Q. What will be the draw for families to come to the plaza? Will there be a plaza? Will there be green open space?
A. Our team has hired a local landscape architecture firm, Joni L. Janecki & Associates, to conceptualize a unique and inspiring plaza that will provide a welcoming and accessible space for the neighborhood to meet, gather, connect, engage and belong. The plaza concept will be fully developed for presentation at our next community meeting targeted for Aug/Sept 2018.

Q. Will there be public restrooms?
A. Based on the input at the community meetings, we are exploring the possibility of maintaining public restrooms during operating hours of the clinics. We do not know yet if that will be feasible.

Q. Will the first floor of the medical buildings be open for retail? / Will there be retail/food?
A. We are working to develop a feasible retail scope, which will most likely include a food use or uses, possibly within the buildings or possibly in freestanding spaces with seating provided in the plaza.

Q. How will you address visitor parking needs for residents of the development?
A. The County of Santa Cruz Planning Department regulates parking requirements for residential developments which includes guest parking requirements. Additionally, we will be conducting a parking needs analysis, studying parking demand for the commercial uses and at comparable MidPen properties. The outcomes of that parking needs analysis will be presented at the next community meeting and will be used to ensure that the ultimate parking plan for the community will meet the needs, of residents and visitors alike.

Q. Does MidPen own Emerald Bay Apartments?
A. No. MidPen does not own or operate Emerald Bay Apartments. MidPen owns and operates many affordable housing developments in Santa Cruz County. Specifically within the Live Oak community, MidPen operates St. Stephens Senior Housing at 2510 Soquel Avenue. MidPen does own and manage a community called Emerald Hill in Scotts Valley.

Q. How much housing will there be?
A. MidPen intends to provide a mix of one, two, and three bedroom apartments. The number of units is estimated to be around 60 but a final determination on total homes will depend on the final unit composition and corresponding County parking requirements.

Q. Will it all be affordable? Will the units be to rent or to own? How much will the rents cost?
A. All of the apartments at 1500 Capitola Road will be affordable to families earning 80% of Area Median Income (AMI) or below. Eligible incomes are based on family size and are updated by the federal government on an annual basis. For 2018, those incomes are:
All apartments will be rentals. Rents are based on 30% of income with family size assumptions made for each unit type. For 2018, rents corresponding to the incomes above are as follows:

<table>
<thead>
<tr>
<th>% Median</th>
<th>One Person</th>
<th>Two People</th>
<th>Three People</th>
<th>Four People</th>
<th>Five People</th>
</tr>
</thead>
<tbody>
<tr>
<td>80%</td>
<td>$62,560</td>
<td>$71,440</td>
<td>$80,400</td>
<td>$89,280</td>
<td>$96,480</td>
</tr>
<tr>
<td>50%</td>
<td>$39,100</td>
<td>$44,650</td>
<td>$50,250</td>
<td>$55,800</td>
<td>$60,300</td>
</tr>
<tr>
<td>30%</td>
<td>$23,460</td>
<td>$26,790</td>
<td>$30,150</td>
<td>$33,480</td>
<td>$36,180</td>
</tr>
</tbody>
</table>

Q. Where will the residents come from? Will there be a local preference?
A. There will be a preference for persons who live and/or work in Santa Cruz County.

Q. How do residents get qualified? How do residents get screened? Who will/won’t qualify for the housing (students, working families, etc.)?
A. MidPen Property Management Corporation will prepare a Resident Selection Criteria (“RSC”) which will be approved by the County of Santa Cruz prior to leasing the property. The RSC is based upon the eligibility requirements of MidPen Housing and the eligibility restrictions prescribed by the local governing jurisdiction and by all public agencies providing development financing. The RSC includes credit and criminal background screening and landlord references, as well as verification of income eligibility. Property Management utilizes the RSC process to screen applicants for eligibility for affordable housing opportunities at all MidPen communities.

Q. Will there be Section 8?
A. The Housing Choice Voucher Program (known as Section 8) is administered by the Housing Authority of the County of Santa Cruz (HACSC). If a person receives a Section 8 voucher from HACSC and chooses to apply to live at 1500 Capitola Road, Property Management would utilize the same resident selection criteria as for any prospective tenant to approve or deny their application. MidPen Housing may also apply for project based Section 8 for a portion of the units which means that a resident without their own voucher who applies to live at 1500 Capitola Road could receive the benefit of the voucher which may help to further decrease the portion of their income spent on rent.