

RESOLUTION NO. 63-21 (CM)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE GRANTING A DENSITY BONUS FOR APP #921, FILED BY ANDY MADEIRA, WITH EDEN HOUSING, APPLICANT, ON BEHALF OF EDEN FREEDOM INVESTORS LP, PROPERTY OWNER, TO CONSTRUCT A FIFTY-THREE UNIT AFFORDABLE HOUSING PROJECT ON A 1.81± ACRE SITE LOCATED AT 1482 FREEDOM BOULEVARD, WATSONVILLE, CALIFORNIA (APN: 019-226-41)

WHEREAS, on August 4, 2020, Jane Barr with Eden Housing sent a letter informing the City of their request to process an affordable housing project located at 1482 Freedom Boulevard (APN: 019-226-41) in accordance with Senate Bill 35 (SB35), which in 2018 established a streamlined, ministerial review and approval process for multi-family housing developments with at least 50 percent of the units dedicated as affordable units; and

WHEREAS, the applicant has submitted information demonstrating that the project meets SB 35 eligibility requirements; and

WHEREAS, the 1482 Freedom Boulevard Project, is a 100% affordable housing project, and is also eligible for the City and State's Density Bonus incentives; and

WHEREAS, residential developments that provide 100% of the units for "lower income households" are eligible for an 80% density bonus along with four development incentives or concessions. In addition, an applicant may request waivers or reductions of development standards that would have the effect of physically precluding the construction of a development; and

WHEREAS, on December 2, 2020, Andy Madeira with Eden Housing, applicant, on behalf of Eden Freedom Investors LP, property owner, applied for a Density Bonus and Design Review Permit (APP #921) to construct fifty-three (53) affordable housing units on

a 1.81± acre site located at 1482 Freedom Boulevard, Watsonville, California, (APN: 019-226-41); and

WHEREAS, Chapter 14-47 (Density Bonus) of the Watsonville Municipal Code was adopted to comply with Subdivision (a) of Section 65915 of the California Government Code; and

WHEREAS, the project is consistent with all objective development regulations of the RM-3 Zoning District and the City of Watsonville Residential Development Standards for multi-family rental projects with concessions from and waivers of certain standards permitted under State Density Bonus law; and

WHEREAS, the applicant is requesting two (2) concessions and eight (8) waivers from development standards per State Density Bonus law; and

WHEREAS, the ministerial “design review or public oversight” of the application may be conducted by the City’s Planning Commission or City Council; and

WHEREAS, the City has a statutory timeframe limit of 90 days to complete the streamlined, ministerial review and approval process and acknowledges that the City may not in any way “inhibit, chill, or preclude the ministerial approval” allowed by SB 35; and

WHEREAS, notice of time and place of the hearing to consider approval of the Density Bonus, APP #921, was given at the time and in the manner prescribed by the Zoning Ordinance of the City of Watsonville (Watsonville Municipal Code 14-10.900) the matter was called for hearing both oral and documentary introduced and received; and the matter submitted for decision.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATSONVILLE, CALIFORNIA, AS FOLLOWS:

Good cause appearing therefore and upon the Findings, attached hereto as Exhibit "A," the Council does hereby grant a Density Bonus (APP #921) to Andy Madeira with Eden Housing, applicant, on behalf of Eden Freedom Investors LP, property owner, to construct fifty-three (53) affordable housing units on a 1.81± acre site located at 1482 Freedom Boulevard, Watsonville, California, (APN: 019-226-41).

The foregoing resolution was introduced at a regular meeting of the Council of the City of Watsonville, held on the 23rd day of February, 2021, by Member Montesino, who moved its adoption, which motion being duly seconded by Member Gonzalez, was upon roll call carried and the resolution adopted by the following vote:

AYES: COUNCIL MEMBERS: Estrada, García, Gonzalez, Hurst, Montesino, Parker
NOES: COUNCIL MEMBERS: Dutra
ABSENT: COUNCIL MEMBERS: None

DocuSigned by:
Jimmy Dutra
49273A78E4924F0
Jimmy Dutra, Mayor

ATTEST: DS
DocuSigned by:
Beatriz Flores
26A90ECA30A14E3
City Clerk

3/2/2021 | 9:26 AM PST

Date

APPROVED AS TO FORM:
DocuSigned by:
Alan J. Smith
10B41A22CD09B4D9
City Attorney

I, Beatriz Vázquez Flores, City Clerk of the City of Watsonville, do hereby certify that the foregoing Resolution No. 63-21 (CM) was duly and regularly passed and adopted by the Watsonville City Council at a meeting thereof held on the 23rd day of February, 2021, and that the foregoing is a full, true and correct copy of said Resolution.

DocuSigned by:
Beatriz Flores
26A90ECA30A14E3
Beatriz Vázquez Flores, City Clerk

Date 3/2/2021 | 9:26 AM PST

Application No: App #921
APN: 019-226-41
Applicant: Eden Housing
Hearing Date: February 23, 2021

DENSITY BONUS FINDINGS (WMC § 14-47.140[b])

- 1. The application is eligible for a Density Bonus and any concessions, or incentives requested if conforms to all standards included in Chapter 14-47 and includes a financing mechanism for all implementation and monitoring costs.**

Supportive Evidence

The project will provide a 100 percent affordable rental housing development, serving extremely low-income and very low-income households, and therefore is eligible for up to an 80 percent density bonus and four concessions, per state Density Bonus law. GOV § 65915.

The project has been conditioned to require the approval of a Density Bonus Affordable Housing Agreement by City Council in order to ensure that the units remain affordable for a minimum of 55 years and provide a mechanism for monitoring and implementation of the program.

- 2. Any requested incentive or concession will result in identifiable, financially sufficient, and actual cost reductions based upon appropriate financial analysis and documentation as described in Section 14-47.130 of Chapter 14-47.**

Supportive Evidence

The applicant requests concessions from the development standards requiring (1) a minimum of 96 square feet of private open space for each unit and (2) a maximum walking distance of 150 feet to covered parking and 250 feet to uncovered parking. The applicant provided the following financial analysis as evidence of the cost reductions for these two concessions:

Requested Relief	Details	Cost
Removal of patios & balconies (Construction Costs)	Removal of 39 balconies at \$13,000/unit. Removal of 14 patios at \$5,200/unit.	\$579,800
Min. patios or deck required (Operating Costs)	Reduction in \$150/unit/year in maintenance costs. This is a total of \$7,950/year and leads to an increase in our mortgage loan (measured by cash flow available for debt service) by about \$115,000.	\$115,000
Walking Distance From Unit (Construction Costs)	Would require adding an additional story to reduce walking distance between parking spaces and elevator ground floor. Assuming square footage	\$300,000

stays the same, an additional story adds approximately \$300,000 to total cost to account for enhanced structural needs.

TOTAL	\$994,800
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- 3. If the Density Bonus is based all or in part on donation of land, the approval body has made the findings included in Section 14-47.070(c) of Chapter 14-47.**

Supportive Evidence

Not applicable. The proposed project does not involve a land donation.

- 4. If the Density Bonus, incentive, or concession is based all or in part on the inclusion of a Day Care Center, the approval body has made the findings required by Section 14-47.080(b) of Chapter 14-47.**

Supportive Evidence

Not applicable. The proposed project does not include a Day Care Center.

- 5. A Density Bonus Housing Agreement in recordable form has been signed by the owner of the Residential Development with terms and conditions reasonably to satisfy the requirements of Chapter 14-47 and the Density Bonus Program Guidelines.**

Supportive Evidence

The project will provide a 100 percent affordable rental housing development, serving extremely low-income and very low-income households. More than 50 percent of the units are proposed to be restricted to be affordable to households earning 60 percent of Area Median Income or below with no units service households earning more than 80 percent of Area Median Income. Regulatory agreements setting forth affordability restrictions shall be recorded when all financing has been secured. Affordability restrictions shall be in place for at least 55 years. A condition of approval requires the applicable to record a Density Bonus Housing Agreement in accordance with the requirements of Chapter 14-47 and the Density Bonus Program Guidelines prior to issuance of a building permit.