

AGENDA CAPITOLA PLANNING COMMISSION Thursday, July 18, 2013 – 7:00 PM

Chairperson Commissioners Mick Routh Ron Graves Gayle Ortiz Linda Smith

TJ Welch

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

2. ORAL COMMUNICATIONS

A. Additions and Deletions to Agenda

B. Public Comments

Short communications from the public concerning matters not on the Agenda.

All speakers are requested to print their name on the sign-in sheet located at the podium so that their name may be accurately recorded in the Minutes.

- C. Commission Comments
- D. Staff Comments
- 3. APPROVAL OF MINUTES
 - A. June 6, 2013 Regular Meeting Minutes

4. CONSENT CALENDAR

All matters listed under "Consent Calendar" are considered by the Planning Commission to be routine and will be enacted by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Planning Commission votes on the action unless members of the public or the Planning Commission request specific items to be discussed for separate review. Items pulled for separate discussion will be considered in the order listed on the Agenda.

A. 213 MONTEREY AVENUE #13-067 APN: 035-185-03

Coastal Permit and Design Permit to construct a mansard roof to shield solar collectors and roof equipment on a multi-family residence in the CV (Central Village) Zoning District

This project requires a Coastal Permit which is appealable to the California Coastal Commission after all possible appeals are exhausted through the City.

Environmental Determination: Categorical Exemption Property Owner: David and Karen Johnson, filed: 5/10/13

Representative: William Fisher Architecture, Inc.

B. 2052 EDMUND LANE #13-073 APN 034-412-56

Design Permit to construct a new two-story single-family dwelling in the R-1 (Single-Family Residence) Zoning District.

Environmental Determination: Categorical Exemption Property Owner: Hacienda Homes, LLC, filed: 5/28/13

Representative: Scott Zazueta

C. 2064 EDMUND LANE #13-074 APN: 034-412-57

Design Permit to construct a new two-story single-family dwelling in the R-1 (Single-

Family Residence) Zoning District.

Environmental Determination: Categorical Exemption Property Owner: Hacienda Homes, LLC, filed: 5/28/13

Representative: Scott Zazueta

5. PUBLIC HEARINGS

Public Hearings are intended to provide an opportunity for public discussion of each item listed as a Public Hearing. The following procedure is as follows: 1) Staff Presentation; 2) Public Discussion; 3) Planning Commission Comments; 4) Close public portion of the Hearing; 5) Planning Commission Discussion; and 6) Decision.

A. 1330 47th AVENUE #13-014 APN: 034-066-13

Plan revision to a previously approved design permit for a new two-story single-family dwelling in the R-1 (Single-Family Residence) Zoning District.

Environmental Determination: Categorical Exemption

Property Owner: Gary Lindeke, filed: 1/25/13

B. 507 PLUM STREET/

712 CAPITOLA AVENUE #13-068 APN: 034-412-56

Design permit to construct a second dwelling unit above a two-car garage with a one-story single-family residence in the CN (Neighborhood Commercial) Zoning District.

Environmental Determination: Categorical Exemption Property Owner: Terry Evan David, filed: 5/21/13

Representative: Dennis Norton

C. 701 ESCALONA DRIVE #13-080 APN: 036-142-18

Tree Permit review of the replacement tree plan for an unlawfully removed tree in the R-1 (Single-Family Residence) Zoning District.

Environmental Determination: Categorical Exemption

Property Owner: Stewart and Pam Greeninger, filed: 6/10/13

D. 750 47th AVENUE #12-144 APN: 034-551-01

Coastal Development Permit and Vesting Tentative Subdivision Map for the conversion of Surf and Sand Mobile Home Park (MHP) from a rental MHP to an ownership MHP in the MHE (Mobile Home Exclusive) Zoning District. Approval would result in 74 privately-owned lots and 4 common-owned lots.

This project requires a Coastal Development Permit which is appealable to the California Coastal Commission after all possible appeals are exhausted through the City.

Environmental Determination: Categorical Exemption

Owner: Surf and Sand . LLC and Ronald Reed. Application filed 11/6/12

Representative: Mark Alpert, Hart King & Coldren

6. DIRECTOR'S REPORT

7. COMMISSION COMMUNICATIONS

8. ADJOURNMENT

Adjourn to the next Planning Commission on Thursday, August 1, 2013 at 7:00 PM, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

APPEALS: The following decisions of the Planning Commission can be appealed to the City Council within the (10) calendar days following the date of the Commission action: Conditional Use Permit, Variance, and Coastal Permit. The decision of the Planning Commission pertaining to an Architectural and Site Review can be appealed to the City Council within the (10) working days following the date of the Commission action. If the tenth day falls on a weekend or holiday, the appeal period is extended to the next business day.

All appeals must be in writing, setting forth the nature of the action and the basis upon which the action is considered to be in error, and addressed to the City Council in care of the City Clerk. An appeal must be accompanied by a one hundred forty two dollar (\$142.00) filing fee, unless the item involves a Coastal Permit that is appealable to the Coastal Commission, in which case there is no fee. If you challenge a decision of the Planning Commission in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this agenda, or in written correspondence delivered to the City at, or prior to, the public hearing.

Notice regarding Planning Commission meetings: The Planning Commission meets regularly on the 1st Thursday of each month at 7:00 p.m. in the City Hall Council Chambers located at 420 Capitola Avenue, Capitola.

Agenda and Agenda Packet Materials: The Planning Commission Agenda and complete Agenda Packet are available on the Internet at the City's website: www.ci.capitola.ca.us. Agendas are also available at the Capitola Branch Library, 2005 Wharf Road, Capitola, on the Monday prior to the Thursday meeting. Need more information? Contact the Community Development Department at (831) 475-7300.

Agenda Materials Distributed after Distribution of the Agenda Packet: Materials that are a public record under Government Code § 54957.5(A) and that relate to an agenda item of a regular meeting of the Planning Commission that are distributed to a majority of all the members of the Planning Commission more than 72 hours prior to that meeting shall be available for public inspection at City Hall located at 420 Capitola Avenue, Capitola, during normal business hours.

Americans with Disabilities Act: Disability-related aids or services are available to enable persons with a disability to participate in this meeting consistent with the Federal Americans with Disabilities Act of 1990. Assisted listening devices are available for individuals with hearing impairments at the meeting in the City Council Chambers. Should you require special accommodations to participate in the meeting due to a disability, please contact the Community Development Department at least 24 hours in advance of the meeting at (831) 475-7300. In an effort to accommodate individuals with environmental sensitivities, attendees are requested to refrain from wearing perfumes and other scented products.

Televised Meetings: Planning Commission meetings are cablecast "Live" on Charter Communications Cable TV Channel 8 and are recorded to be replayed at 12:00 Noon on the Saturday following the meetings on Community Television of Santa Cruz County (Charter Channel 71 and Comcast Channel 25). Meetings can also be viewed from the City's website: www.ci.capitola.ca.us





DRAFT MINUTES CAPITOLA PLANNING COMMISSION MEETING THURSDAY, JUNE 6, 2013 7 P.M. – CAPITOLA COMMUNITY CENTER

Chairperson Routh called the Regular Meeting of the Capitola Planning Commission to order at 7 p.m.

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

Commissioners: Ron Graves, Gayle Ortiz, Linda Smith, and TJ Welch and Chairperson Mick Routh

2. ORAL COMMUNICATIONS

- A. Additions and Deletions to Agenda None
- **B.** Public Comments None
- **C.** Commission Comments

Commissioner Graves noted that the commission received updated elevations showing exterior changes to a new home being built on 47th Avenue recently approved by the commission. These elements (including siding, skylight, and entry columns) differ from those shown in the approved plan. The discrepancy was caught in the building permit process. Staff deemed the differences of a minor nature and provided the drawings as information. Staff explained that the exterior elements were changed during the planning review process and while the staff report for the public hearing described the correct plans, the actual plans in the packet were not correct.

Commissioners expressed concern about plan changes after approval and want the community to know that they expect only what has been approved will be built. Community Development Director Rich Grunow said this response will help him to know what information to bring back to the commission in the future, and commissioners agreed that they would like to formally review the plans at the July 18, 2013, meeting. They also asked for a determination if the error was caused by staff or the incorrect submission of older plans by the applicant, and discussed whether the commission has some responsibility for not catching the discrepancy. That decision will determine whether or not the applicant should pay any additional fees for a second hearing. The commission did concur that since the changes involve final elements in the building process, the applicant can continue with the early stage construction.

D. Staff Comments

Director Grunow informed the commission that following concerns about the state of the grounds of Northcoast Orthodontics on 41st Avenue, the applicant was contacted and warned that he was in jeopardy of not meeting the required condition of maintaining the property. The applicant has since submitted a draft landscape plan and expressed intent to move quickly on the work. If action is not taken, the application will be brought back to the commission at its August meeting.

3. APPROVAL OF MINUTES

A. May 2, 2013, Regular Planning Commission Meeting

Commissioner Graves noted that Chairperson Routh's comments about shortening the snout of the sea otter, which were later recommended by the City Council, should be added to item 4A.

A motion to approve the May 2, 2013, meeting minutes as amended was made by Commissioner Ortiz and seconded by Commissioner Smith.

The motion carried by the following vote: Aye: Commissioners Graves, Ortiz, Smith, and Welch and Chairperson Routh. No: None. Abstain: None.

4. CONSENT CALENDAR

A. 137 CORTEZ STREET #13-062 APN: 036-226-11

Design Permit to construct a second floor deck in the R-1 (Single-Family Residence) Zoning District.

Environmental Determination: Categorical Exemption

Owner: David McKinnon, filed: 5/6/13

A motion to approve project application #13-062 with the following conditions and findings was made by Commissioner Welch and seconded by Commissioner Ortiz:

CONDITIONS

- 1. The project approval is to construct a 199-square-foot second story deck at 137 Cortez Street.
- 2. Any significant modifications to the size or exterior appearance of the structure must be approved by the Planning Commission.
- 3. Prior to granting of final occupancy, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Zoning Administrator or Community Development Director.

FINDINGS

A. The application, subject to the conditions imposed, will secure the purposes of the Zoning Ordinance, General Plan, and Local Coastal Plan.

Planning Department Staff and the Planning Commission have reviewed the project. The project conforms to the development standards of the R-1 (Single-Family Residence) Zoning District. Conditions of approval have been included to carry out the objectives of the Zoning Ordinance and the General Plan.

B. The application will maintain the character and integrity of the neighborhood.

Planning Department Staff and the Planning Commission have reviewed the project. The project conforms to the development standards of the R-1 (Single-Family Residence) Zoning District. Conditions of approval have been included to ensure that the project maintains the character and integrity of the neighborhood.

C. This project is categorically exempt under Section 15303(e) of the California Environmental Quality Act and is not subject to Section 753.5 of Title 14 of the California Code of Regulations.

This project involves construction of a second story deck in the R-1 (Single-Family Residence) Zoning District. Section 15303 of the CEQA Guidelines exempts the construction of accessory structures in

The motion carried by the following vote: Aye: Commissioners Graves, Ortiz, Smith, and Welch and Chairperson Routh. No: None. Abstain: None.

5. PUBLIC HEARINGS

A. 4980 CAPITOLA ROAD #13-045 APN: 034-041-07

Design Permit to convert an existing office use into a duplex in the CR Commercial/Residential) Zoning District.

Environmental Determination: Categorical Exemption

Owner: Mark Murphy

Applicant: Thomas Branagan, filed: 4/5/13

Commissioner Smith recused herself because she owns property close to the project.

Interim Senior Planner Uharriet presented the staff report. In response to a commission request about the landscaping requirements for converting a commercial use to residential, she shared the CR district requirements from the 1985 amendment, but said she was unable to find any requirement in code that a change of use to residential requires the property to come up to residential district standards. She presented a new landscape plan created from two previous parking spots, and noted the plan calls for pervious paving in the covered parking.

Property owner Mark Murphy spoke, explaining he and his wife purchased the property earlier this year and decided to change the only remaining commercial use in that block. He said the landscaping requested by the commission makes the house look much more appealing and they will enjoy it since they plan to use the studio unit themselves on weekends.

Commissioners Welch and Ortiz commended the owner for his willingness to improve the landscaping. Commissioner Ortiz asked if the plan would include small trees, and Mr. Murphy said he hopes they can be incorporated.

Chairman Routh opened the public hearing. There was no public comment.

Commissioner Graves praised the project and said he hoped the tandem parking did not prove too difficult on Capitola Road.

A motion to approve project application #13-045 with the following conditions and findings was made by Commissioner Graves and seconded by Commissioner Ortiz:

CONDITIONS

- **1.** The project approval is to convert an existing 864-square-foot office into two residential units: a 203-square-foot studio unit and a 661-square-foot two-bedroom unit at 4980 Capitola Road.
- **2.** Any significant modifications to the size or exterior appearance of the structure must be approved by the Planning Commission.
- **3.** The final landscape and irrigation plan shall be submitted with the building permit application. Front yard landscaping shall be installed prior to final building occupancy.

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- 4. Hours of construction shall be Monday to Friday 7:30 a.m. 9:00 p.m., and Saturday 9:00 a.m. - 4:00 p.m., per city ordinance.
- 5. Prior to granting of final occupancy, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Zoning Administrator or Community Development Director.

FINDINGS

A. The application, subject to the conditions imposed, will secure the purposes of the Zoning Ordinance, General Plan, and Local Coastal Plan.

Planning Department Staff and the Planning Commission have all reviewed the project. The project generally conforms to the development standards of the CR (Commercial/Residential) Zoning District. Conditions of approval have been included to carry out the objectives of the Zoning Ordinance, General Plan and Local Coastal Plan.

B. The application will maintain the character and integrity of the neighborhood.

Planning Department Staff and the Planning Commission have all reviewed the project. The project conforms to the development standards of the CR (Commercial/Residential) Zoning District. Conditions of approval have been included to ensure that the project maintains the character and integrity of the neighborhood.

C. This project is categorically exempt under Section 15303(a)(e) of the California Environmental Quality Act and is not subject to Section 753.5 of Title 14 of the California Code of Regulations.

This project involves conversion and remodel of an existing office into two residential units in the CR (Commercial/Residential) Zoning District. Section 15303 of the CEQA Guidelines exempts the construction of a single-family residence in a residential zone.

The motion carried by the following vote: Aye: Commissioners Graves, Ortiz, and Welch and Chairperson Routh. No: None. Abstain: Commissioner Smith.

В. **305 FANMAR WAY** #13-019 APN: 035-161-14

Coastal Permit and Design Permit to remodel an existing multi-story single-family house, including a first and second story addition in the RM-LM (Multi-Family Residence – Low Medium) Zoning District.

Environmental Determination: Categorical Exemption

This project requires a Coastal Permit which is not appealable to the California Coastal Commission.

Owner: Peter Wilk, filed: 2/19/13 Applicant: Derek Van Alstine

Commissioner Smith rejoined the meeting. Senior Planner Uharriet presented the staff report, noting that since the commission continued the item over height and size concerns, the applicant submitted revised plans. She referred to an email from the owner in which he explained he would be doing some work on the home himself and requested standard construction hours to 9 p.m. He also asked that he not be subject to any additional parking requirements. Planner Uharriet also said neighbors expressed concerns about an avocado tree, and explained that as a fruit-bearing tree, no permit was required to remove it and the issue must be resolved by the private parties. Plans for a fence along the western

property line may provide screening of the garbage cans for adjacent neighbors, but not for the neighborhood. Finally, she reported the receipt of an email from a neighbor supporting the redesign.

Commissioner Ortiz said she had seen work on a fence bordering Cherry Avenue and asked if that had been permitted. Staff did not recall a permit.

Derek Van Alstine spoke on behalf of the property owner. In response to questions from Commissioner Graves, he said the proposed fence will conform to front yard setback height requirements and screening for garbage cans can be incorporated.

Chairperson Routh opened the public hearing.

Neighbor Patricia Darrow lives to west of project. She applauds the effort to improve the property and expressed hope that the avocado tree can be removed. She supports reduced construction hours, and asked if the unpermitted exhaust fan has been addressed. Staff confirmed that the fan will be handled by the building department.

The tenant of 303 Fanmar supported the construction of a fence, which would provide privacy to her bedroom. She said she has found the project owner responsive to noise requests in past and hopes that will continue to be the case.

Neighbor Sue Gray expressed her appreciation for response to her concerns. She also supported reduced construction hours.

Chairperson Routh closed the public hearing.

Commissioner Welch commended Mr. Wilk for accommodating many of his neighbor's requests and said he supports the project.

Commissioner Ortiz also expressed appreciation for changes to accommodate neighbors. She supports screening garbage and confirmed that landscape plans have been submitted. In response to Mr. Wilk's description of his work on the project, she felt that type of finish work is not subject to the construction hours. She asked if the fence could be constructed first and when told it could, asked that it be added as a condition.

Commissioner Smith concurred that the construction hours should not pose a burden for indoor work and supported reduced hours.

Commissioner Graves agreed that 9 p.m. is too late for heavy construction work in a neighborhood, but felt finish work is exempt. He wanted assurance that fence heights would fall within ordinance requirements, and supports its construction at the beginning of the project.

A motion to approve project application #13-019 with the following conditions and findings was made by Commissioner Ortiz and seconded by Commissioner Graves:

CONDITIONS

- The project approval is to remodel and construct one-story and two-story additions to an existing two-story single-family residence at 305 Fanmar Way in the R-1 (Single Family Residence) zoning district.
- 2. Any significant modifications to the size or exterior appearance of the structure must be approved by the Planning Commission.

- 3. Hours of construction shall be Monday to Friday 7:30 a.m. 6 p.m., and Saturday 9 a.m. 4 p.m.
- 4. An encroachment permit shall be acquired for any work performed in the right-of-way.
- 5. A drainage plan or design shall be submitted with the final building plans, to the satisfaction of the Public Works Director.
- 6. The final landscape plan approved by the Planning Commission on June 6, 2013, shall be submitted with the building permit application and will include the specific number of plants of each type and their size, as well as the irrigation system to be utilized. Front yard landscaping shall be installed prior to final building occupancy.
- 7. Prior to final occupancy, the kitchen in the lower level/basement area shall be removed. All electrical and plumbing, including any gas line, shall be removed to the satisfaction of the Building Official.
- 8. Prior to granting of final occupancy, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Zoning Administrator or Community Development Director.
- 9. A garbage and recycling enclosure design shall be submitted with the final building plans, to the satisfaction of the Community Development Director. The enclosure shall be constructed prior to final building occupancy.
- 10. The perimeter fence shall be constructed, with a permit, prior to the commencement of construction on the residence.

FINDINGS

A. The application, subject to the conditions imposed, will secure the purposes of the Zoning Ordinance, General Plan, and Local Coastal Plan.

Planning Department Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the project. The project generally conforms to the development standards of the R-1 (Single Family Residence) Zoning District. Conditions of approval have been included to carry out the objectives of the Zoning Ordinance, General Plan and Local Coastal Plan.

B. The application will maintain the character and integrity of the neighborhood.

Planning Department Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the project. The project generally conforms to the development standards of the R-1 (Single Family Residence) Zoning District. Conditions of approval have been included to ensure that the project maintains the character and integrity of the neighborhood.

C. This project is categorically exempt under Section 15301 of the California Environmental Quality Act and is not subject to Section 753.5 of Title 14 of the California Code of Regulations.

This project involves the remodel of an existing single-family residence in the R-1 (single family residence) Zoning District. Section 15301 of the CEQA Guidelines exempts alterations to existing single-family residences in a residential zone.

The motion carried by the following vote: Aye: Commissioners Graves, Ortiz, Smith, and Welch and Chairperson Routh. No: None. Abstain: None.

C. 1575 38th AVENUE #13-061 APN: 034-181-17

Planned Development Rezoning, Conditional Use Permit, and Design Permit to demolish a commercial salvage yard (Capitola Freight and Salvage) and construct a three-story, 23-unit residential senior housing project in the CN (Neighborhood Commercial) Zoning District.

Environmental Determination: Mitigated Negative Declaration

Property Owner: Maureen A. Romac, filed: 5/11/13

Representative: Steve Thomas

Interim Planner Uharriet reviewed background on the project and previous applications. The project now consists of a three-story, 23-unit senior housing building. Changes to this application based on prior input include reduced height, stepped back stories, a single driveway, additional landscaping, and eliminated back decks. The on-site restaurant will not serve the public, and six to eight of the on-site employees will be housed in four of the apartments. Additional conditions recommended by staff are the installation of a mid-block pedestrian crossing, the retention of an arborist who will be on-site to ensure protection of the redwoods on the property boundary, and the minimization of construction vehicles on site.

The conditions also call for an acoustic report to be completed prior to building that will recommend levels for soundproofing. Planner Uharriet said she was unable to find an industry standard for the decibel level for residential uses adjacent to commercial uses. The acoustic report will determine the appropriate mitigations.

Commissioner Ortiz confirmed that a lighting plan had not yet been submitted, and said that were the project to be approved, she would like to see that element come back to the commission for approval, rather than at staff level. She also confirmed that employee residents would need to be served by the parking.

Property owner Maureen Romac gave an overview of the vision for Villa Capitola's independent senior living. Residents of the studio and one-bedroom units can choose from a variety of meal plans through the on-site restaurant, and rents include housekeeping, maintenance, landscaping, a shuttle service, pool and spa, fitness equipment, a community rooftop garden and 24-hour emergency service. It does not include assisted living, but tenants may bring in that additional help. The building will be fully ADA accessible and use green construction techniques.

Commissioner Graves said that parking is a major concern, and confirmed that none of the spaces are compact size. He worries about ample accommodation for residents, staff, and guests. He also asked if the palm tree shown in elevations is in the landscaping plan. He was told it is not.

Chairman Routh asked what the planned age requirement will be since he feels it should be listed as a condition. Ms. Romac and Steve Thomas replied that they initially considered age 55, but since the project has been scaled back 65 is more likely.

Chairman Routh and Commissioner Ortiz expressed concerns that if the project is not successful as a senior residence, they fear it could come back to the City with a request for an all-age use, and then the parking will not be sufficient. Mr. Thomas noted that his team used the consultants chosen by the City to prepare the parking study, which is based on various senior facilities, and the parking provided in the project was derived from that study.

Ms. Romac and Mr. Thomas also confirmed that the units will be leased, not sold, and have no upfront entrance fee. They estimated a studio with a partial meal plan would cost about \$3,300 a month, while a one-bedroom with full meals may go for about \$5,000 a month. They agreed to bring both final lighting and landscaping plans back for commission review.

In response to concerns about a fountain, Mr. Thomas noted that the site is collecting rainwater and reusing water on site.

Commissioner Smith suggested the project may add an additional fee for parking as a way to discourage extra vehicles.

Chairperson Routh opened the public hearing.

A member of the public spoke in support of the project, saying it is ideal for seniors who lose the ability drive before they need other services.

Neighbor Kim Frey likes the idea of the project, but feels it is too large for the parcel. She does not feel it will work well with the adjacent single-family home neighborhood. She gave the commission a petition signed by 15 owners and residents of Bulb Avenue opposing the scale and style of the development. She also expressed concern about water runoff management given the area's tendency to be marshy.

Tatyanna Teenwisse, who operates a business on property she co-owns adjacent to the site, said that while she in is favor of the concept of the project, she feels its scale does not suit the community. She also expressed concerns about access to solar rights and privacy issues for her clients. Bart Teenwisse noted they installed a sump pump to address drainage problems. He questioned whether the apartment cost was appropriate for the location and worried about a domino effect of larger projects.

Nancy Huyck shared the shading study to address concerns about solar impacts, and Josh Schneider of Slatter Construction explained it shows no impact by shading most months of the year.

Don Mosegaard of Bulb Avenue said he believes the project is too dense and too high for the location. He worried how the construction would impact the redwood trees.

Chairman Routh closed the public hearing.

Commissioner Ortiz confirmed the shuttle will park on site.

Commissioner Smith asked about noise levels for the acoustic study. Mr. Schneider confirmed that noise levels from outdoors are generally not a concern with modern construction materials and an appropriate decibel level can usually be achieved with double pane windows.

Commissioner Graves noted the redwood trees are not on the project property and can be protected. He said his main concern is parking. He visited a number of the homes on Bulb Avenue and thinks the shade fears would prove unfounded. He said he sees much improvement in the plan and noted that dense development and narrower setbacks could be permitted under current zoning. He recommended establishing set decibel levels for rooftop equipment.

Commissioner Smith agreed the plan is much improved. She feels it would benefit the city and is appropriate for the location. She wants to see a complete landscaping plan and would support both the conditions calling for an arborist for the redwoods and setting the age limit at 65 and above.

Commissioner Ortiz said she believes the parking is not adequate. She wanted assurance that wall heights were acceptable to neighbors. She recommended adding a lighted crosswalk to the conditions and supports the arborist requirement.

Commissioner Welch commended the applicants for their determination and willingness to accommodate concerns. He said the project supports the housing element and goals of allowing a population to age in place. He accepts the parking study. In response to Commissioner Ortiz's comment that many in the community felt the housing element density was forced on the city by the state, he said this location is one where it seems appropriate to allow a greater density, and this project would enhance the corridor.

Chairperson Routh addressed a letter from King's Plaza owner George Ow Jr. concerning the possibility of future complaints about noise from long-existing commercial uses. Chairperson Routh would like to require that lease agreements include an acknowledgement that there may be noise from the adjoining commercial district. He supports a condition restricting residents to age 65 and up, and he confirmed that a drainage plan would be required. He said his primary concern is the protection zoning provides neighbors, and he is having trouble finding that this project rises to a level that would allow an exception. The parcel is significantly smaller than the recommended four acres for a planned development, and he feels the project falls short of finding (a) "securing the purposes of the zoning ordinance" and (d) "the requested exemptions to development standards are warranted by the design and amenities."

A motion to approve application #13-061 as described in the staff report with the additional condition of having an arborist on site was made by Commissioner Welch. The motion failed to receive a second.

Commissioners Graves and Ortiz concurred with Chairman Routh regarding the size and findings for a Planned Development.

Commissioner Smith disagreed that the lot size should be a major factor, noting that there are numerous Planned Development areas within the city under the four-acre total. She said the need to revitalize the 41st Avenue corridor is compelling and this project serves that goal.

Commissioner Graves expressed concern about allowing a very dense use adjacent to single-family residences. He did note, however, that a commercial development would allow 10-foot setbacks in the rear, less than this project proposes. He also took exception to portions of Mr. Ow's letter regarding screening, calling the back of Orchard Supply an eyesore because items are not enclosed as they should be. Commissioner Graves also noted the store violates city ordinance by placing garden products in the front parking; therefore, he would not support language preventing all future restrictions.

Commissioner Ortiz said that she would support restricting spillover parking into King's Plaza and other nearby businesses. Commissioner Graves agreed, and said he does not believe the parking study allowed for the possibility of additional assisted living personnel.

A motion to deny application #13-061 with note of the following requested conditions and concerns in case of appeal was made by Chairman Routh and seconded by Commissioner Graves:

Require language in the lease alerting tenants to potential noise from commercial uses Age restriction of 65 and older Final lighting plan must be approved by the Planning Commission Submission of a drainage plan

CAPITOLA CITY PLANNING COMMISSION MINUTES - June 6, 2013

Landscaping plan must be approved by the Planning Commission

Establish a specific decibel level for rooftop equipment at a set number of feet from the building Require the hiring of an arborist to confirm that current setbacks do not endanger existing redwood trees bordering the property and to be present during construction to assure that steps are taken to protect the trees

Construct a lighted crosswalk to King's Plaza

Confirm that the needs of seven staff, the shuttle van, no specific visitor parking and possible assisted living workers have been considered in parking needs

Prohibit parking in nearby business lots

Ask the city attorney to review how to enforce parking restrictions or conditions Require the applicant to work with adjoining property owners on the wall height

Commissioner Welch noted that a number of these are addressed in the staff report and recommendation, and asked that Council be made aware that this list does not reflect all members of the Commission.

The motion carried by the following roll call vote: Aye: Commissioners Graves, Ortiz, and Chairperson Routh No: Commissioners Smith and Welch. Abstain: None.

6. DIRECTOR'S REPORT

Director Grunow reported that he will be presenting a revised schedule for the General Plan update to the City Council on June 13 that aims to maximize resources and prioritize completion.

Monarch Cove has submitted plans to expand at the El Salto Resort parcel on Depot Hill. A consultant has been hired for the project and has begun initial review. A request for proposals for the environmental impact report has been issued and should be selected by July 27.

A new senior planner has been hired, Katie Cattan from Park City, Utah. She will join the staff in July.

7. COMMISSION COMMUNICATIONS

Commissioner Ortiz expressed concern about the trend of people moving into a project before landscaping is in place and then the landscaping is not completed. Commissioner Welch noted that in his case he posted a bond that the City could use to install the landscaping if he had not done so, and that seemed to be an effective approach.

Commissioner Ortiz also said she would like to include enclosing garbage as a regular condition for projects.

8. ADJOURNMENT

The Planning Commission adjourned the meeting at 10 p.m. to a Regular Meeting of the Planning Commission to be held on Thursday, July 18, 2013, at 7 p.m. in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

Approved by the Planning Commission on July 18, 2013.				
Linda Fridy, Minute Clerk				



STAFF REPORT

TO: PLANNING COMMISSION

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

DATE: JULY 18, 2013

SUBJECT: 213 MONTEREY AVENUE #13-067 APN: 035-185-03

Coastal Permit and Design Permit to construct a mansard roof to shield solar collectors and roof equipment on a multi-family residence in the CV (Central

Village) Zoning District.

This project requires a Coastal Permit which is appealable to the California Coastal Commission after all possible appeals are exhausted through the City.

Environmental Determination: Categorical Exemption Property Owner: David and Karen Johnson, filed: 5/20/13

Representative: William Fisher Architecture, Inc.

PROPOSAL

The applicant is proposing to remodel the roof structure with a mansard and install solar collectors and a roof hatch at 213 Monterey Avenue in the CV (Central Village) zoning district. The use is consistent with the General Plan, Zoning Ordinance and Local Coastal Plan.

BACKGROUND

On June 26, 2013, the Architectural and Site Review Committee reviewed the application.

- Building Inspector Brian Van Son required the building permit plans specify panic hardware on the roof access door.
- City Architect Derek Van Alstine suggested the roof access door be locked. He was supportive of the mansard improvement and the proposed materials and colors.

DISCUSSION

The existing two story rectangular residential building is located along the west side of Monterey Avenue. The existing roof is flat with the majority of the rooftop equipment exposed. The proposed mansard is designed to screen existing roof equipment and a future roof top solar collector system and roof access hatch. The design is a 4'-0" steel painted mansard that adds a simple architectural feature to the existing building.

The project is located in the Central Village and is subject to the Central Village Design Guidelines. The proposed roof shape, color and texture are well coordinated with the perimeter walls. The mansard will screen mechanical equipment from public view and the future solar collectors will be screened and incorporated into the design features of the building. The maximum building height in the CV district is 27'. The existing building height is ~19' and the proposed building height is 22'-7".

PLANNING COMMISSION AGENDA REPORT: July 18, 2013 213 Monterey Avenue

CEQA REVIEW

Section 15303(b) of the CEQA Guidelines exempts the construction of minor modifications made to the exterior of a multi-family residential structure. This project involves installation of a mansard roof, solar collector system, and access hatch of an existing multi-family residence in the CV (Central Village) Zoning District. No adverse environmental impacts were discovered during review of the proposed project

RECOMMENDATION

Staff recommends the Planning Commission **approve** project application #13-067 based on the following Conditions and Findings for Approval.

CONDITIONS

- 1. The project is a Coastal Permit and Design Permit to construct a mansard roof to shield solar collectors and roof equipment on a multi-family residence in the CV (Central Village) Zoning District at 213 Monterey Avenue.
- 2. Any significant modifications to the exterior appearance of the structure must be approved by the Planning Commission.
- 3. Hours of construction shall be Monday to Friday 7:30 a.m. 9:00 p.m., and Saturday 9:00 a.m. 4:00 p.m., per city ordinance.
- 4. Prior to a final building inspection, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Community Development Director.
- 5. Planning Fees associated with permit #13-067 shall be paid in full prior to building permit issuance.

FINDINGS

A. The application, subject to the conditions imposed, will secure the purposes of the Zoning Ordinance, General Plan, and Local Coastal Plan.

Community Development Staff, the Architectural and Site Review Committee, the Planning Commission, and Coastal Commission staff have reviewed the project. The project conforms to the development standards of the CV (Central Village) Zoning District. Conditions of approval have been included to carry out the objectives of the Zoning Ordinance, General Plan and Local Coastal Plan.

B. The application will maintain the character and integrity of the neighborhood.

Community Development Staff, the Architectural and Site Review Committee, the Planning Commission, and Coastal Commission staff have reviewed the project. The project conforms to the development standards of the CV (Central Village) Zoning District. Conditions of approval have been included to ensure that the project maintains the character and integrity of the surrounding neighborhood. The proposed mansard roof improvements compliments the existing residential and commercial neighborhood in use, mass and scale, materials, height, and architecture.

PLANNING COMMISSION AGENDA REPORT: July 18, 2013 213 Monterey Avenue

C. This project is categorically exempt under Section 15303(b) of the California Environmental Quality Act and is not subject to Section 753.5 of Title 14 of the California Code of Regulations.

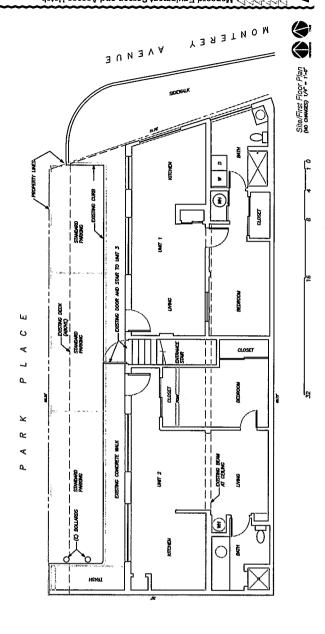
This project involves installation of a mansard roof, solar collector system, and access hatch of an existing multi-family residence in the CV (Central Village) Zoning District. No adverse environmental impacts were discovered during review of the proposed project. The construction of minor modifications made to the exterior of a multi-family residential structure.

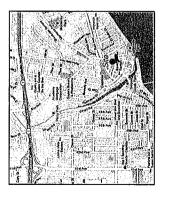
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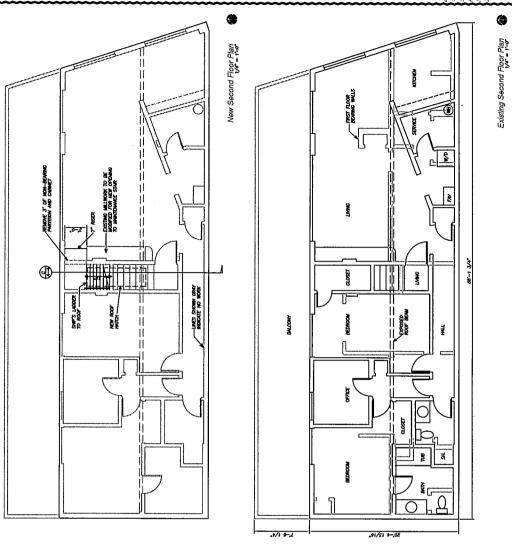
- A. Project Plans
- B. Color Sample

Report Prepared By: Danielle Uharriet

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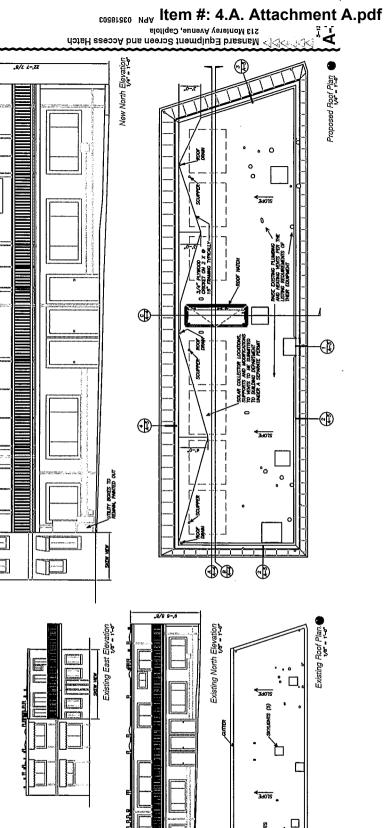


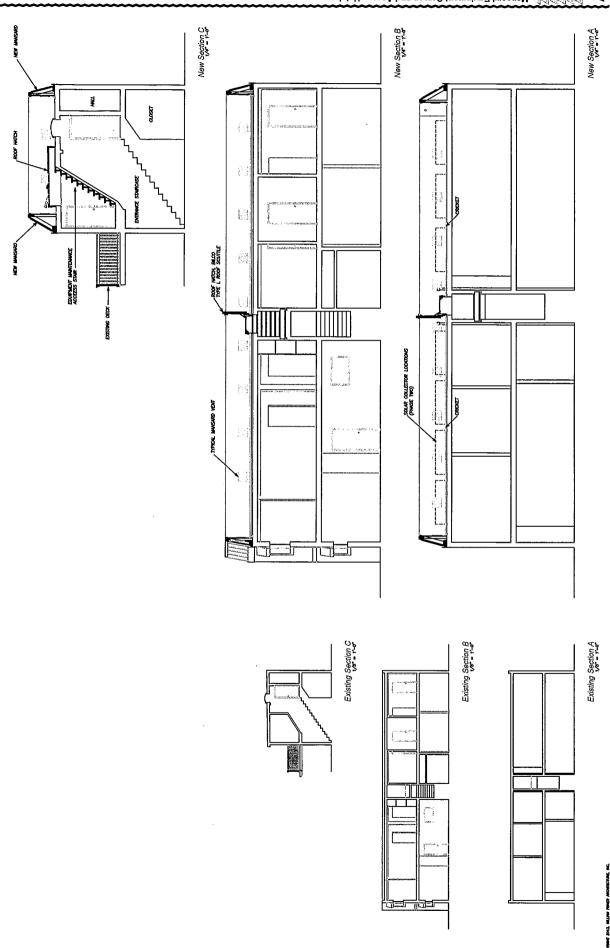


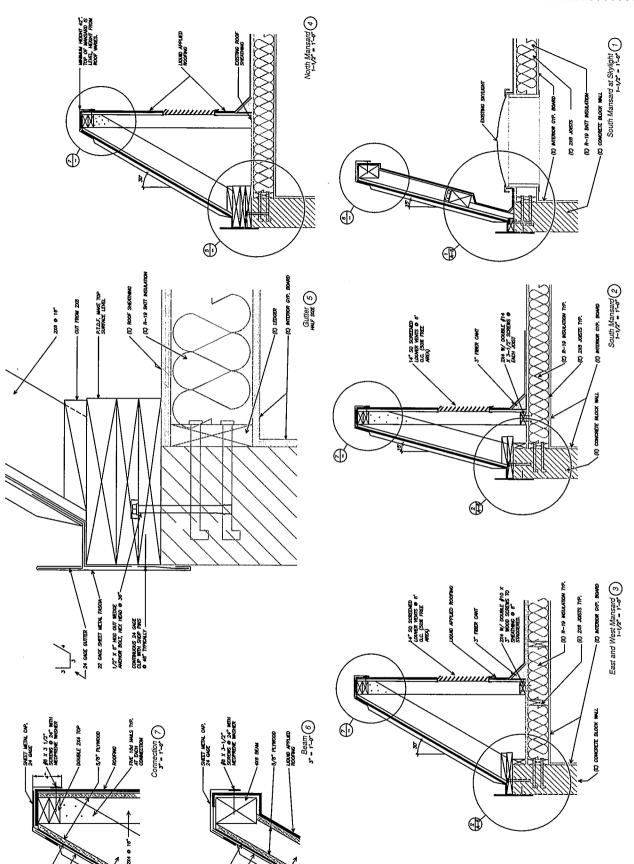


New East Elevation

Bur



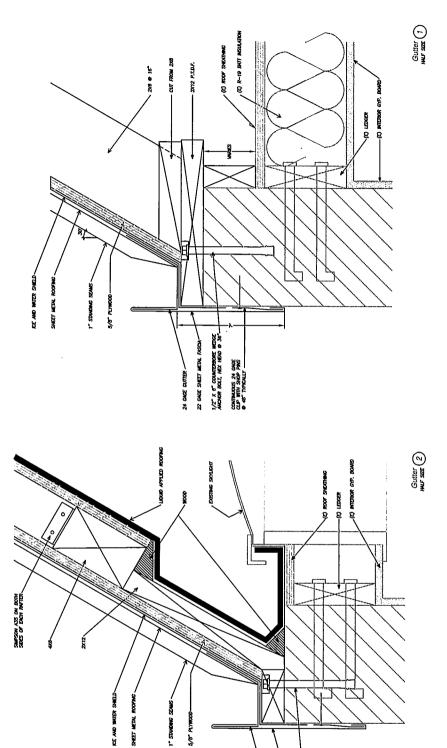




SHEET METAL ROOFIN

1" STANDING SEALS

SHEET METAL ROOFIN 1" STANDING SEALS



22 CACE SHEET METAL FASCA - 1/2" X 8" COUNTERSORE WEDGE ANCHOR BOXT, HEX HEND ® 38"-

Mansard Equipment Screen and Access Hatch 213 Monterey Ave, Capitola, CA for David and Karen Johnson



MANSARD ROOF AND TRIM
PAINTED STEEL, KYLAR EGGSHELL
KM3247-3



WALL BODY LATEX EGGSHELL KM3844-2

William Fisher Architecture, Inc.
603 Front Street, Santa Cruz, CA 95060
831 246-0117, FAX: 831 457-0246 fisher@cruzio.com
modern-architecure.com

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STAFF REPORT

TO: PLANNING COMMISSION

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

DATE: JULY 18, 2013

SUBJECT: 2052 Edmund Lane #13-073 APN: 034-412-56

Design Permit to construct a new two-story single-family dwelling in the R-1

(Single-Family Residence) Zoning District.

Environmental Determination: Categorical Exemption Property Owner: Hacienda Homes, LLC, filed: 5/28/13

Representative: Scott Zazueta

APPLICANT'S PROPOSAL

The applicant is proposing to construct a new 2,404 square foot, two-story single-family dwelling on a vacant lot at 2052 Edmund Lane in the R-1 (Single Family Residence) zoning district. The use is consistent with the General Plan, Zoning Ordinance and Local Coastal Plan.

Site and Structural Data

<u>SETBACKS</u>		R-1 District	Proposed
Front Vand	First Floor	15'	20'
Front Yard	Second Floor	20'	20'
Door Vord	First Floor	17'	17'
Rear Yard	Second Floor	17'	17'
Side Yard	First Floor	7'	7'
Side Taid	Second Floor	10'	10'

FLOOR AREA RATIO			
Lot Size		5,279.92 sq. ft	
Maximum Allowable	49%	2,587.16 sq. ft.	
Proposed 46%		2,404 sq.ft.	

	Proposed Square Footage	
First Floor	871	
Garage	483	
Second Floor	1,050	
TOTAL	2,404	

PLANNING COMMISSION AGENDA REPORT: JULY 18, 2013 2052 EDMUND LANE

Building Height			
	R-1 District	Proposed	
Residential	25'-0"	23'-11"	

<u>Parking</u>			
	Required	Proposed	
Residential	3 spaces total 1 covered, 2 uncovered	2 spaces, uncovered 2 spaces, covered	

BACKGROUND

On June 26, 2013, the Architectural and Site Review Committee reviewed the application.

- City Architect, Derek Van Alstine, suggested that the window trims be modified to shorten the head casing and apron casing to align with and not go beyond the width of the side casing (vertical casing element). The applicant did not make the suggested change to the window trim.
- City Landscape Architect, Susan Suddjian, commented that she would prefer that the
 proposed juniper "blue point" be removed from the landscape plan. She approved of the
 overall proposed landscape plan. The applicant removed the juniper "blue point" as
 recommended.
- City Public Works Director, Steve Jesberg, noted that the existing subdivision does not have sidewalks, therefore the applicant is not required to install a new sidewalk. New utility boxes must be located within the private property behind the existing curb and gutter.

DISCUSSION

The subject property is a flat 5,279 square foot lot within a developed single-family neighborhood. Commercial properties exist to the east of the property. The vacant lot sits at the end of a cul-de-sac on Edmund Lane. The lot is one of two vacant, adjacent lots under the same ownership. The application for a new single family home at 2064 Edmund Lane will be reviewed as a separate application.

The new two-story home at 2052 Edmund Lane will consist of 1,921 square feet of living space and a 483 square foot attached two-car garage. The proposed house is a craftsman style, employing a mix of materials including harty board lap siding, 3 coat stucco, and 4" x 8" outrigger beams with chamfer ends. Milgard vinyl windows and composition shingle roof are proposed.

Section 17.15.110 of the Zoning Code requires "front yard areas not required for parking shall be landscaped to achieve a fifteen percent tree canopy in accordance with Chapter 12.12 of the code; and including a two-foot planter strip between uncovered parking in the front setback and the side property line, and that landscape area maintained in good condition." There are no existing trees on the lot. The landscape plan for the property includes two pyrus "aristocrat" trees (15 gallon) within the front yard. A variety of shrubs are proposed along the side yards, in

PLANNING COMMISSION AGENDA REPORT: JULY 18, 2013 2052 EDMUND LANE

compliance with the two foot planter strip requirement. Shrubs are also planned along the front façade of the home, as well as installation of a new lawn.

There is an existing curb and gutter along the front property line. The Public Works Director has determined that no sidewalk is required for the property. There are no existing sidewalks within the subdivision. Utilities will be required to be undergrounded. New utility boxes must be located within the private property behind the existing curb and gutter.

The proposed house conforms to all R-1 single-family development standards, including height, setbacks, parking, and floor area ratio (FAR).

CEQA REVIEW

Section 15303(a) of the CEQA Guidelines exempts the construction of a single-family residence in a residential zone. This project involves construction of a new single-family residence in the R-1 (single family residence) Zoning District. No adverse environmental impacts were discovered during review of the proposed project

RECOMMENDATION

Staff recommends the Planning Commission **approve** project application #13-073 based on the following Conditions and Findings for Approval.

CONDITIONS

- 1. The project approval consists of construction of a new 2,404 square foot one-story single-family structure with a 483 square foot attached garage at 2052 Edmund Lane.
- 2. Any significant modifications to the size or exterior appearance of the structure must be approved by the Planning Commission.
- 3. Hours of construction shall be Monday to Friday 7:30 a.m. 9:00 p.m., and Saturday 9:00 a.m. 4:00 p.m., per city ordinance.
- 4. The utilities shall be underground to the nearest utility pole in accordance with PG&E and Public Works Department requirements. A note shall be placed on the final building plans indicating this requirement.
- 5. An encroachment permit shall be acquired for any work performed in the right-of-way.
- 6. A drainage plan or design shall be submitted with the final building plans, to the satisfaction of the Public Works Director.
- 7. The project shall implement Low Impact Development BMP's outlined in the *Slow it. Spread it. Sink it. Homeowner's Guide to Greening Stormwater Runoff* by the Resource Conservation District of Santa Cruz County. The applicant shall provide details on the bmp's implemented and with a goal of not allowing more than 25% of total impervious area from discharging directly from the site.
- 8. The final landscape plan shall be submitted with the building permit application and will include the specific number of plants of each type and their size, as well as the irrigation

PLANNING COMMISSION AGENDA REPORT: JULY 18, 2013 2052 EDMUND LANE

system to be utilized. Front yard landscaping shall be installed prior to final building occupancy.

- 9. Planning Fees associated with permit #13-073 shall be paid in full prior to building permit issuances.
- 10. Affordable housing in-lieu fees shall be paid as required to assure compliance with the City of Capitola Affordable (Inclusionary) Housing Ordinance. Any appropriate fees shall be paid prior to building permit issuance.
- 11. Prior to granting of final occupancy, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Zoning Administrator or Community Development Director.

FINDINGS

A. The application, subject to the conditions imposed, will secure the purposes of the Zoning Ordinance, General Plan, and Local Coastal Plan.

Community Development Department Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the project. The project conforms to the development standards of the R-1 (Single Family Residence) Zoning District. Conditions of approval have been included to carry out the objectives of the Zoning Ordinance, General Plan and Local Coastal Plan.

B. The application will maintain the character and integrity of the neighborhood.

Community Development Department Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the project. The project conforms to the development standards of the R-1 (Single Family Residence) Zoning District. Conditions of approval have been included to ensure that the project maintains the character and integrity of the neighborhood. The proposed single-family residence is compliments the existing single-family residential neighborhood in use, mass and scale, materials, height, and architecture.

C. This project is categorically exempt under Section 15303(a) of the California Environmental Quality Act and is not subject to Section 753.5 of Title 14 of the California Code of Regulations.

This project involves construction of a new single-family residence in the R-1 (single family residence) Zoning District. Section 15303 of the CEQA Guidelines exempts the construction of a single-family residence in a residential zone.

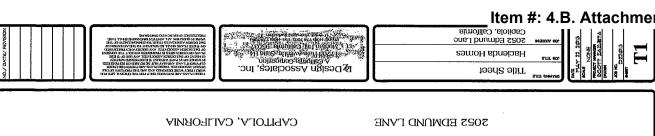
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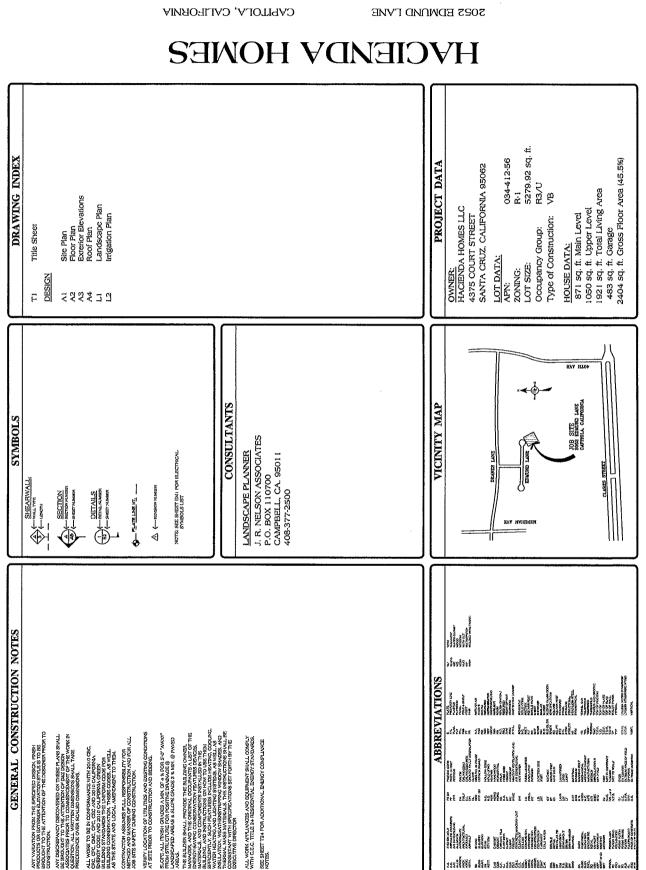
A. Proiect Plans

B. Colors and materials

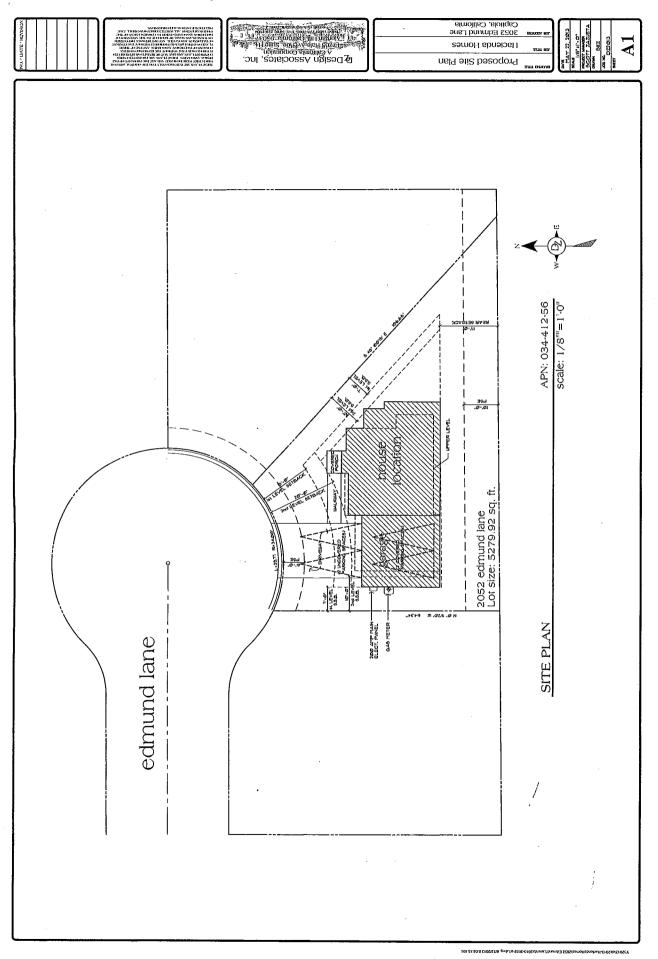
Report Prepared By: Katie Cattan

Senior Planner

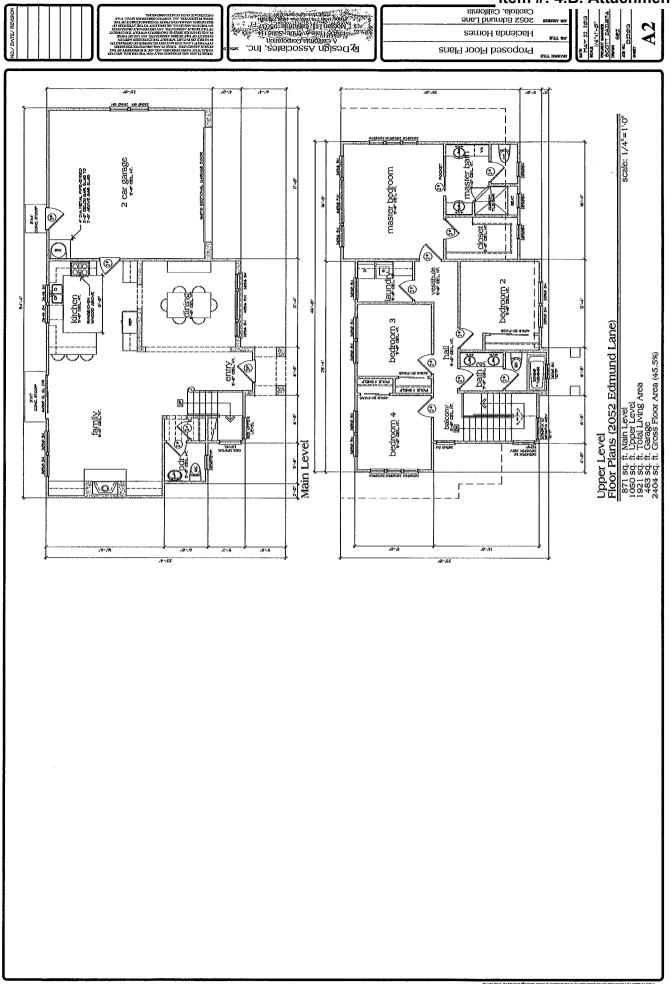


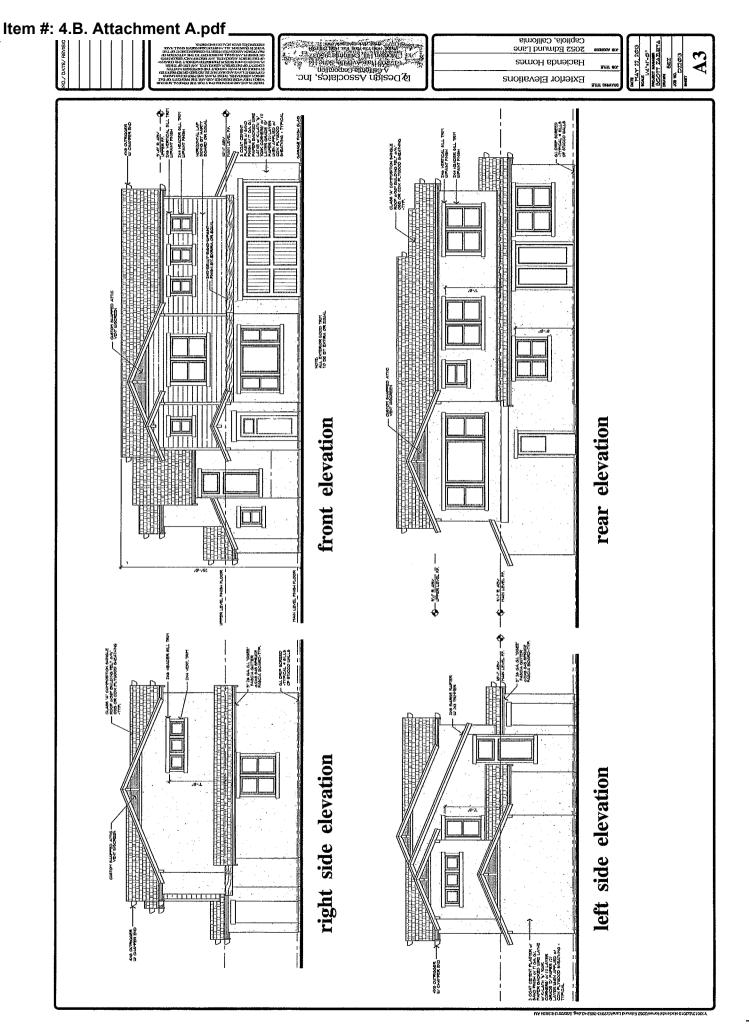


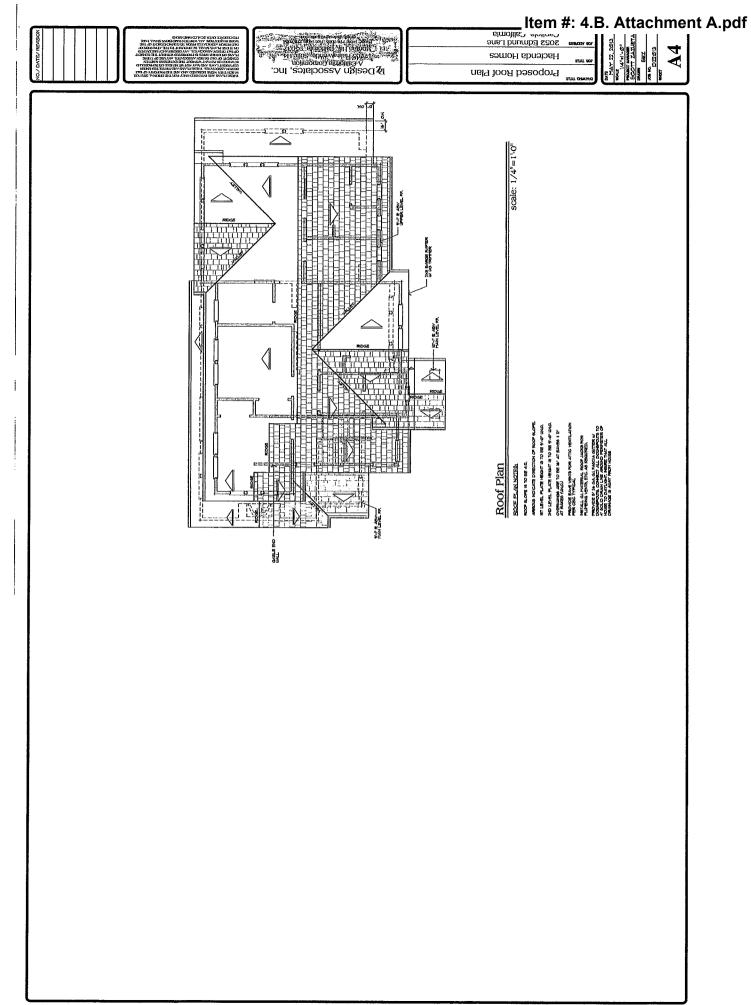
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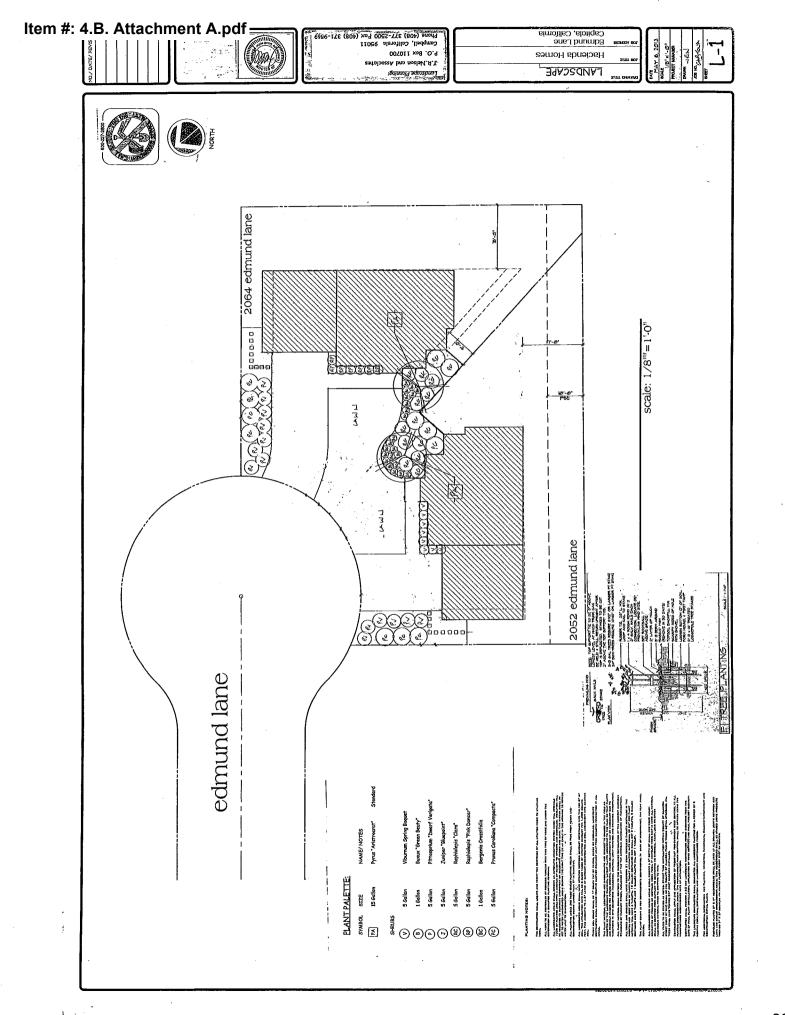


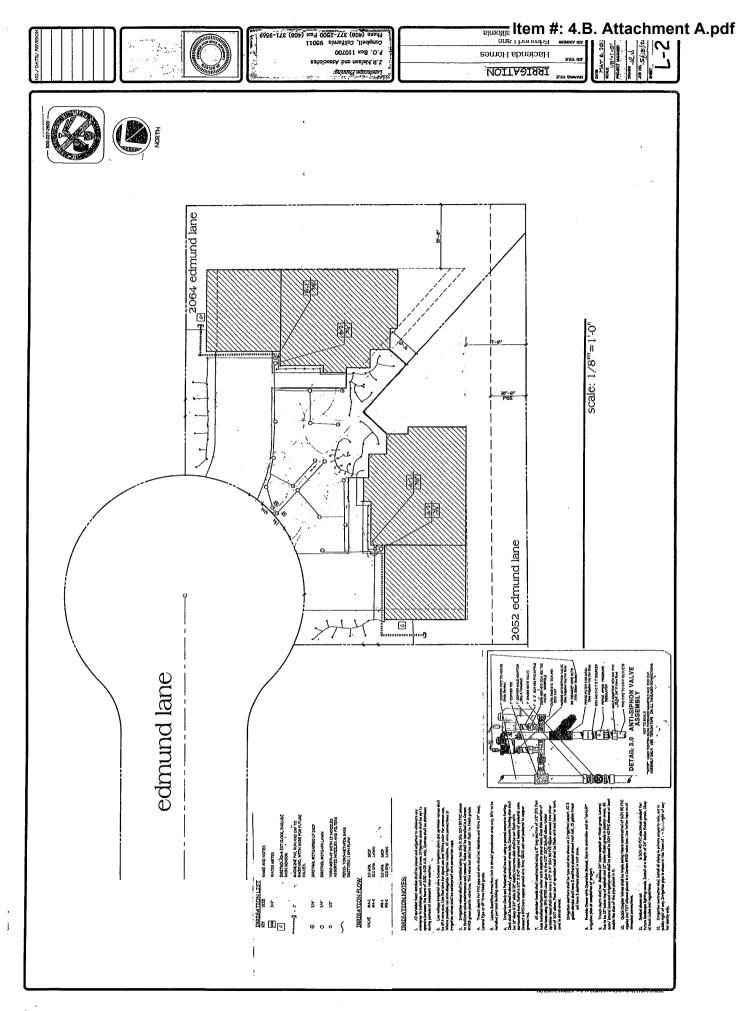
__Item #: 4.B. Attachment A.pdf













HACIENDA HOMES 2052 EDMUND LANE CAPITOLA, CALIFORNIA

1 PAINT BASE COLOR: AT STUCCO KELLY MOORE WOODLAND WATERFALL

3

KM 3981-2

ACCENT COLOR::
ATTIC VENT AT SIDING

KELLY MOORE GREEN DUSK

KM 3901-2

2 PAINT BASE COLOR AT SIDING KELLY MOORE GREEN DUSK

KM 3903-3

ACCENT COLOR (ATTIC VENT) AT STUCCO KELLY MOORE GREEN DUSK

KM 3903-3

3 PAINT TRIM COLOR:

KELLY MOORE NAVAJO WHITE

#36

4 WINDOWS:

MILGARD VINYL OR EQUAL

W/TAN COLORED FRAMES

5 ROOFING MATERIAL:

CERTAINTEED "PRESIDENTIAL" TL

COUNTRY GRAY COMPOSITION SHINGLE





STAFF REPORT

TO: PLANNING COMMISSION

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

DATE: JULY 18, 2013

SUBJECT: 2064 Edmund Lane #13-074 APN: 034-412-57

Design Permit to construct a new two-story single-family dwelling in the R-1

(Single-Family Residence) Zoning District.

Environmental Determination: Categorical Exemption Property Owner: Hacienda Homes, LLC, filed: 5/28/13

Representative: Scott Zazueta

APPLICANT'S PROPOSAL

The applicant is proposing to construct a new 2,404 square foot two-story single family dwelling on a vacant lot at 2064 Edmund Lane in the R-1 (Single Family Residence) zoning district. The use is consistent with the General Plan, Zoning Ordinance and Local Coastal Plan.

Site and Structural Data

<u>SETBACKS</u>		R-1 District	Proposed	
Front Voud	First Floor	15'	30'	
Front Yard	Second Floor	20'	35'	
Rear Yard	First Floor	18'	18'	
	Second Floor	18'	18'	
Side Yard	First Floor	6'	6'	
	Second Floor	9'	9'	

FLOOR AREA RATIO					
Lot Size		5,380.75 sq. ft			
Maximum Allowable	49%	2,636.56 sq. ft.			
Proposed	45%	2,404 sq.ft.			

	Proposed Square Footage
First Floor	871
Garage	483
Second Floor	1,050
TOTAL	2,404

Building Height				
	R-1 District	Proposed		
Residential	25'-0"	25' – 0"		

<u>Parking</u>					
Required Proposed					
Residential	3 spaces 1 covered, 2 uncovered	2 spaces, uncovered 2 spaces, covered			

BACKGROUND

On June 26, 2013, the Architectural and Site Review Committee reviewed the application.

- City Architect, Derek Van Alstine, suggested that additional board and batt be introduced above the garage on the front façade of the home. He also suggested that the window trims be modified to shorten the head casing and apron casing to align with and not go beyond the width of the side casing (vertical casing element). The applicant modified the plans to include additional board and batt on the primary façade of the second story. The applicant did not make the suggested change to the window trim.
- City Landscape Architect, Susan Suddjian, commented that she would prefer that the
 proposed juniper "blue point" be removed from the landscape plan. She approved of the
 overall proposed landscape plan. The applicant removed the juniper "blue point" as
 recommended.
- City Public Works Director, Steve Jesberg, noted that the existing subdivision does not have sidewalks, therefore the applicant is not required to install a new sidewalk. New utility boxes must be located within the private property behind the existing curb and gutter.

DISCUSSION

The subject property is a flat 5,380 square foot lot within a developed single-family neighborhood. Commercial properties exist to the east of the property. The vacant lot sits at the end of a cul-de-sac on Edmund Lane. The lot is one of two vacant, adjacent lots under the same ownership. The application for a new single family home at 2052 Edmund Lane will be reviewed as a separate application.

The new two-story home at 2064 Edmund Lane will consist of 1,921 square feet of living space and a 483 square foot attached two-car garage. The proposed house incorporates a mix of materials including 3 coat stucco and 4" x 8" outrigger beams with chamfer ends. Milgard vinyl windows and composition shingle roof are proposed.

Section 17.15.110 of the Zoning Code requires "front yard areas not required for parking shall be landscaped to achieve a fifteen percent tree canopy in accordance with Chapter 12.12 of the code; and including a two-foot planter strip between uncovered parking in the front setback and the side property line, and that landscape area maintained in good condition." There are no existing trees on the lot. The landscape plan for the property includes two pyrus "aristocrat" (ornamental pear) trees (15 gallon) within the front yard. A variety of shrubs are proposed along

the side yards, in compliance with the two foot planter strip requirement. Shrubs are also planned along the front façade of the home, as well as installation of a new lawn. The applicant has removed the proposed Juniper "blue point" shrubs as recommended by the City Landscape Architect.

There is an existing curb and gutter along the front property line. The Public Works Director has determined that no sidewalk is required for the property. There are no existing sidewalks within the subdivision. Utilities will be required to be undergrounded.

The proposed house conforms to all R-1 single-family development standards, including height, setbacks, parking, and floor area ratio (FAR).

CEQA REVIEW

Section 15303(a) of the CEQA Guidelines exempts the construction of a single-family residence in a residential zone. This project involves construction of a new single-family residence in the R-1 (single family residence) Zoning District. No adverse environmental impacts were discovered during review of the proposed project

RECOMMENDATION

Staff recommends the Planning Commission **approve** project application #13-074 based on the following Conditions and Findings for Approval.

CONDITIONS

- 1. The project approval consists of construction of a new 2,404 square foot one-story single-family structure with a 483 square foot attached garage at 2064 Edmund Lane.
- 2. Any significant modifications to the size or exterior appearance of the structure must be approved by the Planning Commission.
- 3. Hours of construction shall be Monday to Friday 7:30 a.m. 9:00 p.m., and Saturday 9:00 a.m. 4:00 p.m., per city ordinance.
- 4. The utilities shall be underground to the nearest utility pole in accordance with PG&E and Public Works Department requirements. A note shall be placed on the final building plans indicating this requirement.
- 5. An encroachment permit shall be acquired for any work performed in the right-of-way.
- 6. A drainage plan or design shall be submitted with the final building plans, to the satisfaction of the Public Works Director.
- 7. The project shall implement Low Impact Development BMP's outlined in the *Slow it. Spread it. Sink it. Homeowner's Guide to Greening Stormwater Runoff* by the Resource Conservation District of Santa Cruz County. The applicant shall provide details on the bmp's implemented and with a goal of not allowing more than 25% of total impervious area from discharging directly from the site.

- 8. The final landscape plan shall be submitted with the building permit application and will include the specific number of plants of each type and their size, as well as the irrigation system to be utilized. Front yard landscaping shall be installed prior to final building occupancy.
- 9. Planning Fees associated with permit #13-074 shall be paid in full prior to building permit issuance.
- 10. Affordable housing in-lieu fees shall be paid as required to assure compliance with the City of Capitola Affordable (Inclusionary) Housing Ordinance. Any appropriate fees shall be paid prior to building permit issuance.
- 11. Prior to granting of final occupancy, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Zoning Administrator or Community Development Director.

FINDINGS

A. The application, subject to the conditions imposed, will secure the purposes of the Zoning Ordinance, General Plan, and Local Coastal Plan.

Planning Department Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the project. The project generally conforms to the development standards of the R-1 (Single Family Residence) Zoning District. Conditions of approval have been included to carry out the objectives of the Zoning Ordinance, General Plan and Local Coastal Plan.

B. The application will maintain the character and integrity of the neighborhood.

Planning Department Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the project. The project conforms to the development standards of the R-1 (Single Family Residence) Zoning District. Conditions of approval have been included to ensure that the project maintains the character and integrity of the neighborhood. The proposed single-family residence is compliments the existing single-family residential neighborhood in use, mass and scale, materials, height, and architecture.

C. This project is categorically exempt under Section 15303(a) of the California Environmental Quality Act and is not subject to Section 753.5 of Title 14 of the California Code of Regulations.

This project involves construction of a new single-family residence in the R-1 (single family residence) Zoning District. Section 15303 of the CEQA Guidelines exempts the construction of a single-family residence in a residential zone.

ATTACHMENTS

- A. Project Plans
- B. Colors and materials

Report Prepared By: Katie Cattan

Senior Planner

Poesign Associates, Inc.
Application of the second of the

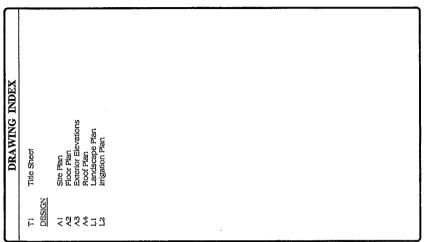




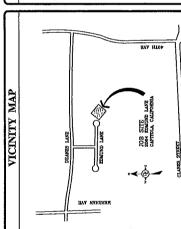
Capitola, California

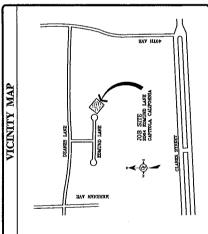
2064 Edmund Lane

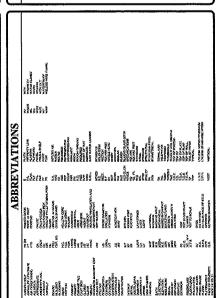
HYCIENDY HOWES



871 sq. ft. Main Level 1050 sq. ft. Upper Level 1921 sq. ft. Tonal Living Area 483 sq. ft. Garago 2404 sq. ft. Gross Floor Area (44.6%) PROJECT DATA SANTA CRUZ, CALIFORNIA 95062 034-412-57 R-1 5380.75 sq. ft. HACIENDA HOMES LLC Type of Construction: 4375 COURT STREET Occupancy Group: HOUSE DATA: LOT DATA: APN: ZONING: LOT SIZE:







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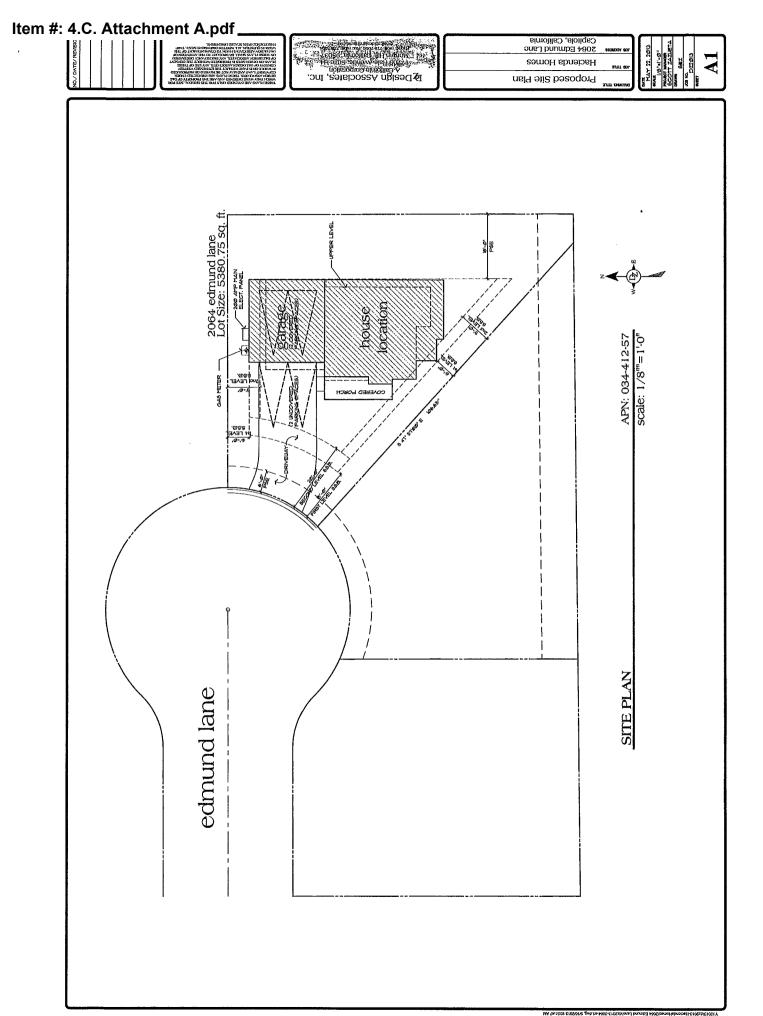
SYMBOLS NOTE: SEE SHEET EM! FOR ELECT SYMBOLS LIST A-T-ATELNE III

J.R. NELSON ASSOCIATES P.O. BOX 110700 CAMPBELL, CA 95011 408:377-2500 LANDSCAPE PLANNER ALL WORK APPLANCES AND EQUIPAIENT SHALL COMPLY WITH C.E.C. TITLE 24 RESIDENTIAL ENERGY STANDARDS SEE SHEET T24 FOR ADDITIONAL ENERGY COMPLANCE NOTES. SLOPE ALL PINISH GIKADES A MIN. OP 4 % FOR G-0" "AN FROM STRUCTURE FOR POSITIVE DRAINAGE @ LANDSCAPED AREAS & SLOPE GRADE 2 % MIN. @ PAVE

VERITY LOCATION OF UTILITIES AND EXISTING CO. AT SITE PRIOR TO CONSTRUCTION AND BUDDING.

CONSULTANTS

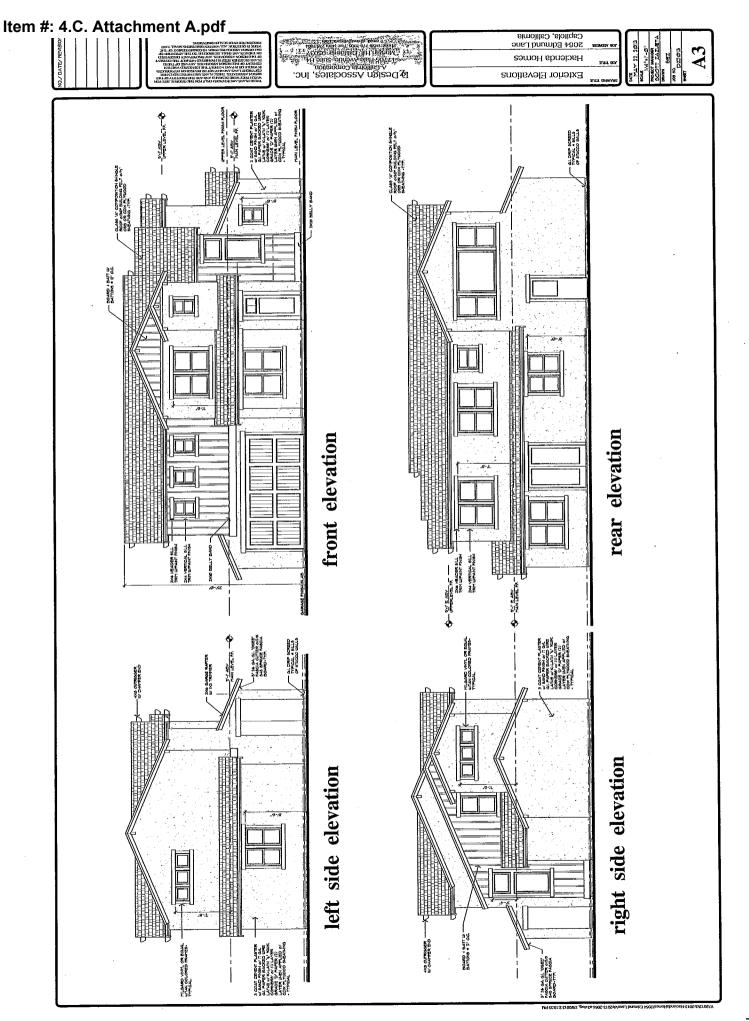
GENERAL CONSTRUCTION NOTES

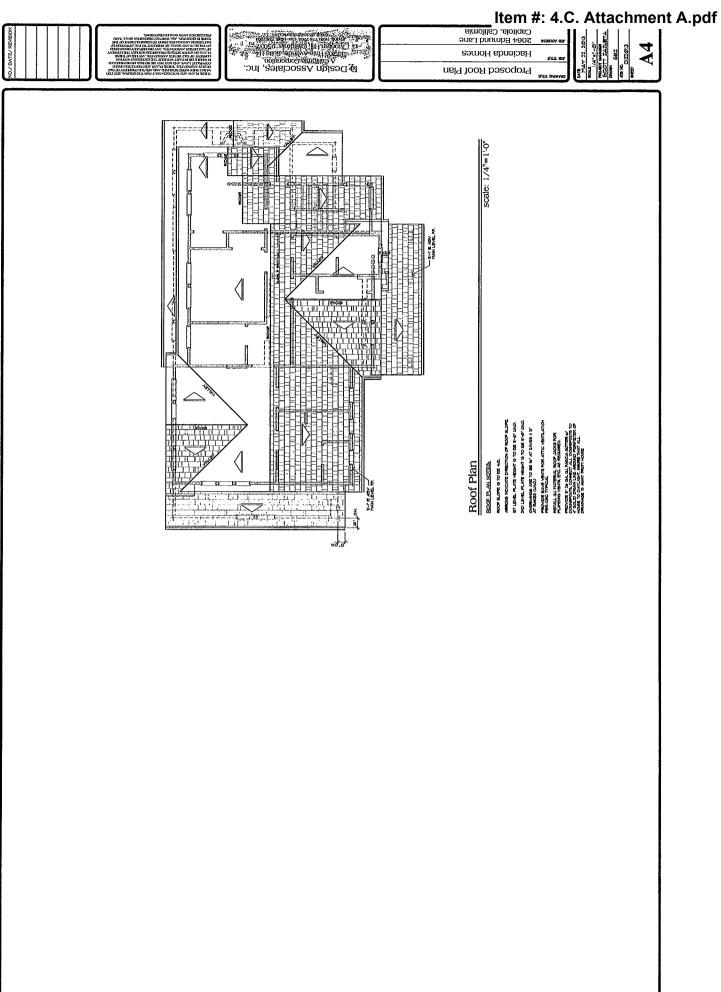


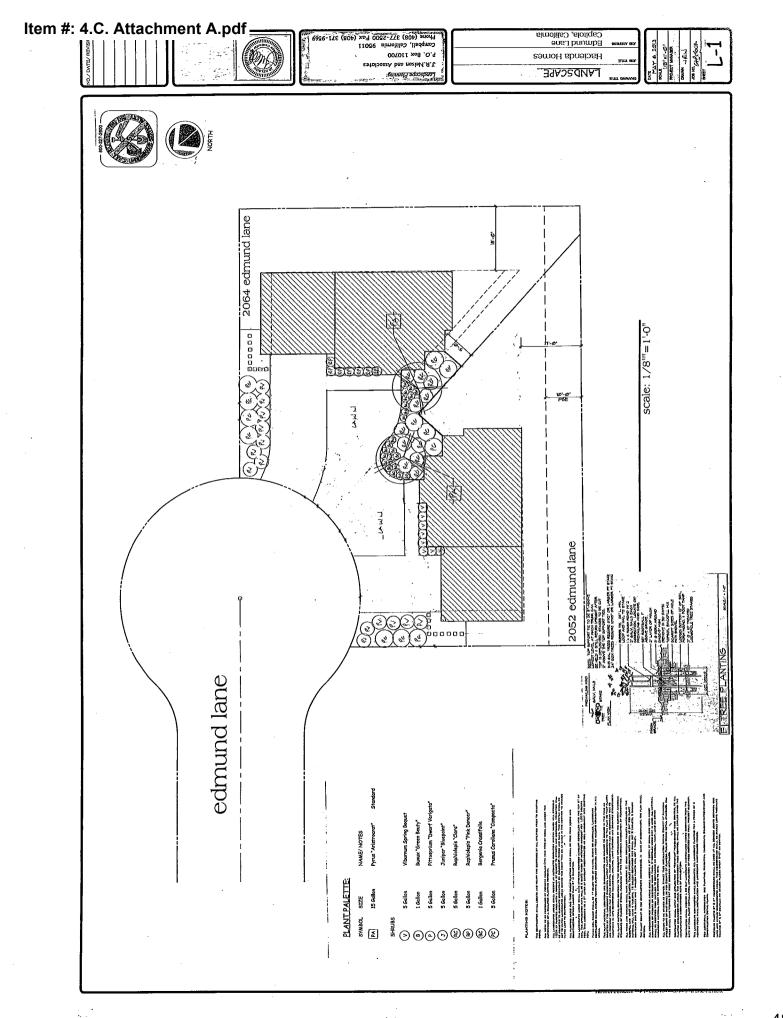
Item #: 4.C. Attachment A.pdf einomis ' ei N Design Associates, Inc.

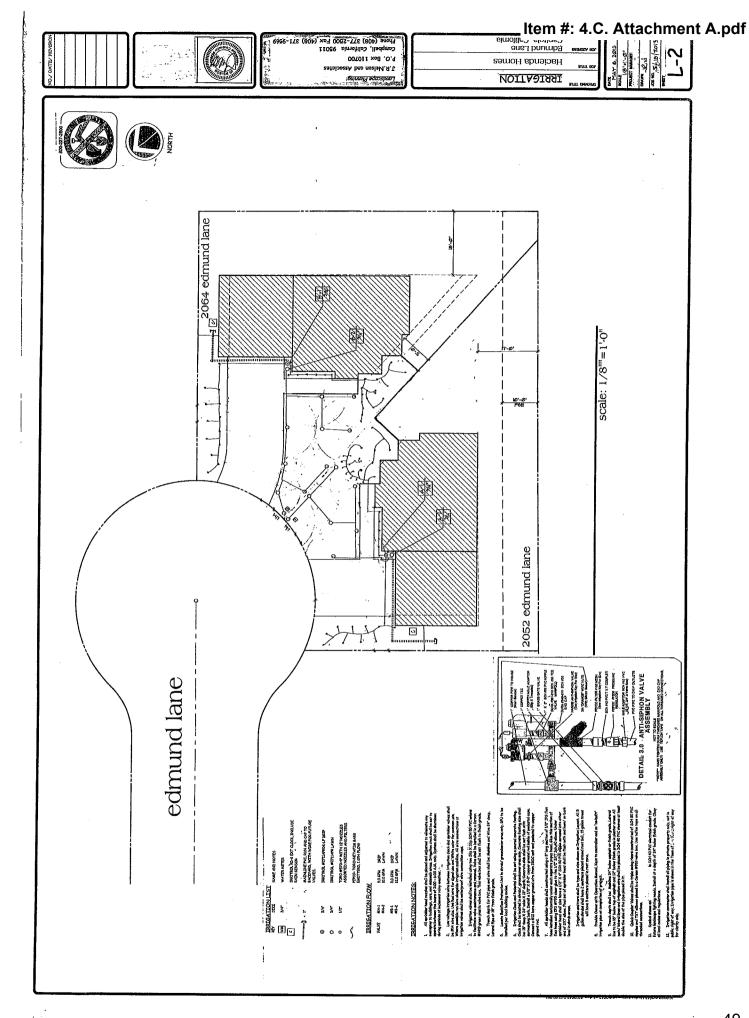
**Aelingus Superior

Transport of the control of the 2064 Edmund Lane Hacienda Homes Proposed Floor Plans **[-0] O TO family. bedroom 3 covered porch bedroom 2 (2064 Edmund Lane) 1 Upper*Level Floor Plans (2064 Edmund Le 871 st. ft. Main Level 1921 st. ft. Total Living Area 483 st. ft. Garage 1007 Area (44.6%) 2404 st. ft. Gross Floor Area (44.6%) Cont. strong master bedroom 2 car garage Main Level HS 0541 HS 0541 .0-.51











HACIENDA HOMES 2064 EDMUND LANE CAPITOLA, CALIFORNIA

PAINT BASE COLOR: AT STUCCO KELLY-MOORE "BRITANY BEIGE"

KM4180-2

2 PAINT BASE COLOR: AT SIDING KELLY-MOORE "LESCAMELA VANILLA"

KM4182-3

3 PAINT TRIM COLOR:

KELLY MOORE "FRIAR'S CLOAK"

KM4184-5

4 WINDOWS:

MILGARD VINYL OR EQUAL

W/TAN COLORED FRAMES

5 ROOFING MATERIAL:

CERTAINTEED RPESIDENTIAL TL

"AUTUMN BLEND" COMPOSITION SHINGLE

6 EXTERIOR DOORS:

MILGARD FIBERGLASS OR EQUAL

W/ PAINT FINISH



2

JUL I I 2013 CITY OF CAPITOLA



STAFF REPORT

TO: PLANNING COMMISSION

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

DATE: JULY 18, 2013

SUBJECT: 1330 47th AVENUE # 13-014 APN: 034-066-13

Plan revision to a previously approved design permit for a new two-story single-

family dwelling in the R-1 (Single-Family Residence) Zoning District.

Environmental Determination: Categorical Exemption

Owner: Gary Lindeke, filed 1/25/13

BACKGROUND

The Planning Commission approved a design permit for the proposed single-family dwelling on March 7, 2013. At the time of building permit review, staff determined that the exterior building elevations and materials had been revised from the approved design plan. The Planning Commission was informed of the change at their June 6, 2013 meeting and directed staff to present the revisions at its next public hearing.

DISCUSSION

During building plan review, staff identified discrepancies between the design description contained in the Planning Commission staff report and the design shown on the approved plans. The Planning Commission staff report specifies "The proposed house is an attractive craftsman style with large entry porches, wood columns, white vinyl Milgard windows, and second story dormers. Though similar in massing and architectural style to the neighboring home built several years ago, the new house utilizes different exterior materials, incorporating a mix of **stucco and board and batten siding.**" (Attachment A)

The full size plans distributed to the Planning Commission and the reduced plans in the staff report show **stucco on the first floor and wood shingle siding on the second floor**, and porches with craftsman wood columns (Attachment B).

The color and materials board, included in the staff report, show elevations that specify **stucco on the first floor and board and batten siding on the second floor**, and porches with simple wood posts (Attachment C).

The current building plans show stucco on the first floor, and board and batten siding on the second floor (Attachment D).

Although there were clearly discrepancies in the package prepared by staff and approved by the Planning Commission, staff determined that it would be inappropriate to deny a building permit application which was consistent with the staff report description and color and materials board. Accordingly, staff issued the building permit and informed the Planning Commission of the issue at their next scheduled meeting.

Item #: 5.A. 1330 47th Avenue staff report.pdf

PLANNING COMMISSION AGENDA REPORT: July 18, 2013 1330 47th Avenue

The applicant has also requested other minor plan changes, such as window placement and elimination of the skylight and chimney.

RECOMMENDATION

Staff believes the revised exterior building elevations and building materials are complementary to the site and the surrounding neighborhood. Staff recommends that the Planning Commission approve the revised exterior elevations and building materials as presented in the building permit plans.

ATTACHMENTS

- A. March 7, 2013 Planning Commission staff report
- B. March 7, 2013 Planning Commission approved elevations
- C. March 7, 2013 Planning Commission approved colors and materials
- D. Building Permit Plans
- E. Excerpt of June 6, 2013 Planning Commission Draft Minutes

Report Prepared By: Danielle Uharriet



STAFF REPORT

TO: PLANNING COMMISSION

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

DATE: MARCH 7, 2013

SUBJECT: 1330 47th AVENUE # 13-014 APN: 034-066-13

Coastal Permit and Design Permit to construct a new two-story single-family

house in the R-1 (Single-Family Residence) Zoning District. Environmental Determination: Categorical Exemption

This project requires a Coastal Permit which is not appealable to the California

Coastal Commission.

Owner: Gary Lindeke, filed 1/25/13

Applicant: Michael Wittwer

<u>APPLICANT'S PROPOSAL</u>

The applicant is proposing to construct a new 1,628 square foot two-story single-family structure with a 208 square foot attached garage at 1330 47th Avenue in the R-1 (Single Family Residence) zoning district. The house was previously approved in 2007 but was never built and subsequently the application expired. The use is consistent with the General Plan, Zoning Ordinance and Local Coastal Plan.

STRUCTURAL DATA					
SETB <i>A</i>	SETBACKS		Proposed		
Front Yard					
	Driveway	20'	20'		
	1 st Story	15'	20'		
	2 nd Story	20'	20'		
Rear Yard					
	1 st Story	16'	16'		
	2 nd Story	16'	21'		
Side Yard					
	1 st Story	4'-1" & 10'	4'-1" (left) & 10' (right)		
	2 nd Story	6'-2" & 10'	6'-2" (left) & 12'-6" (right)		
<u>HEIGHT</u>		25'	25'		
			·		
FLOOR AREA RATIO	OOR AREA RATIO Lot Size MAX (56%) Proposed (56%)				

1,837 sq. ft.

1,836 sq. ft

3,280 sq. ft

PLANNING COMMISSION AGENDA REPORT: March	7, 2013	1330 47" Avenue
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	Habitable Space		Garage	Deck	S	Total
First Story	900 sq. ft.	2	.08 sq. ft.	N/A		1,108 sq. ft.
Second Story	728 sq ft.			0 sq. f	t.	728 sq ft.
TOTAL	1,628 sq. ft.	2	.08 sq. ft.	0 sq. f	t.	1,836 sq. ft.
PARKING	Required		Prop	osed		
	2 off-street spaces one of which must covered		1 covered 1 uncovered	•		
Total	2 spaces		2 sp	aces		

BACKGROUND

On February 8, 2013, the Architectural and Site Review Committee reviewed the application.

- Public Works Director Steve Jesberg discussed conditions of approval that should be added to the project, including new curb, gutter and sidewalk along 47th Avenue and providing a drainage plan as part of the building permit submittal.
- City Architect Derek Van Alstine reviewed the colors and materials board and approved of the two samples provided.
- City Landscape Architect Susan Suddjian approved of the proposed landscape plan.
- Senior Planner Bane requested some revisions to the site plan and notified the applicant that the utilities would be required to be underground, and that they should contact Soquel Creek Water District and PG&E.

The applicant has since provided revised plans to address the comments.

DISCUSSION

The subject property is a typical 3,280 square foot lot in the Jewel Box single-family neighborhood, located on the corner of Topaz and 47th Avenue. The applicant is proposing to construct a new two-story single-family residence on the vacant lot. The new home will consist of 1,628 square feet of living space and a 208 square foot attached one-car garage. The proposed house is an attractive craftsman style with large entry porches, wood columns, white vinyl Milgard windows, and second story dormers. Though similar in massing and architectural style to the neighboring home built several years ago, the new house utilizes different exterior materials, incorporating a mix of stucco and board and batten siding.

All new landscaping is proposed for the front home, as indicated on the landscape plan provided. The Topaz side of the site is located in a sidewalk exempt area; however the 47th Avenue side is not. Therefore sidewalk improvements will be required along the 47th Avenue frontage only. Utilities will be required to be undergrounded.

The proposed house conforms to all R-1 single-family development standards, including height, setbacks, parking, and floor area ratio (FAR).

PLANNING COMMISSION AGENDA REPORT: March 7, 2013 1330 47th Avenue

CEQA REVIEW

Section 15303(a) of the CEQA Guidelines exempts the construction of a single-family residence in a residential zone. This project involves construction of a new single-family residence in the R-1 (single family residence) Zoning District. No adverse environmental impacts were discovered during review of the proposed project

RECOMMENDATION

Staff recommends that the Planning Commission approve application #13-014, subject to the following conditions and based upon the following findings:

CONDITIONS

- 1. The project approval consists of the construction of a new 1,628 square foot two-story single-family structure with a 208 square foot attached garage at 1330 47th Avenue.
- 2. Any significant modifications to the size or exterior appearance of the structure must be approved by the Planning Commission.
- 3. Hours of construction shall be Monday to Friday 7:30 a.m. 9:00 p.m., and Saturday 9:00 a.m. 4:00 p.m., per city ordinance.
- 4. The utilities shall be underground to the nearest utility pole in accordance with PG&E and Public Works Department requirements. A note shall be placed on the final building plans indicating this requirement.
- 5. Curb, gutter and sidewalk shall be installed to the satisfaction of the Public Works Director.
- 6. An encroachment permit shall be acquired for any work performed in the right-of-way.
- 7. A drainage plan or design shall be submitted with the final building plans, to the satisfaction of the Public Works Director.
- 8. During all grading and subsurface excavations (including utility-line trenching), construction will be halted if significant unexpected, archaeological resources are discovered. For the purpose of this permit, significant archaeological resources shall include the remains of previous Native American living areas or human burials. In the instance of Native American living areas, these objects shall be recorded and mapped by an archaeologist approved by the Community Development Director prior to further excavation on that portion of the site. In the event human burials are discovered during excavation, work shall be halted and the County Coroner, the Northwest Indian Cemetery Protective Association (NICPA) and other appropriate authorities shall be notified. Mitigation measures developed by the applicant and authorized archaeologists as a result of such unanticipated discovery shall be subject to the approval of the Community Development Director.
- 9. The project shall implement Low Impact Development BMP's outlined in the *Slow it. Spread it. Sink it. Homeowner's Guide to Greening Stormwater Runoff* by the Resource Conservation District of Santa Cruz County. The applicant shall provide details on the bmp's implemented and with a goal of not allowing more than 25% of total impervious area from discharging directly from the site.

PLANNING COMMISSION AGENDA REPORT: March 7, 2013 1330 47th Avenue

- 10. The final landscape plan shall be submitted with the building permit application and will include the specific number of plants of each type and their size, as well as the irrigation system to be utilized. Front yard landscaping shall be installed prior to final building occupancy.
- 11. Affordable housing in-lieu fees shall be paid as required to assure compliance with the City of Capitola Affordable (Inclusionary) Housing Ordinance. Any appropriate fees shall be paid prior to building permit issuance.
- 12. Prior to granting of final occupancy, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Zoning Administrator or Community Development Director.

FINDINGS

A. The application, subject to the conditions imposed, will secure the purposes of the Zoning Ordinance, General Plan, and Local Coastal Plan.

Planning Department Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the project. The project conforms to the development standards of the R-1 (Single Family Residence) Zoning District. Conditions of approval have been included to carry out the objectives of the Zoning Ordinance, General Plan and Local Coastal Plan.

B. The application will maintain the character and integrity of the neighborhood.

Planning Department Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the project. The project conforms to the development standards of the R-1 (Single Family Residence) Zoning District. Conditions of approval have been included to ensure that the project maintains the character and integrity of the neighborhood.

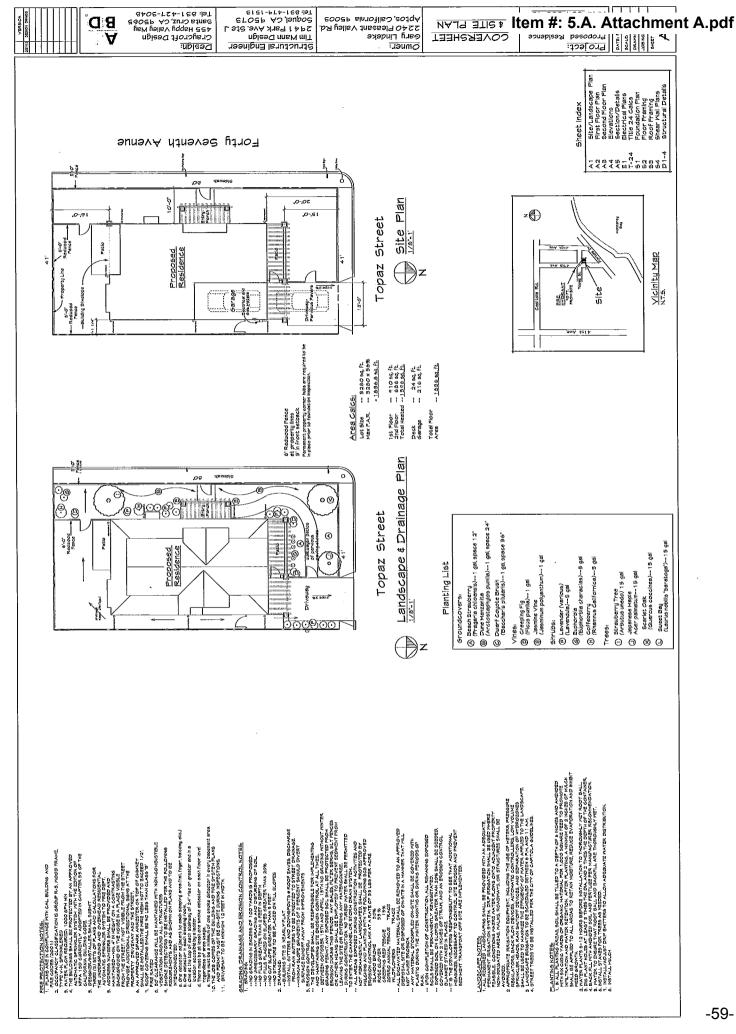
This project is categorically exempt under Section 15303(a) of the California C. Environmental Quality Act and is not subject to Section 753.5 of Title 14 of the California Code of Regulations.

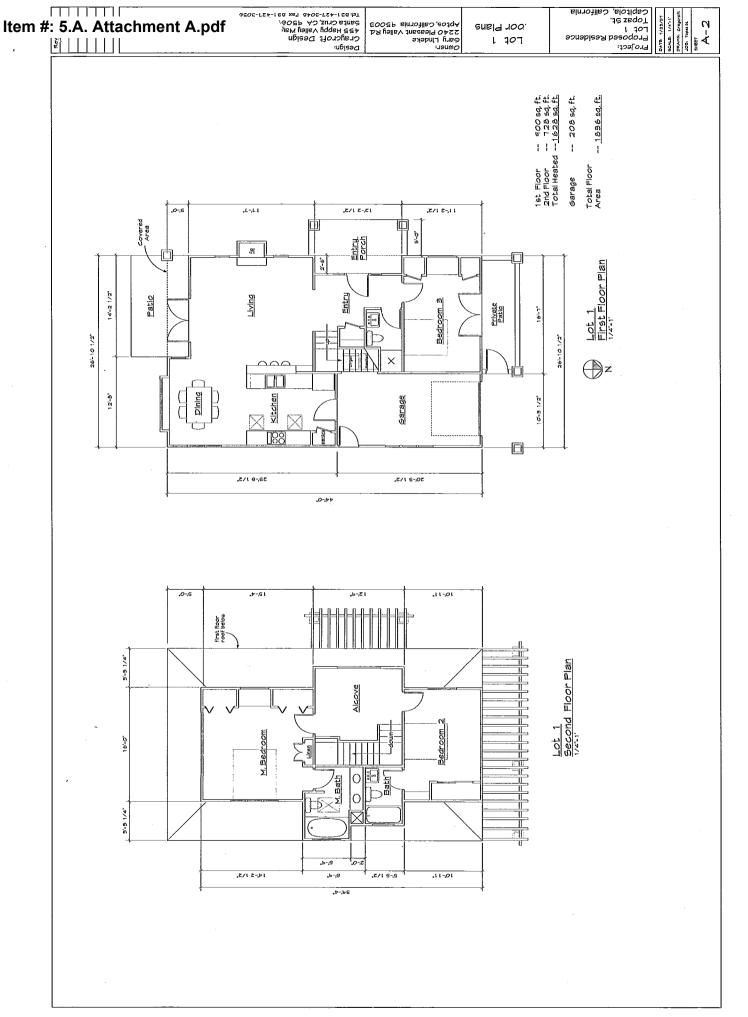
This project involves construction of a new single-family residence in the R-1 (single family residence) Zoning District. Section 15303 of the CEQA Guidelines exempts the construction of a single-family residence in a residential zone.

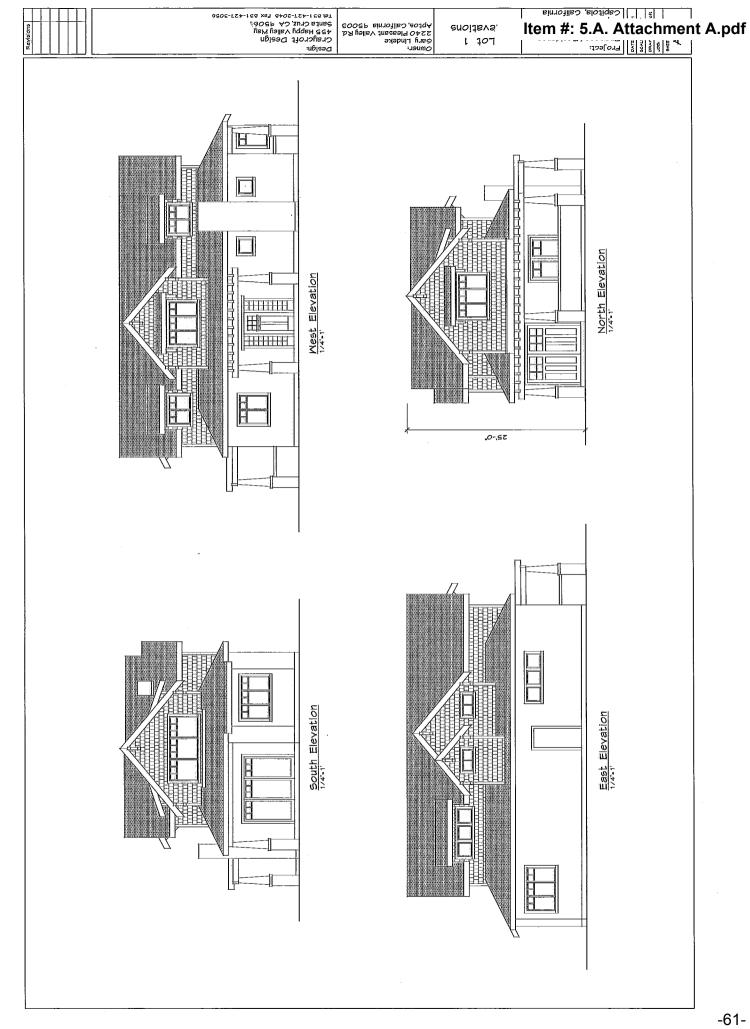
ATTACHMENTS

- A. Proiect Plans
- B. Color and Materials

Report Prepared By: Rvan Bane





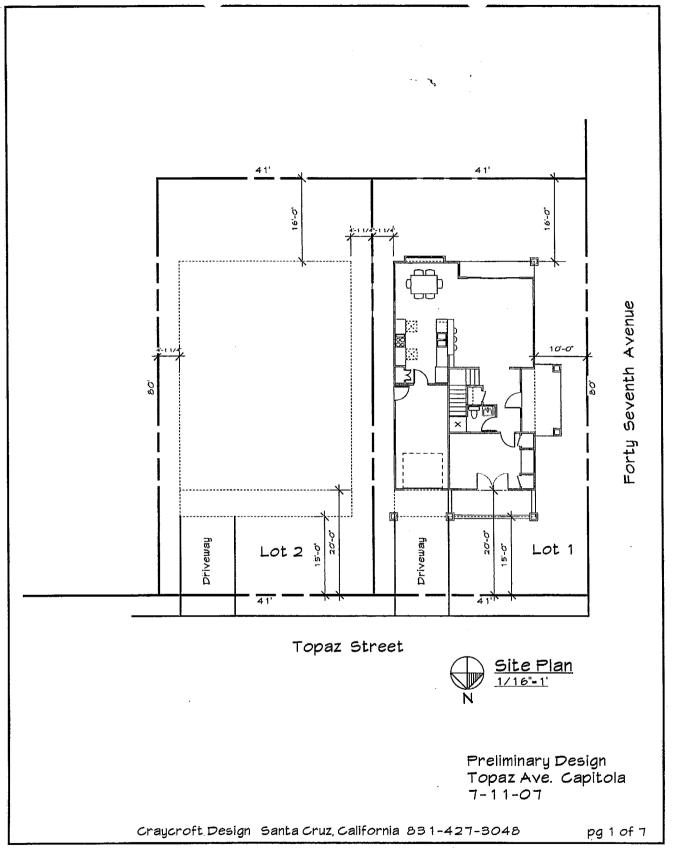


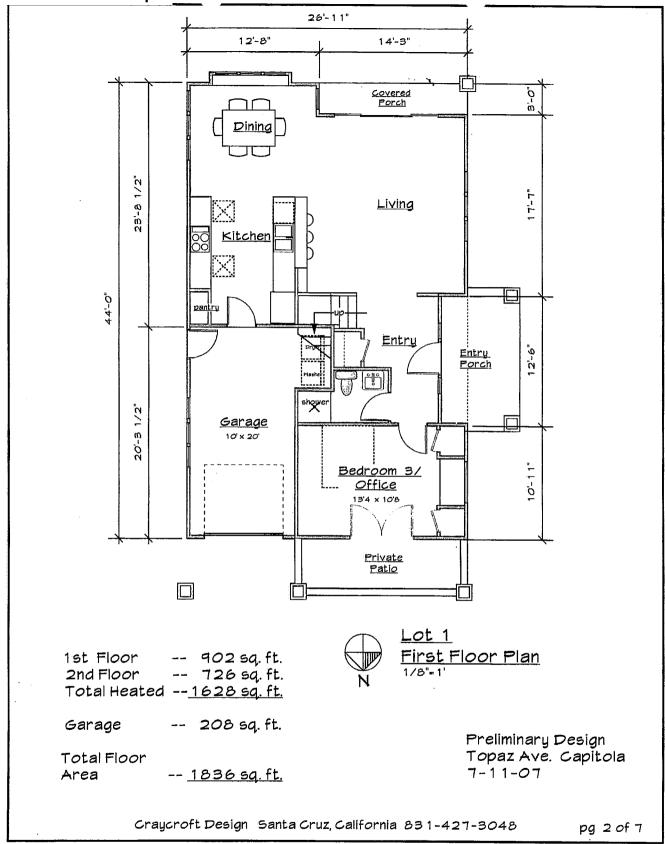
Craycroft Design Santa Cruz, California 831-427-3048

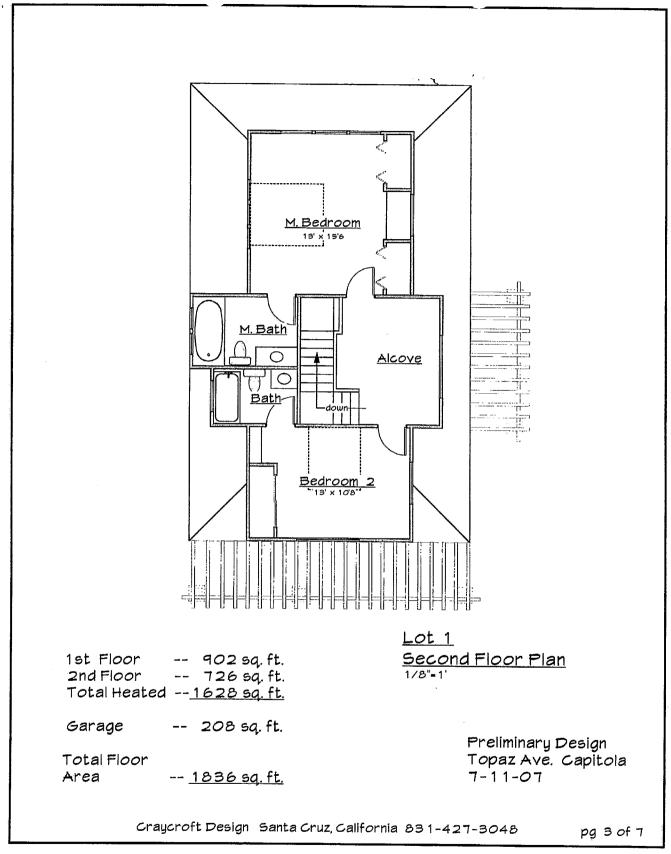
pg 4 of 7

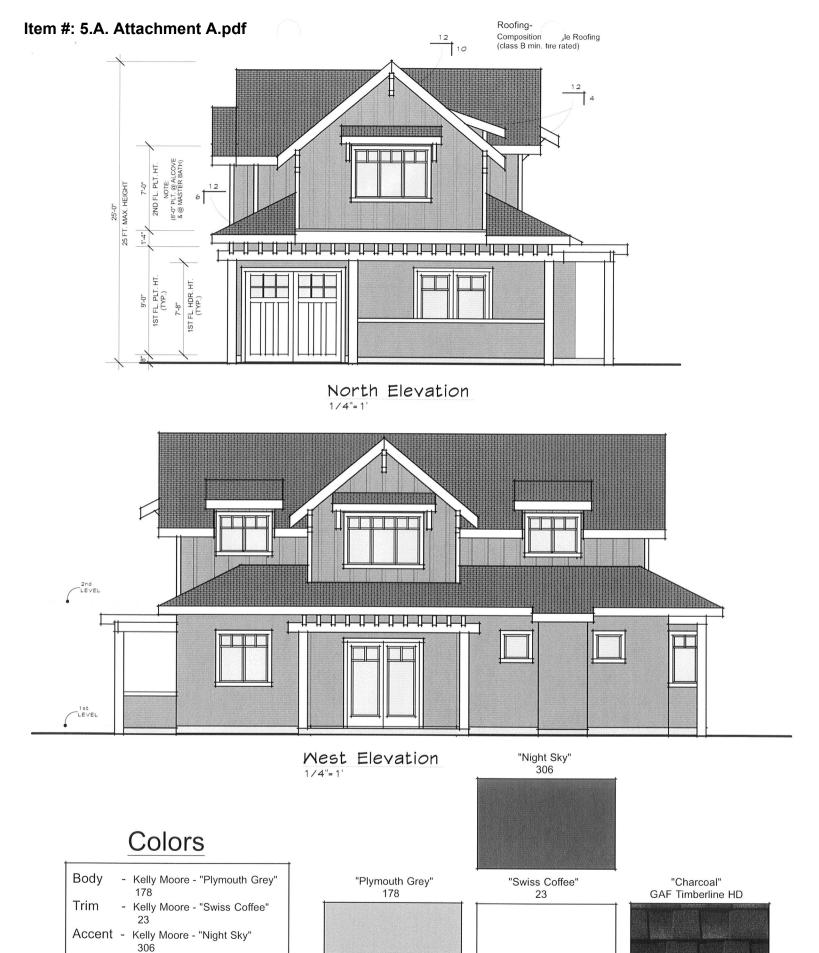
Preliminary Design Topaz Ave. Capitola

7-11-07









Swiss Coffee

Roofing - GAF Timberline HD "Charcoal"

-66-



North Elevation



Mest Elevation

Colors

Body - Kelly Moore - "Blue By You" KM3152-5

Trim - Kelly Moore - "Swiss Coffee" 23

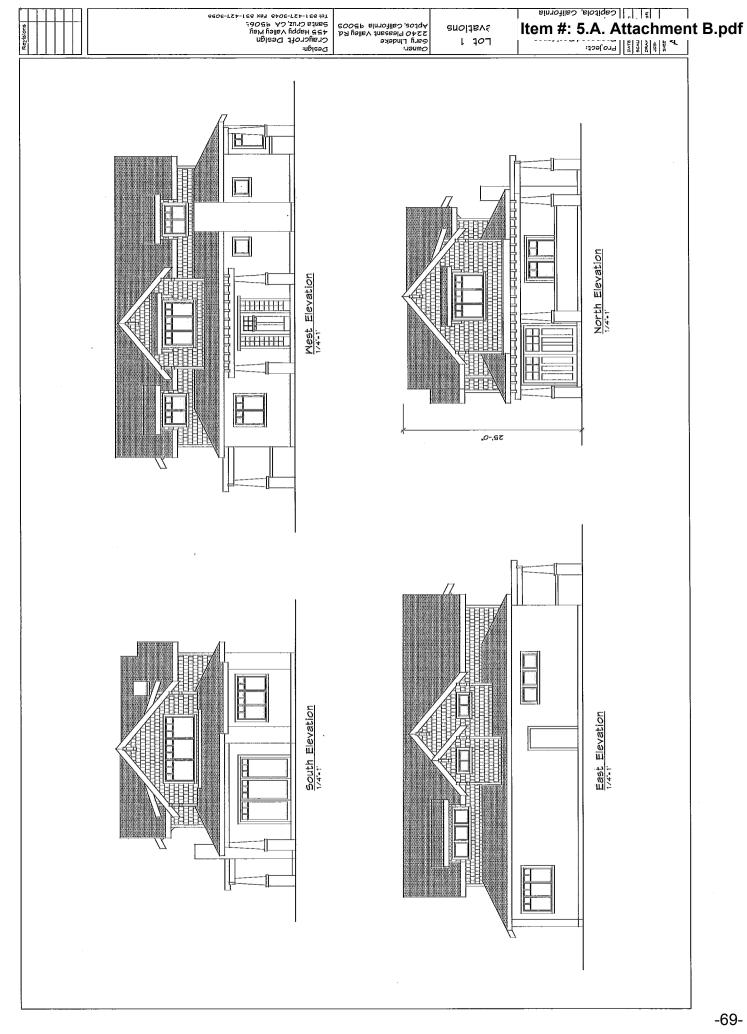
Roofing - GAF Timberline HD "Charcoal"

KM3152-5 Blue By You

KM3152-5 Blue By You

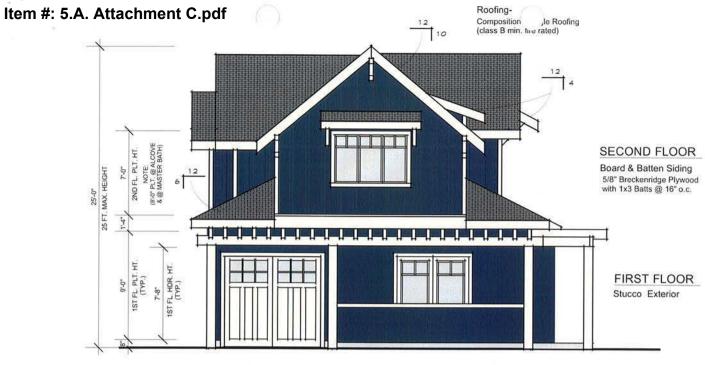
Swiss Coffee

Swiss Coffee









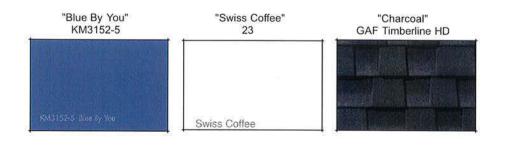
North Elevation

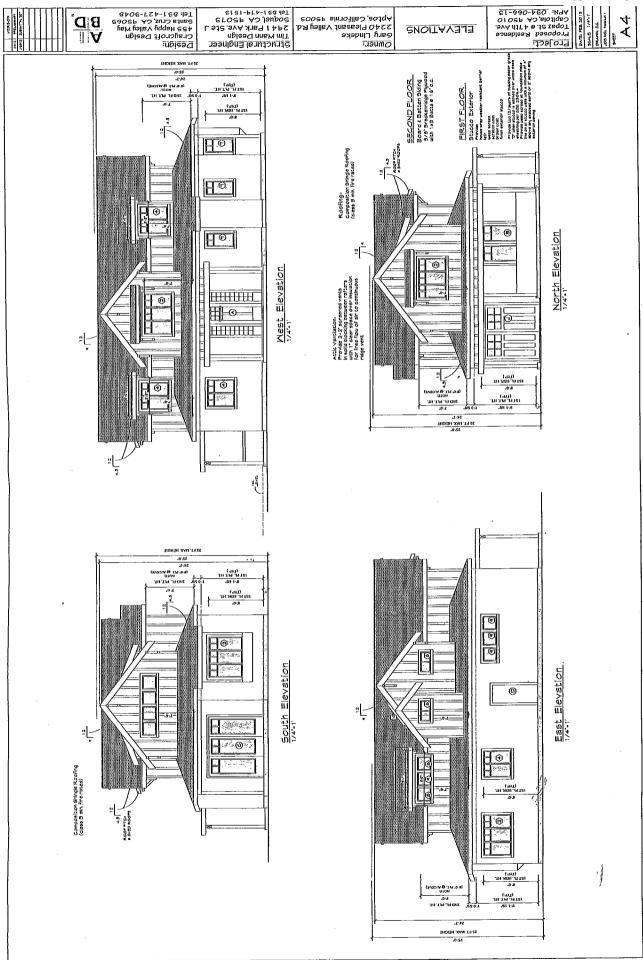


West Elevation

Colors







EXCERPT OF DRAFT MINUTES CAPITOLA PLANNING COMMISSION MEETING THURSDAY, JUNE 6, 2013

Chairperson Routh called the Regular Meeting of the Capitola Planning Commission to order at 7 p.m.

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

Commissioners: Ron Graves, Gayle Ortiz, Linda Smith, and TJ Welch and Chairperson Mick Routh

2. ORAL COMMUNICATIONS

- **A.** Additions and Deletions to Agenda None
- **B.** Public Comments None
- **C.** Commission Comments

Commissioner Graves noted that the commission received updated elevations showing exterior changes to a new home being built on 47th Avenue recently approved by the commission. These elements (including siding, skylight, and entry columns) differ from those shown in the approved plan. The discrepancy was caught in the building permit process. Staff deemed the differences of a minor nature and provided the drawings as information. Staff explained that the exterior elements were changed during the planning review process and while the staff report for the public hearing described the correct plans, the actual plans in the packet were not correct.

Commissioners expressed concern about plan changes after approval and want the community to know that they expect only what has been approved will be built. Community Development Director Rich Grunow said this response will help him to know what information to bring back to the commission in the future, and commissioners agreed that they would like to formally review the plans at the July 18, 2013, meeting. They also asked for a determination if the error was caused by staff or the incorrect submission of older plans by the applicant, and discussed whether the commission has some responsibility for not catching the discrepancy. That decision will determine whether or not the applicant should pay any additional fees for a second hearing. The commission did concur that since the changes involve final elements in the building process, the applicant can continue with the early stage construction.



STAFF REPORT

TO: PLANNING COMMISSION

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

DATE: JULY 18, 2013

SUBJECT: 507 PLUM STREET/

712 CAPITOLA AVENUE #13-068 APN: 036-062-14

Design Permit to construct a second dwelling unit above a two-car garage on a property with an existing one-story single-family residence in the CN

(Neighborhood Commercial) Zoning District.

Environmental Determination: Categorical Exemption Property Owner: Terry Evan David, filed 5/21/2013

Representative: Dennis Norton

APPLICANT'S PROPOSAL

The applicant is proposing to construct a 689 second dwelling unit above a 524 square foot attached garage to a single-story, single-family residence at 507 Plum Street/ 712 Capitola Avenue in the CN (Neighborhood Commercial) zoning district. The use is consistent with the General Plan, Zoning Ordinance and Local Coastal Plan.

Site and Structural Data

		Existing Coverage
Lot Size		12,034 sq. ft
Existing	20%	2,416 sq.ft.
Proposed	33%	3,629 sq.ft.
CN District	n/a	No maximum lot coverage.

	Existing Square Footage	Proposed Square Footage
First Floor	1,356	1,356
Garage	n/a	524
Second Floor	n/a	689
Total Residential	1,356	2,045
Commercial	1,060	1,060
SITE TOTAL	2,416	3,629

Building Height					
	CN District	Existing	Proposed		
Residential	27'-0"	15'-0"	23'-11"		

Parking Section 17.51.130						
	Required	Existing	Proposed			
Residential	2 spaces 1 uncovered, 1 covered	4 spaces, uncovered	2 spaces, uncovered 2 spaces, covered			
Commercial	5 spaces	5 spaces	5 spaces			

<u>Setbacks</u>						
Section 17.24.112-116						
	Required Existing Proposed					
Front Yard	1 st Story	15'	65' to residence	65' to new addition		
	2 nd Story	n/a	n/a	65' to second story		
Rear Yard	1 st Story	24'-9"	15'	15'		
	2 nd Story		n/a	27'		
Side Yard	1 st Story	9'-9" (I) & (r)	32'-6"' (I) & 26' (r)	11'-5" (I) & 26' (r)		
	2 nd Story			11'-5" (l) & 26' ®		

BACKGROUND

On June 26, 2013, the Architectural and Site Review Committee reviewed the application.

City Landscape Architect Susan Suddjian questioned if the wood fence fronting Plum St.
would be removed as part of the project. She suggested that landscaping the area
between the sidewalk and the side of the garage would soften the street frontage. The
applicant indicated that the property owner wished to keep the fence as it is. The
applicant agreed to plant perennials on the interior of the fence with the intent of
perennials growing over/through the fence to create a softer edge along Plum Street.

The Planning Commission reviewed and approved a separate application for a two car garage at 507 Plum on May 3, 2012. The applicant did not build the approved garage. The current application includes the previously approved garage with a second dwelling unit located above the garage.

DISCUSSION

Residential/commercial mixed development is a principal permitted use within the neighborhood commercial (CN) zoning district. The residential/commercial mixed development contains both a single-family house and a commercial building. The commercial office building is not being modified within the proposal. The project involves the residential home, consisting of the addition of a two-car garage to the front of the structure with a second dwelling unit above. The proposed garage will open to the east and be accessed from the existing driveway. The garage meets the minimum interior dimensions (20'x20') for a two-car garage, as well as providing the minimum backup space of 24'. All CN development standards are being met, including setbacks, parking, lot coverage and height.

Utilities

The applicant has requested an exception to the requirement to underground existing overhead utility lines. Per 17.81.180, new residential construction or any residential remodels that result in an increase of 25% or greater of the existing square footage shall be required to place

existing overhead utility line underground to the nearest utility pole. An exception to this requirement can be made by the planning commission if it is determined that a hardship exists, primarily for environmental reasons and not financial hardship. The existing overhead service is approximately 10' from the new meter location and is not obstructed with any environmental constraint. Due to the application not meeting the exception requirements for undergrounding utilities, staff included condition #6 requiring the utilities to be undergrounded.

Nonconforming

The structure is legal nonconforming due to not meeting the current rear setback requirement. Per 17.72.070, structural alterations to nonconforming structures are limited to 80% of the present fair market value of the structure. The applicant has provided a construction cost breakdown (Attachment B) that demonstrates how the proposed project will not exceed 80% of the present fair market value of the structure. The Building Official has reviewed the calculations and determined them to be accurate. It should be noted that all new additions to the structure meet the current CN district development standards.

RECOMMENDATION

Staff recommends the Planning Commission **approve** application #13-068, subject to the following conditions and findings:

CONDITIONS

- 1. The project approval consists of the construction of a 689 second dwelling unit above a 524 square foot attached garage to a single-story single-family residence at 507 Plum Street/712 Capitola Avenue in the CN (Neighborhood Commercial) zoning district.
- 2. Any significant modifications to the size or exterior appearance of the structure must be approved by the Planning Commission.
- 3. The application shall be reviewed by the Planning Commission upon evidence of non-compliance with conditions of approval or applicable municipal code provisions.
- 4. Hours of construction shall be Monday to Friday 7:30AM 9:00PM, and Saturday 9:00AM 4:00PM, per city ordinance.
- 5. The final landscape plan shall be submitted with the building permit application and will include the specific number of plants of each type and their size, as well as the irrigation system to be utilized. The side yard landscaping between the new garage and fence along Plum Street will be installed prior to final building occupancy.
- 6. The utilities shall be underground to the nearest utility pole in accordance with PG&E and Public Works Department requirements. A note shall be placed on the final building plans indicating this requirement.
- 7. An encroachment permit shall be acquired for any work performed in the right-of-way.
- 8. Prior to granting of final occupancy, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Zoning Administrator or Community Development Director.

9. Planning Fees associated with permit #13-068 shall be paid in full prior to building permit issuances.

FINDINGS

A. The application, subject to the conditions imposed, will secure the purposes of the Zoning Ordinance and General Plan.

Community Development Department Staff, the Architectural and Site Review Committee, and the Planning Commission have reviewed the project. The project conforms to the development standards of the CN (Neighborhood Commercial) Zoning District, and carry out the objectives of the Zoning Ordinance, General Plan and Local Coastal Plan.

B. The application will maintain the character and integrity of the neighborhood.

Community Development Department Staff, the Architectural and Site Review Committee, and the Planning Commission have reviewed the project. The project conforms to the development standards of the CN (Neighborhood Commercial) Zoning District, and will not have a negative impact on the character and integrity of the neighborhood. The proposed garage and second dwelling unit compliments the existing neighborhood commercial district in use, mass and scale, materials, height, and architecture.

C. This project is categorically exempt under Section 15301(e)(2) of the California Environmental Quality Act and is not subject to Section 753.5 of Title 14 of the California Code of Regulations.

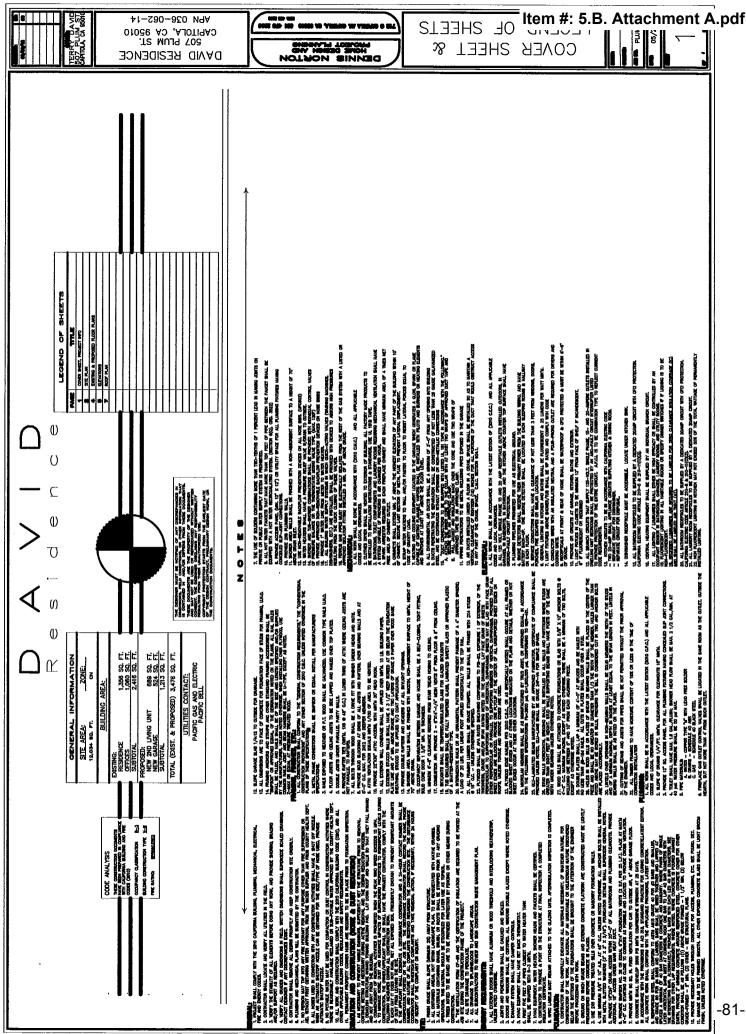
Section 15301(e)(2) of the CEQA Guidelines exempts additions to structures that are less than 10,000 square feet if the project is in an area where all public facilities are available to allow for the development and the project is not located in an environmentally sensitive area. This project involves an addition to a one-story single-family residence that is considered infill development. No adverse environmental impacts were discovered during review of the proposed project

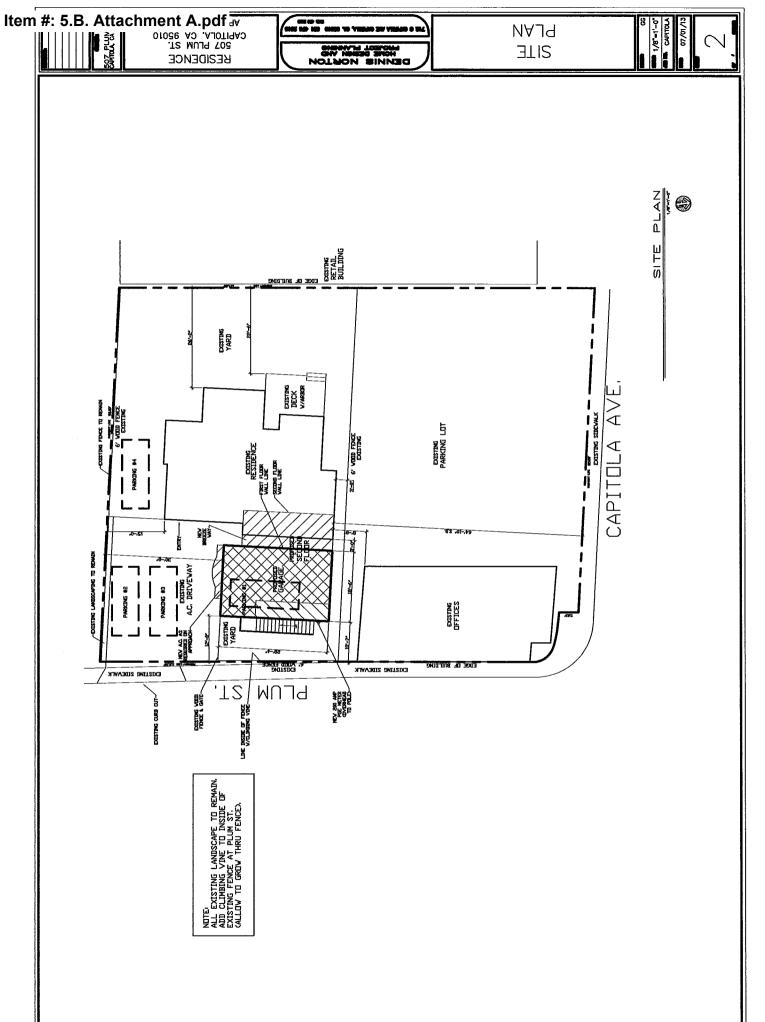
Report Prepared By: Katie Cattan Senior Planner

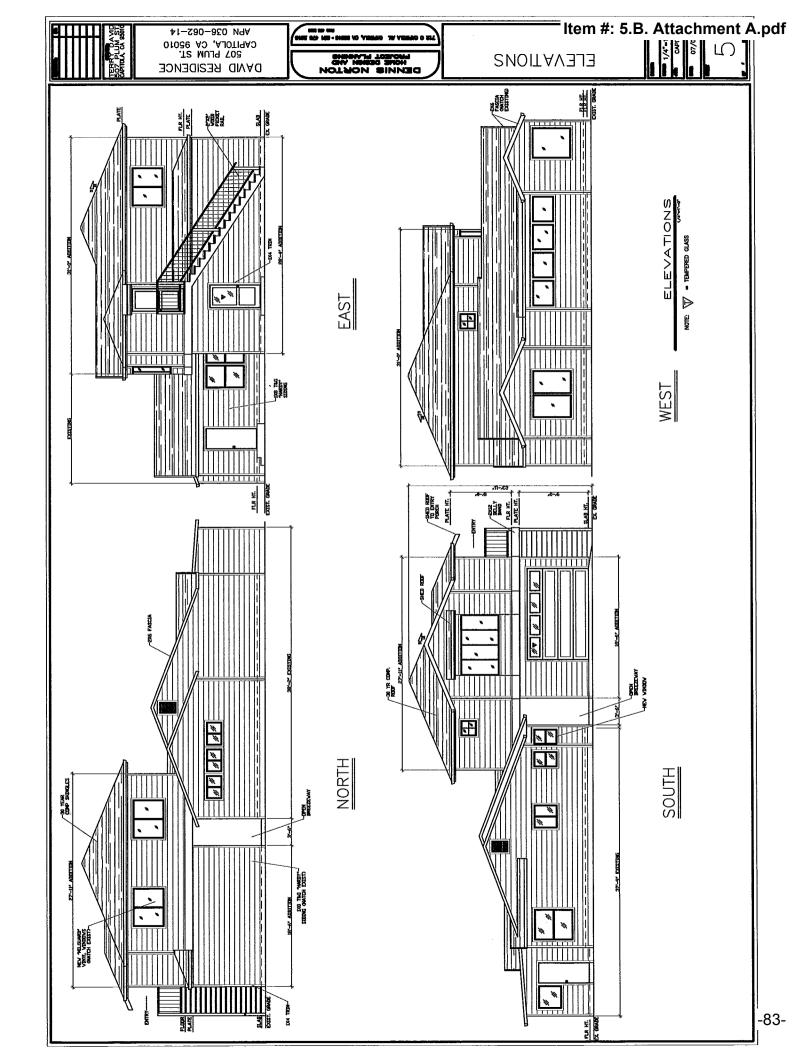
ATTACHMENTS

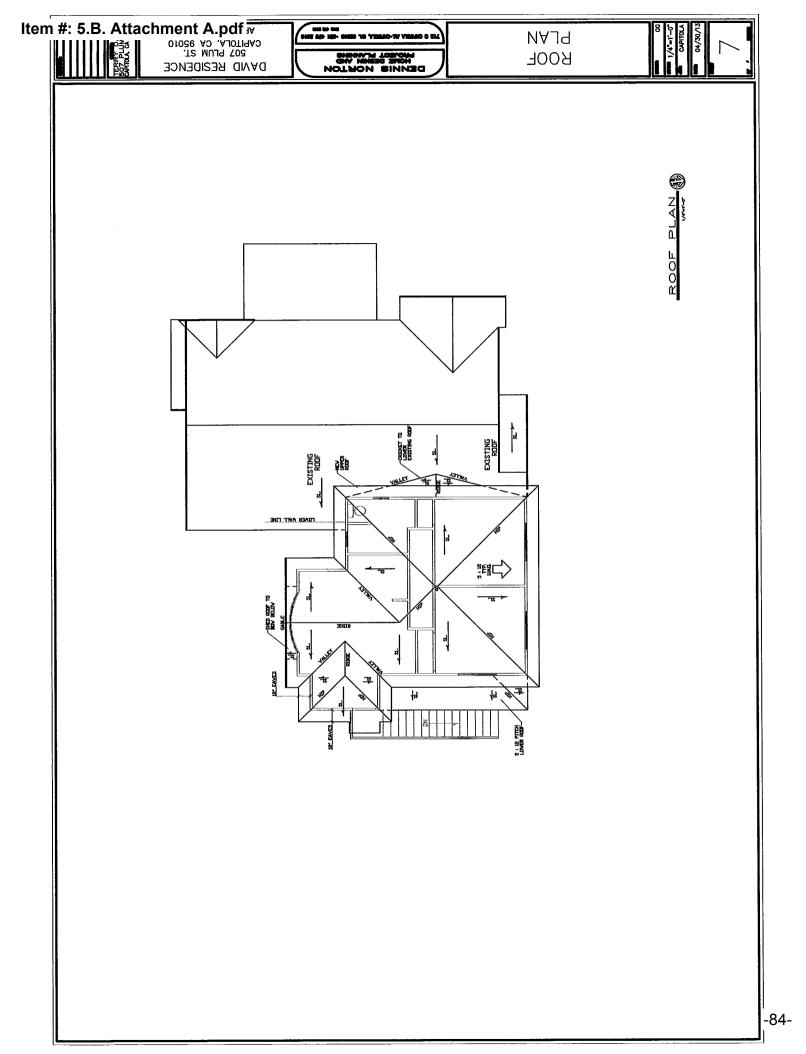
A. Project Plans

B. Construction Cost Breakdown









507 PLUM ST. CAPITOLA

80% CALCULATION.

- PROPOSED NEW CONST.

LIVING & GARBER = 1,213 #

1213x 150 = 50 FT. = \$181,950 =

+ 90 OF VALUE = 76 70



STAFF REPORT

TO: PLANNING COMMISSION

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

DATE: JULY 18, 2013

SUBJECT: **701 ESCALONA DRIVE** #13-080 APN: 036-142-18

Tree Permit review of the replacement tree plan for an unlawfully removed tree in

the R-1 (Single-Family Residence) Zoning District. Environmental Determination: Categorical Exemption

Property Owner: Stewart and Pam Greeninger, filed: 6/10/13

BACKGROUND

The applicant removed a Japanese Maple tree without the benefit of a Tree Permit. The tree was located along the southwest property line, toward the rear portion of the property. The tree was approximately 15" in diameter at 48" above existing grade with a canopy of approximately 14' wide and 15' tall. Subsequent to the illegal tree removal, and a site inspection of the tree stump by city staff, the applicant submitted a Tree Permit application and a landscape and replanting plan.

Additionally, the applicant has obtained a building permit to construct a small addition on the west side of the existing residence, approximately 11'-0" from the base of the removed tree.

DISCUSSION

Section 12.12.270 of the Municipal Code specifies a violation of the Community Tree and Forest Management Ordinance may be subject to monetary penalties, and/or replacement of the unlawfully removed tree. In order to allow replacement trees in lieu of fines, the Planning Commission must find that the trees would provide equivalent aesthetic quality in terms of size, height, location, appearance, age and other characteristics of the unlawfully removed tree.

If the Planning Commission determines the replacement trees will not provide equivalent aesthetic quality in terms of size, height, location, appearance, age and other characteristics of the unlawfully removed tree, then the value of the removed tree shall be calculated in accordance with the ordinance specifications. A cash payment of the value of the tree removed may be required.

The applicant has submitted a landscape plan to replace the removed tree with a24" box Red Crape Myrtle and a 24" box Mayten Tree, both of which would be located along the westerly property line. The applicant has since indicated that they would like to revise their landscape plan to exchange the Mayten tree with a second Red Crape Myrtle.

PLANNING COMMISSION AGENDA REPORT: July 18, 2013 701 Escalona Drive

Staff believes that a finding can be made that the proposed replacement trees would provide equivalent aesthetic quality in terms of size, height, location, appearance, age and other characteristics of the unlawfully removed tree because the trees will be 10-20 feet in height and 10-15 feet wide at maturity. Both types of trees are drought-tolerant, once established and will provide color and foliage to the site that blend with the existing established site landscape.

CEQA REVIEW

Section 15304(b) of the CEQA Guidelines exempts minor alterations in the condition of land and vegetation. The landscape project involves the installation of replacement trees in the R-1 (Single-Family Residence) Zoning District. No adverse environmental impacts were discovered during review of the proposed project

RECOMMENDATION

Staff recommends the Planning Commission **approve** the proposed Tree Permit with the following Conditions of Approval.

CONDITIONS

- 1. Prior to a final inspection of building permit BP2013-182, the applicant shall install two 24" box replacement trees per the approved landscape plan submitted with project application #13-080.
- 2. Planning Fees associated with permit #13-080 shall be paid in full prior to building permit final inspection.

ATTACHMENTS

- A. Photos
- B. Landscape Plan
- C. Capitola Municipal Code Section 12.12.270

Report Prepared By: Danielle Uharriet

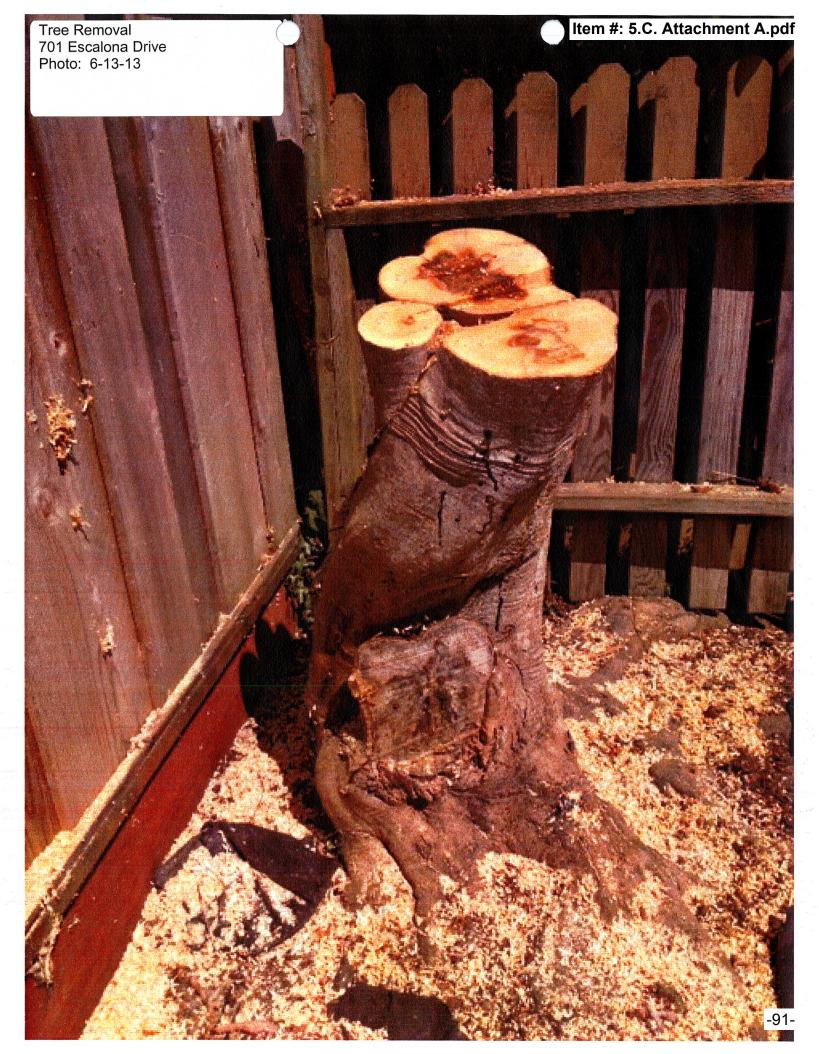
6/10/2013

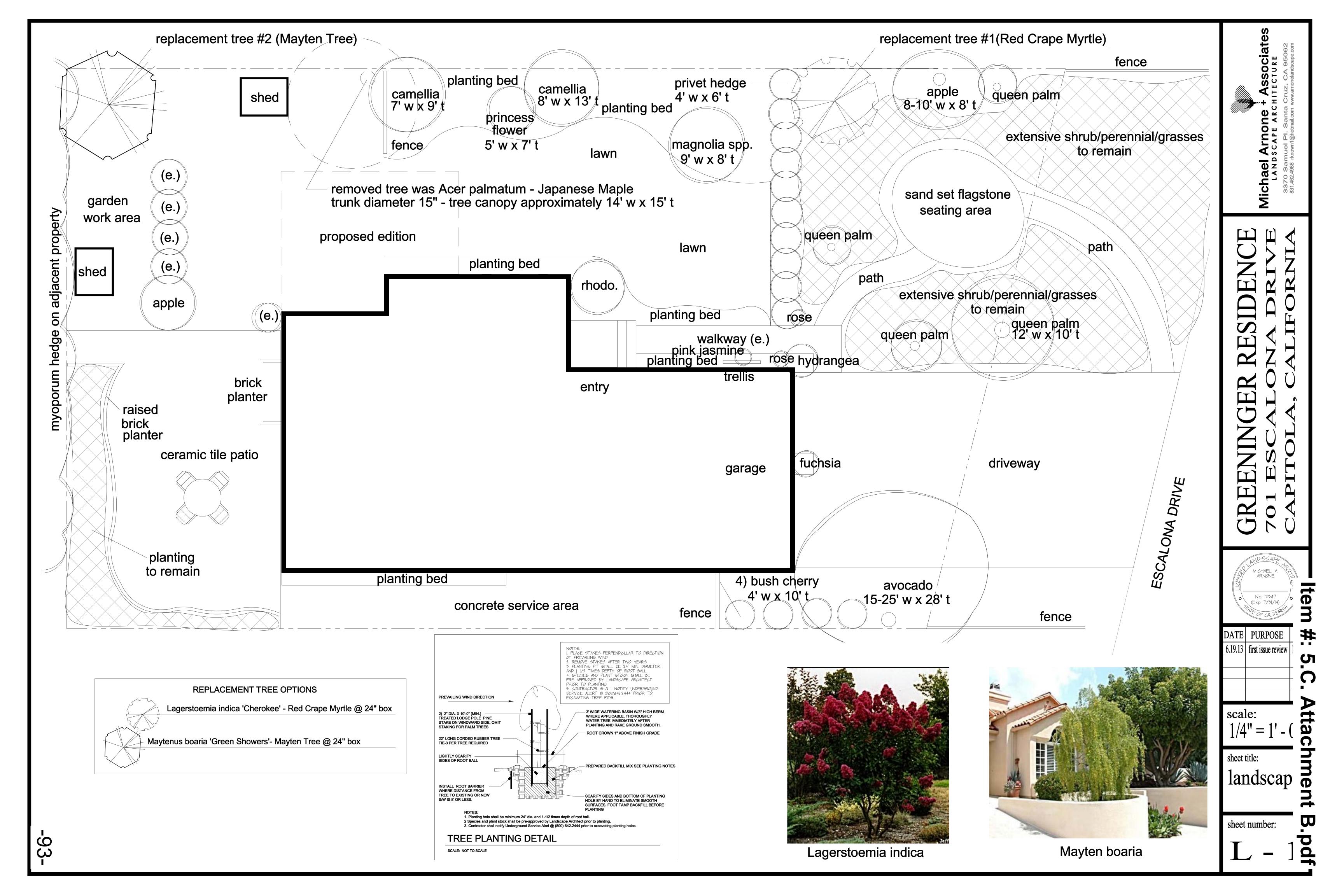


701 Escalona Drive, Capitola, CA - Google Maps









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Capitola Municipal Code

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<u>Title 12 STREETS, SIDEWALKS AND PUBLIC PLACES</u>

<u>Chapter 12.12 COMMUNITY TREE AND FOREST MANAGEMENT</u>

<u>Article V. Enforcement and Evaluation</u>

12.12.270 Penalty for violation.

- A. Criminal Penalty. Any person alone, or through an agent, employee or representative, who violates any provision of this chapter shall be guilty of a separate offense for each act constituting a violation of this chapter. Persons criminally liable for a violation of this chapter include, but are not limited to, a property owner, an arborist, a tree trimming business, or contractor who perform work or cause work to be performed in violation of this chapter. The city attorney shall have the discretion to prosecute any violation of this chapter as either a misdemeanor or an infraction punishable by a fine in the maximum amount authorized by the California Penal Code for misdemeanors and infractions.
- B. Civil Penalty. As an alternative to criminally prosecuting violations of this chapter, the city may seek civil penalties as herein below set forth.
 - 1. Non-Heritage Tree Violations.
- a. The violation of any provision contained in this chapter is declared to be unlawful and shall constitute a public nuisance, subject to the penalties as prescribed in this chapter. Such penalties may be assessed also against a certified arborist, property owner, or contractor who performed work in violation of this section. In addition thereto, any person unlawfully removing, destroying or damaging any protected tree shall be penalized as follows:
- i. Replacing the unlawfully removed tree with one or more new trees which, in the opinion of the community development director or planning commission, will provide equivalent aesthetic quality in terms of size, height, location, appearance, age and other characteristics of the unlawfully removed tree. Such trees shall be located on site where the tree was removed;
- ii. Where similar replacement trees will not provide reasonably equivalent aesthetic quality because of the size, height, location, appearance, age and other characteristics of the unlawfully removed or damaged tree at the discretion of the community development director or planning commission, the community development director shall calculate the value of the removed tree in accordance with the latest edition of the Guide for Establishing Values of Trees and Other Plants, as prepared by the Council of Tree and Landscape Appraisers. Upon the determination of such value, the community development director may require either a cash payment to the city, and/or the planting of replacement trees as designated by the community development director, or any combination thereof, in accordance with the following:
 - (A) Cash payment for any portion or all of the value of the removed tree in accordance with this section, and
- (B) The replacement of removed trees, the retail costs of such trees, as shown by documentary evidence satisfactory to the community development director, shall be offset against the value of the removed or damaged tree, but no credit shall be given for transportation, installation, maintenance and other costs incidental to the planting and care of the replacement trees;
- iii. Where a violation(s) of this section has previously occurred with the same property owner, agent, certified arborist or contractor, or advance knowledge of the requirements of this section have been provided to the property owner, agent certified arborist or contractor, the community development director or planning commission, at their discretion, shall require payment of a double penalty fee pursuant to subsection (B)(1);
 - iv. All applications and permit fees paid to the city shall be forfeited.
- b. In addition to the civil penalty herein above prescribed, the city shall also recover the cost of staff time, attorney fees and court proceedings incurred in connection with the violation.
- 2. For Heritage Trees. A penalty pursuant to subsection (B)(1) shall be charged. In addition to the penalty herein prescribed, the city shall also recover the cost of staff time, attorney fees and court proceedings incurred in connection with the violation.
- C. Restitution. As an alternative, or in addition to criminal or civil penalties the city may require restitution of any person unlawfully removing, destroying or damaging any trees as prohibited in this chapter as follows:
- 1. Replace the unlawfully removed tree with one or more trees that, in the opinion of the community development director, will provide equivalent aesthetic quality and other values in terms of size, height, location, appearance, age and other characteristics of the unlawfully removed tree. Such trees may be required to be located either on or off site where the tree was removed.

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Item #: 5.C. Attachment C.pdf es cannot be planted on site, in lieu fees shall be paid into the community tree fund to compensate for the planting and maintenance of the tree and the canopy coverage removed.

D. Disqualification. In the event a violation is committed by or under the direction of a certified arborist, a "permitted" tree trimmer or other contractor included in the city's list, he or she will be removed from the city's list for a minimum of one year. A person or company may petition to be relisted. The community development director may grant the petition if he or she concludes that the petitioner will follow this chapter's regulations in the future. (Ord. 954 § 4, 2011; Ord. 863 § 2, 2004)



STAFF REPORT

TO: PLANNING COMMISSION

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

DATE: JULY 18, 2013

SUBJECT: **750 47**TH **AVENUE** #12-144 **APN: 034-551-01**

Coastal Development Permit and Vesting Tentative Map to convert the Surf and

Sand Mobile Home Park from a rental park to an ownership park

Environmental Determination: Categorical Exemption

Property Owner/Applicant: Surf and Sand, LLC, Ronald Reed, and Mark Alpert

Application Filed: 11/6/2012

APPLICANT'S PROPOSAL

The applicant requests a Coastal Development Permit (CDP) and a Vesting Tentative Map (Attachment A) to subdivide the Surf and Sand Mobile Home Park (MHP) into 74 lots for mobile homes, and four common area lots. Lot sizes would range from approximately 1,518 sq. ft. to 2,954 sq. ft. The four common lots include the clubhouse lot with a site area of about 5,515 sq. ft. and internal roadways that serve the mobile home park.

BACKGROUND AND DISCUSSION

In 2009, the City Council considered a CDP and Relocation Impact Report (RIR) for the closure of the Surf and Sand MHP At the conclusion of those hearings, the City Council denied the CDP and found the RIR to be insufficient. In late 2009, the property owner submitted a new and substantially different application to subdivide the MHP similar to the current project. The Planning Commission considered the application in December 2009 and recommended denial of the project. The City Council held two public hearings to consider the application and adopted a resolution denying the project on May 13, 2010. Reasons for denial included near-unanimous resident opposition to the project; admission by the applicant that the real goal of the project was to terminate rent control, and the lack of meaningful information necessary to allow the residents the option to purchase individual lots as required by California Government Code 66427.5(a).

In November, 2012, the applicant submitted the subject application which has substantially addressed previous issues related to resident support and Mello Act compliance. In June, 2013, the City Council entered into a settlement agreement (Attachment I) with Surf and Sand, LLC which stipulates that the conditions related to the Mello Act, including affordable housing replacement, would not be imposed on the project. In exchange, the applicant has agreed to undertake the City's obligation to provide economic support for the existing homeowners who currently receive support from the City. The settlement agreement does not oblige the City to approve the proposed subdivision, and the agreement will only go into effect upon City Council approval of the project.

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The application to subdivide the MHP is governed by several sections of law, including: the Subdivision Map Act, the Coastal Act, the City's Local Coastal Plan, and the Mello Act, which specifies requirements for replacement housing in the Coastal Zone.

Subdivision Map Act: Government Code Sections 66498.1, et seq. and 66427.4, et seq.

Government Code Section 66498.1– 66498.9 of the Subdivision Map Act (Attachment B) allows an applicant the option of submitting a *vesting* tentative map which, if approved, confers a vested right to the applicant to proceed with the project in compliance with the local ordinances, official policies and standards at the time the project application was made.

Government Code Sections 66427.4 and 66427.5 of the Subdivision Map Act (Attachment C) specify requirements for the subdivision of mobile home parks. Section 66427.4 requires the applicant to file a report on the impact of the conversion upon the residents of the MHP to be converted. In determining the impact of the conversion on MHP residents, the report shall address the potential for residents to become displaced and to discuss the availability of adequate replacement space in MHPs. The applicant prepared an impact report (Attachment D) and it was mailed to each resident of the MHP prior to the Planning Commission meeting.

Section 66427.5 and judicial interpretation of the Subdivision Map Act in *Sequoia Park Associates v. County of Sonoma, 2009*, limits the City's discretion to require General Plan and Municipal Code compliance. Further, the City's discretionary review of the proposed mobile home park conversion cannot include compliance with minimum lot size, setbacks and/or any other local development standards.

The City's review of the proposed subdivision is limited in scope to compliance with Government Code Section 66427.5 and related State law. Section 66427.5 includes requirements regarding the rights of existing tenants to purchase their lots or to continue as tenants, and sets limits on rent increases. Specifically, this section stipulates that the subdivider of a MHP shall avoid the economic displacement of residents by:

- Offering each existing tenant the opportunity to purchase their lot or to continue as a tenant;
- Requiring the subdivider to file a report with the local jurisdiction on the impact of the proposed conversion on park residents;
- Obtaining a survey of support of the park residents with the results considered as part of the public hearing on subdivision application;
- Holding a hearing before the legislative body of the local agency;
- Limiting the rent increase of the non-purchasing low income residents to not exceed increases in the Consumer Price Index for the same period;
- Moderating the rent increases of the rents of the non-purchasing residents who are not low income to market rate rents by phasing the increase over a four-year period;

The applicant has met these requirements. An impact report was prepared and mailed to residents of the MHP. Among other items, the report explains all existing tenants will have the right to purchase lots or continue as tenants and specifies the limitations on rent increases after the conversion. Therefore, the report concludes there will not be any displacement of residents. In addition, the applicant has obtained a survey of support for the proposed conversion. The survey was conducted in accordance with an agreement between the park owner and the resident homeowners' association (Attachment E). The results were submitted to the City, and show that 89% of those responding to the survey support the conversion to owner-occupied mobile home park. The survey was delivered to 42 households that owned their own mobile home dwelling in September 2012. Of these 42 owner-occupied dwellings, 24 stated they support the conversion; 3 households were opposed; and 2 abstained but offered written

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comments (Attachment F). These results greatly differ from that of the previous survey conducted in 2009. Survey results are to be considered in public hearings on the project¹

Mello Act: Government Code Section 65590

The Mello Act, Government Code Section 65590 (Attachment G) was adopted in 1981 to preserve residential housing units occupied by low or moderate-income persons or families within the coastal zone. This statute amended the Housing Element Law pertaining to General Plans and constitutes an important facet of state housing policy within the coastal zone. The Mello Act imposes a mandatory duty on local governments to require replacement housing as a condition of granting a permit to convert housing units or mobile homes which are located within the coastal zone and occupied by low or moderate income persons. The Mello Act defines conversion to include the subdivision of a mobile home park. The applicable Mello Act section provides:

"The conversion or demolition of existing residential dwelling units occupied by persons and families of low or moderate income, ..., shall not be authorized unless provision has been made for the replacement of those dwelling units with units for persons and families of low or moderate income." ²

The Mello Act also includes a provision specifying when it does not apply. This provision states:

"The requirements of this subdivision for replacement dwelling units shall not apply to the following types of conversion... conversion or demolition of a residential structure located within the jurisdiction of a local government which has within the area encompassing the coastal zone, and three miles inland therefrom, less than 50 acres, in aggregate, of land which is vacant, privately owned and available for residential use".

Capitola does not have 50 acres or more of land available for new residential use; and therefore the City can determine the Mello Act does not apply to this project.

The Coastal Act and Coastal Development Permit

The Capitola Municipal Code, as well as the Coastal Act, define "development" as a "...change in the density or intensity of the use of land, including but not limited to, subdivisions, and any other division of land, including lot splits."

The Surf and Sand MHP is located within the coastal zone; therefore, the subdivision of the MHP requires a Coastal Development Permit. Staff review of the City's Local Coastal Plan (LCP) concludes that the project is consistent with all applicable LCP policies. The City's implementing ordinances of the LCP includes required findings necessary for the issuance of the Coastal Development Permit. Those findings include:

"17.46.090 D.14 -. Project complies with coastal housing policies, and applicable ordinances including condominium conversion and mobile home ordinances;" 5

¹ Government Code §. 66427.5 does not require minimum thresholds for resident support to approve a proposed mobile home park subdivision/conversion. On October 11, the Governor vetoed AB 566, which would have clarified this code section to allow cities and counties to consider the level of support among residents when deciding whether to approve of disapprove conversions of mobile home parks to resident ownership.

² Govt. Code § 65590(b)

³ Govt. Code § 65590(b) and (b) 3;

⁴ Capitola Municipal Code § 17.46.030 I 4 and 6; California Public Resources. Code § 30106

⁵ Capitola Municipal Code

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The project complies with coastal housing policy as described in the discussion of the Mello Act above. Further, the applicable sections of the Subdivision Map Act preclude applying local ordinances to mobile home park conversions.

Inclusionary Housing Requirement

The City's adopted inclusionary ordinance requires 15% of the units in a project to be affordable to low and moderate-income buyers. The City's inclusionary ordinance applies to the conversion/subdivision of mobile home parks. However, recent Ninth Circuit Court of Appeal decisions suggest that the City's inclusionary ordinance may not be applied to this project. As a result, staff recommends that the City's inclusionary ordinance not be applied to this project.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) REVIEW

CEQA exempts certain categories of projects from environmental review because the legislature has determined these classes of projects will not have a significant effect on the environment. CEQA Guidelines Section 15301 specifies such an exemption for "existing facilities". This "Class 1" exemption consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The proposed project will not involve any physical changes to the environment and fits this class of project. A Categorical Exemption has been prepared for this project.

RECOMMENDATION

Staff recommends the Planning Commission recommend that the City Council **approve** project application #12-144 based on the following Conditions and Findings for approval.

CONDITIONS

- 1. The project is a subdivision of APN 34-551-01 into 74 privately owned lots for mobile home dwelling use and 4 common-owned lots as shown on the Vesting Tentative Map prepared by DeWitt and Associates consisting of 5 sheets, dated October 24, 2012. This approval converts 74 individual mobile home rental spaces to 74 ownership lots. Internal streets serving the mobile home lots will be the same internal streets that served the mobile home spaces on one single lot. This approval will place internal streets in common-owned lots shown as Lots A, B and D on the tentative map. A common-owned lot, shown as Lot C on the tentative map, will provide a clubhouse/meeting room/laundry building and its associated parking area. No new construction of streets, utilities or similar improvements is proposed or authorized as a result of this approval.
- 2. The applicant shall submit a Final Map to the Director of Public Works for review and approval. The Final Map shall be in substantial conformance with the approved Vesting Tentative Map. The Final Map shall show the following:
 - a. The locations of all property lines and internal roadways;
 - b. The locations of all utilities and utility easements;
 - c. Identification of all common-owned lots that differentiates them from privately owned lots:
 - d. All utility easements shall be shown in a manner which meets the requirements of the utility companies and the Director of Public Works;
 - e. A notation that no new construction will occur associated with the approval of the Final Map.

- 3. Submittal of the Final Map to the Public Works Department shall include reproducible mylars and electronic files of the plans and profiles of said improvements. These documents shall become the property of the City of Capitola at the time of approval.
- 4. Prior to recordation of the Final Map, the applicant shall submit CC&Rs to the Community Development Department and the City Attorney for review and approval. The CC&Rs shall include the legal establishment of a Homeowners Association (HOA) with the following rights and responsibilities:
 - a. Authority to administer and enforce the CC&Rs;
 - b. Equal voting rights where each mobile home dwelling lot shall have one vote in voting matters of the HOA;
 - c. Management, repair and security for internal streets and all improvements on the four common-owned lots; and
 - d. Collection of dues on an equal basis from each owner of the 74 privately owned lots to fund the management, repair and security for the common-owned lots.
- 5. Prior to recordation of the Final Map, the applicant shall submit a rental/purchase option agreement to Community Development Department and the City Attorney for review and approval that offers each existing tenant the opportunity to purchase their lot or to continue as a tenant. This agreement shall include the following limits on future rents:
 - a. Limiting the rent increase of the non-purchasing low income residents to not exceed increases in the Consumer Price Index for the same period;
 - b. Phasing any rent increases for non-purchasing residents who are <u>not</u> low income to market rate rents by phasing the increase in equal increments over a four-year period.
- 6. Preparation of the final improvement plans and construction of the homes shall proceed in compliance with all applicable state and federal laws. The subdivider shall comply with all of the provisions of the approved Vesting Tentative Map and all pertinent provisions of State Law and the Capitola Local Coastal Plan.
- 7. Planning Fees associated with permit #12-144 shall be paid in full prior to recordation of the Final Map.

FINDINGS

Coastal Development Permit

- 1. The California Coastal Act, at Public Resources Code Section 30106, defines the term "development" to include "change in the density or intensity of use of land, including but not limited to, subdivisions, and any other division of land.". Similarly, the City of Capitola's Local Coastal Program, at Capitola Municipal Code Section 17.46.030.I.4, defines "development" to include "subdivisions, and any other division of land...".
- 2. The California Coastal Act, at Public Resources Code Section 30600, provides that any person wishing to perform or undertake any development in the coastal zone shall obtain a Coastal Development Permit. Public Resources Code Section 30600 further provides that after certification of a Local Coastal Program by the California Coastal Commission, the local government for the jurisdiction covered by the certified Local Coastal Program shall be responsible for the issuance or denial of Coastal Development Permits within that jurisdiction. The City of Capitola has a certified Local Coastal Program and,

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accordingly, is legally responsible for processing and considering applications for Coastal Development Permits relative to coastal zone development in the City of Capitola.

- 3. The project, which is the objective of the subject Coastal Development Permit application, entails the subdivision of the Surf and Sand Mobile Home Park into seventy-four lots for mobile home dwellings, and four common area lots. The Surf and Sand Mobile Home Park property is located in the coastal zone of the City of Capitola. Accordingly, the project constitutes "development" for purposes of the California Coastal Act and the City's certified Local Coastal Program and, in turn, requires a Coastal Development Permit from the City of Capitola.
- 4. Pursuant to the City of Capitola's Local Coastal Program, certified by the California Coastal Commission in December, 1981, the City must find, in accordance with Capitola Municipal Code Section 17.46.090.D "A coastal permit shall be granted only upon adoption of specific written factual findings supporting the conclusion that the proposed development conforms to the certified Local Coastal Program ..." before it can issue a Coastal Development Permit.
- 5. Findings can be made that the project conforms to all applicable polices of the City's Local Coastal Program and associated implementing ordinances, including all applicable provisions of Capitola Municipal Code Section 17.46.090. The project and the property where the project is located have the characteristics which allow an exemption from the requirements of Section 17.46.090 in that:
 - a. The project will have no effect on existing open space or recreational facilities in or near the City as no new construction nor an increase in the existing residential density will occur from the project;
 - b. The project will not obstruct or otherwise affect existing vertical or horizontal coastal or recreational accesses as the project property is not located at the shoreline or on a coastal bluff or at an area that provides potential access to the beach or other outdoor recreational resource areas;
 - c. A description and analysis of anticipated changes to shoreline processes, including erosion or accretion, character and sources of sand, wave and sand movement, is not applicable to the project site as it is located 200 feet from the seaward edge of the nearest coastal bluff and it not located between the first through road and the ocean;
 - d. There is no evidence that any portion of the site has been used by the public during the last 5 years for active or passive recreation or coastal access;
 - e. The City's LCP does not identify the project site as containing important coastal resources or for future coastal access dedication; and
 - f. The project is not one where a management plan should be created to guide development. No new development will occur as a result of converting an existing tenant-occupied mobile home park to a subdivided owner-occupied mobile home park.
- 6. The conversion of Surf and Sand Mobile Home Park to a subdivided owner-occupied park will occur on land designated by the City's Local Coastal Program as "Mobile Home Exclusive" land use and said conversion is a use permitted in the land use designation.
- 7. The Mello Act, codified at California Government Code Section 66590, constitutes coastal housing policy for the State of California, relative to the preservation of low-income and moderate-income housing in the California coastal zone. The Mello Act, at

subsection (b), specifies that its provisions and requirements do not apply if a project is located within a local jurisdiction which has less than 50 acres, in aggregate, of land which is vacant, privately owned and available for residential use and the City of Capitola has, within its boundaries, less than 50 acres, in aggregate, of land which is vacant, privately owned and available for residential use.

8. In light of the foregoing, the Planning Commission hereby finds and determines that the Mello Act does not apply to Coastal Development Permit 12-144.

Tentative Map

- The Applicant prepared a report on the impact of converting the mobile home park to a subdivided owner-occupied park and this report was made available to the residents of the Surf and Sand Mobile Home Park at least 15 days prior to the Planning Commission hearing on this application.
- 2. The Applicant has met the requirements of Government Code 66427.5(a) by agreeing to offer each existing tenant the option to either purchase their subdivided lot created by the conversion to a resident ownership mobile home park or to continue their residency as a tenant.
- 3. The Applicant conducted a survey of resident support for the subdivision in accordance with an agreement between the Applicant and the Surf and Sand Homeowners Association, the results of which were submitted to the City, and show that of the 42 mobile home residents who own their homes, 25 households support the application; 3 households oppose the application and 2 households abstained.
- 4. The conversion of the Surf and Sand Mobile Home Park to a subdivided owner-occupied park meets the requirements of Municipal Code Section 16.70.070 pertaining to required findings for mobile home park conversions in that:
 - a. A survey of residents was conducted with 89% of respondents indicating support of the conversion and the results of the Applicant-conducted survey were submitted to the City and upon review, the City agrees with the survey results showing resident support for the proposed subdivision.;
 - b. A tenant impact report has been completed and filed with the City in accordance with all requirements of California Government Code Section 66427.5; and
 - c. The project is a bona fide conversion as evidenced by the vote of support for the proposed conversion by residents of Surf and Sand Mobile Home Park.
- 5. The proposed mobile home park subdivision has been reviewed for compliance with applicable State law and standards and the requirements of the Subdivision Map Act, codified at California Government Code Sections 66425–66431 have been met.
- 6. The California Coastal Act, at Public Resources Code Section 30106, defines the term "development" to include "change in the density or intensity of use of land, including but not limited to, subdivisions, and any other division of land.". Similarly, the City of Capitola's Local Coastal Program, at Capitola Municipal Code Section 17.46.030.I.4 defines "development" to include "subdivisions, and any other division of land...".
- 7. The California Coastal Act, at Public Resources Code Section 30600, provides that any person wishing to perform or undertake any development in the coastal zone shall obtain a coastal development permit. Public Resources Code Section 30600 further provides that after certification of a local coastal program by the California Coastal Commission, the local government for the jurisdiction covered by the certified local coastal program shall be responsible for the issuance or denial of coastal development permits within that

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jurisdiction. The City of Capitola has a certified local coastal program and, accordingly, is legally responsible for processing and considering applications for coastal development permits relative to coastal zone development in the City of Capitola.

- 8. The project entails the subdivision of the Surf and Sand Mobile Home Park into 74 lots for mobile home dwellings, and four common area lots. The Surf and Sand Mobile Home Park property is located in the coastal zone of the City of Capitola. Accordingly, the project constitutes "development" for purposes of the California Coastal Act and the City's certified Local Coastal Program and, in turn, requires a coastal development permit from the City of Capitola.
- 9. The Planning Commission has also made the required findings for a Coastal Development Permit for this project.

ATTACHMENTS

- A. Tentative Map (Full size plans distributed to the Planning Commissioners only. Plans are available for review at the Community Development Department).
- B. Excerpt for Government Code Section 66498.1 66498.9
- C. Excerpt of Government Code Section 66427.4 and 66427.5
- D. Tenant Impact Report
- E. Agreement between park owner and residents' homeowner association
- F. Survey of resident support tally sheet
- G. Excerpt from Government Code Section 65590 (Mello Act)
- H. Settlement Agreement between Surf and Sand, LLC and the City of Capitola

Report Prepared By: Kim Tschantz Contract Planner

EXCEPT FROM CALIFORNIA GOVERNMENT CODE 66498.1-66498.9

- 66498.1. (a) Whenever a provision of this division requires that a tentative map be filed, a vesting tentative map may instead be filed.
- (b) When a local agency approves or conditionally approves a vesting tentative map, that approval shall confer a vested right to proceed with development in substantial compliance with the ordinances, policies, and standards described in Section 66474.2. However, if Section 66474.2 is repealed, that approval shall confer a vested right to proceed with development in substantial compliance with the ordinances, policies, and standards in effect at the time the vesting tentative map is approved or conditionally approved.
- (c) Notwithstanding subdivision (b), the local agency may condition or deny a permit, approval, extension, or entitlement if it determines any of the following:
- (1) A failure to do so would place the residents of the subdivision or the immediate community, or both, in a condition dangerous to their health or safety, or both.
- (2) The condition or denial is required in order to comply with state or federal law.
- (d) The rights conferred by this section shall expire if a final map is not approved prior to the expiration of the vesting tentative map. If the final map is approved, the rights conferred by this section shall be subject to the periods of time set forth in subdivisions (b), (c), and (d) of Section 66498.5.
- (e) Consistent with subdivision (b), an approved or conditionally approved vesting tentative map shall not limit a local agency from imposing reasonable conditions on subsequent required approvals or permits necessary for the development and authorized by the ordinances, policies, and standards described in subdivision (b).
- 66498.2. If the ordinances, policies, or standards described in subdivision (b) of Section 66498.1 are changed subsequent to the approval or conditional approval of a vesting tentative map, the subdivider, or his or her assignee, at any time prior to the expiration of the vesting tentative map pursuant to subdivisions (b), (c), and (d) of Section 66498.5, may apply for an amendment to the vesting tentative map to secure a vested right to proceed with the changed ordinances, policies, or standards. An application shall clearly specify the changed ordinances, policies, or standards for which the amendment is sought.
- 66498.4. Notwithstanding any provision of this chapter, a property owner or his or her designee may seek approvals or permits for development which depart from the ordinances, policies, and standards described in subdivision (b) of Section 66498.1 and subdivision (a) of Section 66498.3, and local agencies may grant these approvals or issue these permits to the extent that the departures are authorized under applicable law.
- 66498.6. (a) This chapter does not enlarge, diminish, or alter the types of conditions which may be imposed by a local agency on a development, nor in any way diminish or alter the power of local

agencies to protect against a condition dangerous to the public health or safety.

- (b) The rights conferred by this chapter shall relate only to the imposition by local agencies of conditions or requirements created and imposed by local ordinances. Nothing in this chapter removes, diminishes, or affects the obligation of any subdivider to comply with the conditions and requirements of any state or federal laws, regulations, or policies and does not grant local agencies the option to disregard any state or federal laws, regulations, or policies.
- 66498.9. By the enactment of this article, the Legislature intends to accomplish all of the following objectives:
- (a) To establish a procedure for the approval of tentative maps that will provide certain statutorily vested rights to a subdivider.
- (b) To ensure that local requirements governing the development of a proposed subdivision are established in accordance with Section 66498.1 when a local agency approves or conditionally approves a vesting tentative map. The private sector should be able to rely upon an approved vesting tentative map prior to expending resources and incurring liabilities without the risk of having the project frustrated by subsequent action by the approving local agency, provided the time periods established by this article have not elapsed.
- (c) To ensure that local agencies have maximum discretion, consistent with Section 66498.1, in the imposition of conditions on any approvals occurring subsequent to the approval or conditional approval of the vesting tentative map, so long as that discretion is not exercised in a manner which precludes a subdivider from proceeding with the proposed subdivision.

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EXCERPT FROM CALIFORNIA GOVERNMENT CODE SECTIONS 66427.4 and 66427.5

- **66427.4.** (a) At the time of filing a tentative or parcel map for a subdivision to be created from the conversion of a mobilehome park to another use, the subdivider shall also file a report on the impact of the conversion upon the displaced residents of the mobilehome park to be converted. In determining the impact of the conversion on displaced mobilehome park residents, the report shall address the availability of adequate replacement space in mobilehome parks.
- (a) The subdivider shall make a copy of the report available to each resident of the mobilehome park at least 15 days prior to the hearing on the map by the advisory agency or, if there is no advisory agency, by the legislative body.
- (c) The legislative body, or an advisory agency which is authorized by local ordinance to approve, conditionally approve, or disapprove the map, may require the subdivider to take steps to mitigate any adverse impact of the conversion on the ability of displaced mobilehome park residents to find adequate space in a mobilehome park.
- (d) This section establishes a minimum standard for local regulation of conversions of mobilehome parks into other uses and shall not prevent a local agency from enacting more stringent measures.
- **66427.5.** At the time of filing a tentative or parcel map for a subdivision to be created from the conversion of a rental mobilehome park to resident ownership, the subdivider shall avoid the economic displacement of all nonpurchasing residents in the following manner:
- (a) The subdivider shall offer each existing tenant an option to either purchase his or her condominium or subdivided unit, which is to be created by the conversion of the park to resident ownership, or to continue residency as a tenant.
- (b) The subdivider shall file a report on the impact of the conversion upon residents of the mobilehome park to be converted to resident owned subdivided interest.
- (c) The subdivider shall make a copy of the report available to each resident of the mobilehome park at least 15 days prior to the hearing on the map by the advisory agency or, if there is no advisory agency, by the legislative body.
- (d) (1) The subdivider shall obtain a survey of support of residents of the mobilehome park for the proposed conversion.
- (2) The survey of support shall be conducted in accordance with an agreement between the subdivider and a resident homeowners' association, if any, that is independent of the subdivider or mobilehome park owner.
 - (3) The survey shall be obtained pursuant to a written ballot.
 - (4) The survey shall be conducted so that each occupied mobilehome space has one vote.
- (5) The results of the survey shall be submitted to the local agency upon the filing of the tentative or parcel map, to be considered as part of the subdivision map hearing prescribed by subdivision (e).

- (e) The subdivider shall be subject to a hearing by a legislative body or advisory agency, which is authorized by local ordinance to approve, conditionally approve, or disapprove the map. The scope of the hearing shall be limited to the issue of compliance with this section.
- (f) The subdivider shall be required to avoid the economic displacement of all nonpurchasing residents in accordance with the following:
- (1) As to nonpurchasing residents who are not lower income households, as defined in Section 50079.5 of the Health and Safety Code, the monthly rent, including any applicable fees or charges for use of any preconversion amenities, may increase from the preconversion rent to market levels, as defined in an appraisal conducted in accordance with nationally recognized professional appraisal standards, in equal annual increases over a four-year period.
- (2) As to nonpurchasing residents who are lower income households, as defined in Section 50079.5 of the Health and Safety Code, the monthly rent, including any applicable fees or charges for use of any preconversion amenities, may increase from the preconversion rent by an amount equal to the average monthly increase in rent in the four years immediately preceding the conversion, except that in no event shall the monthly rent be increased by an amount greater than the average monthly percentage increase in the Consumer Price Index for the most recently reported period.



Mark D. Alpert malpert@hkclaw.com

May 30, 2013

Our File Number: 38019.037/4851-7226-7284v.1

VIA EMAIL AND MAIL

Richard Grunow
Community Development Director
City of Capitola
420 Capitola Avenue
Capitola, CA 95010

Re: Subdivision and Coastal Permit Application for Surf and Sand Mobilehome Park

Dear Mr. Grunow.

Enclosed please find a revised relocation impact report for the proposed tentative tract map and Coastal Development Permit for Surf and Sand Mobile Home Park. Please be advised that it is the Applicant's position that, under the Permit Streamlining Act, the City does not have authority to demand additional material in order to deem Surf and Sand's application complete, other than information requested regarding compliance with the Mello Act, as that was the only incompleteness item identified in the City's prior determination of incompleteness. I have addressed several other issues belatedly raised by the City's contract planner in correspondence directed to him.

This additional information is provided "under protest" for the purposes of facilitating a hearing on the Applications and should in no way be interpreted as Surf and Sand waiving its right to assert that the City's demands violated the Permit Streamlining Act.

With this submission, I hope the City will promptly deem the Applications complete and set them for hearing, keeping in mind that the Applicant is required to provide homeowners 15 days' notice of the Planning Commission and City Council hearings on the Applications.

Thank you for your attention to this matter.

Respectfully Submitted.

HART) KING & COLDREN

Mark D. Alpert

MDA/sm

cc: Surf and Sand, LLC

Kim Tschantz (via email)



REVISED REPORT ON IMPACT OF CONVERSION UPON RESIDENTS

Surf and Sand Mobilehome Park

May 30, 2013

SECTION I. SCOPE OF REPORT

This "Report on Impact of Conversion upon Residents" ("Report") is submitted by the "Applicant" for a Tentative Tract Map subdividing the Surf and Sand Mobilehome Park ("Park"). The subdivision will be created by the conversion of the Park from rental spaces to resident owned lots. The Park is located at 750 47th Avenue, City of Capitola ("City"), California. The Report is being filed with the City as part of the Tentative Tract Map Application and will be made available to the Park residents prior to the City's hearing on the Application pursuant to California Government Code Section 66427.5, a copy of which is attached hereto as Exhibit "A." The Report contains the Applicant's assessment of the impact upon the Park residents of conversion to resident ownership.

The Park currently has 73 spaces. The park is no longer subject to rent control as the City of Capitola rescinded its rent control ordinance. The park spaces are rented under long term leases and some monthly rental agreements. In addition, a number of spaces are occupied by park owned rental homes. At the time the resident survey described herein was conducted, there were 42 rental spaces in the Park.

SECTION II DEFINITIONS

- 2.1 <u>Conversion Date</u>: The "Conversion Date" is the date after the subdivision final map has been approved by the City and after the Department of Real Estate has approved the subdivision for sale and is the date on which the first Lot in the Park is sold.
- 2.2 <u>Hearing Date</u>: The "Hearing Date" is the date on which the subdivision Application is first heard by the City Planning Commission or City Council.
- 2.3 <u>Home</u>: The "Home" is the manufactured home that occupies the Space where the Resident is living as of the Hearing Date.
- **2.4** Lot: A "Lot" is the land and fixed improvements within the Space on which the Resident's Home is located as of the Hearing Date, plus a 1/73rd share of the common area and facilities and one membership in the Homeowners' Association to be formed as part of the subdivision process.
- 2.5 <u>Resident</u>: A "Resident" is a Homeowner living in a Home in the Park who meets the requirements for receiving protections afforded by applicable law.

38019.037/4823-7066-7284v.1



Report on Impact of Subdivision to Residents May 30, 2013 Page 2

2.6 <u>Space</u>: The "Space" is the leased premises on which the Resident's Home is located as of the Hearing Date.

SECTION III NO ECONOMIC DISPLACEMENT OF RESIDENTS FROM CONVERSION BECAUSE OF STATUTORY RIGHT TO PURCHASE OR CONTINUE LEASING

Upon conversion, all Residents will have the opportunity to either purchase the Lot on which their Home is situated or to continue leasing their Space with statutory protections on rental rates after the Conversion Date. (Govt. Code § 66427.5(a),(f)) Therefore, upon conversion of the Park to resident ownership, the Residents are statutorily protected against economic displacement. As there is no rent control in the City of Capitola, the conversion will actually result in the implementation of rent protection under the provision of Govt. Code § 66427.5(f).

3.1 No Economic Displacement from Sale of the Lots

The Residents are protected from economic displacement pertaining to sale of the Lots upon conversion by having both the purchase option of their Lots at the eventual sales price and the option to continue leasing their Space. Gov't Code § 66427.5 (a) requires the subdivider to "offer each Resident an option to either purchase his or her ... subdivided unit, which is to be created by the conversion of the park to resident ownership, or to continue residency as a tenant." Thus, if any Resident cannot purchase his or her Lot upon conversion, the Resident is not required to move and may continue to lease his or her Space following the Conversion Date. As previously noted, the initiation of conversion would actually enhance economic protection for residents who continue to wish to rent.

This Report cannot make determinations about "potential" impacts to the Residents resulting from the eventual sale price of the Lots under the purchase option. That is because the sale price of the Lots will not be established until some time after the tentative tract map and subdivision approval. The Residents cannot make a rational decision to buy, continue to rent, or move his or her mobilehome until the tenant is given an option purchase price and a proposed rental price. (See *El Dorado Palm Springs Ltd. v. City of Palm Springs* (2002) 96 Cal.App.4th 1153, 1179-1180)

After tentative map approval, the subdivider must next follow procedures and obtain approval of the subdivision from the Department of Real Estate under the Subdivided Lands Act. Only after approval by the Department of Real Estate will all of the factors that affect the Lot purchase price be established. The Resident will learn the option price for his or her Lot only after the Department of Real Estate approves the subdivision and issues its public report on the subdivision, when the subdivider offers the lots for sale.

Item #: 5.D. Attachment D.pdf



Report on Impact of Subdivision to Residents May 30, 2013 Page 3

The subdivider is not required to disclose an offer price at the time of filing of the Application and of this Report, and indeed is forbidden by the Subdivided Lands Act from making such a disclosure at that time. The first time that the Resident may become aware of even a tentative offer price for the Lot will be several weeks or months later, just prior to filing a notice of intention to sell with the Department of Real Estate under the Subdivided Lands Act. (See Bus. & Prof. Code § 11010.9 (c); See El Dorado Palm Springs Ltd. v. City of Palm Springs (2002) 96 Cal.App.4th 1153, 1179-1180)

Nevertheless, because the Resident has the option to either purchase his or her Lot or to continue leasing his or her Space under whatever lease arrangement may be existing on the Conversion Date with the statutory rental rate protections discussed below, the Residents will be protected against economic displacement from sale of the Lots upon conversion.

3.2 No Economic Displacement from Continued Lease of the Spaces

The Residents who do not exercise the option to purchase their Lots and instead exercise the option to continue renting their Spaces are protected from economic displacement by statutory restrictions on rental rates after the "Conversion Date." Government Code § 66427.5 (f) limits the amount of rent increases for Residents that can take place upon conversion, thereby avoiding economic displacement, if any, from any rental increases after the Conversion Date.

For non-purchasing Residents who are not lower income households, the monthly rent, including any applicable fees or charges for use of any pre-conversion amenities, may only increase to market levels as determined by appraisal, and then only over a period of four years.

For non-purchasing Residents who are lower income households (as defined in California Health and Safety Code § 50079.5), the monthly rent, including any applicable fees or charges for use of any pre-conversion amenities, may only increase by an amount equal to the average monthly increase in rent in the four years immediately preceding the conversion, except that in no event shall the monthly rent be increased by an amount greater than the average monthly percentage increase in the Consumer Price Index for the most recently reported period.

"Low Income Households" are defined in California Health & Safety Code Section 50079.5 as "those persons and families whose income does not exceed the qualifying limits for low income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937."

Thus, under the current statutory scheme, the Legislature has defined the exclusive and preempted scope of "mitigations" respecting any "economic displacement," assuming, without admitting, that increases in rent can be considered an economic displacement.



Report on Impact of Subdivision to Residents May 30, 2013 Page 4

3.3 Benefits of Conversion

Subdivision of the Park provides Residents with a choice to own or rent the Lot on which their Home is located. Lot ownership gives the Residents greater flexibility with regard to financing for their Homes and other credit opportunities. Lot ownership allows the Residents to control their economic future. Residents do not have to be tied to monthly rental payments if they choose. Lot ownership also gives the Residents the freedom to use their Lot without all of the restrictions or costs that a landlord might impose. The Residents will have the opportunity to control the Park amenities that they will enjoy and pay for through the Homeowner's Association.

SECTION IV NO CLOSURE OR CHANGE IN ZONING

4.1 No Change in Zoning or Closure

The Park is currently zoned consistent with a mobile home park use. The Application does not request a zoning change. The Application does not request closure of the Park. The Application seeks merely to convert the existing Spaces to Lots available for purchase. Therefore, the conversion to Resident ownership will not result in economic displacement that might occur with a zoning change or closure of the Park.

4.2 Technical "Conversion" or "Change in Use" Only

The term "conversion" relating to a mobilehome park sometimes is used to describe the closure of the park to enable an alternative use. This is <u>NOT</u> what is occurring as a result of subdivision of the Park. The Park will remain a manufactured housing community, with the existing Residents having the right to either buy their Lot or to remain and rent their Space.

4.3 Relocation Assistance Not Applicable

When a subdivision is created from conversion of a rental mobilehome park to resident ownership, a different type of impact report is required than when a subdivision created from a change of use to a non-mobilehome park use or when the mobilehome park is closed.

Government Code Section 66427.5 governs the type of report that must be prepared for a subdivision which is created from conversion of a rental mobilehome park to resident ownership. This Government Code Section 66427.5 Report, which does not deal with a change in use of the property or closure of the Park, is simply required to explain the options of the Residents regarding their choice to purchase their Lot or to rent their Space.

This Report need not discuss displacement of Residents, replacement housing or mitigation of the reasonable costs of relocation, which issues would be involved in any

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Report on Impact of Subdivision to Residents May 30, 2013 Page 5

subdivision resulting from a change of use of a mobilehome park or from closure of a mobilehome park. In fact Government Code Sections 66427.4 and 65863.7, which apply to subdivisions created from change of use to a non-mobilehome park use or to closure of a mobilehome park, expressly exempt from their requirements subdivisions that are created from conversion of a rental mobilehome park to resident ownership. (See Govt. Code §§ 66427.4 (e), 65863.7 (a))

SECTION V RESIDENT SURVEY (DEMOGRAPHICS)

Pursuant to Government Code Section 66427.5(d)(1), the a survey of support of the residents was conducted with the agreement of the Homeowner's Association. A copy of the agreement is attached as Exhibit B. As part of the agreement, the park owner and the HOA agreed upon the form of the survey, which is appended to Exhibit B. The park owner and HOA agreed upon the timing and manner in which the survey was conducted. By agreement, the survey included only homeowners. By agreement the survey results were sent directly to the City Clerk who was to tally the results.

The Survey was delivered to all 42 Park homeowners who owned homes in the park as of the date the survey was sent on September 28, 2012 to their address. Each occupied Space was allowed one (1) vote.

The City Clerk reported the following results of the survey counting every response received as of October 18, 2012:

A total of 30 of 42 spaces responded.

- · 25 stated they support of the subdivision.
- · 3 stated they opposed the subdivision
- 2 did not support or oppose, but offered written comments.

The vast majority of residents who responded supported the subdivision. Approximately 83 percent of those responding indicated support for the Application. Only ten percent of those who responded opposed the subdivision. In addition, even considering those who did not respond, approximately 60 percent of the 42 spaces indicated their support, while approximately 7 percent of the surveyed residents stated opposition.

SECTION VI AFFORDABLE HOUSING ISSUES/MELLO ACT COMPLIANCE

Surf and Sand contends that pursuant to Government Code § 66427.5, the City may only consider compliance with the requirements of that section in considering the Tentative Map Application of Surf and Sand. Surf and Sand contends this precludes any consideration of purported requirements of the Mello Act to provide replacement housing. However, the



Report on Impact of Subdivision to Residents May 30, 2013 Page 6

California Supreme Court has ruled that local governments can consider compliance with the affordable housing requirements of the Mello Act in reviewing a subdivision application pursuant to Section 66427.5. In addition, there is no affordable housing located at the park. The park owner is not subject to any program to assure that homes will be affordable. Recent transactions (prior to the notice of closure) have sale prices which are not affordable to low income persons.

To the extent the Mello Act is deemed to apply, there will be no loss of affordable housing in the park. On conversion, those residents who are low income are entitled to continue to rent and will have rent protection under state statutes while they remain in the Park. In the event the Park does not convert, there is no limitation in place that would assure the combined housing cost would remain affordable. As a result, it would not be feasible to impose affordable housing limitations effectively because of the split ownership. While Surf and Sand could agree to restrictions on the sale price of the lots, such restrictions could not limit the sale price of the homes on the land. The result would be an artificial inflation of the sale price of the home, resulting in no net gain in affordability.

SECTION VII. CONCLUSION

This Report discusses the impacts upon the Residents of conversion to Resident ownership pursuant to subdivision of the Park. Upon conversion, the Residents are statutorily protected from economic displacement by the option to either purchase their Lots or continue renting their Spaces with statutory restrictions on rent increases. Existing homeowners on rental agreements of less than 12 months and residents on long-term leases (of 12 months or longer) will continue to have the right of continued occupancy under such rental agreements or long leases after the Conversion Date.

All of the Resident protections discussed in this Report are based upon the Applicant's assessment of the currently existing statutory scheme, and are not a promise, representation, or warranty on the part of the Applicant or its agents. The operative date for the time frame and protections described above is the Conversion Date as described in Section 2.1 above. Of course, should the law change, the Applicant reserves the right to implement the conversion in accordance with the applicable valid and enforceable laws.

Dated: May 20, 2013

Hart, King & Coldren

Attorneys for Applicant

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Item #: 5.D. Attachment D.pdf



Report on Impact of Subdivision to Residents May 30, 2013 Page 7

Exhibit A

California Government Code Section 66427.5

California Government Code section 66427.5.

At the time of filing a tentative or parcel map for a subdivision to be created from the conversion of a rental mobilehome park to resident ownership, the subdivider shall avoid the economic displacement of all nonpurchasing residents in the following manner:

- (a) The subdivider shall offer each existing tenant an option to either purchase his or her condominium or subdivided unit, which is to be created by the conversion of the park to resident ownership, or to continue residency as a tenant.
- (b) The subdivider shall file a report on the impact of the conversion upon residents of the mobilehome park to be converted to resident owned subdivided interest.
- (c) The subdivider shall make a copy of the report available to each resident of the mobilehome park at least 15 days prior to the hearing on the map by the advisory agency or, if there is no advisory agency, by the legislative body.
- (d) (1) The subdivider shall obtain a survey of support of residents of the mobilehome park for the proposed conversion.
- (2) The survey of support shall be conducted in accordance with an agreement between the subdivider and a resident homeowners' association, if any, that is independent of the subdivider or mobilehome park owner.
 - (3) The survey shall be obtained pursuant to a written ballot.
- (4) The survey shall be conducted so that each occupied mobilehome space has one vote.
- (5) The results of the survey shall be submitted to the local agency upon the filing of the tentative or parcel map, to be considered as part of the subdivision map hearing prescribed by subdivision (e).
- (e) The subdivider shall be subject to a hearing by a legislative body or advisory agency, which is authorized by local ordinance to approve, conditionally approve, or disapprove the map. The scope of the hearing shall be limited to the issue of compliance with this section.
- (f) The subdivider shall be required to avoid the economic displacement of all nonpurchasing residents in accordance with the following:
- (1) As to nonpurchasing residents who are not lower income households, as defined in Section 50079.5 of the Health and Safety Code, the monthly rent, including any applicable fees or charges for use of any preconversion amenities, may increase from the preconversion rent to market levels, as defined in an appraisal conducted in accordance with nationally recognized professional appraisal standards, in equal annual increases over a four-year period.
- (2) As to nonpurchasing residents who are lower income households, as defined in Section 50079.5 of the Health and Safety Code, the monthly rent, including any applicable fees or charges for use of any preconversion amenities, may increase from the preconversion rent by an amount equal to the average monthly increase in rent in the four years immediately preceding the conversion, except that in no event shall the monthly rent be increased by an amount greater than the average monthly percentage increase in the Consumer Price Index for the most recently reported period.

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Report on Impact of Subdivision to Residents May 30, 2013 Page 8

Exhibit B

Survey Agreement

09/27/2012

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RON REED PAGE 02/02

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PAGE 02/04

SURF AND SAND MOBILEHOME PARK RESIDENT SUPPORT SURVEY AGREEMENT

This Agreement for conducting a homeowner survey of support is entered into between Surf and Sand, LLC and the Surf and Sand Mobilehome Park Residents' Association pursuant to the requirements of California Government Code Section 66427.5. (d).

- 1. Survey Ballot: The attached Survey Ballot (Exhibit A) is the form that shall be used for distribution to the resident households of Surf and Sand Mobilehome Park (the Homeowners) pursuant to this Agreement between the Surf and Sand Residents Association (the Association) and the Park Owner. This Survey Ballot shall be revised before distribution to the Homeowners only for the purpose of inserting the "Deadline Date" as discussed in Paragraph 3, below. No other information shall be included in the Ballot Packets other than a letter in the form of Exhibit B and an stamped, addressed envelope for the return of the ballots.
- 2. Distribution Date: The Survey Ballots shall be distributed by Park Owner to each Homeowner by October 1, 2012, the Homeowners will have until October 12, 2012 to return the Survey Ballots by mail if feasible. If this date is not feasible, Park Owner will distribute at the earliest available date and Homeowners will have 12 days from receipt to return the Survey Ballots.
- 3. Return of Completed Survey Ballots: The Homeowners shall mail the completed Survey Ballots to the City Clerk, City of Capitola. The Ballot packets shall contain stamped envelopes addressed to the City Clerk, City of Capitola and containing each resident household's return address along with the blank Survey Ballots to the Homeowners.
- 4. Tabulation, Inspection and Submittal: The Capitola City Clerk ("Clerk") will receive and maintain the surveys. Clerk shall count the surveys and provide counsel for the Park Owner and the Association President with the results and with copies of the completed Survey Ballots after the count is tabulated. On request, Clerk shall provide a list of the persons who responded to the survey for the purposes of confirming only qualified homeowners responded and only a single response was received per household.

On Behalf of the Resident Association

Print Name: Sandy Williams

Association President

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On Behalf of the Parkowner

Print Name: Ron Reed

Date:

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Item #: 5.D. Attachment D.pdf



Mark D. Alpert malpert@hkclaw.com

September 28, 2010

Our File Number: 38019,037/4816-0009-2689v.1

Residents, Surf and Sand Mobile Home Park Capitola, California,

Re: Surf and Sand Mobile Home Park

Dear Residents:

As you know, we represent the owners of Surf & Sand Mobile Home Park ("Surf & Sand" or "Park"). Surf & Sand is considering to once again submit an application to subdivide the Park. As you know, as part of the process, we are required to conduct a resident survey. I have worked with the President of your HOA, Sandy Williams, who has agreed to the content of this letter and the accompanying survey.

I am sure many of you have many concerns relating to a potential subdivision. The purpose of this letter is to address those concerns the best we can.

First, it is important you understand that this proposed subdivision will have no impact on the leases we have agreed upon. These leases will be honored. In addition, at the expiration of any lease, you will continue to have the right to rent your space. You will not be forced to purchase the lot under any scenario. You are not going to be asked to give up any protections you negotiated as part of any of settlement agreements. The initiation of a subdivision under California Government Code § 66427.5 gives you the option to purchase.

Second, at the initiation of any subdivision (which occurs when the first lot is sold), a subdivision actually creates a form of rent protection that is required by law. For low income residents, it prevents your rents from being increased annually more than 100 percent of the CPI. Thus, some of you who did not qualify for low income leases as part of the settlement may be entitled to similar rent protection if, at the time a subdivision is initiated, you have retired and are low income. For moderate income residents, rents can be increased to fair market levels over four years after the subdivision is initiated.

Third, Surf and Sand has completed improvements to the infrastructure, including the clubhouse and a new sewer system. I recall that this was a particular concern that was raised in conjunction with the prior subdivision application. In any event, as part of the offer process regulated by the California Department of Real Estate process, Surf and Sand is required to disclose to you information regarding any future infrastructure improvements needed, a cost estimate to complete those improvements, and your estimated association fees before you make the decision whether to purchase your lot. So you will make the decision whether to buy or not with information regarding the condition of the existing improvements, their expected useful life and the estimated costs associated with funding any necessary repair and replacement of the existing improvements. Once a subdivision is initiated, the park owner pays the association fees for any unsold lots.



Residents Surf & Sand Mobile Estates September 28, 2012 Page 2

We have also enclosed a survey form for you to return, along with a stamped, addressed envelope providing a return address at the City of Capitola for the collection of surveys. This is the process your HOA agreed to utilize and the survey is a form agreed upon by the HOA. Please mail the ballot to the City no later than October 10, 2012.

Only those residents who own homes will be allowed to vote. By law, each homeowner is allowed one vote. There will be no votes counted for the park owned homes. Of course, the results of the survey will be reported to the residents.

If you have any questions or concerns, we urge you to contact Sandy Williams who will relay the questions and concerns to us. We will respond to questions in writing in order to avoid miscommunications. Please do not contact the on site property managers or Ron Reed regarding this matter.

Thank you for your attention to this matter.

Sincerely,

HART, KING & COLDREN

Mark D. Alpert MDA/sm

cc: Jamie Goldstein, Capitola City Manager

Surf and Sand, LLC

Item #: 5.D. Attachment D.pdf

SURF AND SAND MOBILEHOME PARK PARKSURVEY OF COMMUNITY RESIDENTS BALLOT FORM

This ballot is provided to you pursuant to the requirements of Government Code § 66427.5. The purpose of the ballot is to show Surf and Sand Mobilehome Park resident support for the proposed subdivision of the Park to change it from a rental mobilehome community to a resident owned mobilehome community subdivision. Each occupied space shall have one vote. Please indicate below whether or not you support the subdivision and please sign and date where indicated below.

I support the subdivision of Surf and Sand Mobilehome Park to convert it from a rental mobilehome community to a resident-owned community.

I do not support the subdivision of Surf and Sand Mobilehome Park to convert it from a rental mobilehome community to a resident-owned subdivision.

I understand that this form does not constitute an offer to sell at a specific price, nor is it a commitment to purchase an interest in the mobilehome community. It is merely an indication of support/non-support for the subdivision.

Signed:

Space #

Name:

Date:

SURF AND SAND MOBILEHOME PARK RESIDENT SUPPORT SURVEY AGREEMENT

This Agreement for conducting a homeowner survey of support is entered into between Surf and Sand, LLC and the Surf and Sand Mobilehome Park Residents' Association pursuant to the requirements of California Government Code Section 66427.5. (d).

- 1. Survey Ballot: The attached Survey Ballot (Exhibit A) is the form that shall be used for distribution to the resident households of Surf and Sand Mobilehome Park (the Homeowners) pursuant to this Agreement between the Surf and Sand Residents Association (the Association) and the Park Owner. This Survey Ballot shall be revised before distribution to the Homeowners only for the purpose of inserting the "Deadline Date" as discussed in Paragraph 3, below. No other information shall be included in the Ballot Packets other than a letter in the form of Exhibit B and an stamped, addressed envelope for the return of the ballots.
- 2. Distribution Date: The Survey Bellots shall be distributed by Park Owner to each Homeowner by October 1, 2012, the Homeowners will have until October 12, 2012 to return the Survey Ballots by mail if feasible. If this date is not feasible, Park Owner will distribute at the earliest available date and Homeowners will have 12 days from receipt to return the Survey Ballots.
- 3. Return of Completed Survey Ballots: The Homeowners shall mail the completed Survey Ballots to the City Clerk, City of Capitola. The Ballot packets shall contain stamped envelopes addressed to the City Clerk, City of Capitola and containing each resident household's return address along with the blank Survey Ballots to the Homeowners.
- 4. Tabulation, Inspection and Submittal: The Capitola City Clerk ("Clerk") will receive and maintain the surveys. Clerk shall count the surveys and provide counsel for the Park Owner and the Association President with the results and with copies of the completed Survey Ballots after the count is tabulated. On request, Clerk shall provide a list of the persons who responded to the survey for the purposes of confirming only qualified homeowners responded and only a single response was received per household.

On Behalf of the Resident Association

SANDU WILLIAMS
Print Name: Sandy Williams

Association President

On Behalf of the Parkowner

Print Name: Ron Reed

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Surf & Sand Mobile Home Park Survey of Residents Pursuant to Government Code Section 66427.5 Tally of Survey Ballots Received as of October 10, 2012

Space #	Name of Resident	Support	Oppose	Date Received
2	Julie Lewis	Х		10/9/2012
4	Veronica Shepardson	Х		10/3/2012
10	Shirley M. Hill	Х		10/9/2012
22	Tim & Tammy Brackett	Х		10/3/2012
24	Davina Baker	Х		10/9/2012
29	Dorothy Takatsuno	Х		10/9/2012
30	Robin W. Russell	Х		10/9/2012
38	Roscoe W. Smith	Х		10/10/2012
44	Nancy Brewer	Х		10/5/2012
46	Michaela K. Scott	Х		10/11/2012
48	Joyce Carlson	Х		10/4/2012
52	Heidi Hoffacker	Х		10/9/2012
57	Chris Rekse	Х		10/2/2012
58	John Alsman	Х		10/10/2012
59	Carolyn Hightower	Х		10/5/2012
60	Valerie Tudor	Х		10/4/2012
61	Robert Parkinson	Х		10/4/2012
62	Jeff Martin	Х		10/11/2012
64	Mary Loubier-Rieca	Х		10/10/2012
65	Leslie Ann Cone	Х		10/9/2012
66	Jovita Haberle	Χ		10/10/2012
67	J. Budd Sage		Х	10/10/2012
69	Eleanor S. Skrondal		Х	10/3/2012
70	Judith Young		Х	10/9/2012
71	Sandra Williams	Х		10/4/2012
73	William L. Newman	Х		10/3/2012
74	Beatrice C. Piggott	Х		10/11/2012
		24	3	TOTALS

Tally of Survey Ballots Received Received after the October 10, 2012 Deadline

Space #	Name of Resident	Support	Oppose	Date Received
13	Tom & Cindy Bush	Χ		10/18/2013
32	Madeline Chiauetta	Χ		1/25/2013
35	Madeline Chiauetta	Χ		1/25/2013
49	Lynda Swannie	Χ		11/6/2012
54	Dale Berman & Gruce Simas	Χ		10/22/2012
56	Henry & Carina Ryan		X	10/22/2012

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EXCERPT FROM CALIFORNIA GOVERNMENT CODE SECTIONS 65590 (Mello Act)

65590. (a) In addition to the requirements of Article 10.6 (commencing with Section 65580), the provisions and requirements of this section shall apply within the coastal zone as defined and delineated in Division 20 (commencing with Section 30000) of the Public Resources Code. Each respective local government shall comply with the requirements of this section in that portion of its jurisdiction which is located within the coastal zone.

(b) The conversion or demolition of existing residential dwelling units occupied by persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, shall not be authorized unless provision has been made for the replacement of those dwelling units with units for persons and families of low or moderate income. Replacement dwelling units shall be located within the same city or county as the dwelling units proposed to be converted or demolished. The replacement dwelling units shall be located on the site of the converted or demolished structure or elsewhere within the coastal zone if feasible, or, if location on the site or elsewhere within the coastal zone is not feasible, they shall be located within three miles of the coastal zone. The replacement dwelling units shall be provided and available for use within three years from the date upon which work commenced on the conversion or demolition of the residential dwelling unit. In the event that an existing residential dwelling unit is occupied by more than one person or family, the provisions of this subdivision shall apply if at least one such person or family, excluding any dependents thereof, is of low or moderate income.

The requirements of this subdivision for replacement dwelling units shall not apply to the following types of conversion or demolition unless the local government determines that replacement of all or any portion of the converted or demolished dwelling units is feasible, in which event replacement dwelling units shall be required:

- (1) The conversion or demolition of a residential structure which contains less than three dwelling units, or, in the event that a proposed conversion or demolition involves more than one residential structure, the conversion or demolition of 10 or fewer dwelling units.
- (2) The conversion or demolition of a residential structure for purposes of a nonresidential use which is either "coastal dependent," as defined in Section 30101 of the Public Resources Code, or "coastal related," as defined in Section 30101.3 of the Public Resources Code....
- (3) The conversion or demolition of a residential structure located within the jurisdiction of a local government which has within the area encompassing the coastal zone, and three miles inland therefrom, less than 50 acres, in aggregate, of land which is vacant, privately owned and available for residential use.
- (4) The conversion or demolition of a residential structure located within the jurisdiction of a local government which has established a procedure under which an applicant for conversion or demolition will pay an in-lieu fee into a program, the various provisions of which, in aggregate, will result in the replacement of the number of dwelling units which would otherwise have been required by this subdivision....

The requirements of this subdivision for replacement dwelling units shall not apply to the demolition of any residential structure which has been declared to be a public nuisance under the

provisions of Division 13 (commencing with Section 17000) of the Health and Safety Code, or any local ordinance enacted pursuant to those provisions.....

For purposes of this subdivision, no building, which conforms to the standards which were applicable at the time the building was constructed and which does not constitute a substandard building, as provided in Section 17920.3 of the Health and Safety Code, shall be deemed to be a public nuisance solely because the building does not conform to one or more of the current provisions of the Uniform Building Code as adopted within the jurisdiction for new construction.

- (c) The conversion or demolition of any residential structure for purposes of a nonresidential use which is not "coastal dependent", as defined in Section 30101 of the Public Resources Code, shall not be authorized unless the local government has first determined that a residential use is no longer feasible in that location. If a local government makes this determination and authorizes the conversion or demolition of the residential structure, it shall require replacement of any dwelling units occupied by persons and families of low or moderate income pursuant to the applicable provisions of subdivision (b).
- (d) New housing developments constructed within the coastal zone shall, where feasible, provide housing units for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code. Where it is not feasible to provide these housing units in a proposed new housing development, the local government shall require the developer to provide such housing, if feasible to do so, at another location within the same city or county, either within the coastal zone or within three miles thereof. In order to assist in providing new housing units, each local government shall offer density bonuses or other incentives, including, but not limited to, modification of zoning and subdivision requirements, accelerated processing of required applications, and the waiver of appropriate fees.
- (e) Any determination of the "feasibility" of an action required to be taken by this section shall be reviewable pursuant to the provisions of Section 1094.5 of the Code of Civil Procedure.
- (f) The housing provisions of any local coastal program prepared and certified pursuant to Division 20 (commencing with Section 30000) of the Public Resources Code prior to January 1, 1982, shall be deemed to satisfy all of the requirements of this section. Any change or alteration in those housing provisions made on or after January 1, 1982, shall be subject to all of the requirements of this section.
 - (g) As used in this section:
- (1) "Conversion" means a change of a residential dwelling, including a mobilehome, as defined in Section 18008 of the Health and Safety Code, or a mobilehome lot in a mobilehome park, as defined in Section 18214 of the Health and Safety Code, or a residential hotel as defined in paragraph (1) of subdivision (b) of Section 50519 of the Health and Safety Code, to a condominium, cooperative, or similar form of ownership; or a change of a residential dwelling, including a mobilehome, or a mobilehome lot in a mobilehome park, or a residential hotel to a nonresidential use.
- (2) "Demolition" means the demolition of a residential dwelling, including a mobilehome, as defined in Section 18008 of the Health and Safety Code, or a mobilehome lot in a mobilehome park, as defined in Section 18214 of the Health and Safety Code, or a residential hotel, as defined in paragraph (1) of subdivision (b) of Section 50519 of the Health and Safety Code, which has not been declared to be a public nuisance under Division 13 (commencing with Section 17000) of the Health and Safety Code or any local ordinance enacted pursuant to those provisions.
- (3) "Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technical factors.

- (h) With respect to the requirements of Sections 65583 and 65584, compliance with the requirements of this section is not intended and shall not be construed as any of the following:
- (1) A statutory interpretation or determination of the local government actions which may be necessary to comply with the requirements of those sections; except that compliance with this section shall be deemed to satisfy the requirements of paragraph (2) of subdivision (c) of Section 65583 for that portion of a local government's jurisdiction which is located within the coastal zone.
- (2) A limitation on the program components which may be included in a housing element, or a requirement that a housing element be amended in order to incorporate within it any specific provision of this section or related policies. Any revision of a housing element pursuant to Section 65588 shall, however, take into account any low- or moderate-income housing which has been provided or required pursuant to this section.
- (3) Except as otherwise specifically required by this section, a requirement that a local government adopt individual ordinances or programs in order to implement the requirements of this section.
- (i) No provision of this section shall be construed as increasing or decreasing the authority of a local government to enact ordinances or to take any other action to ensure the continued affordability of housing.
- (j) Local governments may impose fees upon persons subject to the provisions of this section to offset administrative costs incurred in order to comply with the requirements of this section.
- (k) This section establishes minimum requirements for housing within the coastal zone for persons and families of low or moderate income. It is not intended and shall not be construed as a limitation or constraint on the authority or ability of a local government, as may otherwise be provided by law, to require or provide low- or moderate-income housing within the coastal zone which is in addition to the requirements of this section.

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SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made as of June 3, 2013 ("Agreement Effective Date"), by and between Surf and Sand, LLC ("Surf and Sand") and the City of Capitola ("City") on its own behalf

RECITALS

- A. WHEREAS, Surf and Sand owns the manufactured home community commonly known as Surf and Sand Mobilehome Park ("Park") located within the City of Capitola.
- B. WHEREAS, the City is a general law city duly formed, operated and governed in accordance with state law and its own municipal code.
- C. WHEREAS, Surf and Sand desires to subdivide the Park pursuant to the procedures outlined in Government Code section 65863.7 and Chapter 17.90 of the City's Municipal Code and has filed an application with the City for that purpose (the "Project").
- D. WHEREAS, the Mello Act imposes a duty on local governments to provide replacement housing, if such replacement housing is feasible, as a condition of granting a permit to demolish or convert housing units which are located within the coastal zone and are occupied by persons of low or moderate income.
- E. WHEREAS, the Mello Act further requires local jurisdictions such as the City having less than 50 acres of vacant, privately owned land in the coastal zone and three miles inland which is available for residential use and which is in their jurisdiction to determine if replacement housing is feasible, and further provides that the Mello Act shall not apply under these circumstances unless the local jurisdiction determines that replacement housing is feasible.
- F. WHEREAS, because Surf and Sand does not own the coaches located within the Park, Surf and Sand is unable to effectively ensure the continuing affordability of coaches after the Park is subdivided without placing restrictions on other people's personal property.
- G. WHEREAS, Surf and Sand does not own any other land zoned to allow residential development, and is incapable of acquiring any such land due to the fact that sufficient property-zoned land for this purpose in the City is not readily available.
- H. WHEREAS, there are currently more than 20 residents living in the Park with a long term lease that protects the affordability of their unit.
- I. WHEREAS, the overall design of proposed project will result in units which the City believes will be affordable to moderate income buyers at market rate.
- J. WHEREAS, the obligations set forth in this Agreement will mitigate potentially adverse affordable housing inventory impacts attributable to the Project by securing funding for the continued economic support of certain low-income residents within the Park.

Settlement Agreement 38019.037/4833-9262-7476v,1 Surf and Sand Mobile Home Park

AGREEMENT

- 1. City agrees to deem the Subdivision Application Complete and set the Application for hearing before the Planning Commission and, if necessary the City Council. The Parties agree they will undertake their best efforts to cause the Application to be heard by the Planning Commission no later than July 18, 2013.
- 2. This Agreement becomes effective only in the event the Subdivision Application, with only the agreed upon conditions, as set forth in paragraph 3 of this agreement, becomes final as defined in paragraph 4 of this Agreement.
- 3. This Agreement will only become effective on Approval of the Subdivision Application without the imposition of conditions related to compliance with the Mello Act, including affordable housing replacement, except as specified in this Agreement.
- 4. For the purposes of this Agreement, the Final approval of the Subdivision Application is defined as the later as the approval, execution and service of a resolution approving the Subdivision Application, consistent with the terms of this Agreement, which has become final.
- 5. Upon the initiation of any Subdivision of the Park (defined as the sale of a single lot within the Park), Surf and Sand agrees it will support and/or undertake the City's obligation to provide economic support for the existing home owners of the following 6 spaces currently receiving such support from the City, while they continue to own their home and reside in the space full time ("Existing City Subsidy"):

750 47th Avenue #52

750 47th Avenue #59

750 47th Avenue #46

750 47th Avenue #38

750 47th Avenue #10

750 47th Avenue #55

- 6. Surf and Sand's obligation to provide support for the Existing City Subsidy under the following terms:
 - a. The subsidy shall be paid under the same conditions and limitations as imposed by the City, as set forth in attached Exhibit 1;
 - b. The amount of the monthly subsidy shall not exceed \$175.00 per space;
 - c. From the date of initiation of the Subdivision until January 1, 2021, Surf and Sand shall have no obligation to provide such subsidy except to the extent that the City loses funding for such services, and in the event of the loss of funding, Surf and Sand's contribution shall not exceed 50 percent of the City's obligation. If City's source of funding is reduced, but not eliminated from the date of initiation of the Subdivision until January 1, 2021, Surf and Sand agrees to pay or credit 50 percent of any reduction in funding to the City.

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- City agrees to exercise good faith efforts to secure funding from the program from the existing and similar available sources and City represents it is not aware of any information indicating its funding for the program will be eliminated; and
- d. Beginning January 1, 2021 or on the date of initiation of the Subdivision, whichever is later, Surf and Sand agrees to pay or credit 100 percent of the subsidy, to the extent the home owners receiving the subsidy remain as residents in the Park and otherwise qualify for the program.
- 7. This Agreement will be deemed void and invalid in the event of any administrative appeal, voter action, legal challenge or other event which results in the invalidation of the approval of the Subdivision App Fees and costs or a material change to the conditions imposed upon the Subdivision Application. A material change is defined as a change that will materially impact the economic and/or legal benefit contemplated by this Agreement. For the purposes of this Agreement, the imposition of housing replacement requirements pursuant to the Mello Act is stipulated to be a material term.
- 8. <u>Authority to enter Agreement</u>. The persons signing this Agreement represent and warrant that they are duly authorized to enter into this Agreement and that their signatures on this Agreement shall be binding on them in their respective individual and representative capacities and on the entities they represent.
- 9. <u>Binding on successors and related entities</u>. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, officers, directors, principals, employees, subsidiaries, parent entities, affiliated agents and corporations, attorneys, and representatives.
- 10. Merger. This Agreement constitutes the entire agreement between the parties, and all other prior agreements, arrangements or understandings, written or oral, are merged into and superseded by the terms of this Agreement which may not be altered, modified, or otherwise changed except by a writing signed by the duly authorized representatives of the parties to this Agreement.
- 11. <u>No Admissions</u>. As this Agreement is intended to be a compromise of disputed claims by all parties, nothing in this Agreement shall be construed to be an admission of liability by any party with respect to any of the issues raised in any of the proceedings specified in Section 1.
- 12. Freely and voluntarily entered into. Surf and Sand and the City have read and understand the terms of this Agreement. Surf and Sand and the City mutually warrant and represent that this Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of any party hereto. Surf and Sand and the City acknowledge that they have been represented by counsel of their choice in negotiations for and in the preparation of this Agreement, that each has had this Agreement explained by counsel, and that Surf and Sand and the City are both fully aware of the contents of this Agreement and of its legal effect.

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RON REED

PAGE 02/02

- Controlling law. This Agreement shall be construed in accordance with, and all 13. disputes governed by, the laws of the State of California.
- 14. Section headings appearing in this Agreement are inserted for. convenience only and shall not be construed as interpretations of text or as conveying substantive meaning or rights.
- Construction of this Agreement. Any rule of construction to the effect that any 15. ambiguity is to be resolved against the drafting party shall not be applied to the interpretation of this Agreement.
- No waiver. No breach of any provision of this Agreement can be waived unless 16. in writing. Waiver of any one breach shall not be deemed to be a waiver of any other breach of the same or any other provision hereof. This Agreement may be amended only by a written agreement executed by the parties-in-interest at the time of modification.
- Counterparts. This Agreement may be executed in counterparts. Facsimile signatures shall be deemed to be as effective as originals for the purposes of this stipulation.
- THIS AGREEMENT HAS BEEN ENTERED INTO AS OF THE DATE SET 18. FORTH ABOVE,

By executing this agreement, the agent signing on behalf of the City attests that he or she has the authority to bind the City in this matter.

Dated:

By:

By:

Ronald Reed Authorized Agent

CITY OF CAPITOLA

Settlement Agreement 38019.037/4845-5445-7364v.1 Surf and Sand Mobile Home Park

- 13. <u>Controlling law</u>. This Agreement shall be construed in accordance with, and all disputes governed by, the laws of the State of California.
- 14. <u>Headings</u>. Section headings appearing in this Agreement are inserted for convenience only and shall not be construed as interpretations of text or as conveying substantive meaning or rights.
- 15. <u>Construction of this Agreement</u>. Any rule of construction to the effect that any ambiguity is to be resolved against the drafting party shall not be applied to the interpretation of this Agreement.
- 16. <u>No waiver</u>. No breach of any provision of this Agreement can be waived unless in writing. Waiver of any one breach shall not be deemed to be a waiver of any other breach of the same or any other provision hereof. This Agreement may be amended only by a written agreement executed by the parties-in-interest at the time of modification.
- 17. <u>Counterparts</u>. This Agreement may be executed in counterparts. Facsimile signatures shall be deemed to be as effective as originals for the purposes of this stipulation.
- 18. THIS AGREEMENT HAS BEEN ENTERED INTO AS OF THE DATE SET FORTH ABOVE.
- 19. By executing this agreement, the agent signing on behalf of the City attests that he or she has the authority to bind the City in this matter.

Dated: _____, 2013

SURF AND SAND, LLC

By:

By:

Ronald Reed Authorized Agent

Dated: 6/7 , 201:

CITY OF CAPITOLA

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