CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT 725 FRONT STREET, SUITE 300 SANTA CRUZ, CA 95060 PHONE: (831) 427-4863 FAX: (831) 427-4877 WEB: WWW.COASTAL.CA.GOV



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LCP-3-CAP-20-0082-2 (LAND USE MAP/ ZONING MAPS & IP UPDATE) JUNE 9, 2021 HEARING EXHIBITS

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Exhibit 1: City's Acceptance of the Coastal Commission's Approval Exhibit 2: Modified Land Use Plan Map, Zoning Map, and IP text

RESOLUTION NO. 4223

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA ACCEPTING CALIFORNIA COASTAL COMMISSION MODIFICATIONS TO THE CITY OF CAPITOLA LOCAL COASTAL PROGRAM AMENDMENTS TO THE LOCAL COASTAL PROGRAM LAND USE PLAN MAP, CHAPTER 17: ZONING, AND THE CAPITOLA ZONING MAP, AND DIRECTING THE COMMUNITY DEVELOPMENT DIRECTOR TO TRANSMIT THE ACCEPTANCE TO THE CALIFORNIA COASTAL COMMISSION

WHEREAS, pursuant to authority delegated to the City of Capitola by the California Coastal Commission, the City of Capitola regulates development in the portion of the coastal zone that lies in the City boundary and that is outside of the original jurisdiction of the California Coastal Commission and the Local Coastal Program; and

WHEREAS, the Local Coastal Program Implementation Plan establishes specific land use and development regulations to implement the Local Coastal Program Land Use Plan, and Chapter 17: Zoning of the Capitola Municipal Code and the Capitola Zoning Map (Attachment 2) are part of Capitola's Local Coastal Program Implementation Plan; and

WHEREAS, the Local Coastal Program Land Use Plan is a comprehensive long-term plan for land use and physical development within the City's coastal zone and includes the Coastal Land Use Plan Map, which is the adopted General Plan Land Use Map for the area within the coastal zone and included as Attachment 3; and

WHEREAS, the City of Capitola's Local Coastal Program (LCP) was certified by the California Coastal Commission in December of 1981 and has since been amended from time to time; and

WHEREAS, the Capitola City Council adopted the most recent comprehensive update to the City of Capitola Zoning Code (Title 17 of the Capitola Municipal Code) in 1975; and

WHEREAS, the City Council adopted the General Plan Update on June 26, 2014; and WHEREAS, the Capitola City Council conducted a duly noticed public hearing on

January 11, 2018, at which the City Council introduced and performed a first reading of the revised Zoning Code and Zoning Map. On January 25, 2018, the City Council adopted the revised Zoning Code, which amended Chapter 17 (Zoning) of the Capitola Municipal Code and Zoning Map; and

WHEREAS, following the City Council's adoption, Capitola staff submitted the Zoning Code update to the Californian Coastal Commission staff for preliminary review in preparation for Local Coastal Plan (LCP) certification; and

WHEREAS, in November 2018, Coastal Commission staff provided the City with extensive redlines of the LCP showing Coastal Commission staff's recommended modifications; and

WHEREAS, on February 21, 2019, and March 7, 2019, the Planning Commission reviewed the Coastal Commission staff's recommendations, and on March 7, 2019, the Planning Commission provided recommendations to the City Council regarding the Coastal Commission staff's revisions; and

WHEREAS, on April 5, 2019, City staff published a public review draft of the updated draft of the zoning code which included the Coastal Commission staff's modifications, as accepted by the Planning Commission; and

WHEREAS, between February 21, 2019, and July 21, 2020, the Planning Commission and City Council reviewed the Coastal Commission staff's recommended modifications during nine public meetings, and, on July 21, 2020, the City Council directed staff to publish an updated public review draft of the Zoning Code in preparation for local adoption and California Coastal Commission certification; and **WHEREAS**, on October 1, 2020, the Planning Commission reviewed the public review draft and recommended the City Council adopt the public review draft, with two minor modifications; and

WHEREAS, on October 8, 2020, City staff provided the City Council an update on the Planning Commission recommendation. At that same meeting, the City Council directed staff to prepare the Ordinance for the first reading by City Council; and

WHEREAS, the Capitola City Council conducted a duly noticed public hearing on October 22, 2020, at which it introduced and performed a first reading of the revised Zoning Code; and

WHEREAS, on November 12, 2020, the City Council adopted Ordinance 4199 amending the zoning code, and directed the Community Development Director to submit those amendments to the California Coastal Commission for certification; and

WHEREAS, Chapters 17.48, "Geologic Hazards District," and 17.72, "Nonconforming Uses," shall remain in their current form, but shall be renumbered to be consistent with the sequencing of the revised portions; and

WHEREAS, on January 25, 2018, the City Council adopted Resolution 4102 approving an Addendum to the General Plan Update Environmental Impact report, which found that the proposed revised Zoning Code and LCP amendment would not have a significant effect on the environment; and

WHEREAS, the City provided Public Notice, as required under Coastal Act 30514 et seq., for Certification of the LCP Implementation Plan and Corresponding Maps; and

WHEREAS, on January 13, 2021, the California Coastal Commission held a public hearing on the amendments to the Capitola Local Coastal Program implementing the Land Use Map, the Zoning Map, and Chapter 17: Zoning Code adopted by the City Council and certified the amendments to the Capitola Local Coastal Program with modifications; and

WHEREAS, the modifications proposed by the California Coastal Commission to the Capitola Local Coastal Program implementing the Land Use Map, the Zoning Map, and Chapter 17: Zoning Code, are summarized in a letter dated April 26, 2021 from the Coastal Commission and included as Attachment 1; and

WHEREAS, insofar as the proposed changes to the Capitola Land Use Map, Zoning Map, and Zoning Code are amendments to the Local Coastal Program and LCP Implementation Plan, the application of the proposed amendments in the coastal zone is statutorily exempt from California Environmental Quality Act (CEQA) review pursuant to CEQA Guidelines Section 15265 and the California Public Resources Code Section 21089.9;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the City Council hereby accepts each of the modifications suggested by the California Coastal Commission to the Capitola Zoning Code, the Land Use Map, and the Zoning Map attached and incorporated as Exhibit 1.

BE IT FURTHER RESOLVED AND ORDERED that the City Council hereby directs the Community Development Director or their designee to transmit this acceptance and any adopted ordinance that incorporates these modifications to the California Coastal Commission for concurrence by its Executive Director.

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the City Council of the City of Capitola on the 13th day of May, 2021, by the following vote:

AYES:Council Members Bertrand, Keiser, Petersen, Storey and Mayor BrooksNOES:NoneABSENT:NoneABSTAIN:None

DocuSigned by: Unite Brooks D9428888BCC4481...

Yvette Brooks, Mayor

DocuSianed by: aboet 1/ vorhnarse ATTEST:

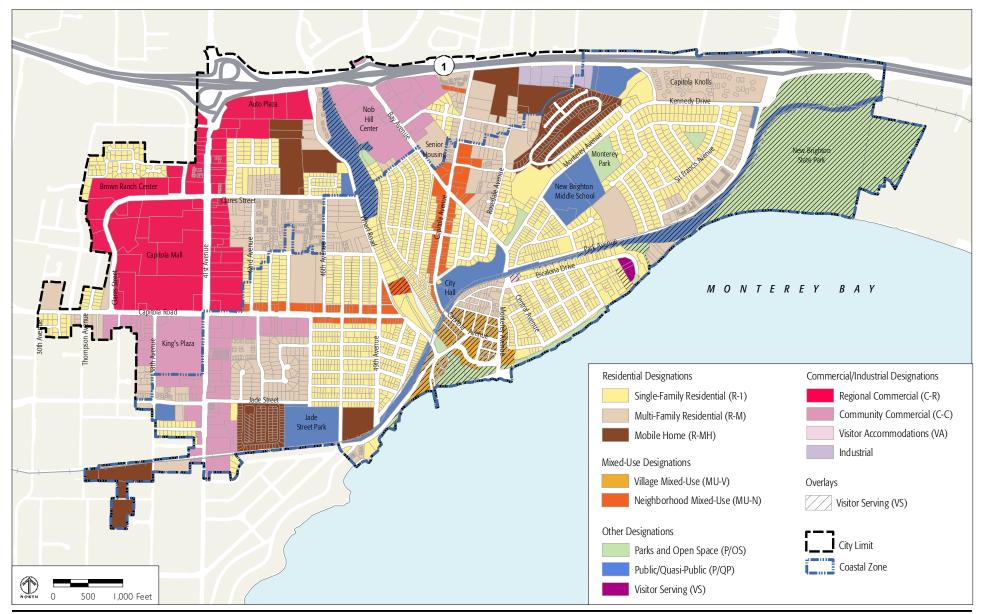
Chloé Woodmansee, City Clerk

Attachment 1: Coastal Commission-proposed modifications to Capitola's Local Coastal Program Land Use Map (General Plan Map) and Implementation Plan (Chapter 17: Zoning Code and Zoning Map)

Attachment 2: Updated General Plan Map with Coastal Commission recommended changes

Attachment 3: Updated Zoning Map with Coastal Commission recommended changes

Attachment 4: Updated sections of Chapter 17: Zoning Code with Coastal Commission recommended changes

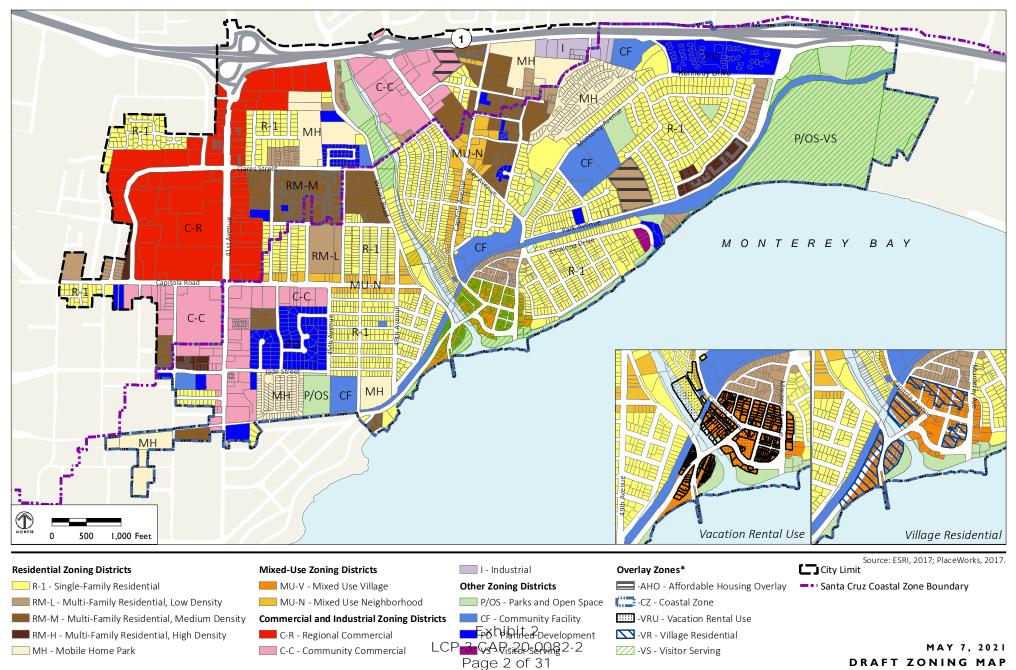


Source: City of Capitola, 2018.

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CITY OF CAPITOLA

ZONING CODE UPDATE



*See Local Coastal Program Habitats Map for boundaries of Environmentally Sensitive Habitats Area Overlay Zone.

Chapter 17.20 - MIXED USE ZONING DISTRICTS

Sections:

- 17.20.010 Purpose of the Mixed Use Zoning Districts
- 17.20.020 Land Use Regulations
- 17.20.030 Development Standards Mixed Use Village Zoning District
- 17.20.040 Development Standards Mixed Use Neighborhood Zoning District

17.20.010 Purpose of the Mixed Use Zoning Districts

A. General. The purpose of the mixed use zoning districts is to provide for active and inviting destinations in Capitola with a diversity of residential and commercial land uses. In the mixed use zoning districts, development shall support a lively, pedestrian-friendly public realm with inviting storefronts facing the sidewalk. A diversity of local and independent businesses, recreational amenities, and public spaces balance the needs of residents and visitors. New development shall respect Capitola's history and reflect its unique coastal village character. The diversity of land uses, pedestrian-friendly development, and general level of activity in the mixed use zoning districts shall support a range of transportation choices, including walking, biking, and transit.

B. Specific.

- 1. **Mixed Use, Village (MU-V) Zoning District**. The purpose of the MU-V zoning district is to preserve and enhance Capitola Village as the heart of the community. A diversity of commercial, residential, and recreational uses in the MU-V zoning district serve both visitors and residents. Land uses and development shall enhance the vitality of the Village while maintaining a high quality of life for residents. A fine-grain mix of retail, restaurants, services, and recreational amenities in the MU-V zoning district provides a walkable environment, caters to all ages, and supports year-round activity during the day and night.
- 2. **Mixed Use, Neighborhood (MU-N) Zoning District**. The purpose of MU-N zoning district is to allow for neighborhood-serving mixed use areas that enhance residents' quality of life. The MU-N zoning district contain an eclectic mix of retail, restaurants, and services for residents and visitors. A range of housing types close to non-residential uses increases housing choices and supports a walkable community. Development in the MU-N zoning district will be carefully designed to complement its surroundings and minimize impacts on neighboring properties. Land uses will strengthen connections between destinations in Capitola, including the Village, Bay Avenue, and 41st Avenue.

17.20.020 Land Use Regulations

A. Permitted Land Uses. Table 17.20-1 identifies land uses permitted in the mixed use

Exhibit 2 LCP-3-CA∯-20-0082-2 Page 3 of 31

17.20

zoning districts. TABLE 17.20-1: PERMITTED LAND USES IN THE MIXED USE ZONING DISTRICTS

IABLE 17.20-1: PERMITTED L Key Image: second se			
P Permitted Use			
A Administrative Permit requiredM Minor Use Permit required			
C Conditional Use Permit required			
 Use not allowed 	Zoning I	District	
	MU-V	MU-N	Additional Regulations
Residential Uses			Section 17.20.020.B, C & E
Duplex Homes	-/P [1]	Р	
Elderly and Long Term Care	C [2] <u>[6]</u>	С	
Group Housing	C [2] <u>[6]</u>	С	
Multi-Family Dwellings	-/P [1] <u>[6]</u>	С	
Residential Care Facilities, Small and Large	See Section 1	7.20.020.F	
Residential Care Facilities, Large	C [2] <u>[6]</u>	С	Section 17.96.080
Residential Mixed Use	See Section 17.20.020.D & E [6]	С	
Accessory Dwelling Units	-	A/C	Chapter 17.74
Single-Family Dwellings	-/P [1]	Р	
Public and Quasi-Public Uses	· ·		
Community Assembly	С	С	
Cultural Institutions	С	С	
Day Care Centers	М	М	
Government Offices	P/C [4]	M [5]	
Home Day Care, Large	М	М	Section 17.96.070
Home Day Care, Small	Р	Р	
Medical Offices and Clinics	-	M [5]	
Parks and Recreational Facilities	С	С	
Public Pathways and Coastal Accessways	С	С	
Public Safety Facilities	С	С	
Schools, Public or Private	-	С	
Commercial Uses			Section 17.20.020.E
Alcoholic Beverage Sales	С	С	
Banks and Financial Institutions	С	P/C [3] [5]	
Commercial Entertainment and Recreation	С	С	
Eating and Drinking Places			
Bars and Lounges	С	С	
Restaurants and Cafes	С	С	
Take-Out Food and Beverage	М	М	

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Key			
P Permitted Use			
A Administrative Permit required			
M Minor Use Permit required			
C Conditional Use Permit required	7		
- Use not allowed	Zoning		
	MU-V	MU-N	Additional Regulations
Gas and Service Stations	-	-	
Lodging			
Bed and Breakfast	С	С	
Hotels and Motels	С	С	
Personal Services	р	P/C [3] [5]	
Professional Offices	P/C [4]	M [5]	
Retail	Р	P/C [3] [5]	
Vacation Rental	See Chapte	r 17.40.030	
Transportation, Communication, and U	Utility Uses		
Utilities, Major	С	С	
Utilities, Minor	р	Р	
Wireless Communications Facilities	See Chapt	ter 17.104	
Other Uses			
Accessory Uses and Structures	See Chap	ter 17.52	Chapter 17.52
Home Occupations	А	А	Section 17.96.040
Permanent Outdoor Display (Accessory Use)	-	С	Section 17.96.100
Temporary Uses and Structures	See Section 17.96.180		
Urban Agriculture			
Home Gardens	Р	Р	
Community Gardens	М	М	
Urban Farms	С	С	
-		1	

Notes:

Allowed only in the Village Residential (-VR) overlay zone. Exclusively residential uses are not allowed outside of the -VR overlay zone.
 Allowed only on the second or third story of a mixed-use development outside of the -VR overly zone. Allowed on any story in the -VR overlay zone.

[3] Larger than 3,000 sq. ft. requires a Conditional Use Permit.

[4] Second floor uses permitted by-right. Ground floor uses require a Conditional Use Permit. Prohibited third floor and above.

[5] Conditional Use Permit required for parcels fronting Capitola Road.

[6] Residential uses are prohibited on the former Capitola Theater Site (APNs 035-262-04, 035-262-02, 035-262-11, and 035-261-10).

- **B.** Village Residential Overlay. Pursuant to Section 17.40.040 (Village Residential (-VR) Overlay Zone), only residential uses are permitted in the -VR overlay zone. The Village Residential (-VR) overlay zone applies to the following areas within the MU-V zoning district as shown on the Zoning Map: Six Sisters, Venetian Court, Lawn Way, and portions of Wharf Road, Riverview Avenue, Cliff Drive, Cherry Avenue, San Jose Avenue, Park Place, and California Avenue.
- C. Ground Floor Conversions to Residential. Existing ground floor commercial uses in

the MU-V zoning district may not be converted to a residential use unless located in the Village Residential (-VR) overlay zone.

D. Residential Mixed Use in the MU-V Zoning District.

- 1. If a proposed residential mixed use project in the MU-V zoning district contains any use that requires a Conditional Use Permit, the entire project, including the residential use, requires a Conditional Use Permit.
- 2. If a proposed residential use replaces an existing upper floor commercial use, the residential use is allowed by-right.
- **E.** Third-Story Uses in the MU-V Zoning District. Permitted land uses within the thirdstory of an existing or new building in the MU-V zoning district are limited to residential and hotel uses only.
- **F. Residential Care Facilities.** Residential care facilities shall be allowed with the permits required for dwellings of the same type within the applicable zoning district. For example, a residential care facility in a detached single-family home requires the same permits and is subject to the same use regulations as a detached single-family home.

17.20.030 Development Standards – Mixed Use Village Zoning District

A. General. Table 17.20-2 identifies development standards that apply in the Mixed Use Village (MU-V) zoning district.

TABLE 17.20-2: DEVELOPMENT STANDARDS IN THE MIXED USE VILLAGE (MU-V) ZONING DISTRICTS

	MU-V	Additional Standards
Site Requirements		
Floor Area Ratio, Maximum	2.0	Section 17.20.030.C Chapter 17.88 Section 17.48.040
Parking and Loading	See Chapter 17.76	
Structure Requirements		•
Setbacks		
Front	Min: 0 ft. Max: 15 ft.	Section 17.20.030.D
Rear	None [1]	
Interior Side	None	
Street Side	Min: 0 ft. Max: 15 ft.	

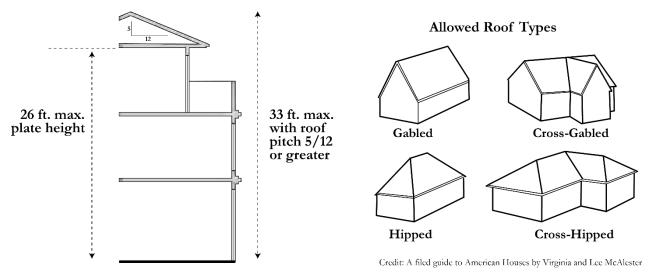
Notes:

Height, Maximum	27 ft.	Section 17.20.030.B & C Section 17.48.020 Chapter 17.88
Accessory Structures	See Chapter 17.52	

[1] 20% of lot depth for residential use on parcel.

- **B.** Height Exceptions. The following exceptions are permitted to the maximum permitted height in the MU-V zoning district as shown in Table 17.20-2:
 - Up to 33 feet for gabled or hipped roof with a minimum 5:12 roof pitch and a maximum plate height of 26 feet. There shall be no breaks in the roof slope for doors and decks. Exterior doors and decks above the 26-foot plate height are prohibited. See Figure 17.20-1.
 - 2. The 33 feet includes the maximum height of projections for non-habitable decorative features and structures identified in Section 17.48.020.B (Height Exceptions).

FIGURE 17.20-1: INCREASED HEIGHT IN THE MU-V ZONING DISTRICT

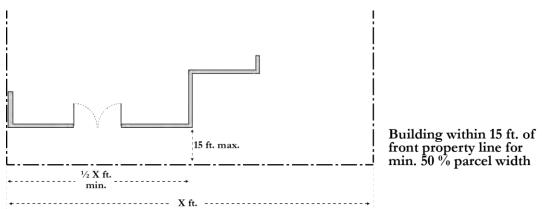


- **C.** Increased Floor Area and Height for the Capitola Theater Site. As provided in Chapter 17.88 (Incentives for Community Benefits), the City Council may approve exceptions to height and floor area ratio (FAR) limits shown in Table 17.20-2 for the Capitola Theater site (APNs 035-262-04, 035-262-02, 035-262-11, and 035-261-10). These exceptions are intended to facilitate the development of a new hotel in the Capitola Village consistent with the General Plan/Land Use Plan.
- **D.** Setbacks in the MU-V Zoning District. The following setback standards apply to all new structures in the MU-V zoning district.
 - Building should be constructed within 15 feet of the front property line for a minimum of 50 percent of the parcel's linear street frontage. See Figure 17.20-2. The Planning Commission may modify or waive this requirement upon finding that:
 - a. Compliance with the build-to width requirement would render the proposed

Exhibit 2 LCP-3-CAn: \$0-0082-2 Page 7 of 31 project infeasible;

- b. The project incorporates a front-facing courtyard of public seating area; or
- c. An alternative site design would result in an enhanced pedestrian experience.

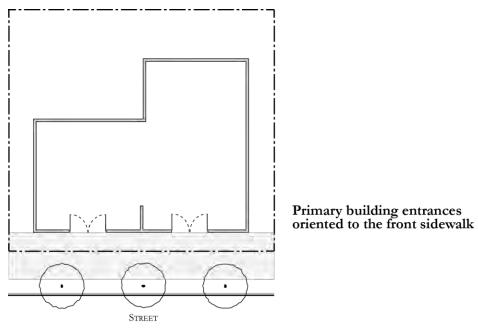
FIGURE 17.20-2: BUILD TO LINE - MU-V ZONING DISTRICT



- 2. Front setback areas shall be pedestrian oriented and contain semi-public amenities such as courtyards or outdoor seating areas.
- 3. Structures shall be setback a minimum of 10 feet from the property line on the northerly side of the first two hundred fifty feet of Cliff Drive, west of the intersection of Wharf Road.
- **E.** General Design Standards. The following standards apply to all new buildings and area of new additions within the MU-V zoning districts, excluding the Village Residential Overlay.
 - 1. **Building Orientation**. Buildings should be oriented towards a public street with the primary entrance to the site or building directly accessible from an adjacent sidewalk. See Figure 17.20-3.

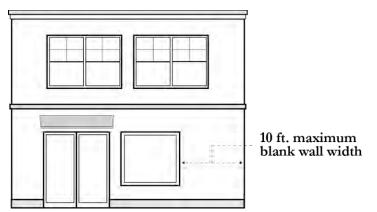
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- 2. **Blank Walls**. The maximum length of an unarticulated/blank building wall fronting a public street shall be 10 feet. See Figure 17.20-4. Building articulation may be provided by:
 - a. Doors, windows, and other building openings;
 - b. Building projections or recesses, doorway and window trim, and other details that provide architectural articulation and design interest;
 - c. Varying wall planes, heights or contrasting materials; and
 - d. Awnings, canopies or arcades to reinforce the pedestrian scale and provide shade and cover from the elements.

FIGURE 17.20-4: BLANK WALL LIMITATIONS



3. **Storefront Width**. The maximum building/storefront width shall be 25 feet. See Figure 17.20-5. Larger buildings shall be broken down into a pedestrian-scale rhythm with differentiated storefront design every 25 feet.

FIGURE 17.20-5: STOREFRONT WIDTH



4. Ground Floor Building Transparency.

a. The ground floor street-facing building walls of non-residential uses shall provide transparent windows or doors with views into the building for a minimum of 65 percent of the building frontage located between 2¹/₂ and 7 feet above the sidewalk. See Figure 17.20-6. Windows or doors area shall be transparent to allow views into the building.

FIGURE 17.20-6: STOREFRONT TRANSPARENCY

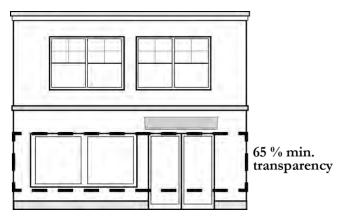


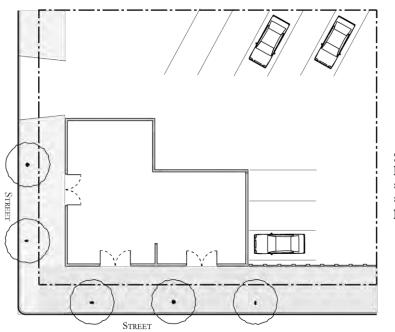
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- b. Exceptions to this transparency requirement may be allowed with a Design Permit if the Planning Commission finds that:
 - (1) The proposed use has unique operational characteristics which preclude building openings, such as for a cinema or theatre; and
 - (2) Street-facing building walls will exhibit architectural relief and detail, and will be enhanced with landscaping in such a way as to create visual interest at the pedestrian level.

5. Parking Location and Buffers.

- a. Surface parking shall be located to the rear or side of buildings. Surface parking may not be located between a building and a street-facing property line. See Figure 17.20-7.
- b. Surface parking adjacent to a street-facing property line shall be screened along the public right-of-way with a decorative wall, hedge, trellis, and/or landscaping at least 3 feet in height or maximum allowed pursuant to line of sight requirements in Section 17.96.050.
- c. Loading areas shall be located to the side and rear of buildings, and shall be sufficiently screened from the public right-of-way, as determined by the Community Development Director.

FIGURE 17.20-7: PARKING LOCATION



Surface parking located to the side and rear of building and screend along the public street

6. Driveways and Curb Cuts.

- a. The maximum width of a new driveway crossing a public sidewalk may not exceed 40 percent of the parcel width or 20 feet, whichever is less. The Community Development Director may approve an exception to this standard in the case of shared or joint use of driveways and parking lots.
- b. New curb cuts, where allowed, shall be located and designed to maximize safety and convenience for pedestrians, bicycles and mass transit vehicles, as determined by the Community Development Director. Considerations for determination include separation between curb cuts, displaced parking, and sight lines.

7. Paved Site Areas.

- a. The materials, colors, textures, and other design features of on-site paved areas, including courtyards, walkways, and patios, shall complement and enhance the overall design character of development on the site.
- b. The use of asphalt for on-site paving is prohibited, except when used for parking areas and vehicle circulation.
- 8. **Garbage and Recycling.** Facilities for garbage and recycling shall be screened from public right-of-way and either designed into the architecture of the primary building or enclosed in an accessory structure located to the side and/or rear of the primary building.
- 9. Landscaping. See Section 17.72.050.B.

17.20.040 Development Standards – Mixed Use Neighborhood Zoning District

A. General. Table 17.20-3 identifies development standards that apply in the Mixed Use Neighborhood (MU-N) zoning district.

	Zoning District	
	MU-N	Additional Standards
Site Requirements		
Parcel Area, Minimum [1]	3,200 sq. ft.	
Parcel Width, Minimum [1]	40 ft.	
Parcel Depth, Minimum [1]	80 ft.	
Floor Area Ratio, Maximum	1.0	Section 17.48.040
Parking and Loading	See Chapter 17.76	
Structure Requirements	·	
Setbacks		
Front	Min: 0 ft. from property line or 10 ft. from curb, whichever is greater [3] [4] Max: 25 ft.	Section 17.20.040.C
Rear	10 ft. min. from property line [2] [3] [4]	
Interior Side	10% of lot width [3] [4]	
Street Side	Min: 0 ft. from property line or 10 ft. from curb, whichever is greater [3] Max: 25 ft.	
Height, Maximum	27 ft.	Section 17.20.040.D
Accessory Structures	See Chapter 17.52	

TABLE 17.20-3: DEVELOPMENT STANDARDS IN THE MIXED USE NEIGHBORHOOD ZONING DISTRICT

Notes:

[1] Parcel area, width, and depth requirements apply only to the creation of new parcels. These requirements do not apply to legally created parcels existing as of [effective date of updated Zoning Code]. See Capitola Municipal Code Title 16 (Subdivisions) for requirements that apply to lot line adjustments to existing parcels that do not comply with the parcel area, width, and depth requirements in this table.

[2] 20% of lot depth for residential use on parcel.

[3] The Planning Commission may approve reduced front, side, and rear setback requirements for properties fronting Capitola Avenue north of the trestle up to and including 431 Capitola Avenue.

[4] The Planning Commission may reduce front, side, and rear setbacks when a parcel is surrounded by commercial properties.

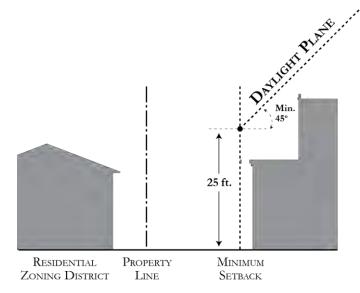
B. Building Orientation.

- 1. Buildings shall be oriented towards a public street with the primary entrance to the site or building directly accessible from an adjacent sidewalk.
- 2. The Planning Commission may grant an exception to the requirement in paragraph 1 above upon finding that unique conditions on the site require an alternative building orientation and that the proposed project would maintain a pedestrian-friendly and active street frontage to the greatest extent possible.
- **C.** Setbacks in the MU-N Zoning District. Front setback areas in the MU-N Zoning District not used for vehicle parking or circulation shall be pedestrian oriented and shall

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D. Residential Transitions – Daylight Plane. When a property abuts a residential zoning district, no structure shall extend above or beyond a daylight plane having a height of 25 feet at the setback from the residential property line and extending into the parcel at an angle of 45 degrees. See Figure 17.20-8.

FIGURE 17.20-8: RESIDENTIAL TRANSITIONS – DAYLIGHT PLANE



- **E. Parking Location and Buffers.** Surface parking shall be located to the rear or side of buildings where possible. When parking is located between a building and a street-facing property line, the parking shall be either:
 - 1. Screened along the street with a decorative wall, hedge, trellis, and/or landscaping at least 3 feet in height; or
 - 2. Designed to minimize visual impacts and support a pedestrian-friendly environment to the greatest extent possible as determined by the Planning Commission.

F. Driveways and Curb Cuts.

- The maximum width of new driveways crossing a public sidewalk may not exceed 40 percent of the parcel width or 20 feet, whichever is less. The Community Development Director may approve exceptions to these standards in the case of shared or joint use of driveways and parking lots.
- 2. New curb cuts, where allowed, shall be located and designed to maximize safety and convenience for pedestrians, bicycles and mass transit vehicles, as determined by the Community Development Director. Considerations for determination include adequate separation between curb cuts, displaced parking, and sight lines.

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- G. Landscaping. See Section 17.72.050.B.
- **H. Capitola Road.** The following standards apply to new primary buildings constructed in the MU-N zoning district fronting the north side of Capitola Road between 41st Avenue and 45th Avenue as shown in Figure 17.20-9. These standards do not apply to alterations or expansions to existing buildings.
 - 1. Buildings shall feature a gabled or hipped roof with a minimum 5:12 roof pitch.
 - 2. Buildings shall be setback from the curb or street edge in a manner that allows for a minimum 10-foot sidewalk along the property frontage.

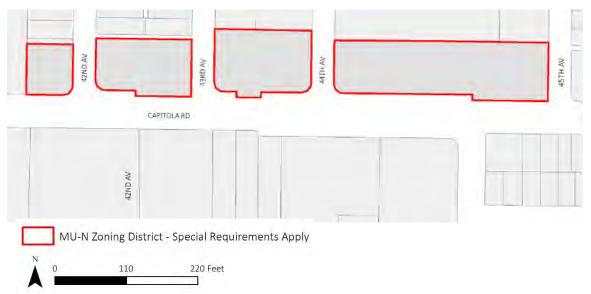


FIGURE 17.20-9: CAPITOLA ROAD MU-N SUBJECT TO SPECIAL STANDARDS

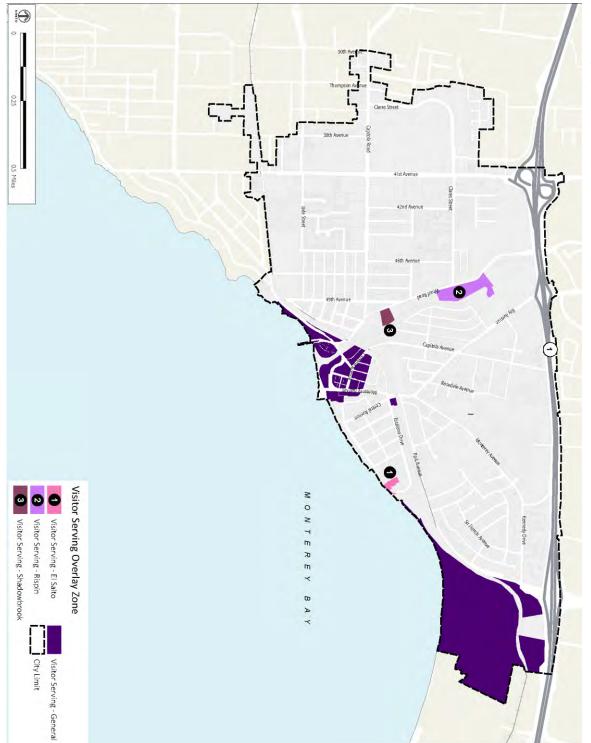
Chapter 17.28 - VISITOR SERVING OVERLAY ZONES

Sections:

- 17.28.010 Purpose of the Visitor Serving Overlay Zone
- 17.28.020 Land Use Regulations
- 17.28.030 Development Standards

17.28.010 Purpose of the Visitor Serving Overlay Zone

- **A. General.** The purpose of the Visitor Serving (-VS) overlay zone is to provide the visiting public with a range of opportunities to enjoy Capitola's coastal location. The -VS overlay zone accommodates a range of visitor serving uses including overnight accommodations, dining establishments, and active and passive recreational facilities. Specific permitted uses depend on the resources present on the site and the surrounding land use and environmental context. The -VS overlay zone implements policies to maintain and enhance visitor serving uses in Capitola consistent with the General Plan and Local Coastal Program (LCP).
- **B.** Visitor Serving Overlay Subzones. The VS overlay zone is divided into five-subzones (see Figure 17.128-1) with unique land use and development standards:
 - 1. Visitor Serving Rispin (VS-R). Applies to the Rispin site (APN 035-371-01 & 02).
 - 2. Visitor Serving Shadowbrook (VS-SB). Applies to the Shadowbrook site (APN035-111-04).
 - 3. Visitor Serving Monarch Cove Inn (VS-MC). Applies to the Monarch Cove Inn site (APN 036-143-31 & 036-142-27) and the portion of parcel 036-142-28 that is located between the two Monarch Cove Inn parcels.
 - 4.3. Visitor Serving El Salto (VS-ES). Applies to the El Salto site (APN 036-143-35).
 - 5.4. Visitor Serving General (VS-G). Applies to all other parcels with a Visitor Serving subzone overlay designation. The VS zoning overlay designation on the Inn at Depot Hill site (APNs 036-121-38 & 036-121-33) acts as both the base zoning district and an overlay district (i.e., the permitted land uses identified in Table 17.28-1 are the only permitted land uses allowable on the site and the applicable land use regulations and development standards are limited to those identified in Chapter 17.28).





17.28.020 Land Use Regulations

A. Permitted Land Uses. Table 17.28-1 identifies land uses permitted in the VS overlay subzones.

Key P Permitted Use		V	S Subzone	S		Additional Regulations
 M Minor Use Permit required C Conditional Use Permit required Use not allowed 	VS-G	VS-R	VS-SB	VS-MC	VS-ES	
Residential Uses		0		1		
Employee Housing	C [1]	-	-	-	-	
Multi-Family Dwellings	C [2] <u>[11]</u>	-	-	-	C [2]	
One Caretaker Unit for On-Site Security	С	С	С	e	С	
Single-Family Dwellings	C [3] <u>[11]</u>	-	-	C [3][12]	C [3]	
Public and Quasi-Public Uses						
Community Assembly	С	С	-	-	-	
Cultural Institutions	С	С	-	-	-	
Day Care Centers	С	-	-	-	-	
Habitat Restoration and Habitat Interpretive facilities	С	С	С	e	-	
Parks and Recreational Facilities	С	С	-	-	-	
Public Parking Lots	С	С	-	-	-	
Public Paths and Coastal Accessways	С	С	С	e	С	
Public Safety Facilities	С	-	-	-	-	
Public Wharfs	С	-	-	-	-	
Schools, Public or Private	-	-	-	-	-	
Commercial Uses						
Business Establishments that Provide Commercial Places of Amusement or Recreation, Live Entertainment, or Service of Alcoholic Beverage	C [4]	C [4]	С	-	-	
Business Establishments that Sell or Dispense Alcoholic Beverages for On- Site Consumption	С	С	С	e	-	
Restaurants						
Full Service	C [5]	C [5]	C [5]	-	-	
Lodging						
Hotels, Inns, Bed and Breakfast, and Hostels	С	С	-	e	С	
Campgrounds [6]	С	-	-	-	-	
Recreational Vehicle Parks	С	-	-	-	-	

_	-	-	e	-	
С	С	С	e	С	
Р	Р	Р	p	Р	
	See C	Chapter 17.	.104		
С	С	С	e	С	
C [7]	С	С	e	С	
С	С	_	e	-	
C [8]	_	-	_	-	
С	С	-	e	С	
С	-	-	_	-	Section 17.96.040
С	-	-	-	-	
С	_	-	-	-	
С	С	С	_	-	
С	С	С	e	-	
С	С	С	e	С	
С	С	-	е	-	
C [10]	C [10]	C [10]	C [11]	-	
С	С	С	e	-	
	C P C C [7] C C [8] C C C C C C C C C C C C C C C C C C C	$\begin{array}{c c} C & C \\ P & P \\ \hline & See C \\ \hline & C \\ \hline & C \\ C$	C C C P P P P P P See Chapter 17. See Chapter 17. C C C C C C C C C C C C C C C C C - C C - C C - C C - C C - C C - C C - C C - C C - C - - C C - C C C C C C C C C C C C C C C C C C C C C C C C C C C	C C C C C \mathbf{F} P P P P P See Chapter 17.104 See Chapter 17.104 C C \mathbf{C} C C C $-$ C C C $-$ C C $ -$ C C C $-$ C C <t< td=""><td>C C C C C C C P P P P P P See Chapter 17.104 See Chapter 17.104 C</td></t<>	C C C C C C C P P P P P P See Chapter 17.104 See Chapter 17.104 C

Notes:

[1] Permitted only as an accessory use.

[2] Multi-family dwellings shall comply with development standards in the Multi-Family Residential, Medium Density (RM-M) zoning district.

[3] Single-family dwellings shall comply with development standards in the Single-Family Residential (R-1) zoning district.

[4] May not be located within 200 feet of the boundary of a residential zoning district.

[5] Drive up and car service is not allowed.

[6] May include moderate intensity recreational uses, including tent platforms, cabins, parks, stables, bicycle paths, restrooms, and interpretive facilities.

[7] Intensification of the primary use is not allowed.

[8] The new use may not change the nature or intensity of the commercial use of the structure.

[9] Permitted only to serve guests of the lodging use.

[10] Events may not exceed 10 days and may not involve construction of permanent facilities.

[11] Prohibited on the former Capitola Theater Site (APNs 035-262-04, 035-262-02, 035-262-11, and 035-261-10) and the Inn at Depot Hill (APNs 036-121-38 and 036-121-33).

[11] Limited to a single two-day or less event per year.

[12] Allowed in conjunction with overnight accommodation use (at least one on property) or grant of public access to a viewpoint.

B. Civic Uses in the VS-R Overlay Subzone. The Planning Commission may allow additional civic uses in the VS-R overlay subzone beyond those specifically identified in Table 17.28-1 if the Planning Commission finds the additional civic use to be consistent

Exhibit 2 LCP-3-CA2:20-0082-2 Page 19 of 31 with the purpose of the VS-R overlay subzone and compatible with existing uses present on the site.

17.28.030 **Development Standards**

A. General. Table 17.28-2 identifies development standards that apply in the VS overlay zone outside of the Mixed Use Village (MU-V) zoning district

TABLE 17.28-2: DEVELOPMENT STANDARDS IN THE VISITOR SERVING ZONING DISTRICTS

	VS Overlay Zone	Additional Standards
Parcel Area, Minimum	5,000 sq. ft	
Impervious Surface, Maximum	VS-R: 25% VS-SB , VS-MC & VS-ES: 50% [1] VS-G: No maximum	
Floor Area Ratio, Maximum	0.25	
Setbacks, Minimum	See Section 17.28.030.B	
Height, Maximum	30 ft.	17.28.030.C

Notes:

[1] In the VS-SB overlay subzone, the impervious surface requirement applies to the parcel located directly adjacent to Soquel Creek. In the VS-ES overlay subzone, the impervious surface calculation excludes the portion of parcel 036-142-28 located outside of the Monarch Cove Inn.

В. **Setbacks.** The following setback requirements apply in the VS overlay zone.

- The Planning Commission may require front, side and rear setbacks through the 1. Design Review process to provide adequate light and air, ensure sufficient distance between adjoining uses to minimize any incompatibility, and to promote excellence of development. Where a side or rear yard abuts residential property, a setback of at least 10 feet shall be provided.
- Front and exterior side yards shall not be used for required parking facilities. 2.
- 3. For the visitor-serving El Salto parcels located adjacent to the bluff top, new development shall adhere to the setback and development provision provided in the LCP natural hazards policies and in Chapter 17.68 (Geologic Hazards).
- To protect the waters and riparian habitat of Soquel Creek, new development on the 4. Shadowbrook Restaurant and Rispin parcels shall adhere to the LCP natural systems policies and Chapter 17.64 (Environmentally Sensitive Habitat Areas).
- **C.** Height Exceptions. With a recommendation from the Planning Commission, the City Council may approve additional height up to a maximum of 36 feet in the VS overlay zone outside of the MU-V zoning district when all of the following findings can be made:
 - The proposed development and design is compatible with existing land uses in 1. surrounding areas, the General Plan, and the LCP.

- 2. Streets and thoroughfares are suitable and adequate to serve the proposed development.
- 3. The proposed development does not produce shadows which may adversely affect the enjoyment of adjacent streets, buildings, or open space.
- 4. Major public views of the shoreline, as identified in Capitola's Local Coastal Program, are not blocked by the proposed development.
- **D.** Landscaping. See Table 17.72-2 in Chapter 17.72 (Landscaping) for minimum required landscaping requirements for Visitor Serving Properties.
- **E. Lighting.** In addition to outdoor lighting standards in Section 17.96.110, (Outdoor Lighting), the following lighting requirements apply in the VS overlay zone:
 - 1. All exterior lighting shall be minimized, unobtrusive, down-directed and shielded using the best available dark skies technology, harmonious with the local area, and constructed or located so that only the area intended is illuminated and off-site glare is fully controlled and that light spill, sky glow and glare impacts are minimized.
 - 2. Lighting of natural areas (such as creeks, riparian areas, the beach, etc.) shall be prohibited past the minimum amount that might be necessary for public safety purposes, except when temporarily permitted in conjunction with a temporary event.
 - 3. The location, type and wattage of exterior lighting must be approved by the Community Development Director prior to the issuance of building permits or the establishment of the use.
- **F. Coastal Development Permit.** If a proposed development is located in the coastal zone, it may require a Coastal Development Permit (CDP) as specified in Chapter 17.44 (Coastal Overlay Zone). Approval of a CDP requires conformance with the CDP findings for approval as specified in 17.44.130 (Findings for Approval).

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Chapter 17.30 - VISITOR SERVING DISTRICT - MONARCH COVE INN

Sections:

<u>17.30.010</u>	Applicability
<u>17.30.020</u>	Purpose
<u>17.30.030</u>	Architectural and Site Approval
<u>17.30.040</u>	Conditionally Permitted uses – Monarch Cove Inn
<u>17.30.050</u>	Accessory Uses
<u>17.30.060</u>	<u>Height</u>
<u>17.30.070</u>	Lot Area
17.30.080	Lot Coverage
17.30.090	Yards
17.30.100	Parking
17.30.110	Loading Areas
17.30.120	Landscaping and Lighting

17.30.010 <u>Applicability</u>

The regulations set forth in this chapter apply to the Monarch Cove Inn parcels.

17.30.020 <u>Purpose</u>

The purpose of V-S district is to accommodate the visiting public with a range of opportunities to enjoy the city of Capitola's coastal location.

17.30.030 Architectural and Site Approval

A design permit shall be secured for the establishment and conduct of any conditional or accessory use in a V-S district as provided in Chapter 17.120.

17.30.040 <u>Conditionally Permitted uses – Monarch Cove Inn</u>

The following are the conditionally permitted uses allowed on the Monarch Cove Inn parcels and the portion of parcel 036-142-28 that is located between the two Monarch Cove Inn parcels:

- A. <u>Accessory structures and accessory uses appurtenant to any conditionally allowed use;</u>
- B. Hotels, motels, hostels, inns; bed and breakfast lodging;

- C. Food service related to lodging;
- D. <u>Assemblages of people, such as festivals, not exceeding ten days and not involving construction of permanent facilities;</u>
- E. <u>Accessory structures and uses established prior to establishment of main use or structure;</u>
- F. <u>Habitat restoration; habitat interpretive facility;</u>
- G. Live entertainment;
- H. Public paths;
- I. <u>Business establishments that provide commercial places of amusement or recreation, live entertainment, or service of alcoholic beverages and that are located within two hundred feet of the boundary of a residential district;</u>
- J. <u>Weddings;</u>
- K. <u>Business establishments that sell or dispense alcoholic beverages for consumption upon</u> <u>the premises;</u>
- L. <u>Other visitor-serving uses of a similar character, density, and intensity as those listed in</u> this section and determined by the planning commission to be consistent and compatible with the intent of this chapter and the applicable land use plan;
- M. Offices and limited retail use, accessory to visitor-serving uses;
- N. <u>One caretaker unit for the purpose of providing on-site security;</u>
- O. Access roadway;
- P. <u>Residential use by the owners and their family members of up to one unit per parcel on</u> <u>the three parcels, as long as a minimum of six guest bedrooms are available for visitor-</u> <u>serving use within the three parcels;</u>
- Q. Non-family residential use during the off-season months (November through April).

17.30.050 <u>Accessory Uses</u>

The following are accessory uses permitted in a V-S district:

- A. <u>Signs complying with the applicable regulations set forth in the sign ordinance;</u>
- B. <u>Accessory uses and buildings customarily appurtenant to a permitted use.</u>

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17.30.060 <u>Height</u>

No structures shall exceed thirty feet in height. Exceptions up to thirty-six feet in height may be granted subject to approval by the city council upon the recommendation of the planning commission when the following findings can be made:

- A. <u>The proposed development and design are compatible with existing land uses of</u> <u>surrounding areas and the general plan;</u>
- B. <u>Streets and thoroughfares are suitable and adequate to serve the proposed development;</u>
- C. <u>The proposed development does not produce shadows which may adversely affect the enjoyment of adjacent streets, buildings or open space;</u>
- D. <u>Major public views are not blocked by the proposed development.</u>

17.30.070 Lot Area

The minimum lot area required shall be five thousand square feet.

17.30.080 <u>Lot Coverage</u>

There shall be no specific maximum lot coverage set except as follows:

- A. <u>Sufficient space shall be provided to satisfy off-street parking and loading area</u> requirements, notwithstanding that all parking may be provided within a structure(s);
- B. Front yard and open space requirements shall be satisfied;
- C. For the Monarch Cove Inn parcels, the allowable impervious site coverage (e.g., buildings, paving, decks, etc.) is fifty percent.

17.30.090 <u>Yards</u>

- A. <u>Front, side and rear yard setbacks may be required through design permit approval in</u> <u>order to provide adequate light and air, assure sufficient distance between adjoining uses</u> <u>to minimize any incompatibility and to promote excellence of development. Where a side</u> <u>or rear yard abuts residential property a setback of at least ten feet shall be provided.</u>
- B. Front yards and corner lot side yards shall not be used for required parking facilities.
- C. For the Monarch Cove Inn parcels located adjacent to the bluff top, new development shall adhere to the setback and development provisions provided in the LUP's natural hazards policies and in certified zoning Chapter 17.68 (Geologic Hazards District).

17.30.100 Parking

Parking standards shall be as provided in Chapter 17.76.

17.30.110 Loading Areas

Loading areas shall be as provided in Chapter 17.76.

17.30.120 Landscaping and Lighting

A minimum of five percent of the lot area shall be landscaped to ensure harmony with adjacent development in accordance with architectural and site approval standards. For the visitorserving Monarch Cove Inn parcels, fifty percent of the parcels shall consist of landscaped or open space areas. The planting of invasive plant species is prohibited. All exterior lighting shall be unobtrusive, harmonious with the local area and constructed or located so that only the area intended is illuminated and off-site glare is fully controlled. The location, type and wattage of the exterior lighting must be approved by the community development director prior to the issuance of building permits or the establishment of the use.

Chapter 17.88 - INCENTIVES FOR COMMUNITY BENEFITS

Sections:

17.88.010	Purpose
17.88.020	Incentives Restricted to Added Benefits
17.88.030	Eligibility
17.88.040	Allowable Benefits
17.88.050	Available Incentives
17.88.060	Relationship to State Density Bonus Law
17.88.070	Application Submittal and Review
17.88.080	Findings
17.88.090	Post-Decision Procedures

17.88.010 Purpose

This chapter establishes incentives for applicants to locate and design development projects in a manner that provides substantial benefits to the community. These incentives are intended to facilitate the redevelopment of underutilized properties along 41st Avenue consistent with the vision for the corridor described in the General Plan and to encourage the development of a new hotel in the Village as called for by the General Plan and the Local Coastal Program (LCP).

17.88.020 Incentives Restricted to Added Benefits

The City may grant incentives only when the community benefits or amenities offered are not otherwise required by the Zoning Code or any other provision of local, state, or federal law. Community benefits or amenities must significantly advance General Plan and/or LCP goals and/or incorporate a project feature that substantially exceeds the City's minimum requirements.

17.88.030 Eligibility

- A. Eligibility for Incentive. The City may grant incentives for the following projects:
 - 1. Projects in the Regional Commercial (C-R) and Community Commercial (C-C) zoning districts that:
 - a. Front 41st Avenue; or
 - b. Front Capitola Road between Clares Street and 42nd Avenue, or
 - c. Are located on the Capitola Mall site.
 - 2. A hotel on the former Capitola Theater site (APN 035-262-04, 035-262-02, 035-262-11, 035-261-10) in the Mixed Use Village zoning district.

Exhibit 2 LCP-3-CA&:20-0082-2 Page 26 of 31 **B.** Setback Required – 41st Avenue. Structures on properties fronting the east side of 41st Avenue must be set back a minimum of 100 feet from the property line abutting a residential property.

17.88.040 Allowable Benefits

- **A. All Eligible Projects.** The City may grant incentives to all eligible projects as identified in Section 17.88.030 (Eligibility) that provide one or more of the following community benefits. The public benefit provided shall be of sufficient value as determined by the Planning Commission to justify deviation from the standards of the zoning district that currently applies to the property.
 - 1. **Public Open Space.** Public plazas, courtyards, and other public gathering places that provide opportunities for people to informally meet and gather. Open space must be accessible to the general public at all times. Provision must be made for ongoing operation and maintenance in perpetuity. The public space must either exceed the City's minimum requirement for required open space and/or include quality improvements to the public realm to create an exceptional experience.
 - 2. **Public Infrastructure.** Improvements to streets, sidewalks, curbs, gutters, sanitary and storm sewers, street trees, lighting, and other public infrastructure beyond the minimum required by the City or other public agency.
 - 3. **Pedestrian and Bicycle Facilities.** New or improved pedestrian and bicycle pathways that enhance the property and connectivity to the surrounding neighborhood.
 - 4. **Low-Cost Visitor Serving Amenities.** New or improved low-cost visitor-serving recreational opportunities or accommodations within the Central Village area.
 - 5. **Transportation Options.** Increased transportation options for residents and visitors to walk, bike, and take public transit to destinations and reduce greenhouse gas emissions.
 - 6. **Historic Resources**. Preservation, restoration, or rehabilitation of a historic resource.
 - 7. **Public Parking.** A public parking structure that provides parking spaces in excess of the required number of parking spaces for use by the surrounding commercial district. Excess parking provided as part of a Village hotel may not be located on the hotel site and must be located outside of the Mixed Use Village zoning district.
 - 8. **Green Building.** Green building and sustainable development features that exceed the City's green building award status.
 - 9. **Public Art.** Public art that exceeds the City's minimum public art requirement and is placed in a prominent and publicly accessible location.
 - 10. **Child Care Facilities.** Child care centers and other facilities providing daytime care and supervision to children.

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- 11. **Other Community Benefits.** Other community benefits not listed above, such as entertainment destinations, as proposed by the applicant that are significant and substantially beyond normal requirements.
- **B.** 41st Avenue/Capitola Road Projects. In addition to the community benefits in Subsection A above, the City may grant incentives to eligible projects fronting 41st Avenue or Capitola Road between Clares Street and 42nd Avenue or on the Capitola Mall site that provide one or more of the following community benefits:
 - 1. **Capitola Mall Block Pattern.** Subdivision of the existing Capitola Mall property into smaller blocks with new intersecting interior streets. May include the extension of 40th Avenue south into the Mall property to form a new pedestrian-friendly private interior street.
 - 2. **Surface Parking Lot Redevelopment.** Redevelopment of existing surface parking lots fronting 41st Avenue and Capitola Road while introducing new sidewalk-oriented commercial buildings that place commercial uses along the street frontage.
 - 3. **Transit Center.** Substantial infrastructure improvements to the transit center on the Capitola Mall property that are integrated with a possible future shuttle system in Capitola. The transit center may be moved to an alternative location consistent with the operational requirements of Santa Cruz Metro.
 - 4. **Affordable Housing.** Affordable housing that meets the income restrictions applicable in the Affordable Housing (-AH) overlay zone.

17.88.050 Available Incentives

- A. 41st Avenue/Capitola Road Projects. The City may grant the following incentives to an eligible project fronting 41st Avenue, Capitola Road between Clares Street and 42nd Avenue, or on the Capitola Mall site:
 - 1. An increase in the maximum permitted floor area ratio (FAR) to 2.0.
 - 2. An increase in the maximum permitted building height to 50 feet.
- **B.** Village Hotel. The City may grant the following incentives to a proposed hotel on the former Capitola Theater site (APN 035-262-04, 035-262-02, 035-262-11, 035-261-10):
 - 1. An increase in the maximum permitted floor area ratio (FAR) to 3.0.
 - 2. An increase to the maximum permitted building height provided that:
 - a. The maximum height of the hotel (including all rooftop architectural elements such as chimneys, cupolas, etc., and all mechanical appurtenances such as elevator shafts, HVAC units, etc.) remains below the elevation of the bluff behind the hotel; and

- b. The bluff behind the hotel remains visible as a green edge (i.e., the upper bluff (i.e., below the blufftop edge) and upper bluff vegetation shall remain substantially visible across the length of the project site) when viewed from the southern parking lot area along the bluff of Cliff Drive (i.e., the parking area seaward of Cliff Drive and closest to Opal Cliff Drive) and from the Capitola wharf;
- c. Existing mature trees shall be maintained on the site, except that trees that are unhealthy or unsafe may be removed<u>: and</u>
- e.d. The rooftop shall be aesthetically pleasing and shall not significantly adversely affect public views from Cliff Avenue on Depot Hill. In addition to modifications to avoid structural incursions into this view, this can be accomplished through design features on top of the roof as well (e.g., use of a living roof, roof colors and materials that reduce its visual impacts, etc.). Rooftop appurtenances (e.g., elevator shafts, HVAC units, vents, solar panels, etc.) shall be screened from public view and integrated into/within the abovereferenced rooftop design features to the greatest extent feasible.

17.88.060 Relationship to State Density Bonus Law

The incentives allowed by this section are in addition to any development incentive required by Section 65915 of the California Government Code.

17.88.070 Application Submittal and Review

- A. **Request Submittal.** A request for an incentive in exchange for benefits shall be submitted concurrently with an application for the discretionary permits required for the project by the Zoning Code. Applications shall be accompanied by the following information:
 - 1. A description of the proposed amenities and how they will benefit the community.
 - 2. All information needed by the City Council to make the required findings described in Section 17.88.080 (Finding) below, including a pro forma analysis demonstrating that the benefit of the proposed amenities to the community is commensurate with the economic value of the requested incentives.
- B. **Conceptual Review.** Prior to City action on a request for an incentive, the request shall be considered by the Planning Commission and City Council through the Conceptual Review process as described in Chapter 17.114 (Conceptual Review). Conceptual Review provides the applicant with non-binding input from the City Council and Planning Commission as to whether the request for incentives is worthy of consideration.
- C. **Theater Site Story Poles.** Prior to City action on a proposed hotel on the former Capitola Theater site the Planning Commission or City Council may require the applicant

to install poles and flagging on the site to demonstrate the height and mass of the proposed project.

- D. **Planning Commission Recommendation.** Following Conceptual Review, the Planning Commission shall provide a recommendation to the City Council on the proposed project and requested incentives at a noticed public hearing in compliance with Chapter 17.148 (Public Notice and Hearings).
- E. **City Council Action.** After receiving the Planning Commission's recommendation, the City Council shall review and act on the requested incentives at a noticed public hearing in compliance with Chapter 17.148 (Public Notice and Hearings). The City Council shall also review and act on other permits required for the project requesting incentives.

17.88.080 Findings

- **A. All Eligible Projects.** The City Council may approve the requested incentives for all eligible projects only if all of the following findings can be made in addition to the findings required for any other discretionary permit required by the Zoning Code:
 - 1. The proposed amenities will provide a substantial benefit to the community and advance the goals of the General Plan.
 - 2. There are adequate public services and infrastructure to accommodate the increased development potential provided by the incentive.
 - 3. The public benefit exceeds the minimum requirements of the zoning code or any other provisions of local, state, or federal law.
 - 4. The project minimizes adverse impacts to neighboring properties to the greatest extent possible.
 - 5. If in the coastal zone and subject to a Coastal Development Permit, the project enhances coastal resources.
- **B.** Village Hotel. In addition to the findings in Subsection A above, the City Council may approve the requested incentives for a proposed hotel on the former Capitola Theater site only if the following findings can be made:
 - 1. The design of the hotel respects the scale and character of neighboring structures and enhances Capitola's unique sense of place.
 - 2. The hotel will contribute to the economic vitality of the Village and support an active, attractive, and engaging pedestrian environment.
 - 3. <u>The hHotel siting and design will a)</u> minimizes impacts to public views, including views of the beach and Village from vantage points outside of the Village, and in particular as seen from <u>Cliff Avenue and Depot Hill the top of the bluff behind the hotel; and b</u>, and does not adversely impact <u>any</u> significant public views of the coastline as identified in the LCP's Land Use Plan.

Exhibit 2 LCP-3-CA8:20-0082-2 Page 30 of 31 4. Parking for the hotel is provided in a way that minimizes vehicle traffic in the Village, strengthens the Village as a pedestrian-oriented destination, and protects public parking options.

17.88.090 Post-Decision Procedures

Post-decision procedures and requirements in Chapter 17.156 (Post-Decision Procedures) shall apply to decisions on incentives for community benefits.