



**THE IMPACTS OF MEASURE O FOR OUR DOWNTOWN, OUR FUTURE:
A SUPPLEMENTAL REPORT***

PREPARED FOR THE CITY COUNCIL, CITY OF SANTA CRUZ

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John Hall, PhD, Principal Analyst

Additional analysts: Len Beyea, Lira Filippini, Gillian Greensite,
Judi Grunstra, Rick Longinotti, and Robert Morgan

Yes on Measure O for Our Downtown, Our Future

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1. Executive summary

Measure O proposes complete renovation of the existing Downtown Library, offers permanence on Cedar Street's Lot 4 to the Downtown Farmers' Market, and designates 2.47 acres of City-owned parking lots downtown for development of affordable housing above the ground level. It would preclude construction of a 4-level parking structure on Lot 4.

Whether voters adopt or reject Measure O will set different urban planning trajectories for Santa Cruz's downtown for decades to come. The measure poses historic social and economic choices for the community. These choices come at a time of uncertainty for downtowns across the US, which face internet shopping challenges to brick-and-mortar retail stores, the rise of remote work, transformations due to the Covid-19 pandemic, an anticipated economic recession, and climate crisis. The Measure O choice is of the scope the city faced concerning Lighthouse Field in the 1970s and post-earthquake recovery in the 1990s. Fundamentally, Measure O proposes an alternative approach to the use of a set of City-owned public spaces. Adoption of Measure O versus proceeding with the Lot 4 proposal will have diverse impacts.

Environment. Measure O renovation of the existing library would include remediation of all asbestos issues. The Lot 4 proposal has substantial negative environmental consequences, especially connected to the 4-level parking structure. The proposal likely will require CEQA review, possible alteration, and delay. Even a substantial and highly efficient photovoltaic system is unlikely to meet electrical demands for the proposed Lot 4 structure, much less compensate for embodied carbon produced in construction. The Lot 4 proposal would require removal of more heritage trees than Measure O. Measure O holds greater overall promise for reduction of Vehicle Miles Travelled than the Lot 4 proposal.

Fiscal impact. Measure O would result in cost reductions and/or reductions in financial risk compared to the Lot 4 proposal. Already, not proceeding with Downtown Library renovation has resulted in an estimated \$2.85 million escalation cost of the project. Measure O library renovation would reduce future cost escalation by proceeding independently, avoiding possible delays in funding for the parking structure and affordable housing elements tied to library construction in the Lot 4 proposal.

The City's general and specific plans. Measure O's impact on the City's zoning and its General Plan and Downtown Plan would be substantially less than the Lot 4 proposal.

Land use and housing. Measure O increases City-owned land available for development of affordable housing downtown by 2.47 acres. A minimum of 305 units and up to 433 units of affordable housing can be developed on Measure O parking lots. Compared to the Lot 4

proposal, Measure O strongly increases the City's capacity to meet 2023-2031 RHNA requirements for affordable housing.

Infrastructure funding impact. Measure O decreases expenditures for infrastructure – specifically, the proposed Lot 4 parking structure – by an estimated \$20 million. City commitment of \$1.25 million in funds for Farmers' Market infrastructure would not be changed by the measure.

Business and employment impact. Public space is a magnet for entrepreneurial activity. The Downtown Farmers' Market is successfully established on Lot 4. Measure O's designation of City-owned land for affordable housing and its development of Lot 4 for the Farmers' Market and public event space are likely to be strong drivers of economic activity.

Vacant parcels of land. The proposed Lot 4 project would cover Lot 4 entirely. Measure O would establish a significant portion of Lot 4 as open public space and reserve other City-owned parking lots for development of affordable housing above ground level.

Impacts on traffic, congestion, and revitalization. Measure O would not substantially impact traffic congestion. It would promote economic and social revitalization in the neighborhood surrounding Lot 4. The proposed Lot 4 project would increase traffic congestion on Cathcart Street, affecting Pacific Avenue and other neighboring streets.

Library amenities and services. The renovated Civic Center library would have interior space of 30,230 square feet versus 38,086 square feet in the proposed Lot 4 library building. Both proposals provide the following services and amenities: adult fiction and non-fiction areas, computer and technology areas, teen library, children's library, group study rooms, a community meeting room, information desks, elevators, and restrooms. Measure O allows for future library expansion. Available unconfirmed data show the library renovation costing approximately \$2.3 million dollars less than the proposed Lot 4 library building when roof patio and photovoltaic system are included.

Housing downtown. Measure O would increase City-owned land designated for affordable housing Downtown by approximately 2.47 acres. That translates into a minimum of 305 units and up to 433 units of affordable housing. The Lot 4 proposal includes 124 units of affordable housing. How soon the City's Lot 4 housing proposal would be fully permitted is unclear. Over the medium term, compared to the Lot 4 proposal, Measure O would substantially increase City-owned land designated solely for development of affordable housing.

Housing preferences for workers. Precedent (e.g., Santa Barbara) exists for housing preferences for persons employed Downtown. Should any court decision declare a housing preference invalid, that provision is “severable” from other provisions of Measure O.

Public space. The potential of Lot 4 is demonstrated by its successful Farmers’ Market and other events. Measure O would preserve and develop Lot 4 as a public space. The proposed Lot 4 project would eliminate Lot 4 as a public space, likely moving the Farmers’ Market to Lot 7. Whether Lot 7 would function as anything other than a parking lot on non-market days is not clear. It is not possible to predict whether the Farmers’ Market would be as successful on Lot 7 as it is on Lot 4.

Use of Measure S funding. The legality and appropriateness of using Measure S funds for construction of a new library building on Lot 4 are contested. Voters in November 2022 will decide where to use Measure S funds for the Downtown Library.

Parking analysis. With a 30% vacant rate for off-street parking garage spaces, even at peak times there exists a surplus of unused 447 off-street parking in city garages; a surplus of 233 spaces exists on City surface lots. The total number of public and private parking downtown is 5,319 spaces.

Planned downtown developments and parking. Seven recent and proposed housing developments are planned, yielding 871 units and 715 parking spaces. Three of the developments are 100% affordable housing directly adjacent to public transit. Measure O allows for ground-level parking on designated City-owned parking lots to support parking demand, if needed.

Parking structure feasibility. A net of 180 parking spaces would be created in a Lot 4 parking structure, at an estimated cost of \$111,000 per net new space. The costs, financial risks, and potential negative impacts of building a parking structure are considerable, and there are no apparent bases for mitigation of risk.

Transportation demand and parking management. Much parking space Downtown is underutilized. Given the cost and fiscal risk associated with building a new parking structure, further implementation of strategies to manage parking supply and demand would provide an alternative, cost-effective approach to meeting parking needs of Downtown Santa Cruz for the foreseeable future.

2. Background

Measure O poses a fundamental alternative to the City of Santa Cruz's plans for development projects downtown, specifically, its Lot 4 Mixed-Use Proposal. Measure O would prioritize renovation of the Downtown Library at its present location, make the Downtown Farmers' Market long-term location at Lot 4 on Cedar Street a policy priority, and designate City-owned Downtown parking lots specified in its Exhibit A for the development of 100% affordable housing above the ground level on. The measure would eliminate the possibility of the City pursuing its plan to build a proposed new library or a proposed four-level parking structure on Lot 4.

The text of Measure O and other documents concerning the measure are available at the City's website.¹ The Ten Over Studio "entitlement package draft" proposal for the Lot 4 project, including what the Lot 4 library architect describes as a "schematic design," is also available.²

Measure O would result in a substantial and different trajectory of planning for Downtown Santa Cruz from urban planning predicated on implementation of the Lot 4 Mixed-Use proposal. For this reason, assessment of Measure O's impacts is appropriately compared not to the status quo but to impacts on Downtown if the Lot 4 proposal is pursued further.

On May 24, 2022, on staff recommendation, the City Council approved funding "an impacts report, pursuant to California Elections Code Section 9212," for \$20,000. The Council later stipulated that the impact report due date be "no later than September 27." The City engaged Keyser Marston Associates to serve as its consultant. Measure O representatives met with consultant staff on September 1, 2022.

The issues concerning the impact of Measure O versus development based on the Lot 4 Mixed-Used Proposal are diverse. For a number of issues, impacts of either Measure O or the alternative City Lot 4 proposal cannot be definitively predicted, and analysis will be based on assumptions that should be spelled out and inherently probabilistic.

The present analysis of impacts has been prepared prior to the release of the Keyser Marston Associates impact analysis. The present analysis, by our Architecture and Urban Planning Team, is likely to overlap with the Keyser Marston impact analysis. There also is some overlap in the topics identified by the City Council, and therefore, some overlap in information provided in various sections here. Keyser Marston Associates is a California consulting firm with offices in the Bay Area, Los Angeles, and San Diego. Our Architecture and Urban Planning Team members are more familiar with Santa Cruz, Measure O, and the proposed Lot 4 project. Therefore, this report may provide supplemental details beyond what Keyser Marson would be able to provide

in a short turnaround time. This report addresses all impact topics identified by the City Council, in the same topical order. It also includes one set of analyses not included in the City Council's tasking. The City Council did not request an analysis of Measure O's environmental impacts. Given the importance of the global climate crisis for all policy decisions, our analysis begins with that topic, followed the impact analyses that the City Council requested.

3. Environmental impacts

Both Measure O and the Lot 4 proposal would have substantial environmental consequences based on a variety of issues discussed here.

CEQA

The California Environmental Quality Act (CEQA) sets requirements for environmental-impact review of development projects and alternatives.³ California Senate Bill 35 (SB35) allows exceptions to this review requirement for affordable-housing projects that meet certain conditions.⁴ The Lot 4 proposal is to construct two separate buildings – (1) a four-level parking structure (with one of its levels below ground level) that would serve as a “podium” on which five stories of affordable housing would be built; and (2) a new library facility.⁵ Thus, any SB35 exception to CEQA review would seem to apply only to the parking structure-housing component of the project.

SB35 sets criteria for proposal streamlining eligibility. City-owned parking lots 7, 8, 9, 14, and 16, specified by Measure O for development of 100% affordable housing, appear to be eligible for SB35 streamlining. These parcels are neither in a flood plain nor do they fall within the boundaries of the Coastal Zone. City-owned parking lots 11, 26, and 27, specified by Measure O for affordable housing, fall within the Coastal Zone and would seem ineligible for SB35 streamlining.⁶

Construction of a new library building on Lot 4 seems, on the face of it, to require CEQA review. The City Council has not, to our knowledge, addressed the issue of CEQA review for the library component of the Lot 4 project. To our knowledge, the City has not made any public statement to date either about applying SB35 in relation to the affordable housing element of the Lot 4 proposal or about CEQA review of the Lot 4 project.

More generally, CEQA requires that EIRs evaluate alternatives to a project that would potentially lower environmental impact. There is considerable documentation of parking consultant recommendations regarding alternatives to building a new parking structure.⁷ The consensus of these recommendations is that better management of existing parking resources, and demand reduction alternatives should be employed and the results analyzed before any

determination is made that new supply is warranted. CEQA requires that EIRs designate a preferred alternative that would meet project objectives at a lower environmental impact. Given consultants' unanimous recommendations in favor of alternatives to meet future parking demand, environmental review would be highly likely to conclude that building a parking structure on Lot 4 is not the preferred alternative.

Lot 4 Parking Structure

Beyond the question of CEQA review, the Lot 4 proposal raises additional issues. Its schematic design calls for a four-level parking structure covering approximately 62.4% of the Lot 4 site, with the lowest level to require excavation one level below grade.⁸ Because Lot 4 is near the San Lorenzo River, there is a persistent water table beneath the surface of area.⁹ Substantial soil excavation and removal of related groundwater would be necessary to accommodate the subterranean portion of the project.

The water table presents significant obstacles and increases in costs for buildings that require extensive excavation and dewatering to accommodate subsurface land uses such as the proposed parking structure. There are several variables that this dewatering on this scale would have to account for, including increased energy use, soil composition, the removal of contaminants in subsurface water, seasonal variations in the water table, floods, and post-construction pumping.

Geotechnical investigations are generally required for subsurface construction, and dewatering permits would be required when groundwater is expected to be encountered and dewatering needed. If water were to be discharged to the City's storm drain system, it would have to conform to requirements for pH and sediment prior to discharge, meeting State of California stormwater regulations. Alternatively, discharge water pumped from the site could, after extraction or removal, undergo minimal treatment to filter suspended solids, with subsequent discharge to a local body of water. Whether proximity to the nearby Monterey Bay Marine Sanctuary would be a constraining factor would have to be determined. Where Lot 4 project developers plan would discharge subsurface water from this site.

It is highly likely that engineering the proposed below-ground level component of the Lot 4 proposal would require foundational concrete piers to a depth of 20 feet below the below-grade foundation of the parking structure. A conservative (minimal) estimate is that necessary excavation would produce 19,125 cubic yards of dirt (and possibly rock) excavation, requiring removing a minimum of 478 truckloads of excavated material from Downtown Santa Cruz.

The amount of concrete required to build the parking structure is estimated to be a minimum of 25,230 tons, or 1,246 large cement-truck loads. The embodied carbon, that is, the CO₂ produced in the manufacture of concrete for the parking structure, would be a minimum of 22,707 tons. These adverse environmental impacts would be completely avoidable if the parking structure were not built.

Electricity requirements for Lot 4 parking structure construction and operation

Lot 4 lies approximately 3 meters above sea level at present.¹⁰ With global warming, sea level is predicted to rise, and elevation will decrease. Construction of the Lot 4 project parking structure thus may be anticipated to require pumping out of water to create the structure's foundational concrete piers. After construction, even in the absence of flooding, the parking structure can be expected to require electrical pumping facilities. Whereas the minimum environmental impact of embodied carbon for parking structure concrete can be estimated with a reasonable degree of accuracy, it is impossible to estimate the energy use required to maintain the parking structure because that use will fluctuate according to unpredictable events of sea-level increase, floods, and climate change. If a below-grade level of the parking structure were not built, the negative environmental effects of pumping for construction, post-construction pumping, as well as embodied carbon for the below-ground level portion of the parking structure would be completely avoided.

Photovoltaic component of Lot 4 Mixed-Use proposal

A photovoltaic system is included as an alternative for the Lot 4 proposal. The length of time required on the basis of installing solar panels to compensate for embodied carbon produced in the parking structure in the project would depend on the type of photovoltaic system, size and number of panels, and the kWh rating of the system. The architect and planners for the Lot 4 project have stated that the Lot 4 project would have "a minimum target of LEED Silver for certification, and a rating as high as Gold is being explored," and would produce "270KW (Net Zero)" [*sic*].¹¹ This statement raises several questions. "Net Zero" currently is questioned as a standard in relation to energy efficiency of buildings. Commissioner Andrew McAllister of the California Energy Commission has said, "The blunt instrument of [NZE] is kind of an outdated concept."¹² Concerning the Lot 4 proposal, among other issues, it is not clear whether the Net Zero Energy assertion applies to the overall proposed project or only the Library (the rooftop of the affordable housing building, not the library, is designated as the location of photovoltaic panels in an April 21, 2022, Jayson Architecture presentation; the Ten Over Studio plans do not include information about photovoltaic panels or HVAC). Neither the Jayson Architecture presentation nor the Ten Over Studio plans include specifications for the photovoltaic installation (number of panels, type, etc.) that could be used to calculate electricity production. The kilowatt productivity is not indicated (per hour, per day) nor is there a description of the

total energy consumption of the library, parking structure, or housing component of the proposed project based on the type and requirements of HVAC system, building heat gain/loss, pumping requirements, or other features described. The rooftop surface area available for photovoltaic panels is limited relative to the size of the overall project and the electrical demands for the library, housing, and the parking structure.

Given the absence of basic information, it is not possible either to calculate net production of off-grid energy relative to demand nor to assess the environmental impact of the photovoltaic system proposed for the Lot 4 project. Given the overall size of the project relative to space for solar panels, it is an open question as to whether even a substantial and highly efficient photovoltaic system would provide sufficient electricity for the electricity demands of the project itself, much less compensate for the amount of embodied carbon produced in construction and electricity consumed in post-construction pumping for the parking structure. At present, any net positive contribution relative to embodied carbon and electricity demands over time remains unmodeled and impossible to affirm with any confidence.

Library renovation versus new construction

Measure O designates as a policy priority that the existing location of the Downtown Library be its “preferred long-term location.” Assessing the environmental impact of this element of Measure O is beyond the scope of the present analysis. Such analysis would require calculation and comparison of the environmental costs and benefits of the two alternative libraries in their construction and operational phases. To date, neither plan is finalized to the point at which such calculations can be made. However, in qualitative terms, two important points about renovation of the existing library at the Civic Center should be noted.

First, the renovation as budgeted is proposed to include remediation of all asbestos issues in the existing library structure. The Lot 4 proposal does not address the future of the existing library structure and thereby leaves the environmental problems of asbestos to be resolved in some other way, at some unspecified future date.

Second, the overwhelming counsel of architects and planners is to renovate and reuse existing structures rather than building new ones to replace them. As the winners of the Pritzker Architecture Prize in 2021 assert: “Never demolish, never remove – always add, transform and reuse.”¹³

Heritage trees

A defining feature of Lot 4 is the presence of mature heritage trees, including its iconic magnolia trees. The city’s Heritage Tree Ordinance and its accompanying Removal Resolution

spell out the importance of the city's heritage trees and the criteria for any heritage tree removal. Pertinent to the design of new construction, the Resolution states that a heritage tree shall only be altered or removed in the following circumstance: if “(3) A construction project design cannot be altered to accommodate existing heritage trees or heritage shrubs.”

The architects for the Lot 4 proposal have made no mention of the heritage trees in their public presentations. Conceptual designs presented to the City Council and the public have not referenced the heritage trees. Although some of the largest heritage trees on Lot 4 are on the perimeter and could be preserved with appropriate design, others are in the footprint of the proposed structure and are likely to be recommended for removal. By contrast, almost all heritage trees in Lot 7 are younger and located adjacent to the sidewalks on the periphery of the site, presenting no problems for preservation.

Transportation demand management

Both approaches propose ways to increase housing Downtown, thereby likely reducing overall Vehicle Miles Traveled (VMT). The Lot 4 proposal is to build 124 units of very-low income housing. Depending on building height decisions on the parking lots designated for affordable housing in Measure O, a conservative estimate demonstrates that from 305 to 433 housing units can be developed using six of its specified lots (see Table 1). In the long run, because of the larger number of units of affordable housing to be developed, Measure O holds greater promise than the Lot 4 proposal for reducing VMT.

Lot	Address	APN	Square feet	Acres	Total lot size	Units/floor based on 1500 sq.ft./unit [diverse studio, 1, 2-bedroom units] and common spaces	5 floors [+ ground level >> 65' height]	6 floors [75' height]	7 floors [85' height]
26	409 Laurel next to Police	007-012-01	3528	0.08	7056				
26	241 Center St next to Police	007-012-02	3528	0.08					
16	212 Church next to Library	005-048-12	11587	0.27	15,812	10	50	60	70
14	Locust next to Library	005-048-11	4225	0.10					
8	710 Cedar/Lincoln	005-075-12	21,431.5	0.49	21,431.5	14	70	84	96
9	120 Elm	005-142-09	19,732.7	0.45	19,732.7	13	65	78	91
27	302 Front St	005-151-48	5,053.0	0.12	9453				
11	326 Front St	005-151-35	4,400.0	0.10					
7	Front/Cathcart	005-153-17	11,543.0	0.00	33,975.0	24	120	148	176
7	Front/Cathcart	005-153-05	4,312.0	0.00					
7	Front/Cathcart	005-153-29	3,354.0	0.00					
7	Front/Cathcart	005-153-28	8,668.0	0.00					
7	Front/Cathcart	005-153-03	6,098.0	0.00					
Total							305	370	433

Table 1. City-owned parking lots specified for 100% affordable housing development in Measure O: Projection of number of units, by number of floors, calculated for parking lots equal to or larger in size than building footprint of Pacific Station South development.

A second environmental issue related to transportation concerns what is called “induced travel.” Transportation analysts have studied whether the construction of parking garages

increases travel to a destination by personal vehicle. In these terms, a parking structure might be regarded in legal terms as an “attractive nuisance” that increases, rather than reducing, the CO₂ emissions that are partly responsible for global warming.¹⁴ Thus, the proposed Lot 4 parking structure is likely to induce great dependence on personal vehicles and on that basis, exacerbate problems of global warming.¹⁵

4. Fiscal impact

If Measure O were to be passed by voters, it would result in a series of cost reductions and/or reductions in financial risk compared to proceeding with the Lot 4 proposal.

Under Measure O, the construction of the proposed four-level Lot 4 parking structure would not move forward. That parking structure was estimated by the City in December 2021 to cost \$20 million or less, or not more than \$65,000 per parking space.¹⁶ However, that early cost estimate did not include excavation to one level below grade for the first level of the four-level plan proposed subsequently. Given the precarity of Parking District revenue (discussed below), purchasers of any bonds for the proposed Lot 4 parking structure are likely to increase the interest rate on bond prices to compensate for risk, thus burdening the City with higher bond repayments. If passed by voters, Measure O reduces risk of stopgap City measures to make up for insufficient Parking District revenue to meet bond repayment obligations or avoid bond default.

There is an opportunity cost in devoting parking revenue to building a parking structure. State law, as interpreted by Anthony Condotti, City Attorney, allows parking revenue in excess of expenses to be used by the City for any purpose.¹⁷ Not building a garage would create an opportunity for surplus parking revenue to be used to meet important community needs. In the medium term, assuming that the present Parking District revenue deficit is reversed, Measure O’s amendment to the General Plan, section M1.5.7, prioritizes that Parking District “surplus parking revenue” be allocated to other City uses – development of affordable housing, transportation demand management, Downtown Library renovation, and improvement of Lot 4 to enhance the use of the space for the Downtown Farmers’ Market and other events and recreation.

The cost of any project using Measure S funds – either renovation of the existing library or building a new library as part of the proposed Lot 4 project – has escalated in the six years since Measure S was passed by voters. In an initial November 2016, agenda report, City staff held, “there is urgency in moving forward timely with the library projects because the longer it takes to construct, the more expensive it will be, and therefore less can be accomplished with the limited Measure S bond funds.”¹⁸ The City was provided with a costed proposal for renovation

of the existing library by Jayson Architecture in November, 2019.¹⁹ According to a recent City staff estimate, the cost escalation, that is, the value of Measure S funds lost by failing to move ahead in a timely fashion with renovation of the existing library from the time of the costed proposal for renovation is \$2,853,062.²⁰

The passage of Measure O would minimize further library cost escalation by allowing planning the renovation of the existing library to proceed immediately rather than leaving the use of Measure S library funds contingent on possibly delayed funding for the parking structure and affordable housing elements of the Lot 4 proposal.

Concerning the City's statement about the fiscal impact of Measure O, a request was made to the Finance Department for detailed information concerning the estimated "loss of \$6 million secured to date in state and federal funding for the affordable housing."²¹ Because this estimate was developed in consultation with the City's Director of Economic Development, who is presently not available, the Department of Finance has indicated that it is not able to provide information until September 26, 2022, concerning the sources of the specified losses of state and federal funding.

5. Effect on the internal consistency of the city's general and specific plans

According to the Ten Over Studio entitlements pack draft, the City's Lot 4 proposal requires the following exceptions "to Downtown Plan and Zoning Code":

1. Building heights per city codes and downtown plan is measured from grade to top of parapet. In order to fit 5 floors over 3 floors, 8 stories, 85' will be required to top of roof, top of parapet will likely be close to 89' and top of 1 stairwell will be close to 95'.
2. According to Figure A-1, Downtown plan height. Approximately 1/3 of the site is within 200 feet of Pacific Street and allowed 75'. 2/3s of the site is in the 50' max height zone.
3. The property is partially within Height Zone A and has a parcel size larger than 50,000 SF. 85' max height is allowed for 20% of the site area. The proposed design has approximately 33% of the site area at 85' to top of roof and 90' to top of parapet.
4. Height Zone A allows 6 floors over the first floor of commercial. The proposed design is 7 floors over the first floor, 8 floors total.

For development projects on aggregated parcels larger than 50,000 square feet, the maximum height shall be 85 feet and the maximum number of floors shall be 6 floors above the required ground floor commercial use.

5. 1st floor, floor to ceiling height is required to be 15 ft minimum per Pacific Avenue Retail District façade standards and guidelines and as noted in the RFP for the project. The library will exceed this floor to ceiling height requirement but the parking garage, and residential lobbies with frontages on Lincoln and Cathcart will have floor to floor heights of 11'-6" and therefore floor to ceiling heights of around 10'.

6. According to the Land Use Concept Map found on page 28 of the City of Santa Cruz Downtown plan the project site is in the Cedar Street "village" corridor, yet it is within 200' of Pacific Street. Need clarification on the impact of the Cedar Street "village" corridor requirements on the project, especially the 50' height limit (4 floors max).

7. Base Height and Floors. The maximum height of all development within the Cedar Street Village Corridor shall be 35 feet (3 floors maximum). East of Cedar Street, development may be allowed to exceed 35 feet on a discretionary basis to a maximum height of 50 feet (4 floors maximum). The granting of additional height above thirty-five (35) feet is discretionary and requires a Design Permit with the recommendation of the Planning Director to the City Council, which must approve the additional height.

8. Special Use permit required with more than 60 residential units.²²

Should Measure O pass, in our analysis, for implementation to proceed, it will not require any immediate significant modification of the present General Plan, Downtown Plan, or zoning. As with the Lot 4 proposal, any affordable housing development with more than 60 units on City-owned lots specified in Measure O would require a Special Use permit.

Measure O has no significant impact on the internal consistency of the City's General Plan or Downtown Plan. It provides one "housekeeping" change of the Downtown Plan, Chapter 1, Introduction, *Executive Summary*, pp. 10-11, concerning the potential use of Pacific Avenue as a venue that, according to the present wording in one passage, "will be transformed once a week into a Farmers Market." The City has not implemented that section of the Downtown Plan and the actual present and proposed locations of the Farmers' Market differ from the location presently specified in the Downtown Plan.

Overall, the impact of Measure O on the City’s zoning and planning consistency and its General Plan and Downtown Plan would be substantially less than the Lot 4 proposal.

6. Impact on land use, availability and location of housing, and ability of the city to meet its regional housing needs

If Measure O is passed by voters, the City parking lots designated in Exhibit A increase the total amount of City-owned land available for the development of affordable housing Downtown by approximately 2.47 acres. A conservative estimate of the number of additional units of affordable housing that can be created on the basis of Measure O shows that a minimum of 305 units and up to 433 units of affordable housing can be developed on Lots 7, 8, 9, 14, 16, and 26 (see table 1). In addition, the measure continues to allow for the development of affordable housing on levels above the ground level of Lot 4. Overall, the impact of Measure O on the availability land for the development of affordable housing Downtown would be strongly positive.

Regional Housing Needs Allocation (RHNA) for Santa Cruz requires that the City “demonstrate how the jurisdiction will meet the expected growth in housing need” through the “fifth cycle, ending June 30, 2023 and during the “sixth cycle,” from June 30, 2023 through December 31, 2031.²³ If the City does not meet its housing goals for a given cycle, one or more categories of housing development become subject to California SB35 streamlining requirements.²⁴ The City of Santa Cruz “is responsible for ensuring that adequate opportunities exist for housing development through zoning and by removing regulatory impediments to housing production.”²⁵

For the cycle ending in 2023, the City did not meet its allocations by the time of the midcycle review and is thus now subject to SB35 ministerial streamlining for projects with 50% or more affordable housing.²⁶ To date, we have not found a public record that the City has met its RHNA allocations for very-low income housing for the cycle ending in June 2023.²⁷

The Lot 4 proposal includes 124 units of very-low income housing. By comparison, Measure O requires development of affordable housing on specified City-owned parking lots. On one of the Measure O lots, Lot 7 on Front Street, 148 units of very-low income housing can be built with a 75’ building height, or 176 units with a building height of 85’ (the height of the Lot 4 proposal).

During the 2023-2031 RHNA cycle, Santa Cruz is obligated to create 2,130 units of affordable housing. If voters pass Measure O, the conservative estimate provided in table 1 – based on developments with five floors (building heights of 65’) of affordable housing above ground level

– would fulfill 14.3% of RHNA goals for the period. With seven floors (building heights of 85’) of affordable housing above ground level according to the conservative model, development of Measure O lots would fulfill 20.3% of RHNA goals for the period.

One question concerns whether the Lot 4 proposal for affordable housing would be fully permitted by the fifth-cycle RHNA deadline of June 30, 2023. According to presently available information, meeting that deadline is highly unlikely: Jayson Architecture does not show permitting and bidding for the Lot 4 proposal to occur until the fall of 2023.²⁸ Additionally, environmental review of the project (discussed above) may identify better management of existing parking resources as the preferred alternative to the proposed Lot 4 parking structure. In this scenario, adjusting the Lot 4 project to conform with the EIR’s determination would further delay the project.

Development of the larger number of very-low income units on Lot 7 cannot achieve permitting by the fifth-cycle RHNA deadline either. Unless the June 30, 2023, RHNA deadline is met, Santa Cruz development proposals that meet SB35 criteria (including providing 50% affordable units before any density bonus) will be subject to SB 35 streamlining of the permitting process. Over the medium term, compared to the Lot 4 proposal, voter passage of Measure O would increase available City-owned land for development of affordable housing and strongly increase its capacity to meet 2023-2031 RHNA requirements for development of units of affordable housing.

7. Impact on funding for infrastructure

Measure O, if passed by voters, will decrease expenditures for parking infrastructure, specifically, the proposed Lot 4 parking structure, by an estimated \$20 million.

The other major infrastructure impact of Measure O concerns public space. The \$1.25 million in the City’s Capital Improvement funds already allocated for permanent infrastructure for the Farmers’ Market would not be changed by the measure. Whatever location is designated as the permanent location for the Farmers’ Market, infrastructure costs and costs of maintenance will exceed the amount presently budgeted. These costs may in part be offset by state and federal grant applications for public space development. The impact on public space infrastructure and maintenance of Measure O passing or, alternatively, the Farmers’ Market being located elsewhere, will be contingent on actual plans and cannot be determined in advance.

Whether Measure O is passed or, alternatively, defeated may also have infrastructure impacts on downtown businesses’ deficiency fees and in-lieu fees. Businesses that do not provide their own parking pay a deficiency fee each quarter, based on the number of parking spaces required

by the type and square footage of their business. Deficiency fees are to sunset in 2023, based on City Council action in 2018. If there is a shortage of parking revenue relative to expenses, including bond payments for a Lot 4 parking structure, this fee could be re-instituted. The in-lieu fee is a one-time developer fee charged when a new building provides less parking than is required. If Measure O does not pass, there is a possibility that in-lieu fees would be increased in order to help meet bond debt repayment for the proposed Lot 4 parking structure.

8. Impact on the community's ability to attract and retain business and employment

Either the planning and zoning changes specified by Measure O or the development of the Lot 4 proposal would yield significant immediate and longer-term changes to downtown Santa Cruz.

Construction of the proposed Lot 4 mixed-use project would involve some disruption to the immediate neighborhood for a period of around two years. Construction activity introduces impediments to traffic, heavy machinery traffic on streets, noise, dust, closures or diversions of sidewalks, and less visually attractive streetscapes. Although this impact would be temporary, it would not be insignificant and it would not be conducive to attractiveness of the neighborhood or retention of nearby businesses or of their employees. The Lot 4 project itself would increase employment in construction fields for the same temporary period; once construction were completed, those jobs would end.

A staffing estimate for either a renovated existing library or the proposed new library has not been provided. Because of interior design line-of-sight strategies employed in both library approaches, with a larger proportion of space dedicated to computer stations and untended reading spaces, either approach might require fewer employees.

The impacts of Measure O versus the Lot 4 project on the ability of the downtown to attract and retain businesses are difficult to predict. Businesses look for locations where the ratio of revenue to expenses is highest, and where markets are reasonably stable and predictable. Because Lot 4 is located in the downtown business district, it is reasonable to assume that the types of businesses affected by the Lot 4 proposal and the Measure O alternative are the types that would locate in the downtown business district – retail, food service, personal care services, and professional offices.

It is widely understood among urban planners that public space is a magnet for entrepreneurial activity in an immediately surrounding area.²⁹ The Downtown Farmers' Market is well established on Lot 4. If Measure O were to pass, development of the Farmers' Market on Lot 4 – and potentially other site enhancements for its use as a public space – would likely be a

strong driver of shops, restaurants, and cafés locating in immediate proximity. Such activation of downtown space might also occur if the Farmers' Market were relocated to Front Street's Lot 7 if that location were developed for use as a public space during non-market days. However, the geophysical characteristics of the two locations differ.

The Lot 4 proposal, as currently conceived, would result in an 8-story structure, with vehicle access traffic concentrated on Cathcart Street. The structure would be taller than all adjacent structures, and would cast long shadows on adjoining buildings, streets, and sidewalks, especially during fall, winter, and spring months. The reduction in solar access could detract from the attractiveness and economic performance of the immediate neighborhood. Although attempts to quantify optimal aspect ratios (building-height to street-width ratio) have been widely disputed, it is clear that higher building-height to street-width ratios tend to concentrate vehicle pollution and wind force. The street-aspect ratio in the area around Lot 4 will be changing even in the absence of the Lot 4 project due to other projects currently in planning or construction. However, unless a permitted but not required affordable housing development were pursued on Lot 4 under Measure O, retaining and developing Lot 4 as public space would eliminate issues of reduction in solar access.

Similar considerations would come into play with the development of affordable housing on City-owned parking lots designated under Measure O. For example, if the proof-of-concept demonstration plans for affordable housing on Lot 7 were pursued along the lines that Measure O proponents provided to Keyser Marston Associates, solar access would change there too. However, because taller buildings already are slated for construction on Front Street, the changes would not be as dramatic as at the Lot 4 site.

Without significant changes in State and Federal funds, the City would almost certainly have to raise parking fees to finance any multi-story parking structure at Lot 4 or any other site. Fee increases would necessarily be larger, should the parking structure require excavation below ground level, as is contemplated in the most recent Lot 4 proposal. Although a small increase could have negligible impact on customers coming to downtown or employee retention, a significant increase could have a considerable impact on parking demand from customers and employees. Studies in other jurisdictions have quantified such impacts, but it would be speculative to apply their findings to Santa Cruz's downtown. A thorough survey of existing businesses, employees, and their customers could provide some indication of the threshold for negative impacts from increased parking fees.

If Measure O were passed by voters, Lot 4 would be preserved as an open space. In urban areas, proximity of open space is typically perceived as a plus. Farmers' markets currently enjoy

very high approval ratings in the general population, so retention of the Farmers' Market would generally be considered a benefit to businesses in the vicinity of Lot 4.

The availability of affordable housing is a factor in retaining employees. In that regard, Measure O designates a much larger area on other City-owned lots for housing than that provided on Lot 4 and requires that they be developed with affordable housing "to the maximum extent feasible," whereas no such requirement would exist for the specified City-owned lots if the measure were not passed by voters. Because the housing included in the Lot 4 proposal would be built on the top of the parking structure, its construction would not commence until parking-structure funding was secured. Affordable housing construction might also be delayed in the short term if funding for the housing itself were not procured. It appears that, at any given level of funding for affordable housing, an alternative project could proceed just as fast or faster on other parcels than Lot 4, such as Lot 7.

9. Impact on the uses of vacant parcels of land

The Lot 4 proposal would involve construction on a *de facto* vacant parcel, insofar as it could be developed without demolition of buildings other than Toadal Fitness. The project would take up the entirety of Lot 4. By comparison, Measure O would establish Lot 4 as open space on a more permanent basis.

If the mixed-use project were to proceed as planned, there would be no impact on the uses of other vacant parcels of land. If Measure O were to be adopted by voters, the other City-owned parking lots identified in the measure would be designated for development of affordable housing above the ground level. The measure's requirement for such development "to the maximum extent feasible" is a direction to the City Council and staff to initiate such projects. Analysis presented to Keyser Marston Associates demonstrates that the larger of the designated parking lots (7, 8, 9, and 14 & 16) are of a size equal to or larger than parcels previously or presently under development for affordable housing. They are highly likely to be developed, resulting in the creation of from 305 to 433 affordable housing units, increasing housing density in the Downtown (see table 1). Other Measure O specified lots could also be developed, depending on availability of federal and state subsidies and shifting costs of construction. Aside from those City-owned lots, there is no significant impact from Measure O on the uses of vacant parcels.

10. Impact on agricultural lands, open space, traffic congestion, existing business districts, and developed areas designated for revitalization

As currently configured, the proposed Lot 4 project would channel all traffic for its 4-level parking structure onto and off of Cathcart Street. Determining the effects of the parking

structure on street traffic and identification of necessary remediations and changes in street traffic patterns would require a separate study.

The weekly Farmers' Market attracts a greater concentration of people to the area on Wednesday afternoon than is likely to use the library or come to or leave the housing during any similar time period. This market traffic is presently more dispersed toward parking in the surrounding streets as well as the presently underutilized parking garages (Locust Street Garage, Church Street Garage, Front Street Garage, and Soquel Avenue Garage), all within three blocks of Lot 4. Market traffic would continue to be dispersed if Measure O were adopted, compared to the Lot 4 development, which would concentrate traffic on a single side street and thereby increase congestion.

Retaining Lot 4 as open space would, if it were to continue in approximately its present size and configuration, cause no significant change in traffic from that currently experienced. This level of traffic is not significant in comparison to other streets in the downtown business district, where the greatest points of congestion presently are at the intersections of Pacific Avenue with Cooper Street, Church Street, and Lincoln Street.

If Lot 4 were to be developed into a public square, plaza, or commons, as Measure O would encourage, there presumably would be more frequent public gatherings, and at least a portion of the parcel could be dedicated to everyday use, eliminating some existing parking and adding either hardscape, vegetative landscape, and other features. As a plaza or commons, Lot 4 use as public space would increase, and as with the Farmers' Market and similar events, traffic would be dispersed rather than concentrated.

If voters passed Measure O and a significant number of affordable housing units were constructed on other City-owned parcels than Lot 4, to the extent that residents of those developments used private automobiles for commuting, rather than working downtown, as is encouraged by the measure, those projects could have an impact on traffic, particularly during the early morning and late afternoon weekdays.

As with any development downtown, with either the adoption of Measure O or the development of the Lot 4 proposal, consideration of existing traffic flows, coordination with transit and bicycle infrastructure, and location and configuration of driveways would be important in order to mitigate any negative traffic impacts.

11. Comparison of amenities and services at the renovated library versus the proposed Lot 4 library

The detailed plan for renovation of the existing library is a proposal by Jayson Architecture submitted to the City on November 22, 2021.³⁰ The basic plan for a new library in the Lot 4 proposal is included in the TenOver “entitlements package draft” of April 29, 2022, on the basis of a “schematic design” for the library portion of the Lot 4 proposal presented by Jayson Architecture on April 21, 2022.³¹

Amenities and services

Both the plans for the proposed renovation of the existing library and the proposed new library building on Lot 4 are subject to revision on the basis of further planning and community engagement. Comparison can only be made of plans as presently developed. The gross square footage comparisons are as follows:

Square feet	Existing library	Proposed Renovation	Proposed Lot 4
Interior - public	27,394	26,181	28,643
Interior - staff	14,916	4,049	9,443
Interior - total	42,310	30,230	38,086
Outdoor	none	3,550	3,406

Both proposals provide the following services and amenities: adult fiction and non-fiction areas, computer and technology areas, teen library, children’s library, group study rooms, a community meeting room, information desks, elevators, and restrooms. The proportion of space allocated for services and amenities, including others not presently included, is subject to modification on the basis of further community engagement and design. A tour of the existing library shows that its floor layout is inefficient. The renovation proposal’s 3,550 square feet of outdoor space is on the ground level. It is divided between patios directly accessible to the children’s library and to the community room. The Lot 4 proposal’s 3,406 square feet of outdoor space is in a mezzanine patio that is directly accessible to neither the community room nor the children’s library. Both plans provide for direct ground-level access to the community room during hours when the library is not open.

Both library proposals provide 21st-century facilities. The renovation of the existing library would include upgrades of all infrastructure and complete remediation of asbestos problems – an issue that would have to be addressed in any future reuse or demolition of the structure. It is not self-evident whether a library of the larger size of the Lot 4 proposal – 38,086 square feet³² – is either environmentally appropriate or required for anticipated library services in relation to changing library use patterns due to the rise of remote, internet, and other non-

physical library services. However, any library planning ought to include consideration of future library demand as well as space considerations for collections and operations.

Future expansion

The proposed library renovation at the Civic Center is a free-standing building to the west of two City-owned parking lots. These parking lots are designated in Measure O as permitting “library-associated functions” above the ground level. Many libraries across the US have built additions to existing libraries. Thus, an addition to the existing library could be built to the east of the existing building if and when additional space were required and funds were available. Affordable housing above a library addition would also be permitted by Measure O. In comparison, the library building in the Lot 4 proposal would be physically bounded by sidewalks on its north, west, and south sides and by the parking structure on the east side, and would thus not be subject to future expansion.

Overall costs

For either renovation of the existing library or construction of a new library building on Lot 4, the sizes, aesthetics, and quality of spaces are dependent on funding for “base” versus “alternative” levels of features and finishes. Detailed comparison of costs of the two alternative plans are inherently inexact and subject to unpredictable change due to inflation as well as factors like supply-chain issues for different types of proposed materials. Importantly, the two proposals – the Jayson Architecture proposal for renovation of the existing library and the Jayson Architecture proposal for a library as part of the Lot 4 proposal – are at different stages of development.

The *Final Report* for renovation of the existing library includes a cost assessment based on “a set of conceptual design drawings. These drawings establish the scope, quantity, and level of quality of the construction required to achieve the renovation design.” These detailed plans provided a basis for a detailed estimate of base and alternative costs by the costs and construction management firm, Mack5.³³

The Jayson Architecture proposal for a library building on Lot 4 does not provide the detailed drawings necessary for independent estimation of construction costs like those provided by Mack5 for renovation of the existing library. The cost estimates for the Lot 4 library building are less accurate projections than those for renovating the existing library. The comparison of costs provided by Jayson Architecture in its May 10, 2022, presentation is inherently based on different types of original estimates of costs, and it is thus subject to reanalysis and change.

In particular, for the existing library, the Jayson Architecture May, 2022, presentation does not provide the basis for estimates concerning temporary library costs during renovation nor does it explain why those costs have effectively tripled from an earlier \$750,000 estimate. Additionally, it does not explain why, as a percentage of “hard” costs, the “soft” percentage costs of renovation would be 17% higher than the soft percentage costs of the base + alternates Lot 4 proposal. The comparison of costs by Jayson Architecture identified as “closest ‘apples to apples’” compares the renovation costs including alternates to the Lot 4 proposal *without* the above-ground level patio and solar alternates that have been presented as major features of the proposed Lot 4 library design. Overall, the Jayson Architecture modeling of costs of library renovation versus new library construction on Lot 4 project indicates an escalated cost of renovation to be \$40.3 million, compared to a Lot 4 library cost of \$40.0 million, without photovoltaic and roof deck patio alternates, and \$42.6 million with those alternates.³⁴ These are only estimates, the assumptions of which require further clarification and updating. They show the library renovation costing approximately \$2.3 million dollars less than the proposed new library building on Lot 4 when its promoted patio and solar features are included.

Losses, funding shortfalls, and operating expenses

“Sunk costs” associated with failure to proceed in a timely manner with the Jayson Architecture proposal for renovation of the existing library at the Civic Center have been estimated by Jayson Architecture as a project “cost escalation” in the amount of \$2,853,062.³⁵

As of the date of this review, the City has not announced whether it has received a grant of \$10 million on the basis of its application to the California State Library “Building Forward Library Infrastructure Program.”³⁶ Therefore, no loss of funds presently can be identified in relation to State funding if Measure O passed and the new library building were not built at Lot 4. Because the State Library grant program is directed “to address life-safety and critical maintenance needs of public library facilities throughout California, prioritized for high poverty areas of the state,” it remains to be seen whether the Santa Cruz application for use of funds in an entirely new library building will be competitive.

Sunk costs associated with direct expenditures on planning for the Lot 4 proposal have been estimated by the City Department of Finance to be “over \$2.7 million of local public funding spent or encumbered to date on project pre- development costs.”³⁷ Because this estimate was developed in consultation with the City’s Director of Economic Development, who is presently not available, the Department of Finance is not able to provide information until September 26, 2022, concerning what amounts of those funds have already been spent, what amount are encumbered but not spent, and what encumbered but not yet paid amounts the City would be obligated to pay if the project were not further pursued.³⁸

Operating costs of staffing for the two alternatives in general cannot be anticipated. Because the photovoltaic system and library electrical usage are unknown, the difference in energy use in the two library alternatives also cannot be estimated. Based on square footage as a proxy for maintenance and building services, the Lot 4 library is estimated to cost approximately 39.9% more for such services. Simply put, a larger floor plan will require more energy to operate and higher costs to maintain.

12. Effects on the short-term and long-term provision of housing downtown

The passage of Measure O would have no impact on housing development projects already fully permitted and those projects are not reviewed here. Measure O would have two major effects on future provision of housing downtown. First, if Measure O were passed by voters, the City parking lots designated in the measure's Exhibit A would increase the total amount of City-owned land designated for the development of affordable housing Downtown by approximately 2.47 acres. That would translate into a minimum of 305 units and up to 433 units of affordable housing developed on Lots 7, 8, 9, 14, 16, and 26 (see figure 1). Second, the measure continues to allow for the development of affordable housing on levels above the ground level of Lot 4.

Concerning short-term versus long-term provision of housing, as discussed above, the question of how soon the City's Lot 4 housing proposal would be fully permitted cannot be answered with a high degree of confidence. Development of affordable housing on the City-owned parking lots designated in Measure O is not contingent on funding for the parking structure included in the Lot 4 proposal, and thus it not subject to possible delays on that basis. Measure O for Our Downtown, Our Future has provided Keyser Marston Associates with an architectural proof-of-concept demonstration plan for development of 100% affordable housing on Lot 7, one of the lots included in Measure O. If voters approved Measure O, planning for housing development on that lot could begin immediately. Over the medium term, compared to the Lot 4 proposal, voter passage of Measure O would substantially increase City-owned land designated solely for development of affordable housing.

A separate question concerns housing affordability levels in Measure O. For specified City-owned parking lots, the measure, if passed, requires (Exhibit A lots) or allows (Lot 4) development of affordable housing, which is defined in the measure as "residential dwelling units which are affordable to extremely low, very low, low, median, or moderate-income households as defined by the Affordable Housing Provisions of the Santa Cruz Municipal Code (Chapter 24.16)." The measure does not specify which income-level units are to be included in

any given project or overall. The measure leaves these decisions to the City staff and City Council to decide, according to needs at one or another point in time.

13. Legal analysis of affordable housing preferences for people who work

Measure O includes a provision amending the City's General Plan as follows:

M1.5.7 Prioritize, in a manner consistent with State law, the expenditure of surplus parking revenue from the Downtown Parking District for use in: 1) supporting the development of affordable housing for people who work Downtown; 2) establishing transportation demand management programs for people who work Downtown, including free transit passes....

This provision applies solely to the "expenditure of surplus parking revenue." The provision is separate from other provisions of Measure O that (1) "require, to the maximum extent feasible," the development of affordable housing on specified City-owned lots; and (2) allow "the development of affordable housing and associated uses on Lot 4 above the ground level."

Thus, Measure O does not entail giving a preference in new affordable housing to people who work downtown. That said, benefits identified for both Measure O and the City's Lot 4 proposal include decreasing vehicle miles traveled by providing for development of housing close to places of employment Downtown (see environmental impacts, above).

The question of whether preference can be given either in housing or in the funding of housing for people working Downtown is a legal one beyond the present analysis. However, precedent exists for provision of housing to persons employed Downtown. According to the Housing Authority of the City of Santa Barbara, "Downtown Workforce units are only available to persons employed within specified boundaries in downtown Santa Barbara."³⁹

Should any future court decision exclude the funding of or preference for Downtown worker housing, those provisions are "severable" from other provisions of Measure O. Specifically, Measure O, Section 7.A holds:

If any section, sub-section, sentence, clause, phrase, part, or portion of this Measure is held to be invalid or unconstitutional by a final judgment of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Measure.

14. Public space

As Santa Cruz increases in residential density downtown, there will be an increased need for multi-functional public space. The two existing public spaces closest to Downtown are Mission Park on Mission Street and Laurel Park at Laurel and Washington Streets, to the west of the London Nelson Center. South of Laurel Street and outside the immediate downtown area is Depot Park, most actively used for its sports field. San Lorenzo Park runs along the east side of the river and the Santa Cruz Riverwalk runs along the west side of the river. Abbott Square is a private space off Cooper Street. Plans for paseos downtown are included in projects under way – including segments between the San Lorenzo River, Front Street, and Pacific Avenue, and between Cedar Street and Center Street. None of these spaces functions as a downtown public community space. San Lorenzo Park occasionally serves as an event space but with its location on the east side of the river, it lacks easy access to Downtown. At present, Santa Cruz lacks a central, downtown public space.

Lot 4 has served as the location for the Wednesday downtown Farmers’ Market for over two decades. The Antique Faire is also held there monthly. The City also rents space on Lot 4 on a permit basis for public events such as concerts or demonstrations. So far as we have been able to determine, Lot 7, on Front Street, has not been used for community events.

The multiple benefits of public space are well established – both in general and for Santa Cruz.⁴⁰ Public squares are experiencing a renaissance nationally, providing space for people to gather every day and for special events. They also anchor shops, restaurants, and cafés around their perimeters. Place activation – via design of space and facilities to accommodate events – and streetscape improvements are key to the success of public spaces. Music, festivals, and public celebrations are activities of the sort held in public spaces.

Urban planning groups like Strong Towns and San Jose’s SPUR emphasize that public space fosters community and builds the social contract of mutual respect and care among diverse people.⁴¹ Gathering together is central to democratic society. And there are clear social, economic, and individual benefits.⁴² SPUR has shown how public space encourages vibrant urban life and drives business, tourism, jobs, and ultimately tax revenues. Multiple studies have shown that effective creation of public space brings social, cultural, and economic value to a downtown. When a property is adjacent to a park or open space, research shows that its value is increased by up to 40%.⁴³ In Santa Cruz, the City’s 2017 *Downtown Plan* lists, as one of its “first principles,” the need for “a strong network of public and private open spaces (streets, sidewalks, public parks, plazas, passageways and courtyards) that creates a socially active and pedestrian-oriented downtown.”

When William H. Whyte visited Santa Cruz to lecture on rebuilding downtown after the 1989 earthquake, he observed “What you lack, and what you could so easily have, is a central space, or several central open spaces, as gathering places.”⁴⁴ Although the City’s original “Downtown Recovery Plan” envisioned a public space, this vision never came to pass.⁴⁵

Whether Measure O passes or, alternatively, the City’s proposal for Lot 4 is pursued will have substantially different impacts on public space. Measure O establishes a policy priority for Lot 4 as the long-term location for the Downtown Farmers’ Market and other fairs and public events. This approach builds on what already has been demonstrated to work. The City has proposed that the Downtown Farmers’ Market be relocated to Lot 7. Whether Lot 7 would function as anything other than a parking lot on non-market days has not been spelled out. It is not possible to predict whether the Farmers’ Market itself would be as successful on Lot 7 as it is on Lot 4.

In urban planning terms, Lot 4 and Lot 7 differ in their potential as a public spaces.⁴⁶ Both parking lots are a half-block from the main retail street, Pacific Avenue. Lot 7 is on Front Street, which experiences heavier traffic than Lot 4, facing onto Cedar Street, and is thus less pedestrian-friendly. Its solar access is limited in afternoons, especially fall, winter, and spring. Lot 4 has both greater afternoon solar access and a more significant number and size of shade trees. Lot 4 is considerably larger than Lot 7, 1.37 acres versus 0.78 acres. It thus has more space available for the Farmers’ Market and its space would permit greater functionality for non-market day uses such as everyday social gatherings, concerts, fairs, and community events.

Overall, as a public space, Lot 4 has shown itself to be an optimal location. It is the largest and most inviting of any publicly owned downtown space. It also is already established as a welcoming community-gathering place of the kind that the Project for Public Spaces encourages: “When people see friends, meet and greet their neighbors, and feel comfortable interacting with strangers, they tend to feel a stronger sense of place or attachment to their community – and to the place that fosters these types of social activities.”⁴⁷

Developing a permanent market and event space on Lot 4 would accord with what the 2017 Downtown Plan calls for – to “preserve and enhance the informal ‘village’ qualities of the Cedar Street Corridor.” A public space on Lot 4 would “build out” the narrow Pacific Avenue axis in a way that would anchor and define Downtown Santa Cruz for future generations. Because Lot 7 is not presently used as a public space, its functionality remains unclear.

15. 2016 Measure S use of funding

Measure S was on the June 2016 ballot in Santa Cruz Libraries jurisdictions of Santa Cruz County (Watsonville is not part of the district). The ballot question posed was:

To modernize, upgrade and repair local libraries in Santa Cruz, Aptos, Live Oak, Scotts Valley, Boulder Creek, Capitola, Felton and La Selva Beach -replace failing roofs, outdated bathrooms, electrical systems/ structurally damaged facilities; support growing use by children, seniors, veterans and others; expand access to modern technology; and construct/ expand facilities where necessary; shall Santa Cruz Libraries Facilities Financing Authority issue \$67,000,000 in bonds for Santa Cruz Libraries Facilities Financing Authority Community Facilities District No. 2016-1; levy a special tax annually on parcels within the Community Facilities District; establish an initial appropriations limit; and assure mandatory accountability?

The measure passed with 70% voter support.⁴⁸ It included, as a share of the bond revenue, \$27 million for the Downtown Library in Santa Cruz. Neither the measure itself nor any campaign documents from January to June 2016 proposed construction of a new building for the Downtown Library, either in general or on Lot 4. To the contrary, all public statements concerning the campaign at the time that have come to light to date described the Downtown Library as being renovated with Measure S funds.⁴⁹ Using Measure S funds for the construction of a new building for the library on Lot 4 was first publicly proposed in a City staff agenda report concerning a “Downtown Library and Parking Garage Feasibility Study (PW)” for a December 6, 2016, City Council meeting.⁵⁰ That report cited a September 2016 meeting between Library and Public Works staff. The City Council subsequently moved forward to approve planning for a proposed library/garage mixed-use project. The City Council has not approved any final plan.

Whether the use of Measure S funds for construction of a new building as part of the Lot 4 proposal is legal has been disputed. Proponents of the Lot 4 proposal cite the full text of Measure S to the effect that bond measure funds can be spent on “new construction.”⁵¹ This wording does not preclude new construction, on Lot 4 or elsewhere. Opponents of the proposal for a new Downtown Library building on Lot 4 point to the actual wording of the question as presented on the election ballot, which states that bond funds can be used to “construct/ expand facilities where necessary.” Proponents of Downtown Library renovation argue that new construction for the Downtown Library is not “necessary,” and they point to the 2019 Jayson Architecture proposal for thorough renovation of the existing library as proof.⁵²

Public debate over the use of Measure S funds for new construction on Lot 4 has continued for more than five years. The issue has not been tested or resolved in any court. In the meantime,

on January 14, 2020, the City Council voted to transfer \$1.5 million of funds originally designated for the Downtown Library to cover overruns in construction costs at the Branciforte and Garfield Park libraries, leaving \$25.5 million remaining for the Downtown Library.⁵³ Based on library construction costs noted above, in the Fall of 2022, Measure S funds are insufficient by approximately \$17.1 million to cover the estimated \$42.6 million cost of the new library building. There has been no California State Library announcement concerning funding of a City proposal for a \$10 million grant to cover part of this funding shortfall. The proposal for construction of a new library building on Lot 4 is thus currently 66% higher than the available Measure S funds.

In the final analysis, voters in November 2022 will decide whether it is necessary or appropriate to use taxpayer-financed Measure S bond funds for new construction of a library building on Lot 4.

16. Parking analysis

In 2016, City-contracted consultants Nelson\Nygaard examined the City's parking census data, concluding, "In aggregate almost thirty percent of off-street parking in the Downtown remains empty even at the peak of the peak times. ... Many facilities have less than 50 percent occupancy even during the peak periods. Based on industry optimal peak occupancy of 90 percent, this utilization rate represents significant surplus capacity of existing parking resources in the district."⁵⁴

Current capacity of the four off-street parking structures within four blocks of Lot 4 is 1493 spaces. Downtown public surface lot capacity is 744 spaces. Measure O would not affect the off-street capacity of any public surface lots except Lot 4. Design of the permanent Farmers' Market facilities under Measure O will determine the net loss of parking on the Lot, but it is anticipated that some spaces would be lost. This loss can be mitigated by angled parking on Cedar, Lincoln, and Cathcart streets to replace the parallel parking spaces now on those streets at the perimeter of Lot 4. Design accommodations can allow for parking during non-market days.

With a 30% vacant rate for off-street parking garage spaces, even at peak times there exists a surplus of unused 447 off-street parking in city garages; a surplus of 233 spaces exists on surface lots. The total number of parking spaces available downtown is much larger when private spaces are included, 5,319 spaces.⁵⁵ The number of occupied parking spaces reached a peak in 2008 and declined by approximately 10 % by 2018 (see table 2). Measure O would not have any impact on these parking demand trends.

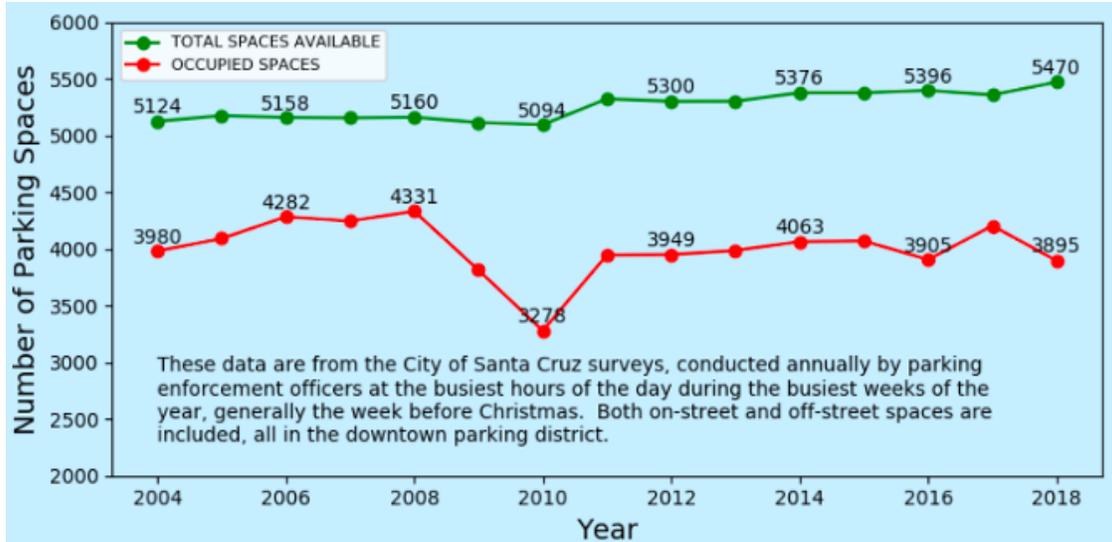


Table 2. Available and occupied parking spaces, City of Santa Cruz, 2004 – 2018. Source: Patrick Siegman, presentation to Santa Cruz City Council, March 19, 2019.

17. Planned downtown developments and parking

There are seven recent and proposed housing developments. They are located on Pacific Avenue, Front Street, and Cedar Street. Four of them include residential and commercial parking. Four projects are market-rate housing, including some with affordable units.

- *Nanda Apartments*, 1547 Pacific: 79 units, 72 residential parking spaces (completed).
- *530 Front Street*: Commercial mixed use; 184 residential units, 184 parking stalls.
- *Riverfront Project*, Front Street: 175 units, 187 parking spaces.
- *Alton Pacific Project*, corner of Pacific Avenue and Laurel Street: 205 residential units/commercial; 272 residential and commercial parking spaces.

530 Front has a parking requirement deficit of 30 spaces. The Downtown Commission granted a waiver to Alton Pacific, allowing its shortage.⁵⁶ There are three 100% affordable housing projects:

- *Pacific Station North and Pacific Station South*, Pacific Avenue: 164+ affordable units, include no parking spaces, a significant cost savings to the developers. Since both are next to Metro Santa Cruz, public transit will be an important transportation mode for residents.
- *532 Center Street*, the Episcopal Church development: 64 units, is an 100% affordable housing project with no parking on site. The Metro Transit Center is within 500 feet.

Because these plans did not specify ground-level parking with affordable housing above, the opportunity to mitigate lost surface was lost. One local model for affordable housing over ground-level parking is the highly successful Tannery development.

Measure O allows for ground-level parking on the City-owned parking lots specified in the measure's Exhibit A, to support parking demand, if needed. Under Measure O, Lot 4 would continue to offer parking, including street angle parking, with the number of spaces contingent on Farmers' Market infrastructure and public-space design.

18. Parking structure feasibility

Measure O would prohibit the construction of a 4-level parking structure on Lot 4, and so eliminate the \$20 million construction cost and bond debt to build the garage. If and when the city achieves surplus revenue from the parking district (not a guarantee as Des Moines, Iowa has learned⁵⁷), surplus Parking District revenue would be directed to funding affordable housing, library renovation, Lot 4 public-space amenities, and Transportation Demand Management programs. The financial feasibility and risk of the proposed Lot 4 parking structure require close analysis.

Financial feasibility

In 2019, the economist and UCLA professor of urban planning Adam Millard-Ball estimated the cost of construction per parking space in a garage at Lot 4 to be \$68,000. In a financial model with an assumed bond debt of 4% for 30 years, he estimated that financing a parking structure would cost approximately \$18 per day per space. He reported that the revenue from parking permits (\$75/month after price increases) would be \$3.40 per parking space, meaning that the required daily City subsidy of parking would be \$14.60 per space.⁵⁸

The City's estimate of \$20 million for construction of the parking structure likely significantly underestimates the actual cost. It was made in a mixed-use "Project budget update" on December 14, 2021, before the subsequent Ten Over proposal revised Lot 4 plans to include one level of underground parking – the most expensive way to provide parking, and one that would require groundwater and flood pumping. Additional costs can be expected to address the following: below-ground level engineering and construction, provision for drainage, below-ground level ventilation, fire-protection systems, an elevator, and increased lighting.⁵⁹

Absent a more recent estimate, the City's \$20 million estimate provides a basis for updating Millard-Ball's City parking subsidy estimate. With 180 new parking spaces (315 constructed spaces minus 135 existing spaces on Lot 4), the construction cost per net new space would be \$111,000. Under conservative assumptions, the parking structure would require an annual debt

service on 30-year bond at 6% of \$1.44 million, or a daily debt service of \$22 per net new space. If maintenance and administration are assumed at a level of 20%, the daily cost would be \$26.40 per space. Under a revenue projection of \$7 per day (70% occupancy, \$10/day per space), the City's subsidy of net new parking spaces would be \$19.40 per day.

Financial risk

A new parking garage, as all municipal parking facilities, is funded through the City's Parking Enterprise fund. In 2018, City staff engaged Economic Plan Systems (EPS) to analyze the City's plan for financing the then-proposed Lot 4 parking garage through rate increases approved that year. EPS reported, "The model does not evaluate a worst-case scenario (for parking revenues) where a major recession occurs or a technological change (and pricing) substantially reduces parking demand."⁶⁰

Such a worst-case scenario emerged in 2020 with the pandemic. In spite of the doubling of parking rates, which began to go into effect in 2019, parking revenue dropped to unprecedented levels. The Parking Enterprise fund exhausted its reserves. In FY 2022 the annual deficit was \$4 million. The City now projects a deficit of nearly \$3 million in FY 2023. With many Downtown workers telecommuting and a number of storefronts still shuttered, there is no basis for estimating when or if parking revenue will rebound to "normal."⁶¹

If parking revenue made it possible for the City to implement its plan to finance the parking structure through 30-year bonds, any subsequent recession that yielded insufficient parking revenue would require the City to service bond debt through other means, for example, an already stressed General Fund or increases to parking rates. In the latter scenario, downtown businesses would be at risk if rates discouraged visitors to Downtown. A City decision to reinstitute the Parking Deficiency Fee would also be a hardship on some businesses.

Overall, taking into account the number of additional parking spaces that would be created through the construction of a Lot 4 parking structure, the costs, and the financial risks, the potential negative impacts of building a parking structure are considerable, and there are no apparent bases for mitigation of this risk. The City and its voters face a decision concerning the cost-effectiveness of building the parking structure versus pursuing transportation-demand and parking management strategies.

19. Transportation demand and parking management

Construction of a 4-level parking garage on Lot 4 would create a net of 180 new parking space at an estimated cost of \$20 million, or \$111,000 per net new parking space. Downtown Santa Cruz currently has a total of 5,319 public and private parking spaces and significant

underutilization.⁶² Given the cost and fiscal risk associated with a new parking structure, a central question concerns whether further implementation of strategies to manage parking supply and demand would provide an alternative, cost-effective approach to meeting parking needs of Downtown Santa Cruz.

Parking and Transportation Demand Management strategies, including transit, coupled with the current oversupply of parking resources Downtown, can be used to offset the 228 affordable housing units with no parking and the 203 spaces removed by new developments. In addition, as Nelson Nygaard point out, 30% of City-owned parking supply remains open (677 spaces), even at peak times.

If, in the future, the Parking Enterprise were to reach a point of solvency after expenses, Measure O would create a revenue stream to better implement Parking and Transportation Demand strategies. There are a variety of strategies. Three parking consultants who presented analyses at a joint meeting of the Downtown Commission and Planning Commission in 2015 all recommended significant changes in the City's parking management instead of building new facilities. Janis Rhodes of JR Parking Associates stated, "No agency will make enough on user fees to pay for that [new] parking space. All three of us professionals and all my peers in the industry have become very conservative. Maximize existing inventories [of parking] before financing new resources." Ria Hutabarat Lo of Nelson\Nygaard proposed that the City manage parking demand through market pricing and provide alternatives to driving and parking. Fredrik Venter of Kimley-Horn recommended use of phone apps to guide visitors to available parking and incentives such as bus passes to encourage individuals to shift modes of commuting.⁶³ To date, the City has implemented three of the consultants' recommendations:

- Increased parking pricing. This price increase is needed to finance the garage and also promotes the use of different transportation modes.
- Offered free bus passes to all workers Downtown.
- Installed electronic signs at the entrance to garages, indicating vacant spaces.⁶⁴

All the consultants agreed that pricing and incentives need time to work and their impact evaluated before the City considers investing in a garage. The Nelson\Nygaard study reinforces their view.⁶⁵ Several important measures would need to be implemented before a valid evaluation could be made of whether future demand would make building a parking structure a cost-effective approach to parking supply:

- Issuing separate discount parking permits for use by residents of Downtown, that are not valid during peak occupancy periods of weekday afternoons. Residents parked at peak times would pay market rate.

- Issuing parking permits to workers Downtown by the day rather than by the month. Paying by the month is an incentive to drive every day of the month.
- Price permits, meters, and off-street parking in accordance with demand.
- Locate discount permit parking to areas that are not in high demand by visitors to Downtown.
- Make overnight permits distinct from the daily permit available to a limited number of working commuters. If implemented, an overnight permit program would reduce demand at peak weekday afternoon hours.

Patrick Siegman presented a more comprehensive list of Parking Demand Strategies to the City Council on May 17, 2019.⁶⁶ In addition, parking consultants Nelson\Nygaard have pointed to the impact that technology will have on reducing parking demand.⁶⁷

Santa Cruz parking lots and on-street parking currently are generally based on a shared-parking model: more than one user has access to a parking space and spaces are used for different purposes at different times of day and days of the week. For example, the same parking space can be used for downtown employees weekdays, visitors on weekends, and residents at night. Based on further implementation of Transportation Demand Strategies, these shared parking resources can be much better utilized.⁶⁸ For example:

- An opportunity exists for sharing parking spaces in new developments in which parking is underutilized spaces with Alton Pacific and 530 Front Street, which are deficient in parking.
- Private/public partnerships can make available residential parking at businesses throughout the Downtown that have empty lots evenings, nights, and weekends.
- A partnership between the City and County could utilize hundreds of County building parking spaces that are presently vacant at night and from Friday evening until Monday morning.

Much of the parking space inventory Downtown is underutilized.⁶⁹ These examples demonstrate the possibility of managing total current parking inventory more effectively.

In addition, promoting alternate modes of travel, like bicycles, buses, and ride-share services, is a powerful TDM strategy that mitigates the need for parking, especially among millennials and subsequent generations that embrace diverse non-car mobility options.⁷⁰ Significant steps to accommodate bicycles are being taken in some but not all new downtown projects. Thus, Alton Pacific, 530 Pacific, and the Riverfront project all provide substantial safe bike parking. Pacific Station North is to provide storage for 100 bikes, and a public bike hub offers 1,125 sq. feet for

storage. By contrast, Pacific Station South and 532 Center Street plans do not show bike storage, a lost TDM opportunity.

Overall, the impact of Measure O on parking is contingent on future demand for parking and on parking demand management strategies that, at present, have only begun. Downtown Santa Cruz has a surplus of off-street parking with a 30% vacancy rate even at peak times. Future parking demand cannot be predicted with any certitude because of: shifting driving and mobility trends; better technology to make parking wayfinding more efficient; the impact of advances in autonomous vehicles and rideshare services; the potential based on implementation of Parking Demand Management strategies; and parking resources offered in new housing developments, including reserving ground-level parking in affordable housing projects on City-owned lots designated in Measure O.

Given these complex and interrelated economic, technological, and social variables affecting parking supply and demand, it is not possible to predict with a high degree of confidence whether there will be any shortage of parking in the foreseeable future. Parking analysts advise avoiding the major step of constructing a parking structure until every other parking and demand management strategy is optimally utilized. Santa Cruz, although its efforts have begun, has not reached this threshold. Coupled with parking management, Measure O would avoid the high fiscal risk associated with building a new garage while having a reasonable probability of meeting future parking demand in Downtown Santa Cruz.

Notes

¹ <https://www.cityofsantacruz.com/government/city-departments/city-clerk/elections/november-8-2022-statewide-general-election/measure>.

² <https://www.cityofsantacruz.com/home/showpublisheddocument/89118/637877911688870000>; Jayson Architecture, “Downtown Santa Cruz Library Master Architect and Project Team presented to City Council an update on schematic library design, community feedback received, and Library Budget for the Schematic Design,” May 10, 2022.

³ <https://www.opr.ca.gov/ceqa/>.

⁴ <https://dudek.com/sb-35-effects-ceqa-process-housing-projects/>.

⁵ <https://www.cityofsantacruz.com/home/showpublisheddocument/89118/637877911688870000>.

⁶ <https://gis.santacruzcounty.us/gisweb/>.

⁷ These include: (1) the presentation by consultants from three agencies to the Planning Commission and Downtown Commission on October 15, 2015, https://drive.google.com/file/d/1TsEXwWceB1weUO03sfKRCMumwop_PkV5/view; (2) the presentation to the City Council by parking consultant Patrick Siegman and parking researcher Professor Adam Millard-Ball on March 19, 2019, <https://youtu.be/ut9YhMqcC7I>; and (3) the Nelson\Nygaard *Economics of Parking, Santa Cruz Strategic Plan* prepared under contract with the City, <https://drive.google.com/file/d/1YP8sm5PpsdqmQTHR7Dok3a3LQ2tHCC7-/view>.

⁸ <https://www.cityofsantacruz.com/home/showpublisheddocument/89118/637877911688870000>.

⁹ <https://gis.santacruzcounty.us/gisweb/>.

¹⁰ <https://earth.google.com/web/@36.97234784,-122.0276613,2.87776595a,1268.72584277d,35y,0h,0t,0r>.

¹¹ No author listed, “Santa Cruz Downtown Library Fact Sheet_20220804-1,” and No author listed, “Santa Cruz Downtown Library Quotes_20220805.” We have made every effort to determine the source of these flyers, but as of the date of publication, we have been unable to do so.

¹² <https://www.buildinggreen.com/feature/net-zero-energy-isn-t-real-goal-8-reasons-why>.

¹³ <https://www.architectsjournal.co.uk/news/never-demolish-never-replace-retrofit-aces-lacaton-and-vassal-win-2021-pritzker-prize>.

¹⁴ On the effects, see, for example, Adam Millard-Ball, “Parking Access Encourages Driving.” <https://luskin.ucla.edu/parking-access-encourages-driving-millard-ball-finds>.

¹⁵ For discussion of parking supply and demand, see sections below.

¹⁶ Presentation to Santa Cruz City Council, Downtown Library Mixed Use Project, “Project budget update, December 21, 2021.

¹⁷ Anthony Condotti, March 19, 2019, City Council meeting: “To the extent that a parking district generates revenue in excess of what’s required in order to provide and maintain parking facilities that are in existence, and to the extent the City Council makes a policy determination that those revenues are not needed to improve or increase parking facilities with the use of the revenues, then under the Parking District law of the State of California, you are able to put those funds into the General Fund.”

¹⁸ Library, Public Works, “Downtown Library and Parking Garage Feasibility Study,” Santa Cruz City Council Agenda Report, November 21, 2016, for the December 6, 2016, City Council meeting.

¹⁹ https://www.santacruzpl.org/measure_s/documents/115/.

²⁰ Jayson Architecture, “Downtown Santa Cruz Library Master Architect and Project Team presented to City Council an update on schematic library design, community feedback received, and Library Budget for the Schematic Design,” May 10, 2022.

<https://www.cityofsantacruz.com/home/showpublisheddocument/89122/637877926302500000>.

²¹ <https://www.cityofsantacruz.com/home/showpublisheddocument/90487/637965251707170000>.

²² <https://www.cityofsantacruz.com/home/showpublisheddocument/89118/637877911688870000>, p. 5.

²³ <https://www.documentcloud.org/documents/22014586-draft-ambag-rhna-plan-april-2022-document/p6>.

²⁴ Santa Cruz Planning and Community Development Department, “Regional needs allocation update, November 21, 2021.

²⁵ <https://www.cityofsantacruz.com/government/city-departments/planning-and-community-development/long-range-policy-planning/general-plan/housing-element>.

²⁶ https://www.hcd.ca.gov/sites/default/files/2022-07/sb35_statewidedeterminationsummary.pdf

²⁷ *Santa Cruz Local*, “Home construction goals set to quadruple in Santa Cruz County,” May 13, 2022. The latest data from the City is at <https://www.cityofsantacruz.com/home/showpublisheddocument/85690>.

²⁸ Jayson Architecture, “Downtown Santa Cruz Library Master Architect and Project Team presented to City Council an update on schematic library design, community feedback received, and Library Budget for the Schematic Design,” May 10, 2022.

²⁹ See, e.g., <https://www.brookings.edu/essay/the-inclusive-economic-impacts-of-downtown-public-space-investments/>.

³⁰ https://www.santacruzpl.org/files/docs/measure_s/SC_Downtown_Report_-_20191122_FINAL_DIGITAL.pdf.

³¹ <https://www.cityofsantacruz.com/home/showpublisheddocument/89118/637877911688870000>. Jayson Architecture, “Downtown Santa Cruz Library Master Architect and Project Team presented to City Council an update on schematic library design, community feedback received, and Library Budget for the Schematic Design,” May 10, 2022, <https://www.cityofsantacruz.com/home/showpublisheddocument/89122/637877926302500000>. Mack5: <https://mack5.com/>.

³² Jayson Architecture, “Downtown Santa Cruz Library Master Architect and Project Team presented to City Council an update on schematic library design, community feedback received, and Library Budget for the Schematic Design,” May 10, 2022,

<https://www.cityofsantacruz.com/home/showpublisheddocument/89122/637877926302500000>, “Budget comparison.”

³³ https://www.santacruzpl.org/files/docs/measure_s/SC_Downtown_Report_-_20191122_FINAL_DIGITAL.pdf; Mack5, <https://mack5.com/>.

³⁴ Jayson Architecture, “Downtown Santa Cruz Library Master Architect and Project Team presented to City Council an update on schematic library design, community feedback received, and Library Budget for the Schematic Design,” May 10, 2022.

<https://www.cityofsantacruz.com/home/showpublisheddocument/89122/637877926302500000>.

³⁵ *Ibid.*, “Budget comparison” page.

³⁶ <https://www.library.ca.gov/grants/infrastructure/>.

³⁷ <https://www.cityofsantacruz.com/home/showpublisheddocument/90487/637965251707170000>.

³⁸ City staff email to John Hall, September 9, 2022.

³⁹ <https://hacsb.org/workforce/>.

⁴⁰ <https://www.brookings.edu/essay/the-inclusive-economic-impacts-of-downtown-public-space-investments/>.

⁴¹ <https://www.strongtowns.org/>; <https://www.spur.org/sanjose>.

⁴² See for example, Kathleen M. O’Donnell, 2018, “Why do public space and quality of life go hand in hand?” <https://www.aia.org/articles/201376-why-do-public-space-and-quality-of-life-go->

⁴³ “Place Driving Equity: An evidence-based action guide on the role of public space for shared prosperity” – Reimagining the Civic Commons, 2020,

https://civiccommons.us/app/uploads/2021/10/RCC_PlaceDrivingEquity.pdf.

⁴⁴ Whyte, William H. The idea of planning. “Public Spaces Reconsidered,” lecture delivered at London Nelson Center on January 24, 1990, videotape. Santa Cruz: University of California Library.

⁴⁵ City of Santa Cruz, “Downtown Recovery Plan, Executive Summary,” 1991, p. 7, <https://ardhindie.com/pdf/city-of-santa-cruz-downtown-recovery-plan>.

⁴⁶ On research concerning the location of successful public spaces, see Marie Burns, 2020, *New Life in Public Squares*. London: RIBA Publishing, p. 17, and Project for Public Spaces, “What makes a successful place?,” <https://www.pps.org/article/grplacefeat>.

⁴⁷ Project for Public Spaces, *ibid.*

⁴⁸ The measure question, vote, and other details are at

[https://ballotpedia.org/Santa_Cruz_Libraries_Community_Facilities_District,_California,_Bond_Issue_and_Parcel_Tax,_Measure_S_\(June_2016\)](https://ballotpedia.org/Santa_Cruz_Libraries_Community_Facilities_District,_California,_Bond_Issue_and_Parcel_Tax,_Measure_S_(June_2016)).

⁴⁹ For example, a March 25, 2016, editorial in the *Santa Cruz Sentinel* that endorsed Measure S stated, “The tax would provide upgrades and repairs at all 10 county branches, and would allow the system to finally build two long-sought permanent branches, as well as remodel and renovate the aging downtown branch on Church Street.” According to an April 25, 2016, *Santa Cruz Sentinel* news story, “The library funding would support the modernizing, upgrading and repairing of the Aptos, Boulder Creek, Branciforte, Capitola, downtown Santa Cruz,

Felton, Garfield Park, La Selva Beach, Live Oak and Scotts Valley library branches, as needed.” The Director of Libraries at the time of the campaign for Measure S, Jane O’Driscoll was quoted in *Good Times*, May 11, 2016, saying that, “The Downtown Santa Cruz branch, the flagship of the system, requires a comprehensive renovation.” A March 25, 2016, editorial in the *Santa Cruz Sentinel* that endorsed Measure S stated, “The tax would provide upgrades and repairs at all 10 county branches, and would allow the system to finally build two long-sought permanent branches, as well as remodel and renovate the aging downtown branch on Church Street.”

⁵⁰ Library, Public Works, “Downtown Library and Parking Garage Feasibility Study,” Santa Cruz City Council Agenda Report, November 21, 2016, for the December 6, 2016, City Council meeting.

⁵¹ “The Facilities shall include any of the following: new construction, building renovations and service model upgrades needed to provide service desks, an area for displaying materials, separate areas for teens and children, flexible spaces and/or meeting rooms and study rooms, places to display art, new flooring, paint, shelving, furniture and technology, power/data to support library technology, and other upgrades.” Source:

https://www.votescount.com/Portals/16/jun16/Resolution_2016-001_-_Formation_of_CFD.pdf.

⁵² https://www.santacruzpl.org/measure_s/documents/115/.

⁵³ Santa Cruz Public Libraries, “Branciforte & Garfield Park remodel update,”

https://www.santacruzpl.org/measure_s/updates/137/

⁵⁴ Nelson\Nygaard report, <https://drive.google.com/file/d/1YP8sm5PpsdqmQTHR7Dok3a3LQ2tHCC7-/view>.

⁵⁵ Nelson\Nygaard report, <https://drive.google.com/file/d/1YP8sm5PpsdqmQTHR7Dok3a3LQ2tHCC7-/view> p. 17.

⁵⁶ “The Santa Cruz Downtown Commission approved a finding that enough parking exists elsewhere in the downtown district to cover a projected shortage of 37 to 65 spaces. “Major downtown Santa Cruz development’s parking requirements to be reduced,” <https://www.santacruzsentinel.com/2018/09/27/major-downtown-santa-cruz-developments-parking-requirements-to-be-reduced/>.

⁵⁷ “City leaders say it’s time to rethink the city’s approach to downtown parking. They are talking about reducing the number of city-owned spaces, raising parking fees and even subsidizing bus passes and Uber riders. ‘It’s a changing time,’ Mayor Frank Cownie said. ‘I think it’s coming on much faster than anybody ever imagined it would.... The parking system was stressed with declining garage revenues and current debt,’ said Dan Ritter, director of finances for the city’.”

<https://www.desmoinesregister.com/picture-gallery/news/2016/08/03/photos-the-cost-of-parking-vs-alternative-transportation/88034134/>.

⁵⁸ According to Millard-Ball, “it would be cheaper to pay people not to park.” Presentation to Santa Cruz City Council, March 19, 2019,

<https://drive.google.com/file/d/1VnA3WaG-otuFEWMUlf8alg2uEUuUoOj/view>.

⁵⁹ See <https://homeaffluence.com/underground-garage-construction/>.

⁶⁰ Teifion Rice-Evans, Economic & Planning Systems, Inc. (EPS), “Review of City of Santa Cruz Financial Parking Model,” technical memo to James Burr, Transportation Manager, City of Santa Cruz, June 15, 2018.

⁶¹ City of Santa Cruz FY 2023 Budget: <https://www.cityofsantacruz.com/government/city-departments/finance/city-budget/fy2023-budget>.

⁶² Nelson Nygaard report, <https://drive.google.com/file/d/1YP8sm5PpsdqmQTHR7Dok3a3LQ2tHCC7-/view> p. 17.

⁶³ https://drive.google.com/file/d/1TsEXwWceB1weUO03sfKRCMumwop_PkV5/view

⁶⁴ <https://www.instagram.com/youcanparksc/>.

⁶⁵ *Ibid.*, “...it behooves the Downtown district to seriously weigh alternatives to simply providing more parking supply.” p. 82.

⁶⁶ Siegman’s eighteen recommendations include: set performance-based prices for curbed parking; implement time of day pricing; offer incentives converting underused private lots into shared public lots; assess highest and best use of city-owned lots and garages; require parking cash-out benefits for employees; review and expand local transit networks; and continue improving bicycle facilities and programs. Parking and Traffic Reduction Strategies slide, <https://www.youtube.com/watch?v=5dCUUjn7Ehg&t=176s>.

⁶⁷ Nelson\Nygaard, *op. cit.*, p. 86, “With the emergence of autonomous vehicles, on-demand rideshare services, and mobility as service applications, people will begin to choose new ways to get around, and the way cars are used will change, affecting the parking environment and demand.”

⁶⁸ “Shared Parking: *Sharing Parking Facilities Among Multiple Users*, <https://www.vtppi.org/tadm/tadm89.htm>.

⁶⁹ Nelson\Nygaard report, <https://drive.google.com/file/d/1YP8sm5PpsdqmQTHR7Dok3a3LQ2tHCC7-/view>.

⁷⁰ Millennials purchase fewer cars, drive less, obtain fewer driver's licenses, bike, walk and use transit more, value technology more (and so spend less money on cars, and lastly, are likely to use "peer to peer" services more, for example, ride-share services like Uber and Lyft. Nelson\Nygaard report, <https://drive.google.com/file/d/1YP8sm5PpsdqmQTHR7Dok3a3LQ2tHCC7-/view>, p. 86.