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Prepared January 19, 2011 (for February 11, 2011 hearing)

To: Commissioners and Interested Persons

From: Dan Carl, Central Coast District Manager
Susan Craig, Coastal Planner

Subject: City of Capitola LCP Amendment Number 1-10 Part 2 (Affordable Housing Overlay District). Proposed major amendment to the City of Capitola certified Local Coastal Program to be presented for public hearing and California Coastal Commission action at the Commission's February 11, 2011 meeting to take place at the Chula Vista City Council Chambers located at 276 Fourth Avenue in Chula Vista.

Summary

The City of Capitola is proposing to amend its Local Coastal Program (LCP) to add Chapter 17.20 to the Implementation Plan (IP) to include standards for an Affordable Housing Overlay (AHO) District, which will allow for increased densities of up to 20 units per acre in return for the provision of a minimum of 50% affordable units. The City also proposes to amend the certified Land Use Plan (LUP) to change the LUP land use designation for Assessor's Parcel Number (APN) 036-151-15 from RM-LM (Residential Low Medium; 5-10 units/acre) to RM-H (Residential High; 10-20 units/acre) and to amend the zoning map to apply the AHO District to this property.

The proposed AHO District amendment was previously approved by the Commission in January 2010 with modifications to ensure that coastal resources are protected when considering an increase in density on a site located in the coastal zone that is zoned with the overlay (LCP Amendment Number CAP-2-09 Part 1). Although the City was in agreement with the Commission's proposed modifications, the City Council did not accept the suggested modifications within the required six month timeframe, and thus the Commission's approval expired.

Subsequently, the City incorporated the Commission's suggested modifications into a new LCP amendment, and it is this revised amendment that is before the Commission at this time. Given that the City's proposed amendment now includes the Commission's prior suggested modifications as part of it, including adequate standards to ensure coastal resource protection when higher AHO District densities are used for development of affordable housing in the coastal zone, Commission staff recommends approval of the amendment as submitted.

Staff Note: LCP Amendment Action Deadline

This proposed LCP amendment was filed as complete on January 10, 2011. The proposed amendment affects the LUP and the IP, and the 90-day action deadline is April 10, 2011. Thus, unless the Commission extends the action deadline (it may be extended by up to one year), the Commission has until April 10, 2011 to take a final action on this LCP amendment.



Staff Report Contents	page
I. Staff Recommendation – Motions and Resolutions.....	2
II. Findings and Declarations	3
A. Description of Proposed LCP Amendment.....	3
B. Consistency Analysis.....	4
C. California Environmental Quality Act (CEQA).....	7
III. Exhibit	
Exhibit A: Proposed IP Text Amendment	
Exhibit B: Proposed Land Use Map and Zoning Map Amendments	

I. Staff Recommendation – Motions and Resolutions

Staff recommends that the Commission, after public hearing, approve both the proposed Land Use Plan and Implementation Plan amendments as submitted. The Commission needs to make two motions to act on this recommendation.

1. Approval of Land Use Plan Amendment CAP-1-10 Part 2 as Submitted

Staff recommends a **YES** vote on the motion below. Passage of the motion will result in certification of the land use plan amendment as submitted and adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

Motion (1 of 2). I move that the Commission **certify** Land Use Plan Amendment Number CAP-1-10 Part 2 as submitted by the City of Capitola.

Resolution to Certify. The Commission hereby **certifies** Land Use Plan Amendment Number CAP-1-10 Part 2 as submitted by the City of Capitola and adopts the findings set forth below on the grounds that the amendment conforms to the policies of Chapter 3 of the Coastal Act. Certification of the Land Use Plan amendment complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the plan on the environment, or 2) there are no further feasible alternatives or mitigation measures which could substantially lessen any significant adverse impact which the Land Use Plan Amendment may have on the environment.

2. Approval of Implementation Plan Amendment Number CAP-1-10 Part 2 as Submitted

Staff recommends a **NO** vote on the motion below. Failure of this motion will result in certification of the implementation plan amendment as submitted and the adoption of the following resolution and the findings in this staff report. The motion passes only by an affirmative vote of a majority of the Commissioners present.



Motion (2 of 2). I move that the Commission **reject** Implementation Plan Amendment Number CAP-1-10 Part 2 as submitted by the City of Capitola.

Resolution to Certify. The Commission hereby **certifies** Implementation Plan Amendment Number CAP-1-10 Part 2 as submitted by the City of Capitola and adopts the findings set forth in this staff report on the grounds that, as submitted, the Implementation Plan amendment conforms with, and is adequate to carry out, the provisions of certified Land Use Plan. Certification of the Implementation Plan amendment will meet the requirements of the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the implementation plan on the environment, or 2) there are no further feasible alternatives or mitigation measures which could substantially lessen any significant adverse impacts on the environment that will result from certification of the Implementation Plan.

II. Findings and Declarations

The Commission finds and declares as follows:

A. Description of Proposed LCP Amendment

The proposed amendment would add Chapter 17.20 to the City's IP to create an Affordable Housing Overlay (AHO) District. This new chapter is intended to facilitate the provision of affordable housing units through the retention and rehabilitation of existing units or the construction of new units in the Multiple-Family zoning districts.¹ Land designated and zoned with the overlay would qualify for a density of up to 20 units per acre when a proposed development would provide a substantial level² of affordable housing units. The proposed density increase for affordable housing in the AHO District in most cases exceeds the minimum densities required pursuant to the State's density bonus standards (Government Code Section 65915). The proposed IP language provides definitions, allowable uses with a development agreement, development incentives, assurance of affordability for a period of not less than 55 years, pre-application and application procedures, and required findings for proposed affordable housing projects in the AHO overlay district, including required findings that such development be consistent with LCP policies protecting coastal resources (including, but not limited to, sensitive habitat, public viewshed, public recreational access, and open space resources). Please see Exhibit A for the proposed AHO district text.

¹ The R-M (Multiple-Family) zoning district consists of three specific subzones: RM-LM (Low-Medium Density; 5-10 units/acre); RM-M (Medium Density; 10-15 units/acre), and RM-H (High Density; 10-20 units/acre).

² A "substantial level" is defined in the proposed IP amendment as a minimum of 50% of the units being restricted to affordable housing, of which no less than 50% of those units (25% of the total) shall be affordable to households earning low, very low, and extremely low incomes.



The proposed amendment would also amend the certified LUP land use map to change the land use designation for Assessor's Parcel Number (APN) 036-151-15 from RM-LM (Residential Low Medium; 5-10 units/acre) to RM-H (Residential High; 10-20 units/acre), and would amend the IP zoning map to apply the AHO District to this property. This would be the only parcel in the City's coastal zone to which the new AHO District would apply. Please see Exhibit B for the proposed map changes.

B. Consistency Analysis

1. Standard of Review

The proposed amendment affects the LUP and IP components of the City of Capitola LCP. The standard of review for LUP amendments is that they must be consistent with and adequate to carry out the policies of the Coastal Act. The standard of review for IP amendments is that they must be consistent with and adequate to carry out the policies of the certified LUP.

2. LUP Amendment Consistency Analysis

A. Applicable Coastal Act Policies

The following Coastal Act policies encourage the provision of affordable housing in the coastal zone of the City of Capitola:

30604(f): *The commission shall encourage housing opportunities for persons of low and moderate income. In reviewing residential development applications for low- and moderate-income housing, as defined in paragraph (3) of subdivision (h) of Section 65589.5 of the Government Code, the issuing agency or the commission, on appeal, may not require measures that reduce residential densities below the density sought by an applicant if the density sought is within the permitted density or range of density established by local zoning plus the additional density permitted under Section 65915 of the Government Code, unless the issuing agency or the commission on appeal makes a finding, based on substantial evidence in the record, that the density sought by the applicant cannot feasibly be accommodated on the site in a manner that is in conformity with Chapter 3 (commencing with Section 30200) or the certified local coastal program.*

30604(g): *The Legislature finds and declares that it is important for the commission to encourage the protection of existing and the provision of new affordable housing opportunities for persons of low and moderate income in the coastal zone.*

Other sections of the Coastal Act address the siting of priority visitor-serving and recreational uses. The Coastal Act also provides for protection of the public viewshed, public access and recreation, and sensitive habitats.

B. Analysis



The proposed amendment would amend the certified LUP map to re-designate APN 036-151-15 from RM-LM (Residential Low-Medium; 5-10 units per acre) to RM-H (Residential High; 10-20 units per acre) (see Exhibit B for the location of this parcel). The purpose of the proposed re-designation is to allow future higher-density affordable housing on this site of up to 20 units per acre. The site is currently developed with multi-family residential uses. The site is located within an urbanized area that is well served by public infrastructure, including public transportation. The site is located on the inland side of Park Avenue and does not affect views to and along the shoreline. Thus, increased residential density at this site will not affect views towards the sea. This inland site does not provide for, and is not appropriate for, public access trails or accessways to the ocean. There is no sensitive habitat on the site. Given all of the above, the site is appropriate for a change in land use designation from RM-LM to RM-H. Applying higher infill densities, including for affordable housing (see also below), in areas where there are adequate public services and good transportation options and where such densities do not otherwise result in coastal resource problems (such as this site) is an example of good smart growth principals, and helps to direct development to areas that can accommodate it, consistent with the goals of the Coastal Act. Thus, the proposed LUP land use map amendment is consistent with the requirements of Sections 30604(f) and 30604(g) of the Coastal Act regarding encouraging affordable housing in the coastal zone, and is also consistent with the resource protection policies of the Coastal Act

3. IP Amendment Consistency Analysis

A. Applicable Policies

The following certified LUP provisions and policies (in relevant part) encourage the provision of housing, including affordable housing, in the coastal zone of the City of Capitola:

Residential Development: *More residential units are required to serve the needs of the residents of the City of Capitola...*

Land Use Policy I-2 – Implementation (A): *The City shall rezone sites identified on the Land Use Map as appropriate for residential use.*

Land Use Policy III-15: *Long-term and short-term housing should be maintained and encouraged...*

The City of Capitola LUP also contains numerous policies requiring that development, including higher density and affordable housing development, protect coastal resources, including, but not limited to, visual resources, environmentally sensitive habitat, open space, and public access and recreation.

B. Analysis

The proposed amendment would add Chapter 17.20 (Affordable Housing Overlay District) to the IP (see Exhibit A for proposed amendment text). The purpose of the AHO District is to facilitate the provision of affordable housing units through the retention and rehabilitation of existing units or the construction



of new units. The AHO District will allow a density increase for projects that provide 50% of the units at rents or sale prices that are affordable to low or moderate-income residents, with no less than 50% of those units (25% of the total) being affordable to households earning low, very low, and extremely low incomes. The proposed amendment text: 1) provides definitions of affordability; 2) defines the uses permitted in the AHO District; 3) describes the development incentives for affordability, including specifying the required development standards for the AHO District; 4) requires that affordable units developed pursuant to Chapter 17.20 remain affordable for a period of not less than 55 years; 5) describes pre-application and application procedures; 6) requires that specific findings be made to ensure that an application is appropriate to the purpose and the location of the AHO District; 7) requires (for projects located in the coastal zone) that specific findings be made to ensure that the project is consistent with the provisions of the LCP, including but not limited to, the LCP's sensitive habitat, public viewshed, public recreational access, and open space protections, and; 8) requires consistency with Coastal Act Section 30604(f) regarding encouraging affordable housing in the coastal zone, and consistency with Government Code Section 65915³, which provides standards and requirements pertaining to affordable housing density bonuses.

The AHO District does not require a landowner to develop affordable housing on a particular site and does not place any requirements or restrictions on the current uses on a site. Property zoned with the overlay may still be developed with a market rate project, but in that case the project would be subject to the underlying zoning and would be ineligible for the density increase allowed by the overlay.

The proposed amendment also will amend the certified zoning map to apply the AHO District to one parcel in the coastal zone (APN 036-151-15) (see page 2 of Exhibit B). As discussed above, this site is located in an urbanized area and is currently developed with multi-family residential housing. This site is well-served by public infrastructure and is located along a public transportation artery. Because of the site's location inland of the immediate shoreline, development here does not have a significant impact on views to or along the immediate shoreline. Because it is located just inland of a main public thoroughfare (and the first public through road), the site is certainly visible from this public vantage, however it is also in the midst of an urbanized and largely developed and built out neighborhood within which multi-family residential development, including higher density development, does not and should not lead to significant public viewshed issues. The City's proposal ensures that any AHO development must be consistent with the LCP's public viewshed protection policies in any case, and this should be

³ Government Code Section 65915(5) states "*Nothing in this subdivision shall be interpreted to require a local government to waive or reduce development standards if the waiver or reduction would have a specific, adverse impact upon the health, safety, or the physical environment, and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact.* Government Code Section 65915(m) includes a similar explicit requirement, namely that "*Nothing in this section shall be construed to supersede or in any way alter or lessen the effect or application of the California Coastal Act (Division 20 commencing with Section 30000) of the Public Resources Code.*" In other words, both the Coastal Act and the Government Code recognize that such increased densities may only be allowed if the resultant projects adequately protect coastal resources consistent with the Coastal Act and/or the LCP. Thus, although the standards of Government Code Section 65915 are not part of the LCP, the above-cited sections describe a mechanism for providing incentives for density bonuses provided such incentives/bonuses do not adversely impact the City's environment, i.e., such a density bonus must be consistent with the applicable Coastal Act/LCP requirements.



sufficient to protect public views at this location. Finally, there are no sensitive habitats on this developed site, and there are no public accessways on the site (nor is the site appropriate for public access). And, as with the public view question, the City's proposal includes provisions that require that any development undertaken pursuant to the AHO higher density regulations must still be found consistent with the LCP's habitat and access (and other coastal resource) protection policies. Given all of the above, this is an appropriate site for increased residential density to encourage affordable housing.

In conclusion, the proposed AHO District provides a useful smart growth tool to the City, and it includes appropriate standards for the development of affordable housing at a density greater than the underlying zoning district, i.e. the proposed text includes language to ensure that coastal resources are protected when considering an increase in density on a site located in the coastal zone that is zoned with the overlay (e.g., sites where such development would affect public views, environmentally sensitive habitat, public trails, etc.). The site proposed for increased residential density to encourage affordable housing is appropriate in that such development at this location should not adversely affect public views, sensitive habitat, or public access. Also, the proposed amendment will allow for increased densities consistent with State law to encourage affordable housing in certain situations, and will at the same time ensure that coastal resources are protected from inappropriate increases in density above that allowed by the underlying zoning district. Thus, the proposed amendment can be found consistent with and adequate to carry out the certified LUP.

C. California Environmental Quality Act (CEQA)

The Coastal Commission's review and development process for LCPs and LCP amendments has been certified by the Secretary of Resources as being the functional equivalent of the environmental review required by CEQA. Therefore, local governments are not required to undertake environmental analysis of proposed LCP amendments, although the Commission can and does use any environmental information that the local government has developed. CEQA requires that alternatives to the proposed action be reviewed and considered for their potential impact on the environment and that the least damaging feasible alternative be chosen as the alternative to undertake.

The City of Capitola adopted a Negative Declaration for the proposed LUP and IP amendments and in doing so found that the amendments would not have significant adverse environmental impacts. This staff report has discussed the relevant coastal resource issues with the proposal. All public comments received to date have been addressed in the findings above. All above findings are incorporated herein in their entirety by reference.

As such, there are no additional feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse environmental effects which approval of the amendment would have on the environment within the meaning of CEQA. Thus, the proposed amendment will not result in any significant environmental effects for which feasible mitigation measures have not been employed consistent with CEQA Section 21080.5(d)(2)(A).



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ORDINANCE NO. 950

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAPITOLA REPEALING ORDINANCE NO. 942 IN ITS ENTIRETY AND ADDING CHAPTER 17.20 TO TITLE 17 OF THE CAPITOLA MUNICIPAL CODE PERTAINING TO AN AFFORDABLE HOUSING OVERLAY (AHO) DISTRICT, AND ADDING SECTION 17.46.150 TO THE CZ - COASTAL ZONE COMBINING DISTRICT TO REQUIRE CONSISTENCY WITH THE LOCAL COASTAL PROGRAM AND COASTAL ACT

THE CITY COUNCIL OF THE CITY OF CAPITOLA HEREBY REPEALS ORDINANCE NO. 942 IN ITS ENTIRETY AND DOES ORDAIN AS FOLLOWS:

Section 1. Chapter 17.20 is hereby added to the Capitola Municipal Code to read as follows:

Chapter 17.20

AHO - AFFORDABLE HOUSING OVERLAY DISTRICT

Sections:

- 17.20.010 Purpose
- 17.20.020 Applicability
- 17.20.030 Definitions
- 17.20.040 Conditionally permitted uses
- 17.20.050 Development incentives
- 17.20.060 Assurance of affordability
- 17.20.070 Pre-application procedure--Consultation recommended
- 17.20.080 Application--Development plans and map required
- 17.20.090 Findings for Approval

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17.20.010 Purpose.

A. The Affordable Housing Overlay (AHO) District is intended to facilitate the provision of affordable housing units as defined in Section 17.20.030 through the retention and rehabilitation of existing units, or the construction of new units. The AHO District is intended to provide the opportunity and means for the City to meet its regional fair share allotment of such units, and to implement the policies and goals of the Housing Element of the City's General Plan.

B. These regulations are intended to encourage the development of affordable housing units by assisting both the public and private sector in making the provision of these units economically viable, while providing assurances to the City that these units will maintain a high degree of quality and will remain affordable to the target population over a reasonable duration of time.

C. These regulations are further intended to encourage the provision of affordable housing through the combination of the AHO District with multiple family residential zoning districts within the City where the affordable housing projects are determined to be feasible and are consistent with the City's General Plan.

D. The Affordable Housing Overlay provides a density increase for affordable housing development that in most cases exceeds density bonuses permitted by State law (Government Code Section 65915). Consequently, a development may utilize the Affordable Housing Overlay as an alternative to the use of State density bonus but may not utilize both the Affordable Housing Overlay and State density bonuses.

E. The Affordable Housing Overlay is intended to provide a means of directing and simplifying the process for creating and maintaining affordable housing.

CCC Exhibit A
(page 1 of 7 pages)

F. The Affordable Housing Overlay is also intended to provide incentives to developers whether in new or rehabilitated housing, to maintain rental units for the long term, e.g. not less than 55-years, and affordable ownership units in perpetuity.

17.20.020 Applicability.

A. The regulations set forth in this chapter may be applied to specific sites meeting the following criteria:

1. Be located in the multiple-family residential zoning districts.
2. Is not located in the R-1 zoning district.
3. 1 acre in size.

17.20.030 Definitions.

A. "Affordable housing" means housing capable of being purchased or rented by a household with "very low," "low," or "moderate" income levels at an "affordable housing cost" or "affordable rent," as those terms are defined by the state of California.

B. "Affordable Housing Overlay District" means a zoning district that applies in addition to existing zoning designation where the City encourages the provision of affordable housing units as described in this Chapter.

C. The "very low," "low," and "moderate" income levels are defined by the state of California in Sections 50105, 50079.5, and 50093, respectively, of the California Health and Safety Code, and in Subchapter 2 of Chapter 6.5 of Division 1 of Title 25 of the California Code of Regulations, commencing with Section 6900. These income levels are:

1. Very Low Income. Up to and including fifty percent of the Santa Cruz County median income, adjusted for family size, as defined by the state law;
2. Lower Income. Fifty one percent to eighty percent of Santa Cruz County median income, adjusted for family size, as defined by the state law;
3. Moderate Income. Eighty-one percent to one hundred twenty percent of Santa Cruz County median income, adjusted for family size, as defined by State law.

D. "Affordable housing cost" and "affordable rent" are defined in Sections 50052.5 and 50053, respectively, of the California Health and Safety Code, and in Subchapter 2 of Chapter 6.5 of Division 1 of Title 25 of the California Code of Regulations, commencing with Section 6900.

E. All of the state laws and regulations referenced above, or their successors, as the same from time to time may be amended, are incorporated herein as though fully set forth. In the event of any inconsistency or discrepancy between the income and affordability levels set forth in this chapter and the levels set in state laws and regulations, the state provisions shall control.

17.20.040 Uses Permitted with a Development Agreement.

The following uses are permitted with the execution of a Development Agreement by the City and the developer in accordance with the provisions of California Government Code Section 65864 et seq.

A. Residential developments at a density greater than normally permitted by the underlying, multiple family zoning district (up to 20 units per acre), when the development provides a substantial level of affordable housing units, as defined in Section 17.20.030. A substantial level is defined herein as a minimum of 50% of the units in the project be income restricted affordable housing, of which, no less than 50% of those units (25% of the total) shall be affordable to households earning low, very low and extremely low incomes. A greater level of affordability will not allow a greater level of density. The 20 units/acre limit shall be based on a calculation that includes all existing and all new units on the land area that is being included in the calculation.

B. Accessory uses or structures incidental to the principally permitted use

17.20.050 Development incentives.

A. General. In order to reduce costs associated with the development and construction of affordable housing, the property development standards set forth in subsection C of this section are established for the AHO district. These property development standards represent a relaxation of standards normally applied to housing in the City and are established in order to facilitate and promote the development of affordable housing in the City and shall be extended upon issuance of a design permit for architectural and site review. As a further inducement to the development of affordable housing beyond the relaxation and flexibility of development standards, the City, where appropriate, may also extend one or more of the development incentives set forth in subsection D, the selection of which shall depend on the quality, size, nature, and scope of the project being proposed. Incentives shall be targeted to improve the project design or to yield the greatest number of affordable units and required level of affordability, so as to permit the City to meet its regional fair share allotment of affordable housing and the goals of the Housing Element of the City's General Plan. It is also the intent of the City to facilitate affordable housing by encouraging developer involvement with the City's Redevelopment Agency and other public and private entities concerned with the provision of affordable housing and by cooperating with such entities.

B. Eligibility. To be eligible for the property development standards set forth in subsection C of this section requires the developer to propose a housing development containing at least 50% affordable units. All affordable units can be in a single category or there can be a mixture of affordable unit types (although 25% of total must be affordable to low, very low or extremely low-income households) which include:

1. Moderate-income households; or
2. Lower income households; or
3. Very low income households; or
4. Extremely low income households

C. Property Development Standards. The following development standards shall apply to affordable housing units in the AHO district:

1. General Design Standards. The affordable housing units shall be designed and developed in a manner compatible with and complementary to existing and potential development in the immediate vicinity of the project site. Site planning on the perimeter shall provide for protection of the property from adverse surrounding influences and shall protect surrounding areas from potentially adverse influences from the property. To the greatest extent possible, the design of the development shall promote privacy for residents and neighbors, security, and use of passive solar heating and cooling through proper placement of walls, windows, and landscaping. Building design and materials shall blend with the neighborhood or existing structures on the site.

2. Minimum Design Standards. Unless modified by the Planning Commission, the following design standards shall apply to a project that utilizes the density increases allowed by this section.

a. The front façade and main entrance of dwellings adjacent to the front property line shall face the street and must be clearly articulated through the use of architectural detailing.

b. The front entrance of the dwelling facing the street should be defined by at least one of the following: a porch of at least eight feet in width and depth, roof overhang, or similar architectural element.

c. Except for a basement-level garage below grade, any garage, carport or other accessory structure, attached or detached, shall be located at least 15 feet behind the front of the principal building facing the front property line.

d. Sidewalks shall be installed along all street frontages.

e. Existing vegetation on perimeter shall be preserved to maintain a buffer to existing surrounding structures. Existing significant trees are to remain whenever feasible.

f. The Planning Commission may waive, or modify, any, or all, of these requirements when the Commission finds it is infeasible to comply due to physical or other constraints on the lot.

3. Minimum Building Site Area and Lot Area Per Dwelling Unit. There shall be no minimum building site area requirement for individual lots or individual dwelling sites in an affordable housing development. The building site area shall be designated on a site plan approved by the Planning Commission pursuant to Chapter 17.63, Architectural and Site Review.

4. Density. In multiple family residential districts, overall density of site development within an AHO District shall not exceed twenty (20) units per acre. A development may utilize the Affordable Housing Overlay as an alternative to the use of State density bonus but may not utilize both the Affordable Housing Overlay and State density bonuses. "Density averaging" may be used to achieve an overall acceptable density level for a project. As used herein, "density averaging" means meeting the density requirements by averaging the density on a project-wide basis so as to permit higher density levels in certain project portions in exchange for advantageous project design features. In all zoning districts, density permitted by the AHO District shall not exceed what can be accommodated by the site while meeting parking, unit size, and other development standards.

5. Building Height. The building height shall not exceed two-stories and or 27 feet from existing grade or finish grade, whichever is more restrictive.

6. Setbacks. The minimum setbacks from the lot line of the project shall be determined through approval of a Design Permit/Architectural and Site Review with the exception of setbacks from property lines adjacent to R-1 zoned property, which shall be a minimum of 20 feet for 1st floors and 50 feet for 2nd floors.

7. Lot Coverage. The maximum lot coverage for a proposed project shall be determined through the Design Permit/Architectural and Site Review

8. Parking. R-1 parking standards shall apply with a minimum two spaces per unit. In addition, a minimum of one visitor parking space for every seven units shall be required

9. Common Open Space. Common open space shall comprise the greater of (i) ten percent of the total area of the site, or (ii) seventy-five square feet for each dwelling unit. Land occupied by buildings, streets, driveways, parking spaces, utility units, and trash enclosures shall not be counted in satisfying the open space requirement; land in landscaping and passive and active recreation/open space with a minimum depth/width of five feet shall be counted, and land occupied by recreational buildings and structures shall be counted.

10. Streets. All public streets within or abutting the proposed planned development shall be dedicated and improved to City specifications for the particular classification of street; all private streets shall meet fire code and access standards.

11. Accessory Uses and Structures. Accessory uses and structures shall be located as specified on the site plan as approved by the Planning Commission.

12. Signs. Signs shall be permitted only to the extent allowed under Chapter 17.57 and must be approved by the Planning Commission.

D. Additional Development Incentives. In addition to the relaxed and flexible development standards set forth in subsection C of this section, the City may offer other development incentives should the developer meet the eligibility requirements. For example, exceptions, waivers or modifications of other development standards which would otherwise inhibit density and achievement of affordable housing goals for the development site, including but not limited to placement of public works improvements.

17.20.060 Assurance of Affordability.

Affordable housing units developed under this chapter shall remain available to persons and families of very low, low and moderate income, at an affordable housing cost or affordable rental cost, as those income and affordability levels as defined in Section 17.20.030, for a period of not less than fifty-five years, unless a longer period is required by a construction or mortgage financing program, mortgage insurance program, California Redevelopment Law, or housing grant, loan or subsidy program. The period of affordability required hereunder shall run concurrently with any period of affordability required by any other agency; provided, however, that the affordability period shall not be less than as set forth in this section. The project developer shall be required to enter into an appropriate agreement with the City to ensure affordability is maintained for the required period.

17.20.070 Pre-application Procedure.

Prior to submitting an application for an affordable housing development, the applicant or prospective developer should hold preliminary consultations with the Community Development Department, Redevelopment Agency, and other city staff as may be desirable, to obtain information and guidance before entering into binding commitments or incurring substantial expense in the preparation of plans, surveys and other data. Such preliminary consultations should include information on potential federal, state, and local affordable housing funding availability, and program requirements in guaranteeing the project's consistency with the objectives of this overlay district.

17.20.080 Application--Development plans and map required.

An application for an affordable housing development must be for a parcel or parcels of land, is under the control of the person, corporation, or entity proposing the development. The application shall be accomplished by the submittal of the following plans and maps with the city's standard application form:

- A. A boundary survey map of the property or, if the applicant proposes to subdivide the property, a subdivision map.
- B. Topography of the property and the preliminary proposed finished ground shown at contour intervals of not to exceed two feet.
- C. The gross land area of the development, the present zoning classification and land use of the area surrounding the proposed development, including the location of structures and other improvements.
- D. A general development plan with at least the following details shown to scale and dimensions:
 1. Location of each existing and each proposed structure in the development area, the use or uses to be contained therein, the number of stories, gross building and floor areas, approximate location of entrances thereof.
 2. All streets, curb cuts, driving lanes, parking areas, public transportation points and illumination facilities for the same.
 3. All pedestrian walks, malls and open areas for use of occupants and members of the public.
 4. Location and height of all walls, fences and screen planting, including a detailed plan for the landscaping of the development and the method by which such landscaping is to be accomplished.
 5. Types of surfacing, such as paving or turfing to be used at various locations.
 6. A preliminary grading plan of the area.
- E. Plans and elevations of building and structures sufficient to indicate the architectural style and construction standards.

F. The proposed means for assuring the continuing existence, maintenance and operation of the project as an affordable housing project.

G. Such other information as may be required by the Director to allow for a complete analysis and appraisal of the planned development.

17.20.090 Findings.

In approving a development project which utilizes the Affordable Housing Overlay Zone, the City Council, upon the recommendation of the Planning Commission, shall make the following findings to ensure that the application is appropriate to the purpose and the location.

A. The concessions granted for density and deviation from design standards, are commensurate with the level of affordability. Specifically, the greater the extent of concessions and incentives, the greater the level of affordability.

B. The design of the proposed project, even with the concessions for density and deviation from design standards, is appropriate for the scale and style of the site (where additional units are being added to an existing development) and surrounding neighborhood. Specifically, the development will provide an attractive visual transition and will not significantly impact the integrity of the surrounding neighborhoods.

C. The Developer has agreed to enter into an agreement to maintain the affordability of the project specific to the requirements of the City and any funding sources with greater or longer affordability requirements.

D. If located within the Coastal Zone, the project is found to be in conformity with the Local Coastal Program, including but not limited to sensitive habitat, public viewshed, public recreational access and open space protections.

Section 2. Section 17.46.150 is hereby added to the Capitola Municipal Code to read as follows:

17.46.150 Consistency Required

The Approving Body (or the Coastal Commission on appeal) may approve a density greater than allowed by the underlying land use and zone district designations for affordable residential projects if the following criteria are met:

A. The proposed increased density is consistent with the Coastal Act Section 30604(f), Government Code Section 65915, and Chapter 18.03 of the Capitola Municipal Code.

B. If located within the Coastal Zone, the project is found to be in conformity with the Local Coastal Program (including but not limited to sensitive habitat, public viewshed, public recreational access and open space protections), with the exception of the density provisions.

Section 3. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of the Section, or any part thereof, is for any reason held to be unconstitutional, invalid, or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Section or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause and phrase of this Section irrespective of the fact that one or more sections, subsections, paragraphs, sentences, clauses, or phrases be declared unconstitutional, invalid or effective. To this end, the provisions of this Section are declared to be severable.

Section 4. This ordinance shall be in full force and take effect upon approval and certification by the California Coastal Commission.

This ordinance was introduced on the 10th day of November, 2010, and was passed and adopted by the City Council of the City of Capitola on the 23rd day of November, 2010, by the following vote:

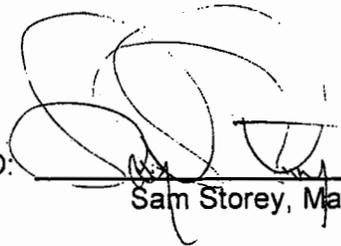
AYES: Council Members Norton, Nicol, Begun, and Mayor Storey

NOES: Council Member Graves

ABSENT: None

ABSTAIN: None

DISQUALIFIED: None

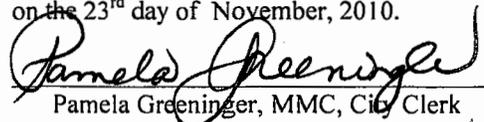
APPROVED: 
Sam Storey, Mayor

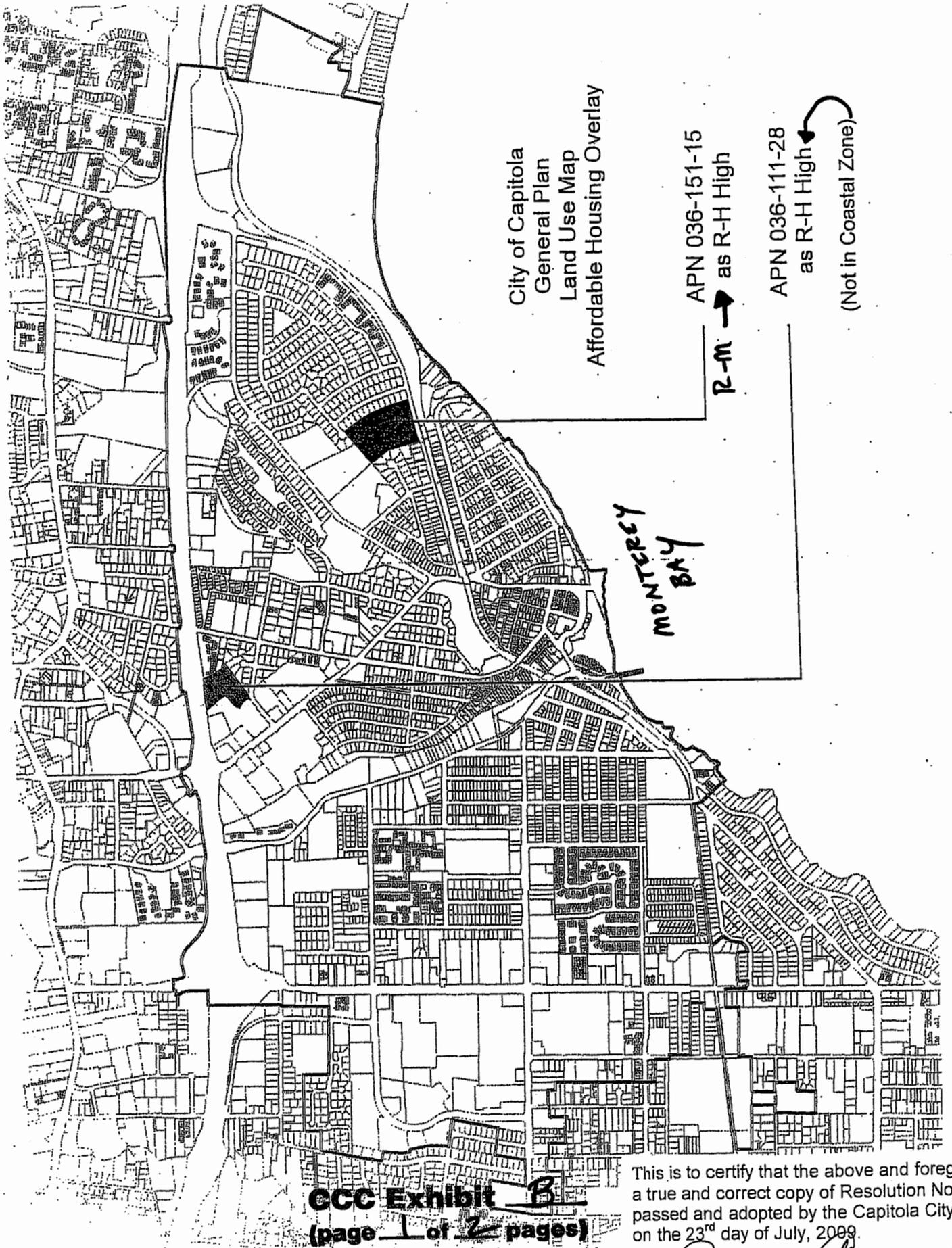
ATTEST:


Pamela Greeninger, City Clerk, MMC

CCC Exhibit A
(page 7 of 7 pages)

This is to certify that the above and foregoing is a true and correct copy of Ordinance No. 950 passed and adopted by the Capitola City Council on the 23rd day of November, 2010.


Pamela Greeninger, MMC, City Clerk



City of Capitola
 General Plan
 Land Use Map
 Affordable Housing Overlay

APN 036-151-15
 R-m → as R-H High

APN 036-111-28
 as R-H High
 (Not in Coastal Zone)

MONTEREY
 BAY

CCC Exhibit B
 (page 1 of 2 pages)

This is to certify that the above and foregoing is a true and correct copy of Resolution No. 3769 passed and adopted by the Capitola City Council on the 23rd day of July, 2009.

Pamela Greenigal MM

