

June 18, 2009  
 Capitola, California

## CAPITOLA CITY COUNCIL

### MINUTES OF SPECIAL MEETING OF THE CITY COUNCIL

At 6:07 p.m. Mayor Begun announced that there was a glitch in the noticing for this hearing as some people were notified that it was to start at 6 p.m. and others were notified that it was to start at 7 p.m. The Mayor said the Council would like to wait and begin the meeting at 7 p.m. and asked the members of the public in the audience would be amenable to that. The audience agreed to wait until 7 p.m.

Mayor Begun announced that the Council would reconvene at 7:00 p.m.

Mayor Begun called the Special Meeting of the Capitola City Council to order at 7:03 p.m. on Thursday, June 18, 2009, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

#### 1. ROLL CALL AND PLEDGE OF ALLEGIANCE

**PRESENT:** Council Members Ron Graves, Sam Storey, Dennis Norton, and Mayor Robert "Bob" Begun  
**ABSENT:** Council Member Kirby Nicol  
**STAFF:** Community Development Director Jamie Goldstein, City Attorney John G. Barisone, Housing and Redevelopment Project Manager David Foster, and City Clerk Pamela Greeninger

#### 2. ORAL COMMUNICATIONS

Paul Pelkey, Hill Street resident, addressed the Council and submitted information to the city attorney regarding his mother, a military widow. Mr. Pelkey said that he attended an event for military personnel and widows, and he was proud to stand beside the young men and women who are fighting for our country right now. He said we need to take care of them. *(Note: City Attorney John Barisone returned the documents submitted by Mr. Pelkey to him.)*

Mayor Begun announced that tomorrow, June 19, there will be a Special Olympic Torch Run and that he will be issuing a Mayor's Proclamation at a ceremony to be held at City Hall between 11 am and 12 noon.

#### 3. PUBLIC HEARING

- A. Continued Public Hearing to Consider an Ordinance Adding Chapter 17.20 to Title 17 of the Capitola Municipal Code Pertaining to an Affordable Housing Overlay (AHO) District and to Amend the City Zoning and General Plan Maps to Apply the Affordable Housing Overlay to One or More of the Following Assessor's Parcel Numbers:**
- 034-124-20 and/or 034-124-21 (Capitola Gardens Site)
  - 036-151-15 (600 Park Avenue Site)
  - 036-341-02 (City-Owned McGregor Drive Site)
  - 036-011-28 (822 Bay Avenue, Capitola Inn Site)
- Presentation: Community Development Department.  
 [730-85 Zoning/740-30 LCP/740-40 General Plan]**

Mayor Begun introduced the continued public hearing item as stated on the agenda.

## 3. A. PUBLIC HEARING (Continued)

Community Development Director Goldstein commented briefly on this item before turning the staff's presentation over to the Housing and Redevelopment Project Manager Foster. He noted that no further staff work was conducted on the McGregor Drive site since there was action at the last meeting to remove that site.

Utilizing a PowerPoint Presentation (*copy on file with the record*), Housing and Redevelopment Project Manager Foster provided staff's report on this item based on the written agenda report which summarized the direction to staff received at the May 28, 2009, public hearing. He reviewed each of the proposed opportunity sites and the options for Council determination. Housing and Redevelopment Project Manager Foster then responded to questions from council members.

Mayor Begun opened the public hearing at 7:38 p.m. Each speaker was asked to limit his/her comments to 5 minutes.

Lenore Hindin, resident of the Villas of Capitola on 46<sup>th</sup> Avenue, noted that she is President of the Homeowner's Association of the Villas; however, she was speaking as a resident, not on behalf of the homeowners or the development. She said there are 172 units in that development, and the area is already densely populated. Ms. Hindin expressed concerns about the already overtaxed utility services. In addition, she commented on the number of people who would be adversely impacted by construction of additional units at Capitola Gardens.

Ann Benvenuti, homeowner on Wesley Street, urged the council to select a site other than the 600 Park Avenue for the Affordable Housing Overlay District. She would like more consideration given to the McGregor Drive and Capitola Inn sites. She expressed concern about having to meet State mandates by June and said she hopes in the future more time can be given to develop and receive community input on such matters. Ms. Benvenuti said that if the council decides to include 600 Park Avenue as an Affordable Housing Overlay (AHO) site, there are sufficient stipulations on the rezoning to make it impossible, and she would like to Council to remove the AHO from 600 Park Avenue at the next required deadline. She expressed concern about the impacts from parking and traffic in and around their neighborhood, conditions to be placed on any development that might occur in order to address privacy of properties adjacent to the site on Wesley Street.

Tim Collins, resident on 46<sup>th</sup> Avenue, said there really are not many sites in Capitola for the proposed overlay zone, and he feels the 46<sup>th</sup> Avenue area is too dense already. He also said the neighbors are concerned that such zoning would depreciate the value of their property. Mr. Collins urged the council to place restrictions on developing Capitola Gardens if it is included as an Affordable Housing Overlay site.

Paul Pelkey said his mother lives at 605 Hill Street. He commented on possible conflicts with the ADA. Mr. Pelkey said the city is at critical mass already, and he is concerned about water resources.

Jennifer Collins, 46<sup>th</sup> Avenue resident, expressed concern about designating Capitola Gardens' property an affordable housing overlay site, and she urged the council to consider an alternate site. Ms. Collins is not sure why the McGregor site is not being considered, but she would prefer the council designate that site.

## 3. A. PUBLIC HEARING (Continued)

Terre Thomas, Park Avenue, asked how many actual units the city needs to meet its Housing Element goal for affordable units. Housing and Redevelopment Project Manager Foster said the city needs 29 units. Ms. Thomas asked if the difference could be split between 3 sites and said she would like the City Council to consider that idea. Ms. Thomas said she has been a resident of Capitola and a neighbor of 600 Park Avenue for 36 years. Although the number of units is mandated by the State, she would hope that if 600 Park Avenue is designated an Affordable Housing Overlay site, that the following conditions for high-density development could be incorporated:

- 1) Existing grades be recorded and maintained
- 2) Minimum 20' setbacks along property perimeter; more along Park Avenue to prevent hillside erosion
- 3) Maximum height two stories, or 27 feet from existing grade
- 4) Single-story development only around perimeter to maintain solar access and privacy to adjacent R-1 residents
- 5) Second- and third-story windows facing east and west windows to be translucent to maintain privacy for R-1 neighbors
- 6) Minimum of 3 parking spaces per unit: 2 for residents and 1 for visitors, as there is no on-street parking available
- 7) No development allowed without sufficient water resources
- 8) All other R-1 restrictions apply, including second-story setbacks
- 9) A sidewalk installed in front of the property.

Ms. Thomas believes the Capitola Inn site is a more appropriate site and would most likely accommodate 29 units to solve this State requirement.

Mayor Begun asked if Mrs. Thomas could provide a copy of her written comments. She provided a copy to the City Clerk for the record.

Janice Ahlf, resident of Capitola Gardens, urged the council to select another site.

Aglaia Cardona said she lives next to Capitola Gardens at the Villas of Capitola. She is totally against the Capitola Gardens site being chosen as an affordable housing overlay site. Ms. Cardona believes the site is nice the way it is, and she would be in favor of the Capitola Inn site instead.

Patti Bond, Wesley Street resident, said the neighbors and residents of the 600 Park Avenue complex have had a very harmonious relationship over the years. She agreed with the comments of Terre Thomas and would recommend the McGregor Drive and/or Capitola Inn options. If 600 Park Avenue were included, she encouraged the council to consider including a stipulation that only one-story buildings could be built around the perimeter of the site.

Mayor Begun closed the public hearing at 8:10 p.m.

Council Member Storey asked if staff could respond to Terre Thomas's comment about splitting the required units to several sites.

Community Development Director Goldstein said he was not sure whether the State would accept applying the overlay to portions of various sites.

## 3. A. PUBLIC HEARING (Continued)

Council members discussed their particular concerns pertaining to the opportunity sites, and staff responded to their questions.

Considerable Council deliberation was followed by this action:

**ACTION:** Council Member Storey moved to remove Capitola Gardens in totality from consideration as one of the Affordable Housing Sites. The motion was seconded by Council Member Graves.

Under discussion of the motion, council members commented on selecting portions of several sites for the affordable units and the requirement for a development agreement.

The motion to remove Capitola Gardens from consideration as an AHO site carried on the following vote: AYES: Council Members Graves, Storey, Norton, and Mayor Begun. NOES: None. ABSENT: Council Member Nicol. ABSTAIN: None.

There was continued discussion, and a motion made by Council Member Norton to include three of the proposed affordable housing sites: 1) Capitola Inn Site (822 Bay Avenue), 2) McGregor Drive Site, and 3) the 600 Park Avenue Site, for which he would like to list a set of conditions the Planning Commission had suggested for that site.

Council Member Graves asked if the maker of the motion would include in the motion that there be clarification in the "Purpose" section of the ordinance regarding the need for a development agreement in the overlay districts. Council Member Norton said he would accept that amendment.

The motion was seconded by Mayor Begun and failed on a tie vote as follows: AYES: Council Member Norton and Mayor Begun. NOES: Council Members Graves and Storey. ABSENT: Council Member Nicol. ABSTAIN: None.

City Attorney Barisone commented on the tie vote, saying the mayor may take action to continue the matter.

Mayor Begun said he would like to continue this matter to the next regular meeting of the City Council.

Council Member Storey moved not to continue this matter. Council Member Graves seconded the motion. The motion failed on a tie vote as follows: AYES: Council Members Graves and Storey. NOES: Council Member Norton and Mayor Begun. ABSENT: Council Member Nicol. ABSTAIN: None.

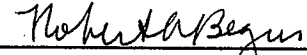
City Attorney Barisone read the provisions of Section 2.04.180 of the Municipal Code, which provides that when less than the full council is present, and there is a tie vote, the Mayor may continue the matter to another meeting, unless it is overridden by a majority of the present Council.

Mayor Begun announced that since a majority of the council has not overruled his continuance of this item, the matter will go forward to the next regular meeting when a full council is present.

City Attorney Barisone informed the council that the public hearing was closed; therefore, at the next meeting the council does not need to take further public testimony.

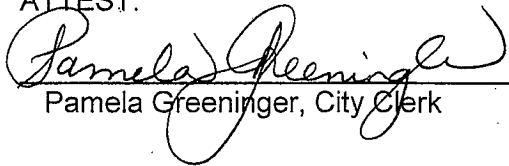
4. **ADJOURNMENT**

The City Council adjourned at 9:05 p.m. to its next Regular Meeting to be held on Thursday, June 25, 2009, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.



Robert A. Begun, Mayor

ATTEST:



Pamela Greeninger, City Clerk, CMC

**MINUTES WERE APPROVED BY THE CITY COUNCIL ON 7/23/09, WITH COUNCIL MEMBER NICOL ABSTAINING**