  
SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY  
OVERSIGHT BOARD**

**VOLUME 2017, NUMBER 2  
April 13, 2017 – Special Meeting**

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**ACTION SUMMARY MINUTES**

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**VOTING KEY:**

C = Cirillo  
G = Geisreiter (VC)  
Hr = Hart  
L = Leopold (Chair)  
HI = Hall  
Ro = Rozario  
Re = Reece

First Initial indicates maker of motion, second initial indicates the “second”; upper case letter = “yes” vote; lower case letter = “no” vote; ( ) = abstain; // = absent

- 
1. **Call to Order/Roll Call** – The meeting was called to order by Chair Leopold at 9:03 a.m. Members present: Cirillo, Geisreiter, Leopold, and Reece. Absent: Steve Hall (interim representative from Central Fire District), Mary Hart
  2. **Consideration of Late Additions to the Agenda; additions and deletions to Consent and Regular Agendas** - None
  3. **Oral Communications** – There were no comments from the public
  4. **ADOPTED Resolution 7-2017OB** approving the issuance and sale of Taxable Tax Allocation Refunding Bonds, 2017 Series A.

CReGL/Hi/Hr/

Minutes of RSA Oversight Board Special Meeting  
April 13, 2017

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Approved: \_\_\_\_\_  
Chair, Oversight Board

Attest: \_\_\_\_\_  
Secretary of the Oversight Board

Date: \_\_\_\_\_

NOTE: This set of Santa Cruz County Redevelopment Successor Agency Oversight Board minutes is scheduled to be approved on January 16, 2018





# County of Santa Cruz

## SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY

701 OCEAN STREET, ROOM 510, SANTA CRUZ, CA 95060-4073

(831) 454-2280 FAX: (831) 454-3420 TDD: (831) 454-2123

January 4, 2018

Agenda: January 16, 2018

Oversight Board  
 Santa Cruz County Redevelopment Successor Agency  
 701 Ocean Street  
 Santa Cruz, CA 95060

### ELECTION OF CHAIRPERSON AND VICE CHAIRPERSON

Dear Members of the Board:

At this time, there are no Oversight Board meetings scheduled before July 2018, when this Board will be replaced by a new Oversight Board for all Santa Cruz County Redevelopment Successor Agencies. However, it is necessary to select a Chairperson of this Oversight Board to preside over any meetings which may be scheduled before July 2018. A Vice Chairperson should also be selected to preside over the meeting when the Chair is unavailable.

It is therefore RECOMMENDED that your Board adopt the attached resolution electing one member to serve as Chairperson and one person to serve as Vice Chairperson for the Santa Cruz County Redevelopment Successor Agency Oversight Board.

Very truly yours,

Betsey Lynberg  
 Director of Capital Projects

RECOMMENDED:

Carlos Palacios  
 County Administrative Officer

BL:kn

BEFORE THE SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD  
RESOLUTION NO. \_\_\_\_\_

On the motion of \_\_\_\_\_ duly seconded by \_\_\_\_\_ the following  
resolution is adopted:

RESOLUTION ELECTING A CHAIRPERSON AND VICE  
CHAIRPERSON OF THE OVERSIGHT BOARD

WHEREAS, the Santa Cruz County Redevelopment Successor Agency Oversight Board ("Oversight Board") has been established to direct the Santa Cruz County Redevelopment Successor Agency ("Successor Agency") to take certain actions to wind down the affairs of the former Santa Cruz County Redevelopment Agency ("Agency") in accordance with the requirements of Assembly Bill 26 ("ABx1 26"), also known as chapter 5, Statutes 2011, First Extraordinary Session, which added Part 1.8 and Part 1.85 of Division 24 of the California Health and Safety Code, and Assembly Bill 1484, also known as chapter 26, Statutes of 2012, which made certain revisions to the statutes added by ABx1 26; and

WHEREAS, Health and Safety Code Section 34179 (e) requires that all actions taken by the Oversight Board shall be adopted by resolution; and

WHEREAS, the Oversight Board conducted a public meeting on January 16, 2018, and elected \_\_\_\_\_ as Chairperson and \_\_\_\_\_ as Vice Chairperson, each to serve until July 1, 2018.

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED by the Santa Cruz County Redevelopment Successor Agency Oversight Board as follows:

SECTION 1. The above Recitals are true and correct.

SECTION 2. \_\_\_\_\_ is elected as Chairperson and \_\_\_\_\_ is elected as Vice Chairperson, each to serve until July 1, 2018.

PASSED, APPROVED and ADOPTED by the Santa Cruz County Redevelopment Successor Agency Oversight Board, this \_\_ day of \_\_\_\_\_, 2018 by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Chairperson of the Santa Cruz County Redevelopment  
Successor Agency Oversight Board





# County of Santa Cruz

## SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY

701 OCEAN STREET, ROOM 510, SANTA CRUZ, CA 95060-4073

(831) 454-2280 FAX: (831) 454-3420 TDD: (831) 454-2123

January 4, 2018

Agenda: January 16, 2018

Oversight Board  
 Santa Cruz County Redevelopment Successor Agency  
 701 Ocean Street  
 Santa Cruz, CA 95060

### **REPORT ON 2017 SERIES A TAX ALLOCATION REFUNDING BONDS, BASIC FINANCIAL STATEMENTS OF THE SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY FOR THE PERIOD ENDED JUNE 30, 2017, LONG RANGE PROPERTY MANAGEMENT PLAN UPDATE, AND CONSOLIDATION OF REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARDS**

Dear Members of the Board:

This report provides the Board with an update on the issuance of the 2016 Tax Allocation Refunding Bonds, the Redevelopment Successor Agency Financial Statements, the implementation of the Long Range Property Management Plan (LRPMP), and consolidation of Redevelopment Successor Agency Oversight Boards.

#### **2017 A Tax Allocation Refunding Bonds**

On April 11, 2017, the Board authorized the issuance of Tax Allocation Refunding Bonds, Series A, in an amount not to exceed \$40 million non-taxable, by the Santa Cruz County Redevelopment Successor Agency (Successor Agency) to reduce debt service on the outstanding 2010 Taxable Housing, 2011A Taxable, and 2011B Taxable Housing tax allocation bonds issued by the former Redevelopment Agency, with the debt service savings to be shared among the affected taxing agencies. At that time, it was estimated that total bond debt service could be reduced with a combined 9% savings on a present value basis. On August 3, 2017, the 2017 Tax Allocation Refunding Bonds, Series A, was successfully issued in the amount of \$35,140,000, resulting in a 13.22% savings, or \$7.9 million in actual cashflow savings. Attachment 1 shows the total savings over the 20 years of the refunding.

#### **RSA Financial Statements**

Pursuant to Section 33080.1 of the Health and Safety Code of the State of California, attached are the Annual Basic Financial Statements and Independent Auditors' Reports of the Santa Cruz County Redevelopment Successor Agency for the period ended June 30, 2017. The audit opinion was unqualified in stating that the financial position of the Santa Cruz County Redevelopment Successor Agency is presented fairly, in all material respects, and that the results of its operations for the period ended June 30, 2017, are in conformity with generally accepted accounting principles.

### **Long Range Property Management Plan Update**

County Office of Economic Development staff continues to work on the disposition of the remaining Redevelopment Successor Agency owned properties on Capitola Road and 7<sup>th</sup> Avenue per the Long Range Property Management Plan. Following Board of Supervisors approval on May 23, 2017, the Office of Economic Development staff issued a Request for Qualifications (RFQ) for the Capitola Road Site (see Attachment 3). After a thorough evaluation process staff selected MidPen Housing to continue in the process and on December 5, 2017, the Board of Supervisors approved an Exclusive Negotiating Agreement with MidPen Housing for development of the site (see Attachment 4).

Following Board of Supervisors approval on June 6, 2017, the Office of Economic Development staff issued a Request for Qualifications (RFQ) for the 7<sup>th</sup> Avenue Visitor Accommodation Site (see Attachment 5). Following a thorough evaluation process, staff selected Barry Swenson Builder (BSB) to continue in the process. At this time, staff and BSB are in the process of drafting an Exclusive Negotiating Agreement and plan to return to the Redevelopment Successor Agency Board of Supervisors in spring 2018 for approval.

### **Consolidation of Oversight Boards**

Per Health and Safety Code Section 34179(j), commencing on or after July 1, 2018, in each county where more than one oversight board was created, there shall be only one oversight board which shall be staffed by the county auditor-controller, or by another county entity selected by the county auditor-controller (see Attachment 6). The new oversight board is to be appointed as follows:

- (1) One member appointed by the county board of supervisors.
- (2) One member appointed by the city selection committee.
- (3) One member appointed by the independent special district selection committee for special districts that are eligible to receive property tax revenues.
- (4) One member appointed by the county superintendent of education to represent schools.
- (5) One member appointed by the Chancellor of the California Community Colleges to represent community college districts.
- (6) One member of the public appointed by the county board of supervisors.
- (7) One member appointed by the recognized employee organization representing the largest number of successor agency employees in the county.

The Local Agency Formation Commission of Santa Cruz County (LAFCO) has the responsibility to oversee the election of the member appointed by the independent special district selection committee and has issued notifications to special districts countywide. Nominations for the LAFCO appointment will be due January 10, 2018. Information regarding the LAFCO selection process can be found on the LAFCO website: <http://www.santacruzlafco.org/cwdreview/>. It is anticipated that the Board of Supervisors will begin the process to accept applications for the member of the public appointed by the Board of Supervisors in spring 2018.

Oversight Board  
January 4, 2018  
Page 3

It is therefore RECOMMENDED that your Board adopt the attached resolution accepting and filing this report.

Very truly yours,



Betsey Lynberg  
Director of Capital Projects

RECOMMENDED:



Carlos Palacios  
County Administrative Officer

BL:kn

Attachments:

1. 2017 A Tax Allocation Refunding Bonds Savings
2. Basic Financial Statements and Independent Auditors' Reports of the Santa Cruz County Redevelopment Successor Agency for the year ended June 30, 2017
3. Board of Supervisors Memo and Capitola Road Request for Qualifications
4. Board of Supervisors Memo and Capitola Road Exclusive Negotiating Agreement
5. Board of Supervisors Memo and 7<sup>th</sup> Avenue Request for Qualifications
6. Health and Safety Code Section 34179

cc: CAO, Auditor-Controller, County Counsel, Successor Agency, DOF

BEFORE THE SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD  
RESOLUTION NO. \_\_\_\_\_

On the motion of \_\_\_\_\_ duly seconded by \_\_\_\_\_ the following resolution is adopted:

RESOLUTION ACCEPTING AND FILING STATUS REPORT

WHEREAS, the Santa Cruz County Redevelopment Successor Agency Oversight Board ("Oversight Board") has been established to direct the Santa Cruz County Redevelopment Successor Agency ("Successor Agency") to take certain actions to wind down the affairs of the former Santa Cruz County Redevelopment Agency ("Agency") in accordance with the requirements of Assembly Bill 26 ("ABx1 26"), also known as chapter 5, Statutes 2011, First Extraordinary Session, which added Part 1.8 and Part 1.85 of Division 24 of the California Health and Safety Code, Assembly Bill 1484, also known as chapter 26, Statutes of 2012, and Senate Bill 107, 2015-16 Legislative Session, which made certain revisions to the statutes added by ABx1 26; and

WHEREAS, Health and Safety Code Section 34179 (e) requires that all actions taken by the Oversight Board shall be adopted by resolution; and

WHEREAS, on January 16, 2018, the Santa Cruz County Redevelopment Successor Agency Oversight Board received a status report on the 2017 Series A Tax Allocation Refunding Bonds, Basic Financial Statements of the Santa Cruz County Redevelopment Successor Agency for the period ended June 30, 2017, Long Range Property Management Plan Update, and Consolidation of Redevelopment Oversight Boards.

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED by the Santa Cruz County Redevelopment Successor Agency Oversight Board as follows:

SECTION 1. The above Recitals are true and correct.

SECTION 2. The status report on the 2017 Series A Tax Allocation Refunding Bonds, Basic Financial Statements of the Santa Cruz County Redevelopment Successor Agency for the period ended June 30, 2017, Long Range Property Management Plan Update, and Consolidation of Redevelopment Oversight Boards is hereby accepted and filed.

PASSED, APPROVED and ADOPTED by the Santa Cruz County Redevelopment Successor Agency Oversight Board, this \_\_\_ day of \_\_\_\_\_, 2018 by the following vote:

- AYES:
- NOES:
- ABSENT:

\_\_\_\_\_  
Chairperson of the Santa Cruz County Redevelopment  
Successor Agency Oversight Board

ATTEST:

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Clerk of the Oversight Board

Approved as to form:



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County Counsel

Distribution:

- Auditor-Controller
- CAO
- County Counsel
- Successor Agency



## EXHIBIT 1

## SAVINGS

Santa Cruz County Redevelopment Successor Agency  
Taxable Tax Allocation Refunding Bonds, 2017 Series A

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings
09/01/2017	2,079,952.75	2,079,968.64	(15.89)		(15.89)
09/01/2018	3,341,720.00		3,341,720.00	2,737,833.66	603,886.34
09/01/2019	3,342,373.00		3,342,373.00	2,742,148.76	600,224.24
09/01/2020	3,336,113.00		3,336,113.00	2,740,825.26	595,287.74
09/01/2021	3,339,450.00		3,339,450.00	2,737,459.26	601,990.74
09/01/2022	3,276,232.50		3,276,232.50	2,688,758.26	587,474.24
09/01/2023	3,330,701.50		3,330,701.50	2,729,406.26	601,295.24
09/01/2024	3,322,871.00		3,322,871.00	2,726,456.26	596,414.74
09/01/2025	3,651,021.00		3,651,021.00	2,992,006.26	659,014.74
09/01/2026	3,635,887.50		3,635,887.50	2,977,956.26	657,931.24
09/01/2027	3,636,207.50		3,636,207.50	2,974,675.00	661,532.50
09/01/2028	2,327,477.50		2,327,477.50	1,856,550.00	470,927.50
09/01/2029	2,331,247.50		2,331,247.50	1,856,362.50	474,885.00
09/01/2030	2,328,697.50		2,328,697.50	1,859,487.50	469,210.00
09/01/2031	2,724,827.50		2,724,827.50	2,170,737.50	554,090.00
09/01/2032	2,724,667.50		2,724,667.50	2,173,487.50	551,180.00
09/01/2033	2,728,877.50		2,728,877.50	2,178,800.00	550,077.50
09/01/2034	2,727,080.00		2,727,080.00	2,172,000.00	555,080.00
09/01/2035	2,728,905.00		2,728,905.00	2,172,600.00	556,305.00
09/01/2036	5,213,150.00		5,213,150.00	4,165,200.00	1,047,950.00
	62,127,459.75	2,079,968.64	60,047,491.11	48,652,750.24	11,394,740.87

Savings Summary

Savings PV date	08/03/2017
Savings PV rate	3.757844%
PV of savings from cash flow	8,063,715.14
Less: Prior funds on hand	(3,457,882.06)
Net PV Savings	4,605,833.08

**SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY**

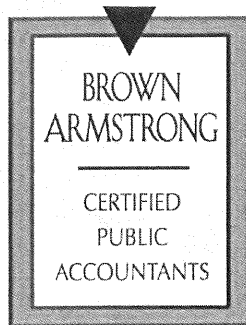
**BASIC FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORTS**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2017**

SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY  
JUNE 30, 2017

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# BROWN ARMSTRONG

*Certified Public Accountants*

## INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Supervisors of the  
Santa Cruz County Redevelopment Successor Agency  
Santa Cruz, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the Santa Cruz County Redevelopment Successor Agency (the Agency), a fiduciary fund of the County of Santa Cruz, as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### BAKERSFIELD OFFICE (MAIN OFFICE)

4200 TRUXTUN AVENUE  
SUITE 300  
BAKERSFIELD, CA 93309  
TEL 661.324.4971  
FAX 661.324.4997  
EMAIL [info@bacpas.com](mailto:info@bacpas.com)

#### FRESNO OFFICE

7673 N. INGRAM AVENUE  
SUITE 101  
FRESNO, CA 93711  
TEL 559.476.3592  
FAX 559.476.3593

#### LAGUNA HILLS OFFICE

23272 MILL CREEK DRIVE  
SUITE 255  
LAGUNA HILLS, CA 92563  
TEL 949.652.5422

#### STOCKTON OFFICE

5250 CLAREMONT AVENUE  
SUITE 150  
STOCKTON, CA 95207  
TEL 209.451.4833

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency, as of June 30, 2017, and the changes in its financial position for the fiscal year then ended, in conformity with accounting principles generally accepted in the United States of America.

**Emphasis of Matters**

As discussed in Note 1, the financial statements present only the Agency and do not purport to, and do not, present fairly the financial position of the County of Santa Cruz as of June 30, 2017, the changes in its financial position, or, where applicable, its cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters***Required Supplementary Information*

Management has omitted the Management's Discussion and Analysis (MD&A) that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2017, on our consideration of the County of Santa Cruz's internal control over financial reporting relating to the Agency and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Santa Cruz's internal control over financial reporting and compliance relating to the Agency.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong*  
*Accountancy Corporation*

Bakersfield, California  
December 4, 2017

**BASIC FINANCIAL STATEMENTS**

**SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2017**

<b><u>ASSETS</u></b>	<u>2017</u>
Current Assets:	
Cash and investments	\$ 13,224,532
Total Current Assets	<u>13,224,532</u>
Noncurrent Assets:	
Restricted cash with fiscal agent	3,483,329
Prepaid insurance	1,446,071
Capital assets, net	<u>9,116,907</u>
Total Noncurrent Assets	<u>14,046,307</u>
Total Assets	<u>27,270,839</u>
 <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Loss on refunding of debt	<u>306,819</u>
Total Deferred Outflows of Resources	<u>306,819</u>
 <b><u>LIABILITIES</u></b>	
Current Liabilities:	
Accounts payable - claims	2,712
Interest payable	3,480,686
Notes payable - due within one year	117,987
Long-term debt - due within one year	<u>7,299,659</u>
Total Current Liabilities	<u>10,901,044</u>
Long-Term Liabilities:	
Long-term debt - due in more than one year	<u>212,977,057</u>
Total Long-Term Liabilities	<u>212,977,057</u>
Total Liabilities	<u>223,878,101</u>
 <b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Deferred tax increment revenue	3,758,775
Gain on refunding of debt	<u>222,748</u>
Total Deferred Inflows of Resources	<u>3,981,523</u>
 <b><u>NET POSITION</u></b>	
Net investment in capital assets	5,804,871
Restricted for:	
Capital projects	39,017
Low and moderate income housing projects	159
Debt service	12,423,071
Unrestricted	<u>(218,549,084)</u>
Total Net Position	<u><u>\$ (200,281,966)</u></u>

See accompanying notes to the basic financial statements.

**SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	2017
<b>Additions:</b>	
Incremental property taxes	\$ 19,619,257
Interest earnings	81,019
Other additions:	
Other revenue	102,491
Total Additions	19,802,767
<b>Deductions:</b>	
Payments in accordance with enforceable obligations	21,750,031
Total Deductions	21,750,031
Change in Net Position	(1,947,264)
Net Position - Beginning	(198,334,702)
Net Position - Ending	\$(200,281,966)

See accompanying notes to the basic financial statements.



**NOTES TO BASIC FINANCIAL STATEMENTS**

**SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the Santa Cruz County Redevelopment Successor Agency (the Agency), a fiduciary fund of the County of Santa Cruz, have been prepared in conformity with accounting principles generally accepted in the United States of America as they apply to private purpose trust funds. Private purpose trust funds report resources of trust arrangements in which principal and income benefit individuals, private organizations, or other governments. Private purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. This fund is used to report the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, and activities of the Agency. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Agency's accounting policies are described below.

**A. *Reporting Entity***

The County of Santa Cruz (the County) was incorporated in 1850 under the provisions of Article II, Section 3 of the California State Constitution and is a general law county. The Redevelopment Agency was activated by the Board of Supervisors with the adoption of Ordinance No. 3736 on April 1, 1986. The Board of Supervisors established the Live Oak/Soquel Community Improvement Project on May 12, 1987, by Ordinance No. 3836, pursuant to the California Community Redevelopment Law. The Redevelopment Agency was dissolved per Assembly Bill X1 26 on January 31, 2012. On January 10, 2012, per Resolution No. 5-2012, the County elected to assume the duties of the Santa Cruz County Redevelopment Successor Agency.

The Agency is governed by the County Board of Supervisors serving in a separate capacity as the governing board of the Agency.

**B. *Basis of Accounting and Measurement Focus***

The accounts of the Agency are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for in a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenditures/expenses. Agency resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

**Government-Wide Financial Statements**

The Agency's Government-Wide Financial Statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. These statements present summaries of Governmental Activities for the Agency.

The Government-Wide Financial Statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Agency's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position are included in the accompanying Statement of Fiduciary Net Position. The Statement of Changes in Fiduciary Net Position presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Fiduciary Net Position have been eliminated. The following interfund activities have been eliminated:

- Due to and from other funds
- Transfers in and out

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**C. Cash, Cash Equivalents, and Investments**

The Agency maintains a cash balance in the County investment pool to meet current operating requirements. Cash in excess of current requirements is invested by the County Treasury in various interest-bearing securities and disclosed as part of the Agency's investments.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

In accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures* (Amendment of GASB Statement No. 3), certain disclosure requirements, if applicable, for Deposits and Investment Risks are specified in the following areas:

- Interest Rate Risk
- Credit Risk
  - Overall
  - Custodial Credit Risk
  - Concentrations of Credit Risk
- Foreign Currency Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end, and other disclosures.

**D. Restricted Cash and Investments for Debt Service**

Certain restricted cash and investments are held by fiscal agents for the redemption of bonded debt.

**E. Interfund Transactions**

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds."

**F. Capital Assets**

The Agency's assets are capitalized at historical cost or estimated historical cost. The Agency's policy has set the capitalization threshold for reporting capital assets at \$5,000 (for equipment and vehicles) and \$25,000 (for buildings and structures). Gifts or contributions of capital assets are recorded at fair market value when received.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings and structures	10-50 years
Equipment and vehicles	3-15 years

The Agency had no infrastructure assets at June 30, 2017.

**G. Deferred Outflows and Inflows of Resources**

The Agency recognizes deferred outflows of resources and deferred inflows of resources as prescribed by GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. They are distinguished from assets and liabilities, and are defined as "a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period."

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**H. Long-Term Liabilities**

Long-term debt and other financed obligations are reported as liabilities in the Government-Wide Financial Statements. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable premium or discount. Issuance costs are expensed as incurred.

**I. Compensated Absences**

At June 30, 2017, there were no Agency liabilities for compensated absences, as the Agency no longer has any direct employees.

**J. Fiduciary Net Position**

In the Government-Wide Financial Statements, fiduciary net position is classified in the following categories:

*Net Investment in Capital Assets* – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the capital assets.

*Restricted Net Position* – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

*Unrestricted Net Position* – This amount is net position that does not meet the definition of “net investment in capital assets” or “restricted net position.”

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the Agency’s policy is to apply restricted net position first.

**K. Property Taxes**

All property taxes are levied, collected, and allocated by the County to the various taxing entities, including the Agency. All property taxes are determined annually on July 1 and attached as an enforceable lien on January 1. Secured property taxes are due in two installments on November 1 and February 1 and become delinquent, if unpaid, on December 10 and April 10, respectively. Property tax revenues include only property taxes resulting from increased assessed values within the boundaries of the Agency and are recognized in the fiscal year for which the taxes have been levied and apportioned to the Agency’s accounts by the County. The County bills and collects property taxes and remits them to the Agency.

Incremental property tax revenues represent excess taxes levied in the former redevelopment project area over that amount levied in the base year (the inception year of the former redevelopment project area). Starting January 2012, pursuant to Assembly Bill X1 26 and Assembly Bill 1484, the Agency must prepare Recognized Obligation Payment Schedules (ROPS), listing enforceable obligations of the Agency, for each six month period. The County allocates to the Agency only the portion of incremental property tax revenues the Agency claims as necessary to pay the estimated installment payments on enforceable obligations on the ROPS for each six month period.

The Agency participates in the County “Teeter Plan” method of property tax distribution. Under the Teeter Plan, the County remits property taxes to the Agency based upon assessments, not collections. Property tax revenue is recognized when it is available and measurable.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**L. Use of Estimates**

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**M. Effect of New GASB Pronouncements**

During the fiscal year ending June 30, 2017, the Agency implemented the following standards:

**GASB Statement No. 77 – Tax Abatement Disclosures.** The requirements of this statement are effective for reporting periods beginning after December 15, 2015. The Agency has implemented the provisions of GASB Statement No. 77 in the current year with no impact to the financial statements.

**GASB Statement No. 78 – Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans.** The requirements of this statement are effective for reporting periods beginning after December 15, 2015. The Agency has implemented the provisions of GASB Statement No. 78 in the current year with no impact to the financial statements.

**GASB Statement No. 79 – Certain External Investment Pools and Pool Participants.** The requirements of this statement are effective for reporting periods beginning after June 15, 2016. The Agency has implemented the provisions of GASB Statement No. 79 in the current year with no impact to the financial statements.

**GASB Statement No. 80 – Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14.** The requirements of this statement are effective for reporting periods beginning after June 15, 2016. The Agency has implemented the provisions of GASB Statement No. 80 in the current year with no impact to the financial statements.

**GASB Statement No. 82 – Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73.** The requirements of this statement are effective for reporting periods beginning after December 15, 2016. The Agency has implemented the provisions of GASB Statement No. 82 in the current year with no impact to the financial statements.

**N. Future GASB Pronouncements**

**GASB Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other than Pension Plans.** The provisions of this statement are effective for fiscal years beginning after June 15, 2017. The Agency has not fully judged the effect of the implementation of GASB Statement No. 75 as of the date of the basic financial statements.

**GASB Statement No. 81 – Irrevocable Split-Interest Agreements.** The requirements of this statement are effective for reporting periods beginning after December 15, 2016. The Agency has not fully judged the effect of the implementation of GASB Statement No. 81 as of the date of the basic financial statements.

**GASB Statement No. 83 – Certain Asset Retirement Obligations.** The requirements of this statement are effective for reporting periods beginning after June 15, 2018. The Agency has not fully judged the effect of the implementation of GASB Statement No. 83 as of the date of the basic financial statements.

**GASB Statement No. 84 – Fiduciary Activities.** The requirements of this statement are effective for reporting periods beginning after December 15, 2018. The Agency has not fully judged the effect of the implementation of GASB Statement No. 84 as of the date of the basic financial statements.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**N. Future GASB Pronouncements** (Continued)

**GASB Statement No. 85 – Omnibus 2017.** The requirements of this statement are effective for reporting periods beginning after June 15, 2017. The Agency has not fully judged the effect of the implementation of GASB Statement No. 85 as of the date of the basic financial statements.

**GASB Statement No. 86 – Certain Debt Extinguishment Issues.** The requirements of this statement are effective for reporting periods beginning after June 15, 2017. The Agency has not fully judged the effect of the implementation of GASB Statement No. 86 as of the date of the basic financial statements.

**GASB Statement No. 87 – Leases.** The requirements of this statement are effective for reporting periods beginning after December 15, 2019. The Agency has not fully judged the effect of the implementation of GASB Statement No. 87 as of the date of the basic financial statements.

**NOTE 2 – CASH AND INVESTMENTS****A. Summary of Deposit and Investment Balances**

Cash and investments consisted of the following at June 30, 2017:

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>
Pooled cash and investments held by the County of Santa Cruz	\$ -	\$ 13,224,532	\$ 13,224,532
Cash with fiscal agent	<u>3,483,329</u>	<u>-</u>	<u>3,483,329</u>
Total	<u>\$ 3,483,329</u>	<u>\$ 13,224,532</u>	<u>\$ 16,707,861</u>

**B. Cash Held with the Santa Cruz County Treasury**

The Agency pools cash from all sources and all funds except cash and investments with fiscal agents with the County Treasurer so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time. The County Treasury Oversight Committee oversees the Treasurer's investments and policies.

The California Government Code requires California banks and savings and loan associations to secure the County's cash deposits by pledging securities as collateral. This code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the County's name.

The market value of pledged securities must equal at least 110% of the County's cash deposits. California law also allows institutions to secure County deposits by pledging first trust deed mortgage notes having a value of 150% of the County's total cash deposits. The County may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The County, however, has not waived the collateralization requirements.

**NOTE 2 – CASH AND INVESTMENTS** (Continued)**C. Investments**

The following table identifies the investment types that are authorized for the County by the California Government Code or the County's investment policy, where more restrictive. The table also identifies certain provisions of the County's investment policy that address interest rate risk, credit risk, and concentration risk.

Authorized Investment Types	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local agency bonds	5 years	10%	None
U.S. Treasury obligations	5 years	100%	None
U.S. Governmental Agency obligations	5 years	100%	25%
Bankers' acceptances	180 days	40%	10%
Commercial paper	270 days	25%	10%
Negotiable certificates of deposits	5 years	30%	10%
Bank deposits	5 years	10%	10%
Repurchase agreements	1 year	100%	10%
Medium-term notes	5 years	30%	10%
Mutual funds/money market mutual funds	N/A	20%	10%
Local Agency Investment Fund (LAIF)	N/A	\$50 million	None
Joint Powers Authority investment funds	N/A	25%	None
Supranationals	5 years	30%	None

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments are stated at cost, as the fair value adjustment at the year-end was immaterial.

Investments of debt proceeds held by the bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the County's investment policy.

**D. Interest Rate Risk**

The County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less in accordance with its investment policy.

**E. Concentration of Credit Risk**

At June 30, 2017, in accordance with State law and the County's investment policy, the County did not have 5% or more of its net investment in commercial paper, corporate bonds, or medium-term notes of a single organization, nor did it have 10% or more of its net investment in any one money market mutual fund. Investments in obligations of the U.S. government, U.S. government agencies, or government-sponsored enterprises are exempt from these limitations.

**F. Custodial Credit Risk**

For investments and deposits held with fiscal agents, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or deposits that are in the possession of an outside party. At year-end, the County's investment pool and cash with fiscal agents had no securities exposed to custodial credit risk.

**NOTE 2 – CASH AND INVESTMENTS** (Continued)**G. Local Agency Investment Fund**

The County is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The County's investments with LAIF at June 30, 2017, included a portion of the pooled funds invested in Structured Notes and Asset-Backed Securities:

Structured Notes: Debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or have embedded forwards or options.

Asset-Backed Securities: Generally mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2017, the County invested in LAIF, which had invested 0.08% of the pooled investment funds in Structured Notes and Asset-Backed Securities. As of June 30, 2017, the LAIF fair value factor of 0.998940671 was used to calculate the fair values of the investments in LAIF; however, a fair value adjustment was considered immaterial. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute.

**H. Restricted Cash Held with Fiscal Agent**

Restricted cash with fiscal agents in the amount of \$3,483,329 at June 30, 2017, included certain amounts which are held by fiscal agents to be used for payment of long-term debt. These funds have been invested as permitted by applicable County ordinance and resolutions.

**NOTE 3 – CAPITAL ASSETS**

Capital assets of the Agency for the year ended June 30, 2017, are presented in the table below.

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2016
Non-depreciable assets:				
Land	\$ 9,113,386	\$ -	\$ -	\$ 9,113,386
Total non-depreciable assets	9,113,386	-	-	9,113,386
Depreciable assets:				
Buildings and improvement	35,204	-	-	35,204
Total depreciable assets	35,204	-	-	35,204
Less: accumulated depreciation for:				
Buildings and improvement	(30,510)	(1,173)	-	(31,683)
Total accumulated depreciation	(30,510)	(1,173)	-	(31,683)
Total depreciable assets, net	4,694	(1,173)	-	3,521
Total capital assets, net	\$ 9,118,080	\$ (1,173)	\$ -	\$ 9,116,907

Depreciation expense was \$1,173 for the fiscal year ended June 30, 2017.



**NOTE 4 – RELATED PARTY TRANSACTIONS**

County personnel provide management, accounting, computer support, and legal services to the Agency. Total charges for such services for the fiscal year ended June 30, 2017, were approximately \$386,952.

**NOTE 5 – LONG-TERM DEBT**

Activity in long-term debt for the year ended June 30, 2017, was as follows:

Description	Original Issue Amount	Beginning Balance July 1, 2016	Additions	Retirements	Ending Balance June 30, 2017	Amounts Due Within One Year	Amounts Due In More Than One Year
<b>Tax Allocation Bonds</b>							
2007 Refunding	\$ 10,755,000	\$ 9,900,000	\$ -	\$ (110,000)	\$ 9,790,000	\$ 115,000	\$ 9,675,000
2007 Series A Refunding	7,370,000	3,985,000	-	(495,000)	3,490,000	520,000	2,970,000
Unamortized bond premium	224,669	95,161	-	(14,978)	80,183	14,978	65,205
2009 Series A	55,970,000	53,470,000	-	(53,470,000)	-	-	-
Unamortized bond discount	(180,815)	(131,404)	-	131,404	-	-	-
2010 Taxable Series	18,500,000	17,850,000	-	(170,000)	17,680,000	180,000	17,500,000
Unamortized bond discount	(462,750)	(370,199)	-	18,510	(351,689)	(18,510)	(333,179)
2011 Series A Taxable	11,315,000	9,505,000	-	(510,000)	8,995,000	540,000	8,455,000
Unamortized bond discount	(247,945)	(170,463)	-	15,496	(154,967)	(15,497)	(139,470)
2011 Series B Taxable	5,595,000	5,240,000	-	(100,000)	5,140,000	105,000	5,035,000
Unamortized bond discount	(203,574)	(162,859)	-	8,143	(154,716)	(8,143)	(146,573)
2014 Refunding	38,880,000	32,885,000	-	(3,285,000)	29,600,000	3,415,000	26,185,000
Unamortized bond premium	4,140,092	3,138,530	-	(414,009)	2,724,521	414,009	2,310,512
2015 Series A Refunding	59,390,000	58,815,000	-	(30,000)	58,785,000	30,000	58,755,000
Unamortized bond premium	9,687,149	9,137,768	-	(484,357)	8,653,411	484,357	8,169,054
2015 Series B Refunding	19,860,000	19,330,000	-	(505,000)	18,825,000	510,000	18,315,000
Unamortized bond discount	(299,892)	(282,885)	-	14,995	(267,890)	(14,995)	(252,895)
2016 Refunding Series A	49,200,000	-	49,200,000	-	49,200,000	595,000	48,605,000
Unamortized bond premium	8,669,198	-	8,669,198	(426,335)	8,242,863	433,460	7,809,403
<b>Total Tax Allocation Bonds</b>		<b>222,233,649</b>	<b>57,869,198</b>	<b>(59,826,131)</b>	<b>220,276,716</b>	<b>7,299,659</b>	<b>212,977,057</b>
Loans Payable - SERAF		1,042,333	-	(924,346)	117,987	117,987	-
<b>Total Governmental Activities</b>		<b>\$ 223,275,982</b>	<b>\$ 57,869,198</b>	<b>\$ (60,750,477)</b>	<b>\$ 220,394,703</b>	<b>\$ 7,417,646</b>	<b>\$ 212,977,057</b>

**2007 Taxable Subordinate Tax Allocation Refunding Bonds**

On May 8, 2007, the former Redevelopment Agency issued Subordinate Tax Allocation Refunding Bonds, 2007 Taxable (Live Oak/Soquel Community Improvement Project Area) in the original amount of \$10,755,000. Interest from 5.208% to 5.495% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2017, the total principal balance was \$9,790,000. Principal and interest paid for the current period was \$650,495.

**2007 Series A Tax Allocation Refunding Bonds**

On November 7, 2007, the former Redevelopment Agency issued Tax Allocation Refunding Bonds, 2007 Series A (Live Oak/Soquel Community Improvement Project Area) in the original amount of \$7,370,000. Interest from 4.00% to 5.25% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2017, the total principal balance was \$3,490,000 and the unamortized bond premium was \$80,183. Principal and interest paid for the current period was \$654,094.

**NOTE 5 – LONG-TERM DEBT** (Continued)2009 Series A Tax Allocation Bonds

On February 12, 2009, the former Redevelopment Agency issued Tax Allocation Bonds, 2009 Series A (Live Oak/Soquel Community Improvement Project Area) in the original amount of \$55,970,000. Interest from 3.25% to 7.00% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2017, the total principal balance was \$0 and the unamortized bond discount was \$0. The total principal balance of \$53,470,000 was defeased as part of the issuance of the 2016A Refunding Bonds.

2010 Taxable Housing Tax Allocation Bonds

On July 22, 2010, the former Redevelopment Agency issued Tax Allocation Bonds, 2010 Taxable Housing Tax Allocation Bonds (Live Oak/Soquel Community Improvement Project Area) in the original amount of \$18,500,000. Interest from 2.95% to 7.40% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2017, the total principal balance was \$17,680,000 and the unamortized bond discount was \$351,689. Principal and interest paid for the current period was \$1,459,089.

2011 Series A Taxable Tax Allocation Bonds

On March 9, 2011, the former Redevelopment Agency issued Tax Allocation Bonds, 2011 Series A Taxable Tax Allocation Bonds in the original amount of \$11,315,000. Interest from 3.10% to 9.00% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2017, the total principal balance was \$8,995,000 and the unamortized bond discount was \$154,967. Principal and interest paid for the current period was \$1,291,638.

2011 Series B Taxable Housing Tax Allocation Bonds

On March 9, 2011, the former Redevelopment Agency issued Tax Allocation Bonds, 2011 Series B Taxable Housing Tax Allocation Bonds in the original amount of \$5,595,000. Interest from 3.10% to 9.25% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2017, the total principal balance was \$5,140,000 and the unamortized bond discount was \$154,716. Principal and interest paid for the current period was \$562,500.

2014 Tax Allocation Refunding Bonds

On January 28, 2014, the Agency issued 2014 Tax Allocation Refunding Bonds in the original amount of \$38,880,000. Interest from 3.00% to 5.00% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2017, the total principal balance was \$29,600,000 and the unamortized bond premium was \$2,724,521. Principal and interest paid for the current period was \$4,830,700.

2015 Series A Tax Allocation Refunding Bonds

On May 12, 2015, the Agency issued 2015 Series A Tax Allocation Refunding Bonds in the original amount of \$59,390,000. Interest from 2.00% to 5.00% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2017, the total principal balance was \$58,785,000 and the unamortized bond premium was \$8,653,411. Principal and interest paid for the current period was \$2,968,050.

2015 Series B Taxable Tax Allocation Refunding Bonds

On May 12, 2015, the Agency issued 2015 Series B Taxable Tax Allocation Refunding Bonds in the original amount of \$19,860,000. Interest from 0.65% to 4.25% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2017, the total principal balance was \$18,825,000 and the unamortized bond discount was \$267,890. Principal and interest paid for the current period was \$1,224,426.

**NOTE 5 – LONG-TERM DEBT** (Continued)2016 Tax Allocation Refunding Bonds, Series A

On July 6, 2016, the Agency issued 2016 Tax Allocation Refunding Bonds, Series A, in the original amount of \$49,200,000. Interest from 2.00% to 5.00% is paid semi-annually and principal payments are made at September 1st. Payments are secured by the pledge of tax revenues. As of June 30, 2017, the total principal balance was \$49,200,000 and the unamortized bond premium was \$8,242,863. Principal and interest paid for the current period were \$0.

The refunding transaction resulted in an economic gain of \$16,783,533 and a reduction of \$29,238,585 in future debt service payments.

The debt service requirement to maturity for all tax allocation bonds combined, including interest, is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 6,010,000	\$ 10,303,704	\$ 16,313,704
2019	6,620,000	10,017,482	16,637,482
2020	6,910,000	9,704,320	16,614,320
2021	7,240,000	9,359,511	16,599,511
2022	7,595,000	8,990,440	16,585,440
2023-2027	42,840,000	38,381,288	81,221,288
2028-2032	55,065,000	25,214,028	80,279,028
2033-2037	69,225,000	8,894,040	78,119,040
Total	<u>201,505,000</u>	<u>\$ 120,864,813</u>	<u>\$ 322,369,813</u>
Unamortized Discounts	19,700,978		
Unamortized Premiums	<u>(929,262)</u>		
Tax Allocation Bonds	<u>\$ 220,276,716</u>		

Pledges of Future Revenues

The Agency has pledged to the repayment of the 2007 Taxable Subordinate Tax Allocation Refunding Bonds, the 2007 Series A Tax Allocation Refunding Bonds, the 2010 Taxable Housing Tax Allocation Bonds, the 2011 Series A Taxable Tax Allocation Bonds, the 2011 Series B Taxable Housing Tax Allocation Bonds, the 2014 Tax Allocation Refunding Bonds, the 2015 Series A Tax Allocation Refunding Bonds, the 2015 Series B Taxable Tax Allocation Refunding Bonds, and the 2016 Tax Allocation Refunding Bonds, Series A (the "Bonds") tax revenues of the Agency's Live Oak/Soquel Community Improvement Project Area pursuant to the various applicable Indentures of Trust, through the final maturity of the Bonds on March 1, 2037, or early retirement of the Bonds, whichever occurs first. Tax revenues consist of tax increment revenues allocated to the Agency with respect to the Live Oak/Soquel Community Improvement Project Area pursuant to Section 34183 of the California Health and Safety Code. Annual principal and interest payments on the Bonds are expected to require 82.16% of tax revenues. The total principal and interest remaining to be paid on the Bonds is \$322,369,813.

At June 30, 2017, the total tax revenues for the current period were \$19,619,257, and the total debt service payment was \$15,021,093. During the period ended June 30, 2017, bond debt service payments required 76.56% of the total tax increment revenues. The ratio of tax revenues to the bond debt service payments due during the period ended June 30, 2017, was 1.3061 (130.61%).

**NOTE 5 – LONG-TERM DEBT** (Continued)*Supplemental Education Revenue Augmentation Fund (SERAF)*

On July 28, 2009, the State adopted Assembly Bill 26 4x, which includes provisions that required the Agency to pay from the Tax Increment Revenue Fund to the SERAF \$2,245,594 on or before May 10, 2011. Pursuant to Health and Safety Code Section 33690(c)(1), the former Redevelopment Agency borrowed \$2,245,594 from its Low and Moderate-Income Housing Fund at 0% interest to meet the obligation. With the subsequent dissolution of the former Redevelopment Agency, the SERAF loan became a liability of the Agency to the County, who assumed the housing responsibilities and assets as the housing successor entity. Pursuant to the State Department of Finance's interpretation of Health and Safety Code Sections 34176(e)(6)(B) and 34191.4(b)(2)(A), loan repayments started in fiscal year 2014-15, and were equal to one-half of the increase between the residual amount distributed to taxing entities in that fiscal year compared to the residual amount distributed to taxing entities in fiscal year 2012-13. As of June 30, 2017, the outstanding balance was \$117,987.

*Compensated Absences*

At June 30, 2017, there were no Agency liabilities for compensated absences as the Agency no longer has any direct employees.

**NOTE 6 – RISK MANAGEMENT**

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Agency is covered under the County's insurance policies. The County is self-insured for its general and auto liability, workers' compensation, medical malpractice, and employees' dental coverage. The County has chosen to establish risk-financing internal service funds where funds are set aside for claim settlements associated with the above risk of loss up to certain limits. Excess coverage is provided by the California State Association of Counties (CSAC) Excess Insurance Authority (Insurance Authority), a joint powers authority whose purpose is to develop and fund programs of excess insurance for its member counties. The Insurance Authority is governed by a Board of Directors consisting of representatives of the member counties. Self-insurance limits per occurrence and Insurance Authority limits per year are presented in the County's financial statements. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years for the Agency.

County-wide information concerning risks, insurance policy limits, deductible, and designation for the year ended June 30, 2017, may be found in the notes of the County's basic financial statements.

**NOTE 7 – ARBITRAGE REBATE PAYABLE**

Section 148 of the Internal Revenue Code requires issuers of most types of tax-exempt bonds to rebate investment earnings in excess of bond yield to the United States Internal Revenue Service in installment payments made at least once every five years, with the final installment made when the last bond in the issue is redeemed.

Future computations of the rebate requirement for the tax allocation bonds and new bond issues will be calculated by a consulting firm as Agency management considers appropriate. Agency management, as of June 30, 2017, believes there are no arbitrage rebate liabilities.

**NOTE 8 – COMMITMENTS AND CONTINGENCIES****A. *Lawsuits***

The Agency is presently involved in certain matters of litigation that have arisen in the normal course of conducting Agency business. Agency management believes, based upon consultation with the Agency Attorney, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the Agency. Additionally, Agency management believes that the Agency's insurance programs are sufficient to cover any potential losses should an unfavorable outcome materialize.

**B. *Commitments***

The following is a list of commitments at June 30, 2017:

The Farm Park	\$ 3,233
East Cliff Bluff Stabilization	<u>6,388</u>
Total	<u>\$ 9,621</u>

As of June 30, 2017, in the opinion of Agency management, there were no additional outstanding matters that would have a significant effect on the financial position of the funds of the Agency.

**NOTE 9 – RESTRICTED NET POSITION**

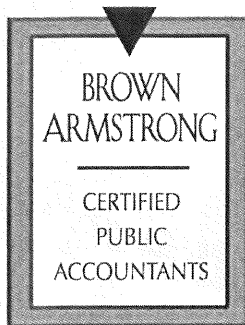
Restricted net position is net position whose use is subject to constraints that are either (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation. At June 30, 2017, the Agency had \$159 restricted for low income housing, which is restricted by enabling legislation; \$39,017 restricted for capital projects; and \$12,423,071 restricted for debt service.

**NOTE 10 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 4, 2017, the date the financial statements were available to be issued, noting the following event:

On August 3, 2017, the Agency issued 2017 Tax Allocation Refunding Bonds, Series A, in the original amount of \$35,140,000, to refinance the 2010 Taxable Housing Tax Allocation Bonds, the 2011 Series A Taxable Tax Allocation Bonds, and the 2011 Series B Taxable Tax Allocation Bonds. The interest rate on the bonds ranges from 1.50% to 4.00% and the final maturity date is September 1, 2036.

**OTHER REPORTS**



# BROWN ARMSTRONG

*Certified Public Accountants*

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Members of the Board of Supervisors of the  
Santa Cruz County Redevelopment Successor Agency  
Santa Cruz, California

### BAKERSFIELD OFFICE (MAIN OFFICE)

4200 TRUXTUN AVENUE  
SUITE 300  
BAKERSFIELD, CA 93309  
TEL 661.324.4971  
FAX 661.324.4997  
EMAIL info@bacpas.com

### FRESNO OFFICE

7673 N. INGRAM AVENUE  
SUITE 101  
FRESNO, CA 93711  
TEL 559.476.3592  
FAX 559.476.3593

### LAGUNA HILLS OFFICE

23272 MILL CREEK DRIVE  
SUITE 255  
LAGUNA HILLS, CA 92563  
TEL 949.652.5422

### STOCKTON OFFICE

5250 CLAREMONT AVENUE  
SUITE 150  
STOCKTON, CA 95207  
TEL 209.451.4833

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Santa Cruz County Redevelopment Successor Agency (the Agency), a fiduciary fund of the County of Santa Cruz, as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated December 4, 2017.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County of Santa Cruz's internal control over financial reporting (internal control) relating to the Agency to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County of Santa Cruz's internal control relating to the Agency. Accordingly, we do not express an opinion on the effectiveness the County of Santa Cruz's internal control relating to the Agency.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of the County of Santa Cruz's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County of Santa Cruz's internal control or on compliance relating to the Agency. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Santa Cruz's internal control and compliance relating to the Agency. Accordingly, this report is not suitable for any other purpose.

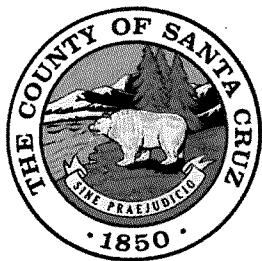
BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong*  
*Accountancy Corporation*

Bakersfield, California  
December 4, 2017



## ATTACHMENT 3



# County of Santa Cruz

## County Administrative Office

701 Ocean Street, Suite 520, Santa Cruz, CA 95060-4073  
 Phone: (831) 454-2100 Fax: (831) 454-3420 TDD/TTY: (831) 454-3420  
 Susan A. Mauriello, J.D., County Administrative Officer

APPROVED AND FILED  
 BOARD OF SUPERVISORS

DATE: 5/23/17  
 COUNTY OF SANTA CRUZ  
 SUSANA MAURIELLO  
 EX-OFFICIO CLERK OF THE BOARD  
 BY: *[Signature]* DEPUTY

**Meeting Date:** May 23, 2017  
**Date:** May 15, 2017  
**To:** The Board of Supervisors  
**From:** Susan Mauriello, County Administrative Officer  
**Subject:** Request for Qualifications for Capitola Road Commercial Site

The Santa Cruz County Redevelopment Agency (RDA) through various actions acquired the Capitola Road Commercial Site in 1994 and 1997 (Site). The Site was initially acquired for the purpose of construction of the Live Oak Library, however the library was later constructed on an alternative location on Portola Drive.

In June 2011, California Governor Jerry Brown signed Assembly Bill (AB) x1 26, which eliminated redevelopment agencies statewide and officially dissolved them on February 1, 2012. On January 10, 2012, the County of Santa Cruz Board of Supervisors adopted a resolution to become the Successor Agency to the RDA and assumed the responsibility for ownership and management of real property owned by the former RDA.

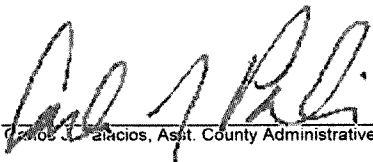
The Governor signed budget trailer bill AB 1484 in June 2012, which required all redevelopment successor agencies to prepare a Long-Range Property Management Plan. The Redevelopment Successor Agency (RSA) adopted the Long-Range Property Management Plan in September 2013 which directed the managed sale of the Site to maximize sale proceeds and long-term economic and community benefit.

To facilitate the sale and development of the Site, the Office of Economic Development prepared the attached request for qualifications (RFQ) for your approval. The RFQ was crafted to attract qualified and experienced developers to enter into an exclusive negotiation agreement and development disposition agreement for the purchase and development of the Site for a mixed-use, neighborhood-serving commercial project.

The County held a community workshop on April 20, 2017 to envision the future of the Site. Approximately 130 participants joined in a two hour meeting that included a presentation and participation in facilitated discussion groups. A report summarizing the outcome of the workshop is included as an appendix to the RFQ.

It is, therefore, RECOMMENDED that your Board approve the attached request for qualifications for the Capitola Road Commercial Site and direct the Office of Economic Development to return with an exclusive negotiation agreement with a qualified developer.

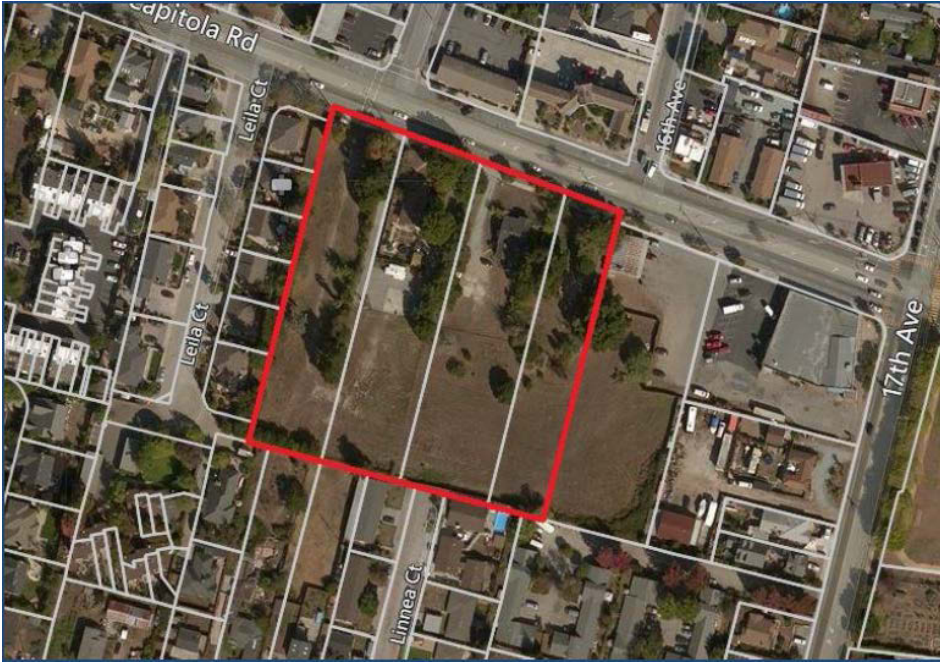
**Submitted by:**



Carlos J. Palacios, Asst. County Administrative Officer 5/16/2017

**Attachments:**

- a Request for Qualifications



# MIXED-USE COMMERCIAL DEVELOPMENT OPPORTUNITY

REQUEST FOR QUALIFICATIONS  
RFQ# 16Q1-007  
Submittals Due  
August 4, 2017, 5:00 PM PDT



# *Opportunity to develop a mixed-use commercial project in the heart of Santa Cruz County*



*The County of Santa Cruz invites developers with a proven track record to submit their qualifications and vision for a prime community-serving site in Santa Cruz.*

The development opportunity features:

- Approximately 3.7 acres site in the heart of the Live Oak community within the unincorporated area of Santa Cruz County;
- Potential for mixed-use commercial development;
- Potential for complimentary development on adjacent parcels;
- Strong residential trade area with approximately 90,000 County residents living within three miles of the site;
- Access to Highway 1 via 17th Avenue, and access to 41st Avenue (a major commercial corridor in Capitola) via Capitola Road.

## **Contents**

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Executive Summary of Opportunity	1
Development Opportunity	2
Selection Schedule, Process and Criteria	5
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Limitations and Waiver of Protest	9
Official Response Forms	
Exhibit A - Relevant Experience	10
Exhibit B - Development Team Summary	11
Appendix A: Community Meeting Report	12
Appendix B: Market Data	13

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# Executive Summary:

## *Mixed-Use Commercial Development Opportunity*

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**Opportunity**

To develop a mixed-use infill site owned by the Santa Cruz County Redevelopment Successor Agency (RSA). Development of this site aims to strengthen the local tax base and enhance economic vitality and quality of life in the County while meeting community needs, which may include residential and neighborhood-serving commercial uses.

---

**Site**

The approximately 3.7 acres site (Site) is on the southwest corner of 17th Avenue and Capitola Road in the unincorporated area of Live Oak within 1 mile of Highway 1.

---

**Development Team**

Qualified Development Teams must have substantial experience developing mixed-use commercial projects.

---

**Property Disposition**

The County desires to negotiate and execute a Disposition and Development Agreement (DDA) with the selected Developer that specifies the scope of development, public benefits, business terms, and performance requirements, as well as a timeline for securing entitlements and purchasing the property from the RSA. The Developer will lead the engagement of the community while incorporating the visioning process established in Appendix A in the project.

---

**Selection Process**

The selection process involves the submittal of qualifications and a preliminary vision for the Site. County staff will select qualified Development Teams for interviews, rank selected teams and make recommendations to enter into an exclusive negotiation agreement with selected Development Team.

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**Due Date**

August 4, 2017, 5:00 PM PDT

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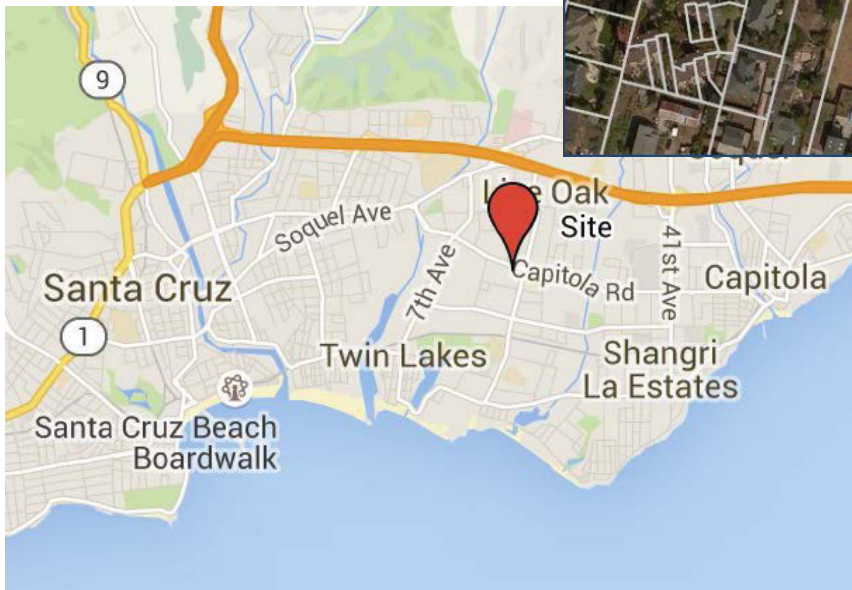
**Questions**

Submitters shall direct all questions regarding the RFQ to the Buyer, Kevin Bratcher via e-mail at [kevin.bratcher@santacruzcounty.us](mailto:kevin.bratcher@santacruzcounty.us).

---



# Mixed-Use Development Opportunity



The County of Santa Cruz is soliciting statements of qualifications and a preliminary vision from capable and experienced developers to develop a high-quality, neighborhood-serving mixed-use commercial project.

Currently owned by the RSA, the approximately 3.7 acres Site is on the southwest corner of 17th Avenue and Capitola Road in Live Oak. It is located within one mile of Highway 1.

The City of Santa Cruz is located approximately 1.6 mile to the west and the City of Capitola approximately 1.9 miles to the east.

The Redevelopment Agency initially acquired the Site for the purpose of construction of a public library.

Development of Site will accomplish the following objectives:

1. Achieve the goals of the community;
2. Strengthen the local tax base;
3. Enhance economic vitality and quality of life in Live Oak;
4. Generate revenue from the sale of the property; and
5. Achieve near term development.

While the County has not defined a concept for the property, the County envisions that the concept will maximize use of the property's central location in Live Oak for neighborhood-serving commercial uses and reflect the community visions established during a community workshop on April 20, 2017, as outlined in Appendix A.

The County looks forward to partnering with the selected Developer on the planning and design of the Site, with attention given to the following land use parameters and development standards derived from County policy.



## Land Use Parameters

*Land Use Designation:* General Plan designation of C-1 (Neighborhood Commercial). The property is not in the California Coastal Commission Coastal Zone.

*Setback:* Ten-foot front setback and 30 feet for the setback that fronts a residential district.

*Height Limit:* Three stories/35 feet; potential for additional five feet with design review.

*Zoning and General Plan:* The current land use zoning for the property is C-1 (Neighborhood Commercial).

*Priority Use:* The General Plan designation of the site promotes the development of neighborhood commercial districts to provide compact, conveniently located, and well-designed shopping and service uses to meet the needs of individual urban neighborhoods, rural communities and visitors. The current C-1 zoning district allows for up to 50% of the square footage of a development to be residential.

## County's Financial Objectives

The County's financial objectives are two-fold:

- 1) to generate revenue from the sale of the property; and
- 2) to generate significant annual tax revenue to the County in the form of sales taxes, property taxes, etc.

The purchase price of the property will be determined based on the development economics of the proposed project and a fair market value appraisal of the property to be prepared once the requirements of the project have been negotiated.



## Site and Parcel Summary

**Owner:** Santa Cruz County Redevelopment Successor Agency

**Site Address:** 1412, 1438, 1500 and 1514 Capitola Road

**Assessor Parcel Numbers (APNs):** 026-741-12, -13, -14 and -15

**Area:** 3.7 acres +/-

**Dimensions and slope:** The Site is nearly rectangular and generally flat.

**Existing structures:** Improvements are limited to two single-family home leased for private residential use; the leases are terminable on short notice.

**Environmental and soil conditions:** The Site is not a Brownfield site and the County is not aware of any significant contamination issues, based on currently available information. Phase I Environmental Site Assessment reports were prepared in 1994. The Phase I reports recommended additional soil sampling on the 1438 Capitola Road property due to its previous use as a construction yard and presence of petroleum hydrocarbons. Following this report, the contaminated soils were removed to non-detectable levels.

**Easements:** Title to the property is subject to easements for storm drain sewer along the perimeter of the property, and easements granted to the County for sidewalks and utilities.

**Regulatory Agencies and Needed Entitlements:** Prior to construction, the project will require a development permit approved by the Santa Cruz County Board of Supervisors.

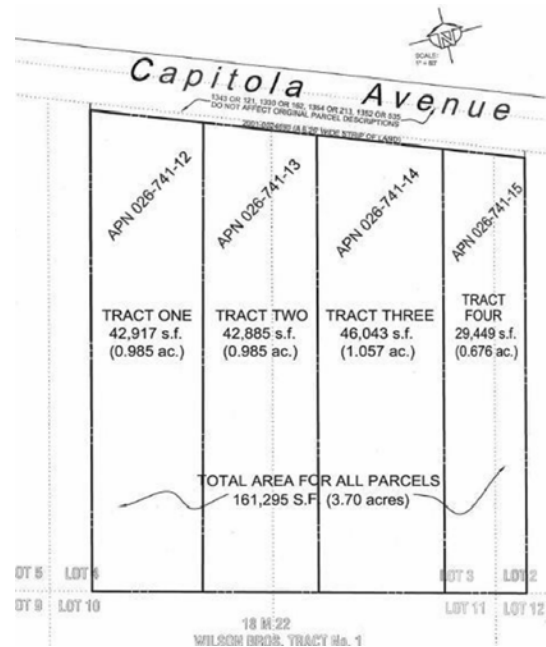
## Roles and Responsibilities

### Role of Developer

- Serve as lead partner with the County to develop a land use plan for the property, which will require incorporating the visioning process of the community
- Negotiate a Disposition and Development Agreement (DDA)
- Secure entitlements for the project
- Secure financing for the development
- Purchase the property from the RSA, subject to the terms of the DDA
- Undertake backbone infrastructure improvements
- Proceed with vertical development or enter into agreements with vertical builders

### Role of County and/or RSA

- Partner with Developer to identify the development concept and land use plan
- Assist with community process
- Provide access to all available site information
- Partner with Developer to integrate public improvements with the project
- Facilitate sale of property to Developer at a value supported by the overall project economics





# Selection Schedule, Process and Criteria

## Tentative Schedule

The key dates for this development opportunity are as follows. County may change these dates as it deems necessary or appropriate.

Activity	Date
RFQ Issuance	May 26, 2017
Written Questions Due	June 16, 2017, 5:00 PM PDT
Responses to Written Questions	June 30, 2017
Submittals Due	August 4, 2017, 5:00 PM PDT
Initial Screening Complete	August 25, 2017
Interviews/Supplemental Information Due	Week of September 4, 2017
Selection of Developer	October 2017
Execute Exclusive Negotiating Agreement	2017-18
Project Scoping and Negotiate and Draft DDA	2018
Board of Supervisors and Oversight Board Approval of DDA	2018

## Technical Documents

The County has assembled relevant technical documents that will be posted on the following County website:  
<http://www.co.santa-cruz.ca.us/Departments/GeneralServices/Purchasing/Solicitations.aspx>.



## Process

### 1. Initial Review

County staff will conduct an initial review of all submittals received for completeness. Incomplete submittals will be rejected and the submitting Development Teams will be eliminated from further consideration.

### 2. Evaluation Panel

County staff will evaluate complete submittals and select the highest ranked Development Teams to interview. The County reserves the right to request additional information from Development Teams and may elect to visit Development Teams' completed projects.

### 3. Selection of Development Team

Following the interviews, County staff will recommend to the County Administrative Officer the Development Team that (1) best meets the needs as set forth in the RFQ, (2) is best qualified and (3) is best able to deliver a project that meets the County's development objectives and community visioning process. Evaluation of submittals shall be within the sole judgment and discretion of the County. Based on staff recommendations, the Board of Supervisors will approve selection of the Developer.

### 4. Exclusive Negotiation Agreement Leading to DDA

The selected Developer will be expected to enter into an exclusive negotiation agreement for purposes of establishing a planning and entitlement process, specific scope of development, public benefits, business terms for the purchase of the property, and performance requirements.

### 5. Site Development

The selected Developer will be responsible for all development activities, including formulating a development program, securing entitlements, preparing all architectural and engineering plans, purchasing the property from the RSA, undertaking backbone infrastructure improvements and completing vertical improvements.

## Criteria

Development Teams will be evaluated based on their relevant experience, management team and structure, financial resources and development vision.

### 1. Relevant Experience

Experience of the team serving a primary role in completing high-quality, mixed-use developments. Proven experience in the assemblage of adjacent parcels held in separate ownership for the maximum benefit of the project.

### 2. Management Team and Structure

Experienced and professional senior-level management team dedicated to the project throughout the life of the project. *References will be checked to evaluate the consistency, professionalism and responsiveness of teams.*

### 3. Financial Resources

Evidence of financial resources necessary to plan, acquire and develop the property and to demonstrate a history of maintaining significant equity/cash positions in projects and providing long-term investments to enhance the quality and success of projects. Specific criteria evaluated include:

- Availability of liquid assets;
- Number of past similarly sized projects;
- Positive support from lenders and/or joint venture partners;
- Past bankruptcies, non-performing loans, and other financial difficulties; and
- Financing structure of past projects.

### 4. Development Vision

Development vision that reflects an understanding of and commitment to the County's objectives, standards, and land use parameters for the Site and best demonstrates an understanding of the vision of the community as reflected in Appendix A.



# Submission Requirements

Development Teams must submit complete packages including the following in the order indicated to be considered.

## **1. Cover Letter**

Include a two-page cover letter highlighting the Development Team's key qualifications and experience. Clearly identify the Development Team members and their roles. Identify the principal point of contact/project manager who will be authorized to make representations on behalf of the Development Team.

## **2. Development Vision**

Describe the Development Team's overall vision to create a unique, high-quality project that reflects the County's development objectives and can be executed in the near future. Architectural renderings of the vision are not required. The vision statement should address:

- Anticipated size, character, and target market of the development components;
- Order of magnitude of development costs and anticipated debt/equity requirements;
- Key amenities;
- Incorporating adjacent properties to the project;
- Approach to accommodating the easements.

## **3. Members of Developer**

Identify the name of the Developer entity, each member of the Developer entity, each member's percentage of ownership of the Developer entity, each member's respective roles and responsibilities, mission statements, and the person who represents each member. Indicate the managing member of the Developer, the financial partner, the person responsible for securing entitlements, etc. Provide an organizational chart that illustrates the members of the Developer entity.

## **4. Development/Operations Philosophy**

Describe the Developer's approach to developing and operating projects and how the Developer's approach translates into successful developments.

## **5. Project Manager**

Identify the person who will represent the Development Team in meetings with the County and provide his/her position within the Development Team.

## **6. Consulting Members of Development Team**

Identify professional consultants collaborating with the Development Team including architects, land use planners, engineers, traffic consultants, etc., including any applicable license numbers.

## **7. Developer Relevant Projects**

Provide a maximum of five projects that highlight the Developer's experience serving in a developer role in mixed-use commercial developments. Relevant Projects must be described using the format provided in Exhibit A and are limited to a total of fifteen (15) pages. It is recommended that selected projects include visuals to best communicate the project vision.

## **8. Development Team Resumes and Relevant Projects**

Provide Development Team resumes including any applicable license numbers and relevant project experience of proposed team members not included in item 7 above.

## **9. Financial Qualifications**

Provide clear evidence of financial resources to plan, acquire and develop the property in accordance with the development vision, including:

- Name(s) of members of the Developer who are responsible for securing financing for the project;
- Copies of audited financial statements of responsible entities for the past two years. Financial statements should include balance sheet, unencumbered liquid assets, income statement, and accompanying notes;
- Anticipated amount of debt and equity needed and to be secured by the Developer for completion of the project;
- Required rate of return, if any, for this development. Describe the requirement(s) if applicable.

## **10. Financial History**

Indicate whether any member of the Developer (Development Team) or any partnership, joint venture, and/or LLC in which any member of the Developer (Development Team) was a member has ever declared bankruptcy or participated in a restructuring of debt commitments of a distressed property. If applicable, describe the project(s) and circumstance(s).

## **11. Litigation**

Describe all judgments and pending litigation against the Developer and members of the Development Team.



# Submission Details

*(Required Forms, Number of Copies, Address)*

Completed submittals shall include all required attachments (exhibits and explanatory materials) as applicable. All attachments shall be identified with the Submitter's name, RFQ number and page number. No oral, telegraph, telephone, facsimile or electronic submittals will be accepted. Submittals must be completed in ink, type-written, or word-processed.

Submit five (5) sets: one (1) original and four (4) copies; and one (1) electronic copy (USB drive or CD) of the completed submittal, including the following attachments:

- Exhibit A: Relevant Experience  
(One form per project)
- Exhibit B: Development Team Summary

Submittals shall be delivered in a sealed container clearly marked RFQ #16Q1-007 and addressed to:

**General Services Department - Purchasing Division**  
**Attn: Kevin Bratcher**  
**701 Ocean Street, Room 330 Santa Cruz, CA 95060**

Submittals received will be available to the public for review after the completion of negotiations with the Developer selected by the Board of Supervisors.

## Submittal Due Date

Submittals are due August 4, 2017, at 5:00 PM Pacific Daylight Time (PDT).

## Late Submittals

Submittals received after August 4, 2017, at 5:00 PM PDT will be returned unopened.

## Proprietary Information

Submittals will be subject to public inspection in accordance with the California Public Records Act (CPRA). To protect proprietary information, if any, Submitter must clearly mark proprietary information as such, submit it in a separate sealed envelope and only reference it within the body of the proposal. Submitter should not include in the submittal any material that Submitter considers confidential but that does not meet CPRA disclosure exemption requirements. Submitter shall be responsible to defend and indemnify the County from any claims or liability to compel disclosure of any part of its submittal claimed to be exempt from disclosure.

## Point of Contact

Submitter shall direct all questions regarding the RFQ to Kevin Bratcher, the Buyer, via e-mail at [Kevin.Bratcher@santacruzcounty.us](mailto:Kevin.Bratcher@santacruzcounty.us).

No other person has the authority to respond to any questions submitted unless specifically authorized by Mr. Bratcher. Submitter may be disqualified for failure to adhere to this process.

## Modification or Withdrawal of Submittal

Submitter or its authorized representative may modify or withdraw its submittal prior to the submittal due date by formal written notice. All submittals not withdrawn prior to the submittal due date will become the property of County.



# Limitations and Waiver of Protest

1. Santa Cruz County reserves the right to do the following at any time:
  - Reject any and all submittals without indicating any reasons for such rejection;
  - Waive or correct any minor or inadvertent defect, irregularity or technical error in the RFQ or any RFQ procedure or any subsequent negotiation process;
  - Terminate the RFQ and issue a new RFQ anytime thereafter;
  - Check any or all references (1) necessary to assess a Submitter's past performance; (2) pertaining to similar projects that demonstrate experience that is relevant to the RFQ scope of work; and/or (3) explicitly specified in the response or that result from communication with other entities involved with similar projects, including other industry sources and users of similar services known to County;
  - Procure any services specified in the RFQ by other means;
  - Extend any or all deadlines specified in the RFQ by issuance of an addendum at any time prior to the deadline for submittals;
  - Disqualify any Submitters on the basis of any real or perceived conflict of interest or evidence of collusion that is disclosed by the response or by other means or other information available to County;
  - Reject any Submitters that are in breach of or in default under any other agreement with County;
  - Reject any Submitters deemed by County to be non-responsive, unreliable, or unqualified.
  - If the selected Submitter fails to enter into an Exclusive Negotiation Agreement or DDA, the County reserves the right to discontinue negotiations with that Submitter and enter into negotiations with the next most qualified Submitter, who shall be the selected Submitter for purposes of this paragraph.
2. These documents may not be changed by any oral statement. Changes to these documents will be by written addenda issued by the Buyer or his designee. Addenda will be posted on the website indicated on page 5. If/when necessary, written addenda will be emailed to all known Submitters.
3. If Submitter observes a discrepancy or omission in, or is unclear about any RFQ specifications or requirements, Submitter shall notify the Buyer via e-mail. Submitter is responsible for seeking clarification on anything in the RFQ that is unclear. County shall not be held responsible for interpretations. Questions must be submitted in writing by June 16, 2017, 5:00 PM PDT. The Buyer will disseminate written questions and answers in the form of an addendum, and may issue other clarifications or instructions in the form of an addendum, which shall be incorporated into the RFQ and any resulting contract as applicable.
4. Submitter is solely responsible for all submittal costs.
5. By submitting a response to this RFQ, Submitter expressly waives any and all rights to object, protest and/or seek any legal remedies whatsoever regarding any aspect of this RFQ, including, without limitation, the County's selection of a developer, the County's rejection of any or all submittals and/or any subsequent agreement that might be entered into as a result of this RFQ.
6. All materials submitted in response to this RFQ will become the property of the County.
7. The County will not pay a finder's fee/brokerage fee to any entity representing or purporting to represent Submitters. Submitters shall hold the County harmless from any and all liability, damage, claim, loss and/or expense incurred in connection with or relative to any such fee.
8. Submitters are cautioned not to contact members of the Board of Supervisors and the RSA Oversight Board during this selection process. Submitters will be disqualified for failure to adhere to this process.



# Response Form

## Exhibit A: Relevant Experience

Note: Limit the table to three pages total per project, including up to two pages for the table and one page for project photographs, drawings, etc.

<b>Project Title:</b>	
<b>County, State:</b>	
<b>Type of Development:</b>	1) Mixed-use                      2) Urban Infill                      3) Redevelopment
<b>Project Description (size, mix of land uses, location and entitlement process):</b>	
<b>Similarities to the Site:</b>	
<b>Size of Project/Number of Acres:</b>	
<b>Construction Start Date:</b>	
<b>Construction Completion Date:</b>	
<b>Construction Cost (Hard Costs):</b>	
<b>Provider/Amount of Long Term Financing – both Debt and Equity:</b>	
<b>Contact for Equity Financing:</b>	
<b>Contact for Debt Financing:</b>	
<b>Project Manager:</b>	Name: Company: Phone:
<b>Master Developer Members (if applicable)</b>	Managing Members/Companies:
<b>Project Team Members (Please identify all team members being proposed for the Site who also worked on this project. Please indicate any leading roles played by proposed team members.)</b>	Name: Role/ Company:
	Name: Role/ Company:
	Name: Role/ Company:
	Name: Role/ Company:
	Name: Role/ Company:
<b>Local Government Reference:</b>	Name/Title: Phone: E-Mail Address: Role of Agency/Local Government:
<b>Amount/type of public investment in the project:</b>	
<b>Description of public spaces in project:</b>	



# Response Form

## Exhibit B: Development Team Summary

Development Teams must submit the following table. The table may be expanded, but must be kept to one page. For relevant projects, list the project title as listed on Exhibit A.

Development Team Members	Name	Most Relevant Projects
Developer(s)		
Project Manager - Name and Title		
Design Team Design Team Lead and Title		
Other Team Member		
Other Team Member		
Other Team Member		
Other Team Member		



## Appendix A: Community Meeting Report (Prepared by AECOM)

Please see the following report for additional information about the community visioning process. More information about the Site and the community visioning process can be found at the following link:

<http://www.co.santa-cruz.ca.us/17thandCapitola.aspx>





## Appendix B: Market Information (Prepared by Keyser Marston Associates)

Please see the following tables for additional information about the area.





# Community Meeting Report 17th Avenue and Capitola Road

Santa Cruz County

May 3, 2017

Prepared for:  
Santa Cruz County

Prepared by:  
Paul Peninger, Director, Sustainable Economics, Americas, Economics + Planning, AECOM  
Rucker Alex, Senior Economist, Sustainable Economics, AECOM

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## 1. Summary

On April 20, 2017 approximately 130 participants joined a two-hour community meeting at the Live Oak Elementary School gymnasium to discuss the future of the site at 17<sup>th</sup> Avenue and Capitola Road.

After a welcome from Supervisor John Leopold, brief remarks from local historian Norman Poitevin, and a presentation on the site, community context, and development from Paul Peninger of AECOM, participants divided into ten groups. Trained facilitators guided a discussion centered around two questions:

1. What types of commercial space, services or activities does Live Oak most need?
2. What are your thoughts about having residential, office, retail or other uses at the 17th and Capitola site?

### 1.1 Site Requirements

The site was transferred to Redevelopment Successor Agency after the dissolution of the Redevelopment Authority in 2013.

Per State law, County must:

- Sell, lease or transfer the sites.
- Maximize sale proceeds and long-term economic and community benefit with sale proceeds distributed to the taxing entities.

- **Owner:**  
County of Santa Cruz Redevelopment Successor Agency
- **Acquisition Dates:**  
1994 to 1997
- **Size:**  
3.7 acres / 4 parcels
- **Land Use Zoning:**  
C-1 (Neighborhood Commercial)
- **General Plan designation:**  
C-N (Neighborhood Commercial)
- **Market Value estimate (2016):**  
\$3.55 million

Source: Long Range Property Management Plan, 2013

## 1.2 Overview of Needs and Potential Uses

### *Space Needs and Preferences*

Participants emphasized wanting a family-friendly gathering place for a diverse community that features accessible walking and biking paths, attractive public spaces, affordable housing, “green” mixed-used development of one to two stories, and locally-owned commercial establishments.

- Public space may include parks, fields for bocce ball, community gardens, and safe play spaces for kids. Participants voiced additional interest in cultural or multi-cultural centers, senior center, art spaces, and museums.
- Affordable housing is a priority, including for families and first responders. Regarding housing, some participants embraced horizontal mixed-use design; there was a general preference for two-story buildings.
- New development should reference the history of the site. A number of residents want to preserve the large live oak tree on the property, perhaps installing seating and play space near it.
- There is a preference for locally-owned businesses and non-profits over chain stores, and for keeping tax dollars in Live Oak.
- Ideas for commercial and retail services include locally-owned bakery, deli, brewery, wine bar, coffee shop, restaurants with outdoor seating, dentists, and alternative health providers. Participants expressed strong interest in maintaining a local, affordable grocery store on or near the site.
- Ideas for offices include co-working spaces for small businesses. Developers should consider small office space, if it provides opportunities for small businesses and better access to medical or dental services.

### *Concerns*

Participants expressed concerns about an under-developed neighborhood with lack of affordable housing, evictions, traffic, and insufficient space for children to play.

- Developers should ensure that new development takes traffic and parking concerns into account, including by encouraging walking, bicycling and transit use. Future development should provide parking spaces or underground resident-only parking.
- The four parks in the area are crowded on holidays and special occasions, and there is not good indoor space for exercise.
- There is a lack of safe walking and biking paths.
- Several participants noted that there is no post office or other mail services in the neighborhood.
- Some participants disapproved of certain uses, including big-box stores, fast food restaurants, high-rise buildings, and vacation rentals.

Please see the Appendix, Documentation of Facilitated Discussion, for specific feedback by group.



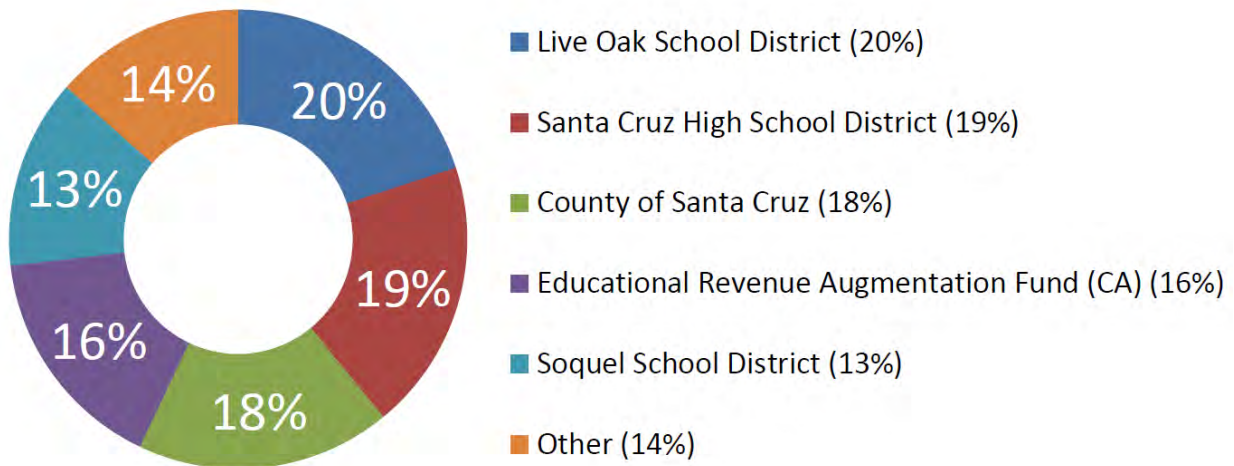
Refreshments consisted of 400 Pacific Cookie Company cookies, juices, water, tea, and a cambro (50 cups) of coffee from Cat & Cloud coffee company.

## 2. Frequently Asked Questions

- **What does the site's "neighborhood commercial" zoning designation mean?**
  - Santa Cruz County's Planning Department defines [basic zone districts](#). Neighborhood commercial (C-1) permissible uses are: "animal grooming, banks, barber & beauty shops, small repair shops, print shops, shoe repair, offices (not exceeding 50% of the building area), fitness centers, restaurants, bookshops, bicycle shops, hardware stores, jewelry stores, pet shops, clothing stores, and stationary stores. Multi-family residential as a mixed use up to 50% of floor area."
- **What is the timeline for the County to sell or transfer the property?**
  - The [Long Range Property Management Plan](#) does not identify a specific timeline for the property at 17<sup>th</sup> and Capitola. The County must continue in good faith to move forward with the effort for disposition and report regularly to the Oversight Board.

- **What is the status of East Cliff Village Shopping Center after a similar community meeting in April 2013?**
  - The [Sustainable Santa Cruz County Plan](#) incorporates participant feedback from the East Cliff community meeting. The site is owned by a private developer. The County understands that the owner continues to evaluate redevelopment, but the timing is not within the control or purview of the County.
- **Who receives the revenue from the redevelopment site land sales?**
  - Two-thirds of the land sale proceeds go to local school districts. The Redevelopment Authority successor agencies' property tax distribution is shown in the figure below.

**Figure 1: Property Tax Distribution**



### 3. Appendix

#### 3.1 Agenda

Time	Activity	Presenters and Participants
6:30pm	Welcome, Introductions and Meeting Overview	John Leopold, Supervisor Norman Poitevin, Historian
6:50pm	Presentation on site, community context, and development	Paul Peninger, AECOM
7:10pm	Facilitated discussions in breakout groups	Community AECOM and County facilitators
7:55pm	Reporting back from breakout groups and next steps	Community Paul Peninger, AECOM
8:30pm	Closure	

### 3.2 Outreach

As part of the outreach campaign, 2,100 postcard invitations were sent to households within a one-third mile radius of the site. The County sent emails with flyers in English and Spanish to local government agencies, non-profits, community organizations, and retail outlets. The County also advertised the meeting through its website, Facebook, Twitter and NextDoor.

**Imagine LIVE OAK**

**Date: April 20, 2017**  
**Time: 6:30-8:30 pm**  
 Live Oak Elementary  
 School Gymnasium  
 1916 Capitola Road

The site at 17th and Capitola presents a once-in-a-generation opportunity to give Live Oak a community gathering point, provide neighborhood benefits and establish a foundation for the future. We need your input. Come share your vision for this project!

Want more information?  
 Visit us online at:  
**WWW.SANTACRUZCOUNTY.US /17THandCAPITOLA**

Supervisor John Leopold, the Santa Cruz County Office for Economic Development and AECOM invite you and your neighbors to a very important kickoff meeting that will help determine the future use of a County-owned parcel in the heart of the Live Oak community. Join us!

Cookies and beverages provided.



### 3.3 Facilitators at Meeting

- 1) Kate Hinnenkamp, Community Bridges
- 2) Laura Marcus, Dientes Community Dental Care
- 3) Angela Chestnut, Supervisor Leopold's Office
- 4) Dave Reid, Supervisor Leopold's Office
- 5) Rucker Alex, AECOM
- 6) Laura Adleman, AECOM
- 7) Joe Burg, AECOM
- 8) Guy Duer, AECOM
- 9) Aaron Lewis, AECOM
- 10) Aleister Montfort, AECOM
- 11) Kelly Wong, AECOM

### 3.4 County Staff at Meeting

- 1) Angela Chestnut – Supervisor Leopold's Office
- 2) Dave Reid – Supervisor Leopold's Office
- 3) Andy Constable – Economic Development Manager
- 4) Peter Detlefs – Economic Development Coordinator
- 5) Barbara Mason – Economic Development Coordinator
- 6) Betsey Lynberg – Assistant Director of Public Works
- 7) John Ricker – Water Resource Manager
- 8) Paia Levine – Senior Planner
- 9) Annie Murphy – Planner

### 3.5 Documentation of Facilitated Discussion

Notes from the small break-out group discussions are recorded in the figures below.

Figure 2

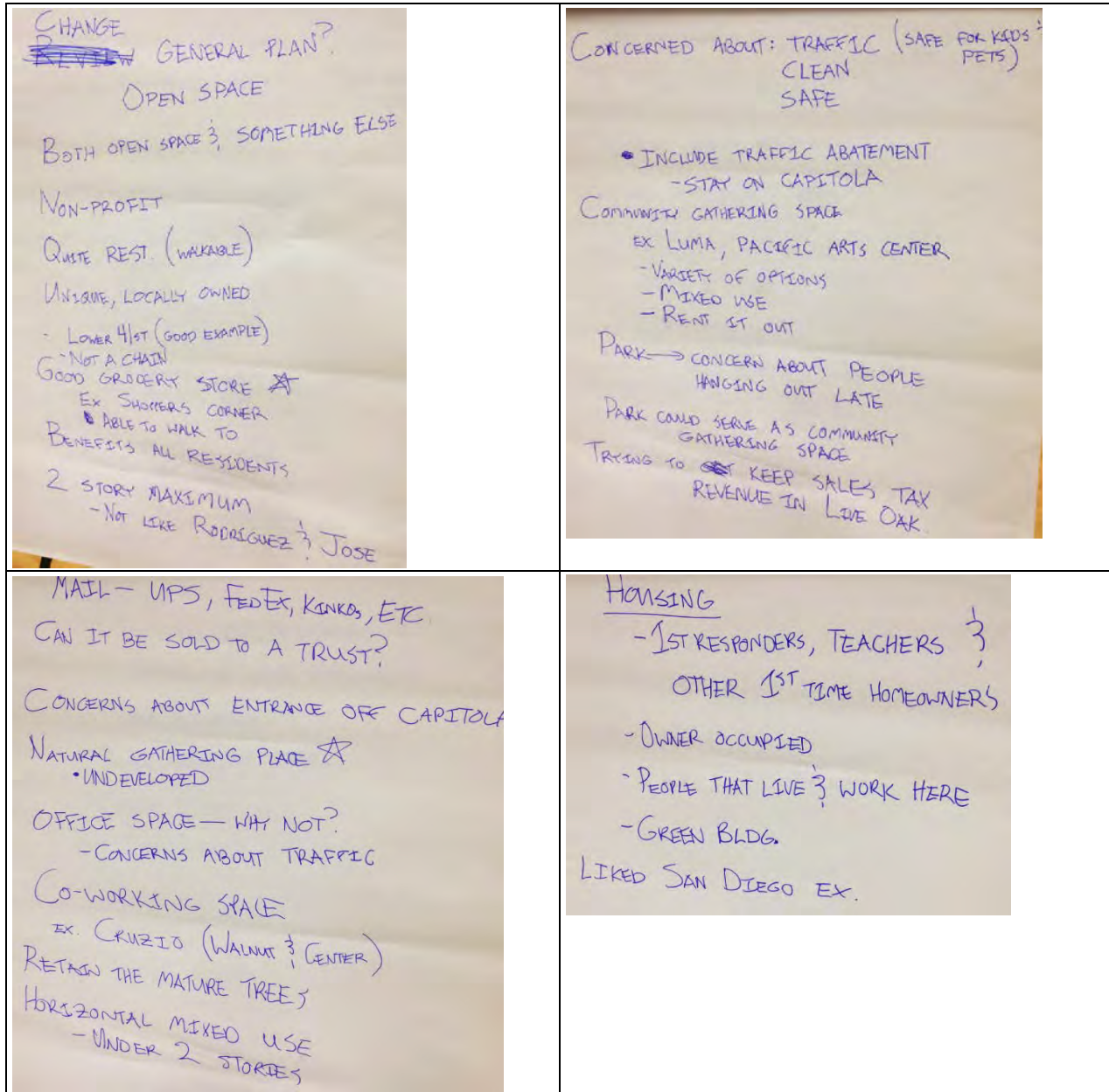


Figure 3

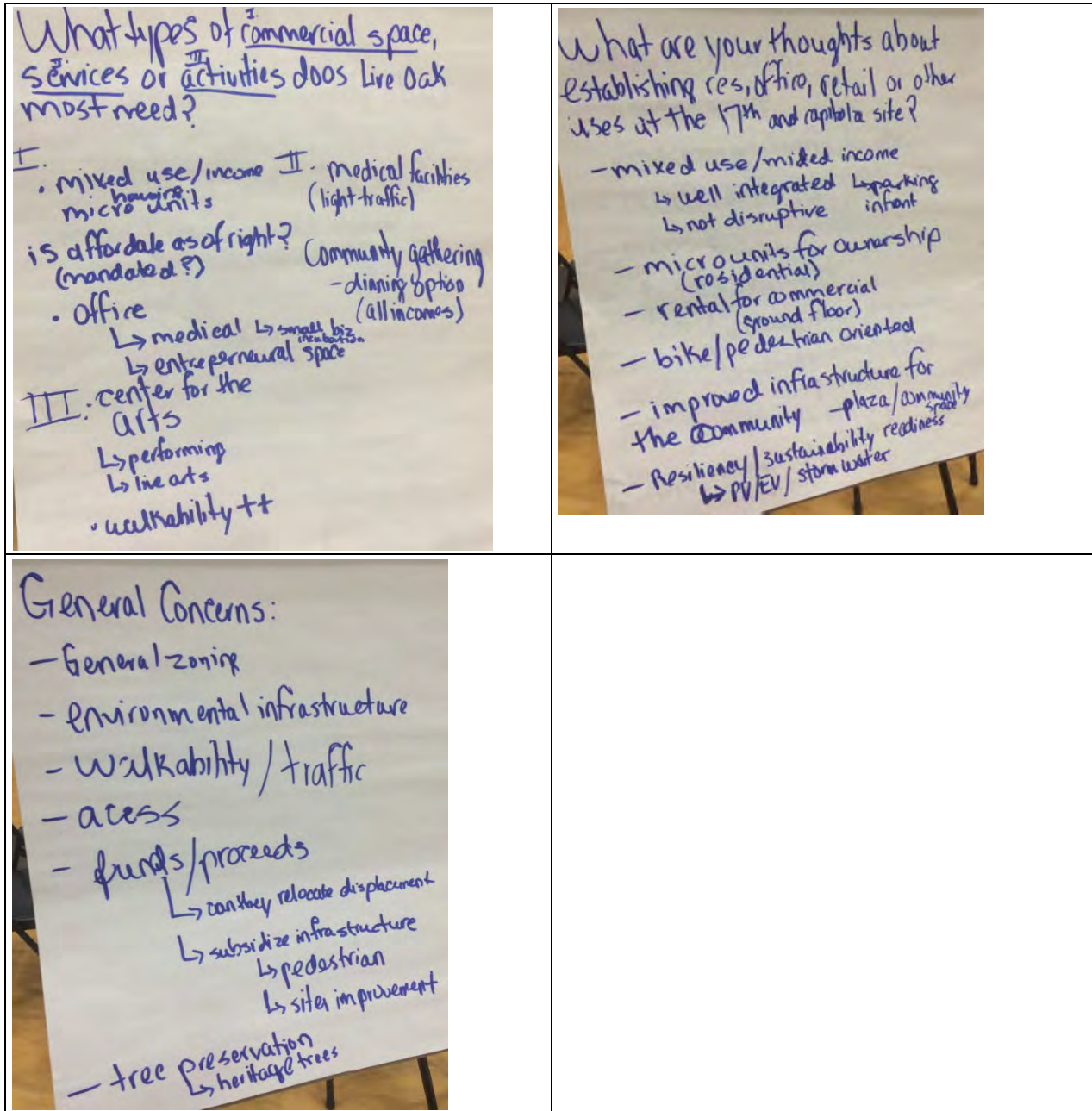


Figure 4

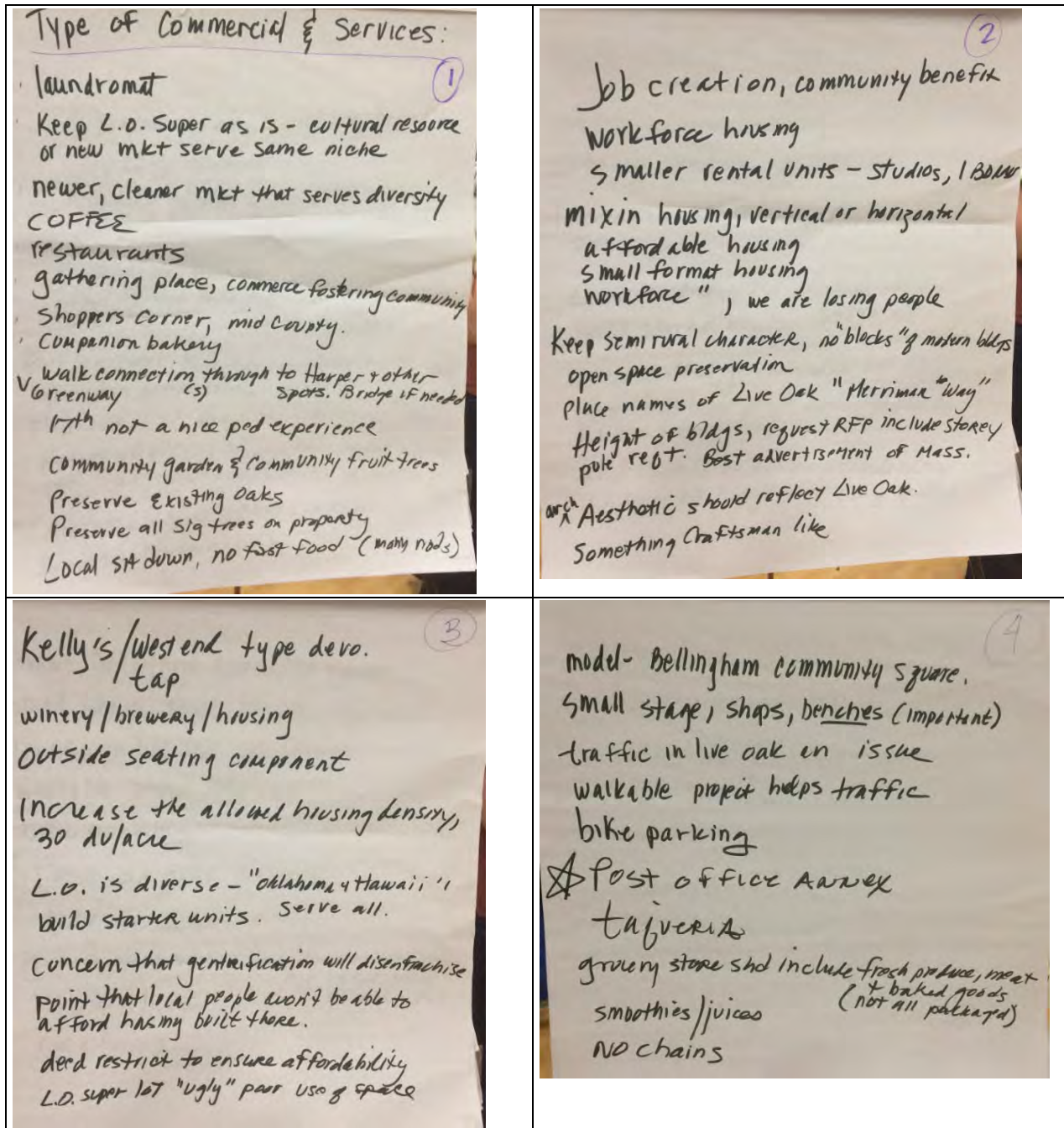


Figure 5


<p><u>1. Needs of LO</u></p> <ul style="list-style-type: none"> <li>• Walking distance restaurants</li> <li>• Full neighborhood grocery store (Affordable)</li> <li>• Outdoor Seating (meeting place)</li> <li>• Winery/Pub style (Family welcome) - Live music local</li> </ul>	<ul style="list-style-type: none"> <li>- Mindful of neighbors (i.e. noise consideration)</li> <li>- Greenspaces b/w houses ; businesses</li> <li>- Mixed use - living space above/adjacent to the retail</li> <li>- Laundrymat/Drycleaner</li> <li>- Location  of Live Oak</li> </ul>
<ul style="list-style-type: none"> <li>- Upgrade infrastructure</li> <li>- Encourage more walking, and biking</li> <li>- Multicultural Center - classes, or yoga, pilates, etc - include small vendors</li> <li>- Shuttle service (small vans) (pedi-cab)</li> <li>- Consideration for multi-age (seniors to children)</li> </ul>	

Figure 6

<p>Office space - <u>NO</u></p> <ul style="list-style-type: none"> <li>- Consideration of non-profit admin office space</li> <li>- Medical service - <u>NO</u></li> <li>- Mix use of housing i.e. middle income, owners, <sup>renters</sup> no students, no vacation rentals, live-work?             <ul style="list-style-type: none"> <li>- single, studio, 2-3 bedrooms</li> </ul> </li> <li>- No affordable</li> </ul>	<p><u>Commercial</u></p> <ul style="list-style-type: none"> <li>- Music store</li> <li>- Barbershop/Salon</li> <li>- Mail Center</li> <li>- <del>Food Court</del> <sup>Outdoor market place</sup></li> <li>- Specialty (Bakery, locally owned)</li> <li>- No fast food chains</li> <li>- Gastropub (farm to table) w/</li> <li>- gallery space for artists</li> <li>- Community garden</li> </ul>
<ul style="list-style-type: none"> <li>- Game store for kids or tech center like Digital West</li> <li>- Children's play structure</li> <li>- Indoor recreation for kids</li> </ul>	

Figure 7

<ul style="list-style-type: none"> <li>- Restaurant with outdoor seating / rooftop</li> <li>- Grocery store <sup>Remodel</sup> (Small format)             <ul style="list-style-type: none"> <li>• more upscale? better produce.</li> </ul> </li> <li>- open-air congregation space</li> <li>- Senior center / Community Center + Green space</li> <li>- use appropriate for all ages</li> <li>- Save the large trees (This is Live Oak!) - incorporate into design</li> <li>- mixed-use: Grocery + affordable housing             <ul style="list-style-type: none"> <li><u>SRO</u> housing</li> <li>or Micro-units</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- Income diversity in housing</li> <li>- diverse housing options</li> <li>- Place with multiple retail/food offerings (maybe under one roof)</li> <li>- Has to be accessible to people with wheelchairs.</li> <li>- <del>Outdoor</del> Place to sit and relax</li> <li>- Library - that was supposed to go there 20 years ago</li> <li>- Community focal point</li> <li>- <del>Part of it</del></li> <li>- Part of it should be a community garden. (0.5 acre at least)</li> </ul>
<ul style="list-style-type: none"> <li>- Outdoor use: Performance space / movies             <ul style="list-style-type: none"> <li>- design for acoustics</li> </ul> </li> <li>- Make sure people can walk not only to it, but through it</li> <li>- limited parking</li> <li>- bike <u>lockers</u></li> </ul>	<p>Question 2</p> <ul style="list-style-type: none"> <li>- Something that is alive at night</li> <li>- We need retail + services: That is priority # 1 - Restaurants, Yoga Shop</li> <li>- But, can't pass an opportunity to add to the housing supply of live oak</li> <li>- Third priority: Outdoor community space/garden</li> </ul>

Figure 8

<p>SHORT <del>ROAD</del> PARKING TO ENCOURAGE WALKING, BIKING          15<sup>th</sup> AVE - DIFFICULT TO CROSS FOR BIKES + PEDS          TRAFFIC ISSUES          NO CHAIN STORES, NO BIG OFFICE BLDGS          ABBOT SQUARE, WATS. PLAZA, BENCHES AS MODELS          NARROW BLDGS, SM SCALE TOWNHOUSES - EG ITALY TOWN CENTERS, MEXICO          BOWLING ALLEY, LAWN FOR PLAYING, BOUCE CT.          TABLE TENNIS          WALKING PATH TO RAIL TRAIL</p>	<p>LANDSCAPE PLAZA          PRESERVE OAKS          SM. HARDWARE STORE          POST OFFICE          PIZZA JOINT - NON YUPPIE          ELECTRIC CHARGE CARSTATION          WANT TO SEE LO SUPER SITE PART OF PROJECT          TRAFFIC PROBLEM          PED. PATH CAPITOLA TO HARPER          BIKE          RES ON TOP OF RETAIL W/ PARKING BELOW          CREATE OPEN ENV. TO DRAW PEDESTRIANS,          PLAZA, ROOFTOP GARDENS          PARKING FOR RESIDENTS ONLY</p>
<p>1) WHAT TYPES OF COMMERCIAL SPACE SVCS OR ACTIVITIES NEEDED?          LOCALLY OWNED COMM BASIS, RESTAURANTS          LOCALLY OWNED MARKET          HOUSING, SIME LOW INCOME, STUDENT,          RETAIL, COFFEE SHOPS, SM SCALE          IF SUPERMARKET SITIING, NEED MARKET          SM. OUTDOOR SPACE, PIANO BAR          COMMUNITY CENTER, SPECIALITY SHOPS          &amp; GATHERING SPACES, LOCATE PARKING ELSE WHERE          NO DRIVE UP FAST FOOD          UNDERGROUND PARKING          COMMUNITY GARDEN SPACE,          LOCAL EATERIES, OPEN EATING SP          OFFICE SPACE, CENTRAL EATING SP          CENTRAL PLAZA W/ SHOPS AROUND          LIVE OAK SQUARE</p>	



Figure 9

<ul style="list-style-type: none"> <li>- coworking space w/ GREEN SPACE</li> <li>- PLAZA</li> <li>- GATHERING PLACE ★ ★             <ul style="list-style-type: none"> <li>- experience-centric</li> </ul> </li> <li>- FOOD STORE             <ul style="list-style-type: none"> <li>- need for all of Live Oak</li> <li>- local produce</li> <li>- organic food</li> <li>- more modern</li> </ul> </li> </ul>	<p>MIYED USE? (no residential)</p> <ul style="list-style-type: none"> <li>- Flexible space</li> <li>- HOW HIGH? 1-2 stories</li> <li>- similar to Kelly's Bakery</li> </ul> <p>GATHERING SPACE</p>
<ul style="list-style-type: none"> <li>- AFFORDABLE HOUSING             <ul style="list-style-type: none"> <li>- greener housing</li> <li>- SROs</li> <li>- tiny housing / smaller lots</li> <li>- affordable for families</li> </ul> </li> <li>- UNDERGROUND PARKING</li> <li>- NEEDS TO CONSIDER TRAFFIC             <ul style="list-style-type: none"> <li>- alternate forms of transit</li> <li>- bikes, walking</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- COMMERCIAL DEVELOPMENT FOR LOCALS</li> <li>- BIKE SAFE DEVELOPMENT</li> <li>- SHOULD BE TIME CONSTRAINT             <ul style="list-style-type: none"> <li>- DEVELOPERS CAN'T LET LAND SIT OR NOT ACT ON PLAN</li> </ul> </li> <li>RETAIL             <ul style="list-style-type: none"> <li>- QUALITY, NOT FAST FOOD</li> <li>- <del>COMPUTER STORES</del></li> <li>★ LOCALLY OWNED, NO BIG BOX/CHARNS</li> <li>- EATERY → MAYBE SMALL ONES</li> <li>- COFFEE SHOP</li> <li>- BAKERY</li> </ul> </li> </ul>

Figure 10

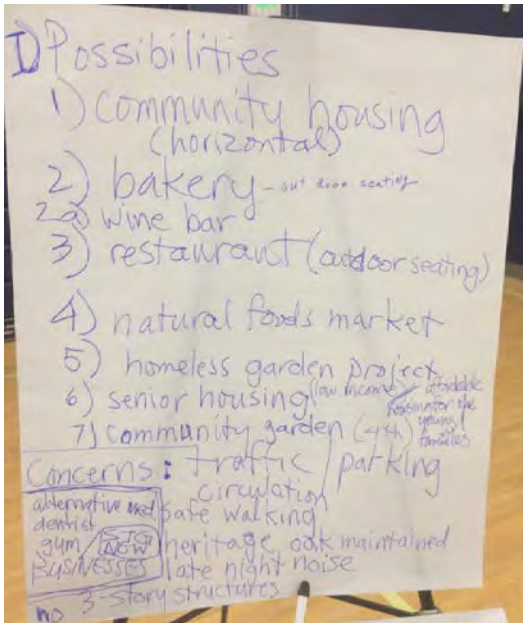
 <p><b>Possibilities</b></p> <ol style="list-style-type: none"> <li>1) community housing (horizontal)</li> <li>2) bakery - out door seating</li> <li>2a) wine bar</li> <li>3) restaurant (outdoor seating)</li> <li>4) natural foods market</li> <li>5) homeless garden project</li> <li>6) senior housing (low income, affordable, housing for the young, families)</li> <li>7) community garden (with families)</li> </ol> <p><b>Concerns:</b> traffic/parking, circulation, alternative med, safe walking, dentel, gym, late night noise, heritage oak maintained, businesses, late night noise, no 3-story structures</p> <p><b>Housing:</b></p> <ul style="list-style-type: none"> <li>• Height limit should be 2 floors. Requires bigger setback.</li> <li>• Should be at least 20%+ affordable. Offer mixed horizontal residential—no 5-bedroom homes.</li> <li>• Offer co-housing (e.g., with communal kitchens; examples on west side and downtown.)</li> <li>• Though condos have private owners and HOAs for maintenance, the condos at end of 41<sup>st</sup> Avenue couldn't sell.</li> </ul>	<p><b>More possibilities:</b></p> <ul style="list-style-type: none"> <li>• Maintain small community feel: walk on streets without traffic; walk animals; allow children to play.</li> <li>• Provide park-like setting as buffer and noise protection. Provide seating area under Heritage Oak tree.</li> <li>• Must provide parking spaces. (Insufficient parking at 38<sup>th</sup> and Portola.)</li> <li>• Ensure a market remains in neighborhood, and that it serves ethnic food needs.</li> <li>• Need local dentist, insurance, “doc in the box” emergency care, another gym, alternative health, acupuncture, and chiropractor. Office must serve community (not a software company.)</li> <li>• Dog park (though already one on Chanticleer).</li> <li>• Like idea of urban agriculture use (marijuana greenhouses don't qualify).</li> <li>• Provide for circulation, lighted crosswalks, well-lit streets, and sidewalks (e.g., none at 16<sup>th</sup> and Capitola).</li> </ul> <p><b>More concerns:</b></p> <ul style="list-style-type: none"> <li>• Avoid late night noise.</li> <li>• Avoid areas for crime (concerns about Todal gym parking lot).</li> <li>• No offices – too many people leaving in the evening.</li> </ul>
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Figure 11

<p><i>Laura</i></p> <ul style="list-style-type: none"> <li>- Need family restaurant</li> <li>- Don't need fast food</li> <li>- NO ATM currently</li> <li>- Keep trees - greenbelt</li> <li>- Museum - Community discussions</li> <li>- Gathering point</li> <li>- Educational facility</li> <li>- Art exhibits/shops</li> <li>- Good grocery store</li> <li>- Coordination w/ development at East Cliff</li> <li>- Non-profit facility for seniors - County interest incl. restaurants</li> <li>- Housing for families (single family, affordable)</li> </ul>	<ul style="list-style-type: none"> <li>- water source - percolation pond (groundwater recharge)</li> <li>- pharmacy</li> <li>- family medical services</li> <li>- Upgrade Live Oak market + laundromat</li> <li>- Farmer's market</li> <li>- coffee shop</li> <li>- ice cream store</li> <li>- deli (w/ market)</li> <li>- pedestrian walk street w/ shops</li> <li>- parking issues should be considered - incl. bike trails</li> <li>- bike trails</li> <li>- mixed-used housing</li> <li>- low buildings - no high-rises</li> <li>- central gathering point for Live Oak</li> <li>- more walkability</li> <li>- LED lights / solar use</li> </ul>
<ul style="list-style-type: none"> <li>- post office</li> <li>- mixed-use residential + commercial</li> <li>- produce market</li> <li>- more use for community</li> <li>- viable services for community - balance needs of Live Oak (not for entire County)</li> <li>- improve appearance</li> <li>- maintain Live Oak character</li> </ul>	

Figure 12

<p><i>A</i> <span style="float: right;">1/2</span></p> <ol style="list-style-type: none"> <li>1) Viviendas accesibles para familias (existe un déficit de viviendas)</li> <li>2) Parques y viviendas accesibles (low income areas)             <ul style="list-style-type: none"> <li>→ Espacios para fiestas de cumpleaños</li> <li>→ Parrillas (BBQ grill) → La gente se queda sin espacios</li> </ul> </li> <li>3) Lugar p/ hacer ejercicio techados (como el Kiosko de San José Park)</li> <li>4) Clínica dental → "affordable health care"             <ul style="list-style-type: none"> <li>No groceries porque se a producir más tráfico</li> </ul> </li> <li>5) Family-owned grocery store (no supermercado o otra cosa)             <ul style="list-style-type: none"> <li>"We don't want a gentrified space. We want to preserve the Live Oak" <small>super market</small></li> <li>Los días de Pascua estaban todos los parques llenos</li> </ul> </li> <li>6) Need of a post-office</li> </ol>	<p><i>BRANCO</i> <span style="float: right;">2/2</span></p> <p>Oftina → no. el punto es que se beneficie toda la comunidad.</p> <p>Les gustaría ampliar la grocery store</p> <p>Housing → rentas sin muy caras.</p> <p>Que huban zonas mixtas</p> <p>En Jose Park solo hay 2 parrillas. Se necesita un parque con más</p> <p>→ Es importante preservar el grocery store -cumple con una necesidad de la comunidad no solo de los latinos.</p> <p>A small business incubator like Plaza Vigil in Watsonville</p>
---	---

### 3.6 Comments Received Online

The following comments were received online from April 3 through 26, 2017 at the optional RSVP form available through the County's website ([www.co.santa-cruz.ca.us/17thandCapitola](http://www.co.santa-cruz.ca.us/17thandCapitola)):

The current Live Oak Super is leased by a family providing services to low income residents of Live Oak as well as Hispanic residents of Live Oak. I have shopped there since 1988, weekly, and do not want to lose this valuable community resource nor the friendly and helpful people who lease the building, who have become friends.

I'm concerned that future developments of these properties at this location do not exclude the valuable services provided by the 17th Avenue Market, the laundromat and affordable housing. Area residents and local low income residents depend on these two business for valuable resources. In addition the houses and properties at this location provide valuable family homes in the historical context of Live Oak.

I would love a larger market for the residents of Live Oak. Not a Whole Foods, but a market that is more affordable for all.

Ideas: Work with other cities who have taken on similar projects to learn from their successes and mistakes. Preserve as much open and green space as possible. Think about making the space dynamic and interactive. Include bike parking, space for children and elderly to sit. Invite local businesses that are part of reshaping Santa Cruz to participate in the design concept, such as local landscape and commercial architects. All involved staff members should listen to this TED Talk : <http://www.npr.org/programs/ted-radio-hour/462178064/building-better-cities>. There are ways to make a space timeless and useful and I am pleased to see we are taking our time to figure out how to make this space useful for Live Oak residents now and in the future. I am a third generation Santa Cruz land and home owner. I work as an organic food certification officer and my husband works at Ecology Action. We are both full of ideas on how to enhance and preserve Live Oak for future generations. We are looking forward to the kick off meeting on the 20th.

Has anybody contacted the USPS about relocating the eastside post office from Scotts Valley to this site? Is the meeting on the 13th or the 20th? The SC County website says the 20th.

a walking through commercial/public development as a mix of a park and commerce sitting squares/rounds private places art in the landscape something original created as both inspirational and functional a place where folks can both buy things and meetup all green energy solar electric carbon neutral through smart landscaping with carbon offset through installations of trees lemon trees for the taking low water native plants something cool for kids

Please, no tacky tacky mall with fast food. Outdoor space with nice plantings, cafe, bookstore. Dog friendly.

I like the idea of it being a public use facility,

My first recommendation for the site is to focus on the already existing area next to it that needs to be cleaned up. Though it's great to have a neighborhood market, Live Oak Super and the Laundromat are eyesores. The owners need to be encouraged to fix them up. As for the empty space, I think we need more affordable senior and/or housing for the physically challenged (similar to the one across from Target on Capitola Rd.). Traffic shouldn't get much worse since neither of these groups would have multiple cars in each home. Also, a small area left in a natural (yet maintained) setting would benefit everyone who feels like our area is already too congested. I envision a few oak trees and a couple of park benches and tables.

Whatever else is built on this site, do not diminish the critical services provided by the Live Oak Supermarket and the laundromat. These two businesses cater to a Live Oak demographic that is not served by large, gentrified, national chain stores. Both buildings can be refurbished and remodeled to look nicer, while retaining the same employees and services.

I have shopped at Live Oak Super (LO Super) since 1988. I greatly value that store and the family-owned business. LO Super is the only such store in the area that provides for the cultural food tastes of the latino community. I also value being able to purchase canned products such as hominy, jalapenos, and salsas. LO Super provides fresh fruits and vegetables. It provides a fresh meats section. It provides banking services for latinos. The family has also started monthly or seasonal events: selling Xmas trees, selling pumpkins, having a soul-food catered event. In other words, it provides a variety of services for a diversity of low-income residents. LO Super filled a void when the Safeway stores had to close temporarily a few years ago. People standing in line expressed surprise at the good prices of the food they were purchasing. It would be a shame and a loss to the community if the LO Super was replaced with a gentrified market. The property owner and County should consider restoration and rehabilitation of the LO Super store building as a legitimate option. I hope the County does not participate in the loss of LO Super, its distinct cultural diversity and ability to provide low-income residents with good food at affordable prices.

This area (the existing developed and vacant property) needs a general plan concept for development. It currently is somewhat a drive through area except for the real anchor, the school. Development guide that could somehow incorporate complementing businesses such as commercial (no box commercial), open air uses, residential, park, etc, and very importantly, significant improvement to Capitola ave/17th Ave such as streetscape, friendlier/safer pedestrian crosswalks (especially for students), reduced lane width for bulb-outs, would be of high value and slow traffic. Development that would attract the existing residential development in the area and encourage people to walk to these business. Maybe research some existing foreign/USA developed areas for ideas and even give the developing area a name.

Please save Live Oak Super we have put in writing we are willing to sell our property 1565 17th if you were able to buy the warehouse property own by Norman Bei I believe and our property you would have a much bigger parcel to deal with and save the neighborhood store everyone depends on.

we love Live Oak Super! - it's important to have a local food store

I would like to see Live Oak have a downtown area - maybe this property can be mix-use with some smaller affordable housing, retail, & eateries with outdoor eating opportunities (maybe the whole corner can be mix-use?). Live Oak has limited walking/bus distance restaurant choices. Maybe incentivize other local restaurants to move to this site on 17th? This move may open up those moved from parcels to add more affordable housing.

The site should house commercial uses only along with a small Public Park -Plaza where neighbors can sit and talk and gather after using the commercial neighborhood serving uses. Please NO more housing, on the site. The area is overdeveloped for the Arterial Streets and lack of parking in the area. 17th, Brommer and Capitola Road have too much traffic and cramming in more housing of any kind will only make things worse. Lets have a space for the existing neighborhood and not turn this into ,yet another high density development with ADUS and more. The big trees should be included in the development or the Plaza.

Please leave the "underdeveloped privately owned retail use parcel on southwest corner of Capitola rd.& 17th ave." as is. My wife and I have lived at 1625 Brommer #9 for 33 years and we like the store that is there.

<p>If possible, I would love to see a mixture of retail, healthy food, business, &amp; residential, with open communal space (outdoor eating options &amp; benches) to create a sense of community and place to gather.</p>
<p>Restaurants, wine bar, pub, natural food store. Lots of Outdoor seating! Play area to entertain kids while parents relax and socialize after dinner. Farmers market, outdoor events( music , movie) Everything closed by 10 pm. PLENTY OF PARKING. No social services.</p>
<p>Make it a Park with a play ground, basket ball, baseball, soccer etc. Make it a open farmers market place for farmers to sell produce, plants and fish. Like they have in Aptos at Cabrillo College</p>
<p>Include some affordable housing!</p>
<p>Replace live oak super with trader Joe's or staff of life useful grocery store</p>
<p>We really need to keep some open space in live oak. If any housing is to be built on this site, it would be nice to have the exit out to Harper and keep the open space (a park) along Capitola road.</p>
<p>I would like mixed use horizontal community exchange space.</p>

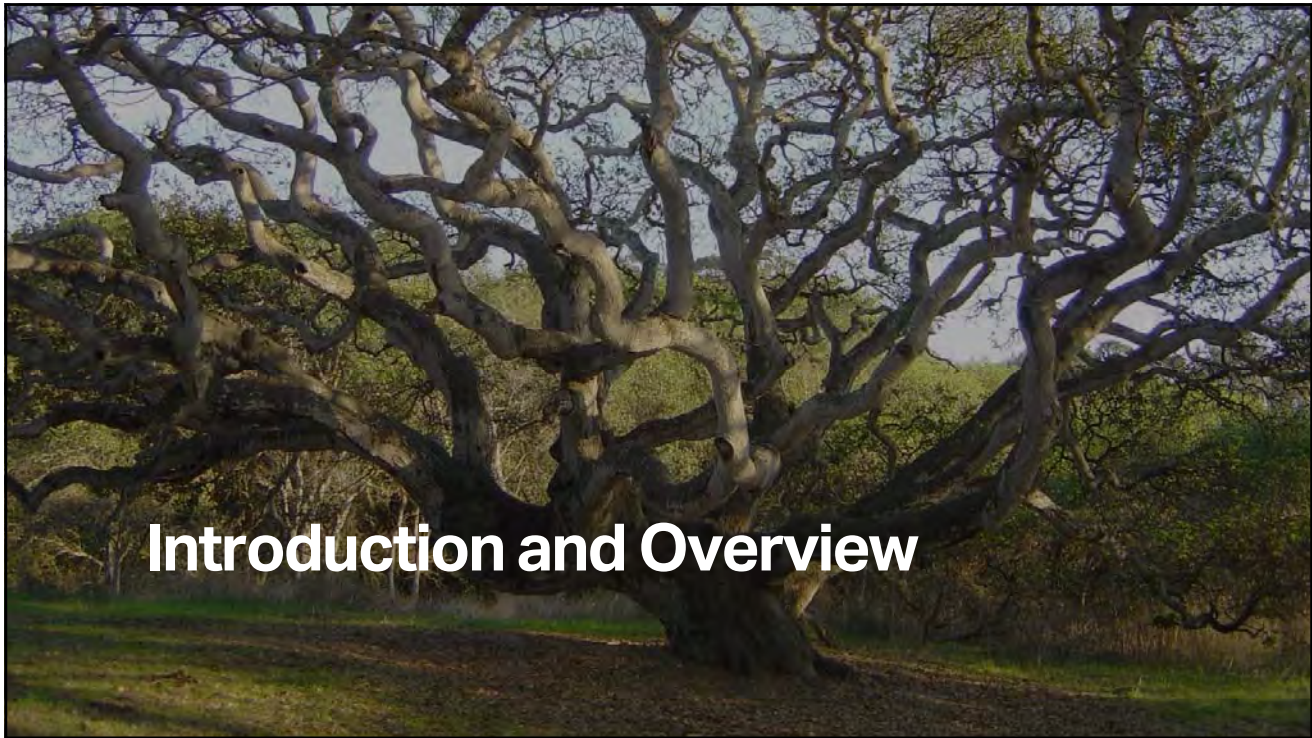
### 3.7 Presentation

(See following page)




## Agenda

Time	Activity	Presenters and Participants
6:30pm	Welcome, Introductions and Meeting Overview	John Leopold, Supervisor Norman Poitevin, Historian
6:50pm	Presentation on site, community context, and development	Paul Peninger, AECOM
7:10pm	Facilitated discussions in breakout groups	Community AECOM and County facilitators
7:55pm	Reporting back from breakout groups and next steps	Community Paul Peninger, AECOM
8:30pm	Closure	




# *Imagine* LIVE OAK

**Date:** April 20, 2017  
**Time:** 6:30-8:30 pm  
Live Oak Elementary  
School Gymnasium  
1916 Capitola Road




The site at 17th and Capitola presents a once-in-a-generation opportunity to give Live Oak a community gathering point, provide neighborhood benefits and establish a foundation for the future. We need your input. Come share your vision for this project!



**Want more information?**  
Visit us online at:  
[WWW.SANTACRUZCOUNTY.US/17THandCAPITOLA](http://WWW.SANTACRUZCOUNTY.US/17THandCAPITOLA)

Supervisor John Leopold, the Santa Cruz County Office for Economic Development and AECOM invite you and your neighbors to a very important kickoff meeting that will help determine the future use of a County-owned parcel in the heart of the Live Oak community. Join us!

Cookies and beverages provided.





## Santa Cruz County-owned Development Sites



## Site Requirements

- Transferred to Redevelopment Successor Agency after the Dissolution of redevelopment in 2013
- Per State law:
  - County must sell, lease or transfer the sites
  - Maximize sale proceeds and long-term economic and community benefit with sale proceeds distributed to the taxing entities



## 17<sup>th</sup> Avenue and Capitola Road

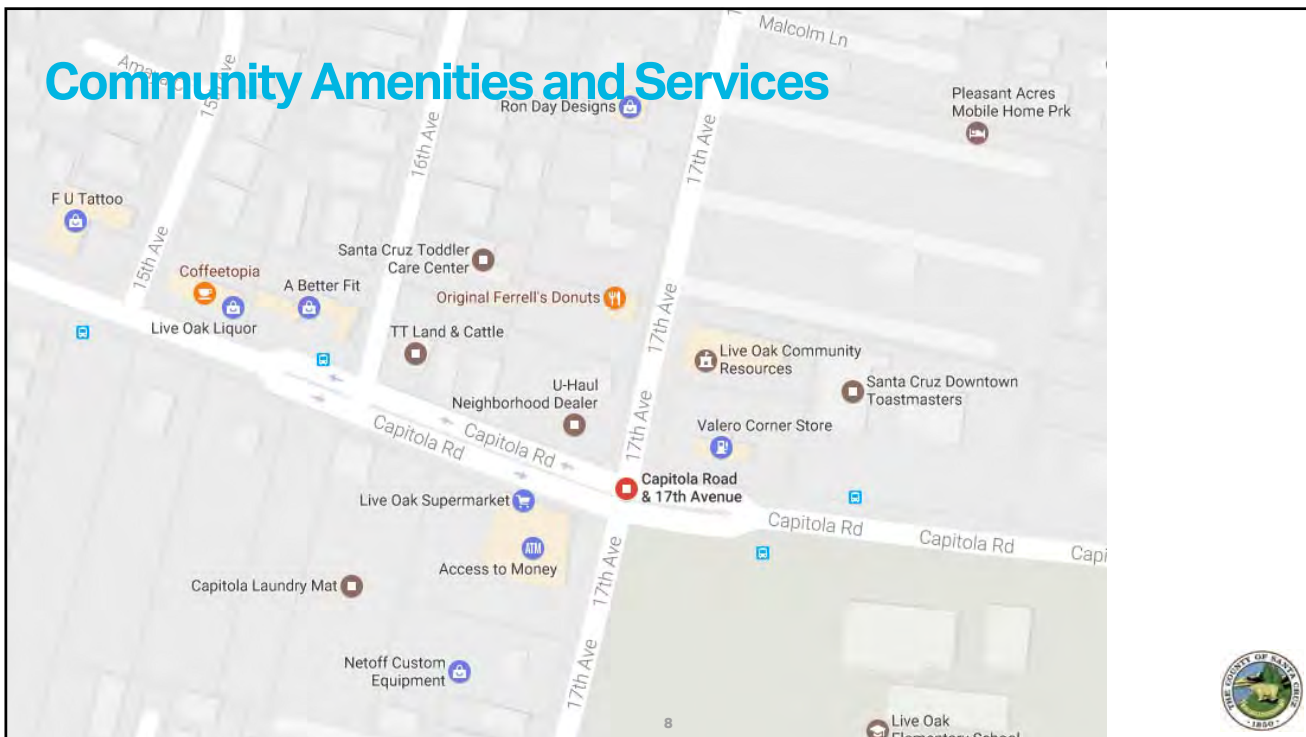
- **Owner:**  
County of Santa Cruz Redevelopment  
Successor Agency
- **Acquisition Dates:**  
1994 to 1997
- **Size:**  
3.7 acres / 4 parcels
- **Land Use Zoning:**  
C-1 (Neighborhood Commercial)
- **General Plan designation:**  
C-N (Neighborhood Commercial)
- **Market Value estimate (2016):**  
\$3.55 million



Source: Long Range Property Management Plan, 2013



## Community Amenities and Services



# Walk Score

## Capitola Road & 17th Avenue

Live Oak, California, 95062

Commute to **Downtown Live Oak**

60+ min 60+ min 60+ min View Routes


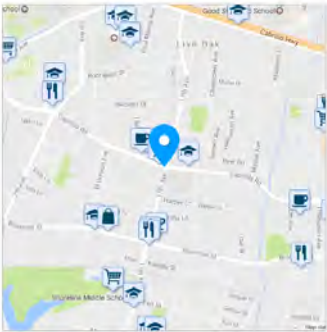
Favorite Map Nearby Apartments

Looking for a home for sale in Live Oak?

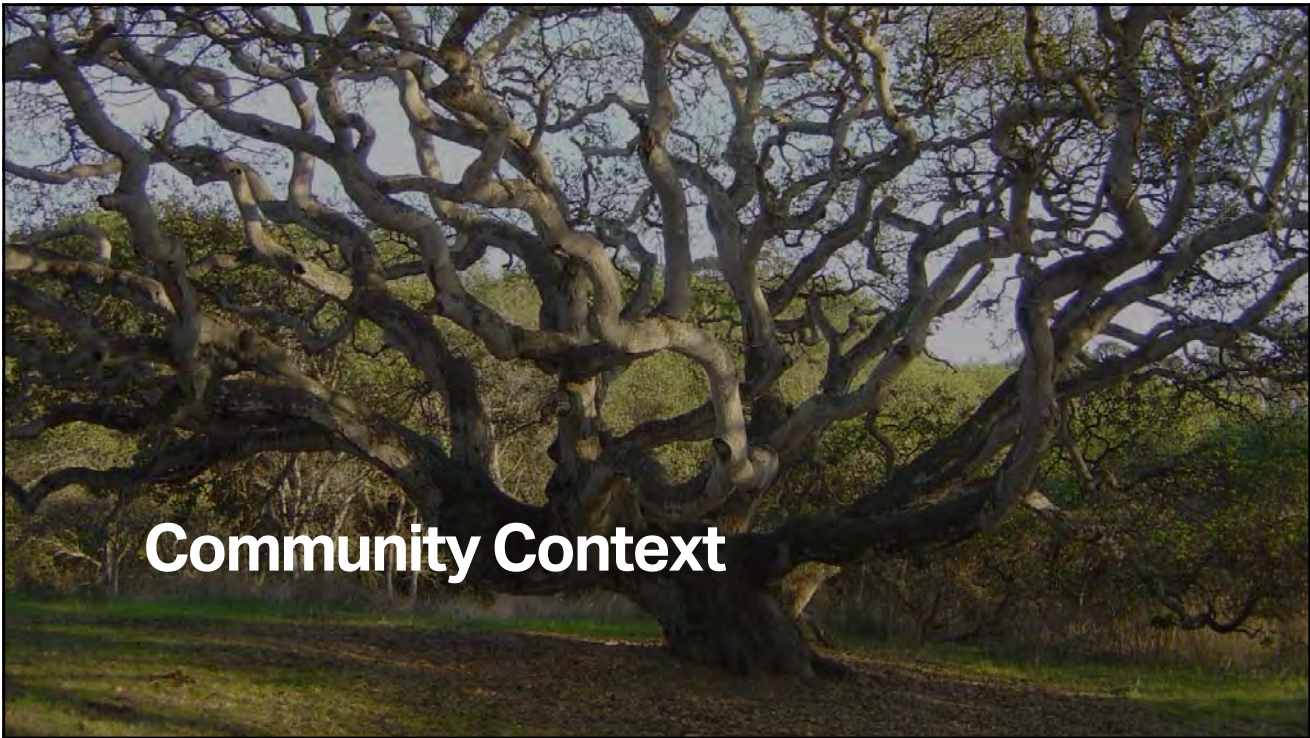
**Walk Score 66**  
Somewhat Walkable  
Some errands can be accomplished on foot.

**Transit Score 31**  
Some Transit  
A few nearby public transportation options.

About your score  
Add scores to your site

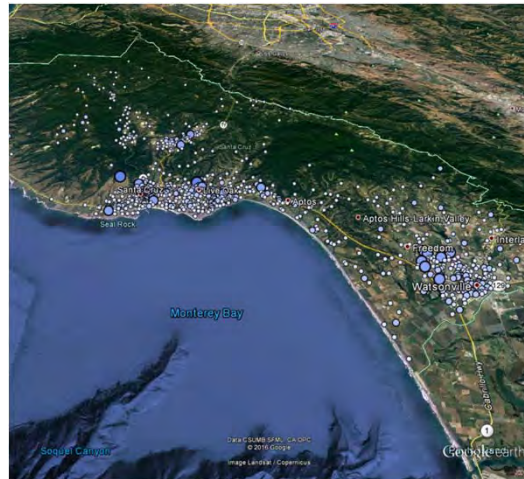


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## County Demographic and Employment Trends

- Slow population growth (0.5% per year)
- Economy based in tourism, services, health care and education
- Higher than average unemployment compared to the State of CA, even when seasonally adjusted
- Large and growing population of commuters to Silicon Valley



## Live Oak Population Trends (2010-2015)

- 6.7% of county's population
- Growing faster than county or city

Population, 2010-2015			
	2010	2015	% Change
Santa Cruz County	262,382	269,278	2.6%
Santa Cruz City	59,946	62,752	4.7%
Live Oak	17,158	18,038	5.1%

Source: US Census, 2010; US Census ACS, 2011-15.



## Live Oak Age Characteristics (2010-2015)

- Median age consistent with county
- Population is trending younger since 2010
- Population of seniors (24.3%) and youth under 18 (12.3%) more in line with county than city

Median Age, 2010-2015			
	2010	2015	% Change
Santa Cruz County	36.9	37.0	0.3%
Santa Cruz City	29.9	28.7	-4.0%
Live Oak	38.8	37.9	-2.3%

Source: US Census, 2010; US Census ACS, 2011-15.



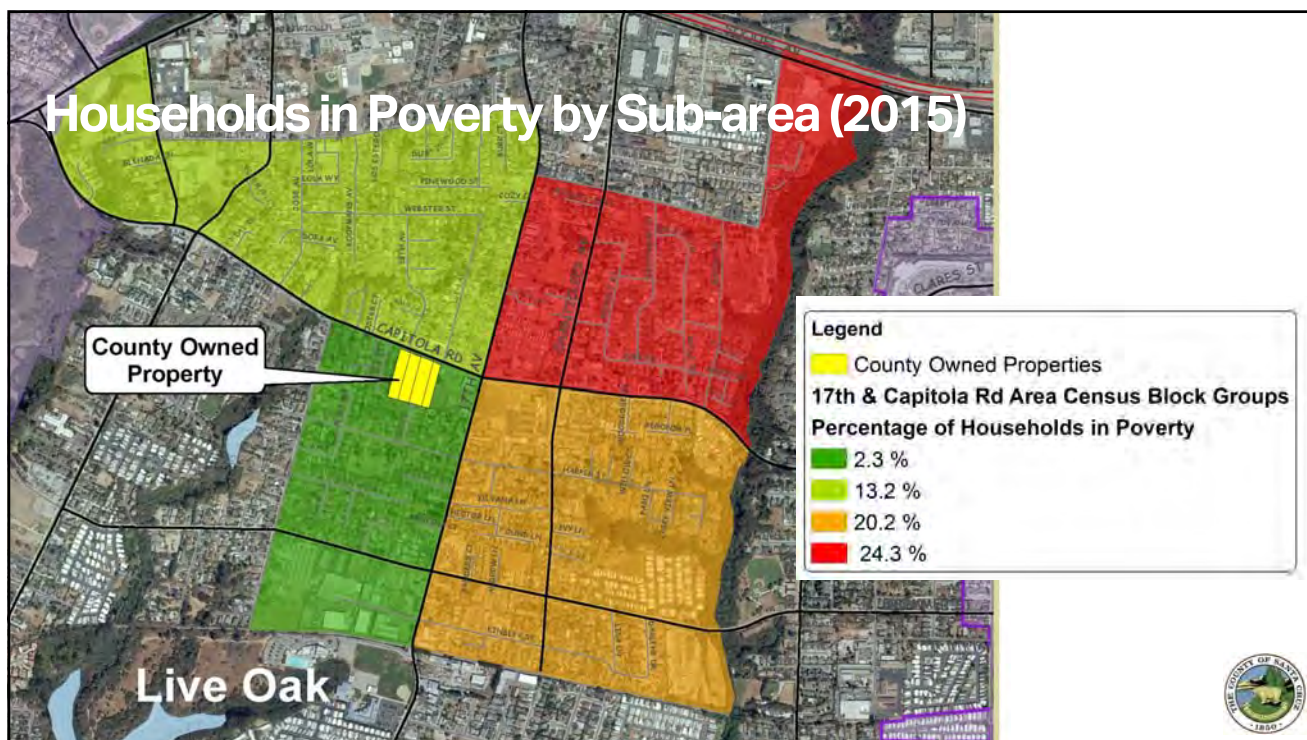
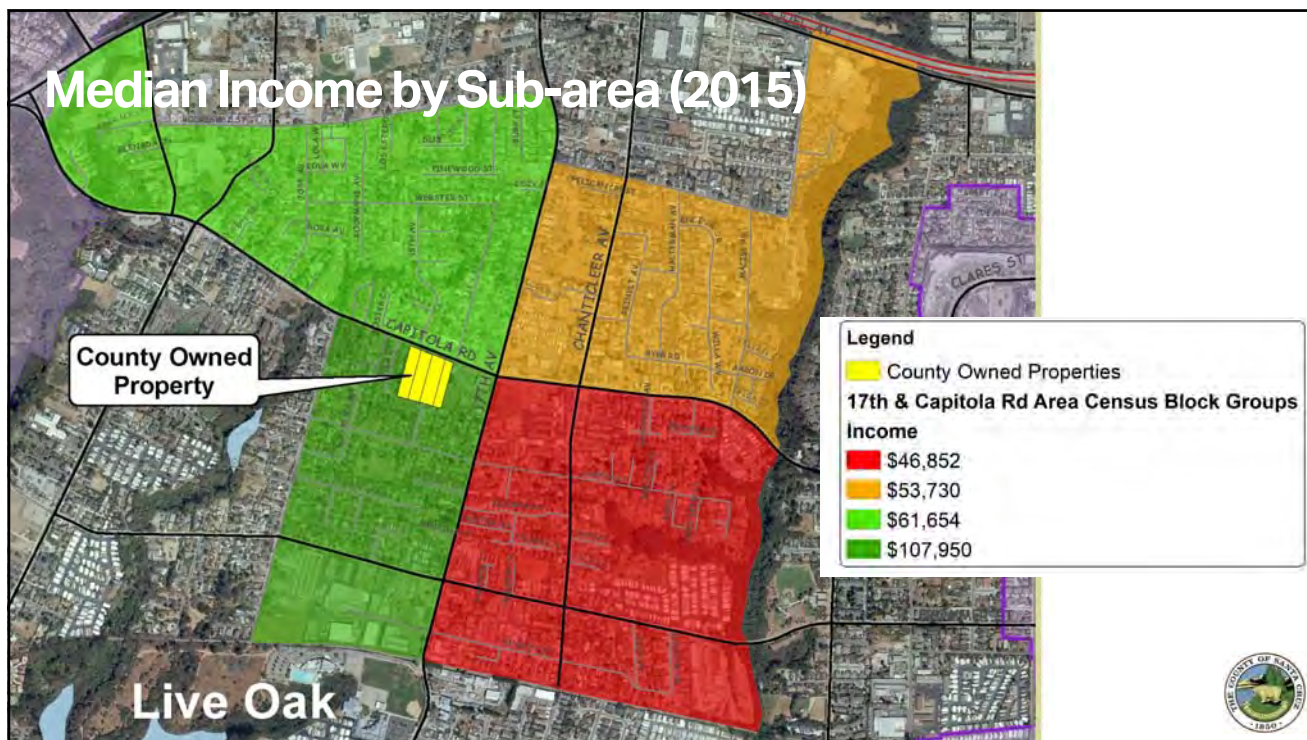
## Live Oak Income and Poverty (2010-2015)

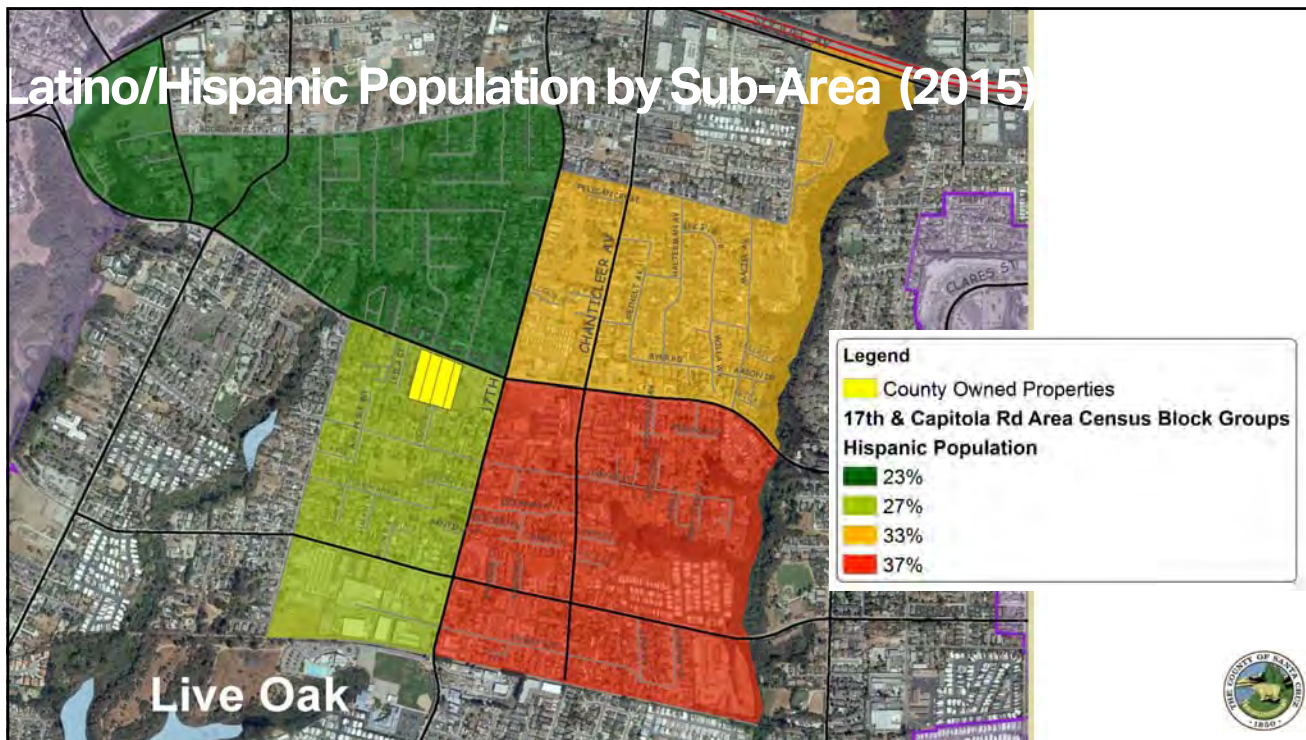
- Higher median income than county or city
- But at the same time, somewhat higher family poverty than in county overall

Income and Poverty, 2015		
	Median Income	% Poverty
Santa Cruz County	\$67,250	8.6%
Santa Cruz City	\$62,164	9.3%
Live Oak	\$68,875	8.9%

Source: US Census, 2010; US Census ACS, 2011-15.





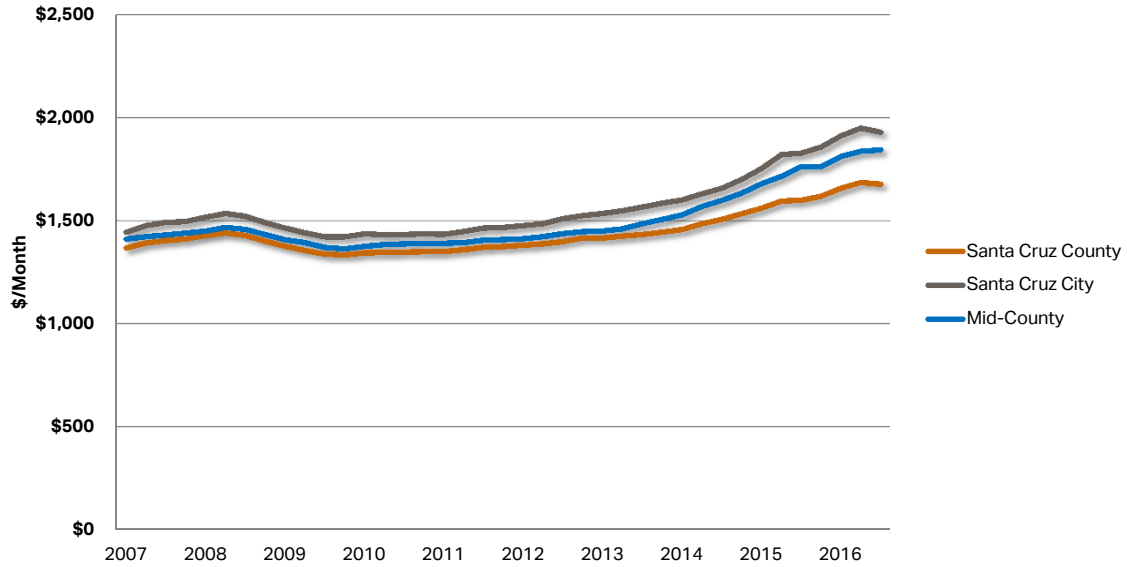


## Real Estate Market Trends: Mid-County Region

Mid-County includes the area around Live Oak, Soquel, Aptos, and portions of Watsonville.



### Average Apartment Rent (2007-2016)

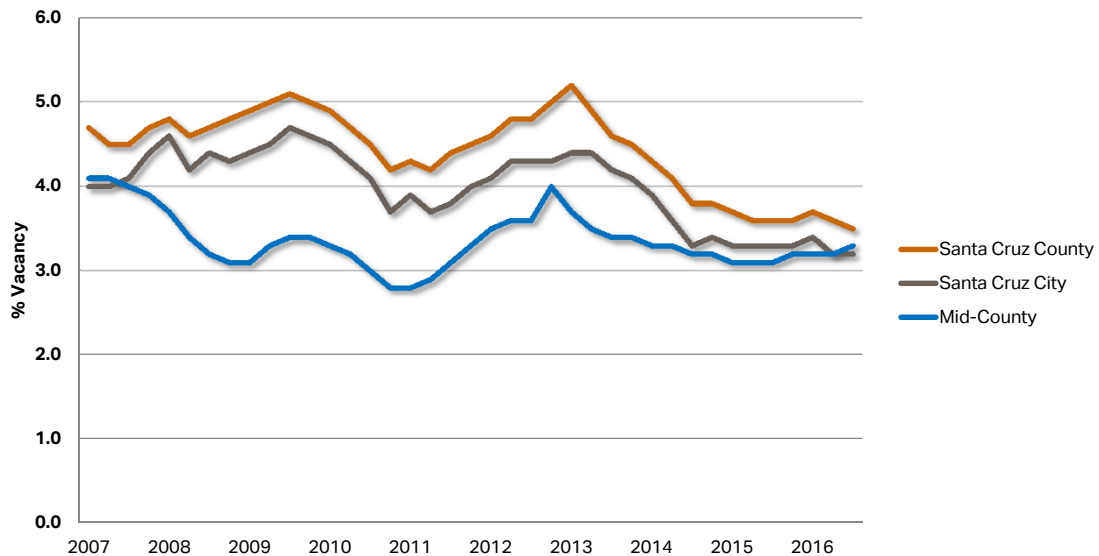


Source: CoStar

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### Vacancy in Multi-family Housing (2007-2016)



Source: CoStar

20





## Housing Units (2010-2015)

- 6.5% of county's total housing stock
- Approximately 50 units added since 2010
- Several new housing developments now in the pipeline

Housing Units, 2010-2015			
	2010	2015	% Change
Santa Cruz County	104,479	105,034	0.5%
Santa Cruz City	23,316	23,499	0.8%
Live Oak	6,726	6,780	0.8%

Source: US Census, 2010; US Census ACS, 2011-15.

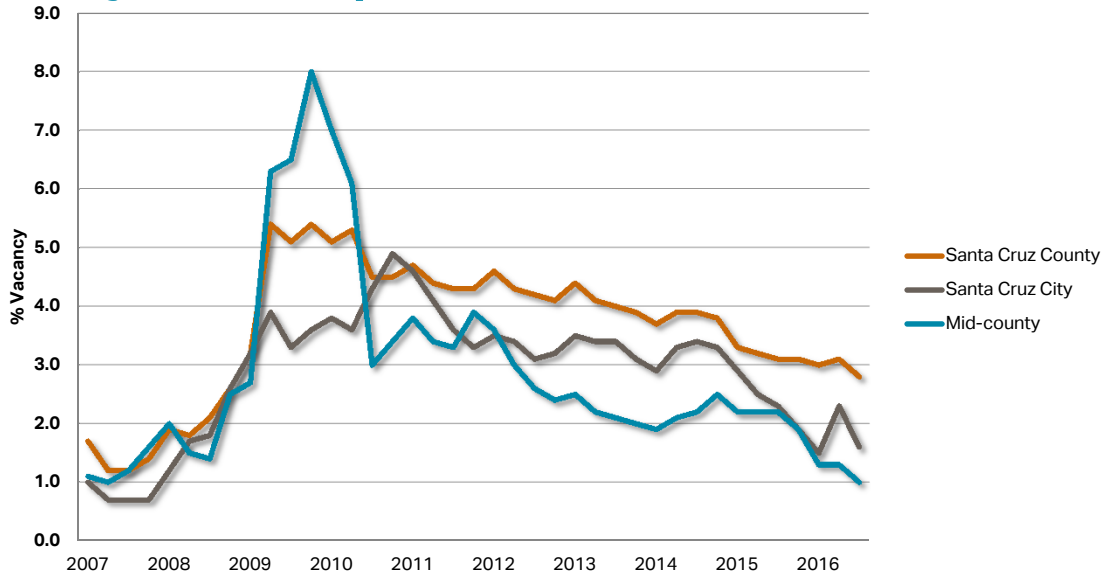


## Retail Market Context

- Limited local commercial services
- Slow growth in inventory of retail space in market area
- Potential need for space to serve small businesses/artisans and entrepreneurs



## Vacancy in Retail Space (2007-2016)



Source: CoStar

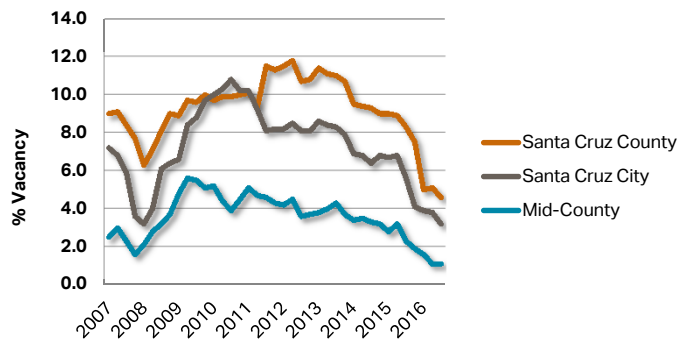
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## Office Market Context

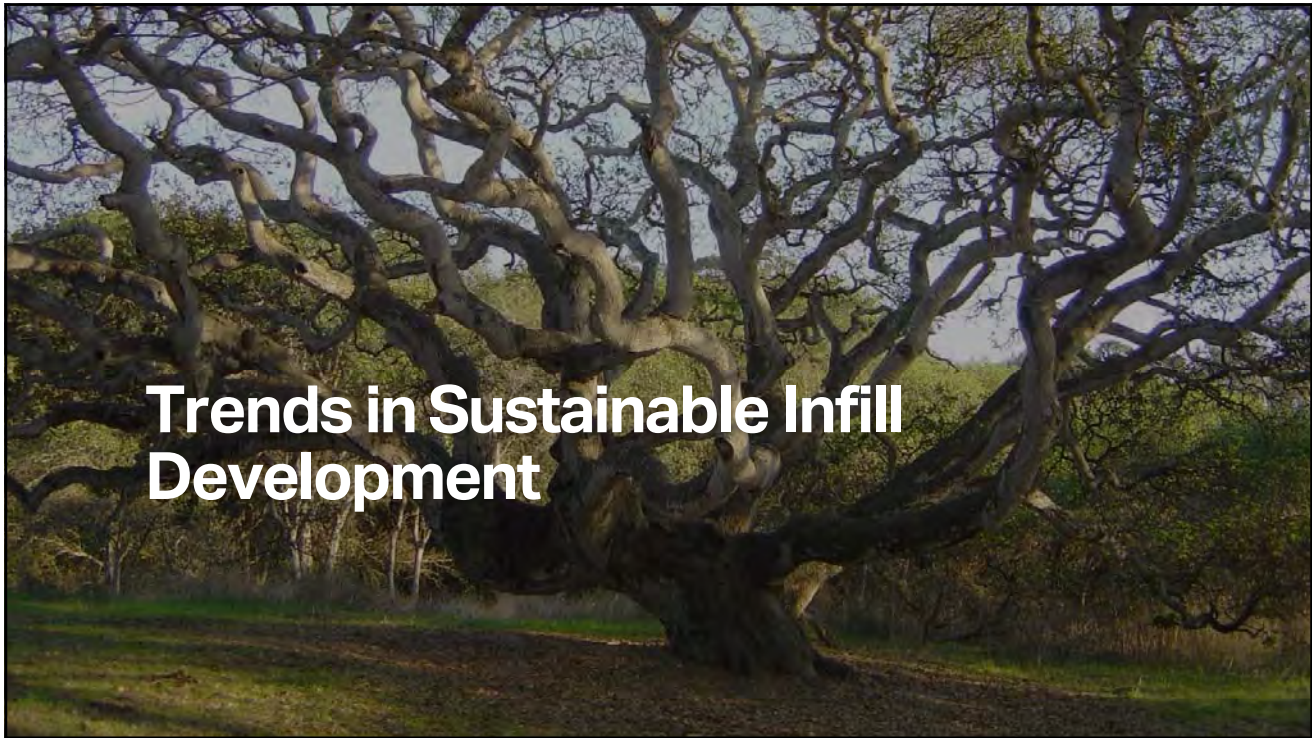
- Low office inventory in market area
- Low vacancy rates compared to city and county
- Potential market support for office space serving smalls business, medical uses and entrepreneurs

### Office Vacancy, 2007-2016



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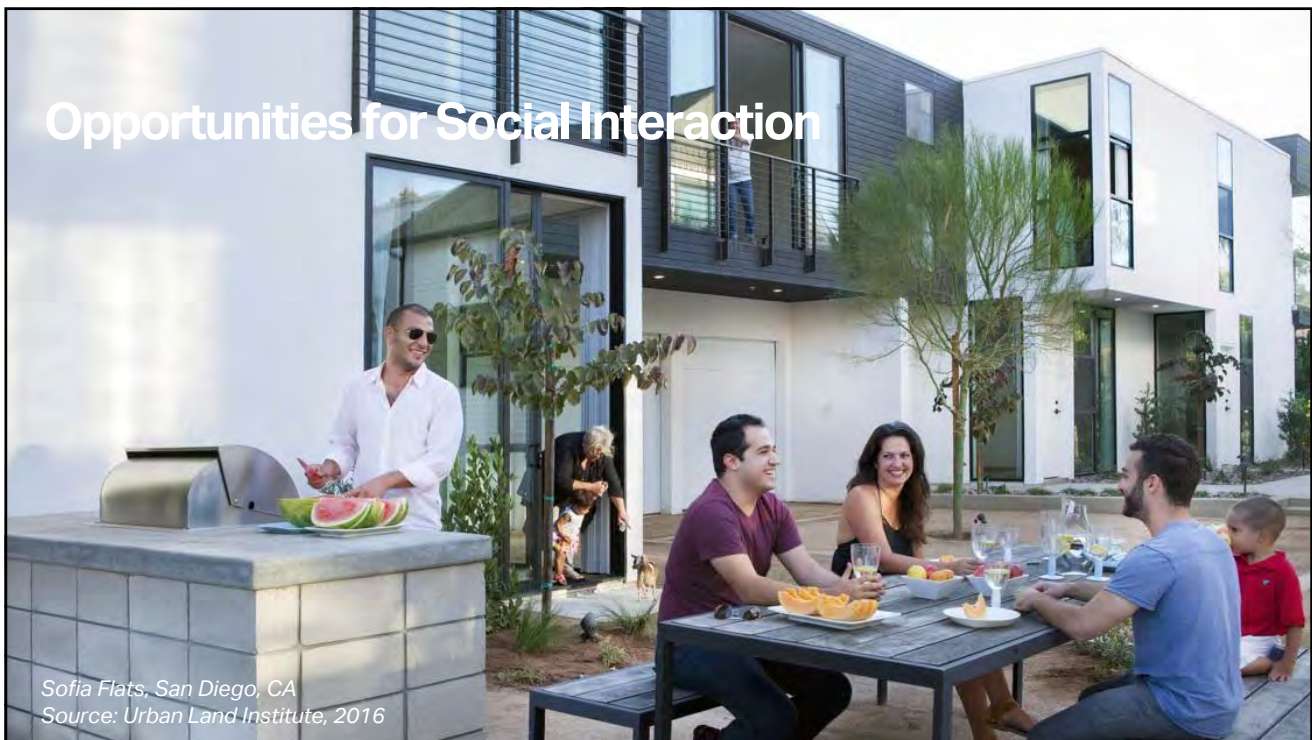




## Development Trends and Best Practices The Past: Auto-Oriented Greenfield Development











## Key Questions

- 1) What types of commercial space, services or activities does Live Oak most need?**
- 2) What are your thoughts about having residential, office, retail or other uses at the 17<sup>th</sup> and Capitola site?**

**Thank You**

**[www.santacruzcounty.us/17thandCapitola](http://www.santacruzcounty.us/17thandCapitola)**





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**Live Oak Neighborhood Retail Evaluation**  
*Update to Tables Originally Prepared in 2006*

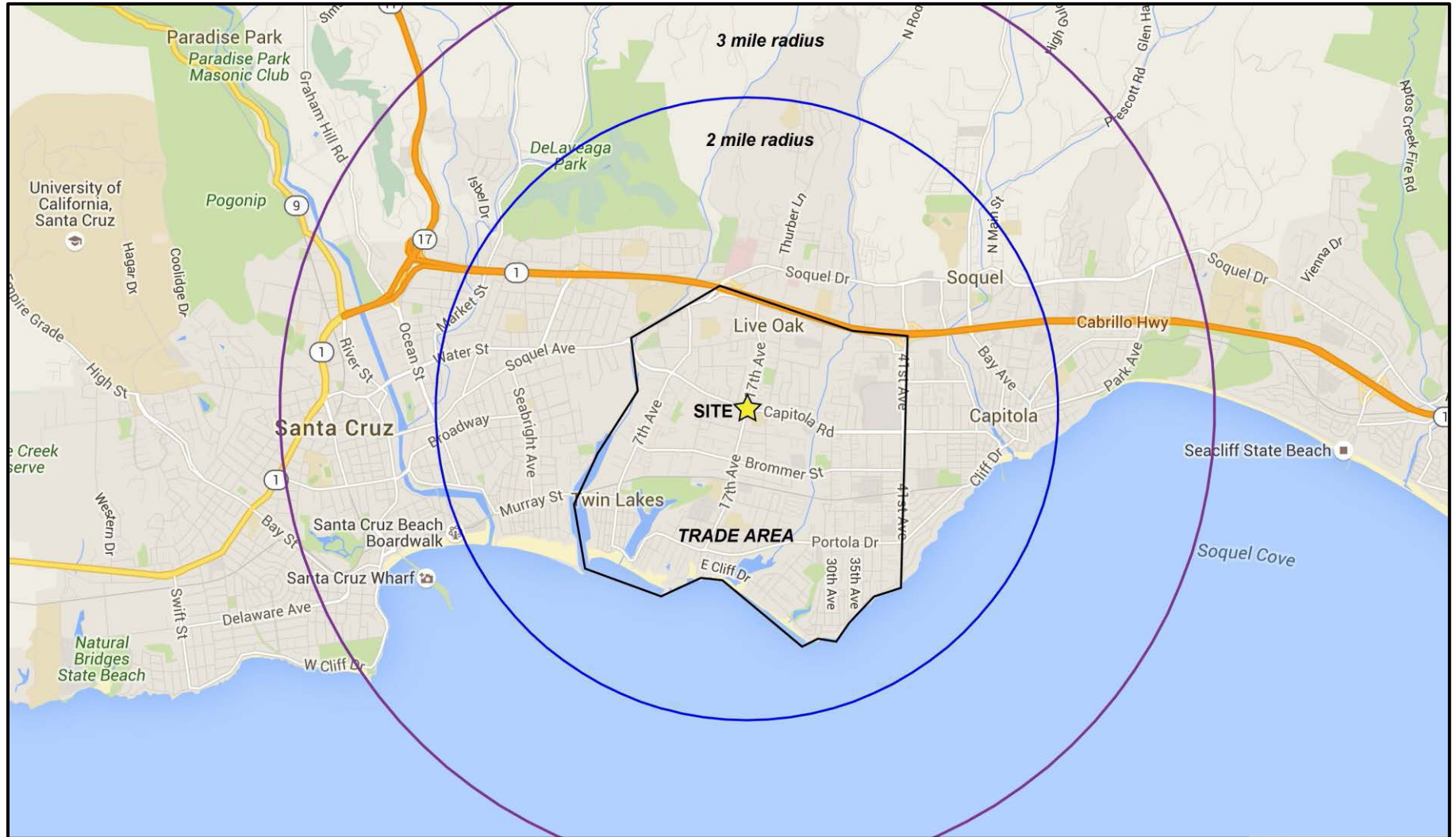
Prepared by:  
Keyser Marston Associates  
4/1/2016

## List of Maps and Tables

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**Map A**  
**PRIMARY TRADE AREA**  
**17<sup>th</sup> and Capitola/ Live Oak Neighborhood**



**Table 1**  
**Trade Area Demographics**  
**Live Oak Neighborhood Retail Evaluation**  
**County of Santa Cruz**

4/1/2016

	<i>Trade Area</i>	<i>1 Mile</i>	<i>2 Miles</i>	<i>5 Miles</i>	<i>Countywide</i>
Population	24,500	20,264	55,465	128,300	269,433
Median Household Income	\$54,870	\$54,054	\$57,688	\$62,930	\$66,845
Total Household Income	\$767.0M	\$586.0M	\$1,927.4M	\$4,718.3M	\$9,360.6M
Owner-Occupied Housing	47.71%	48.15%	46.82%	49.33%	55.43%
Average Household Size	2.40	2.54	2.32	2.36	2.66
Ethnicity/Hispanic	27.80%	31.10%	24.70%	20.90%	33.70%
Bachelor's or Higher	37.70%	35.70%	42.60%	45.70%	38.10%

Source: ESRI 2015

**Table 2**  
**Distribution of Trade Area Expenditure Potential**  
**Live Oak Neighborhood Retail Evaluation**  
**County of Santa Cruz**

4/1/2016

	<i>Trade Area</i>	<i>1 mile</i>	<i>2 miles</i>	<i>5 miles</i>
Total Household Income	\$767.0M	\$586.0M	\$1,927.4M	\$4,718.3M
Total Retail/Service Expenditure Potential	\$394.0M	\$295.9M	\$1,001.8M	\$2,377.9M
Selected Retail Categories <sup>1</sup>	\$218.9M	\$164.9M	\$555.3M	\$1,309.5M
Grocery	\$60.4M	\$45.7M	\$152.0M	\$354.3M
Drug	\$23.0M	\$17.3M	\$58.6M	\$140.1M
Other	\$135.6M	\$101.9M	\$344.7M	\$815.0M

Source: Retail Market Place Profile, Prepared by ESRI, 2015

<sup>1</sup> Retail expenditure potential excluding auto, general merchandise, and non-store retail categories.

**Table 3**  
**Trade Area Retail Leakage**  
**Live Oak Neighborhood Retail Evaluation**  
**County of Santa Cruz**

4/1/2016

	Trade Area	1 mile	2 miles	5 miles
<b>2015 Demographics</b>				
Population	24,459	20,264	55,465	128,261
Income Per Capita	\$31,358	\$28,917	\$34,750	\$36,787
Aggregate Income (\$000s)	\$766,985	\$585,974	\$1,927,409	\$4,718,337
<b>Retail Demand (\$000s)</b>				
NAICS				
441 Motor Vehicle & Parts Dealers	\$74,948	\$55,723	\$191,820	\$463,118
4421 Furniture Stores	\$6,509	\$4,838	\$16,652	\$40,008
4422 Home Furnishings Stores	\$5,239	\$3,916	\$13,433	\$32,247
443 Electronics & Appliance Stores	\$19,302	\$14,515	\$49,004	\$116,526
4441 Bldg Material & Supplies Dealers	\$14,174	\$10,562	\$37,162	\$92,074
4442 Lawn & Garden Equip & Supply Stores	\$1,546	\$1,159	\$3,977	\$9,839
4451 Grocery Stores	\$60,356	\$45,693	\$151,977	\$354,322
4452 Specialty Food Stores	\$6,495	\$4,924	\$16,336	\$38,002
4453 Beer, Wine & Liquor Stores	\$3,553	\$2,680	\$8,989	\$21,128
446 Health & Personal Care Stores	\$23,000	\$17,250	\$58,628	\$140,119
447 Gasoline Stations	\$20,891	\$15,615	\$52,888	\$125,751
4481 Clothing Stores	\$18,349	\$13,875	\$46,317	\$108,122
4482 Shoe Stores	\$2,730	\$2,076	\$6,850	\$15,766
4483 Jewelry, Luggage & Leather Goods Stores	\$4,138	\$3,076	\$10,689	\$25,817
4511 Sporting Goods/Hobby/Musical Instr Stores	\$8,809	\$6,593	\$22,641	\$53,901
4512 Book, Periodical & Music Stores	\$1,500	\$1,123	\$3,806	\$9,036
452 General Merchandise Stores	\$55,873	\$42,055	\$141,388	\$332,789
4531 Florists	\$673	\$507	\$1,721	\$4,237
4532 Office Supplies, Stationery & Gift Stores	\$2,675	\$2,015	\$6,812	\$16,145
4533 Used Merchandise Stores	\$1,302	\$977	\$3,310	\$7,850
4539 Other Miscellaneous Store Retailers	\$13,097	\$9,772	\$33,602	\$80,402
7221 Full-Service Restaurants	\$22,280	\$16,793	\$56,564	\$132,804
7222 Limited-Service Eating Places	\$15,764	\$11,886	\$39,990	\$93,759
7224 Drinking Places - Alcoholic Beverages	\$754	\$569	\$1,910	\$4,408
<b>Retail Sales (Taxable &amp; Non-Taxable. \$000s)</b>				
NAICS				
441 Motor Vehicle & Parts Dealers	\$20,356	\$70,295	\$335,937	\$369,264
4421 Furniture Stores	\$5,830	\$6,733	\$24,297	\$40,256
4422 Home Furnishings Stores	\$16,642	\$15,096	\$29,678	\$42,033
443 Electronics & Appliance Stores	\$22,710	\$17,769	\$59,533	\$103,279
4441 Bldg Material & Supplies Dealers	\$18,049	\$12,692	\$45,113	\$67,965
4442 Lawn & Garden Equip & Supply Stores	\$3,347	\$4,421	\$6,335	\$14,167
4451 Grocery Stores	\$45,109	\$26,784	\$305,777	\$505,028
4452 Specialty Food Stores	\$3,848	\$2,650	\$35,601	\$109,171
4453 Beer, Wine & Liquor Stores	\$8,941	\$6,094	\$23,464	\$36,929
446 Health & Personal Care Stores	\$15,696	\$17,564	\$76,300	\$157,335
447 Gasoline Stations	\$19,534	\$20,345	\$57,701	\$94,964
4481 Clothing Stores	\$42,231	\$33,643	\$61,289	\$113,546
4482 Shoe Stores	\$5,603	\$4,019	\$7,003	\$18,169
4483 Jewelry, Luggage & Leather Goods Stores	\$6,099	\$4,255	\$8,575	\$20,330
4511 Sporting Goods/Hobby/Musical Instr Stores	\$15,486	\$15,699	\$59,119	\$110,536
4512 Book, Periodical & Music Stores	\$6,114	\$2,638	\$7,583	\$21,978
452 General Merchandise Stores	\$121,952	\$97,035	\$133,971	\$328,394
4531 Florists	\$521	\$702	\$2,269	\$4,244
4532 Office Supplies, Stationery & Gift Stores	\$8,850	\$14,166	\$20,960	\$35,978
4533 Used Merchandise Stores	\$890	\$981	\$5,255	\$12,906
4539 Other Miscellaneous Store Retailers	\$10,636	\$8,484	\$28,492	\$58,825
7221 Full-Service Restaurants	\$17,366	\$10,537	\$59,797	\$202,192
7222 Limited-Service Eating Places	\$13,163	\$9,110	\$36,351	\$74,455
7224 Drinking Places - Alcoholic Beverages	\$718	\$0	\$1,450	\$11,285

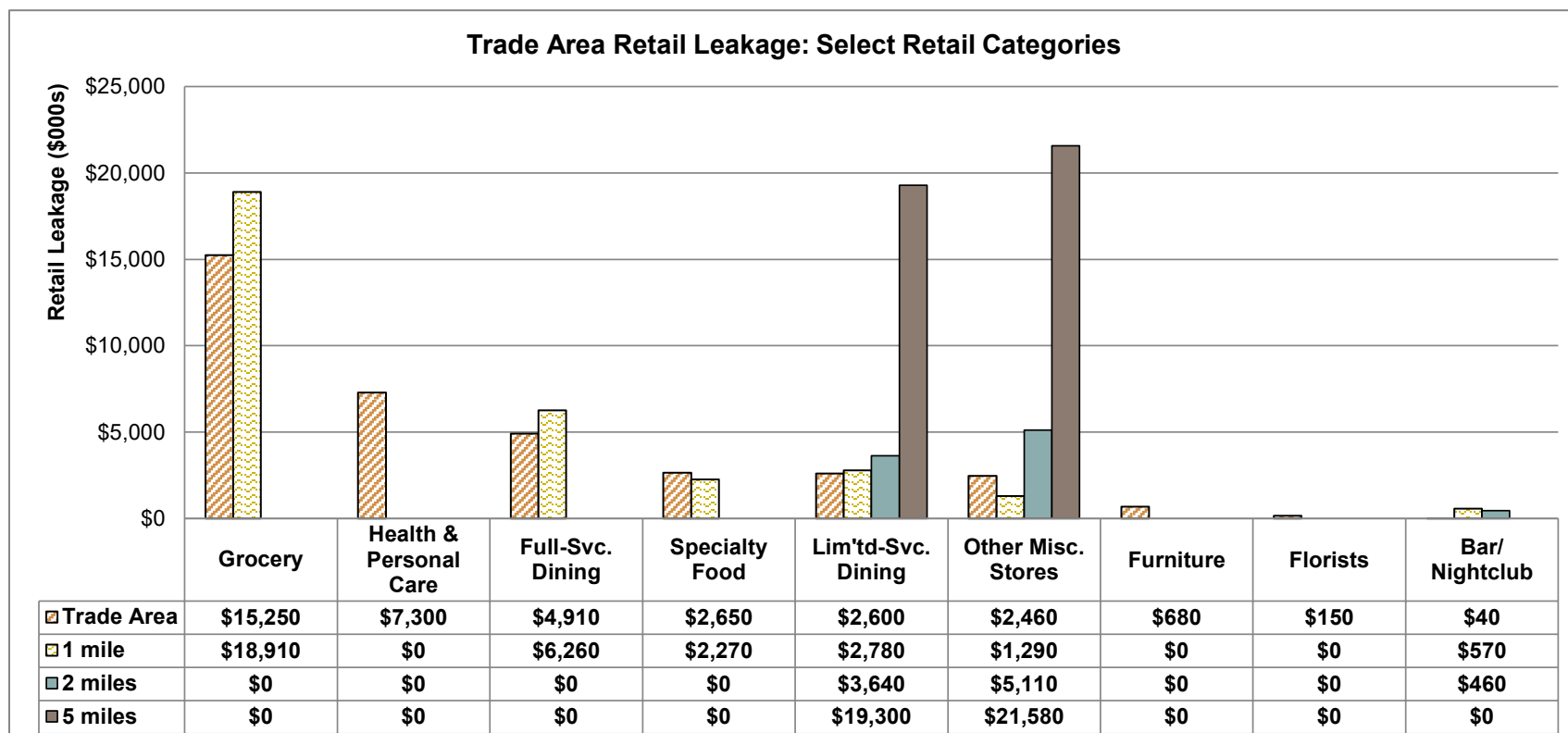
**Table 3**  
**Trade Area Retail Leakage**  
**Live Oak Neighborhood Retail Evaluation**  
**County of Santa Cruz**

4/1/2016

	Trade Area	1 mile	2 miles	5 miles	
<b>Retail (Surplus)/Leakage (\$000s)</b>					
NAICS					
441	Motor Vehicle & Parts Dealers	\$54,592	(\$14,572)	(\$144,117)	\$93,854
4421	Furniture Stores	\$679	(\$1,895)	(\$7,645)	(\$248)
4422	Home Furnishings Stores	(\$11,403)	(\$11,180)	(\$16,245)	(\$9,786)
443	Electronics & Appliance Stores	(\$3,409)	(\$3,254)	(\$10,530)	\$13,247
4441	Bldg Material & Supplies Dealers	(\$3,875)	(\$2,130)	(\$7,952)	\$24,110
4442	Lawn & Garden Equip & Supply Stores	(\$1,801)	(\$3,262)	(\$2,357)	(\$4,329)
4451	Grocery Stores	\$15,248	\$18,910	(\$153,800)	(\$150,706)
4452	Specialty Food Stores	\$2,647	\$2,274	(\$19,265)	(\$71,169)
4453	Beer, Wine & Liquor Stores	(\$5,388)	(\$3,414)	(\$14,476)	(\$15,801)
446	Health & Personal Care Stores	\$7,305	(\$314)	(\$17,672)	(\$17,216)
447	Gasoline Stations	\$1,357	(\$4,730)	(\$4,813)	\$30,787
4481	Clothing Stores	(\$23,882)	(\$19,768)	(\$14,973)	(\$5,424)
4482	Shoe Stores	(\$2,872)	(\$1,943)	(\$153)	(\$2,403)
4483	Jewelry, Luggage & Leather Goods Stores	(\$1,961)	(\$1,179)	\$2,113	\$5,487
4511	Sporting Goods/Hobby/Musical Instr Stores	(\$6,677)	(\$9,106)	(\$36,479)	(\$56,634)
4512	Book, Periodical & Music Stores	(\$4,614)	(\$1,515)	(\$3,777)	(\$12,942)
452	General Merchandise Stores	(\$66,079)	(\$54,979)	\$7,417	\$4,395
4531	Florists	\$152	(\$196)	(\$548)	(\$7)
4532	Office Supplies, Stationery & Gift Stores	(\$6,175)	(\$12,152)	(\$14,148)	(\$19,833)
4533	Used Merchandise Stores	\$412	(\$4)	(\$1,945)	(\$5,056)
4539	Other Miscellaneous Store Retailers	\$2,461	\$1,288	\$5,111	\$21,577
7221	Full-Service Restaurants	\$4,914	\$6,255	(\$3,233)	(\$69,388)
7222	Limited-Service Eating Places	\$2,601	\$2,776	\$3,639	\$19,304
7224	Drinking Places - Alcoholic Beverages	\$37	\$569	\$460	(\$6,877)

Source: ESRI Retail Marketplace Profile 2015

☐ Denotes retail expenditure categories that are currently experiencing leakage.





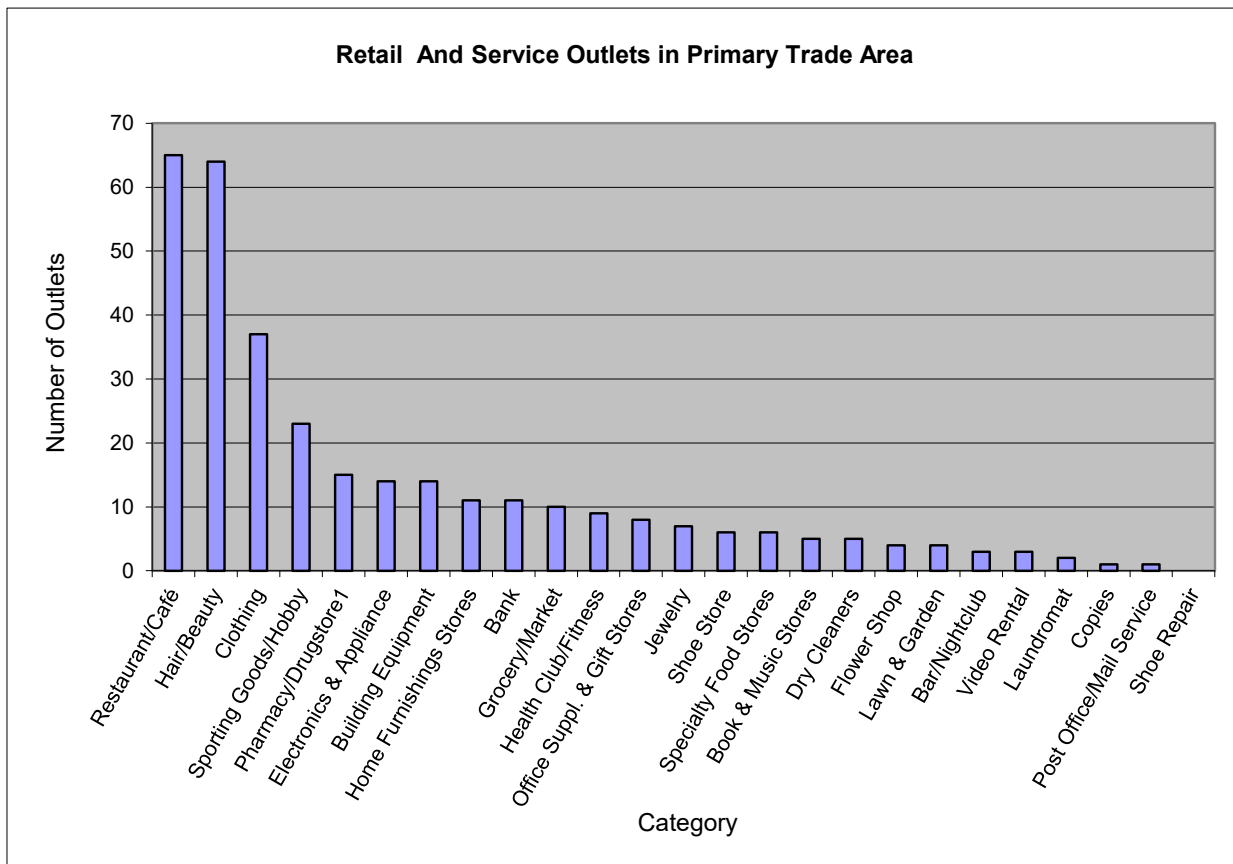
**Table 4**  
**Existing Retail/Competition**  
**Live Oak Neighborhood Retail Evaluation**  
**County of Santa Cruz**

4/1/2016

Local Store Type	Primary Trade Area			2-Mile Radius			5-Mile Radius		
	Number	% of Total	Persons/Outlet	Number (Total)	% of Total	Persons/Outlet	Number (Total)	% of Total	Persons/Outlet
Restaurant/Café	65	19.8%	376	237	24.9%	248	422	25.1%	284
Hair/Beauty	64	19.5%	382	160	16.8%	368	250	14.9%	479
Clothing	37	11.3%	661	84	8.8%	700	141	8.4%	850
Sporting Goods/Hobby	23	7.0%	1,063	59	6.2%	997	117	7.0%	1,024
Pharmacy/Drugstore <sup>1</sup>	15	4.6%	1,631	40	4.2%	1,470	74	4.4%	1,619
Electronics & Appliance	14	4.3%	1,747	41	4.3%	1,434	85	5.1%	1,409
Building Equipment	14	4.3%	1,747	33	3.5%	1,782	60	3.6%	1,996
Home Furnishings Stores	11	3.4%	2,224	29	3.1%	2,028	45	2.7%	2,662
Bank	11	3.4%	2,224	37	3.9%	1,589	59	3.5%	2,030
Grocery/Market	10	3.0%	2,446	31	3.3%	1,897	58	3.4%	2,065
Health Club/Fitness	9	2.7%	2,718	33	3.5%	1,782	70	4.2%	1,711
Office Suppl. & Gift Stores	8	2.4%	3,057	30	3.2%	1,960	59	3.5%	2,030
Jewelry	7	2.1%	3,494	14	1.5%	4,201	31	1.8%	3,864
Shoe Store	6	1.8%	4,077	12	1.3%	4,901	20	1.2%	5,989
Specialty Food Stores	6	1.8%	4,077	25	2.6%	2,352	50	3.0%	2,396
Book & Music Stores	5	1.5%	4,892	13	1.4%	4,524	20	1.2%	5,989
Dry Cleaners	5	1.5%	4,892	13	1.4%	4,524	21	1.2%	5,704
Flower Shop	4	1.2%	6,115	13	1.4%	4,524	24	1.4%	4,991
Lawn & Garden	4	1.2%	6,115	8	0.8%	7,351	17	1.0%	7,046
Bar/Nightclub	3	0.9%	8,153	12	1.3%	4,901	21	1.2%	5,704
Video Rental	3	0.9%	8,153	9	0.9%	6,535	13	0.8%	9,214
Laundromat	2	0.6%	12,230	4	0.4%	14,703	10	0.6%	11,978
Copies	1	0.3%	24,459	8	0.8%	7,351	5	0.3%	23,957
Post Office/Mail Service	1	0.3%	24,459	5	0.5%	11,762	9	0.5%	13,309
Shoe Repair	0	0.0%	0	0	0.0%	0	2	0.1%	59,892
<b>Total Outlets Counted</b>	<b>328</b>	<b>100.0%</b>	<b>75</b>	<b>950</b>	<b>100.0%</b>	<b>62</b>	<b>1,683</b>	<b>100.0%</b>	<b>71</b>

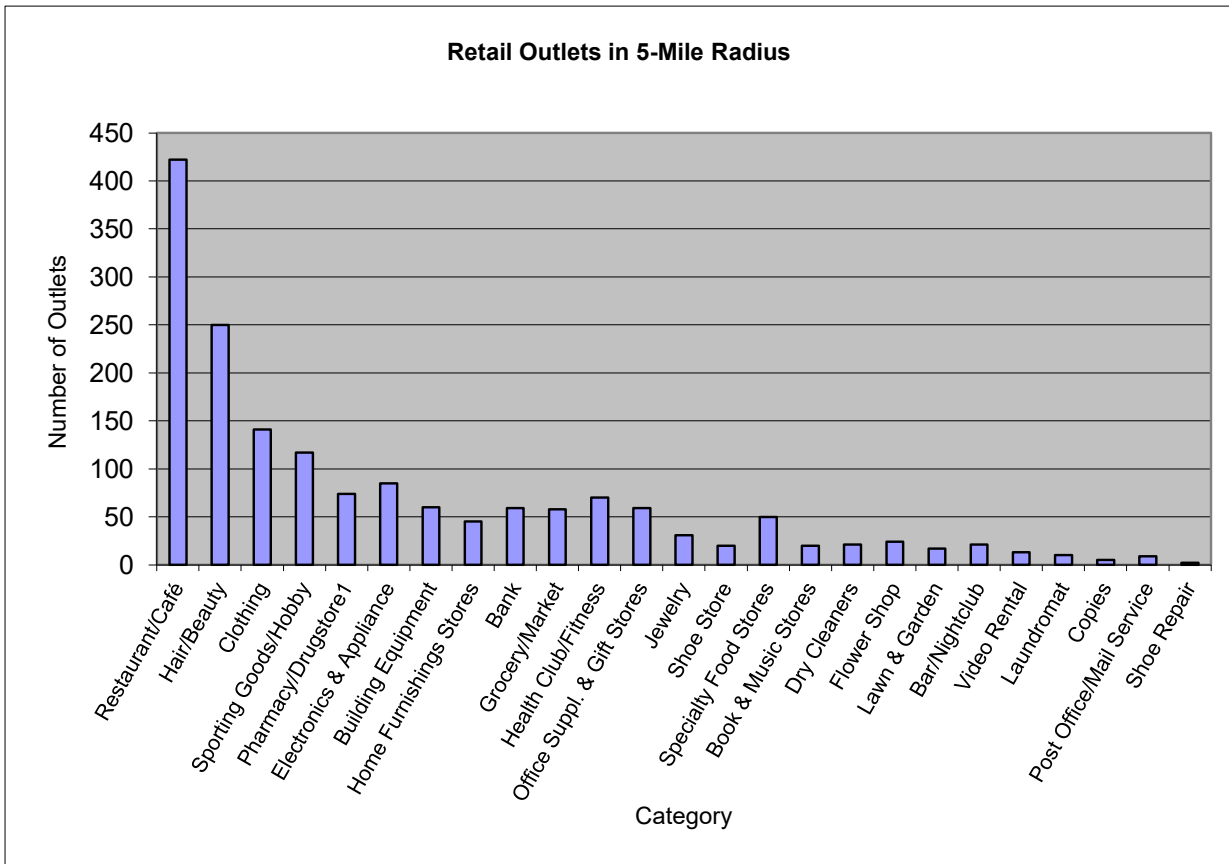
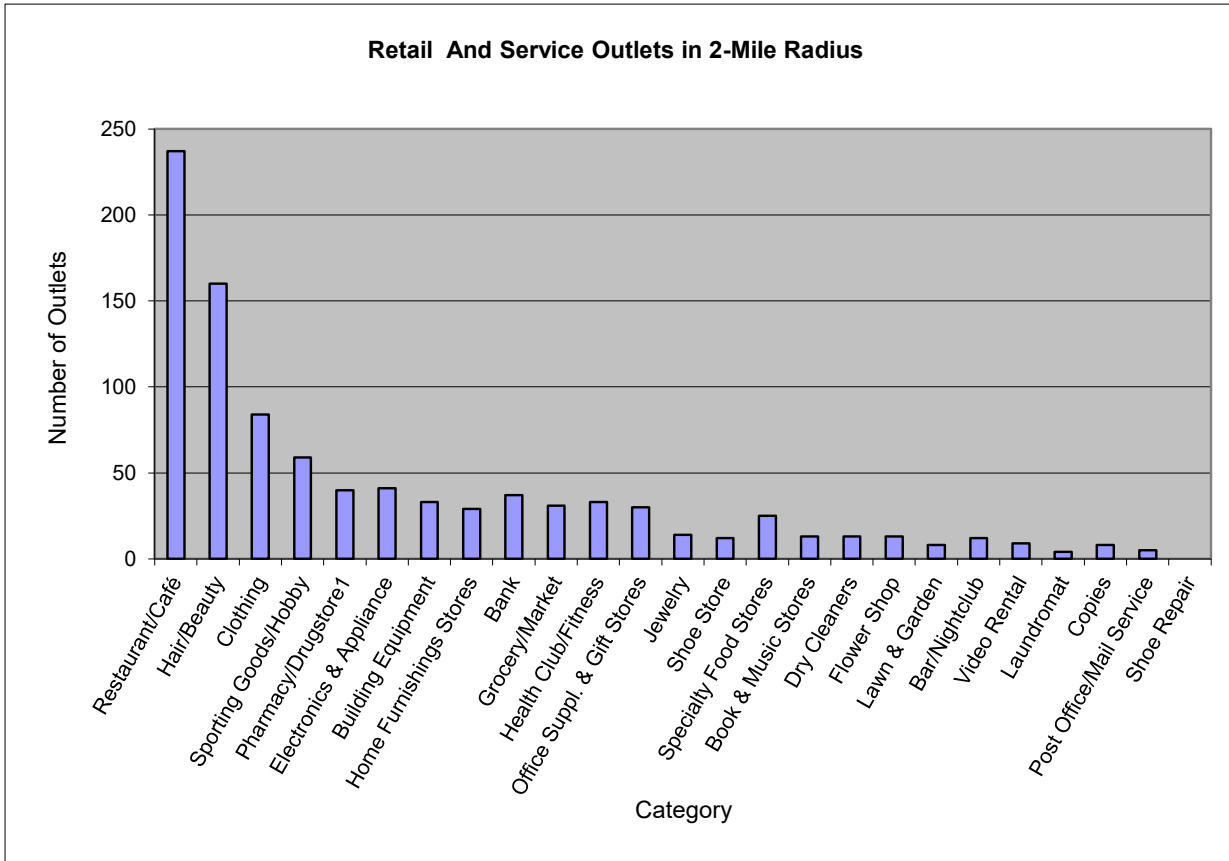
Sources: Database USA 2016, ESRI Retail MarketPlace Profile 2015

1 Includes other health and personal care stores, such as natural supplement stores.



**Table 4**  
**Existing Retail/Competition**  
**Live Oak Neighborhood Retail Evaluation**  
**County of Santa Cruz**

4/1/2016



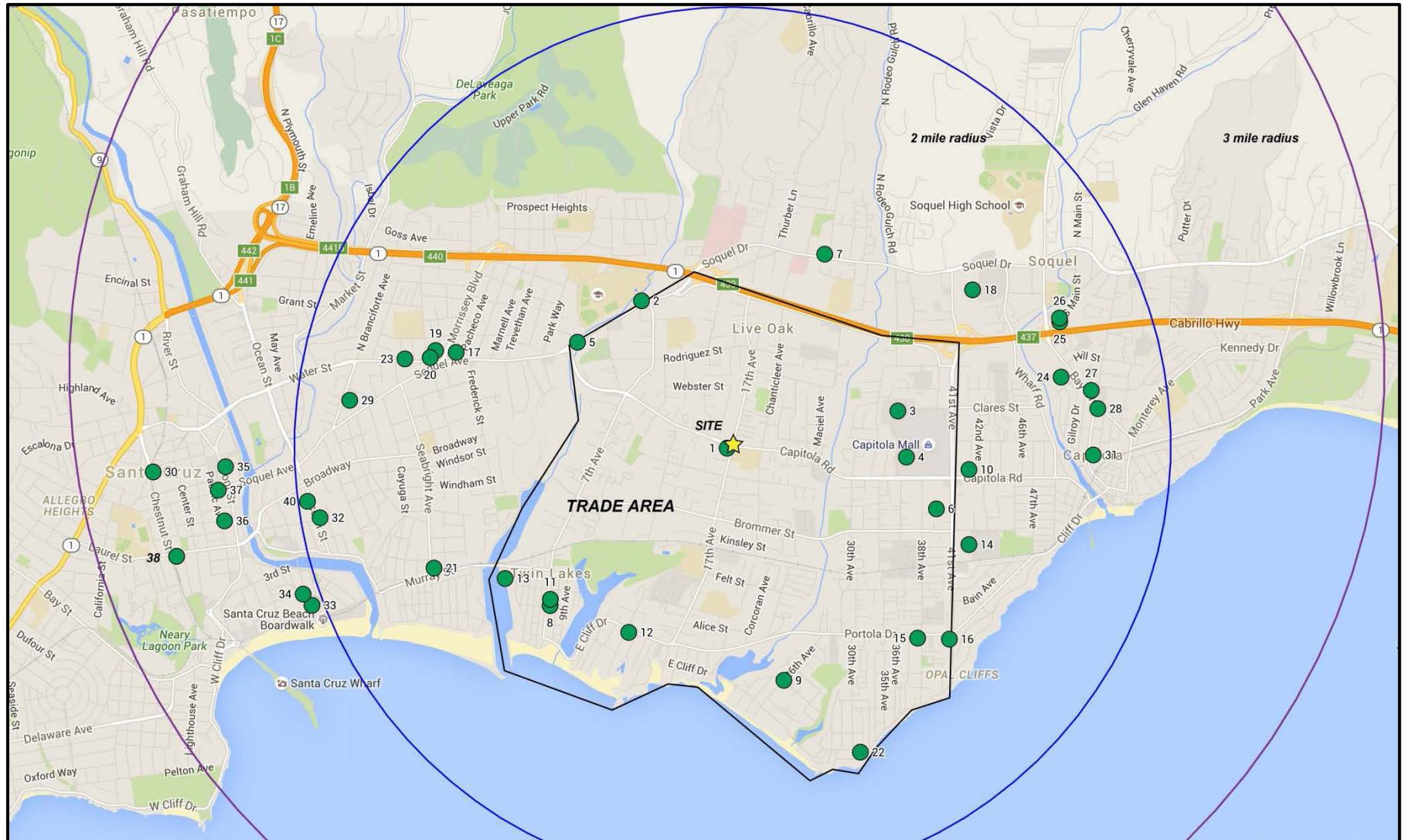
**Table 5**  
**Close-In Proximity of Retail and Service Tenants/17th and Capitola**  
**Live Oak Neighborhood Retail Evaluation**  
**County of Santa Cruz**

4/1/2016

<b>Outlet Type</b>	<b>Number, 1/2 Mile 17th and Capitola</b>	<b>Number, 1 Mile 17th and Capitola</b>
Bar/Nightclub	0	0
Shoe Repair	0	0
Copies	0	0
Video Rental	0	1
Post Office/Mail Service	0	2
Book, Periodical & Music Stores	0	3
Jewelry	0	4
Shoe Store	0	4
Specialty Food Stores	0	4
Pharmacy/Drugstore	0	4
Dry Cleaners	0	5
Bank	0	16
Laundromat	1	2
Grocery/Market	1	4
Flower Shop	1	4
Office Suppl. & Gift Stores	1	6
Home Furnishings Stores	1	9
Sporting Goods/Hobby	1	17
Electronics & Appliance Stores	2	11
Bldg. Equipment	2	13
Lawn & Garden	3	5
Health Club/Fitness	3	8
Restaurant/Café	3	39
Clothing	4	27
Hair/Beauty	12	50

Sources: Database USA 2016, ESRI Retail MarketPlace Profile 2015

**Map B**  
**GROCERY STORES WITHIN THREE MILES**  
**17<sup>th</sup> and Capitola/ Live Oak Neighborhood**



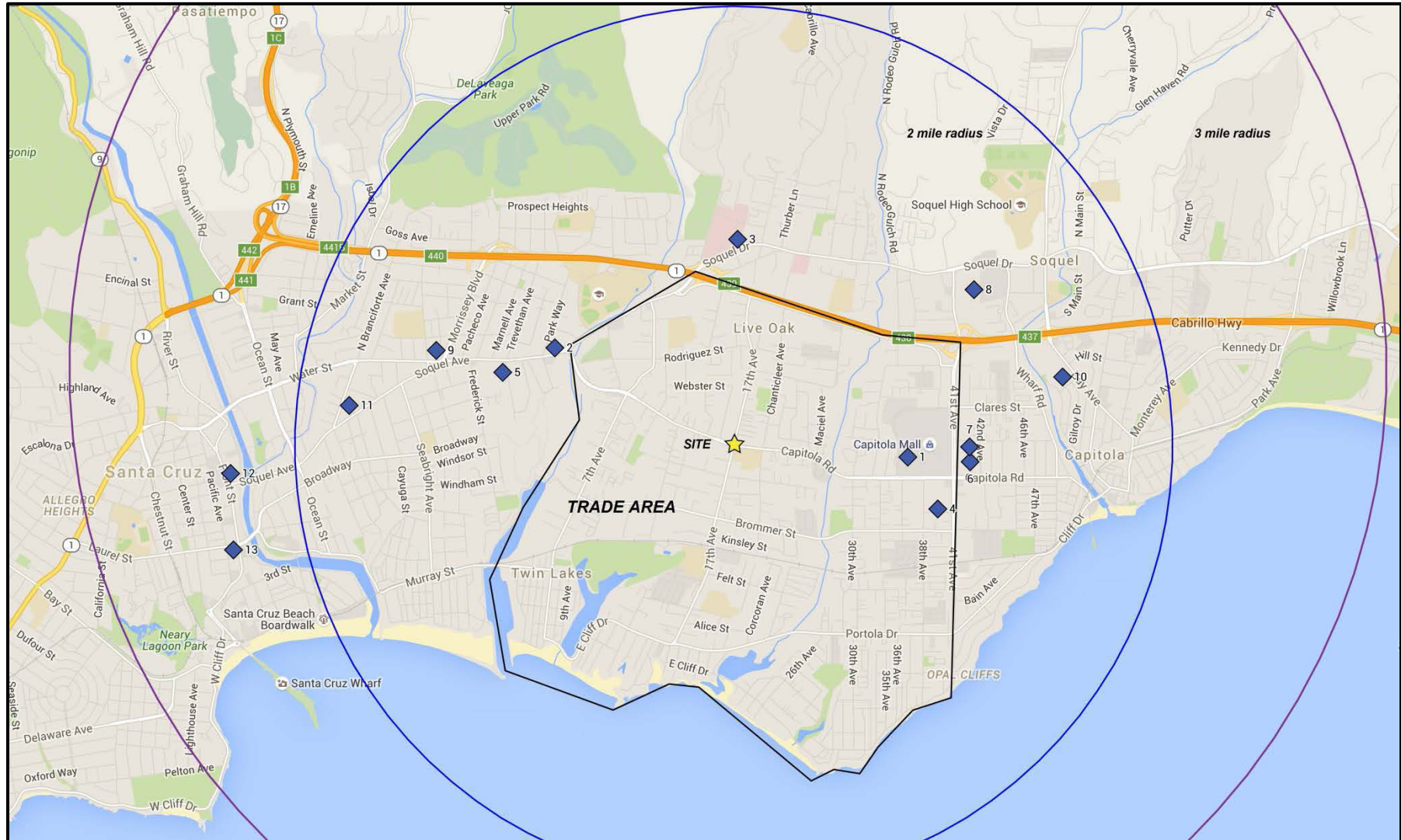
**Table 6**  
**Key To Map of Existing Grocery Stores**  
**Live Oak Neighborhood Retail Evaluation**  
**County of Santa Cruz**

4/1/2016

<b>Groery Stores Within 3 Miles</b>	<b>Key #</b>	<b>Distance (mi)</b>
Live Oak Supermarket	1	-
Farm Fresh Produce	2	0.8
Trader Joe's	3	0.8
Target	4	0.8
Del Pueblo Market	5	0.9
Lucky	6	1.0
Mels Market	7	1.0
Sushi Market Sprouts	8	1.1
Kongs Market	9	1.1
Whole Foods Market	10	1.1
Deke's Market	11	1.1
Santa Cruz Family Market	12	1.2
H & H Fresh Fish	13	1.2
New Leaf Community Markets	14	1.2
Hernandez Market	15	1.2
Pleasure Point Liquor and Grocer	16	1.3
Grocery Outlet	17	1.3
Safeway	18	1.3
Safeway	19	1.4
Staff Of Life Natural Foods	20	1.4
Day's Market Liquor and Deli	21	1.5
Elizabeths	22	1.5
Healthy Start Nutrition Inc	23	1.5
Nob Hill Foods	24	1.6
Fish Lady	25	1.6
Sunnyside Produce	26	1.6
Capital Village Produce Market	27	1.7
Grady's Market	28	1.7
Whole Foods Market	29	1.7
Shoppers Corner Inc	30	1.8
Quality Market	31	1.8
Ocean Market & Deli	32	1.9
Beach Market	33	2.0
Quality Market	34	2.0
Trader Joe's	35	2.3
Metropolitan Market	36	2.3
New Leaf Community Markets	37	2.3
Kings Foodtown Supermarket	38	2.6
Hernandez Market II	39	2.6
La Plaza Market	40	2.7

Source: Database USA 2016, BatchGeo

**Map C**  
**DRUG STORES WITHIN THREE MILES**  
**17<sup>th</sup> and Capitola/ Live Oak Neighborhood**



**Table 7**  
**Key To Map of Existing Drugstores**  
**Live Oak Neighborhood Retail Evaluation**  
**County of Santa Cruz**

4/1/2016

<b>Drugstores Within 3 Miles</b>	<b>Key #</b>	<b>Distance (mi)</b>
Target	1	0.8
Toms Medical Pharmacy	2	0.9
Dominican Plaza Pharmacy	3	1.0
Rite Aid Pharmacy	4	1.0
Walgreens	5	1.1
CVS Pharmacy	6	1.1
Lauden Pharmacy	7	1.1
Safeway	8	1.4
Safeway	9	1.5
CVS Pharmacy	10	1.6
Rite Aid Pharmacy	11	1.7
CVS Pharmacy	12	2.3
Walgreens	13	2.3

Source: Database USA 2016, BatchGeo

**Table 8**  
**Major New Tenancies in Trade Area**  
**Live Oak Neighborhood Retail Evaluation**  
**County of Santa Cruz**

4/1/2016

<b>Outlet Name</b>	<b>Location</b>	<b>Sq. Ft.</b>	<b>Year of Opening</b>	<b>Distance from Site</b>
Target	Capitola Mall	100,000	2012	0.8
Whole Foods	Capitola	27,000	2009	1.1
Whole Foods	Santa Cruz	32,000	2009	1.7
East Cliff Brewing Company	East Cliff Shopping Center	n/a	2016	1.6
East Cliff Family Health Center	East Cliff Shopping Center	9,000	2014	1.6
Grocery Outlet	Santa Cruz	12,500	2015	1.3

Source: Google Maps, Keyser Marston Associates, Inc.



**Table 9**  
**List of Capitola Mall Tenants**  
**Live Oak Neighborhood Retail Evaluation**  
**County of Santa Cruz**

4/1/2016

<b>Capitola Mall</b>	<b>Reported Vacancy: <sup>1</sup></b>	<b>22%</b>
Aeropostale	Lids	
Animal Riders	Macy's	
Art in Santa Cruz	Macy's	
Art In Santa Cruz	Matrix Santa Cruz	
Relocated	McCollum Family Chiropractic	
As Seen On TV	MetroPCS	
at&t	Motherhood Maternity	
Bank of America	PACSUN	
Bath & Body Works	Payless ShoeSource	
Beck's Shoes	Piercing Pagoda	
Bella Fruit & Drinks	rue21	
Bella's Bridal	Salt Tree	
Best Buy Mobile	Santa Cruz Apparel	
BROW Art23	Santa Cruz Childrens Museum of Discovery	
California Federal Bank	Santa Cruz Metropolitan Transit District	
Cellairis.com	Santa Cruz SPCA and Humane Society	
chili's	SEARS	
Christopher & Banks	SEARS Auto Center	
claire's	SEARS Optical	
Cutco Cutlery	Sherris Cookies	
New	Shiekh	
Daniel's Jewelers	Sko Footwear and Accessories	
Don Roberto Jewelers	Sorabol	
EXPRESS	Sportsfever	
EZ Tax Service	Starbucks	
Famous Footwear	Stern's Travel Shop	
Fashion Nail Spa	Steve's Hallmark	
Fast-Fix Jewelry And Watch Repairs	Subway	
faust salon	Sunglass Hut	
Five Guys	Super Silver Santa Cruz	
Foot Locker	Takara Japanese Restaurant	
Giggles-N-Wiggles	Tartget	
GNC Live Well.	The Children's Place	
GYMBOREE	The Limited	
Gyros & Grill Express	T-Mobile	
Hot Dog on a Stick	Tres Bros Tacos	
HOT TOPIC	ULTA Beauty	
JOURNEYS	V.I.P. Massage	
Justice	Vans	
Kay Jewelers	Venatious	
KOHL'S	Diamond Wireless	
Learn To Discover	VICTORIA'S SECRET	
Legends Comics and Games	Wetzel's Pretzels	
LensCrafters	zumiez	

**Table 9**  
**List of Capitola Mall Tenants**  
**Live Oak Neighborhood Retail Evaluation**  
**County of Santa Cruz**

4/1/2016

**Brown Ranch Market Place (Adjacent)**

Bed Bath & Beyond	McCollum Family Chiropractic
Capiotla Toys and Hobbies	Paradise Tanning
Choice Clothing CO	Rabobank
Crown Cafe Deli & Catering	Roux Dat Cajun Creole Cuisine
Domino's	Site for Sore Eyes
FedEx Office	Sprint Wireless
GameStop	Taqueria Tepeque
Gem Show	Trader Joe's
Great Clips	Wasabi Tapas
Jacuzzi Hot Tubs	Weight Watchers
Jamba Juice	Westside Beauty Supply
Magic Nails	Zizzo's Coffeehouse
Mayflower Chinese Restaurant	

Source: Shopping center websites

<sup>1</sup> Santa Cruz Good Times Weekly. September 2015.

**Table 10**  
**Super Market Tenant Information**  
**Live Oak Neighborhood Retail Evaluation**  
**County of Santa Cruz**

4/1/2016

<b>Store</b>	<b>Existing Location?<sup>1</sup></b>	<b>Preferred GLA<sup>2</sup></b>	<b>Locations Considered<sup>2</sup></b>	<b>Sales/Store<sup>3</sup></b>	<b>Areas of Operation<sup>2</sup></b>
Whole Foods	Yes	40,000 - 75,000 sf	Downtown, Free Standing, Neighborhood Strip, Regional Strip. Upscale.	\$35.6 m	National and Canada
Safeway	Yes	42,000 - 55,000 sf	Free Standing, Lifestyle Center, Regional Strip.	\$27.1m (2013)	National and Canada
Trader Joe's	Yes	11,000 - 14,000 sf	Free Standing, Neighborhood Strip, Power Center, Regional Strip, Special Strip.	\$28.3 m	National
Mollie Stone's	No	old estimate - 25,000 to 42,000 sf	Current locations free standing and centers.	n/a	California
New Leaf	Yes	7,750 sf - 17,500 sf	Current locations free standing and centers	n/a	Local
Mi Pueblo	No	n/a	Current locations free standing and centers	\$15.7 m	Bay Area, Central Valley & Central Coast
Grocery Outlet	Yes	15,000 - 25,000 sf	Free Standing, Neighborhood Strip, Regional Strip. Acceptable co-tenants are conventional supermarkets, value conscious retailers.	\$7.1 m	Western U.S.
Smart and Final	No	20,000 - 35,000	Free Standing, Neighborhood Strip, Power Center, Regional Strip, Special Strip.	\$14.1 m	West
Lucky / Save Mart	Yes	45,000 - 65,000	Current locations free standing and centers	\$20.4 m	Northern California, Northern NV

<sup>1</sup> Existing location within 3 miles of subject site.

<sup>2</sup> Per Chainlinks Expansion Guide & KMA Research

<sup>3</sup> Per Supermarket News research

n/a = not available

**Table 11**  
**Typical Retail and Service Tenancies**  
**Live Oak Neighborhood Retail Evaluation**  
**County of Santa Cruz**

4/1/2016

<b>Outlet Type</b>	<b>Typical Tenancies <sup>1</sup></b>	<b>Typical SF Range <sup>2</sup></b>
Bakery	In the Breadbox, EL Rosal Bakery, Buttery	1,800 - 5,000
Bank	Bank of the West, Bay Federal Credit Union, Citibank	2,500 - 4,000
Bar/Nightclub	Moe's Alley, East Cliff Brew Co, Castaways	3,500 - 14,200
Bookstore	Santa Cruz Bookstore	20,000 - 40,000
Cell phone stores	Sprint, Verizon, T-Mobile	1,200 - 4,000
Clothing (non Department Store)	Aeropostale, The Children's Place, The Limited	1,000 - 7,000 <sup>3</sup>
Coffee/Tea	Coffeetopia, People's Coffee, Starbucks	1,000 - 2,000
Convenience Stores	7-Eleven, Corner Store	2,000 - 4,000
Copies	Fed Ex Office Print & Ship, Staples Copy & Print	1,500 - 1,500
Dollar Stores	Dollar Tree, Dollar Brokerage	8,000 - 12,000
Dry Cleaners	Kings Cleaners, Almaden, East Cliff	1,000 - 3,500
Flower Shop	Sunflower Florist, Twig & Petal, Flower Outlet	500 - 1,500
Furniture	Hannah's Home Furnishings, Ramo's Furniture	4,500 - 28,000
Gifts/Novelties	Beach Girl Santa Cruz, Studio Zayante	1,000 - 3,500
Grocery/Market	Live Oak Supermarket, Trader Joe's, New Leaf	11,000 - 55,000
Hair/Beauty	Love is in the Hair, Lola's Addiction, Esther Beauty Salon	1,000 - 18,000
Hardware	Santa Cruz Hardware, Orchard Supply	15,000 - 60,000
Health Club/Fitness	Toadal Fitness, Curves, Rocky's	15,000 - 40,000
Housewares	Smith's China Shop, Bed Bath & Beyond	10,000 - 80,000
Jewelry	Joyeria Ortiz, Pleasure Point Jewelers, Kay's	1,200 - 6,000
Laundromat	Live Oak Laundromat, Capitola Laundry	2,500 - 5,000
Musical Instruments	Guitar Store, Offshore Music, Aptos Guitar Company	9,000 - 20,000
Nursery/Plants	Far West Nursery, Capitola Nursery, Redwood Nursery	n/a
Office Supplies	Staples, Palace Art & Office Supply	14,000 - 18,000
Pharmacy/Drugstore	Lauden, Rite Aid, Target Pharmacy	11,000 - 18,000
Photo Equip./Supplies	Santa Cruz Camera Repair	1,800 - 2,400
Post Office/Mail Service	UPS Store, Fed Ex	1,000 - 2,500
Restaurant/Café		
Café	Lindas Seabreeze Café, Chill out Café, Harbor Café	1,000 - 3,000
Fast Casual	Chipotle, Panera, Picnic Basket, Taqueria Vallarta, Chili's	2,200 - 5,000
Full Service	Crows Nest, Lago di Como, Lillians, el Jardin	5,000 - 10,000
Shoe Store	Shiekh Shoes, Van's, Beck's Shoes, Red Wings	1,500 - 5,000
Sporting Goods	Big 5, Outdoor World, O'Neill	8,000 - 50,000
Yogurt / Ice Cream	Yogurtland, Penny Ice Creamery	1,000 - 1,500

<sup>1</sup> Google Maps, Keyser Marston Associates, Inc.

<sup>2</sup> Chain Link & CBRE 2015 Expansion Guides, Real Quest, KMA estimates

<sup>3</sup> Boutiques and in-line tenants.

**Table 12**  
**Taxable Sales Trend <sup>1</sup>**  
**Live Oak Neighborhood Retail Evaluation**  
**County of Santa Cruz**

4/1/2016

	2010		2011		2012		2013		2014		2010-2014 Change			
	Taxable Sales	Per Capita	Taxable Sales	Per Capita	Taxable Sales	Per Capita	Taxable Sales	Per Capita	Taxable Sales	Per Capita	Total	%	Per Capita	%
<b>CITY OF SANTA CRUZ</b>														
<b>Population <sup>2</sup></b>		<b>60,595</b>		<b>61,449</b>		<b>62,009</b>		<b>62,857</b>		<b>63,364</b>	<b>2,769</b>	<b>5%</b>		
<b>Retail Stores</b>														
Automotive	56,044	925	62,110	1,011	64,172	1,035	70,647	1,124	75,981	1,199	19,937	36%	274	30%
Home Furnishings & Appliances	19,095	315	21,302	347	22,174	358	21,777	346	22,152	350	3,057	16%	34	11%
Bldg. Matr. & Garden Equip.	37,789	624	35,055	570	32,874	530	34,083	542	36,814	581	-975	-3%	-43	-7%
Food Stores	62,135	1,025	64,196	1,045	70,755	1,141	71,052	1,130	74,561	1,177	12,426	20%	151	15%
Gasoline Stations	55,800	921	65,246	1,062	72,056	1,162	70,732	1,125	70,511	1,113	14,712	26%	192	21%
Apparel	41,968	693	44,501	724	46,599	751	49,462	787	52,564	830	10,596	25%	137	20%
General Merchandise*	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Food & Beverage	143,668	2,371	149,296	2,430	168,463	2,717	175,155	2,787	190,739	3,010	47,070	33%	639	27%
Other Retail <sup>3</sup>	203,338	3,356	209,850	3,415	218,594	3,525	219,964	3,499	224,510	3,543	21,172	10%	187	6%
<b>Total Retail Stores</b>	<b>619,837</b>	<b>10,229</b>	<b>651,557</b>	<b>10,603</b>	<b>695,686</b>	<b>11,219</b>	<b>712,873</b>	<b>11,341</b>	<b>747,832</b>	<b>11,802</b>	<b>127,995</b>	<b>21%</b>	<b>1,573</b>	<b>15%</b>
<b>as a % of Santa Cruz County</b>	<b>30.2%</b>		<b>29.5%</b>		<b>29.1%</b>		<b>28.6%</b>		<b>28.8%</b>		<b>23.6%</b>			
All Other Outlets	128,977	2,129	120,138	1,955	128,617	2,074	140,238	2,231	134,710	2,126	5,733	4%	-3	0%
<b>Total All Outlets</b>	<b>748,814</b>	<b>12,358</b>	<b>771,694</b>	<b>12,558</b>	<b>824,304</b>	<b>13,293</b>	<b>853,110</b>	<b>13,572</b>	<b>882,542</b>	<b>13,928</b>	<b>133,728</b>	<b>18%</b>	<b>1,570</b>	<b>13%</b>
<b>as a % of Santa Cruz County</b>	<b>27.6%</b>		<b>27.0%</b>		<b>26.8%</b>		<b>26.5%</b>		<b>26.3%</b>		<b>20.8%</b>			
<b>CITY OF CAPITOLA</b>														
<b>Population <sup>2</sup></b>		<b>9,929</b>		<b>9,971</b>		<b>10,020</b>		<b>10,087</b>		<b>10,146</b>	<b>217</b>	<b>2%</b>		
<b>Retail Stores</b>														
Automotive*	n/a	n/a	56,376	5,654	61,771	6,165	71,060	7,045	72,501	7,146	n/a	n/a	n/a	n/a
Home Furnishings & Appliances	16,327	1,644	18,035	1,809	20,105	2,006	21,415	2,123	20,889	2,059	4,563	28%	415	25%
Bldg. Matr. & Garden Equip.*	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Food Stores	30,958	3,118	31,957	3,205	34,025	3,396	34,161	3,387	36,082	3,556	5,124	17%	438	14%
Gasoline Stations	24,296	2,447	27,910	2,799	30,382	3,032	29,359	2,911	28,706	2,829	4,410	18%	382	16%
Apparel	48,536	4,888	46,267	4,640	46,909	4,682	47,322	4,691	45,872	4,521	-2,664	-5%	-367	-8%
General Merchandise	53,108	5,349	51,995	5,215	59,990	5,987	82,810	8,210	82,940	8,175	29,832	56%	2,826	53%
Food & Beverage	47,548	4,789	49,107	4,925	53,349	5,324	55,124	5,465	58,723	5,788	11,175	24%	999	21%
Other Retail <sup>3</sup>	71,756	7,227	59,588	5,976	60,910	6,079	59,399	5,889	60,664	5,979	-11,092	-15%	-1,248	-17%
<b>Total Retail Stores</b>	<b>330,959</b>	<b>33,333</b>	<b>344,330</b>	<b>34,533</b>	<b>367,441</b>	<b>36,671</b>	<b>400,651</b>	<b>39,720</b>	<b>409,242</b>	<b>40,335</b>	<b>78,283</b>	<b>24%</b>	<b>7,003</b>	<b>21%</b>
<b>as a % of Santa Cruz County</b>	<b>16.1%</b>		<b>15.6%</b>		<b>15.4%</b>		<b>16.1%</b>		<b>15.8%</b>		<b>14.4%</b>			
All Other Outlets	29,294	2,950	29,552	2,964	35,361	3,529	33,471	3,318	36,911	3,638	7,617	26%	688	23%
<b>Total All Outlets</b>	<b>360,254</b>	<b>36,283</b>	<b>373,881</b>	<b>37,497</b>	<b>402,802</b>	<b>40,200</b>	<b>434,122</b>	<b>43,038</b>	<b>446,154</b>	<b>43,973</b>	<b>85,900</b>	<b>24%</b>	<b>7,690</b>	<b>21%</b>
<b>as a % of Santa Cruz County</b>	<b>13.3%</b>		<b>13.1%</b>		<b>13.1%</b>		<b>13.5%</b>		<b>13.3%</b>		<b>13.4%</b>			
<b>SANTA CRUZ COUNTY</b>														
<b>Population <sup>2</sup></b>		<b>263,213</b>		<b>264,923</b>		<b>266,632</b>		<b>269,444</b>		<b>271,804</b>	<b>8,591</b>	<b>3%</b>		
<b>Retail Stores</b>														
Automotive	210,182	799	250,016	944	274,873	1,031	294,061	1,091	300,671	1,106	90,489	43%	308	39%
Home Furnishings & Appliances	103,141	392	111,501	421	117,008	439	117,891	438	121,061	445	17,920	17%	54	14%
Bldg. Matr. & Garden Equip.	240,400	913	243,732	920	260,589	977	272,626	1,012	288,198	1,060	47,797	20%	147	16%
Food Stores	213,402	811	222,987	842	238,491	894	241,637	897	249,916	919	36,514	17%	109	13%
Gasoline Stations	275,288	1,046	336,267	1,269	357,237	1,340	357,762	1,328	356,359	1,311	81,071	29%	265	25%
Apparel	130,496	496	138,937	524	148,211	556	158,424	588	164,336	605	33,840	26%	109	22%
General Merchandise	235,270	894	237,220	895	257,575	966	270,490	1,004	276,826	1,018	41,556	18%	125	14%
Food & Beverage	335,988	1,276	349,066	1,318	389,450	1,461	406,095	1,507	439,232	1,616	103,244	31%	340	27%
Other Retail <sup>3</sup>	306,335	1,164	318,259	1,201	344,938	1,294	374,321	1,389	396,377	1,458	90,042	29%	294	25%
<b>Total Retail Stores</b>	<b>2,050,502</b>	<b>7,790</b>	<b>2,207,985</b>	<b>8,334</b>	<b>2,388,372</b>	<b>8,958</b>	<b>2,493,309</b>	<b>9,254</b>	<b>2,592,975</b>	<b>9,540</b>	<b>542,473</b>	<b>26%</b>	<b>1,750</b>	<b>22%</b>
All Other Outlets	658,432	2,502	645,029	2,435	683,091	2,562	727,490	2,700	758,766	2,792	100,333	15%	290	12%
<b>Total All Outlets</b>	<b>2,708,934</b>	<b>10,292</b>	<b>2,853,014</b>	<b>10,769</b>	<b>3,071,463</b>	<b>11,519</b>	<b>3,220,799</b>	<b>11,953</b>	<b>3,351,740</b>	<b>12,331</b>	<b>642,806</b>	<b>24%</b>	<b>2,040</b>	<b>20%</b>

<sup>1</sup> Sales are in 1,000s. Annual totals reflect first 3 quarters of stated year and final quarter of prior year (e.g., Q42013-Q32014).

<sup>2</sup> Per U.S. Census Estimates.

<sup>3</sup> Other retail includes health and personal care stores, miscellaneous store retailers, sports/hobby stores, and non-store retailers.

\* Sales have been omitted or re-categorized to protect confidential information.

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**Appendix**  
**Demographics**

# Executive Summary

Trade Area  
Area: 4.04 square miles

Prepared by Esri

## Population

2000 Population	24,496
2010 Population	24,148
2015 Population	24,459
2020 Population	24,928
2000-2010 Annual Rate	-0.14%
2010-2015 Annual Rate	0.24%
2015-2020 Annual Rate	0.38%
2015 Male Population	49.9%
2015 Female Population	50.1%
2015 Median Age	39.2

In the identified area, the current year population is 24,459. In 2010, the Census count in the area was 24,148. The rate of change since 2010 was 0.24% annually. The five-year projection for the population in the area is 24,928 representing a change of 0.38% annually from 2015 to 2020. Currently, the population is 49.9% male and 50.1% female.

## Median Age

The median age in this area is 39.2, compared to U.S. median age of 37.9.

## Race and Ethnicity

2015 White Alone	74.0%
2015 Black Alone	1.4%
2015 American Indian/Alaska Native Alone	1.1%
2015 Asian Alone	4.0%
2015 Pacific Islander Alone	0.2%
2015 Other Race	13.8%
2015 Two or More Races	5.4%
2015 Hispanic Origin (Any Race)	27.8%

Persons of Hispanic origin represent 27.8% of the population in the identified area compared to 17.6% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 67.1 in the identified area, compared to 63.0 for the U.S. as a whole.

## Households

2000 Households	9,765
2010 Households	9,816
2015 Total Households	9,927
2020 Total Households	10,145
2000-2010 Annual Rate	0.05%
2010-2015 Annual Rate	0.21%
2015-2020 Annual Rate	0.44%
2015 Average Household Size	2.40

The household count in this area has changed from 9,816 in 2010 to 9,927 in the current year, a change of 0.21% annually. The five-year projection of households is 10,145, a change of 0.44% annually from the current year total. Average household size is currently 2.40, compared to 2.40 in the year 2010. The number of families in the current year is 5,281 in the specified area.

**Data Note:** Income is expressed in current dollars

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

# Executive Summary

Trade Area  
Area: 4.04 square miles

Prepared by Esri

### Median Household Income

2015 Median Household Income	\$54,870
2020 Median Household Income	\$63,081
2015-2020 Annual Rate	2.83%

### Average Household Income

2015 Average Household Income	\$75,932
2020 Average Household Income	\$87,779
2015-2020 Annual Rate	2.94%

### Per Capita Income

2015 Per Capita Income	\$31,358
2020 Per Capita Income	\$36,248
2015-2020 Annual Rate	2.94%

### Households by Income

Current median household income is \$54,870 in the area, compared to \$53,217 for all U.S. households. Median household income is projected to be \$63,081 in five years, compared to \$60,683 for all U.S. households

Current average household income is \$75,932 in this area, compared to \$74,699 for all U.S. households. Average household income is projected to be \$87,779 in five years, compared to \$84,910 for all U.S. households

Current per capita income is \$31,358 in the area, compared to the U.S. per capita income of \$28,597. The per capita income is projected to be \$36,248 in five years, compared to \$32,501 for all U.S. households

### Housing

2000 Total Housing Units	10,541
2000 Owner Occupied Housing Units	4,995
2000 Renter Occupied Housing Units	4,770
2000 Vacant Housing Units	776
2010 Total Housing Units	10,962
2010 Owner Occupied Housing Units	4,916
2010 Renter Occupied Housing Units	4,900
2010 Vacant Housing Units	1,146
2015 Total Housing Units	11,145
2015 Owner Occupied Housing Units	4,736
2015 Renter Occupied Housing Units	5,191
2015 Vacant Housing Units	1,218
2020 Total Housing Units	11,396
2020 Owner Occupied Housing Units	4,769
2020 Renter Occupied Housing Units	5,375
2020 Vacant Housing Units	1,251

Currently, 42.5% of the 11,145 housing units in the area are owner occupied; 46.6%, renter occupied; and 10.9% are vacant. Currently, in the U.S., 55.7% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.6% are vacant. In 2010, there were 10,962 housing units in the area - 44.8% owner occupied, 44.7% renter occupied, and 10.5% vacant. The annual rate of change in housing units since 2010 is 0.74%. Median home value in the area is \$497,971, compared to a median home value of \$200,006 for the U.S. In five years, median value is projected to change by 5.33% annually to \$645,727.

**Data Note:** Income is expressed in current dollars

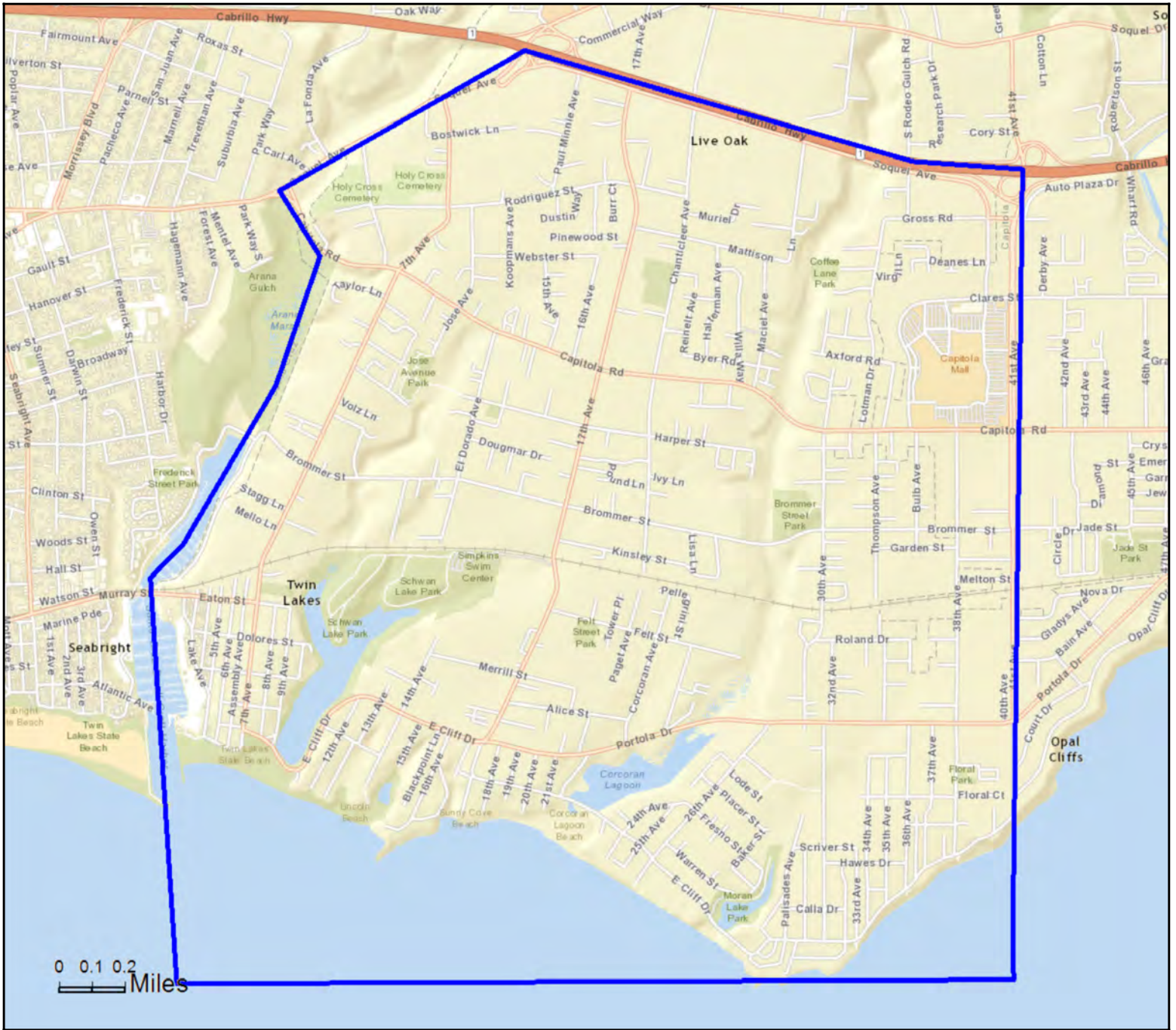
**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020. Esri converted Census 2000 data into 2010 geography.



# Site Map

Trade Area  
Area: 4.04 square miles

Prepared by Esri





# Demographic and Income Profile

Trade Area  
Area: 4.04 square miles

Prepared by Esri

Summary	Census 2010	2015	2020
Population	24,148	24,459	24,928
Households	9,816	9,927	10,145
Families	5,214	5,281	5,404
Average Household Size	2.40	2.40	2.39
Owner Occupied Housing Units	4,916	4,736	4,769
Renter Occupied Housing Units	4,900	5,191	5,375
Median Age	38.1	39.2	39.5
Trends: 2015 - 2020 Annual Rate	Area	State	National
Population	0.38%	0.73%	0.75%
Households	0.44%	0.74%	0.77%
Families	0.46%	0.76%	0.69%
Owner HHs	0.14%	0.61%	0.70%
Median Household Income	2.83%	3.36%	2.66%

Households by Income	2015		2020	
	Number	Percent	Number	Percent
<\$15,000	1,242	12.5%	1,149	11.3%
\$15,000 - \$24,999	884	8.9%	649	6.4%
\$25,000 - \$34,999	1,016	10.2%	889	8.8%
\$35,000 - \$49,999	1,329	13.4%	1,267	12.5%
\$50,000 - \$74,999	1,845	18.6%	1,818	17.9%
\$75,000 - \$99,999	1,209	12.2%	1,489	14.7%
\$100,000 - \$149,999	1,342	13.5%	1,546	15.2%
\$150,000 - \$199,999	507	5.1%	641	6.3%
\$200,000+	553	5.6%	697	6.9%
Median Household Income	\$54,870		\$63,081	
Average Household Income	\$75,932		\$87,779	
Per Capita Income	\$31,358		\$36,248	

Population by Age	Census 2010		2015		2020	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	1,313	5.4%	1,258	5.1%	1,281	5.1%
5 - 9	1,239	5.1%	1,228	5.0%	1,177	4.7%
10 - 14	1,248	5.2%	1,219	5.0%	1,165	4.7%
15 - 19	1,455	6.0%	1,262	5.2%	1,139	4.6%
20 - 24	1,896	7.9%	1,854	7.6%	1,539	6.2%
25 - 34	3,828	15.9%	3,994	16.3%	4,537	18.2%
35 - 44	3,500	14.5%	3,372	13.8%	3,395	13.6%
45 - 54	3,580	14.8%	3,367	13.8%	3,213	12.9%
55 - 64	3,300	13.7%	3,480	14.2%	3,298	13.2%
65 - 74	1,396	5.8%	1,975	8.1%	2,565	10.3%
75 - 84	820	3.4%	864	3.5%	1,057	4.2%
85+	575	2.4%	586	2.4%	563	2.3%

Race and Ethnicity	Census 2010		2015		2020	
	Number	Percent	Number	Percent	Number	Percent
White Alone	18,331	75.9%	18,095	74.0%	17,942	72.0%
Black Alone	318	1.3%	353	1.4%	390	1.6%
American Indian Alone	253	1.0%	268	1.1%	278	1.1%
Asian Alone	960	4.0%	978	4.0%	1,029	4.1%
Pacific Islander Alone	45	0.2%	48	0.2%	49	0.2%
Some Other Race Alone	3,045	12.6%	3,386	13.8%	3,771	15.1%
Two or More Races	1,196	5.0%	1,332	5.4%	1,468	5.9%
Hispanic Origin (Any Race)	6,175	25.6%	6,804	27.8%	7,575	30.4%

Data Note: Income is expressed in current dollars.

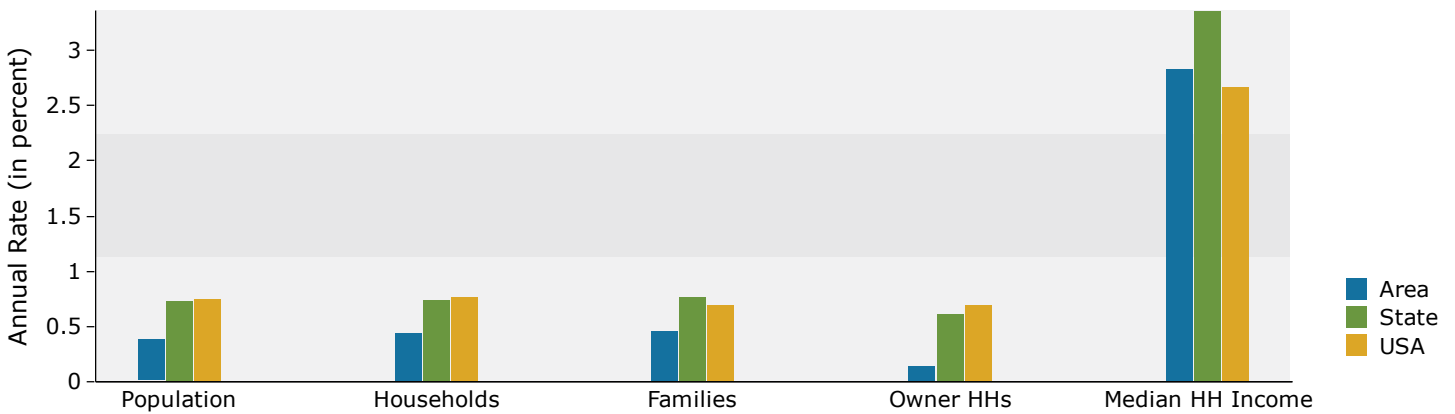
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.

# Demographic and Income Profile

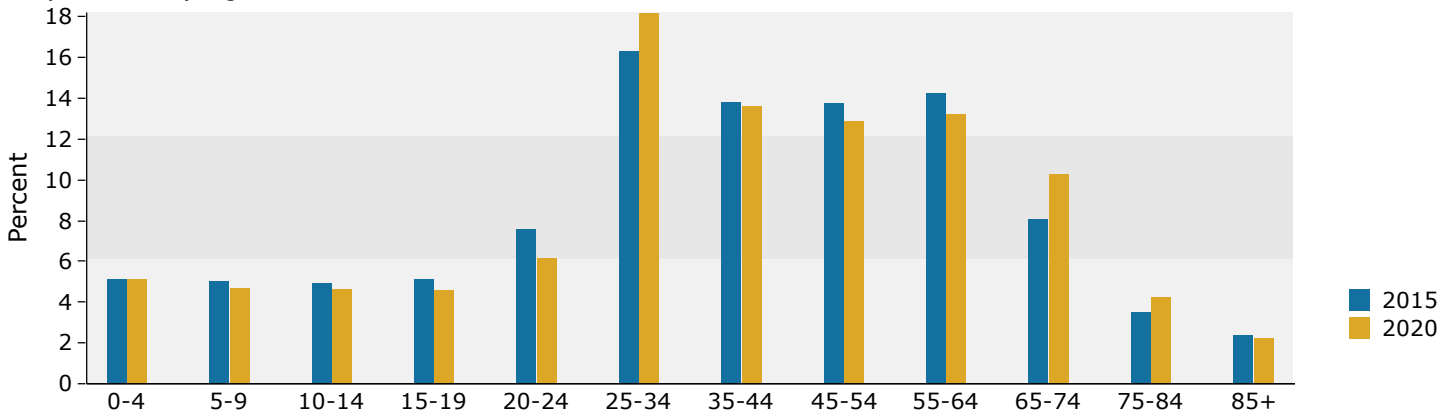
Trade Area  
Area: 4.04 square miles

Prepared by Esri

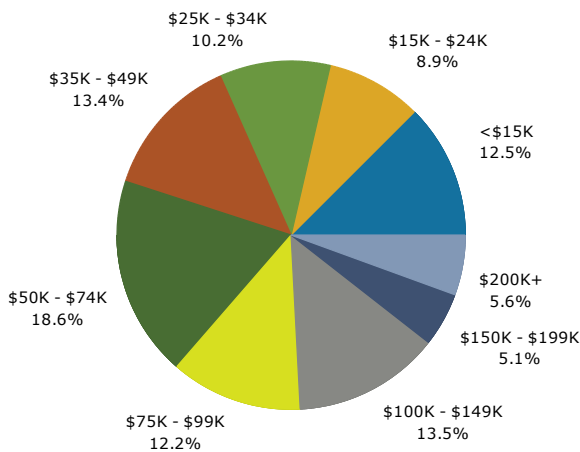
## Trends 2015-2020



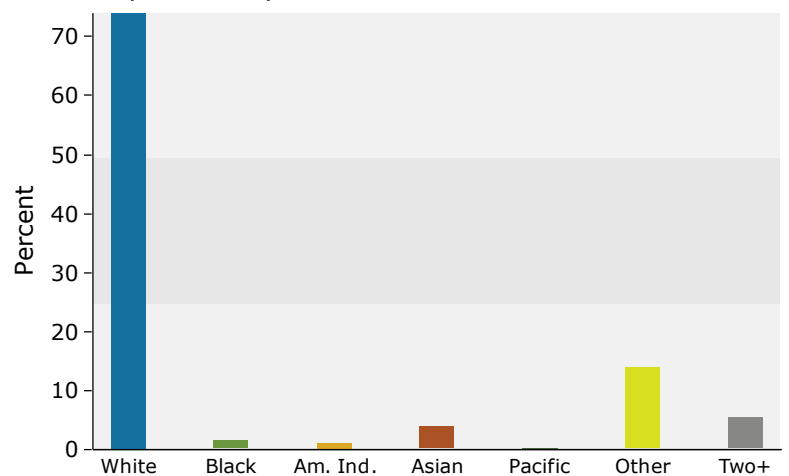
## Population by Age



## 2015 Household Income



## 2015 Population by Race



2015 Percent Hispanic Origin: 27.8%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.



## Executive Summary

1668 Capitola Rd, Santa Cruz, California, 95062  
Rings: 1, 2, 5 mile radiiPrepared by Esri  
Latitude: 36.97593  
Longitude: -121.98342

	1 mile	2 miles	5 miles
<b>Population</b>			
2000 Population	19,839	55,599	119,645
2010 Population	19,979	54,595	124,457
2015 Population	20,264	55,465	128,261
2020 Population	20,677	56,704	131,330
2000-2010 Annual Rate	0.07%	-0.18%	0.40%
2010-2015 Annual Rate	0.27%	0.30%	0.58%
2015-2020 Annual Rate	0.40%	0.44%	0.47%
2015 Male Population	49.4%	49.3%	49.7%
2015 Female Population	50.6%	50.7%	50.3%
2015 Median Age	38.3	39.5	36.5

In the identified area, the current year population is 128,261. In 2010, the Census count in the area was 124,457. The rate of change since 2010 was 0.58% annually. The five-year projection for the population in the area is 131,330 representing a change of 0.47% annually from 2015 to 2020. Currently, the population is 49.7% male and 50.3% female.

**Median Age**

The median age in this area is 38.3, compared to U.S. median age of 37.9.

**Race and Ethnicity**

2015 White Alone	70.7%	75.9%	76.1%
2015 Black Alone	1.6%	1.4%	1.6%
2015 American Indian/Alaska Native Alone	1.2%	0.9%	0.8%
2015 Asian Alone	4.3%	3.8%	5.8%
2015 Pacific Islander Alone	0.2%	0.2%	0.2%
2015 Other Race	16.3%	12.4%	9.8%
2015 Two or More Races	5.7%	5.3%	5.7%
2015 Hispanic Origin (Any Race)	31.1%	24.7%	20.9%

Persons of Hispanic origin represent 20.9% of the population in the identified area compared to 17.6% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 61.0 in the identified area, compared to 63.0 for the U.S. as a whole.

**Households**

2000 Households	7,444	22,991	47,406
2010 Households	7,631	23,050	48,675
2015 Total Households	7,728	23,416	49,725
2020 Total Households	7,912	24,012	51,185
2000-2010 Annual Rate	0.25%	0.03%	0.26%
2010-2015 Annual Rate	0.24%	0.30%	0.41%
2015-2020 Annual Rate	0.47%	0.50%	0.58%
2015 Average Household Size	2.54	2.32	2.36

The household count in this area has changed from 48,675 in 2010 to 49,725 in the current year, a change of 0.41% annually. The five-year projection of households is 51,185, a change of 0.58% annually from the current year total. Average household size is currently 2.36, compared to 2.37 in the year 2010. The number of families in the current year is 25,967 in the specified area.

**Data Note:** Income is expressed in current dollars

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020. Esri converted Census 2000 data into 2010 geography.



# Executive Summary

1668 Capitola Rd, Santa Cruz, California, 95062  
Rings: 1, 2, 5 mile radii

Prepared by Esri  
Latitude: 36.97593  
Longitude: -121.98342

	1 mile	2 miles	5 miles
<b>Median Household Income</b>			
2015 Median Household Income	\$54,054	\$57,688	\$62,927
2020 Median Household Income	\$61,444	\$68,001	\$75,763
2015-2020 Annual Rate	2.60%	3.34%	3.78%
<b>Average Household Income</b>			
2015 Average Household Income	\$73,663	\$81,613	\$90,962
2020 Average Household Income	\$85,218	\$95,151	\$105,159
2015-2020 Annual Rate	2.96%	3.12%	2.94%
<b>Per Capita Income</b>			
2015 Per Capita Income	\$28,917	\$34,750	\$36,787
2020 Per Capita Income	\$33,455	\$40,565	\$42,492
2015-2020 Annual Rate	2.96%	3.14%	2.93%

Current median household income is \$62,927 in the area, compared to \$53,217 for all U.S. households. Median household income is projected to be \$75,763 in five years, compared to \$60,683 for all U.S. households

Current average household income is \$90,962 in this area, compared to \$74,699 for all U.S. households. Average household income is projected to be \$105,159 in five years, compared to \$84,910 for all U.S. households

Current per capita income is \$36,787 in the area, compared to the U.S. per capita income of \$28,597. The per capita income is projected to be \$42,492 in five years, compared to \$32,501 for all U.S. households

<b>Housing</b>			
2000 Total Housing Units	7,787	24,773	51,315
2000 Owner Occupied Housing Units	3,886	11,496	25,414
2000 Renter Occupied Housing Units	3,557	11,495	21,992
2000 Vacant Housing Units	344	1,782	3,909
2010 Total Housing Units	8,152	25,694	54,027
2010 Owner Occupied Housing Units	3,847	11,277	25,046
2010 Renter Occupied Housing Units	3,784	11,773	23,629
2010 Vacant Housing Units	521	2,644	5,352
2015 Total Housing Units	8,319	26,271	55,531
2015 Owner Occupied Housing Units	3,721	10,964	24,527
2015 Renter Occupied Housing Units	4,007	12,452	25,198
2015 Vacant Housing Units	591	2,855	5,806
2020 Total Housing Units	8,531	26,918	57,080
2020 Owner Occupied Housing Units	3,761	11,116	24,951
2020 Renter Occupied Housing Units	4,152	12,897	26,234
2020 Vacant Housing Units	619	2,906	5,895

Currently, 44.2% of the 55,531 housing units in the area are owner occupied; 45.4%, renter occupied; and 10.5% are vacant. Currently, in the U.S., 55.7% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.6% are vacant. In 2010, there were 54,027 housing units in the area - 46.4% owner occupied, 43.7% renter occupied, and 9.9% vacant. The annual rate of change in housing units since 2010 is 1.23%. Median home value in the area is \$576,758, compared to a median home value of \$200,006 for the U.S. In five years, median value is projected to change by 4.72% annually to \$726,201.

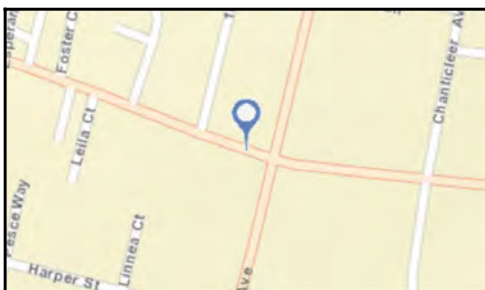
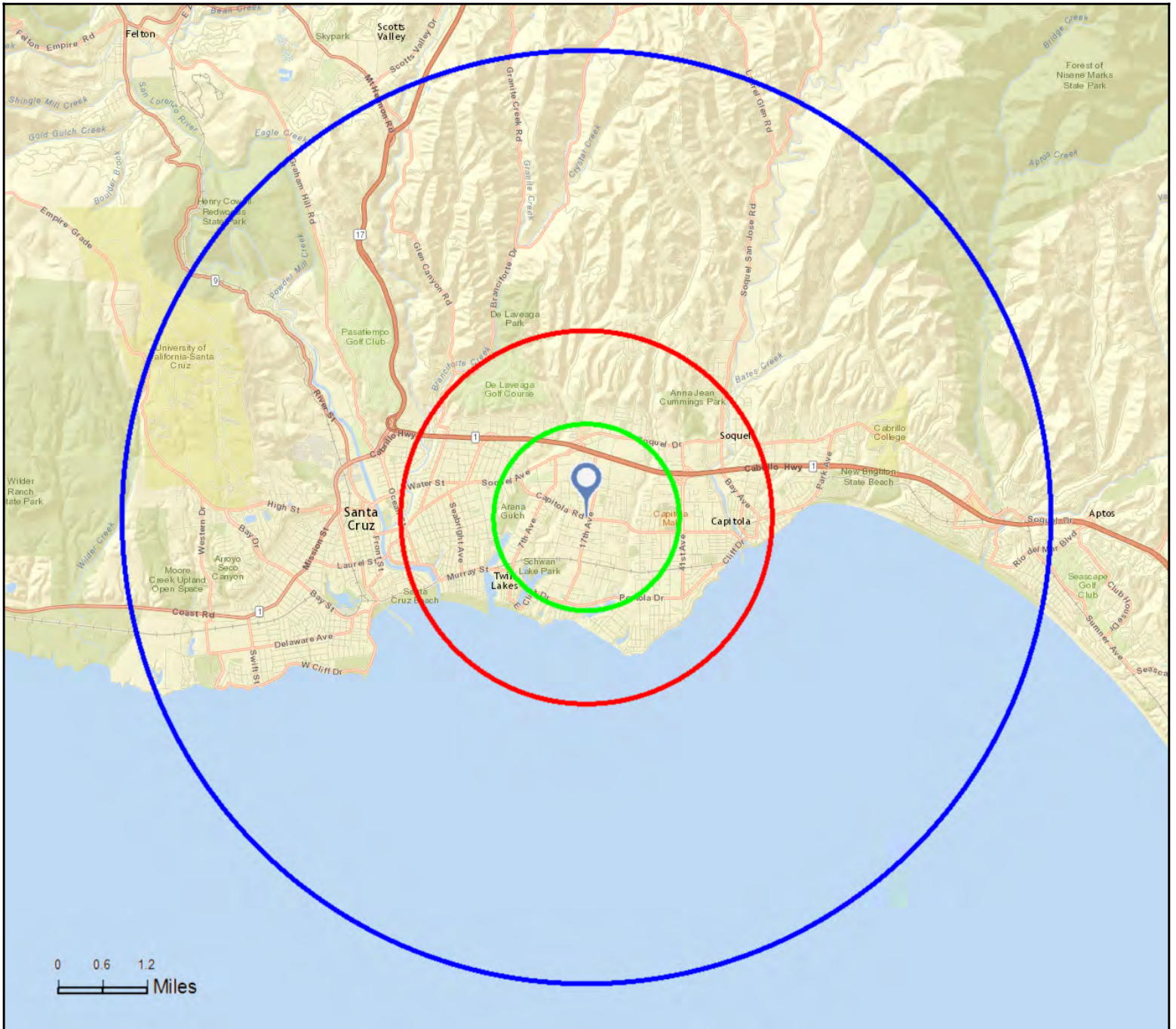
**Data Note:** Income is expressed in current dollars

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

## Site Map

1668 Capitola Rd, Santa Cruz, California, 95062  
Rings: 1, 2, 5 mile radii

Prepared by Esri  
Latitude: 36.97593  
Longitude: -121.98342





# Demographic and Income Profile

1668 Capitola Rd, Santa Cruz, California, 95062  
Ring: 1 mile radius

Prepared by Esri  
Latitude: 36.97593  
Longitude: -121.98342

Summary	Census 2010	2015	2020
Population	19,979	20,264	20,677
Households	7,631	7,728	7,912
Families	4,340	4,396	4,503
Average Household Size	2.55	2.54	2.53
Owner Occupied Housing Units	3,847	3,721	3,761
Renter Occupied Housing Units	3,784	4,007	4,152
Median Age	37.4	38.3	38.6
Trends: 2015 - 2020 Annual Rate	Area	State	National
Population	0.40%	0.73%	0.75%
Households	0.47%	0.74%	0.77%
Families	0.48%	0.76%	0.69%
Owner HHs	0.21%	0.61%	0.70%
Median Household Income	2.60%	3.36%	2.66%

Households by Income	2015		2020	
	Number	Percent	Number	Percent
<\$15,000	969	12.5%	902	11.4%
\$15,000 - \$24,999	704	9.1%	517	6.5%
\$25,000 - \$34,999	818	10.6%	726	9.2%
\$35,000 - \$49,999	1,034	13.4%	1,001	12.7%
\$50,000 - \$74,999	1,487	19.2%	1,464	18.5%
\$75,000 - \$99,999	940	12.2%	1,135	14.3%
\$100,000 - \$149,999	1,048	13.6%	1,230	15.5%
\$150,000 - \$199,999	340	4.4%	443	5.6%
\$200,000+	387	5.0%	496	6.3%
Median Household Income	\$54,054		\$61,444	
Average Household Income	\$73,663		\$85,218	
Per Capita Income	\$28,917		\$33,455	

Population by Age	Census 2010		2015		2020	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	1,183	5.9%	1,139	5.6%	1,161	5.6%
5 - 9	1,143	5.7%	1,111	5.5%	1,063	5.1%
10 - 14	1,130	5.7%	1,126	5.6%	1,058	5.1%
15 - 19	1,257	6.3%	1,129	5.6%	1,036	5.0%
20 - 24	1,584	7.9%	1,531	7.6%	1,316	6.4%
25 - 34	2,991	15.0%	3,186	15.7%	3,694	17.9%
35 - 44	2,885	14.4%	2,762	13.6%	2,718	13.1%
45 - 54	2,910	14.6%	2,748	13.6%	2,642	12.8%
55 - 64	2,590	13.0%	2,739	13.5%	2,634	12.7%
65 - 74	1,113	5.6%	1,574	7.8%	2,031	9.8%
75 - 84	693	3.5%	708	3.5%	837	4.0%
85+	502	2.5%	511	2.5%	485	2.3%

Race and Ethnicity	Census 2010		2015		2020	
	Number	Percent	Number	Percent	Number	Percent
White Alone	14,510	72.6%	14,333	70.7%	14,216	68.8%
Black Alone	287	1.4%	317	1.6%	348	1.7%
American Indian Alone	225	1.1%	239	1.2%	248	1.2%
Asian Alone	858	4.3%	871	4.3%	915	4.4%
Pacific Islander Alone	41	0.2%	45	0.2%	46	0.2%
Some Other Race Alone	3,020	15.1%	3,307	16.3%	3,635	17.6%
Two or More Races	1,038	5.2%	1,153	5.7%	1,268	6.1%
Hispanic Origin (Any Race)	5,781	28.9%	6,306	31.1%	6,957	33.6%

Data Note: Income is expressed in current dollars.

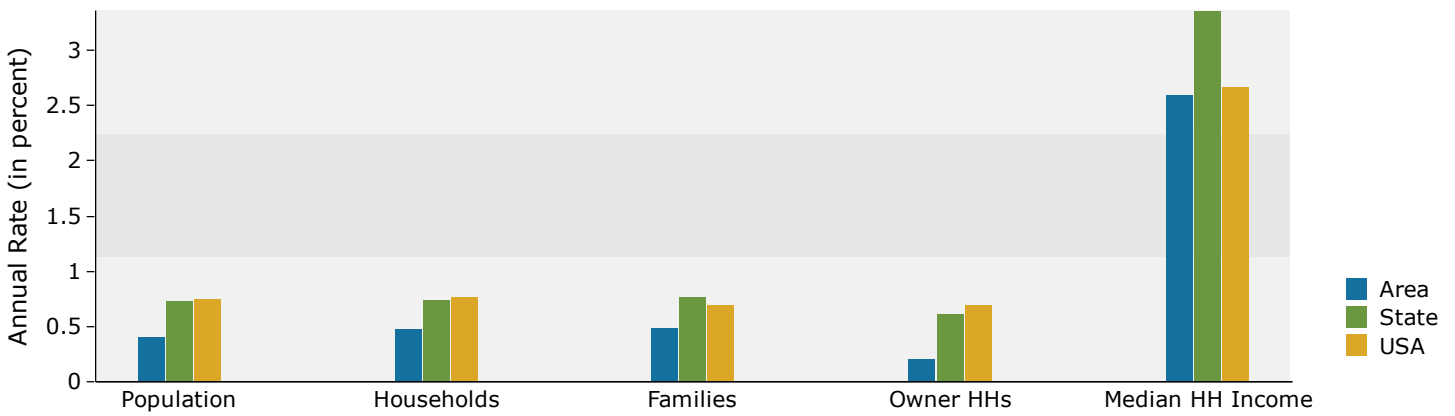
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.

# Demographic and Income Profile

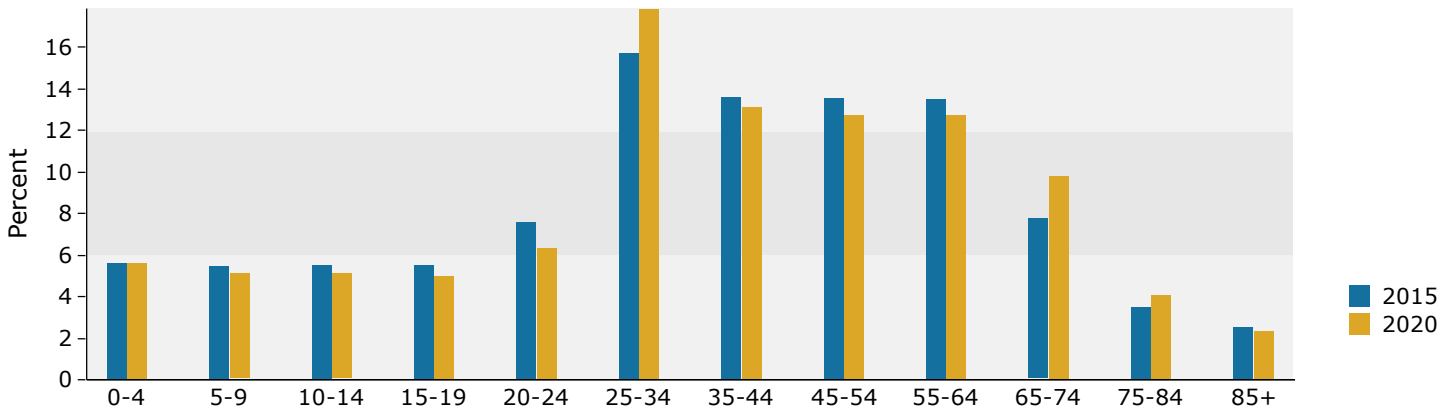
1668 Capitola Rd, Santa Cruz, California, 95062  
Ring: 1 mile radius

Prepared by Esri  
Latitude: 36.97593  
Longitude: -121.98342

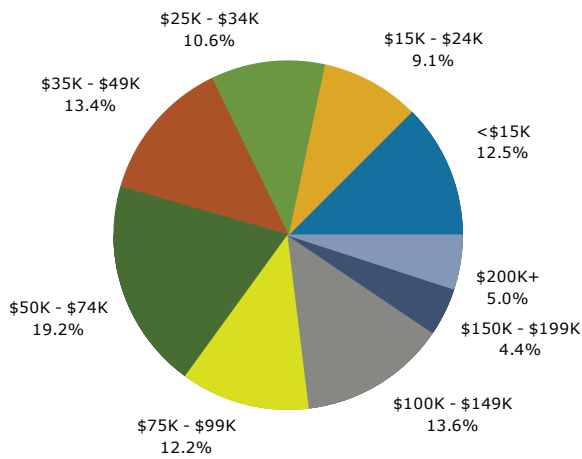
## Trends 2015-2020



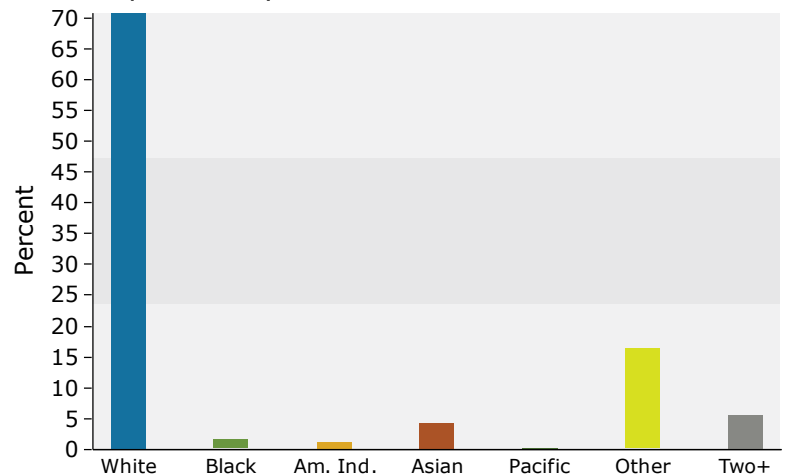
## Population by Age



## 2015 Household Income



## 2015 Population by Race



2015 Percent Hispanic Origin: 31.1%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.





# Demographic and Income Profile

1668 Capitola Rd, Santa Cruz, California, 95062  
Ring: 2 mile radius

Prepared by Esri  
Latitude: 36.97593  
Longitude: -121.98342

Summary	Census 2010	2015	2020
Population	54,595	55,465	56,704
Households	23,050	23,416	24,012
Families	11,930	12,142	12,463
Average Household Size	2.33	2.32	2.32
Owner Occupied Housing Units	11,277	10,964	11,116
Renter Occupied Housing Units	11,773	12,452	12,897
Median Age	38.7	39.5	39.7
Trends: 2015 - 2020 Annual Rate	Area	State	National
Population	0.44%	0.73%	0.75%
Households	0.50%	0.74%	0.77%
Families	0.52%	0.76%	0.69%
Owner HHs	0.28%	0.61%	0.70%
Median Household Income	3.34%	3.36%	2.66%

Households by Income	2015		2020	
	Number	Percent	Number	Percent
<\$15,000	2,823	12.1%	2,584	10.8%
\$15,000 - \$24,999	2,014	8.6%	1,477	6.2%
\$25,000 - \$34,999	2,298	9.8%	1,946	8.1%
\$35,000 - \$49,999	2,914	12.4%	2,746	11.4%
\$50,000 - \$74,999	4,185	17.9%	4,136	17.2%
\$75,000 - \$99,999	3,051	13.0%	3,809	15.9%
\$100,000 - \$149,999	3,028	12.9%	3,411	14.2%
\$150,000 - \$199,999	1,436	6.1%	1,830	7.6%
\$200,000+	1,666	7.1%	2,073	8.6%
Median Household Income	\$57,688		\$68,001	
Average Household Income	\$81,613		\$95,151	
Per Capita Income	\$34,750		\$40,565	

Population by Age	Census 2010		2015		2020	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	2,897	5.3%	2,792	5.0%	2,845	5.0%
5 - 9	2,740	5.0%	2,693	4.9%	2,633	4.6%
10 - 14	2,633	4.8%	2,724	4.9%	2,620	4.6%
15 - 19	3,107	5.7%	2,657	4.8%	2,529	4.5%
20 - 24	4,666	8.5%	4,122	7.4%	3,392	6.0%
25 - 34	8,420	15.4%	9,402	17.0%	10,531	18.6%
35 - 44	7,705	14.1%	7,345	13.2%	7,623	13.4%
45 - 54	8,002	14.7%	7,453	13.4%	7,070	12.5%
55 - 64	7,803	14.3%	8,131	14.7%	7,446	13.1%
65 - 74	3,296	6.0%	4,797	8.6%	6,215	11.0%
75 - 84	2,007	3.7%	1,994	3.6%	2,492	4.4%
85+	1,320	2.4%	1,356	2.4%	1,306	2.3%

Race and Ethnicity	Census 2010		2015		2020	
	Number	Percent	Number	Percent	Number	Percent
White Alone	42,336	77.5%	42,097	75.9%	42,029	74.1%
Black Alone	703	1.3%	789	1.4%	875	1.5%
American Indian Alone	467	0.9%	500	0.9%	522	0.9%
Asian Alone	2,082	3.8%	2,135	3.8%	2,276	4.0%
Pacific Islander Alone	86	0.2%	91	0.2%	96	0.2%
Some Other Race Alone	6,276	11.5%	6,895	12.4%	7,624	13.4%
Two or More Races	2,644	4.8%	2,957	5.3%	3,282	5.8%
Hispanic Origin (Any Race)	12,485	22.9%	13,713	24.7%	15,258	26.9%

Data Note: Income is expressed in current dollars.

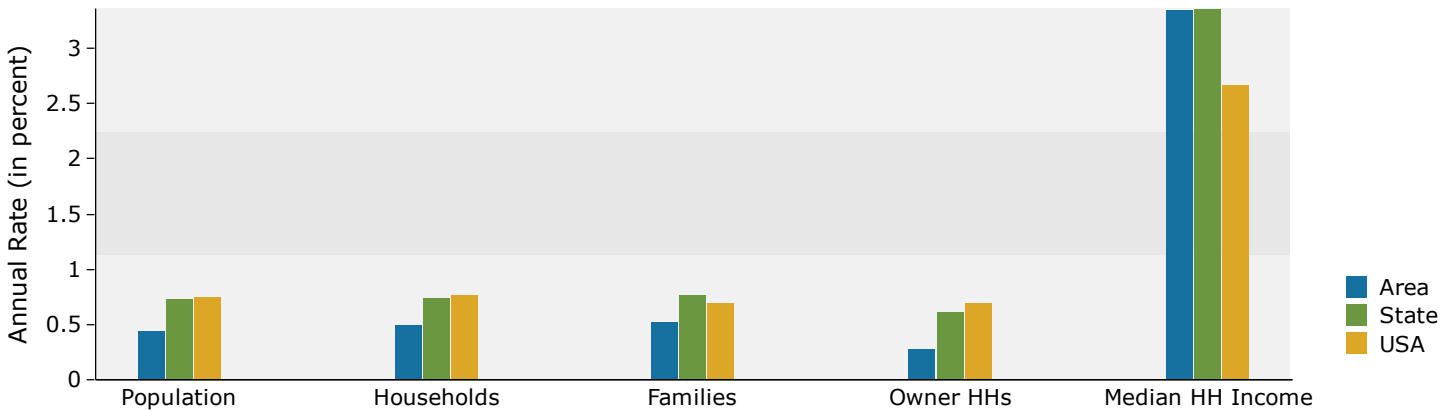
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.

# Demographic and Income Profile

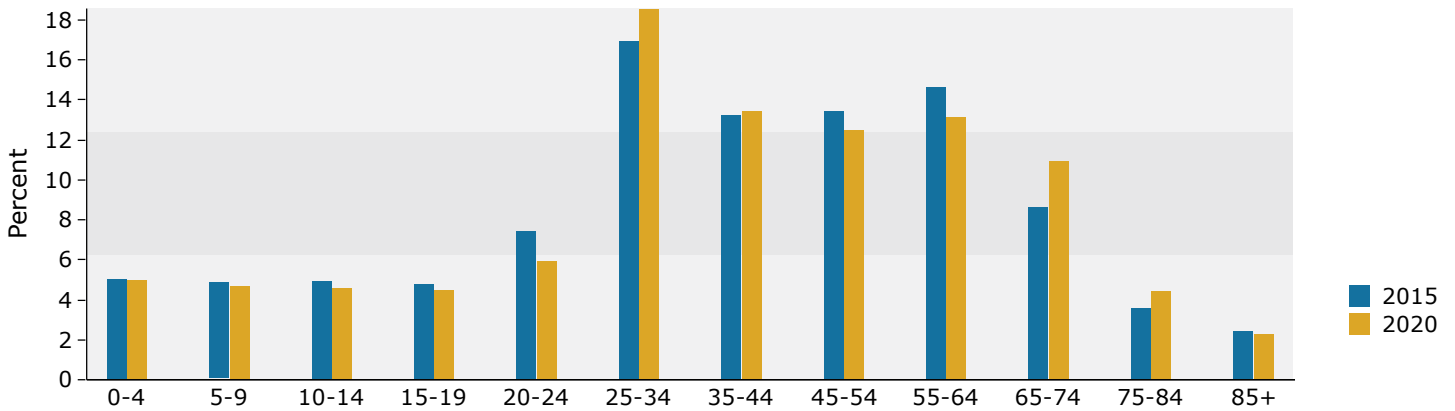
1668 Capitola Rd, Santa Cruz, California, 95062  
Ring: 2 mile radius

Prepared by Esri  
Latitude: 36.97593  
Longitude: -121.98342

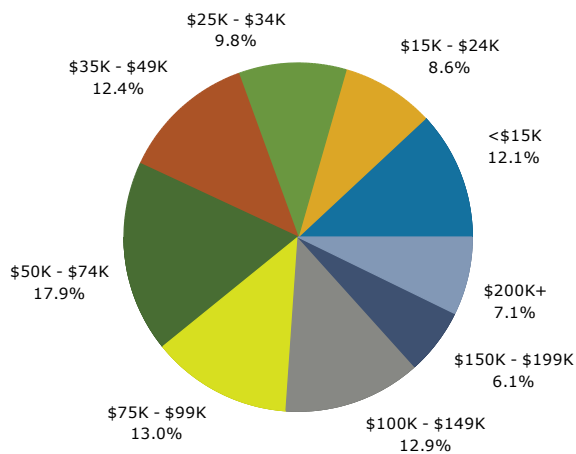
## Trends 2015-2020



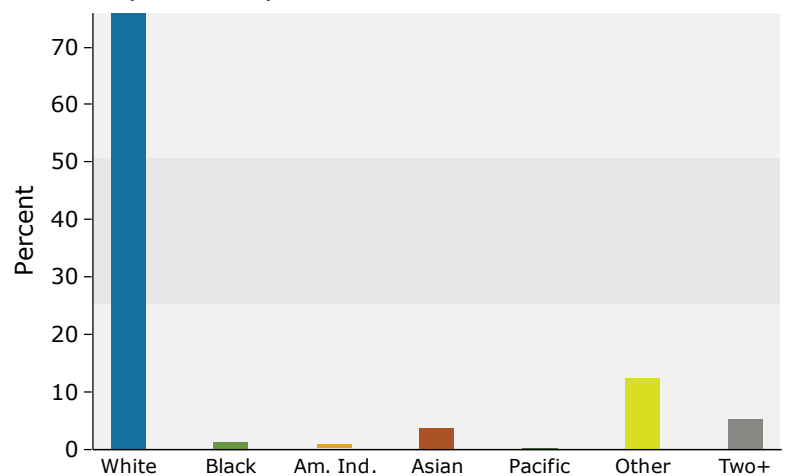
## Population by Age



## 2015 Household Income



## 2015 Population by Race



2015 Percent Hispanic Origin: 24.7%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.



# Demographic and Income Profile

1668 Capitola Rd, Santa Cruz, California, 95062  
Ring: 5 mile radius

Prepared by Esri  
Latitude: 36.97593  
Longitude: -121.98342

Summary	Census 2010	2015	2020
Population	124,457	128,261	131,330
Households	48,675	49,725	51,185
Families	25,372	25,967	26,760
Average Household Size	2.37	2.36	2.35
Owner Occupied Housing Units	25,046	24,527	24,951
Renter Occupied Housing Units	23,629	25,198	26,234
Median Age	36.2	36.5	37.0
Trends: 2015 - 2020 Annual Rate	Area	State	National
Population	0.47%	0.73%	0.75%
Households	0.58%	0.74%	0.77%
Families	0.60%	0.76%	0.69%
Owner HHs	0.34%	0.61%	0.70%
Median Household Income	3.78%	3.36%	2.66%

Households by Income	2015		2020	
	Number	Percent	Number	Percent
<\$15,000	5,830	11.7%	5,419	10.6%
\$15,000 - \$24,999	4,019	8.1%	2,948	5.8%
\$25,000 - \$34,999	4,313	8.7%	3,590	7.0%
\$35,000 - \$49,999	5,804	11.7%	5,402	10.6%
\$50,000 - \$74,999	8,084	16.3%	7,904	15.4%
\$75,000 - \$99,999	6,385	12.8%	7,892	15.4%
\$100,000 - \$149,999	6,857	13.8%	7,809	15.3%
\$150,000 - \$199,999	3,731	7.5%	4,561	8.9%
\$200,000+	4,702	9.5%	5,659	11.1%
Median Household Income	\$62,927		\$75,763	
Average Household Income	\$90,962		\$105,159	
Per Capita Income	\$36,787		\$42,492	

Population by Age	Census 2010		2015		2020	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	5,586	4.5%	5,402	4.2%	5,520	4.2%
5 - 9	5,598	4.5%	5,437	4.2%	5,395	4.1%
10 - 14	5,584	4.5%	5,647	4.4%	5,474	4.2%
15 - 19	11,426	9.2%	11,267	8.8%	11,043	8.4%
20 - 24	15,576	12.5%	14,810	11.5%	13,115	10.0%
25 - 34	16,609	13.3%	19,412	15.1%	21,787	16.6%
35 - 44	15,415	12.4%	14,607	11.4%	15,344	11.7%
45 - 54	17,386	14.0%	16,078	12.5%	15,019	11.4%
55 - 64	16,985	13.6%	17,973	14.0%	16,963	12.9%
65 - 74	7,516	6.0%	10,594	8.3%	13,480	10.3%
75 - 84	4,260	3.4%	4,401	3.4%	5,553	4.2%
85+	2,516	2.0%	2,633	2.1%	2,637	2.0%

Race and Ethnicity	Census 2010		2015		2020	
	Number	Percent	Number	Percent	Number	Percent
White Alone	96,867	77.8%	97,574	76.1%	97,674	74.4%
Black Alone	1,767	1.4%	2,036	1.6%	2,273	1.7%
American Indian Alone	961	0.8%	1,049	0.8%	1,102	0.8%
Asian Alone	7,025	5.6%	7,462	5.8%	7,915	6.0%
Pacific Islander Alone	214	0.2%	233	0.2%	246	0.2%
Some Other Race Alone	11,210	9.0%	12,561	9.8%	13,942	10.6%
Two or More Races	6,413	5.2%	7,346	5.7%	8,177	6.2%
Hispanic Origin (Any Race)	23,923	19.2%	26,810	20.9%	29,966	22.8%

Data Note: Income is expressed in current dollars.

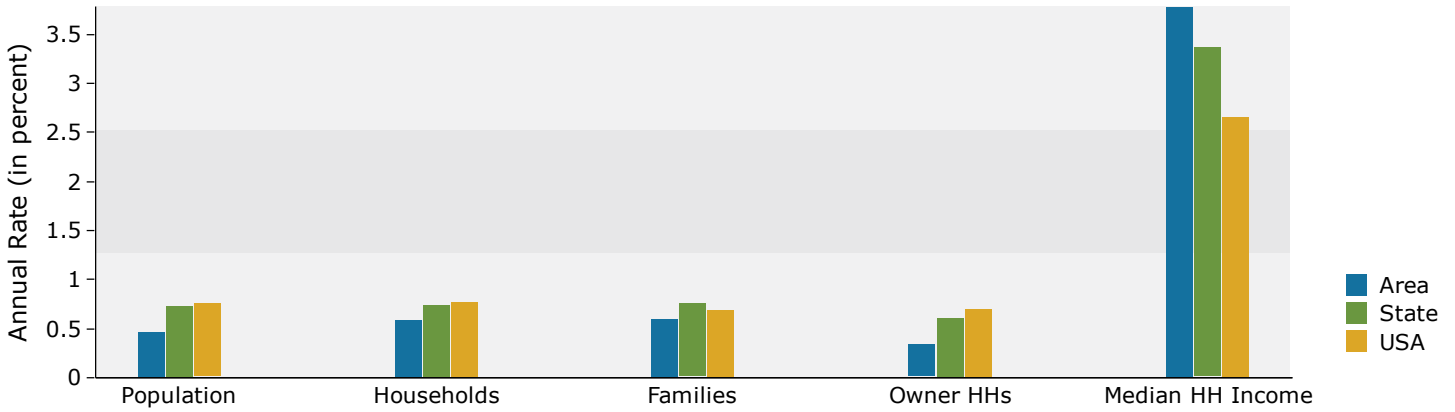
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.

# Demographic and Income Profile

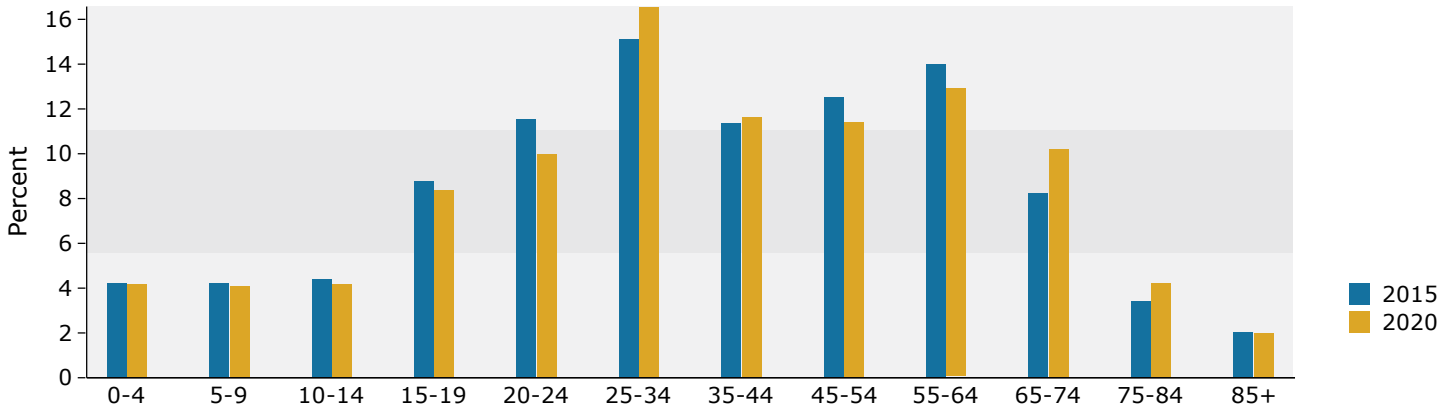
1668 Capitola Rd, Santa Cruz, California, 95062  
Ring: 5 mile radius

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Latitude: 36.97593  
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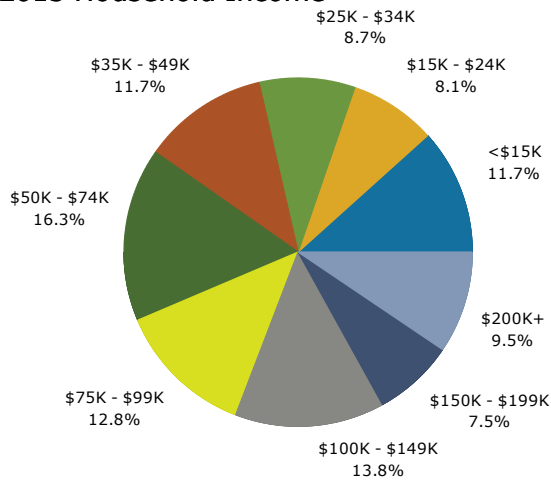
## Trends 2015-2020



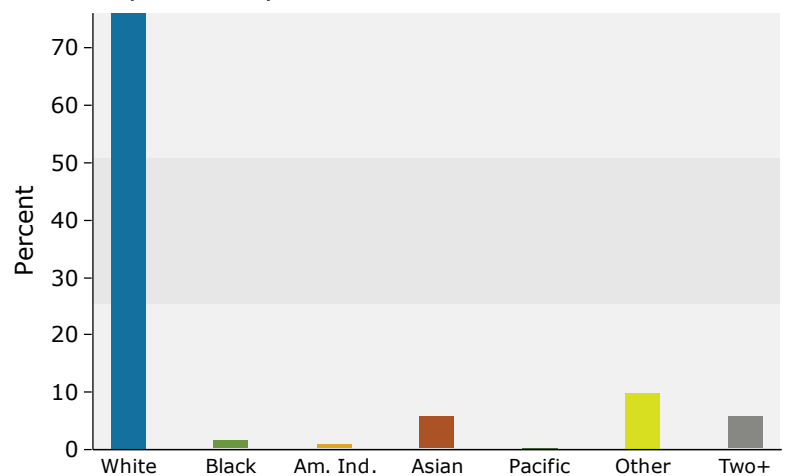
## Population by Age



## 2015 Household Income



## 2015 Population by Race



2015 Percent Hispanic Origin: 20.9%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.



# County of Santa Cruz

## Santa Cruz County Redevelopment Successor Agency

701 Ocean Street, Room 510, Santa Cruz, CA 95060-4073  
Phone: (831) 454-2280 Fax: (831) 454-3420 TDD: (831) 454-2123

**Meeting Date:** December 5, 2017  
**Date:** November 17, 2017  
**To:** The Board of Supervisors  
**From:** Carlos J. Palacios, County Administrative Officer  
**Subject:** Exclusive Negotiation Agreement with MidPen Housing

The Santa Cruz County Redevelopment Agency (RDA) through various actions acquired the Capitola Road Commercial Site (Site) in 1994 and 1997. The Site is located near the southwest corner of 17th Avenue and Capitola Road. Following the State's elimination of redevelopment agencies in 2011, the Redevelopment Successor Agency adopted the Long-Range Property Management Plan in September 2013 which directed the managed sale of the Site to maximize sale proceeds and long-term economic and community benefit.

On May 23, 2017, a request for qualifications (RFQ) was approved by the Board to seek qualified and experienced developers to enter into an exclusive negotiation agreement for the purchase and development of the Site for a mixed-use, neighborhood-serving commercial project. The RFQ included an appendix outlining the outcome of a community workshop held on April 20, 2017 to gather community input to guide the vision for the Site.

On August 4, 2017, three responses to the RFQ were received from MidPen Housing, City Ventures, and For the Future Housing. For the Future Housing was subsequently disqualified from the process due to a procedural violation. Upon review of the responses, MidPen Housing was selected as the preferred developer (Developer).

Attached for approval is an Exclusive Negotiation Agreement (ENA) with MidPen Housing. The ENA outlines the terms to negotiate an Affordable Housing and Property Disposition Agreement (ADPDA) or other form of agreements. The recommended ADPDA will be entered into between the Santa Cruz County Redevelopment Successor Agency (RSA) and the Developer outlining the terms of the Developer's purchase and development of the Site for a mixed-use development incorporating multifamily affordable housing, commercial space, and public open space. The term of the ENA is for 18 months with the option for a six (6) month extension. The ENA also requires the Developer to lead a community outreach program to solicit input from the community for the proposed project.

It is, therefore, RECOMMENDED that your Board, as the Board of Supervisors for the Santa Cruz County Redevelopment Successor Agency, approve the Exclusive Negotiation Agreement between the RSA and MidPen Housing for the Capitola Road Commercial Site and authorize the County Administrative Officer to execute the agreement on behalf of the Redevelopment Successor Agency.

**Submitted by:** Carlos J. Palacios, County Administrative Officer

**Attachments:**

- a Exclusive Negotiation Agreement

**EXCLUSIVE NEGOTIATION AGREEMENT**

(1412, 1438, 1500, and 1514 Capitola Road, County of Santa Cruz)  
(APN Nos. 026-741-12, -13, -14, and -15)

**THIS EXCLUSIVE NEGOTIATION AGREEMENT (“Agreement”)** is entered into as of \_\_\_\_\_, 2017 (“**Effective Date**”), by and between the **SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY**, a public body, corporate and politic (“**Successor Agency**”), and **MIDPEN HOUSING CORPORATION**, a California nonprofit public benefit corporation (“**Developer**”). Successor Agency and Developer are hereinafter sometimes referred to collectively as the “**Parties**” or individually as a “**Party**.”

**I. NEGOTIATIONS**

Successor Agency is the owner of that certain improved real property, addressed as 1412, 1438, 1500, and 1514 Capitola Road, in the County of Santa Cruz, State of California, as legally described in **Exhibit “A”** and as shown on the Site Map attached hereto as **Exhibit “B”**, both of which exhibits are incorporated herein by this reference (the “**Property**”).

Pursuant to the terms of this Agreement, Successor Agency and Developer shall negotiate in good faith, for the period stated in Section II below, and attempt to prepare mutually acceptable terms on which Developer would purchase and develop the Property with a mixed-use development containing a multifamily affordable housing component, a commercial component, and a public open space component. Successor Agency agrees, for the period stated in Section II below, not to negotiate with any other person or entity regarding the sale or development of the Property without the prior written consent of Developer. Nothing in this Agreement shall be deemed a covenant, promise, or commitment by Successor Agency, the County of Santa Cruz (the “**County**”), or any agency or department of Successor Agency or the County, with respect to Developer’s acquisition of the Property or any portion thereof, or the approval of any development thereon. Successor Agency’s acceptance of this Agreement is merely an agreement to enter into a period of exclusive negotiations according to the terms hereof, reserving full and final discretion and approval by Successor Agency as to any actions required of it. No project is defined by this Agreement.

**II. NEGOTIATION PERIOD**

Successor Agency and Developer agree to negotiate in good faith for a period that consists of eighteen (18) months from the Effective Date, on the terms of an affordable housing and property disposition agreement or other form of agreement or agreements (any such agreement, an “**AHPDA**”), with a six (6) month extension exercisable by Developer, in Developer’s discretion, so long as Developer is not in default of any of the terms hereunder. Further, the County Administrative Officer or designee (“**County Administrative Officer**”) may in his or her sole and absolute discretion extend the exclusive negotiation period for up to six (6) additional calendar months. The first exclusive negotiation period plus any extension(s) as provided herein, to the extent such extension(s) is(are) exercised and/or granted (as applicable), shall hereinafter be defined as the “**Negotiation Period**.” Developer and Successor Agency may, at any time, mutually agree to terminate this Agreement. Except as provided below, if, upon the expiration of

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)

the Negotiation Period, Successor Agency and Developer have not each approved and executed an AHPDA, then this Agreement shall automatically terminate and Developer shall have no further rights regarding the subject matter of this Agreement or the Property, and Successor Agency shall be free to negotiate with any other persons or entities with regard to the Property and each and every portion thereof.

**III. OBLIGATIONS OF DEVELOPER**

A. Schedule of Performance

Developer shall commence and complete all tasks required to be completed hereunder, and deliver all documents, studies, and analysis required to be delivered hereunder, within the times set forth in the schedule of performance attached hereto as Exhibit “C” and by this reference incorporated herein (the “**Schedule**”).

B. Community Outreach

Within the times set forth in the Schedule, Developer, at its cost and in consultation with Successor Agency, shall conduct no fewer than two (2) community meetings designed to familiarize the community with the type of development typically developed by Developer and the type proposed by Developer in its August 2, 2017 submittal (the “**MidPen Proposal**”) for the County’s Request for Qualifications (RFQ# 16Q1-007), and to solicit input from the community. Developer shall consult with Successor Agency to identify persons and organizations to be contacted for participation in such community meetings. Successor Agency shall cooperate with and assist Developer with such community meetings, at no cost to Successor Agency or the County. Not less than ten (10) days prior to any such meeting, Developer shall mail notice of such meeting to all residents located within three hundred (300) feet of the exterior boundaries of the Property. Developer shall provide to the attendees of such meetings and any other interested members of the community the name and number of a Developer representative that may be contacted with additional questions any of such persons may have.

C. Evidence of Financing

Within the time set forth in the Schedule, Developer, at its cost, shall provide the County Administrative Officer with a list of sources and uses of funds and a financial pro forma for the development of the Property. In addition, during the term of this Agreement, Developer shall promptly provide to the County Administrative Officer copies of any applications for funding or other funding requests submitted by Developer to finance the development of the Property, and any response documentation received in connection with such submittals. Notwithstanding the foregoing, however, Developer shall not be required to obtain written commitments for any such financing during the term of this Agreement.

D. Development Plans, Entitlements, and CEQA Review

The Parties acknowledge that Developer has submitted to the County in connection with the MidPen Proposal a preliminary conceptual development plan for the Property (the “**Plan**”). Successor Agency and Developer acknowledge that during the Negotiation Period, the Plan will be refined, based on discussions and meetings with Successor Agency representatives

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)



and the activities to be conducted by Developer pursuant to this Agreement, including, without limitation, the community meetings described in Subsection B above of Section III. Concurrently with such refinement, and in accordance with the timeframes set forth in the Schedule, Developer shall commence processing a Development Permit, and any other entitlements necessary for development of the Property (collectively, the “**Entitlements**”), and shall furnish such information to Successor Agency regarding the Plans as may be required by Successor Agency to perform an environmental review for an AHPDA, the Entitlements, and for any review or determinations relating to the development of the Property pursuant to the California Environmental Quality Act (“CEQA”). All fees and expenses for engineers, architects, financial consultants, legal, planning or other consultants retained by Developer to perform Developer’s obligations set forth in this Agreement shall be the sole responsibility of Developer. Successor Agency shall not be obligated to pay or reimburse any such fees and expenses incurred by Developer whether or not this Agreement is eventually terminated or extended, or whether or not an AHPDA is entered into between Successor Agency and Developer in the future, and Developer acknowledges that such expenditures are undertaken at its own sole risk. All costs associated with any formal submittals and all costs associated with the preparation of environmental documents under CEQA shall be borne by Developer. Nothing herein reduces or eliminates any requirements of the County or any other governmental entity with jurisdiction over the Property. Notwithstanding any of the foregoing, Developer and the County of Santa Cruz contemplate entering into a predevelopment loan agreement, in a form reasonably acceptable to special legal counsel to the County, pursuant to which the County would agree to provide a loan to Developer to fund certain plans and studies, and conduct certain other activities, for purposes of determining the feasibility of developing a mixed-use development on the Property (the “**Predevelopment Loan Agreement**”).

E. Developer’s Findings and Reports to County Administrative Officer

Developer, at its cost, shall, at the request of the County Administrative Officer, make periodic oral progress reports on all matters and all studies being made related to Developer’s acquisition and development of the Property and other matters under negotiation to the extent that they do not include confidential matters. Developer, at its cost, shall participate in workshops, meetings, or presentations concerning the Property as reasonably required by the County Administrative Officer.

F. Restrictions Against Change In Ownership Management And Control of Developer and Assignment of Agreement

The qualifications and identity of Developer and its principals are of particular concern to Successor Agency. It is because of these qualifications and identity that Successor Agency has entered into this Agreement with Developer. Except as provided below, during the Negotiation Period, no voluntary or involuntary successor-in-interest of Developer shall acquire any rights or powers under this Agreement, and Developer shall not undergo any change in ownership. Developer shall not assign all or any part of this Agreement or any rights in or under this Agreement, without the prior written approval of the County Administrative Officer, which approval may be given or withheld in the County Administrative Officer’s sole and absolute discretion. Any assignment or transfer in interest, whether voluntary or involuntary, by Developer that has not been approved in writing by the County Administrative Officer prior to the time of such assignment or transfer shall be deemed a material breach of this Agreement by Developer

which shall entitle Successor Agency to terminate this Agreement, without liability, by sending written notice of termination to Developer, referencing this Subsection F. Notwithstanding any of the foregoing, Developer shall be permitted to assign its rights under this Agreement to a limited partnership, the general partner of which is either (i) Developer, or (ii) an entity owned by Developer and over which Developer has managerial control, provided Developer and the proposed assignee execute an assignment and assumption agreement in a form approved by Successor Agency's legal counsel, pursuant to which the proposed assignee assumes all of Developer's obligations hereunder.

Notwithstanding the foregoing restrictions and prohibitions, Successor Agency acknowledges and agrees that Developer's proposal for the Property contemplates that a portion of the commercial component would be developed and owned by the Santa Cruz Community Health Center, and that the other portion would be developed and owned by Dientes Community Dental. Developer and Successor Agency acknowledge and agree that both such entities may participate in the community meetings required to be held by Developer pursuant to Subsection B of this Section III.

G. Acknowledgments and Reservations

1. If this Agreement expires or is terminated for any reason, or a future AHPDA is not executed by both Successor Agency and Developer for any reason, neither Successor Agency nor Developer shall be under any further obligation to each other regarding the disposition of the Property or the development thereof.

2. Developer acknowledges and agrees that no provision of this Agreement shall be deemed to be an offer or proposal by Successor Agency to Developer, nor an acceptance by Successor Agency of any offer or proposal from Developer, for Successor Agency's conveyance of any interest in the Property, or any portion or parcel thereof, to Developer or for Successor Agency to provide any financial or other assistance to Developer for development of the Property.

3. Developer acknowledges and agrees that neither Developer nor any affiliate of Developer has acquired, nor will acquire, by virtue of the terms of this Agreement, any legal or equitable interest in real or personal property from Successor Agency.

H. Developer Financial Disclosures

Successor Agency reserves the right to obtain further information, data, and commitments to ascertain the ability and capacity of Developer to develop the Property. Developer acknowledges that it may be requested to make certain confidential financial disclosures to Successor Agency, its staff or legal counsel, as part of the financial due diligence investigations of Successor Agency relating to the potential disposition of the Property and its development. Successor Agency and Developer recognize that such financial disclosures may contain sensitive information relating to other business transactions of Developer, that the disclosure of such information to third parties could impose commercially unreasonable and/or anti-competitive burdens on Developer and, correspondingly, diminish the value or fiscal benefit that may accrue to Successor Agency upon the disposition of the Property and development thereof by Developer,

if a future AHPDA is entered into between Successor Agency and Developer. Accordingly, Successor Agency agrees to maintain the confidentiality of any business records of Developer disclosed to Successor Agency, except as Successor Agency legal counsel reasonably determines must be disclosed pursuant to the California Public Records Act or other applicable law. The defense of any action seeking disclosure of protected business records withheld pursuant to this Subsection H shall be at Developer's expense and handled, at Successor Agency's option, either by Successor Agency legal counsel or legal counsel selected by Developer and reasonably acceptable to Successor Agency legal counsel, and Developer shall indemnify the "Indemnified Parties" (as defined in Subsection A of Section VI below) against any and all damages and liability arising therefrom, except to the extent caused by the active negligence or willful misconduct of Successor Agency or the County or any of their respective officers, officials, members, employees, agents, representatives, or volunteers acting in an official capacity.

I. Nondiscrimination

In undertaking its obligations under this Agreement, Developer covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, nor shall Developer or any person claiming under or through Developer, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees.

J. Press Releases

Developer agrees to obtain the approval of the County Administrative Officer prior to publication of any press releases Developer may propose relating to the disposition or development of the Property.

K. Relocation

The Parties acknowledge and agree that (i) as of the Effective Date, there are two (2) existing tenants residing on the Property, and (ii) Developer's acquisition of the Property pursuant to a future AHPDA could trigger compliance with local, state and/or federal relocation laws (the "**Relocation Laws**"). In order to meet any applicable requirements of the Relocation Laws, from and after the Effective Date, and with at least twenty-four (24) hours prior notice to Successor Agency, Developer or its designee may (with the participation of Successor Agency if Successor Agency desires) communicate with the existing tenants to provide any notices required or permitted under applicable Relocation Laws, and/or to make investigations to determine their eligibility for relocation benefits, if any. Successor Agency shall reasonably cooperate with Developer as necessary to permit Developer to comply with any applicable requirements under

the Relocation Laws. Any relocation benefits and/or assistance required and/or elected to be provided to the existing tenants shall be provided at the sole cost of Developer.

**IV. COUNTY OBLIGATIONS**

County shall timely review all submittals made by Developer pursuant to the terms hereof, and shall assist Developer with community outreach by posting notice of all community meetings required to be held by Developer hereunder, including by use of social media. County agrees to obtain the approval of Developer prior to publication of any press releases County may propose relating to the disposition or development of the Property.

**V. REMEDIES**

**A. Default and Breach**

1. Failure or delay by either Party to perform any material term or provision of this Agreement or of the Predevelopment Loan Agreement shall constitute a “default” under this Agreement. If the Party who is claimed to be in default by the other Party commences to cure, correct or remedy the default within fifteen (15) calendar days after receipt of written notice specifying such default and diligently completes such cure, correction or remedy within thirty (30) calendar days after the expiration of the fifteen (15) day period (for a total of forty-five (45) calendar days to cure the default), such Party shall not be in default under this Agreement. In no event shall any time to cure, correct or remedy a default extend the Negotiation Period.

2. The Party claiming that a default has occurred shall give written notice of default to the Party claimed to be in default, specifying the alleged default. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default. However, the injured Party shall have no right to exercise any remedy permitted for a “breach” (as defined below) under this Agreement, without first delivering written notice of the default.

3. Any failure or delay by a Party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any rights or remedies associated with a default. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by such Party, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

4. If a Party in default fails either (i) to commence to cure, correct or remedy the default within fifteen (15) calendar days following written notice of such default, or (ii) to complete such cure, correction or remedy within thirty (30) calendar days after the expiration of the fifteen (15) day period (for a total of forty-five (45) calendar days to cure the default), a “breach” of this Agreement by the defaulting Party shall be deemed to have occurred. In no event shall Successor Agency’s or the County’s disapproval or conditional approval of the Plan, the Predevelopment Loan Agreement, the AHPDA, any CEQA review, or any other matters that require Successor Agency’s or the County’s approval pursuant to this Agreement or applicable law constitute a default or breach under this Agreement by Successor Agency.

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)


B. Remedies for Breach and Release of Claims

1. In the event of an uncured default under this Agreement, the sole remedies of the non-defaulting Party shall be (a) to terminate this Agreement, and (b) to institute an action for specific performance of this Agreement. Following the termination of this Agreement, neither Party shall have any further rights, remedies or obligations under this Agreement, except as specifically set forth herein. Neither Party shall have any liability to the other for monetary damages for the breach of this Agreement, or failure to reach agreement on an AHPDA, and each Party hereby waives and releases any such rights or claims it may otherwise have at law or at equity. Furthermore, Developer knowingly agrees that it shall have no right to specific performance for conveyance of any right, title or interest in the Property, and shall not file a lis pendens with respect to the Property.

2. Each Party acknowledges that it is aware of the meaning and legal effect of California Civil Code section 1542, which provides:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him would have materially affected his settlement with the debtor.”

California Civil Code section 1542 notwithstanding, it is the intention of both Successor Agency and Developer to be bound by the limitation on damages and remedies set forth in this Subsection B, and Successor Agency and Developer hereby release any and all claims against each other for monetary damages or other legal or equitable relief related to any breach of this Agreement, whether or not any such released claims were known or unknown to either Successor Agency or Developer as of the Effective Date. Successor Agency and Developer each waive the benefits of California Civil Code section 1542 and all other statutes and judicial decisions (whether state or federal) of similar effect with regard to the limitations on damages and remedies and waivers of any such damages and remedies contained in this Subsection B.

Developer’s Initials: 

Successor Agency’s Initials: \_\_\_\_\_

C. Surviving Clause

This Section V and the Parties rights and obligations under this Section V shall survive the expiration of the Negotiation Period and any termination of this Agreement for whatever reason.

VI. INDEMNIFICATION, RIGHT OF ENTRY, INSURANCE, AND OTHER ISSUES

A. Indemnification

Developer shall defend, indemnify and hold harmless Successor Agency and the County and their respective officers, officials, members, employees, agents, representatives, and volunteers (collectively, the “**Indemnified Parties**”), from and against all damages and liability, including but not limited to any and all claims, demands, expenses, fees, costs, liabilities, suits, causes of action, litigation, reasonable attorney’s fees, and expert witness fees (all of the foregoing,

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)

collectively, “**Claims**”) caused by the acts or omissions of Developer or its principals, directors, managers, shareholders, joint venturers, partners, employees, agents, or representatives in connection with this Agreement, including but not limited to Developer’s Due Diligence Investigations and the Right of Entry described in Subsections B, C, D, and E below in this Section VI. Specifically, but without limiting the scope of the foregoing sentence, if Developer, during the Negotiation Period, seeks to acquire any parcels owned by third parties, Successor Agency expressly disclaims any responsibility or liability for such Developer negotiations or acquisitions and Developer shall defend, indemnify and hold harmless the Indemnified Parties from and against all damages and liabilities, including but not limited to Claims (as defined above), caused by or resulting from the acts or omissions of Developer or its principals, directors, managers, shareholders, joint venturers, partners, employees, agents, or representatives in connection with the negotiation or acquisition of any parcel owned by third parties. Developer shall not be responsible for any Claims to the extent caused by the active negligence or willful misconduct of Successor Agency or the County or any of their respective officers, officials, members, employees, agents, representatives, or volunteers acting in an official capacity.

## B. Right of Entry

1. In connection with Developer’s due diligence investigations of the Property, Successor Agency hereby grants to Developer, and its affiliates, agents, engineers, contractors, consultants, and employees (collectively, the “**Developer and the Developer Entities**”), a license (the “**License**”) to enter upon the Property in order to conduct any and all inspections, investigations, tests and studies (including, without limitation, architectural inspections, engineering tests, soils, seismic and geologic reports and environmental testing) with respect to the Property (“**Due Diligence Investigations**”) as Developer may reasonably elect to make, all at Developer’s sole cost and expense; provided, however, that Developer shall obtain the written consent of the County Administrative Officer prior to conducting any invasive tests on the Property, which written consent shall not be unreasonably withheld, conditioned, or delayed. Developer shall notify the County Administrative Officer, which may be by written or telephonic notice, prior to a planned entry on the Property and provide information to the County Administrative Officer as to the purpose of the planned entry and the estimated time for completing the particular Due Diligence Investigation. All Due Diligence Investigations performed on the Property shall be undertaken in conformance with all County requirements, including obtaining any and all permits, and the Santa Cruz County Code, including but not limited to the County’s Noise Ordinance. Developer acknowledges that the Property is adjacent to a residential area and so no Due Diligence Investigations shall be performed other than between the hours of 8 a.m. and 5 p.m. Monday through Saturday except as otherwise permitted or limited by the County Administrative Officer.

2. Successor Agency may revoke this License (i) upon written notice to Developer if, in the reasonable judgment of the County Administrative Officer, such revocation is necessary to protect the public health, safety, or welfare pursuant to the exercise of Successor Agency’s or the County’s police powers; or (ii) upon two (2) business days’ written notice to Developer that Developer is in violation of the terms of this Agreement or of any applicable law, statute, ordinance, rule, or regulation pertaining to the Due Diligence Investigations or any of the Developer and Developer Entities’ entry upon the Property pursuant to this Agreement, if

Developer has failed to cure such violation within that period of two (2) business days following Developer’s receipt of notice from Successor Agency.

3. The License shall terminate and be void as of the expiration or earlier termination of this Agreement.

4. Developer shall cause to have all Due Diligence Investigations conducted in accordance with all laws applicable thereto, and in a good and workmanlike manner.

C. Lien Free

Developer shall keep the Property free and clear of any mechanic’s or materialmen’s liens arising out of any of the Developer and Developer Entities’ Due Diligence Investigations. The provisions of this Subsection C shall survive the expiration or early termination of this Agreement for any reason whatsoever.

D. Obligations Upon Expiration/Termination

Upon the earlier of (i) the termination of the License, or (ii) the expiration or early termination of this Agreement, Developer shall promptly (a) repair any damage to the Property caused by any of the Developer and Developer Entities’ entry thereon, and (b) remove any personal property of any of the Developer and Developer Entities from the Property. The provisions of this Subsection D shall survive the expiration or early termination of this Agreement for any reason whatsoever.

E. Insurance

Without limiting Developer’s indemnification obligations under this Agreement, Developer shall procure and maintain, at its sole cost and for the duration of this Agreement, insurance coverage as provided below, against all claims for injuries against persons or damages to property which may arise from or in connection with the performance of the work hereunder by any of the Developer and Developer Entities, including without limitation Developer’s conducting of the Due Diligence Investigations. In the event that Developer subcontracts any portion of the work, the contract between Developer and such subcontractor shall require the subcontractor to maintain the same policies of insurance that Developer is required to maintain pursuant to this Subsection E.

1. **Comprehensive General Liability Insurance** which affords coverage at least as broad as Insurance Services Office “occurrence” form CG 00 01 including completed operations and contractual liability, with limits of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate for liability arising out of Developer’s performance of this Agreement, including without limitation Developer’s conducting of the Due Diligence Investigations. Such insurance shall be endorsed to:

a. Name the Indemnified Parties as additional insureds for claims arising out of Developer’s performance of this Agreement, including without limitation Developer’s conducting of the Due Diligence Investigations.

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)

b. Provide that the insurance is primary and non-contributing with any other valid and collectible insurance or self-insurance available to the Indemnified Parties.

2. **Automobile Liability Insurance** with a limit of liability of not less than \$1,000,000 each occurrence and \$1,000,000 annual aggregate. Such insurance shall include coverage for all “owned,” “hired” and “non-owned” vehicles, or coverage for “any auto.” Such insurance shall be endorsed to:

a. Name the Indemnified Parties as additional insureds for claims arising out of Developer’s performance of this Agreement, including without limitation Developer’s conducting of the Due Diligence Investigations.

b. Provide that the insurance is primary and non-contributing with any other valid and collectible insurance or self-insurance available to the Indemnified Parties.

3. **Workers’ Compensation Insurance** in accordance with the Labor Code of California and covering all employees of Developer providing any service in the performance of this Agreement. Such insurance shall be endorsed to waive the insurer’s right of subrogation against the Indemnified Parties.

4. **Professional Liability Insurance** with minimum limits of \$1,000,000 each claim. Covered professional services shall include all work performed under this Agreement and delete any exclusion that may potentially affect the work to be performed.

5. **Evidence of Insurance:** Developer shall provide to Successor Agency a Certificate(s) of Insurance evidencing such coverage, together with copies of the required policy endorsements, no later than five (5) business days prior to commencement of service and at least fifteen (15) business days prior to the expiration of any policy. *Statements on an insurance certificate will not be accepted in lieu of the actual endorsements required.* Coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, non-renewed, or materially changed for any reason, without thirty (30) days prior written notice thereof given by the insurer to Successor Agency by U.S. mail, or by personal delivery, except for nonpayment of premiums, in which case ten (10) days prior notice shall be provided.

6. **Acceptability of Insurers.** Each policy shall be from a company with current A.M. Best’s rating of A- VII or higher and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus lines brokers under applicable provisions of the California Insurance Code or any federal law. Any other rating must be approved in writing by Successor Agency.

7. **Insurance of Subcontractors.** Developer shall be responsible for causing subcontractors to maintain the same types and limits of coverage in compliance with this Agreement, including naming the Indemnified Parties as additional insureds to the subcontractor’s policies.



**VII. MISCELLANEOUS**

**A. Compliance With Law**

Developer acknowledges that any future AHPDA, if approved by Successor Agency, will require Developer (among other things) to carry out the development of the Property in conformity with all applicable laws, including all applicable building, planning and zoning laws, environmental laws, safety laws, and, if applicable, federal, state, and County labor and wage laws including, but not limited to, any applicable prevailing wage requirements pursuant to California Labor Code section 1720 *et seq.*

**B. Successor Agency Reservation Of Discretion And Required Approvals**

No AHPDA proposed to be entered into between Successor Agency and Developer shall have any force or effect nor shall Successor Agency be deemed to be a party to any agreement for the acquisition of or disposition of real or personal property, the provision of financial assistance to Developer (except to the extent the County approves financial assistance pursuant to a Predevelopment Loan Agreement) or development of any project on the Property until the terms and conditions of a future AHPDA are considered and approved by (i) the Santa Cruz County Redevelopment Successor Agency Oversight Board (“**Oversight Board**”), (ii) the governing body of Successor Agency, in the Successor Agency governing body’s sole and absolute discretion, following the conclusion of a duly noticed public hearing, if and to the extent required by law, and (iii) the County Board of Supervisors, if and to the extent required by law, following the conclusion of a duly noticed public hearing, if and to the extent required by law. Developer expressly acknowledges and agrees that Successor Agency shall not be bound by any statement, promise, or representation made by Successor Agency and/or County staff during the course of negotiations of an AHPDA and that Successor Agency shall only be legally bound upon the approval of an AHPDA by (a) the Oversight Board, (b) the governing body of Successor Agency, in the Successor Agency governing body’s sole and absolute discretion, following the conclusion of a duly noticed public hearing, if and to the extent required by law, and (c) the County Board of Supervisors, if and to the extent required by law, following the conclusion of a duly noticed public hearing, if and to the extent required by law.

**C. Third-Party Beneficiaries**

None of the terms or provisions of this Agreement are intended to benefit any person or entity other than Successor Agency or Developer; except that the County is an intended express third-party beneficiary of this Agreement but with no obligations hereunder. No affiliate or joint venturer or partner of Developer has any rights pursuant to this Agreement.

**D. No Broker or Finder**

Developer shall indemnify, defend, and hold harmless Successor Agency from and against any claim or liability (including attorneys’ fees and costs and all costs of suit, expert witness fees, costs on appeal, and for discovery) for the payment of any real estate commissions or finder’s or broker’s fees arising out of this Agreement.

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)

E. Governing Law; Venue; Attorneys' Fees

Successor Agency and Developer agree that this Agreement shall be governed by, interpreted under, and construed and enforced in accordance with, the internal laws of the State of California without application of principles of conflicts of law. Successor Agency and Developer acknowledge and agree that this Agreement was negotiated and entered into in the County of Santa Cruz, California. Any legal action brought under this Agreement must be instituted in the Superior Court of the County of Santa Cruz, or in the Federal District Court of the applicable federal district of California. In the event of any litigation between the parties hereto, the prevailing party shall be entitled to receive, in addition to the relief granted, its reasonable attorneys' fees and costs and such other costs incurred in investigating the action and prosecuting the same, including costs for expert witnesses, costs on appeal, and for discovery.

F. Partial Invalidity

If any term or provision or portion thereof of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision or portion thereof to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

G. Waivers

No waiver of any breach of any covenant or provision contained in this Agreement shall be deemed a waiver of any preceding or succeeding breach of such provision, or of any other covenant or provision contained in this Agreement. No extension of the time for performance of any obligation or act or any waiver of any provision of this Agreement shall be enforceable against Successor Agency or Developer, unless made in writing and executed by both Successor Agency and Developer.

H. Notices.

All notices under this Agreement shall be delivered by personal delivery, by a reputable same-day or overnight courier service, or by mailing in the U.S. mail by prepaid certified mail. Notices shall be directed to the respective Parties as follows:

If to Successor Agency: Santa Cruz County Redevelopment Successor Agency  
Attn: Santa Cruz County Administrative Officer  
701 Ocean Street, Room 520  
Santa Cruz, CA 95060  
Telephone No.: (831)

If to Developer: MidPen Housing Corporation  
Attn: \_\_\_\_\_  
303 Vintage Park Drive, Suite 250  
Foster City, CA 94404  
Telephone No.: (650) 356-2900

A Party may change the address for delivery of notices to it as such Party may from time to time designate in writing to the other Party by a written notice conforming to the requirements of this section. Notices delivered by personal delivery, or same-day or overnight courier service, shall be effective upon receipt (provided that any notices received after 5:00 p.m. on a business day shall not be deemed received until 9:00 a.m. the next business day). Notices delivered by mail shall be effective as of Noon on the third business day following deposit with the United States Postal Service.

I. Calendar Days and Business Days

As used herein, the term “days” shall mean calendar days unless the term “business days” is used. As used herein, a “business day” shall mean a day that the County of Santa Cruz offices are open for business to the general public. Developer acknowledges that the County of Santa Cruz is closed for holidays designated by the State of California or by ordinance or resolution of the County Board of Supervisors. If the date on which Successor Agency or Developer are required to take any action pursuant to the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day.

J. Construction

Headings at the beginning of each section and subsection of this Agreement are solely for the convenience of reference of Successor Agency and Developer and are not a part of this Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. This Agreement shall not be construed as if it had been prepared by one or the other of Successor Agency or Developer but rather as if both Successor Agency and Developer prepared this Agreement. Unless otherwise indicated, all references to sections are to this Agreement. If any exhibits are referred to in this Agreement, such exhibits are either attached to this Agreement or incorporated into this Agreement by reference.

K. Nonliability of Successor Agency Officials, Officers, and Employees

No officer, official, member, employee, agent, representative, or volunteer of Successor Agency or of the County shall be personally liable to Developer, or any successors in interest, in the event of any default or breach by Successor Agency of this Agreement, or for any amount which may become due to Developer or to any successors under this Agreement, or for breach by Successor Agency of any obligation of the terms of this Agreement.

L. Enforced Delay; Extension of Times of Performance

In addition to specific provisions of this Agreement, performance by either party (who is not then otherwise in material default) shall not be deemed to be in default where delays or defaults are due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, supernatural causes, acts of the public enemy, terrorism, epidemics, quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions or priority, litigation, unusually severe weather, inability to secure necessary labor, materials or tools, delays of any contractor, subcontractor or supplies, acts of the other party, acts or failure to act of Successor Agency or the County or any other public or governmental agency or entity, including, without limitation,

unreasonable delays in the processing and issuance of required permits for a development project required by Developer (except that any act or failure to act of Successor Agency shall not excuse performance by Successor Agency) or any other causes beyond the reasonable control or without the fault of the party claiming an extension of time to perform, for up to a maximum cumulative period of one hundred fifty (150) days. Notwithstanding the foregoing, inability to secure satisfactory financing, tenant or manufacturer commitments, or market and economic conditions shall not entitle Developer to an extension of time to perform. An extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within ten (10) days of knowledge of the commencement of the cause. In addition, times of performance under this Agreement may be extended by mutual written agreement by the County Administrative Officer, on behalf of the Successor Agency, and an authorized representative of Developer.

M. Time of the Essence

Time is of the essence in this Agreement and of each and every term and provision hereof, it being understood that the Parties hereto have specifically negotiated the dates or time limits for the completion of each obligation herein.

N. Entire Agreement; Amendment.

This Agreement sets forth the entire agreement between the Parties with respect to the subject matter set forth herein and supersedes all prior discussions and negotiations between the Parties with respect thereto. No amendment to this Agreement shall be effective unless set forth in a writing signed by an authorized signatory of each Party.

O. Counterparts.

This Agreement may be executed in any number of duplicate originals, all of which shall be of equal legal force and effect upon all of the Parties hereto signing this Agreement.

[end—signature page follows]

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)

*IN WITNESS WHEREOF*, the Parties have executed and entered into this Agreement as of the Effective Date.

**“Developer”**

MIDPEN HOUSING CORPORATION, a California nonprofit public benefit corporation

By: Jan M. Lindenthal  
Jan M. Lindenthal, Assistant Secretary

**“Successor Agency”**

SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY, a public body, corporate and politic

By: \_\_\_\_\_  
\_\_\_\_\_

APPROVED AS TO FORM:  
RUTAN & TUCKER, LLP

\_\_\_\_\_  
Allison LeMoine-Bui, Esq.  
Attorneys for the Santa Cruz County  
Redevelopment Successor Agency

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)

*IN WITNESS WHEREOF*, the Parties have executed and entered into this Agreement as of the Effective Date.

**“Developer”**

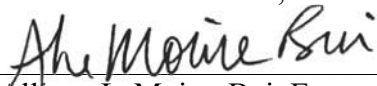
MIDPEN HOUSING CORPORATION, a California nonprofit public benefit corporation

By: \_\_\_\_\_  
\_\_\_\_\_

**“Successor Agency”**

SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY, a public body, corporate and politic

By: \_\_\_\_\_  
\_\_\_\_\_

APPROVED AS TO FORM:  
RUTAN & TUCKER, LLP  
  
\_\_\_\_\_  
Allison LeMoine-Bui, Esq.  
Attorneys for the Santa Cruz County  
Redevelopment Successor Agency

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)

**EXHIBIT "A"**  
**LEGAL DESCRIPTION OF THE PROPERTY**

[SEE FOLLOWING PAGE]

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)

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ESCROW NO. 805753 SW

EXHIBIT "A"

The land referred to herein is described as follows:

SITUATE IN THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA AND DESCRIBED AS FOLLOWS:

PARCEL ONE:

BEING A PART OF LOT 3, AS THE SAME IS SHOWN UPON THAT CERTAIN MAP ENTITLED "WILSON BROTHERS SUBDIVISION NO. 1", FILED FOR RECORD IN THE OFFICE OF THE COUNTY RECORDER OF SANTA CRUZ COUNTY ON JUNE 6, 1916 IN MAP BOOK 18 AT PAGE 22, SANTA CRUZ COUNTY RECORDS AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON THE SOUTHERLY SIDE OF LOWER SOQUEL ROAD AS THE SAME IS SHOWN UPON THE ABOVE MENTIONED MAP, FROM WHICH THE NORTHWESTERLY CORNER OF LOT 1 AS SHOWN ON THE ABOVE MENTIONED MAP, BEARS SOUTH 69° 43' EAST 247.80 FEET DISTANT; THENCE LEAVING THE SOUTHERLY SIDE OF SAID COUNTY ROAD SOUTH 13° 50' WEST 406.79 FEET TO A STATION ON THE NORTHERLY BOUNDARY OF LOT 11 IN SAID TRACT; THENCE ALONG THE LAST MENTIONED BOUNDARY NORTH 75° 43' WEST 113.28 FEET TO A STATION; THENCE NORTH 13° 50' EAST 418.71 FEET TO THE SOUTHERLY SIDE OF SAID FIRST MENTIONED COUNTY ROAD; THENCE ALONG THE SOUTHERLY SIDE OF SAID ROAD SOUTH 69° 43' EAST 114.00 FEET TO THE PLACE OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION THEREOF AS WAS CONVEYED IN THE DEED FROM FRANK DUARTE, ET UX., TO THE COUNTY OF SANTA CRUZ, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, RECORDED NOVEMBER 10, 1960 IN VOLUME 1354, PAGE 213, OFFICIAL RECORDS OF SANTA CRUZ COUNTY.

PARCEL TWO:

BEING A PART OF LOTS 2 AND 3 AS THE SAME ARE SHOWN UPON THAT CERTAIN MAP ENTITLED "WILSON BROTHERS SUBDIVISION NO. 1" FILED FOR RECORD IN THE OFFICE OF THE COUNTY RECORDER OF SANTA CRUZ COUNTY ON JUNE 6, 1916 IN MAP BOOK 18 AT PAGE 22, SANTA CRUZ COUNTY RECORDS AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON THE SOUTHERLY SIDE OF THE LOWER SOQUEL ROAD, AS THE SAME IS SHOWN UPON THE ABOVE MENTIONED MAP, FROM WHICH THE NORTHWESTERLY CORNER OF LOT 1 AS SHOWN UPON THE ABOVE MENTIONED MAP BEARS SOUTH 69° 43' EAST 172.80 FEET DISTANT; THENCE LEAVING THE SOUTHERLY SIDE OF SAID COUNTY ROAD SOUTH 13° 50' EAST 398.33 FEET TO A STATION ON THE NORTHERLY BOUNDARY OF LOT 12 IN SAID TRACT; THENCE ALONG SAID LAST MENTIONED BOUNDARY AND THE NORTHERLY BOUNDARY OF LOT 11 IN SAID TRACT NORTH 75° 43' WEST 74.255 FEET TO A STATION; THENCE NORTH 13° 50' EAST 406.79 FEET TO THE SOUTHERLY SIDE OF SAID FIRST MENTIONED COUNTY ROAD; THENCE SOUTH 69° 43' WEST 75 FEET TO THE PLACE OF BEGINNING.

EXHIBIT "A"

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)



VOL. 5538 PAGE 871

ESCROW NO. 805753 SW

EXHIBIT "A"

PARCEL TWO - CONTINUED:

EXCEPTING THEREFROM THAT PORTION THEREOF CONVEYED TO COUNTY OF SANTA CRUZ FOR THE WIDENING OF CAPITOLA ROAD BY DEED FROM CABRILLO DEVELOPMENT COMPANY, DATED AUGUST 30, 1960, RECORDED NOVEMBER 2, 1960 IN VOLUME 1352, PAGE 535, OFFICIAL RECORDS OF SANTA CRUZ COUNTY.

APN: 026-193-42 (PARCEL ONE)  
026-193-43 (PARCEL TWO)

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)

EXHIBIT "A"

BOOK 3801 PAGE 464



FOUNDERS TITLE COMPANY  
ORDER NO. 104649  
(Continued)

EXHIBIT "A"

BEING a part of Lots 3 and 4, as the same are shown upon that certain map entitled "Wilson Brothers Subdivision No. 1", filed for record in the Office of the County Recorder of Santa Cruz County on June 6, 1916 in Map Book 18 at Page 22, Santa Cruz County Records and being more particularly bounded and described as follows:

BEGINNING at a station on the Southerly side of Lower Soquel or Capitola Road, from which the Southwest corner of said Lower Soquel or Capitola Road and Seventeenth Avenue, as the same are shown on the above mentioned Map bears South 69° 43' East 563.06 feet distant; said point of beginning being also the most Northerly corner of that certain parcel of land conveyed by J. S. Harwood, et al, to F. G. Wilson, et al, by Deed of Trust recorded in Volume 9 of Trust Deeds, Page 229, Santa Cruz County Records; thence along the Westerly boundary of said last mentioned tract of land South 18° 50' West 418.87 feet to the Northerly boundary of Lot 11 as shown on said Map; thence along the Northerly boundary of said Lot 11 and Lot 10 North 75° 43' West 103.90 feet; thence in a straight line 429.49 feet to a point on the said Lower Soquel Road, distant 102.09 feet Westerly from the said point of beginning; South 69° 43' East and along said line of the said Lower Soquel Road 102.09 feet to the point of beginning.

EXCEPTING THEREFROM so much of the above described land as was conveyed by Walter Goulard, to County of Santa Cruz, a political subdivision of the State of California, recorded July 13, 1960 in Volume 1330, Page 162, Official Records of Santa Cruz County.

Assessor's Parcel Number 026-193-41

OFC-1040

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)

**EXHIBIT “B”**

**SITE MAP**

[SEE FOLLOWING PAGE]

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)

### 17th Ave & Capitola Rd

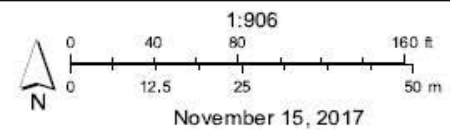


EXHIBIT "B"

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)

**EXHIBIT "C"**  
**SCHEDULE OF PERFORMANCE**

ITEM OF PERFORMANCE		TIME FOR PERFORMANCE
<b>COMMUNITY OUTREACH ACTIVITIES</b>		
1.	Developer submits community outreach plan to Successor Agency for review/input	Within 2 weeks after Effective Date
2.	Developer conducts first community meeting. Staff from Successor Agency attend meeting.	Within 45 days after Effective Date
3.	Developer submits revised site plan and updated community outreach plan based on first community meeting.	Within 45 days after first community meeting
4.	Successor Agency provides comments to revised site plan and updated community outreach plan.	Within 2 weeks after Developer's submittal
5.	Developer conducts any additional community meetings as outlined in the community outreach plan.	Within 45 days after receipt of Successor Agency comments to revised site plan and updated community outreach plan.
<b>ALL OTHER SCHEDULED ACTIVITIES</b>		
6.	Developer submits to Successor Agency a sources and uses of funds and financial pro forma for the development of the Property.	First draft by December 1, 2017 and thereafter within 1 week of any material updates to assumptions of sources or uses of funds.
7.	Developer submits design review/entitlement package to Successor Agency and County Planning Department for preliminary review prior to formal entitlement submission.	Within 60 days after completion of all activities and meetings set forth in the community outreach plan
8.	Developer prepares and delivers to Successor Agency market study	Within 60 days after completion of all activities and meetings set forth in the community outreach plan

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)

ITEM OF PERFORMANCE		TIME FOR PERFORMANCE
9.	Developer commences processing entitlements necessary for development of Property and furnishes to Successor Agency information regarding the Plans in order to conduct CEQA analysis.	Within 90 days after completion of all activities and meetings set forth in the community outreach plan.
10.	Successor Agency endeavors to prepare initial draft of AHPDA	Within 6 months after Effective Date.
11.	County prepares CEQA environmental review documents for development proposed by Developer	

Attachment: Exclusive Negotiation Agreement (Exclusive Negotiation Agreement with MidPen Housing)

EXHIBIT "C"

COUNTY OF SANTA CRUZ

STATE OF CALIFORNIA



Item 6

ATTACHMENT 5

Minute Order / Vote Result

AT THE BOARD OF SUPERVISORS MEETING

on the Date of June 6, 2017

CONSENT AGENDA Item No. 18

DOC-2017-485

*Approve Request for Qualifications for the 7th Avenue Visitor Accommodation Site, and direct the Office of Economic Development to return with an exclusive negotiation agreement with a qualified developer, as recommended by the County Administrative Officer*

Upon the motion of Supervisor Coonerty, duly seconded by Supervisor Friend, the Board, by unanimous vote:


- 1) Approved Request for Qualifications for the 7th Avenue Visitor Accommodation Site and directed the Office of Economic Development to return with an exclusive negotiation agreement with a qualified developer; and additionally
- 2) Directed staff to evaluate proposals from other public agencies that meet the objectives as described in the long range property management plan, if submitted

cc: General Services Department  
County Administrative Office  
County Counsel

---

State of California, County of Santa Cruz

*I, Susan A. Mauriello, Ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing is a true and correct copy of the order made and entered in the Minutes of said Board of Supervisors. In witness thereof I have hereunto set my hand and affixed the seal of said Board of Supervisors.*

by , Deputy Clerk, ON June 13, 2017

---

COUNTY OF SANTA CRUZ

STATE OF CALIFORNIA

---



Minute Order / Vote Result

AT THE BOARD OF SUPERVISORS MEETING

on the Date of June 6, 2017

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County Administrative Office  
County Counsel

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State of California, County of Santa Cruz

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by , Deputy Clerk, ON June 13, 2017





# County of Santa Cruz

## County Administrative Office

701 Ocean Street, Suite 520, Santa Cruz, CA 95060-4073  
 Phone:(831) 454-2100 Fax:(831) 454-3420 TDD/TTY: call 711  
 Susan A. Mauriello, J.D., County Administrative Officer

**Meeting Date:** June 6, 2017  
**Date:** May 24, 2017  
**To:** The Board of Supervisors  
**From:** Susan Mauriello, County Administrative Officer  
**Subject:** Request for Qualifications for the 7th Avenue Visitor Accommodation Site

The Santa Cruz County Redevelopment Agency (RDA) acquired three parcels of land known as the 7th Avenue Visitor Accommodation Site (Site) in two separate actions in June 2000 and July 2007. The purpose of the acquisitions was to assemble the Site to promote development of visitor-serving accommodations and other beneficial mixed uses to enhance the economic vitality and environmental quality of life amenities in the vicinity of the Santa Cruz Small Craft Harbor.

In June 2011, the State eliminated redevelopment agencies and officially dissolved them on February 1, 2012. On January 10, 2012, the County of Santa Cruz Board of Supervisors adopted a resolution to become the Successor Agency to the RDA and assumed the responsibility for ownership and management of real property owned by the former RDA.

In June 2012, all redevelopment successor agencies were required to prepare a Long-Range Property Management Plan. The Redevelopment Successor Agency (RSA) adopted the Long-Range Property Management Plan in September 2013 and directed the managed sale of the Site to maximize sale proceeds and long-term economic and community benefit.

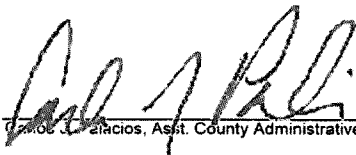
On June 28, 2016, your Board approved the issuance of a Request for Qualifications (RFQ) for the Site. The RFQ was drafted to attract qualified and experienced developers to enter into an exclusive negotiation agreement and development disposition agreement for the purchase and development of the Site for a landmark visitor-serving commercial project. The Board rejected all bids on September 20, 2016 upon concluding that the single response received for the RFQ did not provide sufficient market comparison for the overall value and economic potential of the Site.

At this time, staff believes there is sufficient market interest to proceed with the RFQ

process. The Office of Economic Development has prepared the attached updated RFQ for your approval. The County held a community workshop on April 27, 2017 to envision the future of the Site. Approximately 130 participants joined in a two hour meeting that included a presentation and participation in facilitated discussion groups. A report summarizing the outcome of the workshop is included as an appendix to the RFQ.

It is, therefore, RECOMMENDED that your Board approve the attached request for qualifications for the 7th Avenue Visitor Accommodation Site and direct the Office of Economic Development to return with an exclusive negotiation agreement with a qualified developer.

**Submitted by:**



Carlos J. Palacios, Asst. County Administrative Officer

5/30/2017

**Attachments:**

- a Request for Qualifications



Due August 18, 2017

# Hospitality Development Opportunity

Request for Qualifications  
RFQ #16Q1-009



# *A unique opportunity to develop a hospitality-focused, mixed-use project at the Santa Cruz Harbor*



## The development opportunity features:

- Large approximately 8.3 acres site overlooking the upper Santa Cruz Small Craft Harbor;
- Potential for waterfront views of the Harbor;
- Potential for a landmark visitor-serving, mixed-use development;
- Potential for complementary development on adjacent parcel;
- Location less than one mile to the beach, two miles to the Santa Cruz Boardwalk and Santa Cruz Wharf;
- Location within an hour's drive of Silicon Valley and approximately 2.6 million Northern California residents;
- Three million annual visitors to Santa Cruz;
- Strong residential trade area with approximately 90,000 County residents living within three miles of the site;
- Access to Highway 1 via 7th Avenue, and access to 41st Avenue (a major commercial corridor in Capitola) via Brommer Street.

## Contents

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Executive Summary of Opportunity	1
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Selection Schedule, Process and Criteria	5
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Exhibit B - Development Team Summary	11
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# Executive Summary:

## *Waterfront Development Opportunity*

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### **Opportunity**

To develop a landmark waterfront, infill site owned by the Santa Cruz County Redevelopment Successor Agency (RSA) with lodging, other destination-oriented commercial uses and public open space. Development of this site aims to strengthen the local tax base and enhance economic vitality and quality of life in the County, while meeting the vision of the community.

---

### **Site**

The approximately 8.3 acres Site (Site) is on the southwest corner of 7th Avenue and Brommer Street in the unincorporated area of Live Oak, overlooking the upper Santa Cruz Small Craft Harbor. It is located one mile from Twin Lakes State Beach and Arana Gulch open space and two miles from the Santa Cruz Boardwalk and Santa Cruz Wharf.

---

### **Development Team**

Qualified Development Teams must have substantial experience developing landmark high-quality, visitor-serving commercial projects.

---

### **Property Disposition**

The County desires to negotiate and execute a Disposition and Development Agreement (DDA) with the selected Developer that specifies the scope of development, public benefits, business terms, and performance requirements, as well as a timeline for securing entitlements and purchasing the property from the RSA. The Developer will lead the engagement of the community while incorporating the visioning process outlined in Appendix A in the project.

---

### **Selection Process**

The selection process involves the submittal of qualifications and a preliminary vision for the Site. County staff will select qualified Development Teams for interviews, rank selected teams and make recommendations to enter into an exclusive negotiation agreement with selected Development Team.

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### **Due Date**

August 18, 2017, 5:00 PM PDT

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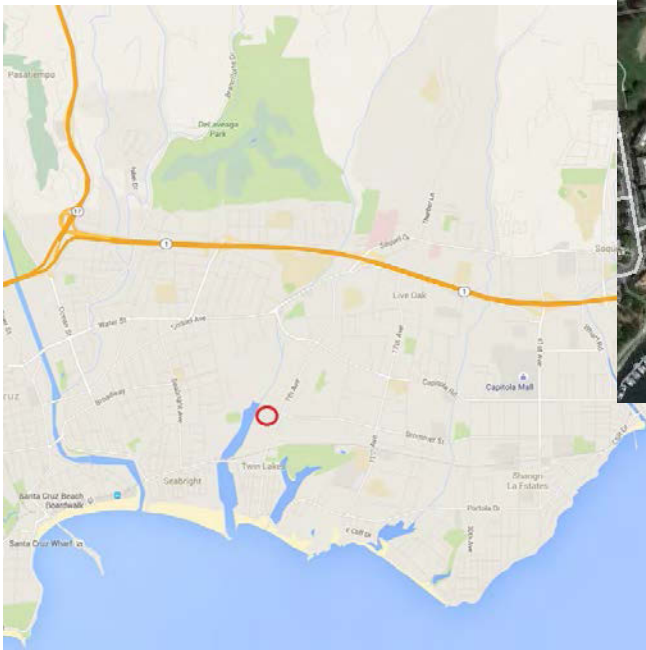
### **Questions**

Submitters shall direct all questions regarding the RFQ to the Buyer, Kevin Bratcher via e-mail at [kevin.bratcher@santacruzcounty.us](mailto:kevin.bratcher@santacruzcounty.us).

---



# Mixed-Use Development Opportunity



The County of Santa Cruz is soliciting statements of qualifications and a preliminary vision from capable and experienced developers to develop a landmark high-quality, visitor-serving commercial project.

Currently owned by the RSA, the approximately 8.3 acres Site is on the southwest corner of 7th Avenue and Brommer Street in Live Oak, overlooking the upper Santa Cruz Small Craft Harbor.

It is located less than one mile from Twin Lakes State Beach and Arana Gulch open space and two miles from the Santa Cruz Boardwalk and Santa Cruz Wharf.

The Redevelopment Agency initially acquired the Site for the purpose of visitor-serving accommodations and other destination-oriented commercial uses.

Development of Site will accomplish the following objectives:

1. Achieve the goals of the community;
2. Strengthen the local tax base;
3. Enhance economic vitality and quality of life in Live Oak;
4. Generate revenue from the sale of the property; and
5. Achieve near term development.

While the County has not defined a concept for the property, the County envisions that the concept will maximize use of the property's tremendous waterfront location, access, views, and proximity to tourist attractions and consider the community input established during a community workshop on April 27, 2017 as outlined in Appendix A.

The County looks forward to partnering with the selected Developer on the planning and design of the Site, with attention given to the following land use parameters and development standards derived from County policy.



## Land Use Parameters

*Land Use Designation:* Split General Plan designation of C-C (Community Commercial) and O-U (Urban Open Space); open space designation applies to the wooded and sloped back portion of the property facing the harbor.

*Priority Use:* The General Plan designates the site for visitor-serving commercial uses with a minimum of 50% of commercial uses dedicated to standard hotel/motel visitor accommodations.

*Park Facilities:* The project will require at least one acre of land to be dedicated to passive or active recreation open to the public.

*Height Limit:* Three stories/35 feet; potential for additional five feet with design review.

*Zoning and General Plan:* The current land use zoning for the property is C-2-D (Community Commercial in a Designated Park Combining District), and the General Plan designation is C-C (Community Commercial) and O-U (Urban Open Space). The open space designation applies to the wooded and sloped back portion of the property facing the harbor.

*Priority Use:* The General Plan designates the site as a “Coastal Priority Site,” which provides site-specific development standards, specifying that commercial development should be visitor-serving commercial with a minimum of 50% of commercial uses dedicated to standard hotel/motel visitor accommodations.

## Special Development Standards

Pursuant to 1994 General Plan, special development standards include:

- Creation of a community focal point;
- Integrated development scheme with common architecture, landscaping, and improvements on the Site, also coordinated with site to the north owned by the Santa Cruz Port District;
- Public use areas must share in harbor view;
- Pedestrian and bicycle access to the harbor.

## County’s Financial Objectives

The County’s financial objectives are two-fold:

- 1) to generate revenue from the sale of the property;
- and 2) to generate significant annual tax revenue to the County in the form of Transient Occupancy Taxes, sales taxes, property taxes, etc.

The purchase price of the property will be determined based on the development economics of the proposed project and a fair market value appraisal of the property to be prepared once the requirements of the project have been negotiated.



## Site and Parcel Summary

**Owner:** Santa Cruz County Redevelopment Successor Agency

**Site Address:** 855, 901 and 905 7th Avenue

**Assessor Parcel Numbers (APNs):** 026-261-13, -16, -17

**Acquisition Dates:** 2000 and 2007

**Area:** 8.3 acres +/-

**Dimensions and slope:** The Site is nearly rectangular and generally flat, but slopes downward at the northwest, Harbor-facing edge, which is designated as Urban Open Space (see Land Use Parameters).

**Existing structures:** Improvements are limited to one single-family home leased for private residential use and one temporary parking lot area that is leased to the Port District; both leases are terminable on short notice.

**Environmental and soil conditions:** The Site is not a Brownfield site and the County is not aware of any significant contamination issues, based on currently available information. Phase I Environmental Site Assessment reports were prepared in 2000 and 2005 for the three parcels prior to their transfer to the Redevelopment Agency. Based on the age of existing residential structures and previous agricultural use of the property, the reports recommended additional testing for lead and asbestos, as well as additional soil or groundwater testing, prior to demolition/construction.

**Easements:** Title to the property is subject to three easements for sanitary sewer bisecting the property, and two easements granted to the County for sidewalks and utilities.

**Regulatory Agencies and Needed Entitlements:** Prior to construction, the project will require a Coastal Development Permit (issued locally and appealable to the Coastal Commission) and a development plan approved by the Santa Cruz County Board of Supervisors.

## Roles and Responsibilities

### *Role of Developer*

- Serve as lead partner with the County to develop a land use plan for the property, which will require incorporating community input
- Negotiate a Disposition and Development Agreement (DDA)
- Secure entitlements for the project, including CEQA review
- Secure financing for the development
- Purchase the property from the RSA
- Undertake backbone infrastructure improvements
- Proceed with vertical development or enter into agreements with vertical builders

### *Role of County and/or RSA*

- Partner with Developer to identify the development concept and land use plan
- Assist with community process
- Provide access to all available site information
- Partner with Developer to integrate public improvements with the project
- Facilitate sale of property to Developer at a value supported by the overall project economics





# Selection Schedule, Process and Criteria

## Tentative Schedule

The key dates for this development opportunity are as follows. County may change these dates as it deems necessary or appropriate.

Activity	Date
RFQ Issuance	June 7, 2017
Written Questions Due	June 30, 2017, 5:00 PM PDT
Responses to Written Questions	July 21, 2017
Submittals Due	August 18, 2017, 5:00 PM PDT
Initial Screening Complete	September 8, 2017
Interviews/Supplemental Information Due	Week of September 2, 2017
Selection of Developer	October 2017
Execute Exclusive Negotiating Agreement	2017-18
Public Vision, Project Scoping and Negotiate, CEQA Process, and Draft DDA	2018
Board of Supervisors and Oversight Board Approval of DDA	2018

## Technical Documents

The County has assembled relevant technical documents that will be posted on the following County website:  
<http://www.co.santa-cruz.ca.us/Departments/GeneralServices/Purchasing/Solicitations.aspx>.



## Process

### 1. Initial Review

County staff will conduct an initial review of all submittals received for completeness. Incomplete submittals will be rejected and the submitting Development Teams will be eliminated from further consideration.

### 2. Evaluation Panel

County staff will evaluate complete submittals and select the highest ranked Development Teams to interview. The County reserves the right to request additional information from Development Teams and may elect to visit Development Teams' completed projects.

### 3. Selection of Development Team

Following the interviews, County staff will recommend to the County Administrative Officer the Development Team that (1) best meets the needs as set forth in the RFQ, (2) is best qualified and (3) is best able to deliver a project that meets the County's development objectives and is responsive to community input. Evaluation of submittals shall be within the sole judgment and discretion of the County. Based on staff recommendations, the Board of Supervisors will approve selection of the Developer.

### 4. Exclusive Negotiation Agreement Leading to DDA

The selected Developer will be expected to enter into an exclusive negotiation agreement for purposes of going through the planning and entitlement process, gaining site control, determining business terms for the purchase of the property, and performance requirements.

### 5. Site Development

The selected Developer will be responsible for all development activities, including formulating a development program, securing entitlements (including CEQA review), preparing all architectural and engineering plans, purchasing the property from the RSA, undertaking backbone infrastructure improvements and completing vertical improvements.

## Criteria

Development Teams will be evaluated based on their relevant experience, management team and structure, financial resources and development vision.

### 1. Relevant Experience

Experience of the team serving a primary role in completing high-quality, mixed-use developments, including:

- Some combination of waterfront-oriented, urban infill or visitor-serving redevelopment projects (Visitor-serving experience should ideally feature an integration of high-quality lodging, destination commercial, and public spaces development);
- Projects in high-profile locations that are of unique significance to regions in which they are located;
- Projects with levels of investment supporting a commitment to architectural quality;
- Joint public/private projects; and
- Projects that successfully integrate private development with public open space and parks.

### 2. Management Team and Structure

Experienced and professional senior-level management team dedicated to the project throughout the life of the project. *References will be checked to evaluate the consistency, professionalism and responsiveness of teams.*

### 3. Financial Resources

Evidence of financial resources necessary to plan, acquire and develop the property and to demonstrate a history of maintaining significant equity/cash positions in projects and providing long-term investments to enhance the quality and success of projects. Specific criteria evaluated include:

- Availability of liquid assets;
- Number of past similarly sized projects;
- Positive support from lenders and/or joint venture partners;
- Past bankruptcies, non-performing loans, and other financial difficulties; and
- Financing structure of past projects.

### 4. Development Vision

Development vision that reflects an understanding of and commitment to the County's objectives, standards, and land use parameters for the Site and best demonstrates an understanding of the vision of the community as reflected in Appendix A.



# Submission Requirements

Development Teams must submit complete packages including the following in the order indicated to be considered.

## **1. Cover Letter**

Include a two-page cover letter highlighting the Development Team's key qualifications and experience. Clearly identify the Development Team members and their roles. Identify the principal point of contact/project manager who will be authorized to make representations on behalf of the Development Team.

## **2. Development Vision**

Describe the Development Team's overall vision to create a unique, high-quality project that reflects the County's development objectives and can be executed in the near future. Architectural renderings of the vision are not required. The vision statement should address:

- Anticipated size, character, and target market of the visitor serving and other commercial; development components;
- Order of magnitude of development costs and anticipated debt/equity requirements;
- Key amenities;
- Approach to accommodating the park facility requirement, and easements; and
- Justification of proposed land uses other than the coastal priority uses being contemplated.

## **3. Members of Developer**

Identify the name of the Developer entity, each member of the Developer entity, each member's percentage of ownership of the Developer entity, each member's respective roles and responsibilities, mission statements, and the person who represents each member. Indicate the managing member of the Developer, the financial partner, the person responsible for securing entitlements, etc. Provide an organizational chart that illustrates the members of the Developer entity.

## **4. Development/Operations Philosophy**

Describe the Developer's approach to developing and operating projects and how the Developer's approach translates into successful developments.

## **5. Project Manager**

Identify the person who will represent the Development Team in meetings with the County and provide his/her position within the Development Team.

## **6. Consulting Members of Development Team**

Identify professional consultants collaborating with the Development Team including architects, land use planners, engineers, traffic consultants, etc., including any applicable license numbers.

## **7. Developer Relevant Projects**

Provide a maximum of five projects that highlight the Developer's experience serving in a developer role in waterfront, visitor-serving, public/private and/or urban infill developments. Relevant Projects must be described using the format provided in Exhibit A and are limited to a total of fifteen (15) pages. It is suggested that selected projects include visuals to best communicate the project vision.

## **8. Development Team Resumes and Relevant Projects**

Provide Development Team resumes including any applicable license numbers and relevant project experience of proposed team members not included in item 7 above.

## **9. Financial Qualifications**

Provide clear evidence of financial resources to plan, acquire and develop the property in accordance with the development vision, including:

- Name(s) of members of the Developer who are responsible for securing financing for the project;
- Copies of audited financial statements of responsible entities for the past two years. Financial statements should include balance sheet, unencumbered liquid assets, income statement, and accompanying notes;
- Anticipated amount of debt and equity needed and to be secured by the Developer for completion of the project;
- Required rate of return, if any, for this development. Describe the requirement(s) if applicable.

## **10. Financial History**

Indicate whether any member of the Developer (Development Team) or any partnership, joint venture, and/or LLC in which any member of the Developer (Development Team) was a member has ever declared bankruptcy or participated in a restructuring of debt commitments of a distressed property. If applicable, describe the project(s) and circumstance(s).

## **11. Litigation**

Describe all judgments and pending litigation against the Developer and members of the Development Team.



# Submission Details

*(Required Forms, Number of Copies, Address)*

Completed submittals shall include all required attachments (exhibits and explanatory materials) as applicable. All attachments shall be identified with the Submitter's name, RFQ number and page number. No oral, telegraph, telephone, facsimile or electronic submittals will be accepted. Submittals must be completed in ink, type-written, or word-processed.

Submit five (5) sets: one (1) original and four (4) copies; and one (1) electronic copy (USB drive or CD) of the completed submittal, including the following attachments:

- Exhibit A: Relevant Experience  
(One form per project)
- Exhibit B: Development Team Summary

Submittals shall be delivered in a sealed container clearly marked RFQ #16Q1-009 and addressed to:

**General Services Department - Purchasing Division**  
**Attn: Kevin Bratcher**  
**701 Ocean Street, Room 330 Santa Cruz, CA 95060**

Submittals received will be available to the public for review after the completion of negotiations with the Developer selected by the Board of Supervisors.

## Submittal Due Date

Submittals are due August 18, 2017, at 5:00 PM Pacific Daylight Time (PDT).

## Late Submittals

Submittals received after August 18, 2017, at 5:00 PM PDT will be returned unopened.

## Proprietary Information

Submittals will be subject to public inspection in accordance with the California Public Records Act (CPRA). To protect proprietary information, if any, Submitter must clearly mark proprietary information as such, submit it in a separate sealed envelope and only reference it within the body of the proposal. Submitter should not include in the submittal any material that Submitter considers confidential but that does not meet CPRA disclosure exemption requirements. Submitter shall be responsible to defend and indemnify the County from any claims or liability to compel disclosure of any part of its submittal claimed to be exempt from disclosure.

## Point of Contact

Submitter shall direct all questions regarding the RFQ to Kevin Bratcher, the Buyer, via e-mail at [Kevin.Bratcher@santacruzcounty.us](mailto:Kevin.Bratcher@santacruzcounty.us).

No other person has the authority to respond to any questions submitted unless specifically authorized by Mr. Bratcher. Submitter may be disqualified for failure to adhere to this process.

## Modification or Withdrawal of Submittal

Submitter or its authorized representative may modify or withdraw its submittal prior to the submittal due date by formal written notice. All submittals not withdrawn prior to the submittal due date will become the property of County.



# Limitations and Waiver of Protest

1. Santa Cruz County reserves the right to do the following at any time:
  - Reject any and all submittals without indicating any reasons for such rejection;
  - Waive or correct any minor or inadvertent defect, irregularity or technical error in the RFQ or any RFQ procedure or any subsequent negotiation process;
  - Terminate the RFQ and issue a new RFQ anytime thereafter;
  - Check any or all references (1) necessary to assess a Submitter's past performance; (2) pertaining to similar projects that demonstrate experience that is relevant to the RFQ scope of work; and/or (3) explicitly specified in the response or that result from communication with other entities involved with similar projects, including other industry sources and users of similar services known to County;
  - Procure any services specified in the RFQ by other means;
  - Extend any or all deadlines specified in the RFQ by issuance of an addendum at any time prior to the deadline for submittals;
  - Disqualify any Submitters on the basis of any real or perceived conflict of interest or evidence of collusion that is disclosed by the response or by other means or other information available to County;
  - Reject any Submitters that are in breach of or in default under any other agreement with County;
  - Reject any Submitters deemed by County to be non-responsive, unreliable, or unqualified.
  - If the selected Submitter fails to enter into an Exclusive Negotiation Agreement or DDA, the County reserves the right to discontinue negotiations with that Submitter and enter into negotiations with the next most qualified Submitter, who shall be the selected Submitter for purposes of this paragraph.
2. These documents may not be changed by any oral statement. Changes to these documents will be by written addenda issued by the Buyer or his designee. Addenda will be posted on the website indicated on page 5. If/when necessary, written addenda will be emailed to all known Submitters.
3. If Submitter observes a discrepancy or omission in, or is unclear about any RFQ specifications or requirements, Submitter shall notify the Buyer via e-mail. Submitter is responsible for seeking clarification on anything in the RFQ that is unclear. County shall not be held responsible for interpretations. Questions must be submitted in writing by June 30, 2017, 5:00 PM PDT. The Buyer will disseminate written questions and answers in the form of an addendum, and may issue other clarifications or instructions in the form of an addendum, which shall be incorporated into the RFQ and any resulting contract as applicable.
4. Submitter is solely responsible for all submittal costs.
5. By submitting a response to this RFQ, Submitter expressly waives any and all rights to object, protest and/or seek any legal remedies whatsoever regarding any aspect of this RFQ, including, without limitation, the County's selection of a developer, the County's rejection of any or all submittals and/or any subsequent agreement that might be entered into as a result of this RFQ.
6. All materials submitted in response to this RFQ will become the property of the County.
7. The County will not pay a finder's fee/brokerage fee to any entity representing or purporting to represent Submitters. Submitters shall hold the County harmless from any and all liability, damage, claim, loss and/or expense incurred in connection with or relative to any such fee.
8. Submitters are cautioned not to contact members of the Board of Supervisors and the RSA Oversight Board during this selection process. Submitters will be disqualified for failure to adhere to this process.



# Response Form

## Exhibit A: Relevant Experience

*Note:* Limit the table to three pages total per project, including up to two pages for the table and one page for project photographs, drawings, etc.

<b>Project Title:</b>	
<b>County, State:</b>	
<b>Type of Development:</b>	1) Waterfront      2) Urban Infill      3.) Mixed Use 4) Visitor-Serving      5) Redevelopment
<b>Project Description (size, mix of land uses, location and entitlement process):</b>	
<b>Similarities to 7th Avenue Visitor Accommodation Site:</b>	
<b>Size of Project/Number of Acres:</b>	
<b>Construction Start Date:</b>	
<b>Construction Completion Date:</b>	
<b>Construction Cost (Hard Costs):</b>	
<b>Provider/Amount of Long Term Financing – both Debt and Equity:</b>	
<b>Contact for Equity Financing:</b>	
<b>Contact for Debt Financing:</b>	
<b>Project Manager:</b>	Name: Company: Phone:
<b>Master Developer Members (if applicable)</b>	Managing Members/Companies:
<b>Project Team Members (Please identify all team members being proposed for the 7th Avenue Visitor Accommodation Site who also worked on this project. Please indicate any leading roles played by proposed team members.)</b>	Name: Role/ Company:
	Name: Role/ Company:
	Name: Role/ Company:
	Name: Role/ Company:
	Name: Role/ Company:
<b>Local Government Reference:</b>	Name/Title: Phone: E-Mail Address: Role of Agency/Local Government:
<b>Amount/type of public investment in the project:</b>	
<b>Description of public spaces in project:</b>	



# Response Form

## Exhibit B: Development Team Summary

Development Teams must submit the following table. The table may be expanded, but must be kept to one page. For relevant projects, list the project title as listed on Exhibit A.

Development Team Members	Name	Most Relevant Projects
Developer(s)		
Project Manager - Name and Title		
Design Team Design Team Lead and Title		
Other Team Member		
Other Team Member		
Other Team Member		
Other Team Member		



## Appendix A: Community Meeting Report (Prepared by AECOM)

Please see the following report for additional information about the community visioning process. More information about the Site and the community visioning process can be found at the following link:

<http://www.santacruzcounty.us/7thandBrommer.aspx>





## Appendix B: Market Information (Prepared by Keyser Marston Associates)

Santa Cruz County is situated on California's Central Coast, between Silicon Valley and the Monterey Peninsula. The County has a population of 270,000 and is within an hour drive of approximately 2.6 million Northern California residents. The County's 29 miles of beaches, coupled with a multitude of cultural and recreational activities, make the area a popular tourist destination. Three million annual visitors to the County generate over \$760 million in direct travel expenditures. Market trends over the past five years (2010-2014) indicate strength and growth in the tourism sector:

- Six percent annual growth in taxable room sales, outperforming the statewide average;
- Over 750 hotel rooms in the development pipeline countywide; and
- Seven percent annual growth in taxable food and beverage sales.

Please see the following tables for additional information about the area.





# Community Meeting Report 7th Avenue and Brommer Street

Santa Cruz County

May 19, 2017

Prepared for:  
Santa Cruz County

Prepared by:  
Paul Peninger, Director, Sustainable Economics, Americas, Economics + Planning, AECOM  
Rucker Alex, Senior Economist, Sustainable Economics, AECOM

## Contents

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## 1. Summary

On April 27, 2017 approximately 140 participants joined a two-hour community meeting at the Live Oak Elementary School gymnasium to discuss the future of the site at 7<sup>th</sup> Avenue and Brommer Street.

After a welcome from Supervisor Ryan Coonerty and a presentation about the site development potential and market considerations from Paul Peninger of AECOM, participants divided into ten groups. Trained facilitators guided a discussion centered around two questions:

1. What types of land uses/development would you envision as part of a mixed-use development at the 7th and Brommer site?
2. What features are desirable as part of the open space/parks/recreation portion of the site?

### 1.1 Site Requirements

The site was transferred to the Redevelopment Successor Agency after the dissolution of the Redevelopment Authority in 2013.

Per State law, County must:

- Sell, lease or transfer the sites.
- Maximize sale proceeds and long-term economic and community benefit with sale proceeds distributed to the taxing entities.

- **Owner:**  
County of Santa Cruz Redevelopment Successor Agency
- **Acquisition Dates:**  
2000 to 2007
- **Size:**  
8.26 acres / 3 parcels
- **Land Use Zoning:**  
C-2-D (Community Commercial with a Designated Park Site Combining District)
- **General Plan designation:**  
C-C (Community Commercial) and O-U (Urban Open Space)
- **Market Value estimate (2016):**  
\$2.9 million

Source: Long Range Property Management Plan, 2013

The 7th and Brommer site development is subject to County land and zoning regulations and approvals. It is additionally subject to Local Coastal Plan (LCP) standards and appeal to the Coastal Commission. According to the Long Range Property Management Plan, the Coastal Commission standards specify that commercial use of the site include (1) minimum of 50% of project devoted to hotel/motel/inn visitor accommodations, (2) minimum of one acre for neighborhood park facilities, and (3) coordinated, integrated development with harbor/Port District sites.

### 1.2 Overview of Needs and Potential Uses

The 7<sup>th</sup> and Brommer community meeting provided attendees with background information about the site and local and state requirements for future use. At the outset of the meeting, many participants conveyed a general concern about using the site for visitor accommodation purposes, such as a hotel. This concern was carried over into the breakout group discussions, where some participants expressed a preference for maintaining open space on the site. In the course of the highly-engaged discussions, however, several ideas were generated for using the site for community gathering spaces, locally-owned commercial enterprises, and other uses that benefit the community.

During the report-back of the breakout groups, several themes emerged regarding space needs and preferences as well as community concerns. These themes are outlined below.

#### *Space Needs and Preferences*

Participants emphasized a need for open space and preserving the neighborhood character of the site.

- Parks, recreational space, and community gathering spaces are a priority. Ideas for these spaces included bocce ball courts, picnic tables, RV park, campground, an outdoor amphitheater, a dog park, a farmers' market, and a community garden.
- The development should, overall, be a part of the existing fabric of the area. It should have outward-facing design and a mix of uses, rather than be inward-facing and focused on hotel patrons.
- Ideas for visitor-serving accommodations included a nature/wildlife center, a visitor center, bike rentals and kayak rentals.
- Participants stated a strong preference for boutique, small-scale, or cottage-style hotels over large, dense luxury hotels.
- Pedestrian and bike trails should be included on the site, and any development should take into consideration the existing topography and connections to the adjacent trails.
- Ideas for commercial spaces included small, local businesses, such as restaurants, breweries, bakeries, grocery stores, and artist spaces.
- In regards to retail uses, participants specified they did not want chain stores or strip malls.
- Participants indicated a preference for incorporating the site's farmland history into new development.
- Some residents referred to the need for housing, including affordable units for seniors and families.

### Concerns

Participants expressed concerns about increased traffic due to tourism, encroachment on natural habitats and open space, as well as the loss of the neighborhood character of the area.

- Developers should ensure that traffic and parking concerns are considered, and encourage biking and walking around the site by including pedestrian/bike trails or providing bike shares. Connections to a shuttle, trolley, or public transit may also help abate traffic.
- Many participants were concerned about potential loss of open space and access to the harbor.
- Many participants stated that dense, large-scale hotels would be incongruous with the neighborhood and instead favored smaller, cottage or bed-and-breakfast style accommodations.
- Some community members expressed concern about the environmental impacts that the development would have on Arana Gulch as well as the other natural areas in and around the site.
- Increased water demand and pollution were also noted as potential risks by participants.
- Several participants expressed concern over noise levels as well as the safety and security of the neighborhood after development.
- Some participants stated their concerns about the potential disruption to or elimination of parking for boaters.

Please see the Appendix, Documentation of Facilitated Discussion, for specific feedback by group.



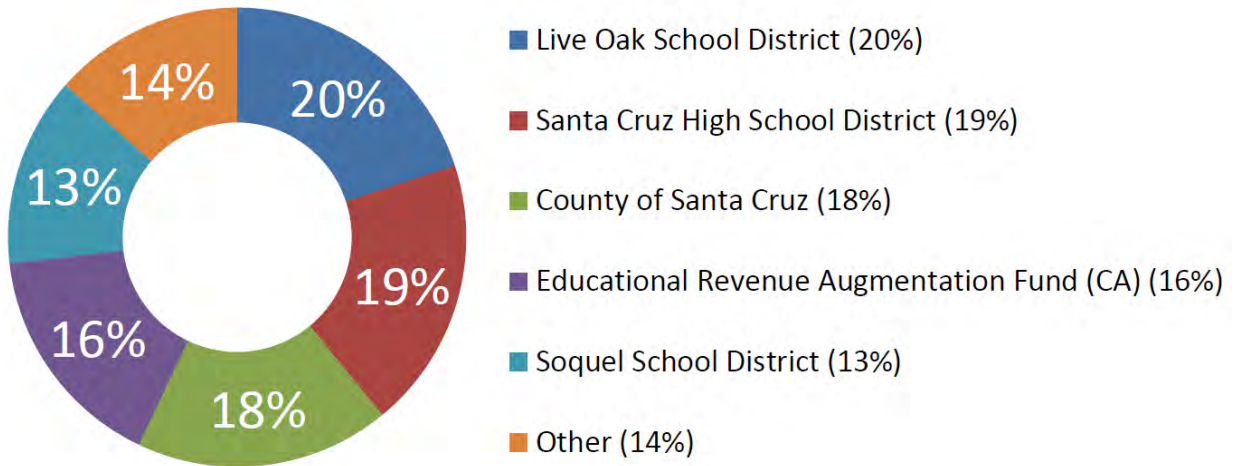


Refreshments consisted of Pacific Cookie Company cookies, California clementines, juices, water, and coffee from Cat & Cloud coffee company.

## 2. Frequently Asked Questions

- **What does the site's existing "Community Commercial" zoning designation mean?**
  - Santa Cruz County's Planning Department defines basic zone districts. Community Commercial (C-2) permissible uses are:
  - All uses permitted in the C-1 zone:
    - "animal grooming, banks, barber & beauty shops, small repair shops, print shops, shoe repair, offices (not exceeding 50% of the building area), fitness centers, restaurants, bookshops, bicycle shops, hardware stores, jewelry stores, pet shops, clothing stores, and stationary stores. Multi-family residential as a mixed use up to 50% of floor area."
  - Plus:
    - "veterinary clinics (without overnight boarding), offices, indoor theaters, and retail sales involving large areas such as appliance showrooms, automobile supply stores, department stores, and garden supply stores. Plus hotels, motels, and inns. Multi-family residential as a mixed use up to 50% of floor area."
- **What is the timeline for the County to sell or transfer the property?**
  - The Long Range Property Management Plan does not identify a specific timeline for the property at 7<sup>th</sup> and Brommer. The County must continue in good faith to move forward with the effort for disposition and report regularly to the Oversight Board.
- **Who receives the revenue from the redevelopment site land sales?**
  - Two-thirds of the land sale proceeds go to local school districts. The Redevelopment Authority successor agencies' property tax distribution is shown in the figure below.

Figure 1: Property Tax Distribution



### 3. Appendix

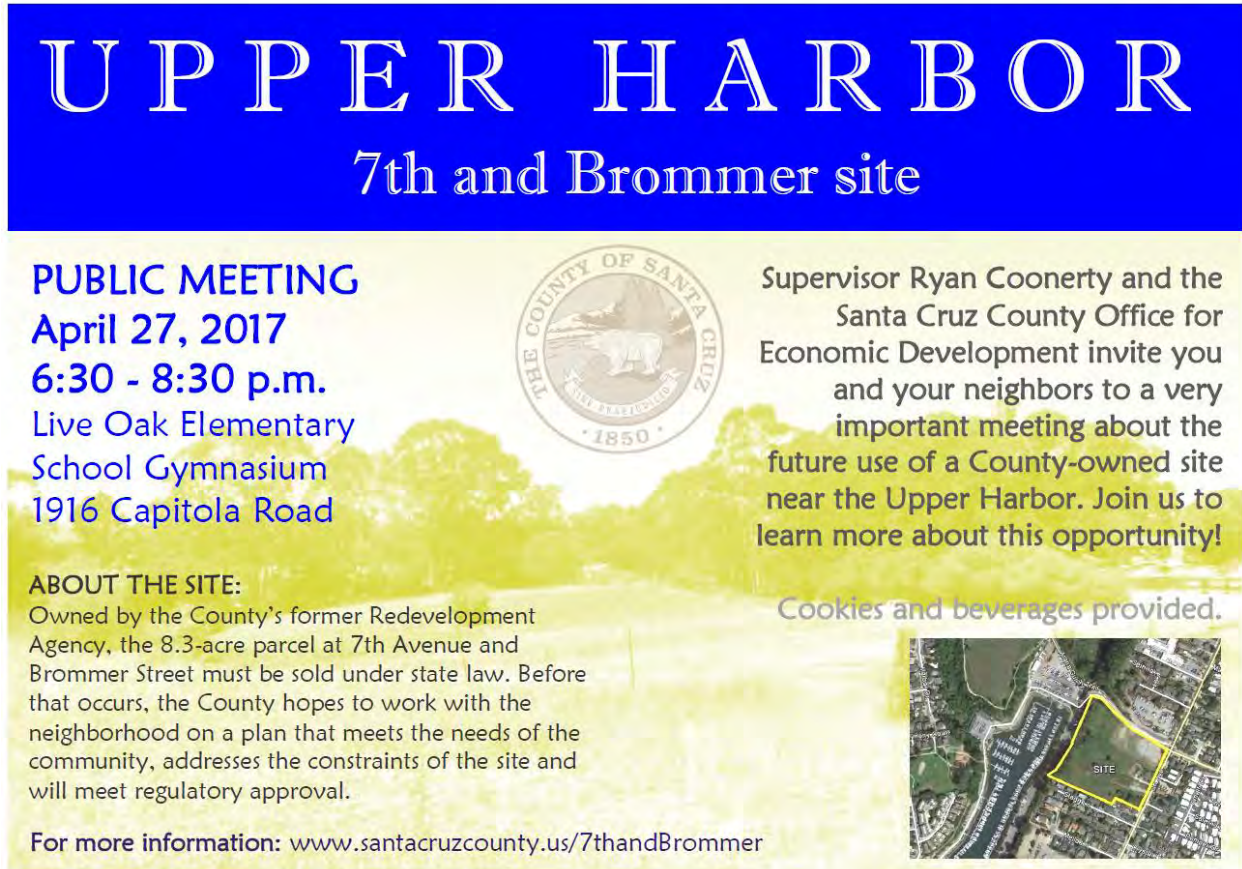
#### 3.1 Agenda

Time	Activity	Presenters and Participants
6:30pm	Welcome, Introductions and Meeting Overview	Ryan Coonerty, Supervisor
6:45pm	Presentation on site, community context, and market and community factors influencing future development	Paul Peninger, AECOM
7:10pm	Facilitated discussions in breakout groups	Community AECOM and County facilitators
7:55pm	Reporting back from breakout groups and next steps	Community Paul Peninger, AECOM
8:30pm	Closure	



## 3.2 Outreach

As part of the outreach campaign, postcard invitations were sent to households near the site. The County sent emails with flyers in English and Spanish to local government agencies, non-profits, community organizations, and retail outlets. The County also advertised the meeting through its website, Facebook, Twitter and NextDoor.



The flyer features a blue header with the text "UPPER HARBOR" in large white serif font, and "7th and Brommer site" in a smaller white serif font below it. The background of the flyer is a light green and yellow landscape with trees. On the left side, there is a circular seal of "THE COUNTY OF SANTA CRUZ" with a central figure and the year "1850". To the right of the seal is a paragraph of text. Below the seal and text is a small aerial map showing a yellow-outlined area labeled "SITE".

# UPPER HARBOR

## 7th and Brommer site

**PUBLIC MEETING**  
**April 27, 2017**  
**6:30 - 8:30 p.m.**  
Live Oak Elementary  
School Gymnasium  
1916 Capitola Road

Supervisor Ryan Coonerty and the Santa Cruz County Office for Economic Development invite you and your neighbors to a very important meeting about the future use of a County-owned site near the Upper Harbor. Join us to learn more about this opportunity!

**ABOUT THE SITE:**  
Owned by the County's former Redevelopment Agency, the 8.3-acre parcel at 7th Avenue and Brommer Street must be sold under state law. Before that occurs, the County hopes to work with the neighborhood on a plan that meets the needs of the community, addresses the constraints of the site and will meet regulatory approval.

Cookies and beverages provided.

For more information: [www.santacruzcounty.us/7thandBrommer](http://www.santacruzcounty.us/7thandBrommer)

### 3.3 Facilitators at Meeting

- 1) Paia Levine, Principal Planner, County of Santa Cruz
- 2) Annie Murphy, Planner, County of Santa Cruz
- 3) Dave Reid, Analyst, County Supervisor's Office
- 4) Rucker Alex, AECOM
- 5) Laura Adleman, AECOM
- 6) Guy Duer, AECOM
- 7) Aaron Lewis, AECOM
- 8) Megan Keith, AECOM
- 9) Merril Putnam, AECOM
- 10) Kelly Wong, AECOM

### 3.4 County Staff at Meeting

- 1) Rachel Dann – Analyst
- 2) Dave Reid – Analyst
- 3) Andy Constable – Economic Development Manager
- 4) Peter Detlefs – Economic Development Coordinator
- 5) Barbara Mason – Economic Development Coordinator
- 6) Betsey Lynberg – Director of Capital Projects (former Redevelopment Agency Director)
- 7) John Ricker – Water Resource Manager
- 8) Paia Levine – Principal Planner
- 9) Annie Murphy – Planner

### 3.5 Documentation of Facilitated Discussion

Notes from the small break-out group discussions are recorded in the figures below.

Figure 2

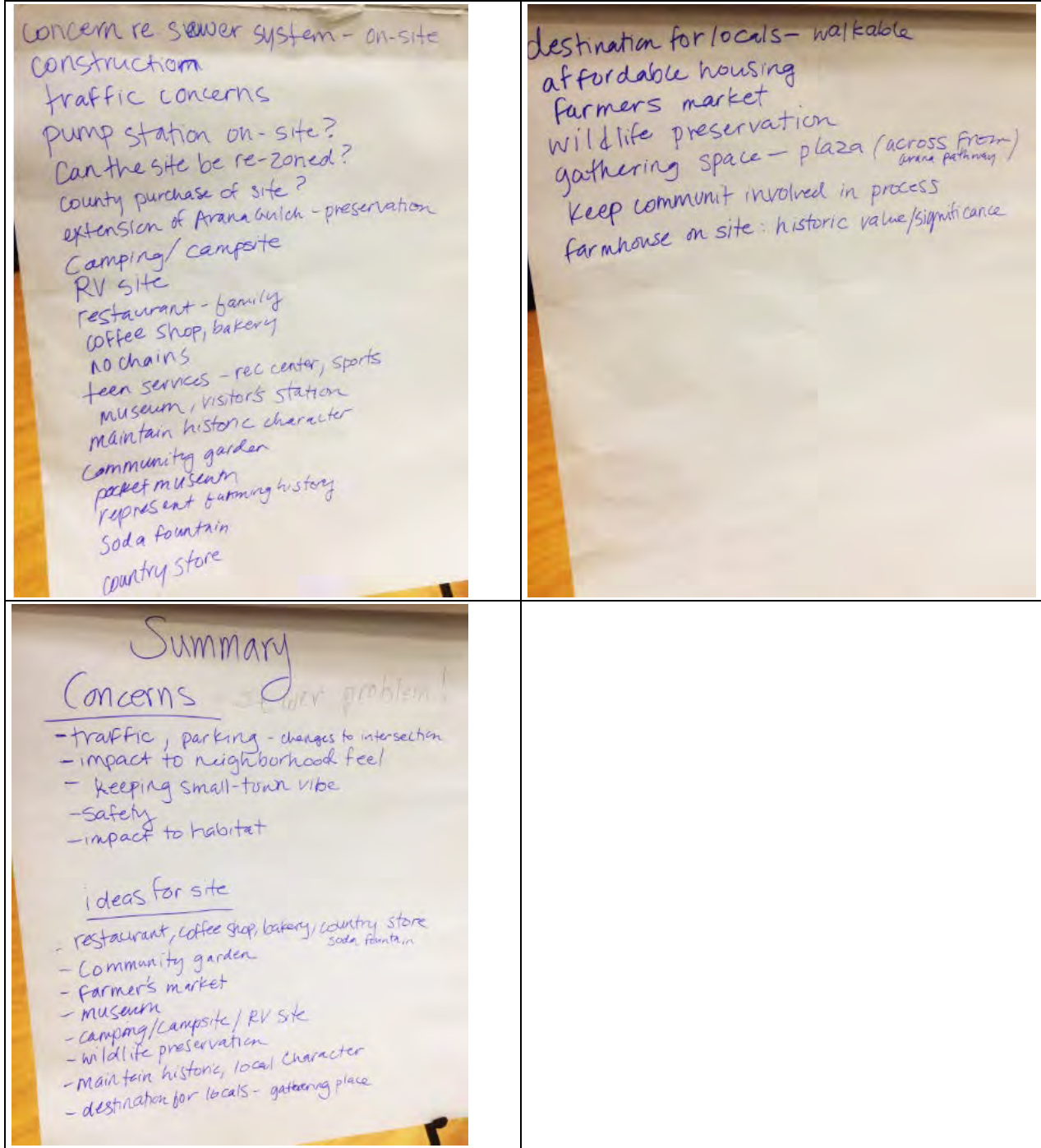


Figure 3

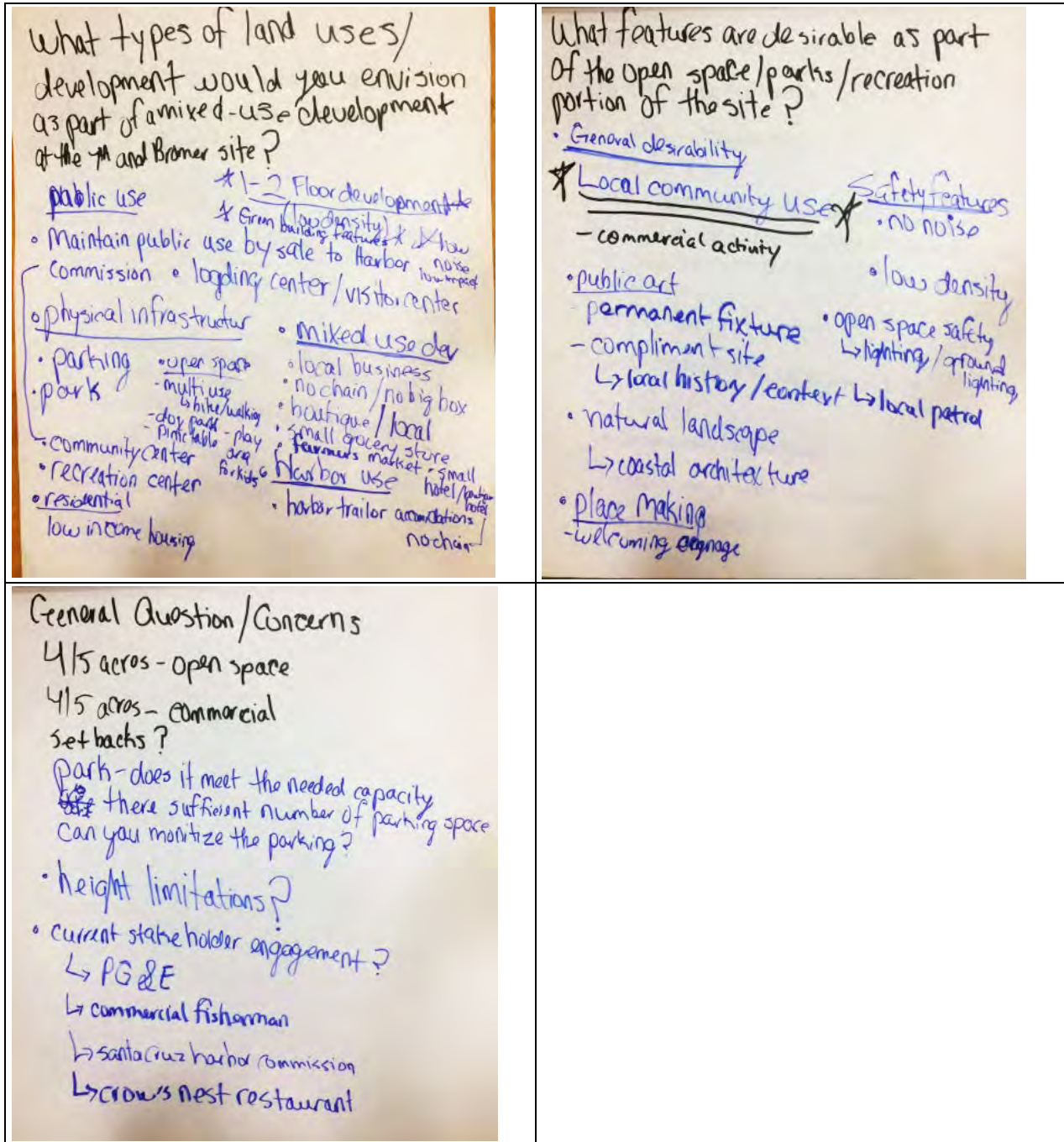


Figure 4

<p>1. TYPES OF LAND USE? (Mixed use)</p> <ul style="list-style-type: none"> <li>- Cottages / B+B</li> <li>- Tent cabins / "glamping"</li> <li>- Higher density hotel/housing</li> <li>- Great architecture / non-disruptive</li> <li>- Marketplace - indoor/outdoor</li> <li>- uses should relate to Surroundings</li> <li>- lower impact / daytime use emphasis (NOT Swift St. Complex) <span style="font-size: small;">→ Smaller Scale</span></li> </ul>	<p>1. Cont.</p> <ul style="list-style-type: none"> <li>- Bike rental</li> <li>- Coordination/discussion w/ Port District (land transfer?) → Connected to recreational use or access to harbor</li> <li>- Overflow parking for harbor *Parking*</li> <li>- Traffic calming - speed bumps, medians, narrow lanes, etc.</li> <li>- Shopping &amp; restaurants tied into harbor uses</li> </ul>
<p>.Cont.</p> <ul style="list-style-type: none"> <li>- 3-story (build up/mixed use) ↳ but limit height</li> <li>- Preserve view up to mountains</li> <li>- Alternative access to property</li> <li>- tie in access w/ rail + bike trail</li> <li>- Fund from sale &amp; development should come back to Live Oak</li> <li>- Make more attractive/appealing</li> <li>- Educational / non-profit uses</li> <li>- Meeting place / conferences (must be appropriate fit)</li> </ul>	<p>1. Cont.</p> <ul style="list-style-type: none"> <li>- Gathering space</li> <li>- Coffee &amp; alcohol</li> <li>- Community Space rentals/meeting</li> <li>- Schools have access to site (Daytime)</li> <li>- Gymnasium</li> <li>- Marine/Ocean exploration</li> <li>- Bait Shop</li> </ul>
<p>2. Features Desirable in Parks/ Open Space / Rec?</p> <ul style="list-style-type: none"> <li>- Mini-Aquarium</li> <li>- Soccer field / outdoor meeting space ↳ could impact traffic?</li> <li>- Open field - SF parks? • Rentals • Movie nights, frisbee, etc. • Playground/exercise equip around edges</li> <li>- Bocce Ball court</li> </ul>	<p>2. Cont.</p> <ul style="list-style-type: none"> <li>- Open space to relax</li> <li>- Picnic area w/ pergola or shade</li> <li>- RV Park</li> <li>- Economy lodging options? (Mixed w/ luxury or B+B)</li> <li>- Low Skyline</li> <li>- *Natural habitat walking trails</li> <li>- Something similar to Villa Maria (on East Cliff)</li> <li>- Oaks</li> <li>- Bring back twin fountains</li> <li>- History Walk</li> </ul>

## Appendix A

7<sup>th</sup> and Brommer Community Meeting

<p><u>2. Cont.</u></p> <ul style="list-style-type: none"><li>- Amphitheater (natural space for this)<ul style="list-style-type: none"><li>* For schools to use</li></ul></li><li>- More <u>open space</u> than just blue strip on General Plan → leave trees + natural setting Picnic tables</li><li>- Logs for Seating</li><li>- Park amenities accessible to all abilities</li><li>- Park space similar to Arana Gulch</li><li>- Bike Rentals (work w/ City)</li></ul>	<p><u>2. Cont.</u></p> <ul style="list-style-type: none"><li>- Build up to preserve open space</li><li>- Intentional placement of taller buildings<ul style="list-style-type: none"><li>* Work w/ existing slope</li><li>* Shorter buildings near street</li></ul></li><li>- Parking underneath? w/ Elec. Charging Stations</li><li>- Encourage other forms of transport</li></ul>
--	--

Figure 5

<p><u>THINGS WE DON'T WANT</u></p> <ul style="list-style-type: none"> <li>- TRAFFIC             <ul style="list-style-type: none"> <li>- lost tourists on roads</li> </ul> </li> <li>HOW WILL IT AFFECT ARANA GULCH?</li> <li>- LACK OF UTILIZATION OF THE MULTI-USE SPACES NEARBY</li> <li>- ENCRoACHMENT ON WILDLIFE             <ul style="list-style-type: none"> <li>- PRESERVE AS MUCH NATURE AS POSSIBLE</li> </ul> </li> <li>- POLLUTION             <ul style="list-style-type: none"> <li>- driving from harbor to 7th</li> </ul> </li> <li>- DRIVING OUT LOCAL BUSINESS             <ul style="list-style-type: none"> <li>- PEKE'S</li> </ul> </li> <li>- RETAIL MAY NOT BE VERY VIABLE</li> </ul>	<p><u>TYPES OF LAND USE/DEVELOPMENT WE WANT</u></p> <ul style="list-style-type: none"> <li>- NATURE CENTER</li> <li>- NEED TRAFFIC LIGHT?</li> <li>- BOAT + TRAILER PARKING</li> <li>- RETAIL/SHOPPING ON BOTTOM w. HOUSING ON <del>FOR</del> TOP             <ul style="list-style-type: none"> <li>- w/ bike parking</li> <li>- grocery shopping w/in walking distance</li> <li>- bakery</li> <li>- small, boutique retail</li> <li>- outdoor seating picnic</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>- WATER CONCERNS - how will we deal w/ water conservation?</li> <li>- VISITOR ACCOMODATIONS             <ul style="list-style-type: none"> <li>- NATURE CENTER</li> <li>- KAYAKING</li> <li>- PADDLEBOARD</li> <li>- SURFING/KAYAKING SCHOOLS</li> <li>- BIKE RENTALS</li> </ul> </li> <li>- SOCCER FIELDS</li> <li>- BIKE PATHS</li> <li>- SMALL HOTELS             <ul style="list-style-type: none"> <li>- cottages</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- TROLLEY?             <ul style="list-style-type: none"> <li>- similar to the one @ the mall</li> <li>- less traffic</li> </ul> </li> <li>- NATURAL GARDEN</li> <li>- COMMUNITY PURCHASE</li> <li>- COMMUNITY GARDEN             <ul style="list-style-type: none"> <li>- local garden</li> </ul> </li> <li>- PARK SIMILAR TO FREDERICK ST</li> <li>- WALKING PATH/JOGGING TRAIL             <ul style="list-style-type: none"> <li>- w/ lights</li> <li>- reuse recycled tires</li> </ul> </li> </ul>

<ul style="list-style-type: none"> <li>- UNIQUE ACCOMODATIONS             <ul style="list-style-type: none"> <li>- TINY HOUSES</li> </ul> </li> <li>- ELDER HOUSING</li> <li>- AMENITIES/EDUCATION FOR THE HOMELESS             <ul style="list-style-type: none"> <li>- community gardens for where they could work</li> <li>- add value to community - in Portland people work towards responsibility - sunset mag</li> </ul> </li> <li>- COMMUNITY CENTER             <ul style="list-style-type: none"> <li>- to do readings</li> <li>- can be rented out</li> </ul> </li> <li>- LOW INCOME HOUSING             <ul style="list-style-type: none"> <li>- for small footprint</li> <li>- amenities</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- HOW MUCH OF SALE REVENUE WILL GO TO ACTUAL CLASSES VS ADMIN?</li> <li>- HOW MUCH REVENUE IS EXPECTED FROM THESE HOTELS?             <ul style="list-style-type: none"> <li>- 8000 stores estimated to go down in retail due to online shopping</li> </ul> </li> </ul>
<p><u>OUTDOOR</u></p> <ul style="list-style-type: none"> <li>- BOCCIE</li> <li>- OUTDOOR WORKOUT</li> <li>- PEACE PARK - INTERDENOMINATIONAL</li> <li>- SOCCER FIELD</li> <li>- COMMUNITY GARDEN</li> <li>- DOG PARK OFF LEASH</li> <li>- GOOD SIGNAGE</li> <li>- METRO BIKE SHARE</li> <li>- COVERED PICNIC AREAS</li> <li>- SECURITY/SAFETY</li> </ul>	<ul style="list-style-type: none"> <li>- COMMUNITY SHUTTLE             <ul style="list-style-type: none"> <li>- certain stops every day</li> </ul> </li> </ul>



Figure 6

<ul style="list-style-type: none"> <li>- rustic hotel (if any)</li> <li>- no higher than 2 stories</li> <li>- underground parking no parking lots (visible)</li> <li>- cottage type</li> <li>- hotel has to match the neighborhood</li> <li>- outdoor restaurant</li> <li>- Retain/extend existing trails and paths</li> <li>- Transitional open area that provides harbor accessibility</li> <li>- handicap accessible</li> <li>- Park + open space</li> <li>- boutique / upscale hotel</li> <li>- Coffee shop / <u>bakery</u> ↕</li> </ul>	<ul style="list-style-type: none"> <li>oriented +</li> <li>- focused on the harbor: provide access to it </li> <li>- park or promenade </li> <li>- Think in terms of "<u>village</u>" (small buildings)</li> <li>- Open &amp; accessible</li> <li>- coffee shop and restaurant</li> <li>- Small Scale buildings</li> <li>- hotel with public open space</li> <li>- hotel</li> <li>- improve surrounding businesses</li> <li>- maintain existing hiking trails.</li> </ul>
<ul style="list-style-type: none"> <li>- keep built area to a minimum</li> <li>- Presidio in SF is a good model</li> <li>↕ - small scale / trees / hiking</li> <li>- <u>Protect adjacent properties with buffer</u></li> <li>- community garden</li> <li>- small scale / boutique (but not too fancy)</li> <li>- environmental education center</li> <li>- community / conference space</li> <li>- maintain / connect / extend existing trails.</li> <li>- bike rentals</li> <li>- <del>public</del> public transit options</li> </ul>	<ul style="list-style-type: none"> <li>- <u>buffer adjacent properties</u></li> <li>- Small Scale development due to traffic concerns</li> <li>- not developed at all: only open space / park for kids</li> <li>- educational features</li> <li>- Affordable housing is needed for teachers / fire fighters / etc.</li> <li>- No hotel</li> <li>- open park</li> <li>- "dog park (small &amp; large dogs)</li> <li>- "Benis the menace" park is a good model</li> <li>- middle income venues + amenities</li> </ul>
<p>Question 2:</p> <ul style="list-style-type: none"> <li>↕</li> <li>- bocce ball</li> <li>- additional parking</li> <li>- Community gardens</li> <li>- buffer adjacent properties</li> <li>- Incorporate historical context into design (it used to be farm land / lagoon / yacht harbor)</li> <li>- educational features about flora + fauna) + <u>Birds</u></li> <li>- minimal disruption to the neighborhood as it exists now</li> </ul>	

Figure 7

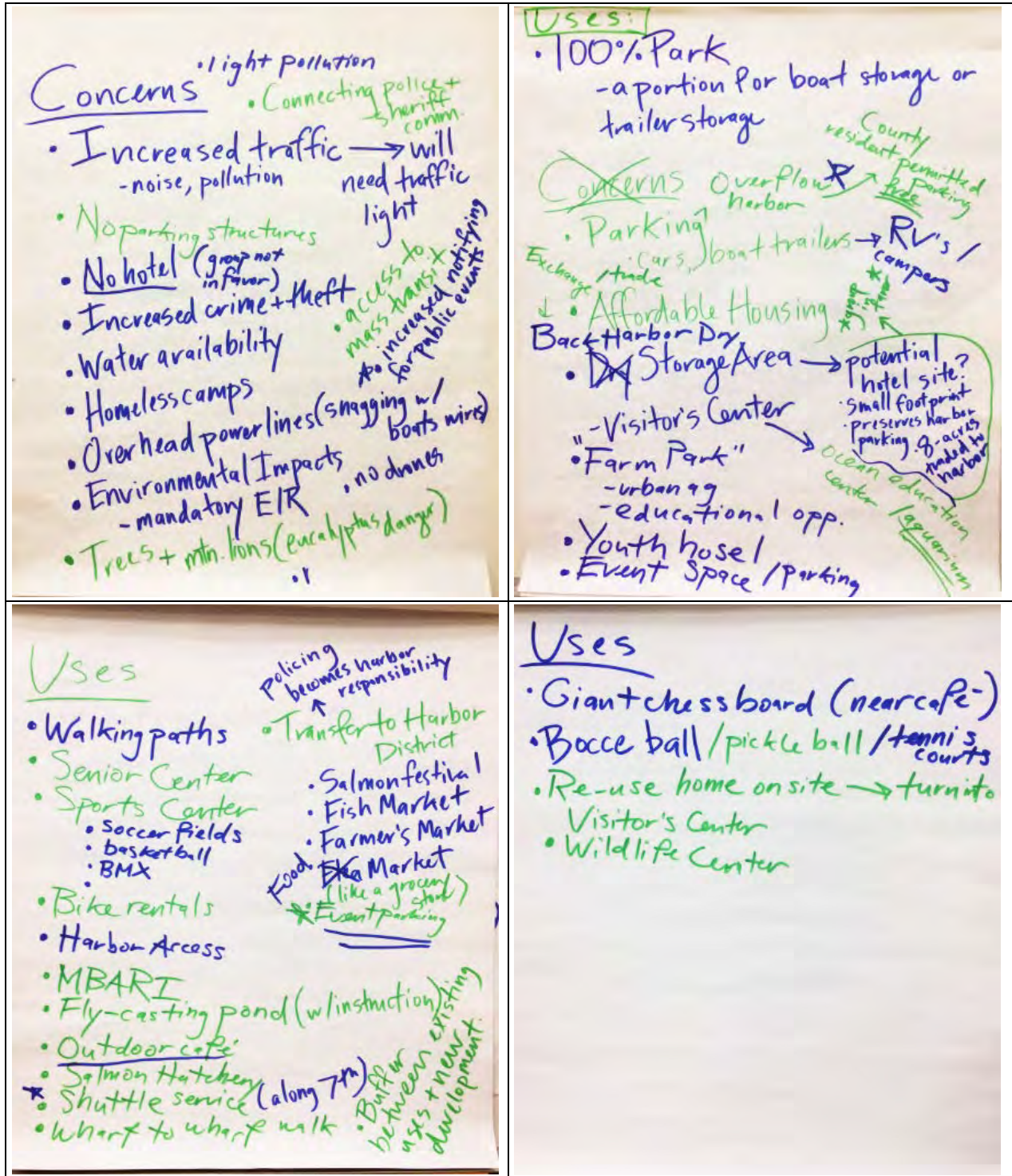


Figure 8

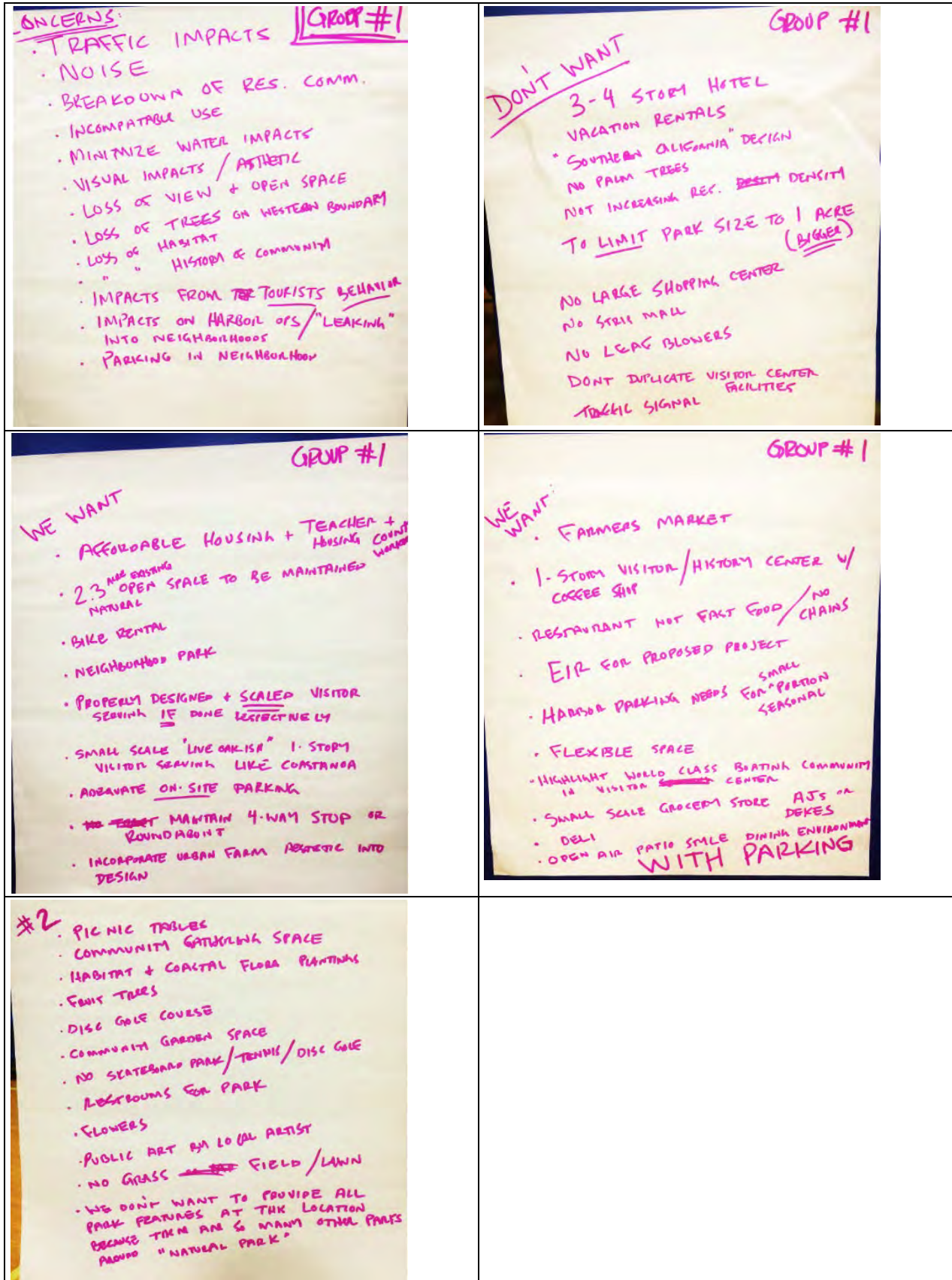
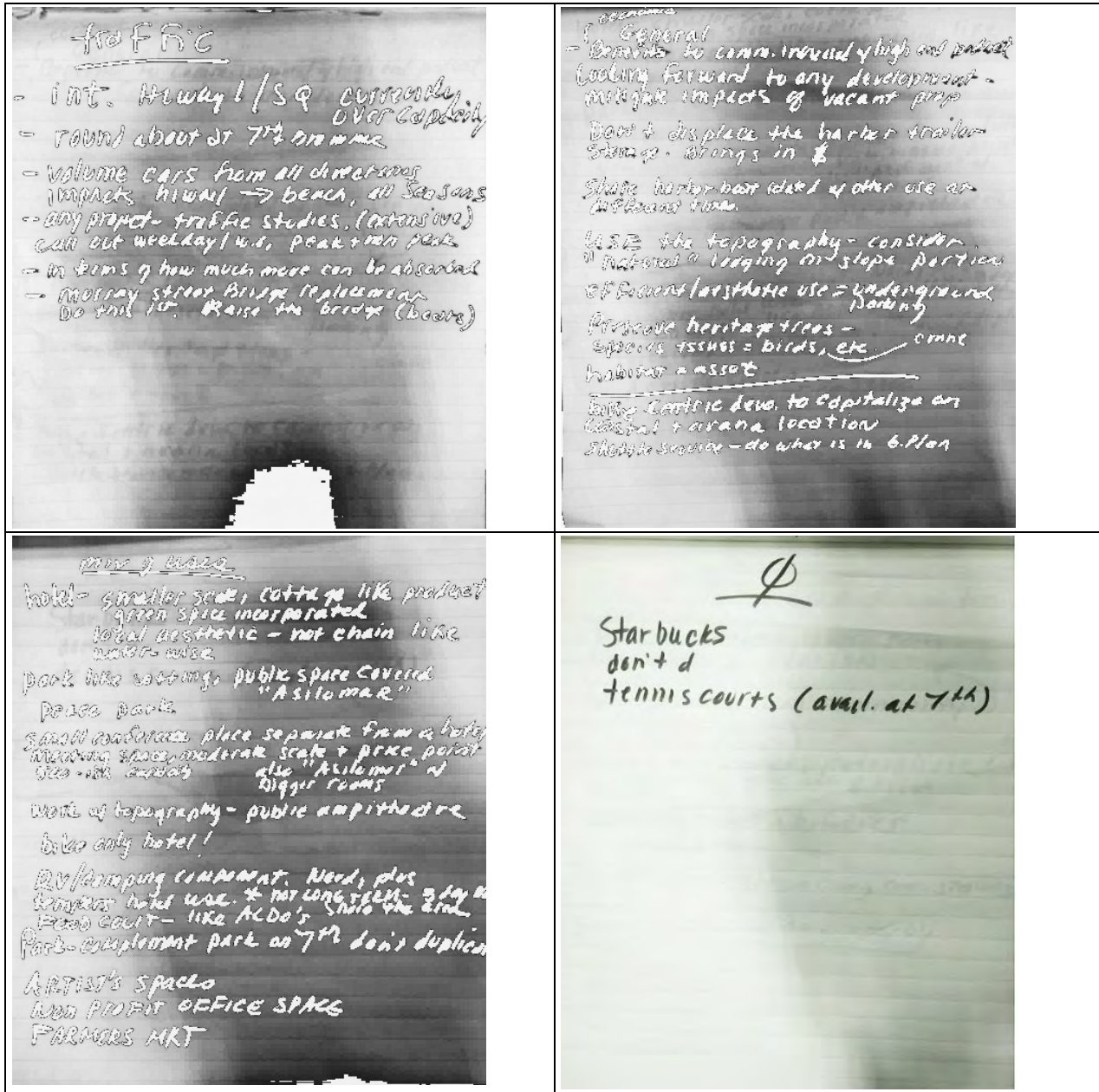


Figure 9



Gen<sup>1</sup>  
 Walk score missed Arava trail  
 Food w/ gathering, serve both neighbors & tourists  
 not isolated from community

Park (cont)  
 "Open" not concrete, naturalistic native veg.  
 public areas - take adv. of views  
 Fountain  
 accessible - all abilities  
 O.S. toward rear  
 → park near/encompassing eve. stands

public referendum on property

Questions - further investigation

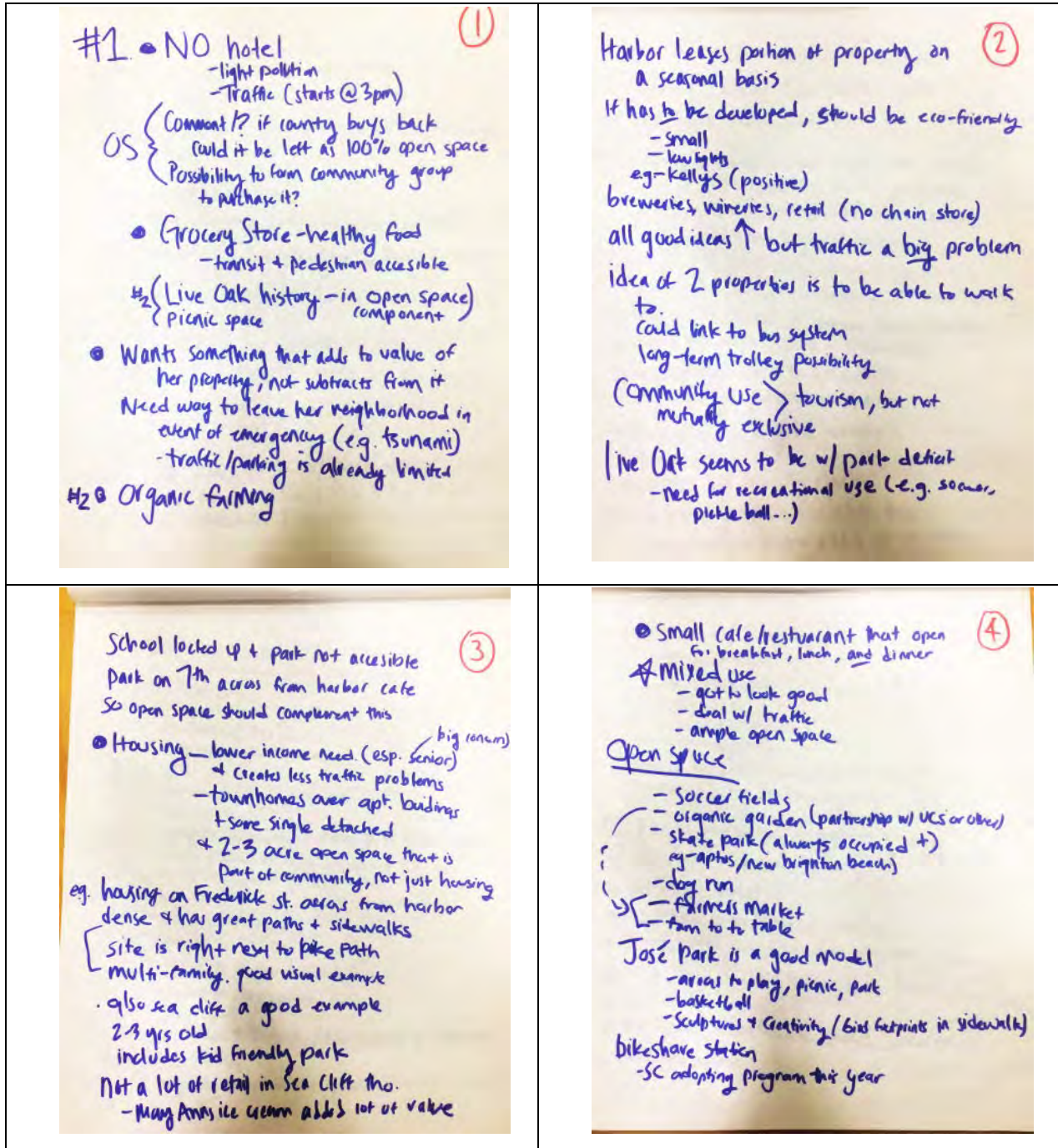
- can you do a 6P amendment out of visitor serving
- can you "transfer" to another agency

- traffic - Highway 1 / Soquel
- list of what you don't want
- MIX of SERVICES - BOOKERS
- NUISANCE ISSUES

... reuse the bridge (book)

- The Developers of the property should be local - live & work here + not be brought in from "over the hill" or out of town So. CA

Figure 10



<p>Partner w/ harbor on development of steep slope eg. riverwalk</p> <ul style="list-style-type: none"> <li>- parkways</li> <li>- exercise stations</li> <li>- running path</li> </ul> <p>connect w/ rail line (closer to beach) - opportunity for moving people w/o car</p> <p>2 People at meeting last week } survey respondents 2 first time at public meeting }</p> <ul style="list-style-type: none"> <li>no luxury hotel</li> <li>as much open space as possible</li> <li>HUGE traffic issue (throughout city, not just the area) <small>a particular load however, (b/c landlocked)</small></li> <li>day, small, low light, boutique hotels</li> <li>mixed use</li> <li>open plaza + conference spaces - incorporate with open space</li> </ul>	<p>6</p> <ul style="list-style-type: none"> <li>there is a lot of wildlife + native plants. preserve existing on site</li> <li>Arana gulch - visually connect to site             <ul style="list-style-type: none"> <li>- natural, low key, pedestrian bridge</li> <li>- connect physically connect but same plant palette</li> </ul> </li> </ul> <p>Everything natural + beautiful</p> <p>? - has any thought been given to what happens to fishing trailers during fishing season.</p> <ul style="list-style-type: none"> <li>don't want to displace this livelihood</li> <li>sad if harbor lost this access <small>fishing boats</small></li> <li>harbor is how you get to beach</li> </ul> <p>development should enhance access to beach</p> <p>water taxi service, paddleboarding mostly a boat access. no launch.</p>
<p>7</p> <p>20 RV spots currently on the site visitors really enjoy site down below (not 7<sup>th</sup> + Brommer)</p> <p>↑ Not a vision for the 7<sup>th</sup> + Brommer site</p> <p>Hotel / lodging water needs may be in conflict w/ supply</p> <p>→ Scotts Valley Transit Center installed drains to replenish groundwater</p>	

Figure 11: Summary of Breakout Group Report-backs

<p><u>Group 1</u></p> <p>report-back Summary 4/27</p> <ul style="list-style-type: none"> <li>- impact to traffic, noise</li> <li>- where water will come from</li> <li>- loss of open space, habitat</li> <li>- concern about loss of history of space</li> <li>- where will Fishers park boats</li> <li>- don't want 3rd story hotel</li> <li>- no SoCAL design</li> <li>- no more palm trees</li> <li>- no large shopping ctr or strip mall</li> <li>- no visitor's ctr</li> <li>- no traffic signals</li> <li>- affordable housing</li> <li>- keep open space in west end</li> <li>- bike rentals</li> <li>- neighborhood park</li> <li>- visitor services (1-story)</li> <li>- on-site parking</li> <li>- incorporate farming theme</li> <li>- farmer's market</li> <li>- flexible space - when boaters not there</li> </ul>	<ul style="list-style-type: none"> <li>- small scale store/restaurant/deli</li> <li>- picnic tables</li> <li>- comm. gathering space</li> <li>- native plants</li> <li>- disc golf course</li> <li>- no skateboard parks</li> <li>- nature for kids</li> <li>- public art</li> <li>- doesn't have to be full park</li> </ul> <p><u>Group 2</u></p> <ul style="list-style-type: none"> <li>- traffic concerns - maybe roundabout</li> <li>- traffic studies after bridge replacement best</li> <li>- ped/bike transit to site</li> <li>- high-end development not cookie-cutter</li> <li>- don't displace trailers at harbor</li> <li>- slope - part of open space</li> <li>- underground parking</li> <li>- preserve trees</li> <li>- adjacent to Arana build - take advantage of</li> <li>- shuttle/bikes</li> </ul>
<ul style="list-style-type: none"> <li>- small scale or cottage style hotel</li> <li>- small conference facility</li> <li>- work w/ topography</li> <li>- camping</li> <li>- artist spaces or non-profit use</li> <li>- no Starbucks</li> <li>- no tennis courts</li> <li>- accessible to all abilities</li> <li>- put to public vote</li> <li>- natural space for park not concrete structures</li> </ul> <p><u>Group 3</u></p> <ul style="list-style-type: none"> <li>- no hotel that's loud</li> <li>- small boutique hotel, eco-friendly</li> <li>- small grocery store</li> <li>- history of Live Oak</li> <li>- adds value to neighborhood</li> <li>- mixed-use - breweries, wineries</li> <li>- no chains</li> <li>- link rail to site</li> <li>- ped/bike accessible</li> </ul>	<ul style="list-style-type: none"> <li>- restaurants - dinner spots</li> <li>- mix of townhomes/single-family</li> <li>- organic garden</li> <li>- soccer field, skate park</li> <li>- dog run</li> <li>- don't displace boats</li> <li>- maintain native vegetation</li> <li>- parkours</li> <li>- maintain access to beach</li> <li>- no palm trees</li> <li>- water-friendly plants</li> </ul> <p><u>Group 4</u></p> <ul style="list-style-type: none"> <li>- cottages/B&amp;B</li> <li>- glamping</li> <li>- higher density hotel + camping</li> <li>- great architecture</li> <li>- permanent farmer's market</li> <li>- should complement surroundings</li> <li>- daytime uses</li> <li>- not like Swift St.</li> <li>- connect to recreational uses</li> <li>- overflow parking</li> <li>- traffic calming</li> </ul>
<ul style="list-style-type: none"> <li>- shopping/restaurants</li> <li>- 3 stories - would leave more area for open space. height in back</li> <li>- alternative access - tie into rail, bike trail</li> <li>- funds go back to Live Oak</li> <li>- transform from eyesore</li> <li>- meeting place/conferences</li> <li>- educational field trips</li> <li>- mini-aquarium</li> <li>- open parks like SF</li> <li>- movie night</li> <li>- bocce ball</li> <li>- picnic spaces</li> <li>- RV park</li> <li>- economy lodging</li> <li>- low skyline</li> <li>- natural habitat</li> <li>- no palm trees</li> <li>- fountains</li> <li>- amphitheater</li> <li>- bike rental</li> <li>- underground parking</li> </ul>	<p><u>Group 5</u></p> <ul style="list-style-type: none"> <li>- sewer infrastructure at site</li> <li>- traffic, parking</li> <li>- safety</li> <li>- keep neighborhood vibe</li> <li>- county could purchase</li> <li>- country store</li> <li>- community garden</li> <li>- farmer's market</li> <li>- maintain local character</li> <li>- destination for locals</li> </ul> <p><u>Group 6</u></p> <ul style="list-style-type: none"> <li>- safety of residents +</li> <li>- noise abatement</li> <li>- any use emphasize local community use + benefit</li> <li>- emphasize substantial open space - coastal environment</li> <li>- preserve public use of land - possibly highest + best use</li> <li>- harbor bay?</li> </ul>



## Appendix A

7<sup>th</sup> and Brommer Community Meeting

<p><u>Group 7</u></p> <ul style="list-style-type: none"><li>- traffic</li><li>- impact to Arana Gulch</li><li>- lack of utilization of mixed use spaces nearby</li><li>- pollution</li><li>- local biz nearby - impact</li><li>- nature center</li><li>- traffic lights?</li><li>- boat parking</li><li>- retail/housing mix</li><li>- grocery, bakery</li><li>- water concerns</li><li>- kayaking, bike rentals</li><li>- small hotel</li><li>- natural garden</li><li>- dog park</li><li>- no cookie cutter</li><li>- elder housing</li><li>- community garden</li><li>- bocce ball</li><li>- outdoor workout space</li><li>- soccer field</li></ul>	<p><u>Group 8</u></p> <ul style="list-style-type: none"><li>- how much dev can be supported?</li><li>- Village style</li><li>- Presidio in SF</li><li>- boutique, small scale, rustic</li><li>- historical, enviro context</li><li>- maintain trails</li><li>- incorporate farmland theme</li><li>- community garden</li><li>- not destructive of current neighborhood</li><li>- coffee shop</li><li>- small scale biz</li><li>- focus on harbor - access</li><li>- bocce ball</li><li>- educational features</li><li>- bike rentals</li><li>- dog park</li><li>- for middle income people</li></ul>
<p><u>Group 9</u></p> <ul style="list-style-type: none"><li>- needs to generate \$ - reason for hotel</li><li>- but group does not want hotel</li><li>- Port has storage area at north end of harbor</li><li>- 2 acres - trade for 8 acres?</li><li>- could this fulfill highest + best use</li><li>- no development on the 8 acres, but develop the 2 acres w/ high-end hotel</li><li>- no bocce ball</li><li>- salmon festival</li><li>- fish market</li><li>- farmers market</li><li>- special events</li><li>- shuttle service</li><li>- no lights, noise on site</li><li>- bike lanes</li><li>- giant chess board</li><li>- tennis court</li><li>- wildlife center</li><li>- interpretive center</li><li>- ohell sea odyssey as non profit partner</li></ul>	

### 3.6 Comments Received Online

The following comments were received online from April 22 through May 3, 2017 at the form available through the County's website (<http://www.santacruzcounty.us/7thandBrommer>):

Development at this site should be in keeping with the surrounding residential neighborhood. No more than two stories. No large hotel, no businesses that would increase the already overwhelming traffic on 7th Avenue and Brommer Street. Maintain community history and integrity.

Our concern is increasingly heavy traffic as this is a single lane heavily traveled street down 7th from Soquel already. We live on 7th and it is increasingly dangerous to pull out of our parking lot in the summer time already!

These comments are not in order of importance. All are important to me.

1. Visitor Accommodations should be in keeping with the surrounding neighborhood. In other words, no three or four story hotel. Maybe a small motor court type of development, reminiscent of the 1930s. A youth hostel might work well also, since young people tend eschew private automobiles and use public transportation.

2. This property has an important historical component, with the farmer Emilio Maggiolo working the land. I would like to see it honored, perhaps with a portion of the property devoted to a garden or fruit trees, and a plaque for Emilio and Rose. See the history here: <http://harborneighbors.weebly.com/maggiolo-history.html>

3. The harbor uses a portion this property for overflow parking for seasonal sports fishers. Two weekends ago there were at least 50 - 60 trucks with boat trailers on the lot and up and down Brommer Street Extension. Where are they going to park? I hope not on our residential streets.

4. The 2.3 acre Urban Open Space (O-U) designated in the General Plan should remain natural and undeveloped. The western edge of the property contains trees now. These trees should not be cut to create a view down into the harbor.

5. Traffic is intense already on 7th Avenue, its constant noise coming into our homes, our yards, our lives. Therefore the property should be developed primarily as resident-serving small-scale commercial, to encourage walking and biking from the neighbors.

6. Retain as much open space and natural area as possible. Provide for native plant and tree landscaping. Absolutely NO palm trees allowed.

I've seen an indication that the County is interested in using this site for a hotel. The tourism and agriculture industries are known for low pay. With low pay at a hotel, two problems would be brought into play. 1) Workers would need rental housing we don't have. 2) State, Federal and private sources would be required to cover the amazing array of subsidies necessary to cover for those who don't have income to live here, in one of the most expensive places in the country. Potential property tax revenue should not cause the County to overlook these significant long term problems. For any proposed commercial development (non-public entity), a business should be required to verify that all workers will make enough so they do not require subsidies. Without that, we would continue digging further into a highly distorted and poverty driven economy.

## Appendix A

7<sup>th</sup> and Brommer Community Meeting

Mixed use with some housing, public services (cafe or restaurant, shops) and most of all, keeping some OPEN SPACE/PUBLIC park would be ideal! Concerns: a) that development not be out-of-scale (3+ stories) with the area; b) contaminated water run-off from that development into the bay; c) loss of open space

Parking is very limited in this area, and the Harbor is a popular launch location for boats, especially during the fishing season. Whatever is built on this site, parking needs to be considered so that people in the area will continue to be able to access the Harbor and the Monterey Bay Marine Sanctuary by boat without pushing parking into the adjacent neighborhoods.

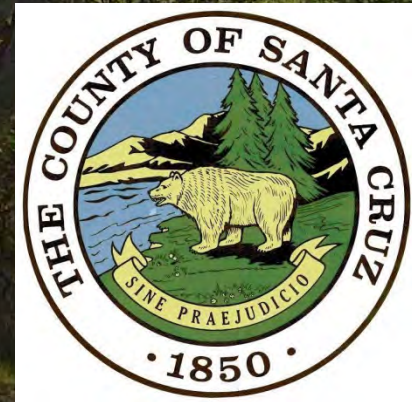
I would like to see the property between 7th ave & Brommer & the rail road tracks be sold together. This would be a nice area for a Live Oak Downtown area. PG&E can move to another location, and hopefully a solution for the homes, in between, can be equitable. Santa Cruz County does not have enough RV camp grounds. If the Harbor can add more RV camp grounds spots would be a nice improvement. My parents use the Harbor RV site when they visit us here in Live Oak, but it is a long wait for reservations. Maybe DeLaveaga Golf Course & Lodge can add some RV camp sites? Also if a Trolley, using the existing rail line, to transport those using the Hotel at the 7th & Brommer site would help reduce traffic (and make it fun). One thing I thought of, after I left the meeting, was John Leopold mentioned having shopping locations within a 20 minute walk from our home. I think that is a great idea, but I think a unique solution for bringing home several grocery bags is needed. Like: Rent a grocery cart to take home & return later [same concept with bike share program].

### 3.7 Presentation

(See following page)

# 7<sup>th</sup> Avenue and Brommer Street Community Meeting

April 27, 2017



# Agenda

<b>Time</b>	<b>Activity</b>	<b>Presenters and Participants</b>
<b>6:30pm</b>	<b>Welcome, Introductions and Meeting Overview</b>	<b>Ryan Coonerty, Supervisor</b>
<b>6:45pm</b>	<b>Presentation on site, community context, and development</b>	<b>Paul Peninger, AECOM</b>
<b>7:10pm</b>	<b>Facilitated discussions in breakout groups</b>	<b>Community AECOM and County facilitators</b>
<b>7:55pm</b>	<b>Reporting back from breakout groups and next steps</b>	<b>Community Paul Peninger, AECOM</b>
<b>8:30pm</b>	<b>Closure</b>	

# Contents

- Introduction and Overview
- 7<sup>th</sup> Avenue and Brommer Street County-Owned Site
- Community Demographic and Economic Context
- Development Examples



Appendix A

# Introduction and Overview

# PUBLIC MEETING

April 27, 2017

6:30 - 8:30 p.m.

Live Oak Elementary  
School Gymnasium  
1916 Capitola Road



Supervisor Ryan Coonerty and the Santa Cruz County Office for Economic Development invite you and your neighbors to a very important meeting about the future use of a County-owned site near the Upper Harbor. Join us to learn more about this opportunity!

## ABOUT THE SITE:

Owned by the County's former Redevelopment Agency, the 8.3-acre parcel at 7th Avenue and Brommer Street must be sold under state law. Before that occurs, the County hopes to work with the neighborhood on a plan that meets the needs of the community, addresses the constraints of the site and will meet regulatory approval.

For more information: [www.santacruzcounty.us/7thandBrommer](http://www.santacruzcounty.us/7thandBrommer)

Cookies and beverages provided.





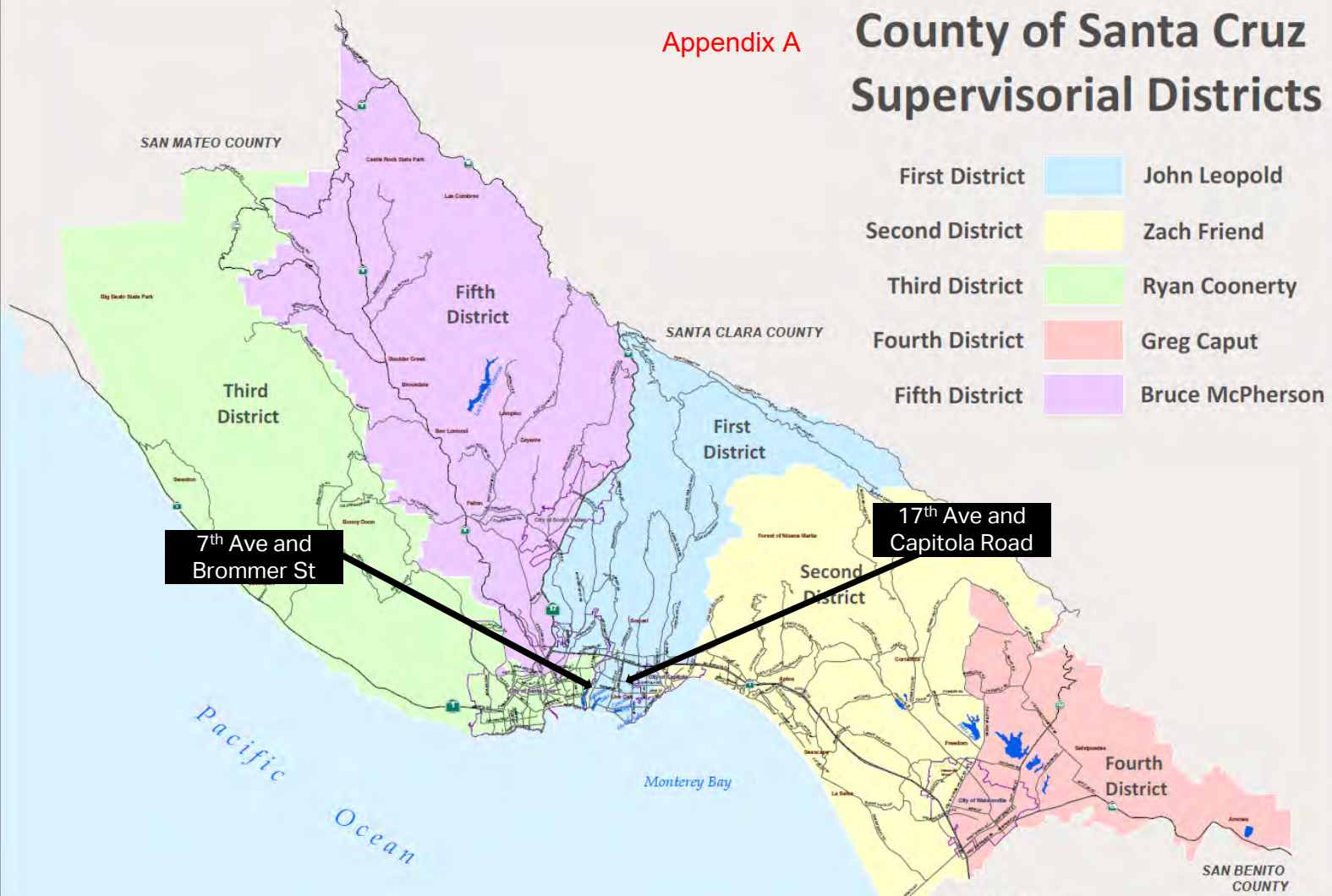
# Santa Cruz County-owned Development Sites



- Santa Cruz County
- Santa Cruz City



# County of Santa Cruz Supervisory Districts



7<sup>th</sup> Ave and  
Brommer St

17<sup>th</sup> Ave and  
Capitola Road



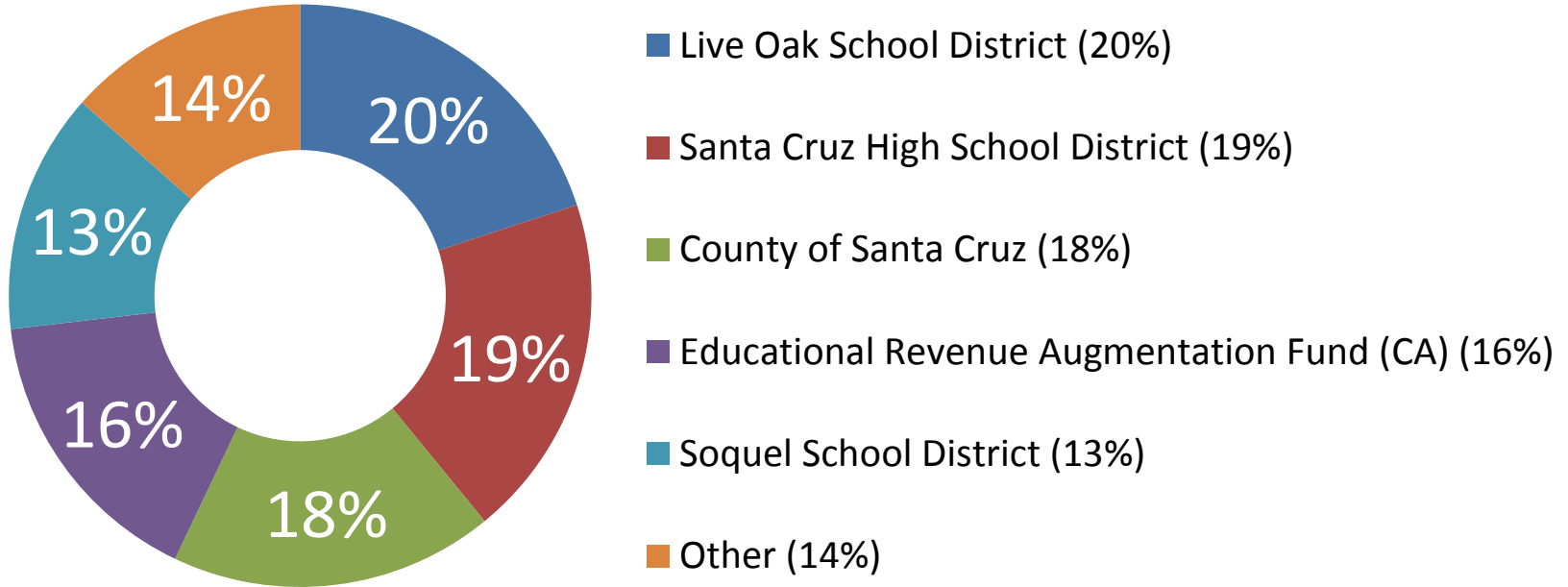
# Site Requirements

- Transferred to Redevelopment Successor Agency after the Dissolution of redevelopment in 2013
- Per State law:
  - County must sell, lease or transfer the sites
  - Maximize sale proceeds and long-term economic and community benefit with sale proceeds distributed to the taxing entities
- Development requires Coastal Commission approval



# RDA Successor Agencies Property Tax Distribution

Two-thirds of proceeds benefit local schools.



# 7<sup>th</sup> Avenue and Brommer Street

- **Owner:**  
County of Santa Cruz Redevelopment  
Successor Agency
- **Acquisition Dates:**  
2000 to 2007
- **Size:**  
8.26 acres / 3 parcels
- **Land Use Zoning:**  
C-2-D (Community Commercial with a  
Designated Park Site Combining District)
- **General Plan designation:**  
C-C (Community Commercial) and O-U (Urban  
Open Space)
- **Market Value estimate (2016):**  
\$2.9 million



# Land Use Options

- **Community commercial** such as complementary retail, service, office, and visitor uses (including nonprofit and educational uses)
  - 50% of commercial space for **hotel/motel/inn accommodations**
- 1 acre minimum for **neighborhood park facilities / urban open space**
- Other uses to enhance economic vitality, environmental quality and life amenities



# Community Amenities and Services

Appendix A



# Walk Score

## Brommer Street & 7th Avenue

Live Oak, California, 95062

Commute to **Downtown Live Oak** 

 60+ min  60+ min  60+ min [View Routes](#)

Walk Score  
**40**

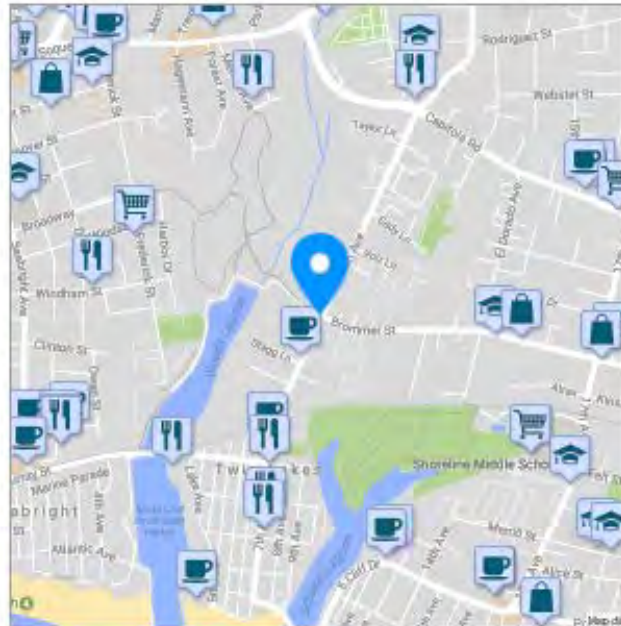
### Car-Dependent

Most errands require a car.

Transit Score  
**29**

### Some Transit

A few nearby public transportation options.



[About your score](#)

[Add scores to your site](#)





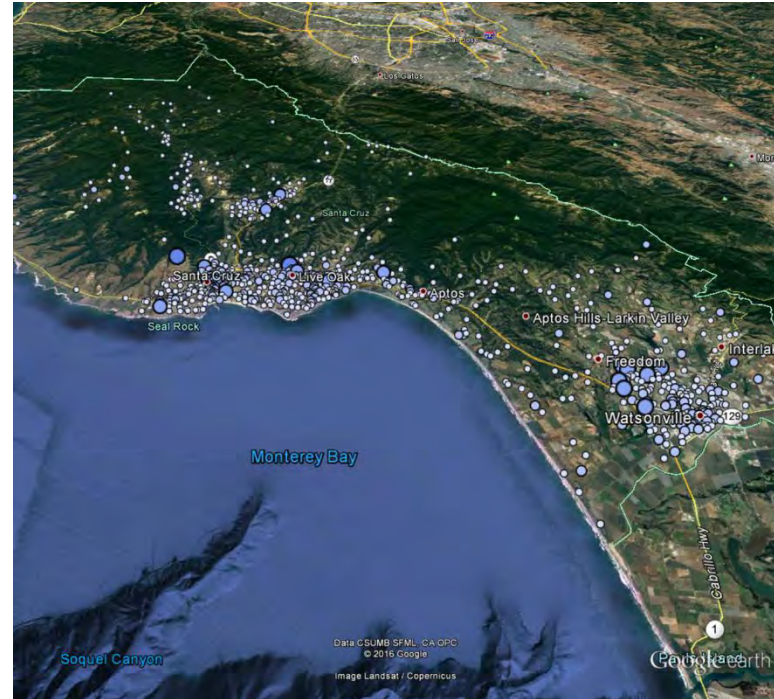
Appendix A

# Community Context



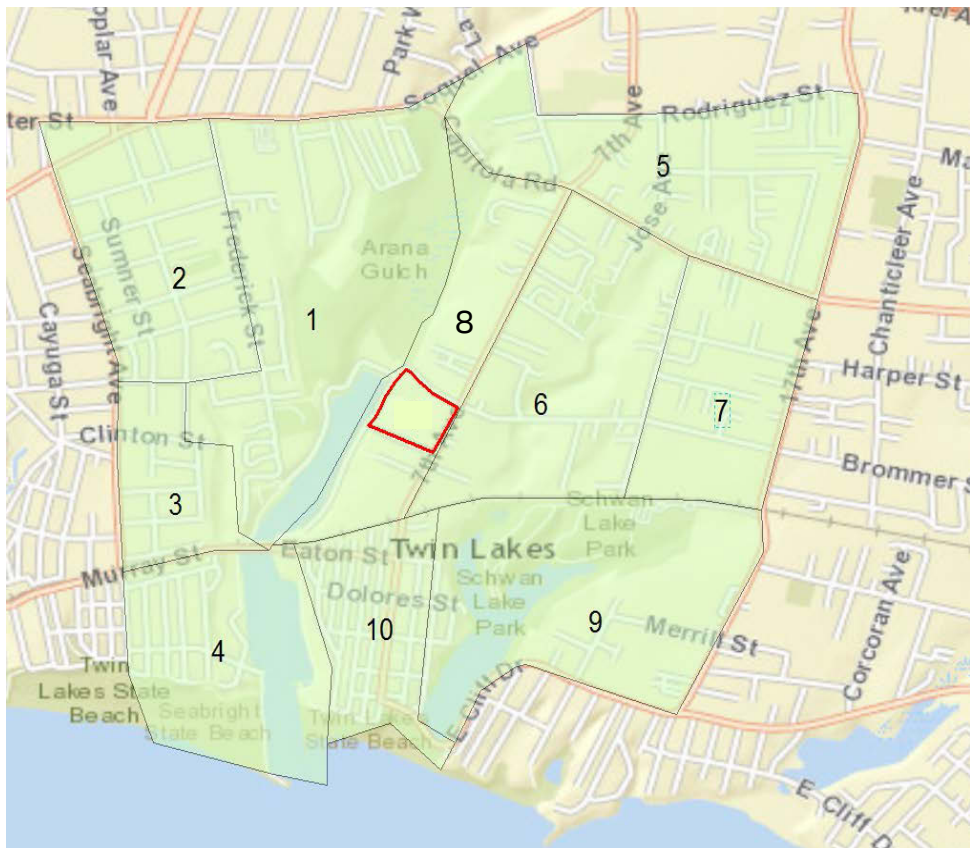
# County Demographic and Employment Trends

- Slow population growth (0.5% per year)
- Economy based in tourism, services, health care and education
- Higher than average unemployment compared to the State of CA, even when seasonally adjusted
- Large and growing population of commuters to Silicon Valley



# Socio-Economic Profile

Appendix A



Area	% HH in Poverty	Median HH Income
1	7%	\$65,625
2	16%	\$41,641
3	0%	\$91,616
4	0%	\$83,155
5	13%	\$58,889
6	24%	\$56,685
7	2%	\$107,950
8	2%	\$78,368
9	10%	\$50,982
10	10%	\$47,923
<b>County</b>	<b>14%</b>	<b>\$67,256</b>



# Mid-County Region

Mid-County includes the area around Live Oak, Soquel, Aptos, and portions of Watsonville.

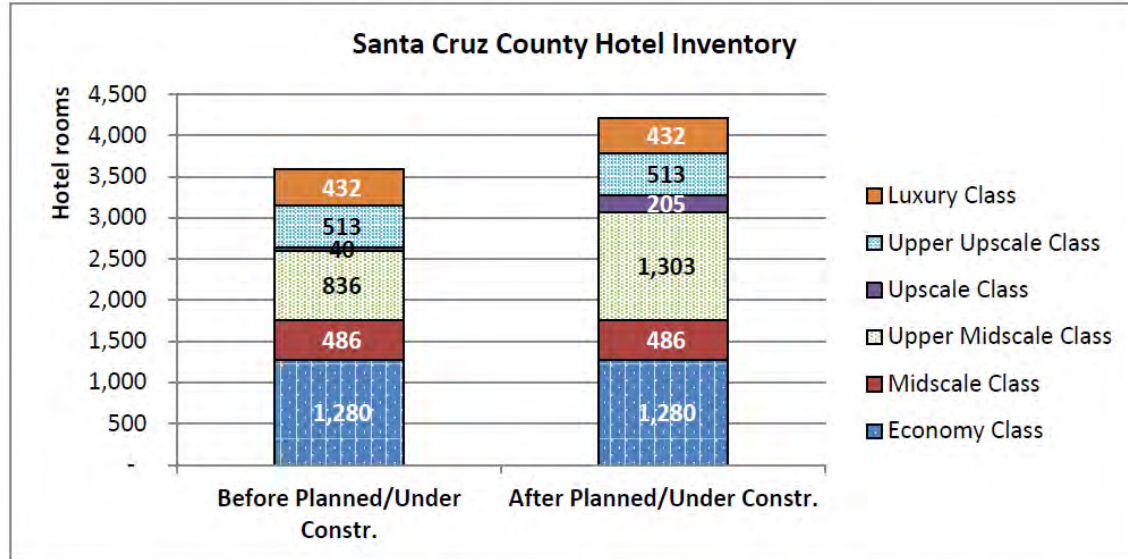


— Mid-County



# Hotel Inventory

- Rising hotel occupancy rates
- Limited supply of boutique and luxury hotel options
- Competitive supply is limited and relatively dated compared to comparable areas in California



Sources: STR, KMA, 2016.

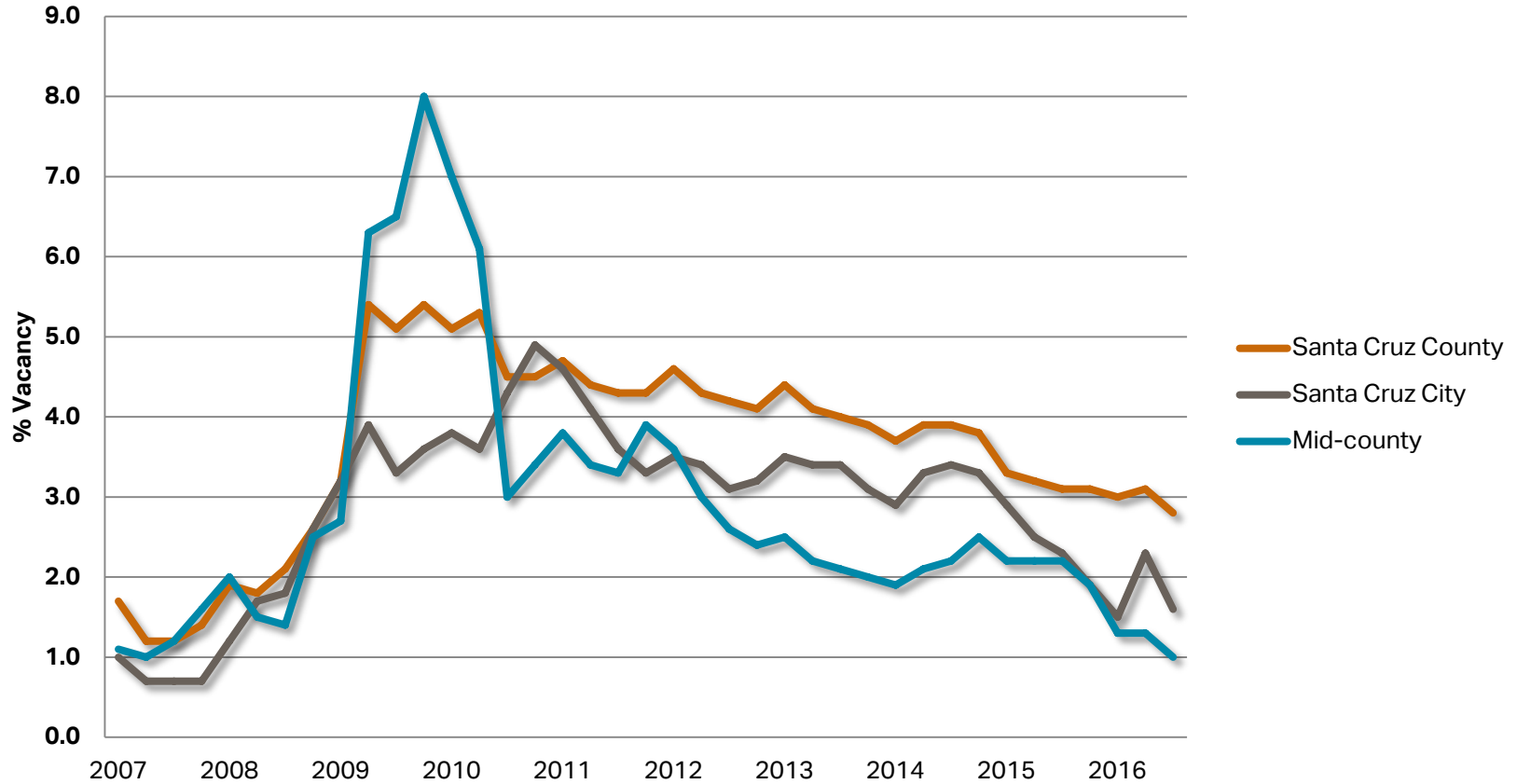


# Retail Market Context

- Limited local commercial services
- Slow growth in inventory of retail space in market area
- Potential need for space to serve small businesses/artisans and entrepreneurs



# Vacancy in Retail Space (2007-2016)

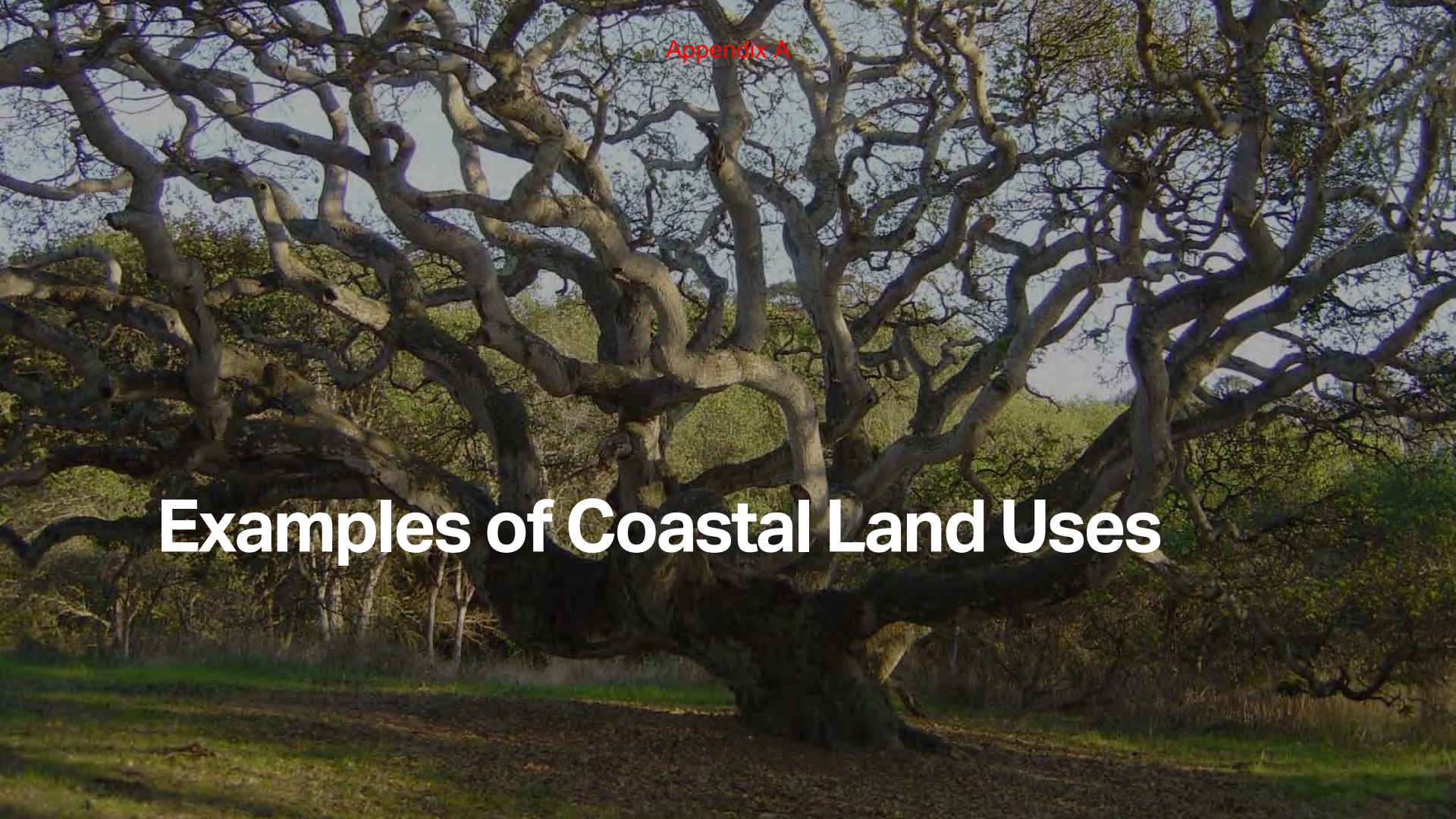


Source: CoStar



Appendix A

# Examples of Coastal Land Uses





# Coastal Visitor Serving Accommodations

Appendix A



*Seascape Resort, Santa Cruz County*

Appendix A

# Coastal Visitor Serving Accommodations

*Coastanoa Resort, Pescadero, CA*

# Coastal Visitor Serving Accommodations



*Coastanoa, Resort, Pescadero, CA*

# Coastal Visitor Serving Accommodations



*Cavallo Point Lodge at Fort Baker, Sausalito, CA*

# Coastal Visitor Serving Accommodations

*Monterey Plaza Hotel, Monterey, CA*

# Coastal Visitor Serving Accommodations



*Cavallo Point, Sausalito, CA*

# Parks and Recreation



*Bocce Ball Court*

# Parks and Recreation

Appendix A



*Joe Demaggio Playground, North Beach, San Francisco, CA*



# Parks and Recreation

Appendix A



*Breeze Bike Share Station*

# Horizontal Mixed-Use Development



# Key Questions

- 1. What types of land uses/development would you envision as part of a mixed-use development at the 7th and Brommer site?**
- 2. What features are desirable as part of the open space/parks/recreation portion of the site?**



# County Staff

- Rachel Dann – Analyst
- Dave Reid – Analyst
- Andy Constable – Economic Development Manager
- Peter Detlefs – Economic Development Coordinator
- Barbara Mason – Economic Development Coordinator
- Betsey Lynberg – Director of Capital Projects
- John Ricker – Water Resource Manager
- Paia Levine – Principal Planner
- Annie Murphy – Planner



# Key Questions

1) What types of land uses/development would you envision as part of a mixed-use development at the 7th and Brommer site?

2) What features are desirable as part of the open space/parks/recreation portion of the site?

# Land Use Options

- **Community commercial** such as complementary retail, service, office, and visitor uses (including nonprofit and educational uses)
  - 50% of commercial space for **hotel/motel/inn accommodations**
- 1 acre minimum for **neighborhood park facilities / urban open space**
- Other uses to enhance economic vitality, environmental quality and life amenities

# Thank You

[www.santacruzcounty.us/7thandBrommer](http://www.santacruzcounty.us/7thandBrommer)

## Appendix A

**List of Tables and Maps**

**Hotel/Retail Site at 7th Avenue and Brommer Street**

**County of Santa Cruz**

**5/4/2016**

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**Tables**

Table 1	Taxable Room Sales
Table 2	Lodging Inventory
Table 3	Existing Lodging in Marketplace
Table 4	Lodging Planned and Under Construction
Table 5	Lodging Market Trends: 2010-2015
Table 6	Lodging Market Seasonal Trends: 2015
Table 7	Countywide Visitor Spending
Table 8	Retail Trade Area Demographics
Table 9	Distribution of Retail Expenditure Potential
Table 10	Trade Area Retail Leakage
Table 11	Harbor Area Restaurants
Table 12	Harbor Area Specialty Retail
Table 13	Taxable Sales Trend

**Maps**

A	Site Positioning
B	Lodging in Market Area
C	Restaurants in Harbor Area
D	Specialty Retail in Harbor Area

**Data Appendix**

Demographic summary (3 Mile Radius) prepared by ESRI  
Travel reports prepared by STR  
All Lodging in Santa Cruz County  
Competitive Set



## Appendix B

**Table 1**  
**Taxable Room Sales**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

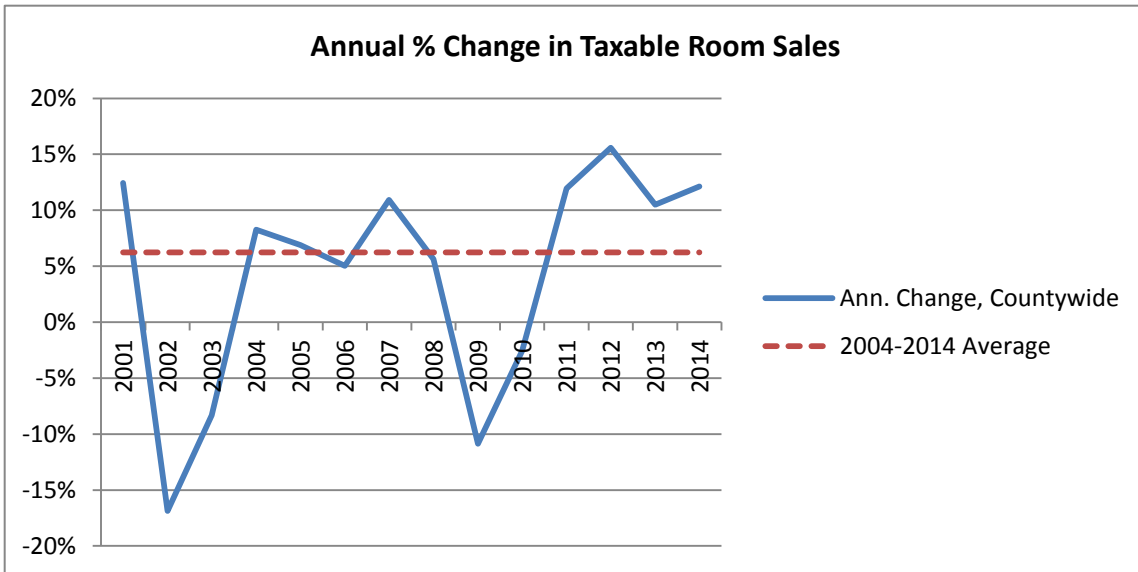
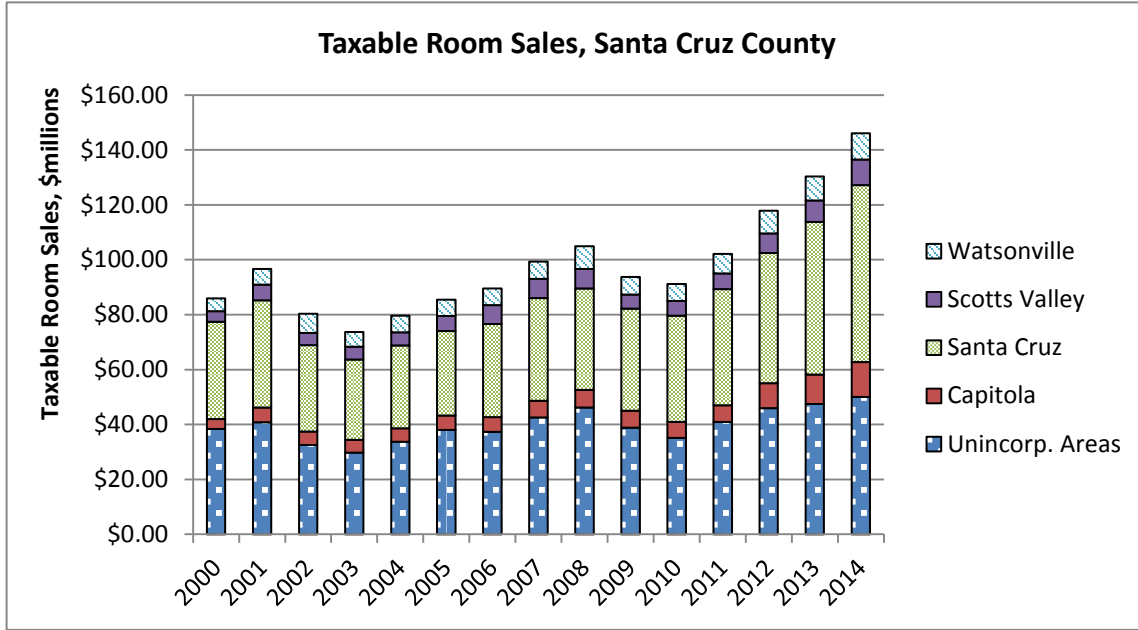
5/4/2016

Year	Unincorp. Areas	Capitola	Santa Cruz	Scotts Valley	Watsonville	Total
<b>I. Taxable Room Sales</b>		(millions \$)				
2000	\$38.40	\$3.60	\$35.40	\$3.90	\$4.70	\$86.00
2001	\$40.80	\$5.40	\$39.00	\$5.80	\$5.70	\$96.70
2002	\$32.60	\$4.90	\$31.40	\$4.40	\$7.00	\$80.40
2003	\$29.80	\$4.60	\$29.30	\$4.60	\$5.40	\$73.70
2004	\$33.70	\$4.90	\$30.20	\$4.80	\$6.10	\$79.80
2005	\$38.10	\$5.20	\$30.70	\$5.50	\$6.00	\$85.30
2006	\$37.30	\$5.40	\$33.90	\$6.90	\$6.10	\$89.60
2007	\$42.60	\$6.00	\$37.50	\$6.90	\$6.40	\$99.40
2008	\$46.20	\$6.40	\$36.90	\$7.20	\$8.30	\$105.00
2009	\$38.90	\$6.10	\$37.20	\$5.20	\$6.30	\$93.60
2010	\$35.10	\$5.90	\$38.60	\$5.40	\$6.20	\$91.20
2011	\$41.00	\$6.00	\$42.30	\$5.70	\$7.10	\$102.10
2012	\$46.00	\$9.10	\$47.40	\$7.10	\$8.30	\$118.00
2013	\$47.50	\$10.70	\$55.60	\$7.80	\$8.70	\$130.40
2014	\$50.10	\$12.60	\$64.50	\$9.30	\$9.60	\$146.20
<i>Net Change</i>						
2004-2014	\$16.40	\$7.70	\$34.30	\$4.50	\$3.50	\$66.40
<b>II. Annual % Change in Taxable Room Sales</b>						
2001	6%	50%	10%	49%	21%	12%
2002	-20%	-9%	-19%	-24%	23%	-17%
2003	-9%	-6%	-7%	5%	-23%	-8%
2004	13%	7%	3%	4%	13%	8%
2005	13%	6%	2%	15%	-2%	7%
2006	-2%	4%	10%	25%	2%	5%
2007	14%	11%	11%	0%	5%	11%
2008	8%	7%	-2%	4%	30%	6%
2009	-16%	-5%	1%	-28%	-24%	-11%
2010	-10%	-3%	4%	4%	-2%	-3%
2011	17%	2%	10%	6%	15%	12%
2012	12%	52%	12%	25%	17%	16%
2013	3%	18%	17%	10%	5%	11%
2014	5%	18%	16%	19%	10%	12%
<i>Avg.</i>						
2004-2014	4%	10%	8%	7%	5%	6%

Source: Dean Runyan Associates

**Table 1**  
**Taxable Room Sales**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

5/4/2016



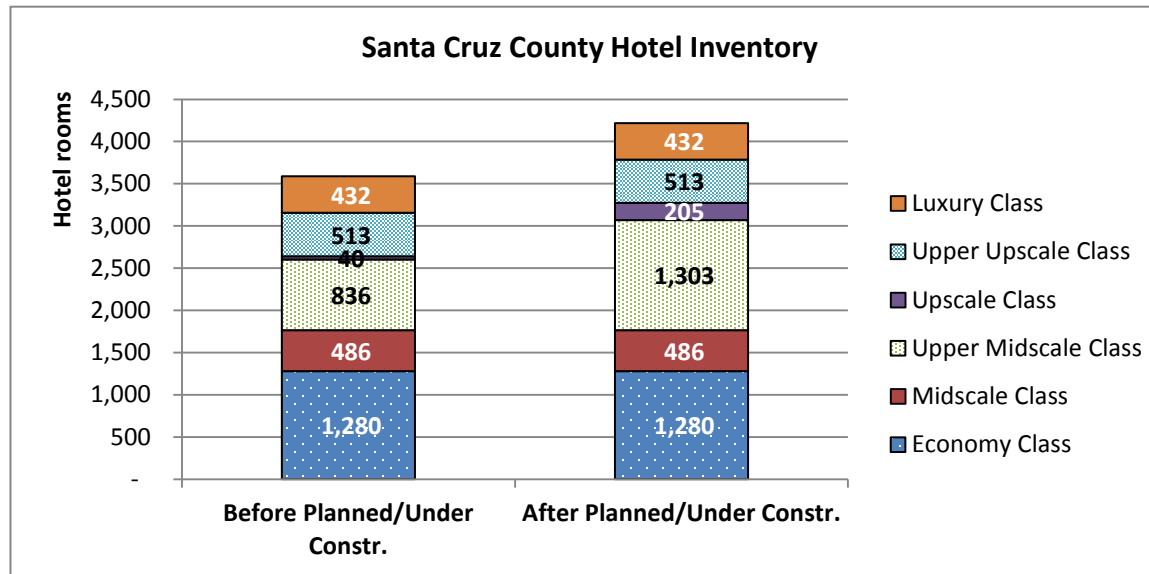
## Appendix B

**Table 2  
Lodging Inventory  
Hotel/Retail Site at 7th Avenue and Brommer Street  
County of Santa Cruz**

**5/4/2016**

	Built Before 2005		Built 2005 Or Later		Planned/ Under Construction		Total	
	Properties	Rooms	Properties	Rooms	Properties	Rooms	Properties	Rooms
Luxury Class	3	432					3	432
Upper Upscale Class	3	513					3	513
Upscale Class	1	30	1	10	1	165	3	205
Upper Midscale Class	14	652	2	184	4	467	20	1,303
Midscale Class	10	486					10	486
Economy Class	34	1,280					34	1,280
<b>Total</b>	<b>65</b>	<b>3,393</b>	<b>3</b>	<b>194</b>	<b>5</b>	<b>632</b>	<b>73</b>	<b>4,219</b>

Source: STR, KMA search of planned projects



**Table 3**  
**Existing Lodging in Marketplace**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

5/4/2016

<b>Class/ Map Key<sup>1</sup></b>	<b>Hotel Name</b>	<b>City</b>	<b>Distance (mi)</b>	<b>Opening Year</b>	<b>Rooms</b>
p 1/2					
<b>Economy</b>					
	Rio Sands Motel	Aptos	5.13	Before 2005	50
	Capitola Venetian Hotel	Capitola	2.43	Before 2005	20
	Beach View Inn	Santa Cruz	1.61	Before 2005	22
	National 9 Plymouth Street	Santa Cruz	1.67	Before 2005	25
	Knights Inn Santa Cruz	Santa Cruz	1.29	Before 2005	26
	Pacific Inn	Santa Cruz	1.11	Before 2005	36
	Mission Inn	Santa Cruz	2.84	Before 2005	53
	Capri Motel	Santa Cruz	1.25	Before 2005	17
	The Islander Motel	Santa Cruz	1.22	Before 2005	22
	Surf City Inn & Suites	Santa Cruz	1.28	Before 2005	63
	Oceana Inn	Santa Cruz	1.26	Before 2005	55
	Big Six Motel	Santa Cruz	1.26	Before 2005	22
	Ocean Lodge Santa Cruz	Santa Cruz	1.54	Before 2005	28
	Lanai Lodge	Santa Cruz	1.61	Before 2005	20
	Aqua Breeze Inn	Santa Cruz	1.32	Before 2005	53
	Days Inn Santa Cruz	Santa Cruz	1.27	Before 2005	78
	Paradise Inn By The Beach/Fireside Inn	Santa Cruz	1.43	Before 2005	25
	Ocean Gate Inn	Santa Cruz	1.11	Before 2005	25
	Super 8 Santa Cruz Beach Boardwalk West	Santa Cruz	1.22	Before 2005	23
	Ocean Pacific Lodge	Santa Cruz	1.69	Before 2005	57
	Motel Santa Cruz	Santa Cruz	1.14	Before 2005	62
	Carousel Motel	Santa Cruz	1.24	Before 2005	34
	Super 8 Santa Cruz Beach Boardwalk E	Santa Cruz	1.22	Before 2005	24
	Howard Johnson Santa Cruz	Santa Cruz	1.66	Before 2005	30
	Americas Best Value Inn Santa Cruz	Santa Cruz	1.27	Before 2005	25
	Santa Cruz Inn	Santa Cruz	1.15	Before 2005	20
	Hitching Post Motel	Santa Cruz	0.71	Before 2005	31
	Land Of Medicine Buddha	Soquel	4.39	Before 2005	16
	National 9 Watsonville	Watsonville	13.57	Before 2005	18
	Americas Best Value Inn Watsonville	Watsonville	13.62	Before 2005	30
	Economy Inn	Watsonville	13.22	Before 2005	30
	Rodeway Inn Watsonville	Watsonville	13.13	Before 2005	94
	Valley Inn	Watsonville	13.34	Before 2005	22
	Motel 6 Watsonville Monterey Area	Watsonville	12.29	Before 2005	124
<b>Midscale</b>					
1	Best Western Seacliff Inn	Aptos	4.8	Before 2005	149
	Quality Inn Santa Cruz Mtns Ben Lomond	Ben Lomond	9.73	Before 2005	25
	Boulder Creek Lodge/Merrybrook Lodge	Boulder Creek	12.74	Before 2005	19
2	Quality Inn & Suites Capitola By The Sea	Capitola	2.47	Before 2005	55
3	Ramada Limited Santa Cruz	Santa Cruz	1.32	Before 2005	50
4	Quality Inn Santa Cruz	Santa Cruz	1.55	Before 2005	42
5	Best Western Inn Santa Cruz	Santa Cruz	1.19	Before 2005	28
6	Bayfront Inn	Santa Cruz	1.66	Before 2005	38
	Casa Blanca Inn	Santa Cruz	6.82	Before 2005	34
	Best Western Rose Garden Inn	Watsonville	13.66	Before 2005	46

## Appendix B

**Table 3**  
**Existing Lodging in Marketplace**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

5/4/2016

Class/ Map Key <sup>1</sup>	Hotel Name	City	Distance (mi)	Opening Year	Rooms
<i>p 2/2</i>					
<b>Upper Midscale</b>					
7	Fairfield Inn & Suites Santa Cruz Capitola	Capitola	1.76	After 2005	84
8	Best Western Plus Capitola By The Sea Inn & Su	Capitola	1.76	Before 2005	58
	Comfort Inn Watsonville	Watsonville	12.31	Before 2005	41
9	Seaway Inn	Santa Cruz	1.72	Before 2005	23
10	Hampton Inn Santa Cruz	Santa Cruz	1.7	Before 2005	46
11	Inn @ Pasatiempo	Santa Cruz	2.38	Before 2005	54
12	Comfort Inn Santa Cruz	Santa Cruz	1.22	Before 2005	62
12	Comfort Inn Beach Boardwalk Area	Santa Cruz	1.22	Before 2005	28
14	Holiday Inn Express & Suites Santa Cruz	Santa Cruz	1.62	After 2005	100
15	Fairfield Inn & Suites Santa Cruz	Santa Cruz	3.49	After 2005	82
16	Continental Inn	Santa Cruz	1.16	Before 2005	49
17	Torch Lite Inn	Santa Cruz	1.22	Before 2005	38
18	Sunset Inn	Santa Cruz	2.96	Before 2005	31
19	Sea & Sand Inn	Santa Cruz	1.75	Before 2005	22
5	Best Western Plus All Suites Inn	Santa Cruz	1.19	Before 2005	77
	Best Western Plus Inn Scotts Valley	Scotts Valley	6.31	Before 2005	58
	Holiday Inn Express & Suites Watsonville	Watsonville	12.57	Before 2005	65
<b>Upscale</b>					
23	West Cliff Inn	Santa Cruz	1.71	After 2005	10
24	Coastview Inn	Santa Cruz	1.44	Before 2005	30
<b>Upper Upscale</b>					
26	Hilton Santa Cruz Scotts Valley	Santa Cruz	4.64	Before 2005	178
27	Joie De Vivre Santa Cruz Dream Inn	Santa Cruz	1.69	Before 2005	165
28	Autograph Collection Hotel Paradox	Santa Cruz	1.34	Before 2005	170
<b>Luxury</b>					
	Seascape Resort	Aptos	6.82	Before 2005	228
29	Beach Street Inn & Suites	Santa Cruz	1.56	Before 2005	48
30	Chaminade Resort & Spa	Santa Cruz	1.92	Before 2005	156

Source: STR

<sup>1</sup> See Map B for locations of hotels midscale and above within five miles of site.

**Table 4**  
**Lodging Planned and Under Construction**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

5/4/2016

<b>Class/ Map Key<sup>1</sup></b>	<b>Hotel Name</b>	<b>City</b>	<b>Distance (mi)</b>	<b>Status</b>	<b>Rooms</b>	<b>Targeted Completion</b>
<b><i>Upper Midscale</i></b>						
21	Hyatt Place	Santa Cruz	1.21	Construction	106	End 2016
	Lexington Hotel	Scotts Valley	5.7	Construction	128	End 2016
22	Courtyard Marriot	Santa Cruz	1.25	Approved	151	n/a
	Hampton Inn	Watsonville	16.3	Approved	122	n/a
	To Be Determined	Watsonville	16.3	Approved	<u>80</u>	n/a
					587	
<b><i>Upscale</i></b>						
25	La Bahia	Santa Cruz	1.48	Approved	165	End 2017
<b>Total</b>					<b>752</b>	

Source: City of Santa Cruz, City of Watsonville, Santa Cruz Sentinel

<sup>1</sup> See Map B for locations of hotels midscale and above within five miles of site.

**Table 5**  
**Lodging Market Trends: 2010-2015**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

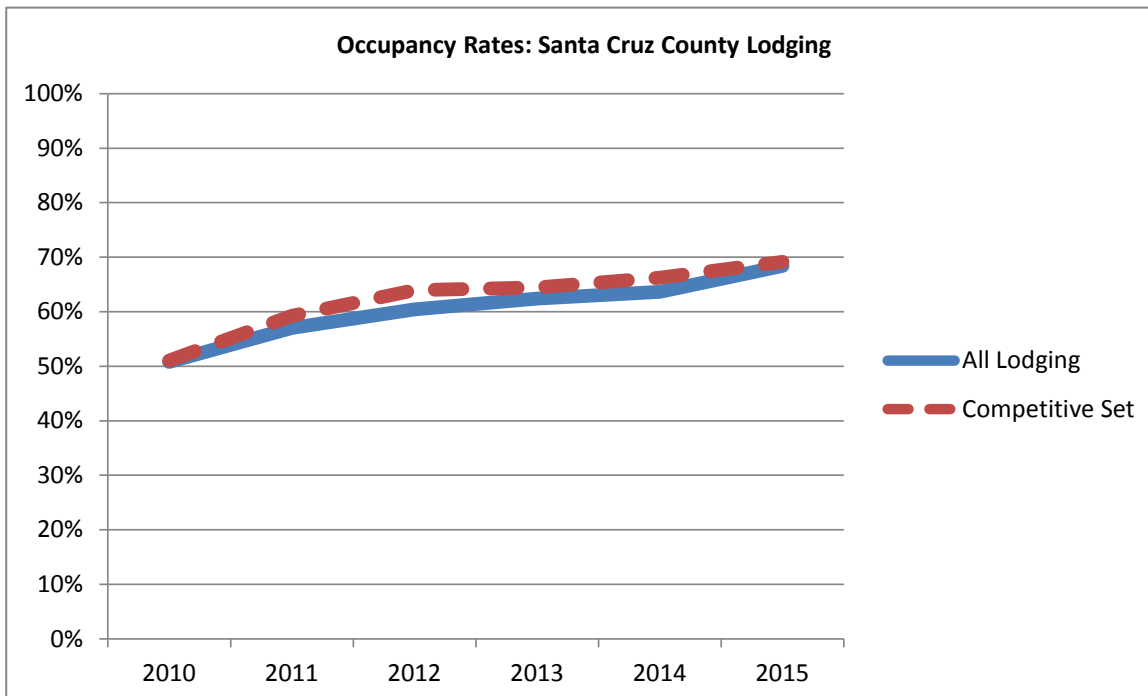
5/4/2016

	Occupancy	RevPAR <sup>2</sup>	Room Nights	% Change	
				RevPAR	Room Nights
<b>All Lodging</b>					
2010	51%	\$59	651,186		
2011	57%	\$66	722,792	12%	11%
2012	60%	\$75	761,047	13%	5%
2013	62%	\$82	808,406	9%	6%
2014	64%	\$89	824,633	9%	2%
2015	68%	\$104	881,104	17%	7%
Avg. 2010-15				12%	6%
<b>Competitive Set <sup>1</sup></b>					
2010	51%	\$80	299,577		
2011	59%	\$91	341,653	14%	14%
2012	64%	\$101	372,136	12%	9%
2013	64%	\$107	398,290	6%	7%
2014	66%	\$116	409,360	9%	3%
2015	69%	\$132	422,136	14%	3%
Avg. 2010-15				11%	7%

Source: STR 2016

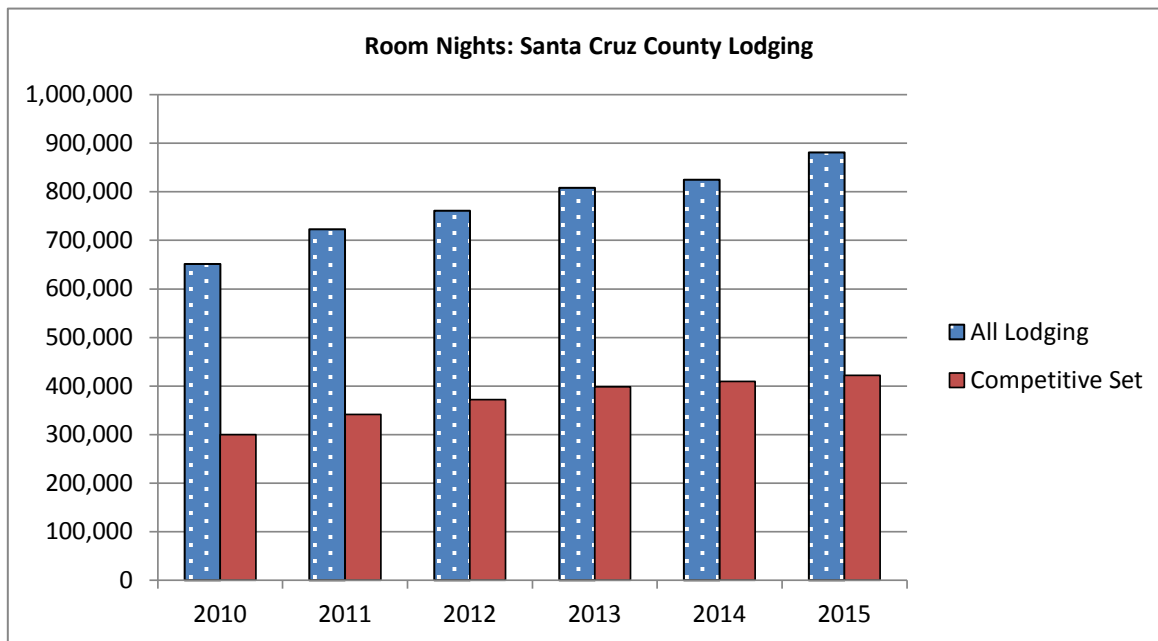
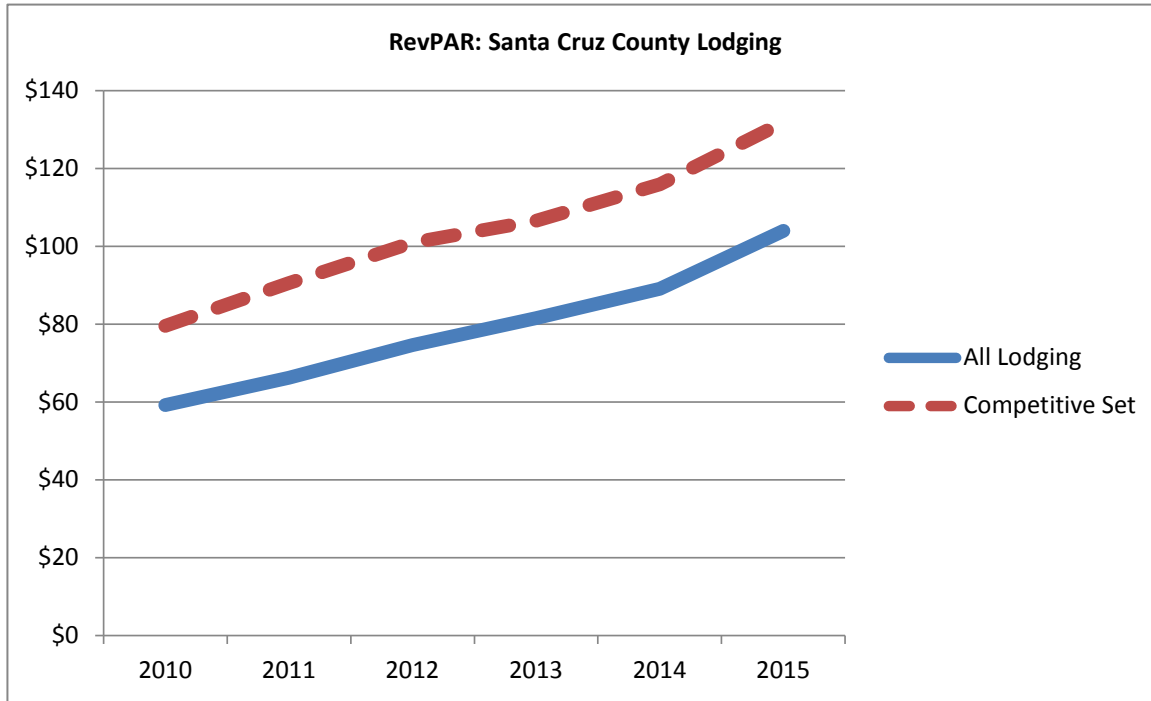
<sup>1</sup> Includes Upper Midscale Class, Upscale Class, Upper Upscale Class, and Luxury.

<sup>2</sup> STR's estimate of total lodging revenues is less than that provided on Table 1, which is based on transient occupancy tax data. Two factors may explain the difference: 1) STR receives data from approximately 2/3 of hotels. Revenues of remaining hotels are estimated based on nearby hotels with similar published rates; (2) Transient Occupancy Taxes cover other types of lodging not reflected above, including temporary rental of private homes.



**Table 5**  
**Lodging Market Trends: 2010-2015**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

5/4/2016





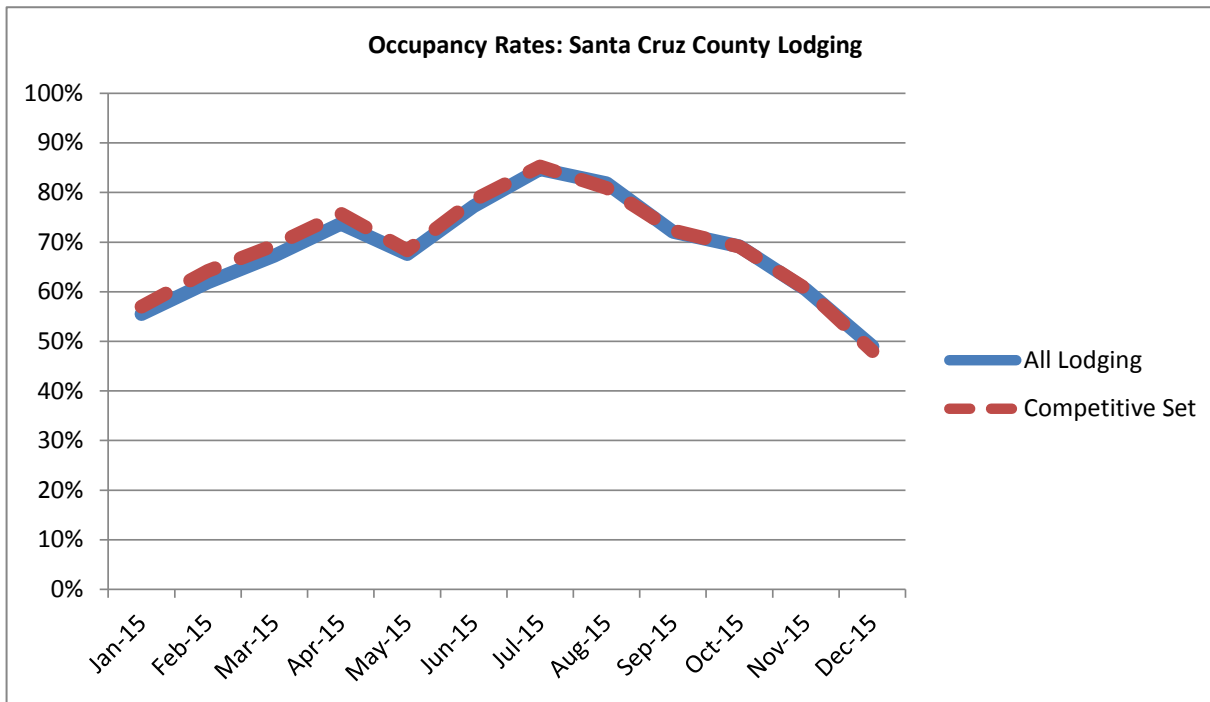
**Table 6**  
**Lodging Market Seasonal Trends: 2015**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

5/4/2016

	All Lodging			Competitive Set <sup>1</sup>		
	Occ. Rate	RevPAR	Room Nights	Occ. Rate	RevPAR	Room Nights
Jan-15	56%	\$65	60,674	57%	\$82	29,500
Feb-15	62%	\$79	61,096	64%	\$101	29,994
Mar-15	67%	\$90	73,492	69%	\$117	35,898
Apr-15	74%	\$108	77,961	76%	\$139	37,936
May-15	68%	\$104	73,880	68%	\$132	35,362
Jun-15	77%	\$132	81,668	78%	\$169	39,289
Jul-15	85%	\$162	92,812	85%	\$206	44,308
Aug-15	82%	\$148	89,698	81%	\$185	42,060
Sep-15	72%	\$119	76,400	72%	\$149	36,412
Oct-15	69%	\$102	75,718	69%	\$129	35,904
Nov-15	60%	\$80	64,056	61%	\$102	30,498
Dec-15	49%	\$56	53,649	48%	\$68	24,975
<b>2015 Annual</b>	<b>68%</b>	<b>\$104</b>	<b>881,104</b>	<b>69%</b>	<b>\$132</b>	<b>422,136</b>
<b>Monthly:</b>						
<b>Max</b>	<b>85%</b>	<b>\$162</b>	<b>92,812</b>	<b>85%</b>	<b>\$206</b>	<b>44,308</b>
<b>Min</b>	<b>49%</b>	<b>\$56</b>	<b>53,649</b>	<b>48%</b>	<b>\$68</b>	<b>24,975</b>

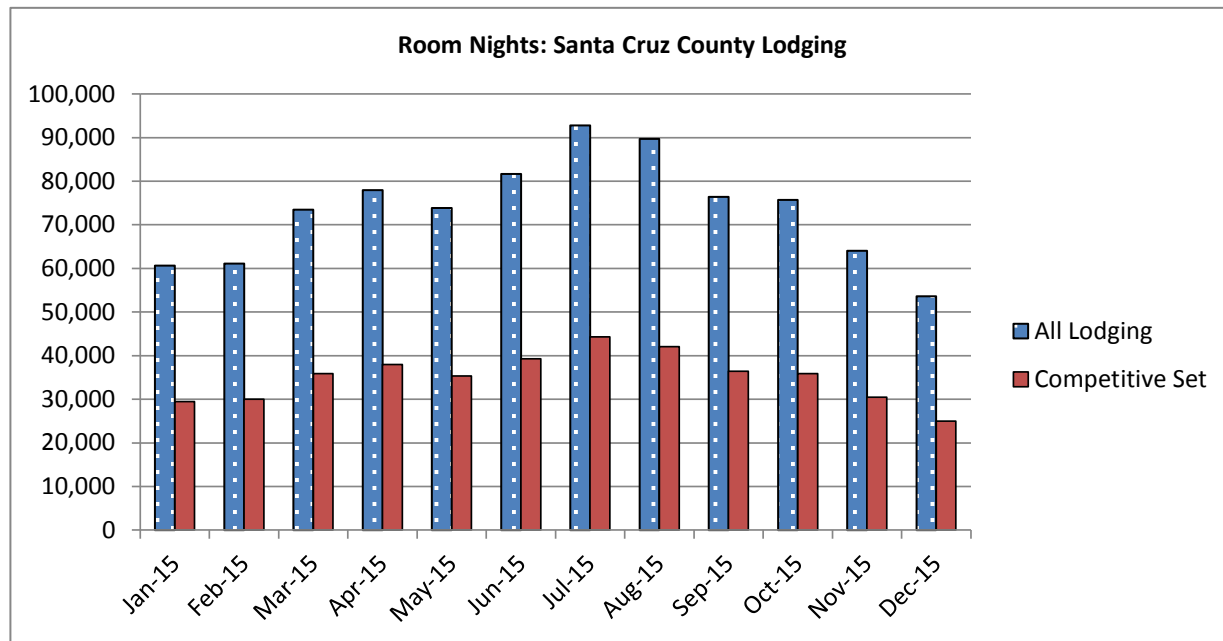
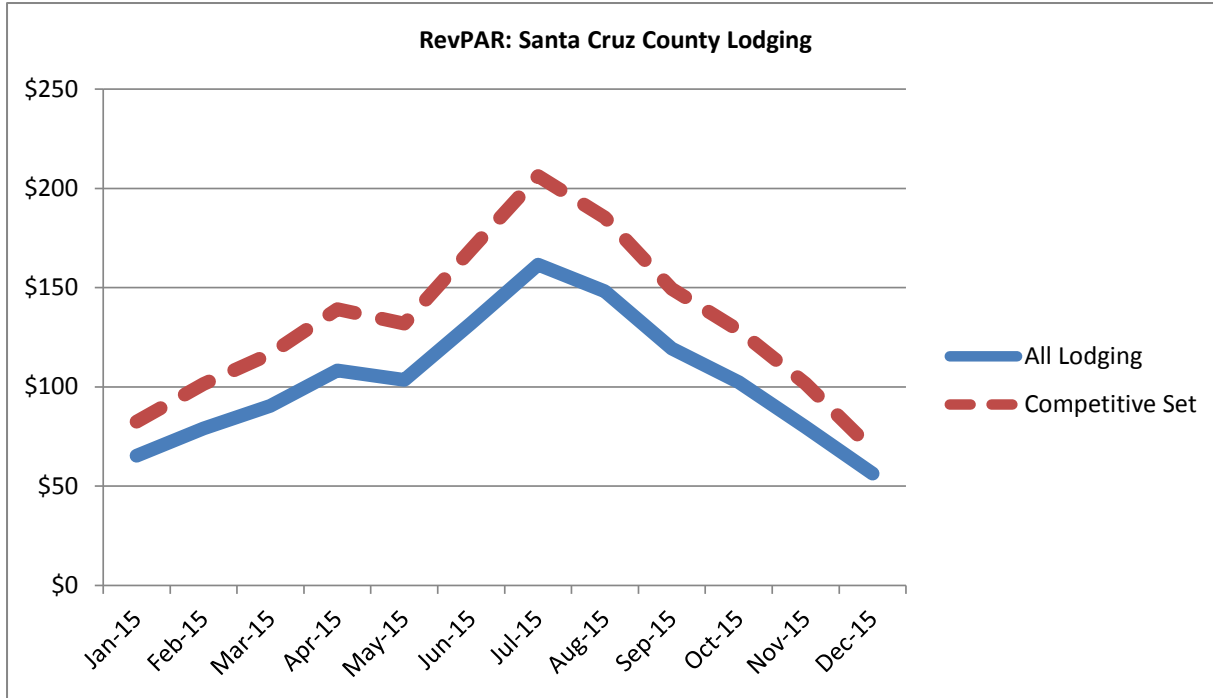
Source: STR 2016

<sup>1</sup> Includes Upper Midscale Class, Upscale Class, Upper Upscale Class, and Luxury.



**Table 6**  
**Lodging Market Seasonal Trends: 2015**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

5/4/2016



**Table 7**  
**Countywide Visitor Spending**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

5/4/2016

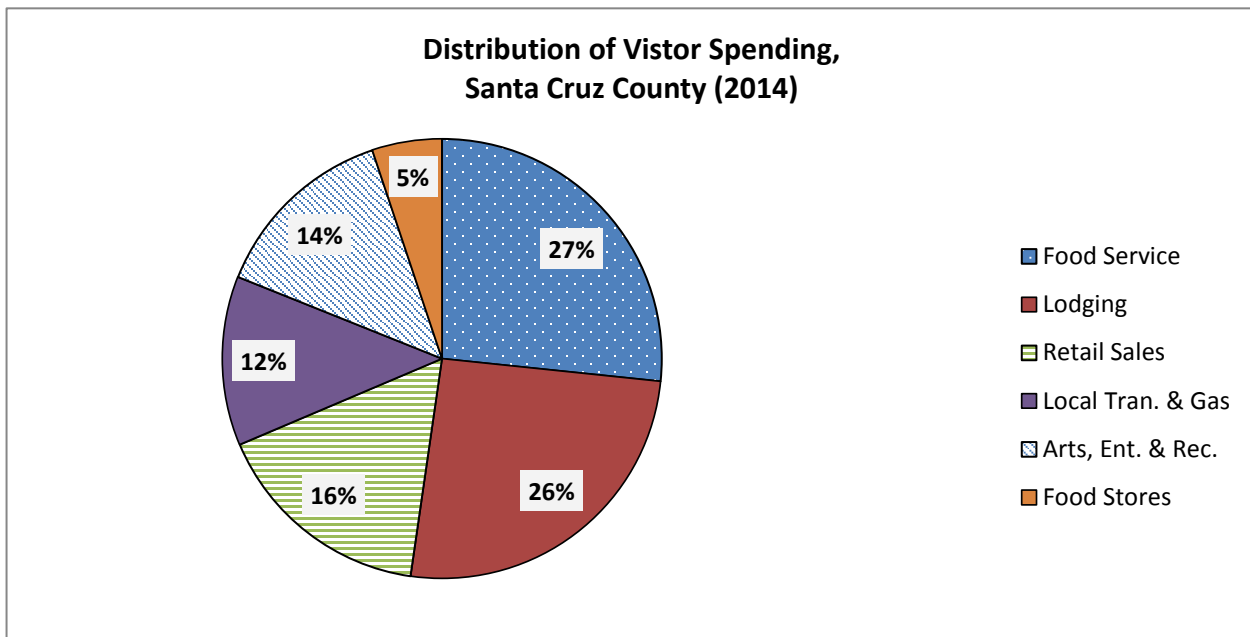
millions \$

Year	Food Service	Lodging	Retail Sales	Local Tran. & Gas	Arts, Ent. & Rec.	Food Stores	Total
2000	\$135.90	\$136.00	\$120.40	\$54.00	\$89.50	\$27.70	\$563.60
2001	\$135.90	\$130.40	\$117.10	\$52.50	\$87.70	\$29.30	\$553.10
2002	\$136.80	\$114.40	\$113.10	\$50.40	\$86.80	\$30.10	\$531.50
2003	\$145.80	\$114.40	\$114.90	\$58.60	\$91.30	\$30.90	\$555.90
2004	\$156.50	\$120.60	\$116.90	\$64.90	\$95.50	\$30.90	\$585.30
2005	\$165.70	\$128.60	\$119.70	\$78.60	\$98.00	\$33.40	\$624.10
2006	\$171.60	\$138.10	\$121.70	\$89.80	\$100.10	\$35.70	\$656.90
2007	\$176.00	\$147.00	\$120.00	\$92.60	\$99.70	\$36.40	\$671.70
2008	\$177.50	\$147.10	\$116.70	\$98.40	\$97.60	\$37.50	\$674.90
2009	\$183.60	\$131.40	\$117.40	\$80.80	\$97.20	\$35.40	\$645.80
2010	\$187.10	\$139.80	\$118.30	\$87.50	\$96.70	\$35.00	\$664.40
2011	\$193.30	\$151.80	\$120.70	\$100.70	\$100.40	\$36.80	\$703.60
2012	\$194.50	\$161.10	\$120.20	\$100.80	\$100.60	\$36.20	\$713.60
2013	\$197.30	\$176.10	\$121.70	\$99.30	\$102.10	\$37.30	\$733.80
2014	\$202.70	\$195.20	\$124.10	\$94.80	\$105.00	\$39.10	\$760.90

**2004-2014**

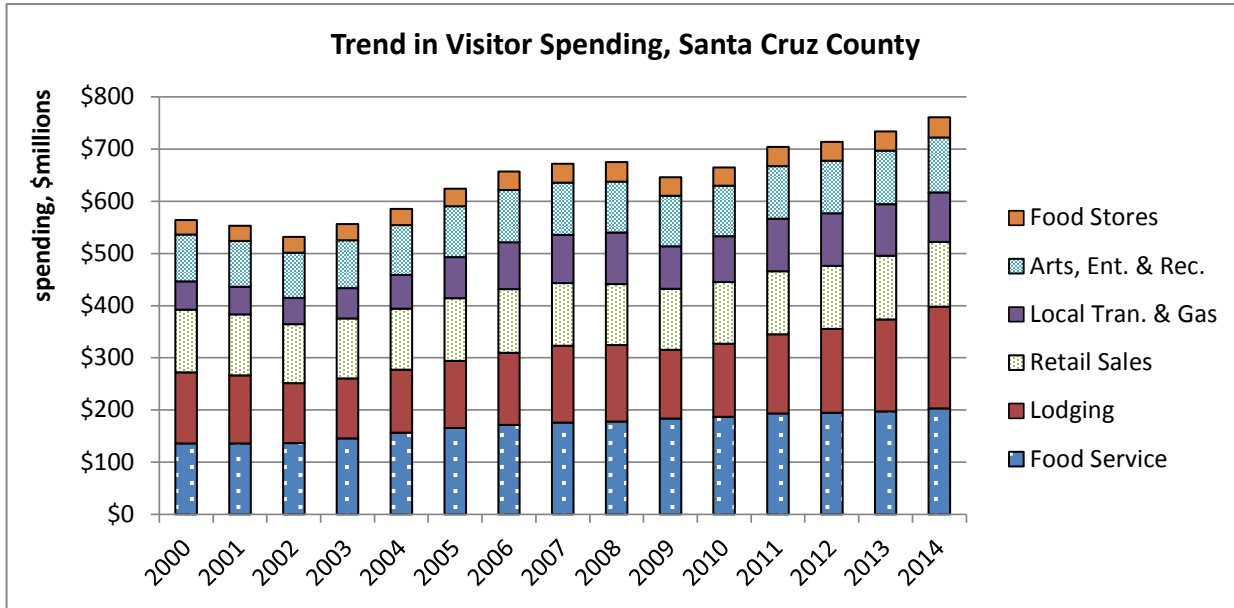
Change	46.2	74.6	7.2	29.9	9.5	8.2	175.6
Ann. Growth	3%	5%	1%	4%	1%	2%	3%

Source: Dean Runyan Associates



**Table 7**  
**Countywide Visitor Spending**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

5/4/2016



Appendix B

**Table 8**  
**Retail Trade Area Demographics**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

5/4/2016

	<i>1 Mile</i>	<i>3 Miles</i>	<i>City of Santa Cruz</i>	<i>County</i>
Population	18,984	89,737	62,531	269,433
Median Household Income	\$56,341	\$58,143	61,249	\$66,845
Total Household Income	\$659.0M	\$3,177.5M	\$2,125.7M	\$9,360.6M
Owner-Occupied Housing	42.31%	44.76%	41.13%	55.43%
Average Household Size	2.26	2.34	2.38	2.66
Ethnicity/Hispanic	20.71%	23.20%	19.40%	33.70%
Bachelor's or Higher	43.99%	43.93%	49.53%	38.10%

Source: ESRI 2015

## Appendix B

**Table 9**  
**Distribution of Retail Expenditure Potential**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

**5/4/2016**

	<i>1 mile</i>	<i>3 miles</i>	<i>5 miles</i>
Total Household Income	\$659.0M	\$3,177.5M	\$4,533.8M
Total Retail/Service Expenditure Potential	\$341.4M	\$1,641.4M	\$2,276.8M
Selected Retail Categories <sup>1</sup>	\$106.2M	\$506.9M	\$702.1M
Eating Drinking	\$34.1M	\$160.4M	\$221.3M
Specialty	\$60.8M	\$291.3M	\$403.9M
Other	\$11.3M	\$55.2M	\$76.9M

Source: Retail Market Place Profile, Prepared by ESRI, 2015

<sup>1</sup> Retail expenditure potential categories:

Eating and Drinking: Full- and limited-service restaurants and bars.

Specialty: Furniture, home furnishings, electronics, sports/hobby, music/books, stationary/gifts, clothing/accessories.

Other: Other miscellaneous retail.

**Table 10**  
**Trade Area Retail Leakage**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

5/2/2016

	1 mile	3 miles	5 miles
<b>2015 Demographics</b>			
Population	18,984	89,737	124,842
Income Per Capita	\$34,714	\$35,409	\$36,316
Aggregate Income (\$000s)	\$659,011	\$3,177,497	\$4,533,762
<b>Retail Demand (\$000s)</b>			
NAICS			
441 Motor Vehicle & Parts Dealers	\$64,511	\$317,216	\$443,214
4421 Furniture Stores	\$5,658	\$27,548	\$38,313
4422 Home Furnishings Stores	\$4,521	\$22,070	\$30,842
443 Electronics & Appliance Stores	\$16,671	\$80,316	\$111,538
4441 Bldg Material & Supplies Dealers	\$11,996	\$61,522	\$87,698
4442 Lawn & Garden Equip & Supply Stores	\$1,283	\$6,571	\$9,385
4451 Grocery Stores	\$52,472	\$246,965	\$339,618
4452 Specialty Food Stores	\$5,648	\$26,512	\$36,428
4453 Beer, Wine & Liquor Stores	\$3,099	\$14,673	\$20,239
446 Health & Personal Care Stores	\$19,808	\$96,186	\$134,026
447 Gasoline Stations	\$18,013	\$87,108	\$120,527
4481 Clothing Stores	\$16,051	\$75,367	\$103,637
4482 Shoe Stores	\$2,393	\$11,073	\$15,125
4483 Jewelry, Luggage & Leather Goods Stores	\$3,614	\$17,666	\$24,682
4511 Sporting Goods/Hobby/Musical Instr Stores	\$7,693	\$37,039	\$51,580
4512 Book, Periodical & Music Stores	\$1,323	\$6,306	\$8,664
452 General Merchandise Stores	\$48,579	\$231,069	\$318,901
4531 Florists	\$561	\$2,835	\$4,041
4532 Office Supplies, Stationery & Gift Stores	\$2,319	\$11,122	\$15,450
4533 Used Merchandise Stores	\$1,139	\$5,443	\$7,519
4539 Other Miscellaneous Store Retailers	\$11,348	\$55,192	\$76,933
7221 Full-Service Restaurants	\$19,567	\$92,182	\$127,208
7222 Limited-Service Eating Places	\$13,822	\$65,126	\$89,820
7224 Drinking Places - Alcoholic Beverages	\$677	\$3,097	\$4,228
<b>Retail Sales (Taxable &amp; Non-Taxable. \$000s)</b>			
NAICS			
441 Motor Vehicle & Parts Dealers	\$114,563	\$354,052	\$362,882
4421 Furniture Stores	\$3,441	\$35,765	\$38,834
4422 Home Furnishings Stores	\$2,502	\$39,760	\$41,767
443 Electronics & Appliance Stores	\$9,120	\$91,200	\$101,492
4441 Bldg Material & Supplies Dealers	\$4,221	\$62,286	\$67,174
4442 Lawn & Garden Equip & Supply Stores	\$3,183	\$7,818	\$13,789
4451 Grocery Stores	\$28,879	\$418,288	\$477,601
4452 Specialty Food Stores	\$23,463	\$91,113	\$108,530
4453 Beer, Wine & Liquor Stores	\$5,859	\$32,836	\$35,014
446 Health & Personal Care Stores	\$18,789	\$141,039	\$150,540
447 Gasoline Stations	\$13,813	\$81,524	\$92,889
4481 Clothing Stores	\$2,145	\$108,138	\$112,700
4482 Shoe Stores	\$251	\$13,706	\$16,190
4483 Jewelry, Luggage & Leather Goods Stores	\$0	\$16,340	\$18,767
4511 Sporting Goods/Hobby/Musical Instr Stores	\$6,422	\$99,892	\$109,074
4512 Book, Periodical & Music Stores	\$0	\$21,903	\$21,949
452 General Merchandise Stores	\$3,391	\$312,655	\$328,386
4531 Florists	\$320	\$3,741	\$4,084
4532 Office Supplies, Stationery & Gift Stores	\$2,863	\$33,091	\$35,852
4533 Used Merchandise Stores	\$499	\$10,337	\$12,428
4539 Other Miscellaneous Store Retailers	\$9,060	\$53,608	\$58,241
7221 Full-Service Restaurants	\$10,265	\$164,877	\$190,581
7222 Limited-Service Eating Places	\$5,913	\$65,531	\$71,625
7224 Drinking Places - Alcoholic Beverages	\$359	\$10,628	\$11,217

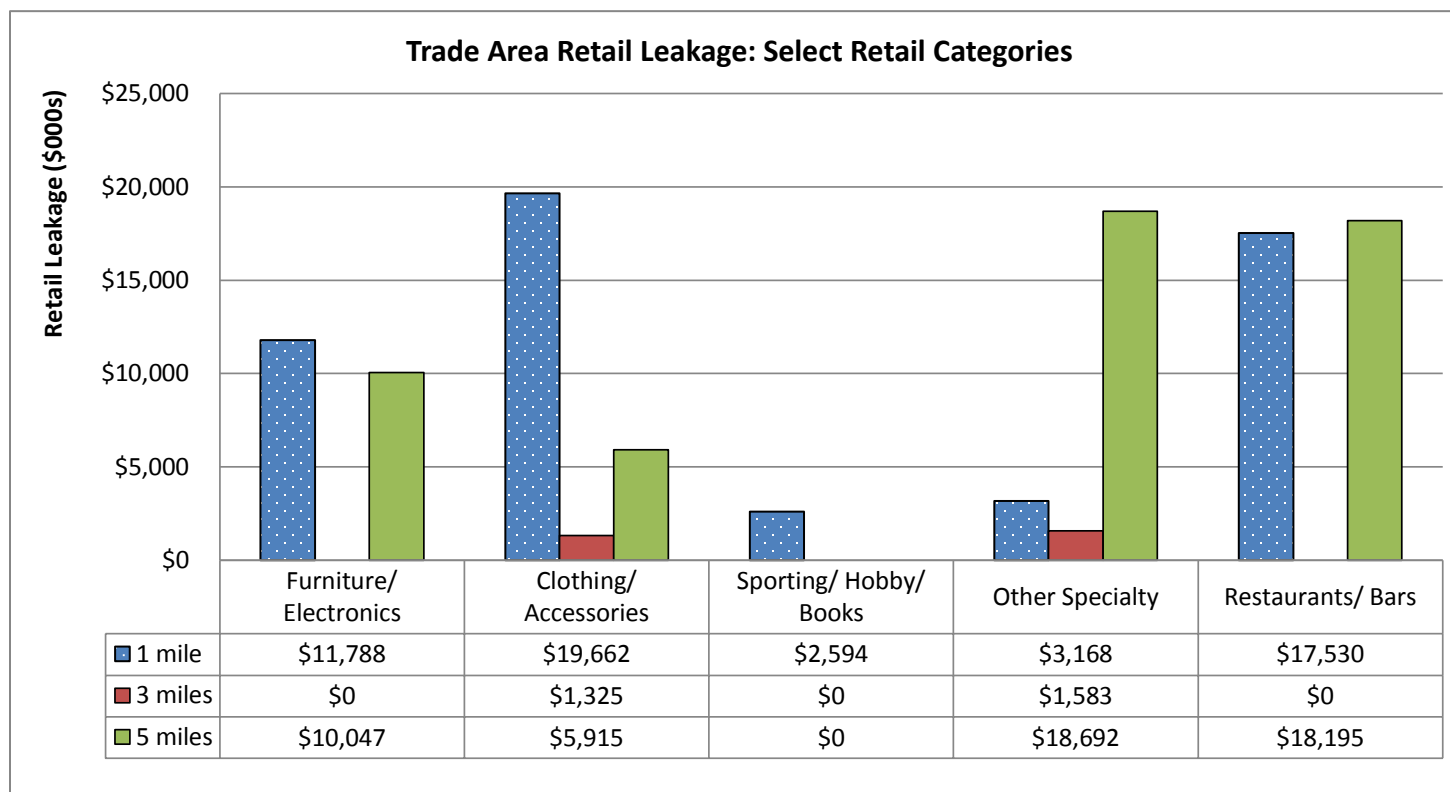
**Table 10**  
**Trade Area Retail Leakage**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

5/2/2016

	1 mile	3 miles	5 miles
<b>Retail (Surplus)/Leakage (\$000s)</b>			
NAICS			
441 Motor Vehicle & Parts Dealers	(\$50,052)	(\$36,836)	\$80,332
4421 Furniture Stores	\$2,217	(\$8,218)	(\$521)
4422 Home Furnishings Stores	\$2,019	(\$17,689)	(\$10,924)
443 Electronics & Appliance Stores	\$7,551	(\$10,885)	\$10,047
4441 Bldg Material & Supplies Dealers	\$7,775	(\$764)	\$20,524
4442 Lawn & Garden Equip & Supply Stores	(\$1,899)	(\$1,246)	(\$4,404)
4451 Grocery Stores	\$23,592	(\$171,323)	(\$137,983)
4452 Specialty Food Stores	(\$17,815)	(\$64,602)	(\$72,102)
4453 Beer, Wine & Liquor Stores	(\$2,760)	(\$18,164)	(\$14,775)
446 Health & Personal Care Stores	\$1,019	(\$44,853)	(\$16,515)
447 Gasoline Stations	\$4,200	\$5,585	\$27,638
4481 Clothing Stores	\$13,906	(\$32,771)	(\$9,063)
4482 Shoe Stores	\$2,142	(\$2,633)	(\$1,065)
4483 Jewelry, Luggage & Leather Goods Stores	\$3,614	\$1,325	\$5,915
4511 Sporting Goods/Hobby/Musical Instr Stores	\$1,271	(\$62,854)	(\$57,494)
4512 Book, Periodical & Music Stores	\$1,323	(\$15,597)	(\$13,285)
452 General Merchandise Stores	\$45,188	(\$81,586)	(\$9,485)
4531 Florists	\$241	(\$906)	(\$42)
4532 Office Supplies, Stationery & Gift Stores	(\$544)	(\$21,970)	(\$20,402)
4533 Used Merchandise Stores	\$640	(\$4,895)	(\$4,909)
4539 Other Miscellaneous Store Retailers	\$2,287	\$1,583	\$18,692
7221 Full-Service Restaurants	\$9,302	(\$72,695)	(\$63,373)
7222 Limited-Service Eating Places	\$7,910	(\$404)	\$18,195
7224 Drinking Places - Alcoholic Beverages	\$318	(\$7,531)	(\$6,989)

Source: ESRI Retail Marketplace Profile 2015

☐ Denotes retail expenditure categories that are currently experiencing leakage.



Furniture/Electronics: Home furnishings, furniture, electronics

Clothing/Accessories: Clothing, shoes, jewelry

Sporting/hobby/books: Sporting goods, hobby stores, book/music stores

Other specialty: Florists and other miscellaneous stores

Restaurants/bars: Limited and full service restaurants, bars



## Appendix B

**Table 11**  
**Harbor Area Restaurants**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz** **5/4/2016**

Key <sup>1</sup>	Restaurant Name	Distance (mi)	Category
1	Harbor Cafe	0.29	American (Traditional)
2	L & L Hawaiian Barbecue	0.35	Hawaiian
3	Johnnys Harborside	0.45	Seafood
4	Windmill Cafe	0.59	Café
5	La Posta	0.65	Italian
6	Tramonti Pizza Pasta	0.65	Italian
7	Lindas Seabreeze Cafe	0.65	American (Traditional)
8	Aldos Harbor Restaurant	0.66	Italian, Seafood
9	Engfer Pizza Works	0.67	Pizza
10	Taqueria Michoacan	0.67	Mexican
11	Crow's Nest Restaurant	0.68	American (New)
12	Cafe El Palomar	0.68	Mexican
13	Blue Lounge	0.68	Bar/Pub
14	Betty Burgers	0.7	Burgers
15	Seabright Brewery	0.7	Bar/Pub
16	Lago Di Como	0.71	Italian

Source: DatabaseUSA, Yelp, Google Maps

<sup>1</sup> See Map C.

Table 12

Harbor Area Specialty Retail<sup>1</sup>

Hotel/Retail Site at 7th Avenue and Brommer Street

County of Santa Cruz

5/4/2016

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<b>Key</b>	<b>Store Name</b>	<b>Distance (mi)</b>	<b>Category</b>
1	Kayak Connection	0.45	Kayak Rentals
2	H & H Fresh Fish	0.46	Fish and Seafood Markets
3	Bayside Marine	0.51	Bait and Tackle Shop
4	Tri Shop Santa Cruz	0.66	Swim and Sporting Gear
5	Shalom Cultural Peace Project	0.71	Family Clothing Stores

Source: DatabaseUSA, Google Maps

<sup>1</sup> Excluding boat dealers and repair shops.

**Table 13**  
**Taxable Sales Trend <sup>1</sup>**  
**Hotel/Retail Site at 7th Avenue and Brommer Street**  
**County of Santa Cruz**

5/2/2016

	2010		2011		2012		2013		2014		2010-2014 Change			
	Taxable Sales	Per Capita	Taxable Sales	Per Capita	Taxable Sales	Per Capita	Taxable Sales	Per Capita	Taxable Sales	Per Capita	Total	%	Per Capita	%
<b>CITY OF SANTA CRUZ</b>														
<b>Population <sup>2</sup></b>		<b>60,595</b>		<b>61,449</b>		<b>62,009</b>		<b>62,857</b>		<b>63,364</b>	<b>2,769</b>	<b>5%</b>		
<b>Retail Stores</b>														
Automotive	56,044	925	62,110	1,011	64,172	1,035	70,647	1,124	75,981	1,199	19,937	36%	274	30%
Home Furnishings & Appliances	19,095	315	21,302	347	22,174	358	21,777	346	22,152	350	3,057	16%	34	11%
Bldg. Matr. & Garden Equip.	37,789	624	35,055	570	32,874	530	34,083	542	36,814	581	-975	-3%	-43	-7%
Food Stores	62,135	1,025	64,196	1,045	70,755	1,141	71,052	1,130	74,561	1,177	12,426	20%	151	15%
Gasoline Stations	55,800	921	65,246	1,062	72,056	1,162	70,732	1,125	70,511	1,113	14,712	26%	192	21%
Apparel	41,968	693	44,501	724	46,599	751	49,462	787	52,564	830	10,596	25%	137	20%
General Merchandise*	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Food & Beverage	143,668	2,371	149,296	2,430	168,463	2,717	175,155	2,787	190,739	3,010	47,070	33%	639	27%
Other Retail <sup>3</sup>	203,338	3,356	209,850	3,415	218,594	3,525	219,964	3,499	224,510	3,543	21,172	10%	187	6%
<b>Total Retail Stores</b>	<b>619,837</b>	<b>10,229</b>	<b>651,557</b>	<b>10,603</b>	<b>695,686</b>	<b>11,219</b>	<b>712,873</b>	<b>11,341</b>	<b>747,832</b>	<b>11,802</b>	<b>127,995</b>	<b>21%</b>	<b>1,573</b>	<b>15%</b>
<b>as a % of Santa Cruz County</b>	<b>30.2%</b>		<b>29.5%</b>		<b>29.1%</b>		<b>28.6%</b>		<b>28.8%</b>		<b>23.6%</b>			
All Other Outlets	128,977	2,129	120,138	1,955	128,617	2,074	140,238	2,231	134,710	2,126	5,733	4%	-3	0%
<b>Total All Outlets</b>	<b>748,814</b>	<b>12,358</b>	<b>771,694</b>	<b>12,558</b>	<b>824,304</b>	<b>13,293</b>	<b>853,110</b>	<b>13,572</b>	<b>882,542</b>	<b>13,928</b>	<b>133,728</b>	<b>18%</b>	<b>1,570</b>	<b>13%</b>
<b>as a % of Santa Cruz County</b>	<b>27.6%</b>		<b>27.0%</b>		<b>26.8%</b>		<b>26.5%</b>		<b>26.3%</b>		<b>20.8%</b>			
<b>CITY OF CAPITOLA</b>														
<b>Population <sup>2</sup></b>		<b>9,929</b>		<b>9,971</b>		<b>10,020</b>		<b>10,087</b>		<b>10,146</b>	<b>217</b>	<b>2%</b>		
<b>Retail Stores</b>														
Automotive*	n/a	n/a	56,376	5,654	61,771	6,165	71,060	7,045	72,501	7,146	n/a	n/a	n/a	n/a
Home Furnishings & Appliances	16,327	1,644	18,035	1,809	20,105	2,006	21,415	2,123	20,889	2,059	4,563	28%	415	25%
Bldg. Matr. & Garden Equip.*	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Food Stores	30,958	3,118	31,957	3,205	34,025	3,396	34,161	3,387	36,082	3,556	5,124	17%	438	14%
Gasoline Stations	24,296	2,447	27,910	2,799	30,382	3,032	29,359	2,911	28,706	2,829	4,410	18%	382	16%
Apparel	48,536	4,888	46,267	4,640	46,909	4,682	47,322	4,691	45,872	4,521	-2,664	-5%	-367	-8%
General Merchandise	53,108	5,349	51,995	5,215	59,990	5,987	82,810	8,210	82,940	8,175	29,832	56%	2,826	53%
Food & Beverage	47,548	4,789	49,107	4,925	53,349	5,324	55,124	5,465	58,723	5,788	11,175	24%	999	21%
Other Retail <sup>3</sup>	71,756	7,227	59,588	5,976	60,910	6,079	59,399	5,889	60,664	5,979	-11,092	-15%	-1,248	-17%
<b>Total Retail Stores</b>	<b>330,959</b>	<b>33,333</b>	<b>344,330</b>	<b>34,533</b>	<b>367,441</b>	<b>36,671</b>	<b>400,651</b>	<b>39,720</b>	<b>409,242</b>	<b>40,335</b>	<b>78,283</b>	<b>24%</b>	<b>7,003</b>	<b>21%</b>
<b>as a % of Santa Cruz County</b>	<b>16.1%</b>		<b>15.6%</b>		<b>15.4%</b>		<b>16.1%</b>		<b>15.8%</b>		<b>14.4%</b>			
All Other Outlets	29,294	2,950	29,552	2,964	35,361	3,529	33,471	3,318	36,911	3,638	7,617	26%	688	23%
<b>Total All Outlets</b>	<b>360,254</b>	<b>36,283</b>	<b>373,881</b>	<b>37,497</b>	<b>402,802</b>	<b>40,200</b>	<b>434,122</b>	<b>43,038</b>	<b>446,154</b>	<b>43,973</b>	<b>85,900</b>	<b>24%</b>	<b>7,690</b>	<b>21%</b>
<b>as a % of Santa Cruz County</b>	<b>13.3%</b>		<b>13.1%</b>		<b>13.1%</b>		<b>13.5%</b>		<b>13.3%</b>		<b>13.4%</b>			
<b>SANTA CRUZ COUNTY</b>														
<b>Population <sup>2</sup></b>		<b>263,213</b>		<b>264,923</b>		<b>266,632</b>		<b>269,444</b>		<b>271,804</b>	<b>8,591</b>	<b>3%</b>		
<b>Retail Stores</b>														
Automotive	210,182	799	250,016	944	274,873	1,031	294,061	1,091	300,671	1,106	90,489	43%	308	39%
Home Furnishings & Appliances	103,141	392	111,501	421	117,008	439	117,891	438	121,061	445	17,920	17%	54	14%
Bldg. Matr. & Garden Equip.	240,400	913	243,732	920	260,589	977	272,626	1,012	288,198	1,060	47,797	20%	147	16%
Food Stores	213,402	811	222,987	842	238,491	894	241,637	897	249,916	919	36,514	17%	109	13%
Gasoline Stations	275,288	1,046	336,267	1,269	357,237	1,340	357,762	1,328	356,359	1,311	81,071	29%	265	25%
Apparel	130,496	496	138,937	524	148,211	556	158,424	588	164,336	605	33,840	26%	109	22%
General Merchandise	235,270	894	237,220	895	257,575	966	270,490	1,004	276,826	1,018	41,556	18%	125	14%
Food & Beverage	335,988	1,276	349,066	1,318	389,450	1,461	406,095	1,507	439,232	1,616	103,244	31%	340	27%
Other Retail <sup>3</sup>	306,335	1,164	318,259	1,201	344,938	1,294	374,321	1,389	396,377	1,458	90,042	29%	294	25%
<b>Total Retail Stores</b>	<b>2,050,502</b>	<b>7,790</b>	<b>2,207,985</b>	<b>8,334</b>	<b>2,388,372</b>	<b>8,958</b>	<b>2,493,309</b>	<b>9,254</b>	<b>2,592,975</b>	<b>9,540</b>	<b>542,473</b>	<b>26%</b>	<b>1,750</b>	<b>22%</b>
All Other Outlets	658,432	2,502	645,029	2,435	683,091	2,562	727,490	2,700	758,766	2,792	100,333	15%	290	12%
<b>Total All Outlets</b>	<b>2,708,934</b>	<b>10,292</b>	<b>2,853,014</b>	<b>10,769</b>	<b>3,071,463</b>	<b>11,519</b>	<b>3,220,799</b>	<b>11,953</b>	<b>3,351,740</b>	<b>12,331</b>	<b>642,806</b>	<b>24%</b>	<b>2,040</b>	<b>20%</b>

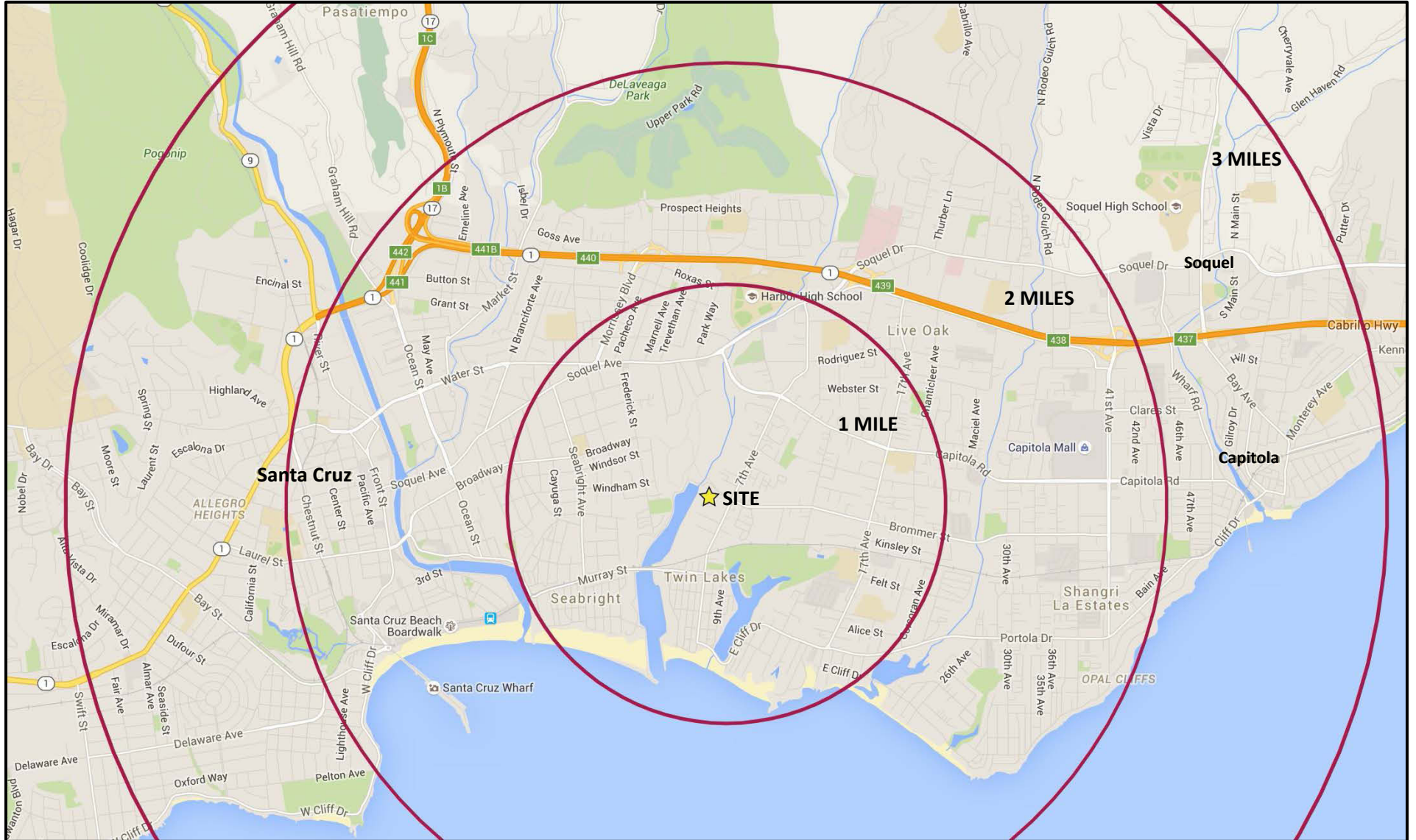
<sup>1</sup> Sales are in 1,000s. Annual totals reflect first 3 quarters of stated year and final quarter of prior year (e.g., Q42013-Q32014).

<sup>2</sup> Per U.S. Census Estimates.

<sup>3</sup> Other retail includes health and personal care stores, miscellaneous store retailers, sports/hobby stores, and non-store retailers.

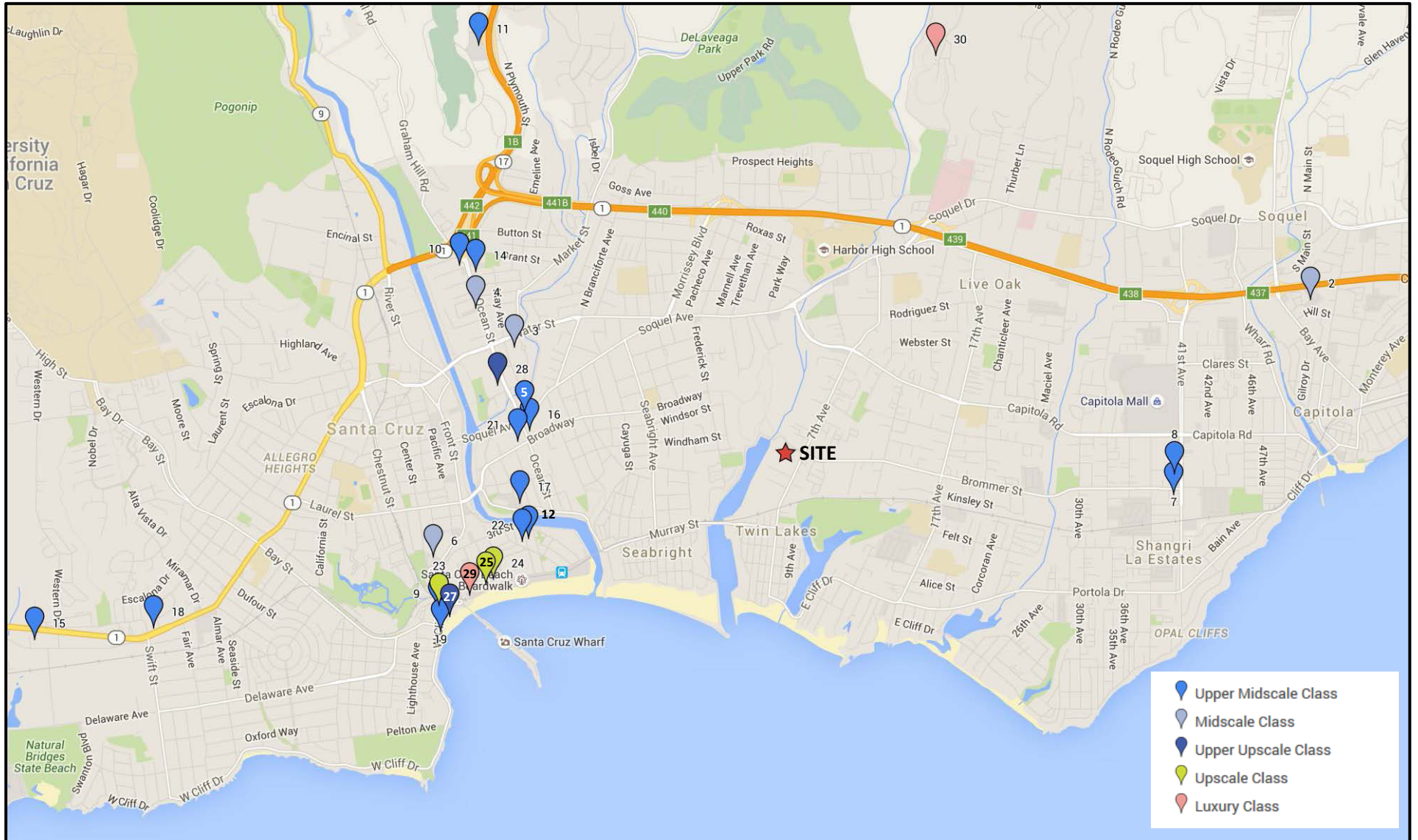
\* Sales have been omitted or re-categorized to protect confidential information.

**Map A**  
**SITE POSITIONING**  
**7<sup>th</sup> Avenue and Brommer Street**

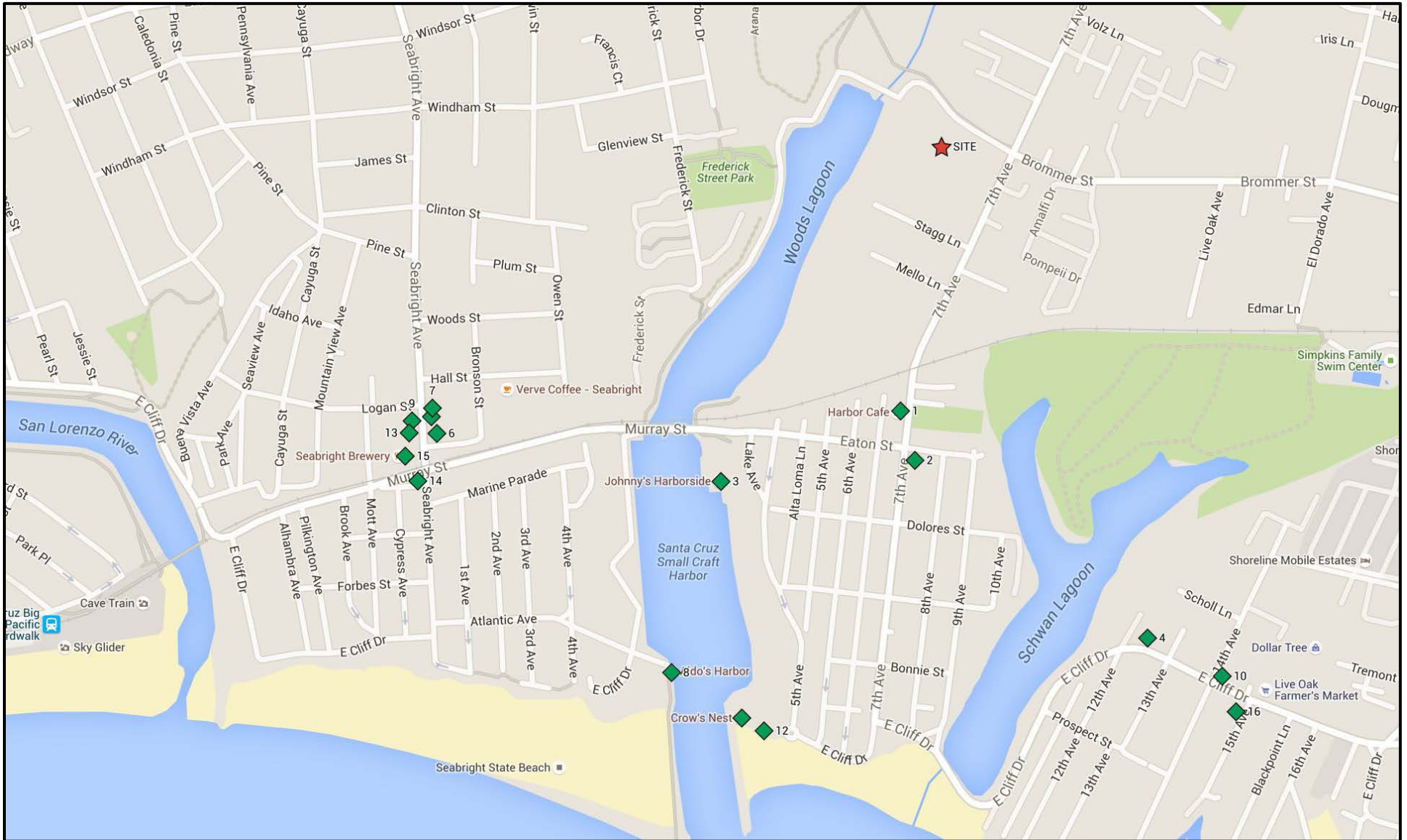


# Appendix B

## Map B LODGING (MIDSCALE AND ABOVE) WITHIN 5 MILES OF SITE 7<sup>th</sup> Avenue and Brommer Street

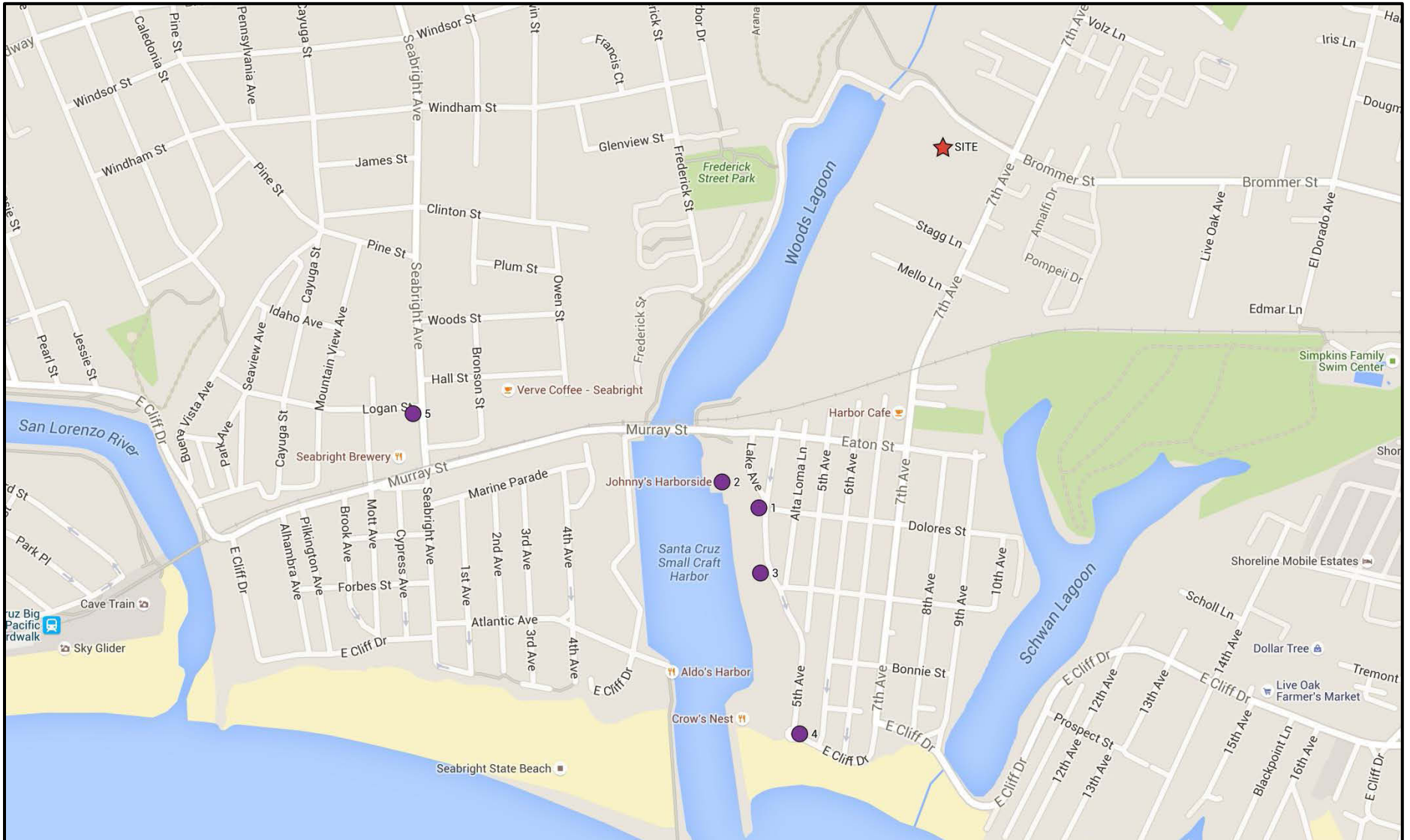


Map C  
RESTAURANTS IN HARBOR AREA  
7<sup>th</sup> Avenue and Brommer Street



# Appendix B

## Map D SPECIALTY RETAIL IN HARBOR AREA 7th Avenue and Brommer Street





# Executive Summary

7th Ave and Brommer St  
960 7th Ave, Santa Cruz, California, 95062  
Rings: 3 mile radii

Prepared by Esri  
Latitude: 36.97203  
Longitude: -121.99599

3 miles

### Population

2000 Population	86,854
2010 Population	87,779
2015 Population	89,737
2020 Population	91,956
2000-2010 Annual Rate	0.11%
2010-2015 Annual Rate	0.42%
2015-2020 Annual Rate	0.49%
2015 Male Population	50.1%
2015 Female Population	49.9%
2015 Median Age	37.9

In the identified area, the current year population is 89,737. In 2010, the Census count in the area was 87,779. The rate of change since 2010 was 0.42% annually. The five-year projection for the population in the area is 91,956 representing a change of 0.49% annually from 2015 to 2020. Currently, the population is 50.1% male and 49.9% female.

### Median Age

The median age in this area is 37.9, compared to U.S. median age of 37.9.

### Race and Ethnicity

2015 White Alone	75.7%
2015 Black Alone	1.7%
2015 American Indian/Alaska Native Alone	0.9%
2015 Asian Alone	4.5%
2015 Pacific Islander Alone	0.2%
2015 Other Race	11.4%
2015 Two or More Races	5.6%
2015 Hispanic Origin (Any Race)	23.2%

Persons of Hispanic origin represent 23.2% of the population in the identified area compared to 17.6% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 63.0 in the identified area, compared to 63.0 for the U.S. as a whole.

### Households

2000 Households	35,390
2010 Households	36,341
2015 Total Households	37,093
2020 Total Households	38,160
2000-2010 Annual Rate	0.27%
2010-2015 Annual Rate	0.39%
2015-2020 Annual Rate	0.57%
2015 Average Household Size	2.34

The household count in this area has changed from 36,341 in 2010 to 37,093 in the current year, a change of 0.39% annually. The five-year projection of households is 38,160, a change of 0.57% annually from the current year total. Average household size is currently 2.34, compared to 2.35 in the year 2010. The number of families in the current year is 18,400 in the specified area.

**Data Note:** Income is expressed in current dollars

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020. Esri converted Census 2000 data into 2010 geography.





# Executive Summary

7th Ave and Brommer St  
960 7th Ave, Santa Cruz, California, 95062  
Rings: 3 mile radii

Prepared by Esri  
Latitude: 36.97203  
Longitude: -121.99599

3 miles

### Median Household Income

2015 Median Household Income	\$58,143
2020 Median Household Income	\$68,965
2015-2020 Annual Rate	3.47%

### Average Household Income

2015 Average Household Income	\$84,040
2020 Average Household Income	\$97,556
2015-2020 Annual Rate	3.03%

### Per Capita Income

2015 Per Capita Income	\$35,409
2020 Per Capita Income	\$41,139
2015-2020 Annual Rate	3.05%

### Households by Income

Current median household income is \$58,143 in the area, compared to \$53,217 for all U.S. households. Median household income is projected to be \$68,965 in five years, compared to \$60,683 for all U.S. households

Current average household income is \$84,040 in this area, compared to \$74,699 for all U.S. households. Average household income is projected to be \$97,556 in five years, compared to \$84,910 for all U.S. households

Current per capita income is \$35,409 in the area, compared to the U.S. per capita income of \$28,597. The per capita income is projected to be \$41,139 in five years, compared to \$32,501 for all U.S. households

### Housing

2000 Total Housing Units	37,802
2000 Owner Occupied Housing Units	17,381
2000 Renter Occupied Housing Units	18,009
2000 Vacant Housing Units	2,412
2010 Total Housing Units	39,967
2010 Owner Occupied Housing Units	17,046
2010 Renter Occupied Housing Units	19,295
2010 Vacant Housing Units	3,626
2015 Total Housing Units	41,051
2015 Owner Occupied Housing Units	16,602
2015 Renter Occupied Housing Units	20,491
2015 Vacant Housing Units	3,958
2020 Total Housing Units	42,225
2020 Owner Occupied Housing Units	16,853
2020 Renter Occupied Housing Units	21,307
2020 Vacant Housing Units	4,065

Currently, 40.4% of the 41,051 housing units in the area are owner occupied; 49.9%, renter occupied; and 9.6% are vacant. Currently, in the U.S., 55.7% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.6% are vacant. In 2010, there were 39,967 housing units in the area - 42.7% owner occupied, 48.3% renter occupied, and 9.1% vacant. The annual rate of change in housing units since 2010 is 1.20%. Median home value in the area is \$551,655, compared to a median home value of \$200,006 for the U.S. In five years, median value is projected to change by 4.87% annually to \$699,837.

**Data Note:** Income is expressed in current dollars

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

Trend # 773650\_SADIM / Created May 03, 2016

## Trend Report - Santa Cruz, CA ALL LODGING

January 2010 to March 2016    Currency : USD - US Dollar



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# Tab 2 - Data by Measure

Appendix B

Occupancy (%)														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2010	34.1	42.1	45.8	53.9	50.2	61.1	70.6	66.2	55.7	51.9	42.2	34.9	50.8	40.6
2011	36.7	45.5	48.0	58.2	55.3	64.3	78.2	75.2	64.4	61.9	49.9	45.7	57.0	43.3
2012	40.8	53.4	52.7	59.2	59.7	74.8	82.5	79.6	64.5	60.9	52.9	44.1	60.5	48.8
2013	43.7	52.0	59.0	63.9	60.7	73.8	82.6	79.8	67.3	63.0	56.7	45.8	62.4	51.6
2014	45.8	53.6	56.4	65.4	63.2	73.1	82.6	79.9	66.6	65.5	58.8	51.9	63.6	51.9
2015	55.5	61.9	67.2	73.7	67.6	77.2	84.7	81.9	72.1	69.1	60.4	49.0	68.4	61.5
2016	53.2	59.0	67.1											59.8
Avg	44.3	52.5	56.7	62.4	59.5	70.7	80.2	77.1	65.1	62.1	53.5	45.2	60.5	51.1

ADR (\$)														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2010	87.15	97.11	95.32	107.70	113.03	140.95	147.49	138.91	121.98	110.19	101.30	87.35	116.67	93.53
2011	87.32	95.67	97.52	109.69	111.54	127.73	145.99	138.93	125.72	110.12	101.52	95.45	116.16	93.94
2012	93.81	101.98	104.61	112.59	120.91	141.26	153.27	150.17	131.16	117.67	106.69	97.88	123.49	100.61
2013	97.48	103.99	109.00	121.10	129.68	149.75	163.26	165.16	137.24	124.51	112.59	104.96	130.73	104.07
2014	103.89	114.65	115.26	132.32	140.30	158.29	174.48	179.75	144.55	133.78	121.40	114.47	140.10	111.60
2015	117.64	127.71	134.50	147.03	153.25	171.07	190.74	180.98	165.61	147.97	132.11	115.06	152.09	127.14
2016	117.86	131.16	137.63											129.59
Avg	102.78	111.87	115.60	123.21	129.50	149.09	163.24	160.01	138.72	125.11	113.79	103.67	131.02	110.58

RevPAR (\$)														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2010	29.73	40.87	43.68	58.10	56.74	86.05	104.14	91.93	67.95	57.17	42.80	30.49	59.23	38.00
2011	32.05	43.53	46.78	63.82	61.71	82.18	114.15	104.53	80.99	68.15	50.63	43.59	66.26	40.69
2012	38.25	54.44	55.11	66.62	72.18	105.71	126.40	119.58	84.55	71.70	56.49	43.14	74.65	49.10
2013	42.57	54.10	64.36	77.37	78.69	110.59	134.87	131.87	92.43	78.49	63.80	48.06	81.61	53.66
2014	47.59	61.46	65.04	86.57	88.71	115.78	144.18	143.55	96.33	87.66	71.38	59.45	89.16	57.92
2015	65.30	79.03	90.43	108.36	103.58	132.08	161.59	148.18	119.37	102.30	79.84	56.36	104.02	78.23
2016	62.68	77.42	92.42											77.52
Avg	45.52	58.74	65.49	76.91	77.00	105.44	130.91	123.42	90.34	77.67	60.92	46.89	79.23	56.51

Supply														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2010	108,934	98,392	108,934	105,420	108,934	105,420	108,934	108,934	105,420	108,934	105,420	108,934	1,282,610	316,260
2011	108,934	98,392	108,934	105,420	108,934	105,390	111,507	106,175	102,750	104,687	101,310	104,687	1,267,120	316,260
2012	104,687	94,584	104,718	101,310	104,718	101,340	104,718	109,988	106,440	109,988	106,440	109,988	1,258,919	303,989
2013	109,988	99,344	109,988	106,440	109,988	106,440	109,988	109,988	106,440	109,988	106,440	110,050	1,295,082	319,320
2014	110,050	99,400	110,050	106,500	110,050	106,500	110,050	110,050	106,500	110,050	106,500	110,050	1,295,750	319,500
2015	109,306	98,728	109,306	105,780	109,306	105,780	109,554	109,554	105,990	109,523	105,990	109,523	1,288,340	317,340
2016	109,523	99,036	109,647											318,206
Avg	108,775	98,268	108,797	105,145	108,655	105,145	109,125	109,115	105,590	108,862	105,350	108,872	1,281,304	315,839

Demand														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2010	37,160	41,410	49,913	56,867	54,678	64,359	76,913	72,091	58,720	56,516	44,537	38,022	651,186	128,483
2011	39,985	44,765	52,253	61,335	60,267	67,802	87,182	79,887	66,195	64,788	50,525	47,808	722,792	137,003
2012	42,687	50,494	55,164	59,942	62,509	75,837	86,359	87,582	68,616	67,022	56,359	48,476	761,047	148,345
2013	48,033	51,680	64,939	68,002	66,739	78,603	90,861	87,819	71,687	69,331	60,318	50,394	808,406	164,652
2014	50,418	53,282	62,105	69,673	69,581	77,899	90,934	87,883	70,969	72,115	62,622	57,152	824,633	165,805
2015	60,674	61,096	73,492	77,961	73,880	81,668	92,812	89,698	76,400	75,718	64,056	53,649	881,104	195,262
2016	58,250	58,455	73,627											190,332
Avg	48,172	51,597	61,642	65,630	64,609	74,361	87,510	84,160	68,765	67,582	56,403	49,250	774,861	161,412

Revenue (\$)														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2010	3,238,405	4,021,225	4,757,804	6,124,734	6,180,499	9,071,627	11,344,069	10,014,018	7,162,799	6,227,245	4,511,809	3,321,079	75,975,313	12,017,434
2011	3,491,670	4,282,602	5,095,540	6,727,719	6,722,287	8,660,623	12,727,981	11,098,854	8,321,902	7,134,559	5,129,268	4,563,116	83,956,121	12,869,812
2012	4,004,600	5,149,442	5,770,974	6,748,789	7,558,177	10,713,052	13,236,575	13,152,568	8,999,728	7,886,537	6,013,157	4,744,696	93,978,295	14,925,016
2013	4,682,243	5,374,428	7,078,521	8,234,743	8,654,707	11,770,970	14,834,189	14,504,254	9,838,204	8,632,581	6,791,166	5,289,277	105,685,283	17,135,192
2014	5,237,813	6,108,773	7,158,024	9,219,284	9,762,212	12,330,916	15,866,555	15,797,187	10,258,755	9,647,340	7,602,150	6,542,192	115,531,201	18,504,610
2015	7,137,418	7,802,873	9,884,784	11,462,836	11,322,266	13,971,131	17,703,170	16,233,984	12,652,263	11,203,713	8,462,206	6,172,771	134,009,415	24,825,075
2016	6,865,057	7,667,136	10,133,627											24,665,820
Avg	4,951,029	5,772,354	7,125,611	8,086,351	8,366,691	11,086,387	14,285,423	13,466,811	9,538,942	8,455,329	6,418,293	5,105,522	101,522,605	17,848,994

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# Tab 3 - Percent Change from Previous Year - Detail by Measure

Appendix B

Santa Cruz, CA Area Selected Properties

Job Number: 773650\_SADIM Staff: CW Created: May 03, 2016

Occupancy														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2011	7.6	8.1	4.7	7.9	10.2	5.4	10.7	13.7	15.7	19.3	18.0	30.8	12.4	6.6
2012	11.1	17.3	9.8	1.7	7.9	16.3	5.5	5.8	0.1	-1.5	6.2	-3.5	6.0	12.6
2013	7.1	-2.6	12.1	8.0	1.7	-1.3	0.2	0.3	4.5	3.4	7.0	3.9	3.3	5.7
2014	4.9	3.0	-4.4	2.4	4.2	-1.0	0.0	0.0	-1.1	4.0	3.8	13.4	2.0	0.6
2015	21.2	15.4	19.1	12.7	6.9	5.6	2.5	2.5	8.2	5.5	2.8	-5.7	7.5	18.6
2016	-4.2	-4.6	-0.1											-2.8
<b>Avg</b>	7.9	6.1	6.9	6.5	6.2	5.0	3.8	4.5	5.5	6.1	7.6	7.8	6.2	6.9

ADR														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2011	0.2	-1.5	2.3	1.8	-1.3	-9.4	-1.0	0.0	3.1	-0.1	0.2	9.3	-0.4	0.4
2012	7.4	6.6	7.3	2.6	8.4	10.6	5.0	8.1	4.3	6.9	5.1	2.5	6.3	7.1
2013	3.9	2.0	4.2	7.6	7.3	6.0	6.5	10.0	4.6	5.8	5.5	7.2	5.9	3.4
2014	6.6	10.2	5.7	9.3	8.2	5.7	6.9	8.8	5.3	7.4	7.8	9.1	7.2	7.2
2015	13.2	11.4	16.7	11.1	9.2	8.1	9.3	0.7	14.6	10.6	8.8	0.5	8.6	13.9
2016	0.2	2.7	2.3											1.9
<b>Avg</b>	5.3	5.2	6.4	6.5	6.4	4.2	5.3	5.5	6.4	6.1	5.5	5.7	5.5	5.7

RevPAR														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2011	7.8	6.5	7.1	9.8	8.8	-4.5	9.6	13.7	19.2	19.2	18.3	43.0	11.9	7.1
2012	19.3	25.1	17.8	4.4	17.0	28.6	10.7	14.4	4.4	5.2	11.6	-1.0	12.7	20.7
2013	11.3	-0.6	16.8	16.1	9.0	4.6	6.7	10.3	9.3	9.5	12.9	11.4	9.3	9.3
2014	11.8	13.6	1.1	11.9	12.7	4.7	6.9	8.9	4.2	11.7	11.9	23.7	9.3	7.9
2015	37.2	28.6	39.0	25.2	16.8	14.1	12.1	3.2	23.9	16.7	11.8	-5.2	16.7	35.1
2016	-4.0	-2.0	2.2											-0.9
<b>Avg</b>	13.9	11.9	14.0	13.5	12.9	9.5	9.2	10.1	12.2	12.5	13.3	14.4	12.0	13.2

Supply														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2011	0.0	0.0	0.0	0.0	0.0	-0.0	2.4	-2.5	-2.5	-3.9	-3.9	-3.9	-1.2	0.0
2012	-3.9	-3.9	-3.9	-3.9	-3.9	-3.8	-6.1	3.6	3.6	5.1	5.1	5.1	-0.6	-3.9
2013	5.1	5.0	5.0	5.1	5.0	5.0	5.0	0.0	0.0	0.0	0.0	0.1	2.9	5.0
2014	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1
2015	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5	-0.6	-0.7
2016	0.2	0.3	0.3											0.3
<b>Avg</b>	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1

Demand														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2011	7.6	8.1	4.7	7.9	10.2	5.3	13.4	10.8	12.7	14.6	13.4	25.7	11.0	6.6
2012	6.8	12.8	5.6	-2.3	3.7	11.9	-0.9	9.6	3.7	3.4	11.5	1.4	5.3	8.3
2013	12.5	2.3	17.7	13.4	6.8	3.6	5.2	0.3	4.5	3.4	7.0	4.0	6.2	11.0
2014	5.0	3.1	-4.4	2.5	4.3	-0.9	0.1	0.1	-1.0	4.0	3.8	13.4	2.0	0.7
2015	20.3	14.7	18.3	11.9	6.2	4.8	2.1	2.1	7.7	5.0	2.3	-6.1	6.8	17.8
2016	-4.0	-4.3	0.2											-2.5
<b>Avg</b>	8.0	6.1	7.0	6.7	6.2	5.0	4.0	4.6	5.5	6.1	7.6	7.7	6.3	7.0

Revenue														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2011	7.8	6.5	7.1	9.8	8.8	-4.5	12.2	10.8	16.2	14.6	13.7	37.4	10.5	7.1
2012	14.7	20.2	13.3	0.3	12.4	23.7	4.0	18.5	8.1	10.5	17.2	4.0	11.9	16.0
2013	16.9	4.4	22.7	22.0	14.5	9.9	12.1	10.3	9.3	9.5	12.9	11.5	12.5	14.8
2014	11.9	13.7	1.1	12.0	12.8	4.8	7.0	8.9	4.3	11.8	11.9	23.7	9.3	8.0
2015	36.3	27.7	38.1	24.3	16.0	13.3	11.6	2.8	23.3	16.1	11.3	-5.6	16.0	34.2
2016	-3.8	-1.7	2.5											-0.6
<b>Avg</b>	14.0	11.8	14.1	13.7	12.9	9.4	9.4	10.3	12.3	12.5	13.4	14.2	12.0	13.2

# Tab 4 - Percent Change from Previous Year - Detail by Year

Appendix B

Santa Cruz, CA Area Selected Properties

Job Number: 773650\_SADIM Staff: CW Created: May 03, 2016

	Jan 11	Feb 11	Mar 11	Apr 11	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Total Year	Mar YTD
Occ	7.6	8.1	4.7	7.9	10.2	5.4	10.7	13.7	15.7	19.3	18.0	30.8	12.4	6.6
ADR	0.2	-1.5	2.3	1.8	-1.3	-9.4	-1.0	0.0	3.1	-0.1	0.2	9.3	-0.4	0.4
RevPAR	7.8	6.5	7.1	9.8	8.8	-4.5	9.6	13.7	19.2	19.2	18.3	43.0	11.9	7.1
Supply	0.0	0.0	0.0	0.0	0.0	-0.0	2.4	-2.5	-2.5	-3.9	-3.9	-3.9	-1.2	0.0
Demand	7.6	8.1	4.7	7.9	10.2	5.3	13.4	10.8	12.7	14.6	13.4	25.7	11.0	6.6
Revenue	7.8	6.5	7.1	9.8	8.8	-4.5	12.2	10.8	16.2	14.6	13.7	37.4	10.5	7.1

	Jan 12	Feb 12	Mar 12	Apr 12	May 12	Jun 12	Jul 12	Aug 12	Sep 12	Oct 12	Nov 12	Dec 12	Total Year	Mar YTD
Occ	11.1	17.3	9.8	1.7	7.9	16.3	5.5	5.8	0.1	-1.5	6.2	-3.5	6.0	12.6
ADR	7.4	6.6	7.3	2.6	8.4	10.6	5.0	8.1	4.3	6.9	5.1	2.5	6.3	7.1
RevPAR	19.3	25.1	17.8	4.4	17.0	28.6	10.7	14.4	4.4	5.2	11.6	-1.0	12.7	20.7
Supply	-3.9	-3.9	-3.9	-3.9	-3.9	-3.8	-6.1	3.6	3.6	5.1	5.1	5.1	-0.6	-3.9
Demand	6.8	12.8	5.6	-2.3	3.7	11.9	-0.9	9.6	3.7	3.4	11.5	1.4	5.3	8.3
Revenue	14.7	20.2	13.3	0.3	12.4	23.7	4.0	18.5	8.1	10.5	17.2	4.0	11.9	16.0

	Jan 13	Feb 13	Mar 13	Apr 13	May 13	Jun 13	Jul 13	Aug 13	Sep 13	Oct 13	Nov 13	Dec 13	Total Year	Mar YTD
Occ	7.1	-2.6	12.1	8.0	1.7	-1.3	0.2	0.3	4.5	3.4	7.0	3.9	3.3	5.7
ADR	3.9	2.0	4.2	7.6	7.3	6.0	6.5	10.0	4.6	5.8	5.5	7.2	5.9	3.4
RevPAR	11.3	-0.6	16.8	16.1	9.0	4.6	6.7	10.3	9.3	9.5	12.9	11.4	9.3	9.3
Supply	5.1	5.0	5.0	5.1	5.0	5.0	5.0	0.0	0.0	0.0	0.0	0.1	2.9	5.0
Demand	12.5	2.3	17.7	13.4	6.8	3.6	5.2	0.3	4.5	3.4	7.0	4.0	6.2	11.0
Revenue	16.9	4.4	22.7	22.0	14.5	9.9	12.1	10.3	9.3	9.5	12.9	11.5	12.5	14.8

	Jan 14	Feb 14	Mar 14	Apr 14	May 14	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Total Year	Mar YTD
Occ	4.9	3.0	-4.4	2.4	4.2	-1.0	0.0	0.0	-1.1	4.0	3.8	13.4	2.0	0.6
ADR	6.6	10.2	5.7	9.3	8.2	5.7	6.9	8.8	5.3	7.4	7.8	9.1	7.2	7.2
RevPAR	11.8	13.6	1.1	11.9	12.7	4.7	6.9	8.9	4.2	11.7	11.9	23.7	9.3	7.9
Supply	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1
Demand	5.0	3.1	-4.4	2.5	4.3	-0.9	0.1	0.1	-1.0	4.0	3.8	13.4	2.0	0.7
Revenue	11.9	13.7	1.1	12.0	12.8	4.8	7.0	8.9	4.3	11.8	11.9	23.7	9.3	8.0

	Jan 15	Feb 15	Mar 15	Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Total Year	Mar YTD
Occ	21.2	15.4	19.1	12.7	6.9	5.6	2.5	2.5	8.2	5.5	2.8	-5.7	7.5	18.6
ADR	13.2	11.4	16.7	11.1	9.2	8.1	9.3	0.7	14.6	10.6	8.8	0.5	8.6	13.9
RevPAR	37.2	28.6	39.0	25.2	16.8	14.1	12.1	3.2	23.9	16.7	11.8	-5.2	16.7	35.1
Supply	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5	-0.6	-0.7
Demand	20.3	14.7	18.3	11.9	6.2	4.8	2.1	2.1	7.7	5.0	2.3	-6.1	6.8	17.8
Revenue	36.3	27.7	38.1	24.3	16.0	13.3	11.6	2.8	23.3	16.1	11.3	-5.6	16.0	34.2

	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16	Dec 16	Total Year	Mar YTD
Occ	-4.2	-4.6	-0.1											-2.8
ADR	0.2	2.7	2.3											1.9
RevPAR	-4.0	-2.0	2.2											-0.9
Supply	0.2	0.3	0.3											0.3
Demand	-4.0	-4.3	0.2											-2.5
Revenue	-3.8	-1.7	2.5											-0.6

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# Tab 5 - Twelve Month Moving Average

Appendix B

Santa Cruz, CA Area Selected Properties

Job Number: 773650\_SADIM Staff: CW Created: May 03, 2016

Occupancy (%)												
	January	February	March	April	May	June	July	August	September	October	November	December
2011	51.0	51.3	51.4	51.8	52.2	52.5	53.2	53.9	54.6	55.4	56.1	57.0
2012	57.4	58.1	58.5	58.6	59.0	59.8	60.1	60.5	60.5	60.4	60.7	60.5
2013	60.6	60.5	61.0	61.4	61.5	61.4	61.5	61.6	61.8	62.0	62.3	62.4
2014	62.6	62.7	62.5	62.6	62.8	62.8	62.8	62.8	62.7	62.9	63.1	63.6
2015	64.5	65.1	66.0	66.7	67.1	67.4	67.6	67.7	68.2	68.5	68.6	68.4
2016	68.2	68.0	68.0									

ADR (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2011	116.56	116.36	116.46	116.58	116.42	115.21	115.51	115.77	116.19	116.12	116.01	116.16
2012	116.43	116.70	117.16	117.41	118.19	119.68	120.49	122.00	122.50	123.14	123.36	123.49
2013	123.51	123.61	123.74	124.36	125.08	125.98	127.27	128.93	129.49	130.04	130.37	130.73
2014	131.03	131.68	132.24	133.18	134.08	134.88	136.14	137.72	138.35	139.13	139.73	140.10
2015	140.65	141.36	142.67	143.90	144.99	146.24	148.03	148.22	150.03	151.18	151.91	152.09
2016	152.20	152.51	152.77									

RevPAR (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2011	59.43	59.64	59.90	60.37	60.79	60.47	61.43	62.41	63.44	64.37	65.06	66.26
2012	66.89	67.78	68.54	68.79	69.69	71.57	72.37	73.81	74.13	74.42	74.82	74.65
2013	74.87	74.77	75.49	76.35	76.89	77.40	78.32	79.36	80.01	80.59	81.19	81.61
2014	82.03	82.59	82.65	83.41	84.26	84.69	85.48	86.47	86.79	87.57	88.19	89.16
2015	90.68	92.04	94.20	95.98	97.25	98.57	100.03	100.41	102.30	103.55	104.26	104.02
2016	103.79	103.66	103.82									

Supply												
	January	February	March	April	May	June	July	August	September	October	November	December
2011	1,282,610	1,282,610	1,282,610	1,282,610	1,282,610	1,282,580	1,285,153	1,282,394	1,279,724	1,275,477	1,271,367	1,267,120
2012	1,262,873	1,259,065	1,254,849	1,250,739	1,246,523	1,242,473	1,235,684	1,239,497	1,243,187	1,248,488	1,253,618	1,258,919
2013	1,264,220	1,268,980	1,274,250	1,279,380	1,284,650	1,289,750	1,295,020	1,295,020	1,295,020	1,295,020	1,295,020	1,295,082
2014	1,295,144	1,295,200	1,295,262	1,295,322	1,295,384	1,295,444	1,295,506	1,295,568	1,295,628	1,295,690	1,295,750	1,295,750
2015	1,295,006	1,294,334	1,293,590	1,292,870	1,292,126	1,291,406	1,290,910	1,290,414	1,289,904	1,289,377	1,288,867	1,288,340
2016	1,288,557	1,288,865	1,289,206									

Demand												
	January	February	March	April	May	June	July	August	September	October	November	December
2011	654,011	657,366	659,706	664,174	669,763	673,206	683,475	691,271	698,746	707,018	713,006	722,792
2012	725,494	731,223	734,134	732,741	734,983	743,018	742,195	749,890	752,311	754,545	760,379	761,047
2013	766,393	767,579	777,354	785,414	789,644	792,410	796,912	797,149	800,220	802,529	806,488	808,406
2014	810,791	812,393	809,559	811,230	814,072	813,368	813,441	813,505	812,787	815,571	817,875	824,633
2015	834,889	842,703	854,090	862,378	866,677	870,446	872,324	874,139	879,570	883,173	884,607	881,104
2016	878,680	876,039	876,174									

Revenue (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2011	76,228,578	76,489,955	76,827,691	77,430,676	77,972,464	77,561,460	78,945,372	80,030,208	81,189,311	82,096,625	82,714,084	83,956,121
2012	84,469,051	85,335,891	86,011,325	86,032,395	86,868,285	88,920,714	89,429,308	91,483,022	92,160,848	92,912,826	93,796,715	93,978,295
2013	94,655,938	94,880,924	96,188,471	97,674,425	98,770,955	99,828,873	101,426,487	102,778,173	103,616,649	104,362,693	105,140,702	105,685,283
2014	106,240,853	106,975,198	107,054,701	108,039,242	109,146,747	109,706,693	110,739,059	112,031,992	112,452,543	113,467,302	114,278,286	115,531,201
2015	117,430,806	119,124,906	121,851,666	124,095,218	125,655,272	127,295,487	129,132,102	129,568,899	131,962,407	133,518,780	134,378,836	134,009,415
2016	133,737,054	133,601,317	133,850,160									

High value is boxed.

Low value is boxed and italicized.

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# Tab 6 - Twelve Month Moving Average with Percent Change

Appendix B

Santa Cruz, CA Area Selected Properties

Job Number: 773650\_SADIM

Staff: CW

Created: May 03, 2016

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue	
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg
Jan 11	51.0		116.56		59.43		1,282,610		654,011		76,228,578	
Feb 11	51.3		116.36		59.64		1,282,610		657,366		76,489,955	
Mar 11	51.4		116.46		59.90		1,282,610		659,706		76,827,691	
Apr 11	51.8		116.58		60.37		1,282,610		664,174		77,430,676	
May 11	52.2		116.42		60.79		1,282,610		669,763		77,972,464	
Jun 11	52.5		115.21		60.47		1,282,580		673,206		77,561,460	
Jul 11	53.2		115.51		61.43		1,285,153		683,475		78,945,372	
Aug 11	53.9		115.77		62.41		1,282,394		691,271		80,030,208	
Sep 11	54.6		116.19		63.44		1,279,724		698,746		81,189,311	
Oct 11	55.4		116.12		64.37		1,275,477		707,018		82,096,625	
Nov 11	56.1		116.01		65.06		1,271,367		713,006		82,714,084	
Dec 11	57.0	12.4	116.16	-0.4	66.26	11.9	1,267,120	-1.2	722,792	11.0	83,956,121	10.5
Jan 12	57.4	12.7	116.43	-0.1	66.89	12.5	1,262,873	-1.5	725,494	10.9	84,469,051	10.8
Feb 12	58.1	13.3	116.70	0.3	67.78	13.7	1,259,065	-1.8	731,223	11.2	85,335,891	11.6
Mar 12	58.5	13.7	117.16	0.6	68.54	14.4	1,254,849	-2.2	734,134	11.3	86,011,325	12.0
Apr 12	58.6	13.1	117.41	0.7	68.79	13.9	1,250,739	-2.5	732,741	10.3	86,032,395	11.1
May 12	59.0	12.9	118.19	1.5	69.69	14.6	1,246,523	-2.8	734,983	9.7	86,868,285	11.4
Jun 12	59.8	13.9	119.68	3.9	71.57	18.3	1,242,473	-3.1	743,018	10.4	88,920,714	14.6
Jul 12	60.1	12.9	120.49	4.3	72.37	17.8	1,235,684	-3.8	742,195	8.6	89,429,308	13.3
Aug 12	60.5	12.2	122.00	5.4	73.81	18.3	1,239,497	-3.3	749,890	8.5	91,483,022	14.3
Sep 12	60.5	10.8	122.50	5.4	74.13	16.8	1,243,187	-2.9	752,311	7.7	92,160,848	13.5
Oct 12	60.4	9.0	123.14	6.0	74.42	15.6	1,248,488	-2.1	754,545	6.7	92,912,826	13.2
Nov 12	60.7	8.2	123.36	6.3	74.82	15.0	1,253,618	-1.4	760,379	6.6	93,796,715	13.4
Dec 12	60.5	6.0	123.49	6.3	74.65	12.7	1,258,919	-0.6	761,047	5.3	93,978,295	11.9
Jan 13	60.6	5.5	123.51	6.1	74.87	11.9	1,264,220	0.1	766,393	5.6	94,655,938	12.1
Feb 13	60.5	4.2	123.61	5.9	74.77	10.3	1,268,980	0.8	767,579	5.0	94,880,924	11.2
Mar 13	61.0	4.3	123.74	5.6	75.49	10.1	1,274,250	1.5	777,354	5.9	96,188,471	11.8
Apr 13	61.4	4.8	124.36	5.9	76.35	11.0	1,279,380	2.3	785,414	7.2	97,674,425	13.5
May 13	61.5	4.2	125.08	5.8	76.89	10.3	1,284,650	3.1	789,644	7.4	98,770,955	13.7
Jun 13	61.4	2.7	125.98	5.3	77.40	8.2	1,289,750	3.8	792,410	6.6	99,828,873	12.3
Jul 13	61.5	2.5	127.27	5.6	78.32	8.2	1,295,020	4.8	796,912	7.4	101,426,487	13.4
Aug 13	61.6	1.7	128.93	5.7	79.36	7.5	1,295,020	4.5	797,149	6.3	102,778,173	12.3
Sep 13	61.8	2.1	129.49	5.7	80.01	7.9	1,295,020	4.2	800,220	6.4	103,616,649	12.4
Oct 13	62.0	2.5	130.04	5.6	80.59	8.3	1,295,020	3.7	802,529	6.4	104,362,693	12.3
Nov 13	62.3	2.7	130.37	5.7	81.19	8.5	1,295,020	3.3	806,488	6.1	105,140,702	12.1
Dec 13	62.4	3.3	130.73	5.9	81.61	9.3	1,295,082	2.9	808,406	6.2	105,685,283	12.5
Jan 14	62.6	3.3	131.03	6.1	82.03	9.6	1,295,144	2.4	810,791	5.8	106,240,853	12.2
Feb 14	62.7	3.7	131.68	6.5	82.59	10.5	1,295,200	2.1	812,393	5.8	106,975,198	12.7
Mar 14	62.5	2.5	132.24	6.9	82.65	9.5	1,295,262	1.6	809,559	4.1	107,054,701	11.3
Apr 14	62.6	2.0	133.18	7.1	83.41	9.3	1,295,322	1.2	811,230	3.3	108,039,242	10.6
May 14	62.8	2.2	134.08	7.2	84.26	9.6	1,295,384	0.8	814,072	3.1	109,146,747	10.5
Jun 14	62.8	2.2	134.88	7.1	84.69	9.4	1,295,444	0.4	813,368	2.6	109,706,693	9.9
Jul 14	62.8	2.0	136.14	7.0	85.48	9.1	1,295,506	0.0	813,441	2.1	110,739,059	9.2
Aug 14	62.8	2.0	137.72	6.8	86.47	9.0	1,295,568	0.0	813,505	2.1	112,031,992	9.0
Sep 14	62.7	1.5	138.35	6.8	86.79	8.5	1,295,628	0.0	812,787	1.6	112,452,543	8.5

# Tab 6 - Twelve Month Moving Average with Percent Change

Appendix B

Santa Cruz, CA Area Selected Properties

Job Number: 773650\_SADIM Staff: CW Created: May 03, 2016

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue	
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg
<b>Oct 14</b>	62.9	1.6	139.13	7.0	87.57	8.7	1,295,690	0.1	815,571	1.6	113,467,302	8.7
<b>Nov 14</b>	63.1	1.4	139.73	7.2	88.19	8.6	1,295,750	0.1	817,875	1.4	114,278,286	8.7



# Tab 6 - Twelve Month Moving Average with Percent Change

Appendix B

Santa Cruz, CA Area Selected Properties  
 Job Number: 773650\_SADIM Staff: CW Created: May 03, 2016

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue	
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg
Dec 14	63.6	2.0	140.10	7.2	89.16	9.3	1,295,750	0.1	824,633	2.0	115,531,201	9.3
<b>Jan 15</b>	64.5	3.0	140.65	7.3	90.68	10.5	1,295,006	-0.0	834,889	3.0	117,430,806	10.5
<b>Feb 15</b>	65.1	3.8	141.36	7.4	92.04	11.4	1,294,334	-0.1	842,703	3.7	119,124,906	11.4
<b>Mar 15</b>	66.0	5.6	142.67	7.9	94.20	14.0	1,293,590	-0.1	854,090	5.5	121,851,666	13.8
<b>Apr 15</b>	66.7	6.5	143.90	8.0	95.98	15.1	1,292,870	-0.2	862,378	6.3	124,095,218	14.9
<b>May 15</b>	67.1	6.7	144.99	8.1	97.25	15.4	1,292,126	-0.3	866,677	6.5	125,655,272	15.1
<b>Jun 15</b>	67.4	7.4	146.24	8.4	98.57	16.4	1,291,406	-0.3	870,446	7.0	127,295,487	16.0
<b>Jul 15</b>	67.6	7.6	148.03	8.7	100.03	17.0	1,290,910	-0.4	872,324	7.2	129,132,102	16.6
<b>Aug 15</b>	67.7	7.9	148.22	7.6	100.41	16.1	1,290,414	-0.4	874,139	7.5	129,568,899	15.7
<b>Sep 15</b>	68.2	8.7	150.03	8.4	102.30	17.9	1,289,904	-0.4	879,570	8.2	131,962,407	17.3
<b>Oct 15</b>	68.5	8.8	151.18	8.7	103.55	18.2	1,289,377	-0.5	883,173	8.3	133,518,780	17.7
<b>Nov 15</b>	68.6	8.7	151.91	8.7	104.26	18.2	1,288,867	-0.5	884,607	8.2	134,378,836	17.6
Dec 15	68.4	7.5	152.09	8.6	104.02	16.7	1,288,340	-0.6	881,104	6.8	134,009,415	16.0
<b>Jan 16</b>	68.2	5.8	152.20	8.2	103.79	14.5	1,288,557	-0.5	878,680	5.2	133,737,054	13.9
<b>Feb 16</b>	68.0	4.4	152.51	7.9	103.66	12.6	1,288,865	-0.4	876,039	4.0	133,601,317	12.2
<b>Mar 16</b>	68.0	2.9	152.77	7.1	103.82	10.2	1,289,206	-0.3	876,174	2.6	133,850,160	9.8

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# Tab 7 - Day of Week Analysis

Appendix B

Santa Cruz, CA Area Selected Properties

Job Number: 773650\_SADIM Staff: CW Created: May 03, 2016

Occupancy (%)								
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Month
Apr - 15	54.1	67.1	72.9	77.5	75.5	79.8	87.7	73.7
May - 15	57.0	55.1	68.6	69.2	61.0	71.2	87.7	67.6
Jun - 15	62.1	71.7	78.3	79.4	75.3	82.8	91.9	77.2
Jul - 15	69.4	84.8	89.6	84.6	82.3	89.1	92.7	84.7
Aug - 15	66.4	75.8	85.4	86.6	82.5	85.7	93.2	81.9
Sep - 15	63.4	62.6	68.8	70.8	69.7	79.6	90.7	72.1
Oct - 15	52.8	64.7	70.7	70.5	65.7	71.4	84.6	69.1
Nov - 15	41.0	54.8	64.9	63.3	63.8	68.0	73.5	60.4
Dec - 15	37.5	49.5	52.9	48.8	51.3	48.0	53.3	49.0
Jan - 16	39.6	50.7	60.4	60.4	53.2	51.9	58.4	53.2
Feb - 16	51.5	53.4	61.7	62.0	55.5	58.3	72.1	59.0
Mar - 16	51.3	67.1	73.0	72.3	64.9	65.2	74.2	67.1
<b>Total Year</b>	<b>53.6</b>	<b>63.2</b>	<b>70.4</b>	<b>70.5</b>	<b>66.9</b>	<b>70.9</b>	<b>80.1</b>	<b>68.0</b>

Three Year Occupancy (%)								
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Year
Apr 13 - Mar 14	49.7	54.9	62.5	62.4	59.9	68.4	79.8	62.5
Apr 14 - Mar 15	52.5	59.6	66.5	67.4	63.8	71.1	81.3	66.0
Apr 15 - Mar 16	53.6	63.2	70.4	70.5	66.9	70.9	80.1	68.0
<b>Total 3 Yr</b>	<b>52.0</b>	<b>59.2</b>	<b>66.5</b>	<b>66.8</b>	<b>63.5</b>	<b>70.2</b>	<b>80.4</b>	<b>65.5</b>

ADR								
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Month
Apr - 15	137.82	136.79	137.60	140.25	140.92	161.20	169.58	147.03
May - 15	157.35	130.97	137.47	137.25	132.68	163.85	184.60	153.25
Jun - 15	158.34	152.94	152.72	154.93	155.71	199.15	218.15	171.07
Jul - 15	173.21	170.11	173.83	170.65	171.65	225.23	241.73	190.74
Aug - 15	161.68	156.68	163.86	165.03	166.96	210.06	227.43	180.98
Sep - 15	164.89	144.98	141.90	143.29	142.69	192.62	218.58	165.61
Oct - 15	130.45	133.22	135.87	136.74	133.00	163.10	180.19	147.97
Nov - 15	119.04	127.36	130.07	129.34	132.00	138.79	143.71	132.11
Dec - 15	107.70	108.50	113.58	113.67	119.89	118.59	120.75	115.06
Jan - 16	110.26	114.61	119.21	117.84	116.38	120.44	122.92	117.86
Feb - 16	137.39	118.97	123.47	122.77	120.14	138.46	154.41	131.16
Mar - 16	127.39	132.00	134.65	135.61	130.76	146.18	155.93	137.63
<b>Total Year</b>	<b>144.17</b>	<b>138.59</b>	<b>140.78</b>	<b>141.54</b>	<b>141.18</b>	<b>170.86</b>	<b>184.14</b>	<b>152.77</b>

Three Year ADR								
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Year
Apr 13 - Mar 14	125.64	120.09	121.45	121.86	123.89	145.95	155.96	132.24
Apr 14 - Mar 15	135.85	129.33	130.04	131.45	131.95	158.73	171.04	142.67
Apr 15 - Mar 16	144.17	138.59	140.78	141.54	141.18	170.86	184.14	152.77
<b>Total 3 Yr</b>	<b>135.43</b>	<b>129.69</b>	<b>131.11</b>	<b>132.05</b>	<b>132.69</b>	<b>158.64</b>	<b>170.37</b>	<b>142.83</b>

RevPAR								
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Month
Apr - 15	74.52	91.82	100.34	108.69	106.33	128.62	148.66	108.36
May - 15	89.74	72.14	94.24	95.01	80.98	116.62	161.96	103.58
Jun - 15	98.30	109.72	119.56	122.96	117.32	164.96	200.46	132.08
Jul - 15	120.26	144.17	155.83	144.34	141.31	200.66	224.21	161.59
Aug - 15	107.38	118.74	139.93	142.84	137.82	180.07	212.08	148.18
Sep - 15	104.52	90.83	97.67	101.51	99.51	153.25	198.19	119.37
Oct - 15	68.94	86.26	96.02	96.36	87.42	116.38	152.37	102.30
Nov - 15	48.80	69.77	84.38	81.88	84.27	94.42	105.64	79.84
Dec - 15	40.38	53.69	60.10	55.52	61.55	56.90	64.36	56.36
Jan - 16	43.69	58.07	71.96	71.17	61.96	62.56	71.83	62.68
Feb - 16	70.70	63.59	76.23	76.06	66.72	80.77	111.31	77.42
Mar - 16	65.30	88.51	98.27	98.02	84.87	95.28	115.71	92.42
<b>Total Year</b>	<b>77.31</b>	<b>87.60</b>	<b>99.17</b>	<b>99.78</b>	<b>94.44</b>	<b>121.22</b>	<b>147.49</b>	<b>103.82</b>

Three Year RevPAR								
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Year
Apr 13 - Mar 14	62.48	65.96	75.86	76.07	74.26	99.80	124.44	82.65
Apr 14 - Mar 15	71.33	77.10	86.50	88.54	84.14	112.93	138.99	94.20
Apr 15 - Mar 16	77.31	87.60	99.17	99.78	94.44	121.22	147.49	103.82
<b>Total 3 Yr</b>	<b>70.36</b>	<b>76.79</b>	<b>87.14</b>	<b>88.18</b>	<b>84.32</b>	<b>111.29</b>	<b>136.95</b>	<b>93.54</b>

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# Tab 8 - Raw Data

## Appendix B

Santa Cruz, CA Area Selected Properties  
 Job Number: 773650\_SADIM Staff: CW

Created: May 03, 2016

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Jan 10	34.1		87.15		29.73		108,934		37,160		3,238,405		67	3,514	67.3
Feb 10	42.1		97.11		40.87		98,392		41,410		4,021,225		67	3,514	67.3
Mar 10	45.8		95.32		43.68		108,934		49,913		4,757,804		67	3,514	67.3
Apr 10	53.9		107.70		58.10		105,420		56,867		6,124,734		67	3,514	67.3
May 10	50.2		113.03		56.74		108,934		54,678		6,180,499		67	3,514	65.7
Jun 10	61.1		140.95		86.05		105,420		64,359		9,071,627		67	3,514	65.7
Jul 10	70.6		147.49		104.14		108,934		76,913		11,344,069		67	3,514	65.7
Aug 10	66.2		138.91		91.93		108,934		72,091		10,014,018		67	3,514	65.7
Sep 10	55.7		121.98		67.95		105,420		58,720		7,162,799		67	3,514	65.7
Oct 10	51.9		110.19		57.17		108,934		56,516		6,227,245		67	3,514	65.7
Nov 10	42.2		101.30		42.80		105,420		44,537		4,511,809		67	3,514	65.7
Dec 10	34.9		87.35		30.49		108,934		38,022		3,321,079		67	3,514	63.0
Jan 11	36.7	7.6	87.32	0.2	32.05	7.8	108,934	0.0	39,985	7.6	3,491,670	7.8	67	3,514	63.0
Feb 11	45.5	8.1	95.67	-1.5	43.53	6.5	98,392	0.0	44,765	8.1	4,282,602	6.5	67	3,514	63.0
Mar 11	48.0	4.7	97.52	2.3	46.78	7.1	108,934	0.0	52,253	4.7	5,095,540	7.1	67	3,514	63.0
Apr 11	58.2	7.9	109.69	1.8	63.82	9.8	105,420	0.0	61,335	7.9	6,727,719	9.8	67	3,514	63.0
May 11	55.3	10.2	111.54	-1.3	61.71	8.8	108,934	0.0	60,267	10.2	6,722,287	8.8	67	3,514	58.1
Jun 11	64.3	5.4	127.73	-9.4	82.18	-4.5	105,390	-0.0	67,802	5.3	8,660,623	-4.5	67	3,513	58.2
Jul 11	78.2	10.7	145.99	-1.0	114.15	9.6	111,507	2.4	87,182	13.4	12,727,981	12.2	68	3,597	61.3
Aug 11	75.2	13.7	138.93	0.0	104.53	13.7	106,175	-2.5	79,887	10.8	11,098,854	10.8	67	3,425	64.4
Sep 11	64.4	15.7	125.72	3.1	80.99	19.2	102,750	-2.5	66,195	12.7	8,321,902	16.2	67	3,425	64.4
Oct 11	61.9	19.3	110.12	-0.1	68.15	19.2	104,687	-3.9	64,788	14.6	7,134,559	14.6	66	3,377	65.3
Nov 11	49.9	18.0	101.52	0.2	50.63	18.3	101,310	-3.9	50,525	13.4	5,129,268	13.7	66	3,377	64.8
Dec 11	45.7	30.8	95.45	9.3	43.59	43.0	104,687	-3.9	47,808	25.7	4,563,116	37.4	66	3,377	63.7
Jan 12	40.8	11.1	93.81	7.4	38.25	19.3	104,687	-3.9	42,687	6.8	4,004,600	14.7	66	3,377	65.7
Feb 12	53.4	17.3	101.98	6.6	54.44	25.1	94,584	-3.9	50,494	12.8	5,149,442	20.2	66	3,378	65.7
Mar 12	52.7	9.8	104.61	7.3	55.11	17.8	104,718	-3.9	55,164	5.6	5,770,974	13.3	66	3,378	65.7
Apr 12	59.2	1.7	112.59	2.6	66.62	4.4	101,310	-3.9	59,942	-2.3	6,748,789	0.3	66	3,377	64.6
May 12	59.7	7.9	120.91	8.4	72.18	17.0	104,718	-3.9	62,509	3.7	7,558,177	12.4	66	3,378	67.4
Jun 12	74.8	16.3	141.26	10.6	105.71	28.6	101,340	-3.8	75,837	11.9	10,713,052	23.7	66	3,378	67.4
Jul 12	82.5	5.5	153.27	5.0	126.40	10.7	104,718	-6.1	86,359	-0.9	13,236,575	4.0	66	3,378	66.6
Aug 12	79.6	5.8	150.17	8.1	119.58	14.4	109,988	3.6	87,582	9.6	13,152,568	18.5	67	3,548	64.2
Sep 12	64.5	0.1	131.16	4.3	84.55	4.4	106,440	3.6	68,616	3.7	8,999,728	8.1	67	3,548	69.0
Oct 12	60.9	-1.5	117.67	6.9	71.70	5.2	109,988	5.1	67,022	3.4	7,886,537	10.5	67	3,548	69.0
Nov 12	52.9	6.2	106.69	5.1	56.49	11.6	106,440	5.1	56,359	11.5	6,013,157	17.2	67	3,548	69.0
Dec 12	44.1	-3.5	97.88	2.5	43.14	-1.0	109,988	5.1	48,476	1.4	4,744,696	4.0	67	3,548	69.0
Jan 13	43.7	7.1	97.48	3.9	42.57	11.3	109,988	5.1	48,033	12.5	4,682,243	16.9	67	3,548	69.0
Feb 13	52.0	-2.6	103.99	2.0	54.10	-0.6	99,344	5.0	51,680	2.3	5,374,428	4.4	67	3,548	69.0
Mar 13	59.0	12.1	109.00	4.2	64.36	16.8	109,988	5.0	64,939	17.7	7,078,521	22.7	67	3,548	69.0
Apr 13	63.9	8.0	121.10	7.6	77.37	16.1	106,440	5.1	68,002	13.4	8,234,743	22.0	67	3,548	67.6
May 13	60.7	1.7	129.68	7.3	78.69	9.0	109,988	5.0	66,739	6.8	8,654,707	14.5	67	3,548	67.6
Jun 13	73.8	-1.3	149.75	6.0	110.59	4.6	106,440	5.0	78,603	3.6	11,770,970	9.9	67	3,548	67.6
Jul 13	82.6	0.2	163.26	6.5	134.87	6.7	109,988	5.0	90,861	5.2	14,834,189	12.1	67	3,548	66.9
Aug 13	79.8	0.3	165.16	10.0	131.87	10.3	109,988	0.0	87,819	0.3	14,504,254	10.3	67	3,548	67.6
Sep 13	67.3	4.5	137.24	4.6	92.43	9.3	106,440	0.0	71,687	4.5	9,838,204	9.3	67	3,548	67.6
Oct 13	63.0	3.4	124.51	5.8	78.49	9.5	109,988	0.0	69,331	3.4	8,632,581	9.5	67	3,548	67.6
Nov 13	56.7	7.0	112.59	5.5	63.80	12.9	106,440	0.0	60,318	7.0	6,791,166	12.9	67	3,548	67.6
Dec 13	45.8	3.9	104.96	7.2	48.06	11.4	110,050	0.1	50,394	4.0	5,289,277	11.5	67	3,550	68.6
Jan 14	45.8	4.9	103.89	6.6	47.59	11.8	110,050	0.1	50,418	5.0	5,237,813	11.9	67	3,550	69.3

# Tab 8 - Raw Data

## Appendix B

Santa Cruz, CA Area Selected Properties  
 Job Number: 773650\_SADIM Staff: CW

Created: May 03, 2016

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Feb 14	53.6	3.0	114.65	10.2	61.46	13.6	99,400	0.1	53,282	3.1	6,108,773	13.7	67	3,550	69.3
Mar 14	56.4	-4.4	115.26	5.7	65.04	1.1	110,050	0.1	62,105	-4.4	7,158,024	1.1	67	3,550	69.3
Apr 14	65.4	2.4	132.32	9.3	86.57	11.9	106,500	0.1	69,673	2.5	9,219,284	12.0	67	3,550	69.3
May 14	63.2	4.2	140.30	8.2	88.71	12.7	110,050	0.1	69,581	4.3	9,762,212	12.8	67	3,550	69.3
Jun 14	73.1	-1.0	158.29	5.7	115.78	4.7	106,500	0.1	77,899	-0.9	12,330,916	4.8	67	3,550	69.3
Jul 14	82.6	0.0	174.48	6.9	144.18	6.9	110,050	0.1	90,934	0.1	15,866,555	7.0	67	3,550	69.3
Aug 14	79.9	0.0	179.75	8.8	143.55	8.9	110,050	0.1	87,883	0.1	15,797,187	8.9	67	3,550	68.6
Sep 14	66.6	-1.1	144.55	5.3	96.33	4.2	106,500	0.1	70,969	-1.0	10,258,755	4.3	67	3,550	69.3
Oct 14	65.5	4.0	133.78	7.4	87.66	11.7	110,050	0.1	72,115	4.0	9,647,340	11.8	67	3,550	69.3
Nov 14	58.8	3.8	121.40	7.8	71.38	11.9	106,500	0.1	62,622	3.8	7,602,150	11.9	67	3,550	69.3
Dec 14	51.9	13.4	114.47	9.1	59.45	23.7	110,050	0.0	57,152	13.4	6,542,192	23.7	67	3,550	67.5
Jan 15	55.5	21.2	117.64	13.2	65.30	37.2	109,306	-0.7	60,674	20.3	7,137,418	36.3	67	3,526	67.3
Feb 15	61.9	15.4	127.71	11.4	79.03	28.6	98,728	-0.7	61,096	14.7	7,802,873	27.7	67	3,526	67.3
Mar 15	67.2	19.1	134.50	16.7	90.43	39.0	109,306	-0.7	73,492	18.3	9,884,784	38.1	67	3,526	67.3
Apr 15	73.7	12.7	147.03	11.1	108.36	25.2	105,780	-0.7	77,961	11.9	11,462,836	24.3	67	3,526	67.3
May 15	67.6	6.9	153.25	9.2	103.58	16.8	109,306	-0.7	73,880	6.2	11,322,266	16.0	67	3,526	67.3
Jun 15	77.2	5.6	171.07	8.1	132.08	14.1	105,780	-0.7	81,668	4.8	13,971,131	13.3	67	3,526	67.3
Jul 15	84.7	2.5	190.74	9.3	161.59	12.1	109,554	-0.5	92,812	2.1	17,703,170	11.6	67	3,534	66.1
Aug 15	81.9	2.5	180.98	0.7	148.18	3.2	109,554	-0.5	89,698	2.1	16,233,984	2.8	67	3,534	66.1
Sep 15	72.1	8.2	165.61	14.6	119.37	23.9	105,990	-0.5	76,400	7.7	12,652,263	23.3	67	3,533	68.8
Oct 15	69.1	5.5	147.97	10.6	102.30	16.7	109,523	-0.5	75,718	5.0	11,203,713	16.1	67	3,533	68.8
Nov 15	60.4	2.8	132.11	8.8	79.84	11.8	105,990	-0.5	64,056	2.3	8,462,206	11.3	67	3,533	68.8
Dec 15	49.0	-5.7	115.06	0.5	56.36	-5.2	109,523	-0.5	53,649	-6.1	6,172,771	-5.6	67	3,533	68.8
Jan 16	53.2	-4.2	117.86	0.2	62.68	-4.0	109,523	0.2	58,250	-4.0	6,865,057	-3.8	67	3,533	68.8
Feb 16	59.0	-4.6	131.16	2.7	77.42	-2.0	99,036	0.3	58,455	-4.3	7,667,136	-1.7	67	3,537	68.8
Mar 16	67.1	-0.1	137.63	2.3	92.42	2.2	109,647	0.3	73,627	0.2	10,133,627	2.5	67	3,537	68.8

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# Tab 9 - Classic

Appendix B

Santa Cruz, CA Area Selected Properties  
 Job Number: 773650\_SADIM Staff: CW Created: May 03, 2016

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Jan 10	34.1		87.15		29.73		108,934		37,160		3,238,405		67	3,514	67.3
Feb 10	42.1		97.11		40.87		98,392		41,410		4,021,225		67	3,514	67.3
Mar 10	45.8		95.32		43.68		108,934		49,913		4,757,804		67	3,514	67.3
Apr 10	53.9		107.70		58.10		105,420		56,867		6,124,734		67	3,514	67.3
May 10	50.2		113.03		56.74		108,934		54,678		6,180,499		67	3,514	65.7
Jun 10	61.1		140.95		86.05		105,420		64,359		9,071,627		67	3,514	65.7
Jul 10	70.6		147.49		104.14		108,934		76,913		11,344,069		67	3,514	65.7
Aug 10	66.2		138.91		91.93		108,934		72,091		10,014,018		67	3,514	65.7
Sep 10	55.7		121.98		67.95		105,420		58,720		7,162,799		67	3,514	65.7
Oct 10	51.9		110.19		57.17		108,934		56,516		6,227,245		67	3,514	65.7
Nov 10	42.2		101.30		42.80		105,420		44,537		4,511,809		67	3,514	65.7
Dec 10	34.9		87.35		30.49		108,934		38,022		3,321,079		67	3,514	63.0
Mar YTD 2010	40.6		93.53		38.00		316,260		128,483		12,017,434				
Total 2010	50.8		116.67		59.23		1,282,610		651,186		75,975,313				
Jan 11	36.7	7.6	87.32	0.2	32.05	7.8	108,934	0.0	39,985	7.6	3,491,670	7.8	67	3,514	63.0
Feb 11	45.5	8.1	95.67	-1.5	43.53	6.5	98,392	0.0	44,765	8.1	4,282,602	6.5	67	3,514	63.0
Mar 11	48.0	4.7	97.52	2.3	46.78	7.1	108,934	0.0	52,253	4.7	5,095,540	7.1	67	3,514	63.0
Apr 11	58.2	7.9	109.69	1.8	63.82	9.8	105,420	0.0	61,335	7.9	6,727,719	9.8	67	3,514	63.0
May 11	55.3	10.2	111.54	-1.3	61.71	8.8	108,934	0.0	60,267	10.2	6,722,287	8.8	67	3,514	58.1
Jun 11	64.3	5.4	127.73	-9.4	82.18	-4.5	105,390	-0.0	67,802	5.3	8,660,623	-4.5	67	3,513	58.2
Jul 11	78.2	10.7	145.99	-1.0	114.15	9.6	111,507	2.4	87,182	13.4	12,727,981	12.2	68	3,597	61.3
Aug 11	75.2	13.7	138.93	0.0	104.53	13.7	106,175	-2.5	79,887	10.8	11,098,854	10.8	67	3,425	64.4
Sep 11	64.4	15.7	125.72	3.1	80.99	19.2	102,750	-2.5	66,195	12.7	8,321,902	16.2	67	3,425	64.4
Oct 11	61.9	19.3	110.12	-0.1	68.15	19.2	104,687	-3.9	64,788	14.6	7,134,559	14.6	66	3,377	65.3
Nov 11	49.9	18.0	101.52	0.2	50.63	18.3	101,310	-3.9	50,525	13.4	5,129,268	13.7	66	3,377	64.8
Dec 11	45.7	30.8	95.45	9.3	43.59	43.0	104,687	-3.9	47,808	25.7	4,563,116	37.4	66	3,377	63.7
Mar YTD 2011	43.3	6.6	93.94	0.4	40.69	7.1	316,260	0.0	137,003	6.6	12,869,812	7.1			
Total 2011	57.0	12.4	116.16	-0.4	66.26	11.9	1,267,120	-1.2	722,792	11.0	83,956,121	10.5			
Jan 12	40.8	11.1	93.81	7.4	38.25	19.3	104,687	-3.9	42,687	6.8	4,004,600	14.7	66	3,377	65.7
Feb 12	53.4	17.3	101.98	6.6	54.44	25.1	94,584	-3.9	50,494	12.8	5,149,442	20.2	66	3,378	65.7
Mar 12	52.7	9.8	104.61	7.3	55.11	17.8	104,718	-3.9	55,164	5.6	5,770,974	13.3	66	3,378	65.7
Apr 12	59.2	1.7	112.59	2.6	66.62	4.4	101,310	-3.9	59,942	-2.3	6,748,789	0.3	66	3,377	64.6
May 12	59.7	7.9	120.91	8.4	72.18	17.0	104,718	-3.9	62,509	3.7	7,558,177	12.4	66	3,378	67.4
Jun 12	74.8	16.3	141.26	10.6	105.71	28.6	101,340	-3.8	75,837	11.9	10,713,052	23.7	66	3,378	67.4
Jul 12	82.5	5.5	153.27	5.0	126.40	10.7	104,718	-6.1	86,359	-0.9	13,236,575	4.0	66	3,378	66.6
Aug 12	79.6	5.8	150.17	8.1	119.58	14.4	109,988	3.6	87,582	9.6	13,152,568	18.5	67	3,548	64.2
Sep 12	64.5	0.1	131.16	4.3	84.55	4.4	106,440	3.6	68,616	3.7	8,999,728	8.1	67	3,548	69.0
Oct 12	60.9	-1.5	117.67	6.9	71.70	5.2	109,988	5.1	67,022	3.4	7,886,537	10.5	67	3,548	69.0
Nov 12	52.9	6.2	106.69	5.1	56.49	11.6	106,440	5.1	56,359	11.5	6,013,157	17.2	67	3,548	69.0
Dec 12	44.1	-3.5	97.88	2.5	43.14	-1.0	109,988	5.1	48,476	1.4	4,744,696	4.0	67	3,548	69.0

# Tab 9 - Classic

Appendix B

Santa Cruz, CA Area Selected Properties  
 Job Number: 773650\_SADIM Staff: CW Created: May 03, 2016

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Mar YTD 2012	48.8	12.6	100.61	7.1	49.10	20.7	303,989	-3.9	148,345	8.3	14,925,016	16.0			
Total 2012	60.5	6.0	123.49	6.3	74.65	12.7	1,258,919	-0.6	761,047	5.3	93,978,295	11.9			
Jan 13	43.7	7.1	97.48	3.9	42.57	11.3	109,988	5.1	48,033	12.5	4,682,243	16.9	67	3,548	69.0
Feb 13	52.0	-2.6	103.99	2.0	54.10	-0.6	99,344	5.0	51,680	2.3	5,374,428	4.4	67	3,548	69.0
Mar 13	59.0	12.1	109.00	4.2	64.36	16.8	109,988	5.0	64,939	17.7	7,078,521	22.7	67	3,548	69.0
Apr 13	63.9	8.0	121.10	7.6	77.37	16.1	106,440	5.1	68,002	13.4	8,234,743	22.0	67	3,548	67.6
May 13	60.7	1.7	129.68	7.3	78.69	9.0	109,988	5.0	66,739	6.8	8,654,707	14.5	67	3,548	67.6
Jun 13	73.8	-1.3	149.75	6.0	110.59	4.6	106,440	5.0	78,603	3.6	11,770,970	9.9	67	3,548	67.6
Jul 13	82.6	0.2	163.26	6.5	134.87	6.7	109,988	5.0	90,861	5.2	14,834,189	12.1	67	3,548	66.9
Aug 13	79.8	0.3	165.16	10.0	131.87	10.3	109,988	0.0	87,819	0.3	14,504,254	10.3	67	3,548	67.6
Sep 13	67.3	4.5	137.24	4.6	92.43	9.3	106,440	0.0	71,687	4.5	9,838,204	9.3	67	3,548	67.6
Oct 13	63.0	3.4	124.51	5.8	78.49	9.5	109,988	0.0	69,331	3.4	8,632,581	9.5	67	3,548	67.6
Nov 13	56.7	7.0	112.59	5.5	63.80	12.9	106,440	0.0	60,318	7.0	6,791,166	12.9	67	3,548	67.6
Dec 13	45.8	3.9	104.96	7.2	48.06	11.4	110,050	0.1	50,394	4.0	5,289,277	11.5	67	3,550	68.6
Mar YTD 2013	51.6	5.7	104.07	3.4	53.66	9.3	319,320	5.0	164,652	11.0	17,135,192	14.8			
Total 2013	62.4	3.3	130.73	5.9	81.61	9.3	1,295,082	2.9	808,406	6.2	105,685,283	12.5			
Jan 14	45.8	4.9	103.89	6.6	47.59	11.8	110,050	0.1	50,418	5.0	5,237,813	11.9	67	3,550	69.3
Feb 14	53.6	3.0	114.65	10.2	61.46	13.6	99,400	0.1	53,282	3.1	6,108,773	13.7	67	3,550	69.3
Mar 14	56.4	-4.4	115.26	5.7	65.04	1.1	110,050	0.1	62,105	-4.4	7,158,024	1.1	67	3,550	69.3
Apr 14	65.4	2.4	132.32	9.3	86.57	11.9	106,500	0.1	69,673	2.5	9,219,284	12.0	67	3,550	69.3
May 14	63.2	4.2	140.30	8.2	88.71	12.7	110,050	0.1	69,581	4.3	9,762,212	12.8	67	3,550	69.3
Jun 14	73.1	-1.0	158.29	5.7	115.78	4.7	106,500	0.1	77,899	-0.9	12,330,916	4.8	67	3,550	69.3
Jul 14	82.6	0.0	174.48	6.9	144.18	6.9	110,050	0.1	90,934	0.1	15,866,555	7.0	67	3,550	69.3
Aug 14	79.9	0.0	179.75	8.8	143.55	8.9	110,050	0.1	87,883	0.1	15,797,187	8.9	67	3,550	68.6
Sep 14	66.6	-1.1	144.55	5.3	96.33	4.2	106,500	0.1	70,969	-1.0	10,258,755	4.3	67	3,550	69.3
Oct 14	65.5	4.0	133.78	7.4	87.66	11.7	110,050	0.1	72,115	4.0	9,647,340	11.8	67	3,550	69.3
Nov 14	58.8	3.8	121.40	7.8	71.38	11.9	106,500	0.1	62,622	3.8	7,602,150	11.9	67	3,550	69.3
Dec 14	51.9	13.4	114.47	9.1	59.45	23.7	110,050	0.0	57,152	13.4	6,542,192	23.7	67	3,550	67.5
Mar YTD 2014	51.9	0.6	111.60	7.2	57.92	7.9	319,500	0.1	165,805	0.7	18,504,610	8.0			
Total 2014	63.6	2.0	140.10	7.2	89.16	9.3	1,295,750	0.1	824,633	2.0	115,531,201	9.3			
Jan 15	55.5	21.2	117.64	13.2	65.30	37.2	109,306	-0.7	60,674	20.3	7,137,418	36.3	67	3,526	67.3
Feb 15	61.9	15.4	127.71	11.4	79.03	28.6	98,728	-0.7	61,096	14.7	7,802,873	27.7	67	3,526	67.3
Mar 15	67.2	19.1	134.50	16.7	90.43	39.0	109,306	-0.7	73,492	18.3	9,884,784	38.1	67	3,526	67.3
Apr 15	73.7	12.7	147.03	11.1	108.36	25.2	105,780	-0.7	77,961	11.9	11,462,836	24.3	67	3,526	67.3
May 15	67.6	6.9	153.25	9.2	103.58	16.8	109,306	-0.7	73,880	6.2	11,322,266	16.0	67	3,526	67.3
Jun 15	77.2	5.6	171.07	8.1	132.08	14.1	105,780	-0.7	81,668	4.8	13,971,131	13.3	67	3,526	67.3
Jul 15	84.7	2.5	190.74	9.3	161.59	12.1	109,554	-0.5	92,812	2.1	17,703,170	11.6	67	3,534	66.1
Aug 15	81.9	2.5	180.98	0.7	148.18	3.2	109,554	-0.5	89,698	2.1	16,233,984	2.8	67	3,534	66.1
Sep 15	72.1	8.2	165.61	14.6	119.37	23.9	105,990	-0.5	76,400	7.7	12,652,263	23.3	67	3,533	68.8
Oct 15	69.1	5.5	147.97	10.6	102.30	16.7	109,523	-0.5	75,718	5.0	11,203,713	16.1	67	3,533	68.8
Nov 15	60.4	2.8	132.11	8.8	79.84	11.8	105,990	-0.5	64,056	2.3	8,462,206	11.3	67	3,533	68.8
Dec 15	49.0	-5.7	115.06	0.5	56.36	-5.2	109,523	-0.5	53,649	-6.1	6,172,771	-5.6	67	3,533	68.8
Mar YTD 2015	61.5	18.6	127.14	13.9	78.23	35.1	317,340	-0.7	195,262	17.8	24,825,075	34.2			
Total 2015	68.4	7.5	152.09	8.6	104.02	16.7	1,288,340	-0.6	881,104	6.8	134,009,415	16.0			
Jan 16	53.2	-4.2	117.86	0.2	62.68	-4.0	109,523	0.2	58,250	-4.0	6,865,057	-3.8	67	3,533	68.8
Feb 16	59.0	-4.6	131.16	2.7	77.42	-2.0	99,036	0.3	58,455	-4.3	7,667,136	-1.7	67	3,537	68.8
Mar 16	67.1	-0.1	137.63	2.3	92.42	2.2	109,647	0.3	73,627	0.2	10,133,627	2.5	67	3,537	68.8
Mar YTD 2016	59.8	-2.8	129.59	1.9	77.52	-0.9	318,206	0.3	190,332	-2.5	24,665,820	-0.6			

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Trend # 773652\_SADIM / Created May 03, 2016

## Trend Report - Santa Cruz, CA COMPETITIVE SET

January 2010 to March 2016 Currency : USD - US Dollar



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# Tab 3 - Percent Change from Previous Year - Detail by Measure

Appendix B

Santa Cruz, CA Area Selected Properties

Job Number: 773652\_SADIM Staff: CW Created: May 03, 2016

Occupancy														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2011	6.7	7.4	3.5	10.9	9.9	6.6	9.4	17.2	22.9	27.2	27.3	64.0	16.2	5.7
2012	23.6	28.9	16.8	6.8	14.3	20.1	6.9	4.2	-2.9	-3.4	2.1	-6.9	7.9	22.7
2013	8.2	-7.5	8.9	4.6	-1.6	-6.8	-2.0	-1.5	4.5	1.3	5.7	0.7	0.8	2.9
2014	1.1	3.2	-1.5	0.9	5.0	-0.2	1.3	1.3	0.2	4.4	6.2	16.1	2.8	0.8
2015	20.1	11.6	14.3	10.7	2.5	5.6	1.0	-1.0	5.6	2.4	-2.2	-12.9	4.4	15.1
2016	-4.9	-10.3	1.1											-4.3
<b>Avg</b>	9.1	5.5	7.2	6.8	6.0	5.1	3.3	4.0	6.1	6.4	7.8	12.2	6.4	7.2

ADR														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2011	2.0	-3.6	0.7	2.1	-2.3	-10.1	-2.3	-0.3	1.4	-2.6	-2.5	1.2	-2.1	-0.5
2012	3.1	1.5	3.8	-2.0	6.1	10.2	5.5	4.2	0.8	3.7	2.0	-0.5	3.3	2.8
2013	2.4	2.1	4.9	4.9	5.0	5.4	4.5	10.5	3.0	4.3	3.0	8.3	4.7	3.3
2014	6.0	9.3	2.4	9.4	7.2	3.2	4.5	7.0	4.5	8.0	8.1	7.7	5.9	5.6
2015	11.5	10.9	18.8	11.1	10.2	7.5	9.3	0.1	13.8	11.2	11.8	2.0	8.9	14.0
2016	-1.2	2.4	1.4											1.1
<b>Avg</b>	4.0	3.8	5.3	5.1	5.2	3.2	4.3	4.3	4.7	4.9	4.5	3.8	4.2	4.4

RevPAR														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2011	8.8	3.6	4.2	13.3	7.4	-4.2	6.9	16.8	24.6	23.9	24.1	66.0	13.7	5.1
2012	27.4	30.8	21.2	4.7	21.2	32.3	12.7	8.6	-2.1	0.2	4.1	-7.3	11.5	26.1
2013	10.8	-5.5	14.3	9.7	3.3	-1.8	2.3	8.8	7.6	5.7	8.9	9.0	5.6	6.3
2014	7.2	12.7	0.9	10.4	12.5	3.0	5.9	8.4	4.7	12.8	14.8	25.1	8.8	6.4
2015	34.0	23.7	35.7	23.0	12.9	13.6	10.4	-0.9	20.2	13.9	9.4	-11.2	13.7	31.2
2016	-6.0	-8.1	2.5											-3.2
<b>Avg</b>	13.7	9.5	13.1	12.2	11.5	8.6	7.7	8.3	11.0	11.3	12.2	16.3	10.7	12.0

Supply														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2011	0.0	0.0	0.0	0.0	0.0	0.0	5.2	-5.5	-5.5	-5.5	-5.4	-5.4	-1.8	0.0
2012	-5.4	-5.4	-5.3	-5.3	-5.3	-5.3	-10.0	11.3	11.3	11.3	11.2	11.2	0.9	-5.4
2013	11.2	11.2	11.2	11.2	11.2	11.2	11.2	0.0	0.0	0.0	0.0	0.0	6.2	11.2
2014	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2015	-1.4	-1.4	-1.4	-1.4	-1.4	-1.4	-0.9	-0.9	-0.9	-0.9	-0.9	-0.9	-1.2	-1.4
2016	0.5	0.7	0.7											0.6
<b>Avg</b>	0.8	0.9	0.9	0.9	0.9	0.9	1.1	1.0	1.0	1.0	1.0	1.0	0.8	0.8

Demand														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2011	6.7	7.4	3.5	10.9	9.9	6.6	15.1	10.8	16.2	20.2	20.4	55.1	14.0	5.7
2012	16.9	21.9	10.6	1.0	8.2	13.7	-3.9	15.9	8.1	7.6	13.6	3.6	8.9	16.1
2013	20.4	2.9	21.1	16.3	9.4	3.6	8.9	-1.5	4.5	1.3	5.7	0.7	7.0	14.5
2014	1.1	3.2	-1.5	0.9	5.0	-0.2	1.3	1.3	0.2	4.4	6.2	16.1	2.8	0.8
2015	18.4	10.0	12.6	9.1	1.0	4.1	0.1	-1.9	4.6	1.4	-3.1	-13.7	3.1	13.5
2016	-4.4	-9.6	1.8											-3.7
<b>Avg</b>	9.8	6.0	8.0	7.6	6.7	5.6	4.3	4.9	6.7	7.0	8.5	12.3	7.2	7.8

Revenue														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2011	8.8	3.6	4.2	13.3	7.4	-4.2	12.5	10.5	17.8	17.1	17.3	57.0	11.6	5.1
2012	20.5	23.8	14.8	-0.9	14.7	25.3	1.4	20.9	9.0	11.5	15.8	3.1	12.6	19.3
2013	23.3	5.1	27.0	22.0	14.9	9.2	13.8	8.8	7.6	5.7	8.9	9.0	12.1	18.2
2014	7.2	12.7	0.9	10.4	12.5	3.0	5.9	8.4	4.7	12.8	14.8	25.1	8.8	6.4
2015	32.1	21.9	33.8	21.2	11.3	12.0	9.4	-1.8	19.1	12.8	8.3	-12.0	12.3	29.3
2016	-5.6	-7.4	3.3											-2.6
<b>Avg</b>	14.4	9.9	14.0	13.2	12.2	9.1	8.6	9.3	11.6	12.0	13.0	16.4	11.5	12.6



# Tab 5 - Twelve Month Moving Average

Appendix B

Santa Cruz, CA Area Selected Properties

Job Number: 773652\_SADIM Staff: CW Created: May 03, 2016

Occupancy (%)												
	January	February	March	April	May	June	July	August	September	October	November	December
2011	51.2	51.4	51.6	52.1	52.5	52.8	53.5	54.4	55.4	56.5	57.5	59.3
2012	60.1	61.1	61.9	62.2	62.9	64.0	64.3	64.7	64.6	64.4	64.4	64.0
2013	64.1	63.7	64.1	64.3	64.3	63.9	64.0	63.9	64.1	64.2	64.4	64.5
2014	64.5	64.6	64.6	64.6	64.9	64.9	65.0	65.0	65.1	65.3	65.6	66.2
2015	67.1	67.6	68.3	68.9	69.1	69.4	69.5	69.4	69.7	69.8	69.7	69.1
2016	68.9	68.4	68.4									

ADR (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2011	156.11	155.66	155.65	155.83	155.48	153.73	153.88	154.19	154.55	154.07	153.58	152.81
2012	152.71	152.50	152.68	152.43	153.16	155.07	156.08	157.50	157.68	158.07	158.03	157.91
2013	157.67	157.80	157.96	158.41	159.05	160.09	161.48	163.61	164.07	164.60	164.79	165.39
2014	165.82	166.58	166.87	168.10	169.11	169.69	170.81	172.46	173.13	174.16	174.86	175.13
2015	175.69	176.59	178.51	180.06	181.54	183.00	185.14	185.08	187.20	188.76	190.12	190.76
2016	190.79	191.26	191.44									

RevPAR (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2011	79.93	80.08	80.29	81.15	81.64	81.24	82.40	83.89	85.60	87.12	88.34	90.57
2012	91.72	93.21	94.44	94.80	96.33	99.19	100.34	101.95	101.83	101.78	101.77	100.99
2013	101.05	100.52	101.22	101.92	102.20	102.35	103.30	104.48	105.17	105.62	106.17	106.60
2014	106.95	107.66	107.73	108.60	109.71	110.07	110.95	112.18	112.63	113.72	114.70	116.01
2015	117.83	119.34	121.96	124.09	125.36	126.99	128.59	128.40	130.47	131.81	132.56	131.87
2016	131.43	130.78	131.02									

Supply												
	January	February	March	April	May	June	July	August	September	October	November	December
2011	587,285	587,285	587,285	587,285	587,285	587,285	589,889	587,161	584,521	581,793	579,183	576,486
2012	573,789	571,353	568,687	566,107	563,441	560,861	555,591	560,923	566,083	571,415	576,545	581,846
2013	587,147	591,935	597,205	602,305	607,575	612,675	617,945	617,945	617,945	617,945	617,945	617,945
2014	617,945	617,945	617,945	617,945	617,945	617,945	617,945	617,945	617,945	617,945	617,945	617,945
2015	617,201	616,529	615,785	615,065	614,321	613,601	613,105	612,609	612,129	611,633	611,153	610,657
2016	610,905	611,241	611,613									

Demand												
	January	February	March	April	May	June	July	August	September	October	November	December
2011	300,674	302,135	302,942	305,835	308,376	310,364	315,849	319,456	323,740	328,974	333,159	341,653
2012	344,611	349,225	351,778	352,085	354,381	358,776	357,159	363,073	365,575	367,932	371,280	372,136
2013	376,306	377,049	382,684	387,507	390,381	391,707	395,282	394,621	396,103	396,530	398,123	398,290
2014	398,559	399,395	398,917	399,218	400,890	400,826	401,389	401,936	402,009	403,506	405,347	409,360
2015	413,953	416,679	420,708	423,876	424,235	425,800	425,834	425,000	426,600	427,092	426,105	422,136
2016	420,838	417,955	418,597									

Revenue (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2011	46,938,874	47,031,053	47,153,823	47,659,452	47,945,223	47,711,733	48,604,340	49,256,559	50,033,207	50,684,245	51,166,431	52,209,658
2012	52,625,605	53,255,340	53,707,746	53,667,429	54,276,390	55,633,801	55,746,944	57,183,972	57,645,645	58,159,337	58,674,075	58,762,570
2013	59,331,689	59,498,628	60,449,162	61,386,812	62,091,527	62,710,127	63,830,856	64,562,878	64,988,572	65,270,013	65,605,640	65,872,946
2014	66,090,038	66,529,393	66,568,138	67,109,625	67,792,639	68,014,644	68,559,754	69,319,012	69,601,347	70,273,436	70,880,611	71,690,422
2015	72,726,520	73,579,554	75,102,269	76,322,526	77,014,282	77,921,823	78,838,939	78,657,861	79,861,469	80,619,005	81,012,211	80,527,839
2016	80,290,899	79,938,408	80,135,016									

High value is boxed.

Low value is boxed and italicized.

# Tab 6 - Twelve Month Moving Average with Percent Change

Appendix B

Santa Cruz, CA Area Selected Properties  
 Job Number: 773652\_SADIM Staff: CW Created: May 03, 2016

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue	
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg
Jan 11	51.2		156.11		79.93		587,285		300,674		46,938,874	
Feb 11	51.4		155.66		80.08		587,285		302,135		47,031,053	
Mar 11	51.6		155.65		80.29		587,285		302,942		47,153,823	
Apr 11	52.1		155.83		81.15		587,285		305,835		47,659,452	
May 11	52.5		155.48		81.64		587,285		308,376		47,945,223	
Jun 11	52.8		153.73		81.24		587,285		310,364		47,711,733	
Jul 11	53.5		153.88		82.40		589,889		315,849		48,604,340	
Aug 11	54.4		154.19		83.89		587,161		319,456		49,256,559	
Sep 11	55.4		154.55		85.60		584,521		323,740		50,033,207	
Oct 11	56.5		154.07		87.12		581,793		328,974		50,684,245	
Nov 11	57.5		153.58		88.34		579,183		333,159		51,166,431	
Dec 11	59.3	16.2	152.81	-2.1	90.57	13.7	576,486	-1.8	341,653	14.0	52,209,658	11.6
Jan 12	60.1	17.3	152.71	-2.2	91.72	14.8	573,789	-2.3	344,611	14.6	52,625,605	12.1
Feb 12	61.1	18.8	152.50	-2.0	93.21	16.4	571,353	-2.7	349,225	15.6	53,255,340	13.2
Mar 12	61.9	19.9	152.68	-1.9	94.44	17.6	568,687	-3.2	351,778	16.1	53,707,746	13.9
Apr 12	62.2	19.4	152.43	-2.2	94.80	16.8	566,107	-3.6	352,085	15.1	53,667,429	12.6
May 12	62.9	19.8	153.16	-1.5	96.33	18.0	563,441	-4.1	354,381	14.9	54,276,390	13.2
Jun 12	64.0	21.0	155.07	0.9	99.19	22.1	560,861	-4.5	358,776	15.6	55,633,801	16.6
Jul 12	64.3	20.1	156.08	1.4	100.34	21.8	555,591	-5.8	357,159	13.1	55,746,944	14.7
Aug 12	64.7	19.0	157.50	2.1	101.95	21.5	560,923	-4.5	363,073	13.7	57,183,972	16.1
Sep 12	64.6	16.6	157.68	2.0	101.83	19.0	566,083	-3.2	365,575	12.9	57,645,645	15.2
Oct 12	64.4	13.9	158.07	2.6	101.78	16.8	571,415	-1.8	367,932	11.8	58,159,337	14.7
Nov 12	64.4	12.0	158.03	2.9	101.77	15.2	576,545	-0.5	371,280	11.4	58,674,075	14.7
Dec 12	64.0	7.9	157.91	3.3	100.99	11.5	581,846	0.9	372,136	8.9	58,762,570	12.6
Jan 13	64.1	6.7	157.67	3.2	101.05	10.2	587,147	2.3	376,306	9.2	59,331,689	12.7
Feb 13	63.7	4.2	157.80	3.5	100.52	7.8	591,935	3.6	377,049	8.0	59,498,628	11.7
Mar 13	64.1	3.6	157.96	3.5	101.22	7.2	597,205	5.0	382,684	8.8	60,449,162	12.6
Apr 13	64.3	3.4	158.41	3.9	101.92	7.5	602,305	6.4	387,507	10.1	61,386,812	14.4
May 13	64.3	2.2	159.05	3.8	102.20	6.1	607,575	7.8	390,381	10.2	62,091,527	14.4
Jun 13	63.9	-0.1	160.09	3.2	102.35	3.2	612,675	9.2	391,707	9.2	62,710,127	12.7
Jul 13	64.0	-0.5	161.48	3.5	103.30	2.9	617,945	11.2	395,282	10.7	63,830,856	14.5
Aug 13	63.9	-1.3	163.61	3.9	104.48	2.5	617,945	10.2	394,621	8.7	64,562,878	12.9
Sep 13	64.1	-0.7	164.07	4.0	105.17	3.3	617,945	9.2	396,103	8.4	64,988,572	12.7
Oct 13	64.2	-0.3	164.60	4.1	105.62	3.8	617,945	8.1	396,530	7.8	65,270,013	12.2
Nov 13	64.4	0.0	164.79	4.3	106.17	4.3	617,945	7.2	398,123	7.2	65,605,640	11.8
Dec 13	64.5	0.8	165.39	4.7	106.60	5.6	617,945	6.2	398,290	7.0	65,872,946	12.1

# Tab 6 - Twelve Month Moving Average with Percent Change

Appendix B

Santa Cruz, CA Area Selected Properties  
 Job Number: 773652\_SADIM Staff: CW Created: May 03, 2016

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue	
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg
Jan 14	64.5	0.6	165.82	5.2	106.95	5.8	617,945	5.2	398,559	5.9	66,090,038	11.4
Feb 14	64.6	1.5	166.58	5.6	107.66	7.1	617,945	4.4	399,395	5.9	66,529,393	11.8
Mar 14	64.6	0.7	166.87	5.6	107.73	6.4	617,945	3.5	398,917	4.2	66,568,138	10.1
Apr 14	64.6	0.4	168.10	6.1	108.60	6.6	617,945	2.6	399,218	3.0	67,109,625	9.3
May 14	64.9	1.0	169.11	6.3	109.71	7.3	617,945	1.7	400,890	2.7	67,792,639	9.2
Jun 14	64.9	1.5	169.69	6.0	110.07	7.5	617,945	0.9	400,826	2.3	68,014,644	8.5
Jul 14	65.0	1.5	170.81	5.8	110.95	7.4	617,945	0.0	401,389	1.5	68,559,754	7.4
Aug 14	65.0	1.9	172.46	5.4	112.18	7.4	617,945	0.0	401,936	1.9	69,319,012	7.4
Sep 14	65.1	1.5	173.13	5.5	112.63	7.1	617,945	0.0	402,009	1.5	69,601,347	7.1
Oct 14	65.3	1.8	174.16	5.8	113.72	7.7	617,945	0.0	403,506	1.8	70,273,436	7.7
Nov 14	65.6	1.8	174.86	6.1	114.70	8.0	617,945	0.0	405,347	1.8	70,880,611	8.0
Dec 14	66.2	2.8	175.13	5.9	116.01	8.8	617,945	0.0	409,360	2.8	71,690,422	8.8
Jan 15	67.1	4.0	175.69	5.9	117.83	10.2	617,201	-0.1	413,953	3.9	72,726,520	10.0
Feb 15	67.6	4.6	176.59	6.0	119.34	10.9	616,529	-0.2	416,679	4.3	73,579,554	10.6
Mar 15	68.3	5.8	178.51	7.0	121.96	13.2	615,785	-0.3	420,708	5.5	75,102,269	12.8
Apr 15	68.9	6.7	180.06	7.1	124.09	14.3	615,065	-0.5	423,876	6.2	76,322,526	13.7
May 15	69.1	6.4	181.54	7.4	125.36	14.3	614,321	-0.6	424,235	5.8	77,014,282	13.6
Jun 15	69.4	7.0	183.00	7.8	126.99	15.4	613,601	-0.7	425,800	6.2	77,921,823	14.6
Jul 15	69.5	6.9	185.14	8.4	128.59	15.9	613,105	-0.8	425,834	6.1	78,838,939	15.0
Aug 15	69.4	6.7	185.08	7.3	128.40	14.5	612,609	-0.9	425,000	5.7	78,657,861	13.5
Sep 15	69.7	7.1	187.20	8.1	130.47	15.8	612,129	-0.9	426,600	6.1	79,861,469	14.7
Oct 15	69.8	6.9	188.76	8.4	131.81	15.9	611,633	-1.0	427,092	5.8	80,619,005	14.7
Nov 15	69.7	6.3	190.12	8.7	132.56	15.6	611,153	-1.1	426,105	5.1	81,012,211	14.3
Dec 15	69.1	4.4	190.76	8.9	131.87	13.7	610,657	-1.2	422,136	3.1	80,527,839	12.3
Jan 16	68.9	2.7	190.79	8.6	131.43	11.5	610,905	-1.0	420,838	1.7	80,290,899	10.4
Feb 16	68.4	1.2	191.26	8.3	130.78	9.6	611,241	-0.9	417,955	0.3	79,938,408	8.6
Mar 16	68.4	0.2	191.44	7.2	131.02	7.4	611,613	-0.7	418,597	-0.5	80,135,016	6.7

# Tab 7 - Day of Week Analysis

Appendix B

Santa Cruz, CA Area Selected Properties

Job Number: 773652\_SADIM Staff: CW Created: May 03, 2016

Occupancy (%)								Total Month
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Apr - 15	59.0	70.3	73.5	78.6	77.3	82.4	88.2	75.8
May - 15	58.9	53.0	69.9	68.9	60.7	73.6	89.3	68.3
Jun - 15	66.1	72.3	77.2	80.2	75.8	85.6	93.9	78.5
Jul - 15	71.6	85.2	90.2	83.4	81.9	90.4	93.9	85.2
Aug - 15	67.2	72.9	83.2	84.4	82.2	86.2	92.7	80.9
Sep - 15	64.7	61.3	68.1	70.8	68.8	82.0	92.4	72.4
Oct - 15	54.9	64.2	70.7	70.0	65.5	71.2	83.7	69.1
Nov - 15	42.4	54.3	65.8	62.5	63.4	69.0	73.2	60.6
Dec - 15	37.9	46.8	52.0	47.3	50.0	46.9	54.0	48.0
Jan - 16	39.9	50.2	61.8	60.6	53.8	53.8	61.5	54.2
Feb - 16	51.5	51.5	60.1	59.8	54.1	57.5	70.1	57.6
Mar - 16	54.9	70.7	76.2	75.7	67.3	66.6	77.1	70.1
<b>Total Year</b>	<b>55.5</b>	<b>62.8</b>	<b>70.6</b>	<b>70.3</b>	<b>66.9</b>	<b>72.1</b>	<b>80.9</b>	<b>68.4</b>

Three Year Occupancy (%)								Total Year
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Apr 13 - Mar 14	52.3	56.8	65.3	64.2	61.4	70.4	81.6	64.6
Apr 14 - Mar 15	55.4	61.7	68.9	70.1	66.0	73.4	82.7	68.3
Apr 15 - Mar 16	55.5	62.8	70.6	70.3	66.9	72.1	80.9	68.4
<b>Total 3 Yr</b>	<b>54.4</b>	<b>60.4</b>	<b>68.3</b>	<b>68.2</b>	<b>64.8</b>	<b>72.0</b>	<b>81.7</b>	<b>67.1</b>

ADR								Total Month
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Apr - 15	173.29	171.95	172.62	175.34	177.93	200.35	209.27	183.69
May - 15	202.57	166.09	170.28	171.62	168.65	205.85	229.03	192.89
Jun - 15	199.48	194.74	194.36	195.13	200.53	249.31	268.75	215.76
Jul - 15	222.32	218.57	222.03	219.17	220.57	280.53	299.69	241.98
Aug - 15	206.59	200.35	211.51	212.07	211.76	261.11	281.72	229.13
Sep - 15	205.20	185.97	176.70	178.85	180.59	238.95	264.45	206.33
Oct - 15	164.23	168.51	169.86	172.64	169.89	207.23	223.37	186.15
Nov - 15	150.90	163.89	163.63	162.16	169.50	175.84	182.12	167.63
Dec - 15	132.83	134.83	139.84	140.31	150.42	146.94	147.44	142.35
Jan - 16	135.14	138.70	143.03	141.82	143.23	145.50	148.96	142.91
Feb - 16	169.15	146.94	151.67	151.55	147.66	171.10	191.05	161.86
Mar - 16	157.75	162.76	165.56	167.81	162.74	183.19	193.11	170.43
<b>Total Year</b>	<b>181.72</b>	<b>175.37</b>	<b>176.26</b>	<b>177.60</b>	<b>178.87</b>	<b>213.29</b>	<b>227.16</b>	<b>191.44</b>

Three Year ADR								Total Year
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Apr 13 - Mar 14	159.96	152.24	153.06	154.18	158.57	184.45	193.85	166.87
Apr 14 - Mar 15	172.26	163.13	162.79	164.48	166.58	198.57	211.11	178.51
Apr 15 - Mar 16	181.72	175.37	176.26	177.60	178.87	213.29	227.16	191.44
<b>Total 3 Yr</b>	<b>171.49</b>	<b>163.83</b>	<b>164.27</b>	<b>165.78</b>	<b>168.31</b>	<b>198.82</b>	<b>210.59</b>	<b>179.13</b>

RevPAR								Total Month
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Apr - 15	102.20	120.97	126.95	137.76	137.47	164.99	184.66	139.17
May - 15	119.27	88.01	119.09	118.23	102.29	151.57	204.45	131.84
Jun - 15	131.94	140.72	150.02	156.55	152.02	213.48	252.35	169.30
Jul - 15	159.26	186.13	200.17	182.84	180.75	253.60	281.28	206.24
Aug - 15	138.90	146.14	175.94	178.97	174.02	225.05	261.09	185.37
Sep - 15	132.77	113.96	120.34	126.68	124.20	195.96	244.30	149.33
Oct - 15	90.18	108.25	120.15	120.81	111.23	147.49	186.86	128.56
Nov - 15	63.95	88.98	107.59	101.29	107.48	121.35	133.27	101.62
Dec - 15	50.30	63.10	72.67	66.43	75.28	68.96	79.63	68.38
Jan - 16	53.95	69.57	88.37	85.97	77.09	78.23	91.69	77.53
Feb - 16	87.18	75.66	91.13	90.60	79.95	98.46	134.02	93.23
Mar - 16	86.68	115.10	126.14	127.07	109.56	121.98	148.94	119.51
<b>Total Year</b>	<b>100.82</b>	<b>110.05</b>	<b>124.37</b>	<b>124.86</b>	<b>119.70</b>	<b>153.87</b>	<b>183.82</b>	<b>131.02</b>

Three Year RevPAR								Total Year
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Apr 13 - Mar 14	83.70	86.51	99.91	99.05	97.39	129.80	158.12	107.73
Apr 14 - Mar 15	95.36	100.58	112.22	115.30	109.95	145.83	174.69	121.96
Apr 15 - Mar 16	100.82	110.05	124.37	124.86	119.70	153.87	183.82	131.02
<b>Total 3 Yr</b>	<b>93.26</b>	<b>98.92</b>	<b>112.11</b>	<b>113.09</b>	<b>109.04</b>	<b>143.11</b>	<b>172.15</b>	<b>120.20</b>

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# Tab 8 - Raw Data

## Appendix B

Santa Cruz, CA Area Selected Properties  
 Job Number: 773652\_SADIM Staff: CW

Created: May 03, 2016

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Jan 10	32.9		113.61		37.39		49,879		16,413		1,864,735		19	1,609	97.5
Feb 10	43.5		130.48		56.81		45,052		19,614		2,559,319		19	1,609	97.5
Mar 10	46.8		126.06		59.02		49,879		23,352		2,943,820		19	1,609	97.5
Apr 10	54.8		143.84		78.80		48,270		26,444		3,803,745		19	1,609	97.5
May 10	51.4		150.15		77.12		49,879		25,620		3,846,835		19	1,609	97.5
Jun 10	62.3		186.34		116.11		48,270		30,079		5,604,814		19	1,609	97.5
Jul 10	72.7		196.67		143.01		49,879		36,268		7,132,970		19	1,609	97.5
Aug 10	67.1		186.27		125.05		49,879		33,487		6,237,605		19	1,609	97.5
Sep 10	54.8		164.81		90.38		48,270		26,471		4,362,779		19	1,609	97.5
Oct 10	51.9		147.04		76.34		49,879		25,897		3,807,814		19	1,609	97.5
Nov 10	42.5		135.47		57.58		48,270		20,518		2,779,531		19	1,609	97.5
Dec 10	30.9		118.76		36.70		49,879		15,414		1,830,609		19	1,609	97.5
Jan 11	35.1	6.7	115.88	2.0	40.68	8.8	49,879	0.0	17,510	6.7	2,029,033	8.8	19	1,609	97.5
Feb 11	46.8	7.4	125.81	-3.6	58.85	3.6	45,052	0.0	21,075	7.4	2,651,498	3.6	19	1,609	97.5
Mar 11	48.4	3.5	126.93	0.7	61.48	4.2	49,879	0.0	24,159	3.5	3,066,590	4.2	19	1,609	97.5
Apr 11	60.8	10.9	146.89	2.1	89.28	13.3	48,270	0.0	29,337	10.9	4,309,374	13.3	19	1,609	97.5
May 11	56.5	9.9	146.75	-2.3	82.85	7.4	49,879	0.0	28,161	9.9	4,132,606	7.4	19	1,609	86.8
Jun 11	66.4	6.6	167.50	-10.1	111.28	-4.2	48,270	0.0	32,067	6.6	5,371,324	-4.2	19	1,609	86.8
Jul 11	79.6	9.4	192.22	-2.3	152.92	6.9	52,483	5.2	41,753	15.1	8,025,577	12.5	20	1,693	87.5
Aug 11	78.7	17.2	185.74	-0.3	146.12	16.8	47,151	-5.5	37,094	10.8	6,889,824	10.5	19	1,521	97.4
Sep 11	67.4	22.9	167.11	1.4	112.63	24.6	45,630	-5.5	30,755	16.2	5,139,427	17.8	19	1,521	97.4
Oct 11	66.0	27.2	143.23	-2.6	94.57	23.9	47,151	-5.5	31,131	20.2	4,458,852	17.1	19	1,521	97.4
Nov 11	54.1	27.3	132.04	-2.5	71.43	24.1	45,660	-5.4	24,703	20.4	3,261,717	17.3	19	1,522	97.4
Dec 11	50.7	64.0	120.20	1.2	60.91	66.0	47,182	-5.4	23,908	55.1	2,873,836	57.0	19	1,522	93.8
Jan 12	43.4	23.6	119.45	3.1	51.82	27.4	47,182	-5.4	20,468	16.9	2,444,980	20.5	19	1,522	97.4
Feb 12	60.3	28.9	127.73	1.5	77.00	30.8	42,616	-5.4	25,689	21.9	3,281,233	23.8	19	1,522	97.4
Mar 12	56.6	16.8	131.74	3.8	74.53	21.2	47,213	-5.3	26,712	10.6	3,518,996	14.8	19	1,523	97.4
Apr 12	64.9	6.8	144.01	-2.0	93.44	4.7	45,690	-5.3	29,644	1.0	4,269,057	-0.9	19	1,523	97.4
May 12	64.5	14.3	155.68	6.1	100.43	21.2	47,213	-5.3	30,457	8.2	4,741,567	14.7	19	1,523	97.4
Jun 12	79.8	20.1	184.54	10.2	147.27	32.3	45,690	-5.3	36,462	13.7	6,728,735	25.3	19	1,523	97.4
Jul 12	85.0	6.9	202.78	5.5	172.38	12.7	47,213	-10.0	40,136	-3.9	8,138,720	1.4	19	1,523	97.4
Aug 12	81.9	4.2	193.61	4.2	158.66	8.6	52,483	11.3	43,008	15.9	8,326,852	20.9	20	1,693	87.6
Sep 12	65.5	-2.9	168.42	0.8	110.28	-2.1	50,790	11.3	33,257	8.1	5,601,100	9.0	20	1,693	97.6
Oct 12	63.8	-3.4	148.49	3.7	94.75	0.2	52,483	11.3	33,488	7.6	4,972,544	11.5	20	1,693	97.6
Nov 12	55.2	2.1	134.63	2.0	74.35	4.1	50,790	11.2	28,051	13.6	3,776,455	15.8	20	1,693	97.6
Dec 12	47.2	-6.9	119.62	-0.5	56.44	-7.3	52,483	11.2	24,764	3.6	2,962,331	3.1	20	1,693	97.6
Jan 13	46.9	8.2	122.34	2.4	57.43	10.8	52,483	11.2	24,638	20.4	3,014,099	23.3	20	1,693	97.6
Feb 13	55.8	-7.5	130.45	2.1	72.74	-5.5	47,404	11.2	26,432	2.9	3,448,172	5.1	20	1,693	97.6
Mar 13	61.6	8.9	138.17	4.9	85.16	14.3	52,483	11.2	32,347	21.1	4,469,530	27.0	20	1,693	97.6
Apr 13	67.9	4.6	151.06	4.9	102.51	9.7	50,790	11.2	34,467	16.3	5,206,707	22.0	20	1,693	97.6
May 13	63.5	-1.6	163.40	5.0	103.77	3.3	52,483	11.2	33,331	9.4	5,446,282	14.9	20	1,693	97.6
Jun 13	74.4	-6.8	194.44	5.4	144.66	-1.8	50,790	11.2	37,788	3.6	7,347,335	9.2	20	1,693	97.6
Jul 13	83.3	-2.0	211.83	4.5	176.43	2.3	52,483	11.2	43,711	8.9	9,259,449	13.8	20	1,693	97.6
Aug 13	80.7	-1.5	213.92	10.5	172.61	8.8	52,483	0.0	42,347	-1.5	9,058,874	8.8	20	1,693	97.6
Sep 13	68.4	4.5	173.49	3.0	118.66	7.6	50,790	0.0	34,739	4.5	6,026,794	7.6	20	1,693	97.6
Oct 13	64.6	1.3	154.92	4.3	100.11	5.7	52,483	0.0	33,915	1.3	5,253,985	5.7	20	1,693	97.6
Nov 13	58.4	5.7	138.72	3.0	80.96	8.9	50,790	0.0	29,644	5.7	4,112,082	8.9	20	1,693	97.6
Dec 13	47.5	0.7	129.54	8.3	61.54	9.0	52,483	0.0	24,931	0.7	3,229,637	9.0	20	1,693	97.6
Jan 14	47.5	1.1	129.73	6.0	61.57	7.2	52,483	0.0	24,907	1.1	3,231,191	7.2	20	1,693	97.6



# Tab 8 - Raw Data

## Appendix B

Santa Cruz, CA Area Selected Properties  
 Job Number: 773652\_SADIM Staff: CW

Created: May 03, 2016

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Feb 14	57.5	3.2	142.57	9.3	82.01	12.7	47,404	0.0	27,268	3.2	3,887,527	12.7	20	1,693	97.6
Mar 14	60.7	-1.5	141.46	2.4	85.90	0.9	52,483	0.0	31,869	-1.5	4,508,275	0.9	20	1,693	97.6
Apr 14	68.5	0.9	165.33	9.4	113.18	10.4	50,790	0.0	34,768	0.9	5,748,194	10.4	20	1,693	97.6
May 14	66.7	5.0	175.11	7.2	116.79	12.5	52,483	0.0	35,003	5.0	6,129,296	12.5	20	1,693	97.6
Jun 14	74.3	-0.2	200.65	3.2	149.03	3.0	50,790	0.0	37,724	-0.2	7,569,340	3.0	20	1,693	97.6
Jul 14	84.4	1.3	221.45	4.5	186.81	5.9	52,483	0.0	44,274	1.3	9,804,559	5.9	20	1,693	97.6
Aug 14	81.7	1.3	228.89	7.0	187.07	8.4	52,483	0.0	42,894	1.3	9,818,132	8.4	20	1,693	97.6
Sep 14	68.5	0.2	181.23	4.5	124.22	4.7	50,790	0.0	34,812	0.2	6,309,129	4.7	20	1,693	97.6
Oct 14	67.5	4.4	167.35	8.0	112.91	12.8	52,483	0.0	35,412	4.4	5,926,074	12.8	20	1,693	97.6
Nov 14	62.0	6.2	149.89	8.1	92.92	14.8	50,790	0.0	31,485	6.2	4,719,257	14.8	20	1,693	97.6
Dec 14	55.1	16.1	139.56	7.7	76.97	25.1	52,483	0.0	28,944	16.1	4,039,448	25.1	20	1,693	97.6
Jan 15	57.0	20.1	144.65	11.5	82.48	34.0	51,739	-1.4	29,500	18.4	4,267,289	32.1	20	1,669	97.6
Feb 15	64.2	11.6	158.05	10.9	101.44	23.7	46,732	-1.4	29,994	10.0	4,740,561	21.9	20	1,669	97.6
Mar 15	69.4	14.3	168.00	18.8	116.57	35.7	51,739	-1.4	35,898	12.6	6,030,990	33.8	20	1,669	97.6
Apr 15	75.8	10.7	183.69	11.1	139.17	23.0	50,070	-1.4	37,936	9.1	6,968,451	21.2	20	1,669	97.6
May 15	68.3	2.5	192.89	10.2	131.84	12.9	51,739	-1.4	35,362	1.0	6,821,052	11.3	20	1,669	97.6
Jun 15	78.5	5.6	215.76	7.5	169.30	13.6	50,070	-1.4	39,289	4.1	8,476,881	12.0	20	1,669	97.6
Jul 15	85.2	1.0	241.98	9.3	206.24	10.4	51,987	-0.9	44,308	0.1	10,721,675	9.4	20	1,677	97.6
Aug 15	80.9	-1.0	229.13	0.1	185.37	-0.9	51,987	-0.9	42,060	-1.9	9,637,054	-1.8	20	1,677	97.6
Sep 15	72.4	5.6	206.33	13.8	149.33	20.2	50,310	-0.9	36,412	4.6	7,512,737	19.1	20	1,677	97.6
Oct 15	69.1	2.4	186.15	11.2	128.56	13.9	51,987	-0.9	35,904	1.4	6,683,610	12.8	20	1,677	97.6
Nov 15	60.6	-2.2	167.63	11.8	101.62	9.4	50,310	-0.9	30,498	-3.1	5,112,463	8.3	20	1,677	97.6
Dec 15	48.0	-12.9	142.35	2.0	68.38	-11.2	51,987	-0.9	24,975	-13.7	3,555,076	-12.0	20	1,677	97.6
Jan 16	54.2	-4.9	142.91	-1.2	77.53	-6.0	51,987	0.5	28,202	-4.4	4,030,349	-5.6	20	1,677	97.6
Feb 16	57.6	-10.3	161.86	2.4	93.23	-8.1	47,068	0.7	27,111	-9.6	4,388,070	-7.4	20	1,681	97.6
Mar 16	70.1	1.1	170.43	1.4	119.51	2.5	52,111	0.7	36,540	1.8	6,227,598	3.3	20	1,681	97.6

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# Tab 9 - Classic

Appendix B

Santa Cruz, CA Area Selected Properties  
 Job Number: 773652\_SADIM Staff: CW Created: May 03, 2016

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Jan 10	32.9		113.61		37.39		49,879		16,413		1,864,735		19	1,609	97.5
Feb 10	43.5		130.48		56.81		45,052		19,614		2,559,319		19	1,609	97.5
Mar 10	46.8		126.06		59.02		49,879		23,352		2,943,820		19	1,609	97.5
Apr 10	54.8		143.84		78.80		48,270		26,444		3,803,745		19	1,609	97.5
May 10	51.4		150.15		77.12		49,879		25,620		3,846,835		19	1,609	97.5
Jun 10	62.3		186.34		116.11		48,270		30,079		5,604,814		19	1,609	97.5
Jul 10	72.7		196.67		143.01		49,879		36,268		7,132,970		19	1,609	97.5
Aug 10	67.1		186.27		125.05		49,879		33,487		6,237,605		19	1,609	97.5
Sep 10	54.8		164.81		90.38		48,270		26,471		4,362,779		19	1,609	97.5
Oct 10	51.9		147.04		76.34		49,879		25,897		3,807,814		19	1,609	97.5
Nov 10	42.5		135.47		57.58		48,270		20,518		2,779,531		19	1,609	97.5
Dec 10	30.9		118.76		36.70		49,879		15,414		1,830,609		19	1,609	97.5
Mar YTD 2010	41.0		124.08		50.88		144,810		59,379		7,367,874				
Total 2010	51.0		156.14		79.65		587,285		299,577		46,774,576				
Jan 11	35.1	6.7	115.88	2.0	40.68	8.8	49,879	0.0	17,510	6.7	2,029,033	8.8	19	1,609	97.5
Feb 11	46.8	7.4	125.81	-3.6	58.85	3.6	45,052	0.0	21,075	7.4	2,651,498	3.6	19	1,609	97.5
Mar 11	48.4	3.5	126.93	0.7	61.48	4.2	49,879	0.0	24,159	3.5	3,066,590	4.2	19	1,609	97.5
Apr 11	60.8	10.9	146.89	2.1	89.28	13.3	48,270	0.0	29,337	10.9	4,309,374	13.3	19	1,609	97.5
May 11	56.5	9.9	146.75	-2.3	82.85	7.4	49,879	0.0	28,161	9.9	4,132,606	7.4	19	1,609	86.8
Jun 11	66.4	6.6	167.50	-10.1	111.28	-4.2	48,270	0.0	32,067	6.6	5,371,324	-4.2	19	1,609	86.8
Jul 11	79.6	9.4	192.22	-2.3	152.92	6.9	52,483	5.2	41,753	15.1	8,025,577	12.5	20	1,693	87.5
Aug 11	78.7	17.2	185.74	-0.3	146.12	16.8	47,151	-5.5	37,094	10.8	6,889,824	10.5	19	1,521	97.4
Sep 11	67.4	22.9	167.11	1.4	112.63	24.6	45,630	-5.5	30,755	16.2	5,139,427	17.8	19	1,521	97.4
Oct 11	66.0	27.2	143.23	-2.6	94.57	23.9	47,151	-5.5	31,131	20.2	4,458,852	17.1	19	1,521	97.4
Nov 11	54.1	27.3	132.04	-2.5	71.43	24.1	45,660	-5.4	24,703	20.4	3,261,717	17.3	19	1,522	97.4
Dec 11	50.7	64.0	120.20	1.2	60.91	66.0	47,182	-5.4	23,908	55.1	2,873,836	57.0	19	1,522	93.8
Mar YTD 2011	43.3	5.7	123.47	-0.5	53.50	5.1	144,810	0.0	62,744	5.7	7,747,121	5.1			
Total 2011	59.3	16.2	152.81	-2.1	90.57	13.7	576,486	-1.8	341,653	14.0	52,209,658	11.6			
Jan 12	43.4	23.6	119.45	3.1	51.82	27.4	47,182	-5.4	20,468	16.9	2,444,980	20.5	19	1,522	97.4
Feb 12	60.3	28.9	127.73	1.5	77.00	30.8	42,616	-5.4	25,689	21.9	3,281,233	23.8	19	1,522	97.4
Mar 12	56.6	16.8	131.74	3.8	74.53	21.2	47,213	-5.3	26,712	10.6	3,518,996	14.8	19	1,523	97.4
Apr 12	64.9	6.8	144.01	-2.0	93.44	4.7	45,690	-5.3	29,644	1.0	4,269,057	-0.9	19	1,523	97.4
May 12	64.5	14.3	155.68	6.1	100.43	21.2	47,213	-5.3	30,457	8.2	4,741,567	14.7	19	1,523	97.4
Jun 12	79.8	20.1	184.54	10.2	147.27	32.3	45,690	-5.3	36,462	13.7	6,728,735	25.3	19	1,523	97.4
Jul 12	85.0	6.9	202.78	5.5	172.38	12.7	47,213	-10.0	40,136	-3.9	8,138,720	1.4	19	1,523	97.4
Aug 12	81.9	4.2	193.61	4.2	158.66	8.6	52,483	11.3	43,008	15.9	8,326,852	20.9	20	1,693	87.6
Sep 12	65.5	-2.9	168.42	0.8	110.28	-2.1	50,790	11.3	33,257	8.1	5,601,100	9.0	20	1,693	97.6
Oct 12	63.8	-3.4	148.49	3.7	94.75	0.2	52,483	11.3	33,488	7.6	4,972,544	11.5	20	1,693	97.6
Nov 12	55.2	2.1	134.63	2.0	74.35	4.1	50,790	11.2	28,051	13.6	3,776,455	15.8	20	1,693	97.6
Dec 12	47.2	-6.9	119.62	-0.5	56.44	-7.3	52,483	11.2	24,764	3.6	2,962,331	3.1	20	1,693	97.6
Mar YTD 2012	53.2	22.7	126.87	2.8	67.48	26.1	137,011	-5.4	72,869	16.1	9,245,209	19.3			
Total 2012	64.0	7.9	157.91	3.3	100.99	11.5	581,846	0.9	372,136	8.9	58,762,570	12.6			
Jan 13	46.9	8.2	122.34	2.4	57.43	10.8	52,483	11.2	24,638	20.4	3,014,099	23.3	20	1,693	97.6
Feb 13	55.8	-7.5	130.45	2.1	72.74	-5.5	47,404	11.2	26,432	2.9	3,448,172	5.1	20	1,693	97.6
Mar 13	61.6	8.9	138.17	4.9	85.16	14.3	52,483	11.2	32,347	21.1	4,469,530	27.0	20	1,693	97.6
Apr 13	67.9	4.6	151.06	4.9	102.51	9.7	50,790	11.2	34,467	16.3	5,206,707	22.0	20	1,693	97.6
May 13	63.5	-1.6	163.40	5.0	103.77	3.3	52,483	11.2	33,331	9.4	5,446,282	14.9	20	1,693	97.6
Jun 13	74.4	-6.8	194.44	5.4	144.66	-1.8	50,790	11.2	37,788	3.6	7,347,335	9.2	20	1,693	97.6
Jul 13	83.3	-2.0	211.83	4.5	176.43	2.3	52,483	11.2	43,711	8.9	9,259,449	13.8	20	1,693	97.6
Aug 13	80.7	-1.5	213.92	10.5	172.61	8.8	52,483	0.0	42,347	-1.5	9,058,874	8.8	20	1,693	97.6
Sep 13	68.4	4.5	173.49	3.0	118.66	7.6	50,790	0.0	34,739	4.5	6,026,794	7.6	20	1,693	97.6
Oct 13	64.6	1.3	154.92	4.3	100.11	5.7	52,483	0.0	33,915	1.3	5,253,985	5.7	20	1,693	97.6
Nov 13	58.4	5.7	138.72	3.0	80.96	8.9	50,790	0.0	29,644	5.7	4,112,082	8.9	20	1,693	97.6

# Tab 9 - Classic

## Appendix B

Santa Cruz, CA Area Selected Properties  
 Job Number: 773652\_SADIM Staff: CW Created: May 03, 2016

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
<b>Dec 13</b>	47.5	0.7	129.54	8.3	61.54	9.0	52,483	0.0	24,931	0.7	3,229,637	9.0	20	1,693	97.6
Mar YTD 2013	54.7	2.9	131.05	3.3	71.75	6.3	152,370	11.2	83,417	14.5	10,931,801	18.2			
Total 2013	64.5	0.8	165.39	4.7	106.60	5.6	617,945	6.2	398,290	7.0	65,872,946	12.1			
<b>Jan 14</b>	47.5	1.1	129.73	6.0	61.57	7.2	52,483	0.0	24,907	1.1	3,231,191	7.2	20	1,693	97.6
<b>Feb 14</b>	57.5	3.2	142.57	9.3	82.01	12.7	47,404	0.0	27,268	3.2	3,887,527	12.7	20	1,693	97.6
<b>Mar 14</b>	60.7	-1.5	141.46	2.4	85.90	0.9	52,483	0.0	31,869	-1.5	4,508,275	0.9	20	1,693	97.6
<b>Apr 14</b>	68.5	0.9	165.33	9.4	113.18	10.4	50,790	0.0	34,768	0.9	5,748,194	10.4	20	1,693	97.6
<b>May 14</b>	66.7	5.0	175.11	7.2	116.79	12.5	52,483	0.0	35,003	5.0	6,129,296	12.5	20	1,693	97.6
<b>Jun 14</b>	74.3	-0.2	200.65	3.2	149.03	3.0	50,790	0.0	37,724	-0.2	7,569,340	3.0	20	1,693	97.6
<b>Jul 14</b>	84.4	1.3	221.45	4.5	186.81	5.9	52,483	0.0	44,274	1.3	9,804,559	5.9	20	1,693	97.6
<b>Aug 14</b>	81.7	1.3	228.89	7.0	187.07	8.4	52,483	0.0	42,894	1.3	9,818,132	8.4	20	1,693	97.6
<b>Sep 14</b>	68.5	0.2	181.23	4.5	124.22	4.7	50,790	0.0	34,812	0.2	6,309,129	4.7	20	1,693	97.6
<b>Oct 14</b>	67.5	4.4	167.35	8.0	112.91	12.8	52,483	0.0	35,412	4.4	5,926,074	12.8	20	1,693	97.6
<b>Nov 14</b>	62.0	6.2	149.89	8.1	92.92	14.8	50,790	0.0	31,485	6.2	4,719,257	14.8	20	1,693	97.6
<b>Dec 14</b>	55.1	16.1	139.56	7.7	76.97	25.1	52,483	0.0	28,944	16.1	4,039,448	25.1	20	1,693	97.6
Mar YTD 2014	55.2	0.8	138.34	5.6	76.31	6.4	152,370	0.0	84,044	0.8	11,626,993	6.4			
Total 2014	66.2	2.8	175.13	5.9	116.01	8.8	617,945	0.0	409,360	2.8	71,690,422	8.8			
<b>Jan 15</b>	57.0	20.1	144.65	11.5	82.48	34.0	51,739	-1.4	29,500	18.4	4,267,289	32.1	20	1,669	97.6
<b>Feb 15</b>	64.2	11.6	158.05	10.9	101.44	23.7	46,732	-1.4	29,994	10.0	4,740,561	21.9	20	1,669	97.6
<b>Mar 15</b>	69.4	14.3	168.00	18.8	116.57	35.7	51,739	-1.4	35,898	12.6	6,030,990	33.8	20	1,669	97.6
<b>Apr 15</b>	75.8	10.7	183.69	11.1	139.17	23.0	50,070	-1.4	37,936	9.1	6,968,451	21.2	20	1,669	97.6
<b>May 15</b>	68.3	2.5	192.89	10.2	131.84	12.9	51,739	-1.4	35,362	1.0	6,821,052	11.3	20	1,669	97.6
<b>Jun 15</b>	78.5	5.6	215.76	7.5	169.30	13.6	50,070	-1.4	39,289	4.1	8,476,881	12.0	20	1,669	97.6
<b>Jul 15</b>	85.2	1.0	241.98	9.3	206.24	10.4	51,987	-0.9	44,308	0.1	10,721,675	9.4	20	1,677	97.6
<b>Aug 15</b>	80.9	-1.0	229.13	0.1	185.37	-0.9	51,987	-0.9	42,060	-1.9	9,637,054	-1.8	20	1,677	97.6
<b>Sep 15</b>	72.4	5.6	206.33	13.8	149.33	20.2	50,310	-0.9	36,412	4.6	7,512,737	19.1	20	1,677	97.6
<b>Oct 15</b>	69.1	2.4	186.15	11.2	128.56	13.9	51,987	-0.9	35,904	1.4	6,683,610	12.8	20	1,677	97.6
<b>Nov 15</b>	60.6	-2.2	167.63	11.8	101.62	9.4	50,310	-0.9	30,498	-3.1	5,112,463	8.3	20	1,677	97.6
<b>Dec 15</b>	48.0	-12.9	142.35	2.0	68.38	-11.2	51,987	-0.9	24,975	-13.7	3,555,076	-12.0	20	1,677	97.6
Mar YTD 2015	63.5	15.1	157.65	14.0	100.12	31.2	150,210	-1.4	95,392	13.5	15,038,840	29.3			
Total 2015	69.1	4.4	190.76	8.9	131.87	13.7	610,657	-1.2	422,136	3.1	80,527,839	12.3			
<b>Jan 16</b>	54.2	-4.9	142.91	-1.2	77.53	-6.0	51,987	0.5	28,202	-4.4	4,030,349	-5.6	20	1,677	97.6
<b>Feb 16</b>	57.6	-10.3	161.86	2.4	93.23	-8.1	47,068	0.7	27,111	-9.6	4,388,070	-7.4	20	1,681	97.6
<b>Mar 16</b>	70.1	1.1	170.43	1.4	119.51	2.5	52,111	0.7	36,540	1.8	6,227,598	3.3	20	1,681	97.6
Mar YTD 2016	60.8	-4.3	159.45	1.1	96.89	-3.2	151,166	0.6	91,853	-3.7	14,646,017	-2.6			



## State of California

### HEALTH AND SAFETY CODE

#### Section 34179

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34179. (a) Each successor agency shall have an oversight board composed of seven members. The members shall elect one of their members as the chairperson and shall report the name of the chairperson and other members to the Department of Finance on or before May 1, 2012. Members shall be selected as follows:

- (1) One member appointed by the county board of supervisors.
- (2) One member appointed by the mayor for the city that formed the redevelopment agency.

(3) (A) One member appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the former redevelopment agency, which is of the type of special district that is eligible to receive property tax revenues pursuant to Section 34188.

(B) On or after the effective date of this subparagraph, the county auditor-controller may determine which is the largest special district for purposes of this section.

(4) One member appointed by the county superintendent of education to represent schools if the superintendent is elected. If the county superintendent of education is appointed, then the appointment made pursuant to this paragraph shall be made by the county board of education.

(5) One member appointed by the Chancellor of the California Community Colleges to represent community college districts in the county.

(6) One member of the public appointed by the county board of supervisors.

(7) One member representing the employees of the former redevelopment agency appointed by the mayor or chair of the board of supervisors, as the case may be, from the recognized employee organization representing the largest number of former redevelopment agency employees employed by the successor agency at that time. In the case where city or county employees performed administrative duties of the former redevelopment agency, the appointment shall be made from the recognized employee organization representing those employees. If a recognized employee organization does not exist for either the employees of the former redevelopment agency or the city or county employees performing administrative duties of the former redevelopment agency, the appointment shall be made from among the employees of the successor agency. In voting to approve a contract as an enforceable obligation, a member appointed pursuant to this paragraph shall not be deemed to be interested in the contract by virtue of being an employee of the successor agency or community for purposes of Section 1090 of the Government Code.

(8) If the county or a joint powers agency formed the redevelopment agency, then the largest city by acreage in the territorial jurisdiction of the former redevelopment

agency may select one member. If there are no cities with territory in a project area of the redevelopment agency, the county superintendent of education may appoint an additional member to represent the public.

(9) If there are no special districts of the type that are eligible to receive property tax pursuant to Section 34188, within the territorial jurisdiction of the former redevelopment agency, then the county may appoint one member to represent the public.

(10) If a redevelopment agency was formed by an entity that is both a charter city and a county, the oversight board shall be composed of seven members selected as follows: three members appointed by the mayor of the city, if that appointment is subject to confirmation by the county board of supervisors, one member appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the former redevelopment agency, which is the type of special district that is eligible to receive property tax revenues pursuant to Section 34188, one member appointed by the county superintendent of education to represent schools, one member appointed by the Chancellor of the California Community Colleges to represent community college districts, and one member representing employees of the former redevelopment agency appointed by the mayor of the city if that appointment is subject to confirmation by the county board of supervisors, to represent the largest number of former redevelopment agency employees employed by the successor agency at that time.

(11) Each appointing authority identified in this subdivision may, but is not required to, appoint alternate representatives to serve on the oversight board as may be necessary to attend any meeting of the oversight board in the event that the appointing authority's primary representative is unable to attend any meeting for any reason. If an alternate representative attends any meeting in place of the primary representative, the alternate representative shall have the same participatory and voting rights as all other attending members of the oversight board.

(b) The Governor may appoint individuals to fill any oversight board member position described in subdivision (a) that has not been filled by May 15, 2012, or any member position that remains vacant for more than 60 days.

(c) The oversight board may direct the staff of the successor agency to perform work in furtherance of the oversight board's and the successor agency's duties and responsibilities under this part. The successor agency shall pay for all of the costs of meetings of the oversight board and may include such costs in its administrative budget. Oversight board members shall serve without compensation or reimbursement for expenses.

(d) Oversight board members are protected by the immunities applicable to public entities and public employees governed by Part 1 (commencing with Section 810) and Part 2 (commencing with Section 814) of Division 3.6 of Title 1 of the Government Code.

(e) A majority of the total membership of the oversight board shall constitute a quorum for the transaction of business. A majority vote of the total membership of the oversight board is required for the oversight board to take action. The oversight

board shall be deemed to be a local entity for purposes of the Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act of 1974. All actions taken by the oversight board shall be adopted by resolution.

(f) All notices required by law for proposed oversight board actions shall also be posted on the successor agency's Internet Web site or the oversight board's Internet Web site.

(g) Each member of an oversight board shall serve at the pleasure of the entity that appointed such member.

(h) (1) The department may review an oversight board action taken pursuant to this part. Written notice and information about all actions taken by an oversight board shall be provided to the department as an approved resolution by electronic means and in a manner of the department's choosing. Without abrogating the department's authority to review all matters related to the Recognized Obligation Payment Schedule pursuant to Section 34177, oversight boards are not required to submit the following oversight board actions for department approval:

(A) Meeting minutes and agendas.

(B) Administrative budgets.

(C) Changes in oversight board members, or the selection of an oversight board chair or vice chair.

(D) Transfers of governmental property pursuant to an approved long-range property management plan.

(E) Transfers of property to be retained by the sponsoring entity for future development pursuant to an approved long-range property management plan.

(2) An oversight board action submitted in a manner specified by the department shall become effective five business days after submission, unless the department requests a review of the action. Each oversight board shall designate an official to whom the department may make those requests and who shall provide the department with the telephone number and e-mail contact information for the purpose of communicating with the department pursuant to this subdivision. Except as otherwise provided in this part, in the event that the department requests a review of a given oversight board action, it shall have 40 days from the date of its request to approve the oversight board action or return it to the oversight board for reconsideration and the oversight board action shall not be effective until approved by the department. In the event that the department returns the oversight board action to the oversight board for reconsideration, the oversight board shall resubmit the modified action for department approval and the modified oversight board action shall not become effective until approved by the department. If the department reviews a Recognized Obligation Payment Schedule, the department may eliminate or modify any item on that schedule prior to its approval. The county auditor-controller shall reflect the actions of the department in determining the amount of property tax revenues to allocate to the successor agency. The department shall provide notice to the successor agency and the county auditor-controller as to the reasons for its actions. To the extent that an oversight board continues to dispute a determination with the department, one or more future Recognized Obligation Payment Schedules may reflect any resolution of that

dispute. The department may also agree to an amendment to a Recognized Obligation Payment Schedule to reflect a resolution of a disputed item; however, this shall not affect a past allocation of property tax or create a liability for any affected taxing entity.

(i) Oversight boards shall have fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188. Further, the provisions of Division 4 (commencing with Section 1000) of the Government Code shall apply to oversight boards. Notwithstanding Section 1099 of the Government Code, or any other law, any individual may simultaneously be appointed to up to five oversight boards and may hold an office in a city, county, city and county, special district, school district, or community college district.

(j) Except as specified in subdivision (q), commencing on and after July 1, 2018, in each county where more than one oversight board was created by operation of the act adding this part, there shall be only one oversight board, which shall be staffed by the county auditor-controller, by another county entity selected by the county auditor-controller, or by a city within the county that the county auditor-controller may select after consulting with the department. Pursuant to Section 34183, the county auditor-controller may recover directly from the Redevelopment Property Tax Trust Fund, and distribute to the appropriate city or county entity, reimbursement for all costs incurred by it or by the city or county pursuant to this subdivision, which shall include any associated startup costs. However, if only one successor agency exists within the county, the county auditor-controller may designate the successor agency to staff the oversight board. The oversight board is appointed as follows:

(1) One member may be appointed by the county board of supervisors.

(2) One member may be appointed by the city selection committee established pursuant to Section 50270 of the Government Code. In a city and county, the mayor may appoint one member.

(3) One member may be appointed by the independent special district selection committee established pursuant to Section 56332 of the Government Code, for the types of special districts that are eligible to receive property tax revenues pursuant to Section 34188.

(4) One member may be appointed by the county superintendent of education to represent schools if the superintendent is elected. If the county superintendent of education is appointed, then the appointment made pursuant to this paragraph shall be made by the county board of education.

(5) One member may be appointed by the Chancellor of the California Community Colleges to represent community college districts in the county.

(6) One member of the public may be appointed by the county board of supervisors.

(7) One member may be appointed by the recognized employee organization representing the largest number of successor agency employees in the county.

(k) The Governor may appoint individuals to fill any oversight board member position described in subdivision (j) that has not been filled by July 15, 2018, or any member position that remains vacant for more than 60 days.



(l) Commencing on and after July 1, 2018, in each county where only one oversight board was created by operation of the act adding this part, then there will be no change to the composition of that oversight board as a result of the operation of subdivision (j).

(m) Any oversight board for a given successor agency, with the exception of countywide oversight boards, shall cease to exist when the successor agency has been formally dissolved pursuant to Section 34187. A county oversight board shall cease to exist when all successor agencies subject to its oversight have been formally dissolved pursuant to Section 34187.

(n) An oversight board may direct a successor agency to provide additional legal or financial advice than what was given by agency staff.

(o) An oversight board is authorized to contract with the county or other public or private agencies for administrative support.

(p) On matters within the purview of the oversight board, decisions made by the oversight board supersede those made by the successor agency or the staff of the successor agency.

(q) (1) Commencing on and after July 1, 2018, in each county where more than 40 oversight boards were created by operation of the act adding this part, there shall be five oversight boards, which shall each be staffed in the same manner as specified in subdivision (j). The membership of each oversight board shall be as specified in paragraphs (1) through (7), inclusive, of subdivision (j).

(2) The oversight boards shall be numbered one through five, and their respective jurisdictions shall encompass the territory located within the respective borders of the first through fifth county board of supervisors districts, as those borders existed on July 1, 2018. Except as specified in paragraph (3), each oversight board shall have jurisdiction over each successor agency located within its borders.

(3) If a successor agency has territory located within more than one county board of supervisors' district, the county board of supervisors shall, no later than July 15, 2018, determine which oversight board shall have jurisdiction over that successor agency. The county board of supervisors or their designee shall report this information to the successor agency and the department by the aforementioned date.

(4) The successor agency to the former redevelopment agency created by a county where more than 40 oversight boards were created by operation of the act adding this part, shall be under the jurisdiction of the oversight board with the fewest successor agencies under its jurisdiction.

(Amended by Stats. 2015, Ch. 325, Sec. 11. (SB 107) Effective September 22, 2015.)



# County of Santa Cruz

## SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY

701 OCEAN STREET, ROOM 510, SANTA CRUZ, CA 95060-4073

(831) 454-2280 FAX: (831) 454-3420 TDD: (831) 454-2123

January 4, 2018

Agenda: January 16, 2018

Oversight Board  
 Santa Cruz County Redevelopment Successor Agency  
 701 Ocean Street  
 Santa Cruz, CA 95060

**APPROVAL OF THE ADMINISTRATIVE BUDGET FOR THE 6-MONTH PERIODS:  
 JULY 1, 2018 THROUGH DECEMBER 31, 2018, AND JANUARY 1, 2019 THROUGH JUNE  
 30, 2019**

Dear Members of the Board:

California Health & Safety Code Section 34177(j) requires that the Administrative Budget be prepared for each six month period by the Successor Agency for approval by the Oversight Board. However, SB 107 modified the Recognized Obligation Payment Schedule (ROPS) period from 6-months to annual, and it is now necessary to prepare and approve Administrative Budgets for two 6-month periods at the same time, for inclusion on the annual ROPS.

As detailed in Exhibit 1 of the attached Resolution, the budgets include appropriations for services and supplies, including services provided by other County departments. Services from other departments include the staff time to wind down the former Redevelopment Agency, and the administrative costs of the Oversight Board.

Redevelopment Dissolution Law, as modified by SB 107, provides for a minimum Administrative Cost Allowance of \$250,000, and maximum of up to 3% of the actual property tax distributed to the successor agency in the preceding fiscal year, excluding the prior fiscal year administrative cost allowance and loan repayments made to the city or county that created the former redevelopment agency. At this time, the \$250,000 minimum Administrative Cost Allowance is sufficient for the anticipated 2018-19 cost of services, with \$125,000 budgeted for each six month period.

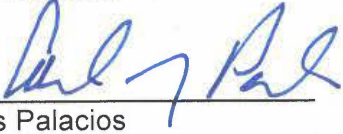
It is therefore RECOMMENDED that your Board adopt the attached resolution approving the Administrative Budgets for the 6-month periods: July 1, 2018 through December 31, 2018, and January 1, 2019 through June 30, 2019.

Very truly yours,

Betsy Lynberg  
 Director of Capital Projects

Oversight Board  
January 4, 2018  
Page 2

RECOMMENDED:

A handwritten signature in blue ink, appearing to read 'Carlos Palacios', written over a horizontal line.

Carlos Palacios  
County Administrative Officer

BL:kn

Attachment

cc: CAO, Auditor-Controller, County Counsel, Successor Agency

BEFORE THE OVERSIGHT BOARD OF THE SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY  
RESOLUTION NO. \_\_\_\_\_

On the motion of Oversight Board Member \_\_\_\_\_ duly seconded by Oversight Board Member \_\_\_\_\_ the following resolution is adopted:

RESOLUTION APPROVING THE ADMINISTRATIVE BUDGET OF  
THE SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR  
AGENCY FOR THE 6-MONTH PERIODS: JULY 2018 THROUGH  
DECEMBER 2018, AND JANUARY 2019 THROUGH JUNE 2019

WHEREAS, the Santa Cruz County Redevelopment Successor Agency Oversight Board ("Oversight Board") has been established to direct the Santa Cruz County Redevelopment Successor Agency ("Successor Agency") to take certain actions to wind down the affairs of the former Santa Cruz County Redevelopment Agency ("Agency") in accordance with the requirements of Assembly Bill 26 ("ABx1 26"), also known as chapter 5, Statutes 2011, First Extraordinary Session, which added Part 1.8 and Part 1.85 of Division 24 of the California Health and Safety Code, Assembly Bill 1484, also known as chapter 26, Statutes of 2012, and Senate Bill 107, 2015-16 Legislative Session, which made certain revisions to the statutes added by ABx1 26; and

WHEREAS, Health and Safety Code Section 34179 (e) requires that all actions taken by the Oversight Board shall be adopted by resolution; and

WHEREAS, Health and Safety Code Section 34177(j) requires the Oversight Board to approve the Administrative Budget of the Santa Cruz County Redevelopment Successor Agency for the 6-month periods, July 2018 through December 2018, and January 2019 through June 2019;

WHEREAS, the Administrative Budget of the Santa Cruz County Redevelopment Successor Agency for the 6-month periods, July 2018 through December 2018, and January 2019 through June 2019, is attached as Exhibit 1; and

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED by the Oversight Board of the Santa Cruz County Redevelopment Successor Agency as follows:

SECTION 1. The above Recitals are true and correct.

SECTION 2. The Administrative Budget of the Santa Cruz County Redevelopment Successor Agency for the 6-month periods, July 2018 through December 2018, and January 2019 through June 2019, is approved.

PASSED, APPROVED and ADOPTED by the Oversight Board of the Santa Cruz County  
Redevelopment Successor Agency, this \_\_\_ day of \_\_\_\_\_, 2018 by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Chairperson of the Oversight Board of the Santa Cruz  
County Redevelopment Successor Agency

ATTEST:

\_\_\_\_\_  
Clerk of the Oversight Board

Approved as to form:

  
\_\_\_\_\_  
County Counsel

Distribution:  
County Counsel  
Successor Agency  
CAO  
State Department of Finance  
Auditor-Controller

Santa Cruz County Redevelopment Successor Agency  
Administrative Budget for the period July 1, 2018 - June 30, 2019

Account #	Account Title	RSA 2017-18 Budget	RSA 2017-18 Estimated Actual Expenditures	RSA 2018-19 Proposed Budget	RSA Admin. Budget July-Dec 2018	RSA Admin. Budget Jan-Jun 2019
<b>REVENUES</b>						
	Property Tax	250,000	250,000	250,000	125,000	125,000
	Interest	2,700	3,600	3,500	1,750	1,750
	<b>TOTAL REVENUES</b>	<b>252,700</b>	<b>253,600</b>	<b>253,500</b>	<b>126,750</b>	<b>126,750</b>
<b>EXPENDITURES</b>						
	Salaries and Employee Benefits	0	0	0	0	0
	Total	0	0	0	0	0
	Services and Supplies	281,572	281,572	258,317	129,159	129,159
	Total	281,572	281,572	258,317	129,159	129,159
	Other Charges	0	0	0	0	0
	County Overhead A87/CP EFF 0809	(26,652)	(26,652)	(8,317)	(4,159)	(4,159)
	Total	(26,652)	(26,652)	(8,317)	(4,159)	(4,159)
	<b>TOTAL EXPENDITURES</b>	<b>254,920</b>	<b>254,920</b>	<b>250,000</b>	<b>125,000</b>	<b>125,000</b>

Narrative:

Revenues are funded by Property Taxes, as approved on the ROPS, and interest. The administrative budget includes costs for administrative expenses from other County departments, including Parks, Auditor-Controller, Clerk of the Board, Planning, Public Works, County Administrative Office, and County Counsel. Other indirect County costs related to activities of the Successor Agency are paid through County overhead charges. Costs for the Oversight Board, such as notices and meetings, are included in the administrative budget.

Budget Worksheet  
 Criteria: Fiscal Year = 2019; GL Key = 610110; Rev/Exp = B

GL Key	Object	Object Title	Actual 2016-17	Allow 2017-18	YTD Adj Bdgt 2017-18	YTD Actual 2017-18	Est-Act 2017-18	Request 2018-19	Recommend 2018-19	Change from Allow	1st 6 months		2nd 6 months	
											July-Dec	Jan-Jun		
GL Key 610110 -- RDA ADMIN - LO/SOO CAP PROJ														
Expenditures														
Character 60 -- SERVICES AND SUPPLIES														
610110	61220	TELECOM SERVICES	119	600	600	-	200	300	300	(300)	150	150	-	-
610110	62219	PC SOFTWARE PURCHASES	790	-	-	-	-	-	-	-	-	-	-	-
610110	62360	LEGAL SERVICES	500	1,500	1,500	1,000	1,500	1,500	1,500	-	750	750	750	750
610110	62381	PROF & SPECIAL SERV-OTHER	270,070	277,972	277,972	278,872	255,017	255,017	255,017	(22,955)	127,509	127,509	127,509	127,509
610110	62610	RENTS/LEASES-STRUC IMP & GRNDS	1,260	1,500	1,500	305	1,500	1,500	1,500	-	750	750	750	750
Total SERVICES AND SUPPLIES			272,739	281,572	281,572	281,572	258,317	258,317	258,317	(23,255)	129,159	129,159	129,159	129,159
Character 70 -- OTHER CHARGES														
610110	75315	COUNTY OVERHEAD A87/ICP	(24,959)	(26,652)	(26,652)	(13,326)	(8,317)	(8,317)	(8,317)	18,335	(4,159)	(4,159)	(4,159)	(4,159)
Total OTHER CHARGES			(24,959)	(26,652)	(26,652)	(13,326)	(8,317)	(8,317)	(8,317)	18,335	(4,159)	(4,159)	(4,159)	(4,159)
Total Expenditures			247,780	254,920	254,920	(13,021)	254,920	250,000	250,000	(4,920)	125,000	125,000	125,000	125,000
Revenues														
Character 01 -- TAXES														
610110	40100	PROPERTY TAX-CURRENT SEC-GEN	250,000	250,000	250,000	250,000	250,000	250,000	250,000	-	125,000	125,000	125,000	125,000
Total TAXES			250,000	250,000	250,000	250,000	250,000	250,000	250,000	-	125,000	125,000	125,000	125,000
Character 10 -- REV FROM USE OF MONEY & PROP														
610110	40430	INTEREST	3,530	2,700	2,700	1,828	3,600	3,500	3,500	800	1,750	1,750	1,750	1,750
Total REV FROM USE OF MONEY & PROP			3,530	2,700	2,700	1,828	3,600	3,500	3,500	800	1,750	1,750	1,750	1,750
Total Revenues			253,530	252,700	252,700	126,828	253,600	253,500	253,500	800	126,750	126,750	126,750	126,750
Total RDA ADMIN - LO/SOO CAP PROJ			(5,750)	2,220	2,220	(139,849)	1,320	(3,500)	(3,500)	(5,720)	(1,750)	(1,750)	(1,750)	(1,750)
Total Expenditures less Revenues			(5,750)	2,220	2,220	(139,849)	1,320	(3,500)	(3,500)	(5,720)	(1,750)	(1,750)	(1,750)	(1,750)

Run: 12/21/2017 11:20 AM Includes FAMIS transactions posted through: 12/20/2017



# County of Santa Cruz

## SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY

701 OCEAN STREET, ROOM 510, SANTA CRUZ, CA 95060-4073

(831) 454-2280 FAX: (831) 454-3420 TDD: (831) 454-2123

January 4, 2018

Agenda: January 16, 2018

Oversight Board  
Santa Cruz County Redevelopment Successor Agency  
701 Ocean Street  
Santa Cruz, CA 95060

### APPROVAL OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2018 THROUGH JUNE 30, 2019 (ROPS 18-19)

Dear Members of the Board:

California Health & Safety Code Sections 34177(l) & (o) and 34180(g) require that the Recognized Obligation Payment Schedule (ROPS) be approved by the Oversight Board. AB 1484 added a \$10,000/day penalty for each day a ROPS is late. SB 107 modified Section 34177, replacing the 6-month ROPS with an annual ROPS, and moving the due date from March 1<sup>st</sup> to February 1<sup>st</sup>.

The next ROPS, covering the period July 1, 2018 through June 30, 2019 (ROPS 18-19), is due to the Department of Finance by February 1, 2018. This ROPS has been prepared using the revised form issued by the Department of Finance. Although the ROPS covers an annual period, it is divided into two 6-month sections, to match the two distribution dates in January and June of each year. Most remaining obligations are related to debt service, including the new 2017A Refunding Bond, which refunds the 2010, 2011A, and 2011B bonds. Item number 44 of the ROPS continues the contract between the Redevelopment Successor Agency and the County of Santa Cruz for property management and disposition services for the remaining RSA owned properties on Capitola Road and 7<sup>th</sup> Avenue. County Economic Development staff continues to work on disposing of these properties as outlined in the Long-range Property Management Plan, and as approved by the Department of Finance.

The Board of Supervisors, acting as the Santa Cruz County Redevelopment Successor Agency, approved the ROPS (Exhibit 1 to the resolution) on January 9, 2018. The Department of Finance letter approving the previous ROPS covering the period July 1, 2017 through June 30, 2018 (ROPS 17-18) is attached (Attachment 2).

It is therefore RECOMMENDED that your Board adopt the attached resolution approving the Recognized Obligation Payment Schedule 18-19 for the period July 1, 2018 through June 30, 2019.

Very truly yours,

Betsy Lynberg  
Director of Capital Projects



RECOMMENDED:

A handwritten signature in blue ink, appearing to read 'Carlos Palacios', written over a horizontal line.

Carlos Palacios  
County Administrative Officer

BL:kn

Attachments

cc: CAO, Auditor-Controller, County Counsel, Successor Agency, DOF, SCO

BEFORE THE OVERSIGHT BOARD OF THE SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY  
RESOLUTION NO. \_\_\_\_\_

On the motion of Oversight Board Member \_\_\_\_\_ duly seconded by Oversight Board Member \_\_\_\_\_ the following resolution is adopted:

RESOLUTION APPROVING THE RECOGNIZED OBLIGATION  
PAYMENT SCHEDULE OF THE SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY FOR JULY 2018  
THROUGH JUNE 2019 (ROPS 18-19)

WHEREAS, the Santa Cruz County Redevelopment Successor Agency Oversight Board ("Oversight Board") has been established to direct the Santa Cruz County Redevelopment Successor Agency ("Successor Agency") to take certain actions to wind down the affairs of the former Santa Cruz County Redevelopment Agency ("Agency") in accordance with the requirements of Assembly Bill 26 ("ABx1 26"), also known as chapter 5, Statutes 2011, First Extraordinary Session, which added Part 1.8 and Part 1.85 of Division 24 of the California Health and Safety Code, Assembly Bill 1484, also known as chapter 26, Statutes of 2012, and Senate Bill 107, 2015-16 Legislative Session, which made certain revisions to the statutes added by ABx1 26; and

WHEREAS, Health and Safety Code Section 34179 (e) requires that all actions taken by the Oversight Board shall be adopted by resolution; and

WHEREAS, Health and Safety Code Section 34177(l) & (o) and 34180(g) requires the Oversight Board to approve the Recognized Obligation Payment Schedule of the Santa Cruz County Redevelopment Successor Agency for the period July 1, 2018 through June 30, 2019 (ROPS 18-19);

WHEREAS, the Recognized Obligation Payment Schedule of the Santa Cruz County Redevelopment Successor Agency for the period July 1, 2018 through June 30, 2019 (ROPS 18-19) is attached as Exhibit 1; and

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED by the Oversight Board of the Santa Cruz County Redevelopment Successor Agency as follows:

SECTION 1. The above Recitals are true and correct.

SECTION 2. The Recognized Obligation Payment Schedule of the Santa Cruz County Redevelopment Successor Agency for the period July 1, 2018 through June 30, 2019 (ROPS 18-19) is approved.

PASSED, APPROVED and ADOPTED by the Oversight Board of the Santa Cruz County  
Redevelopment Successor Agency, this \_\_\_ day of \_\_\_\_\_, 2018 by the following vote, to wit:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Chairperson of the Oversight Board of the Santa Cruz  
County Redevelopment Successor Agency

ATTEST:

\_\_\_\_\_  
Clerk of the Oversight Board

Approved as to form:



\_\_\_\_\_  
County Counsel

Distribution:

Auditor-Controller  
CAO  
County Counsel  
Successor Agency  
State Department of Finance  
State Controller's Office

**Recognized Obligation Payment Schedule (ROPS 18-19) - Summary**

Filed for the July 1, 2018 through June 30, 2019 Period

Successor Agency: Santa Cruz County  
 County: Santa Cruz

	18-19A Total (July - December)	18-19B Total (January - June)	ROPS 18-19 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ 10,208,370</b>	<b>\$ 26,987</b>	<b>\$ 10,235,357</b>
B Bond Proceeds	9,622	-	9,622
C Reserve Balance	10,198,748	26,987	10,225,735
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 2,112,256</b>	<b>\$ 15,664,100</b>	<b>\$ 17,776,356</b>
F RPTTF	1,987,256	15,539,100	17,526,356
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 12,320,626</b>	<b>\$ 15,691,087</b>	<b>\$ 28,011,713</b>

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177 (c) of the Health and Safety code, I  
 hereby certify that the above is a true and accurate Recognized  
 Obligation Payment Schedule for the above named successor  
 agency.

\_\_\_\_\_  
 Name Title  
 /s/ \_\_\_\_\_  
 Signature Date

Santa Cruz County Recognized Obligation Payment Schedule (ROPS 18-19) - ROPS Detail  
 July 1, 2018 through June 30, 2019  
 (Report Amounts in Whole Dollars)

A Item #	B Project Name/Debt Obligation	C Obligation Type	D Contract/Agreement Execution Date	E Contract/Agreement Termination Date	F Payee	G Description/Project/Scope	H Project Area	I Total Outstanding Debt or Obligation	J Retired	K ROPS 18-19 Total	L Bond Proceeds	M Reserve Balance
6	2007 Taxable Housing Ref TAB / Bonds	Bonds issued On or Before 12/31/10	5/8/2007	9/1/2030	BNY Mellon Trust Co	Refunding bonds for housing projects	Live Oak/Soquel	\$ 530,232,193	N	\$ 28,011,713	\$ 9,622	\$ 10,198,748
9	2007 Refunding TAB, Series A / Bonds	Bonds issued On or Before 12/31/10	11/7/2007	9/1/2022	BNY Mellon Trust Co	Refunding Bonds - Housing & Non-housing portions	Live Oak/Soquel	14,194,500	N	\$ 648,545		385,621
10	2007 Refunding TAB, Series A / Bonds	Bonds issued On or Before 12/31/10	11/7/2007	9/1/2022	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel	3,276,000	Y	\$ 657,800		609,400
12	2010 Taxable Housing TAB / Bonds	Bonds issued On or Before 12/31/10	7/22/2010	9/1/2036	BNY Mellon Trust Co	Bonds for housing projects	Live Oak/Soquel		Y			
13	2011 Taxable TAB, Series A / Bonds	Bonds issued After 12/31/10	3/9/2011	9/1/2027	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Soquel		Y			
14	2011 Taxable Hsg TAB, Series B / Bonds	Bonds issued After 12/31/10	3/9/2011	9/1/2036	BNY Mellon Trust Co	Bonds for housing projects	Live Oak/Soquel		Y			
22	2007 Taxable Hsg Ref TAB / Bonds	Reserves	5/6/2007	9/1/2030	BNY Mellon Trust Co	Refunding bonds for housing projects	Live Oak/Soquel	14,194,500	N	\$ 387,524		
23	2007 Ref TAB, Series A / Bonds	Reserves	11/7/2007	9/1/2022	BNY Mellon Trust Co	Refunding Bonds - Housing & Non-housing portions	Live Oak/Soquel	3,276,000	N	\$ 618,400		
24	2007 Ref TAB, Series A / Bonds	Reserves	11/7/2007	9/1/2022	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel		Y			
26	2010 Taxable Hsg TAB / Bonds	Reserves	7/22/2010	9/1/2036	BNY Mellon Trust Co	Bonds for housing projects	Live Oak/Soquel		Y			
27	2011 Taxable TAB, Series A / Bonds	Reserves	3/9/2011	9/1/2027	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Soquel		Y			
28	2011 Taxable Hsg TAB, Series B / Bonds	Reserves	3/9/2011	9/1/2036	BNY Mellon Trust Co	Bonds for housing projects	Live Oak/Soquel		Y			
29	Fiscal agent fees / Bonds	Fees	8/29/2000	9/1/2036	BNY Mellon Trust Co	Annual bond account administration fees	Live Oak/Soquel	331,750	N	\$ 31,250		
30	Annual Continuing Disclosure / Bonds	Fees	8/29/2000	4/1/2037	Hartell and Company	Continuing Disclosure fees	Live Oak/Soquel	95,000	N	\$ 5,000		
31	Annual Audit / Bonds	Fees	8/29/2000	12/1/2037	Caponcci & Larson, Inc.	audit services	Live Oak/Soquel	133,000	N	\$ 7,000		
32	Periodic Arbitrage Services / Bonds	Fees	8/29/2000	1/1/2036	BLX Group, LLC	Arbitrage services	Live Oak/Soquel	60,000	N	\$ 8,000		
37	Farm Park Project / Contract	Professional Services	3/18/2008	6/30/2017	Davis Langdon, an AECOM Company	Contract for professional services	Live Oak/Soquel	6,388	N	\$ 6,388		
40	East Cliff Bluff Stabilization Project / Contract	Professional Services	5/3/2011	6/30/2017	ESA PWA	Contract for professional services	Live Oak/Soquel	3,234	N	\$ 3,234		
44	Contract for the Provision of Property Management and Disposition Services	Property Dispositions	7/1/2013	6/30/2017	County of Santa Cruz	Property Management Maintenance and Disposition services	Live Oak/Soquel	4,415,517	N	\$ 484,063		
45	Administrative Budget / Contracts for operation	Admin Costs	7/1/2016	6/30/2017	Various County Employees, Vendors	Salaries/Benefits and Services/Supplies	Live Oak/Soquel	4,750,000	N	\$ 250,000		
73	Heart of Sequel, Upper Ponter Street, and Twin Lakes Beachfront Projects	Improvement/Infrastructure	3/5/2013	6/30/2017	County of Santa Cruz	Contract for capital improvements services	Live Oak/Soquel		N			
74	2014 Refunding TAB / Bonds	Bonds issued After 12/31/10	1/28/2014	9/1/2024	BNY Mellon Trust Co	Refunding Bonds - Housing & Non-housing portions	Live Oak/Soquel	30,674,375	N	\$ 4,809,500		4,244,625
75	2014 Refunding TAB / Bonds	Bonds issued After 12/31/10	1/28/2014	9/1/2024	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel	96,028,025	Y	\$ 2,966,250		1,486,425
77	2015A Refunding TAB / Bonds	Bonds issued After 12/31/10	5/12/2015	9/1/2035	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel	27,288,611	N	\$ 1,220,542		869,896
78	2015B Refunding TAB / Bonds	Bonds issued After 12/31/10	5/12/2015	9/1/2024	BNY Mellon Trust Co	Refunding Bonds - Housing & Non-housing portions	Live Oak/Soquel	30,674,375	N	\$ 4,329,875		
79	2014 Refunding TAB / Bonds	Reserves	1/28/2014	9/1/2024	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel		Y			
80	2014 Refunding TAB / Bonds	Reserves	1/28/2014	9/1/2036	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel	75,775,450	N	\$ 3,023,000		504,207
81	2016A Refunding TAB / Bonds	Bonds issued After 12/31/10	7/6/2016	9/1/2035	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel	96,028,025	N	\$ 1,487,825		
82	2015A Refunding TAB / Bonds	Reserves	5/12/2015	9/1/2035	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Soquel	27,288,611	N	\$ 875,646		
83	2015B Refunding TAB / Bonds	Reserves	5/12/2015	9/1/2036	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel	75,775,450	N	\$ 1,991,950		
84	2016A Refunding TAB / Bonds	Reserves	7/6/2016	9/1/2036	BNY Mellon Trust Co	Refunding Bonds - Housing & Non-housing portions	Live Oak/Soquel	12,981,691	N	\$ 2,641,349		2,086,374
85	2017A Refunding TAB / Bonds	Bonds issued After 12/31/10	8/3/2017	9/1/2036	BNY Mellon Trust Co	Refunding Bonds - Housing & Non-housing portions	Live Oak/Soquel	12,981,691	N	\$ 1,548,872		
86	2017A Refunding TAB / Bonds	Reserves	8/3/2017	9/1/2036	BNY Mellon Trust Co	Refunding Bonds - Housing & Non-housing portions	Live Oak/Soquel		N	\$		
87									N	\$		



**Santa Cruz County Recognized Obligation Payment Schedule (ROPS 18-19) - Report of Cash Balances**  
**July 1, 2015 through June 30, 2016**  
**(Report Amounts in Whole Dollars)**

A	B	C	D	E	F	G	H	I						
									Fund Sources					
									Bond Proceeds		Reserve Balance		Other	
Bonds issued on 12/31/10 or before	Bonds issued on 01/01/11 or after	Prior ROPS and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	RPTTF	Non-Admin and Admin	Comments							
1	Cash Balance Information for ROPS 15-16 Actuals (07/01/15 - 06/30/16)													
1	Beginning Available Cash Balance (Actual 07/01/15)	70,355			6,168,025	200,323	134,982							
2	Revenue/Income (Actual 06/30/16) RPTTF amounts should tie to the ROPS 15-16 total distribution from the County Auditor-Controller during June 2015 and January 2016.	21,414			-	92,719	20,163,666							
3	Expenditures for ROPS 15-16 Enforceable Obligations (Actual 06/30/16)	52,938			6,524,991	141,638	11,839,731							
4	Retention of Available Cash Balance (Actual 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	9,621			2,100		7,611,115							
5	ROPS 15-16 RPTTF Balances Remaining	No entry required												
6	Ending Actual Available Cash Balance (06/30/16) C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 + 5)	\$ 29,210	\$ -	\$ -	\$ (359,066)	\$ 151,404	\$ 847,802	Cell H6 includes \$594,814 previously transferred from RPTTF, column H, to Prior ROPS RPTTF, column F, on the ROPS 16-17 Report of Cash Balances.						







April 6, 2017

Ms. Kim Namba, Administrative Services Manager  
Santa Cruz County  
979 17th Avenue  
Santa Cruz, CA 95062

Dear Ms. Namba:

Subject: 2017-18 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the Santa Cruz County Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2017 through June 30, 2018 (ROPS 17-18) to the California Department of Finance (Finance) on January 19, 2017. Finance has completed its review of the ROPS 17-18.

Based on a sample of line items reviewed and application of the law, Finance made the following determinations:

- Item Nos. 22, 23, 24, 26, 27, 28, 79, 80, 82, 83, and 84 – Bond Reserves from Redevelopment Property Tax Trust Fund (RPTTF) totaling \$10,225,735 are approved. However, Finance notes the approved RPTTF must be used for ROPS 18-19 debt service obligations.

Pursuant to HSC section 34183 (a) (2) (A), debt service obligations have first priority for payment from distributed RPTTF funding. As such, the \$10,225,735 of RPTTF authorized to be held in reserve, along with the amounts required for the current ROPS period, should be transferred upon receipt to the bond trustee(s). RPTTF funding approved for debt service obligations is restricted for that purpose and is not authorized to be used for other ROPS items. Any requests to fund the \$10,225,735 again from RPTTF will not be approved unless insufficient RPTTF was received to satisfy the approved debt service.

- On the ROPS 17-18 form, the Agency reported cash balances and activity for the period of January 1, 2016 through June 30, 2016. Pursuant to HSC section 34177 (l) (1) (E), the Agency is required to use all available funding sources prior to RPTTF for payment of enforceable obligations. During our review, which may have included obtaining financial records, Finance determined the Agency possesses \$64,351 of Other Funds that should be used prior to requesting RPTTF.

Therefore, with the Agency's concurrence, the funding source for the following item has been reclassified from RPTTF to Other Funds in the amount specified below:

- Item No. 44 – Property Disposition Costs is partially reclassified to Other Funds in the amount of \$64,351. Item No. 44 is an enforceable obligation for the ROPS 17-18 period. However, the obligation does not require payment from RPTTF and the Agency has \$64,351 of available Other Funds. Therefore, Finance is approving Other Funds in the amount of \$64,351 and RPTTF in the amount of \$389,771, totaling \$454,122 (\$64,351 + \$389,771).

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 17-18. If the Agency disagrees with Finance's determination with respect to any items on the ROPS 17-18, except items which are the subject of litigation disputing Finance's previous or related determinations, the Agency may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available on Finance's website:

[http://dof.ca.gov/Programs/Redevelopment/Meet\\_And\\_Confer/](http://dof.ca.gov/Programs/Redevelopment/Meet_And_Confer/)

The Agency's maximum approved RPTTF distribution for the reporting period is \$19,210,688 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2017 through December 31, 2017 period (ROPS A period) and one distribution for the January 1, 2018 through June 30, 2018 period (ROPS B period) based on Finance's approved amounts. Since Finance's determination is for the entire ROPS 17-18 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

On the ROPS 17-18 form, the Agency reported cash balances and activity for the period of January 1, 2016 through June 30, 2016. Finance reviews the Agency's self-reported cash balances on an ongoing basis. The Agency should be prepared to submit financial records and bridging documents to support the cash balances reported upon request.

The Agency was not required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2015 through June 30, 2016 period (ROPS 15-16). The Agency will report actual payments for ROPS 15-16 on the ROPS for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19), pursuant to HSC section 34186 (a) (1). A prior period adjustment may be applied to the Agency's ROPS 18-19 RPTTF distribution. Therefore, the Agency should retain any unexpended ROPS 15-16 RPTTF.

Absent a Meet and Confer, this is Finance's determination regarding the obligations listed on the ROPS 17-18. This determination only applies to items when funding was requested for the 12-month period.

The ROPS 17-18 form submitted by the Agency and Finance's determination letter will be posted on Finance's website:

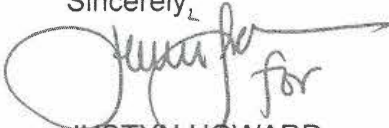
<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

Finance's determination is effective for the ROPS 17-18 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of the redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Wendy Griffe, Supervisor, or Jonathan Cox, Lead Analyst, at (916) 322-2985.

Sincerely,

A handwritten signature in black ink, appearing to read "Justyn Howard", with a long horizontal stroke extending to the right. The signature is written over a circular stamp or mark.

JUSTYN HOWARD  
Program Budget Manager

cc: Mr. Carlos Palacios, Deputy CAO, Santa Cruz County  
Ms. Edith Driscoll, Auditor-Controller Treasurer-Tax Collector, Santa Cruz County

**Attachment**

<b>Approved RPTTF Distribution</b>			
<b>For the period of July 2017 through June 2018</b>			
	<b>ROPS A Period</b>	<b>ROPS B Period</b>	<b>ROPS 17-18 Total</b>
RPTTF Requested	\$ 3,698,126	\$ 15,326,913	\$ 19,025,039
Administrative RPTTF Requested	125,000	125,000	250,000
<b>Total RPTTF Requested</b>	<b>3,823,126</b>	<b>15,451,913</b>	<b>19,275,039</b>
<b>RPTTF Requested</b>	<b>3,698,126</b>	<b>15,326,913</b>	<b>19,025,039</b>
<u>Adjustment</u>			
Item No. 44	(64,351)	0	(64,351)
<b>RPTTF Authorized</b>	<b>3,633,775</b>	<b>15,326,913</b>	<b>18,960,688</b>
<b>Administrative RPTTF Authorized</b>	<b>125,000</b>	<b>125,000</b>	<b>250,000</b>
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 3,758,775</b>	<b>\$ 15,451,913</b>	<b>\$ 19,210,688</b>