1. **Introductions** Senior Planner Cattan provided overview of the Zoning Code update process and stakeholder meetings.

Stakeholders present: Mary Gourlay, Craig French, Benjamin Ow, Doug Kaplan, Craig Dean, Ed Newman, and Planning Commissioner Mick Routh.

2. **Ease of Use.** Are there specific aspects of the existing Zoning Code that are unclear or difficult to understand? How could we make the code more user-friendly?
   a. Clarity of Process. The new code must clearly define the process and regulations to avoid misinterpretation.
   b. Code lacks clarity and specificity in regards to process and regulations. Applicant must rely on direction from staff. Expectations of the City are unclear due to the combination of a code which lacks specificity and the previous high turnover in staff, which has resulted in differing interpretations.

3. **Development Standards and Regulations.** Are there specific development standards or land use regulations in existing code that have caused problems that should be revised? How do you suggest addressing these issues?
   a. Sign Code:
      a. Monument signs in the code are too limited. Does not create enough visibility along 41st for larger shopping centers with many tenants. A solution for visibility along the road frontage is necessary for shopping centers.
      b. Create limits within administrative permits that can be approved over the counter. Then allow businesses to apply for a discretionary permit requiring Planning Commission review for signs that go beyond the administrative limits.
      c. Allow creativity. Set standards for size, location, logos, brand identification, and types of signs. Allow flexibility of materials, lighting, and color.
      d. Allow more variety between sign styles within master sign programs.
      e. Create different sign standards for Central Village, 41st Avenue, and neighborhood commercial.
      f. Provide a maximum allowance for signs and allow businesses/property owners to determine the number and size of individual signs which fit within the maximum allowance (e.g., set a cumulative square-foot maximum signage allowance for a shopping center without limits on the number or size of individual signs).
   b. Flexibility in Use is necessary for Commercial. Make doing business in Capitola easy by not requiring Conditional Use Permits for change of tenant within existing commercial space.
   c. Parking Requirements for Mixed Use and Multi-Modal Transportation
a. Include reduced parking standards for mixed use development.
b. Allow parking reduction in exchange for onsite bicycle parking.
c. Allow parking reductions for development in close proximity to multi-modal transportation, such as bus stops.

4. **New Provisions.** Is the existing Zoning Code silent on any issues or uses that should be addressed in the Zoning Code? Do you know of provisions from other City codes that you think would improve the Capitola code and overall development?
   a. Camden Park Center signage in San Jose

5. **Administration.** Are there any needed changes to streamline the City’s existing permitting and administration procedures?
   a. Improve coordination with outside permitting agencies (e.g., water, fire, sanitation districts). Consider joint agency meetings to coordinate permit reviews.
   b. Establish firm, maximum standards in the code instead of providing exceptions to go beyond stated maximums. Clear expectations by applicants.

6. **Permit Decision-Making Process.** Depending on the type of application, land use permits require approval by City staff, the Planning Commission, or City Council. Does the current code provide a fair and appropriate level of review of permit applications (i.e., should the Planning Commission review more or less project types)?
   a. The code should create standards for administrative permits that are allowable and do not require additional oversight. Then add the option to apply for discretionary permits beyond the standards through special exceptions and variances reviewed by the Planning Commission.
   b. Capitola’s current zoning code requirement that all “use” permits must receive a “design permit” should be updated to separate “use” from “design”. If an existing commercial building is changing tenants, a design permit should not be required for principal permitted uses in the district.
   c. Provide more flexibility in use to allow new businesses to come into existing commercial sites with little or no review if the building is not being modified. Timing and execution are critical for business success.
   d. Allow staff to make administrative decisions on tenant modifications.
   e. Avoid noticing requirements because this takes additional time. (this suggestion is not consistent with state code requirements)

7. **Economic Development.** Are there changes we could make to the zoning code to promote economic development? Are there obstacles we could remove or incentives we could add to encourage positive redevelopment?
   a. Work with developers to expedite the review process by creating clear expectations of what is desired within future development and redevelopment.
   b. Example was given of the “1991 Downtown Recovery Plan” for Santa Cruz following the Loma Prieta earthquake of 1989. The plan not only set up clear expectations of what was desired in redevelopment but also included an EIR for redevelopment of the entire district, saving developers money and time.
   c. Reiterated that administrative permits for change of tenant use when the use is principally permitted in the zone and for signs that comply with the sign code.
d. Encourage redevelopment and improvements in C.V. zone and along Bay Avenue

8. **Sustainability.** The new code will place an increased emphasis on sustainability. Do you have any ideas for how can we promote sustainability principles, such as alternative transportation (bicycling and walking), reducing energy and water consumption, encouraging green energy sources, compact development patterns, etc.?
   a. Sustainability: Focus on education rather than imposing new regulations for sustainability. Eliminate the Green Building Ordinance. Allow businesses to voluntarily provide green building features and rely on the free market to encourage behavioral changes.

9. **Other Issues:** Are there any other issues with the zoning code you would like to tell us about?
   a. Staff recommendations within discretionary permits. Discussion on whether or not a staff recommendation should be included in discretionary permits. Two sides were shared on this subject. One expressed the need to leave discretionary permits up to policy makers. The other viewpoint was that a lot of work is done with staff prior to review by Planning Commission, and that is often reflected in the staff recommendation.

10. **Close.** Community Development Director Rich Grunow thanks the stakeholder participants and talks about next steps.