

**CAPITOLA CITY COUNCIL  
REGULAR MEETING MINUTES  
TUESDAY, NOVEMBER 21, 2017**

**CLOSED SESSION 6:30 PM**

**CALL TO ORDER**

Mayor Harlan called the meeting to order at 6:30 p.m. with the following items to be discussed in Closed Session:

**CONFERENCE WITH REAL PROPERTY NEGOTIATOR  
[Govt. Code § 54956.8]**

Property: 4400 Jade Street, APN 034-551-02, Capitola, CA  
City Negotiator: Jamie Goldstein, City Manager  
Negotiating Parties: Soquel Union Elementary School District  
Under Negotiation: Terms of Joint Use Agreement

**LIABILITY CLAIMS [Govt. Code § 54956.95]**

Claimant: Donald Ish  
Agency claimed against: City of Capitola

There was no public comment; therefore, the City Council recessed to the Closed Session in the City Manager's Office.

**REGULAR MEETING OF THE CAPITOLA CITY COUNCIL - 7 PM**

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

Council Member Ed Bottorff: Present, Council Member Jacques Bertrand: Present, Mayor Stephanie Harlan: Present, Vice Mayor Michael Termini: Present, Council Member Kristen Petersen: Present.  
Treasurer Peter Wilk was present.

**2. REPORT ON CLOSED SESSION**

Assistant City Attorney Reed Gallogly said there was no reportable action on the property negotiations and the liability claim will be voted on consent.

**3. ADDITIONAL MATERIALS**

A. Item 8.A – 13 emailed public comments.

**4. ADDITIONS AND DELETIONS TO AGENDA - NONE**

**5. PUBLIC COMMENTS**

Dave Fox thanked the City Council for its work.

Rob Kawamoto, 42nd Avenue resident, noted that there is a loud leaf blower operating early in the morning at a commercial building on 41<sup>st</sup> Avenue.

**6. CITY COUNCIL / CITY TREASURER / STAFF COMMENTS**

Council Member Bertrand noted that the County is developing its strategic plan and asking for community input.

Council Member Termini noted that Surfing Santa arrives this Saturday. The Art and Cultural Commission selected two new projects it will be bringing to the Council for approval: a new climbable sculpture for Esplanade Park and a mural for the Monte skatepark. He shared the work of the first and second place winners of the recent Plein Air event, which will hang in the Council Chambers.

Council Member Petersen attended a recent County strategic plan meeting and noted it offers opportunities for participation, not just information gathering. She encouraged the community to donate toward homeless care kits from the Community Action Board.

Mayor Harlan announced the Grey Bear annual holiday dinner is December 3, and encouraged people to dine or serve. She also reported that the Seniors Council is hosting work groups.

Treasurer Wilk noted that the Zoning Update has been ongoing since 2014 and costs continue to accrue.

**7. CONSENT CALENDAR**

<b>MOTION:</b>	<b>APPROVE OR DENY ITEMS AS RECOMMENDED</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Michael Termini, Vice Mayor
<b>SECONDER:</b>	Ed Bottorff, Council Member
<b>AYES:</b>	Bottorff, Bertrand, Harlan, Termini, Petersen

- A. Consider the October 26 and November 9, 2017, City Council Regular Meeting Minutes  
RECOMMENDED ACTION: Approve minutes.
- B. Receive Planning Commission Action Minutes for the Regular Meeting of November 2, 2017.  
RECOMMENDED ACTION: Receive minutes.
- C. Approval of City Check Register Reports Dated October 6, October 13, October 20 and October 27, 2017  
RECOMMENDED ACTION: Approve check registers.
- D. Liability Claim of Donald Ish [Claims Binder]  
RECOMMENDED ACTION: Deny liability claim.
- E. Approval of a Notice of Completion for the Highway 1 Bike Lane Enhancement Project [940-40/500-10 D&M]  
RECOMMENDED ACTION: Accept the Highway 1 Bike Lane Enhancement Project, constructed by D&M Traffic Services, Inc., as complete at a final cost of \$115,052.20, approve a Notice of Completion, and authorize the release of the contract retention.

- F. Second Reading of an Ordinance Amending Chapter 16 of the Capitola Municipal Code Pertaining to Subdivisions

RECOMMENDED ACTION: Staff recommends the City Council take the following actions:

1. Find that the project is exempt from the California Environmental Quality Act (CEQA) as documented in the attached CEQA 15183 exemption form;
2. Adopt the proposed Subdivision Ordinance Amendment;
3. Adopt the attached Resolution authorizing the City Manager to submit a Local Coastal Program Amendment to the California Coastal Commission.

## 8. GENERAL GOVERNMENT / PUBLIC HEARINGS

- A. Consider a 2017 Community Development Block Grant (CDBG) Application  
RECOMMENDED ACTION: Adopt the attached Resolution approving a Community Development Block Grant application for \$2,430,700 to fund Clares Street traffic improvements and housing programs and allowing execution of a grant agreement.

Community Development Director Rich Grunow presented the staff report.

Council Member Bottorff clarified with Public Works Director Steve Jesberg that the Clares Street cost estimate now includes paving the full section between Wharf Road and 41<sup>st</sup> Avenue.

There was no public comment.

<b>MOTION:</b>	<b>ADOPT THE RESOLUTION AS RECOMMENDED</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Ed Bottorff, Council Member
<b>SECONDER:</b>	Michael Termini, Vice Mayor
<b>AYES:</b>	Bottorff, Bertrand, Harlan, Termini, Petersen

- B. Introduce Zoning Code Update  
RECOMMENDED ACTION: Staff recommends that the City Council introduce an Ordinance rescinding and readopting the Zoning Code of Capitola Municipal Code Chapter 17; rescinding the Capitola Village Design Guidelines and 41<sup>st</sup> Avenue Design Guidelines; moving Floodplain District and Green Building Regulations into Title 15 Building and Construction; and adopting a new zoning map, and continue the public hearing to November 29, 2017.

Senior Planner Katie Herlihy presented an overview of the process from the 2010 inception to the current adoption hearings. Once the update is adopted locally, it will be submitted to the California Coastal Commission. The Planning Commission unanimously recommended approval. Its amendments are highlighted for Council discussion.

The hearing opened with discussion of proposed new zoning along Capitola Road between 41<sup>st</sup> Avenue and 45. Noted that two zones convert to match 41<sup>st</sup> and 45<sup>th</sup> avenues. The current zoning shifts from 40 to 27 to 35 feet in allowed height. The change was first identified in 41st Avenue Re-Visioning Plan and the General Plan identifies local commercial emphasis for the corridor.

The Planning Commission considered this item during its September 6 meeting and

directed staff to maintain the proposed zoning of Community Commercial and not modify the maximum height.

Planner Herlihy reviewed the potential development under proposed standards and acknowledged receipt of public comment expressing concern about the height. The floor area ratio (FAR) of one for the zone limits the height because of parking and costs of multi-level structures.

Council Member Termini confirmed the challenges for specific lots in the target area presented by the need to meet parking requirements and setbacks due to FAR.

Council Member Bertrand confirmed that FARs of 1.5 to 2 are only along 41<sup>st</sup> Avenue.

Council Member Bottorff confirmed the Council could add limits to one portion of Community Commercial zoning.

Jeff Perez, resident, noted the neighborhoods are heavily impacted by traffic.

Susan Westman, Planning Commissioner, reported on the commission's recommendation where the majority supported the proposed zoning. As an individual resident, she said the need to adopt the update is great and as a planner she is not concerned about the density of development that would be permitted. She suggested a third option of rezoning the north side that is adjacent to single-family residential to Mixed-Use Neighborhood (MU-N).

David Fox, resident, said he is no longer concerned that four stories would be allowed, and supports suggestions by Ms. Westman.

Rob Kawamoto, resident, would like more information about improving walkability. He is also concerned about traffic impacts.

Melody Newcomb, resident, also expressed concern about traffic and density.

Jennifer Collins, resident, echoed concerns. She supports specific zoning for the area.

Deidre Fuller, resident, said there have been long-term cut-through traffic problems and heavy use of street parking.

Council Member Termini said he likes the MU-N possibility on the north side and wants design review on all projects in the area.

Council Member Bertrand would like to expand sidewalks.

Following discussion, the City Council provided the following direction for continued discussion:

- North side of Capitola Road: Rezone to MU-N due to shallow lots and adjacent residential properties.
- South side of Capitola Road: Provide a zoning solution that would maintain the Community Commercial zoning with the additional requirements:

- o a decreased height limit of three stories/35 feet maximum,
- o additional review requirement, including public outreach and City Council approval, for all development over two stories, and
- o require adequate setbacks for future sidewalks.

Mayor Harlan invited the public to comment on any other issues.

Elizabeth Jackson, resident, addressed vacation rental overlay and requested her home at 488 Riverview be included. Council asked to continue this item.

Mark Garrigoes, resident, asked if accessory dwelling units (ADUs) will be permitted for lots of 4,000 square feet lot and given the bonus of a 0.6 FAR.

Senior Planner Herlihy confirmed the update includes a decrease to 4,000 square feet for attached ADUs and asked for direction on the bonus. The Council expressed consensus support for an exception to allow 0.60 FAR on lots 4,000 square feet or greater with a secondary dwelling unit.

The Council reviewed the remaining items amended or discussed by the Planning Commission and supported its recommendations as follows:

*Capitola Road between 45<sup>th</sup> Avenue and Wharf Road:* The new zoning map rezones this area to Mixed Use Neighborhood (MU-N). The Planning Commission directed staff to add a footnote requiring a Conditional Use Permit for retail, personal service establishments, and offices for all properties within the MU-N zoning district along Capitola Road. This modification essentially reinstalls the requirements of the previous zoning. Council supported the modification.

*Drive-through and curbside service:*

The Planning Commission directed staff to allow a restaurant with curbside delivery consistent with the table below.

	<b>Current Code</b>	<b>Draft Code</b>	<b>PC Recommendation</b>
<b>Restaurant w/ Curbside</b>	No	CUP in RC Zone Prohibited elsewhere	CUP in RC Zone Prohibit elsewhere
<b>Retail w/Curbside</b>	Permitted in all commercial zones	CUP – RC Prohibited elsewhere	Permitted in all commercial zones
<b>Designated (Curbside) Spaces in Parking Lot</b>	No in shared lots Allow private lots	Yes	CUP for Shared Allow in Private

The City Council supported the Planning Commission recommendation and directed that the update specify that curbside is only allowed in commercial and mixed-use zones.

*Vacation rental signs:* The City Council supported the Planning Commission recommendation of 12 inches by 12 inches maximum.

*Existing non-conforming signs:* The Council supported the Planning Commission amendment requiring a review with a new Design Permit.

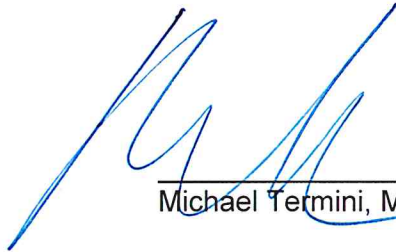
*Animal keeping:* Council supported the Planning Commission requirement that all allowed animals, other than household pets, be confined to the property within a fenced yard.

Council agreed to continue discussion about Capitola Road, the vacation overlay, and improving the technical descriptions for lighting and assumed ground height.

<b>MOTION:</b>	<b>CONTINUE THE HEARING</b>	<b>Next: 11/29/2017 6:00 PM</b>
<b>RESULT:</b>	<b>FIRST READING CONTINUED [UNANIMOUS]</b>	
<b>MOVER:</b>	Michael Termini, Vice Mayor	
<b>SECONDER:</b>	Ed Bottorff, Council Member	
<b>AYES:</b>	Bottorff, Bertrand, Harlan, Termini, Petersen	

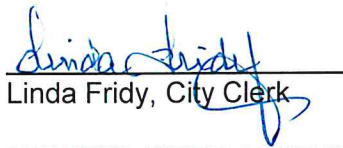
**9. ADJOURNMENT**

The meeting was adjourned at 9:17 p.m.



Michael Termini, Mayor

ATTEST:



Linda Fridy, City Clerk

**MINUTES WERE APPROVED ON DECEMBER 14, 2017**