



MEMORANDUM

Date: December 28, 2022

To: David Williams
Mark Thomas

From: Kim Bibolet
Monument

Project: State Route Highway 1 Auxiliary Lanes and Bus-on-Shoulder Improvements – Freedom Boulevard to State Park Drive – and Coastal Rail Trail Segment 12

Subject: Relocation Impact Memorandum

**STATE ROUTE HIGHWAY 1 AUXILIARY LANES & BUS-ON-SHOULDER
IMPROVEMENTS - FREEDOM BLVD TO STATE PARK DRIVE – AND COASTAL RAIL
TRAIL SEGMENT 12 PROJECT**

RELOCATION IMPACT MEMORANDUM

PROJECT DESCRIPTION

This memorandum discusses relocation impacts for the State Route 1 (SR 1) Auxiliary Lanes and Bus-on-Shoulder Improvements – Freedom Boulevard to State Park Drive – and Coastal Rail Trail Segment 12 Project (project) in Santa Cruz County, California from Post Mile 8.1 to 10.7 (see attached project area map).

The purpose of the project is to:

- Reduce congestion along Highway 1 through the project limits.
- Enhance bicycle and pedestrian connectivity along Segment 12 of the Coastal Rail Trail.
- Promote the use of alternative transportation modes to increase transportation system capacity and reliability.
- Provide Coastal Rail Trail access across SR 1 at the two railroad bridges.

The project will construct northbound and southbound auxiliary lanes along SR 1 between the State Park Drive and Freedom Boulevard interchanges, replace the two existing railroad bridges between the State Park Drive and Rio Del Mar Boulevard interchanges, and widen the Aptos Creek Bridge. The project also proposes improvements to provide bus-on-shoulder features through the interchange areas along SR 1 within the project limits. This section of SR 1 provides access to Aptos Village, Rio del Mar, Aptos High School, and Aptos Hills/ Corralitos. The auxiliary lanes will connect the upstream on-ramp with the next downstream off-ramp, thereby extending the weaving and merging distance between the ramps, improving traffic operations, and reducing cut-through traffic diverting to local streets and neighborhoods. The existing railroad bridges will be replaced with longer span bridges to accommodate the addition of auxiliary lanes on SR 1 and future high-occupancy vehicle (HOV) lanes. The new bridges, sound walls, and retaining walls will incorporate aesthetic treatments consistent with the visual character of the corridor and the adjacent communities. This project also includes construction of Segment 12 of the Coastal Rail Trail, a bicycle and pedestrian trail along an approximately 1.25-mile segment of the Santa Cruz Branch Rail Line right-of-way from State Park Drive to Sumner Avenue just south of Rio Del Mar Boulevard. The Santa Cruz Branch Rail Line corridor is an active freight line and is owned by the Santa Cruz County Regional Transportation Commission (RTC).

SUBJECT PROPERTIES

7992, 7994, and 7996 Soquel Drive

The project design currently identifies a 3,362 sf strip along the Santa Cruz Branch Line to be acquired in fee and an additional 2,607 sf temporary construction easement to be acquired. This area is necessary in order for the project to construct the new trail adjacent to the existing rail that will remain on its existing alignment. A retaining wall is proposed on the subject properties to support the new trail in lieu of grading slopes. Since the acquisition areas impact the structures on the subject properties, they have been identified as requiring relocation.

The subject properties involved in the proposed relocations along Soquel Drive and Aptos Wharf Road are comprised of three parcels shown under the ownership of two listed property owners. Based on a visual inspection of the properties there are two very dated residence. One of the residential structures was constructed in 1916 and the second of similar vintage. There are numerous other shed style structures, some stand-alone and others are abutting one of the older residences. The property has zoning and a General Plan designation as commercial (see attached displacement area map).

The 7992 Soquel Drive property is zoned for single family residential use and contains a 1,205 square foot residence which was built in 1916 and does not appear to be updated. Located on the same property is a large irregular shaped shed with a rollup door and entry door.

The second property is identified as 7994 and 7996 Soquel Drive and contains a mixture of improvements constructed for retail/residential mixed-use. There is a residence located at 7996 Soquel Drive with a large rectangular structure that appears to be used for apartment style housing (Apartments A and B). South of these residential units, a portion of the former retail/residential mixed-use structure located at 7994 Soquel Drive is an occupied bungalow unit that has been converted to a residential unit (Apartment C). All three units appear to be occupied. The remaining retail portion of the property appears to be used as three separate commercial/retail units. Upon review, two of the commercial/retail units appear to be occupied by commercial business tenants (Ocean Air & Heating and Shanne Carvalho Real Estate). The third commercial/retail unit historically served as a glass replacement and repair business but does not currently appear to be an active business at this time.

A current market analysis was performed for availability of commercial retail/mixed use properties in the area and resulted in a moderately limited supply currently on the market. Considering the availability of replacement residential housing, available replacement dwellings exist but are moderately limited in the Project area for the affected residential tenants and/or owner-occupants. Although moderately adequate replacement resources exist, based on surveyed results of rental and purchase opportunities, and anticipated values of existing dwellings, occupants are anticipated to have increases in monthly rents and/or higher purchase costs. These possible increases, if any, would be met through the County's Relocation Assistance Program, including Last Resort Housing (LRH) requirements. A comprehensive relocation program, with technical and advisory and financial assistance, would be provided to assist all persons being displaced as a consequence of the Project.

Table 1 – Tenant Occupants of 7992, 7994 and 7996 Soquel Drive

Location	Type	Occupancy	Household Displacements
7992 Soquel Drive, Aptos, CA	House	Tenant Occupied	2.7
	Storage	Tenant Occupied	Personal Property
7994 Soquel Drive, Aptos, CA	Bungalow	Tenant	2.7 (Unit C)
7996 Soquel Drive, Aptos, CA	Apartment A	Tenant Occupied	2.7 (Unit A)
	Apartment B	Tenant Occupied	2.7 (Unit A)
	Commercial/Retail Unit 1	Occupied	1 Business Displacee
	Commercial/Retail Unit 2	Occupied	1 Business Displacee
	Commercial/Retail Unit 3	Vacant	0 Business Displacees

THE HOUSING MARKET

UC Santa Cruz provides on-campus housing for 53% of its undergrads. Nonetheless, this pushes the remainder into the local rental market. The university has not built new housing since 2002 but has a plan for more university housing, including Student Housing West, which was planned for 2020. However, CEQA approval has delayed the construction. The proposed cost for occupancy is out of reach for many students, and increases the numbers seeking housing off-campus. The influx of students into town in the midst of a housing crisis affects both students and residents. On the one hand, it increases competition for affordable units for all renters. On the other, it creates added stresses for students. Residents often complain about having students as neighbors, and many landlords refuse to rent to them. Those landlords that do often charge well above market rate.

Santa Cruz has been a popular tourist destination since the 19th century. In the last decade, this tourism has increasingly shifted from the hotels lining the beaches to formal and informal “short-term vacation rentals” [STVRs]. Due to high home and mortgage costs, the lure of high rental profits, and the ease of new platforms like Airbnb, STVRs have become popular among Santa Cruz property owners. With the potential to net significant revenue from local tourism, many have replaced long-term tenants with short-term visitors. Due to the effects of the pandemic of the past years, there is a drastic under-supply of homes for sale/rent available on the market. Because the demand for homes exceeded the supply by such a wide margin, buyers/renters have faced a severe shortage of available homes/rental units on the market as well as increases in purchase/rental prices.

The nature of the housing demand is greatly diversified, and rental rates vary significantly. Not all units advertised for rent on Craig’s List qualify as Decent Safe and Sanitary (DS&S) units. The following is believed to represent available long term (not vacation rentals) that are DS&S.

Table – 2 Available Long Term DS&S Housing Rentals

Rates	Bedrooms	Units Available	Comments
< \$1,000/month	1	6	1 bedroom in residence
< \$ 2,000/month	1	12	Apartment or bungalow
< \$ 2,000/month	2	7	Apartment or house
< \$ 2,500/month	1	10	Apartment or house
< \$ 2,500/month	2	7	Apartment or house

A housing resource survey was conducted to determine the availability of replacement housing within the Town of Aptos to be sufficient to meet the needs of displaced rental tenants and homeowners.

The replacement housing survey considered available rooms for rent, one-, and two-bedroom long term DS&S housing rentals (this data is summarized in Table 2 above). The Long Term DS&S Housing Rentals, Table 2, identified 55 apartment rentals and 18 house rentals on Craig’s List and 120 rentals on Realtor.com for available houses, apartments, mobile homes and condominiums. The number of replacement units identified by bedroom size, are presented alongside the number of rental units available. Rates are based on locations with the highest in closer proximity to the beach, as well as location and price range.

THE RELOCATION PROGRAM

The County of Santa Cruz ("County") will comply with Chapter 10 of the Caltrans Right of Way Manual. The Relocation Program is designed to minimize hardship, be responsive to unique project circumstances, maintain personal contact with all affected individuals, consistently applying all regulatory criteria to formulate eligibility and benefit determinations, and conform to all applicable requirements. The Relocation Program will also conform with the standards and provisions of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, and the California Relocation Assistance Law, *California Government Code §7260*, et seq.; the Relocation Assistance and Real Property Acquisition Guidelines; *California Code of Regulations*, Title 25, Division 1, Chapter 6 (Guidelines); and the County's adopted right-of-way policies and procedures.

The Relocation Program consists of two principal constituents: Advisory Assistance and Financial Assistance.

PROGRAM ASSURANCES, STANDARDS AND OBJECTIVES

The County would provide the displaced residential occupants with the assistance, rights, and benefits required under federal and state relocation law Chapter 10 of the Caltrans Right of Way Manual. The relocation program would provide advisory and financial assistance. Every effort would be made to facilitate relocation arrangements and minimize hardship for displacees.

The program objectives would be as follows:

1. To fully inform eligible Project displacees of the nature of, and procedures for, obtaining relocation assistance and benefits;
2. To determine the needs of each displacee eligible for assistance;

3. To provide continuously updated referrals to potential replacement sites within a reasonable time prior to displacement and assure that no occupant is required to move without a minimum of 90 days written notice to vacate;
4. To provide assistance that does not result in different or separate treatment due to race, color, religion, national origin, sex, marital status or other arbitrary circumstances;
5. To supply information concerning federal and state programs and other governmental programs providing assistance to displaced persons;
6. To assist each eligible occupant to complete applications for benefits;
7. To make relocation benefit payments in accordance with the appropriate guidelines;
8. To inform all persons subject to displacement of County policies with regard to eviction and property management; and
9. To establish and maintain a formal grievance procedure for use by displaced persons seeking administrative review of County decisions with respect to relocation assistance.

RELOCATION ADVISORY ASSISTANCE

A comprehensive relocation program, with technical and advisory assistance, would be provided to assist all persons being displaced as a consequence of the Project. Personal contact would be maintained with all individuals until the relocation process has been completed. Every reasonable effort would be made to ensure that the relocation of residents occurs with a minimum of delay and hardship.

The following services will be provided:

1. A printed Informational Brochure will be provided in English or the displacee's language if subsequently be deemed necessary. Signed acknowledgements will be obtained to verify receipt of this material;
2. A database will be maintained of available residential units for sale and distribute replacement site referrals for the duration of the Project;
3. Assistance will be offered to displacees in connection with arrangements for the purchase of real property, if applicable, filing of claim forms to request relocation benefits from the County and to obtain services from other public agencies;
4. Special assistance in the form of referrals to governmental and non-governmental agencies will be made, if requested;
5. Eligible displacees will be assisted with the preparation and submission of relocation assistance claims;
6. Benefit determinations and payments will be made in accordance with applicable law and County policy;
7. Assure that displacees are not required to move without a minimum of 90 days written notice to vacate;
8. All persons subject to displacement will be informed of County policies with regard to eviction and property management;
9. A formal grievance procedure will be established and maintained for use by displaced persons seeking administrative review of County decisions with respect to relocation assistance; and

10. Assistance will be provided that does not result in different or separate treatment due to race, color, religion, national origin, sex, marital status or other arbitrary circumstances.

Relocation Benefits – Residential

Specific eligibility requirements and benefit plans would be detailed on an individual basis with displacees. In the course of personal interviews and follow-up visits, households would be counseled as to available options with respect to financial assistance.

Relocation benefits will be provided in accordance with the provisions of the federal and state relocation law and regulations. Benefits would be paid to eligible displaced persons upon submission of required claim forms and documentation in accordance with the County's normal administrative procedures.

Residential Moving Expense Payments

All residential occupants that would be relocated would be eligible to receive a payment for moving expenses. Moving expense payments would be made based on the actual cost of a professional move or a fixed payment based on a room-count schedule.

Rental Assistance to Tenants/Owner-Occupants Who Choose to Rent

Based upon the available data regarding Project displacees, the displaced household may qualify for, and may be eligible to apply for, relocation benefits under Federal and State provisions. Except in the case of Last Resort Housing situations (49 CFR 24.404), the potential payment to the household will be payable over a 42-month period and limited to a maximum of \$7,200 as stated under Federal guidelines.

Down payment Assistance to Tenants Who Choose to Purchase

The displaced household may opt to apply the entire benefit amount for which they are eligible toward the purchase of a replacement unit.

A displaced household, who chooses to utilize up to the full amount of their rental assistance eligibility (including any Last Resort benefits) to purchase a home, will have the funds deposited in an open escrow account, provided that the entire amount is used for the down payment and eligible, incidental costs associated with the purchase of a decent, safe, and sanitary replacement home. A provision shall be made in the escrow arrangements for the prompt return of the County funds, in the event escrow should fail to close within a reasonable period of time.

Price Difference Differential

The purchase price differential amount is determined by comparing the price of the acquired dwelling (including any proceeds obtained through condemnation) to the lesser of the actual cost paid for a replacement home versus the price of the comparable dwelling used to compute eligibility in the Notice of Eligibility (NOE) issued to the displaced owner.

Mortgage Interest Differential

The purpose of the Mortgage Interest Differential Payment is to compensate homeowners for increased costs between the acquired dwelling and the replacement dwelling. The payment for increased mortgage interest cost shall be the amount that would reduce the mortgage balance on a new mortgage to an

amount that could be amortized with the same monthly payment for principal and interest as that for the mortgage(s) on the displacement dwelling. In addition, payments shall include other debt service costs, if not paid as part of incidental costs. To be eligible for this payment, the mortgage on the dwelling being acquired must have been in place, as a valid lien, for at least 90 days prior to the County's initial written offer to purchase.

Incidental Expenses – Closing Costs

One-time, non-recurring closing costs associated with the purchase of a comparable, replacement dwelling are compensable. Examples of such compensable expenses include costs for: a property survey; preparation of a legal description and deed; recording fees; title insurance; revenue stamps and transfer taxes; loan application fees; loan origination fees; appraisal fees; a credit report; certification for structural soundness; and, termite inspection, when required. Prepaid recurring expenses for mortgage interest, property taxes and insurance are not compensable.

The total Relocation Housing Payment (RHP) is the sum of the Purchase Price Differential, Mortgage Interest Differential, and compensable Incidental Expenses.

Last Resort Housing

A current market analysis of replacement dwellings was performed in subject area and has concluded that there are more available replacement resources for occupants currently on the market than in previous studies conducted over the past several months. But, while adequate replacement resources exist, based on survey results of rental opportunities and the tenants' current rents, some of the tenant occupants will likely have an increase in monthly rent. Possible increases, if any, will be met through the County's obligation under applicable State relocation regulations, including Last Resort Housing (LHR) requirements. The County will abide by State relocation regulations, policies and procedures to work with displacees to provide funds necessary to meet replacement housing obligations due to an increase in monthly rents of these available units or an increase of pad rents for owner-occupants. Individual preferences will be accounted for once the process has begun and a relocation consultant has had the opportunity to speak personally with each resident.

It is anticipated that the relocation activities will not necessitate any special housing considerations, other than potential Last Resort Housing obligations, for the Project to meet the comparable replacement housing requirement. Therefore, with possible benefit payments exceeding statutory amounts through LRH obligations, the relocation activities are not anticipated to create any special housing considerations. With LRH benefit payments, the Project will meet comparable replacement dwelling requirements.

LIST OF SOURCES

Caltrans Right of Way Manual Chapter 10, "Relocation Assistance."

County of Santa Cruz Assessor-County Clerk-Recorder website:
<https://www.co.santacruz.ca.us/Departments/AssessorsOffice.aspx>

Craigslist <https://sfbay.craigslist.org/scz/>

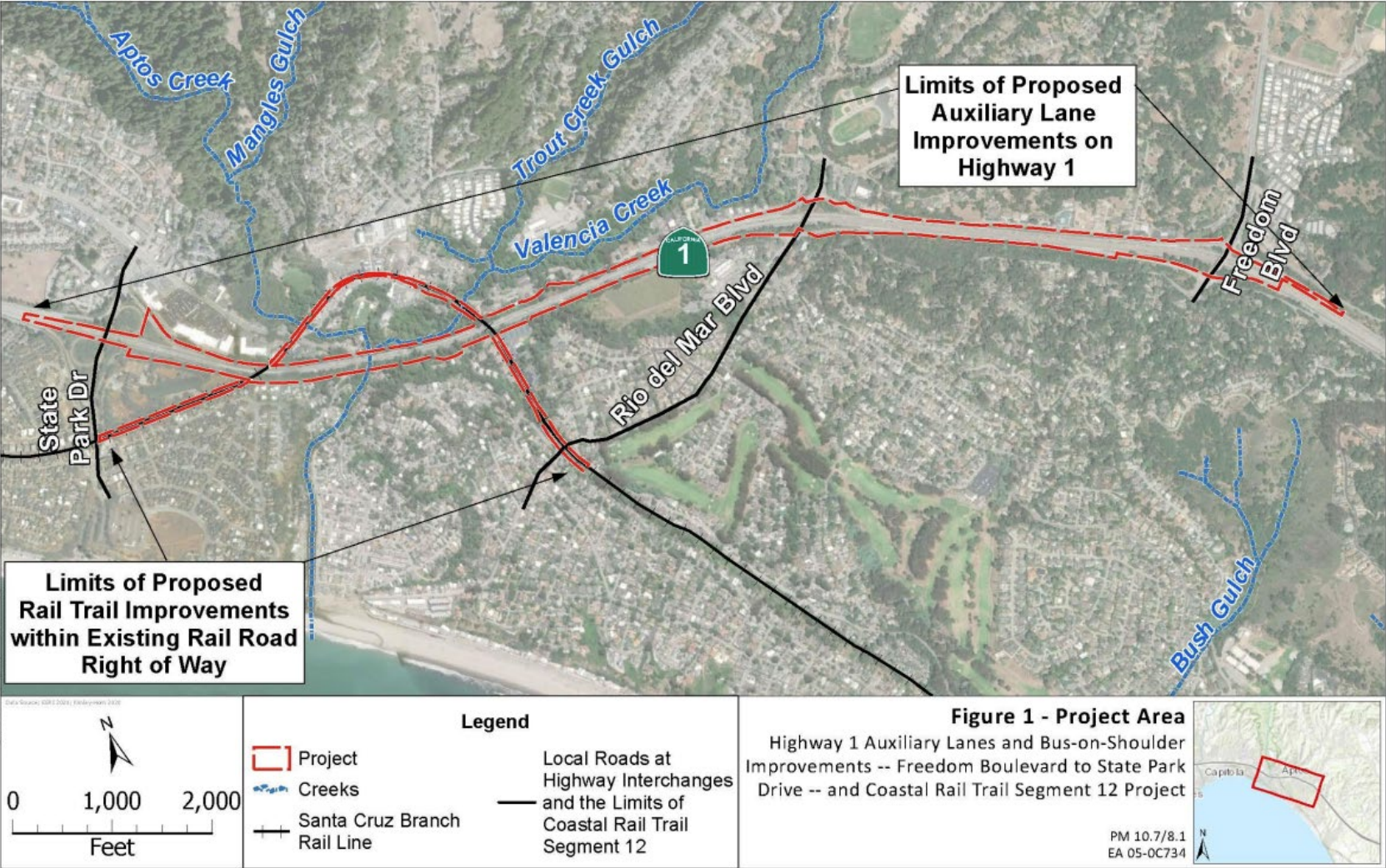
Realtor.com: <https://realtor.com/>

Title Pro 247: <https://www.titlepro247.com/>

U.S. Census Bureau website, <https://factfinder.census.gov/>

Google Earth

Project Area Map



Displacement Area Map


NOTE:

FOR ACCURATE RIGHT OF WAY DATA, CONTACT
RIGHT OF WAY ENGINEERING AT THE DISTRICT OFFICE.

LEGEND

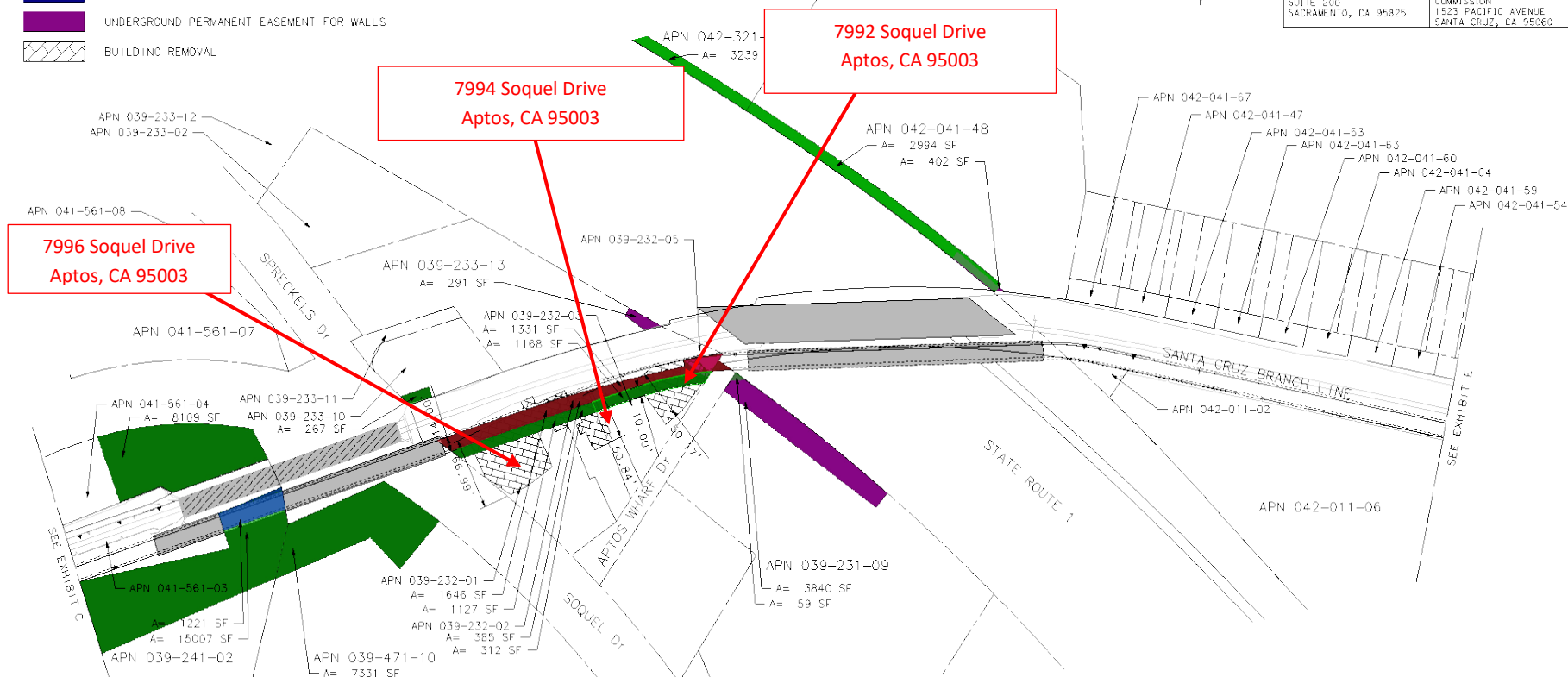
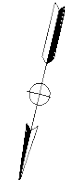
- NEW R/W TAKE
- TEMPORARY CONSTRUCTION EASEMENTS
- AERIAL EASEMENT
- UNDERGROUND PERMANENT EASEMENT FOR WALLS
- BUILDING REMOVAL

DIST	COUNTY	ROUTE	POST MILES TOTAL PROJECT	SHEET TOTAL NO. SHEETS
05	SCR	1	8.1/10.7	XX

REGISTERED CIVIL ENGINEER	DATE
	
PLANS APPROVAL DATE	

THE STATE OF CALIFORNIA OR ITS OFFICERS OR AGENTS SHALL NOT BE RESPONSIBLE FOR THE ACCURACY OR COMPLETENESS OF SCANNED COPIES OF THIS PLAN SHEET.

MARY THOMAS 701 UNIVERSITY AVE SUITE 200 SACRAMENTO, CA 95825	SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION 1523 PACIFIC AVENUE SANTA CRUZ, CA 95060
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APN #	TAKE SF	TEMPORARY SF	AERIAL SF	UNDERGROUND SF
039-231-09		59		3640
039-232-01	1646	1127		
039-232-02	385	312		
039-232-03	1331	1149		
039-232-05				586
039-233-10		267		
039-233-13				291
039-241-02	1221	15007	1221	
039-471-10		7331		
041-561-04		8109		
042-041-48		2994		402
042-321-21		3239		

**PRELIMINARY R/W REQUIREMENTS
ULTIMATE RAIL-TRAIL
SEGMENT 12 IMPROVEMENTS
EXHIBIT D**

SCALE: 1" = 50'

STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION
 EtAltrans
 CONSULTANT: FUNCTIONAL SUPERVISOR: ZACHARY SIVIGLIA
 CALCULATED/DESIGNED BY: R. YAZAWA
 CHECKED BY: V. GUARDIAN
 REVISIONS: REVISION BY: DATE

LAST REVISION: DATE PLOTTED: 11/25/2022
 00-00-00 | PREPARED BY: 11/15/22 AM