



Parking Expansion Study



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Prepared for

The City of Capitola

Prepared by

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Table of Contents

INTRODUCTION	1
ALTERNATIVE 1B – TWO STORY PARKING GARAGE	3
Parking Spacing	3
Structure Design	3
Cost Analysis	6
MOBILE HOME PARK RELOCATION ANALYSIS	7
Lease Entitlements	8
Physical Relocation	12
Estimated Relocation Costs	14
Preparation of a Draft Relocation Plan	15
FINANCING OPTIONS	20
General Obligation Bond Election	20
Use Tax	22
Mello-Roos	23
Parking District Assessment	23
Conclusion	23
REFERENCES	25



List of Figures

- Figure 1A: Alternative 1A – Parking Garage Site Plan
- Figure 1B: Alternative 1A – Parking Garage Elevation
- Figure 2A: Option A: Garage and Surface Parking Without Retaining Walls – Site Plan
- Figure 2B: Option B: Garage and Surface Parking With Retaining Walls – Site Plan
- Figure 3A: Alternative 1B – Parking Garage Site Plan
- Figure 3B: Alternative 1B – Parking Garage Site Plan Zoom View
- Figure 3C: Alternative 1B – Parking Garage Elevation
- Figure 3D: Alternative 1B – Parking Garage 3-D Rendition
- Figure 4: Pacific Cove Mobile Home Rental Status

List of Tables

- Table 1: Option – Surface Parking on Portion of Pacific Cove Mobile Home Park
- Table 2: Alternative 1B Parking Configuration Comparison of Standard vs. Compact Spaces
- Table 3: Parking Garage Structure Comparative Cost Analysis for Alternatives 1A and 1B
- Table 4: Summary of Lease Entitlements



Introduction

In June of 2005, RBF Consulting prepared the *Parking Garage and Housing Feasibility Study*. The purpose of the study was to investigate the feasibility of constructing a parking garage on the existing city-owned Pacific Cove surface parking lot. The project scope entailed the preparation of conceptual design alternatives to construct a parking garage and possibly new residential housing. In particular, the project included the following project objectives:

- ❑ Increase the parking at the Pacific Cove parking lot and neighboring Pacific Cove Mobile Home Park to partially address the parking demands of the Capitola Village. The expansion should address the parking requirements associated with the Summer Beach Shuttle program, and offset the loss of parking associated with future planned streetscape improvements in Capitola Village, and to the extent possible, future parking demands of development in the Village.
- ❑ Identify options to construct affordable and market rate housing.
- ❑ Prepare preliminary design, engineering and cost estimates that could be used subsequently by the City in discussions with potential developers.

The report analyzed the design requirements and costs for a three level (including ground floor) parking garage and a four level (two below grade) garage with housing above. The report also analyzed two options for surface parking (Option A – 71 spaces without retaining walls, and Option B – 113 spaces with retaining walls) on the westerly portion of the Pacific Cove Mobile Home Park

A meeting was held with the Capitola Village Advisory Committee on June 28, 2005 to discuss the outcome of the report. On August 11, 2005, the report was presented to the Capitola City Council. Direction from the Council was as follows:

- ❑ Analyze a revised two-level parking garage structure alternative (Alternative 1B) without housing that maximizes the number of parking spaces, as a comparison to the Alternative 1A parking structure.
- ❑ Analyze the physical and financial implications of relocating the existing 10 mobile homes and demolishing the city-owned single-family residence (the Beulah House), which is currently used for storage.



This report describes the results of this subsequent analysis as directed by the City Council. To put the forthcoming analysis in context, the following is a review of the previous report's Alternative 1A, and Options A and B.

Parking Garage Alternative 1A

The three level parking structure of Alternative 1A would create 386 parking spaces with construction costs totaling \$8.11 million (See Table 3). These 386 spaces, when added to the existing at-grade spaces that would be retained (59), would create a total of 445 spaces. All parking spaces within the garage would be 18 feet deep by 9 feet wide (standard configuration). The exact number of spaces including handicapped and compact spaces would be determined by a more detailed design and layout.

The structural system for the parking structure would be cast-in-place concrete decks supported by concrete girders and columns. The deck and girders could be post-tensioned to help reduce the overall height of the garage. Total building height would be approximately 24 feet from grade. Figures 1A and 1B show the site plan and elevation for the Alternative 1A garage.

Mobile Home Park Surfacing Parking Options A and B

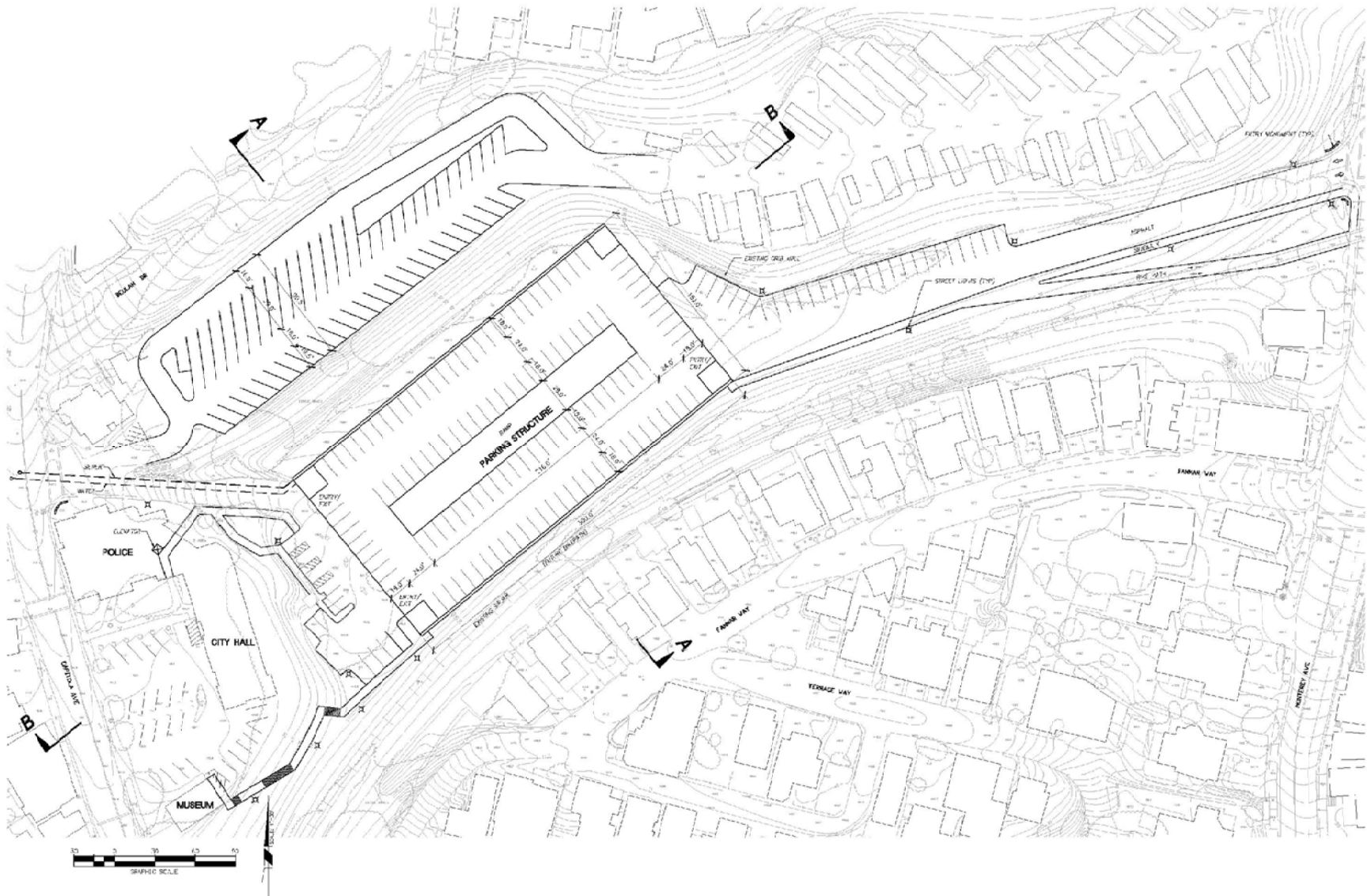
The purpose of Options A and B was to explore the possibility of creating additional surface level parking space in lieu of an additional level in the parking garage. Based on site conditions and site access, it was determined that the western portion of the mobile home park closest to Capitola Avenue would be the best suited to accommodate a surface parking lot. Construction of this surface lot would also help off-set parking deficiencies caused during construction of the parking garage.

Option A would minimize grading and disturbance of the adjacent vegetation and slopes while accommodating 71 parking spaces. Access to the mobile home park would be blocked using a breakable barrier for emergency uses only. As shown in Table 1, construction costs for this option would be approximately \$133,000.

Option B would maximize parking by grading the site and constructing retaining walls, creating 113 parking spaces. Depending on whether or not cut materials from the surface lot were used in the parking garage construction, Option B could range in cost from \$405,000 to \$470,000 (See Table 1).

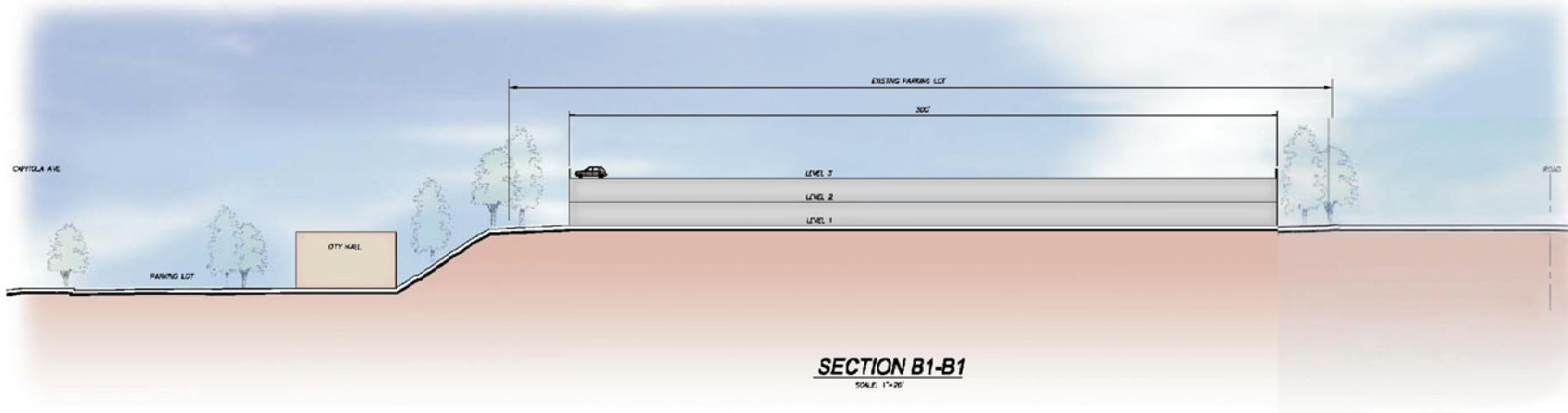
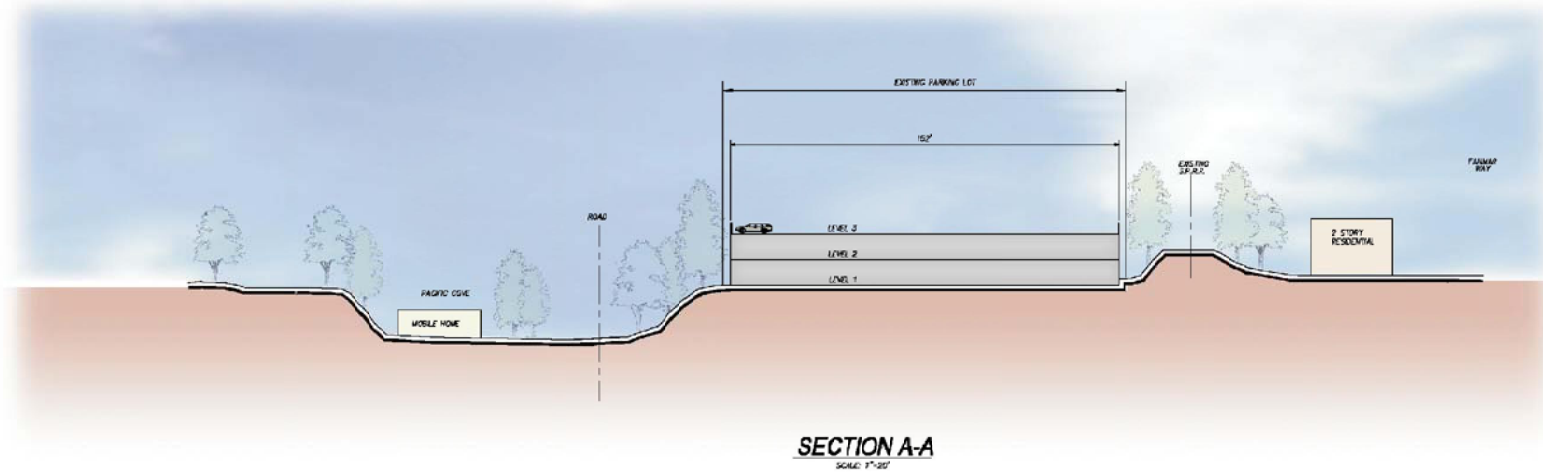
Site plans showing the parking configuration for both options are shown in Figures 2A and 2B.

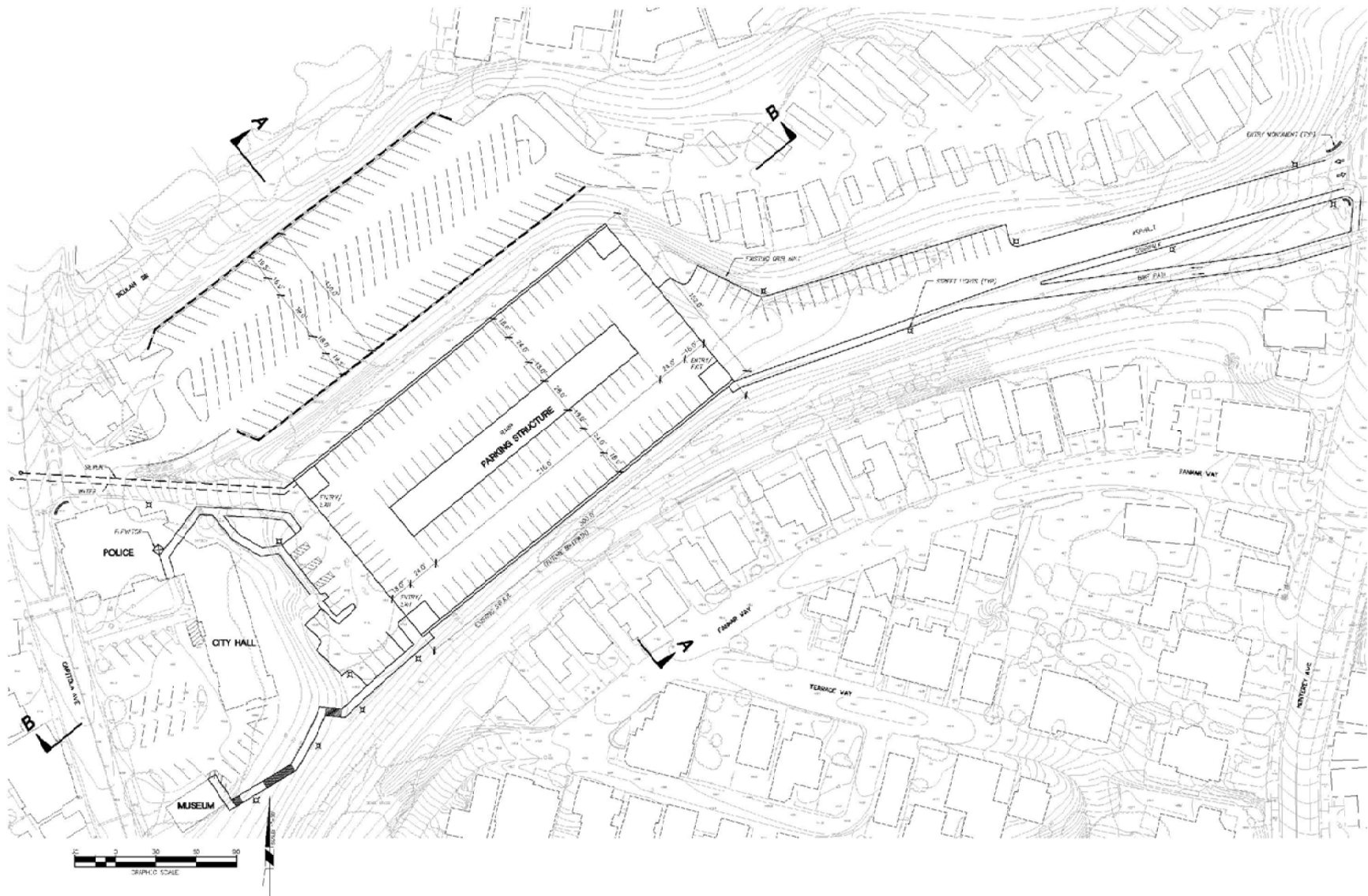




Option A - Garage and Surface Parking Without Retaining Walls - Site Plan

Figure 2A





Option B - Garage and Surface Parking With Retaining Walls - Site Plan

Figure 2B



Table 1
Option - Surface Parking on Portion of Pacific Cove Mobile Home Park
Engineering Cost Estimate

OPTION A - No Walls or Import

ITEM	QUANTITY	UNIT	UNIT COST	TOTAL
Fine Grading	30,000	SF	\$0.50	\$15,000
AC Paving	27,500	SF	\$2.50	\$68,750
Curb & Gutter	300	LF	\$15.00	\$4,500
Curb Only	1,200	LF	\$10.00	\$12,000
Lighting	1	LS	\$10,000.00	\$10,000
SUBTOTAL				\$110,250
Contingency (20%)	1	LS	\$22,050.00	\$22,050
TOTAL				\$132,300
Cost per Space - 71 Spaces				\$1,863

OPTION B1 - Retaining Walls, No Import

ITEM	QUANTITY	UNIT	UNIT COST	TOTAL
Fine Grading	35,000	SF	\$0.50	\$17,500
AC Paving	32,000	SF	\$2.50	\$80,000
Curb & Gutter	300	LF	\$15.00	\$4,500
Curb Only	900	LF	\$10.00	\$9,000
Lighting	1	LS	\$10,000.00	\$10,000
Retaining Walls - 9' Average Height	5,400	SF	\$50.00	\$270,000
SUBTOTAL				\$391,000
Contingency (20%)	1	LS	\$78,200.00	\$78,200
TOTAL				\$469,200
Cost per Space - 113 Spaces				\$4,152

OPTION B2 - Retaining Walls, 3 Foot Import

ITEM	QUANTITY	UNIT	UNIT COST	TOTAL
Import	4,000	CY	\$15.00	\$60,000
Fine Grading	35,000	SF	\$0.50	\$17,500
AC Paving	32,000	SF	\$2.50	\$80,000
Curb & Gutter	300	LF	\$15.00	\$4,500
Curb Only	900	LF	\$10.00	\$9,000
Lighting	1	LS	\$10,000.00	\$10,000
Retaining Walls - 6' Average Height	5,400	SF	\$40.00	\$216,000
SUBTOTAL				\$337,000
Contingency (20%)	1	LS	\$67,400.00	\$67,400
TOTAL				\$404,400
Cost per Space - 113 Spaces				\$3,579

Unit Guide	
CY	Cubic Yard
EA	Each
LF	Linear Foot
LS	Lump Sum
SF	Square Foot



Alternative 1B – Two Story Parking Garage

The 1.83-acre Pacific Cove Parking Lot (the Parking Lot) is located directly north of the Southern Pacific Railway and adjacent to Capitola City Hall (420 Capitola Avenue). The 4.27-acre Pacific Cove Mobile Home Park is located north of the parking lot and contains 43 mobile home spaces housing 41 coaches. Both Parking Lot and mobile home park are located on one parcel (APN 035-141-33) that is 6.1 acres total and is owned by the City of Capitola

Parking Spacing

The existing surface parking lot is spaced at an average width of 7 ½ feet per parking space. This spacing is not in conformance with the City's current parking requirements which states:

Chapter 17.51.180 Size of nonresidential parking spaces.

- A. Each off-street parking space shall be not less than nine feet in width and twenty feet in length for diagonal parking and ten by twenty feet for right-angle parking, and shall be of usable shape and condition.
- B. Parking spaces of less dimensions may be allowed if specifically authorized by the planning commission in an architectural and site approval. The smaller spaces shall be designed to accommodate compact automobiles. (Ord. 873 § 16, 2004; Ord. 388 § 17.14, 1975)

The municipal code provides an allowance for up to 50% of off-street parking that can be dedicated as compact spaces, depending on the use (Chapter 17.51.130).

As such, the analysis below assumes a standard parking space size of nine (9) feet wide and 19-20 feet long for diagonal and right-angle parking, respectively. An option for utilizing compact spaces is analyzed in Alternative 1B, is also presented below for reference.

Structure Design

Based on direction from Council, the Alternative 1B parking garage structure would consist of one surface level and one above-grade level. To improve efficiency, the parking ramp would be located in the southeastern corner at a 6%



grade, rather than in the center of the structure as shown in Alternative 1A. Right-angle parking would occur on both sides of the ramp. Circulation would be via two one-way isles and one two-way isle. This alternative includes both angled and 90-degree parking spaces to maximize parking spaces within the structure. A small subterranean level located directly below the ramp would be constructed to provide additional parking. To accommodate this design configuration, the building footprint would be increased (as compared to Alternative 1A) by four feet in width (to 154 feet) and by two feet in length (to 302 feet), for a total footprint of 46,508 square feet. The structural and foundation elements, as well as pedestrian circulation within the garage would be similar to that for Alternative 1A.

As noted above, this parking configuration assumes a standard parking space size of nine feet wide. This design would result in a total of 335 parking spaces, a net increase of 101 spaces from existing conditions. If 50% of the spaces were designed as compact spaces, using a city standard width of eight feet, the total number of parking spaces would increase by 17 spaces for a total of 364 parking spaces, resulting in a net increase of 130 spaces (see Table 2 below).

Table 2: Alternative 1B Parking Configuration Comparison of Standard vs. Compact Spaces

	Existing Parking Spaces	Parking Spaces (9 Feet Wide)	Parking Spaces (50% Compact)
Garage – Level 1 (ground floor)	-	135	144
Garage – Level 2	-	141	161
<i>Total Garage Parking Spaces</i>	-	276	305
Existing At-grade Within Garage Footprint	175	0	0
Existing At-grade Outside Garage Footprint	59	59	59
Total	234	335	364

The structural system for the parking structure would be cast-in-place concrete decks supported by concrete girders and columns. Approximate column spacing will be 27 ft. or 3 parking spaces. The deck and girders could be post-tensioned to help reduce the overall height of the structural system. Levels would have 10 ft. floor-to-floor height clearance with 7.5 ft. clear to bottom of beams. Some solid concrete walls along each elevation would provide lateral



support in the form of shear walls. Approximately 20% of the elevations would be needed for solid shear walls leaving the remaining area open for ventilation. Total building height would be approximately 14 feet from grade.

The foundation system would likely be spread footings, however, site-specific geotechnical engineering report may require deep pile foundations depending upon the load carrying capacity of soil and liquefaction concerns.

Two stairwells and two elevators would be located in the four corners of the structure. In two locations at opposite ends, elevators would allow for handicap and pedestrian access to all levels. The corners would also provide room for mechanical equipment for elevators.

The site utilities required for the structure would be water for fire protection and electricity for lighting and elevators. Some site grading would be required for utility trenching and foundation construction, but with the first level at grade and a generally flat site near the structure, the grading and removal costs are minimized.

To minimize operation costs, the garage would utilize a barrier gate w/programmable controller and a centralized fee collection station, thereby negating the need for an attendant.

Circulation and Access

To minimize cut through traffic, it is recommended that vehicular access to the parking garage be similar to existing conditions. Specifically, ingress and egress access would be allowed from Monterey Avenue and only ingress access would be allowed onto Capitola Avenue. Access to the parking garage would be from the northwest and southeast corners.

Pedestrian circulation is an important issue as many patrons, particularly in the summer, walk to/from the Capitola Village. On warm days, many of these patrons are going to the beach and are likely to be carrying the strollers, chairs, umbrellas, food, etc. Currently, pedestrians walk through the parking lot resulting in conflicts with vehicles. While many patrons utilize the pathway through City Hall, some people also walk along the steep drive down to Capitola Avenue. Another problem location is along the narrow driveway up to Monterey Avenue where there are no sidewalks or shoulders and the road narrows to approximately 20 feet. Constructing additional parking would result in increased traffic and thereby a greater risk of pedestrian/vehicular conflict.

To address this concern, two new pedestrian paths are recommended. The first would be a new pedestrian path located at the southwest corner of the parking lot. This path would extend through the wooded area south of City Hall



and end adjacent to the Capitola Historic Museum. This path would provide a more direct route to Capitola Avenue and the Village. A second path would extend from the southeast corner of the parking garage, up the vegetated embankment and parallel to the existing rail spur. Construction of this pathway assumes that the rail and rail right-of-way will become a regional bike/pedestrian and rail corridor for public use. If this is not possible, an alternative alignment within the city-owned parcel will have to be identified.

A site plan, enlarged plan view, elevations, and 3-D renderings for the Alternative 1B parking structure are shown in Figures 3A through 3D.

Cost Analysis

As noted in the previous study, construction cost (excluding soft costs) per stall ranges from a low of \$13,000 to a high of \$20,000 with a median cost of \$16,000 per stall. Given the fact that both steel and concrete costs have risen considerably in the past three years the previous study used a very conservative estimate of \$20,000 per stall. For this study, additional research was done to better define construction costs. Based on discussions with a local building contractor (Peter Copervisa, Devcon Construction) and a parking structures engineering firm (John Purinton, Watry Design, Inc.¹), both based in the south San Francisco Bay Area, an average cost per standard parking stall of \$16.8K was used as the basis for cost estimation (which is about 15% less than previously assumed). When soft costs (25%) of construction for design, environmental review, permitting, and project management are factored in, the total average cost per stall is estimated at \$21,000.

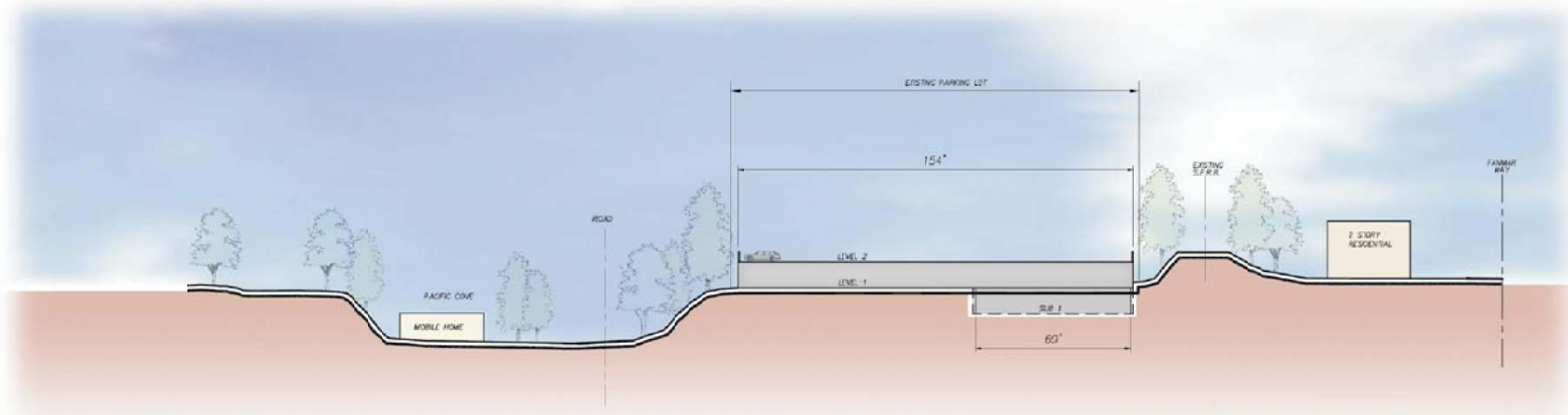
As mentioned above, for Alternative 1A, the three-level, 386 space parking garage would cost \$8.11M. Total project costs, which includes site improvements and pedestrian improvements, would be \$8.26M. For Alternative 1B, the two-level 276 space parking garage would cost \$5.80M and total project costs would be \$6.05M. See Table 3: Parking Garage Structure Comparative Cost Analysis for Alternatives 1A and 1B.

¹ See www.watrydesign.com

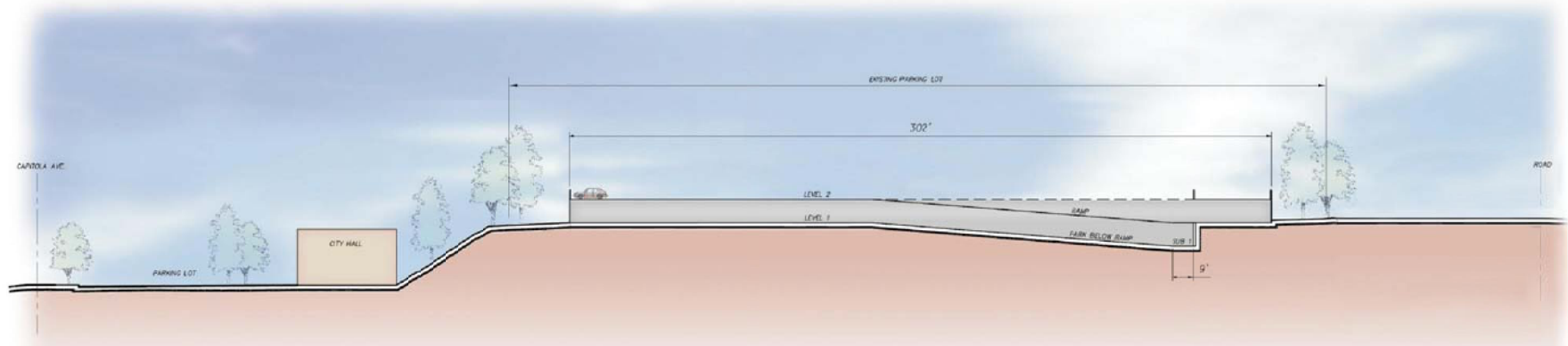


Alternative 1B - Parking Garage Site Plan

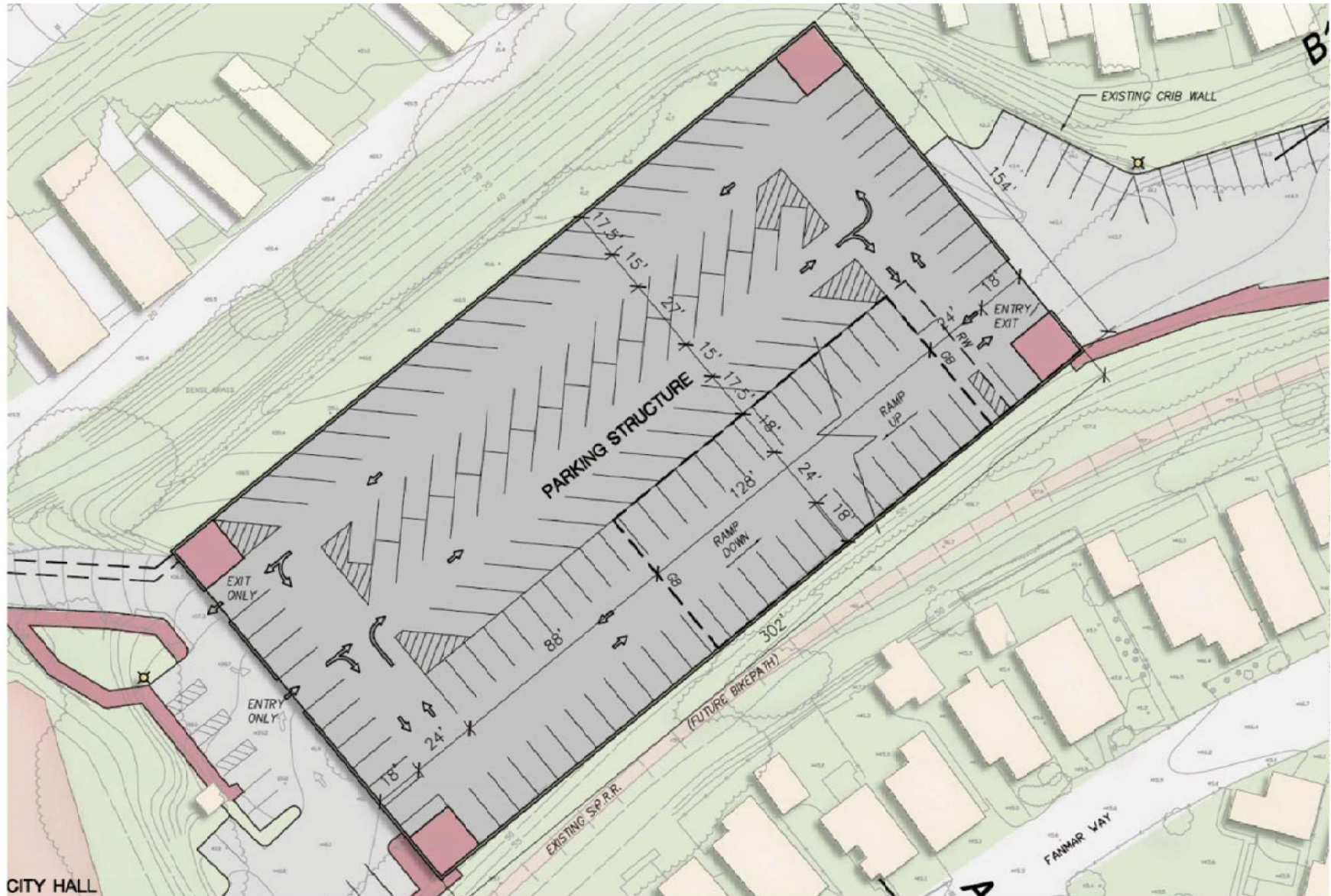
Figure 3A



SECTION A-A
SCALE: 1"=20'



SECTION B1-B1
SCALE: 1"=20'



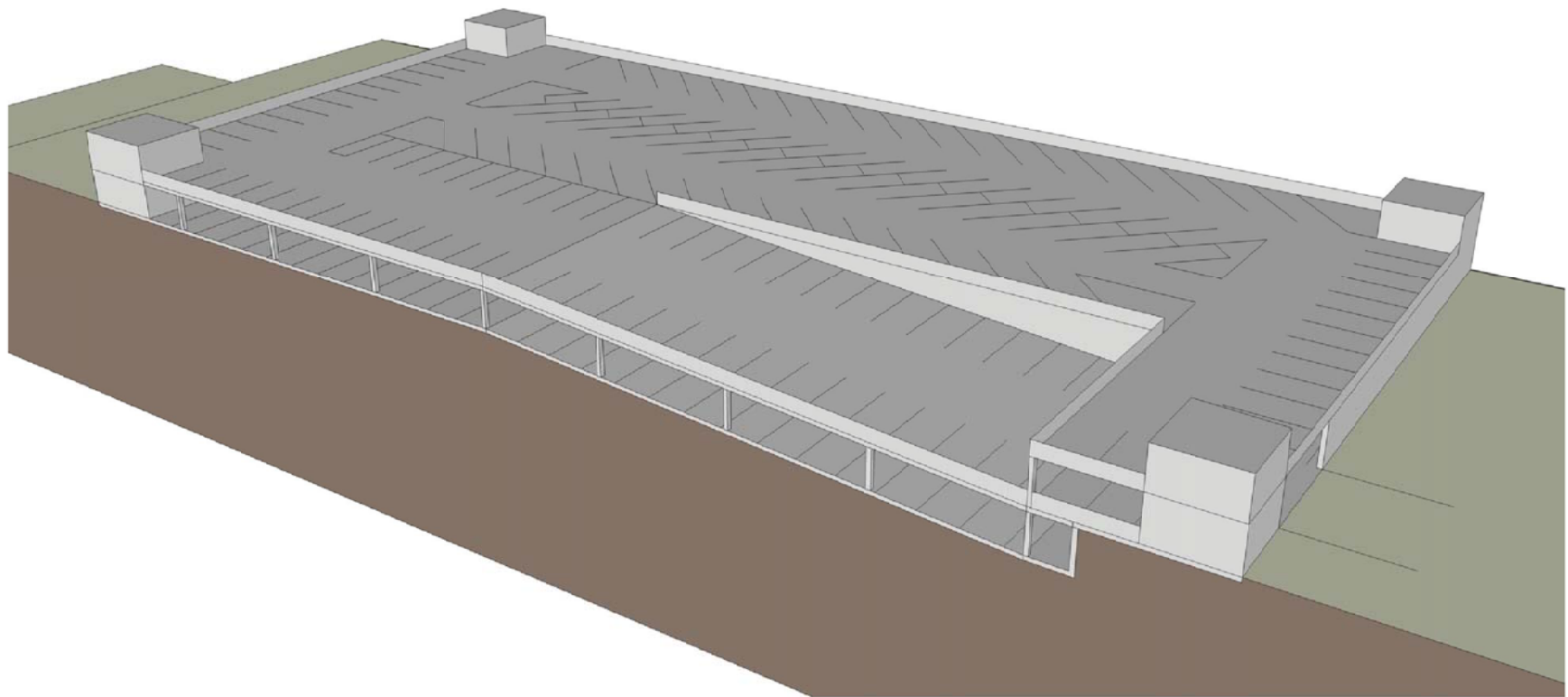




Table 3
Parking Garage Structure Comparative Cost Analysis for Alternatives 1A and 1B

Assumptions

	Alt. 1A	Alt. 1B
Number of Parking Spaces in Garage	386	276
Remaining Existing Parking Spaces at Grade	59	59
Total Building Area Square Footage	135,000	93,016
Total Number of Parking Spaces	445	335

Site Improvements

Item	Unit	Unit Cost	Alt. 1A		Alt. 1B	
			Quantity	Total	Quantity	Total
Grading (export)	CY	\$15	2,500	\$37,500	2,500	\$37,500
Storm Drain - 18" RCP	LF	\$100	120	\$12,000	120	\$12,000
Water - 6" Fire Service to Structure	LF	\$75	200	\$15,000	200	\$15,000
6" Fire Detector Check	EA	\$8,000	1	\$8,000	1	\$8,000
Electrical Service (Allowance)	LS	\$10,000	1	\$10,000	1	\$10,000
<i>Sub-total</i>				\$82,500		\$82,500
Contingency (20%)	LS	\$16,500	1	\$16,500	1	\$16,500
Site Improvements Total				\$99,000		\$99,000

Parking Garage Structure

Base Construction Cost				\$4,865,897		\$3,479,243
Miscellaneous Project Cost (5%)				\$243,295		\$173,962
GC + OH&P + Insurance (10%)				\$510,919		\$365,320
Design Contingency (10%)				\$562,011		\$401,853
Escalation (5%)				\$295,056		\$210,973
Parking Garage Construction Cost				\$6,491,229		\$4,641,397
Soft Costs (Includes design, environmental review, permitting, management, etc. @ 25%)				\$1,622,807		\$1,160,349
Parking Garage Construction Cost Total				\$8,114,036		\$5,801,746
<i>Cost Per Stall</i>				\$21,020		\$21,020

Pedestrian Improvements

Wooden path from garage to rear of Capitola Museum	1,400	SF	\$30	\$42,000	\$30	\$42,000
Asphalt path from garage to Monterey Avenue via railway ROW	5,700	SF	\$2	\$11,400	\$2	\$11,400
Pedestrian Improvements Total				\$53,400		\$53,400
Total				\$8,266,436		\$6,053,146

PARKING GARAGE STRUCTURE COSTS SOURCE: Watry Design, Inc.

NOTES

- Unit costs for sewer, water, and storm drain include an allowance for appurtenances.
- Unit cost for export is an estimate and could vary greatly depending on location of export.
- Need for offsite improvements to existing utilities is unknown and is therefore excluded.
- Connection fees for utilities are not included.
- Parking Structure assumes long span construction, shear walls for the lateral system, shallow foundation (spread footing with grade beams), and medium quality exterior finish.

Unit Guide	
CY	Cubic Yard
EA	Each
LF	Linear Foot
LS	Lump Sum
SF	Square Foot



Mobile Home Park Relocation Analysis

The following is an analysis of the lease entitlements and physical relocation requirements for the ten mobile home spaces that would be affected by the construction of a surface parking lot at the western end of the Pacific Cove Parking Lot . Also included in this analysis is an estimate of the relocation costs and recommendations for preparing a relocation plan, should the surface lot be constructed.

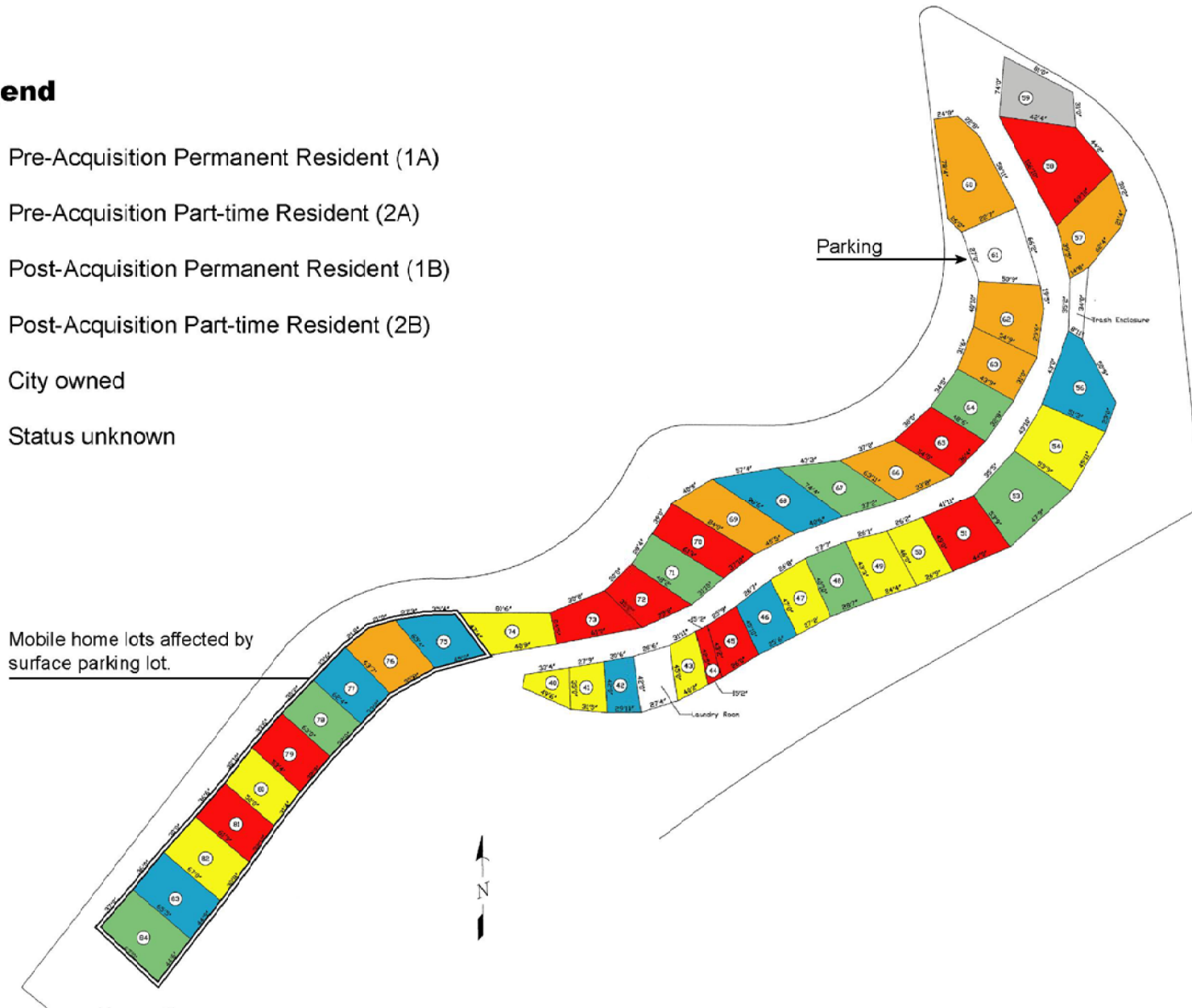
Based on state law requirements regarding the relocation requirements for tenant of mobile home parks, this analysis is closely tied to the residency status for each mobile home when the mobile home park was purchased by the City (in 1984). Residency status has been divided into five classifications:

Residency Status	Definition	
Pre-Acquisition Permanent Resident (1A)	Year-round residents who signed a lease <u>prior</u> to City purchase of the mobile home park.	
Pre-Acquisition Part-time Resident (2A)	Residents for whom this is not their primary residence (e.g. a second vacation home) and who signed a lease <u>prior</u> to City purchase of the mobile home park.	
Post-Acquisition Permanent Resident (1B)	Year-round residents who signed a lease <u>after</u> City purchase of the mobile home park.	
Post-Acquisition Part-time Resident (2B)	Residents for whom this is not their primary residence (e.g. a second vacation home) and who signed a lease <u>after</u> City purchase of the mobile home park.	
City Owned	Mobile homes that are owned by the City of Capitola that are either used for storage or have tenants leasing the mobile home (typically on a month-to-month lease).	

Figure 4: Pacific Cove Mobile Home Park Residency Status illustrates the residency status of the tenants in the mobile home park. Not shown on the figure is a single-family residence (the Beulah House) on the western edge of the mobile home park adjacent to space 84. This house is owned by the City of Capitola and is currently used for storage. This home would be demolished should the surface parking lot be constructed.

Legend

- Pre-Acquisition Permanent Resident (1A)
- Pre-Acquisition Part-time Resident (2A)
- Post-Acquisition Permanent Resident (1B)
- Post-Acquisition Part-time Resident (2B)
- City owned
- Status unknown





Lease Entitlements

The following analysis regarding relocation assistance was prepared by David Richman of Overland Pacific & Cutler (OPC).

Summary of State & Federal Relocation Law

Acquisition of property and the resultant displacement of persons or belongings when using local funding is governed by the provisions of the State of California Relocation Law, Government Code Section 7260 et. Seq. and Title 25, Chapter 6, Relocation Assistance and Real Property Acquisition Guidelines. Chapter 6, of Title 25 of the California Code of Regulations contains the relocation regulations published by the California Department of Housing and Community Development (HCD) that apply to state and local agencies.

Section 6008(g) of the Guidelines defines a "dwelling" as "the place of permanent or customary and usual abode of a person... which is either considered to be real property under State law or cannot be moved without substantial damage or unreasonable cost". Additionally, §6008(g) states: "A second home shall be considered to be a dwelling only for the purposes of establishing eligibility for payment for moving and related expenses (as provided in §6090 Actual Reasonable Moving Expenses).

Pursuant to this definition of dwelling, both permanent residents and any part-time residents are entitled to the moving expenses detailed in §6090 as long as they meet the eligibility requirements of §6034.

Table 4: Summary of Lease Entitlements summarizes the lease entitlements of each tenant classification. A more detailed analysis for each classification is discussed below.



Table 4: Summary of Lease Entitlements

	Pre-Acquisition		Post-Acquisition	
	Permanent Resident	Part-time Resident	Permanent Resident	Part-time Resident
Classification	1A	2A	1B	2B
Relocation Advisory Assistance	Y	Y	Y	Y
Replacement Housing Payments	Y	N	N	N
Actual Reasonable Moving Expenses	Y	Y	N	N
Temporary Housing Payments	Y	N	N	N
Rental Assistance Payments	Y	N	N	N

Entitlement status (i.e. legal requirements to financially reimburse or relocate a mobile home park owner and/or tenant) has been determined based on when a resident signed a rental agreement lease (i.e. before or after city acquisition of the mobile home park), and whether they are a permanent or part-time resident. Entitlements may include one or more of the following:

- ❑ **Relocation Advisory Assistance** – This can include any of the following: 1) Information and explanation of Relocation Program/Process to fully inform occupant; 2) Assurance of available comparable replacement sites; 3) Referrals to comparable replacement sites; 4) Assist with and supply information concerning housing programs and social services, 5) Assistance with completion of relocation claims; 6) Any and all assistance in order to minimize hardship.
- ❑ **Replacement Housing Payments** – The amount, if any, which when added to the acquisition cost of the dwelling acquired for the project, equals the reasonable cost of a comparable replacement dwelling.



- ❑ **Actual Reasonable Moving Expenses** – The moving and related expenses for which claims may be filed. These include: 1) Transportation of persons and property not to exceed a distance of 50 miles from the site from which displaced; 2) Packing, crating, unpacking and uncrating personal property; and 3) The cost of disconnecting, dismantling, removing, reassembling, reconnecting and reinstalling machinery, equipment or other personal property, including connection charges imposed by public utilities for starting utility service.
- ❑ **Temporary Housing** – The cost to house a permanent resident temporarily while their mobile home is being relocated.
- ❑ **Rental Assistance Payments** – Payment based on the difference between the cost for a comparable unit and estimated utility costs or actual replacement unit and estimated utility costs, whichever is less, and Base Monthly Rent which is the lesser of current rent and estimated utilities or 30% of the gross household income, whichever is less. This difference is calculated over a 42-month period to determine the residential entitlement amount.

As shown in Table 4 above, both permanent and part-time pre-acquisition residents displaced by the City are entitled to actual reasonable moving expenses. Additionally, pre-acquisition permanent residents are entitled to replacement housing payments and, under certain circumstances, last resort housing payments. Since pre-acquisition part-time residents are eligible for moving expenses that cover the cost to move the mobile home, it is suggested that their mobile homes be relocated to the upper park.

All post-acquisition tenants are generally not entitled to any assistance. However, these residents are entitled to moving costs and replacement housing payments if: 1) They are low or moderate-income, and, 2) If the City made housing at the Park available on a permanent basis and now intends to demolish or change the use of the Park (Pacific Cove Mobile Home Park Assessment Report, prepared by Housing Authority of the County of Santa Cruz, October 15, 1998, p.9).

Pre-Acquisition Tenant Entitlements

Permanent (1A)

This analysis assumes that all three of the pre-acquisition permanent (1A) will be relocated within the Park, and that their space rents will remain the same. In relocating the pre-acquisition permanent tenants within the park, the City



has the obligation to both move and re-install their coach on another space within the Park, or replace their coach with another coach in the Park that is “comparable.” Comparable housing includes standards such as:

- ❑ Decent, safe, and sanitary (as defined in § 6008(d) of the Guidelines);
- ❑ Comparable as to the number of bedrooms, living space, and type and quality of construction of the acquired unit but not lesser in rooms or living space than necessary to accommodate the displaced household;
- ❑ In an area that does not have unreasonable environmental conditions;
- ❑ Not generally less desirable than the acquired unit with respect to location to schools, employment, health and medical facilities, and other public and commercial facilities and services; and,
- ❑ Within the financial means of the displaced household as defined in section 6008, subdivision (c)(5) of the Guidelines.

Because the City would be relocating all three of these spaces within the Pacific Cove Mobile Home Park at the City’s expense, no other replacement housing payments would be required.

Part-Time (1B)

Part-time pre-acquisition tenants are defined as tenants who signed a lease prior to the city’s acquisition of the mobile home park in 1984, and it is currently not their primary residence. They are not entitled to replacement housing payments, as it is their second home. Additionally, there is no obligation to purchase these homes from the current owner. Although part-time pre-acquisition residents are eligible for moving expenses (both coach and personal items), the City is not required to purchase these coaches. If the owners are unable or unwilling to relocate the coach, the City will then have no further financial obligation in regard to the coach. The City would still be obligated to provide moving benefits for any personal belongings within the coach. Payments would be made based upon either a fixed room count schedule or an invoice for actual reasonable moving expenses from a licensed professional mover.



Post-Acquisition Resident Entitlements

Permanent & Part-time (2A and 2B)

Post-acquisition owner-occupants or tenants do not meet the eligibility requirements for replacement housing payments pursuant to §6101(b)(1)(B) or §6104(b)(1) respectively or for moving expenses. Additionally, most post-acquisition tenants, either in City owned mobile homes or owner-occupied mobile homes, have signed an acknowledgement that they are not eligible for relocation benefits. This acknowledgement was either a part of their lease or a separate "Notice". Additionally, pursuant to §6034(b)(1), "Post acquisition tenants, those who lawfully occupy property only after a public entity acquires it... are not eligible for assistance and benefits other than advisory assistance to the extent determined by the displacing agency."

Physical Relocation

On November 29, 2005, RBF Consulting surveyed the Pacific Cove Mobile Home Park to determine potential opportunities and constraints related to the relocation of the three candidate tenants who would be entitled to housing relocation assistance, and the two candidate tenants who may be offered relocation assistance at the discretion of the City. Aerial photographs, a site survey, and a rental status survey were also reviewed to assist in the analysis. For each lot within the Mobile Home Park, the following conditions were recorded and photographed:

- Approximate lot size
- Unit type and approximate size
- Presence of carports, decks, awnings, additions/enclosures, and storage sheds
- General landscaping conditions
- External condition of the mobile home
- Other notes and observations

Field assessments and tenant lease entitlements are shown in Appendix A. A photographic inventory of all spaces is shown in Appendix B. It should be noted that it is the intent of the City to utilize spaces in the upper park to accommodate the coaches of those pre-acquisition tenants requiring replacement housing from the affected (lower park) area, rather than providing direct replacement housing payments.



The analysis determined that sufficient spaces were identified as possible candidate spaces based on the following criteria:

1. City Owned, or,
2. Part-time or permanent post-acquisition tenancy.

These spaces would accommodate either the coach being moved from the lower portion, or a “comparable” sized unit as defined above. Of the candidate spaces that meet these criteria in the upper park, eight spaces are owned by the City of Capitola, one of which is used for storage. The remaining spaces are part-time, post-acquisition tenants (2B) who have signed a Notice of Non-Entitlement, or post-acquisition permanent tenants (1B) who have signed a Notice of Non-Entitlement.

Based on a field inventory and subsequent assessment, it was determined that all three pre-acquisition permanent tenants requiring replacement housing, plus two optional pre-acquisition part-time tenants, could be relocated within the remaining portion of the mobile home park. This could be accomplished through a number of various combinations, which would include:

- ❑ Relocation of tenants to an equal or better coach (e.g. a double-wide to a double-wide with the same number of bedrooms and of similar size and quality), or,
- ❑ Relocation of the tenants to a single space that will accommodate their existing coach or installation of a new coach, and/or,
- ❑ Combining one or more spaces to accommodate one or both of the larger (double-wide) coaches.

Given the myriad of different combinations possible, and the desire not to finalize a specific course of action at this preliminary stage of the process, a specific plan identifying who and where each tenant would be relocated was purposefully not included in this plan.



Priority candidate sites were identified as existing City-owned spaces, and spaces where there are post-acquisition tenants who are either a part-time residents and/or signed a Notice of Non-Entitlement (see Lease Entitlements discussion below for more information regarding lease status).

Estimated Relocation Costs

The estimated relocation costs to move the three required and two optional pre-acquisition tenants' coaches, including personal belongings, would be \$170,000. The pre-acquisition permanent tenants would be moved to the upper park, while the part-time pre-acquisition residents would be moved either to the upper park or to another park.

The three pre-acquisition permanent residents being relocated to the upper lot may need temporary housing during the transition. It is estimated that the cost for this temporary housing is \$4,500.

The cost to remove and dispose of the mobile homes that could be affected in the upper park was estimated to be \$70,000. This number could increase or decrease, depending on the final relocation plan.

None of the post-acquisition tenants would be eligible for relocation benefits, regardless of whether they have signed a Notice of Non-Entitlement. However, it is recommended that relocation advisory assistance be provided to assist those residents in securing replacement housing. §6034 (b)(2) provides that a displacing entity, when creating a "hardship," "shall provide relocation advisory assistance and, may, in its discretion, provide other financial relocation benefits." Since the financial benefits in this situation are not determined by Title 25, it is further suggested that each household be provided a "moving allowance" which would defray the costs to move their personal belongings, security deposits and credit checks. It is recommended that this amount be pre-set at \$5,000 per household. If the Council chooses to follow this recommendation, the total estimated cost to provide these additional benefits, excluding administrative costs is \$50,000.



Preparation of a Draft Relocation Plan

It was requested by the Capitola City Council to clarify the process that would be required should the City wish to pursue tenant relocation.

Development and implementation of a relocation program would involve the following.

- ❑ Personally interview all Project occupants to obtain required information, i.e., names, ages and gender of occupants, household composition and income, special needs, etc.
- ❑ Conduct resource study to determine likelihood of availability of temporary and permanent replacement housing and incorporate results into the Plan.
- ❑ Analyze survey results and incorporate data into a written Plan.
- ❑ Prepare a detailed description of the relocation advisory services program, procedures for locating and referring eligible persons to comparable replacement housing, a plan for any last resort housing which may be required, the relocation payments to be made, a cost estimate for carrying out the plan, and identification of the source of the necessary funds.
- ❑ Provide required number of draft and final Plans to the City and others, as required for review and comment.
- ❑ Provide general notice of the availability of the Plan to Project occupants, and others, as needed for comment.
- ❑ Incorporate comments, if any, and responses into final Plan.
- ❑ As needed, attend all required meetings (i.e., with tenants or the City) associated with the preparation or adoption of the Plan.

The determination of relocation needs is evaluated by personally interviewing each household to be displaced. The Relocation Plan must also contain an analysis of the resources available for relocation, so a housing market study detailing the availability and probable cost of housing which meets the needs of households being displaced must be



made. When the Plan has been prepared, notice of its availability must be provided to all potential displacees with a 30-day period for public comment. The Plan is then adopted by the City Council.

Once the Plan is adopted, the Scope of Relocation Implementation Services related to residential households typically includes the following:

1. Conduct personal, on-site interviews of prospective displacees to ascertain relocation housing needs and special requirements.
2. Inform displaced persons of available relocation assistance services and benefits and explain relocation process.
3. Provide displacees with on-going advisory assistance to minimize their hardship, including referrals to and coordination with community service resources, public housing and other public services, as necessary.
4. Prepare and distribute Informational Statements, Notices of Displacement, 90-Day Notices to Vacate, and other notices, as may be required.
5. Provide written referrals for replacement housing and physically assist displacees in locating replacement housing including transporting individuals to view replacement sites if necessary.
6. Prepare replacement housing/down payment assistance entitlement reports for displaced households.
7. Determine eligibility for and proposed amount of relocation benefits including moving payments, rental/down payment assistance and replacement housing payments.
8. Inspect replacement dwellings to determine if they meet "decent, safe and sanitary" requirements.
9. Prepare all applicable benefit claim forms, secure claimant's signatures on claim forms and submit claim forms to Agency for processing and payment.
10. Monitor the move to replacement site as necessary.



11. Deliver benefit checks and other appropriate payments to claimants.

12. Maintain necessary case documentation and provide Agency with periodic standard status reports.

The job of the relocation consultant is to both relocate those in a project so that development can occur and to do so in a humane, fair manner ensuring the displacee receives any and all benefits for which they are eligible. Minimum requirements of any relocation assistance program include the following:

- Fully inform eligible persons as to the availability of relocation benefits and assistance, the eligibility requirements and the procedure for obtaining the benefits.
- Determine the relocation assistance needs and eligibility of each person.
- Assure those eligible that within a reasonable period of time prior to displacement, there will be sufficient comparable, DS&S housing available.
- Provide current and continuing referrals to rental and “for sale” residential housing.
- Assist in the completion of application for benefits and coordination of payments
- Assist each eligible, displaced person to obtain and move to a comparable replacement dwelling. Inspect each replacement unit for compliance with decent, safe and sanitary criteria.
- Provide any services required to ensure that the relocation process does not result in different or separate treatment on account of race, color, religion, national origin, sex, marital status, age or other arbitrary circumstances.
- Supply to such eligible persons information concerning federal or state housing programs, or other state or federal programs offering assistance to displaced persons.
- Provide other advisory assistance to eligible persons in order to minimize their hardships. These could include counseling or referral with regard to housing, financing, employment, training, health and welfare, as well as other assistance.



- Inform all persons expecting to be displaced about the eviction policies to be pursued in carrying out the project.

Successful implementation of a relocation project requires a thorough and coordinated effort during planning and preparation stages as well as during the implementation phase to see a project to a timely and cost-efficient completion. OPC provides management services at all stages of this process. Such services include:

1. Comprehensive initial project planning including policy and budget analysis and participation in informational meetings with the public and official representatives.
2. Assisting with the development of administrative policies, procedures and forms necessary to carry out the initial program.
3. Ongoing general consultation and project coordination with the City, social service agencies, governmental entities and project team members.
4. Representation of the City at public meetings, hearings and litigation related matters.
5. Preparation of tracking reports that monitor the completion of project milestones and the progress of individual cases.

The costs to provide the above planning and implementation services are estimated at \$4,000 per impacted space, for an estimated total of \$60,000. Preparation of a Relocation Plan, per Title 25 requirements, would cost approximately \$7,500.00 (see Appendix E).

It is estimated that a relocation program of this scope, including the relocation of the upper park tenants to accommodate the lower park pre-acquisition tenants and the moving of their coaches, will take approximately one year from the notice to proceed. A proposed project schedule is included as Appendix F.

The following is a summary of the total estimated relocation costs.



Items	Cost
Space 80 balance due per special agreement (Penner)	\$30,000
Move eligible homes from lower lot to upper lot (3 spaces required and 2 optional)	\$170,000
Temporary housing (3 spaces)	\$4,500
Estimated removal and demolition (25 spaces)	\$70,000
Estimated post-acquisition moving allowance (25 spaces)	\$50,000
Relocation Plan	\$7,500
Planning and implementation	\$60,000
Subtotal	\$392,000
Contingency (15%)	\$58,800
TOTAL	\$450,800



Financing Options

This analysis reviews debt financing options through increased taxes. In order to secure debt to finance the construction of the parking structure a reliable revenue stream is needed. Sometimes this can be general fund revenue as in a Certificate of Participation (COP) or other similar debt instrument. For example, the City has been considering issuing Pension Obligation Bonds, and the revenue stream to secure these bonds would be City general fund income, which includes taxes, fines, subventions from the state and other income. In the case of the Pension Obligation Bond (POB) example, the City would be using money that it is already paying to PERS from the general fund to pay the POB debt service.

With regard to the parking structure, any payments for debt service on the parking structure would be increased expenses to the City's general fund. Assuming a \$10 million COP to build the parking structure, and 6.0% interest rate over 30 years, the annual debt service would be about \$727,000. To pay this debt service without securing an additional revenue source, the City would decrease its services by \$727,000. This would equal about a 7% reduction of operating costs and almost certainly result in layoffs.

General Obligation Bond Election

It is possible to create a revenue stream specifically for purpose of retiring the debt related to the construction of the parking structure. To do so would require an election of some type. The simplest election process would be a general obligation bond election. This election asks voter if they would support an increase in property taxes to pay for the construction of the parking structure. To succeed, the ballot measure would have to pass by a super majority of 2/3's of the voters voting for the tax. The General Obligation Chart (below) provides the details of a City of Capitola general obligation bond debt service on \$10 million obligation for 30 years with a 6% assumed interest rate. The new property taxes would have to generate about \$750,000 of additional revenue each year to service the debt. With general obligation bonds, it is also necessary to figure in the calculation a certain amount of delinquency. In this case, the delinquency is assumed at three percent. The good thing about general obligation bonds is that they are very simple, the market understands and respects them, and there is no reserve required. All of these advantages usually result in a lower interest rate.

Since general obligation bonds rely upon an increased property tax rate to generate the revenue needed to retire the bonds, the two right hand columns in the General Obligation Bond Chart show the increase in property taxes per \$100,000 of assessment. These range from about \$48 at the high to about \$15 at the low. Below is a chart



summarizing property taxes by major use categories, and a chart presenting the average assessed valuations by residential uses. Using this information and assuming about \$40 per \$100,000 of assessed valuation for the first five years, the average single-family dwelling would pay less than \$120 per year of additional property taxes. If a resident recently purchased a home (assuming \$700k), a single-family residence would pay about \$280 per year in additional property taxes.

Summary by major categories		
Sum of Total Value		
Use - Descr 1	Total	Percent
commercial	\$309,430,163	21.37%
institutional use	\$21,207,679	1.46%
miscellaneous use	\$0	0.00%
recreation use	\$5,601,479	0.39%
residential	\$1,112,027,791	76.78%
Grand Total	\$1,448,267,112	100.00%



Residential -- Average Assessed Value			
Use - Descr 1	residential		
Use - Descr 2	Data	Total	Average AV
apartments	Sum of Total Value Count of APN	\$101,853,731 75	\$ 1,358,050
duplex-triplex	Sum of Total Value Count of APN	\$99,896,730 277	\$ 360,638
hotels	Sum of Total Value Count of APN	\$6,550,348 7	\$ 935,764
manufactured homes	Sum of Total Value Count of APN	\$50,046,530 375	\$ 133,457
motels	Sum of Total Value Count of APN	\$4,182,713 4	\$ 1,045,678
residential common area	Sum of Total Value Count of APN	\$2,014,630 21	\$ 95,935
single-family	Sum of Total Value Count of APN	\$837,513,741 3010	\$ 278,244
vacant land	Sum of Total Value Count of APN	\$9,969,368 22	\$ 453,153
Total Sum of Total Value		\$1,112,027,791	
Total Count of APN		3791	

Use Tax

There are other methods of creating additional revenues that can be used to secure debt for the purpose of constructing the parking structure. The City can increase its use tax, submitting to the voters a .25% sales and use tax increase for the special purpose of building a parking structure. This would generate about \$1 million per year and would require a 2/3's affirmative vote. It may be possible to develop an amortization schedule that would shorten the bond terms as compared to the general obligation bond, and increase the annual debt service payment to more closely relate the annual revenue amount to the annual debt service.



Mello-Roos

A Mello-Roos district is another financing option. Mello Roos assessments are determined by a formula that assigns an annual tax to each parcel within the district by the value received by the parcel from the proposed improvement, in this case, the parking structure. It is likely that not all parcels within the City can be determined to receive a value from the parking structure and that the average cost per parcel will be higher than a general obligation bond. Furthermore, it may be likely that parcels receiving the highest value from the structure may not have a commensurate ability to pay the tax. As such, it is unlikely that Mello Roos will be a viable alternative for a taxing method to finance the parking structure.

Parking District Assessment

Parking district assessment and related fees are typically used to finance the construction of new parking structures. Often the benefiting businesses and properties are assessed to develop a revenue stream, which is typically enhanced with revenue from parking charges, such as meters or other type of payments made for parking privileges. The difficulty with Capitola parking is that for about six months of the year existing parking is adequate. This means that during that time there will be no extra parking revenue to help service the debt. Furthermore, the parking structure will require maintenance and operating expenses. The most conservative plan would be to assume an offset of maintenance and operation costs against any increase in parking revenue. Also, like the Mello Roos district, it is unlikely that a parking district will generate nearly enough revenues to cover the debt service on a \$10 million structure. It may be possible to use a parking district approach on a limited basis to build the additional surface parking near the mobile homes that is considered by the plan.

Conclusion

Finally, it should be noted that one of the advantages in issuing public debt is that the debt is usually tax-exempt. This tax-exempt status reduces the interest rate on the debt and thereby reduces the debt service costs. However, consideration has been given to selling parking spaces to new construction that require additional parking for their proposed uses, and placing the money from the sale into the general fund. Tax law prohibits this kind of transaction. It would be possible to sell taxable bonds and implement this type of resale plan. Also, it is possible to establish a parking development impact fee that would be for parking purposes, perhaps even to service the debt, but the money could not be used for broad general fund purposes.





References

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