

DRAFT

SANTA CRUZ COASTAL REUSE PLAN

DAVENPORT CEMENT PLANT
FEBRUARY 2019



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ACKNOWLEDGMENTS

COUNTY OF SANTA CRUZ



SEMPERVIRENS FUND



GORDON AND BETTY MOORE FOUNDATION



RESOURCES LEGACY FUND



CALIFORNIA COASTAL CONSERVANCY



PREPARED FOR:

County of Santa Cruz



PREPARED BY:

RRM Design Group



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A VISION FOR THE FUTURE

The Draft Coastal Reuse Plan for the Davenport Cement Plant (also referred to as the Cemex Cement Plant) is the result of a collaborative effort among the County of Santa Cruz, the California Coastal Conservancy, Sempervirens Fund, Gordon and Betty Moore Foundation, the Resources Legacy Fund, and the community. The Sempervirens Fund was awarded grants from the Coastal Conservancy, Gordon and Betty Moore Foundation, Resources Legacy Fund, and other sources to finance the Plan. The County of Santa Cruz took the lead on the preparation of the Coastal Restoration and Reuse Plan and implementing Local Coastal Program (LCP) amendments.

The primary goal of this effort was to develop a vision for reuse of the Davenport Cement Plant site. By taking this step, the County and its partners are guiding the future use of the site and making reuse and reinvestment in the site more feasible and attractive for a future developer. Another key objective of this collaborative effort was to identify a financially viable land use plan for the site that includes coastal priority uses and beneficial uses for those living and working in Santa Cruz County, and on the North Coast in particular. The plan will be implemented by Local Coastal Program (LCP) amendments that would facilitate the carrying out of the preferred alternative thereby giving prospective developers and their funders increased confidence that their investment will lead to a tangible outcome. Community and agency input was gathered through stakeholder interviews, community workshops, and meetings with the California Coastal Commission staff.

The following Draft Coastal Reuse Plan provides background information, a summary of opportunities and constraints, project goals, four economically tested conceptual land use plans, a summary of the economic feasibility analysis, and the proposed LCP amendments. These would be approved in a separate action by the Board of Supervisors and Coastal Commission and would allow for the realization of the Reuse Plan. It is important to note that the proposed LCP amendments are consistent with the Reuse Plan and provide clear guidance regarding how the site should be redeveloped, what community and coastal priority uses must be included, and how natural resources will be protected.

The Board of Supervisors will identify a preferred alternative giving the community another opportunity to participate. Once a preferred alternative is selected, environmental review will be conducted and public hearings on the Final Reuse Plan will be held. While this plan helps to facilitate future reinvestment and redevelopment of the site, any future proposal will require review and approval of development permits by the County of Santa Cruz and the California Coastal Commission.

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I
INTRODUCTION
AND BACKGROUND



I INTRODUCTION AND BACKGROUND



A. PROJECT SETTING

Looking south to the project site

The Davenport Cement Plant (also referred to as the Cemex Cement Plant) is located between the town of Davenport and the New Town neighborhood. The property is immediately adjacent to Cotoni-Coast Dairies National Monument lands to the east, the Pacific Ocean to the south, New Town to the west, and additional Cotoni-Coast Dairies National Monument land to the north. The property includes six parcels comprising the approximately 172-acre site.

The rural and picturesque site runs along the California coast with Highway 1 frontage and is approximately 15 miles north of the City of Santa Cruz. The broader area surrounding Davenport and the Cement Plant is relatively affluent, although about two-thirds of Davenport households are low and moderate income. The oceanfront setting and close commute to Silicon Valley makes the greater Davenport and Bonny Doon areas desirable residential locations.

The site is surrounded by open space and recreational assets including the Pacific Ocean, beaches, a national marine reserve, the California Coastal Trail, a vast redwood forest ecosystem, numerous State Parks, and an adjacent National Monument which makes this site and region ideally suited for visitor serving uses. More specifically, nearly 14,000 acres of permanent open space land surrounding Davenport, including redwood forests, has been transferred from private ownership to local open space preservation organizations such as the Land Trust of Santa Cruz County, State of California, Sempervirens, or the Federal Bureau of Land Management (BLM).

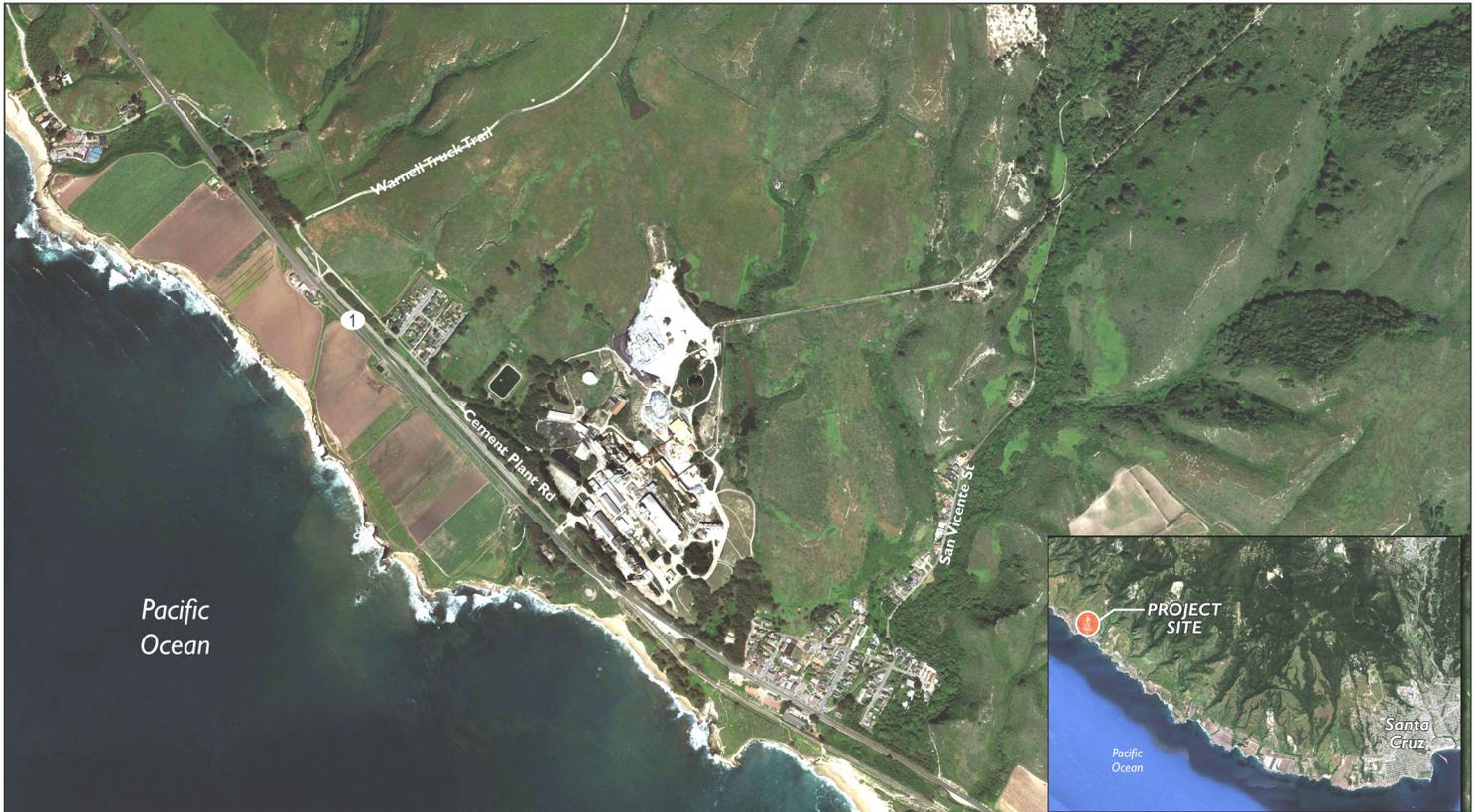


FIGURE 1: VICINITY MAP

A long-term goal of the open space preservation organizations is to plan appropriate recreational, resource management and preservation improvements, and to also enhance the area surrounding Davenport establishing a desirable new recreation and wilderness destination for residents and visitors.

The town of Davenport has a population of approximately 400 people and is located less than half a mile east of the project site along Highway 1. Visitors to the North Coast and Davenport area are served by Davenport's commercial businesses which front along Highway 1. Davenport also supports coastal access with public parking south of the highway.

B. NATIONAL MONUMENT

The Bureau of Land Management (BLM) owns and manages the property directly adjacent to the Cement Plant site, which has been designated a National Monument. It is now known as the Cotoni-Coast Dairies National Monument (see Figure 2). This National Monument area is comprised of 5,800 acres of land, which includes six watersheds, wildlife habitat, scenic views, and cultural resources. Designated on January 12, 2017 by President Barack Obama, the Cotoni-Coast Dairies National Monument is intended to protect the redwoods, threatened wildlife habitat, watersheds, and other identified critical natural and scenic features of California's Santa Cruz Mountains. The area connects multiple landscapes including coastal open spaces in the west and redwood forests in the east, as well as State and local parks, nature preserves, working forests, agricultural lands and operations, beaches, and the National Marine Sanctuary. In addition to the national monument protections, there are also deed restrictions that aim to protect the land owned by BLM.

C. SITE FEATURES

The Davenport Cement Plant site was operated as a cement plant for more than 100 years. Currently, the cement plant site includes several industrial buildings such as the former electric shop, machine shop, mechanic shop, control building, raw mill, kiln, burner building, preheater building, compressor room, iron ore storage building, rock storage building, clinker storage, oil storage, finish mill, packhouse, scale house, lime building, potash building, office, and control room with laboratories. Outside of the footprint of the Cement Plant, yet still within the 172 acres of the site, are an additional 50 acres dominated by coastal terraces and chaparral and a 25-acre rail line strip that runs along Highway 1 and divides the Cement Plant property. There are approximately an additional 40-acres between the coastline and Highway 1 that are currently in active agriculture and open space uses and contains the former Crocker Hospital. The surface elevation at the property ranges from approximately 50 feet at the coastal bluffs adjacent to Highway 1 to approximately 1,100 feet at its highest point. Surface waters located on the property include spring-fed and manufactured ponds and reservoirs, and the Davenport Sanitation District drinking water treatment facility and a wastewater treatment pond.

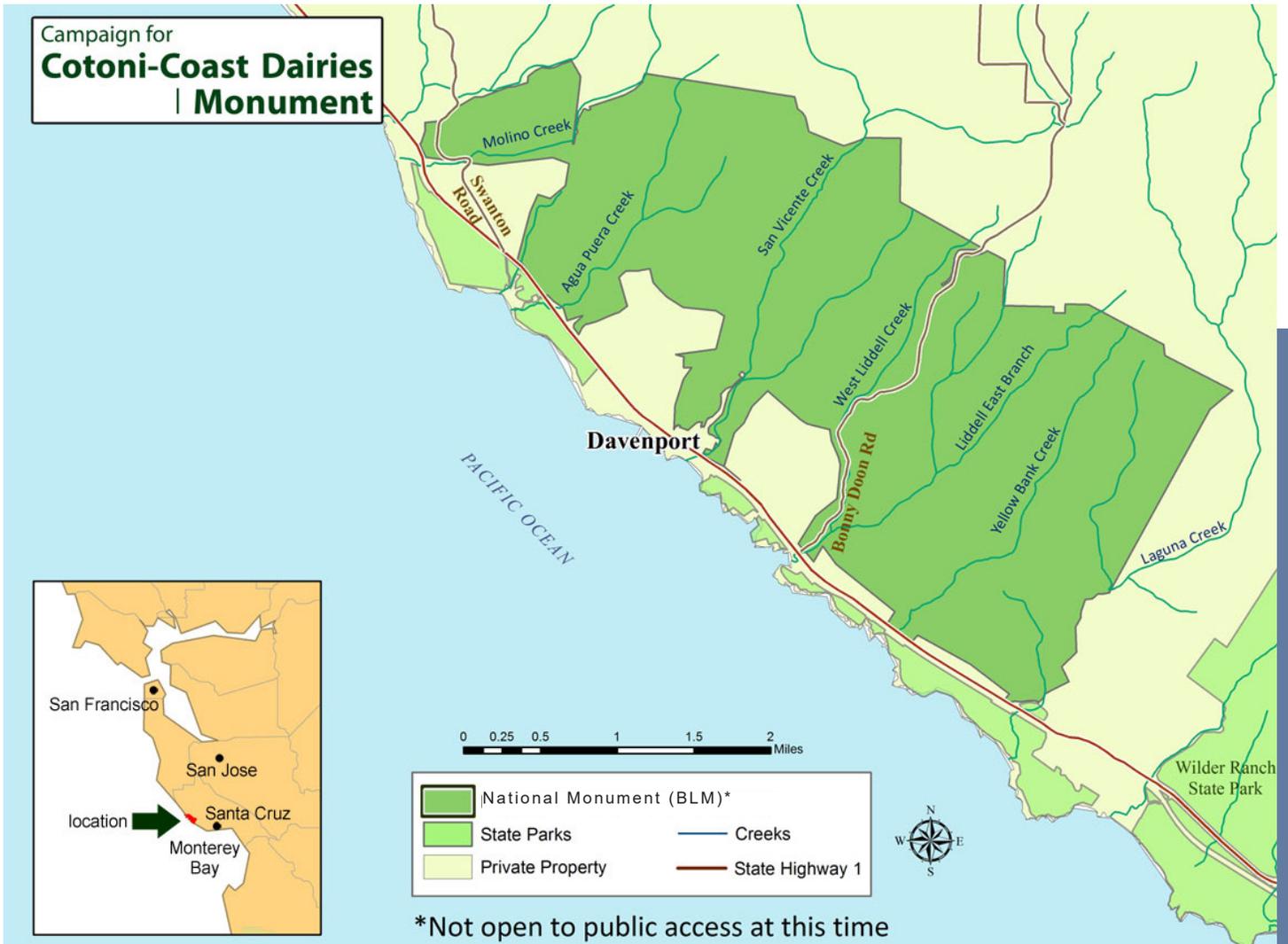


FIGURE 2: COTONI-COAST DAIRIES NATIONAL MONUMENT



Crocker Hospital

D. BACKGROUND AND HISTORY

Construction of the Davenport Cement Plant began in 1905, and the production of cement operations started in 1906. When construction of the Davenport Cement site was first completed by the Santa Cruz Portland Cement Company, owned by William Dingee and Dr. Irving Bachman, the plant supplied significant amounts of cement to help rebuild San Francisco and Oakland after the 1906 San Francisco earthquake. In 1908, William Crocker of Crocker Bank, purchased the plant and led the company to unprecedented growth. By 1910, the plant was producing 1.4 million barrels per year and provided cement to build Pearl Harbor in Hawaii, the Panama Canal, the Golden Gate Bridge across San Francisco's Bay, the O'Shaughnessy Dam that created the Hetch Hetchy reservoir, the rebuilding of the dry docks at Pearl Harbor after the 1941 attack, Folsom Dam, and the California aqueduct system. In addition to building significant projects, the plant also helped build the Davenport community, including the Davenport jail, church, and the Crocker Hospital. It was the largest plant in California and the second largest in the nation producing up to 1.4 million barrels per year sourced from the nearby limestone quarry.

One of the most innovative technologies employed by the plant was the construction of Davenport Pier in 1934. Dry cement was transported to a ship named the S.S. Santa Cruz cement, the only oceangoing bulk carrier of cement at the time. The pier was eventually destroyed by severe weather in 1955.

The cement plant facility became Pacific Cement and Aggregates in 1956, Lonestar Cement Corporation in 1965, RMC Pacific Materials in 1988, and CEMEX Cement Plant in 2005. During the period of operation, the cement manufacturing activities performed included grinding, pyro-processing, and storage operations. The plant produced portland cement, manufactured concrete products (MCP), and plastic cements.

In 2005, when the Davenport Cement Plant was acquired by CEMEX, the demand for cement was at an all-time high. California was the largest producer of cement in the country. But, in 2008, the combination of changes in trends and the recession led to the cessation of cement production.

E. SITE OWNERSHIP

The Davenport Cement Plant site, which is the subject of this Plan, is currently owned by RMC Pacific Materials, LLC, which entity is owned by CEMEX.



Art on the Roundhouse Building



CEMEX and Santa Cruz Portland Cement

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SITE OPPORTUNITIES AND CONSTRAINTS



II SITE OPPORTUNITIES AND CONSTRAINTS



Davenport Pier remains

A. OPPORTUNITIES

ACCESS TO COASTAL RESOURCES AND RECREATION

The Davenport Cement Plant site is located on the northern California coastline and is 15 miles from the City of Santa Cruz, 43 miles from San Jose, and 67 miles from San Francisco.

The redevelopment of the site could provide significant new access to not only the coastal resources on the site but could also facilitate access to the over 14,000 acres of publicly-held land, including extensive redwood forests, and coastal bluffs and terraces surrounding the site. In addition, the site could provide the greatly needed public facilities that may reduce demands on the town of Davenport by potentially providing a visitor center, public restrooms, and public parking. Further, each land use alternative discussed in the Reuse Plan includes lodging, camping, trails, and recreation opportunities that may allow for greater access to the coast and ability to recreate.

RESTORATION AND PRESERVATION OF BIOLOGICAL RESOURCES

Redevelopment of the site provides the opportunity to restore biological resources on-site including the riparian habitat for San Vicente Creek, existing wetlands, and the habitat for sensitive or protected species including frogs, butterflies, and nesting birds that inhabit the site.

II - SITE OPPORTUNITIES AND CONSTRAINTS

PRESERVATION AND REUSE OF HISTORIC RESOURCES

Because of the age and status of the cement production facilities, the structures are in need of restoration and repair. As discussed in greater detail below, the Reuse Plan creates an opportunity for a future developer to restore and repurpose on-site resources. Each of the proposed redevelopment land use alternatives calls for the reuse of existing structures.



On-site silos



Round House

JOB GROWTH

The cessation of cement production at the Davenport Cement Plant in 2010 resulted in lost jobs and a decline in tax revenues for the County of Santa Cruz. Reuse of the site is potentially a significant opportunity for reinvestment and job creation. While Santa Cruz was hard hit by the recession, the County has enjoyed relatively robust job growth in certain sectors in recent years, trends that have positive implications for the reuse of the site. According to initial market research by Economic and Planning System (EPS), since 2000, the employment in the Accommodation and Food Services sector added a noteworthy number of jobs since the turn of the century with over 1,500 net new positions. The Manufacturing sector contracted substantially between 2000 and 2011; however, the industry is rebounding and has added nearly 1,400 jobs in the County since 2011. These encouraging indicators in the regional economy are informative to the planning of the cement plant site and future supportive land uses. It is estimated that the potential job growth associated with the provided land use alternatives would range between 150 to 420 new jobs.

SITE OPPORTUNITIES AND CONSTRAINTS - II

INCREASED HOUSING

Like all coastal California communities, housing prices are very high which make it difficult to live and work in Santa Cruz County. Many employees in the area work in the City of Santa Cruz and commute to communities with lower housing costs such as Watsonville. The redevelopment of this site creates an opportunity to provide jobs, and housing for the employees that would be working on the site. Each land use alternative in the Reuse Plan provides for employee housing on-site. In addition, as baby boomers age, there is a growing demand for age-restricted housing. In the State of California alone, the number of seniors will double from 4.5 million to 8.8 million by 2030. Land use Alternative 3 creates an opportunity to provide 300 rental units for independent seniors.

TOPOGRAPHY

Though the steep and varying topography of the site may seem to be a constraint, the high elevation and terraced areas throughout the site offer some of the best coastal views in the County. Each land use alternative considered and respected the topography to maintain and enhance existing viewsheds.

B. CONSTRAINTS

EXISTING LAND USE REGULATIONS

The County General Plan designations for the site are Mountain Residential, Agriculture Resources, and Public Facility. See Figure 1. The majority of the site (95%) is zoned for Commercial Agriculture (CA) and Heavy Industrial (M-2) use. Other zoning designations include Residential Agriculture (RA) and Parks, Recreation and Open Space (PR). See Figure 3. The current zoning allows for a variety of agricultural uses and some limited residential development including up to two homes on the land zoned RA and one home on the land zoned CA (requires discretionary permit). Additional residential units may be permitted as caretaker quarters and farmworker housing with discretionary permits. In that the cement plant use has not fully concluded, (clean-up and closure activities continue) certain light industrial uses may be possible as interim activities within existing buildings.

The site is subject to a number of General Plan/Local Coastal Program policies that guide and restrict development of the site. The most critical objectives/policies include those that call for the protection of agricultural resources (Objective 5.13), the identification of priority uses in the Coastal Zone (Policy 2.22.1), the requirement for agricultural buffers (Policy 5.13.23), and the protection of biological resource and habitat restoration (Policy 5.1.12).

Under the current zoning, future development of the site would be extremely limited, and the development potential would likely not stimulate investment for restoration and reuse of the site. Changes to the site's current regulatory designations (e.g., rezoning/LCP amendment) are necessary to redevelop the site.

II - SITE OPPORTUNITIES AND CONSTRAINTS

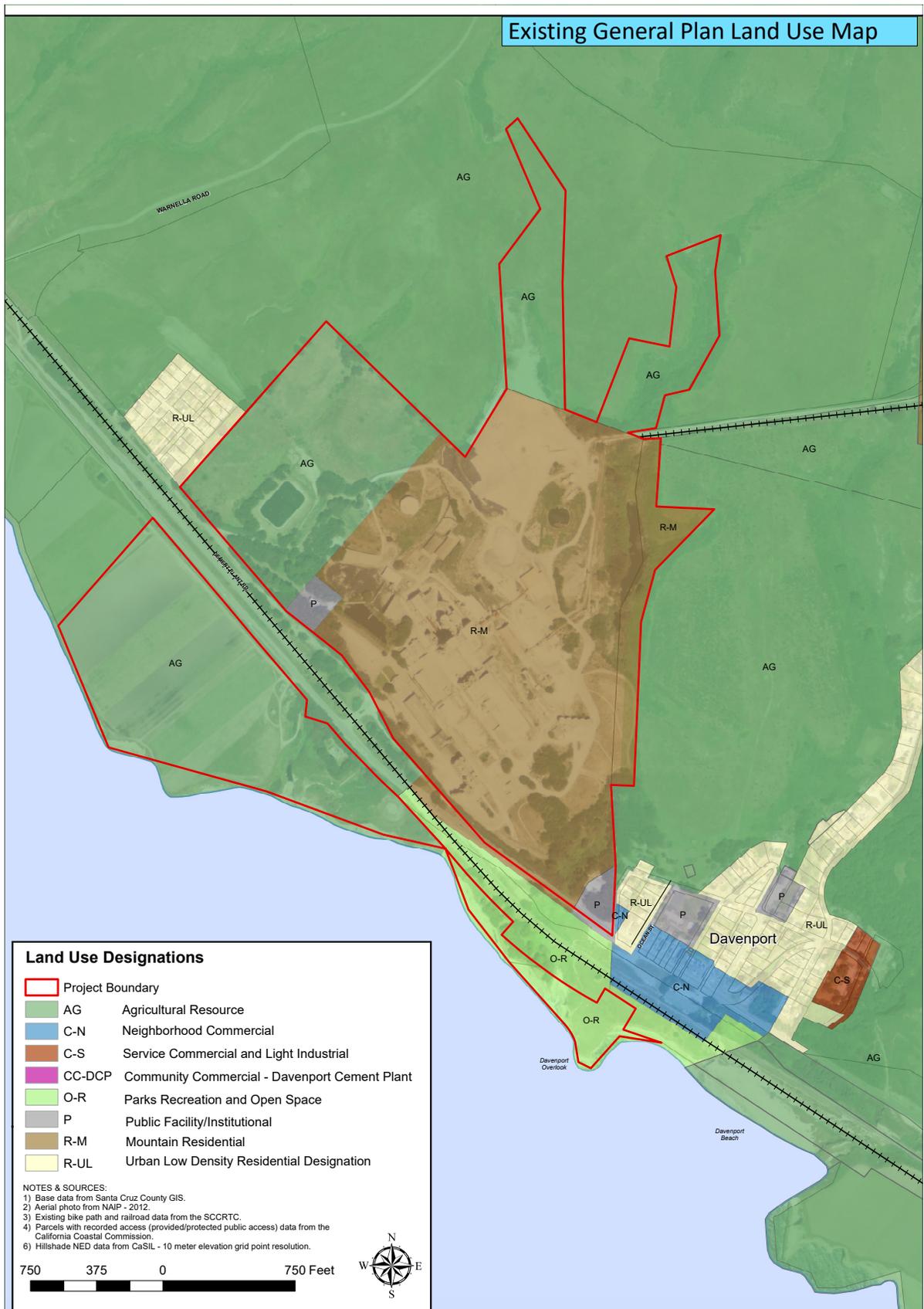


FIGURE 1: EXISTING GENERAL PLAN LAND USE MAP

SITE OPPORTUNITIES AND CONSTRAINTS - II

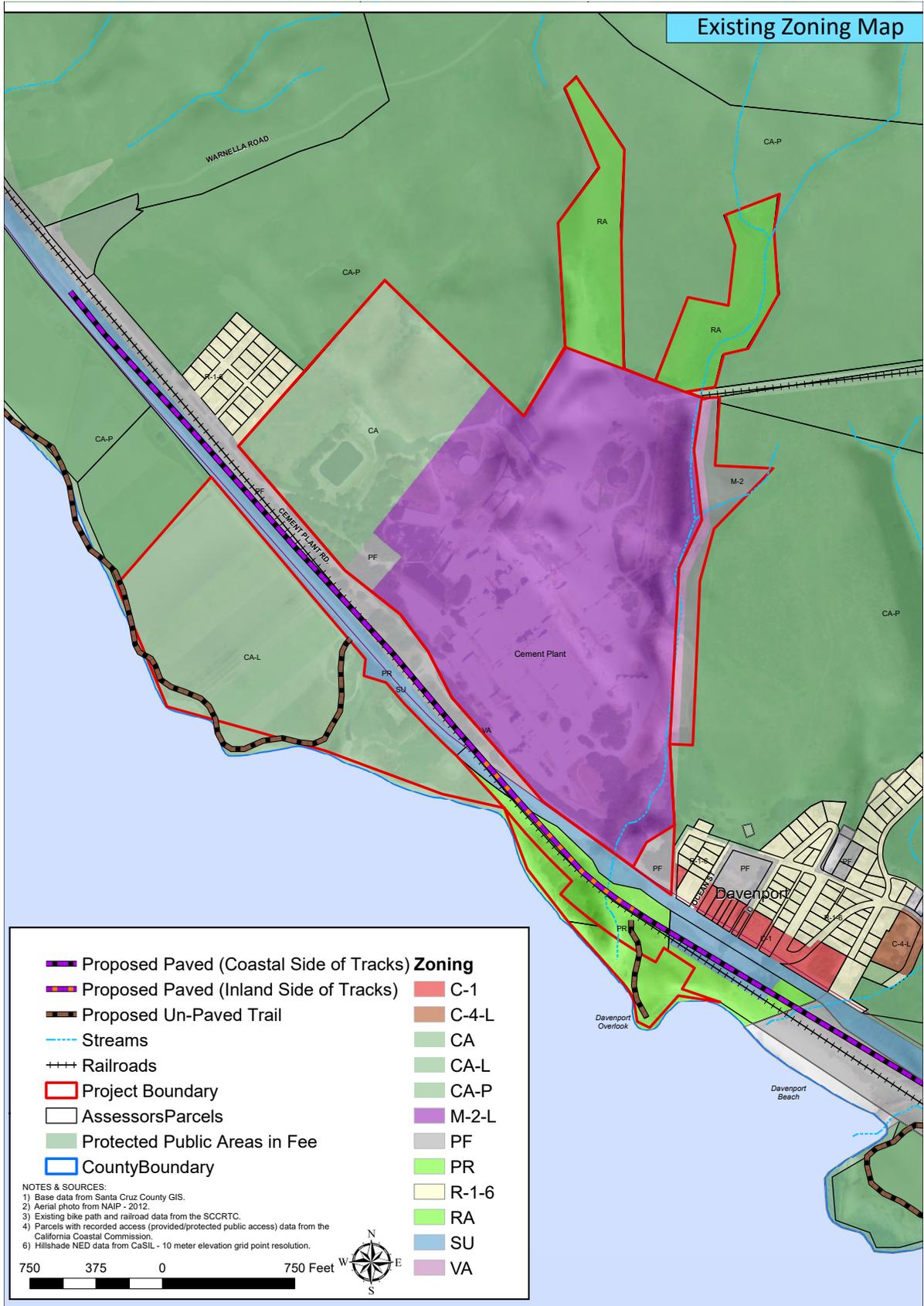


FIGURE 3: EXISTING ZONING MAP

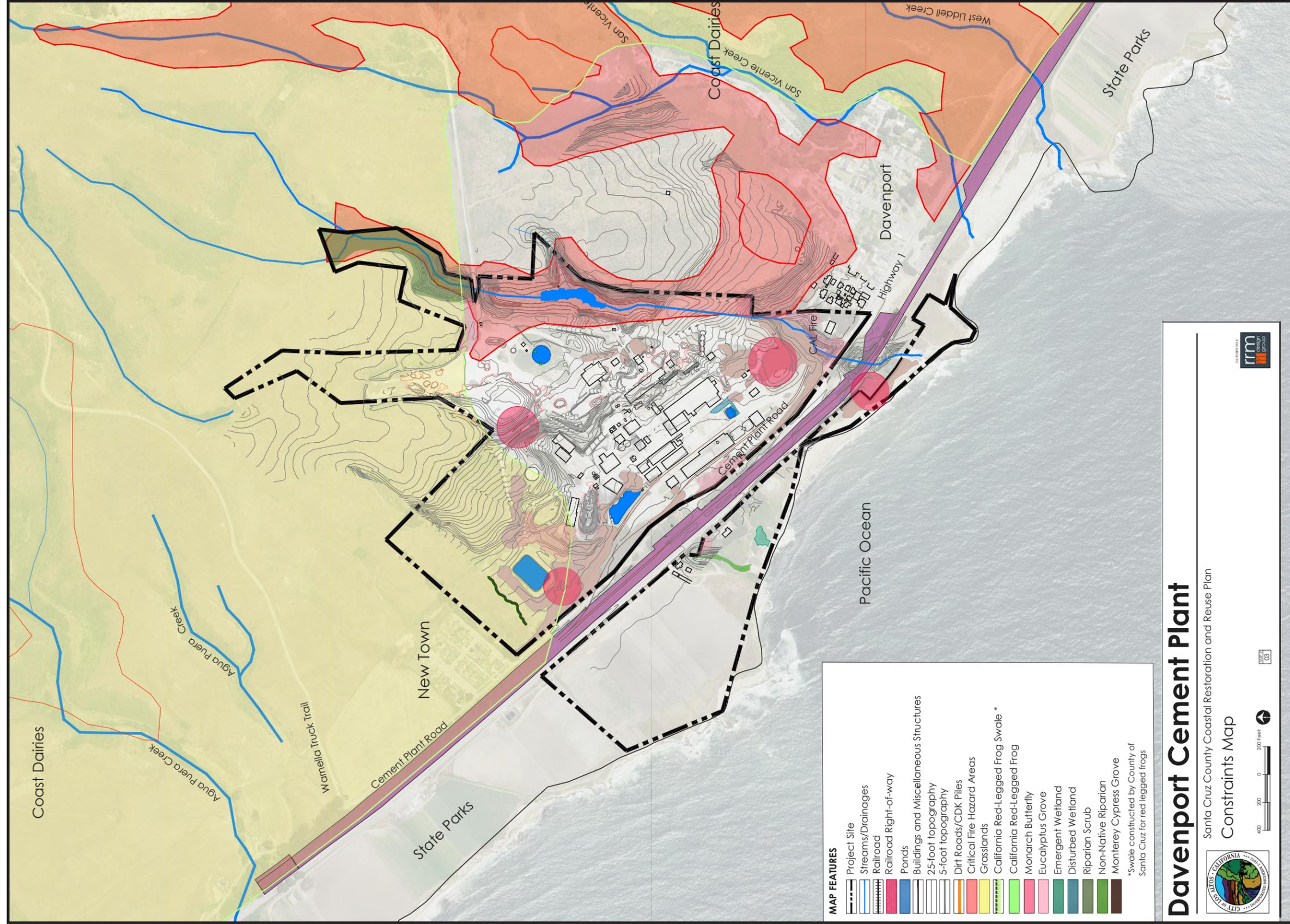


FIGURE 2:
CONSTRAINTS MAP

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II - SITE OPPORTUNITIES AND CONSTRAINTS

HISTORIC

Certain existing structures located on the Davenport Cement Plant site are listed as designated historic resources in the Santa Cruz County Inventory of Historic Resources (SCCHRI) and identified as potentially eligible for listing on the National Register. The SCCHRI notes that “the cement plant at Davenport has played a significant role in the development of concrete building construction in California, particularly after the 1906 earthquake.” The SCCHRI includes three buildings on the site – the Round House, the Power House, and Crocker Hospital – as designated historic structures. Further research may establish that the cement plant may have contribute to key events in California History, may have a potential relationship with historic figures, and may exhibit elements of innovative technology important in the development of the cement industry. Other existing structures on the site may also qualify as historical resources pending further investigation. Further, over the course of Davenport Cement Plant’s more than 100 years of operation, there may have been periods where it was particularly important. For the purposes of this analysis, a period of significance from 1905 to the 1940s has been defined based on the first documented major upgrades to the kiln technologies and facilities; however, further research is needed to firmly establish such a period or periods of significance. In this context and based on existing available information, a preliminary review of the potential significance of the Davenport Cement Plant was evaluated according to national, state, and county criteria.

Of the 25 site resources documented, Wood (formerly Amec Foster Wheeler) preliminarily recommends five of the structures as potentially eligible for individual listing on the National Register of Historic Places (NRHP), California Register of Historical Resources (CRHR), and/or Santa Cruz County Historic Resources Inventory (SCCHRI). These buildings include the Administration Building, Powerhouse, Control Room, Roundhouse, and Crocker Hospital. In addition, the site may be eligible for an historic district designation. A historic district is not currently recorded on site. Per Wood’s recommendations, the historic district would need to be fully evaluated and defined to inform the CEQA analysis of potential Project impacts, including historic structures, the contributing properties, and the period of significance, if it differs from that identified in the Report.

It is important to note that the work completed by Wood only includes a preliminary survey of existing buildings on site and they recommend additional investigation to document archaeological resources associated with former buildings/foundations on site (e.g., the original kiln and first buildings on site), to fully evaluate and record all potentially significant historic resources on site. The Addendum to Reconnaissance Level Historic Resources Survey Letter Report – Preliminary Impacts Analysis - prepared by Wood is provided in Appendix A.

SITE OPPORTUNITIES AND CONSTRAINTS - II

REMEDIATION

CEMEX's environmental consultant, TRC Solutions, has completed the initial phase of site characterization work. Based on the consultant's report and recommendations from that initial study, which identified 18 16 separate "Areas of Potential Environmental Concern," the submittal of a detailed work plan for the next phase of work was required to further characterize certain site areas identified in the initial study. The Supplemental Closure Investigation Work Plan and associated documents were prepared from April through November 2016, and a response letter from Santa Cruz County Environmental Health Service (SCCEHS) was issued in early December 2016. TRC performed supplemental investigations in May 2017 and documented the findings in a report titled "Supplemental Facility Closure Investigation Report", dated

July 2017. In the July 2017 report, additional investigations were proposed for six of the 16 APECs. A response letter from SCCEHS was issued in early February 2018. At this point, scheduling for additional investigations for these six APECs are still underway.

Once the areas of concern are fully characterized, the consultant will make recommendations for remediation and/or mitigation measures, with the ultimate goal of trying to achieve an "unrestricted land use" designation for all or most of the site, which would allow for sensitive land uses, such as residential. Based on the contaminants found on the site, reaching this level of clean-up appears to be achievable. It should be noted that there are different standards for clean-up for different land uses, for instance, uses such as commercial or light industrial may do not require the highest level of clean-up. There will likely be one or more additional phases of work needed for a few of the areas based on results of future field work before closure is complete.



On-site tower feature

II - SITE OPPORTUNITIES AND CONSTRAINTS

BIOLOGICAL RESOURCES

Portions of the site are occupied by sensitive species including California red legged frogs (federally listed and regulated by the US Fish and Wildlife Service), Monarch butterfly roosts, and nesting birds that will require consideration during the planning and design processes. The site also supports potential roosting sites for sensitive bats and potential habitat within coastal scrub and chaparral communities for sensitive plant species as listed by the California Native Plant Society (CNPS).

Other California Species of Special Concern with potential to occur on site that warrant consideration during the planning/California Environmental Quality Act (CEQA) process and avoidance measures such as pre-construction surveys during proposed Project activities include:

- Santa Cruz Black Salamander
- California Giant Salamander
- San Francisco Dusky Footed Woodrat
- Western Burrowing Owl
- Black Swift
- Saltmarsh Common Yellowthroat

Additionally, waters from the site ultimately drain into the Pacific Ocean, and land use changes that affect water quality or water demand from local creeks can have an indirect influence on downstream critical habitat such as that designated for salmonids, black abalone, and Pacific leatherback sea turtle.

Given the proximity to the Pacific Ocean and the presence of sensitive fisheries, as well as critical habitat for both abalone and leatherback sea turtle, water quality and associated runoff will need to be considered for any planned development and other changes in land use (e.g. recreation, etc.) at the site. Consideration of impacts to these marine resources that are associated with increased access to the area beach as a result of increased visitation of the site should be included in the planning and environmental review process.

Additionally, changes to water demand from San Vicente Creek and Mill Creek due to redevelopment of the site will need to be factored into land use planning and coordinated with the California State Water Resources Control Board (SWRCB) to ensure sufficient supply remains in the creek system to support sensitive fish species, including Coho salmon and steelhead. Vegetation communities outside of the developed areas on-site and particularly those associated with streams and ponds are considered sensitive, and potential impacts will need to be analyzed accordingly. A formal wetland delineation conducted according to US Army Corps of Engineers (USACE), California Department of Fish and Wildlife (CDFW), Regional Water Quality Control Board (RWQCB), and California Coastal Commission (CCC) guidelines will be necessary to verify the extent of each respective agency's jurisdiction. Potential impacts to aquatic features on-site will likely require permits from one or more of these agencies.

BIOLOGICAL ENVIRONMENTAL CONCERN

The community has expressed concern about impacts to sensitive fish species in creeks. The EIR will thoroughly address and analyze this issue. The EIR consultant will coordinate with all necessary state and federal agencies, such as NOAA, NMFS, CDFW, and SRWQCB.

WASTEWATER

Based on existing wastewater flows (approximately 21,000 gpd on average with a peak of 25,000 gpd), the Davenport wastewater treatment facility has plant capacity to treat existing average and peak wet weather flows. The treatment facility may also have physical capacity to accept additional wastewater flows beyond the 50,000 gpd regulatory cap from future uses although permit limits may require review with the RWQCB. When considering future uses, the current limitation will need to be addressed. For example, a 200-room hotel would generate approximately 25,000 gpd of effluent.

It should be noted that the site is located outside the Davenport Sanitation District's boundaries, but there is an existing agreement that allowed the cement plant to discharge into the treatment lagoon. In order for future on-site development to receive water and sewer services the site will need to be annexed by the Local Agency Formation Commission into the Davenport Sanitation District. Annexation should be pursued prior to the time when development is being proposed for the site.

WATER

The existing Davenport water treatment plant is operated by the Davenport County Sanitation District. The treatment facility was constructed and began operation in 2011. The treatment facility currently provides about 50 acre-feet per year for municipal supply to Davenport. The current plant does not have significant storage as existing tanks are integral to operation of the water system's required fire storage, but do not store supply to meet longer term demand. This would have to be addressed as the County plans for future uses. SWRCB recognizes that CEMEX has a pre-1914 appropriative water right, with diversion rates of up to 1.1 cubic feet per second.

It appears that there is sufficient water available to serve future uses on-site (historic use was 468 acre-feet per year). For example, 30,000 square feet of industrial space would demand 0.33 acre-feet per year, and a 200-room hotel would demand approximately 32 acre-feet per year. However, the water treatment facility may need to be modified/upgraded and/or the storage capacity may need to be expanded.

WATER & WASTEWATER ENVIRONMENTAL CONCERNS

Availability of the Davenport Sanitation District to serve the site and clarification of historic wastewater and availability of sufficient water resources will be fully discussed in the EIR.

II - SITE OPPORTUNITIES AND CONSTRAINTS

TRAFFIC

Observations of traffic operation on Highway 1 near the cement plant site do not indicate high volumes or levels of congestion with potential level of service (LOS) similar to LOS B or C for this type of facility. Traffic flows appear relatively stable with limited delays. Based on existing traffic volumes and observations of operations, Highway 1 appears to retain capacity to serve moderate increases in traffic. In the Davenport area, the relatively closely spaced side streets and driveways, road shoulder parking, and undesignated areas where pedestrians cross also affect operations. Further south in the western portion of the City of Santa Cruz, heavy volumes and numerous side streets and driveways that intersect with Highway 1 can cause moderate to heavy congestion along Highway 1. This congestion eases at the City limits as Highway 1 traverses Wilder Ranch State Park, approximately 6 miles southeast of Davenport. Although this area is approximately 11 miles south of the project vicinity, congestion in this area is of potential concern, as most of the traffic generated by future reuse of the site would be expected to traverse this area.

TRAFFIC ENVIRONMENTAL CONCERN

Highway capacity, existing traffic counts, site access, pedestrian safety, and levels of service will be addressed in the EIR.

LINE OF SIGHT AND SAFETY

Traveling northbound on Highway 1 approaching the cement plant site, the access driveway to the site is hidden around a curve in the road and the line of sight distance limitation is approximately 450 feet. Traveling southbound, Highway 1 is relatively straight and the access driveway is clearly visible.

Additionally, traveling northbound on Highway 1, the speed limit is 40 mph coming into the town of Davenport. The project site access driveway is approximately 1,850 feet north of Davenport. According to the Caltrans Highway Design Manual, a vehicle at a speed of 45 mph requires a stopping distance of 360 feet. Since cars are often traveling at speeds faster than 45 mph by the time they pass the site, this stopping distance may potentially exceed acceptable line of sight distance maximums potentially reducing safety for vehicles entering or exiting the site. This highway safety and site access issue needs to be addressed concurrent with any future on-site development.

The resource opportunities and constraints associated with the site are graphically depicted on the Opportunities and Constraints Map which is included as Appendix B.

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REGULATORY
AUTHORITY



III REGULATORY AUTHORITY OF THE COASTAL REUSE PLAN



Coastal views from the site

The California Coastal Conservancy provided a grant in 2015 to Sempervirens Fund to develop a reuse plan for the Davenport Cement Plant site. The Conservancy is authorized to “award grants to public agencies and nonprofit organizations for the purpose of restoration of areas of the coastal zone that, because of scattered ownerships, poor lot layout, inadequate park and open space, incompatible land uses, or other conditions are adversely affecting the coastal environment” (Public Resources Code). In addition, as stated in Section 31203, “... the conservancy shall seek to promote excellence of design and shall stimulate projects which exhibit innovation in sensitively integrating man-made features into the natural coastal environment.” The grant was authorized under the Coastal Restoration Chapter of the Conservancy's legislation at a time when Sempervirens was negotiating with the property owner for the acquisition of the site. When the negotiations did not lead to a successful conclusion, Sempervirens contracted with the County of Santa Cruz to prepare a reuse plan for the site. The grant to the County was also funded by the Gordon and Betty Moor Foundation and the Resources Legacy Fund. As a funder of the Reuse Plan, the Conservancy will review and comment on the Plan, but will not approve it.

The County contracted with RRM to formulate reuse plan alternatives, as well as Local Coastal Plan (LCP) amendments for consideration by the Board of Supervisors. The LCP amendments will implement the Reuse Plan. The Board of Supervisors will approve the Final Reuse Plan and LCP amendments after completion of environmental review. The Coastal Commission has final approval authority of the Plan and the LCP amendments.

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IV

PURPOSE OF THE PLAN





Existing landscape onsite

A. PURPOSE

When the Davenport Cement Plant ceased cement production in 2010, the local community was impacted. Some local jobs were lost and the cost of public services (i.e., water, sewer) increased for the residents of Davenport. In addition, it was clear that redevelopment/restoration of the site under the County's existing Local Coastal Program policies would be very unlikely. Therefore, the County of Santa Cruz, in cooperation with the Coastal Conservancy, Sempervirens Fund, the Gordon and Betty Moore Foundation, and the Resources Legacy Fund proactively embarked on the planning process to develop a Coastal Reuse Plan and related Local Coastal Plan amendments for the Davenport Cement Plant site.

The primary goal of this process was to work with a team of experts and the community to identify financially feasible land use alternatives that would stimulate redevelopment and restoration of the site while recognizing the landowner's property rights. In addition, the partners were committed to ensuring that any future development of the site would address impacts to the Davenport community resulting from tourism, including the provision of restrooms and parking for the general public. In addition, the broader community benefit would include a visitor center and trails connecting to adjacent public land, jobs for County residents, and revenue that could help support the public uses. Since 2016, the County and the community have been engaged in a process to identify these financially viable development alternatives.

IV - PURPOSE OF THE PLAN

B. RESTORATION AND REUSE PLAN GOALS

To ensure the community was part of the process and had a role in shaping the future use of the site, community stakeholders have been engaged throughout the process. This included a series of meetings with community members, nonprofits, responsible agencies, and three community workshops.

The Reuse Plan (Plan) describes a series of amendments to the County's Local Coastal Program, to be approved separately from the Plan, that would authorize the future uses on the site. This will eliminate a step that a future owner of the site would have to take and will provide an incentive for the purchase and redevelopment of the site.



Connectivity is an important component of this Plan

Through a collaborative planning process, the following goals and objectives were developed to guide the development of the Restoration and Reuse Plan. They are designed to encourage redevelopment of the site, reduce land use conflicts with surrounding areas, and provide benefits to the community and region while acknowledging the landowner's property rights.

GOAL 1

Provide community amenities/benefits needed in the area.

- Construct amenities, such as a visitor center, restroom, and/or parking.
- Ensure that development protects the existing community and does not degrade it.

GOAL 2

Connection to the National Monument and surrounding public land.

- Provide hiking, biking, and/or equestrian trail connections from Davenport cement site to surrounding public lands.

GOAL 3

Identify future uses that can be supported by the community, County, and Coastal Commission.

- Create a mix of uses that caters to and offers a range of services. The uses shall include priority uses for the Coastal zone.

PURPOSE OF THE PLAN - IV

GOAL 4

Identify an economically viable alternative to restore, and reuse to attract reinvestment.

- Ensure each alternative is financially viable.

GOAL 5

The environmental document prepared for the Reuse Plan includes as much project specific analysis as possible to minimize the amount of environmental review required in the future.

GOAL 6

Preserve active agricultural resources and agricultural-based businesses.

GOAL 7

Reuse existing buildings.

- Future Development should preserve and reuse, as feasible, the Roundhouse, the Packhouse, the Crocker Hospital, and the Power House, which are designated historic resources. Development should also preserve the Packhouse, as feasible, which is found to be eligible for designation as a historic resource.
- Future development should preserve other existing buildings with historic significance, on site where feasible, including the silos.

GOAL 8

Ensure that hazardous and toxic materials are sufficiently cleaned to allow for uses provided for in the Plan.



Reuse of industrial buildings enriches the Plan Area's character

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V
**PUBLIC
OUTREACH**





First community workshop

PUBLIC OUTREACH PROCESS AND FEEDBACK

The planning effort for the Coastal Reuse Plan included an extensive public outreach program designed to involve those interested in and affected by the proposed redevelopment of the site. The information gleaned from the outreach process was utilized by the planning team to refine the opportunities and constraints analysis, understand the communities concerns and needs, and to develop the land use alternatives presented in this Plan. The public process included stakeholder interviews and two community workshops as summarized below.

A. STAKEHOLDER INTERVIEWS (SEPTEMBER 2016)

Approximately 30 stakeholders were interviewed in September 2016 over a two-day period. Refer to Appendix C for the list of stakeholders. The interviewees were asked a series of questions regarding potential future use of the site and overarching concerns, perceived opportunities and constraints, and their key desired outcomes. The stakeholder comments were recorded in a comprehensive interview summary. Refer to Appendix D.

Significant feedback emerged from the stakeholder interviews regarding the Cement Plant site and its intended future use. Although the stakeholders may not have agreed on the recommended changes, there was an agreement that action needs to be taken regarding the site. Those interviewed discussed numerous approaches.

The major themes heard during the interviews include:

- Concerns regarding site constraints and potential on-site toxic materials;
- Possible future uses:
 - visitor-serving uses;
 - light industrial uses;
 - residential live-work uses; and
 - educational uses.
- Possible reuse of the tower structure and silos;
- Environmental issues including biological;
- Local/North Coast concerns such as impacts from tourism; and
- Infrastructure issues.

A comprehensive list of comments received, organized by theme, are included in Appendix D.



Community workshop #2

B. WORKSHOP #1 – COMMUNITY WORKSHOP KICKOFF (NOVEMBER 2016)

The Community Workshop Kickoff was held on Thursday, November 10, 2016, and was attended by approximately 90 community members. The workshop began with a general project overview and review of the project's projected timeline and outreach process, as well as a brief history of the Davenport Cement Plant. Site opportunities and constraints were presented before further discussion of ideas and issues concerning the site.

A group brainstorming exercise followed the presentation allowing community members to voice their ideas, issues, and concerns on key topics. The topics were organized into five categories, including: Future Uses; Site Constraints and Environmental Issues; National Monument Trailhead; Circulation and Access; and Other Ideas and Issues.



Community workshop participant voting in exercise

During the brainstorming exercise community comments were recorded.

The top priority items identified by the community included, but are not limited to, visitor-serving uses, preservation and protection of land and habitat, low-impact industrial uses, public safety services, educational/informational component(s), and an integrated multi-use trail system connected to existing trails/paths. With regard to the potential on-site National Monument Trailhead, the community expressed a strong desire for public parking, bathrooms, and a visitor center to be provided. The community also expressed a strong desire to provide a safe Highway 1 crossing in the area. Some community members wanted no development at all and there were concerns expressed regarding the negative effects of tourism on the community.

Site constraints and environmental concerns were raised regarding on- and off-site circulation and traffic, availability of water and sewer service, impacts to on-site biological resources, potential impacts on surrounding communities, and school and emergency service capacities.

This brainstorming exercise informed the Reuse Plan project team about the community's interests and priorities and guided the preparation of the Reuse Plan alternatives for the Davenport Cement Plant site.

The comprehensive workshop comments have been attached in Appendix D.

C. WORKSHOP #2 – COMMUNITY WORKSHOP (DECEMBER 2017)

Approximately 200 community members attended Community Workshop #2 for the Davenport Cement Plant Reuse Plan held on Tuesday, December 5, 2017. The workshop's objective was to encourage a community discussion and gain input on the alternative land uses that were prepared based on market research, the input received during the stakeholder meetings, and feedback from Workshop #1.

The project team presented information regarding the planning process to date, the proposed land use alternatives, and the economic viability analyses. RRM presented the general program and site plan for three Alternatives that were developed by the consultant team and a fourth Alternative that was developed in conjunction with Joby Aviation. It should be noted that Alternative 4 was added to the process in response to the possibility of JoeBen Bevirt purchasing the Cemex site and relocating Joby Aviation to the site. Because this alternative was an end-user driven, build-to-suit concept, no economic analysis was completed for it.

The community then participated in a preference exercise that allowed them to vote for their preferred alternatives (first and second choice). The community indicated that their top two choices were Alternative 1 – Eco Lodging and Visitor Serving and Alternative 4 – Joby Aviation Clean Technology. Alternative 4 received the most support, which was significantly greater than the support for Alternative 1.

However, Alternative 3 included the potential for up to 226,000 sf of light industrial/flex space which could be used for many purposes, including some component (eg. headquarters) of the Joby Aviation business.

In addition to the interactive exercise, community members were also asked to provide feedback and to select preferences on the components/elements of each alternative, such as the number of camp sites or employee housing units. A matrix that outlined the components of each alternative program was provided to all participants.

As in the first workshop, some community members wanted no development at all and there were concerns expressed regarding the negative effects of tourism on the Davenport community.

Other feedback raised by participants include:

- Prevent or minimize development on the ocean side of Highway 1;
- Develop additional neighborhood or community-serving uses, such as a grocery store or farmers market;
- Integrate camping into Alternative Four (Joby Aviation);
- Allow industrial development if it is Joby Aviation;

- Provide additional information regarding the details of the alternatives including the square footage, number of employees, and number of visitors on the site is needed, particularly for Alternative 4; and
- Provide information regarding future traffic, water use, and potential light and noise impacts.

It should be noted that the public comments received at Workshop #2 were used to refine the alternatives such as removing new structural development from the land south of Highway 1.

Since the date of the public workshop, Joby Aviation has identified a new site for the Joby Aviation manufacturing facilities and Alternative 4 is no longer a part of the Restoration and Reuse Plan.

D. WORKSHOP #3 – COMMUNITY MEETING (NOVEMBER 2018)

On November 8, 2018, a third workshop was held to present the three final alternatives contained in the Draft Reuse Plan for the Davenport Cement Plant prior to going to the Board of Supervisors for the selection of the preferred alternative. Approximately 60 community members attended Community Meeting #3 at Pacific Elementary School in Davenport. The purpose of the community meeting was to receive feedback on the Alternatives.

During and following the presentation, the community asked several questions about the process and the information provided. Some of the other key issues that were raised by multiple participants include the following:

- Prevent or minimize development on the ocean side of Highway 1;
- Ensure necessary infrastructure (water and sewer) are available for the chosen alternative;
- Develop additional neighborhood or community-serving uses, such as a grocery store;
- Integrate artist studios/live-work/light industrial into all alternatives;
- Concerns over age-restricted, senior housing being too remote from services;
- Provide additional information regarding the details of the alternatives including the infrastructure costs and what is available; and
- Provide information regarding population projections, traffic, water use, and potential light and noise impacts.

The Community was encouraged to provide written comments on the Alternatives presented. The public comments are provided in Appendix G.

VI LAND USE ALTERNATIVES AND DESIGN GUIDELINES



VI LAND USE ALTERNATIVES



Asilomar Hotel and Conference Grounds features lodging and amenities in a similar setting

LAND USE ALTERNATIVES AND DESIGN GUIDELINES

The process involved the creation of potentially viable land use alternatives that could accomplish the goals outlined in Chapter IV Purpose of the Plan. After the public outreach, the County requested that a fifth alternative be prepared that responds to comments/concerns expressed by the public. As previously stated, the key County objective is to identify a future use that can be potentially supported by the County, the community, and the Coastal Commission, and would stimulate reinvestment in and redevelopment of the site. The land use Alternatives outlined below were developed based on feedback received from meetings with stakeholders, assessing the site's constraints and opportunities, receiving input from the community, and assessing the economic viability of different uses for the site. It is important to note that the Alternatives are concept level alternatives and the exact locations of a particular land use could be modified. The quantity and mix of land uses of the current Alternatives have been tested for economic viability.

ALTERNATIVE 1: ECO LODGING AND VISITOR-SERVING

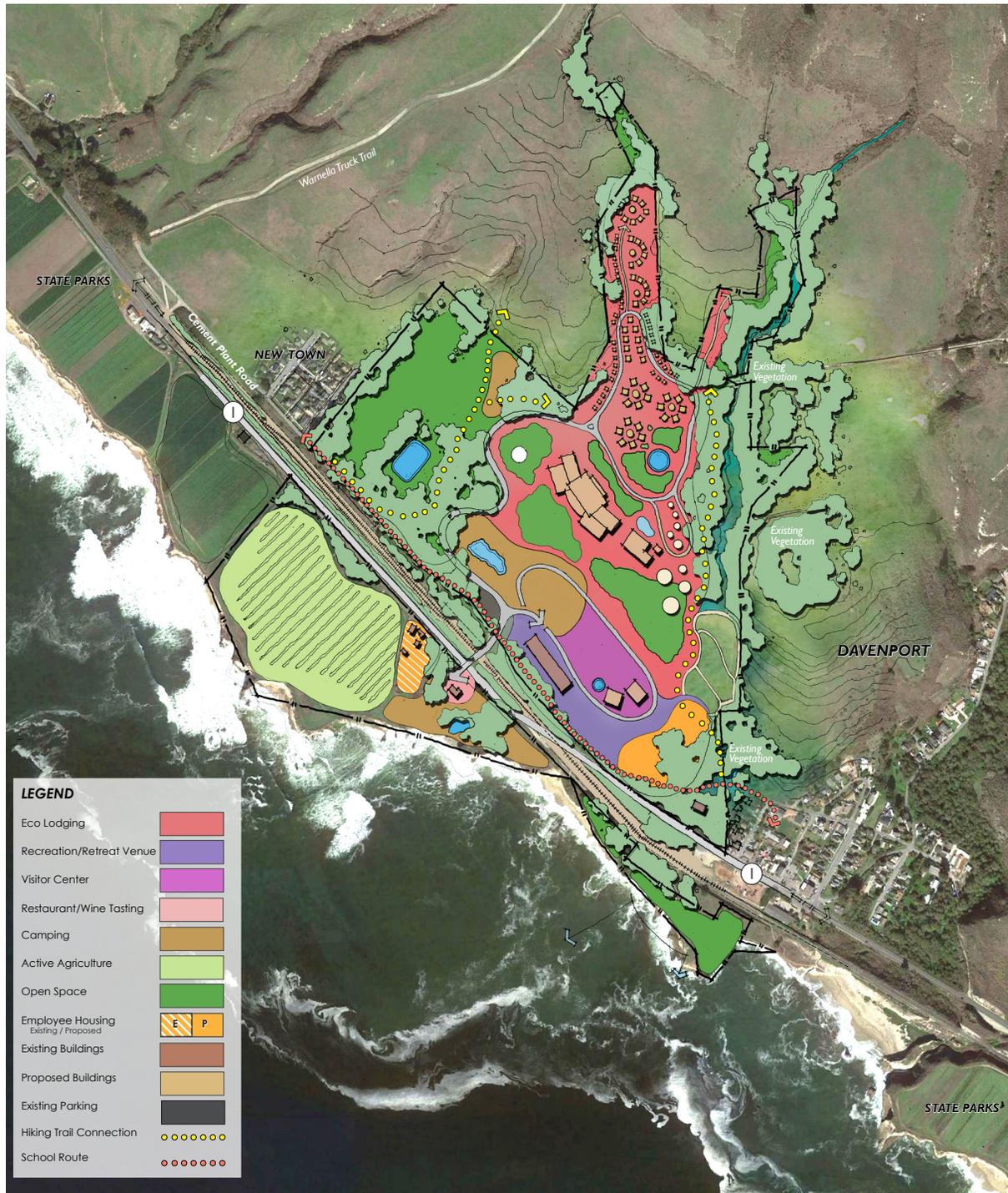
Alternative 1 is envisioned as an upscale lodge with a variety of overnight accommodations having a health and wellness emphasis. The mix of lodging units is 200. The way in which lodging units (i.e. rooms, cabins, and tent cabins) is intended to be flexible. This alternative also includes high priority, visitor-serving uses.

The Alternative 1 program includes:

- An Eco Lodge
 - 100 rooms
 - 75 cabins
 - 25 tent cabins
 - Restaurant serving the lodge
 - 15,200 sf event/retreat space
 - Up to 100 camp sites including camp amenities such as restrooms and a camp store
- Recreation/Retreat Venue
 - Spa, health, and wellness yurts

VI - ALTERNATIVE LAND USE PLANS AND DESIGN GUIDELINES

- Wedding and private retreat facilities
- 30 units of employee/family affordable housing
- Visitor center, public restrooms, and public parking
- Emergency service storage facility
- Public trails



ALTERNATIVE 1 - ECO LODGING AND VISITOR-SERVING

ALTERNATIVE 2: RECREATION-ORIENTED VISITOR-SERVING

Alternative 2 includes a recreation-oriented lodge with a focus on outdoor recreation/activities including, but not limited to, biking, hiking, a ropes course, water sports, and ziplining. The maximum number of lodging units is 300. The mix of lodging units (i.e., rooms, cabins, and tent cabins) is intended to be flexible.

The program for this alternative also incorporates a conference center, event spaces, and high-priority, visitor-serving uses. The Alternative 2 program includes:

- Recreation-Oriented Lodge
 - 200 rooms
 - 75 cabins
 - 25 tent cabins
 - 75 campsites and camp amenities such as restrooms and a camp store
 - Restaurant serving the lodge
 - Spa
 - 32,000 sf Conference Center that can accommodate: weddings, corporate/academic meetings, and recreational events
- Recreational uses
 - Hiking, biking, ropes courses, water sports, and/or zipline
 - Retail and recreational facilities
- Restaurant in Crocker Hospital
- 50 units of employee/family affordable housing
- Visitor center, public restrooms, and public parking
- Emergency service storage facility
- Public trails

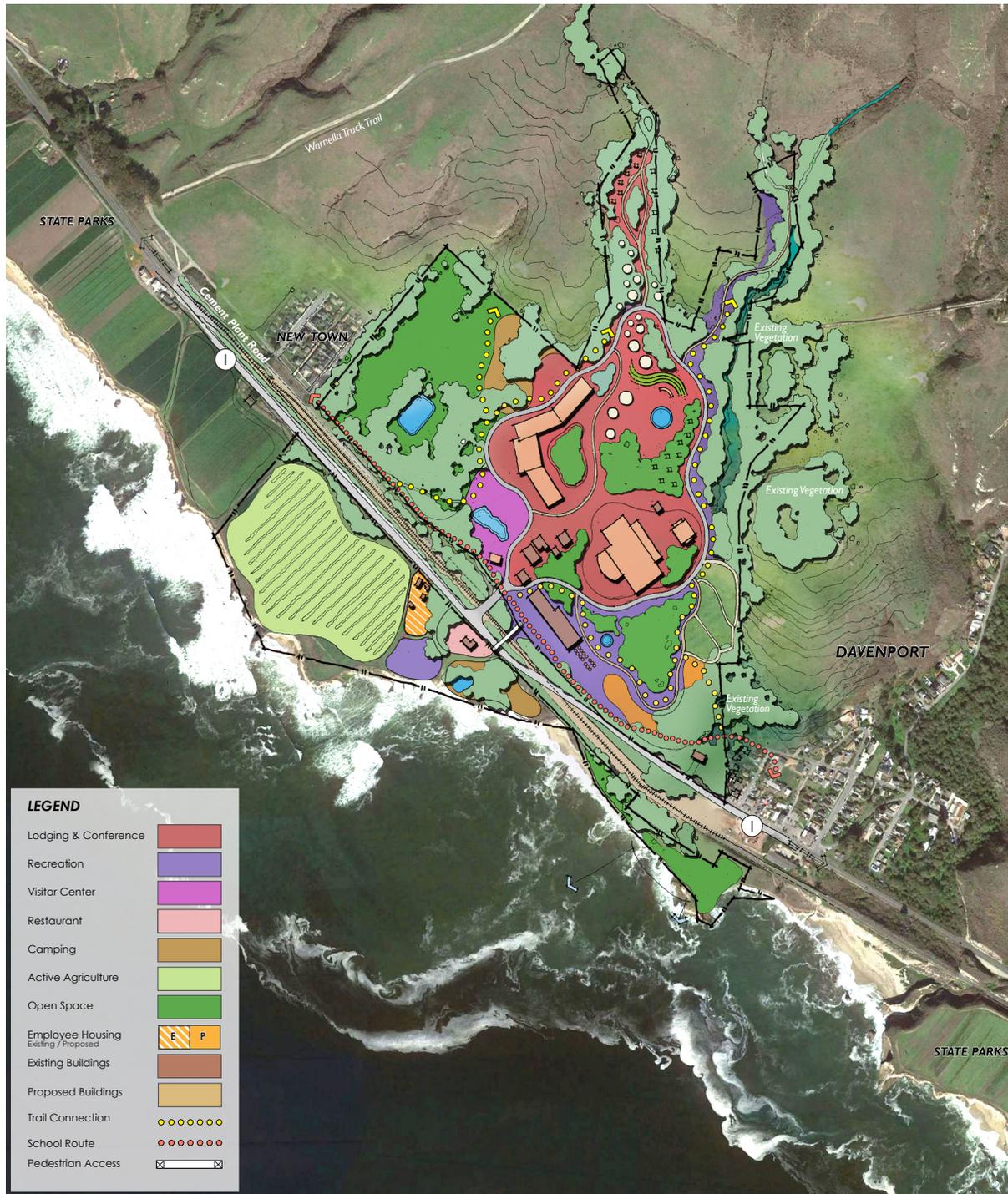


Cabin example



Yurt example

VI - ALTERNATIVE LAND USE PLANS AND DESIGN GUIDELINES



ALTERNATIVE 2 - RECREATION-ORIENTED VISITOR-SERVING

ALTERNATIVE 3: AGE-RESTRICTED HOUSING AND VISITOR-SERVING

Alternative 3 combines age-restricted (over 55) housing, a lodge, and clean light industrial/flex space. The light industrial/flex space is meant to serve as local artist maker space and clean technology space. The maximum number of lodging units is 200. The mix of lodging units (i.e., rooms, cabins, and tent cabins) is intended to be flexible. High-priority, visitor-serving uses are also provided.

The Alternative 3 Program includes:

- Independent age-restricted (over 55 years old) housing (up to 300 units)
- Lodging
 - 100 rooms
 - 100 cabins
 - 50 campsites and camp amenities such as restrooms and a camp store
 - Restaurant serving the lodge
 - Spa
- 30 units of employee/family affordable housing
- Wine Tasting/Restaurant in Crocker Hospital
- Event meeting space 2,000 sf.
- 226,400 sf of flex space/light industrial/artist-maker space/live-work
- Visitor center, public restrooms, and public parking
- Emergency service storage facility
- Public trails

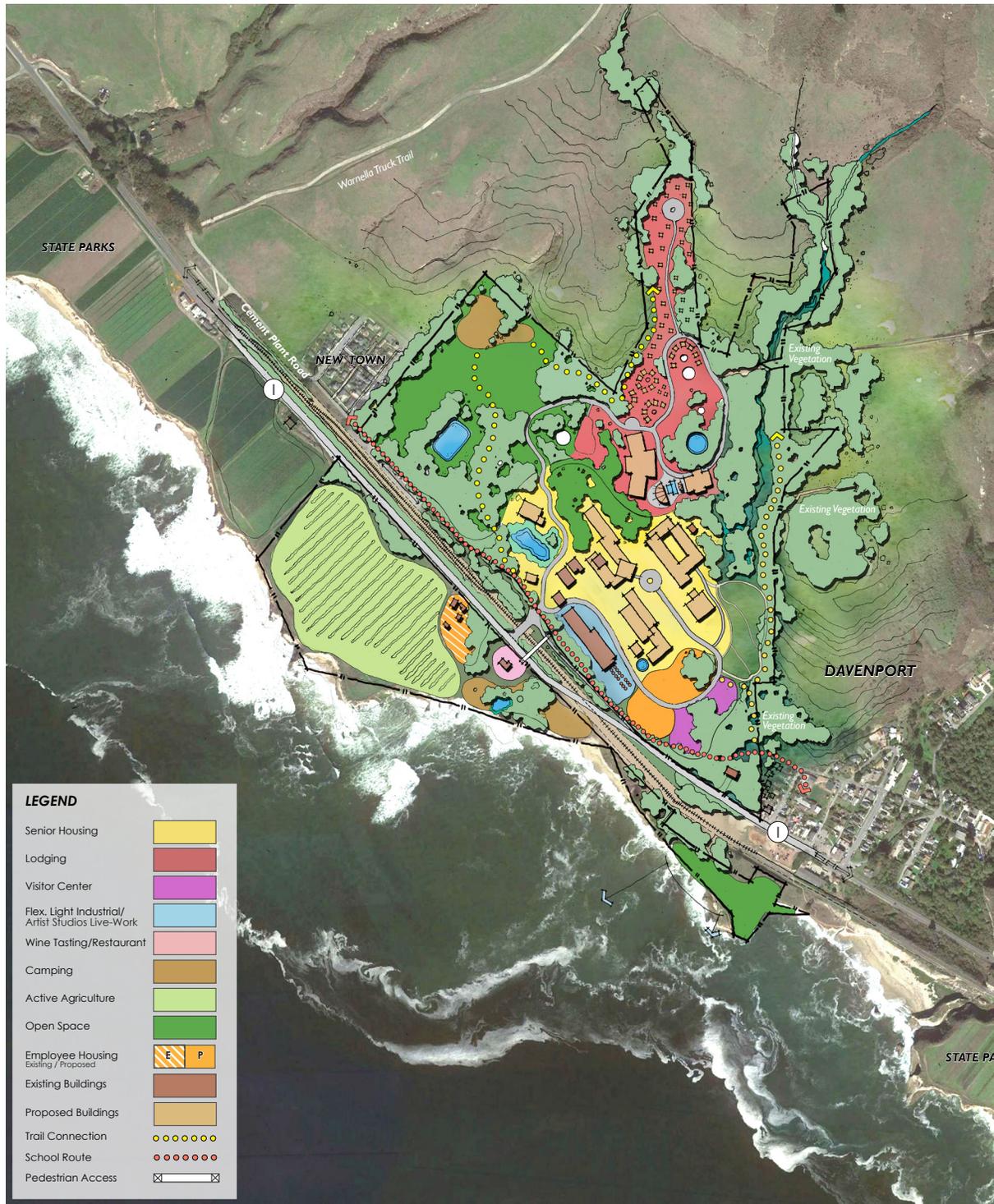


Tent cabin example



Age-Restricted Housing

VI - ALTERNATIVE LAND USE PLANS AND DESIGN GUIDELINES



ALTERNATIVE 3 - AGE-RESTRICTED HOUSING AND VISITOR-SERVING

ALTERNATIVE 4: CLEAN TECHNOLOGY AND VISITOR-SERVING

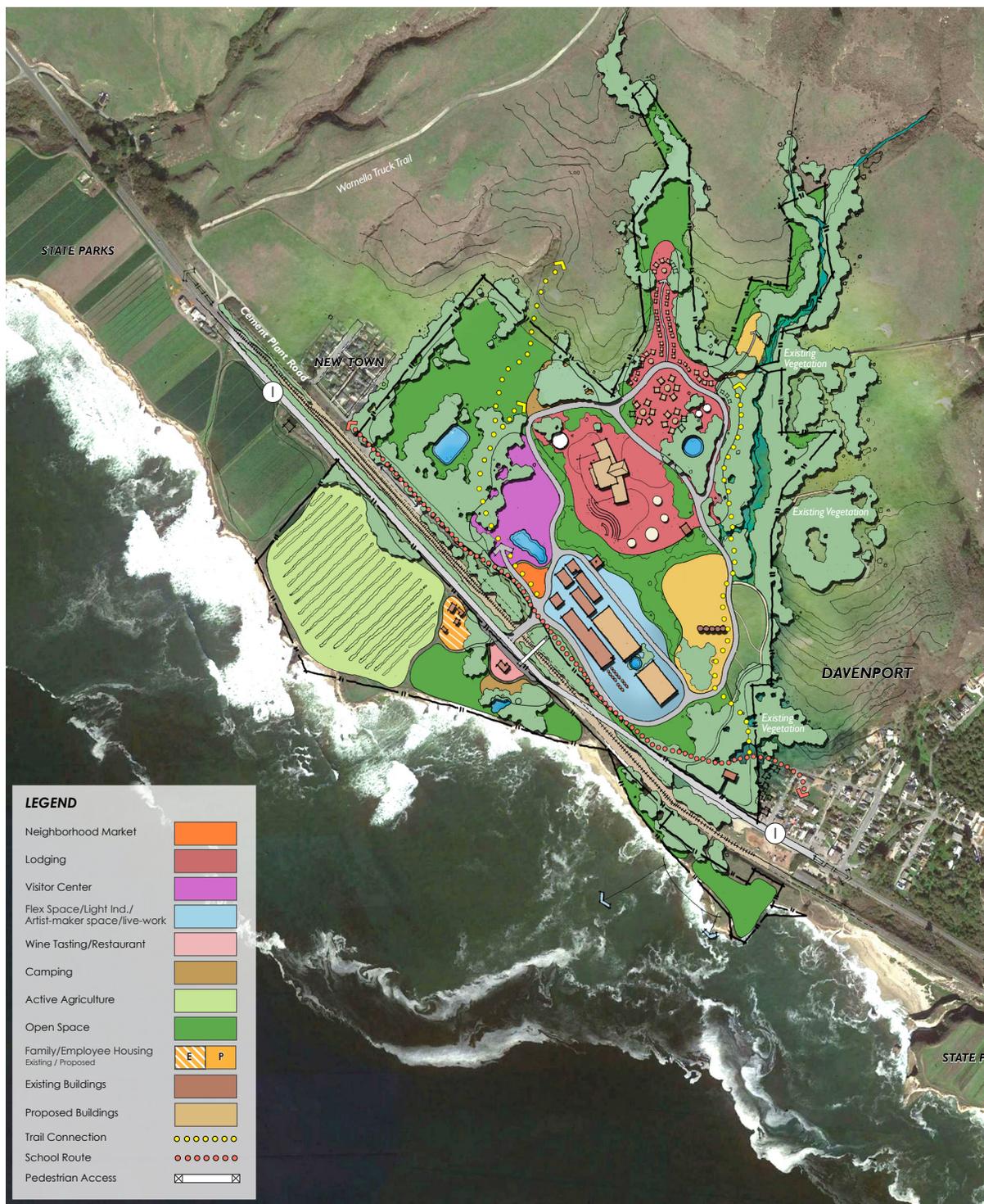
A fourth alternative was developed in response to Joby Aviation's desire to acquire and develop the site for its headquarters and manufacturing in 2017. As previously noted, this alternative was reviewed by the public in the second workshop. Since that time, Joby Aviation has moved their manufacturing facility to another city. As a result, Alternative 4 is not included in the Reuse Plan. Please refer to Appendix E for a description and graphic depiction of this alternative.

ALTERNATIVE 5: ECO LODGING, VISITOR-SERVING, AND LIGHT INDUSTRIAL

As previously noted, Alternative 5 was developed to respond to public comments and concerns. This Alternative combines lodging uses, family/employee housing, and light industrial/flex space. The maximum number of lodging units is 155. The mix of lodging units (i.e., rooms, cabins, and tent cabins) is intended to be flexible. The Alternative 5 Program includes:

- Lodging
 - 75 rooms
 - 55 cabins
 - 25 tent cabins
 - 39 campsites and camp amenities such as restrooms and a camp store
 - Restaurant serving the lodge
 - Spa
- Event meeting space/restaurant/event and retreat space/spa/small market up to 13,500 sf.
- 225,000 sf of flex space (clean technology/light industrial, educational, artist-maker space, retail, live-work)
- Up to 60 units of employee/family affordable housing and 20 market rate units
- Restaurant/Wine tasting. If located south of Highway 1 the restaurant/ wine tasting to be located in the Crocker Hospital.
- Visitor center, public restrooms, and public parking
- Emergency service storage facility
- Public trails

VI - ALTERNATIVE LAND USE PLANS AND DESIGN GUIDELINES



ALTERNATIVE 5 - ECO LODGING, VISITOR-SERVING, AND LIGHT INDUSTRIAL



Design guidelines aim to ensure high-quality development

DESIGN GUIDELINES

Davenport has a unique coastal identity and character. While it is important to maintain a compatible setting, it is equally important to strive for quality development. To attain a complementary and high-quality development, the Reuse Plan includes design guidelines to inform development decisions of future proposals. These design guidelines are recommended site-wide and will be included in the related Local Coastal Program amendments.

VI - ALTERNATIVE LAND USE PLANS AND DESIGN GUIDELINES



Delineate pedestrian paths and connections

1. The on-site pedestrian circulation network should be linked to New Town, the Davenport area, and surrounding public open spaces.
2. Identify pedestrian areas with special treatments to avoid pedestrian and vehicle conflicts and to encourage pedestrian activity.
3. Screen storage, dumpster, and service areas from public view with fencing, walls, and/or landscaping.

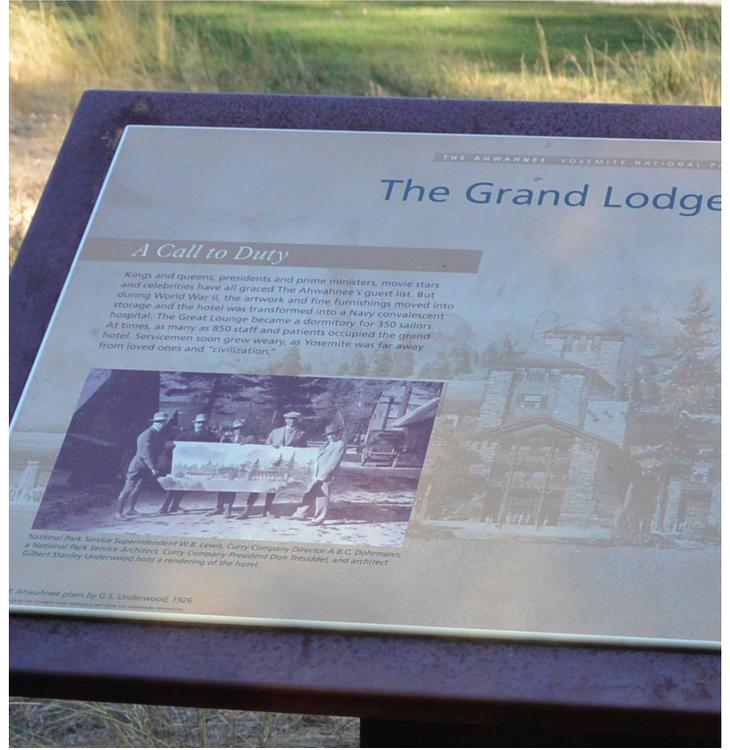


Permeable surface for bike parking

4. Parking lots should be screened from public roads.
5. Parking lots should provide electric vehicle charging stations and motorcycle parking.
6. Enclosed bicycle parking/storage areas should be provided.
7. Use permeable surfaces where possible to reduce off-site drainage flows wherever possible.



Stone wall complements site character



Interpretive signs tell the story behind a place

8. Open space and landscaped areas should be an integral part of the project and not left-over areas of the site.
9. Common open space areas should utilize existing natural features and be oriented for maximum benefit of sunlight and views.
10. Construction techniques should be implemented to protect bluffs and hillside from erosion.

11. Provide designated areas for pets to avoid native habitat areas.
12. A comprehensive way-finding signage program, including interpretive signs, should be developed for the site. The signs should be low profile.
13. Walls and fences should complement the overall building, site, and community character and context.

VI - ALTERNATIVE LAND USE PLANS AND DESIGN GUIDELINES



Directional signage is important in destination arrival

14. The use of chain link fencing is discouraged. If chain link fencing is necessary, incorporate design elements, such as landscaping, to make it more attractive.
15. The reuse and rehabilitation of existing structures on the site shall comply with the Secretary of the Interior Standards for Rehabilitation.



Brand the site with a memorable character

16. Rename/rebrand the Cement Plant site to create a destination and includes directional signage that routes visitors directly to the site to help protect the existing Davenport town from impacts from visitors.

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VII
ECONOMIC
ANALYSIS





Proximity to the coast offers economic opportunities for each alternative

A. ANALYSIS SUMMARY

The cessation of cement production at the Davenport Cement Plant in 2010 resulted in a loss of jobs and a decline in tax revenues for the County of Santa Cruz. Now the inactive 100+-acre site is an opportunity for reinvestment. Located on the northern California coastline, this site is ideally located to offer world class recreation and a variety of other potential uses.

The County of Santa Cruz retained Economic & Planning System (EPS) as part of a team led by RRM Design Group to prepare a market study and an economic analysis of the land use alternatives developed during the Reuse Plan preparation. The County's key objective was to ensure that each of the alternatives was economically viable and could attract reinvestment of the site. EPS collaborated with RRM Design Group on the development of the land use alternatives to ensure each alternative's financial viability. The Economic Feasibility Analysis is provided in Appendix F.

From the initial market assessment included in the Final Technical Background Report, EPS found that lodging and/or hospitality uses are a realistic and viable economic driver for the Davenport site. They also found that age-restricted housing could generate significant value as a primary use.

Since the County is the regulatory authority and not the developer or property owner of the site, and the timing of future development is unknown, its role in determining the economic feasibility of development options on the site is constrained. A future developer will prepare a much more detailed analysis to determine feasibility.

B. KEY FINDINGS FOR LAND USE ALTERNATIVES

The four land use program alternatives tested are all likely to be financially feasible. The EPS feasibility analysis found that each alternative would potentially generate positive "residual land value" that would stimulate reinvestment and redevelopment of the site.

ALTERNATIVE 1 – ECO LODGING AND VISITOR-SERVING

Alternative 1 is marginally feasible, despite the achievable high room rate potential made probable by the low-density aesthetic qualities of this alternative. This alternative generates real estate value to cover site demolitions and infrastructure improvements, and it yields approximately \$3 million in land value.

ALTERNATIVE 2 – RECREATION-ORIENTED VISITOR-SERVING

Alternative 2 combines an increased lodging program with a conference center and event facilities and has a recreational element. This alternative is projected to support approximately \$7 million in land value. Alternative 2 produces significant income potential, which is the primary reason that Alternative 2 generates more than twice the estimated land value of Alternative 1.



Alternative concepts presented incorporate community-wide benefits and recreation

ECONOMIC ANALYSIS - VII

ALTERNATIVE 3 – AGE -RESTRICTED HOUSING AND VISITOR-SERVING

Alternative 3, the densest plan alternative, combines hospitality, residential, and light industrial/flex space. The market rate independent age-restricted housing and flexible space (clean technology and artist maker space) would generate the most significant land value, equaling \$35 million total.

ALTERNATIVE 4 – CLEAN TECHNOLOGY AND VISITOR-SERVING

An economic analysis was not completed for Alternative 4, because it was a built to suit concept. Joby Aviation has moved its manufacturing facility to another city and the alternative is no longer part of the Reuse Plan.

ALTERNATIVE 5 – ECOLODGING, VISITOR-SERVING, AND LIGHT INDUSTRIAL

Alternative Five, a mid-density plan of roughly 400,000 square feet, envisioned to be anchored by upscale lodging and “flex” space, and also includes 20 units of market rate for-sale housing which helps to generate a program-wide total of roughly \$6 million in land value.

VIII
REQUIRED LOCAL
COASTAL PROGRAM
AMENDMENTS



VIII REQUIRED LOCAL COASTAL PROGRAM AMENDMENTS



Yurts and tent cabins provide options for overnight accommodations

The Local Coastal Program amendments described below will be adopted, in separate actions, by the County and Coastal Commission to implement the Reuse Plan. They are provided here for information purposes only.

A. INTERPRETATION

Wherever the provisions identified in the Davenport Cement Plant Coastal Reuse Plan expressly conflict with other Local Coastal Program (LCP) provisions, the LCP amendments implementing the Reuse Plan policies shall apply.

B. NEW LCP POLICIES

To help the public and decision makers better understand the implications of each alternative, this Plan includes proposed LCP amendments and planning criteria for each alternative, per County direction. Following selection of a preferred alternative, the planning criteria for the preferred Alternative will remain and the other alternatives and related LCP amendments and planning criteria will be removed. This Plan also includes General Reuse Planning Criteria that will apply to the site.

VIII - REQUIRED LOCAL COASTAL PROGRAM AMENDMENTS

1. GENERAL REUSE PLANNING CRITERIA

Future development applications shall be evaluated according to the following criteria.

- a. **Land Uses** – The proposed uses on the Davenport Cement Plant site shall include, but not be limited to: high priority coastal-related uses. To ensure that future development: provides adequate facilities necessary to serve the high priority uses (including visitor-serving accommodations); and provides public access to the site and access and recreational opportunities to the surrounding public lands; future development proposals shall provide the following.
 - i. A visitor center of up to 3,000 sf for the public to learn about the local trail network, the history of the area, and the history of the cement plant site. The visitor center should include public restrooms with flush toilets and running water.
 - ii. No less than 50 public parking spaces providing access to the visitor center, coastal resources, and trails on and off site.
 - iii. No less than two trails which lead to the surrounding public lands.
 - iv. Safe pedestrian access from the New Town neighborhood to Davenport.
 - v. The high priority coastal-related uses such as the visitor center, camp sites, public parking, restrooms, trails, and lodging shall be permitted and developed prior to or current with development of the lower priority uses.
- vi. A storage facility shall be provided on-site to serve emergency services such as Cal Fire.
- b. **Visual Resources** – New development shall be sited and designed to minimize visual impacts and to preserve the scenic quality of area as viewed from public areas such as Highway 1. Future development shall be consistent with the following guidelines:
 - i. **Seaward of Highway 1:** With the exception of proposed camping areas, trails and associated amenities (e.g., parking, restrooms), the rehabilitation of the existing residential units, and redevelopment of the Crocker Hospital into a visitor-serving use, no new development shall be visible seaward of Highway 1.
 - ii. **Inland of Highway 1:** All future development should be designed and sited to minimize visibility of the new structures from existing public view areas, including views from Highway 1, nearby beaches, and/or nearby publicly accessible bluffs.
 - a. The maximum height of future development should not exceed 35 feet or 50 feet for structures that are not visible from the above-described existing public view areas, as demonstrated by a visual study.

REQUIRED LOCAL COASTAL PROGRAM AMENDMENTS - VIII

- b. New structures should provide variations in massing and height. Materials and paint colors should be neutral and should blend in with the natural environment.
 - c. On-site lighting should be minimized and shall be low-intensity, low glare, and should be shielded and directed downward.
 - iv. Landscape plans should be submitted with new development plans and shall use native plant species appropriate to the site. Landscaping should be used to screen future development from public views, to the greatest extent feasible.
 - v. Alteration of natural landforms should be minimized. All cut slopes should be revegetated with native plant species.
- c. Biological Resources** – To protect and enhance sensitive biological resources and habitat areas, the following standards shall be followed:
- i. Setbacks from habitat areas shall be provided. Such setbacks shall be determined through a project-specific biological analysis that identifies the minimum setback necessary to protect the biological productivity of ESHAs.
 - ii. All new structures shall be setback a minimum of 50 feet from riparian vegetation or the top of bank, whichever is further.
 - iii. All new development shall be setback 100 feet from existing wetlands. This setback may be reduced to 20 feet where the wetlands are man-made and are surrounded by existing development.
- d. Cultural Resources** – To protect sensitive cultural resources, the following standards shall be followed:
- iv. Mature native trees should be preserved where possible. Native trees that are removed as part of the development shall be replaced at a ratio of 2±:1.
 - v. Development within ESHA (other than resource-dependent development, such as trails) is prohibited.
 - vi. The future owner is encouraged to coordinate with the National Marine Fisheries Service to determine if there is an area on-site that could be identified for use as a new, state-of-the-art conservation hatchery facility for the Central California Coast Coho Salmon and the Southern Coho Salmon Captive Broodstock Program.
- d. Cultural Resources** – To protect sensitive cultural resources, the following standards shall be followed:
- i. Significant designated historic resources such as the Crocker Hospital, the Power House, and Round House should be preserved and integrated into future development to the greatest extent feasible. During Environmental Review, feasible project alternatives shall be considered that preserve other resources identified as eligible for historic designation. Where it is not feasible to preserve or adaptively reuse a historic structure identified as eligible for listing as a historic resource, mitigation measures will be considered to substantially reduce significant impacts such as moving the structure to an alternative location on-site, as

VIII - REQUIRED LOCAL COASTAL PROGRAM AMENDMENTS

feasible, or photo documentation. In addition, conservation of site features and/or building features should be integrated as interpretive displays or included in signage, publications, and other visitor experiences. Native American history on the site shall be included in the interpretive displays.

ii. The future owner is encouraged to preserve and integrate, to the extent feasible, the following buildings into the future development.

- Packhouse
- Round House
- Crocker Hospital

iii. Silos – Future developers are encouraged to investigate reuse of silos, where feasible.

iv. Archaeological field surveys shall be conducted to determine if resources are present on the site. Significant resources shall be avoided or protected. Pursuant to Sections 16.40.040 and 16.42.080 of the County Code, if at any time during site preparation, excavation, or other ground disturbance associated with this development, any artifact or other evidence of an historic archaeological resource or a Native American cultural site is discovered, the responsible persons shall immediately cease and desist from all further site excavation and notify the Sheriff-Coroner if the discovery contains human remains, or the Planning Director if the discovery contains no human remains. The procedures established in Sections 16.40.040 and 16.42.080 shall be observed. Such procedures may include consultation with an archaeological

monitor qualified by the California Office of Historic Preservation standards and/or the Native American Heritage Commission in order to examine the site and obtain recommendations for subsequent measures for the protection and disposition of significant artifacts. Mitigation measures shall be developed and submitted to the Planning Director for review and approval that address and proportionately offset the impacts of the project on archaeological resources prior to commencement of construction activity.

v. Consultation with Native American tribes shall be conducted prior to archaeological field surveys.

e. Sustainability - New development shall incorporate sustainable building and landscape practices to greatest extent feasible.

REQUIRED LOCAL COASTAL PROGRAM AMENDMENTS - VIII

2. PLANNING CRITERIA FOR ALTERNATIVE 1 – ECO LODGING AND VISITOR-SERVING

Future redevelopment of the site shall include the following and shall be sited in the areas shown in Chapter 6;

- a. A lodge with up to 100 rooms, 75 cabins, and 25 tent cabins. The maximum number of lodging units is 200. The mix of lodging units (i.e., rooms, cabins, and tent cabins) is intended to be flexible.
- b. A minimum number of campsites equal to 25% of the total on-site lodging units (e.g., 200 total lodging units requires 50 camp sites) is required. Up to 100 camps sites and associated restrooms may be provided. Traditional car camp sites shall be located inland of Highway 1. Walk-in and bike-in sites can be located inland or seaward of Highway 1. A retail store serving the campground may be included as part of campground facilities. Connections to the nearby rail line may be included.
- c. Commercial use to be located in the Crocker Hospital. Commercial uses can include store, restaurant, retail, artist venue, or community-serving use.
- d. Event meeting space of up to 15,200 sf to be provided within existing structures. The event space may include small scale public performance space.

- e. Retail/Artist space of up to 13,200 sf to be located within the existing Packhouse.
- f. Up to 30 employee/family affordable housing units for on-site employees
- g. The land uses described in Section 1(a) above.
- h. A pedestrian crossing may be provided to allow on-site guests and the general public to safely cross Highway 1, subject to California Department of Transportation (Caltrans) requirements.

3. PLANNING CRITERIA FOR ALTERNATIVE 2 – RECREATION ORIENTED VISITOR-SERVING/CONFERENCE CENTER

Future redevelopment of the site shall include the following and shall be sited in the areas shown in Chapter 6

- a. A lodge with up to 200 rooms, 75 cabins, and 25 tent cabins. The maximum number of lodging units is 300. The way in which the lodging units are distributed (i.e., rooms, cabins, and tent cabins) is intended to be flexible.
- b. Event meeting space /conference facilities of up to 32,000 sf.

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- c. A minimum number of camp sites equal to 25% of the total on-site lodging units is required (e.g., 300 total lodging units requires 75 camp sites). Associated restrooms shall be provided to serve the camp sites. Walk-in and bike-in sites can be located seaward of Highway 1.
- d. A commercial use such as a restaurant to be located in the Crocker Hospital.
- e. Retail/Recreation space within existing Packhouse.
- f. Up to 50 employee/family housing units for on-site employees.
- g. Restaurant inland of Highway 1.
- h. The land uses described in Section 1(a) above.
- i. A pedestrian crossing may be provided to allow on-site guests and the general public to safely cross Highway 1, subject to California Department of Transportation (Caltrans) requirements.

4. PLANNING CRITERIA FOR ALTERNATIVE 3 – AGE-RESTRICTED HOUSING AND VISITOR-SERVING

Future redevelopment of the site shall include the following and shall be sited in the areas shown in Chapter 6;

- a. Independent age-restricted (over 55 years old) housing community with up to 300 units.
- b. A lodge with up to 100 rooms and 100 cabins. The maximum number of lodging units is 200. The mix of lodging units (i.e., rooms and cabins) is intended to be flexible.
- c. A minimum number of camp sites equal to 25% of the total on-site lodging units is required (e.g., 200 total lodging units requires 50 camp sites.) Associated restrooms shall be provided to serve the camp sites. Walk-in and bike in sites can be located seaward of Highway 1.
- d. Event meeting space up to 2,000 sf.
- e. Light Industrial flex-space with up to 226,400 sf; existing buildings should be used where feasible.
- f. Up to 30 employee/family housing units for on-site employees.
- g. Restaurant/Wine tasting. If located seaward of Highway 1, the restaurant/wine tasting to be located in the Crocker Hospital.

REQUIRED LOCAL COASTAL PROGRAM AMENDMENTS - VIII

- h. A pedestrian crossing may be provided to allow on-site guests and the general public to safely cross Highway 1, subject to California Department of Transportation (Caltrans) requirements.

5. PLANNING CRITERIA FOR ALTERNATIVE 4 - CLEAN TECHNOLOGY AND VISITOR-SERVING

Planning criteria for Alternative 4 were not included in the Reuse Plan because Joby Aviation moved its manufacturing facilities to another city.

6. ALTERNATIVE 5 – ECO LODGING, VISITOR-SERVING, AND LIGHT INDUSTRIAL

Future redevelopment of the site shall include the following and shall be sited in the areas shown in Chapter 6;

- a. A lodge with up to 75 rooms, 55 cabins, and 25 tent cabins. The maximum number of lodging units is 155. The mix of lodging units (i.e., rooms, cabins, and tent cabins) is intended to be flexible.
- b. A minimum number of camp sites equal to 25% of the total on-site lodging units is required (e.g., 155 total lodging units requires 39 camp sites.) Associated restrooms shall be provided to serve the camp sites. Walk-in and bike in sites can be located south of Highway 1. Connections to the nearby rail line may be included.

- c. Event meeting space, restaurant, event and retreat space, spa, small market up to 13,500 sf.
- d. Flex space (clean technology/light industrial/ flexible, educational, artist-maker space, retail, live-work) up to 225,000 sf; existing buildings should be used where feasible.
- e. Up to 60 employee/family affordable housing units and 20 market rate units.
- f. Restaurant/Wine tasting. If located south of Highway 1 the restaurant/wine tasting to be located in the Crocker Hospital.
- g. A pedestrian crossing may be provided to allow on-site guests and the general public to safely cross Highway 1, subject to California Transportation Department (Caltrans) requirements.

VIII - REQUIRED LOCAL COASTAL PROGRAM AMENDMENTS

C. PROPOSED AMENDMENTS TO EXISTING POLICIES AND NEW POLICIES

~~Policy 2.19.6 Bonny Doon and North Coast~~

~~No new substantially expended or different heavy industrial uses shall be permitted in the Bonny Doon or North Coastal Planning Areas. As the existing heavy industrial uses are discontinued, development shall be permitted for uses and intensities consistent with the land use designations on surrounding properties. (The LCP amendments propose to delete this policy)~~

Policy 2.14.2 Allowed Uses in the Community Commercial Designation

Allow a wide variety of retail and service facilities including retail sales, personal services, offices, restaurants, community facilities, child care facilities, schools, studios, hotels, recreational rental housing units, rental services, and similar types of retail and service activities.

The allowed uses on the Davenport Cement Plant site shall be substantially consistent with the Davenport Cement Plant Coastal Reuse Plan.

Policy 2.14.11 Community Commercial – Davenport Cement Plant

Allow a wide variety of visitor-serving and commercial uses including lodging, camping, retail sales, restaurants, spas, parks and open space, recreational activities including trails and associated amenities, housing, community facilities, public facilities, clean technology offices, artist studios, and similar types of retail and service activities.

7.1.3 Parks, Recreation and Open Space Uses

Allow low intensity uses which are compatible with the scenic values and natural setting of the county for open space lands which are not developable; and allow commercial recreation, County, State and Federal parks, preserves, and biotic research stations, local parks and passive open space uses for park lands which are developable. For the Davenport Cement Plant site, camp-related uses, restaurant or similar use (in existing Crocker Hospital), and employee housing (in existing rehabilitated housing units) are permitted seaward of Highway 1.

D. PROPOSED LAND USE DESIGNATIONS AND ZONING

	Existing	Proposed
General Plan	AG Agriculture Resource (inland of Highway 1)	O-R Parks Recreation and Open Space
	AG Agriculture Resource (cultivated land seaward of Highway 1)	AG Agriculture
	AG Agriculture Resource (non-cultivated land seaward of Highway 1)	O-R Parks Recreation and Open Space
	R-M Mountain Residential	CC Community Commercial (Davenport Cement Plant)
	O-R Parks Recreation and Open Space	O-R Parks Recreation and Open Space
	P Public Facility/Institutional	P Public Facility/Institutional
Zoning		
	RA Residential Agriculture	VA Visitor Accommodation
	M-2 Heavy Industrial	VA Visitor Accommodation
	M-2-L Heavy Industrial with a Historic Landmark Combining District	VA-L Visitor Accommodation
	CA Commercial Agriculture (inland of Highway 1)	PR Parks, Recreation, and Open Space
	CA-L Commercial Agriculture (cultivated land seaward of Highway 1)	CA-L Commercial Agriculture
	CA Commercial Agriculture (non-cultivated land seaward of Highway 1)	PR Parks, Recreation, and Open Space
	PR Parks, Recreation, and Open Space	PR Parks, Recreation, and Open Space
	PF Public Facility	PF Public Facility

VIII - REQUIRED LOCAL COASTAL PROGRAM AMENDMENTS

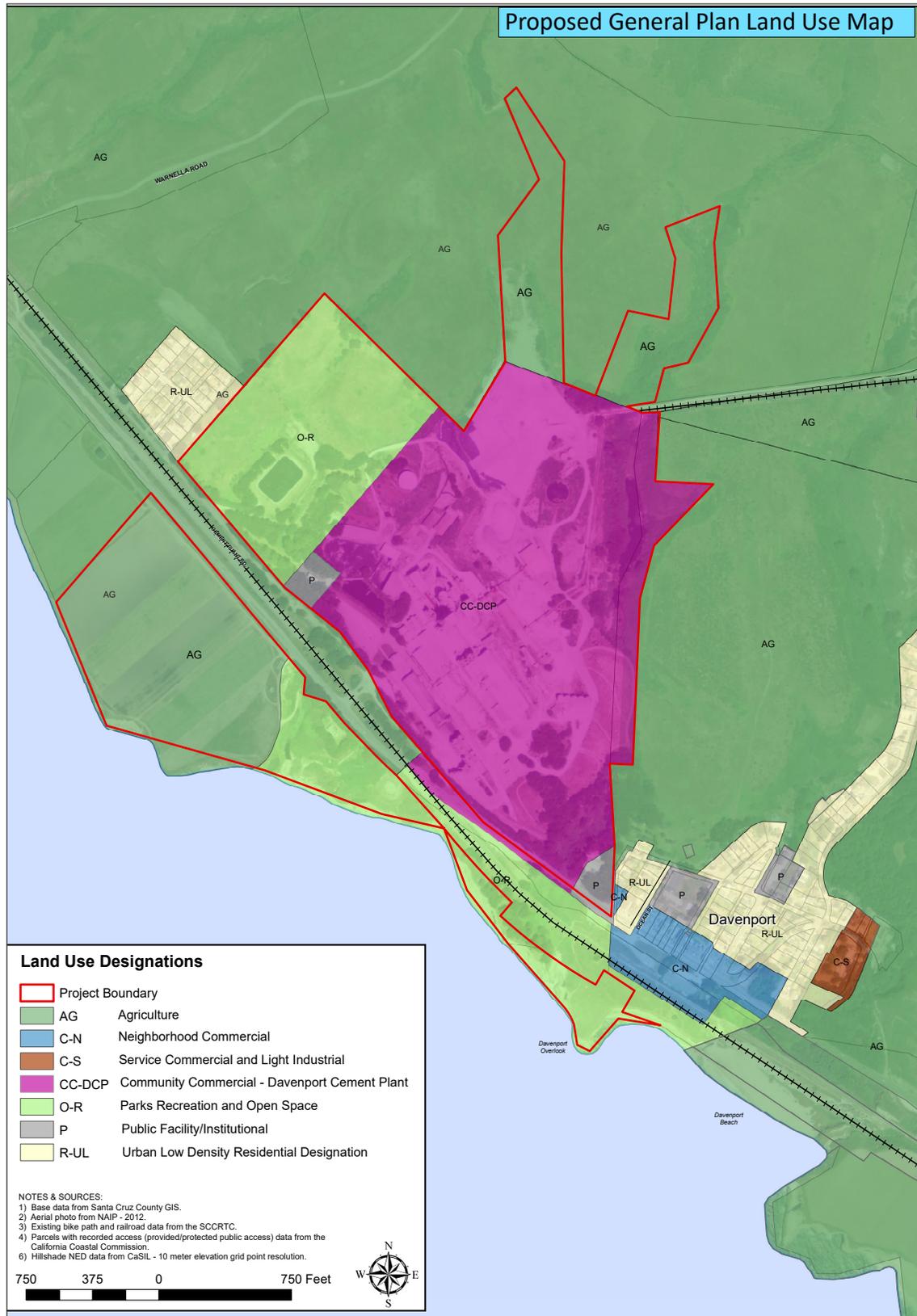


FIGURE 4 - PROPOSED GENERAL PLAN LAND USE MAP

REQUIRED LOCAL COASTAL PROGRAM AMENDMENTS - VIII

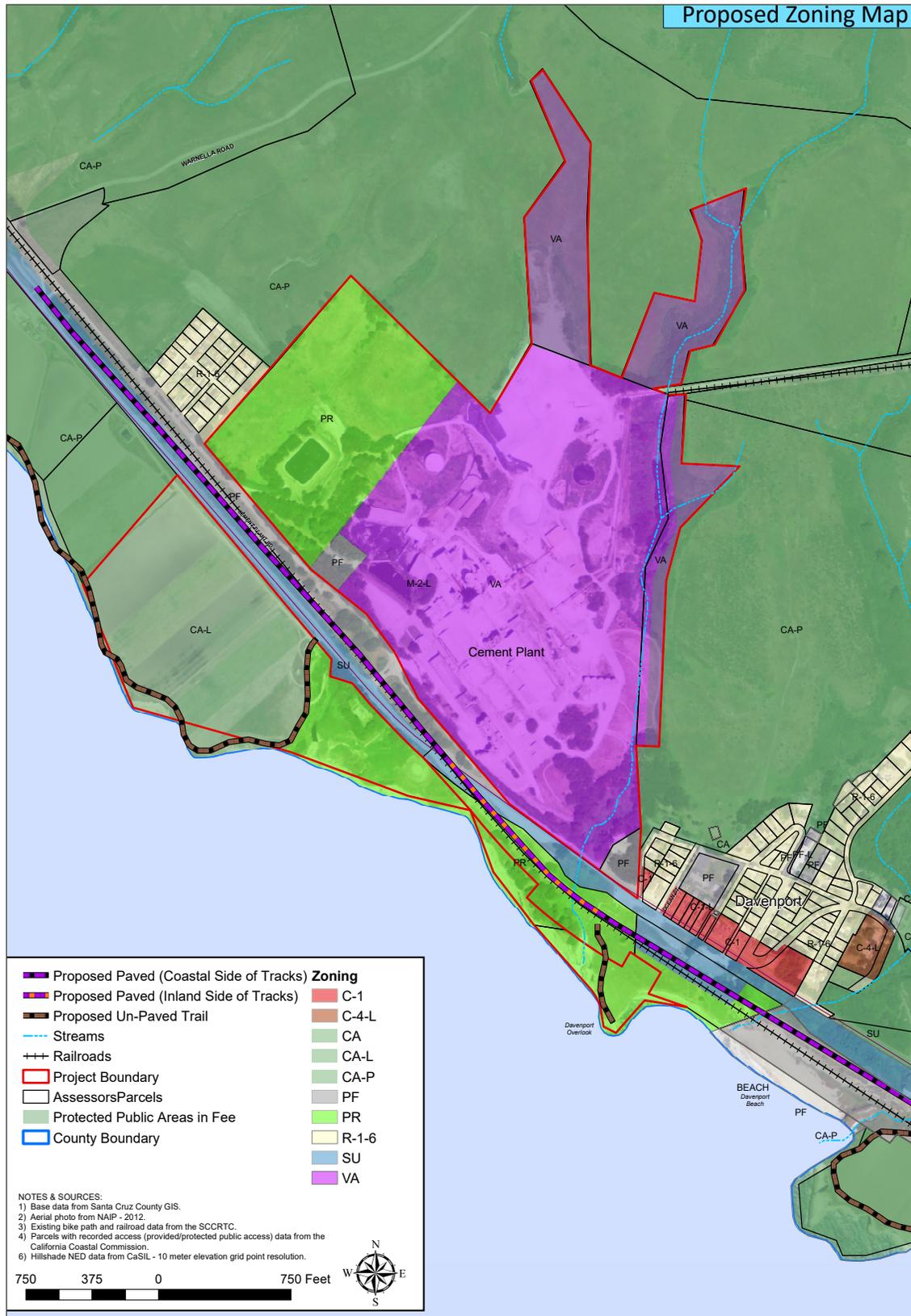


FIGURE 5 - PROPOSED ZONING MAP

VIII - REQUIRED LOCAL COASTAL PROGRAM AMENDMENTS

E. PROPOSED ZONING ORDINANCE AMENDMENTS

13.10.354(C) Criteria for Retention of Open Space

(1) The purpose of the PR District to preserve open space in the County shall be strictly adhered to.

(2) Except as provided in SCCC 13.10.353(A), Footnote (1), development in the PR District shall be allowed as follows:

(a) Ten percent of the net developable acreage of the property may be disturbed by improvements of a structural nature, including all habitable buildings and accessory structures.

(b) Twenty percent of the gross acreage of the property may be disturbed by improvements of a nonstructural nature involving impervious surfaces, including roads, paved play areas, tennis courts, patios, and swimming pools.

(c) Eighty percent of the gross acreage of the property shall be retained in open space, which may include nonpaved RV sites, paddocks, nonpaved play fields, picnic areas, and hiking and horseback riding trails. [Ord. 4496-C § 30, 1998; Ord. 4016 § 1, 1989; Ord. 3432 § 1, 1983].

(d) On the Davenport Cement Plant site, the developable acreage for structures, area that may be disturbed by improvements, and the required percentage of open space are defined by the Davenport Cement Plant Coastal Reuse Plan.

13.10.692(B) Organized Camps and Conference Centers

(B) Description of Uses. The following organized camp and conference center uses and facilities may be established as part of a Level VI development permit approval:

(1) Indoor facilities such as: kitchens, dining rooms, laundries, administrative offices, maintenance buildings, meeting halls, restroom and shower facilities, gymnasiums and other indoor recreation facilities.

(2) Visitor accommodations facilities subject to the density requirements contained in the PR Zone District, SCCC 13.10.353(B), with the exception of the accommodations on the Davenport Cement Plant site. The intensity of use standards for the cement plant are defined by the Davenport Cement Plant Coastal Restoration and Reuse Plan.

REQUIRED LOCAL COASTAL PROGRAM AMENDMENTS - VIII

(3) Educational facilities, including residential and day schools, at densities as specified in the PR District, SCCC 13.10.353(B); this density is instead of an equivalent amount of visitor accommodations and/or living units, not in addition to.

(4) Outdoor facilities such as parking areas, playgrounds, athletic fields, picnic areas, and swimming, riding, and boating facilities.

(5) On the Davenport Cement Plant site, the allowed uses and intensity of uses are defined by the Davenport Cement Plant Coastal Reuse Plan.

(56) Permitted and discretionary uses in the CA Zone District, SCCC 13.10.312.

(67) Appurtenant, accessory facilities for participants only, such as: studios, libraries, museums, dispensaries, camp stores.

13.10.692(D) Organized camps and conference centers.

(D) Operating and Development Standards. In addition to the zone district development standards and the policies of the General Plan, the following special operating and development standards shall apply to organized camps and conference centers:

(1) The minimum site area shall be not less than 20 acres unless pre-existing.

(2) Yards along front, side, and rear property lines shall be a minimum of 30 feet.

(3) Building height shall not exceed 25 feet, except on the Davenport Cement Plant site. The height restrictions for the Cement Plant site are defined by the Davenport Cement Plant Coastal Reuse Plan.

(4) All structures shall conform to the Uniform Building Code.

(5) The facility shall meet all regulations and requirements of the Environmental Health Division of the County Health Services Agency.

(6) The facility and property shall conform to all requirements of the appropriate fire district. [Ord. 3432 § 1, 1983].

IX

FUTURE STEPS AND IMPLEMENTATION





Birds eye view of Davenport Pier remains

FUTURE STEPS AND IMPLEMENTATION

Adoption and implementation of the Reuse Plan (Plan) will require the following sequence of actions.

- 1. Selection of Preferred Alternative** – The Board of Supervisors will review the Draft Reuse Plan and will identify a preferred alternative that will then undergo environmental review. An environmental impact report (EIR) will be prepared that reviews and identifies potential environmental impacts associated with the preferred alternative. The EIR will consider feasible project alternatives that avoid significant impacts and identify mitigation measures designed to reduce impacts to the maximum extent feasible. The EIR will undergo public review where the public can provide written and oral comments on the adequacy of the review. The EIR process may result in changes to the Plan to ensure that significant impacts are mitigated, where possible.

IX - FUTURE STEPS AND IMPLEMENTATION

2. County Review – Once the EIR is complete, the Draft Plan and LCP amendments will be finalized and reviewed by the County’s Agricultural Policy Advisory Committee and the Historic Resources Commission. Recommendations will be forwarded to the Planning Commission. The Planning Commission will review the Plan and will make recommendations to the Board of Supervisors.

The Board of Supervisors is the final reviewing body for the County of Santa Cruz. They will review both the Plan, the LCP amendments, and the EIR and will act on the Plan and LCP amendments and certify the EIR.

3. Coastal Conservancy Review – Pursuant to Public Resources Code Section 31208, the California Coastal Conservancy will review and comment on the Reuse Plan prior to its approval by the Board of Supervisors.

4. California Coastal Commission Review – The Commission will consider the proposed changes to the Local Coastal Program that are proposed as part of the Reuse Plan. The Commission is the final decision-making body.

If the Commission proposes changes to the Local Coastal Program, the Local Coastal Program will return to the County Board of Supervisors to approve the modifications before final approval by the Coastal Commission.

5. Follow-up Permitting Process - After final approval of the Plan, future development will be required to undergo the discretionary permit process that will include the preparation of a Planned Unit Development, as allowed under the Visitor Accommodation zoning district, and Coastal Development Permit. It is likely that any future project will be required to undergo additional environmental review because yet-to-be-determined detailed project information was unavailable at the time the Plan was approved and the EIR certified. Any such document could be tiered off the EIR for the Reuse Plan. The Planned Unit Development and Coastal Development Permit must be approved by the County of Santa Cruz and the California Coastal Commission.

Prior to the issuance of any permits, the site will need to be annexed to the Davenport Sanitation District by the Local Agency Formation Commission (LAFCO).

APPENDIX A

Addendum to Reconnaissance Level
Historic Resources Survey Letter
Report – Preliminary Impacts Analysis -
Lone Star (CEMEX) Restoration/Reuse
Project in Davenport, California,
Wood, September 11, 2018





September 12, 2018

Ms. Lisa Plowman
Planning Manager
RRM Design
10 East Figueroa Street, Suite 1
Santa Barbara, CA 93101

Re: Addendum to Reconnaissance Level Historic Resources Survey Letter Report – Preliminary Impacts Analysis - Lone Star (CEMEX) Restoration/Reuse Project in Davenport, California

This addendum memorandum provides supplemental information to the *Reconnaissance Level Historic Resources Survey Letter Report (Report)* prepared on March 24, 2017 by Amec Foster Wheeler Environment & Infrastructure (now Wood) for the Lone Star (CEMEX) Restoration/Reuse Project (Project), located in Santa Cruz County, California. The Report summarized the results of a historical architectural resources reconnaissance survey conducted by Wood. Wood surveyed the closed CEMEX cement plant property and associated facilities located on State Route 1 approximately 11 miles north of the City of Santa Cruz in the town of Davenport. The purpose of the investigation was to identify and make preliminary evaluations for aboveground historic resources over 50 years of age at the facility for their potential eligibility for listing on the National Register of Historic Places (NRHP), California Register of Historical Resources (CRHR) and the Santa Cruz County Historic Resources Inventory (SCCHRI). The Report recommended that five (5) of the existing structures are potentially eligible individually as historic resources, including the Administration Building (Building 1), the Powerhouse (Building 7), the Control Room (Building 9), the Roundhouse (Building 17), and the Crocker Hospital (Building 22).¹ In general, these buildings maintain character defining features and retain structural integrity, as well as being older than 50 years in age. Moreover, these five structures could potentially contribute to a historic district encompassing the central concentration and linkages of structures, both historic and non-historic, within the former cement plant, though a historic district is not currently recorded on site.

The Report was requested by RRM Design Group on behalf of the County of Santa Cruz to inform site planning and design alternatives for the Project. To date, RRM Design Group has worked

¹ The Powerhouse (Building 7), the Roundhouse (Building 17), and the Crocker Hospital (Building 22) were formerly inventoried and are currently listed on the California Register of Historical Resources (CRHR) and the Santa Cruz County Historic Resources Inventory (SCCHRI). The Report included these buildings and evaluated the Administration Building (Building 1) and the Control Room (Building 9) as additional historic resources, although they have not been recorded on the SCCHRI or the CRHR to date.

closely with the County of Santa Cruz (County) to develop three (3) land use scenarios for the Project. Each alternative comprises a mix of potential land uses that would result in demolition or reuse of the majority of the existing structures on site. Based on these alternatives, this memorandum provides a preliminary assessment of potential historic resource impacts to inform the Project's planning process and selection of a preferred alternative for further analysis, consistent with the California Environmental Quality Act (CEQA). This memorandum is not intended to suffice for full CEQA analysis of impacts to potentially historic resources or supplant the need for subsequent analysis during preparation of an appropriate CEQA document for the Project. As such, the conclusions and recommendations of this memorandum set forth initial conclusions regarding potential impacts of these alternatives on potentially historic resources but may be subject to change through further review and consideration.

Defining Significant Impacts to Historic Resources under CEQA

The loss or change to significant historic resources on site, including individual buildings and a potential historic district, would have potentially significant impacts under CEQA. Per CEQA Guidelines Section 15064.5, a historical resource is defined as a resource listed or eligible for listing on the CRHR, a resource listed on a local register of historic resources (i.e., the SCCHRI), or any resource which a lead agency determines to be historically significant generally based on local and state eligibility criteria. Further, the fact that a resource is not listed or eligible for listing on the CRHR or local register or is not included in a historical resources survey does not preclude the lead agency from determining that a resource may be a historical resource subject to impacts analysis under CEQA.

Accordingly, the five surveyed and documented buildings that are recommended as significant historic buildings in the Report would be considered historic resources for the purposes of CEQA impact analysis, even though two of these buildings are not currently listed on the CRHR or SCCHRI. These five buildings are considered representative of the facility's period of significance from 1905/06 through the mid-1940s, including associations with historic events, historical figures, and significant architectural style or architect, as well as the ability to yield information about the history of the site, its relationship to California or national history and possible association with the lives of persons important to local, California, or national history. Further, the buildings on site, including the five significant historic structures as contributing structures, may constitute a potentially significant historic district. A significant impact would occur if the Project causes a substantial adverse change in the significance of an historical resource, such as demolition, relocation, or alteration of the resource or its surroundings, so that the resource is no longer eligible for listing in the CRHR or SCCHRI, per CEQA Guidelines.

A historic district is a significant concentration, linkage, or continuity of sites, buildings, structures, or objects united historically or aesthetically by plan or physical development but may lack enough distinction to warrant eligibility individually, per National Register Bulletin #15. A district can vary in size and encompass a range of properties, structures, or objects that collectively contribute to the district's historic character and resource value. Properties within a historic district fall into one of two types of property: contributing and non-contributing. A contributing property, such as the historic Powerhouse (Building 7), is any property, structure or object which adds to the historical

integrity or architectural qualities that make a historic district, listed locally or federally, significant. The contributing properties are key to a historic district's historic associations and historic architectural qualities, but buildings that are not individually eligible as historic resources may also be contained within the district. Non-contributing structures, such as the Rock Storage Building (Building 19) and Clinker Shed (Building 20) may not be individually significant but may support the historic composition and character that is essential to the historic district. A property can change from contributing to non-contributing and vice versa if significant alterations take place. Changes to properties that contribute to the historic district may have impacts to the historic district.

It is important to note that the Report only included a preliminary survey of existing buildings on site and recommended additional investigation to document archaeological resources associated with former buildings/foundations on site (e.g., the original kiln and first buildings on site), to fully evaluate and record all potentially significant historic resources on site, and to further evaluate the integrity of the potential historic district, as further described below.

Preliminary Assessment of Project Impacts

This assessment of preliminary impacts to historic resources is based upon review of the *Demolition Cost Estimate Spreadsheet* and the Land Use Alternative figures provided to Wood by RRM Design Group, as well as the Report. Based on these materials, three alternatives are being considered; each alternative would require a similar scenario for building reuse and demolition (Table 1; Attachment A):

- **Alternative 1 – Eco Lodging & Visitor Serving.** This alternative would provide coastal lodging and campground with support services for visitors, as well as employee housing. The land use plan would lead to demolition of 21 existing buildings, including three potentially significant historic buildings (#1 – Administration Building, #7 – Powerhouse, and #9 – Control Room). Three buildings would be reused, including two potentially significant historic buildings (#17 - Roundhouse and #22 – Crocker Hospital).
- **Alternative 2 – Recreation Oriented Visitor Serving.** This alternative would provide coastal lodging with recreation amenities and connections to adjacent resources (i.e., San Vicente Redwoods) along with campgrounds and visitor serving uses, as well as employee housing. The land use plan would lead to demolition of 20 existing buildings, including three potentially significant historic buildings (#1 – Administration Building, #7 – Powerhouse, and #9 – Control Room). Four buildings would be reused, including two potentially significant historic buildings (#17 - Roundhouse and #22 – Crocker Hospital).
- **Alternative 3 – Senior Housing & Visitor Serving.** This alternative would provide a clustered senior housing community with coastal lodging and campground and visitor serving uses, as well as employee housing. The land use plan would lead to demolition of 20 existing buildings, including three potentially significant historic buildings (#1 – Administration Building, #7 – Powerhouse, and #9 – Control Room). Four buildings would be reused, including two potentially significant historic buildings (#17 - Roundhouse and #22 – Crocker Hospital)

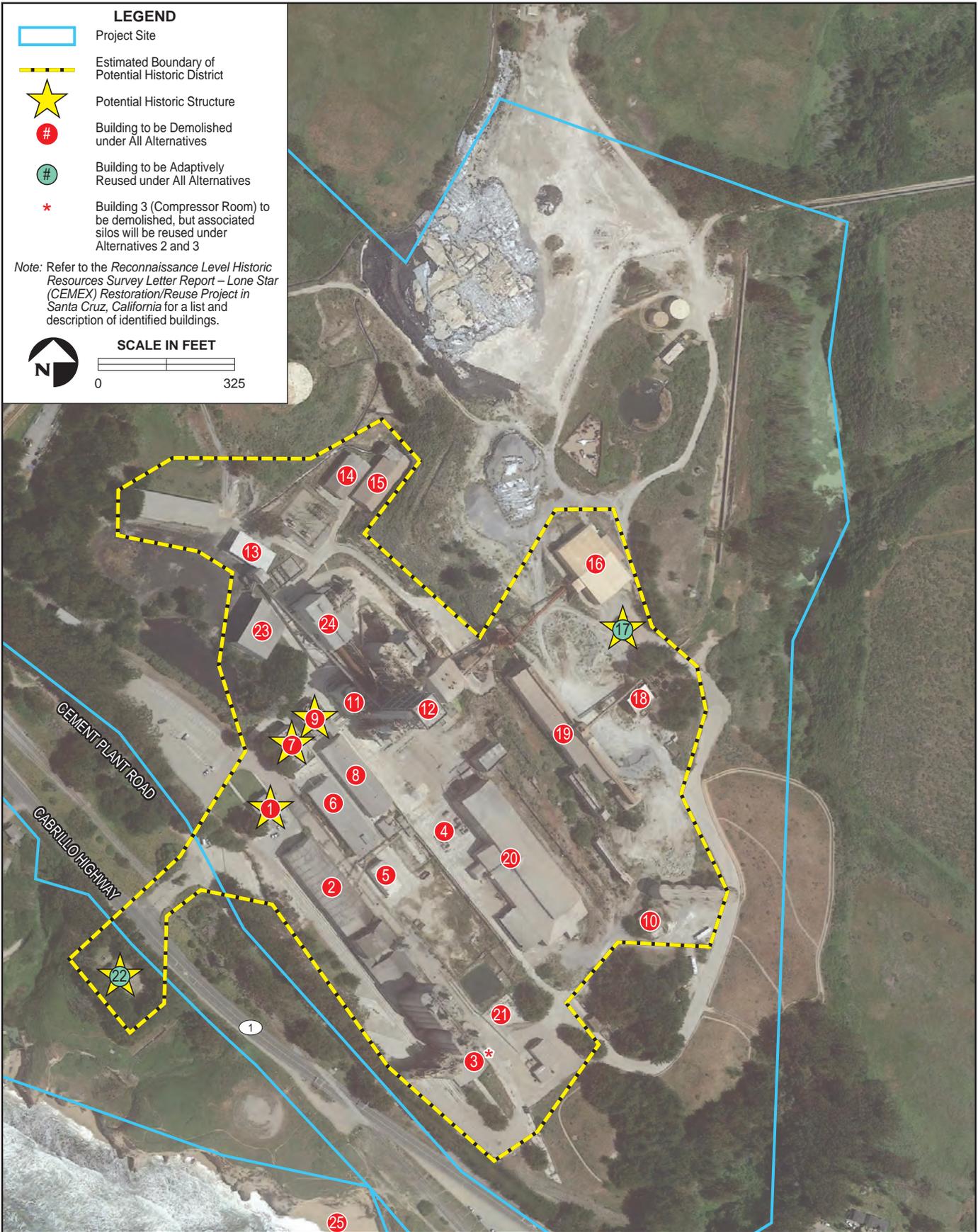


Table 1. Preliminary Impacts of Project Alternatives to Significant Historic Structures

Land Use Alternative	Buildings Demolished	Historic Buildings Demolished	Building Area Demolished (sf)	Historic Building Area Demolished (sf)	Structures Reused ¹	Historic Buildings Reused
#1	21	3	268,608	26,982	3	2
#2	20	3	251,955	26,982	4	2
#3	20	3	251,955	26,982	4	2

¹ Alternatives 2 and 3 would reuse a portion of the Compressor Room (Building 3) associated with silos formerly used to store cement products.

Table 1 outlines impacts to historic structures under each of the alternatives. As shown, Alternative 1 would demolish 21 structures, and Alternatives 2 and 3 would demolish 20 structures, including significant historical buildings (Figure 1; Attachment A). No buildings would be relocated under any alternative.

Under all alternatives, three potentially historic buildings would be demolished:

- Administration Building (Building 1)
- Powerhouse (Building 7)
- Control Room (Building 9)

Under all alternatives, two potentially historic buildings would be adaptively reused:

- Roundhouse (Building 17)
- Crocker Hospital Building (Building 22).

Impacts to Individual Significant Historic Buildings

Each alternative would result in the demolition of three significant historic buildings and the reuse of two significant historic buildings. As the same potentially significant historic buildings would be demolished or adaptively reused, similar impacts to individual significant historic structures would occur under each alternative.



The Report revealed 5 existing structures on site that are significant historic resources, including Crocker Hospital (pictured), the Powerhouse, the Roundhouse, the Control Room, and the Administration Building.

The complete demolition of three historic resources would be considered a potentially significant impact under CEQA. While some measures would help to reduce the impact, including documenting the buildings thoroughly prior to demolition, providing indications/interpretive signage for their former locations and history, and informing future visitors about the buildings form and function, the complete loss of these buildings could not be fully mitigated, and the impact would be significant and unavoidable under CEQA Guidelines. Attachment B provides a general guide to and hierarchy of mitigation measures that could help reduce such impacts; however, absent preservation onsite and adaptive reuse of

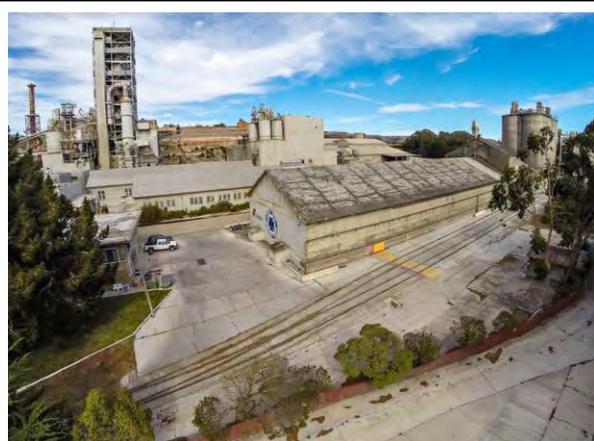
such structures consistent with the Secretary of the Interior's *Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings*, such impacts would remain significant even with application of the mitigation measures derived and developed from Attachment B.

The reuse of two historic resources would also be considered potentially significant under CEQA. However, measures to ensure the Project follows the Secretary of the Interior's *Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings*, including preservation of character-defining features, materials, and site setting, would mitigate potentially impacts to less than significant, per CEQA Guidelines Section 15064.5(b)(4). This mitigation would need to be reflected in Project plans and the CEQA document and be fully enforceable through permit conditions or agreements.

Impacts to a Potential Historic District

A historic district is not currently recorded on site. Per the Report's recommendations, the historic district would need to be fully evaluated and defined to inform the CEQA analysis of potential Project impacts, including historic structures, the contributing properties, and the period of significance, if it differs from that identified in the Report. However, this analysis presumes there is a reasonable potential for a historic district to be identified based on existing structures and their collective historic resource value.

The five potentially significant historic buildings currently on site would contribute to the potential historic district, which is estimated to encompass the central clustering of buildings that constitute the former cement plant and were collectively critical to the operation of the cement plant (Figure 1). These buildings and their locations on site are elements of the former cement plant that are "united by a shared history or physical design" and "pattern of development" and cumulatively represent important events and people in local and state history, as described in the Report. The other non-contributing structures onsite that are associated with the former cement plant's operation during the period of significance of 1905/06 through the



The potential historic district would comprise both contributing and non-contributing structures in the central area of the former cement plant. Photo source: *Disused cement factory* by flickr user Ningaloo.

mid-1940s are also reasonably considered to be important elements to the potential historic district. While not individually significant, these buildings are related to either administration, production/storage, power supply, employee services, or shipping, which were essential functions of the site as a cement plant. Therefore, they may contribute to the overall historic integrity of the site, including structures that are less than 50 years old, such as the highly visible Preheater Tower (Building 11) in the center of the site. Structures that are less than 50 years of age would

not contribute elements to the former cement plant's period of significance through the 1940s but would be subject to further evaluation.

All three alternatives under consideration would entail demolition of 80 percent or more of the existing structures onsite. Demolition of the Administration Building (Building 1), Powerhouse (Building 7), and Control Room (Building 9) under each alternative would eliminate key contributing properties to the potential historic district, which would undermine the integrity of the district and result in a significant and unavoidable impact under CEQA (see also Attachment A). Reuse of the Roundhouse (Building 17) and Crocker Hospital Building (Building 22) may retain these structures as contributing properties. The demolition of 20 to 21 non-contributing structures on site and development of the Project would eliminate the historic layout and design of the cement plant to where the historic significance of the site would not be apparent. However, with mitigation to adequately document and display the historical significance of the site, including documenting the buildings thoroughly prior to demolition, providing indications/interpretive signage and displays for their former locations and history, and informing future visitors about the buildings form and function, the impact to the potential historic district could be mitigated to a less than significant level (see Attachment B). However, further investigation to evaluate the historic district, define its significance, and develop a robust conservation and interpretive plan would be required to reach a conclusion regarding impact significance. Further, demolition of any one of the contributing elements of the potential historic district would appear to result in a significant impact on the potential district as a historical resource.

Conclusions and Recommendations

As described above, the demolition of the Administration Building (Building 1), Powerhouse (Building 7), and Control Room (Building 9) under each alternative would have a significant and unavoidable impact to historic resources, even with mitigation. Nonetheless, additional investigation and evaluation and development of a mitigation program for adaptive reuse would help to minimize potentially significant impacts, particularly associated with the Roundhouse (Building 17) and Crocker Hospital Building (Building 22) and the potential historic district. While Project analysis under CEQA would require development of mitigation measures for potentially significant impacts, this memorandum includes several recommended actions below as part of the Project planning process to inform CEQA analysis. Please see also Attachment B for a list of conceptual mitigation measures likely to be required under future CEQA review.

It should be noted that the Report and this preliminary impact assessment is not a substitution for a full historic architectural investigation and cannot be used to meet the requirements of Section 106 of the NHPA of 1966, CEQA Statutes, or Chapter 16.42 of the Santa Cruz County Code. As such, Wood recommends that a full Section 106 architectural survey and CEQA impact analysis be conducted at the Davenport Cement Plant to determine the structures' eligibility for listing on the National Register of Historic Places (NRHP), CRHR, and/or SCCHRI, both individually and as contributing resources to a potential historic district. Moreover, additional research as part of a full Section 106/CEQA investigation could help identify further insights and information pertaining to the site's history and significance that could not be ascertained within the scope of this study. Specifically, Wood recommends the following additional research and actions to

address historic resources related to the Davenport Cement Plant property. Detailed examples of potential mitigation measures are also provided in Attachment B.

1. Conduct a full cultural resources survey and full historic architectural investigation for the site that complies with Section 106 of the National Historic Preservation Act (NHPA), Public Resources Code Statute §21084 and §5024.1 of CEQA, and Chapter 16.42, *Historic Preservation*, of the Santa Cruz County Code.
2. Investigate the site as a potential historic district consistent with National Register Bulletin #15.
3. Determine local historical significance of the site (as a whole comprising the structures on site) to the Santa Cruz community through consultation with County staff.
4. Schedule County Historic Resources Commission review of the site, relevant reports and potentially significant structures to help determine the eligibility of the site and the individual historic buildings for listing on the National Register or state and local registers.
5. Confirm the period or periods of significance for the site for the purposes of CEQA impacts analysis.
6. Investigate potential archaeological resources associated with foundations and subterranean features of the site that supported former operations of the cement plant during the period(s) of significance.
7. Employ adaptive reuse to the extent feasible for the five potentially significant structures because their use and condition best characterize main components of the former cement plant, including administration, power supply, employee services, and shipping.
8. Utilize a professional architectural historian to advise the design team and ensure that character-defining elements were retained in the architectural plans for the site and any building reuse.
9. If feasible, consider relocation and reuse rather than demolition of the Administration Building (Building 1), Powerhouse (Building 7), and Control Room (Building 9) to appropriate settings that retain the integrity of the individual buildings and the potential historic district.
10. Develop a robust site conservation, documentation, and interpretation plan as part of the Project to integrate education materials, signage, and other interpretive displays into the visitor experience for the future land use plan for the site, including retaining historic equipment, interactive displays, literature, and photo-documentation. Conservation of key site features, such as structural elements (e.g., windows), unique equipment or machinery used in the cement making process during the period(s) of significance, or iconography of Santa Cruz Cement, shall be included in the plan.

If you have any questions or comments regarding this preliminary Historic Architectural Resources Survey Letter Report, please contact Ms. Erika Leachman at (805) 962-0992 or Mr. Matthew Prybylski at (502) 267-0700.

Sincerely,



Erika Leachman
Project Manager – Environmental Planning



Matthew Prybylski, MHP
Senior Architectural Historian

Attachments

- A - Historic Structures Proposed for Demolition or Reuse
- B - Example Mitigation Measures for Historic Resource Impacts

Attachment A: Historic Structures Proposed for Demolition or Reuse

Table 1-A. Historic Structures Proposed for Demolition

Photograph	Building Number and Construction Date	Building Use	Preliminary Recommendation
	Building 001 c. 1925	Main Administration Building	Potentially Eligible individually and as a contributing resource to a historic district based on historic significance as the site where high level decisions were made in association with the production, innovations, and/or upgrades to the Davenport Cement Plant. Additional research and documentation is recommended to further assess the historic significance of the resource.
	Building 007 1905	Powerhouse	Previously listed on the CRHR and listed on County Historic Resources Inventory. Recommended Eligible due to its historic significance as the main power supply for the entire Davenport Cement Plant, without which the site could not have functioned. Additional research and documentation is recommended to further assess the historic significance of the resource as a contributing structure of a potential historic district.
	Building 009 c. 1925	Control Room	Potentially eligible individually and as a contributing resource to a historic district based on historic significance as the site where the primary mechanisms essential to the Davenport Cement Plant's function were located. Additional research and documentation is recommended to further assess the historic significance of the resource.

Attachment A: Historic Structures Proposed for Demolition or Reuse

Table 2-A. Historic Structures Proposed for Reuse

Photograph	Building Number and Construction Date	Building Use	Preliminary Recommendation
	Building 017 1905	Roundhouse	Previously listed on the CRHR and listed on County Historic Resources Inventory. Recommended Eligible due to its historic significance as an essential structure for shipping finished materials to construction sites across the US, most significantly to sites following the 1906 San Francisco earthquake, without which the site could not have function. Additional research and documentation is recommended to further assess the historic significance of the resource as a contributing structure of a potential historic district.
	Building 022 1912	Hospital	This structure is considered eligible due to historic and architectural significance and has been previously listed on the CRHR and listed on County Historic Resources Inventory. The building maintains structural and historic integrity. Additional research and documentation is recommended to further assess the historic significance of the resource as a contributing structure of a potential historic district.

Attachment B: Example Mitigation Measures for Historic Resource Impacts

The following provide example of potential mitigation that could address preliminary impacts to historic resources identified in this memorandum but are subject to change through future CEQA review of the project.

1. **Site Evaluation.** Prior to any demolition or significant alteration of the proposed project site, a historian and/or architectural historian selected by the County who meets the Secretary of Interior's Professional Qualifications Standards shall prepare a full cultural resources survey and full historic architectural investigation for the site that complies with Section 106 of the National Historic Preservation Act (NHPA), Public Resources Code Statute §21084 and §5024.1 of CEQA, and Chapter 16.42, Historic Preservation, of the Santa Cruz County Code, and investigate the site as a potential historic district consistent with National Register Bulletin #15. Based on this investigation, any historic resources shall be recorded as appropriate on federal, state, and or local registers.
2. **Photo-Documentation and Publication.** The historic structures shall be documented in accordance with the procedures of the Historical American Buildings Survey (HABS) Level I through measured drawings, a written account of the history and architecture of the structure, and contemporary black-and-white and large format negatives, proofs, and 8x10 inch archivally-processed prints of the interior and exterior of the structure, as well as the surrounding setting; such documentation shall be performed by an architectural historian selected by the County who meets the Secretary of Interior's Professional Qualifications Standards. A historical landscape photographer with experience documenting historic buildings and sites shall record the setting of the historic district. This documentation shall include multiple images of all buildings and developed areas of the site. Upon review and approval of this documentation by the County, the original full report with narrative, photographic negatives, and prints shall be submitted to the Library of Congress and the Santa Cruz Public Library System prior to the issuance of any permits for demolition, excavation, or new construction. Copies of the full report and prints shall be placed on file for open public review at the County Planning Department, Central Coast Information Center of the California Historical Resources Information System, the Davenport Jail Museum, and the project's proposed visitor center; photocopies and digital copies shall be retained in the project file.
3. **Review Adaptive Reuse Plans.** Prior to issuance of demolition permits, the County Historic Resources Commission shall review the proposed plans for the adaptively reused buildings, including façades and character-defining features, to ensure they meet Secretary of the Interior's *Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings*, and shall forward a recommendation to the Planning Commission, who will take the action on the design plans for the proposed project. Retention and preservation of all significant character defining features or contributing character defining features shall be reflected in the reuse design plans, in compliance with the Secretary of the Interiors *Standards for the Treatment of Historic Properties with Guidelines for Rehabilitating*

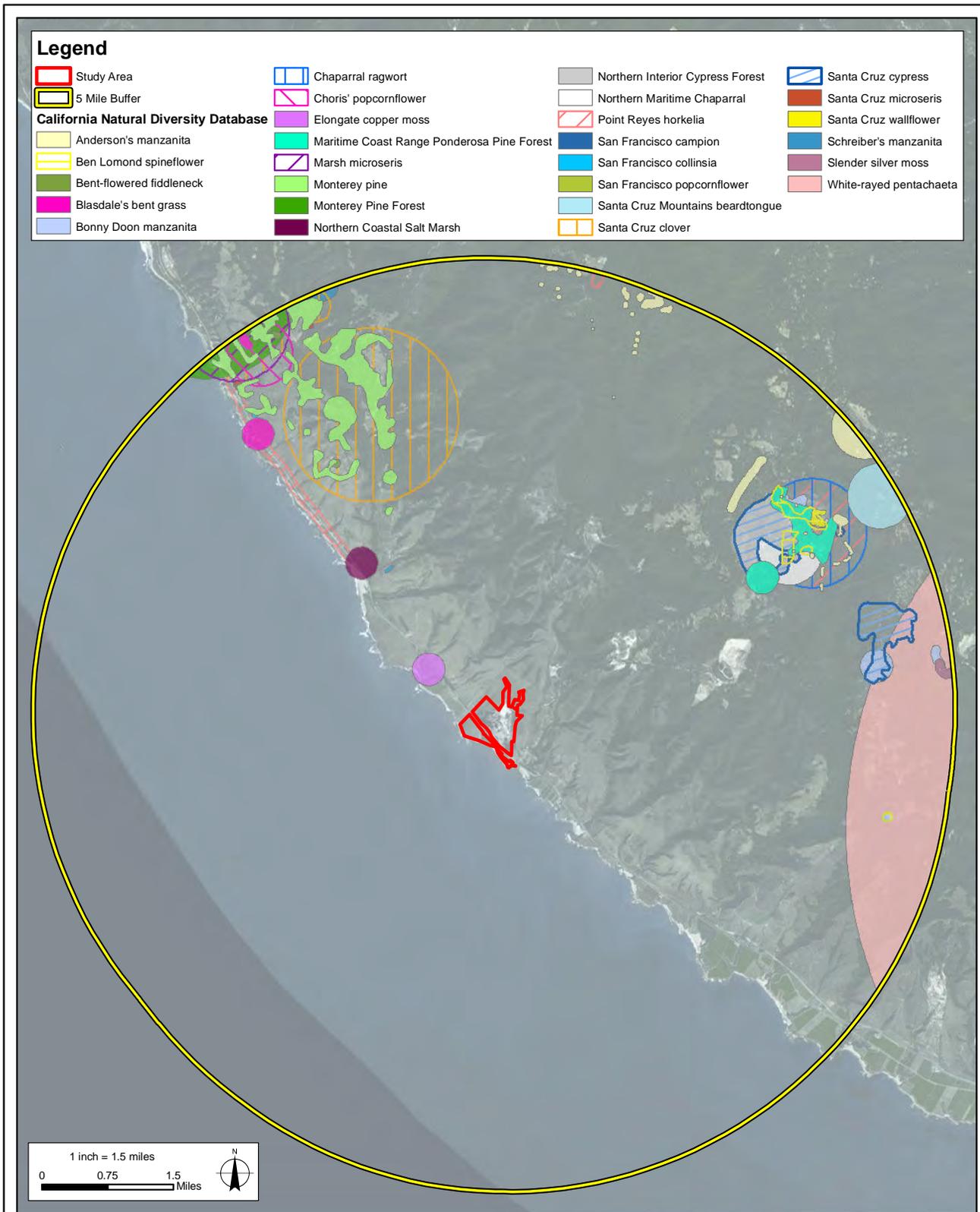
Historic Buildings, under the supervision of a qualified preservation architect selected by the City.

4. **Historic Resource Conservation and Interpretive Plan.** Resources that cannot be preserved shall be acknowledged by incorporating historic signage and reusing or displaying historic materials and artifacts, such as unique equipment used in cement making, building features, and iconography of the former cement plant. For example, the reuse of some of the interior roof trusses, the conveyors or machinery, and the signs on site shall be retained, displayed, and interpreted for visitors on site. Text and photographic exhibits capturing the history of the building and/or site shall be incorporated into a public area(s) of the project, including the project's proposed visitor center.
5. **Historic Building Relocation.** If required, any historic buildings or resources that would be relocated on site shall be moved by a qualified contractor with experience in moving historic structures in accordance with the approaches recommended in *Moving Historic Buildings* (Curtis 1979). The buildings must retain their current configuration when reinstalled. All work shall comply with the Secretary of the Interiors *Standards for the Treatment of Historic Properties with Guidelines for Rehabilitating Historic Buildings*, under the supervision of a qualified preservation architect selected by the County.

APPENDIX B

Opportunities and Constraints Mapping

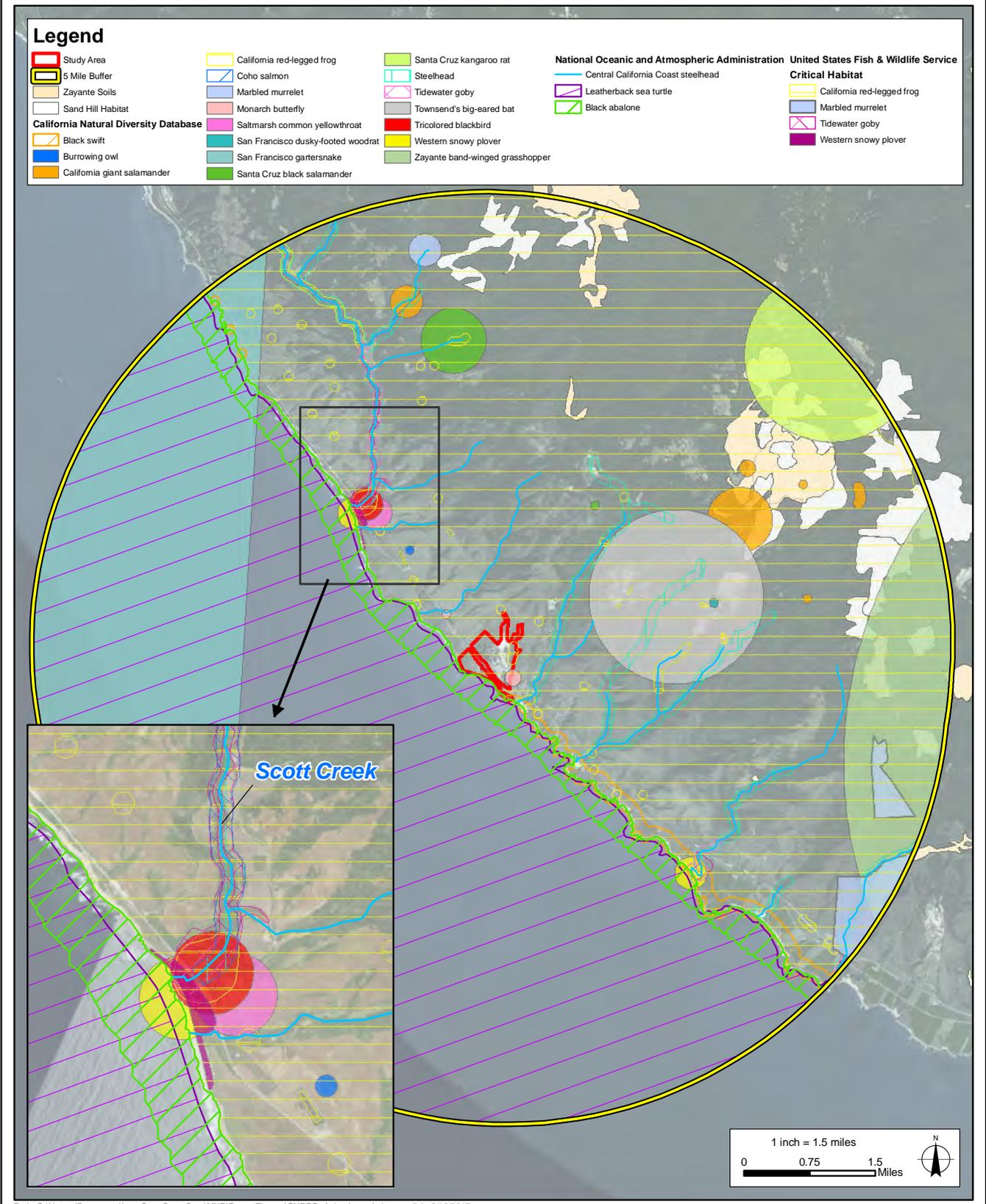




**Special Status Plant Species Occurring in the Region
Lone Star (CEMEX) Restoration/Reuse Project
Biological Reconnaissance Report
Santa Cruz County, California**

FIGURE

3a

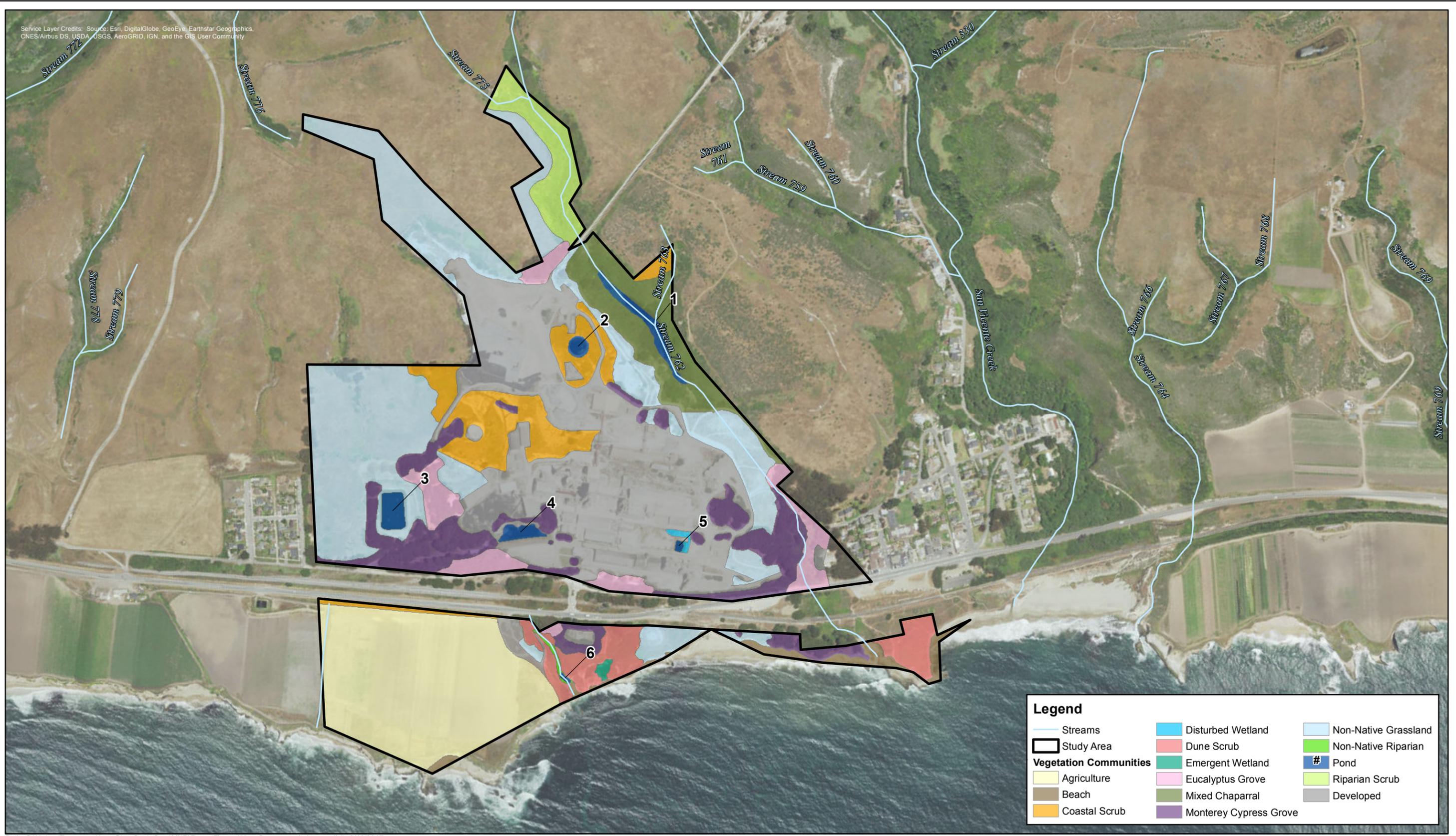


**Special Status Wildlife Species Occurring in the Region
 Lone Star (CEMEX) Restoration/Reuse Project
 Biological Reconnaissance Report
 Santa Cruz County, California**

FIGURE

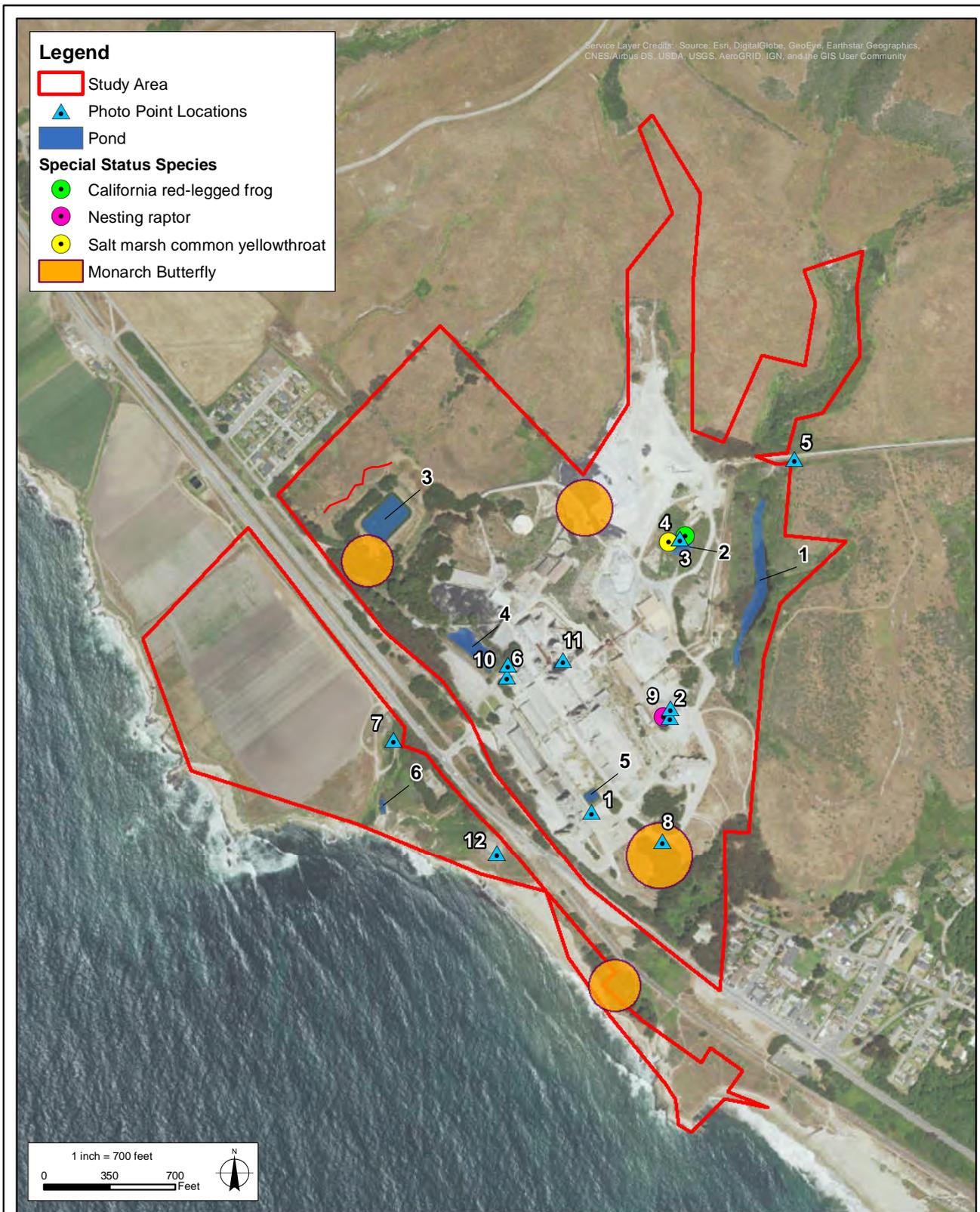
3b

Service Layer Credits: Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community



Path: Q:\NaturalResources\LoneStar_SantaCruz\MXD\ReportFigures\Veg_Comms.mxd, jason.erlich 3/13/2017





**Special Status Species Observed
Lone Star (CEMEX) Restoration/Reuse Project
Biological Reconnaissance Report
Santa Cruz County, California**

FIGURE

5

APPENDIX C

List of Stakeholders Interviewed



CEMEX COASTAL RESTORATION AND REUSE PLAN
STAKEHOLDER INTERVIEWS

Wednesday September 21st, 701 Ocean Street, Board of Supervisors' Conference Room

- Geoff Dunn, local historian
- George Dondaro, Executive Director SCC Regional Transportation Comm.
- Dana McRae, County Counsel Santa Cruz County; John Ricker, Environmental Health, and John Presliegh, Public Works Director
- JoeBen Bevirt
- Terry Corwin, ED Land Trust of Santa Cruz County
- Peggy Dolgenos, Owner/Founder Cruzio Internet Services SC

Thursday September 22nd, 701 Ocean Street, Board of Supervisors' Conference Room

- Eric Gross, Principal Pacific Elementary School
- Mountain Bikers of Santa Cruz
- Ryan Moroney, CA Coastal Commission
- Donna Blitzer, UCSC Government Relations
- Noel Bock, John Barnes and Don Croll. John Barnes and Don Croll have UCSC ties as well as being Davenport residents
- Ryan Beauregard, Owner Beauregard Vineyards
- Jim Cochran, owner Swanton Berry Farms
- Joanna Miller, Owner former Odwalla building
- Bill Henry, Davenport Local
- JoeBen Bivirt, local entrepreneur, owner Joby Aviation
- Jennifer McNulty, Davenport resident, works at UCSC; Jessica Wolf, Davenport resident, Community Organizer
- Rick Cooper, BLM Field Manager

APPENDIX D

Community Outreach Materials and Workshop Results



DAVENPORT CEMENT PLANT

Community Workshop #1 Summary

Thursday, November 10th, 2016

Approximately 90 community members attended a workshop held at the Swanton Pacific Little Creek House on Thursday, November 10th, from 6:00 – 8:00 p.m. This event was the first public community outreach meeting for the project. The evening, facilitated by the County's Restoration and Reuse Plan consultants RRM Design Group, began with a general project overview and review of the project's projected timeline and outreach process, as well as a brief history of the Cement Plant. Site Opportunities and Constraints were presented before further discussion of ideas and issues concerning the site.

A group brainstorming exercise followed the presentation, allowing community members to voice their ideas, issues, and concerns on key topics. The topics were organized into five categories.

- Future Uses
- Site Constraints and Environmental Issues
- National Monument Trailhead
- Circulation and Access
- Other Ideas and Issues

During the brainstorming exercise community comments were recorded on the five topic banners. Upon completion of the brainstorming exercise, each participant was given 15 green and three (3) red sticker dots. The green dots were used to show support for the idea, use, or concern while the red dots represented low priority or items not favored.

Top priority items included ideas about potential future uses of the site, ranging from visitor-serving uses, preservation and protection of land, low-impact industrial uses, public safety services, and/or educational/informational component(s), amongst various other propositions. Site constraints and environmental concerns arose in regards to on and off-site circulation and traffic, impact to surrounding communities, and school and emergency service capacities. With regards to the potential National Monument Trailhead the community expressed a special desire for providing parking, bathrooms, and visitor center on the CEMEX site, while also stressing the importance of limiting capacity, access, and impacts to the site and surrounding area. Accessibility was a major theme brought to light, with the need for safe pedestrian access across Highway 1, as well as integrating a multiuse trail system, creating a Circulation Management Plan, and improving regional transit. The brainstorming exercise informed the Reuse Plan Team of the community's interests and priorities and will help guide and shape Reuse Plan alternatives for the Cement Plant site.

The workshop comments have been organized by topic below and attached are the Idea and Issues Brainstorming Exercise Comments and recordings:

General Comments - Written Comments Submitted

1. Assurance of water rights for the town and property ultimate use(s)
2. Bring tax base back
3. No 24-hour lighting
4. Any use should have sustainable power systems
 - Example: solar or wind
5. Assure proper zoning according to use

6. Keep character of area and town intact
7. Perhaps a permit system to limit capacity and impact on adjacent property access
 - *This pertains to possible open space trail use and access*
8. There are very little affordable farmworker accommodations
9. With more people coming to area, safety and security for neighborhoods a concern
10. Day use only for adjacent trail access
11. Would prefer no camping on-site
12. Any intended reuse should be cohesive with the surrounding environment of the plant
13. Tremendous opportunity for green technology, climate, and nature education, regardless of monument
14. Ensure Warnella crossing is kept open, as it is the safest access
15. Several of the suggested uses for this site may be feasible, if it became an education facility.
16. Concern about sewer and water
 - *Specifically, that Davenport residents would pay more than what is presently paid*
17. Nice presentation
18. Well organized
19. Good first meeting, thank you for encouraging us to think big
20. Museum to honor historical use of the plant – maybe use the hospital?
21. Water rights issues need to be determined prior to usage decision
22. Plan should include a diverse range of uses based off:
 - *Minimizing additional traffic impacts to Highway 1 and the local community on the weekends*
 - *Minimizing disturbance to the residents of Davenport, while bringing some additional benefits*
 - *Economic feasibility to create some tax revenues that can help support community and County services*
23. Good site or portion of for Research and Development with potential positive benefits
 - *Majority of additional traffic would occur during the week and be relatively light during the weekend. The amount of additional traffic for the economic revenue generated would likely be less than other types of uses.*
 - *Bring more consistent flow of business to the local eateries and provide the County with jobs.*
 - *A successful business could generate significant additional tax revenues.*
 - *The type of R and D JoBen Bevirt proposed with his flying car and any associated manufacturing might be unobtrusive to the community. Probably would be all indoors and not polluting or use large amounts of water. Factors such as noise levels and disturbance could be controlled.*
 - *The strong motivation to keep the business local might mean that they would be more willing to put additional resources towards re-developing a portion of the site.*
 - *Having interest in the site sooner, rather than later would help get the site up to better environmental standards more quickly.*
 - *If a company did outgrow the site, then having reasonable restrictions for noise, traffic, pollutants should help mitigate the concern voiced about "what if they left?"*
24. Two alternatives
 - *Alternative One: JoBen Bevirt to use entire site for Research and Development proposal*
 - *Alternative Two: A diversified approach that includes Light Manufacturing, commercial uses, and public amenities (trailhead, parking, restrooms, small visitor center and/or museum, trail connection between New and Old Town, and/or community center)*
25. Trade school to allow for hands on learning
26. A temporary log delivery yard

Community Workshop # 1 - Dot Exercise Results November 10th, 2016		GREEN DOTS	RED DOTS
CATEGORIES		Support 	Low Priority 
Future Uses			
Emergency Services and Operations and Public Safety		28	0
Keep agriculture land Agriculture		27	0
Solar/Biomass/wind energy sources		27	2
History Museum		24	0
Conference Center – Educational o <i>Asilomar</i>		22	0
Community Center		21	0
Extend bike trail		21	1
Farmers Market		19	0
Research and Development Facilities (Joby Aviation)		27	8
Horse and trailer staging		18	0
Small scale manufacturing/ Light manufacturing incubator space		23	6
Community garden/victory garden		16	0
Cal Fire needs		15	0
Park		15	0
Grocery store		14	1
Live-work space		14	1
Post Office		13	0
Bike shuttle		13	3
Mixed-use/climate education theme		12	0
Farmworker Housing		12	0
Retail and restaurant uses o <i>Local food produce</i>		12	1
Native American cultural center		12	2
Bathrooms/Parking (see also National Monument category)		10	0
Like Marin Headlands Center for Arts		10	2
Mid-scale Food Processing		9	0
Educational use		9	0
Pool		8	0
Use tower for cell service and/or navigational purposes		8	0
Visitor accommodations (see also Visitor Center under National Monument)		8	2
Movie production		8	3
Health Clinic		7	0
Agricultural infrastructure and services		7	0
Variable uses		7	0
Recycle Center/local feed stock		6	0
Botanical gardens/museums o <i>Ecotourism</i>		6	0
Dog park		6	2
Downhill mountain bike		15	9

Community Workshop # 1 - Dot Exercise Results November 10th, 2016		GREEN DOTS	RED DOTS
CATEGORIES		Support 	Low Priority 
Future Uses Continued			
Adaptive reuse/working museum o <i>CEMEX equipment</i>		5	0
Compost production		4	0
Restoration/Open Space/Restore		4	0
Frisbee golf		4	4
Fire lookout/station		3	0
Fiber optic cable		2	1
Eco-resort		1	3
Senior housing		0	1
Restaurant at top of tower		5	7
Camp site		12	15
Marijuana plant		4	15
Medical Marijuana Research and Development		0	15
Desalination Plant		0	20
Homeless Shelter		2	27
Site Constraints and Environmental Issues			
Consider impacts to region		19	0
Carrying capacity should be considered		14	0
Buffer for New Town - park/open space		11	0
Fire and smoke camping issues		7	0
School Capacity		7	0
Environmental protections o <i>Local/State</i> o <i>Non-EPA</i>		7	0
Limitation of existing emergency services		7	1
Potential noise and/or smell of Industrial uses		2	2
Study traffic/bikes/pedestrian		1	0

Community Workshop # 1 - Dot Exercise Results November 10th, 2016		
CATEGORIES	GREEN DOTS Support 	RED DOTS Low Priority 
National Monument (adjacent open space)		
Limit capacity/access/impacts	19	0
Bathrooms (see also Future Uses)	17	0
Visitor Center o <i>Bring trailheads to site</i>	16	4
Parking (see also Future Uses)	6	0
Circulation and Access		
Safe access to Coast across Highway 1	24	0
Look at Warnella crossing	23	0
Corridor from New Town to Old Town (safety for children)	15	0
Integrated trail planning - multi-use	15	0
Connectivity to Rail Trail o <i>Fund Rail Trail to extend to Cement Plant</i>	8	0
Problem with uncontrolled left turns into Cement Plant - from the southbound direction	7	0
Improve regional transit	6	0
Overall Circulation Management Plan o <i>Including pedestrians, bikes, and cars</i>	6	0
Class I bike trail	8	2
Other Potential Opportunities		
Fiber optics	2	0
Net-zero energy	2	0
Gas line on-site	2	2

Davenport Cement Plant Restoration and Reuse Plan | COMMUNITY WORKSHOP #2 SUMMARY

Tuesday, December 5, 2017: 6-8pm | Pacific Elementary, Davenport



Attendees:

COMMUNITY MEMBERS

Approximately 200 workshop participants

COUNTY OF SANTA CRUZ

Supervisor Coonerty

David Carlson

Andy Constable

Rachel Dann

Kent Edler

Allison Endert

Colt Esenwein

Carlos Landaverry

Paia Levine

Kathy Previsich

Peter Detlefs

John Ricker

Andy Schiffrin

RRM DESIGN GROUP

Lisa Plowman

Debbie Rudd

AMEC FOSTER WHEELER

Dan Gira

Erika Leachman

Summary Memo

Approximately 200 community members attended Community Workshop #2 for the Davenport Cement Plant Restoration and Reuse Plan, held on Tuesday, December 5th, 2017, from 6-8:00 p.m. at Pacific Elementary in Davenport. The purpose of the Plan is to identify a viable future use for the Cemex Cement Plant. The workshop objective was to encourage a community discussion and gain input regarding alternative land uses. This participation was achieved through an interactive exercise that allowed community members to identify their preferred uses and give feedback

The workshop included information regarding the planning process to date, the land use alternatives, and the economic viability analysis of the alternatives. RRM presented the general program and site plan for Alternatives 1-4 and Joby Aviation provided additional information about Alternative 4. Following the presentation, the community had an opportunity to ask questions about the process and the information provided.

After the presentation, the community participated in a preference exercise that allowed them to vote for their preferred alternatives. Four stations were set up around the meeting room displaying each of the four alternative maps where workshop participants placed their 'first choice' green sticker and 'second choice' blue sticker on their preferred alternatives. The workshop participants first and second choice alternatives are recorded in the table below. Participants also were encouraged to provide comments on the comment sheet provided at each station. A tally of preferred program components for each alternative is attached to this summary.

	Alternative 1	Alternative 2	Alternative 3	Alternative 4
First Choice	2	4	0	110
Second Choice	21	5	9	42
Total:	23	9	9	152

Community members were also asked to provide feedback and select preferences on the components of each alternative such as the number of camp sites or employee housing units. A matrix that outlined the components of each alternative program was provided to all participants and they were asked to fill them out. An example of the matrix participants filled out is attached to this summary.

As shown above, the community overwhelmingly chose Alternative 4 as the preferred alternative with Alternative 1 as the second preference. However, the community wanted additional information regarding the details of the alternatives including the square footage, number of employees, and number of visitors on the site. Some of the other key issues that were raised by multiple participants include the following:

- Prevent or minimize development on the ocean side of Highway 1
- Develop additional neighborhood or community-serving uses, such as a grocery store or farmers market.
- Integrate camping into Alternative Four.
- Allow industrial development if it is Joby Aviation.
- Additional information regarding the details of the alternatives including the square footage, number of employees, and number of visitors on the site is needed, particularly for Alternative 4.
- Provide information regarding future traffic, water use, and potential light and noise impacts



General Workshop Comments from Participants

Below is a summary of the comments gathered from the matrices, comment sheets and from emails submitted to the County. The information includes general comments that were made about all the Alternatives and comments that apply specifically to each alternative. The notation +1 signifies more than one person made this comment.

General Comments – Applicable to all Alternatives

- Keep Agriculture; Agriculture should not be an afterthought
- Balance weekend load and traffic
 - Weekend traffic is currently near gridlock and will only get more intense, regardless of the alternative
- Maintain ocean views
- Large battery for clean energy supply to the town of Davenport
- Community deserves an informal and thorough process. No remediation or environmental process
- Job impact not shown
- No services for residences
- Key information required:
 - Proposed development square footage
 - All expected uses
 - Number of employees +6

- Cap number of employees
- Number of houses **+2**
- Jobs generated based on square footage of use
- Projected water and sewer needs **+1**
- Joby (economic profile – what level of jobs are being proposed?)
- Interim use and what triggers an EIR?
- What are the limitations of an interim use?
- Support for school, community, beach cleanup
- Commitments to be made
 - Get water rights **+3**
 - Water/sewer rate payer change under each proposal? An actual analysis should be completed **+1**
 - School funding
- Each proposal should offer projected numbers of people on site at peak use, average use, day, and nighttime; number of vehicles and vehicle trips per day/night, and information on special events that would change these numbers, as well as a list of conditions that might adversely affect neighbors. For example, smoke in the campground, amplified music for special events at the conference center/hotel, etc.
- Like to know more about potential for tax revenue that would benefit the local community – the school needs it
- What would the property tax contribution to the County look like under each proposal?
- Curious about impact on:
 - Traffic **+4**
 - Water **+4**
 - Waste: water, residential, potential industrial
- Potential for gas station
- Would like tourism support
- Fix the water problem
- Give County 250,000 water tax coming up for residents
- Very important to not set a precedent by building on the ocean side of Highway One (goes for all options) **+12**
 - The old building there can be used, but not expanded
 - Other than refurbishing hospital and grounds as a day use for bikers and hikers
- We can compete with Costanoa and increase available housing
- More protection of North Coast
- Prefer more open space than anything else; keep the integrity of the land and access to open spaces and trails for Davenport residences; land preservation
 - What will be put into place to preserve integrity?
- The first three alternatives involve housing, which would presumably be farmed out to developers. The images of housing supplied were bland beyond belief. Greater attention to the beauty and unique Cemex property features should be carefully considered. Possible reuse of some of the 25 existing structures nor to the ocean or surrounding hills are referenced. Images of island housing like everywhere else in California were provided – just more sprawl that will be ugly in a few years. More parking. A waste of time and money. The transformation of

the cement plant in Barcelona done by Ricardo Bofill is inspiring. By contrast, this study is deadening.

- Decent jobs and housing for local people
- Visibility of future development and structures from Highway 1 and surrounding communities should be considered
- Traffic on the north end of Cement Plant Road is a concern for New Town residents
- Wildfire potential
- Emails and home addresses were collected. Is there a way for you to set up a survey and/or ballot to be sent out for us to give feedback instead of hosting more meetings? Seems more efficient and you would get feedback from the people being impacted in Davenport.
- All options seem like a bad compromise to make everyone happy, but instead seem like a good way to make everyone miserable
- Respect New Town's open space; New Town is a quiet place – please keep it that way +4
 - Keep traffic off Cement Plant Road +1
 - New Town does not get the traffic and tourists that flood Davenport; please respect the needs from those who live the closest and will be the most impacted
- What is the impact?
 - Line of sight
 - Number of people
 - Traffic flow
- The only entrance and exit should be the one across from the old hospital
- Would like 10 acres for new school facilities to accommodate enrollment growth due to new workforce living in North Coast
- Fiber for internet
 - Is the necessary infrastructure in place so it is a matter of flipping a switch or signing a contract?
- Improved public transit (until we all fly)
- Talk to Bureau of Land Management (BLM)
- How will people cross Highway 1? +1
 - Installing one or two stop lights across Highway 1 with pedestrian crosswalks would be better suited to Davenport than an overcrossing. Stop lights will also help slow traffic down.
- School trail open to bicycles?
- Support local businesses
- Do not close the Warrenella railroad crossing; it provides a safe ingress and egress for New Town residents as well as fire service
- Any use needs to be well designed, well maintained, so it does not end up trashed like the coastal beaches
- Least impact on traffic and environment while still being economically viable; would prefer to minimize tourist traffic into area
- Making things is much more worthwhile than hotels; already have Costanoa and Asilomar
- Sounds like a great opportunity to expedite the development of the site

- This site, or a few acres of it would be excellent for recycling purposes, specifically topsoil
 - Needs about 5 acres; the quarry area could potentially work
 - This project would benefit the community, create a few jobs, preserve landfill space, and potentially salvage a valuable resource
- Suggest holding discussions with UCSC, City of Santa Cruz and Santa Cruz County to collaborate and develop Davenport as a remote campus with student housing facilities. Sharing development costs would benefit all three parties. It would help Davenport economically solve significant infrastructure issues. UCSC continues to expand its student population and has been unable to house its student population. The site is a ten-minute bus ride from main campus; an ideal site for an observatory to support their astrophysics programs and as a former whaling station has the potential for developing their marine education programs. The area has ample room for both housing and education facilities development. The City of Santa Cruz suffers from a housing crisis, with a large homeless population. Many of the current population cannot find housing and the cost of renting is beyond what most can afford. Providing student housing in Davenport would help elevate this problem. Make a more robust education proposal.
- Light pollution
 - The darkish night sky of the North Coast is special. Where would the lights of the four development proposals be visible from? How far? How much light would be emitted and how would the lights affect the area's rating on the Bortle Scale?
- Requiring an LCP amendment to make this restoration financially viable is extortion. Overnight visitor accommodations should be in Santa Cruz and a rail shuttle expedited. Cemex, not the County or Joby Aviation is responsible for this restoration and financial impact.
- Move all parking on ocean side to cement plant site
- What is to be gained by the County of the Cemex proposal? Interested in additional revenue? Development seems to be encouraged, at any price. There is already greatly increased traffic, trash, and homeless encampments. Now with cabins, parking areas, etc. – the impact will only be increase. More demands on the already limited water supplies, increased fire danger, more demands on County services. Why? It is certainly not to preserve the wildlife habitat nor add to the quality of life to those who live in the North Coast area for "40 pieces of silver". Think about it. Please consider what makes Santa Cruz special – it is not more development.
- Prefer seeing locals working in the community rather than tourists
- Need local grocery store or small boutique market serving North Coast+8
 - Presence of a grocery store to allow locals to buy produce and staples is a number one priority. All other uses are secondary.
 - Like La Honda Market in La Honda +1
- Massive use of solar is appropriate for this site, especially on the roofs of the immense buildings, if they can support the weight
- Give Davenport businesses and local farms the concession for food and beverage services. Davenport can have a committee to organize a farmer's

market and other events at a public square on the property that is created expressly for this and other outside events. An amphitheater could be used for performances.

- Not clear whether the buildings or conveyor are in usable shape? The conveyor seems like a perfect ride attraction, something that would make the site a destination for many. A thrilling experience of some kind is needed, one that gives an appreciation of the natural beauty of the area.

Lodging/Visitor Serving

- There already is Costanoa up the road. There is no community need for more resort areas. Better to just let the cement plant return to nature.
 - Do not need another resort on the North Coast
- Worried about local employers losing existing employees to new uses on the site; Davenport Roadhouse is the largest employer in Davenport
- No camping **+4**
 - Please no eco-resort or public camping
- Tents are ok
- De-emphasize tourism
- Keep artist studios
- Do not support more than 200 units; should be mostly residences, not for tourism purposes
- Lodging and visitor serving uses are dependent on whether BLM or San Vicente Redwoods property add camping to those areas. How would that affect economic analysis?
- No camping on the ocean side of the property
- No big hotels please **+2**
- We do not want too many overnight visitors in Davenport
- Camping preferable to cabins or lodge; least impactful
 - The proposed visitor center, restrooms, and public parking are sufficient visitor serving resources for our community
- More camping is good, state parks are often full
- Inexpensive camping/lodging/hostel facilities, including basic RV hookups would be much appreciated by a large segment of the public. Fees should be limited to the amount needed to run and maintain the operation.

Employee/Family Housing

- Never going to get low-income housing approved this close to the ocean
- Employee housing will help the school
- Prioritize housing for local employees
- Low-income housing encourages crime. Would like to see no low-income housing. **+1**
- No types of housing
- Great idea
- Provide employee housing

- No higher than 2-stories
- Integrate community gardens into housing concepts
- Rental housing not desirable Like the idea of affordable housing. Does not need to be 300 units or just for seniors. What would be the age to qualify for 'senior'?
- Include low cost housing for teachers at the school +2

Event Meeting Space

- Can the visitor center be combined with the event space?
- Better community space needed; school is not adequate
- There is a strong desire within the Santa Cruz community for more event spaces for conferences and exhibitions
- More than 5,000 sq. ft. seems expensive; could end up being vacant a lot

Recreation Retail/Restaurant/Artist Studios

- What about existing businesses, lodging, and restaurants?
- Not interested about retail, except maybe a bike shop
- Do not want artist studios +1
- Want artist studios
- Would love to see a farmer's market somewhere in one or in each proposal. Maybe monthly or bimonthly?
- Less is better

Visitor Center/Restrooms/Parking

- Modest sized visitor facilities are needed
- Please keep Visitor Center small

Trails/Recreation

- More trails
- Most important +4
 - Serve National Monument at San Vicente Redwoods
 - As well as Coast Dairies
- Secure trailhead access parking area so cars will not be broken into
- Would like to see a bike park/pump track/skills area possibly in a community park near the trailhead parking lot
- Include a park and/or playground
- Request maximum trail access possible on west and east sides
- Provide trailhead parking
- Recreation for the public
- Need safe parking and beaches; road crossing
- Garbage an issue
- Visitor Center, historical museum, parking ok
- No overnight access; locked gate
- Love the idea of a public space
- Parking depends on what BLM builds for parking
- Open space trails are crucial

- Dependent on park master plan and agreed upon by community
- Like the idea of a walking path or trail from New Town to Old Town around the East side of the Cemex property
- The New Town pedestrian/bicycle path to Old Town appears to enter Old Town behind the fire station' how will the path traverse the steep ravine between the plant and the fire station?
- Walking, hiking, and biking trails with some accommodation for wheelchair access would be nice. The public would very much appreciate a swimming pool.

Emergency Service Storage

- CAL FIRE
- Sheriff, Fire, and EMS
- Need service with storage
- Move to Davenport

Silos/Tower Feature

- Do not really care about the silos
- Like the adaptive reuse **+2**
 - Preserve the beautiful architecture
- Keep tower **+4**
 - For office uses
 - Iconic part of Davenport, if feasible
 - Higher priority to keep than silos
 - Public access to the view at the top
 - Viewing platform with a new elevator and stairs to reach the top. The top could have comfortable seating and free binocular use. Interpretive panels to describe the geological features seen from the tower as well as a large aerial map of the region with a You are Here indicator. A small fee should be collected with children free.
- Vertical wind tunnels in silos **+1**
- Take the tower down **+3**
- No opinion
- An eye-sore; can navigate off other landmarks
- Reuse silos if benefits Joby Aviation's plan.
- Repair tower

Alternative # 1 Comments

General Comments

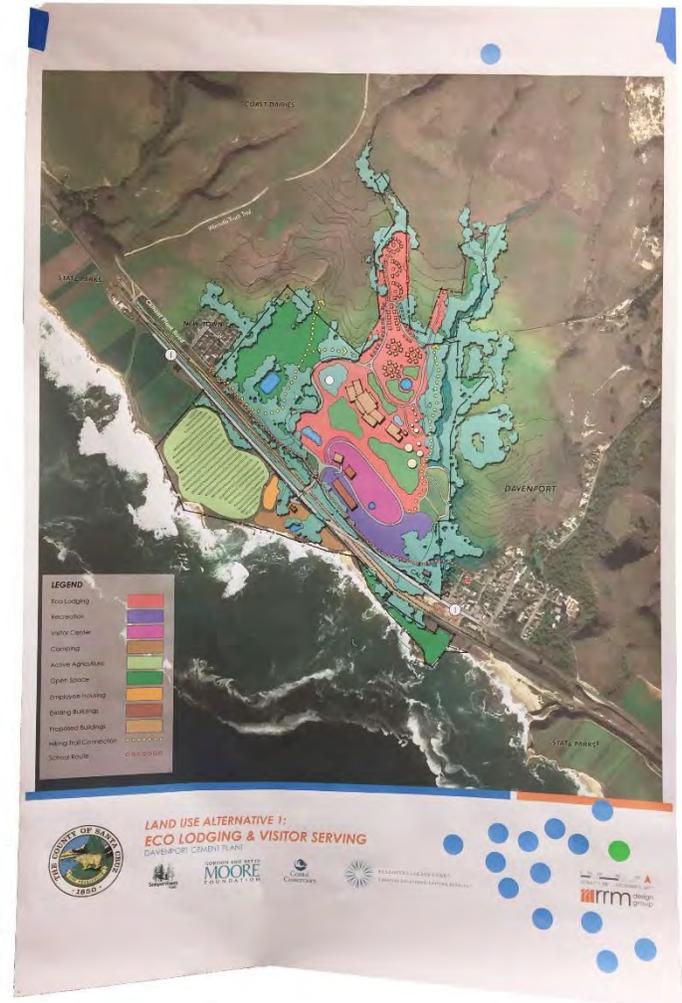
- Lowest impact

Lodging/Visitor Serving

- Camping must be on east side of Highway 1 and not by town
- No new houses on ocean side of Highway 1
- Too many rooms
- No eco-lodge
- Grand lodge, meeting space, events, weddings encouraged
- High-end could be impacted by the recession, etc. seems unrealistic

Employee/Family Housing

- Prefer the location of employee and family housing in this alternative



Alternative # 2 Comments

General Comments

- This is the closest to New Town that uses should be allowed

Lodging/Visitor Serving

- Too many rooms
- No lodge or conference center
- Grand lodge, meeting space, events, weddings encouraged

Event Meeting Space

- Like the conference center
- Too large
- Do not care, but do not see the need for a conference center

Alternative # 3 Comments

General Comments

- Most impactful
- All new development on east side of Highway 1 only

Lodging/Visitor Serving

- Do not like the location of the campgrounds near New Town
- Too many rooms

Industrial Flex Space

- Would be happy to see artists or small business workspaces
 - Some collaborative working spaces would be nice
- Support increasing or maintaining a strong tech industry in this area

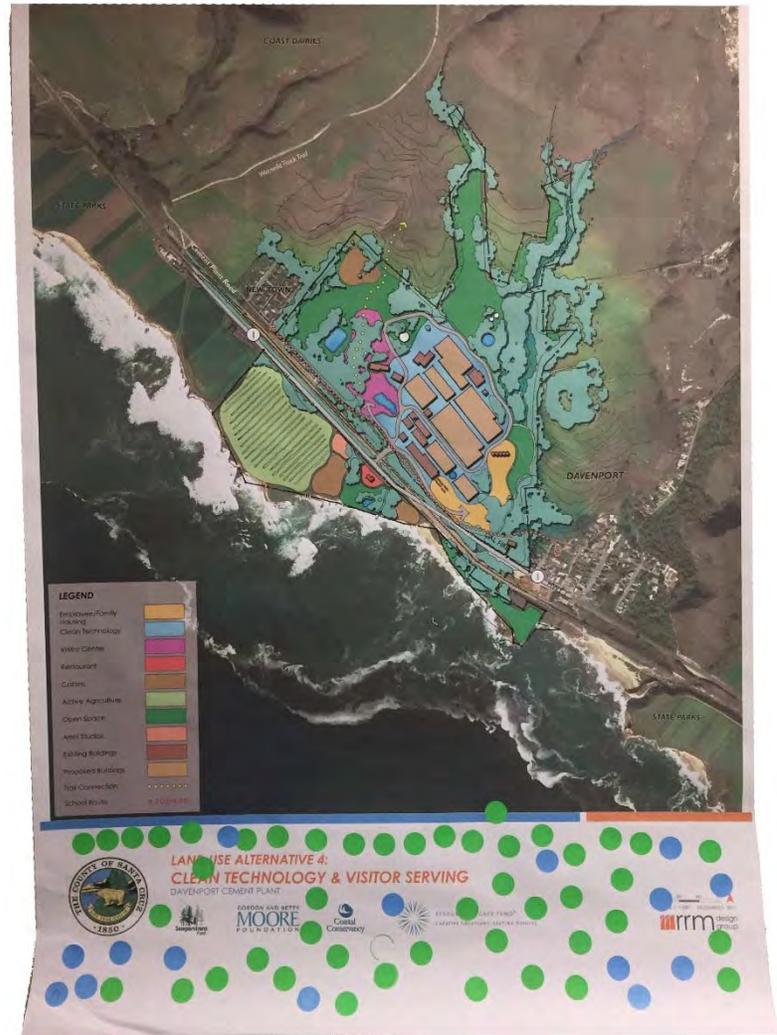
Senior Housing

- Why not more housing for-sale or family's? Not senior
- This is too intense a use for the community
- Senior housing would permanently change our community and not for the better
- Well-intentioned
- Not a good idea; do not like +4
 - Far from groceries, medical uses, movie theater, public transit, etc.
- This senior housing proposal should be adopted; not only do disadvantaged seniors benefit, but the neighborhood would be least impacted by this option. Seniors cause less traffic and noise impacts compared to other more intensive uses and the seniors would become part of the community, with common interests

Alternative # 4 Comments

General Comments

- Mixed-Use Agriculture and Clean Tech would possibly contribute. Joby is an entirely unproven company and should not be anchor tenant of property.
- Like the Joby idea; concerned if the Board decides to move the company
- How is Joby Aviation “Clean Technology”? Plenty of toxics and impactful materials are used in the manufacturing of mega-drones. Joby Aviation may not be the best fit; do not want a noisy neighbor. This process would appear to be premature. The alternatives all seem reasonable; but need to be working with real buyers. The amount of money spent on consultants seems high given the somewhat generic suggestions. That said, the economic analysis work is important. Joby Aviation would be better located near airport environments. The “team” would love to work in a modern industrial facility with ocean access and views, but testing these Vertical Takeoff and Landing (VTOL’s) in a sensitive coastal environment is a poor use. Please keep looking for buyers, Joby will not fly.
- Support Joby and public access to trails and Coast Dairies at Vicente, San Vicente Redwoods +1
- An industrial ecosystem approach would incorporate on-site material; e.g. piles of cement could be used to produce aerated concrete blocks for ‘cabins’, etc. at 1/10 the cost
- Joby is a wonderful opportunity for the community +3
- Bring it on; this is the future
- In support of Joby Aviation moving forward; however, concerns over:
 - Noise; +5
 - Light (at night); +3



- Air pollution;
 - Location of on-site takeoffs **+1**
 - Test flight paths; and
 - Traffic. **+8**
- Proposed Clean Technology buildout far too large. What exactly is Clean Technology? How does permit within zoning work?
- Must adhere to LCP Davenport Special Designation
- Would JoeBen consider setting aside land for new school?
- More information needed **+4**
 - Needs to be economically viable
- Go with Joby Aviation; makes the most sense for development; will be the best fit for the community
- In favor of Joby if electricity for entire town of Davenport area is provided via Joby solar collection and facilities
- Water treatment should also be addressed by Joby
- Mercury and other harmful biochemical elements on property
- Cleanup site but do not change set up in plan
- Go Joby! Go local! Give them a chance. Do not lose it by bogging it down. **+2**
 - A local owner is a huge plus
- Time schedule is strictly based on economics of investment. The investment "on hand" is a once in a lifetime opportunity for the future of children and community. The funding available today will not be available in the same context at a future date. Strongly support initiative to work with Joby Aviation.
- Light Research and Development high technology will offset tourism weekend influx **+2**
 - Encourage less people to the area
- Better resource leveling with weekday work force versus increased tourism
- A solid business development; not hotel and tourism. Will provide good tax basis and better paying jobs **+1**
 - Important tax basis increases
- Provide better opportunity with high-tech jobs, not service work. Engineering, software, electrical tech, data communications, and aerospace are better jobs than service
- Follow up with more detailed, development plan/project description from Joby Aviation **+10**
 - Re-use which buildings?
 - Where will residences go?
 - Trail head access
 - Need pedestrian overpass for traffic safety and maintain traffic flow and/or an underpass **+1**
 - Size, square footage of buildings (square footage) and height **+1**
 - Need to know about existing square footage
 - Can Joby do Research and Development without flying here?
 - What shifts? 24/7?
 - How to transport?
 - Need community impact statistics **+1**
 - A description of what it will be like to live with Joby

- Need an online FAQ and ability to submit input
 - Need long-term plan and information on temporary uses
- How many VTOLs will be flying around our skies – is this critical to the viability of the business?
- No lift off site at Cemex **+1**
 - Do not want to see or hear planes flying here on the North Coast. Is it feasible to screen this activity from the coast, the highway, town, and the National Monument trails? **+3**
- Flight restrictions? **+1**
 - Actual physical area? Over the property and/or days per month, etc.?
 - Limited to the air space above their land
- No drones please **+1**
 - Especially personal use drones
- What would be the upper limit or maximum on number of people working at Joby Aviation and the number of flights per day? **+4**
- Watching the VTOLs in the air will be fine **+1**
 - If the pier is restored, takeoffs could be from there
- Use 20-megawatt power supply and improve and add upon by need
- That would be badass
- Support Joby making it happen **+1**
- JoeBen seems sincere. Give him a shot.
- JoeBen understands our community
- Joby Aviation has integrity and the best interest of Davenport at heart. Davenport needs to move into the future, prepared to grow and would be lucky to have the Clean Technology.
- JoeBen – ‘the new Wright Brothers’; future of the planet; solving transportation
- Less traffic and travel with Joby than tourism generating uses
- 2019 – would proposed mentoring for several layers of jobs needed to support light industrial to contribute to the County
- Ensure land not needed by Joby reverts to Village Concept
- Less human impact and other species impact compared to other alternatives
- Dollar amount of commitment to:
 - School; **+1**
 - Water; and
 - Other community resources.
- What is the proposal to buffer New Town from an influx of traffic from traffic and Joby employees?
- Uses proposed too close to New Town **+2**
 - Concerned that the concentration of visitor services (visitor center, trail, open space, and cabins) are all adjacent to New Town. Why route the trail by the wastewater treatment pond? Situate the eastern cabins with a view of the CKD pile? Ill thought out.
- Like Joby but what does the Board have to say about how they care about what we want?
- Joby sounds better than Cemex or another corporation
- The school should be awesome with additional children projected to come
- Alternative Four appears the most exciting

- Would like more detail but very encouraged by potential benefits+1
 - Hopeful that Bonny Doon will be included in the process
- Alternative Four should be the preferred option. Do not let Joby Aviation move over the hill
- A 2019 start date should be aimed for
- Seems like Alternatives One-Three will take years before anything could happen; Joby could change things now
- What if company goes under or is sold?
 - What will the conditions be? +1
 - What will happen with the zoning; will it remain industrial?
- Private investment over a service-based use is preferred compared to the proposals in Alternatives One-Three
- Explain testing done at quarry and what type of testing near the plant site
- Joby proposal is tied to one person; use permit needs to reflect that so that 20 years from now, we do not end up with something very different
- Like the idea of a successful business supporting the community
- Joby will bring jobs to the area and will spur high-tech growth in the Santa Cruz area. It is a nice technology complement to the Tesla electric cars that are being designed and manufactured in Silicon Valley, and Zero Motors electric motorcycles in Scotts' Valley. All three will have a common need for high capacity battery storage. Joby Aviation will help create a technology hub for electric vehicles.
- Would like to see the County facilitate permitting process so site is improved and cleaned up
- Best use; fully support
- Concern about delivery and shipment traffic
- JoeBen has made a lot of promises to do "whatever we want"; however, in the past he hasn't followed or been respectful of regulations, so why should we believe he will in the future?
- Will there be other businesses on this site, in addition to the industrial use as JoeBen has on his property in Bonny Doon? Will there be smells and/or noises from these other side businesses?
- Support the idea of creating offices/workshops for small, local businesses (contractors, woodworkers, artists, etc.)

Lodging/Visitor Serving

- Add camping to Alternative 4 +5
- No cabins +6
- Maybe additional cabins (50) for daily rentals?
- Less cabins
- Do not like the location of the campgrounds near New Town
- Where and what is the configuration of the 75 cabins and what will they look like?

- Mixed message – cabins, but no camping; would there be camping in this alternative?
- Decrease number of tent cabins from 75 to 30
- Is there enough water available for all the lodging suggested?
- Or 20 cabins and 50 campsites
- Affordable tourist lodging is good since there is not much in the area
- High-end could be impacted by the recession, etc. seems unrealistic
- More camping is good, state parks are often full

Clean Technology

- Double thumbs up for Clean Technology. The details of which are not so clear except for trail access.
- Like alternative energy
- On-site food for employees should be encouraged
- Constraints needed on flights to prevent noise pollution
- Need more information on economic return to the community; tax base. How does Joby compare to the other options?
- Rests on the assurance that the tower is maintained and renovated
- Effectively use pre-existing resources
- Clean electrical generation
- Joby is a rare and great opportunity; need to do this
- Clean Technology jobs will be a major benefit to the community
- Increase in income to County and area
- Light industrial type uses needed in Santa Cruz County
- Joby will much more likely work with the community than developer(s)
- Makes the rail trail invaluable
- Concerned about the testing in the quarry
- What does Joby's growth look like? Will they be able to use lands later that they say they will not use now? What happens when they outgrow the facility? Need to see long-term plan.
- An economic analysis needs to be completed +1
- Comparing the Joby proposal to the cement plant, as in "it will be way quieter than the cement plant" should not be the standard of comparison. This is the time to do something good for the coast and obviously economically feasible
- Create a large solar farm on the present-day takings
- Promote biomass electrical generation
- Use as a dumping site instead of using landfill
- Create fog-catcher arrays to help alleviate water shortages (as used in Chile)

Industrial Flex Space

- Add industrial flex space(s) to Joby proposal; it is a good community service

Employee/Family Housing

- 50 units minimum – need more housing – how about low-income for support staff?
- More locals in our neighborhoods
- 50 units too much; 30 maximum
 - Less units the better +1
- Hope these will be more geared towards employee housing
- Remember that there will be new families in town as the company grows, so new children and a chance at long-term community vitality because of young families and children and economic uplift.
- Concerned about the employee housing; do not want employees living at the campsites
- Can the existing school even handle more students? +1
 - What is the capacity to accommodate additional students and would the school return to its historic commitment of providing instruction to residents ahead of out-of-district transfers? How would an influx of Joby employees' children impact the Independent Study program?
- Add in senior and affordable housing to this alternative
- Additional housing enough to house 100-150 new residents
- Where and what is the configuration of the 50 units and what will they look like?
- Concern over housing quality
- Are these units for Joby staff?
- 25 units maximum; no Accessory Dwelling Units

Event Meeting Space

- Add event meeting space or community room to Alternative 4 +4

Recreation Retail/Restaurant/Artist Studios

- Would love to see community recreation facilities, baseball fields or multiuse sports fields, tennis courts, etc. especially with the new school buildings there is almost no space for ball playing in Davenport. There will be plenty of hiking but how about a baseball park?
- Like the restaurant and artist studio combination
- If a restaurant proceeds – encourage green and good organic food
- Wine bar
- Support local artists
 - Storefronts for local artists
- The retail really needs to serve the community. We already have one shop that caters only to visitors and have three restaurants. What we need is to be able to get food without driving an hour round-trip. Need to be able to do it with an extra 600 people coming in and out all the time. Allocating or separating artist live/work space rather than not defining the difference between the two is

important. Artists would contribute to the community but do not have the money to compete with retail.

- Where would this be located? No safe place on the coast
- Support local organic farms
- Add some retail space to support trail users; for example, bike shop, outdoor store, and/or camp store
- Ensure this is open and available to the public
- Retail space could better serve visitors and Davenport. Restaurant welcome; however, make convertible to retail.
- Is the proposed restaurant for employees and/or visitors? Do not want it to take away customers from existing restaurants.
- Create a commercial kitchen for local food production
 - Baking, preserving, etc.

Visitor Center/ Restrooms/ Parking

- Does Joby Inc. have plans to provide parking and visitor access available for tourists?
- Rail train ending on Joby site?
- Use old hospital for visitor center and museum of North Coast (and Cement Plant history)
- Provide adequate space for horse trailer parking

Trails

- Will open space be heavily restricted because the land will be held by a private company? Open and public trail use is important.
- Create separate trails for horses and hiking; mountain bikes on another. Or provide a wide trail to accommodate all.

SANTA CRUZ RESTORATION AND REUSE PLAN - CEMEX CEMENT PLANT

Name:

Address:

Please indicate your preferences by checking the box for each of the program elements provided. Any additional notes to elaborate on your choices can be provided on the back of this sheet.

Program Elements	Alternative 1	Alternative 2	Alternative 3	Alternative 4	Comments
<i>Lodging/Visitor Serving</i>	Eco Lodging & Cabins 100 rooms 75 cabins 25 tent cabins	Recreation Oriented Lodging/Conference Center 200 rooms 75 cabins 25 tent cabins	Lodging & Cabins 100 rooms 100 cabins	Cabins 75 cabins	
<i>Camping</i>	<input type="checkbox"/> 150 camp sites	<input type="checkbox"/> 50 camp sites	<input type="checkbox"/> 50 camp sites	N/A	
<i>Clean Technology</i>	N/A	N/A	N/A	<input type="checkbox"/> Joby Aviation	
<i>Industrial Flex Space</i>	N/A	N/A	<input type="checkbox"/> 226,400 s.f.	N/A	
<i>Senior Housing</i>	N/A	N/A	<input type="checkbox"/> 300 units	N/A	
<i>Employee/Family Housing</i>	<input type="checkbox"/> 30 units	<input type="checkbox"/> 50 units	<input type="checkbox"/> 30 units	<input type="checkbox"/> 50 units	
<i>Event Meeting Space</i>	<input type="checkbox"/> Yes 15,200 s.f. (Bldg Reuse)	<input type="checkbox"/> Yes 32,000 s.f. (w/lodging)	<input type="checkbox"/> Yes 2,000 s.f. (w/lodging)	N/A	
<i>Recreation Retail/Restaurant/Artist Studios</i>	<input type="checkbox"/> 2,500 s.f. (Camp Store) 13,200 (Retail/Artist Studios)	<input type="checkbox"/> 2,500 s.f. (Restaurant) 26,400 (Rec/Retail)	<input type="checkbox"/> 2,500 s.f. (Wine Tasting/Restaurant)	<input type="checkbox"/> 2,500 s.f. Restaurant 3,000 sf (Artist Studios)	
<i>Visitor Center Restrooms Parking</i>	<input type="checkbox"/> Visitor Center <input type="checkbox"/> Restrooms <input type="checkbox"/> Public Parking				
<i>Trails</i>	<input type="checkbox"/> East & West Access			<input type="checkbox"/> West Access	
<i>Emergency Service Storage</i>	<input type="checkbox"/> Yes		No		
<i>Reuse of Silos</i>	<input type="checkbox"/> No	<input type="checkbox"/> Yes			

Program Elements	Alternative 1	Alternative 2	Alternative 3	Alternative 4
<i>Lodging/Visitor Serving</i>	Eco Lodging & Cabins 3 votes	Recreation Oriented Lodging/Conference Center 1 votes	Lodging & Cabins 0 votes	Cabins 37 votes
<i>Camping</i>	150 campsites 5 votes	50 campsites 5 votes	50 campsites 6 votes	N/A
<i>Clean Technology</i>	N/A	N/A	N/A	95 votes
<i>Industrial Flex Space</i>	N/A	N/A	0 votes	N/A
<i>Senior Housing</i>	N/A	N/A	4 votes	N/A
<i>Employee/Family Housing</i>	0 votes	3 votes	2 votes	45 votes
<i>Event Meeting Space</i>	5 votes	4 votes	2 votes	N/A
<i>Recreation Retail/ Restaurant/Artist Studios</i>	7 votes	6 votes	5 votes	49 votes
<i>Visitor Center</i>	53 YES votes			
<i>Restrooms</i>	55 YES votes			
<i>Parking</i>	52 YES votes			
<i>Trails</i>	East and West Access 25 YES votes			West Access 37 votes
<i>Emergency Service Storage</i>	37 YES votes		2 NO votes	
<i>Reuse of Silos</i>	5 NO votes	29 YES votes		

APPENDIX E

Alternative 4



APPENDIX E

ALTERNATIVE 4: CLEAN TECHNOLOGY AND VISITOR-SERVING

Alternative 4 combines family/employee housing, cabins, and clean technology. Trail access from the west is included, while camping is not a part of this alternative. High-priority, visitor-serving uses are also provided. The Alternative 4 Program includes:

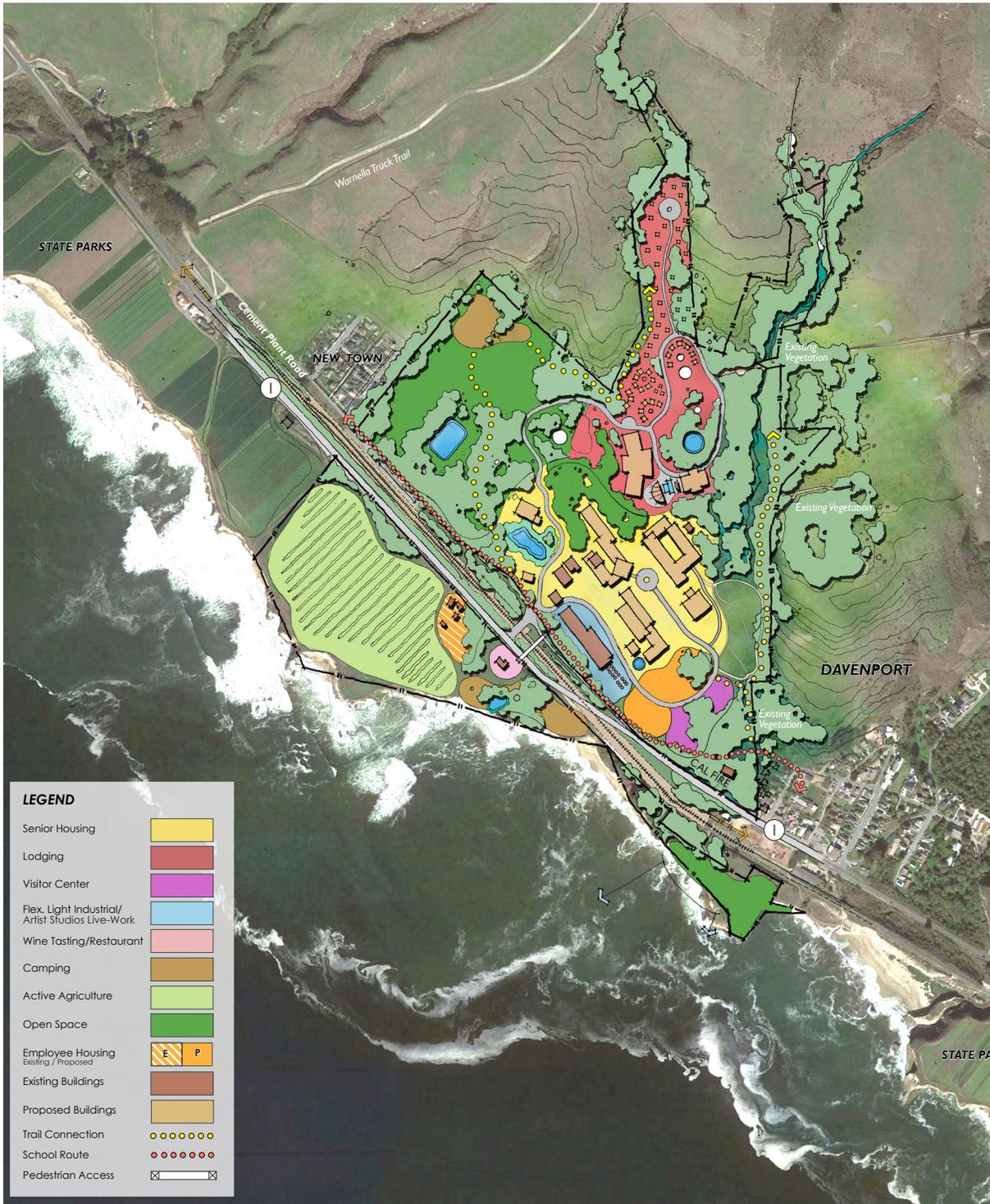
- Employee/ family housing (50 units)
- Lodging
 - 75 cabins
- Clean Technology
- Artist studios (3,000 s.f.)
- Restaurant
- Public trails, access from the west
- Reuse of silos



Cabin example



Restaurant example



ALTERNATIVE 4 - CLEAN TECHNOLOGY AND VISITOR-SERVING

APPENDIX F

Financial Feasibility Analysis,
Economic and Planning
Systems, October 15, 2018
(Supplemented January 31, 2019 for
Alternative 5)



MEMORANDUM

To: Debbie Rudd and Lisa Plowman, RRM Design Group

From: Benjamin C. Sigman, Paige Peltzer, and Sadie Wilson,
Economic & Planning Systems, Inc.

Subject: Financial Feasibility Analysis of the Reuse of Davenport
Cement Plant Site Alternatives; EPS #161069

Date: October 15, 2018

The Economics of Land Use



Santa Cruz County retained Economic & Planning Systems (EPS) as part of a team led by RRM Design Group to assist with the preparation of a Coastal Restoration and Reuse Plan for the now inactive 100+ acre Davenport Cement Plant site. This memorandum, building on prior work, assesses the financial viability of three concept-level site redevelopment alternatives. While the RRM team has considered a fourth alternative, that potential project is an end-user driven build-to-suit development and is not considered by this real estate feasibility analysis.

Previous EPS work efforts include the Davenport Cement Plant Final Technical Background Report (May 2017) and a supplemental market research memorandum (**Appendix B**), as well as coordination with RRM on redevelopment program alternatives. The Background Report presented an initial assessment of market conditions and reuse opportunities for the site, while the supplemental market research memorandum provided additional real estate market findings gleaned from developer interviews and case study analysis. These past work efforts establish a robust market understanding which has informed the project team's redevelopment programming and this assessment of each alternative's financial viability.

EPS market research findings indicate that resort/hospitality uses are the most realistic economic driver for the Davenport site. Accordingly, hotel uses, cabins, and camping have been incorporated into the three alternatives analyzed here. Hospitality alternatives are differentiated by development intensity, market positioning, and complementary on-site uses and amenities. All alternatives incorporate community benefits, including publicly accessible recreation opportunities, as well as low-cost accommodations and other desirable revenue-generating uses.

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While there certainly is great economic potential for the Davenport Cement Plant, the size and complexity of the site, as well as the environmental remediation efforts yet to be carried out, serve as potential barriers to development. This analysis assumes that site remediation occurs and that the site is delivered clean for development.

In addition, this analysis provides a planning-level assessment of overall feasibility at build out, which is ideal for the initial consideration of alternatives, but insensitive to phase-level economics (i.e., the timing of revenues and costs). Furthermore, unique and challenging redevelopment projects such as those contemplated for the Davenport site demand strategic execution. A successful project will require expert market positioning, branding, promotion, and operations to achieve financial feasibility.

This memorandum builds on previous work and presents the results of the financial feasibility analysis of the three alternative plans. In this memorandum, findings from the prior EPS real estate market research and new horizontal and vertical development cost data (see **Appendix C**) are brought together to build a financial model that assesses the economic value of proposed development alternatives. While funding for “community benefit” contributions is not explicitly considered in the financial model and might be possible under the more financially viable alternatives, the alternative programs considered do include public amenities such as trails and sites for potential land dedications for public purposes (e.g., preserve areas for Coho spawning), among other public benefits.

Key Findings

All three program alternatives tested are likely to be financially feasible.

This analysis estimates that each of the alternatives considered generates positive “residual land value” in the current real estate market (i.e., a developer would be willing to pay for the land to develop the specified land use program). For each alternative, estimates of market value exceed estimates of the cost of development for the project overall. While some uses are anticipated to be infeasible on their own, other more valuable uses included in each alternative are sufficient to offset those losses. Despite the finding that residual land value is positive, this analysis does not assess whether that land value would be sufficient to motivate the current property owner to sell the site.

Alternative One, a relatively low-density plan envisioned to be an upscale lodging that commands premium value, is marginally feasible.

Alternative One creates sufficient real estate value to cover site demolitions and infrastructure improvements, but only yields about \$3 million in land value. This Alternative keeps development density relatively low and expands its market breadth by offering significantly more camping than other alternatives. By taking advantage of the aesthetic qualities of the low-density program, the upscale hospitality use in Alternative One is capable of achieving relatively high room rates. It is the revenue potential of the upscale 100-room lodge, cabins, and tent cabins in Alternative One that drives the finding that the alternative can generate positive land value.

Alternative Two, a higher density plan that pairs a more significant lodging program with meeting and event uses, supports almost \$7 million in land value.

This alternative includes 200 lodge rooms and introduces more than 30,000 square feet of new meeting and event space to the program. Including the additional cabins and tent cabins, the program offers over 100,000 room nights annually. The lodging capacity in Alternative Two

creates significant income potential and is the primary reason that the alternative generates more than twice the estimated land value of Alternative One.

Alternative Three, the densest and most varied plan alternative, appears highly feasible, given the value contributions of hospitality, residential, and flex uses.

In addition to hospitality uses, the market-rate housing and flex space (for light industrial and R&D users) in Alternative Three generates significant positive residual land value, about \$35 million in total. In particular, Alternative Three includes 300 market-rate residential units and nearly 230,000 square feet of flex space, which together support a net value contribution (toward land value) of roughly \$40 million.

Figure 1 presents estimates of residual land values that result from the pro forma financial analysis of the three alternative site programs.

Figure 1 Residual Land Value Estimates

Land Use	Alternative 1	Alternative 2	Alternative 3
Accommodations ¹	\$43,881,000	\$49,505,000	\$37,964,000
Meeting and Event	-\$286,000	\$822,000	-\$38,000
Residential - Market Rate Senior Housing	\$0	\$0	\$30,162,000
Residential - BMR Employee	-\$29,000	-\$48,000	-\$29,000
Retail ²	\$1,645,000	\$1,820,000	\$852,000
Flex ³	\$0	\$0	\$9,839,000
Emergency Services Storage	-\$466,000	-\$466,000	-\$466,000
Recreation (Visitor Center)	-\$1,079,000	-\$1,079,000	-\$1,079,000
Camping ⁴	<u>\$535,000</u>	<u>-\$9,000</u>	<u>\$553,000</u>
Total Residual Value from Vertical Development	\$44,201,000	\$50,545,000	\$77,758,000
(Less) Horizontal Development	-\$39,883,000	-\$42,677,000	-\$41,948,000
(Less) Additional Amenities and Facilities Cost	-\$1,000,000	-\$1,000,000	-\$1,000,000
Estimated Total Land Value	\$3,318,000	\$6,867,000	\$34,810,000

[1] Accommodations include a lodge, cabins, and tent cabins.

[2] Retail includes spa facilities, health and wellness uses, café, wine bar, camp store, and restaurant uses.

[3] Flex space includes light industrial, agricultural processing, and R&D uses.

[4] Camping includes space for tent camping. Vertical costs reflect the cost of camp bathhouses.

Development Alternatives

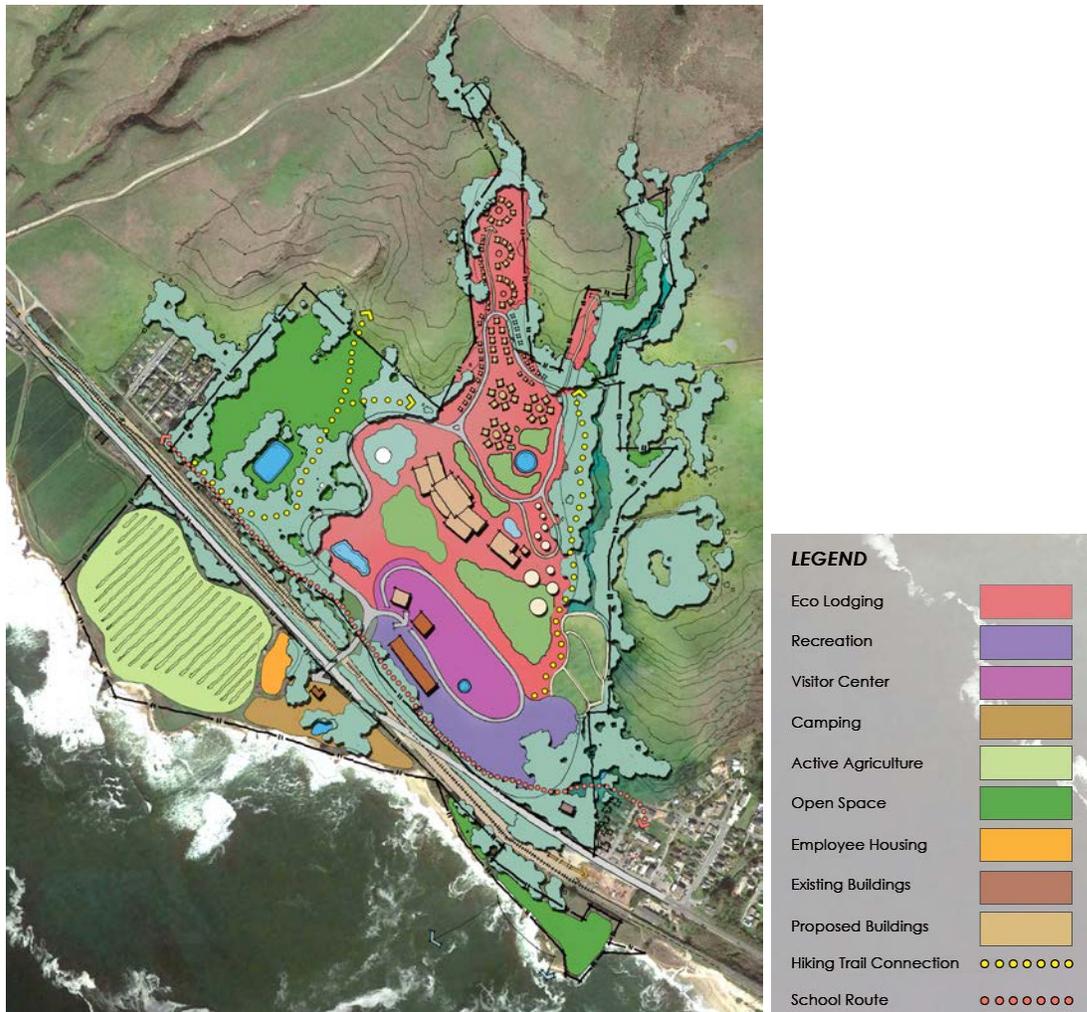
This financial analysis considers the feasibility of redevelopment of the cement plant site, including accommodations, meeting/event space, residential, retail, flex, warehouse, and visitor-serving uses. Three alternative site plans are considered, each with a distinct hospitality theme, as described below. **Figure 5** provides a detailed summary of the rooms, units, and square footage program in each alternative. In addition, each of the alternatives also include camping, a visitor center, employee housing, agriculture, and trails.

Eco-Lodging Alternative

Alternative One is imagined to be an upscale lodge with a health and wellness focus. The lodge includes spaces for activities like yoga classes, small meetings, or lectures. Alternative One features:

- A full-service eco-lodge;
- Cabins and tent cabins;
- Spa; and
- Wedding and private retreat facilities.

Figure 2 Alternative One Program Diagram



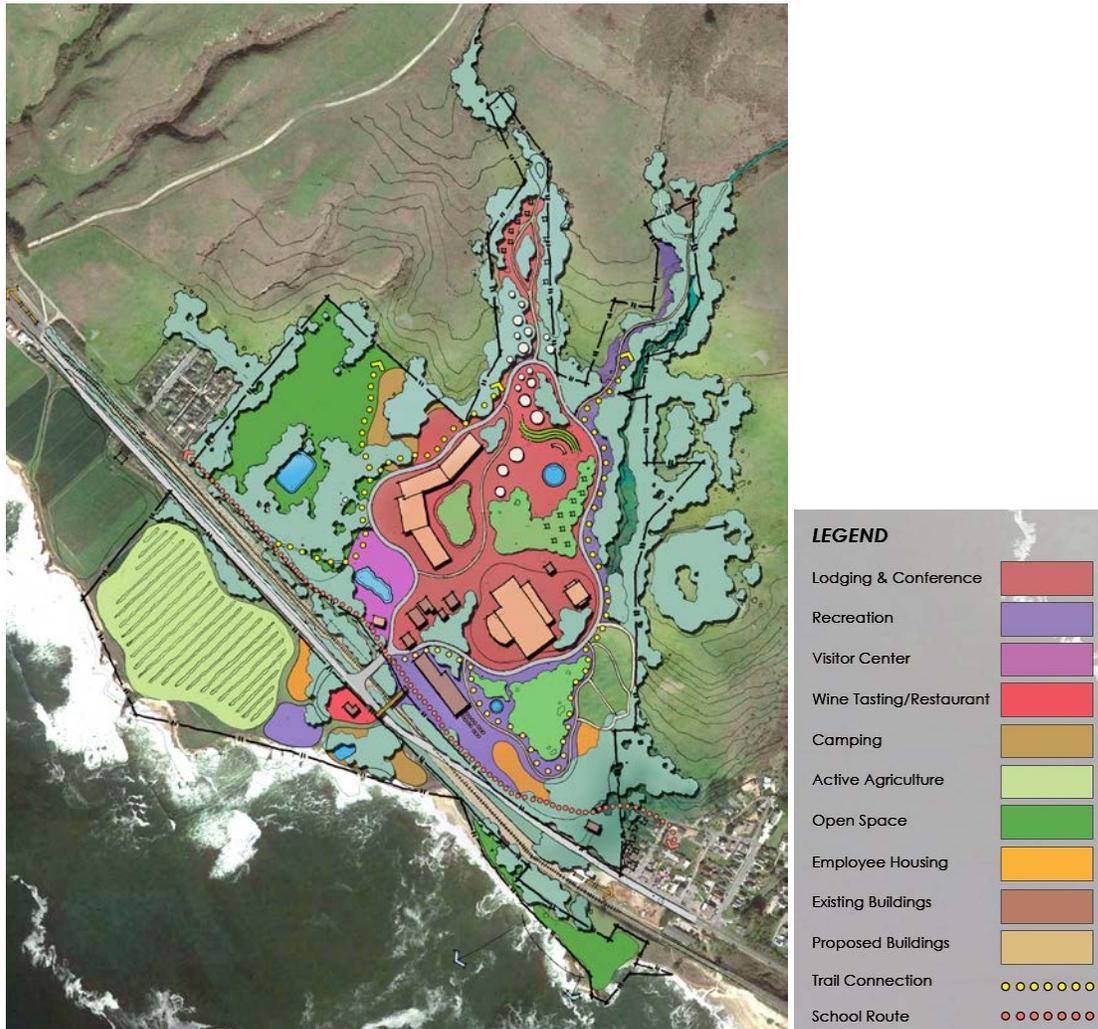
Source: RRM Design Group

Lodging/Conference Center Alternative

Alternative Two brings a recreational focus to the site, along with a significant venue for meetings and events. Recreational activities might include hiking, biking, sea kayaking, a ropes course, and a zipline. The meeting spaces, in excess of 30,000 square feet, would support small conferences and private events. Alternative Two features:

- A full-service hotel;
- Cabins and tent cabins;
- Conference facilities for weddings, corporate, and academic events; and
- A recreational theme throughout.

Figure 3 Alternative Two Program Diagram



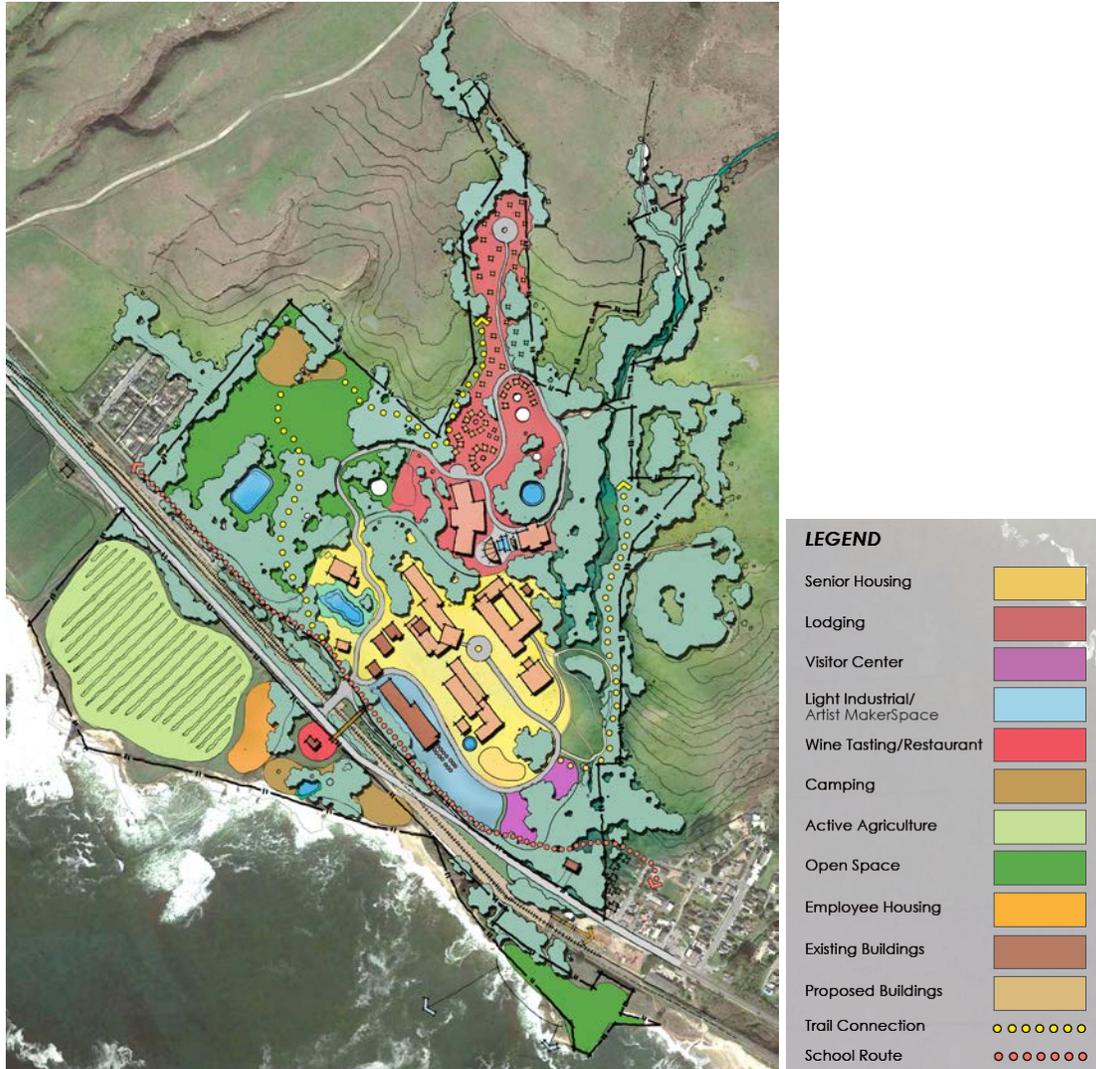
Source: RRM Design Group

Lodging/Senior Housing/Art and Culture Alternative

Alternative Three has a diverse land use program and includes a local art and culture theme. This program includes hospitality uses, and also housing and flex (light industrial) work space that could be suitable for artists, makers, and technology innovators. Alternative Three features:

- A full-service hotel;
- Market rate senior housing; and
- Flex space.

Figure 4 Alternative Three Program Diagram



Source: RRM Design Group

Figure 5 Program Alternatives Summary

Program Element / Item	Assumption	Alternative 1					Alternative 2					Alternative 3					
		Units			Built Square Footages (GSF)		Units			Built Square Footages (GSF)		Units			Built Square Footages (GSF)		
		Accom.	Res.	Other	Accom.	Res.	Comm.	Other	Total	Accom.	Res.	Other	Accom.	Res.	Comm.	Other	Total
Hospitality Uses																	
Lodge (Rooms & Restaurant)	600 SF per room	100			60,000				200	120,000				100			60,000
Cabins	600 SF per room	75			45,000				75	45,000				100			60,000
Tent Cabins	320 SF per room	25			8,000				25	8,000							
Camping		150			0				50	0				50			0
Restroom/Bathhouse	1,333 SF each			6	8,000					3	4,000				2		2,667
Event and Meeting Spaces																	
Reuse Event and Meeting Rooms								15,200									2,000
New Event and Meeting Rooms																	30,000
Residential																	
Senior Housing	800 SF / unit													300			240,000
Employee Housing	900 SF / unit		30		27,000				50	45,000				30			27,000
Amenities																	
Spa Facilities	8,000 SF each			1	8,000												8,000
Health & Wellness Yurts	400 SF per Yurt			3	1,200												
Retail																	
Reuse of Hospital								2,500									2,500
Reuse of Packhouse								13,200									26,400
Industrial / Flex																	
Reuse Light Industrial																	26,400
New Light Industrial																	200,000
Other																	
Visitor Center (incl. restrooms)								3,000									3,000
Emergency Service Storage								2,000									2,000
Reuse Silos																	16,653

Analytical Approach

This analysis relies on the well-accepted static (stabilized-year) pro forma financial feasibility framework to estimate the land value supported by each of the development alternatives. This approach compares real estate development value at project stabilization (i.e., after project lease up is complete) with the cost of project development, in constant 2017 dollars. The analysis estimates finished real estate value based on assumptions concerning market-supportable lease rates, operating costs, and capitalization rates.¹ The analysis seeks to provide an initial indication of feasibility, but does not contemplate phasing or temporal cash flow considerations.

Development cost assumptions reflect standard (location-adjusted) construction costs, typical project soft costs (e.g., architecture and engineering), local fees and permits, and a required developer return on investment. The assumptions reflect EPS research, third-party data (e.g., CoStar Group market data and RS Means construction cost estimates), and correspondence with RRM staff, County staff, and industry sources, including interviews with real estate development professionals.

This analysis estimates residual land value for each of the alternatives. When real estate market value exceeds development costs, the difference represents what a developer is able to pay for land. The calculation yields a value measure commonly referred to as "residual land value," which is the primary output of this financial analysis. A landowner would not reasonably be expected to accept zero or negative land value, thus a positive land value is needed for a proposed project to be considered "feasible." Even when land value is positive, there is uncertainty whether the value will be sufficient to motivate the current property owner to sell the site.

Summary of Key Terms

Market Value – The estimated sale price of a real estate asset, assuming current market conditions.

Vertical Construction – The development of buildings and structures.

Horizontal Construction – The development of the project site, including infrastructure (e.g., streets), landscaping, and building pads.

Hard Costs – Direct construction costs including labor, materials, and associated overhead.

Soft Costs – Indirect development costs such as architecture, engineering, permits, and fees.

Contingency – A development cost provision for unforeseen events or circumstances.

Return on Investment – The expected financial benefit necessary to motivate a project developer, given financial risks associated with the project.

Land Value – The estimated financial contribution that a project developer could make to the landowner, given the site program and financial assumptions considered.

¹ The capitalization rate is equal to annual net property income divided by total property value. This market-based factor indicates the multiple of net property income that a buyer will pay for a property.

Key Assumptions

Market Value

This analysis builds on the market conditions established in prior EPS deliverables, and assumes achievable lease rates based on market research conducted using CoStar Group, average daily rates at comparable lodging establishments from Smith Travel Research, typical operating cost factors for each asset type, and EPS knowledge of the local and regional commercial real estate landscape. The pro forma relies on assumptions that are representative of the local market, and the Davenport site and program in particular. **Figure 6** summarizes rent assumptions for each land use.

- **Hospitality Uses** – the room rates reflect the potential for new, well-positioned hospitality projects in the coastal market of Santa Cruz County. Cabins are assumed to be market-oriented as premium accommodations, and are assumed to have the highest average daily rate of the lodging options onsite. The eco-lodge in Alternative One is market positioned as upscale, with room rates that are 15 percent higher than the base rates shown in **Figure 6**. Camp sites will be separate from the lodge, with nightly site rates of \$40.

Figure 6 Revenue Assumptions Summary

Land Use	Average Lease Rate Assumptions	Capitalization Rate
Hotel		
Lodge	\$300 per day per room	8.0%
Cabin	\$350 per day per room	8.0%
Tent Cabins	\$190 per day per room	8.0%
Camping	\$40 per site per day	8.0%
Meeting and Event	\$0.50 per square foot per event	8.0%
Residential - Market Rate Senior Housing	\$3.50 per month per sq. ft. (Gross)	5.0%
Residential - BMR Employee	\$1.34 per month per sq. ft. (Gross)	5.0%
Retail	\$2.50 per month per sq. ft. (NNN)	6.0%
Flex	\$1.50 per month per sq. ft. (NNN)	6.0%
Emergency Services Storage	\$1.00 per month per sq. ft. (NNN)	6.0%
Recreation (Visitor Center)	\$0.00 per month per sq. ft. (NNN)	8.0%

- **Housing** – The market rate housing for senior living is expected to have a monthly lease rate of \$3.50 per square foot (about \$2,250 per month for a typical unit). The housing format is anticipated to be wood-built, two-story multifamily structures. The below-market-rate housing, built to a similar specification as the market-rate housing, will be priced for low income households (i.e., households with 60 percent of area median income) and the development of this product is assumed to take advantage of nine percent Low Income Housing Tax Credits². Monthly rent for a below-market-rate unit is \$1.61 per square foot (less than \$1,000 per month for a typical unit).
- **Event and Meeting Spaces** – Wedding venue rentals commonly reach \$10,000 or more per event, and larger conference and corporate event facilities even more. Revenue potential is significantly higher at well-developed, highly amenitized event venues that offer a full suite of event planning, hosting, catering, and other services. In this analysis, event and meeting space generates average revenue of \$0.50 per square foot per event, so a 20,000-square foot space will rent for \$10,000.
- **Retail** – Retail uses, including traditional retail and restaurant spaces as well as the onsite spa (Alternative One) and the camp store, are assumed to achieve above-average rent as compared with the countywide market overall, but far below asking rents for well-positioned new retail space. The monthly average lease rate is assumed to be \$2.50 (NNN) per square foot.
- **Flex Space** – Flex space will be appropriate for artists, makers, and technological innovation firms, and also for more traditional light industrial and agricultural processing activities. The flex space is expected to achieve an average lease rate of \$1.50 per square foot (NNN), which is consistent with average asking rates for newer, quality flex spaces countywide.

Project Costs

Project costs are reflective of a comprehensive vertical development budget and include construction costs, soft costs, and other project costs, including a development contingency allowance and the required developer rate of return.

Construction costs – Project construction costs cover the vertical development of building spaces, including all labor and materials, fit out, and general contractor charges. For hotel uses and housing, the costs include the necessary furniture, fixtures, and equipment (FF&E). Other uses are assumed to have a modest tenant improvement budget for fit out, as is standard in the marketplace.

Except for specialty structures, all construction costs estimates are from RS Means construction cost estimating data. The hard cost estimates for cabins, yurts, and camp bathhouses are derived from information gathered from modular builders who provide prefabricated products and custom construction cost estimates. EPS used data from these sources to estimate per-square-foot costs for the hospitality uses.

In some cases, existing buildings on site will be rehabilitated and reused. This analysis assumes that reusing a building is approximately 25 percent more expensive than building new. **Figure 7**

² LIHTC is a competitive program. After considering the requirements of the program, the rural status of the site, and the merits of the project, this analysis assumes the project receives nine percent LIHTC credits or other public sources of funding.

summarizes the per-square-foot hard cost assumptions and tenant improvement assumptions used in the analysis. Note that the FF&E cost for the upscale eco-lodge in Alternative One is increased 15 percent above the amount shown in **Figure 7**, commensurate with that product's market positioning.

Figure 7 Construction Cost Assumptions Summary

Land Use	Hard Cost (per Sq. Ft.)		TI / FF&E
	New	Reuse	
Hotel			
Lodge	\$178	-	\$50
Cabin	\$133	-	\$50
Tent Cabins	\$78	-	\$50
Meeting and Event	\$152	\$190	\$25
Residential - Market Rate Senior Housing	\$151	-	\$6,500
Residential - BMR Employee	\$151	-	\$6,500
Retail	\$187	\$234	\$0
Flex	\$92	\$115	\$25
Emergency Services Storage	\$284	-	\$0
Recreation (Visitor Center)	\$247	-	\$25
Camping (Bathhouses)	\$260	-	-

Sources: RS Means, Rainier, Economic & Planning Systems, Inc.

Horizontal costs – Horizontal costs, including demolition costs, basic site work, campground landscaping, and parking, have been estimated separately by RRM and appear as a single-cost line-item in the financial model.³ Horizontal costs for Alternatives Two and Three include the costs of building a pedestrian bridge across Highway 1, and do not include the demolition cost of the existing silos (which are retained in these two alternatives). This analysis assumes that the current property owner will be responsible for site remediation, so the costs of site cleanup are not included in the horizontal development budget. The analysis assumes an “additional amenities and facilities” budget of \$1.0 million in each alternative, to cover the potential costs associated with habitat restoration or other unidentified cost factors.

Soft costs – Soft costs include professional services associated with planning, design, and project approval; permits and fees; assumptions regarding taxes and insurance and financing costs; and general and administrative costs borne by the project developer. Building, planning, and impact fees have been estimated at a planning level in consultation with County of Santa Cruz staff. Development impact fees include school district fees, as well as childcare and

³ **Appendix C** presents the RRM horizontal cost estimates.

affordable housing fees. The analysis assumes that the 30 onsite below-market-rate units partially satisfy the County’s inclusionary requirement that 15 percent of new units be affordable.

Other project costs – These costs include a development contingency of 5.0 percent and the developer’s required return on investment (ROI), which is assumed to be 10.0 percent of all project costs. Potential project costs associated with “community benefit” contributions are not explicitly considered in the financial model, but it is important to note that the alternative programs considered do include public amenities such as hiking trails and sites for potential land dedications for public purposes (e.g., preserve areas for Coho spawning).

Pro Forma Financial Analysis

The following tables document the summary financial feasibility calculations of the three alternatives that are outlined in the Development Alternatives section. Financial feasibility is tested for each scenario under current market conditions.

Alternative One – Eco-Lodge

This scenario has the smallest site plan with slightly less than 200,000 square feet of development. Alternative One is a marginally feasible project with a residual land value of approximately \$3.3 million. In this alternative, horizontal development costs include demolition of existing cement plant silos.

Figure 8 Alternative One Eco-Lodge Summary Table

Use	Site Program	Building Square Footage	Net Market Value	Development Cost	Residual Value
Accommodations ¹	200 Guest Rooms	113,000	\$85,218,065	\$41,336,932	\$43,881,132
Meeting and Event	15,200 Square Feet	15,200	\$4,552,210	\$4,838,472	-\$286,262
Residential - Market Rate Senior Housing	0 Dwelling Units	0	\$0	\$0	\$0
Residential - BMR Employee	30 Dwelling Units	27,000	\$3,212,073	\$3,241,157	-\$29,085
Retail ²	24,900 Square Feet	24,900	\$9,809,137	\$8,164,431	\$1,644,706
Flex ³	0 Square Feet	0	\$0	\$0	\$0
Emergency Services Storage	2,000 Square Feet	2,000	\$315,153	\$780,690	-\$465,537
Recreation (Visitor Center)	3,000 Square Feet	3,000	\$0	\$1,078,780	-\$1,078,780
Camping ⁴	150 Tent Sites	<u>6,665</u>	<u>\$3,717,525</u>	<u>\$3,182,761</u>	<u>\$534,764</u>
Total		191,765	\$106,824,162	\$62,623,223	\$44,200,939
(Less) Horizontal Development					-\$39,882,661
(Less) Additional Amenities and Facilities Cost					-\$1,000,000
Estimated Total Land Value					\$3,318,278

[1] Accommodations include a lodge, cabins, and tent cabins.

[2] Retail includes spa facilities, health and wellness uses, café, wine bar, camp store, and restaurant uses.

[3] Flex space includes light industrial, agricultural processing, and R&D uses.

[4] Camping includes space for tent camping. Vertical costs reflect the cost of camp bathhouses.

Alternative Two – Lodge/Conference Center

Alternative Two includes 200 hotel rooms and devotes more space to meeting and event space. This alternative achieves a higher residual land value of approximately \$6.9 million, as shown in **Figure 9**. In this alternative, horizontal costs include a pedestrian bridge across Highway 1, and do not include the demolition cost of the existing silos as they are retained as part of the reuse plan.

Figure 9 Alternative Two Lodge/Conference Center Summary Table

Use	Site Program	Building Square Footage	Net Market Value	Development Cost	Residual Value
Accommodations ¹	300 Guest Rooms	173,000	\$110,923,865	\$61,419,335	\$49,504,530
Meeting and Event	32,000 Square Feet	32,000	\$9,583,600	\$8,761,828	\$821,772
Residential - Market Rate Senior Housing	0 Dwelling Units	0	\$0	\$0	\$0
Residential - BMR Employee	50 Dwelling Units	45,000	\$5,353,454	\$5,401,928	-\$48,474
Retail ²	36,900 Square Feet	36,900	\$14,536,432	\$12,716,185	\$1,820,247
Flex ³	0 Square Feet	0	\$0	\$0	\$0
Emergency Services Storage	2,000 Square Feet	2,000	\$315,153	\$780,690	-\$465,537
Recreation (Visitor Center)	3,000 Square Feet	3,000	\$0	\$1,078,780	-\$1,078,780
Camping ⁴	50 Tent Sites	<u>2,666</u>	<u>\$1,239,175</u>	<u>\$1,248,321</u>	<u>-\$9,146</u>
Total		294,566	\$141,951,679	\$91,407,067	\$50,544,613
(Less) Horizontal Development					-\$42,677,141
(Less) Additional Amenities and Facilities Cost					-\$1,000,000
Estimated Total Land Value					\$6,867,472

[1] Accommodations include a lodge, cabins, and tent cabins.

[2] Retail includes spa facilities, health and wellness uses, café, wine bar, camp store, and restaurant uses.

[3] Flex space includes light industrial, agricultural processing, and R&D uses.

[4] Camping includes space for tent camping. Vertical costs reflect the cost of camp bathhouses.

Alternative Three – Lodge/Senior Housing

Alternative Three has the largest development program, more than 600,000 square feet of built space, and includes senior housing and significant flex space. Alternative Three is by far the most feasible alternative with a residual land value of approximately \$34.8 million. **Figure 10** summarizes the residual land value results for this alternative. Similar to Alternative Two, horizontal costs include a pedestrian bridge across Highway 1, and do not include the demolition cost of the existing silos as they are retained as part of the reuse plan. In addition, this alternative also preserves the Administration Building, Powerhouse, and Facility Control building, which reduces demolition costs, as compared with Alternative Two.

Figure 10 Alternative Three Lodge/Senior Housing Summary Table

Use	Site Program	Building Square Footage	Net Market Value	Development Cost	Residual Value
Accommodations ¹	200 Guest Rooms	120,000	\$79,779,267	\$41,815,647	\$37,963,620
Meeting and Event	2,000 Square Feet	2,000	\$598,975	\$636,641	-\$37,666
Residential - Market Rate Senior Housing	300 Dwelling Units	240,000	\$104,033,664	\$73,871,771	\$30,161,893
Residential - BMR Employee	30 Dwelling Units	27,000	\$3,212,073	\$3,241,157	-\$29,085
Retail ²	10,500 Square Feet	10,500	\$4,136,383	\$3,284,089	\$852,294
Flex ³	226,400 Square Feet	226,400	\$53,512,979	\$43,674,464	\$9,838,515
Emergency Services Storage	2,000 Square Feet	2,000	\$315,153	\$780,690	-\$465,537
Recreation (Visitor Center)	3,000 Square Feet	3,000	\$0	\$1,078,780	-\$1,078,780
Camping ⁴	50 Tent Sites	<u>1,333</u>	<u>\$1,239,175</u>	<u>\$686,119</u>	<u>\$553,056</u>
Total		632,233	\$246,827,669	\$169,069,358	\$77,758,310
(Less) Horizontal Development					-\$41,948,153
(Less) Additional Amenities and Facilities Cost					-\$1,000,000
Estimated Total Land Value					\$34,810,157

[1] Accommodations include a lodge, cabins, and tent cabins.

[2] Retail includes spa facilities, health and wellness uses, café, wine bar, camp store, and restaurant uses.

[3] Flex space includes light industrial, agricultural processing, and R&D uses.

[4] Camping includes space for tent camping. Vertical costs reflect the cost of camp bathhouses.

APPENDIX A



Figure A1 Alternative 1 - Hotel Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Guest Rooms (incl. hotel, cabins, and tent cabins)			200
Gross Building Area (Square Feet)	565	per Room	113,000
Bathhouses			1
Gross Building Area for Bathrooms (Square Feet)	1,333	per bathhouse	1,333
STABILIZED-YEAR HOTEL INCOME STATEMENT			
Average Daily Room Rate			\$347
Stabilized Annual Occupancy Rate			80%
Revenue Per Available Room			\$278
Departmental Revenues			
Rooms	75%	of Total Revenue	\$20,273,925
Food & Beverage	20%	of Total Revenue	\$5,406,380
<u>Other Income</u>	5%	of Total Revenue	<u>\$1,351,595</u>
Total Operating Revenues			\$27,031,900
Departmental Expenses			
Rooms	35%	of Department Revenue	-\$7,095,874
Food & Beverage	85%	of Department Revenue	-\$4,595,423
<u>Other</u>	75%	of Department Revenue	<u>-\$1,013,696</u>
Departmental Operating Expenses			-\$12,704,993
Other Operating Expenses			
Administrative & General Management Fee	5.0%	of Total Revenue	-\$1,351,595
Marketing	5.0%	of Total Revenue	-\$1,351,595
Operation & Maintenance	3.0%	of Total Revenue	-\$810,957
Utility Costs	2.0%	of Total Revenue	-\$540,638
Insurance	2.0%	of Total Revenue	-\$540,638
Taxes	4.0%	of Total Revenue	-\$1,081,276
<u>Reserve for Replacement</u>	1.0%	of Total Revenue	<u>-\$270,319</u>
Other Expenses			-\$7,298,613
Net Operating Income			\$7,028,294
Building Value	8.0%	Capitalization Rate	\$87,853,675
Disposition Cost	3.0%	of Building Value	<u>-\$2,635,610</u>
Net Value			\$85,218,065
DEVELOPMENT COSTS			
Construction Costs			
Building Direct Cost	\$152	Cost/SF (GBA)	\$17,157,576
Bathroom Direct Cost	\$260	Cost/SF (GBA)	\$346,580
FF&E	\$58	per Room	<u>\$6,497,500</u>
<i>Total Construction Cost</i>			<i>\$24,001,656</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$960,066
Other Professional Services	1.0%	of Construction Cost	\$240,017
Permits and Fees	\$24	per Square Foot (GBA)	\$2,690,530
Taxes and Insurance	4.0%	of Construction Cost	\$960,066
Financing	4.0%	of Construction Cost	\$960,066
Developer Fee & POB	6.0%	of Construction Cost	<u>\$1,440,099</u>
<i>Total Soft Costs</i>			<i>\$7,250,845</i>
Other Development Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$1,562,625
Developer ROI	10%	of Net Value	<u>\$8,521,806</u>
<i>Total Other Costs</i>			<i>\$10,084,432</i>
Total Project Cost			\$41,336,932
Residual Land Value			
Per Square Foot (GBA)			\$43,881,132
			\$388

Figure A2 Alternative 1 - Meeting and Event Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			15,200
BUILDING VALUE			
Nuber of Events	1.0	Per Week	52
Gross Potential Rent	\$0.50	Per Square Foot Per Event	\$395,200
Gross Retail Revenue			\$395,200
Operating Expenses	5%	of Gross Revenue	-\$19,760
Net Operating Income			\$375,440
Building Value	8.0%	Capitalization Rate	\$4,693,000
Disposition Cost	3.0%	of Building Value	-\$140,790
Net Value			\$4,552,210
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$190	Cost/SF (GBA)	\$2,888,000
Tenant Improvement	\$25	Cost/SF (GBA)	\$380,000
<i>Total Construction Cost</i>			<i>\$3,268,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$130,720
Other Professional Services	1.0%	of Construction Cost	\$32,680
Permits and Fees	\$19	per Square Foot (GBA)	\$285,605
Taxes and Insurance	4.0%	of Construction Cost	\$130,720
Financing	4.0%	of Construction Cost	\$130,720
Marketing/Leasing	3.0%	of Construction Cost	\$98,040
Developer Fee	3.0%	of Construction Cost	\$98,040
<i>Total Soft Costs</i>			<i>\$906,525</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$208,726
Developer ROI	10.0%	of Net Value	\$455,221
<i>Total Other Costs</i>			<i>\$663,947</i>
Total Project Cost			\$4,838,472
Residual Land Value			
Per Square Foot (GBA)			-\$19

Figure A3 Alternative 1- Employee Housing Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Dwelling Units			30
Gross Building Area (Square Feet)	900		27,000
Rentable Area (Square Feet)	80%	of GBA	21,600
BUILDING VALUE			
Gross Potential Rent	\$1.34	per SF/Month (NNN)	\$348,570
Losses to Vacancy	5.0%	of GPR	-\$17,429
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Residential Revenue			\$331,142
Operating Expenses	50%	of Gross Revenue	-\$165,571
Net Operating Income			\$165,571
Building Value	5.0%	Capitalization Rate	\$3,311,415
Disposition Cost	3.0%	of Building Value	<u>-\$99,342</u>
Net Value			\$3,212,073
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$151	Cost/SF (GBA)	\$4,077,000
FF&E	\$6,500	per Dwelling Unit	<u>\$195,000</u>
<i>Total Construction Cost</i>			\$4,272,000
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$170,880
Other Professional Services	1.0%	of Construction Cost	\$42,720
Permits and Fees	\$49,000	per Dwelling Unit	\$1,470,000
Taxes and Insurance	4.0%	of Construction Cost	\$170,880
Financing	4.0%	of Construction Cost	\$170,880
Marketing/Leasing	3.0%	of Construction Cost	\$128,160
Developer Fee	3.0%	of Construction Cost	<u>\$128,160</u>
<i>Total Soft Costs</i>			\$2,281,680
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$327,684
Developer ROI	10.0%	of Net Value	<u>\$321,207</u>
<i>Total Other Costs</i>			\$648,891
Total Project Cost			\$7,202,571
LIHTC Credit	55%	of Construction Costs	\$3,961,414
Residual Land Value			
Per Square Foot (GBA)			-\$29,085
			-1

Figure A4 Alternative 1 - Retail Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			24,900
Rentable Area (Square Feet)	90%	of GBA	22,410
BUILDING VALUE			
Gross Potential Rent	\$2.50	per SF/Month (NNN)	\$672,300
Losses to Vacancy	5.0%	of GPR	-\$33,615
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Retail Revenue			\$638,685
Operating Expenses	5%	of Gross Revenue	-\$31,934
Net Operating Income			\$606,751
Building Value	6.0%	Capitalization Rate	\$10,112,513
Disposition Cost	3.0%	of Building Value	-\$303,375
Net Value			\$9,809,137
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$210	Cost/SF (GBA)	\$5,234,740
Tenant Improvement	\$0	Cost/SF (GBA)	\$0
<i>Total Construction Cost</i>			<i>\$5,234,740</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$209,390
Other Professional Services	1.0%	of Construction Cost	\$52,347
Permits and Fees	\$25	per Square Foot (GBA)	\$612,104
Taxes and Insurance	4.0%	of Construction Cost	\$209,390
Financing	4.0%	of Construction Cost	\$209,390
Marketing/Leasing	3.0%	of Construction Cost	\$157,042
Developer Fee	3.0%	of Construction Cost	<u>\$157,042</u>
<i>Total Soft Costs</i>			<i>\$1,606,705</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$342,072
Developer ROI	10.0%	of Net Value	<u>\$980,914</u>
<i>Total Other Costs</i>			<i>\$1,322,986</i>
Total Project Cost			\$8,164,431
Residual Land Value			
Per Square Foot (GBA)			\$66

Figure A5 Alternative 1 - Warehouse Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			2,000
Rentable Area (Square Feet)	90%	of GBA	1,800
BUILDING VALUE			
Gross Potential Rent	\$1.00	per SF/Month (NNN)	\$21,600
Losses to Vacancy	5.0%	of GPR	-\$1,080
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Office Revenue			\$20,520
Operating Expenses	5%	of Gross Revenue	-\$1,026
Net Operating Income			\$19,494
Building Value	6.0%	Capitalization Rate	\$324,900
Disposition Cost	3.0%	of Building Value	<u>-\$9,747</u>
Net Value			\$315,153
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$284	Cost/SF (GBA)	\$568,000
Tenant Improvement	\$0	Cost/SF (GBA)	<u>\$0</u>
<i>Total Construction Cost</i>			<i>\$568,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$22,720
Other Professional Services	1.0%	of Construction Cost	\$5,680
Permits and Fees	\$19	per Square Foot (GBA)	\$37,580
Taxes and Insurance	4.0%	of Construction Cost	\$22,720
Financing	4.0%	of Construction Cost	\$22,720
Marketing/Leasing	3.0%	of Construction Cost	\$17,040
Developer Fee	3.0%	of Construction Cost	<u>\$17,040</u>
<i>Total Soft Costs</i>			<i>\$145,500</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$35,675
Developer ROI	10.0%	of Net Value	<u>\$31,515</u>
<i>Total Other Costs</i>			<i>\$67,190</i>
Total Project Cost			\$780,690
Residual Land Value			
Per Square Foot (GBA)			-\$465,537
			-\$233

Figure A6 Alternative 1 - Visitor Center Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			3,000
Rentable Area (Square Feet)	90%	of GBA	2,700
BUILDING VALUE			
Gross Potential Rent	\$0.00	per SF/Month (NNN)	\$0
Losses to Vacancy	5.0%	of GPR	\$0
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Retail Revenue			\$0
Operating Expenses	5%	of Gross Revenue	\$0
Net Operating Income			\$0
Building Value	8.0%	Capitalization Rate	\$0
Disposition Cost	3.0%	of Building Value	<u>\$0</u>
Net Value			\$0
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$247	Cost/SF (GBA)	\$741,000
Tenant Improvement	\$25	Cost/SF (GBA)	<u>\$75,000</u>
<i>Total Construction Cost</i>			<i>\$816,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$32,640
Other Professional Services	1.0%	of Construction Cost	\$8,160
Permits and Fees	\$19	per Square Foot (GBA)	\$56,369
Taxes and Insurance	4.0%	of Construction Cost	\$32,640
Financing	4.0%	of Construction Cost	\$32,640
Marketing/Leasing	3.0%	of Construction Cost	\$24,480
Developer Fee	3.0%	of Construction Cost	<u>\$24,480</u>
<i>Total Soft Costs</i>			<i>\$211,409</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$51,370
Developer ROI	10.0%	of Net Value	<u>\$0</u>
<i>Total Other Costs</i>			<i>\$51,370</i>
Total Project Cost			\$1,078,780
Residual Land Value			
Per Square Foot (GBA)			-\$360

Figure A7 Alternative 1 - Camping Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS

Camp Sites			150
Number of bathhouses			5
Gross Building Area for Bathrooms (Square Feet)	1,333	per bathhouse	6,665

STABILIZED-YEAR INCOME STATEMENT

Average Daily Rate			\$40
Stabilized Annual Occupancy Rate			40%
Total Operating Revenues			\$876,000
Operating Expenses	65%	of Total Revenue	-\$569,400
Net Operating Income			\$306,600
Building Value	8.0%	Capitalization Rate	\$3,832,500
Disposition Cost	3.0%	of Building Value	<u>-\$114,975</u>
Net Value			\$3,717,525

DEVELOPMENT COSTS

Construction Costs			
Building Direct Cost	\$260	Cost/SF (GBA)	\$1,732,900
<i>Total Construction Cost</i>			<i>\$1,732,900</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$69,316
Other Professional Services	1.0%	of Construction Cost	\$17,329
Permits and Fees	\$100	per Square Foot (GBA)	\$666,987
Taxes and Insurance	4.0%	of Construction Cost	\$69,316
Financing	4.0%	of Construction Cost	\$69,316
Developer Fee	3.0%	of Construction Cost	<u>\$51,987</u>
<i>Total Soft Costs</i>			<i>\$944,251</i>
Other Development Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$133,858
Developer ROI	10.0%	of Net Value	<u>\$371,753</u>
<i>Total Other Costs</i>			<i>\$505,610</i>
Total Project Cost			\$3,182,761

Residual Land Value			\$534,764
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Figure A8 Alternative 2 - Hotel Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Guest Rooms (incl. hotel, cabins, and tent cabins)			300
Gross Building Area (Square Feet)	577	per Room	173,000
Bathhouses			1
Gross Building Area for Bathrooms (Square Feet)	1,333	per bathhouse	1,333
STABILIZED-YEAR HOTEL INCOME STATEMENT			
Average Daily Room Rate			\$301
Stabilized Annual Occupancy Rate			80%
Revenue Per Available Room			\$241
Departmental Revenues			
Rooms	75%	of Total Revenue	\$26,389,500
Food & Beverage	20%	of Total Revenue	\$7,037,200
<u>Other Income</u>	5%	of Total Revenue	<u>\$1,759,300</u>
Total Operating Revenues			\$35,186,000
Departmental Expenses			
Rooms	35%	of Department Revenue	-\$9,236,325
Food & Beverage	85%	of Department Revenue	-\$5,981,620
<u>Other</u>	75%	of Department Revenue	<u>-\$1,319,475</u>
Departmental Operating Expenses			-\$16,537,420
Other Operating Expenses			
Administrative & General Management Fee	5.0%	of Total Revenue	-\$1,759,300
Marketing	5.0%	of Total Revenue	-\$1,759,300
Operation & Maintenance	3.0%	of Total Revenue	-\$1,055,580
Utility Costs	2.0%	of Total Revenue	-\$703,720
Insurance	2.0%	of Total Revenue	-\$703,720
Taxes	4.0%	of Total Revenue	-\$1,407,440
<u>Reserve for Replacement</u>	1.0%	of Total Revenue	<u>-\$351,860</u>
Other Expenses			-\$9,500,220
Net Operating Income			\$9,148,360
Building Value	8.0%	Capitalization Rate	\$114,354,500
Disposition Cost	3.0%	of Building Value	<u>-\$3,430,635</u>
Net Value			\$110,923,865
DEVELOPMENT COSTS			
Construction Costs			
Building Direct Cost	\$161	Cost/SF (GBA)	\$27,819,636
Bathhouse Direct Cost	\$260	Cost/SF (GBA)	\$346,580
FF&E	\$50	per Room	\$8,650,000
<i>Total Construction Cost</i>			<i>\$36,816,216</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$1,472,649
Other Professional Services	1.0%	of Construction Cost	\$368,162
Permits and Fees	\$24	per Square Foot (GBA)	\$4,119,130
Taxes and Insurance	4.0%	of Construction Cost	\$1,472,649
Financing	4.0%	of Construction Cost	\$1,472,649
Developer Fee & POB	6.0%	of Construction Cost	<u>\$2,208,973</u>
<i>Total Soft Costs</i>			<i>\$11,114,211</i>
Other Development Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$2,396,521
Developer ROI	10%	of Net Value	<u>\$11,092,387</u>
<i>Total Other Costs</i>			<i>\$13,488,908</i>
Total Project Cost			\$61,419,335
Residual Land Value			
Per Square Foot (GBA)			\$286

Figure A9 Alternative 2 - Meeting and Event Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			32,000
BUILDING VALUE			
Nuber of Events	1.0	Per Week	52
Gross Potential Rent	\$0.50	Per Square Foot Per Event	\$832,000
Gross Retail Revenue			\$832,000
Operating Expenses	5%	of Gross Revenue	-\$41,600
Net Operating Income			\$790,400
Building Value	8.0%	Capitalization Rate	\$9,880,000
Disposition Cost	3.0%	of Building Value	-\$296,400
Net Value			\$9,583,600
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$154	Cost/SF (GBA)	\$4,940,000
Tenant Improvement	\$25	Cost/SF (GBA)	<u>\$800,000</u>
<i>Total Construction Cost</i>			<i>\$5,740,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$229,600
Other Professional Services	1.0%	of Construction Cost	\$57,400
Permits and Fees	\$19	per Square Foot (GBA)	\$601,274
Taxes and Insurance	4.0%	of Construction Cost	\$229,600
Financing	4.0%	of Construction Cost	\$229,600
Marketing/Leasing	3.0%	of Construction Cost	\$172,200
Developer Fee	3.0%	of Construction Cost	<u>\$172,200</u>
<i>Total Soft Costs</i>			<i>\$1,691,874</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$371,594
Developer ROI	10.0%	of Net Value	<u>\$958,360</u>
<i>Total Other Costs</i>			<i>\$1,329,954</i>
Total Project Cost			\$8,761,828
Residual Land Value			
Per Square Foot (GBA)			\$821,772
			\$26

Figure A10 Alternative 2 - Employee Housing Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Dwelling Units			50
Gross Building Area (Square Feet)	900		45,000
Rentable Area (Square Feet)	80%	of GBA	36,000
BUILDING VALUE			
Gross Potential Rent	\$1.34	per SF/Month (NNN)	\$580,950
Losses to Vacancy	5.0%	of GPR	-\$29,048
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Residential Revenue			\$551,903
Operating Expenses	50%	of Gross Revenue	-\$275,951
Net Operating Income			\$275,951
Building Value	5.0%	Capitalization Rate	\$5,519,025
Disposition Cost	3.0%	of Building Value	-\$165,571
Net Value			\$5,353,454
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$151	Cost/SF (GBA)	\$6,795,000
FF&E	\$6,500	per Dwelling Unit	<u>\$325,000</u>
<i>Total Construction Cost</i>			<i>\$7,120,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$284,800
Other Professional Services	1.0%	of Construction Cost	\$71,200
Permits and Fees	\$49,000	per Dwelling Unit	\$2,450,000
Taxes and Insurance	4.0%	of Construction Cost	\$284,800
Financing	4.0%	of Construction Cost	\$284,800
Marketing/Leasing	3.0%	of Construction Cost	\$213,600
Developer Fee	3.0%	of Construction Cost	<u>\$213,600</u>
<i>Total Soft Costs</i>			<i>\$3,802,800</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$546,140
Developer ROI	10.0%	of Net Value	<u>\$535,345</u>
<i>Total Other Costs</i>			<i>\$1,081,485</i>
Total Project Cost			\$12,004,285
LIHTC Credit	55%	of Construction Costs	\$6,602,357
Residual Land Value			
Per Square Foot (GBA)			-\$48,474
			-1

Figure A11 Alternative 2 - Retail Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			36,900
Rentable Area (Square Feet)	90%	of GBA	33,210
BUILDING VALUE			
Gross Potential Rent	\$2.50	per SF/Month (NNN)	\$996,300
Losses to Vacancy	5.0%	of GPR	-\$49,815
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Retail Revenue			\$946,485
Operating Expenses	5%	of Gross Revenue	-\$47,324
Net Operating Income			\$899,161
Building Value	6.0%	Capitalization Rate	\$14,986,013
Disposition Cost	3.0%	of Building Value	<u>-\$449,580</u>
Net Value			\$14,536,432
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$224	Cost/SF (GBA)	\$8,251,375
Tenant Improvement	\$0	Cost/SF (GBA)	<u>\$0</u>
<i>Total Construction Cost</i>			\$8,251,375
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$330,055
Other Professional Services	1.0%	of Construction Cost	\$82,514
Permits and Fees	\$25	per Square Foot (GBA)	\$907,094
Taxes and Insurance	4.0%	of Construction Cost	\$330,055
Financing	4.0%	of Construction Cost	\$330,055
Marketing/Leasing	3.0%	of Construction Cost	\$247,541
Developer Fee	3.0%	of Construction Cost	<u>\$247,541</u>
<i>Total Soft Costs</i>			\$2,474,856
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$536,312
Developer ROI	10.0%	of Net Value	<u>\$1,453,643</u>
<i>Total Other Costs</i>			\$1,989,955
Total Project Cost			\$12,716,185
Residual Land Value			
Per Square Foot (GBA)			\$182,247
			\$49

Figure A12 Alternative 2 - Warehouse Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			2,000
Rentable Area (Square Feet)	90%	of GBA	1,800
BUILDING VALUE			
Gross Potential Rent	\$1.00	per SF/Month (NNN)	\$21,600
Losses to Vacancy	5.0%	of GPR	-\$1,080
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Office Revenue			\$20,520
Operating Expenses	5%	of Gross Revenue	-\$1,026
Net Operating Income			\$19,494
Building Value	6.0%	Capitalization Rate	\$324,900
Disposition Cost	3.0%	of Building Value	<u>-\$9,747</u>
Net Value			\$315,153
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$284	Cost/SF (GBA)	\$568,000
Tenant Improvement	\$0	Cost/SF (GBA)	<u>\$0</u>
<i>Total Construction Cost</i>			<i>\$568,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$22,720
Other Professional Services	1.0%	of Construction Cost	\$5,680
Permits and Fees	\$19	per Square Foot (GBA)	\$37,580
Taxes and Insurance	4.0%	of Construction Cost	\$22,720
Financing	4.0%	of Construction Cost	\$22,720
Marketing/Leasing	3.0%	of Construction Cost	\$17,040
Developer Fee	3.0%	of Construction Cost	<u>\$17,040</u>
<i>Total Soft Costs</i>			<i>\$145,500</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$35,675
Developer ROI	10.0%	of Net Value	<u>\$31,515</u>
<i>Total Other Costs</i>			<i>\$67,190</i>
Total Project Cost			\$780,690
Residual Land Value			
Per Square Foot (GBA)			-\$465,537
			-\$233

Figure A13 Alternative 2 - Visitor Center Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			3,000
Rentable Area (Square Feet)	90%	of GBA	2,700
BUILDING VALUE			
Gross Potential Rent	\$0.00	per SF/Month (NNN)	\$0
Losses to Vacancy	5.0%	of GPR	\$0
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Retail Revenue			\$0
Operating Expenses	5%	of Gross Revenue	\$0
Net Operating Income			\$0
Building Value	8.0%	Capitalization Rate	\$0
Disposition Cost	3.0%	of Building Value	<u>\$0</u>
Net Value			\$0
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$247	Cost/SF (GBA)	\$741,000
Tenant Improvement	\$25	Cost/SF (GBA)	<u>\$75,000</u>
<i>Total Construction Cost</i>			<i>\$816,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$32,640
Other Professional Services	1.0%	of Construction Cost	\$8,160
Permits and Fees	\$19	per Square Foot (GBA)	\$56,369
Taxes and Insurance	4.0%	of Construction Cost	\$32,640
Financing	4.0%	of Construction Cost	\$32,640
Marketing/Leasing	3.0%	of Construction Cost	\$24,480
Developer Fee	3.0%	of Construction Cost	<u>\$24,480</u>
<i>Total Soft Costs</i>			<i>\$211,409</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$51,370
Developer ROI	10.0%	of Net Value	<u>\$0</u>
<i>Total Other Costs</i>			<i>\$51,370</i>
Total Project Cost			\$1,078,780
Residual Land Value			
Per Square Foot (GBA)			-\$360

Figure A14 Alternative 2 - Camping Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS

Camp Sites		50
Number of bathhouses		2
Gross Building Area for Bathrooms (Square Feet)	1,333 per bathhouse	2,666

STABILIZED-YEAR INCOME STATEMENT

Average Daily Rate		\$40
Stabilized Annual Occupancy Rate		40%
Total Operating Revenues		\$292,000
Operating Expenses	65% of Total Revenue	-\$189,800
Net Operating Income		\$102,200
Building Value	8.0% Capitalization Rate	\$1,277,500
Disposition Cost	3.0% of Building Value	<u>-\$38,325</u>
Net Value		\$1,239,175

DEVELOPMENT COSTS

Construction Costs		
Building Direct Cost	\$260 Cost/SF (GBA)	\$693,160
<i>Total Construction Cost</i>		<i>\$693,160</i>
Soft Costs		
Architecture and Engineering	4.0% of Construction Cost	\$27,726
Other Professional Services	1.0% of Construction Cost	\$6,932
Permits and Fees	\$100 per Square Foot (GBA)	\$266,795
Taxes and Insurance	4.0% of Construction Cost	\$27,726
Financing	4.0% of Construction Cost	\$27,726
Developer Fee	3.0% of Construction Cost	<u>\$20,795</u>
<i>Total Soft Costs</i>		<i>\$377,700</i>
Other Development Costs		
Development Contingency	5.0% of Hard and Soft Costs	\$53,543
Developer ROI	10.0% of Net Value	<u>\$123,918</u>
<i>Total Other Costs</i>		<i>\$177,461</i>
Total Project Cost		\$1,248,321

Residual Land Value		-\$9,146
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Figure A15 Alternative 3 - Hotel Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Guest Rooms (incl. hotel, cabins, and tent cabins)			200
Gross Building Area (Square Feet)	600	per Room	120,000
Bathhouses			0
Gross Building Area for Bathrooms (Square Feet)	1,333	per bathhouse	0
STABILIZED-YEAR HOTEL INCOME STATEMENT			
Average Daily Room Rate			\$325
Stabilized Annual Occupancy Rate			80%
Revenue Per Available Room			\$260
Departmental Revenues			
Rooms	75%	of Total Revenue	\$18,980,000
Food & Beverage	20%	of Total Revenue	\$5,061,333
<u>Other Income</u>	5%	of Total Revenue	<u>\$1,265,333</u>
Total Operating Revenues			\$25,306,667
Departmental Expenses			
Rooms	35%	of Department Revenue	-\$6,643,000
Food & Beverage	85%	of Department Revenue	-\$4,302,133
<u>Other</u>	75%	of Department Revenue	<u>-\$949,000</u>
Departmental Operating Expenses			-\$11,894,133
Other Operating Expenses			
Administrative & General	5.0%	of Total Revenue	-\$1,265,333
Management Fee	5.0%	of Total Revenue	-\$1,265,333
Marketing	5.0%	of Total Revenue	-\$1,265,333
Operation & Maintenance	3.0%	of Total Revenue	-\$759,200
Utility Costs	2.0%	of Total Revenue	-\$506,133
Insurance	2.0%	of Total Revenue	-\$506,133
Taxes	4.0%	of Total Revenue	-\$1,012,267
<u>Reserve for Replacement</u>	1.0%	of Total Revenue	<u>-\$253,067</u>
Other Expenses			-\$6,832,800
Net Operating Income			\$6,579,733
Building Value	8.0%	Capitalization Rate	\$82,246,667
Disposition Cost	3.0%	of Building Value	-\$2,467,400
Net Value			\$79,779,267
DEVELOPMENT COSTS			
Construction Costs			
Building Direct Cost	\$156	Cost/SF (GBA)	\$18,680,000
Bathhouse Direct Cost	\$260	Cost/SF (GBA)	\$0
FF&E	\$50	per Room	<u>\$6,000,000</u>
<i>Total Construction Cost</i>			<i>\$24,680,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$987,200
Other Professional Services	1.0%	of Construction Cost	\$246,800
Permits and Fees	\$24	per Square Foot (GBA)	\$2,857,200
Taxes and Insurance	4.0%	of Construction Cost	\$987,200
Financing	4.0%	of Construction Cost	\$987,200
Developer Fee & POB	6.0%	of Construction Cost	<u>\$1,480,800</u>
<i>Total Soft Costs</i>			<i>\$7,546,400</i>
Other Development Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$1,611,320
Developer ROI	10%	of Net Value	<u>\$7,977,927</u>
<i>Total Other Costs</i>			<i>\$9,589,247</i>
Total Project Cost			\$41,815,647
Residual Land Value			
Per Square Foot (GBA)			\$37,963,620
			\$316

Figure A16 Alternative 3 - Meeting and Event Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			2,000
BUILDING VALUE			
Nuber of Events	1.0	Per Week	52
Gross Potential Rent	\$0.50	Per Square Foot Per Event	\$52,000
Gross Retail Revenue			\$52,000
Operating Expenses	5%	of Gross Revenue	-\$2,600
Net Operating Income			\$49,400
Building Value	8.0%	Capitalization Rate	\$617,500
Disposition Cost	3.0%	of Building Value	<u>-\$18,525</u>
Net Value			\$598,975
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$190	Cost/SF (GBA)	\$380,000
Tenant Improvement	\$25	Cost/SF (GBA)	<u>\$50,000</u>
<i>Total Construction Cost</i>			<i>\$430,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$17,200
Other Professional Services	1.0%	of Construction Cost	\$4,300
Permits and Fees	\$19	per Square Foot (GBA)	\$37,580
Taxes and Insurance	4.0%	of Construction Cost	\$17,200
Financing	4.0%	of Construction Cost	\$17,200
Marketing/Leasing	3.0%	of Construction Cost	\$12,900
Developer Fee	3.0%	of Construction Cost	<u>\$12,900</u>
<i>Total Soft Costs</i>			<i>\$119,280</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$27,464
Developer ROI	10.0%	of Net Value	<u>\$59,898</u>
<i>Total Other Costs</i>			<i>\$87,361</i>
Total Project Cost			\$636,641
Residual Land Value			
Per Square Foot (GBA)			-\$37,666
			-\$19

Figure A17 Alternative 3 - Senior Housing Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Dwelling Units			300
Gross Building Area (Square Feet)	800		240,000
Rentable Area (Square Feet)	80%	of GBA	192,000
BUILDING VALUE			
Gross Potential Rent	\$3.50	per SF/Month (NNN)	\$8,064,000
Losses to Vacancy	5.0%	of GPR	-\$403,200
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Residential Revenue			\$7,660,800
Operating Expenses	30%	of Gross Revenue	-\$2,298,240
Net Operating Income			\$5,362,560
Building Value	5.0%	Capitalization Rate	\$107,251,200
Disposition Cost	3.0%	of Building Value	<u>-\$3,217,536</u>
Net Value			\$104,033,664
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$151	Cost/SF (GBA)	\$36,240,000
FF&E	\$6,500	per Dwelling Unit	<u>\$1,950,000</u>
<i>Total Construction Cost</i>			<i>\$38,190,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$1,527,600
Other Professional Services	1.0%	of Construction Cost	\$381,900
Permits and Fees	\$50,000	per Dwelling Unit	\$15,000,000
Taxes and Insurance	4.0%	of Construction Cost	\$1,527,600
Financing	4.0%	of Construction Cost	\$1,527,600
Marketing/Leasing	3.0%	of Construction Cost	\$1,145,700
Developer Fee	3.0%	of Construction Cost	<u>\$1,145,700</u>
<i>Total Soft Costs</i>			<i>\$22,256,100</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$3,022,305
Developer ROI	10.0%	of Net Value	<u>\$10,403,366</u>
<i>Total Other Costs</i>			<i>\$13,425,671</i>
Total Project Cost			\$73,871,771
Residual Land Value			
Per Square Foot (GBA)			\$30,161,893
			126

Figure A18 Alternative 3 - Employee Housing Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Dwelling Units			30
Gross Building Area (Square Feet)	900		27,000
Rentable Area (Square Feet)	80%	of GBA	21,600
BUILDING VALUE			
Gross Potential Rent	\$1.34	per SF/Month (NNN)	\$348,570
Losses to Vacancy	5.0%	of GPR	-\$17,429
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Residential Revenue			\$331,142
Operating Expenses	50%	of Gross Revenue	-\$165,571
Net Operating Income			\$165,571
Building Value	5.0%	Capitalization Rate	\$3,311,415
Disposition Cost	3.0%	of Building Value	-\$99,342
Net Value			\$3,212,073
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$151	Cost/SF (GBA)	\$4,077,000
FF&E	\$6,500	per Dwelling Unit	<u>\$195,000</u>
<i>Total Construction Cost</i>			<i>\$4,272,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$170,880
Other Professional Services	1.0%	of Construction Cost	\$42,720
Permits and Fees	\$49,000	per Dwelling Unit	\$1,470,000
Taxes and Insurance	4.0%	of Construction Cost	\$170,880
Financing	4.0%	of Construction Cost	\$170,880
Marketing/Leasing	3.0%	of Construction Cost	\$128,160
Developer Fee	3.0%	of Construction Cost	<u>\$128,160</u>
<i>Total Soft Costs</i>			<i>\$2,281,680</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$327,684
Developer ROI	10.0%	of Net Value	<u>\$321,207</u>
<i>Total Other Costs</i>			<i>\$648,891</i>
Total Project Cost			\$7,202,571
LIHTC Credit	55%	of Construction Costs	\$3,961,414
Residual Land Value			
Per Square Foot (GBA)			-\$29,085
			-1

Figure A19 Alternative 3 - Retail Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			10,500
Rentable Area (Square Feet)	90%	of GBA	9,450
BUILDING VALUE			
Gross Potential Rent	\$2.50	per SF/Month (NNN)	\$283,500
Losses to Vacancy	5.0%	of GPR	-\$14,175
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Retail Revenue			\$269,325
Operating Expenses	5%	of Gross Revenue	-\$13,466
Net Operating Income			\$255,859
Building Value	6.0%	Capitalization Rate	\$4,264,313
Disposition Cost	3.0%	of Building Value	<u>-\$127,929</u>
Net Value			\$4,136,383
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$198	Cost/SF (GBA)	\$2,080,375
Tenant Improvement	\$0	Cost/SF (GBA)	<u>\$0</u>
<i>Total Construction Cost</i>			<i>\$2,080,375</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$83,215
Other Professional Services	1.0%	of Construction Cost	\$20,804
Permits and Fees	\$25	per Square Foot (GBA)	\$258,116
Taxes and Insurance	4.0%	of Construction Cost	\$83,215
Financing	4.0%	of Construction Cost	\$83,215
Marketing/Leasing	3.0%	of Construction Cost	\$62,411
Developer Fee	3.0%	of Construction Cost	<u>\$62,411</u>
<i>Total Soft Costs</i>			<i>\$653,388</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$136,688
Developer ROI	10.0%	of Net Value	<u>\$413,638</u>
<i>Total Other Costs</i>			<i>\$550,326</i>
Total Project Cost			\$3,284,089
Residual Land Value			
Per Square Foot (GBA)			\$81

Figure A20 Alternative 3 - Warehouse Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			2,000
Rentable Area (Square Feet)	90%	of GBA	1,800
BUILDING VALUE			
Gross Potential Rent	\$1.00	per SF/Month (NNN)	\$21,600
Losses to Vacancy	5.0%	of GPR	-\$1,080
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Office Revenue			\$20,520
Operating Expenses	5%	of Gross Revenue	-\$1,026
Net Operating Income			\$19,494
Building Value	6.0%	Capitalization Rate	\$324,900
Disposition Cost	3.0%	of Building Value	<u>-\$9,747</u>
Net Value			\$315,153
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$284	Cost/SF (GBA)	\$568,000
Tenant Improvement	\$0	Cost/SF (GBA)	<u>\$0</u>
<i>Total Construction Cost</i>			<i>\$568,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$22,720
Other Professional Services	1.0%	of Construction Cost	\$5,680
Permits and Fees	\$19	per Square Foot (GBA)	\$37,580
Taxes and Insurance	4.0%	of Construction Cost	\$22,720
Financing	4.0%	of Construction Cost	\$22,720
Marketing/Leasing	3.0%	of Construction Cost	\$17,040
Developer Fee	3.0%	of Construction Cost	<u>\$17,040</u>
<i>Total Soft Costs</i>			<i>\$145,500</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$35,675
Developer ROI	10.0%	of Net Value	<u>\$31,515</u>
<i>Total Other Costs</i>			<i>\$67,190</i>
Total Project Cost			\$780,690
Residual Land Value			
Per Square Foot (GBA)			-\$465,537
			-\$233

Figure A21 Alternative 3 - Flex Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			226,400
Rentable Area (Square Feet)	90%	of GBA	203,760
BUILDING VALUE			
Gross Potential Rent	\$1.50	per SF/Month (NNN)	\$3,667,680
Losses to Vacancy	5.0%	of GPR	-\$183,384
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Retail Revenue			\$3,484,296
Operating Expenses	5%	of Gross Revenue	-\$174,215
Net Operating Income			\$3,310,081
Building Value	6.0%	Capitalization Rate	\$55,168,020
Disposition Cost	3.0%	of Building Value	<u>-\$1,655,041</u>
Net Value			\$53,512,979
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$95	Cost/SF (GBA)	\$21,436,000
Tenant Improvement	\$25	Cost/SF (GBA)	<u>\$5,660,000</u>
<i>Total Construction Cost</i>			<i>\$27,096,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$1,083,840
Other Professional Services	1.0%	of Construction Cost	\$270,960
Permits and Fees	\$19	per Square Foot (GBA)	\$4,254,013
Taxes and Insurance	4.0%	of Construction Cost	\$1,083,840
Financing	4.0%	of Construction Cost	\$1,083,840
Marketing/Leasing	3.0%	of Construction Cost	\$812,880
Developer Fee	3.0%	of Construction Cost	<u>\$812,880</u>
<i>Total Soft Costs</i>			<i>\$9,402,253</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$1,824,913
Developer ROI	10.0%	of Net Value	<u>\$5,351,298</u>
<i>Total Other Costs</i>			<i>\$7,176,211</i>
Total Project Cost			\$43,674,464
Residual Land Value			
Per Square Foot (GBA)			\$93

Figure A22 Alternative 3 - Visitor Center Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			3,000
Rentable Area (Square Feet)	90%	of GBA	2,700
BUILDING VALUE			
Gross Potential Rent	\$0.00	per SF/Month (NNN)	\$0
Losses to Vacancy	5.0%	of GPR	\$0
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Retail Revenue			\$0
Operating Expenses	5%	of Gross Revenue	\$0
Net Operating Income			\$0
Building Value	8.0%	Capitalization Rate	\$0
Disposition Cost	3.0%	of Building Value	<u>\$0</u>
Net Value			\$0
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$247	Cost/SF (GBA)	\$741,000
Tenant Improvement	\$25	Cost/SF (GBA)	<u>\$75,000</u>
<i>Total Construction Cost</i>			<i>\$816,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$32,640
Other Professional Services	1.0%	of Construction Cost	\$8,160
Permits and Fees	\$19	per Square Foot (GBA)	\$56,369
Taxes and Insurance	4.0%	of Construction Cost	\$32,640
Financing	4.0%	of Construction Cost	\$32,640
Marketing/Leasing	3.0%	of Construction Cost	\$24,480
Developer Fee	3.0%	of Construction Cost	<u>\$24,480</u>
<i>Total Soft Costs</i>			<i>\$211,409</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$51,370
Developer ROI	10.0%	of Net Value	<u>\$0</u>
<i>Total Other Costs</i>			<i>\$51,370</i>
Total Project Cost			\$1,078,780
Residual Land Value			
Per Square Foot (GBA)			-\$360

Figure A23 Alternative 3 - Camping Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Camp Sites			50
Number of bathhouses			1
Gross Building Area for Bathrooms (Square Feet)	1,333	per bathhouse	1,333
STABILIZED-YEAR INCOME STATEMENT			
Average Daily Rate			\$40
Stabilized Annual Occupancy Rate			40%
Total Operating Revenues			\$292,000
Operating Expenses	65%	of Total Revenue	-\$189,800
Net Operating Income			\$102,200
Building Value	8.0%	Capitalization Rate	\$1,277,500
Disposition Cost	3.0%	of Building Value	<u>-\$38,325</u>
Net Value			\$1,239,175
DEVELOPMENT COSTS			
Construction Costs			
Building Direct Cost	\$260	Cost/SF (GBA)	\$346,580
<i>Total Construction Cost</i>			<i>\$346,580</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$13,863
Other Professional Services	1.0%	of Construction Cost	\$3,466
Permits and Fees	\$100	per Square Foot (GBA)	\$133,397
Taxes and Insurance	4.0%	of Construction Cost	\$13,863
Financing	4.0%	of Construction Cost	\$13,863
Developer Fee	3.0%	of Construction Cost	<u>\$10,397</u>
<i>Total Soft Costs</i>			<i>\$188,850</i>
Other Development Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$26,772
Developer ROI	10.0%	of Net Value	<u>\$123,918</u>
<i>Total Other Costs</i>			<i>\$150,689</i>
Total Project Cost			\$686,119
Residual Land Value			
			\$553,056

APPENDIX B



DRAFT MEMORANDUM

To: Debbie Rudd and Lisa Plowman, RRM Design Group

From: Benjamin C. Sigman and Sadie Wilson, Economic & Planning Systems, Inc.

Subject: Davenport Cement Plant Site - Supplementary Real Estate Market Research; EPS #161069

Date: July 12, 2017

The Economics of Land Use



The Davenport Cement Plant Project presents an extraordinary opportunity for Santa Cruz County. The Davenport Cement Plant Final Technical Background Report (May 2017) identifies that the Davenport site is well positioned to support visitor-serving uses and complementary uses such as retail, cultural, and educational offerings. The Report also finds that there may be an opportunity for workspace onsite and that housing has good market potential.

Santa Cruz County engaged Economic & Planning Systems, Inc. (EPS) to provide economic analysis of reuse potential at the Davenport site. EPS is part of a consultant team led by RRM Design Group. EPS and RRM have commenced Task 2 of the Santa Cruz County Coastal Restoration/Reuse Plan, Development Potential and Economic Analysis. To inform preparation of site reuse alternatives, this memorandum builds on the Technical Background Report by reporting on interviews conducted with members of the real estate development community concerning real estate opportunities for the site, as well as notable precedent projects.

Consistent with the findings of the Technical Background Report, this additional market research supports the notion that the most promising reuse opportunity for the Davenport Cement Plant site is a resort/hospitality project. This economic driver could be complemented with event and meeting facilities, recreational uses, retail uses, cultural and education uses, workspace (e.g., art studios, research and development space, light industrial), and housing.

While the economic opportunity at Davenport is significant, the site is large and complex. A successful reuse project will require careful balancing of revenue potential and project cost, with unique uses onsite demanding expert market positioning, branding, promotion, and other factors to achieve financial feasibility. This memorandum summarizes key findings from the interviews and presents relevant precedent project profiles. Detailed notes from the interviews are presented at back.

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Key Findings

1. Resort and hospitality uses are the most attractive land use anchor for the site given economic considerations and the regulatory environment.

In interviews with real estate developers concerning the Davenport Cement Plant site, respondents unanimously agreed that the most appealing economic opportunity for the site is a visitor-serving hospitality use. A destination resort would leverage site attributes, feed the existing local economy in Davenport, and largely avoid significant traffic impacts. Numerous interviewees suggested potential for an “eco resort” that complements the surrounding open space and recreation lands, while others suggested additional potential themes, including spiritual health and wellness or local art and culture. Respondents saw opportunity for a luxury product or a resort offering a range of accommodations and price points. Given the size of the site, developers suggested including complementary ancillary uses and amenities to diversify the land use program and also serve as revenue generators in some cases (e.g., spas, retail, cultural uses). Multiple respondents indicated that meeting space likely would be a valuable competitive element that would increase the destination potential of the site.

2. Housing likely is feasible and would add to the economic viability of site reuse.

Interview respondents mentioned that housing would be a beneficial program element at the Davenport site. Some saw market rate housing as a strong revenue generator that might be critical to the overall economics of the project. Others commented that market rate housing should be accompanied by below-market-rate housing, with a mix of housing in various neighborhoods each with their own character and range of price points. In addition, the concept of employee housing was well received. Of those who commented on housing, there was consensus that second homes would be particularly successful at the site. The developers interviewed indicated that age-restricted housing and assisted living products could be feasible, but likely should be combined with other housing types or land uses.

3. Workspace could be a viable use for a portion of the site, though careful consideration of specific end users will be important to avoid use conflicts.

The interviewees universally agreed that the site is not well suited to be a major jobs center. However, it also was broadly acknowledged that various types of workspace could diversify the land use program and potentially contribute to a reuse theme for the site. For example, respondents noted that artist studios could add to the tourism draw and support onsite jobs. Respondents were open to inclusion of light industrial uses in the reuse program, but noted that clean R&D or prototyping “maker” space likely would complement other site uses better than full-scale manufacturing, which could generate significant truck traffic and noise pollution.

4. The industrial fabric of the site should be leveraged to create a unique and authentic place.

Respondents were unanimous in their support for maintaining select industrial elements of the site. The site has an “interesting story,” a rich history that should be experienced and appreciated. Interviewees cited market trends supporting local culture and authenticity, particularly among younger generations. In addition, some saw potential for adaptive reuse with an “industrial chic” design approach, possibly for restaurant and retail uses. Developers noted that preservation of the tower and silos, if done well, could make the site “iconic.” Numerous interviewees appreciated the potential for the existing tower to be an attraction

that draws people to the site. Despite all the potential for adaptive reuse, one respondent cautioned that planning should avoid any “must keep” structures and that preservation/reuse criteria should be established.

5. Full-scale reuse of a remote, heavy industrial site comes with many challenges.

When asked about their potential interest in the Davenport site, developers cited a number of risk factors that would affect their appetite for such a project. The primary concerns revolve around the secluded location, size of the site, and uncertainty about site conditions. While the location is an asset from the perspective of natural beauty, access to the site is a significant concern voiced by developers. Many remote projects struggle to maintain sufficient levels of demand midweek and during the off season. Also, at over 100 acres, the site will require a major financial investment, likely out of reach for many developers. However, breaking down the site into phases and sub-phases could mitigate this challenge. One interviewee encouraged that reuse alternatives should identify the “first major play” as well as adjacent supporting parcels that might be developed to complement the primary site anchor. Another factor mentioned was the risk premium associated with redevelopment. Even after site cleanup, prior uses, existing structures, and site conditions are difficult to evaluate with precision before vertical construction starts. Developers agreed that a high value use program will be necessary to attract developer interest.

6. There are numerous examples of successful adaptive reuse at industrial sites and unique site-sensitive coastal hospitality projects that reveal opportunity for the Davenport site.

The precedent projects considered by this study illustrate many of the comments made by developers. Adaptive reuse projects highlight distinctive historic and architectural features to create unique atmospheres and experiences that are authentic and unique. Successful projects reuse existing structures when financially feasible, with some iconic features acting as place-making features rather than functional real estate. Coastal accommodations projects demonstrate the value of tailoring the project program to the site and region to be contextually appropriate, while also responding to the regulatory environment. Coastal hospitality development examples also reveal that projects can effectively provide a diverse market orientation by including high-end guest rooms, “glamping,” and tent camping accommodations. In some cases, strategic market segmentation is achieved through thoughtful site design and commitment to a unifying theme.

Site Overview

The Davenport Cement Plant site is located on Highway one in the small town of Davenport, 15 miles north of Santa Cruz. The 100+ acre property features industrial facilities, including warehouses and administration buildings, cement storage silos, and a seven-story preheater tower that offers extraordinary views of the scenic coastline. Surrounding the site are thousands of acres of protected open space. The adjacent town of Davenport features one school, about 140 homes, and a handful of businesses primarily located on Highway 1.

Precedent Projects

Historic Reuse Precedents

Pier B Resort, Duluth, MN



Photo Credit: Booking.com

The Pier B Resort development is located on formerly industrial waterfront property in Duluth, Minnesota, adjacent to the downtown entertainment and hospitality districts. The project, delivered in 2016, makes use of cement plant ruins and features silos that were used to store concrete for LaFarge cement. The resort consists of 140 guest rooms, a 10,000-square foot event center, and a restaurant and bar, and is surrounded by publicly accessible waterfront. Located on 7.9 acres, the site required significant remediation. Clean-up costs were estimated to be roughly \$1 million.

The developers originally planned to convert the silos into condominium units, but due to the high cost of adaptive re-use and the recession, plans to occupy the silos were pushed to a later development phase. The developer has indicated that an alternative use for the silos would be the addition of a nightclub at the top and retail/entertainment uses at the bottom, with no active uses in the silos themselves. Additionally, the developer has indicated that business is healthy and the niche offering has proven to be lucrative with steady occupancy rates over 70 percent.

The Power Plant, Baltimore, MD

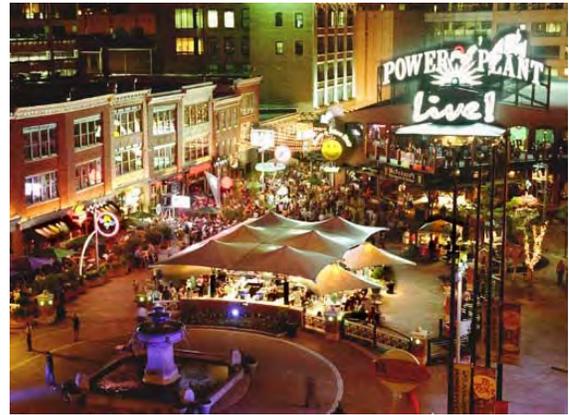


Photo Credit: Crunkleton Commercial Real Estate Group, Eventsfy.com

Power Plant Live!, developed in 1997 by Cordish Companies, is an entertainment-focused mixed-use project located on the Baltimore waterfront in a former power plant. This development spans roughly 550,000 square feet and houses entertainment space, retail, restaurant, and office uses. The original smoke stacks were preserved and integrated into the design as a place-making element with some interior designs incorporating industrial elements as well. The project is successful, with a recent influx of new co-working office space and new office tenants moving in over the last year.

The Cement Factory, Catalonia, Spain



Photo Credit: Inhabitat

The Cement Factory project is a passion project of Spanish architect Ricardo Bofill and his team, located in Catalonia, Spain. Bofill came across a dilapidated cement factory in 1973 and since then, has made steady progress remediating and renovating the property into his private residence and architectural studio. While there are many aspects of this project that don't allow for easy comparison with a cement plant re-use in coastal California, the project's pleasing design and incorporation of existing industrial elements makes it a valuable case study in the design opportunity that exists with industrial ruins. The beautifully crafted interiors and vine-covered exteriors of the silos preserve much of the original structure while transforming the property into a chic maze of towers and gardens.

Seaholm Power, Austin, TX



Photo Credit: Seaholm Power, LLC

The Seaholm Power project, located on the waterfront in downtown Austin, is a mixed-use development consisting of the adaptive reuse of a decommissioned power plant along with newly built portions. The project consists of over 143,000 square feet of office space, 280 high-rise condominiums, 48,000 square feet of retail, and more than 37,000 square feet of publicly accessible outdoor event space.

Austin Energy undertook the \$13 million remediation process that spanned over nine years. During that clean-up period, the site had become known as a unique place for holding special events (MTV leased the site for \$500 a day during the SXSW festival). Once remediation was complete in 2005, the City of Austin selected the Seaholm Redevelopment Team to proceed with mixed-use development that would feature publicly accessible event spaces and the adaptive reuse of the iconic power plant building.

Quaker Square Hotel, Akron, OH



Photo Credit: MetroJacksonville.com, Clevescene.com

The Quaker Square Hotel, located in downtown Akron, was developed by a group of private investors in 1975 that had the vision to repurpose 36 grain silos into a luxury hotel development. The hotel consisted of 190 rooms across eight floors, with the silo shape maintained to create circular guest rooms. The original luxury hotel featured a cocktail lounge, 80,000 square feet of conference space, the world's largest model train, and sculptures by famous artists adorning the lobby. Since then, the hotel has been sold multiple times and now is owned by the University of Akron and has been converted into student dormitories.

Coastal Resort Precedents

Costanoa, Pescadero, CA



Photo Credit: Californiabeaches.com

Costanoa, an “eco-adventure resort” located on the central Californian coast in Pescadero, was developed in 1999 by the well-known hotelier, Chip Conley. The rustic resort features 39 lodge rooms, 23 cabins, 76 tent bungalows, and roughly 100 camping and RV sites across 140 acres. With varied accommodation types, Costanoa offers accommodations at a range of price points, with most options incorporating shared bathroom facilities and communal spaces. The resort also houses a spa and restaurant and can accommodate weddings, events, and conferences with their indoor and outdoor meeting spaces, which range in size from 400 to 1,000 square feet.

Conley purchased the property for \$2.5 million in 1996 and invested an estimated \$20 million over three years to build the resort and waded through negotiations and lawsuits.¹ As part of the final public-private development agreement, Conley paid for the protection of Franklin Point, located across Highway 1, and funded the restoration efforts for the garter snake and frog habitat on Franklin Point. The County approved construction of a very specific program with careful attention to the type and amount of each accommodation type that would be provided, to make sure that affordability goals would be achieved.

Three years after opening, Conley sold the Costanoa for a fraction of what it cost to develop.² However, recent press and a fully-booked summer season indicate that the establishment continues to perform well, demonstrating the feasibility for a niche market seeking “glamping” experiences and natural beauty.

¹ *Coastline Creativity*, Lynn Graebner, Silicon Valley Business Journal, 8/22/1999

² *Chip Conley: The Power of “Noble Experiments”*, Erika Brown Ekiel, Stanford Business, 9/14/2012

El Capitan Canyon, Santa Barbara, CA



Photo Credit: El Capitan Canyon, Jugglinginheels.com

The El Capitan Canyon resort property is located on the Santa Barbara coast roughly 20 miles north of downtown Santa Barbara within the Los Padres National Forest. The resort consists of roughly eight luxury cabins, 26 safari tents, and approximately 100 camping and RV sites spread across the 350-acre property. While there are no designated meeting rooms or events spaces, El Capitan accommodates many weddings and retreats in outdoor spaces. The site also hosts a summer concert series and other outdoor, community events that are very popular among resort guests and the public. Amenities include a ropes course, pool, general store, spa, horseback riding, and opportunities for other outdoor activities that capitalize on the surrounding trails and ocean access.

El Capitan was developed by two private landowners, Chuck Blitz and Roger Himovitz, who partnered with the Trust for Public Land to protect over 3,000 acres of surrounding land (later gifted to the State Parks). The El Capitan project is located on the remaining 650 acres and was developed with an agricultural easement that preserves open space, with the exception of the existing campground development. The “glamping” accommodations were first delivered in 2001 and have continuously received favorable press since then with generally positive community support.

Treebones, Big Sur, CA



Photo Credit: Treebones Resort

Treebones Resort, located on the Big Sur coast roughly 200 miles south of San Francisco, is a family-owned and -operated development featuring high-end “glamping” amenities and ecologically sensitive design. Accommodations consist of 16 yurts, one luxury autonomous tent, and camping sites with unique features like the “human nest” (pictured above). Additionally, the site features a swimming pool and spa, restaurant, yoga center, and housing for families as well employees. Roughly 20 employees are housed on-site. With the exception of the autonomous tent, all restrooms and showers are located in the central lodge.

The Resort was developed by the current owners, John and Corinne Handy, who opened in 2004 after five years of permitting battles and many rounds of negotiation with the Coastal Commission. The Big Sur Coast Land Use Plan specifies density limitations by land use, with “resort” and “rustic campground” having different limitations. While initial development plans were deemed to be too “resort” focused, the Handys revised plans to increase the “rustic” nature of the proposal (no private bathrooms, no running water in yurts, more campsites) and add public amenities (e.g., hiking trails, facility access) to secure approval.³

³ *Treebones Camping Appeal*, California Coastal Commission, Hearing date: 5/11/2000

Ventana, Big Sur, CA



Photo Credit: Ventana Inn, Travelandleisure.com, Californiabeaches.com

The Ventana Inn has been a staple in the Big Sur community since it first opened in 1975. The Inn, built by Larry Spector, a Hollywood investor, originally consisted of a 24-unit lodge.⁴ That project catered to California's rich and famous, much like the nearby Esalen.⁵ The Coastal Commission required on-site mitigation of high accommodation costs resulting in the inclusion of, at minimum, 100 campsites. The luxury resort, roughly 150 miles south of San Francisco, now features 59 guest rooms, 15 "glamping" tents, traditional campsites, a spa and yoga studio, meeting space, restaurant, and swimming pool across 243 acres.

The Ranch, Laguna Beach, CA



Photo Credit: The Ranch Laguna Beach

The Ranch at Laguna Beach, previously the Aliso Creek Inn, was bought and renovated in 2015 to include a total of 97 hotel rooms, a restaurant and banquet hall, nine-hole golf course, fitness center, spa, pool, and meeting spaces across 87 acres. The Ranch is located on Pacific Coast Highway about 70 miles north of San Diego and 60 miles south of Los Angeles. After the Aliso Creek Inn was purchased in 2003, the new owners were required to meet Coastal Commission requirements before renovating and reopening in 2015. In order to mitigate the impacts on affordable accommodations, The Ranch added camping sites and public access along the Creek.⁶ Campsite access is only available to non-profit youth groups and is made free-of-charge as part of the resort's "Camping Outreach Program."

⁴ *Big Sur: Love it & Leave it*, Brad Knickerbocker, Big Sur Gazette, December 1978

⁵ *Ventana Inn: The Greening of a Big Sur Icon*, Green Traveler Guides, 1/12/2012

⁶ *Coastal Commission Meeting Regarding The Ranch Project*, Meeting Date: 1/6/2015

Chaminade, Santa Cruz, CA



Photo Credit: Chaminade Resort and Spa, City of Santa Cruz, Mosaictraveler.com

Chaminade Resort and Spa, located in the Santa Cruz redwoods roughly 30 miles south of San Jose, was built in 1985 and renovated in 2015. The Chaminade site was first developed at the turn of the 20th century as a Catholic boys' school. The property has changed hands numerous times and is now a recreation-focused resort and retreat grounds. The property houses 156 guest rooms in 11 villas spread across the 300 acre site. Chaminade features a wealth of meeting and conference facilities along with a swimming pool, spa, tennis and pickle ball courts, ropes course, and restaurant.

Asilomar Conference Grounds, Pacific Grove, CA



Photo Credit: Asilomar Hotel and Conference Grounds, Seemonterey.com

Asilomar Hotel and Conference Grounds, located in Pacific Grove roughly 120 miles south of San Francisco, offers ample meeting facilities and modest lodging accommodations. Asilomar was first built as a conference center for the YWCA, with sixteen buildings designed by famous arts and crafts architect, Julia Morgan. In 1956, the 107-acre property was acquired by California State Parks and is now managed by Aramark through a concessionaire agreement. Lodging at the site consists of 313 guest rooms spread throughout the buildings on-site and in four cottages. Amenities include indoor and outdoor meeting spaces, trail and ocean access, a swimming pool, and two on-site eateries.

Senior Living Precedent

Carlsbad by the Sea, Carlsbad, CA



Photo Credit: Carlsbad by the Sea

The continuing care retirement community of Carlsbad by the Sea is located on five acres of oceanfront property in Carlsbad roughly 35 miles north of downtown San Diego. The retirement community consists of roughly 150 units of varying sizes with the assisted living portion featuring 14 private residences and the care center offering 33 beds. Other amenities include an on-site day spa, swimming pool, art gallery, ocean view terrace, and communal spaces for socializing and events. Residents pay an initial fee followed by monthly fees that include all dining, housekeeping, scheduled transportation and recreational programming.

This site originally was home to a hotel that fell into disrepair and was purchased by the Lutheran Services of San Diego in the early 1950s. The hotel was then converted into a retirement community. When Front Porch properties acquired the site for the Carlsbad by the Sea CCRC development, the old buildings were almost completely demolished but rebuilt to retain the same exterior design as the original hotel building.

Developer Interviews

Background

Santa Cruz County is leading the process of developing alternatives to restore and reuse the Davenport Cement Plant site with uses that generate community and economic benefits in Davenport and Santa Cruz County. As part of the County's consultant team, EPS is researching the economic potential of various development alternatives. As part of this effort, EPS conducted interviews with real estate developers with experience planning, entitling, and building adaptive reuse projects and hospitality developments.

Interview Process

EPS conducted one-on-one phone interviews with developers. The interviewees were asked a series of questions regarding site potential, possible challenges or constraints, desirable land uses, use mix, potential for reuse of existing structures, and overall interest in site development. These interview questions were used as prompts, with discussion generally covering a greater reach than these immediate topics. Below are a list of interviewees, as well as their titles, company affiliation, and date interviewed.

Sean P. Murphy

Partner, Bay West Development

<http://baywestdevelopment.com/>

Interviewed June 21, 2017

David Gazek

Principal, Gazek Consulting
<http://www.gazekconsulting.com/>
Development Director, UrbanCore
<https://www.urbancorellc.com/>
Interviewed June 21, 2017

Perry Patel

Partner
BPR Properties
<https://www.bprproperties.com/>
Interviewed June 21, 2017

Sanford (Sandy) Hoff

President, F.I. Salter
<http://www.fisalder.com/>
<http://www.pierbresort.com/>
Interviewed June 22, 2017

Deborah Castles

Vice President, McGrath Properties
<http://mcgrathproperties.com/>
Interviewed June 22, 2017

Summary of Developer Comments by Theme

Overall Site Recommendations

- *The site needs hospitality as an anchor/economic driver, although other compatible uses can be accommodated as well.*
- *Potential for a resort development to be "Ritz 2.0" in terms of luxury-status and amenity package.*
 - *Any resort offering must compete with Ritz Half Moon Bay*
 - *Rather than deliver same product, the Davenport site could capitalize on beach access and proximity, as well as the surrounding mountains and protected lands and features outdoor adventuring as the main activity driver*
 - *The Davenport site could instead cater to travelers looking for a "boutiquey" feel*
 - *Davenport itself has much more local charm as compared to Half Moon Bay, which adds to the attractiveness of the site and should be leveraged*
- *Potential for site to be developed as a Destination Eco-Resort with amenities to attract conferences and retreats as well as outdoor recreation for families and business travelers.*
 - *Need to develop a unique experience and aesthetic that is "one of a kind", similar to Esalen Institute in Big Sur*
 - *Focus amenities and mix of uses on recreation, education and health.*

- *Development should be authentic and fun while also somewhat affordable. Site should offer “glamping” as accommodation type that is low impact, cost sensitive, and currently very “eco-chic”.*
 - *Unique amenities are key to creating a sense of place that will provide guests with experiences that feel authentic and one of a kind*

Adaptive Reuse of Industrial Facility

- *The ruins are a strength of the site, with the industrial elements providing an opportunity to create an “industrial chic” vibe that would attract niche tourism.*
 - *Keeping old structures and capitalizing on the site’s history will make the development feel special and will be an asset if development is aligned with that theme*
- *The tower has potential to be a public park stop with some work on the exterior to make it fit in with the rest of the site’s development.*
 - *The tower alone could be a reason for passers-by to stop and see the view or at least be introduced to the site and its offerings*
- *No specific building or structure be deemed “must keep” at this point in the development process, since that could become an additional challenge in finding a developer.*
- *There is potential to activate silos without building inside of them by adding uses to the top, bottom, or exterior.*

Potential Challenges for Site Development

- *A mix of accommodation types ranging in affordability may restrict ability to offer a super-premium product.*
- *There is a question of whether there would be sufficient weekday demand.*
 - *While Silicon Valley spillover may extend to Scotts Valley and Santa Cruz, Davenport is likely too far to capture that market. Additionally, the spillover that has been going to places like Scotts Valley may be lessened by the new supply planned to be delivered in the Valley.*
- *There is concern about where employees would commute from and whether there is sufficient workforce in the area.*
- *The cost of development will likely guide the program.*
 - *Since there are huge unknowns with remediation and construction, high costs could necessitate a super luxury product to recover those costs.*
- *In past experience working with the adaptive reuse of Cement Silos, original plans to renovate silos into condominiums had to be delayed due to poor market conditions (2008 recession) and difficulty in securing capital for such a risky undertaking.*

Other Possible Uses

- *Flex R&D space could be compatible with resort or residential uses as long as it is designed in a way such that uses are separated and resort guests aren't negatively impacted.*
 - *Flex space uses should be R&D in nature rather than manufacturing so truck access and noise aren't concerns.*
 - *Potential for flex space to complement other site uses if it is aligned with "industrial chic" theme*
- *Another option for the site's economic driver could be an artists' colony or resort with artist live-work space.*
- *Another option for the site is housing*
 - *Market rate housing would be beneficial to project economics*
 - *Mixed-income housing with some high-end second homes and some affordable housing and artist housing might work*
 - *In offering affordable housing, a residential anchor could be more attractive than solely CCRC or other options that would only cater to the wealthy*

Developer Characteristics

- *Hotel developer needs to be a large hospitality or real estate development player in order to establish credibility and be willing to take on the potential risks that come with remediation.*
- *The site could be developed by a high-wealth individual as an eco-resort passion project.*
 - *This route may be better for all involved since a big hotel developer coming in without enough capital could result in a very delayed or incomplete project.*

MEMORANDUM

To: Debbie Rudd and Lisa Plowman, RRM Design Group
From: Benjamin C. Sigman, Economic & Planning Systems, Inc.
Subject: Financial Feasibility Analysis of the Reuse of Davenport
Cement Plant Site Alternative 5; EPS #161069
Date: January 31, 2019

The Economics of Land Use



Santa Cruz County retained Economic & Planning Systems (EPS) as part of a team led by RRM Design Group to assist with the preparation of a Coastal Reuse Plan for the now inactive 100+ acre Davenport Cement Plant site. This memorandum, building on prior work, assesses the financial viability of a new concept-level site redevelopment alternative – Alternative 5. The County of Santa Cruz has requested that the RRM team has consider the financial viability of the fifth alternative, relying on the same methodology and assumptions as prior feasibility analysis.

Previous EPS work efforts include the Davenport Cement Plant Final Technical Background Report (May 2017) and a supplemental market research memorandum, as well as the prior analysis of project feasibility (Financial Feasibility Analysis of the Reuse of Davenport Cement Plant Site Alternatives, October 2018). EPS The Background Report presented an initial assessment of market conditions and reuse opportunities for the site, while the supplemental market research memorandum provided additional real estate market findings gleaned from developer interviews and case study analysis. These past work efforts establish a robust market understanding which has informed the project team's redevelopment programming and this assessment of financial viability.

EPS market research findings indicate that resort/hospitality uses are the most realistic economic driver for the Davenport site. Accordingly, hotel uses, cabins, and camping have been incorporated into the reuse alternatives. Hospitality alternatives are differentiated by development intensity, market positioning, and complementary on-site uses and amenities. All alternatives incorporate community benefits, including publicly accessible recreation opportunities, as well as low-cost accommodations and other desirable revenue-generating uses.

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While there certainly is great economic potential for the Davenport Cement Plant, the size and complexity of the site, as well as the environmental remediation efforts yet to be carried out, serve as potential barriers to development. This analysis assumes that site remediation occurs and that the site is delivered clean for development and free of legal liability.

This analysis provides a planning-level assessment of overall feasibility at build out, which is ideal for the initial consideration of alternatives, but insensitive to phase-level economics (i.e., the timing of revenues and costs). Furthermore, unique and challenging redevelopment projects such as those contemplated for the Davenport site demand strategic execution. A successful project will require expert market positioning, branding, promotion, and operations to achieve financial feasibility.

This memorandum builds on previous work and presents the results of the financial feasibility analysis of Alternative 5. In this memorandum, data and assumptions from prior EPS real estate market research and prior financial feasibility analysis are brought to bear (i.e., this memorandum does not update value or cost assumptions). While funding for “community benefit” contributions is not explicitly considered in the financial model and might be possible under the most financially viable alternatives, the program considered does include public amenities such as trails and sites for potential land dedications for public purposes (e.g., preserve areas for Coho spawning), among other public benefits.

Key Finding

Alternative Five, a mid-density plan of roughly 400,000 square feet envisioned to be anchored by upscale lodging and “flex” space, also includes 20 units of market rate for-sale housing which help to generate a program-wide total of roughly \$6 million in land value.

Alternative Five is likely to create sufficient real estate value to cover site demolitions and infrastructure improvements, and may be financially strong enough to motivate the property seller to dispose of the site for redevelopment. Alternative Five keeps development density moderately low and seeks to anchor the site with two driver uses, hospitality and flex. The hotel would take advantage of the aesthetic qualities of the site, seek an upscale market position, and achieve relatively high room rates. At 225,000 square feet, the flex use might be occupied by clean technology/light industrial, educational, and/or artist users, for example. Together, these program anchors generate nearly \$41 million in land value before site costs. The for-sale housing included in the program also makes a significant \$9 million contribution to land value. Overall, the program creates enough value to be a feasible alternative for the site. **Figure 1** presents the estimates of residual land values that result from pro forma financial analysis of Alternative Five.

Figure 1 Residual Land Value Estimates

Land Use	Alternative 5
Accommodations ¹	\$30,948,000
Meeting and Event	-\$38,000
Residential - Market Rate Condominium	\$8,913,000
Residential - BMR Employee	-\$58,000
Retail ²	\$1,138,000
Flex ³	\$9,773,000
Emergency Services Storage	-\$466,000
Recreation (Visitor Center)	-\$1,079,000
Camping ⁴	<u>-\$232,000</u>
Total Residual Value from Vertical Development	\$48,899,000
(Less) Horizontal Development	-\$41,916,000
(Less) Additional Amenities and Facilities Cost	-\$1,000,000
Estimated Total Land Value	\$5,983,000

[1] Accommodations include a lodge, cabins, and tent cabins.

[2] Retail includes spa facilities, health and wellness uses, café, wine bar, camp store, and restaurant uses.

[3] Flex space analysis reflects industrial/flex (light industrial) but allowable uses also include clean technology, artist/maker, educational, retail, and live-work spaces.

[4] Camping includes space for tent camping. Vertical costs reflect the cost of camp bathhouses.

Alternative 5

This memorandum focuses Alternative 5 using the same methodology and assumptions as prior feasibility analysis.¹ The financial analysis considers the feasibility of redevelopment of the cement plant site, with a project that includes accommodations, meeting/event space, residential, retail, flex, warehouse, and visitor-serving uses.

Eco-Lodging, Visitor Serving, and Flex Space Alternative

Alternative Five is imagined to marry hospitality and clean technology/craft/art uses. A lodge, along with cabins, tent cabins, camping, and residential uses would occupy upland areas of the site. Closer to Route 1, the Alternative 5 includes a flex space area, amenity retail, and additional housing, some of which would be offered at below-market pricing.

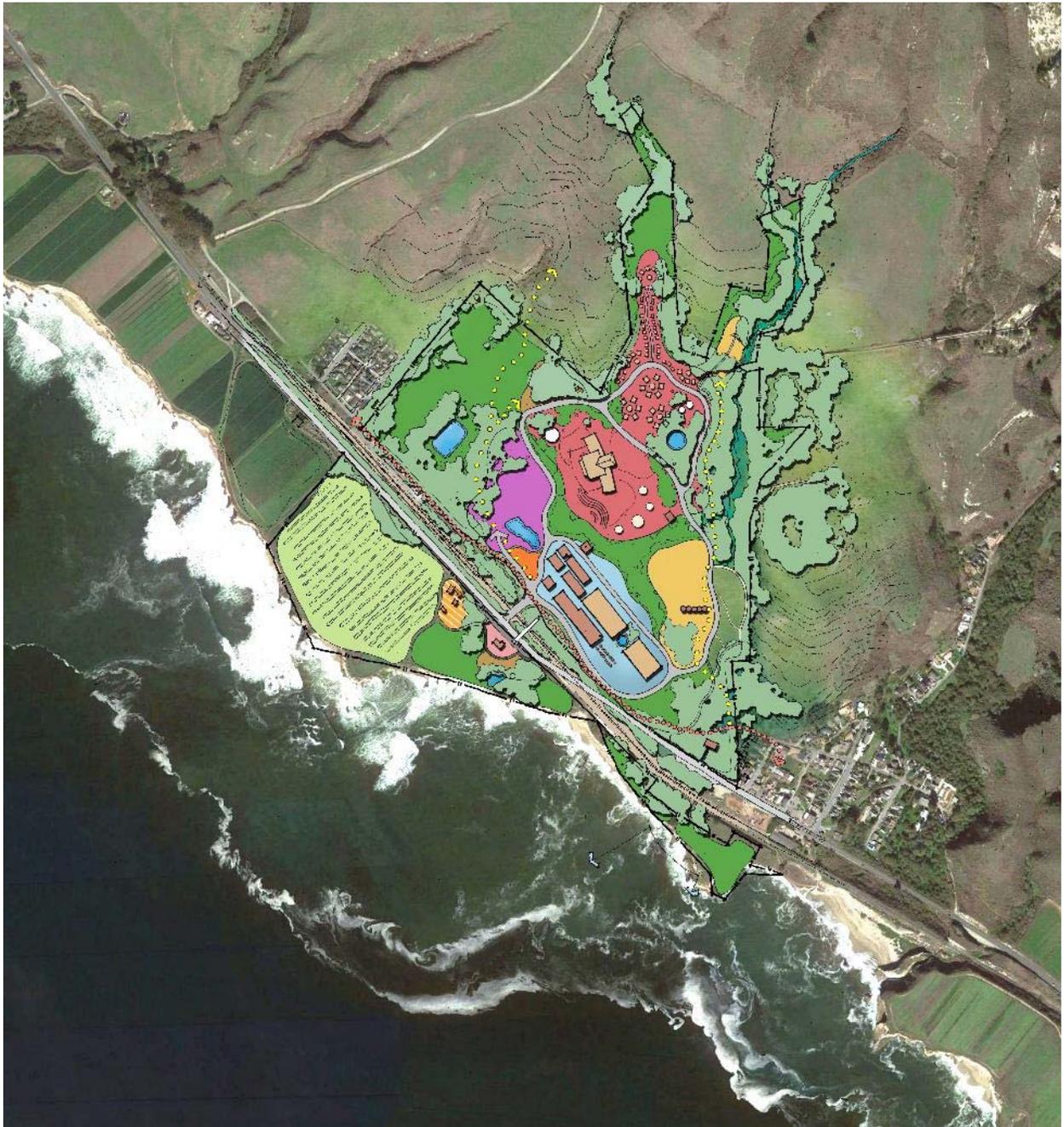
Alternative Five features:

- A 75-room, full-service lodge;
- 55 cabins and 25 tent cabins;
- 40 campsites;
- 80 units of housing (60 affordable housing units and 20 market rate units);
- 13,500 square feet of retail, including reuse of Crocker Hospital;
- 225,000 sf of flex space;
- A visitor center, public restrooms, and public parking;
- Emergency service storage facility; and
- Public trails.

Figure 2 presents a concept-level program diagram for Alternative Five.

¹ Alternatives 1 through 3 are presented in Financial Feasibility Analysis of the Reuse of Davenport Cement Plant Site Alternatives; EPS Memorandum dated October 15, 2018.

Figure 2 **Alternative Five Program Diagram**



Source: RRM Design Group

Analytical Approach

This analysis relies on the well-accepted static (stabilized-year) pro forma financial feasibility framework to estimate the land value supported by each of the development alternatives. This approach compares real estate development value at project stabilization (i.e., after project lease up is complete) with the cost of project development, in constant 2017 dollars. The analysis estimates finished real estate value based on assumptions concerning market-supportable lease rates, operating costs, and capitalization rates.² The analysis seeks to provide an initial indication of feasibility, but does not contemplate phasing or temporal cash flow considerations.

Development cost assumptions reflect standard (location-adjusted) construction costs, typical project soft costs (e.g., architecture and engineering), local fees and permits, and a required developer return on investment. The assumptions reflect EPS research, third-party data (e.g., CoStar Group market data and RS Means construction cost estimates), and correspondence with RRM staff, County staff, and industry sources, including interviews with real estate development professionals.

This analysis estimates residual land value for each of the alternatives. When real estate market value exceeds development costs, the difference represents what a developer is able to pay for land. The calculation yields a value measure commonly referred to as "residual land value," which is the primary output of this financial analysis. A landowner would not reasonably be expected to accept zero or negative land value, thus a positive land value is needed for a proposed project to be considered "feasible." Even when land value is positive, there is uncertainty whether the value will be sufficient to motivate the current property owner to sell the site.

Summary of Key Terms

Market Value – The estimated sale price of a real estate asset, assuming current market conditions.

Vertical Construction – The development of buildings and structures.

Horizontal Construction – The development of the project site, including infrastructure (e.g., streets), landscaping, and building pads.

Hard Costs – Direct construction costs including labor, materials, and associated overhead.

Soft Costs – Indirect development costs such as architecture, engineering, permits, and fees.

Contingency – A development cost provision for unforeseen events or circumstances.

Return on Investment – The expected financial benefit necessary to motivate a project developer, given financial risks associated with the project.

Land Value – The estimated financial contribution that a project developer could make to the landowner, given the site program and financial assumptions considered.

² The capitalization rate is equal to annual net property income divided by total property value. This market-based factor indicates the multiple of net property income that a buyer will pay for a property.

Key Assumptions

Market Value

This analysis of Alternative 5 builds on the market conditions established in prior EPS deliverables, and assumes achievable lease rates based on market research conducted using CoStar Group, average daily rates at comparable lodging establishments from Smith Travel Research, typical operating cost factors for each asset type, and EPS knowledge of the local and regional commercial real estate landscape. The pro forma relies on assumptions that are representative of the local market, and the Davenport site and program in particular. **Figure 3** summarizes value assumptions for each land use.

- **Hospitality Uses** – the room rates reflect the potential for new, well-positioned hospitality projects in the coastal market of Santa Cruz County. Cabins are assumed to be market-oriented as premium accommodations, and are assumed to have the highest average daily rate of the lodging options onsite. Alternative Five is market positioned as upscale, with room rates that are 10 percent higher than Alternative Two. Camp sites will be separate from the lodge, with nightly site rates of \$40.

Figure 3 Alternative 5 Revenue Assumptions Summary

Land Use	Average Value	Assumptions	Capitalization Rate
Hotel			
Lodge	\$330	per day per room	8.0%
Cabin	\$385	per day per room	8.0%
Tent Cabins	\$182	per day per room	8.0%
Camping	\$40	per site per day	8.0%
Meeting and Event	\$0.50	per square foot per event	8.0%
Residential - Market Rate Condominium	\$900	per sq. ft. (sale value)	N/A
Residential - BMR Employee	\$1.34	per month per sq. ft. (Gross)	5.0%
Retail	\$2.50	per month per sq. ft. (NNN)	6.0%
Flex	\$1.50	per month per sq. ft. (NNN)	6.0%
Emergency Services Storage	\$1.00	per month per sq. ft. (NNN)	6.0%
Recreation (Visitor Center)	\$0.00	per month per sq. ft. (NNN)	8.0%

- **Housing** – Market rate housing would be for-sale condominium product and is expected to have an average sale price of \$900 per square foot, consistent with the upper end of the market observed locally. The housing format is anticipated to be wood-built, two-story multifamily structures. The below-market-rate housing, a similar but less expensive product format compared to the market-rate housing, will be priced for low income households (i.e., households with 60 percent of area median income) and the development of this product is assumed to take advantage of nine percent Low Income Housing Tax Credits.³ Monthly rent for a below-market-rate unit is \$1.61 per square foot (less than \$1,000 per month for a typical unit).
- **Event and Meeting Spaces** – Wedding venue rentals commonly reach \$10,000 or more per event, and larger conference and corporate event facilities even more. Revenue potential is significantly higher at well-developed, highly amenitized event venues that offer a full suite of event planning, hosting, catering, and other services. In this analysis, event and meeting space generates average revenue of \$0.50 per square foot per event. The 2,000-square foot roundhouse space will rent for \$1,000.
- **Retail** – Retail uses, including traditional retail and restaurant spaces, possibly a neighborhood market/camp store and onsite spa, are assumed to achieve above-average rent as compared with the countywide market overall, but far below asking rents for well-positioned new retail space. The monthly average lease rate is assumed to be \$2.50 (NNN) per square foot.
- **Flex Space** – Flex space will be appropriate for artists, makers, and technological innovation firms, and also for more traditional light industrial and educational activities. The flex space is expected to achieve an average lease rate of \$1.50 per square foot (NNN), which is consistent with average asking rates for newer, quality flex spaces countywide. Allowable uses may also include retail and live-work spaces.

Project Costs

Project costs are reflective of a comprehensive vertical development budget and include construction costs, soft costs, and other project costs, including a development contingency allowance and the required developer rate of return.

Construction costs – Project construction costs cover the vertical development of building spaces, including all labor and materials, fit out, and general contractor charges. For hotel uses and housing, the costs include the necessary furniture, fixtures, and equipment (FF&E). Other uses are assumed to have a modest tenant improvement budget for fit out, as is standard in the marketplace.

Except for specialty structures, all construction costs estimates are from RS Means construction cost estimating data. The hard cost estimates for cabins, yurts, and camp bathhouses are derived from information gathered from modular builders who provide prefabricated products and custom construction cost estimates. EPS uses data from these sources to estimate per-square-foot costs for unique hospitality uses (i.e., cabins and tent cabins).

³ LIHTC is a competitive program. After considering the requirements of the program, the rural status of the site, and the merits of the project, this analysis assumes the project receives nine percent LIHTC credits or other public sources of funding.

In some cases, existing buildings on site will be rehabilitated and reused. This analysis assumes that reusing a building is approximately 25 percent more expensive than building new. **Figure 4** summarizes the per-square-foot hard cost assumptions and tenant improvement assumptions used in the analysis. The FF&E cost for the upscale lodging in Alternative Five is increased 15 percent above Alternative Two, commensurate with that product's market positioning.

Figure 4 Base Construction Cost Assumptions Summary

Land Use	Hard Cost (per Sq. Ft.)		TI / FF&E
	New	Reuse	
Hotel			
Lodge	\$178	-	\$58
Cabin	\$133	-	\$58
Tent Cabins	\$78	-	\$58
Meeting and Event	\$152	\$190	\$25
Residential - Market Rate Condominium	\$166	-	\$6,500
Residential - BMR Employee	\$151	-	\$6,500
Retail	\$187	\$234	\$0
Flex	\$92	\$115	\$25
Emergency Services Storage	\$284	-	\$0
Recreation (Visitor Center)	\$247	-	\$25
Camping (Bathhouses)	\$260	-	-

Sources: RS Means, Rainier, Economic & Planning Systems, Inc.

Horizontal costs – Horizontal costs, including demolition costs, basic site work, campground landscaping, and parking, have been estimated separately by RRM and appear as a single-cost line item in the financial model.⁴ Horizontal cost estimates for Alternative Five include the cost of building a pedestrian bridge across Highway 1, and do not include the cost to demolish the existing silos (which are retained in this alternative). This analysis assumes that the current property owner will be responsible for site remediation, so the costs of site cleanup (and potential liability) are not included in the horizontal development budget. The analysis assumes an “additional amenities and facilities” budget of \$1.0 million in each alternative, to cover the potential costs associated with habitat restoration or other unidentified cost factors.

⁴ **Appendix B** presents the RRM horizontal cost estimates.

Soft costs – Soft costs include professional services associated with planning, design, and project approval; permits and fees; assumptions regarding taxes and insurance and financing costs; and general and administrative costs borne by the project developer. Building, planning, and impact fees have been estimated at a planning level in consultation with County of Santa Cruz staff. Development impact fees include school district fees and childcare fees. The analysis assumes that the 60 onsite below-market-rate units satisfy the County's inclusionary requirement.

Other project costs – These costs include a development contingency of 5.0 percent and the developer's required return on investment (ROI), which is assumed to be 10.0 percent of project value. Potential project costs associated with "community benefit" contributions are not explicitly considered in the financial model, but it is important to note that the alternative programs considered do include public amenities such as hiking trails and sites for potential land dedications for public purposes (e.g., preserve areas for Coho spawning).

Pro Forma Financial Analysis

The following table summarizes financial feasibility calculations for Alternative 5. Financial feasibility is tested under 2017 market conditions and all figures are reported in 2017 dollars to allow for clear comparisons to prior feasibility analyses conducted for Alternatives One, Two, and Three.

Alternative Five

This scenario is a moderately sized program. At roughly 400,000 gross square feet of built space, the density of development is two times the development area in Alternative 1 (slightly less than 200,000 square feet of development) but only two thirds of the development area in Alternative 3 (roughly 600,000 square feet of development). This analysis finds that Alternative Five is feasible, generating positive residual land value. In this alternative, horizontal development costs exclude demolition of existing cement plant silos, which are retained for potential future reuse (not considered by this analysis).

Figure 5 Alternative Five Summary

Use	Site Program	Building Square Footage	Net Market Value	Development Cost	Residual Value
Accommodations ¹	155 Guest Rooms	86,000	\$62,019,175	\$31,071,655	\$30,947,520
Meeting and Event	2,000 Square Feet	2,000	\$598,975	\$636,641	-\$37,666
Residential - Market Rate Condominium	20 Dwelling Units	24,000	\$16,761,600	\$7,848,602	\$8,912,998
Residential - BMR Employee	60 Dwelling Units	54,000	\$6,424,145	\$6,482,314	-\$58,169
Retail ²	13,500 Square Feet	13,500	\$5,318,207	\$4,180,676	\$1,137,531
Flex ³	225,000 Square Feet	225,000	\$53,182,069	\$43,409,084	\$9,772,985
Emergency Services Storage	2,000 Square Feet	2,000	\$315,153	\$780,690	-\$465,537
Recreation (Visitor Center)	3,000 Square Feet	3,000	\$0	\$1,078,780	-\$1,078,780
Camping ⁴	40 Tent Sites	<u>2,666</u>	<u>\$991,340</u>	<u>\$1,223,537</u>	<u>-\$232,197</u>
Total		412,166	\$145,610,663	\$96,711,979	\$48,898,684
(Less) Horizontal Development					-\$41,915,653
(Less) Additional Amenities and Facilities Cost					-\$1,000,000
Estimated Total Land Value					\$5,983,031

[1] Accommodations include a lodge, cabins, and tent cabins.

[2] Retail includes spa facilities, health and wellness uses, café, wine bar, camp store, and restaurant uses.

[3] Flex space analysis reflects industrial/flex (light industrial) but allowable uses also include clean technology, artist/maker, educational, retail, and live-work spaces.

[4] Camping includes space for tent camping. Vertical costs reflect the cost of camp bathhouses.

APPENDIX A



Figure A1 Alternative 5 - Hotel Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Guest Rooms (incl. hotel, cabins, and tent cabins)			155
Gross Building Area (Square Feet)	555	per Room	86,000
Bathhouses			1
Gross Building Area for Bathrooms (Square Feet)	1,333	per bathhouse	1,333
STABILIZED-YEAR HOTEL INCOME STATEMENT			
Average Daily Room Rate			\$326
Stabilized Annual Occupancy Rate			80%
Revenue Per Available Room			\$261
Departmental Revenues			
Rooms	75%	of Total Revenue	\$14,754,760
Food & Beverage	20%	of Total Revenue	\$3,934,603
<u>Other Income</u>	5%	of Total Revenue	<u>\$983,651</u>
Total Operating Revenues			\$19,673,013
Departmental Expenses			
Rooms	35%	of Department Revenue	-\$5,164,166
Food & Beverage	85%	of Department Revenue	-\$3,344,412
<u>Other</u>	75%	of Department Revenue	<u>-\$737,738</u>
Departmental Operating Expenses			-\$9,246,316
Other Operating Expenses			
Administrative & General Management Fee	5.0%	of Total Revenue	-\$983,651
Marketing	5.0%	of Total Revenue	-\$983,651
Operation & Maintenance	3.0%	of Total Revenue	-\$590,190
Utility Costs	2.0%	of Total Revenue	-\$393,460
Insurance	2.0%	of Total Revenue	-\$393,460
Taxes	4.0%	of Total Revenue	-\$786,921
<u>Reserve for Replacement</u>	1.0%	of Total Revenue	<u>-\$196,730</u>
Other Expenses			-\$5,311,714
Net Operating Income			\$5,114,983
Building Value	8.0%	Capitalization Rate	\$63,937,293
Disposition Cost	3.0%	of Building Value	<u>-\$1,918,119</u>
Net Value			\$62,019,175
DEVELOPMENT COSTS			
Construction Costs			
Building Direct Cost	\$150	Cost/SF (GBA)	\$12,891,449
Bathhouse Direct Cost	\$260	Cost/SF (GBA)	\$346,580
FF&E	\$58	per Room	<u>\$4,945,000</u>
<i>Total Construction Cost</i>			<i>\$18,183,029</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$727,321
Other Professional Services	1.0%	of Construction Cost	\$181,830
Permits and Fees	\$24	per Square Foot (GBA)	\$2,047,660
Taxes and Insurance	4.0%	of Construction Cost	\$727,321
Financing	4.0%	of Construction Cost	\$727,321
Developer Fee & POB	6.0%	of Construction Cost	<u>\$1,090,982</u>
<i>Total Soft Costs</i>			<i>\$5,502,435</i>
Other Development Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$1,184,273
Developer ROI	10%	of Net Value	<u>\$6,201,917.45</u>
<i>Total Other Costs</i>			<i>\$7,386,191</i>
Total Project Cost			\$31,071,655
Residual Land Value			
Per Square Foot (GBA)			\$360

Figure A2 Alternative 5 - Meeting and Event Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			2,000
BUILDING VALUE			
Number of Events	1.0	Per Week	52
Gross Potential Rent	\$0.50	Per Square Foot Per Event	\$52,000
Gross Retail Revenue			\$52,000
Operating Expenses	5%	of Gross Revenue	-\$2,600
Net Operating Income			\$49,400
Building Value	8.0%	Capitalization Rate	\$617,500
Disposition Cost	3.0%	of Building Value	<u>-\$18,525</u>
Net Value			\$598,975
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$190	Cost/SF (GBA)	\$380,000
Tenant Improvement	\$25	Cost/SF (GBA)	<u>\$50,000</u>
<i>Total Construction Cost</i>			<i>\$430,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$17,200
Other Professional Services	1.0%	of Construction Cost	\$4,300
Permits and Fees	\$19	per Square Foot (GBA)	\$37,580
Taxes and Insurance	4.0%	of Construction Cost	\$17,200
Financing	4.0%	of Construction Cost	\$17,200
Marketing/Leasing	3.0%	of Construction Cost	\$12,900
Developer Fee	3.0%	of Construction Cost	<u>\$12,900</u>
<i>Total Soft Costs</i>			<i>\$119,280</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$27,464
Developer ROI	10.0%	of Net Value	<u>\$59,898</u>
<i>Total Other Costs</i>			<i>\$87,361</i>
Total Project Cost			\$636,641
Residual Land Value			
Per Square Foot (GBA)			-\$37,666
			-\$19

Figure A3 Alternative 5 – Market Rate Housing Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Dwelling Units			20
Gross Building Area (Square Feet)	1,200	per Unit	24,000
Net Area (Square Feet)	80%	of GBA	19,200
BUILDING VALUE			
Gross Market Value	\$900	per SF (net)	\$17,280,000
Disposition Cost	3.0%	of Building Value	<u>-\$518,400</u>
Net Value			\$16,761,600
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$166	Cost/SF (GBA)	\$3,986,400
FF&E	\$6,500	per Dwelling Unit	<u>\$130,000</u>
<i>Total Construction Cost</i>			<i>\$4,116,400</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$164,656
Other Professional Services	1.0%	of Construction Cost	\$41,164
Permits and Fees	\$49,000	per Dwelling Unit	\$980,000
Taxes and Insurance	4.0%	of Construction Cost	\$164,656
Financing	4.0%	of Construction Cost	\$164,656
Marketing/Leasing	3.0%	of Construction Cost	\$123,492
Developer Fee	3.0%	of Construction Cost	<u>\$123,492</u>
<i>Total Soft Costs</i>			<i>\$1,762,116</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$293,926
Developer ROI	10.0%	of Net Value	<u>\$1,676,160</u>
<i>Total Other Costs</i>			<i>\$1,970,086</i>
Total Project Cost			\$7,848,602
Residual Land Value			
Residual Land Value			\$8,912,998
Per Square Foot (GBA)			\$371

Figure A4 Alternative 5 - Affordable Housing Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Dwelling Units			60
Gross Building Area (Square Feet)	900		54,000
Rentable Area (Square Feet)	80%	of GBA	43,200
BUILDING VALUE			
Gross Potential Rent	\$1.34	per SF/Month (NNN)	\$697,140
Losses to Vacancy	5.0%	of GPR	-\$34,857
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Residential Revenue			\$662,283
Operating Expenses	50%	of Gross Revenue	-\$331,142
Net Operating Income			\$331,142
Building Value	5.0%	Capitalization Rate	\$6,622,830
Disposition Cost	3.0%	of Building Value	<u>-\$198,685</u>
Net Value			\$6,424,145
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$151	Cost/SF (GBA)	\$8,154,000
FF&E	\$6,500	per Dwelling Unit	<u>\$390,000</u>
<i>Total Construction Cost</i>			<i>\$8,544,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$341,760
Other Professional Services	1.0%	of Construction Cost	\$85,440
Permits and Fees	\$49,000	per Dwelling Unit	\$2,940,000
Taxes and Insurance	4.0%	of Construction Cost	\$341,760
Financing	4.0%	of Construction Cost	\$341,760
Marketing/Leasing	3.0%	of Construction Cost	\$256,320
Developer Fee	3.0%	of Construction Cost	<u>\$256,320</u>
<i>Total Soft Costs</i>			<i>\$4,563,360</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$655,368
Developer ROI	10.0%	of Net Value	<u>\$642,415</u>
<i>Total Other Costs</i>			<i>\$1,297,783</i>
Total Project Cost			\$14,405,143
LIHTC Credit	55%	of Construction Costs	\$7,922,828
Residual Land Value			
Per Square Foot (GBA)			-\$1

Figure A5 Alternative 5 - Retail Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			13,500
Rentable Area (Square Feet)	90%	of GBA	12,150
BUILDING VALUE			
Gross Potential Rent	\$2.50	per SF/Month (NNN)	\$364,500
Losses to Vacancy	5.0%	of GPR	-\$18,225
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Retail Revenue			\$346,275
Operating Expenses	5%	of Gross Revenue	-\$17,314
Net Operating Income			\$328,961
Building Value	6.0%	Capitalization Rate	\$5,482,688
Disposition Cost	3.0%	of Building Value	<u>-\$164,481</u>
Net Value			\$5,318,207
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$196	Cost/SF (GBA)	\$2,641,375
Tenant Improvement	\$0	Cost/SF (GBA)	<u>\$0</u>
<i>Total Construction Cost</i>			<i>\$2,641,375</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$105,655
Other Professional Services	1.0%	of Construction Cost	\$26,414
Permits and Fees	\$25	per Square Foot (GBA)	\$331,864
Taxes and Insurance	4.0%	of Construction Cost	\$105,655
Financing	4.0%	of Construction Cost	\$105,655
Marketing/Leasing	3.0%	of Construction Cost	\$79,241
Developer Fee	3.0%	of Construction Cost	<u>\$79,241</u>
<i>Total Soft Costs</i>			<i>\$833,725</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$173,755
Developer ROI	10.0%	of Net Value	<u>\$531,821</u>
<i>Total Other Costs</i>			<i>\$705,576</i>
Total Project Cost			\$4,180,676
Residual Land Value			
Per Square Foot (GBA)			\$84

Figure A6 Alternative 5 – Flex Space Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			225,000
Rentable Area (Square Feet)	90%	of GBA	202,500
BUILDING VALUE			
Gross Potential Rent	\$1.50	per SF/Month (NNN)	\$3,645,000
Losses to Vacancy	5.0%	of GPR	-\$182,250
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Retail Revenue			\$3,462,750
Operating Expenses	5%	of Gross Revenue	-\$173,138
Net Operating Income			\$3,289,613
Building Value	6.0%	Capitalization Rate	\$54,826,875
Disposition Cost	3.0%	of Building Value	<u>-\$1,644,806</u>
Net Value			\$53,182,069
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$95	Cost/SF (GBA)	\$21,307,200
Tenant Improvement	\$25	Cost/SF (GBA)	<u>\$5,625,000</u>
<i>Total Construction Cost</i>			<i>\$26,932,200</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$1,077,288
Other Professional Services	1.0%	of Construction Cost	\$269,322
Permits and Fees	\$19	per Square Foot (GBA)	\$4,227,708
Taxes and Insurance	4.0%	of Construction Cost	\$1,077,288
Financing	4.0%	of Construction Cost	\$1,077,288
Marketing/Leasing	3.0%	of Construction Cost	\$807,966
Developer Fee	3.0%	of Construction Cost	<u>\$807,966</u>
<i>Total Soft Costs</i>			<i>\$9,344,826</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$1,813,851
Developer ROI	10.0%	of Net Value	<u>\$5,318,207</u>
<i>Total Other Costs</i>			<i>\$7,132,058</i>
Total Project Cost			\$43,409,084
Residual Land Value			
Per Square Foot (GBA)			\$9,772,985
			\$43

Figure A7 Alternative 5 – Emergency Services Storage Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			2,000
Rentable Area (Square Feet)	90%	of GBA	1,800
BUILDING VALUE			
Gross Potential Rent	\$1.00	per SF/Month (NNN)	\$21,600
Losses to Vacancy	5.0%	of GPR	-\$1,080
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Office Revenue			\$20,520
Operating Expenses	5%	of Gross Revenue	-\$1,026
Net Operating Income			\$19,494
Building Value	6.0%	Capitalization Rate	\$324,900
Disposition Cost	3.0%	of Building Value	<u>-\$9,747</u>
Net Value			\$315,153
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$284	Cost/SF (GBA)	\$568,000
Tenant Improvement	\$0	Cost/SF (GBA)	<u>\$0</u>
<i>Total Construction Cost</i>			<i>\$568,000</i>
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$22,720
Other Professional Services	1.0%	of Construction Cost	\$5,680
Permits and Fees	\$19	per Square Foot (GBA)	\$37,580
Taxes and Insurance	4.0%	of Construction Cost	\$22,720
Financing	4.0%	of Construction Cost	\$22,720
Marketing/Leasing	3.0%	of Construction Cost	\$17,040
Developer Fee	3.0%	of Construction Cost	<u>\$17,040</u>
<i>Total Soft Costs</i>			<i>\$145,500</i>
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$35,675
Developer ROI	10.0%	of Net Value	<u>\$31,515</u>
<i>Total Other Costs</i>			<i>\$67,190</i>
Total Project Cost			\$780,690
Residual Land Value			
Per Square Foot (GBA)			-\$465,537
			-\$233

Figure A8 Alternative 5 - Visitor Center Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS			
Gross Building Area (Square Feet)			3,000
Rentable Area (Square Feet)	90%	of GBA	2,700
BUILDING VALUE			
Gross Potential Rent	\$0.00	per SF/Month (NNN)	\$0
Losses to Vacancy	5.0%	of GPR	\$0
Collection Losses	0.0%	of GPR	\$0
Losses to Concessions	0.0%	of GPR	\$0
Gross Retail Revenue			\$0
Operating Expenses	5%	of Gross Revenue	\$0
Net Operating Income			\$0
Building Value	8.0%	Capitalization Rate	\$0
Disposition Cost	3.0%	of Building Value	<u>\$0</u>
Net Value			\$0
PROJECT COSTS			
Construction Costs			
Building Direct Cost	\$247	Cost/SF (GBA)	\$741,000
Tenant Improvement	\$25	Cost/SF (GBA)	<u>\$75,000</u>
<i>Total Construction Cost</i>			\$816,000
Soft Costs			
Architecture and Engineering	4.0%	of Construction Cost	\$32,640
Other Professional Services	1.0%	of Construction Cost	\$8,160
Permits and Fees	\$19	per Square Foot (GBA)	\$56,369
Taxes and Insurance	4.0%	of Construction Cost	\$32,640
Financing	4.0%	of Construction Cost	\$32,640
Marketing/Leasing	3.0%	of Construction Cost	\$24,480
Developer Fee	3.0%	of Construction Cost	<u>\$24,480</u>
<i>Total Soft Costs</i>			\$211,409
Other Project Costs			
Development Contingency	5.0%	of Hard and Soft Costs	\$51,370
Developer ROI	10.0%	of Net Value	<u>\$0</u>
<i>Total Other Costs</i>			\$51,370
Total Project Cost			\$1,078,780
Residual Land Value			
Residual Land Value			-\$1,078,780
Per Square Foot (GBA)			-\$360

Figure A9 Alternative 5 - Camping Pro Forma

DEVELOPMENT PROGRAM ASSUMPTIONS

Camp Sites		40
Number of bathhouses		2
Gross Building Area for Bathrooms (Square Feet)	1,333 per bathhouse	2,666

STABILIZED-YEAR INCOME STATEMENT

Average Daily Rate		\$40
Stabilized Annual Occupancy Rate		40%
Total Operating Revenues		\$233,600
Operating Expenses	65% of Total Revenue	-\$151,840
Net Operating Income		\$81,760
Building Value	8.0% Capitalization Rate	\$1,022,000
Disposition Cost	3.0% of Building Value	<u>-\$30,660</u>
Net Value		\$991,340

DEVELOPMENT COSTS

Construction Costs		
Building Direct Cost	\$260 Cost/SF (GBA)	\$693,160
<i>Total Construction Cost</i>		<i>\$693,160</i>
Soft Costs		
Architecture and Engineering	4.0% of Construction Cost	\$27,726
Other Professional Services	1.0% of Construction Cost	\$6,932
Permits and Fees	\$100 per Square Foot (GBA)	\$266,795
Taxes and Insurance	4.0% of Construction Cost	\$27,726
Financing	4.0% of Construction Cost	\$27,726
Developer Fee	3.0% of Construction Cost	<u>\$20,795</u>
<i>Total Soft Costs</i>		<i>\$377,700</i>
Other Development Costs		
Development Contingency	5.0% of Hard and Soft Costs	\$53,543
Developer ROI	10.0% of Net Value	<u>\$99,134</u>
<i>Total Other Costs</i>		<i>\$152,677</i>
Total Project Cost		\$1,223,537

Residual Land Value		-\$232,197
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APPENDIX B





DATE: Jan 09, 2019

JOB No.: 0509-01-UR16

JOB NM: SANTA CRUZ COASTAL RESTORATION REUSE PLAN

CALC BY: SHS

CHK BY: TJW

**3765 South Higuera, Suite 102
San Luis Obispo, Ca.**

Ph: (805) 543-1794 Fax: (805).543.4609 email: www.rrmdesign.com

Engineer's Estimate of Construction Costs

CAT.	ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
DEMOLITION AND SITE PREPARATION						
	CLEAR & GRUB	40	AC	1500.00	\$60,000.00	INCLUDES VEGETATION AND MINOR ONSITE DEMO
	TREE REMOVALS	1	LS	50000.00	\$50,000.00	VARYING SIZE
	TREE PRUNING	1	LS	25000.00	\$25,000.00	ALLOWANCE
	ENTRANCE DEMOLITION	15,000	SF	3.00	\$45,000.00	DEMO EXISTING CONCRETE CURBS AND PAVING
Demo and Site Prep Subtotal:					\$180,000	

VERTICAL DEMOLITION COSTS

	COMPRESSOR ROOM	6,712	SF	30.00	\$201,360.00	DEMO BUILDING
	OIL STORAGE BUILDING	3,000	SF	20.00	\$60,000.00	DEMO BUILDING
	MACHINE SHOP	20,625	SF	30.00	\$618,750.00	DEMO BUILDING
	ELECTRIC SHOP/STORE ROOM	11,700	SF	30.00	\$351,000.00	DEMO BUILDING
	STORAGE SHED	2,016	SF	20.00	\$40,320.00	DEMO BUILDING
	PREHEATER TOWER	25,809	SF	50.00	\$1,290,450.00	DEMO BUILDING
	ROLLER MILL	32,760	SF	30.00	\$982,800.00	DEMO BUILDING
	STORAGE/POTASH BUILDING	5,285	SF	20.00	\$105,700.00	DEMO BUILDING
	CARPENTER SHOP	5,500	SF	20.00	\$110,000.00	DEMO BUILDING
	LIME BUILDING	5,625	SF	20.00	\$112,500.00	DEMO BUILDING
	IRON/LATERITE STORAGE BUILDING	16,000	SF	30.00	\$480,000.00	DEMO BUILDING
	ROCK STORAGE CONTROL ROOM	225	SF	20.00	\$4,500.00	DEMO BUILDING
	ROCK STORAGE BUILDING	23,307	SF	30.00	\$699,210.00	DEMO BUILDING
	CLINKER SHED	35,000	SF	30.00	\$1,050,000.00	DEMO BUILDING
	MECHANIC GARAGE	2,400	SF	20.00	\$48,000.00	DEMO BUILDING
	SLAG STORAGE	8,474	SF	30.00	\$254,220.00	DEMO BUILDING
	INDUSTRIAL BUILDING	20,625	SF	30.00	\$618,750.00	DEMO BUILDING
Vertical Demolition Subtotal:					\$7,027,560	

GRADING

	ROUGH CUT & FILL	375,000	CY	7.00	\$2,625,000.00	ASSUMES 18" CUT/18" FILL - SITE TO BALANCE
	PROPOSED BLDGS. OVEREX	45,000	CY	12.00	\$540,000.00	ASSUMES 36" BELOW GRADE
	COMPACTED ROAD SUBGRADES	290,000	SF	0.75	\$217,500.00	ALLOWANCE
	HARDSCAPE SUBGRADES	750,000	SF	0.75	\$562,500.00	ALLOWANCE
	RETAINING WALLS	15,000	SF	35.00	\$525,000.00	CONTINGENCY FOR SLOPES
	RIPARIAN PROTECTION MEASURES	1	LS	75000.00	\$75,000.00	CONTINGENCY
	FINE GRADING	500,000	SF	0.35	\$175,000.00	LANDSCAPED AREAS
Grading Subtotal:					\$4,720,000	

EROSION CONTROLS

	STABILIZED CONST. ENTRANCE	2	EA	2500.00	\$5,000.00	ALLOWANCE
	SILT FENCE	7,500	LF	3.50	\$26,250.00	ALLOWANCE
	STRAW WATTLE	10,000	LF	3.00	\$30,000.00	ALLOWANCE
	CONCRETE WASHOUTS	3	EA	750.00	\$2,250.00	ALLOWANCE
	STORM DRAIN INLET PROTECTION	15	EA	500.00	\$7,500.00	ALLOWANCE
	MAINTENANCE/MONITORING	36	MO	2500.00	\$90,000.00	ASSUMES 36 MONTH PROJECT
	HYDROSEED	500,000	SF	0.10	\$50,000.00	ALLOWANCE
Erosion Control Subtotal:					\$211,000	

WATER LINES

Engineer's Estimate of Construction Costs

CAT.	ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
	FIRE LINE MAINS 6"	7,000	LF	45.00	\$315,000.00	INCLUDES FITTINGS
	FIRE SERVICE	15	EA	1000.00	\$15,000.00	TO BLDG RISERS
	WATER MAINS 6"	800	LF	45.00	\$36,000.00	TO CAMPSITES
	WATER MAINS 8"	7,000	LF	50.00	\$350,000.00	IN MAIN ROADWAYS
	FIRE HYDRANT ASSEMBLY	20	EA	4500.00	\$90,000.00	ALLOWANCE
	BLOWOFF	3	EA	3500.00	\$10,500.00	ALLOWANCE
	WATER SERVICES TO BLDG.	15	EA	2500.00	\$37,500.00	ALLOWANCE
	WATER SERVICES TO CAMPSITES	57	EA	1500.00	\$85,500.00	ALLOWANCE
	WATER LINE CONNECTION HWY 1	1	EA	7500.00	\$7,500.00	ALLOWANCE
	DOUBLE DETECTOR CHECK	15	EA	6500.00	\$97,500.00	ALLOWANCE
Water Subtotal:					\$1,044,500	
SEWER LINES						
	SEWER MAINS	7,500	LF	45.00	\$337,500.00	ALLOWANCE
	SEWER CONNECTION ON HWY 1	1	EA	15000.00	\$15,000.00	ALLOWANCE
	SEWER MANHOLES	21	EA	5000.00	\$105,000.00	ALLOWANCE
	SEWER CLEANOUT	15	EA	1000.00	\$15,000.00	ALLOWANCE
	SEWER SERVICE TO CAMPSITES	1	EA	1500.00	\$1,500.00	ASSUMES 1 EA. COMMON RESTROOM
	SEWER SERVICES TO BLDG	15	EA	1500.00	\$22,500.00	ALLOWANCE
Sewer Subtotal:					\$496,500	
STORM DRAINS						
	STORM DRAIN INLETS	15	EA	8500.00	\$127,500.00	ALLOWANCE
	CATCH BASIN	30	EA	750.00	\$22,500.00	ALLOWANCE
	AREA DRAINS	200	EA	350.00	\$70,000.00	ALLOWANCE
	36" STORM DRAINS	1,000	LF	100.00	\$100,000.00	ALLOWANCE
	24" HDPE STORM DRAINS	6,000	LF	75.00	\$450,000.00	ALLOWANCE
	12" HDPE STORM DRAINS	1,500	LF	45.00	\$67,500.00	ALLOWANCE
	MANHOLES	20	EA	5000.00	\$100,000.00	ALLOWANCE
	STORMWATER MANAGEMENT FACILITIES	75,000	CF	4.00	\$300,000.00	ASSUMES INFILTRATORS
	STORM WATER TREATMENT UNITS	3	EA	75000.00	\$225,000.00	ALLOWANCE
	HEADWALLS	1	LS	50000.00	\$50,000.00	ALLOWANCE
	RIP RAP	300	CY	250.00	\$75,000.00	ENERGY DISSIPATORS
Storm Subtotal:					\$1,587,500	
DRY UTILITIES						
	JOINT TRENCH	7,500	LF	40.00	\$300,000.00	INCLUDES PRIMARY, SECONDARY AND SERVICE
	TRANSFORMER PADS	15	EA	3500.00	\$52,500.00	ALLOWANCE
	VAULTS	10	EA	7500.00	\$75,000.00	ALLOWANCE
	JUNCTION BOXES	30	EA	1500.00	\$45,000.00	ALLOWANCE
	SERVICES TO BLDGS.	15	EA	1500.00	\$22,500.00	ALLOWANCE
	SERVICES TO CAMPSITES	57	EA	1000.00	\$57,000.00	ALLOWANCE
	STREET LIGHTS	25	EA	3500.00	\$87,500.00	ASSUMES LOW PROFILE DECORATIVE
	GAS SERVICES	15	EA	3000.00	\$45,000.00	ALLOWANCE
	GAS LINES	7,000	LF	30.00	\$210,000.00	ALLOWANCE
Dry Subtotal:					\$894,500	
LANDSCAPING/HARDSCAPES						
	IRRIGATION/PLANTINGS	550,000	SF	7.00	\$3,850,000.00	ALLOWANCE
	PAVERS	75,000	SF	15.00	\$1,125,000.00	ASSUMES 6% OF SITE HARDSCAPES
	CONCRETE PAVING	250,000	SF	7.50	\$1,875,000.00	ALLOWANCE
	GAZEBOS	7,500	SF	50.00	\$375,000.00	ALLOWANCE
	WATER FEATURES	1	LS	250000.00	\$250,000.00	ALLOWANCE
	BBQ'S	60	EA	1500.00	\$90,000.00	ALLOWANCE
	FIRE PIT	56	EA	1000.00	\$56,000.00	ALLOWANCE
	PICNIC TABLES	70	EA	1500.00	\$105,000.00	ALLOWANCE
	PLAYGROUND	1	LS	250000.00	\$250,000.00	ALLOWANCE
	FENCING	1	LS	100000.00	\$100,000.00	ALLOWANCE
Street Subtotal:					\$8,076,000	

Engineer's Estimate of Construction Costs

CAT.	ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
ONSITE IMPROVEMENTS						
	6" CURB & GUTTER	17,500	LF	30.00	\$525,000.00	ALLOWANCE
	CURBS	10,000	LF	25.00	\$250,000.00	ALLOWANCE
	SIDEWALKS	55,000	SF	5.00	\$275,000.00	ALLOWANCE
	CURB RAMPS	25	EA	2500.00	\$62,500.00	WITH DOMES
	CROSS GUTTER	7,500	SF	10.00	\$75,000.00	ALLOWANCE
	STRIPING/SIGNAGE	1	LS	35000.00	\$35,000.00	ROADS/PARKING STALLS/ADA SIGNAGE
	PARKING LOT PAVING	500,000	SF	4.50	\$2,250,000.00	ASSUMES 3" SECTION
	ROADWAYS PAVING	300,000	SF	7.50	\$2,250,000.00	ASSUMES 6" SECTION
	TRASH ENCLOSURES	10	EA	7500.00	\$75,000.00	ALLOWANCE
Street Subtotal:					\$5,797,500	

CAT.	ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
OFFSITE IMPROVEMENTS						
	SAWCUTTING	3,000	LF	3.00	\$9,000.00	ALLOWANCE
	ASPHALT DEMOLITION	4,500	SF	3.00	\$13,500.00	ALLOWANCE
	RELOCATE EXISTING POWER POLES	1,500	LF	75.00	\$112,500.00	CONTINGENCY FOR HWY 1 WIDENING
	RET. WALLS FOR BRIDGE STEPS	2,000	SF	35.00	\$70,000.00	BASED ON 15' HIGH BRIDGE
	CONCRETE STEPS AT BRIDGE	250	SF	75.00	\$18,750.00	ASSUMES 3' WIDE WITH 5' LANDINGS
	STEP HANDRAILS	110	LF	150.00	\$16,500.00	BOTH SIDES
	ADA ELEVATORS AT BRIDGE	2	EA	100000.00	\$200,000.00	FOR ADA ACCESS TO BRIDGE
	BRIDGE FOOTINGS/HEADWALLS	1	LS	200000.00	\$200,000.00	ALLOWANCE
	PREFABRICATED METAL BRIDGE	200	LF	4000.00	\$800,000.00	ASSUMES MAX. 10' WIDE PEDESTRIAN ONLY
	COMPACTED SUBGRADES	28,000	SF	1.50	\$42,000.00	FOR WIDENING HWY 1 & ENTRANCE
	CURBS AT ENTRANCE	500	LF	25.00	\$12,500.00	INCLUDES ISLAND
	CURB RAMPS	3	EA	2500.00	\$7,500.00	ALLOWANCE
	DECORATIVE CONCRETE	1,500	SF	10.00	\$15,000.00	ISLAND AT ENTRANCE
	CLEAR AND GRUB	20,000	SF	1.00	\$20,000.00	INCLUDES TREE REMOVAL AND TRIMMING
	ASPHALT PAVING HWY 1 (8"/18")	18,000	SF	10.00	\$180,000.00	ASSUMES 8" HMA OVER 18" BASE
	ROAD SLURRY	60,000	SF	0.50	\$30,000.00	ALLOWANCE
	STRIPING/SIGNAGE	1	LS	5500.00	\$5,500.00	ALLOWANCE
	SIGNAL LIGHT AT ENTRANCE	1	LS	350000.00	\$350,000.00	ASSUMES 8" SECTION
	RAIL ROAD CROSSING LIGHTS	1	LS	15000.00	\$15,000.00	AT ENTRANCE ROAD
	TRAFFIC CONTROLS	60	DAYS	1500.00	\$90,000.00	ALLOWANCE

Offsite Construction Subtotal: \$2,207,750

Project Subtotal: \$32,242,810

CONCEPTUAL DESIGN CONTINGENCIES: 30% \$9,672,843

GRAND TOTAL: \$41,915,653

THIS ESTIMATE WAS PREPARED USING STANDARD COST AND/OR QUANTITY ESTIMATE PRACTICES. IT IS UNDERSTOOD AND AGREED THAT THIS IS AN ESTIMATE ONLY, AND THAT THE ENGINEER SHALL NOT BE LIABLE TO THE OWNER OR TO A THIRD PARTY FOR ANY FAILURE TO ACCURATELY ESTIMATE THE COST AND/OR QUANTITIES FOR THE PROJECT, OR ANY PART THEREOF.

APPENDIX C



Alternative 1



DATE: Oct 09, 2017
 JOB No.: 0509-01-UR16
 JOB NM: SANTA CRUZ COASTAL RESTORATION REUSE PLAN
 CALC BY: SHS
 CHK BY: TJW

3765 South Higuera, Suite 102
San Luis Obispo, Ca.

Ph: (805) 543-1794 Fax: (805).543.4609 email: www.rrmdesign.com

Engineer's Estimate of Construction Costs

CAT.	ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
DEMOLITION AND SITE PREPARATION						
	CLEAR & GRUB	40	AC	1500.00	\$60,000.00	INCLUDES VEGETATION AND MINOR ONSITE DEMO
	TREE REMOVALS	1	LS	50000.00	\$50,000.00	VARYING SIZE
	TREE PRUNING	1	LS	25000.00	\$25,000.00	ALLOWANCE
	ENTRANCE DEMOLITION	15,000	SF	3.00	\$45,000.00	DEMO EXISTING CONCRETE CURBS AND PAVING
Demo and Site Prep Subtotal:					\$180,000	
VERTICAL DEMOLITION COSTS						
	ADMIN BUILDING	6,600	SF	20.00	\$132,000.00	DEMO BUILDING
	COMPRESSOR ROOM	6,712	SF	30.00	\$201,360.00	DEMO BUILDING
	OIL STORAGE BUILDING	3,000	SF	20.00	\$60,000.00	DEMO BUILDING
	MACHINE SHOP	20,625	SF	30.00	\$618,750.00	DEMO BUILDING
	POWERHOUSE	6,900	SF	30.00	\$207,000.00	DEMO BUILDING
	ELECTRIC SHOP/STORE ROOM	11,700	SF	30.00	\$351,000.00	DEMO BUILDING
	FACILITIES CONTROL BUILDING	13,392	SF	30.00	\$401,760.00	DEMO BUILDING
	STORAGE SHED	2,016	SF	20.00	\$40,320.00	DEMO BUILDING
	PREHEATER TOWER	25,809	SF	50.00	\$1,290,450.00	DEMO BUILDING
	ROLLER MILL	32,760	SF	30.00	\$982,800.00	DEMO BUILDING
	STORAGE/POTASH BUILDING	5,285	SF	20.00	\$105,700.00	DEMO BUILDING
	CARPENTER SHOP	5,500	SF	20.00	\$110,000.00	DEMO BUILDING
	LIME BUILDING	5,625	SF	20.00	\$112,500.00	DEMO BUILDING
	IRON/LATERITE STORAGE BUILDING	16,000	SF	30.00	\$480,000.00	DEMO BUILDING
	ROCK STORAGE CONTROL ROOM	225	SF	20.00	\$4,500.00	DEMO BUILDING
	ROCK STORAGE BUILDING	23,307	SF	30.00	\$699,210.00	DEMO BUILDING
	CLINKER SHED	35,000	SF	30.00	\$1,050,000.00	DEMO BUILDING
	MECHANIC GARAGE	2,400	SF	20.00	\$48,000.00	DEMO BUILDING
	SLAG STORAGE	8,474	SF	30.00	\$254,220.00	DEMO BUILDING
	INDUSTRIAL BUILDING	20,625	SF	30.00	\$618,750.00	DEMO BUILDING
	SILOS	16,653	SF	50.00	\$832,650.00	DEMO BUILDING
Vertical Demolition Subtotal:					\$8,600,970	
GRADING						
	ROUGH CUT & FILL	375,000	CY	7.00	\$2,625,000.00	ASSUMES 18" CUT/18" FILL - SITE TO BALANCE
	PROPOSED BLDGS. OVEREX	45,000	CY	12.00	\$540,000.00	ASSUMES 36" BELOW GRADE
	COMPACTED ROAD SUBGRADES	290,000	SF	0.75	\$217,500.00	ALLOWANCE
	HARDSCAPE SUBGRADES	750,000	SF	0.75	\$562,500.00	ALLOWANCE
	RETAINING WALLS	15,000	SF	35.00	\$525,000.00	CONTINGENCY FOR SLOPES
	RIPARIAN PROTECTION MEASURES	1	LS	75000.00	\$75,000.00	CONTINGENCY
	FINE GRADING	500,000	SF	0.35	\$175,000.00	LANDSCAPED AREAS
Grading Subtotal:					\$4,720,000	
EROSION CONTROLS						
	STABILIZED CONST. ENTRANCE	2	EA	2500.00	\$5,000.00	ALLOWANCE
	SILT FENCE	7,500	LF	3.50	\$26,250.00	ALLOWANCE
	STRAW WATTLE	10,000	LF	3.00	\$30,000.00	ALLOWANCE
	CONCRETE WASHOUTS	3	EA	750.00	\$2,250.00	ALLOWANCE
	STORM DRAIN INLET PROTECTION	15	EA	500.00	\$7,500.00	ALLOWANCE
	MAINTENANCE/MONITORING	36	MO	2500.00	\$90,000.00	ASSUMES 36 MONTH PROJECT
	HYDROSEED	500,000	SF	0.10	\$50,000.00	ALLOWANCE
Erosion Control Subtotal:					\$211,000	

Engineer's Estimate of Construction Costs

CAT.	ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
WATER LINES						
	FIRE LINE MAINS 6"	7,000	LF	45.00	\$315,000.00	INCLUDES FITTINGS
	FIRE SERVICE	15	EA	1000.00	\$15,000.00	TO BLDG RISERS
	WATER MAINS 6"	800	LF	45.00	\$36,000.00	TO CAMPSITES
	WATER MAINS 8"	7,000	LF	50.00	\$350,000.00	IN MAIN ROADWAYS
	FIRE HYDRANT ASSEMBLY	20	EA	4500.00	\$90,000.00	ALLOWANCE
	BLOWOFF	3	EA	3500.00	\$10,500.00	ALLOWANCE
	WATER SERVICES TO BLDG.	15	EA	2500.00	\$37,500.00	ALLOWANCE
	WATER SERVICES TO CAMPSITES	57	EA	1500.00	\$85,500.00	ALLOWANCE
	WATER LINE CONNECTION HWY 1	1	EA	7500.00	\$7,500.00	ALLOWANCE
	DOUBLE DETECTOR CHECK	15	EA	6500.00	\$97,500.00	ALLOWANCE
Water Subtotal:					\$1,044,500	
SEWER LINES						
	SEWER MAINS	7,500	LF	45.00	\$337,500.00	ALLOWANCE
	SEWER CONNECTION ON HWY 1	1	EA	15000.00	\$15,000.00	ALLOWANCE
	SEWER MANHOLES	21	EA	5000.00	\$105,000.00	ALLOWANCE
	SEWER CLEANOUT	15	EA	1000.00	\$15,000.00	ALLOWANCE
	SEWER SERVICE TO CAMPSITES	1	EA	1500.00	\$1,500.00	ASSUMES 1 EA. COMMON RESTROOM
	SEWER SERVICES TO BLDG	15	EA	1500.00	\$22,500.00	ALLOWANCE
Sewer Subtotal:					\$496,500	
STORM DRAINS						
	STORM DRAIN INLETS	15	EA	8500.00	\$127,500.00	ALLOWANCE
	CATCH BASIN	30	EA	750.00	\$22,500.00	ALLOWANCE
	AREA DRAINS	200	EA	350.00	\$70,000.00	ALLOWANCE
	36" STORM DRAINS	1,000	LF	100.00	\$100,000.00	ALLOWANCE
	24" HDPE STORM DRAINS	6,000	LF	75.00	\$450,000.00	ALLOWANCE
	12" HDPE STORM DRAINS	1,500	LF	45.00	\$67,500.00	ALLOWANCE
	MANHOLES	20	EA	5000.00	\$100,000.00	ALLOWANCE
	STORMWATER MANAGEMENT FACILITIES	75,000	CF	4.00	\$300,000.00	ASSUMES INFILTRATORS
	STORM WATER TREATMENT UNITS	3	EA	75000.00	\$225,000.00	ALLOWANCE
	HEADWALLS	1	LS	50000.00	\$50,000.00	ALLOWANCE
	RIP RAP	300	CY	250.00	\$75,000.00	ENERGY DISSIPATORS
Storm Subtotal:					\$1,587,500	
DRY UTILITIES						
	JOINT TRENCH	7,500	LF	40.00	\$300,000.00	INCLUDES PRIMARY, SECONDARY AND SERVICE
	TRANSFORMER PADS	15	EA	3500.00	\$52,500.00	ALLOWANCE
	VAULTS	10	EA	7500.00	\$75,000.00	ALLOWANCE
	JUNCTION BOXES	30	EA	1500.00	\$45,000.00	ALLOWANCE
	SERVICES TO BLDGS.	15	EA	1500.00	\$22,500.00	ALLOWANCE
	SERVICES TO CAMPSITES	57	EA	1000.00	\$57,000.00	ALLOWANCE
	STREET LIGHTS	25	EA	3500.00	\$87,500.00	ASSUMES LOW PROFILE DECORATIVE
	GAS SERVICES	15	EA	3000.00	\$45,000.00	ALLOWANCE
	GAS LINES	7,000	LF	30.00	\$210,000.00	ALLOWANCE
Dry Subtotal:					\$894,500	
LANDSCAPING/HARDSCAPES						
	IRRIGATION/PLANTINGS	550,000	SF	7.00	\$3,850,000.00	ALLOWANCE
	PAVERS	75,000	SF	15.00	\$1,125,000.00	ASSUMES 6% OF SITE HARDSCAPES
	CONCRETE PAVING	200,000	SF	7.50	\$1,500,000.00	ALLOWANCE
	GAZEBOS	7,500	SF	50.00	\$375,000.00	ALLOWANCE
	WATER FEATURES	1	LS	250000.00	\$250,000.00	ALLOWANCE
	BBQ'S	60	EA	1500.00	\$90,000.00	ALLOWANCE
	FIRE PIT	56	EA	1000.00	\$56,000.00	ALLOWANCE
	PICNIC TABLES	70	EA	1500.00	\$105,000.00	ALLOWANCE
	PLAYGROUND	1	LS	250000.00	\$250,000.00	ALLOWANCE
	FENCING	1	LS	100000.00	\$100,000.00	ALLOWANCE
Street Subtotal:					\$7,701,000	

Engineer's Estimate of Construction Costs

CAT. ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
ONSITE IMPROVEMENTS					
6" CURB & GUTTER	17,500	LF	30.00	\$525,000.00	ALLOWANCE
CURBS	10,000	LF	25.00	\$250,000.00	ALLOWANCE
SIDEWALKS	55,000	SF	5.00	\$275,000.00	ALLOWANCE
CURB RAMPS	25	EA	2500.00	\$62,500.00	WITH DOMES
CROSS GUTTER	7,500	SF	10.00	\$75,000.00	ALLOWANCE
STRIPING/SIGNAGE	1	LS	35000.00	\$35,000.00	ROADS/PARKING STALLS/ADA SIGNAGE
PARKING LOT PAVING	280,000	SF	4.50	\$1,260,000.00	ASSUMES 3" SECTION
ROADWAYS PAVING	250,000	SF	7.50	\$1,875,000.00	ASSUMES 6" SECTION
TRASH ENCLOSURES	8	EA	7500.00	\$60,000.00	ALLOWANCE
Street Subtotal:				\$4,417,500	

CAT. ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
OFFSITE IMPROVEMENTS					
SAWCUTTING	3,000	LF	3.00	\$9,000.00	ALLOWANCE
ASPHALT DEMOLITION	4,500	SF	3.00	\$13,500.00	ALLOWANCE
RELOCATE EXISTING POWER POLES	1,500	LF	75.00	\$112,500.00	CONTINGENCY FOR HWY 1 WIDENING
RET. WALLS FOR BRIDGE STEPS	2,000	SF			BASED ON 15' HIGH BRIDGE
CONCRETE STEPS AT BRIDGE	250	SF			ASSUMES 3' WIDE WITH 5' LANDINGS
STEP HANDRAILS	110	LF			BOTH SIDES
ADA ELEVATORS AT BRIDGE	2	EA			FOR ADA ACCESS TO BRIDGE
BRIDGE FOOTINGS/HEADWALLS	1	LS			ALLOWANCE
PREFABRICATED METAL BRIDGE	200	LF			ASSUMES MAX. 10' WIDE PEDESTRIAN ONLY
COMPACTED SUBGRADES	28,000	SF			FOR WIDENING HWY 1 & ENTRANCE
CURBS AT ENTRANCE	500	LF			INCLUDES ISLAND
CURB RAMPS	3	EA			ALLOWANCE
DECORATIVE CONCRETE	1,500	SF			ISLAND AT ENTRANCE
CLEAR AND GRUB	20,000	SF	1.00	\$20,000.00	INCLUDES TREE REMOVAL AND TRIMMING
ASPHALT PAVING HWY 1 (8"/18")	18,000	SF	10.00	\$180,000.00	ASSUMES 8" HMA OVER 18" BASE
ROAD SLURRY	60,000	SF	0.50	\$30,000.00	ALLOWANCE
STRIPING/SIGNAGE	1	LS	5500.00	\$5,500.00	ALLOWANCE
SIGNAL LIGHT AT ENTRANCE	1	LS	350000.00	\$350,000.00	ASSUMES 8" SECTION
RAIL ROAD CROSSING LIGHTS	1	LS	15000.00	\$15,000.00	AT ENTRANCE ROAD
TRAFFIC CONTROLS	60	DAYS	1500.00	\$90,000.00	ALLOWANCE
Offsite Construction Subtotal:				\$825,500	

Project Subtotal: \$30,678,970
CONCEPTUAL DESIGN CONTINGENCIES: 30% \$9,203,691
GRAND TOTAL: \$39,882,661

THIS ESTIMATE WAS PREPARED USING STANDARD COST AND/OR QUANTITY ESTIMATE PRACTICES. IT IS UNDERSTOOD AND AGREED THAT THIS IS AN ESTIMATE ONLY, AND THAT THE ENGINEER SHALL NOT BE LIABLE TO THE OWNER OR TO A THIRD PARTY FOR ANY FAILURE TO ACCURATELY ESTIMATE THE COST AND/OR QUANTITIES FOR THE PROJECT, OR ANY PART THEREOF.

Alternative 2

ALTERNATIVE 2



DATE: Oct 09, 2017

JOB No.: 0509-01-UR16

JOB NM: SANTA CRUZ COASTAL RESTORATION REUSE PLAN

CALC BY: SHS

CHK BY: TJW

**3765 South Higuera, Suite 102
San Luis Obispo, Ca.**

Ph: (805) 543-1794 Fax: (805).543.4609 email: www.rrmdesign.com

Engineer's Estimate of Construction Costs

CAT. ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
DEMOLITION AND SITE PREPARATION					
CLEAR & GRUB	40	AC	1500.00	\$60,000.00	INCLUDES VEGETATION AND MINOR ONSITE DEMO
TREE REMOVALS	1	LS	50000.00	\$50,000.00	VARYING SIZE
TREE PRUNING	1	LS	25000.00	\$25,000.00	ALLOWANCE
ENTRANCE DEMOLITION	15,000	SF	3.00	\$45,000.00	DEMO EXISTING CONCRETE CURBS AND PAVING
Demo and Site Prep Subtotal:				\$180,000	
VERTICAL DEMOLITION COSTS					
ADMIN BUILDING	6,600	SF	20.00	\$132,000.00	DEMO BUILDING
COMPRESSOR ROOM	6,712	SF	30.00	\$201,360.00	DEMO BUILDING
OIL STORAGE BUILDING	3,000	SF	20.00	\$60,000.00	DEMO BUILDING
MACHINE SHOP	20,625	SF	30.00	\$618,750.00	DEMO BUILDING
POWERHOUSE	6,900	SF	30.00	\$207,000.00	DEMO BUILDING
ELECTRIC SHOP/STORE ROOM	11,700	SF	30.00	\$351,000.00	DEMO BUILDING
FACILITIES CONTROL BUILDING	13,392	SF	30.00	\$401,760.00	DEMO BUILDING
STORAGE SHED	2,016	SF	20.00	\$40,320.00	DEMO BUILDING
PREHEATER TOWER	25,809	SF	50.00	\$1,290,450.00	DEMO BUILDING
ROLLER MILL	32,760	SF	30.00	\$982,800.00	DEMO BUILDING
STORAGE/POTASH BUILDING	5,285	SF	20.00	\$105,700.00	DEMO BUILDING
CARPENTER SHOP	5,500	SF	20.00	\$110,000.00	DEMO BUILDING
LIME BUILDING	5,625	SF	20.00	\$112,500.00	DEMO BUILDING
IRON/LATERITE STORAGE BUILDING	16,000	SF	30.00	\$480,000.00	DEMO BUILDING
ROCK STORAGE CONTROL ROOM	225	SF	20.00	\$4,500.00	DEMO BUILDING
ROCK STORAGE BUILDING	23,307	SF	30.00	\$699,210.00	DEMO BUILDING
CLINKER SHED	35,000	SF	30.00	\$1,050,000.00	DEMO BUILDING
MECHANIC GARAGE	2,400	SF	20.00	\$48,000.00	DEMO BUILDING
SLAG STORAGE	8,474	SF	30.00	\$254,220.00	DEMO BUILDING
INDUSTRIAL BUILDING	20,625	SF	30.00	\$618,750.00	DEMO BUILDING
Demo and Site Prep Subtotal:				\$7,768,320	
GRADING					
ROUGH CUT & FILL	375,000	CY	7.00	\$2,625,000.00	ASSUMES 18" CUT/18" FILL - SITE TO BALANCE
PROPOSED BLDGS. OVEREX	45,000	CY	12.00	\$540,000.00	ASSUMES 36" BELOW GRADE
COMPACTED ROAD SUBGRADES	290,000	SF	0.75	\$217,500.00	ALLOWANCE
HARDSCAPE SUBGRADES	750,000	SF	0.75	\$562,500.00	ALLOWANCE
RETAINING WALLS	15,000	SF	35.00	\$525,000.00	CONTINGENCY FOR SLOPES
RIPARIAN PROTECTION MEASURES	1	LS	75000.00	\$75,000.00	CONTINGENCY
FINE GRADING	500,000	SF	0.35	\$175,000.00	LANDSCAPED AREAS
Grading Subtotal:				\$4,720,000	
EROSION CONTROLS					
STABILIZED CONST. ENTRANCE	2	EA	2500.00	\$5,000.00	ALLOWANCE
SILT FENCE	7,500	LF	3.50	\$26,250.00	ALLOWANCE
STRAW WATTLE	10,000	LF	3.00	\$30,000.00	ALLOWANCE
CONCRETE WASHOUTS	3	EA	750.00	\$2,250.00	ALLOWANCE
STORM DRAIN INLET PROTECTION	15	EA	500.00	\$7,500.00	ALLOWANCE
MAINTENANCE/MONITORING	36	MO	2500.00	\$90,000.00	ASSUMES 36 MONTH PROJECT
HYDROSEED	500,000	SF	0.10	\$50,000.00	ALLOWANCE
Erosion Control Subtotal:				\$211,000	

Engineer's Estimate of Construction Costs

CAT.	ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
WATER LINES						
	FIRE LINE MAINS 6"	7,000	LF	45.00	\$315,000.00	INCLUDES FITTINGS
	FIRE SERVICE	15	EA	1000.00	\$15,000.00	TO BLDG RISERS
	WATER MAINS 6"	800	LF	45.00	\$36,000.00	TO CAMPSITES
	WATER MAINS 8"	7,000	LF	50.00	\$350,000.00	IN MAIN ROADWAYS
	FIRE HYDRANT ASSEMBLY	20	EA	4500.00	\$90,000.00	ALLOWANCE
	BLOWOFF	3	EA	3500.00	\$10,500.00	ALLOWANCE
	WATER SERVICES TO BLDG.	15	EA	2500.00	\$37,500.00	ALLOWANCE
	WATER SERVICES TO CAMPSITES	57	EA	1500.00	\$85,500.00	ALLOWANCE
	WATER LINE CONNECTION HWY 1	1	EA	7500.00	\$7,500.00	ALLOWANCE
	DOUBLE DETECTOR CHECK	15	EA	6500.00	\$97,500.00	ALLOWANCE
Water Subtotal:					\$1,044,500	
SEWER LINES						
	SEWER MAINS	7,500	LF	45.00	\$337,500.00	ALLOWANCE
	SEWER CONNECTION ON HWY 1	1	EA	15000.00	\$15,000.00	ALLOWANCE
	SEWER MANHOLES	21	EA	5000.00	\$105,000.00	ALLOWANCE
	SEWER CLEANOUT	15	EA	1000.00	\$15,000.00	ALLOWANCE
	SEWER SERVICE TO CAMPSITES	1	EA	1500.00	\$1,500.00	ASSUMES 1 EA. COMMON RESTROOM
	SEWER SERVICES TO BLDG	15	EA	1500.00	\$22,500.00	ALLOWANCE
Sewer Subtotal:					\$496,500	
STORM DRAINS						
	STORM DRAIN INLETS	15	EA	8500.00	\$127,500.00	ALLOWANCE
	CATCH BASIN	30	EA	750.00	\$22,500.00	ALLOWANCE
	AREA DRAINS	200	EA	350.00	\$70,000.00	ALLOWANCE
	36" STORM DRAINS	1,000	LF	100.00	\$100,000.00	ALLOWANCE
	24" HDPE STORM DRAINS	6,000	LF	75.00	\$450,000.00	ALLOWANCE
	12" HDPE STORM DRAINS	1,500	LF	45.00	\$67,500.00	ALLOWANCE
	MANHOLES	20	EA	5000.00	\$100,000.00	ALLOWANCE
	UNDERGROUND STORM CHAMBERS	75,000	CF	4.00	\$300,000.00	ASSUMES INFILTRATORS
	STORM WATER TREATMENT UNITS	3	EA	75000.00	\$225,000.00	ALLOWANCE
	HEADWALLS	1	LS	50000.00	\$50,000.00	ALLOWANCE
	RIP RAP	300	CY	250.00	\$75,000.00	ENERGY DISSIPATORS
Storm Subtotal:					\$1,587,500	
DRY UTILITIES						
	JOINT TRENCH	7,500	LF	40.00	\$300,000.00	INCLUDES PRIMARY, SECONDARY AND SERVICE
	TRANSFORMER PADS	15	EA	3500.00	\$52,500.00	ALLOWANCE
	VAULTS	10	EA	7500.00	\$75,000.00	ALLOWANCE
	JUNCTION BOXES	30	EA	1500.00	\$45,000.00	ALLOWANCE
	SERVICES TO BLDGS.	15	EA	1500.00	\$22,500.00	ALLOWANCE
	SERVICES TO CAMPSITES	57	EA	1000.00	\$57,000.00	ALLOWANCE
	STREET LIGHTS	25	EA	3500.00	\$87,500.00	ASSUMES LOW PROFILE DECORATIVE
	GAS SERVICES	15	EA	3000.00	\$45,000.00	ALLOWANCE
	GAS LINES	7,000	LF	30.00	\$210,000.00	ALLOWANCE
Dry Subtotal:					\$894,500	
LANDSCAPING/HARDSCAPES						
	IRRIGATION/PLANTINGS	500,000	SF	7.00	\$3,500,000.00	ALLOWANCE
	PAVERS	75,000	SF	15.00	\$1,125,000.00	ASSUMES 6% OF SITE HARDSCAPES
	CONCRETE PAVING	300,000	SF	7.50	\$2,250,000.00	ALLOWANCE
	GAZEBOS	7,500	SF	50.00	\$375,000.00	ALLOWANCE
	WATER FEATURES	1	LS	250000.00	\$250,000.00	ALLOWANCE
	BBQ'S	60	EA	1500.00	\$90,000.00	ALLOWANCE
	FIRE PIT	56	EA	1000.00	\$56,000.00	ALLOWANCE

Engineer's Estimate of Construction Costs

CAT.	ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
	PICNIC TABLES	70	EA	1500.00	\$105,000.00	ALLOWANCE
	PLAYGROUND	1	LS	250000.00	\$250,000.00	ALLOWANCE
	FENCING	1	LS	100000.00	\$100,000.00	ALLOWANCE

Street Subtotal: \$8,101,000

ONSITE IMPROVEMENTS

	6" CURB & GUTTER	17,500	LF	30.00	\$525,000.00	ALLOWANCE
	CURBS	10,000	LF	25.00	\$250,000.00	ALLOWANCE
	SIDEWALKS	55,000	SF	5.00	\$275,000.00	ALLOWANCE
	CURB RAMPS	25	EA	2500.00	\$62,500.00	WITH DOMES
	CROSS GUTTER	7,500	SF	10.00	\$75,000.00	ALLOWANCE
	STRIPING/SIGNAGE	1	LS	35000.00	\$35,000.00	ROADS/PARKING STALLS/ADA SIGNAGE
	PARKING LOT PAVING	500,000	SF	4.50	\$2,250,000.00	ASSUMES 3' SECTION
	ROADWAYS PAVING	300,000	SF	7.50	\$2,250,000.00	ASSUMES 6' SECTION
	TRASH ENCLOSURES	10	EA	7500.00	\$75,000.00	ALLOWANCE

Street Subtotal: \$5,797,500

CAT.	ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
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OFFSITE IMPROVEMENTS

	SAWCUTTING	3,000	LF	3.00	\$9,000.00	ALLOWANCE
	ASPHALT DEMOLITION	4,500	SF	3.00	\$13,500.00	ALLOWANCE
	RELOCATE EXISTING POWER POLES	1,500	LF	75.00	\$112,500.00	CONTINGENCY FOR HWY 1 WIDENING
	RET. WALLS FOR BRIDGE STEPS	2,000	SF	35.00	\$70,000.00	BASED ON 15' HIGH BRIDGE
	CONCRETE STEPS AT BRIDGE	250	SF	75.00	\$18,750.00	ASSUMES 3' WIDE WITH 5' LANDINGS
	STEP HANDRAILS	110	LF	150.00	\$16,500.00	BOTH SIDES
	ADA ELEVATORS AT BRIDGE	2	EA	100000.00	\$200,000.00	FOR ADA ACCESS TO BRIDGE
	BRIDGE FOOTINGS/HEADWALLS	1	LS	200000.00	\$200,000.00	ALLOWANCE
	PREFABRICATED METAL BRIDGE	200	LF	4000.00	\$800,000.00	ASSUMES MAX. 10' WIDE PEDESTRIAN ONLY
	COMPACTED SUBGRADES	28,000	SF	1.50	\$42,000.00	FOR WIDENING HWY 1 & ENTRANCE
	CURBS AT ENTRANCE	500	LF	25.00	\$12,500.00	INCLUDES ISLAND
	CURB RAMPS	3	EA	2500.00	\$7,500.00	ALLOWANCE
	DECORATIVE CONCRETE	1,500	SF	10.00	\$15,000.00	ISLAND AT ENTRANCE
	CLEAR AND GRUB	20,000	SF	1.00	\$20,000.00	INCLUDES TREE REMOVAL AND TRIMMING
	ASPHALT PAVING HWY 1 (8"/18")	18,000	SF	10.00	\$180,000.00	ASSUMES 8" HMA OVER 18" BASE
	ROAD SLURRY	60,000	SF	0.50	\$30,000.00	ALLOWANCE
	STRIPING/SIGNAGE	1	LS	5500.00	\$5,500.00	ALLOWANCE
	SIGNAL LIGHT AT ENTRANCE	1	LS	350000.00	\$350,000.00	ASSUMES 8" SECTION
	RAIL ROAD CROSSING LIGHTS	1	LS	15000.00	\$15,000.00	AT ENTRANCE ROAD
	TRAFFIC CONTROLS	60	DAYS	1500.00	\$90,000.00	ALLOWANCE

Offsite Construction Subtotal: \$2,207,750

Project Subtotal:	\$32,828,570
CONCEPTUAL DESIGN CONTINGENCIES: 30%	\$9,848,571
GRAND TOTAL:	\$42,677,141

THIS ESTIMATE WAS PREPARED USING STANDARD COST AND/OR QUANTITY ESTIMATE PRACTICES. IT IS UNDERSTOOD AND AGREED THAT THIS IS AN ESTIMATE ONLY, AND THAT THE ENGINEER SHALL NOT BE LIABLE TO THE OWNER OR TO A THIRD PARTY FOR ANY FAILURE TO ACCURATELY ESTIMATE THE COST AND/OR QUANTITIES FOR THE OR ANY PART THEREOF.

Alternative 3

ALTERNATIVE 3



DATE: Oct 09, 2017
 JOB No.: 0509-01-UR16
 JOB NM: SANTA CRUZ COASTAL RESTORATION REUSE PLAN
 CALC BY: SHS
 CHK BY: TJW

3765 South Higuera, Suite 102
San Luis Obispo, Ca.

Ph: (805) 543-1794 Fax: (805).543.4609 email: www.rrmdesign.com

Engineer's Estimate of Construction Costs

CAT. ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
DEMOLITION AND SITE PREPARATION					
CLEAR & GRUB	40	AC	1500.00	\$60,000.00	INCLUDES VEGETATION AND MINOR ONSITE DEMO
TREE REMOVALS	1	LS	50000.00	\$50,000.00	VARYING SIZE
TREE PRUNING	1	LS	25000.00	\$25,000.00	ALLOWANCE
ENTRANCE DEMOLITION	15,000	SF	3.00	\$45,000.00	DEMO EXISTING CONCRETE CURBS AND PAVING
Demo and Site Prep Subtotal:				\$180,000	
VERTICAL DEMOLITION COSTS					
COMPRESSOR ROOM	6,712	SF	30.00	\$201,360.00	DEMO BUILDING
OIL STORAGE BUILDING	3,000	SF	20.00	\$60,000.00	DEMO BUILDING
MACHINE SHOP	20,625	SF	30.00	\$618,750.00	DEMO BUILDING
ELECTRIC SHOP/STORE ROOM	11,700	SF	30.00	\$351,000.00	DEMO BUILDING
STORAGE SHED	2,016	SF	20.00	\$40,320.00	DEMO BUILDING
PREHEATER TOWER	25,809	SF	50.00	\$1,290,450.00	DEMO BUILDING
ROLLER MILL	32,760	SF	30.00	\$982,800.00	DEMO BUILDING
STORAGE/POTASH BUILDING	5,285	SF	20.00	\$105,700.00	DEMO BUILDING
CARPENTER SHOP	5,500	SF	20.00	\$110,000.00	DEMO BUILDING
LIME BUILDING	5,625	SF	20.00	\$112,500.00	DEMO BUILDING
IRON/LATERITE STORAGE BUILDING	16,000	SF	30.00	\$480,000.00	DEMO BUILDING
ROCK STORAGE CONTROL ROOM	225	SF	20.00	\$4,500.00	DEMO BUILDING
ROCK STORAGE BUILDING	23,307	SF	30.00	\$699,210.00	DEMO BUILDING
CLINKER SHED	35,000	SF	30.00	\$1,050,000.00	DEMO BUILDING
MECHANIC GARAGE	2,400	SF	20.00	\$48,000.00	DEMO BUILDING
SLAG STORAGE	8,474	SF	30.00	\$254,220.00	DEMO BUILDING
INDUSTRIAL BUILDING	20,625	SF	30.00	\$618,750.00	DEMO BUILDING
Demo and Site Prep Subtotal:				\$7,027,560	
GRADING					
ROUGH CUT & FILL	375,000	CY	7.00	\$2,625,000.00	ASSUMES 18" CUT/18" FILL - SITE TO BALANCE
PROPOSED BLDGS. OVEREX	45,000	CY	12.00	\$540,000.00	ASSUMES 36" BELOW GRADE
COMPACTED ROAD SUBGRADES	290,000	SF	0.75	\$217,500.00	ALLOWANCE
HARDSCAPE SUBGRADES	750,000	SF	0.75	\$562,500.00	ALLOWANCE
RETAINING WALLS	15,000	SF	35.00	\$525,000.00	CONTINGENCY FOR SLOPES
RIPARIAN PROTECTION MEASURES	1	LS	75000.00	\$75,000.00	CONTINGENCY
FINE GRADING	500,000	SF	0.35	\$175,000.00	LANDSCAPED AREAS
Grading Subtotal:				\$4,720,000	
EROSION CONTROLS					
STABILIZED CONST. ENTRANCE	2	EA	2500.00	\$5,000.00	ALLOWANCE
SILT FENCE	7,500	LF	3.50	\$26,250.00	ALLOWANCE
STRAW WATTLE	10,000	LF	3.00	\$30,000.00	ALLOWANCE
CONCRETE WASHOUTS	3	EA	750.00	\$2,250.00	ALLOWANCE
STORM DRAIN INLET PROTECTION	15	EA	500.00	\$7,500.00	ALLOWANCE
MAINTENANCE/MONITORING	36	MO	2500.00	\$90,000.00	ASSUMES 36 MONTH PROJECT
HYDROSEED	500,000	SF	0.10	\$50,000.00	ALLOWANCE

Engineer's Estimate of Construction Costs

CAT.	ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
Erosion Control Subtotal:					\$211,000	

WATER LINES

	FIRE LINE MAINS 6"	7,000	LF	45.00	\$315,000.00	INCLUDES FITTINGS
	FIRE SERVICE	15	EA	1000.00	\$15,000.00	TO BLDG RISERS
	WATER MAINS 6"	800	LF	45.00	\$36,000.00	TO CAMPSITES
	WATER MAINS 8"	7,000	LF	50.00	\$350,000.00	IN MAIN ROADWAYS
	FIRE HYDRANT ASSEMBLY	20	EA	4500.00	\$90,000.00	ALLOWANCE
	BLOWOFF	3	EA	3500.00	\$10,500.00	ALLOWANCE
	WATER SERVICES TO BLDG.	15	EA	2500.00	\$37,500.00	ALLOWANCE
	WATER SERVICES TO CAMPSITES	57	EA	1500.00	\$85,500.00	ALLOWANCE
	WATER LINE CONNECTION HWY 1	1	EA	7500.00	\$7,500.00	ALLOWANCE
	DOUBLE DETECTOR CHECK	15	EA	6500.00	\$97,500.00	ALLOWANCE
Water Subtotal:					\$1,044,500	

SEWER LINES

	SEWER MAINS	7,500	LF	45.00	\$337,500.00	ALLOWANCE
	SEWER CONNECTION ON HWY 1	1	EA	15000.00	\$15,000.00	ALLOWANCE
	SEWER MANHOLES	21	EA	5000.00	\$105,000.00	ALLOWANCE
	SEWER CLEANOUT	15	EA	1000.00	\$15,000.00	ALLOWANCE
	SEWER SERVICE TO CAMPSITES	1	EA	1500.00	\$1,500.00	ASSUMES 1 EA. COMMON RESTROOM
	SEWER SERVICES TO BLDG	15	EA	1500.00	\$22,500.00	ALLOWANCE
Sewer Subtotal:					\$496,500	

STORM DRAINS

	STORM DRAIN INLETS	15	EA	8500.00	\$127,500.00	ALLOWANCE
	CATCH BASIN	30	EA	750.00	\$22,500.00	ALLOWANCE
	AREA DRAINS	200	EA	350.00	\$70,000.00	ALLOWANCE
	36" STORM DRAINS	1,000	LF	100.00	\$100,000.00	ALLOWANCE
	24" HDPE STORM DRAINS	6,000	LF	75.00	\$450,000.00	ALLOWANCE
	12" HDPE STORM DRAINS	1,500	LF	45.00	\$67,500.00	ALLOWANCE
	MANHOLES	20	EA	5000.00	\$100,000.00	ALLOWANCE
	UNDERGROUND STORM CHAMBERS	75,000	CF	4.00	\$300,000.00	ASSUMES INFILTRATORS
	STORM WATER TREATMENT UNITS	3	EA	75000.00	\$225,000.00	ALLOWANCE
	HEADWALLS	1	LS	50000.00	\$50,000.00	ALLOWANCE
	RIP RAP	300	CY	250.00	\$75,000.00	ENERGY DISSIPATORS
Storm Subtotal:					\$1,587,500	

DRY UTILITIES

	JOINT TRENCH	7,500	LF	40.00	\$300,000.00	INCLUDES PRIMARY, SECONDARY AND SERVICE
	TRANSFORMER PADS	15	EA	3500.00	\$52,500.00	ALLOWANCE
	VAULTS	10	EA	7500.00	\$75,000.00	ALLOWANCE
	JUNCTION BOXES	30	EA	1500.00	\$45,000.00	ALLOWANCE
	SERVICES TO BLDGS.	15	EA	1500.00	\$22,500.00	ALLOWANCE
	SERVICES TO CAMPSITES	57	EA	1000.00	\$57,000.00	ALLOWANCE
	STREET LIGHTS	25	EA	3500.00	\$87,500.00	ASSUMES LOW PROFILE DECORATIVE
	GAS SERVICES	15	EA	3000.00	\$45,000.00	ALLOWANCE
	GAS LINES	7,000	LF	30.00	\$210,000.00	ALLOWANCE
Dry Subtotal:					\$894,500	

Engineer's Estimate of Construction Costs

CAT. ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
LANDSCAPING/HARDSCAPES					
IRRIGATION/PLANTINGS	500,000	SF	7.00	\$3,500,000.00	ALLOWANCE
PAVERS	75,000	SF	15.00	\$1,125,000.00	ASSUMES 6% OF SITE HARDSCAPES
DECORATIVE CONCRETE	300,000	SF	7.50	\$2,250,000.00	ALLOWANCE
GAZEBOS	7,500	SF	50.00	\$375,000.00	ALLOWANCE
WATER FEATURES	1	LS	250000.00	\$250,000.00	ALLOWANCE
BBQ'S	60	EA	1500.00	\$90,000.00	ALLOWANCE
FIRE PIT	56	EA	1000.00	\$56,000.00	ALLOWANCE
PICNIC TABLES	70	EA	1500.00	\$105,000.00	ALLOWANCE
PLAYGROUND	1	LS	250000.00	\$250,000.00	ALLOWANCE
FENCING	1	LS	100000.00	\$100,000.00	ALLOWANCE

Street Subtotal: \$8,101,000

ONSITE IMPROVEMENTS

6" CURB & GUTTER	17,500	LF	30.00	\$525,000.00	ALLOWANCE
CURBS	10,000	LF	25.00	\$250,000.00	ALLOWANCE
SIDEWALKS	55,000	SF	5.00	\$275,000.00	ALLOWANCE
CURB RAMPS	25	EA	2500.00	\$62,500.00	WITH DOMES
CROSS GUTTER	7,500	SF	10.00	\$75,000.00	ALLOWANCE
STRIPING/SIGNAGE	1	LS	35000.00	\$35,000.00	ROADS/PARKING STALLS/ADA SIGNAGE
PARKING LOT PAVING	500,000	SF	4.50	\$2,250,000.00	ASSUMES 3" SECTION
ROADWAYS PAVING	300,000	SF	7.50	\$2,250,000.00	ASSUMES 6" SECTION
TRASH ENCLOSURES	10	EA	7500.00	\$75,000.00	ALLOWANCE

Street Subtotal: \$5,797,500

CAT. ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
OFFSITE IMPROVEMENTS					
SAWCUTTING	3,000	LF	3.00	\$9,000.00	ALLOWANCE
ASPHALT DEMOLITION	4,500	SF	3.00	\$13,500.00	ALLOWANCE
RELOCATE EXISTING POWER POLES	1,500	LF	75.00	\$112,500.00	CONTINGENCY FOR HWY 1 WIDENING
RET. WALLS FOR BRIDGE STEPS	2,000	SF	35.00	\$70,000.00	BASED ON 15' HIGH BRIDGE
CONCRETE STEPS AT BRIDGE	250	SF	75.00	\$18,750.00	ASSUMES 3' WIDE WITH 5' LANDINGS
STEP HANDRAILS	110	LF	150.00	\$16,500.00	BOTH SIDES
ADA ELEVATORS AT BRIDGE	2	EA	100000.00	\$200,000.00	FOR ADA ACCESS TO BRIDGE
BRIDGE FOOTINGS/HEADWALLS	1	LS	200000.00	\$200,000.00	ALLOWANCE
PREFABRICATED METAL BRIDGE	200	LF	4000.00	\$800,000.00	ASSUMES MAX. 10' WIDE PEDESTRIAN ONLY
COMPACTED SUBGRADES	28,000	SF	1.50	\$42,000.00	FOR WIDENING HWY 1 & ENTRANCE
CURBS AT ENTRANCE	500	LF	25.00	\$12,500.00	INCLUDES ISLAND
CURB RAMPS	3	EA	2500.00	\$7,500.00	ALLOWANCE
DECORATIVE CONCRETE	1,500	SF	10.00	\$15,000.00	ISLAND AT ENTRANCE
CLEAR AND GRUB	20,000	SF	1.00	\$20,000.00	INCLUDES TREE REMOVAL AND TRIMMING
ASPHALT PAVING HWY 1 (8"/18")	18,000	SF	10.00	\$180,000.00	ASSUMES 8" HMA OVER 18" BASE
ROAD SLURRY	60,000	SF	0.50	\$30,000.00	ALLOWANCE
STRIPING/SIGNAGE	1	LS	5500.00	\$5,500.00	ALLOWANCE
SIGNAL LIGHT AT ENTRANCE	1	LS	350000.00	\$350,000.00	ASSUMES 8" SECTION
RAIL ROAD CROSSING LIGHTS	1	LS	15000.00	\$15,000.00	AT ENTRANCE ROAD
TRAFFIC CONTROLS	60	DAYS	1500.00	\$90,000.00	ALLOWANCE

Offsite Construction Subtotal: \$2,207,750

Project Subtotal: \$32,267,810

CONCEPTUAL DESIGN CONTINGENCIES: 30% \$9,680,343

GRAND TOTAL: \$41,948,153

Engineer's Estimate of Construction Costs

CAT. ITEM	QUANT	UNIT	COST/UNIT	COST	DESCRIPTION
THIS ESTIMATE WAS PREPARED USING STANDARD COST AND/OR QUANTITY ESTIMATE PRACTICES. IT IS UNDERSTOOD AND AGREED THAT THIS IS AN ESTIMATE ONLY, AND THAT THE ENGINEER SHALL NOT BE LIABLE TO THE OWNER OR TO A THIRD PARTY FOR ANY FAILURE TO ACCURATELY ESTIMATE THE COST AND/OR QUANTITIES FOR THE OR ANY PART THEREOF.					

APPENDIX G

Public Comments
on Draft Reuse
Plan: Workshop #3
(November 2018)



From: Matisse Selman <Matisse@ExtraKitchen.com>
Sent: Wednesday, November 28, 2018 1:57 PM
To: Allison Endert <Allison.Endert@santacruzcounty.us>; Ryan Coonerty <Ryan.Coonerty@santacruzcounty.us>
Subject: Davenport Cemex RE-USE Plan

Hello!

I am a home owner in New Town Davenport. I am concerned about the Davenport Re-use Plan.

New town is very different than the main part of Davenport. New town is very separated and QUIET. It isn't as busy as the rest of Davenport. I am very worried that new projects will greatly change the wonderful feel that New Town currently has now. Please keep any camp fires, outdoor hiking trails and traffic as far away as possible from New Town. Davenport as a whole is very small with 400 +/- residents and it is too easy to make dramatic changes to the feel of the town. Traffic on Cement plant road needs to be considered.

Here are a couple things New Town does need that has been overlooked. The impact from closing the railroad exit generated money and these would be some much needed upgrades for New Town:

1. Natural gas. Old town and Cemex is on Natural gas but for some reason New Town has been on Propane. The main line isn't that far..
2. Old town had at one point all the electric lines buried. New Town missed out on this and we are left with really redundant electric poles on every street even the alley! (Avenue 1st,2nd,3rd) The poles are all very old and outdated and will need to be upgraded soon anyway so why not get them buried at the same time.

-Matisse & Daniela Selman
Davenport New Town Residents
831-227-5069

From: Ellen Rinde <EllenR@big-creek.com>
Sent: Wednesday, November 28, 2018 3:47 PM
To: Allison Endert <Allison.Endert@santacruzcounty.us>
Subject: Comment on Davenport Cement Plant Reuse

I support the "visitor serving uses" which are badly needed on the North Coast.

Because of the limited water resources in the Davenport area, I support the lowest feasible impact and density use of the site. Of the three alternatives presented, the "eco-lodging" alternative would be preferable, possibly with the addition of more camping and RV spaces which would be popular and would generate additional revenue.

I am opposed to the "senior housing" alternative because I believe it is too much impact on the area, tripling the population of Davenport and placing too much burden on local resources, especially water and sewer. Furthermore, the distance from Santa Cruz, lack of services (shopping, entertainment, medical clinics, etc) and limited availability of public transportation make it an unrealistic site for a large senior community.

An additional practical use that is not included in the alternatives presented would be a co-gen plant to generate electricity while reducing the wildfire fuel build-up and disposing of agricultural waste products.

Sincerely,
Ellen Rinde
206 Swanton View Road
Davenport, CA 95017

From: Datta Khalsa <datta@mainstrealtors.com>

Date: November 30, 2018 at 2:29:44 AM EST

To: "Ryan.Coonerty@santacruzcounty.us" <Ryan.Coonerty@santacruzcounty.us>, Debbie Lagomarcino Rudd <dlrudd@rrmdesign.com>, Andy Constable <Andy.Constable@santacruzcounty.us>

Cc: Edmond L Prins <Edmondl.prins@cemex.com>

Subject: Analysis and Vision for Davenport Cemex Property

Hi Ryan, Debbie, Andy (and Ed),

Thank you for the time and energy you are putting into the redevelopment plan being considered for the Cemex property to come up with the ideal fit for the community.

During the course of marketing my listing of a [70-acre resort property at Seascape](#) over the past two years, I have been in communication with multiple developers who are actively looking for opportunities to bring their in the Santa Cruz County beach areas. Their fields of specialization range from luxury hotel and conference centers to upscale RV resorts and eco retreats, as well as some experienced housing developers who could take on the residential segment of the final plan you adopt.

I also hold the distinction of running a [local investment fund](#) who are taking an increased role in local development opportunities, including a 90-room hotel project we have under contract opposite the Dream Inn in Santa Cruz in partnership with a local design-build firm with whom we are also building a multi-family project in the Mid-County. If Cemex would entertain a Letter of Intent, our fund would be interested in forming a syndicate of partnered entities who could each focus on their unique areas of specialization after splitting the property into 4 distinct zones. I will expand upon this concept further below in this email.

With regard to the type of lodging being considered, the studies conducted for the Davenport Coastal Reuse Plan of hotels in the central coast area overlooked what I believe to be perhaps the two most appropriate and successful models that we can emulate, namely [Ventana Resort](#) and the [Inn at Post Ranch](#). These two resorts provide compelling example of how very elite clientele can be catered to with world-class service in a rustic style that preserves the character of the town while also bringing a higher level of design. And compellingly, a similar compliment to each of these resorts could be replicated across the road from each other—just as they are in Big Sur—on the coastal and hillside portions of the Cemex property, conceivable in large part thanks to the surrounding hundreds of acres already conveyed by Cemex to Semper Virens.

I believe it would be a mistake to simply produce another version of the nearby Costanoa Lodge. Don't get me wrong, I like the Costanoa but we already have a Costanoa and the demographic of our area is rapidly changing to meet the tastes of an increasingly sophisticated populace, as evidenced by the burgeoning success of a new wave of entertainment and culinary venues such as [Abbot Square](#) in Downtown Santa Cruz and a growing movement of Tap Rooms and Culinary Establishments such as [Home restaurant](#) in Soquel, [Sante Adarius Rustic Ales](#) on the Eastside and [West End Tap and Kitchen](#) on the Westside. I believe Davenport lies in the path of that progress and that development of the Cemex property should be geared towards embracing the progress of that movement to be a world class destination, while still carefully preserving the unique heritage that makes Davenport the special place that it is.

With all of this in mind, and based on what I learned and observed at the town meeting you held earlier this month, and in the materials I have studied to date, following is my assessment of the

alternatives being considered. I am also providing my recommendation for a 4th option that I would like to be considered in terms of combining an updated viewpoint for the best possible use with a respect for what the community has expressed it wants and does not want, while also considering that a lot has changed in the years since the original 3 plans were proposed:

Alternative 1: Eco Lodging & Visitor Serving

EcoLodging

- 100 rooms
- 75 cabins
- 25 tent cabins
- 150 campsites
- Event space/restaurant
- Spa, healthy and wellness yurts
- Wedding and private retreat facilities

Employee housing (30 units)

While many people philosophically support the idea of eco lodging and basic campsites, this model appears far too small to be economically viable for potential incoming investors, considering the \$20 Million price Cemex is asking for the property.

Alternative 2: Recreation Oriented Visitor Serving

Recreation Oriented Lodging

- 200 rooms
- 75 cabins
- 25 tent cabins
- 50 campsites
- Conference Center
- Weddings
- Corporate/academic meetings
- Recreational events

Recreational Uses

- Hiking, biking, kayaking, ropes course, zipline
- Spa
- Restaurant

Employee housing (50 units)

This model appears more economically viable, however there is balance to preserve the unique identity of the town, while adding jobs and services to a community in dire need of both. The finished product here would likely resemble somewhere like Cambria, where the vast majority of the business is centered around tourism but the town seems to lack a cohesive identity of a real community.

That said, perhaps this impact could be mitigated somewhat by creating a self-contained resort instead of the combination of abodes given above. I have one group in particular that develops 5-star resorts who are looking a suitable location for their next project, but their minimum requirement is 300 rooms for their self-contained resort model, so this would necessitate replacing the proposed 75 cabins and 25 tent cabins with 100 additional rooms.

Alternative 3: Senior Housing and Visitor Serving

Lodging

- 100 rooms
- 100 cabins
- 50 campsites
- Spa

Independent Senior Housing (300 units)

Employee housing (30 units)

Flexible Light Industrial/Artist Studios/Live work

This model is perhaps the most economically viable, however adding 200+ senior housing units to the community seems inappropriate for several reasons:

- It would nearly triple the permanent population of a town that is already struggling to maintain its unique identity (and would also likely double the median age)
- It is located too far from the hospitals, convenience and drug stores that the older demographic tends to prefer.
- The community expressed strongly they have no interest in being outnumbered 3 to 1 by new residents.
- If indeed the goal here is not purely driven by economic reasons, then surely the benefits of this option would be far outweighed by the cost to the fabric of the community.

Alternative 4: (A New Proposal for a Modified Blend of Alternatives 2 and 3, above):

Community Integrated Housing plus "Big Sur" model of two separate high end resorts plus luxury and vintage RV sites. Includes Relocating and Upgrading Pacific School, plus a Light Industrial/Arts and Community Center

Recreation Oriented Lodging (High-end with Big Sur feel)

- Focus on high-end market to lower the number of guests needed for economic viability—within driving distance of several of the most expensive communities in the world
- Emulate the 59-room "Ventana" model (\$700 to \$1,500 per night) woodsy chic inland ocean view resort with restaurant, pool and spa

- The above could include 25-50 “glamping” tent sites in the woods, such as are being prototyped at Ventana
- 39-room “Post Ranch” model (\$1,525 to \$2,825 per night) rustic chic coastal bluff resort with restaurant, pool and spa
- A 98 site deluxe RV resort—not visible from HWY 1 (\$75-\$125 per night) with clubhouse, convenience store, pool and spa
- 25-50 vintage camper sites with ocean views—this is PCH, after all
- The suggestion for RV and Camper sites over tent camping is in part to increase the contribution of the developers towards subsidizing the high costs of sewer and water being borne by the locals
- Conference center events, weddings, etc
- Hiking, biking, kayaking, ropes course, zipline
- Wine tasting and/or microbrewery (a la Sante Adarius)
- Quality food market and deli (a la AJ’s/Carmel Village market)

Flexible Light Industrial/Artist Studios/Live work spaces

- Leaves the welcome mat out for Joby to continue to retain a smaller-scale presence, such as the design/research facility concept JoeBen briefly touched upon at the meeting.
- Also opens the possibility of including a Tannery Arts-style center with possible community theater and/or performance venue

Limited New Residential Housing (besides live/work spaces above) to 108 units:

- Employee housing (30 units)
- SFR Housing—all ages, not just seniors (58 Units).
- Enhance integration with the community by moving the school and restoring R1-6 Zoning to the current campus location for some of the new SFR units to be built in town (10 units).
 - The current School property could be traded for an agreed larger location on the Cemex property
 - Current main campus is 1.34 acres, zoned PF. Review of the GIS Assessor map shows the property previously was comprised of 9 residential lots.
 - The school lands also include a detached 5000 SF garden lot already in the R1-6 zone
 - Property is surrounded by R1-6 Zoned lots. Relocating school use to more appropriate setting would be win-win
 - By limiting to 108 new households, would keep at least 50% of the permanent population of Davenport “native”
 - Restoring residential zoning would preserve residential character for neighbors to the 9+1 lots of the school property

A New Site and Upgraded Campus for Pacific Elementary School (On Cemex Property)

- Relocate the existing Pacific School to the new property, freeing up available land in town to provide a better balance of use and help offset an “us” and “them” syndrome
- Contemporary Architectural Design (replacing current modular structures at current site)
- Double student capacity and number of classrooms (one room for each grade)
- Community park with recreation courts and playing fields available to public on weekends and after school hours

- Multi-purpose hall/theater/community center (perhaps shared with Arts Center)

I have copied Ed from Cemex on this discussion thread so you can let us both know if you feel this vision for the property would be worth pursuing. If so, my next step will be to submit a Letter of Intent to Cemex on behalf of our Investment Fund for an exclusive 30-day right to put together a Joint Venture between the multiple developers I am in touch with who could effectively bring their level of expertise to create each element of the vision to its highest and best use in a coalition to develop the property better than any single developer could.

Thank you for the care you are taking as a steward of the North Coast to ensure that its development something that the community and the greater region can cherish for many years to come. I am excited at the prospect of our fund playing an active role in making this dream a reality. This would be our largest project to date but certainly the most significant to create a lasting legacy of positive impact for the community for years to come.

Sincerely,
Datta

Datta Khalsa, CABB
Cal DRE# 01161050

Broker/Owner || Main Street Realtors
Fund Manager || Firmus Financial
T (831)818-0181 || F (831)401-2557
2567 Main Street Soquel, CA 95073

From: Tai Farmer <tai.farmer@gmail.com>

Sent: Friday, November 30, 2018 3:36 PM

To: Allison Endert

Subject: Comments on Draft Santa Cruz Coastal Restoration and Reuse Plan

I appreciate the county's efforts and acknowledge it is difficult to get a consensus about what should happen to the 100-year old cement plant site.

I am a Davenport home owner and share many of the concerns that my neighbors share regarding the various aspects of the Draft Santa Cruz Coastal Restoration and Reuse Plan.

My family and I are 100% aligned with the Davenport / North Coast Association, DNCA feedback response.

Thank you,
Nitai Farmer, Kristin Allen-Farmer, and our two youngsters
10 Davenport Ave, Davenport, CA 95017

From: Glenn Kimmel <badpcat@mindspring.com>
Sent: Friday, November 30, 2018 11:08 AM
To: Allison Endert <Allison.Endert@santacruzcounty.us>
Cc: Glenn Kimmel <badpcat@mindspring.com>
Subject: Cement Plant reuse plan feedback

Greetings,

Attention: Ryan Coonerty, SCC board of Supervisors, Cemex and RRM design group, neighbors and residents.

Thank you for the opportunity to comment on the cement plant reuse plan and concepts in Davenport.

It is recognized that there will be inevitable development and change on the plant site and surrounding areas.

The proposals of senior housing, conference center and eco tourism are noted. Impacts are anticipated.

These are a few salient thoughts on the defining of destination Davenport.

There is a certain stream of consciousness to this comment.

I trust these comments to be constructive to make whatever happens at the Cemex property positive.

The first one being that the comment period hasn't been long enough.

That period may not have been placed to generate the greater response.

A period including an election day, Armistice Day, and the Thanksgiving holiday.

Getting workshop participation and feedback during the fall of a year is a challenge.

These proposals have the aspect of being a pitch to investors or development entity.

It has only a few of the many suggestions offered by the community from workshops and discussions.

The approach of commerce, jobs, and housing seems to supersede the concept of community. There is a hope they can be adjusted in deference to the community concerns.

The original constraints required for the development of the coast dairies and cement plant properties,

stated there be no overnight campsites. Yet each of these proposals has camping featured and overnight rooms.

It has not been encouraged to have any overnight visitors either in rooms, cabins or campsites.

The people of the area have pursued and requested that camping not be included at the beginning of this process over 20 years ago.

That this should still be under discussion is disconcerting. Please keep in mind and honor the original constraints and the intentions of them.

We, as a community, worked strongly to put those in place, long before the monument designation was pushed forward by the non profit holding companies.

There is distinction between the immediate plant grounds and the body of the current monument lands. The use and opportunities are quite different.

However, the camping idea is not something that has been supported locally for the greater scheme of these day use areas.

Further there are the impacts of doubling to tripling the population of the town both on water use, septic requirements and community services. These are life concerns to be mitigated. Water and waste management need to be addressed. That is not clear now. Even with the recent effort of septic facility it will likely not be adequate for the increased capacity needed as described in these proposals.

During certain times it has been necessary to truck in water for the existing demographic. How that is to be developed and resident water right secured is also not clear. The community and emergency services here are stretched as it is. Especially the medical support because of the distances to healthcare facilities.

Compound those circumstances with the influx of increased day use by people visiting to the park and facilities, the natural resources will be strained even further. Having full time residency use or and hotel will add to more requirement to those concerns. These concept ideas put forward at least will generate discussion. These continue to include infrastructure for parking, emergency services for the potential increased population, incidents of tourism and human impacts on resources.

There is much to be considered for toxic cleanup especially if utilized for housing. It may be less so for light industry. Health, water and air quality and what to do with the remaining old piles from the cement making work, has always been an issue. There is no mention of how that is to be mitigated. The removal of the plant dust pollution may be replaced by light and litter pollution instead.

The character of the town of Davenport will be irrevocably changed with these ideas. It has changed already. No longer a company town. Definitely has gentrified in the last couple of decades.

It is a mixed blessing with pros and cons as any progress might be construed. Davenport is no longer the quiet town virtually unknown. OK. It got discovered. The proposals suggested might be adjusted to be more diversified and integrated with the requirement of a community building expansion. These include examples like a post office, a community hall and other merchant or community based operations were overlooked and could be included.

There is heavy traffic in summer months, lots of cyclists and buses of people daily and very few transit options at this point. People commute the coast more and more to the north as well. Perhaps the light rail option to ferry people throughout the county from the Pajaro station in Monterey county north to Davenport is still worth consideration. The reason people journey here is for the charm of it and the beauty that surrounds it, that is so accessible. In summer, it is now a very active parking lot. There are community efforts to stem the litter now, but it is a constant annoyance to current residents along with the blossoming parking issues.

Hwy 1 pedestrian crossing safely is a concern. Tragically, one young child lost her life there not so long ago in the town corridor. One too many. Maybe a tunnel or two is in order. People now must randomly cross the highway to achieve the town places or the bluffs and beach. Bicyclists on Hwy 1 also ride it at risk. Those riders appreciate being off the highway at Wilder Ranch for their own safety and pleasure.

Most whom live in the local area know the interested user groups considerably outnumber the current residential population.

So, when it comes to sharing what is to be of this place, generally the locals are also overwhelmed.

The voice of larger interest groups and greater public of the 3rd district and SC county and beyond often sway the course of discussions..

There are restaurants, but no grocery store in the suggestions presented. A fair amount of commerce and residency but little mention of support for it.

Crocker Hospital might be better used and improved as an urgent care clinic rather than a restaurant or tasting room. Ocean side development f Hwy 1 is not preferred.

The potential employees and residents of the proposed developments may need that support. It is a longer response time out of Santa Cruz facilities.

The facilities proposed gently mention being the park gateway or visitor center accommodation only specific event or user groups.

This should be revisited in the concepts.

I trust any plan developed or drawn up would include the basic amenities and needs of the potential residents or user groups, as well as the existing residents.

There is the notion that there also needs to be sensitivity separation between the park public gateway and the town.

It is important to be considerate of the community character and not to dominate it out of style..

Great energy and thought has been directed towards the continuing development of the area. Each proposal has different merit. Each proposal needs work to be realistic in building community as well as opportunity.

Thank you for attempting to be conscientious about the people and character of the land and place.

It is in the best interests of everyone to focus on the integrity of the Davenport community as a whole.

I hope this process is not just about the opportunity of commerce and recreational tourism pursuits.

Each of these three ideas proposed will definitely reinvent the town in a totally new direction. There are certainly all manner of details to discover and pertinent issues to resolve to put many minds at task.

The challenge will be to find the balance for a well integrated developments it evolves.

I look forward to the many more opportunities for contributing comment or ideas as this project continues to unfold.

Thank you for making that happen and accepting these comments of good intention.

Sincerely Glenn Kimmel
Past chairperson of the DNCA
30 + year local resident

From: beth ross <dearbeth.ross@gmail.com>
Sent: Friday, November 30, 2018 11:02 AM
To: Allison Endert <Allison.Endert@santacruzcounty.us>
Subject: Cemex Development

I was very alarmed during the run up to the National Monument idea that my fellow Davenport and surrounding area residents were not apprised of the drive until well after it had been adopted by many politicians, local to federal. I am alarmed now that this Cemex thing is perhaps going through the motions yet not listening to the input we locals have tried to present.

It feels like colonization.

Why are our voices so insignificant? Who stands to gain from any of these three development proposals? Is it really just all about money?

So disappointing on so many levels.

Please pay close attention to the responses laid out by the DNCA and to the individual responses from my neighbors.

Elizabeth Ross
596 Swanton Rd (usps)
360 Fistelera Ridge Rd (physical)
Davenport, CA 95017

From: Alison Edwards <alison.edwards02@gmail.com>
Sent: Thursday, November 29, 2018 2:47 PM
To: Allison Endert <Allison.Endert@santacruzcounty.us>; Alison Edwards <alison.edwards02@gmail.com>
Subject: CEMENT PLANT REUSE PLAN FEEDBACK

To: Board of Supervisors

From: Alison Edwards, Davenport homeowner and resident

Re: CEMENT PLANT REUSE PLAN FEEDBACK

Thank you for taking the time and making the effort to engage the community in the reuse planning for this location. Clearly it has a ton of potential because of its location on the North Coast and its location adjacent to all of the protected open space this area has to offer.

Over the last 3 years, the North Coast has been increasingly inundated with visitors, traffic, tourists, and trash. Clearly there is a management issue here going forward, one which the county will need to engage in and build out in a big way. The future, with the opening of all the newly protected open spaces, will bring more people, more cars, more tourism and more impact. All of that even without the reuse of the CEMEX plant. As a resident of the North Coast, I can tell you - we need more county support managing the impact of tourism and traffic up here. The situation continues to grow, and we really need the county to step up and support solutions.

Having attended all of the reuse meetings to date, my overall comment on the current plans put forward are these:

Option 2 and 3 enlarge the # of people, and overall footprint, on the town of Davenport and the North Coast in general, too much. Too many people.

Option 1, having the smallest footprint, is the only possible option - given the small size of Davenport and the pristine location of this site. I would suggest removing camping from all the options - as camping does not add value/\$ to the future potential developer and also adds negatively to the overall impact on the town and north coast (too many people, too much impact!)

That said, I would also suggest also considering other options - like a smaller version of option 1, with some of the remaining space used as office/light industrial space. Other option is just do a smaller hotel, with all the access and community benefits - AND, build a number of new homes (like 50 max) which the developer could sell at market rate. This would add 50 households to Davenport - which would be much better than hundreds of rotating tourists.

All of that said, I think its essential that the Board of Supervisors develop and share a very clear understanding of water availability in regard to this potential development. What amount of water, exactly, can be removed from San Vicente creek (beyond current town uses). The question here is, what amount can still be removed from the creek (esp in the summer) and still allow for the necessary surface flow to happen for fish/wildlife. Any proposed development plan must be built around this reality. This is the primary piece of information which needs to be understood, and from which all else/any other choices, can follow.

Please be sure that all additional work focuses on understanding this first and foremost - and then that this info is taken into account in any design options/choices.

Thank you very much for the chance to comment.

Alison Edwards

From: Noel ATT <ngbock@att.net>
Sent: Monday, December 3, 2018 7:50 AM
To: Allison Endert <Allison.Endert@santacruzcounty.us>
Subject: Clarification on one Cement Plant Response Item

Allison,

Principal Eric Gross made a correction to our comments for RRM Report.

DEVELOPER FEES: The school has an interest in whichever project creates the biggest increase in the valuation of the property, however Developer Fees can only be spent on brick and mortar projects, not on salaries, which are the largest *operational* budget item. *Clarification: The school has very significant facilities needs which could be funded by developer fees. We don't undertake many of those projects because we can't currently afford them. For example, the preschool and lower IS rooms are beyond repair and need to be replaced.*

Please amend.

thanks,

Noel Garin Bock,
DNCA Chairperson
Davenport/North Coast Association
ngbock@att.net
831-423-3033
831-332-0646 Cell
See our DNCA Facebook page

From: Colin Hannon <colinhannon@cruzio.com>

Sent: Saturday, December 1, 2018 11:21 PM

To: Allison Endert

Subject: resident comments on Davenport cement plant reuse

To whom it may concern,

My name is Colin Hannon and I live in New Town with my wife and our two children age 2 and 5. Our son attends kindergarten at Pacific school and our daughter will begin preschool there next year. We are very concerned about the proposals for reuse of the cement plant property. All of the 3 options currently included look as though they would fundamentally alter the character of Davenport and New Town and they seem completely out of scale with the small community that we live in and love. We agree with the full and detailed comments submitted by the DNCA and hope as they suggest that greater weight will be given to the concerns of Davenport community members and that future iterations of this planning process will be scaled back to keep the size and character of the community in mind. The current proposals seem like they have come from far outside of our community and are out of touch with what this place is and who we are as its residents. We hope that much more thought will go into the many and varied effects developments of this size would have on this community and that the plans can be scaled back to be a nice addition to the community rather than replacing and overwhelming it with something else entirely. The DNCA suggestion of some private residential plots seems like something that could fit much better along with some sort of public access park/trailhead/nature center for the Coast dairies property perhaps. Thank you for your time and consideration.

Best,

Colin Hannon and Family
16 3rd Ave.
Davenport

From: Alison Edwards <alison.edwards02@gmail.com>
Sent: Thursday, November 29, 2018 2:47 PM
To: Allison Endert <Allison.Endert@santacruzcounty.us>; Alison Edwards <alison.edwards02@gmail.com>
Subject: CEMENT PLANT REUSE PLAN FEEDBACK

To: Board of Supervisors

From: Alison Edwards, Davenport homeowner and resident

Re: CEMENT PLANT REUSE PLAN FEEDBACK

Thank you for taking the time and making the effort to engage the community in the reuse planning for this location. Clearly it has a ton of potential because of its location on the North Coast and its location adjacent to all of the protected open space this area has to offer.

Over the last 3 years, the North Coast has been increasingly inundated with visitors, traffic, tourists, and trash. Clearly there is a management issue here going forward, one which the county will need to engage in and build out in a big way. The future, with the opening of all the newly protected open spaces, will bring more people, more cars, more tourism and more impact. All of that even without the reuse of the CEMEX plant. As a resident of the North Coast, I can tell you - we need more county support managing the impact of tourism and traffic up here. The situation continues to grow, and we really need the county to step up and support solutions.

Having attended all of the reuse meetings to date, my overall comment on the current plans put forward are these:

Option 2 and 3 enlarge the # of people, and overall footprint, on the town of Davenport and the North Coast in general, too much. Too many people.

Option 1, having the smallest footprint, is the only possible option - given the small size of Davenport and the pristine location of this site. I would suggest removing camping from all the options - as camping does not add value/\$ to the future potential developer and also adds negatively to the overall impact on the town and north coast (too many people, too much impact!)

That said, I would also suggest also considering other options - like a smaller version of option 1, with some of the remaining space used as office/light industrial space. Other option is just do a smaller hotel, with all the access and community benefits - AND, build a number of new homes (like 50 max) which the developer could sell at market rate. This would add 50 households to Davenport - which would be much better than hundreds of rotating tourists.

All of that said, I think its essential that the Board of Supervisors develop and share a very clear understanding of water availability in regard to this potential development. What amount of water, exactly, can be removed from San Vicente creek (beyond current town uses). The question here is, what amount can still be removed from the creek (esp in the summer) and still allow for the necessary surface flow to happen for fish/wildlife. Any proposed development plan must be built around this reality. This is the primary piece of information which needs to be understood, and from which all else/any other choices, can follow.

Please be sure that all additional work focuses on understanding this first and foremost - and then that this info is taken into account in any design options/choices.

Thank you very much for the chance to comment.

Alison Edwards

From: Brian Conner <brianjconner@yahoo.com>

Sent: Sunday, December 2, 2018 7:31 AM

To: Allison Endert

Subject: Fw: DNCA Comments on Draft Santa Cruz Coastal Restoration and Reuse Plan

Hi Allison, Supervisor Coonerty

Apologies that this email comes a few hours after the deadline Noel mentioned of 12/1. Even if it's too late for any kind of public record, I'd hope you'd consider the comments as you build your opinions.

After sitting in the public meeting on the topic on Nov 8, 2018, as well as the similar meetings in prior years (12/5/17 & 11/10/16), what really has struck me about the plans the consultants have presented is a general "lack of balance" with them as they relate to the existing community and environment. Given the size of the site and the dollars involved, just doing one or two things on that site would seem to greatly tilt the local area beyond a point that I personally feel comfortable with. Based on community comments in the meeting, this seems to be a universal feel.

Putting constraints aside for a bit, I feel a more balanced mix of uses may sit better with the current residents and may be a better fit for the space and place: a mix consisting, in whole or part of...

- new residential space (possibly some age restricted, but not 100% so that Pacific School is not starved for students)
- community space (parks, greenways, etc)
- small-scale visitor-serving (small lodge, limited camping, and/or visitor center -- but nothing where the transient population would overwhelm the permanent resident population and/or local environmental & commercial amenities)
- light commercial (a few small stores (grocery, etc) to serve community, local business, and visitors)
- light industrial with minimal environmental impact (a moderately-sized multi-company tech campus, perhaps. With all the SCC tech employees that commute to Silicon Valley each day for high-paying jobs, why not try to encourage more of that to stay local? The consultants made a comment on 11/8 to the effect that they felt the community was not interested in industrial uses, other than Joby Aviation. I think they have misread local sentiment on this one. That the community would endorse an airplane manufacturer, with all the potential impacts of that type of use, is clear evidence of this in my mind. Industry committed to also being a positive member of the community and steward of the environment would be welcome, especially if it doesn't overwhelm the greater community. A cluster of smaller low-impact worksites seems to be a better fit, bringing a better sense of economic stability without a total transformation)

I realize there are likely constraints with some of these suggestions: ranging from zoning limitations to developer interest (easier & more profitable to build, manage, and maintain one big thing than a hodgepodge of smaller things, I'm sure) to whatever else. But in the end, if such an approach could be attempted and successfully seen through, I believe a much better outcome would likely result.

Thanks.

Brian Conner, Davenport Resident
38 Marine View Ave, PO Box 333
brianjconner@yahoo.com
530-277-0646

----- Forwarded Message -----

From: Noel Bock <ngbock@icloud.com>

Sent: Thursday, November 29, 2018, 6:26:02 PM PST

Subject: DNCA Comments on Draft Santa Cruz Coastal Restoration and Reuse Plan

Neighbors,

We feel it is important that you weigh in on the proposals and planning for the cement plant reuse; therefore, we are sending you our summary and the longer version of what we submitted to the county in order to hopefully stimulate your response.

You can send your comments **by December 1st** to Supervisor Ryan Coonerty

via allison.endert@santacruzcounty.us

or you can submit via the Economic Development website at <http://www.co.santa-cruz.ca.us/DavenportCementPlant.aspx>

> On Dec 8, 2018, at 2:28 PM, Lisa Guadagna <lisa.guadagna@gmail.com> wrote:

>

> I went to the meeting in Davenport where the local citizens (of which I am one) were informed and told they would have input to the planning process. We were able to vote on a variety of proposals, and from my view at the end of the night, the majority of the 'sticky dots' we were allowed to place on the ideas were on the Joby Aviation reuse plan. However, that proposal is not even mentioned in your report. I don't understand how you can pay thousands of dollars for a plan that is not even presenting a viable option! The way is see this it is either gross negligence or back room political dealing. Joby is the only one that presented a current reasonable business perspective for the site. None of the other 'plans' presented by the 'planners' were backed by any business person's ideas of what is feasible.

> Also I think that building several hundred residences would have more of an impact than re-use of the existing site by a couple hundred employees. Joby incorporated all the uses that the community requested and even that the local government and environmental groups wanted.

> Local jobs in technology are much better than local jobs cleaning houses. Local jobs revitalize the local economy for our children, rather than houses, which will be lived in by people that are working in other communities.

From: Noel ATT <ngbock@att.net>
Sent: Sunday, December 9, 2018 7:36 AM
To: Allison Endert <Allison.Endert@santacruzcounty.us>
Subject: Comments on Draft Santa Cruz Coastal Restoration and Reuse Plan

Begin forwarded message:

From: Michael Dvorak <surfallday@hotmail.com>
Subject: Re: Comments on Draft Santa Cruz Coastal Restoration and Reuse Plan
Date: December 9, 2018 at 7:14:33 AM PST
To: Noel Bock <ngbock@icloud.com>

Noel,

I know my feedback is late. I just want to express how grateful and honored I am to have a community of thoughtful, educated and active community members in the town where we live....albeit one month a year. I agree with everything the DNCA has said in their feedback report.

This project should benefit the community. I think a site primarily based on tourism is too prone to failing during an economic downturn, it adds so many more people to an already busy section of coastline and changes the feeling of Davenport.

Thank you for pushing for the plan to be amended/changed.

Michael Dvorak

From: Noel Bock <ngbock@icloud.com>
Sent: Thursday, November 29, 2018 6:25 PM
Subject: DNCA Comments on Draft Santa Cruz Coastal Restoration and Reuse Plan

Neighbors,

We feel it is important that you weigh in on the proposals and planning for the cement plant reuse; therefore, we are sending you our summary and the longer version of what we submitted to the county in order to hopefully stimulate your response.

You can send your comments **by December 1st** to Supervisor Ryan Coonerty via allison.endert@santacruzcounty.us or you can submit via the Economic Development website at <http://www.co.santa-cruz.ca.us/DavenportCementPlant.aspx>

From: Belinda Byerly-Robins <belindabyerlyrobins@gmail.com>

Sent: Friday, November 30, 2018 9:24 AM

To: Allison Endert <Allison.Endert@santacruzcounty.us>

Subject: Comments from Davenport resident on Cement Plant (submitted by Dec. 1 deadline)

Dear Mr. Coonerty,

As a new homeowner in Old Town, Davenport, I would like to see the village maintained as it is today for the quality of life for its residents. It is one of the last areas of Santa Cruz County (the last??) that is quiet and peaceful. Why must everything eventually be ruined? Why can't a good thing be left alone?

My preference is to let the cement plant buildings decay and do nothing with the site, other than remove toxic waste.

If that is not in the cards ultimately, I support fully the recommendations underlined in the DNCA Comments on Draft Santa Cruz Restoration and Reuse Plan.

Lastly, it is so important that the wishes of the community most impacted by any type of development be heard and acted on. Davenport is a unique and special place, we want to keep it that way, not have it destroyed. We already have more visitors than we can handle safely on summer weekends.

Please support the wishes of the residents of Davenport.

Thank you,
Belinda Byerly-Robins
Center Street, Davenport

From: Scott Robins <robins.scott@gmail.com>
Sent: Thursday, November 29, 2018 9:46 PM
To: Allison Endert <Allison.Endert@santacruzcounty.us>
Subject: Draft Santa Cruz Coastal Restoration and Reuse Plan

Supervisor Coonerty,,

I am a resident of Davenport and I endorse the conclusions and requests of the DNCA Feedback Report (attached).

In particular, it is essential that the concerns over water and sewer on pages 3-5 and the site remediation issues on pages 3 and 7 be fully addressed before proceeding with any further planning.

Incorporating North Coast resident priorities for amenities (safe pathway from NewTown to Davenport, education facility, local history museum, community center, farmers market, grocery store, and a larger post office) will add to the desirability of any development and cause the planners to think more creatively about how any development would truly serve the community rather than the apparent sole goal of development for the sake of development.

Scott Robins

From: Noel ATT <ngbock@att.net>
Sent: Wednesday, November 7, 2018 9:50 AM
To: Allison Endert <Allison.Endert@santacruzcounty.us>; Ryan Coonerty <Ryan.Coonerty@santacruzcounty.us>
Subject: Re: Draft Reuse Plan

Allison and Ryan,

I spoke with Eric Gross, Pacific School Principal, about how Cemex reuse could affect our school.

Here are some of his thoughts:

DEVELOPER FEES: The school has an interest in whichever project creates the biggest increase in the valuation of the property, however Developer Fees can only be spent on brick and mortar projects, not on salaries, which are the largest budget item.

PARKS FEES: Could help the school, although most likely not all of the Parks Fees would go to the school. What percentage of Park Fees would go to the school?

ADA – Average Daily Attendance Funding: If new children live in the cement plant area (unlikely in some scenarios like senior housing and hotels), then they would presumably attend Pacific, but it wouldn't necessarily generate new ADA funds, because we are pretty much fully enrolled in several grade levels. Currently, half of Pacific School students are interdistrict transfer students from Santa Cruz. New students would either displace existing transfer students, who are already generating ADA, or we would pay a penalty for over-enrolling. Having said that, we would prefer to fill our school with local students, rather than rely so heavily on transfers, who could transfer out at any time.

The DNCA Board is reviewing the RRM Reuse Plan and coming up with a response. In the meantime, here are some of my objections to what appears to be the erroneous assumptions made by the consultants.

JOBS: The loss of jobs from Cemex closure had minimal impact in Davenport, as only about 10 of the 125 employees lived in Davenport. Service jobs such as hotel room cleaners and food servers are not well-paying jobs. "Create "150 to 420 jobs"... We don't want to add to the existing traffic congestion, due to more potential workers, much less more tourists. We do not have the infrastructure to support large scale development.

OPTIONS: Senior housing: 300 older citizens without any local shopping, hospital, or other services is not desirable or wise.

The hotels have an estimated total capacity of 350 rooms x 2 in each room = 700 people. That is close to double the size of the number of people who live here now. That is simply not acceptable as it would completely degrade the unique character of Davenport, resulting in more traffic, trash and trauma (accidents).

ZONING: Since the cement plant is not operating, we understood the zoning reverts to MR – Mountain Residential. MR is the most benign zoning for our area, but I don't see it mentioned in the plan. This

report plays with the idea that it is still operating during the clean-up, which can last 20 years, so the cement plants prior zoning is still in effect. How long will the county allow Cemex to take to the cleanup the site?

AFFECTED "COMMUNITY" IDENTIFIED: Purpose and Plan: refers to "local community" as the entire county. We are concerned about being subjected to the past Sempervirens strategy, which discounted the voice of local Davenport residents, wrapping us into the voice of the entire county. North Coast residents will be most affected by any development on the property and should be given differential treatment for our opinions.

COMMUNITY MEETINGS: It was clear the community did not endorse the previous 3 hotel projects, yet that is all RRM is considering. The real issue is "Tourist Town" vs "Tech Town". Given the enthusiasm greeted JoeBen, looks like that Technology was the winner. Since JoeBen has backed out, we believe there should be other efforts to attract Technology Research and Development, which I don't see included in the Plan.

We will have a much more comprehensive response as our board goes through this plan, which we just received 10/31. We are also embroiled in responding to the impacts on our community of the National Monument Access Feasibility Study...

What time do you want me to open up the Multi-purpose room tomorrow? Eric can't be there.

thank you,

Noel Garin Bock,
DNCA Chairperson
Davenport/North Coast Association
ngbock@att.net
831-423-3033
831-332-0646 Cell
See our DNCA Facebook page

John Cecil Barnes

Architecture

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21 November 2018

Ms. Lisa Plowman
RRM Design Group
3765 South Higuera Street, Suite 102
San Luis Obispo, CA 93401
maplowman@rrmdesign.com

Re: Davenport Cement Plant Restoration and Reuse Plan

Dear Ms. Plowman,

Thank you very much for your presentation to the Davenport community a couple of weeks ago on RRM's reuse plan for the CEMEX plant. It is a complex project and I hope a developer can be found to redevelop the site in a way that benefits and is sensitive to the coast and the town. I am a board member of the Davenport North Coast Association (DNCA) and recently retired from my position as the Campus Architect and Associate Vice Chancellor of Physical Planning and Construction at UC Santa Cruz. Through the bidding and construction process of numerous academic and residential projects, I became acutely aware of the pricing premium that projects in Santa Cruz face. As I mentioned at the meeting, I am very concerned by the construction cost assumptions upon which the reuse plan's financial analysis is based. The DNCA will send some comments on the plan by the end of the month, including a general concern regarding the construction cost projections. In the meantime, I am sending these more detailed comments for your consideration.

The construction market in the Bay Area and South Bay remains robust. With this market demand, the labor shortages that existed after the severe downturn ten years ago are still a problem for many of the trades. Additionally, there is the perceived remoteness of Santa Cruz and Davenport will be incrementally more challenging. When there is plenty of work in the South Bay, Santa Cruz projects become less desirable and potential bidders either will not bid or will add a premium to their price. The reduced pool of bidders lowers bid competition and increases costs to the owner.

The financial projections in Appendix D of your report appear to be based on RS Means construction cost data. In my experience, this is woefully inaccurate for projects of this scale in Santa Cruz County. I shared Appendix D with a local contractor and he recommended doubling the base cost in the appendix to start with, adding a 15% factor for current construction market conditions, and a 10% location factor for Santa Cruz.

Thus, the cost of the Lodge at \$178 per square foot would be revised to this:

Lodge	\$178 x 2 =	\$356
	\$356 x .15 =	\$ 53
	<u>\$409 x .10 =</u>	<u>40</u>
Total (+/-)		\$450 construction cost per sf (not project cost)

I also spoke with the current Campus Architect at UCSC, as the campus is building a lot of residential units in a P3 contract with a developer. That project is currently estimated to cost \$440 per square foot construction cost. This is a prevailing wage job, which may not be the case for the CEMEX redevelopment.

Davenport Cement Plant Coastal Restoration and Reuse Plan

21 November 2018

I realize it is difficult to make escalation projections when the timing of the project is so far in the future, however Appendix D also does not appear to include escalation in the calculation and is based on a 2017 date of construction. In the current market, UCSC is carrying 8% per year escalation. The P3 housing developer is carrying 6% but may be burying some of the escalation in their unit costs as well. Eventually the market will cool off. Given the long-term nature of the CEMEX project the average over time is probably more like 4-5% per year. You could provide analysis based on both a five- and a ten-year project horizons. I am not sure why inflation, which can have such a big effect on cost, is not included. If there is a rationale, I suggest including it in the report.

The numbers I mention above are anecdotal. I recommend Economic and Planning Systems talk directly with people who have current on the ground experience bidding in this local market. They could speak with Swenson Builders, which has done many projects in and around Santa Cruz: <http://www.swensonbuilders.com/contact-us>, or with Craig Curtis at Kattera, who is with the P3 developer working at UCSC: craig.curtis@kattera.com.

I hope this information is useful to you in making the report an accurate reflection of project feasibility. Please let me know if you have any questions.

Sincerely,



John Barnes
DNCA Board Member

cc: DNCA Board
Supervisor Ryan Coonerty

Land Use Alternatives and Design Guidelines (Section 6)

Maximization of Public Access and Recreation

The California Constitution and the federal Coastal Zone Management Act mandate the protection and enhancement of public access to and along California's coastline. The Coastal Act redoubles these protections, including mandating that public recreational access opportunities to and along the California coastline be maximized (Coastal Act Section 30210). Coastal Act Section 30211 further requires that development not interfere with public access, Coastal Act Section 30212 and the County's LCP also require that maximum vertical and lateral public access be provided in new development projects. Similarly, Coastal Act Section 30220 protects coastal areas suited for water-orientated recreational activities specifically for such uses; Section 30221 protects oceanfront land for recreational use; Section 30222 gives priority to visitor-serving commercial facilities designed to enhance recreational use on private land; and Section 30223 requires that upland areas necessary to support coastal recreation be reserved for such uses. In short, the Coastal Act and the LCP require that recreational access opportunities be both protected and maximized.

We note that all three proposed alternatives include a visitor center, public restrooms, public parking and public trails consistent with the policies identified above. These are all much-needed amenities given the Davenport area's ever-growing popularity as a visitor destination and we strongly support inclusion of these features in any proposed reuse of the site. We further believe that all proposed alternatives should include a safe pedestrian crossing to allow guests and visitors to safely cross Highway 1.

Low-Cost Visitor-Serving Accommodations

Consistent with the mandates identified above, Coastal Act Section 30213 requires that lower-cost visitor-serving and recreational facilities be protected, encouraged, and where feasible, provided. This helps ensure maximum public access because without lower-cost visitor-serving facilities, members of the public with low or moderate incomes would be more limited in their ability to access and recreate at the coast, as compared to others who may be able to afford to pay more to access and use coastal facilities. In past actions, the Commission has required that new development that proposes moderate- to high-cost accommodations also include some provisions for low-cost accommodations, including through either requiring provision of low-cost units or provision of in lieu fees for same.

We also note that all three alternatives include provision of some form of low-cost visitor accommodations. Alternative 1 proposes the highest level of low-cost facilities, and thus for this reason appears most consistent with the policies identified above. In the past, the Commission has required that a minimum of 25% of proposed new visitor-serving units be maintained as low cost.

Priority Uses

Consistent with the mandates identified above, Coastal Act Section 30222 requires that the use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development. Alternatives 1 (Eco-lodging and Visitor Serving) and 2 (Recreation-oriented Visitor-serving) appear consistent with this policy and recreational uses over residential use, whereas Alternative 3 does not appear consistent with this policy.

LCP Amendment (Section 8)

Visual, Biological and Agricultural Resources

The standard of review for Land Use Plan (LUP) amendments is consistency with the Chapter 3 policies of the Coastal Act and the standards of review for the Implementation Plan amendments is the LUP (as proposed to be amended). The Coastal Act provides strong protections for visual, biological and agricultural resources (see, e.g., Coastal Act Sections 30251, 30240, 30241, 30241.5, and 30242). While the proposed LCP amendments appear, in general, to reflect the requirements of the above-cited Coastal Act policies, we believe that the proposed amendments may require further refinement. As such, we propose working with the County to refine the proposed policy language to ensure its consistency with the Coastal Act.

In closing, at a very broad level, we are strongly supportive of restoration and reuse of the former Davenport Cement Plant site. Toward that end, we hope that these comments can help the County as you further refine and develop the project and its supporting documentation, and we are very much available for consultation in that effort moving forward. We hope that such continued collaboration will prove helpful, including so that the County can present the best possible version of the project to the Commission when the Commission considers the LCP Amendment in the future. As always, if you have any questions or would like to discuss this matter, please don't hesitate to contact me at any time.

Sincerely,

Ryan Moroney
Central Coast District Supervisor
California Coastal Commission

Davenport / North Coast Association, DNCA Comments on Draft Santa Cruz Coastal Restoration and Reuse Plan

Note: We appreciate the county's efforts and acknowledge it is difficult to get a consensus about what should happen to the 100-year old cement plant site. In attempt to represent opinions of a broader base than just the DNCA board, we are citing notes from several collaborative meetings in 2017, which produced our own neighbor's vision for cement plant reuse.

PART I - INTRODUCTIONS AND BACKGROUND (Note: this section appears to have been left off the website.)

STATED PRIMARY GOAL: ...” *Beneficial uses for those living and working in Santa Cruz County, and on the North Coast in particular.*” The Draft Reuse Plan and the National Monument campaign were funded by several Bay Area non-profits. The most important goal for most North Coast residents is retaining the small-town feel and unique character of Davenport, more than economic development. We do not know of any Davenport residents who are looking for jobs from the former cement plant site development. None of the 10-12 local residents who lost their jobs at the cement plant have been present at the RRM meetings to the best of our knowledge. Before stating the goal is economic development, we feel the report should spell out who specifically would benefit and to what extent.

PART II- SITE OPPORTUNITIES AND CONSTRAINTS

A. OPPORTUNITIES

ACCESS TO COASTAL RESOURCES AND RECREATION ... located on a near-pristine stretch... Facilitate access to the over 14,000 acres of publicly-held land... Public facilities: visitor center, public restrooms, and public parking.” - Our mutual goal should be to retain the “near pristine nature of the north coast”, not to inundate it with tourists. North Coast residents feel the area is already too impacted by visitors.

Further, each land use alternative discussed in the Restoration and Reuse Plan includes lodging, camping, trails, and recreation opportunities that will allow for greater access to the coast and ability to recreate.” - We are excited about taking advantage of the hiking opportunities that the public land surrounding Davenport offers. However, there have been numerous studies about loving “world-class recreation” areas to death. This report should address specific strategies for minimizing the impact of increased numbers of visitors to the community, including limiting carrying capacity and buffers for New Town.

JOB GROWTH: “150 to 420 new jobs” - There does not appear to be an analysis of what kinds of jobs would be generated by these projects and how those people would live in this community with low service sector wages. We don't see minimum wage hotel service jobs as a significant community opportunity and certainly not enough of a reason to add notably more traffic, resource and environmental degradation. There is no guarantee that any of the jobs will be earmarked for North Coast residents, and most of the positions will likely be lower-paying service jobs--spa attendant, restaurant wait staff, etc. Any big developers would likely be hiring outside experienced personnel for the higher paying positions. Most of our current

businesses already have plenty of customers, making walking across the highway to the beach--particularly on the weekends--almost impossible.

In order to minimize the impact on the community, we support limiting the number of employees to the number previously employed at the cement plant over the last 30 years of operation, which was 125.

INCREASED HOUSING: "Housing for the employees that would be working on the site. Alternative 3 creates an opportunity to provide 300 rental units for independent seniors" - Davenport currently has about 100 housing units. Tripling housing would be totally out of scale. We think this scale is not acceptable for our community. "Davenport's primary economic asset is the quality of place"- RRM 2017 Key Findings. We feel strongly that tripling the size of Davenport is out of scale and would wipe out this quality of place for Davenport and New Town; therefore, it should be reconsidered.

Big picture question is how do any of these proposals actually help the North Coast?? The tax revenue will go to the County, not directly to the community, except the school. We spoke with the Pacific School Principal about how Cemex reuse could affect our school. Here are some of his thoughts:

DEVELOPER FEES: The school has an interest in whichever project creates the biggest increase in the valuation of the property, however Developer Fees can only be spent on brick and mortar projects, not on salaries, which are the largest budget item.

PARKS FEES: A percentage could help support the school's After School Rec. Program, although not all of the Parks Fees would go to the school.

ADA – Average Daily Attendance Funding: If new children live in the cement plant area (unlikely in some scenarios like senior housing and hotels), then they would presumably attend Pacific School, but it wouldn't necessarily generate *new* ADA funds. The school is fully enrolled in most grade levels. Half of Pacific School students are interdistrict transfer students from Santa Cruz. New students would either displace existing transfer students, who are already generating ADA, or the school could pay a penalty for over-enrolling. Having said that, we would prefer to fill our school with local students rather than rely so heavily on transfers who could transfer out at any time.

B. CONSTRAINTS

EXISTING LAND USE REGULATIONS: *"The majority of the site (95%) is zoned for Commercial Agriculture (CA) and Heavy Industrial (M-2) use. Other zoning designations include Residential Agriculture (RA) and Parks, Recreation and Open Space (PR)" -The report doesn't study the potential of Mountain Residential Land use designation. Several parcels becoming single large dwellings would make the least impact on the community. "Assuming regulatory clearance, the Davenport cement plant site has the potential to be an attractive second home..." – Technical Background Report Prepared for RRM May 2017* We feel the Mountain Residential Designation option should be explored for feasibility.

REMEDICATION: *“Scheduled field work are still underway”* – Cleanup of toxic existing waste and prior environmental impacts is very important to the residents, particularly permanent environmental and visual remediation of the Cement Kiln Dust Pile. Naming who will be responsible to complete the remediation, what is the end date and how will the end date be enforced are extremely important questions to be answered in the final report.

Ultimate goal of trying to achieve an “unrestricted land use” designation – That tactic sounds very risky and not in the long-term best interest of the community.

SEWER & WATER: We do not feel the report adequately addresses the issue of wastewater treatment capacity, it states that a 200-room hotel would generate 25,000 gpd. of effluent, which is double the current peak. The community needs a "resolution" to our water rights issue, which is left unresolved in the report. The water and demand of the site must not diminish supply for current residents or salmonid population (see below).

“However, the water treatment facility may need to be modified/upgraded and/or the storage capacity may need to be expanded.” – . The cost of upgrades to our Sewer and Water Treatment Facilities and conveyance systems could possibly offset any additional developers’ contributions to the Sewer /Water District. The community priorities stipulate that any development must provide ongoing financial support for the Davenport Sewer & Water District and provide relief from the rate structure. Any cost of water or sewage expansion or upgrades must be solely borne by the developer.

Throughout the redevelopment planning process, DNCA has emphasized the critical need to fully assess water availability as the logical first step in any planning process. Water is already limited in Santa Cruz County, and climate models predict that California will experience increasing drought conditions and limited water supply (<http://www.climatechange.ca.gov/>). The San Vicente watershed is exceedingly small (11.3 square miles) and thus has serious hydrological limits in sustainably delivering water to meet both human and natural resource needs. We have emphasized to RMM that the San Vicente watershed is critical habitat for two state and federally protected salmonid species: Coho salmon and steelhead. Thus, any planning process must look beyond proscriptive rights (or presumed proscriptive rights) or purported historical extractions that were established in the early 20th century and examine, for the present day, what the water requirements are for: 1) domestic use, 2) industrial use, 3) protected species sustainability, 4) agriculture, and 5) new development.

Unfortunately, the report completely ignores this responsibility. Indeed, it solely focuses on proscriptive rights (that are problematic and contended) and reported historical use. Regardless of who owns the water rights, real limitations for human use while sustaining protected species will constrain any development. Despite DNCA flagging this issue at the very first stakeholder’s meeting, the analysts have failed to provide the detailed analysis and consultations necessary to fully understand the amount of water available for development. This creates a situation where it is highly problematic that any of the proposed alternatives are viable in the context of water availability.

In a set of emails with the County and RMM, we set out the details of reservations regarding water. Unfortunately, these concerns were not addressed in the final report, leaving the realistic analysis of what scale of project is feasible within the constraints of natural resources in doubt. In short, the issues lie around 7 critical issues:

1. What are historical and recent water flows for the San Vicente? This has been measured by a number of entities (e.g. Resource Conservation District).
2. What are minimum flow rates necessary to maintain protected salmonid populations? State and Federal salmonid managers (e.g. NOAA/NMFS, California Department of Fish and Wildlife) can provide this answer.
3. What are projected changes in flow rates over the next several decades in the face of climate change? Numerous regional climatological models can help answer this question.
4. What has historical domestic water use been – based upon actual metered data rather than estimates. With and without cement plant operation. This is available from State Water Resources Board (see discussion below).
5. What are current agriculture extraction amounts?
6. Based upon answers to above questions, what is potential water availability for new development?
7. What are potential water requirements for each of the proposed alternatives? This analysis should be a minimum requirement for the proposed project.

Historical Use and Data Quality

It is critically important to sort out past and potential future use of water in the San Vicente watershed. According to the State Water Resources Control Board (SWRCB) website, scanned paper copies of supposed cement plant are available from 2003-2009, and digital reports are available 2010-2017. According to newspaper reports, the cement plant was shut down in 2010 and has remained so to today. According the SWRCB report filed by CEMEX in 2010, a total of 420AF were withdrawn from San Vicente Creek – when the cement plant was NOT in operation. Curiously, in 2017 – again when the cement plant was NOT in operation – a total of 188AF were withdrawn. Even more curious, in the 2010 report, the amount withdrawn each month was identical (35AF), with the total (420AF) somehow totaling exactly the appropriate right allocation for CEMEX (420AF). We highly suspect that the 2003-2013 data were fabricated, and it wasn't until 2014 onward that actual monitoring of withdrawal (when the amount went down to 172AF) was initiated. If we trust the 2010 numbers then we must assume that for some reason the town (by itself, because the plant was closed) was using more the 2X the water in 2010 than it used in 2017. We are focused on this 2010 report because: 1) we believe it is incorrect (likely fabricated rather than based upon actual measurements), 2) if accurate, it is difficult for to reconcile with town use in later years, and 3) it appears to be the record that both the County and RRM is using in ascertaining potential water for new development (it is the only record cited by the RRM report).

Thus, the idea that as much as 468AF (RRM Opportunities and Constraints) is annually available for new development is highly problematic. Assuming that 50AF per year is currently consumed by the town of Davenport for domestic use (RRM Opportunities and Constraints); the proposed development could require at least a 60% increase in current use (and likely more depending upon which alternative is selected). This is especially important to consider because we know that NMFS has already required reduced water use from the San Vicente watershed to protect salmonids. When TPL purchased Coast Dairies from Coast Dairies LLC, NMFS reviewed water consumption from the San Vicente watershed - in this case agricultural use - and required a significant reduction in draw from the creek such that large areas of agriculture were taken out of production and water extraction processes were significantly changed. Indeed, the uncertainty that 468AF could be available from the San Vicente

watershed is reflected in the consultant's report to RMM (Amec Foster Wheeler, March 24, 2017) that states: "Historic water diversions of up to 420 acre-feet per year from San Vicente Creek and up to 120 acre-feet per year from Mill Creek would constitute a substantial portion of flow within this stream, particularly during the summer and fall (Resource Conservation District 2014)."

Furthermore, the consultant's report also states that: "Changes to water demand from San Vicente and Mill Creeks due to redevelopment of the site should be factored into land use planning and coordinated with the SWRCB to ensure sufficient supply remains in the creek system to support sensitive fish species, including Coho salmon and steelhead."

In short, DNCA feels that a careful and thorough analysis of water resource availability for potential development is a missing but critical first step needed to sustainably inform any development. We strongly feel that this analysis should have been done prior to developing any potential development scenarios for consideration as it will likely constrain the size and nature of any new uses. Without the analysis, we feel that it is premature and irresponsible to propose amending any local planning framework to accommodate a development that potentially cannot be supported due to natural resource limitation. We strongly urge the County to require an analysis of water resource availability – under consultation with NOAA/NMFS, California Department of Fish and Wildlife, SWRCB, and appropriate agricultural entities and affected landowners (Trust for Public Land, San Vicente Redwoods) prior to adopting any proposed plan.

TRAFFIC & LINE OF SIGHT AND SAFETY: "*Highway 1 near the cement plant site do not indicate high volumes or levels of congestion*" – This is a relative observation; the study doesn't appear to consider increase in weekend traffic. It provides no vehicle counts and does not acknowledge the recent increased congestion in Davenport over the last few years. The report clearly states there is an issue with the line of sight for traffic entering and exiting from the Cement Plant Road entrance. The highway safety and site access issues need to be addressed.

PART IV- PURPOSE OF PLAN AND GOALS

General Comments on the Section

1. From DNCA's perspective, the Draft Plan does not quite express our fundamental goal. That is:

Re-use plans for the Cemex plant/property should be designed to protect, not degrade, the community. Our mutual goal should be to mitigate negative visitor impacts experienced by the Davenport/North Coast communities (trash, trauma, etc.).

2. Beyond the overall frame noted above, the Draft Plan's listed mix of goals is an adequate but uneven basis for evaluation of the Draft Plan recommendations. (See some specific comments below.) The Board of Supervisors' review of the Draft Plan should include revisiting the Goals and consider updating in the context of current situation.

3. One problematic aspect of the Draft Plan's assumptions and goals is it's disconnect from planning for the Cotoni-Coast Dairies National Monument and the San Vicente Redwoods property.

It must be noted the Land Trust of Santa Cruz County has repeatedly rejected planning for connecting San Vicente Redwoods trails to National Monument trails via Warrenella Road. Citing conflicts with logging trucks, quarry remediation efforts and Molino Creek Farming Collective operations, the Land Trust has pledged that Warrenella Road is off-limits to

recreational users of San Vicente Redwoods. The Draft Plan's assumptions, analysis and designs regarding a National Monument/SVR Visitor Center (or "Gateway") may need some revision before final adoption. Proposing the cement plant site as the primary "Gateway" to the public lands surrounding Davenport should be aligned with acceptable and properly vetted BLM and San Vicente Redwoods access points.

Section 4-A "PURPOSE"

p. 4-1, pgh 1. Inaccurate statement about economic impact of plant's closure. Less than a dozen Davenport/North Coast residents were employed by Cemex. Most residents would agree that the quality of life for locals actually improved upon closure of the plant.

Replacement of Cemex-based jobs is not a primary goal of DNCA, as the very few in the community, if any, are looking for employment via the site to the best of our knowledge.

4-1, pgh. 2. This second sentence emphasizes, "...*community benefits such [as] a visitor center...*". While a Visitor Center is viewed by many Davenport / North Coast residents as a likely possibility, such use will be both an amenity and a liability with significant impacts.

p. 4-2 pgh. 1. The consultant's process of "*community engagement*" was felt by some residents to be pro-forma and not actually a real dialogue. There is still a lot more "community engagement" needed before the North Coast residents will be able to feel that our voices have been heard.

Section 4-B, "GOALS"

Section intro claims a "collaborative" planning process, but this is an overstatement. These Goals, in fact, were imputed by RRM and are not the result of an actual collaboration.

p. 4-2, Goal 1 – "*Provide community amenities/benefits needed in the area.*" The examples provided (*visitor center, parking*) may be beneficial to tourists, but could have problematic impacts for some residents. Although emergency services funding is a huge concern, we don't believe "emergency services storage" was a priority amenity. When discussing amenities in public meetings, the community prioritized safe pathway from NewTown to Davenport, education and local history museum, community center, farmers market, grocery store, and post office. We believe these amenities should be addressed, rather than emergency services storage.

p. 4-2, Goal 2 – "*Provide connection to the National Monument and surrounding public land*"- During the community workshops, the status of the National Monument designation and its planning were discouraged as a topic of discussion. We are concerned about proposed access points and the impact on the residents of trails to the proposed gateway.

p. 4-2, Goal 3 – "*Identify future uses supported by the community, County and Coastal Commission*". Ungrammatical and confusing statement: "*Create a mix of uses that caters to and offers a range of services.*" The Draft Plan does not meet this goal well. It offers a very limited mix of uses; it does not cite a source for Coastal Zone "priority uses" and its fidelity to Coastal Act priorities is dubious (e.g. nothing to enhance agricultural uses of the coast). The Board should question whether the Draft Plan has adequately met this goal for the work product.

p. 4-3, Goal 6 (*sic*) "*Preserve active agricultural resources.*" Aside from the typo (there are two "Goal 7" s), this is a weakened version of stakeholder concerns expressed during the workshop process. Agriculture is a very significant coastal use priority, a significant economic force for the North Coast community, and therefore a much more expansive goal could and should have been expressed. As stated, this narrowly crafted goal inappropriately discounts

and dismisses agriculture-based business as a factor in the site's re-use potential, and in its potential impacts.

p. 4-3, Goal 8 "*Ensure that hazardous and toxic materials are sufficiently cleaned to allow for residential uses.*" The re-use plan does nothing specifically relevant to this goal except call for residential use. The discussion of site remediation (p. 2-10) simply states the process is underway and achieving residential use standards "should be feasible." This aspect of the re-use planning deserves greater clarity, further analysis, and more specifics as it is a high priority for the community. (see comments Section II, Constraints, Remediation) We feel the hazardous materials and toxic material clean up issue must be addressed.

AFFECTED "COMMUNITY" IDENTIFIED: Purpose and Plan: refers to "local community" as the entire county. We are concerned about being subjected to the past Sempervirens strategy, which discounted the voice of local Davenport residents, wrapping us into the voice of the entire county. North Coast residents will be most affected by any development on the property and, therefore, should be given differential treatment for our opinions.

PART V -PUBLIC OUTREACH PROCESS AND FEEDBACK

"There were 30 "Stakeholder" Interviews", -The report does not note who the stakeholders were or why they were chosen; we believe it would be helpful to include that information.

The report states "An agreement that action needs to be taken regarding the site;" - We believe there are some members of the community wouldn't mind if the cement plant was left to rust if it meant no noise or pollution.

"The report states Local/North Coast has concerns such as impacts from tourism", which is true, if understated. What is at stake here is the difference is the town's identity – from a factory and agricultural town to a full-blown Tourist Town. Very few want Davenport to suffer more of the adverse effects of being a tourist town more than it already is.

Community Workshop in December 2017. "Fourth Alternative that was developed in conjunction with Joby Aviation. The report states "The community indicated that their top two choices were Alternative 1 – Eco Lodging and Visitor Serving and Alternative 4 – Joby Aviation Clean Technology. Alternative 4 received the most support" ... Alternative 4 is no longer a part of the Restoration and Reuse Plan." - We don't believe the 2nd choice should be considered on par with Joby Aviation. The Eco-Lodge was a very distant second choice. Page two of Appendix C documents only six people selected alternative 1 or 2 as a first choice. Nobody selected alternative 3 as a first choice.

It was clear the community did not endorse the previous 3 hotel projects. The real issue is "Tourist Town" vs "Tech Town". Given the enthusiasm greeted JoeBen, looks like that Technology was the winner. Since JoeBen has backed out, we believe there should be other efforts to attract Technology Research and Development, which was not included in the RRM Reuse Plan.

The report states "Alternative 3 includes the potential for up to 226,000 sf of light industrial/ flex space which could be used for many purposes, including some component (e.g. headquarters) of the Joby Aviation business." - We want to make sure the report includes Supervisor's

Coonerty's commitment that any Light Industrial zoning would be limited specifically to local entrepreneur JoeBen Bevirt. We do not want the site to be a permanently zoned Light Industrial, as it could easily become very undesirable with noise, pollutants, and traffic. Zoning Requirements must include specific limitations for light industry, research and development and should include specific limitations for other uses.

"Provide information regarding future traffic, water use, and potential light and noise impacts." Yes, we still need much more information on the potential impacts on the community. Any industrial use should be at or below light-industrial zoning designation. Zoning specifications should include language that assures zero noxious air and water emissions and no detectable change in ambient sound levels to adjacent properties. If any industrial activities are planned for the site, the developer must agree to contract third party year-round monitoring of air, water, and sound pollution levels and make the results available in a timely manner in monthly reports available via electronic media.

PART VI – LAND USE ALTERNATIVE AND DESIGN GUIDELINES

Any new development must be consistent with the Santa Cruz County Local Coastal Program "Davenport Special Community Design Criteria". We have seen non-compliant development slip through the Planning Department recently.

Page 6-1 states the 3 alternatives were *"developed based on feedback received from, among other things, "meetings with stakeholders" and "input from the community."* Exactly who are these other stakeholders? As we recall, RRM presented these 3 alternatives to the community last year, and except for the outlier plan offered by Joby Aviation, there was extremely limited enthusiasm from the North Coast community for any of their proposals. Senior housing: 300 older citizens without any local shopping, hospital, or other services is not desirable or wise.

All three proposals anticipate providing facilities and services designed to serve several hundred visitors/residents--a huge increase in the current number of visitors/residents of the North Coast on any given day. The community is already having difficulty absorbing and minimizing the impact of large numbers of visitors to our local beaches, and this influx will continue to grow with the opening of the National Monument and completion of the Rail/Trail. We don't think it is an exaggeration to say that development of any of these three options would utterly destroy the charming and quaint character of the North Coast.

Looking at the site maps, the scope of the size and projects completely dwarf New Town and Old Town. And as you noted, each of these proposals opens the door to subsequent sales/transfers. One can't force a developer to hold onto a property if they want to sell it. What is certain is that we will all suffer from the increased traffic, congestion and trash left by visitors and our natural resources, viewshed, and "slow coast" lifestyle will be permanently diminished.

We haven't heard anyone from the local community say that they wanted to see more development on the ocean side of Highway One, yet all 3 proposals appear to include camping, a restaurant, and "recreation" on the ocean side. Crossing Highway One on a busy weekend is already very challenging and dangerous. We feel development should be limited to the east side of Highway One, except for some possible improvements to the cement plant hospital site.

PART VII – ECONOMIC FEASIBILITY ANALYSIS

We have a number of questions about the financial analysis for the plan. These are preliminary and based on a cursory review of Appendix D.

Appendix D says, “This analysis assumes that site remediation occurs and that the site is delivered clean for development.” Who is going to do this? So far there has been no indication that CEMEX will deliver the site cleared and ready for development. Additionally, it is unclear what “clean” means and there is no contingency in the budgets for unforeseen site conditions. The Supplementary Real Estate Market Research dated July 12, 2017 states, “...developers cited a number of risk factors...the secluded location, size of the site, and uncertainty about site conditions” and not clarifying what clean causes further unknowns for a developer.

The construction costs are in “constant 2017 dollars” and consequently grows increasingly out of date each month. Not only have construction costs risen significantly during this time frame, there is no factor for future cost escalation in the calculation. Time is money and the pro formas grow less predictive when there is no factor for escalation. While it is impossible to predict potential phasing scenarios, it is very likely the project will be phased, which further affects the reliability of the pro formas. In the current market, UCSC is carrying 8% per year escalation. Eventually the market will cool off. Given the long-term nature of the CEMEX project the average over time is probably more like 4-5% per year. We suggest the financial analysis include factors for construction cost escalation and provide projections based on both a five- and a ten-year project horizon. We do not understand why inflation, which can have such a big effect on cost, is not included. If there is a rationale for not including it, we suggest including it in the report.

Our biggest general concern is that the construction costs for the vertical construction components are very low compared to the actual construction market in Santa Cruz County. In our experience, using RS Means construction data to derive unit costs in most instances does not come close to actual costs in this “over-the-hill” market. Please talk with local developers and contractors to verify construction cost assumptions.

Why is the number of rooms in the Alt 1 Hotel Pro Forma and Figure 8, and Alt 2 Hotel Pro Forma and Figure 10 different than the number of rooms on the Program Alternatives Summary? We ask you to reconcile pro forma discrepancies to make sure the construction cost data upon which the pro forma is based accurately and represents local market conditions.

We recommend Economic and Planning Systems talk directly with contractors and developers who have current on the ground experience bidding in this local market.



**MITCHELL
CHADWICK**

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916-462-8887
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November 8, 2018

VIA U.S. MAIL AND EMAIL

Kathleen Molloy
Planning Director
County of Santa Cruz, Planning Department
701 Ocean Street
Santa Cruz, CA 95060

Re: Draft Santa Cruz Coastal Restoration and Reuse Plan

Dear Ms. Molloy:

On behalf of RMC Pacific Materials, LLC (“hereafter CEMEX”), owner of the Davenport Cement Plant (“Plant”), I am submitting this letter on Santa Cruz County’s (“County”) Draft Santa Cruz Coastal Restoration and Reuse Plan (“Plan”) dated October 2018.

CEMEX appreciates the County’s interest in the Plant and its potential future. The Plant site has housed cement operations since 1906, and during its operative years, the Plant was a major source of jobs in Davenport and the surrounding area. Since cement operations at the Plant ceased in 2010, CEMEX has worked closely with the County to ensure a productive future use for the Plant site. CEMEX has engaged in site clean-up and remediation efforts and is currently in compliance with all environmental requirements for the site.

CEMEX has reviewed the County’s Plan, and believes it is important for CEMEX to provide comment on the Plan. CEMEX retains its right to comment further on the County’s plan and any future CEQA document. CEMEX’s comments below are divided into two parts: 1) overall objections to the Plan; and 2) specific revisions that CEMEX requests that the County incorporate into the Plan. In sum, CEMEX requests that consideration of the Plan be discontinued and that the Plan be denied.

I. OVERALL OBJECTIONS

A. The Draft Plan Represents Serious County Overreach

As stated above, CEMEX owns the Plant. The alternative land uses for the Plant site contained in the County’s draft Plan were not approved by CEMEX, the owner of the vast majority of the

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land which the County proposes to redevelop. Despite communication to the County from CEMEX regarding progress made on remediation efforts at the Plant site, the County chose to draft a Plan which includes many elements not supported by CEMEX.

The County has not demonstrated a need for the draft Plan. The Plan states that the regulatory authority for the Plan comes from the California Coastal Conservancy's ("Conservancy") enabling legislation, which grants the Conservancy the authority to award grants for the purpose of "restoration of areas of the coastal zone that, because of scattered ownerships, poor lot layout, inadequate park and open space, incompatible land uses, or other conditions, are adversely affecting the coastal environment." The Plant site is not adversely affecting the coastal environment. CEMEX has considered selling the Plant site and any new owner of the Plant site would continue any necessary remediation and development efforts. In short, the County's Plan is not necessary to ensure that the Plant site is put to a productive future use. In fact, the Plan's narrow, monolithic proposed uses will likely interfere with, rather than assist, future redevelopment of the site.

B. The Draft Plan Fails to Consider a Light Industrial Alternative

When the County first presented the draft Plan to community stakeholders, there were four land use alternatives included in the Plan. Alternative 4 was developed in conjunction with Joby Aviation, and under this alternative the Plant site would have been used for manufacturing facilities. During community workshops, Alternative 4 received the most stakeholder support. Since then, Joby Aviation identified a different site for its manufacturing facility and the County removed Alternative 4 from the Plan. The County did not replace the Joby Aviation alternative with a different light industrial alternative, despite the fact that the community clearly favored retaining the Plant site's industrial use. Alternatives 1 and 2 are tourism driven and would only create low paying service-sector jobs, not the high paying manufacturing jobs desired by the community. CEMEX believes that the County should reintroduce Alternative 4 to the Plan. There is no need to identify a specific industrial employer at this stage of Plan development. The County has demonstrated this by retaining Alternatives 1, 2, and 3 without first procuring a developer for those alternatives.

C. The Draft Plan Does Not Contain any Mechanism for Amendment

The Draft Plan states that wherever the policies identified in the Plan conflict with other Local Coastal Program policies, the Plan shall apply. In essence, it appears that the County intends for the Plan to supersede the Local Coastal Program. This is troubling to CEMEX, because as of now, unlike the Local Coastal Program, the Plan does not contain any mechanism for modification or amendment of the Plan. If the Plan is truly intended to supersede the Local Coastal Program, there needs to be a way to amend the Plan.

D. The Plant Site Does Not Require Remediation to Residential Levels

CEMEX's Plant site is not listed on the Superfund National Priorities List, and CEMEX is not required to conduct cleanup pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"). Additionally, CEMEX does not have a Resource Conservation and Recovery Act ("RCRA") permit to store, transport, or dispose of hazardous waste, and thus the Plant site cannot be subject to a RCRA corrective action. There is no indication or history of use or disposal of hazardous materials at the Plant site. Therefore, federal, State, or local cleanup standards for hazardous materials do not apply to CEMEX's property. Further, though Santa Cruz County has regulations for the cleanup of hazardous materials, hazardous waste, and underground storage tank sites¹, the County does not have regulations for cleanup of non-hazardous materials, such as those that would be present at the Plant site. Absent regulations to control cleanup of the Plant site, CEMEX has taken steps to ensure site cleanup standards match the applicable zoning of the property, which for the majority of the Plant site is Commercial Agriculture and Heavy Industrial. Despite this, the County's draft Plan purports to require CEMEX to remediate the Plant site to residential standards.

CEMEX has been actively engaged in remediating the Plant site and has always planned on remediating for commercial and industrial uses. However, as stated above, the County's proposed Plan purports to require that the Plant site be remediated to residential levels. This is a much more stringent level of remediation. Through the draft Plan, the County is attempting to force CEMEX to pay for a costly and unnecessary residential remediation for the Plant site. If the County wishes to pursue this approach, it should incorporate language into the Plan accepting responsibility for the cost of any incremental remediation that a residential remediation would require beyond CEMEX's current responsibility. If the County's draft Plan is approved, CEMEX will continue to object to remediating the Plant site to residential levels.

E. The Draft Plan Requires Rezoning of the Plant Site

The County's draft Plan proposes three different alternative end uses for the Plant site, including an eco-resort, recreation lodge, and senior housing. Each alternative proposed in the County's Plan would require a rezone of the Plant site, the majority of which is currently zoned for Commercial Agriculture and Heavy Industrial use. The County's draft Plan would also require an amendment to the Local Coastal Program. CEMEX opposes rezoning the Plant site and any amendments to the Local Coastal Program which would impose any additional remediation obligations on CEMEX.

¹ Santa Cruz County Code section 7.100.010 et seq.

F. The Draft Plan Misrepresents the Law Regarding Pre-1914 Water Rights

The County's draft Plan acknowledges that CEMEX has a pre-1914 appropriative water right, with diversion rates of up to 1.1 cubic feet per second. The draft Plan states that pre-1914 water rights are typically only in effect for the original use, and that under a new use a new appropriative right may need to be sought from the State Water Resources Control Board. This is a misstatement of the law. California Water Code section 1706, which applies to pre-1914 rights, provides:

The person entitled to use of water by virtue of an appropriation other than under the Water Commission Act or this code may change the point of diversion, place of use, or purpose of use if others are not injured by such change, and may extend the ditch, flume, pipe, or aqueduct by which the diversion is made to places beyond that where the first use was made. (emphasis added.)

G. The Draft Plan Discourages Future Development of the Plant Site

The County's draft Plan recognizes that there is currently no developer attached to the Plan or any concrete development plans. Any future development in the Plant site area will need to undergo environmental review and the County approval process, and any developer attached to the Plan would need to obtain the applicable permits. While one of the Plan's stated purposes is to stimulate redevelopment and restoration of the site, the Plan actually discourages future development of the site by adding additional layers of regulation with no clear mechanism for amendment or change, and by assuming a development plan, most of which have questionable economic feasibility, with no developer.

H. The Draft Plan Includes Property Not Owned by CEMEX

The proposed area of redevelopment in the County's draft Plan centers on CEMEX's Plant site. However, the Plan also includes property that is not owned by CEMEX. The Plan does not shed light on whether the County has in fact reached out to the other property owner.

I. Proposed Insert to Draft Plan

CEMEX strongly opposes the County's draft Plan. CEMEX believes that the County's plan interferes with its rights as a property owner and improperly modifies CEMEX's remediation obligations, and could constitute a regulatory taking. CEMEX requests that the County include the following language in the finalized Plan:

Notwithstanding anything in this Draft Coastal Restoration and Reuse Plan for the Davenport Cement Plant, this Plan is not intended to and shall not be construed or deemed to supersede or interfere with any existing rights or obligations of RMC

Pacific Materials, LLC d/b/a CEMEX ("CEMEX") as owner of the Davenport Cement Plant site, including, but not limited to, CEMEX's right to control, sell, redevelop, subdivide, or otherwise dispose of the Cement Plant site. CEMEX's cooperation with the County as the County developed the Plan with the County's project team does not and shall not be deemed to constitute a waiver or relinquishment of any rights of CEMEX and CEMEX expressly reserves and does not waive or relinquish any rights it may have regarding the Davenport Cement Plant site, including any permits or applicable reclamation requirements.

The County acknowledges and agrees that CEMEX's cooperation with the County as it developed the Plan with the County's project team is not intended to endorse or otherwise lend support by CEMEX to the Plan or to any land use alternative, new Local Coastal Program policy, Local Coastal Program amendment, or changes to land use designations or zoning proposed therein. CEMEX expressly objects to the Plan and to any land use alternative, new Local Coastal Program policy, Local Coastal Program amendment, or changes to land use designations or zoning proposed therein to the extent it attempts to modify or impose additional obligations on CEMEX, impedes CEMEX's property rights, or supersede CEMEX's property rights.

J. Conflict of Interest.

The Plan was developed pursuant to grants awarded to Sempervirens Fund. Sempervirens previously purchased the Davenport forest from CEMEX, but is not under contract to purchase the Plant. This Plan creates a conflict of interest as Sempervirens has no interest in maximizing the value of the Plant property. In fact, Sempervirens would benefit from significant restrictions on the property that lower the value of the land and greatly reduce the potential pool of buyers to a small group that includes Sempervirens. In our opinion, this Plan is an obvious attempt by the County and Coastal Conservancy to select alternatives that favor a private non-profit entity to the detriment of both the property owner and the community. Thus, the Plan should not be adopted and work the Plan should be discontinued.

II. SPECIFIC REVISIONS REQUESTED

CEMEX has reviewed the County's draft Plan in detail, and requests that the County incorporate the specific revisions detailed below. These revisions have also been incorporated in the attached draft Plan. CEMEX's revisions in Attachment 1 are in green.

- 1) Preface page VI -
 - a. Delete from first paragraph: “and the property owner, CEMEX, has cooperated with the County and project team during this reuse planning process”.
 - b. Delete from second paragraph - “The plan includes Local Coastal Program (LCP) amendments that would facilitate implementation of the preferred alternative thereby giving prospective developers and their funders increased confidence that their investment will lead to a tangible outcome.”
 - c. Delete from third paragraph – “, and the proposed LCP amendments that would allow for the realization of the Restoration and Reuse Plan. It is important to note that the proposed LCP amendments provide clear guidance regarding how the site should be redeveloped, what community and coastal priority uses must be included, and how natural resources will be protected”.
- 2) Page 1-2 insert “Sempervirens” after “California” on last line of 3rd paragraph and capitalize “federal.”
- 3) Page 1-4 insert “is now” after “which” on the 3rd line under B.
- 4) Page 1-4 insert “a” before “former” on the 4th line under C., remove “historic” and add “former” before “Crocker Hospital” in the bottom 11-12 lines, and remove “the” and add “its” before “highest point” in the bottom 6 lines.
- 5) Page 1-6 remove “which was” after “Santa Cruz Portland Cement Company.”
- 6) Page 1-6 add section “E. Site Ownership” and add:
 - a. The Davenport Cement Plant site, which is the subject of this Plan, is owned by RMC Pacific Materials, LLC, which entity is owned by CEMEX.
- 7) Page 1-7 add space after “Cruz” in 1st paragraph, insert “cement” after “Portland” in 2nd paragraph, remove “and a transition to closure and clean-up activities” in the 3rd paragraph.
- 8) Page 2-2 first paragraph, delete “a near pristine stretch of” and replace with “the”.
- 9) Page 2-2 first paragraph, delete “The site and its environs offer a respite from urban life and world-class recreation within an hour and a half drive of roughly 4.5 million people.”
- 10) Page 2-2 second paragraph, remove “will” in 1st and 2nd lines replace with “could,” remove “can” in 4th line and replace with “could,” remove “would” on 5th line and replace with “may,” insert “potentially” before “providing” on 6th line, and remove “will” on last line replace with “may.”
- 11) Page 2-2 third paragraph, insert “could provide” before “the opportunity” and insert “potentially” before “inhabit the site.”
- 12) Page 2-3 remove “the historic resources and the status of.”
- 13) Page 2-3 delete “historic” from last line of first paragraph and insert “existing”.

14) Page 2-3 second paragraph insert “potentially” before “a significant opportunity for reinvestment.”

15) Page 2-4 add at start of first paragraph under Existing Land Use Regulations “The County General Plan designations for the site are Mountain Residential, Agriculture Resources, and Public Facility. (See Figure 1.)” and add “(See Figure 3.)” after “Recreation and Open Space (PR)”

16) Page 2-4 last paragraph, delete the last paragraph which begins “Under the current zoning...”

17) Page 2-6 comment: we do not have any knowledge or notice that these structures were listed by the County. Please let us know when this action was taken and if there was a public hearing about this? We would ask this page to be removed from the document.

18) Page 2-10 (both paragraphs) should be deleted in its entirety and replaced with:

“REMEDIATION

CEMEX’s environmental consultant, TRC Solutions, has completed the initial phase of site characterization work. Based on the consultant’s report and recommendations from that initial study, which identified ~~18~~ 16 separate “Areas of Potential Environmental Concern,” the submittal of a detailed work plan for the next phase of work was required to further characterize certain site areas identified in the initial study. The Supplemental Closure Investigation Work Plan and associated documents were prepared from April through November 2016, and a response letter from Santa Cruz County Environmental Health Service (SCCEHS) was issued in early December 2016. ~~The next phase of field work was scheduled for early 2017.~~ TRC performed supplemental investigations in May 2017 and documented the findings in a report titled “Supplemental Facility Closure Investigation Report”, dated July 2017. In the July 2017 report, additional investigations were proposed for 6 of the 16 APECS. A response letter from SCCEHS was issued in early February 2018. At this point, results from the scheduled field work are still underway scheduling for additional investigations for these 6 APECS are still underway.”
(underline is new, cross outs are deletions)

19) Page 2-12

- a. Delete the paragraph which begins “It should be noted...” Comment: This is a non-sequitur, how is the County’s treatment facility outside of its own boundaries but the plant discharges into a pond related.
- b. Delete from the first paragraph under “Water” column the text from and after “but an approved annual...” to end of paragraph.
- c. Comment: There is no “approved” annual diversion like there would be on a post-1914 right.

- d. Comment: Water Code section 1706, which applies to pre-1914 rights provides:
“The person entitled to use of water by virtue of an appropriation other than under the Water Commission Act or this code may change the point of diversion, place of use, or purpose of use if others are not injured by such change, and may extend the ditch, flume, pipe, or aqueduct by which the diversion is made to places beyond that where the first use was made.” Thus, unless someone can show injury, you can change the use.
 - e. Delete “Pending resolution of water rights” from first sentence of 2nd paragraph.
- 20) Page 3-3 second paragraph, remove “The site, in its current state, is a blight on the coast and is adversely affecting the coastal environment.”
- 21) Page 4-1
- a. Remove “stopped producing cement” and insert “ceased cement production” in first line.
 - b. Delete “dramatically” from the third line
 - c. Remove “Rather than waiting for CEMEX to complete the site clean-up and closure activities, or for a developer to purchase the site and propose a project” and insert “Although having no ownership interest in the subject property,” in front of “The County of Santa Cruz in cooperation...”
 - d. Add “proactively” before “embarked on the planning process.”
 - e. delete “historic” from in front of Davenport cement plant.
 - f. Insert “and protect the landowner’s property rights” after “redevelopment and restoration of the site.”
 - g. delete “and the landowner” from the final two lines.
- 22) Page 4-2
- a. Delete the paragraph beginning with “The Restoration and Reuse Plan” in the first column.
 - b. Insert “while protecting the landowner’s property rights” at the end of the first sentence under the second column.
 - c. Add to Goal 4 “Ensure an economic return to the current landowner.”
- 23) Page 4-3
- a. Check numbering on goals.
 - b. Delete “Historic” from Goal 7.
 - c. Delete Goal 8 in its entirety.
- 24) Page 5-3 insert “potential” before “on-site toxic materials” in first bullet.
- 25) Page 5-5 comment to first paragraph of left column before “However, Alternative 3 . . .”

CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT OFFICE
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November 29, 2018

Andy Constable, Economic Development Manager
Santa Cruz County
701 Ocean Street, Room 520
Santa Cruz, California 95060

Re: Draft Santa Cruz Coastal Restoration and Reuse Plan (Cemex Property)

Dear Andy:

Thank you for the opportunity to provide comments on the Draft Santa Cruz Coastal Restoration and Reuse Plan (“Reuse Plan”) for the Cemex property. As we have previously indicated, we strongly support redevelopment and reuse of the former Davenport Cement Plant as a visitor-serving and coastal recreation destination as envisioned by the Reuse Plan, including because such reuse will clean up the industrial vestiges on the site and provide a much needed platform for improved public access to the adjacent Cotoni-Coast Dairies National Monument. Our comments below are intended to provide very general feedback, with the understanding that this is an iterative process and that further issues may be identified down the road as more details are fleshed out. With that said, we believe we could support a Local Coastal Program (LCP) amendment that would allow for some version of Alternative 1 (Eco-resort Lodge and Visitor-serving) or Alternative 2 (Recreation-oriented Visitor-serving/Conference Center), but that Alternative 3 (Senior Housing and Visitor-serving) appears to present significant inconsistencies with the Coastal Act and the LCP.

Jurisdiction and Permitting

The Reuse Plan correctly notes that an LCP amendment will need to be submitted to the Commission to allow for the proposed changes to the land use designations and zoning of the site. We would note that the Reuse Plan’s preface indicates that any future proposals will require review and approval of coastal development permits (CDPs) by the County and the Coastal Commission. Page 9-3 further states that any such CDPs would require review and approval by the Coastal Commission. As a point of clarification, we would note that any such proposal would require a CDP from the County that would be appealable to the Commission.¹

¹ We would further note that both the “Regulatory Authority” and the “Future Steps and Implementation” sections indicate that the Coastal Conservancy will review the Reuse Plan pursuant to Public Resource Code Section 31208; however, correspondence from the Conservancy staff indicates that such review is not needed and will not occur because this is not a Coastal Reuse Plan for the purposes of Section 31208, and thus the Draft Reuse Plan should be corrected to reflect this point.



Sarah Barth, Executive Director
Sempervirens Fund
419 South San Antonio Rd. Suite 211
Los Altos, Ca 94022-3640

November 29, 2018

Dear Sarah:

My staff have reviewed the CEMEX cement plant reuse plan and have the following comments and suggestions. Please feel free to contact Trish Chapman of my staff if you would like to discuss any of these details further. We look forward to seeing this amazing opportunity for the Coast move through the county's permitting process and the property on to the real estate market.

Sincerely,

A handwritten signature in blue ink that reads "Sam".

Sam Schuchat
Executive Officer

1515 Clay Street, 10th Floor
Oakland, California 94612-1401
510-286-1015 Fax: 510-286-0470



Davenport Cement Plant Restoration and Reuse Plan

State Coastal Conservancy Comments

1. Page 3-2: The Regulatory Authority section should be revised in its entirety to explain the process of an LCP update by the County with approval by the Coastal Commission. The two main regulatory entities for this project are the County and the California Coastal Commission. The Conservancy, along with two NGOs, is a supporter and funder. The Coastal Conservancy does not have any regulatory authority and should not be discussed in the Regulatory Authority Section. The discussion that is included is factually incorrect as detailed below.
 - a. The Coastal Conservancy did not provide a grant to Sempervirens Fund for a Coastal Restoration Plan, as defined under Chapter 5 of our enabling legislation (Division 21 of the Public Resources Code (PRC)). Rather, the Conservancy funded Sempervirens to “develop a reuse plan for the site”. The grant was authorized under the Coastal Restoration chapter of our legislation; but not for development of a “Coastal Restoration Plan”. Therefore the Conservancy will not be following the steps in PRCD Section 31208 for Coastal Restoration Plans. Specifically, Conservancy’s staff will review the plan and provide comments, but the plan will not be reviewed and approved by the Conservancy Board of Directors and the Conservancy will not submit the plan to the Coastal Commission.
 - b. Since it is not a Coastal Restoration Plan, Section 31208 of the Public Resources Code does not apply. The plan should be updated to correct this. Conservancy staff have tried to clarify this point repeatedly. We do not intend to submit the plan to our board for approval.
 - c. Sections B and C should be deleted in their entirety.
 - d. The two other funders of the Plan should be acknowledged in the document: G&B Moore Foundation and Resources Legacy Fund.
2. Page 3-3: Even though the text is otherwise correct, it seems overly detailed for this type of report.
3. Page 3-4 Plans and Policies. The land uses described in this Plan are inconsistent with the LCP so suggest just stating that for clarity.
4. Page 4-1: Here is one place that the other funders, Moore and RLF could be acknowledged.
5. Page 4-3. There is no Goal 6. How would agricultural resources be preserved when there are none currently on the site?

6. Page 4-3. Goal 7 Reuse Existing Historic Buildings. This goal should specifically call-out that the goal to reuse existing historic buildings should only be met if economically feasible. Reconstruction of historic buildings is typically far more expansive than new development. Reusing outdated industrial structures for a completely new use could greatly increase the cost of the new use making it difficult to have a financially viable project that meets the other goals.
7. Page 5-3 Stakeholder Interviews: Document should reference a list of the 30 stakeholders. Would be in an appendix.
8. Page 6-1 Clarify the event and retreat space and whether it would include public performance space. Not obvious from the plan-view figures in this report but the northeastern portion of the site is a gentle slope has views of the Pacific Ocean and could be an excellent site for a modest outdoor amphitheater. Outdoor performances would serve a public need and be synergistic with hotel and other visitor services.

Also clarify whether visitor-serving facilities could include a railroad platform or station. It appears that the railroad tracks are just outside the footprint of the plant, but could have a beneficial impact on the use of the property. Weekend and special event rail service is currently feasible and should be at least mentioned as another amenity, especially as rail service has the potential to mitigate for increased automobile traffic.

9. Page 7-3 The economic analysis should consider more than the land value of the project. It should also summarize the number and type of jobs created, the estimated tax revenue (from full range of taxes) to the County, the implications for community services such as schools and water supply. Without a more robust economic analysis, the County would be making a decision based on only one data point, when in fact there will be several economic impacts resulting from each of the alternatives.
10. Page 8-2, Section A. I believe the statement in Section A is based on the assumption that the plan is submitted by the Coastal Conservancy to the Coastal Commission pursuant to Section 31208 of the Public Resources Code. If correct, this section should be deleted. If it is not based on this assumption, then the statement in Section A needs explanation. A plan cannot trump the adopted LCP.
11. Page 8-4. (ii) Riparian setbacks should be at least 100 feet and (iv) why should *all* mature trees necessarily be replanted 1:1? Many, if not most of the trees on the site are non-native eucalyptus and don't necessarily add to the aesthetic value of the property. Instead suggest assessing mature trees for habitat value (e.g., monarch butterfly) during the design process.
12. Page 8-5. Silos – It does not make sense to have LCP policies that apply to some types of development and not to others. Recommend deleting this policy. Policy IV regarding archaeological resources should be revised to include consultation with Native American tribes prior to the surveys, not just in the case of materials being found. The policy should

also require inclusion of the Native American history of the site in the interpretive displays required in policy I.

13. Page 8-A. 5: This is an excellent point. Some large, multi-faceted projects allow the money-making portion to happen well before the public amenities are constructed, sometimes by many years. That sort of approach will lead to an erosion of trust by the public.
14. Pages 8-6 and 8-7. The planning criteria in Sections 2-4 need explanation. Are these envisioned as
15. Page 9-3. Section #3 on Coastal Conservancy review pursuant to Section 31208 of the Public Resources Code should be deleted. The other sections should be updated to reflect the actual process.

GOALS & IMPACTS OF SCALE

- Before stating the goal is economic development, we feel the report should spell out who specifically would benefit and to what extent.
- When discussing amenities in public meetings, the community prioritized safe pathway from NewTown to Davenport, education facility, local history museum, community center, farmers market, grocery store, and a larger post office. We believe these amenities should be addressed, rather than storage.
- This report should address specific strategies for minimizing the impact of increased numbers of visitors to the community, including carrying capacity limitations and buffering New Town.
- We support limiting the number of employees to the number previously employed at the cement plant over the last 30 years of operation, which was 125.
- We feel strongly that tripling the size of Davenport is out of scale and would wipe out this quality of place for Davenport and New Town; therefore, it should be reconsidered.
- We feel the Mountain Residential Designation option should be explored for feasibility.

SEWER/WATER

- Any cost of water or sewage expansion or upgrades must be solely borne by the developer.
- The water and demand of the site must not diminish supply for current residents or salmonid population
- We strongly urge the County to require an analysis of water resource availability – under consultation with NOAA/NMFS, California Department of Fish and Wildlife, SWRCB, and appropriate agricultural entities and affected landowners (Trust for Public Land, San Vicente Redwoods) prior to adopting any proposed plan.

ACCESS

- The highway safety and site access issues need to be addressed.
- Proposing the cement plant site as the primary “Gateway” to the public lands surrounding Davenport should be aligned with acceptable and properly vetted BLM and San Vicente Redwoods access points.

PUBLIC OUTREACH

- North Coast residents will be most affected by any development on the property and, therefore, should be given deferential treatment for our opinions.
- The report does not note who the stakeholders were or why they were chosen; we believe it would be helpful to include that information.

DEVELOPMENT

- We believe there should be other efforts to attract Technology Research and Development, which was not included in the RRM Reuse Plan.
- Light Industrial zoning would be limited specifically to local entrepreneur JoeBen Bevirt.
- If any industrial activities are planned for the site, the developer must agree to contract third party year-round monitoring of air, water, and sound pollution levels and make the results available.
- We feel development should be limited to the east side of Highway One, except for some possible improvements to the cement plant hospital site.

ECONOMIC FEASIBILITY

- We ask you to reconcile pro forma discrepancies to make sure the construction cost data upon which the pro forma is based accurately and represents local market conditions.
- We suggest the financial analysis include factors for construction cost escalation and provide projections based on both a five- and a ten-year project horizon.
- We recommend Economic and Planning Systems talk directly with contractors and developers who have current on the ground experience bidding in this local market.

Comments on Draft Santa Cruz Coastal Restoration and Reuse Plan From a Davenport Resident

GOALS & IMPACTS OF SCALE

- Before stating the goal is economic development, I feel the report should spell out who specifically would benefit and to what extent.
- Amenities I would like to see include: a grocery store, a safe pathway from NewTown to Davenport, education facility, local history museum and visitor center, gateway to the open space, community center / meeting center, ample parking for the above, a larger post office, and a gas station with diesel.
- We cherish the small town feel of Davenport – and the fact that it is dark, quiet, and clean air. Having a recreation center, camp, hotel, large housing facilities, or campground within town would dramatically change that feel, and impact our way of life – and the very reasons we moved to and invested in Davenport. This report should address specific strategies for minimizing the impact of increased numbers of visitors to the community, including carrying capacity limitations and buffering both New Town and Davenport from noise, light, and smoke from any camping, recreation, or camp facilities.
- I feel strongly that tripling or doubling the size of Davenport is out of scale and would wipe out this quality of place for Davenport and New Town and is unreasonable; therefore, it should be reconsidered.
- We support limiting the number of employees to the number previously employed at the cement plant over the last 30 years of operation, which was 125.
- I feel the Mountain Residential Designation option should be explored for feasibility.
- I think small RV camping should be explored, for example RVs under 30ft long. This could actually be less impacting to local residents while generating more revenue. Having an RV dumps site could also benefit the coast North of Santa Cruz – hopefully folks would use that rather than dumping on the side of the HWY – and that might alleviate much of the RV vacationers on the side of the HWY. This of course would have to fit within sewer and water concerns and investigations suggested below – and the improvement costs associated with this – as suggested below – should be borne by the developer

SEWER/WATER

- Any cost of water or sewage expansion or upgrades must be solely borne by the developer.
- The water and demand of the site must not diminish supply for current residents or natural habitat needs for salmonid populations and wildlife
- I strongly urge the County to require an analysis of water resource availability – under consultation with NOAA/NMFS, California Department of Fish and Wildlife, SWRCB, and appropriate agricultural entities and affected landowners (Trust for Public Land, San Vicente Redwoods) prior to adopting any proposed plan.

ACCESS

- The highway safety and site access issues need to be addressed. Highway crossing is an extreme hazard within Davenport today –tripling the number of residents with orders of magnitude increases in day visitors likewise increases this hazard by orders of magnitude with potential for more accidents and fatalities.
- Proposing the cement plant site as the primary “Gateway” to the public lands surrounding Davenport should be a priority and should be aligned with acceptable and properly vetted BLM and San Vicente Redwoods access points and planned land use.

PUBLIC OUTREACH

- North Coast residents will be most affected by any development on the property and, therefore, should be given differential consideration and treatment for our opinions.
- The report does not note who the stakeholders were or why they were chosen; we believe it would be helpful to include that information.

DEVELOPMENT

Comments on Draft Santa Cruz Coastal Restoration and Reuse Plan From a Davenport Resident

- I believe there should be other efforts to attract Technology Research and Development, which was not included in the RRM Reuse Plan.
- Light Industrial zoning would be limited specifically to local entrepreneur JoeBen Bevirt.
- If any industrial activities are planned for the site, the developer must agree to contract third party year-round monitoring of air, water, and sound pollution levels and make the results available.
- I feel development should be limited to the east side of Highway One, except for some possible improvements to the cement plant hospital site – This includes excluding camping.

ECONOMIC FEASIBILITY

- We ask you to reconcile pro forma discrepancies to make sure the construction cost data upon which the pro forma is based accurately and represents local and *current* market conditions.
- We suggest the financial analysis include factors for construction cost escalation and provide projections based on both a five- and a ten-year project horizon.
- We recommend Economic and Planning Systems talk directly with contractors and developers who have current on the ground experience bidding in this local market.
- I stress again the importance of water. I feel what is more important than economic feasibility is to ensure that any development proposed is sustainable in terms of water – not decreasing the quality or availability, and not increasing the cost for current residents and business AND ensuring that there is enough water in local streams and groundwater for nature, including species protected under the endangered species act. It is uncertain and unlikely to me that any of the three proposed plans would fall within the above stated sustainability criteria, or within criteria important to NOAA fisheries, California Department of Fish and Wildlife, or the Department of Water Resources. It is folly to move forward with any plan without first confirming the availability of water for nature, existing residents, and proposed plans.

Thank you for your consideration,
Walter Heady
261 San Vicente Street
Davenport, CA 95017

INTRODUCTION AND BACKGROUND - I

B. NATIONAL MONUMENT

The Bureau of Land Management (BLM) owns and manages the property directly adjacent to the Cement Plant site, which is now designated a National Monument. It is known as the Cotoni-Coast Dairies National Monument (see Figure 2). This National Monument is comprised of 5,800 acres of land, which includes six watersheds, wildlife habitat, scenic views, and cultural resources. Designated on January 12, 2017 by President Barack Obama, the Cotoni-Coast Dairies National Monument is intended to protect the redwoods, threatened wildlife habitat, watersheds, and other identified critical natural and scenic features of California's Santa Cruz Mountains. The area connects multiple landscapes including coastal open spaces in the west and redwood forests in the east, as well as State and local parks, nature preserves, working forests, agricultural lands and operations, beaches, and the National Marine Sanctuary. In addition to the national monument protections, there are also deed restrictions that aim to protect the land owned by BLM.

C. SITE FEATURES

The Davenport Cement Plant site was operated as a cement plant for more than 100 years. Currently, the cement plant site includes several industrial buildings such as a former electric shop, machine shop, mechanic shop, control building, raw mill, kiln, burner building, preheater building, compressor room, iron ore storage building, rock storage building, clinker storage, oil storage, finish mill, packhouse, scale house, lime building, potash building, office, and control room with laboratories. Outside of the footprint of the Cement Plant, yet still within the 172 acres of the site, are an additional 50 acres dominated by coastal terraces and chaparral and a 25-acre rail line strip that runs along Highway 1 and divides the Cement Plant property. There are approximately an additional 40-acres between the coastline and Highway 1 that is currently in active agriculture and open space uses and contains the ~~former~~ Crocker Hospital. The surface elevation at the property ranges from approximately 50 feet at the coastal bluffs adjacent to Highway 1 to approximately 1,100 feet at its highest point. Surface waters located on the property include spring-fed and manufactured ponds and reservoirs, a County drinking water treatment facility, and a County wastewater treatment pond.

II - SITE OPPORTUNITIES AND CONSTRAINTS

PRESERVATION AND REUSE OF HISTORIC RESOURCES

Because of the age of ~~remove "the historic resources and the status of"~~ the cement production facilities, the structures are in need of restoration and repair. As discussed in greater detail below, the Restoration and Reuse Plan creates an opportunity for a future developer to restore and repurpose on-site ~~remove "historic"~~ resources. Each of the proposed redevelopment land use alternatives calls for the reuse of ~~remove "historic"~~ existing structures.



On-site silos



Roundhouse

JOB GROWTH

The **cessation of cement production** at the Davenport Cement Plant in 2010 resulted in lost jobs and a decline in tax revenues for the County of Santa Cruz. Reuse of the site is ~~insert "potentially"~~ a significant opportunity for reinvestment and job creation. While Santa Cruz was hard hit by the recession, the County has enjoyed relatively robust job growth in certain sectors in recent years, trends that have positive implications for the reuse of the site. According to initial market research by Economic and Planning System (EPS), since 2000, the employment in the Accommodation and Food Services sector added a noteworthy number of jobs since the turn of the century with over 1,500 net new positions. The Manufacturing sector contracted substantially between 2000 and 2011; however, the industry is rebounding and has added nearly 1,400 jobs in the County since 2011. These encouraging indicators in the regional economy are informative to the planning of the cement plant site and future supportive land uses. It is estimated that the potential job growth associated with the provided land use alternatives would range between 150 to 420 new jobs.

we do not have any knowledge or notice that these structures were listed by the County. Please let us know when this action was taken and if there was a public hearing about this? we would ask this page to be removed from the document. - Yes, 3 listed resources
see email -

Recommend keeping in document

HISTORIC

Certain existing structures located on the Davenport Cement Plant site are listed as designated historic resources in the Santa Cruz County Inventory of Historic Resources (SCCHRI) and identified as potentially eligible for listing on the National Register. The SCCHRI notes that "the cement plant at Davenport has played a significant role in the development of concrete building construction in California, particularly after the 1906 earthquake." The SCCHRI includes three buildings on the site – the Round House, the Power House, and Crocker Hospital – as designated historic structures. Further research may establish that the cement plant may have contribute to key events in California History, may have a potential relationship with historic figures, and may exhibit elements of innovative technology important in the development of the cement industry. Other existing structures on the site may also qualify as historical resources pending further investigation. Further, over the course of Davenport Cement Plant's more than 100 years of operation, there may have been periods where it was particularly important. For the purposes of this analysis, a period of significance from 1905 to the 1940s has been defined based on the first documented major upgrades to the kiln technologies and facilities; however, further research is needed to firmly establish such a period or periods of significance. In this context and based on existing available information, a preliminary review of the potential significance of the Davenport Cement Plant was evaluated according to national, state, and county criteria.

Of the 25 site resources documented, Wood (formerly Amec Foster Wheeler) preliminarily recommends five of the structures as potentially eligible for individual listing on the National Register of Historic Places (NRHP), California Register of Historical Resources (CRHR), and/or Santa Cruz County Historic Resources Inventory (SCCHRI). These buildings include the Administration Building, Powerhouse, Control Room, Roundhouse, and Crocker Hospital. In addition, the site may be eligible for an historic district designation. A historic district is not currently recorded on site. Per Wood's recommendations, the historic district would need to be fully evaluated and defined to inform the CEQA analysis of potential Project impacts, including historic structures, the contributing properties, and the period of significance, if it differs from that identified in the Report.

It is important to note that the work completed by Wood only includes a preliminary survey of existing buildings on site and they recommend additional investigation to document archaeological resources associated with former buildings/foundations on site (e.g., the original kiln and first buildings on site), to fully evaluate and record all potentially significant historic resources on site. The Addendum to Reconnaissance Level Historic Resources Survey Letter Report – Preliminary Impacts Analysis - prepared by Wood is provided in Appendix A.

PURPOSE OF THE PLAN - IV

GOAL 5

The environmental document prepared for the Reuse and Restoration Plan includes as much project specific analysis as possible to minimize the amount of environmental review required in the future.

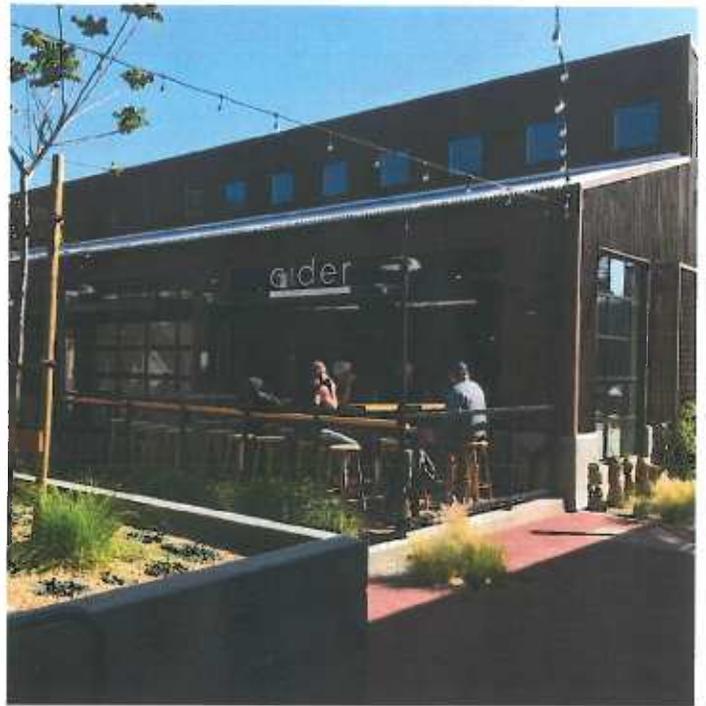
GOAL 6

Preserve active agricultural resources.

GOAL 7

Reuse existing ~~remove~~ **Historic** Buildings.

- Future Development should preserve and reuse, ~~as feasible~~, the Roundhouse, the Packhouse, the Crocker Hospital, and the Power House, which are designated historic resources. Development should also preserve the Packhouse, as feasible, which is found to be eligible for designation as a historic resource.
- Future development should preserve other existing buildings ~~with historic significance~~, on site where feasible, including the silos.



Reuse of industrial buildings enriches the Plan Area's character

[Remove "GOAL 8"]

[remove "Ensure that hazardous and toxic materials are sufficiently cleaned to allow or residential uses."]

→ to the greatest extent feasible.



Stone wall complements site character



Interpretive signs tell the story behind a place

8. Open space and landscaped areas should be an integral part of the project and not left-over areas of the site.
9. Common open space areas should utilize existing natural features and be oriented for maximum benefit of sunlight and views.
10. Construction techniques should be implemented to protect bluffs and hillside from erosion.
11. Provide designated areas for pets to avoid native habitat areas.
12. A comprehensive way-finding signage program, including interpretive signs, should be developed for the site. The signs should be low profile.
13. Walls and fences should complement the overall building, site, and community character and context.
14. The use of chain link fencing is discouraged. If chain link fencing is necessary, incorporate design elements, such as landscaping, to make it more attractive.
15. The reuse and rehabilitation of ~~remove~~ "historic" ~~existing~~ structures on the site shall comply with the Secretary of the Interior Standards for Rehabilitation.

VIII - REQUIRED LOCAL COASTAL PROGRAM AMENDMENTS

d. Cultural Resources – To protect sensitive cultural resources, the following standards shall be followed:

i. Significant designated historic resources, ~~if any~~, such as the Crocker Hospital, the Power House and Round House should be preserved and integrated into future development to the greatest extent feasible. During Environmental Review, feasible project alternatives shall be considered that preserve other resources identified as eligible for historic designation. Where it is not feasible to preserve or adaptively reuse a structure identified as eligible for listing as a historic resource, mitigation measures will be considered to substantially reduce significant impacts such as moving the structure to an alternative location on-site, as feasible, or photo documentation. In addition, conservation of site features and/or building features should be integrated as interpretive displays or included in signage, publications, and other visitor experiences.

ii. The future owner ~~is encouraged to~~ ^{shall} preserve and integrate, to the extent feasible, the following buildings [~~remove "should be preserved and integrated"~~] into the future development.

- ~~Packhouse~~ ^{Powerhouse}
- Roundhouse
- Crocker Hospital

iii. Silos – Future developers are encouraged to investigate reuse of silos on Alternatives 2 and 3.

iv. Archaeological field surveys shall be conducted to determine if resources are present on the site. Significant resources shall be avoided or protected. Local Native Americans shall be consulted if resources are discovered.

e. Sustainability - New development shall incorporate sustainable building and landscape practices to greatest extent feasible.

VIII - REQUIRED LOCAL COASTAL PROGRAM AMENDMENTS

D. PROPOSED LAND USE DESIGNATIONS AND ZONING

	Existing	Proposed
General Plan	AG Agriculture Resource (north of Highway 1)	O-R Parks Recreation and Open Space
	AG Agriculture Resource (south of Highway 1)	AG Agriculture
	R-M Mountain Residential	CC Community Commercial (Davenport Cement Plant)
	O-R Parks Recreation and Open Space	O-R Parks Recreation and Open Space
	P Public Facility/Institutional	P Public Facility/Institutional
Zoning		
	RA Residential Agriculture	VA Visitor Accommodation
	M-2 Heavy Industrial	VA Visitor Accommodation
	M-2-L Heavy Industrial with a Historic Landmark Combining District	VA Visitor Accommodation
	CA Commercial Agriculture (north of Highway 1)	PR Parks, Recreation, and Open Space
	CA-L Commercial Agriculture (south of Highway 1)	CA-L Commercial Agriculture
	PR Parks, Recreation, and Open Space	PR Parks, Recreation, and Open Space
	PF Public Facility	PF Public Facility

Comment: The proposed VA zoning is too narrow with only low paying jobs.

Grey Hayes, PhD
Ecologist
PO Box 216
Davenport, CA 95017
(831) 728-8050

11/30/2018

Andy Constable
Economic Development Manager
Santa Cruz County Planning Department
701 Ocean St, Room 520
Santa Cruz, CA 95060

via email: andy.constable@santacruzcounty.us

re: Comments on the Davenport Cement Plant Coastal Restoration and Reuse Plan

Hello,

I am submitting the following comments as part of the public comment period for the Davenport Cement Plant Coastal Restoration and Reuse Plan

Before the comments, I here describe my expertise and background. I have extensive training and experience in ecology, focusing specifically on the habitats and species through which the proposed project would pass. I received my PhD in Environmental Studies at UC Santa Cruz in 2002 with a focus on species conservation techniques in coastal grasslands. For many years in the mid 1990's, I farmed fields at 4 Mile Beach. I have also managed and restored a variety of coastal habitats along the North Coast bluffs and at Younger Lagoon Reserve at Terrace Point. I am personally familiar with matrix of lands surrounding, the proposed project, both natural and agricultural, and the land use changes and have witnessed changes in those areas since 1986.

To summarize my comments, project proponents have done an inadequate job of informing the public about the project setting, potential impacts of the project alternatives, and social/political context of the plan; therefore, the lead agency should improve and recirculate the report at such a time when those analyses and disclosures are complete.

Many thanks,



Grey

Acknowledgements

There are a number of organizations, but no specific authors listed for the report.

Q: Who specifically authored the report’s various sections?

Q: Who specifically reviewed the report before it was released to the public?

Q: Who provided funding for the report?

Q: How much funding was provided by each party funding the report?

Q: How did those providing funding for the report restrict or otherwise influence the outcome of the report?

Q: How might the public access any record of funding agreements that might have influenced the outcome of the report?

Introduction and Background

A. Project Setting

This section of the document contains many references to human economic constructs (30) including the built environment (15), land use designations (9), and extractive uses (6) and much fewer references to human communities (3) and natural features (9) (Table 1). CEQA provides the standard for improving the public’s understanding of a proposed project’s environmental setting: CEQA guidelines note that *“Special emphasis should be placed on environmental resources that are rare or unique to that region and would be affected by the project.”*

Table 1: Report references types and enumeration. Note that the only terrestrial ecosystem noted is ‘redwood forest’ (included twice), though this system is not in immediate proximity to the proposed project.

Type of reference	Quotes	Total number
The built environment	Davenport Cement Plant; Cemex Cement Plant; Davenport; New Town neighborhood; New Town; Highway 1; City of Santa Cruz; Davenport; Cement Plant; Silicon Valley; Davenport; Davenport; Bonny Doon; California Coastal Trail; Davenport	15

Type of reference	Quotes	Total number
Land use designation	Cotoni-Coast Dairies National Monument (<i>sic</i>); Cotoni-Coast Dairies National Monument (<i>sic</i>) land; six parcels; national marine reserve; State Parks; National Monument (<i>sic</i>); permanent open space land; private ownership; local open space	9
Natural features	Pacific Ocean; California coast; open space; Davenport Beach; open space; Pacific Ocean; beaches; redwood forest; redwood forests	9
Extractive interests	oceanfront setting; close commute; recreational assets; residential location; recreational assets; visitor serving uses	6
Human population	Households; industry employees; executives	3

Q: Did any of the funders influence the inclusion of ‘redwood forest’ in the limited list of natural resources outlined in the project setting?

Q: Why did the authors omit mention of “*environmental resources that are rare or unique to that region and would be affected by the project.*”

Q: How did the authors determine that it was less important to the public that the proposed project setting includes rare wetlands, riparian areas, coastal prairies, neighborhoods, and small rural communities?

Q: How might emphasis on human economic constructs and de-emphasis of human communities and natural systems affect the public’s perception of the proposed project setting?

The document reads:

“A long-term goal of the open space preservation organizations is to plan appropriate recreational, resource management and preservation improvements, and to also enhance the area surrounding Davenport into a desirable new recreation and wilderness destination for residents and visitors.”

Q: What is the time frame referenced by the phrase ‘long-term?’

Q: How did the open space preservation organizations determine what was “appropriate” in terms of ‘recreational, resource management and preservation improvements?’

Q: What are the specific geographic bounds of the ‘area surrounding Davenport?’

Q: If this was a ‘collaborative effort’ (p. VI), why do the report authors emphasize the goal of open space organizations?

Q: As a ‘collaborative effort’ (p. VI), what were the goals expressed from the non-open space organizations and the community?

Q: How did the consortium of open space preservation organizations determine their common goal?

Q: As the project covers redevelopment of a built environment, why do the authors include the term ‘wilderness destination?’

Q: What areas of the project setting have the open space conservation organizations determined to have ‘wilderness’ characteristics?

Q: At what time and how have the open space conservation organizations communicated their wilderness characteristic determinations to the land management agencies controlling the effected lands?

Q: Who are the authors referencing by the term ‘desirable?’ How will any proposed future activity be determined to be ‘desirable?’

B. National Monument

The document reads:

“The Bureau of Land Management (BLM) owns and manages the property directly adjacent to the Cement Plant site, which has been designated a National Monument. It is now known as the Cotoni-Coast Dairies National Monument (see Figure 2). This National Monument area is comprised of 5,800 acres of land, which includes six watersheds, wildlife habitat, scenic views, and cultural resources.” (1-4)

Q: Why did the authors use the name “Cotoni-Coast Dairies National Monument” in the above quotes and in other places in the report?

Q: Why did the authors not refer to that property as “Cotoni-Coast Dairies unit of the California Coastal National Monument?”

Q: How do the two different methods of referring to the property variably affect the public’s perception of that property?

The document reads:

“Designated on January 12, 2017 by President Barack Obama, the Cotoni-Coast Dairies National Monument is intended to protect the redwoods, threatened wildlife habitat, watersheds, and other identified critical natural and scenic features of California’s Santa Cruz Mountains.” (1-4)

Q: Why do the authors single out a small subset of the protections provided to the property by the monument designation, a coastal development permit, and easement restrictions?

Q: How might omitting monument declaration protections of the common species and widespread habitats affect the public's perception of the protections afforded that property?

Q: How might omitting coastal development permit restrictions affect the public's perception of the protections afforded that property?

Q: How might omitting conservation easement restrictions affect the public's perception of the protections afforded that property?

C. Site Features

Q: Why did the authors omit two dominant and important features of the site – 1) landfills, including one cement kiln dust pile, now covered with deteriorating plastic and tires, and 2) abandoned and potential toxic fuel tank sites?

II. Site Opportunities and Constraints

The document presents greatly increased public access to a vast amount of nearby natural resource conservation lands as a major element of the site's 'opportunities,' but fails to acknowledge the level of threat currently facing conservation of natural resources in that landscape. While describing the importance of the facility to landscape-scale access, the document then focuses only on the environmental impacts ('constraints') of activities at the site level: this imbalance of analysis may thereby mislead the public on both fronts.

Q: Why did the report authors describe the increased use of the landscape as an 'opportunity' whereas the environmental impacts ('constraint') at only the site level?

Q: What are the currently planned developments at Wilder Ranch State Park, including trails, parking lots, campgrounds, and other improvements?

Q: Given the planned increased visitor use from the project alternatives, what additional user #'s/day are anticipated on Wilder Ranch State Park and adjoining State beaches by the proposed new uses?

Q: What are the currently planned developments by the County for its North Coast beaches, including trails, parking lots, and other improvements?

Q: What additional user #'s/day are anticipated by this new use?

Q: What are the anticipated user #'s/day anticipated by the proposed increased access at San Vicente Redwoods, which anticipates to exit in the vicinity of this project?

Q: What are the approved entrance locations for the Cotoni Coast Dairies, under existing Coastal Development Permits?

Q: What additional user #'s/day are anticipated by this new use?

Q: What are the cumulative impacts of the proposed project alternatives along with the currently planned recreational developments at Wilder Ranch State Park, County North Coast Beaches, San Vicente Redwoods, and at the Cotoni Coast Dairies?

Q: How can the public adequately understand and comment on the impacts ('constraints') and appropriate 'opportunities' of the various proposed project alternatives without understanding the context of those alternatives with regard to existing and planned increased visitor use of conservation lands?

A. Opportunities

The document reads:

"The Davenport Cement Plant site is located on a near-pristine stretch of northern California coastline..."
(p. 2.2)

The proposed project site is surrounded by land that has been heavily altered by agriculture, mining, and other human development. The original people of the area were annihilated by Old World peoples and the diseases they brought.

Q: How do the authors define the term 'pristine?'"

Q: How do the authors determine what is "near-pristine?'

Q: What geographic boundaries do the authors use to define northern versus central and southern California?

Q: How might the characterization of the project site as 'near pristine' affect the public's perception of the project site?

The document reads:

"The site and its environs offer a respite from urban life and world-class recreation within an hour and a half drive of roughly 4.5 million people." (p. 2.2)

Q: How was the target population for the proposed project determined?

Q: What proportion of the population cited would be able to access the area for the 'respite' noted?

Q: What proportion of the population cited would desire the 'respite' noted?

Q: Are there economic or other social/economic characteristics of the population cited that would describe the majority of those able to access the area for the 'respite' noted?

Q: How do the authors determine the characteristics of 'world class recreation?'

Q: How did the authors determine the size of the target population for the proposed project?

Q: How did the authors determine the driving time for the target population for the proposed project?

The document reads:

“The redevelopment of the site will provide significant new access to not only the coastal resources on the site but will also facilitate access to the over 14,000 acres of publicly-held land, including extensive redwood forests, and coastal bluffs and terraces surrounding the site.” (p. 2.2)

The report suggests, without evidence, that a significant amount of increased visitor access to natural resource conservation lands is a positive opportunity, rather than a constraint. Currently, any existing recreational infrastructure of the surrounding publicly-held conservation lands is beyond carrying capacity, resulting in damage to natural resources and decreased quality of visitor experience. Conversely, the closure and decommissioning of the project site without increasing human use of the region would seem to be the greatest positive long-term opportunity.

Q: What is the threshold that the authors use to determine that the new access will be ‘significant’ as opposed to ‘insignificant?’

Q: Which 14,000 acres of publicly-held land will specifically have increased access due to this project?

Q: To what degree (additional numbers of visitors per day) will this project increase access to publicly-held land?

Q: How have the report’s funders or agents negotiated with any of the managers of the publicly held land with regard to increased use of their properties?

Q: How do these negotiations about increased use, and location of proposed increased use, relate to mandated State and/or Federal public review processes?

Q: Please describe how negotiations/discussions with BLM managers, in particular, avoid being predispositional to the public review and environmental analysis procedures.

The document reads:

“In addition, the site can provide the greatly needed public facilities that would reduce demands on the town of Davenport by providing a visitor center...” (p. 2.2)

To my knowledge, there has not been a needs assessment for visitor use in this region to determine the interest in a visitor center. In addition, the economic impacts on other visitor centers does not seem to be complete.

Q: How have the authors determined that a visitor center is a ‘greatly needed public facility?’

Q: How closely is use to the carrying capacity of the other regional visitor centers including Natural Bridges State Beach, Wilder Ranch State Park, and Año Nuevo State Park?

Q: How can creation of a visitor center at this site “reduce demands on the town of Davenport?”

Appendix D Financial Feasibility Analysis, Economic and Planning Systems, January 17, 2018 (revised October 2018)

The memorandum reads:

“This analysis assumes that the current property owner will be responsible for site remediation, so the costs of site cleanup are not included in the horizontal development budget. The analysis assumes an “additional amenities and facilities” budget of \$1.0 million in each alternative, to cover the potential costs associated with habitat restoration or other unidentified cost factors.”

Q: What have been the outcomes and agreements of negotiations with the current property owner regarding transfer of the property?

Q: Please describe the relationship of this document to any negotiations regarding property transfer.

Q: What is the history of requirements of the current or past property owner(s) in terms of financial assurances for industrial operation, site cleanup, mine reclamation, etc?

Q: How have these various financial assurances been enforced and kept current over time in such a way to guarantee funding for mine reclamation, mitigation, habitat restoration, and other aspects of site cleanup?

Q: How well have agencies maintained their responsibilities for monitoring the enforcement and status of financial assurances for the various site owners?

Q: How could the public examine records of agency monitoring and enforcement of financial assurances of the various site owners?

Q: How did the authors derive the dollar amount in the memo’s “additional amenities and facilities’ budget of \$1.0 million in each alternative?”

CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT OFFICE
725 FRONT STREET, SUITE 300
SANTA CRUZ, CA 95060
PHONE: (831) 427-4863
FAX: (831) 427-4877
WEB: WWW.COASTAL.CA.GOV

RECEIVED

DEC - 6 2018



County Administrative Office December 3, 2018

Andy Constable, Economic Development Manager
Santa Cruz County
701 Ocean Street, Room 520
Santa Cruz, California 95060

Re: Draft Santa Cruz Coastal Restoration and Reuse Plan (Cemex Property)

Dear Andy:

Thank you for the opportunity to provide comments on the Draft Santa Cruz Coastal Restoration and Reuse Plan ("Reuse Plan") for the Cemex property. As we have previously indicated, we strongly support redevelopment and reuse of the former Davenport Cement Plant as a visitor-serving and coastal recreation destination as envisioned by the Reuse Plan, including because such reuse will clean up the industrial vestiges on the site and provide a much needed platform for improved public access to the adjacent Cotoni-Coast Dairies National Monument. Our comments below are intended to provide very general feedback, with the understanding that this is an iterative process and that further issues may be identified down the road as more details are fleshed out. With that said, we believe we could support a Local Coastal Program (LCP) amendment that would allow for some version of Alternative 1 (Eco-resort Lodge and Visitor-serving) or Alternative 2 (Recreation-oriented Visitor-serving/Conference Center), but that Alternative 3 (Senior Housing and Visitor-serving) appears to present significant inconsistencies with the Coastal Act and the LCP.

Jurisdiction and Permitting

The Reuse Plan correctly notes that an LCP amendment will need to be submitted to the Commission to allow for the proposed changes to the land use designations and zoning of the site. We would note that the Reuse Plan's preface indicates that any future proposals will require review and approval of coastal development permits (CDPs) by the County and the Coastal Commission. Page 9-3 further states that any such CDPs would require review and approval by the Coastal Commission. As a point of clarification, we would note that any such proposal would require a CDP from the County that would be appealable to the Commission.¹

¹ We would further note that both the "Regulatory Authority" and the "Future Steps and Implementation" sections indicate that the Coastal Conservancy will review the Reuse Plan pursuant to Public Resource Code Section 31208; however, correspondence from the Conservancy staff indicates that such review is not needed and will not occur because this is not a Coastal Reuse Plan for the purposes of Section 31208, and thus the Draft Reuse Plan should be corrected to reflect this point.

Land Use Alternatives and Design Guidelines (Section 6)

Maximization of Public Access and Recreation

The California Constitution and the federal Coastal Zone Management Act mandate the protection and enhancement of public access to and along California's coastline. The Coastal Act redoubles these protections, including mandating that public recreational access opportunities to and along the California coastline be maximized (Coastal Act Section 30210). Coastal Act Section 30211 further requires that development not interfere with public access, Coastal Act Section 30212 and the County's LCP also require that maximum vertical and lateral public access be provided in new development projects. Similarly, Coastal Act Section 30220 protects coastal areas suited for water-orientated recreational activities specifically for such uses; Section 30221 protects oceanfront land for recreational use; Section 30222 gives priority to visitor-serving commercial facilities designed to enhance recreational use on private land; and Section 30223 requires that upland areas necessary to support coastal recreation be reserved for such uses. In short, the Coastal Act and the LCP require that recreational access opportunities be both protected and maximized.

We note that all three proposed alternatives include a visitor center, public restrooms, public parking and public trails consistent with the policies identified above. These are all much-needed amenities given the Davenport area's ever-growing popularity as a visitor destination and we strongly support inclusion of these features in any proposed reuse of the site. We further believe that all proposed alternatives should include a safe pedestrian crossing to allow guests and visitors to safely cross Highway 1.

Low-Cost Visitor-Serving Accommodations

Consistent with the mandates identified above, Coastal Act Section 30213 requires that lower-cost visitor-serving and recreational facilities be protected, encouraged, and where feasible, provided. This helps ensure maximum public access because without lower-cost visitor-serving facilities, members of the public with low or moderate incomes would be more limited in their ability to access and recreate at the coast, as compared to others who may be able to afford to pay more to access and use coastal facilities. In past actions, the Commission has required that new development that proposes moderate- to high-cost accommodations also include some provisions for low-cost accommodations, including through either requiring provision of low-cost units or provision of in lieu fees for same.

We also note that all three alternatives include provision of some form of low-cost visitor accommodations. Alternative 1 proposes the highest level of low-cost facilities, and thus for this reason appears most consistent with the policies identified above. In the past, the Commission has required that a minimum of 25% of proposed new visitor-serving units be maintained as low cost.

Priority Uses

Consistent with the mandates identified above, Coastal Act Section 30222 requires that the use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development. Alternatives 1 (Eco-lodging and Visitor Serving) and 2 (Recreation-oriented Visitor-serving) appear consistent with this policy and recreational uses over residential use, whereas Alternative 3 does not appear consistent with this policy.

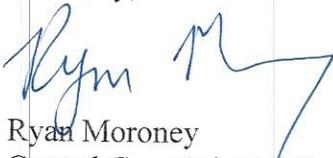
LCP Amendment (Section 8)

Visual, Biological and Agricultural Resources

The standard of review for Land Use Plan (LUP) amendments is consistency with the Chapter 3 policies of the Coastal Act and the standards of review for the Implementation Plan amendments is the LUP (as proposed to be amended). The Coastal Act provides strong protections for visual, biological and agricultural resources (see, e.g., Coastal Act Sections 30251, 30240, 30241, 30241.5, and 30242). While the proposed LCP amendments appear, in general, to reflect the requirements of the above-cited Coastal Act policies, we believe that the proposed amendments may require further refinement. As such, we propose working with the County to refine the proposed policy language to ensure its consistency with the Coastal Act.

In closing, at a very broad level, we are strongly supportive of restoration and reuse of the former Davenport Cement Plant site. Toward that end, we hope that these comments can help the County as you further refine and develop the project and its supporting documentation, and we are very much available for consultation in that effort moving forward. We hope that such continued collaboration will prove helpful, including so that the County can present the best possible version of the project to the Commission when the Commission considers the LCP Amendment in the future. As always, if you have any questions or would like to discuss this matter, please don't hesitate to contact me at any time.

Sincerely,



Ryan Moroney
Central Coast District Supervisor
California Coastal Commission

HABS _____ HAER _____ Loc _____ SHL No. _____ NR Status 5
UTM: A _____ C _____
B _____ D _____

HISTORIC RESOURCES INVENTORY

IDENTIFICATION

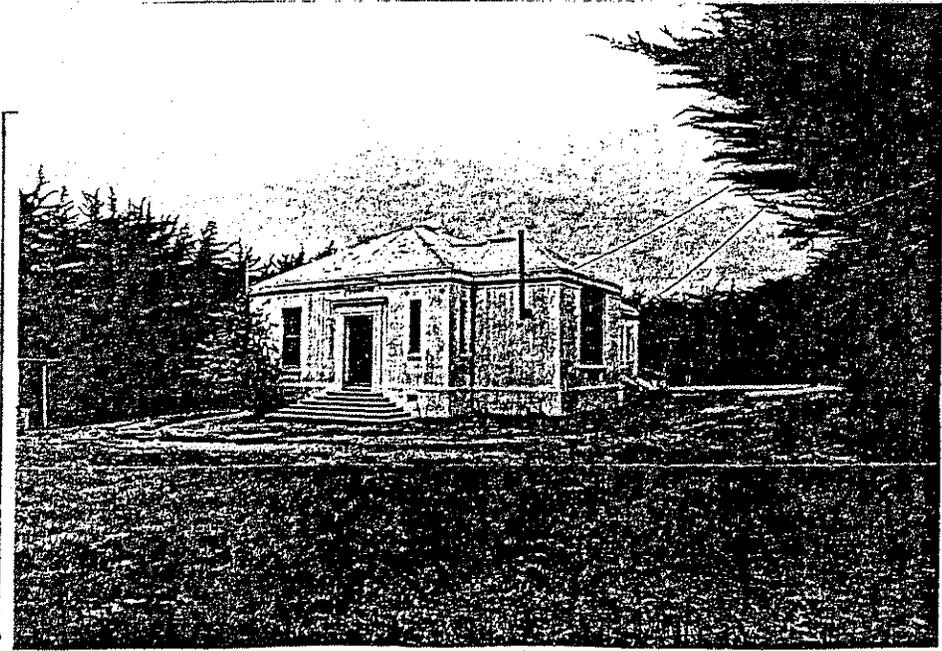
1. Common name: Crocker hospital
2. Historic name: Highway 1 across from Lone Star entrance
3. Street or rural address: Davenport, CA 95017 North Coast Area
City _____ Zip _____ County Santa Cruz
4. Parcel number: 058-072-01
Lone Star Cement Corp.
5. Present Owner: _____ Address: P.O. Box 5252
City Pleasanton, CA Zip 94566 Ownership is: Public _____ Private X
Vacant Hospital for workers
6. Present Use: _____ Original use: _____

DESCRIPTION

Strip Concrete

- 7a. Architectural style: _____
- 7b. Briefly describe the present *physical appearance* of the site or structure and describe any major alterations from its original condition:

The form of this concrete one story structure is a Latin Cross. Hipped roof forms intersect as in cross gables. The front facade, like all sides is plain smooth surface concrete. Windows are of unequal width. To the right of the central door a narrow opening, to the left a double width, both are without frames, having only a double set lugsill. The entrance is surrounded with a modified pilaster and shallow squared hood. The entrance is raised with a splay stair. The fenestration is irregular in Utilitarian patterns. This structure, low and heavy with minimal openings appears more like funerary architecture than that associated with a hospital.



8. Construction date: 1912
Estimated _____ Factual _____
9. Architect Unknown
10. Builder Unknown
11. Approx. property size (in feet)
Frontage _____ Depth _____
or approx. acreage 30
12. Date(s) of enclosed photograph(s)
April 1986

13. Condition: Excellent _____ Good _____ Fair Deteriorated _____ No longer in existence _____
14. Alterations: _____
15. Surroundings: (Check more than one if necessary) Open land Scattered buildings Densely built-up _____
Residential _____ Industrial _____ Commercial _____ Other: _____
16. Threats to site: None known _____ Private development _____ Zoning _____ Vandalism _____
Public Works project _____ Other: gradual neglect
17. Is the structure: On its original site? Moved? _____ Unknown? _____
18. Related features: Surrounded by a large cypress hedge

SIGNIFICANCE

19. Briefly state historical and/or architectural importance (include dates, events, and persons associated with the site.)

In the early 1900s the Santa Cruz Portland Cement Company was the major employer in Davenport. The company provided housing and services for its employees. In 1912 the company built the Crocker Hospital for emergency treatment of its workers. The hospital had a doctor's office, emergency room and six beds. The hospital closed in 1940, when more modern facilities became available elsewhere. The building was used in the 1940s by the significant in the history of Davenport for its association with the Santa Cruz Portland Cement Company and that company's provision of medical care for its employees and their families. Relatively unaltered, the architecture and construction are important examples of community buildings that were supported by the cement company.

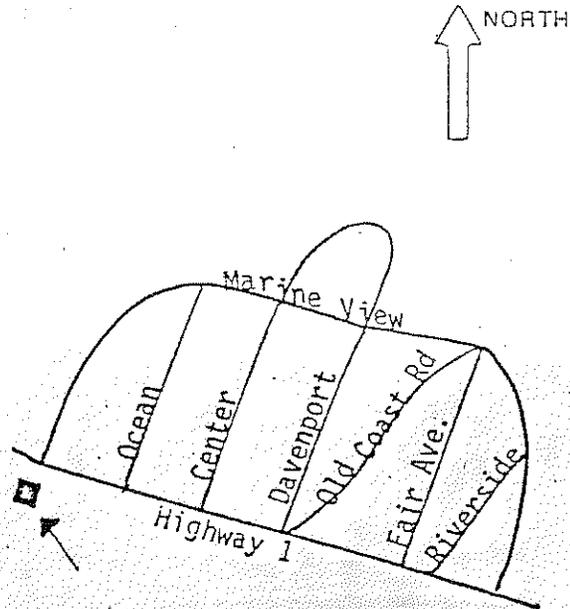
20. Main theme of the historic resource: (If more than one is checked, number in order of importance.)
Architecture _____ Arts & Leisure _____
Economic/Industrial 1 Exploration/Settlement _____
Government _____ Military _____
Religion _____ Social/Education _____

21. Sources (List books, documents, surveys, personal interviews and their dates).

Parade of the Past, Koch p. 75
Walking Tour of Davenport, brochure

22. Date form prepared April 1986
By (name) The Firm of
Organization BONNIE L. BAMBURG
Address: 247 N. Third Street
City San Jose, CA 95112 Zip
Phone: (408) 971 1421

Locational sketch map (draw and label site and surrounding streets, roads, and prominent landmarks):



Crocker Hospital (Across Hwy 1 from Lone State Entrance)

ADDENDUM—1994

PHYSICAL INSPECTION

Date: April 14, 1994

Result of Inspection: No apparent changes.

CONSULTANT'S PRELIMINARY RECOMMENDATIONS:

No change.

(Change of rating pending public hearing before the Historical Resources Commission with final approval by the Board of Supervisors).

Context: 2 (architecture), 3 (community institutions)

Property type: community building

Parcel Map Overlay-Pacific Elementary



November 27, 2018

Boundaries and Easements

— Parcel

— General Easement

— Road Easement

— Utility Easement

— Drainage Easement

— Well Easement

— Right of Way

— Lot Line

— Miscellaneous

— Parcel-Survey

— Right of Way-Survey

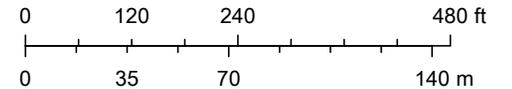
□ Parcels

□ Map Books

Streets

--- Alley

1:2,588



County of Santa Cruz