

AGENDA CAPITOLA PLANNING COMMISSION Thursday, November 7, 2019 – 7:00 PM

Chairperson

TJ Welch

Commissioners Courtney Christiansen

Ed Newman Mick Routh Peter Wilk

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. Planning Commission Regular Meeting Oct 3, 2019 7:00 PM
 - B. Planning Commission Special Meeting Oct 17, 2019 7:00 PM

4. 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. 1855 41st Avenue #19-0240 APN: 034-261-07, -37, -38, -39, -40, & -52

Conceptual review for a future redevelopment of the Capitola Mall, in the Regional Commercial zoning district. The concept includes a new open-air design with a main commercial street, 339,131 square feet of new commercial space including a theater, and 637 residential units. The total square footage of the proposed development is 1,123,205 square feet and ranges in height from a single story up to 85 feet.

This project is not in the Coastal Zone.

Environmental Determination: CEQA not applicable for conceptual review.

Property Owner: Merlone Geier Management, LLC Representative: David Geiser, Filed: 08.30.2019

- 5. DIRECTOR'S REPORT
- 6. COMMISSION COMMUNICATIONS
- 7. ADJOURNMENT

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 Design Permit 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 five hundred dollar (\$500) 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 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.cityofcapitola.org. 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 on the following Monday and Friday at 1:00 p.m. on Charter Channel 71 and Comcast Channel 25. Meetings can also be viewed from the City's website: www.cityofcapitola.org.



DRAFT MINUTES CAPITOLA PLANNING COMMISSION MEETING THURSDAY, OCTOBER 3, 2019 7 P.M. – CAPITOLA CITY COUNCIL CHAMBERS

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

Commissioners Christiansen, Newman, Routh, Wilk, and Chair Welch were all present.

2. ORAL COMMUNICATIONS

A. Additions and Deletions to Agenda

Community Development Director Herlihy explained that item 5.B must be deleted from the agenda due to the need to re-notice the project.

- B. Public Comments none
- C. Commission Comments none
- D. Staff Comments

Director Herlihy announced that the conceptual review of the Mall project will take place during the regular meeting of the Planning Commission on November 7. Additional special meetings have been scheduled for October 17 and November 21 in order to hear other items.

3. APPROVAL OF MINUTES

A. Planning Commission - Regular Meeting - Sep 5, 2019 7:00 PM

MOTION: Approve the minutes with minor changes requested by Commissioner Newman.

RESULT: APPROVED [UNANIMOUS]

MOVER: Edward Newman SECONDER: Mick Routh

AYES: Newman, Welch, Wilk, Routh, Christiansen

4. CONSENT CALENDAR

A. 523 Riverview Drive #19-0323 APN: 035-042-05

Coastal Development Permit to replace an existing retaining wall located within the R-1 (Single-Family Residential) zoning district.

Note: Request to Continue to November 21, 2019.

This project is in the Coastal Zone and 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

Property Owner: Ed Bottorff

Representative: Ed Bottorff, Filed: 07.11.2019

MOTION: Continue to the special meeting on November 21, 2019.

RESULT: CONTINUED [NOVEMBER 21, 2019, MEETING]

MOVER: Peter Wilk

SECONDER: Courtney Christiansen

AYES: Newman, Welch, Wilk, Routh, Christiansen

B. 4025 Brommer Street #19-0343 APN: 034-164-08

Sign Permit for a new projecting sign, window sign, and directional sign for Timberworks located within the C-C (Community Commercial) zoning district.

This project is in the Coastal Zone but does not require a Coastal Development Permit.

Environmental Determination: Categorical Exemption

Property Owner: Stuart Family Trust

Representative: Rob Stuart, Filed: 07.22.2019

Item 4.B was pulled from the consent calendar per Commissioner Newman's request and heard immediately. Assistant Planner Sesanto presented the staff report.

Commissioner Newman raised concerns that the proposed directional sign is just a smaller recreation of the business's logo, which seems more like an exploit of the Code's intent, to allow for an additional advertising sign. He asked the Commission to consider the precedent their approval may set.

Staff suggested future directional sign guidelines could specify text only, rather than the inclusion of logos.

Commissioner Routh said that, in the absence of any specific staff guidelines, he supports this application because it is an appealing sign that adds to the design of the building.

MOTION: Approve the Sign Permit for three signs with the following conditions and findings.

- A. The project approval consists of a one-square-foot projecting sign, a window sign that is less than twenty percent of the window area, and directional signage at 4025 Brommer Street. The proposed project is approved as indicated on the final plans reviewed and approved by the Planning Commission on October 3, 2019, except as modified through conditions imposed by the Planning Commission during the hearing.
- B. Prior to making any changes to approved plans, modifications must be specifically requested and submitted in writing to the Community Development Department. Any significant changes to the size or exterior appearance of the structure shall require Planning Commission approval.
- C. A building permit shall be secured for the signs authorized by this permit within 60 days. Final building plans shall be consistent with the plans approved by the Planning Commission.
- D. Prior to issuance of building permit, all Planning fees associated with permit #19-0343 shall be paid in full.
- E. During construction, any construction activity shall be subject to a construction noise curfew, except as otherwise specified in the building permit issued by the City. Construction noise shall be prohibited between the hours of nine p.m. and seven-thirty a.m. on weekdays. Construction noise shall be prohibited on weekends with the exception of Saturday work between nine a.m. and four p.m. or emergency work approved by the building official §9.12.010B

- F. Compliance with all conditions of approval shall be demonstrated to the satisfaction of the Community Development Director. Upon evidence of non-compliance with the conditions of approval or applicable municipal code provisions, the applicant shall remedy the non-compliance to the satisfaction of the Community Development Director or shall file an application for a permit amendment for Planning Commission consideration. Failure to remedy a non-compliance in a timely manner may result in permit revocation.
- G. This permit shall expire two years from the date of issuance. The applicant shall have an approved building permit and construction underway before this date to prevent permit expiration. Applications for extension may be submitted by the applicant prior to expiration pursuant to Municipal Code section 17.81.160.
- H. This planning and infrastructure review and approval are transferable with the title to the underlying property so that an approved project may be conveyed or assigned by the applicant to others without losing the approval. The permit cannot be transferred off the site on which the approval was granted.

FINDINGS:

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

Community Development Department Staff and the Planning Commission have reviewed the sign application and determined that the proposed signs will secure the purpose of the zoning ordinance and general plan.

- 2. The application will maintain the character and integrity of the neighborhood.

 Community Development Department Staff and the Planning Commission have reviewed the signs and determined that the signs maintain the character and integrity of the Community
 - signs and determined that the signs maintain the character and integrity of the Community Commercial zoning district.
- 3. This project is categorically exempt under Section 15311(a) of the California Environmental Quality Act and is not subject to Section 753.5 of Title 14 of the California Code of Regulations

The signs are proposed on an existing mixed-use building in the Community Commercial zoning district. The signs are for commercial purposes. No adverse environmental impacts were discovered during project review by either the Planning Department Staff or the Planning Commission.

RESULT: APPROVED [3 TO 2]

MOVER: Mick Routh

SECONDER: Courtney Christiansen

AYES: Welch, Routh, Christiansen

NAYS: Newman, Wilk

5. PUBLIC HEARINGS

A. 1850 41st Avenue #19-0408 APN: 034-201-44

Conditional Use Permit for a new retail cannabis business (Apothecarium), Design Permit for modifications to the exterior of the existing building, and Sign Permit for a new wall sign located within the previous H&R Block office within the C-R (Regional Commercial) zoning district.

This project is not in the Coastal Zone and does not require a Coastal Development Permit.

Environmental Determination: Categorical Exemption

Property Owner: C. Richard Deane and Marilyn Ardis Deane Revocable Family

Trust

Representative: Nielsen Studios, Filed: 08.29.2019

Associate Planner Orbach presented the staff report.

Commissioner Newman confirmed that, for this type of business, the presence of a green cross logo was not required on the applicant's proposed signs.

Commissioner Routh asked about any special security measures that may be required at this type of business. Director Herlihy confirmed that there are higher security requirements but that oversight of security measures is provided within the Cannabis License, which is regulated by the Capitola Police Department and not the City Planning Department.

Chair Welch stated that he had recently talked with Chief McManus who is in support of this business.

Scott Hawkins, a representative of The Apothecarium, was available to answer questions. He said Capitola Police Captain Dally and Sergeant Detective Sloma visited The Apothecarium's San Francisco locations where they were well-received. Mr. Hawkins stated that the current security plan will be slightly updated based on feedback received by Sergeant Detective Sloma.

Commissioner Wilk asked Mr. Hawkins if the applicant supports the additional condition of removing the current monument sign, to which he said an enthusiastic yes.

Commissioner Newman said that The Apothecarium seems like a good fit for Capitola but mentioned that business ownership can change. He asked Staff if the conditions of this Conditional Use Permit include protection if future problems with an owner arise. Director Herlihy responded that the retail cannabis licensing criteria specifies what the requirements are for changes in ownership, which is regulated by the Police Department.

Commissioner Wilk thanked the applicant for investing in the community. Commissioner Christiansen agreed and complimented the applicant's building design. Chair Welch complimented the applicant for their design and business model.

MOTION: Approve the Conditional Use Permit. Design Permit, and Sign Permit with the following conditions and findings.

- 1. The project approval consists of a conditional use permit for a new retail cannabis business (The Apothecarium), design permit for modifications to the exterior of the existing building, and a sign permit for a new wall sign. The proposed project is approved as indicated on the final plans reviewed and approved by the Planning Commission on October 3, 2019, except as modified through conditions imposed by the Planning Commission during the hearing.
- 2. Prior to construction, a building permit shall be secured for any new construction or modifications to structures authorized by this permit. Final building plans shall be consistent with the plans approved by the Planning Commission. All construction and site improvements shall be completed according to the approved plans.
- 3. At time of submittal for building permit review, the Conditions of Approval must be printed in full on the cover sheet of the construction plans.

- 4. At time of submittal for building permit review, Public Works Standard Detail SMP STRM shall be printed in full and incorporated as a sheet into the construction plans. All construction shall be done in accordance with the Public Works Standard Detail BMP STRM.
- Prior to making any changes to approved plans, modifications must be specifically requested and submitted in writing to the Community Development Department. Any significant changes to the size or exterior appearance of the structure shall require Planning Commission approval.
- 6. Prior to issuance of building permit, a landscape plan shall be submitted and approved by the Community Development Department. The landscape plan can be produced by the property owner, landscape professional, or landscape architect. Landscape plans shall reflect the Planning Commission approval and shall identify type, size, and location of species and details of any proposed (but not required) irrigation systems.
- 7. Prior to issuance of building permit, all Planning fees associated with permit #19-0408 shall be paid in full.
- 8. Prior to issuance of a building permit, the applicant must provide documentation of plan approval by the following entities: Santa Cruz County Sanitation Department, Santa Cruz Water District, and Central Fire Protection District.
- Prior to issuance of building permits, a drainage plan, grading, sediment and erosion control plan, shall be submitted to the City and approved by Public Works. The plans shall be in compliance with the requirements specified in Capitola Municipal Code Chapter 13.16 Storm Water Pollution Prevention and Protection.
- 10. Prior to issuance of building permits, the applicant shall submit a stormwater management plan to the satisfaction of the Director of Public Works which implements all applicable Post Construction Requirements (PCRs) and Public Works Standard Details, including all standards relating to low impact development (LID).
- 11. Prior to any land disturbance, a pre-site inspection must be conducted by the grading official to verify compliance with the approved erosion and sediment control plan.
- Prior to any work in the City road right of way, an encroachment permit shall be acquired by the contractor performing the work. No material or equipment storage may be placed in the road right-of-way.
- 13. During construction, any construction activity shall be subject to a construction noise curfew, except when otherwise specified in the building permit issued by the City. Construction noise shall be prohibited between the hours of nine p.m. and seven-thirty a.m. on weekdays. Construction noise shall be prohibited on weekends with the exception of Saturday work between nine a.m. and four p.m. or emergency work approved by the building official. §9.12.010B
- 14. Prior to a project final, all cracked or broken driveway approaches, curb, gutter, or sidewalk shall be replaced per the Public Works Standard Details and to the satisfaction of the Public Works Department. All replaced driveway approaches, curb, gutter or sidewalk shall meet current Accessibility Standards.
- 15. Prior to issuance of a Certificate of Occupancy, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Community Development Director and Chief of Police. Upon evidence of non-compliance with conditions of approval of the Conditional Use permit and/or the retail cannabis license, or applicable municipal code provisions, the applicant shall remedy the non-compliance to the satisfaction of the Community Development Director and Chief of Police. Failure to remedy a non-compliance in a timely manner may result in conditional use permit revocation and retail cannabis license revocation.

- 16. This permit shall expire on February 2, 2020, if the applicant has not obtained the appropriate state license(s) for retail sales of cannabis within six months of selection as a potential retail cannabis license holder. The applicant shall have an approved building permit and construction underway within 24 months of the Conditional Use approval date to prevent permit expiration.
- 17. The Cannabis License is subject to the Capitola Municipal Code Section 5.36.030(A)(9) License Transfer to New Owner.
- 18. Upon receipt of certificate of occupancy, garbage and recycling containers shall be placed out of public view on non-collection days.
- 19. Prior to installation of the new wall sign, the monument sign on the site must be removed.

FINDINGS:

A. The proposed project is consistent with the general plan, local coastal program, and any applicable specific plan, area plan, or other design policies and regulations adopted by the city council.

Community Development Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the project. The proposed conditional use permit for a new retail cannabis business, design permit for structural modifications, and sign permit for a new wall sign comply with the development standards of the C-R zoning district. The project secures the purpose of the General Plan and design policies and regulations adopted by the City Council.

B. The proposed project complies with all applicable provisions of the zoning code and municipal code.

Community Development Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the application for a conditional use permit for a new retail cannabis business, design permit for structural modifications, and sign permit for a new wall sign. The project complies with all applicable provisions of the zoning code and municipal code.

C. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA).

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. The proposed project involves a retail use occupying an existing commercial space previously occupied by a professional office. The project includes no additional floor area and the use has the same parking requirement (1 parking space per 300 square feet of floor area) as the previous tenant. No adverse environmental impacts were discovered during project review by Planning Staff or the Planning Commission.

D. The proposed development will not be detrimental to the public health, safety, or welfare or materially injurious to the properties or improvements in the vicinity.

Community Development Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the project. The proposed conditional use permit for a new retail cannabis business, design permit for structural modifications, and sign permit for a new wall sign will not be detrimental to the public health, safety, or welfare or materially injurious to the properties or improvements in the vicinity.

E. The proposed project complies with all applicable design review criteria in Section 17.120.070 (Design review criteria).

The Community Development Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the application. The proposed design permit for structural modifications complies with all applicable design review criteria in Section 17.120.070.

F. The proposed signs are consistent with the general plan, local coastal program, zoning code, and any applicable specific plan or area plan adopted by the city council.

Community Development Staff and the Planning Commission have reviewed the sign permit application. The proposed wall sign is consistent with the general plan and zoning code.

- G. The proposed signs comply with all applicable standards in Chapter 17.80 (Signs). Community Development Staff and the Planning Commission have reviewed the sign permit application. The proposed wall sign complies with all applicable standards in Chapter 17.80 (Signs).
- H. The proposed sign will not adversely impact the public health, safety, or general welfare. Community Development Staff and the Planning Commission have reviewed the sign permit application. The proposed wall sign will not adversely impact the public health, safety, or general welfare.
- I. The number, size, placement, design, and material of the proposed signs are compatible with the architectural design of buildings on the site.

Community Development Staff and the Planning Commission have reviewed the sign permit application. The number, size, placement, design, and material of the proposed wall sign are compatible with the architectural design of the buildings on the site.

J. The proposed signs are restrained in character and no larger than necessary for adequate identification.

Community Development Staff and the Planning Commission have reviewed the sign permit application. The proposed wall sign is restrained in character and no larger than necessary for adequate identification.

RESULT: APPROVED [UNANIMOUS]

MOVER: Mick Routh
SECONDER: Peter Wilk

AYES: Newman, Welch, Wilk, Routh, Christiansen

B. 4199 Clares Street #19-0169 APN: 034-222-05

Tentative Parcel Map and Conditional Use Permit for a two-lot subdivision that includes a condominium conversion of an existing duplex, and a Design Permit for a new single-family residence toward the front of the property located within the RM-L (Residential Multifamily – Low Density) zoning district.

This project is not in the Coastal Zone and does not require a Coastal Development Permit.

Environmental Determination: Categorical Exemption

Property Owner: Larry Andrews

Representative: Larry Andrews, Filed: 04.12.2019

This item was deleted from the agenda with the intention of holding a public hearing for the item at the special meeting on October 17, 2019. The item was deleted due to the need for Staff to re-notice the application.

C. 1600 49th Avenue #19-0260 APN: 034-041-26

Appeal of an administrative denial of a tree removal application for a tree located within the R-1 (Single-Family Residential) zoning district.

This project is in the Coastal Zone but does not require a Coastal Development Permit.

Environmental Determination: Categorical Exemption

Property Owner: Michael & Vickie Oliver

Representative: Michael & Vickie Oliver, Filed: 05.28.2019

Commissioner Newman recused himself due to conflict of interest. Assistant Planner Sean presented the staff report.

Commissioner Wilk asked Staff if this was a Heritage Tree would City funds be available to help pay for the tree's maintenance. Director Herlihy referred to Code that states the Heritage Tree funds can be used for education and for the planting of other trees. Chair Welch mentioned that the Heritage Tree program is voluntary, and that the City Council will need to weigh-in as funds would be involved.

The property owners of 1600 49th Avenue, Vicki and Michael Oliver, were present to answer questions and explained their desire to remove the tree. Their main concern is their current liability if a neighbor or member of the public were to be hit by a falling branch, as the tree has outgrown its neighborhood setting and has shed large branches throughout 2019.

Commissioner Routh asked the Olivers' if they would be willing to keep the tree if they were confident that a maintenance plan could mitigate the problem. Mr. Oliver responded they would only be interested if the City took on the liability of the tree to ensure they weren't personally responsible for any damage. Chair Welch confirmed that the tree was tipped in 2012 at the Olivers' expense. Mr. Oliver explained that they are not concerned with spending money on the tree, but that tree maintenance will not fix the branch shedding problem.

Robert Perganti, neighbor, stated that the tree has been shedding branches since at least 2009.

Commissioner Routh expressed mixed feelings, as he understands the risk the tree presents but also values it as a landmark.

Commissioner Christiansen asked Staff how this tree was not already deemed a safety concern and thus approved for removal. Director Herlihy explained that, based on the City's arborist report, all feasible alternatives to removal have not been evaluated.

Commissioner Routh proposed tackling the problem by having a good arborist prune the tree.

Chair Welch was also torn between wishing the tree could be saved while acknowledging the risk that it poses to the neighborhood. He also explained his background understanding of foresters and their credentials and expressed trust in Mr. Jani's recommendation to remove the tree. Chair Welch asked Staff how tree replacement might be handled for the removal of this large of a tree. In response, Mr. Oliver said that he would be ready to replace the canopy if they could remove the tree.

MOTION: Uphold Staff's administrative denial of the Tree Removal Application due to the following findings.

FINDINGS:

The removal of the Coastal Redwood located in the front yard at 1600 39th Avenue <u>is not</u> in the public interest.

A. The tree is not in need of removal due to health or condition, with respect to disease infestation, or danger of falling.

The city-contracted arborist studied the coastal redwood tree and found it to be in a good state of vigor with long, weighted branches that are prone to continued breakage. The supporting roots and trunk appear solid and are not expected to fail in the foreseeable future. The tree is in need of proper maintenance and pruning.

B. The tree does not pose a safety concern if mitigating action is taken.

The city-contracted arborist recommended proper maintenance and pruning to allow the subject tree to stand for generations to come with minimal risk of failure.

C. The tree has not caused, nor has the potential to cause unreasonable property damage

and/or interreference with existing utility services if mitigating action is taken.

The city-contracted arborist recommended proper maintenance and pruning of the coastal redwood tree to reduce risk to a tolerable threshold and diminish future branch failure potential.

D. There are feasible alternatives to tree removal that secure the purposes of the Community Tree and Forest Management Ordinance.

The city-contracted arborist recommended proper maintenance and pruning. Specifically, branch length reduction is a pruning technique where each branch is shortened to lateral growth lessening the weight the branch upholds. This treatment has been successful in reducing and in some cases, eliminating branch failure potential.

RESULT: DENIED, VOTE TIED [2 to 2]

MOVER: Peter Wilk
SECONDER: Mick Routh
AYES: Wilk, Routh

NAYS: Welch, Christiansen RECUSED: Edward Newman

Commissioner Wilk suggested a third arborist review the tree to determine if a heavy pruning could truly alleviate the limb shedding problem. Chair Welch agreed that getting a third opinion may be enlightening, however the applicant said they would be unwilling to pay for yet another arborist report.

Chair Welch announced that this vote is more challenging since only four Commissioners are involved in the decision.

Director Herlihy suggested that the Planning Commission take a five-minute recess. Upon returning, Director Herlihy confirmed that the motion failed due to the tie vote and the staff recommendation will be upheld. This allows for the applicant to appeal the decision to City Council.

6. DIRECTOR'S REPORT

Director Herlihy noted that the proposed 2020 Planning Commission meeting schedule is available for Commissioner review, and that the schedule will be voted on by City Council on their November 14 meeting.

7. COMMISSION COMMUNICATIONS

8. ADJOURNMENT

Adjourned to the next special meeting of the Planni	ng Commission on October 17, 2019, at 7pm.
Chloé Woodmansee, Clerk to the Commission	



DRAFT MINUTES CAPITOLA PLANNING COMMISSION SPECIAL MEETING THURSDAY, OCTOBER 17, 2019 7 P.M. – CAPITOLA CITY COUNCIL CHAMBERS

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

Commissioners Christiansen, Newman, Routh, Wilk and Chair Welch were all present.

2. ORAL COMMUNICATIONS

- A. Additions and Deletions to Agenda none
- B. Public Comments none
- C. Commission Comments none
- D. Staff Comments

Director Herlihy reminded the Commission that the meeting on November 7 will focus solely on the Mall Redevelopment project conceptual review. She also announced that the previously scheduled special meeting on November 21 will be cancelled.

Director Herlihy announced that the Zoning Code will likely return to City Council for feedback in January 2020, after City Staff and Coastal Commission Staff meet and discuss it.

Director Herlihy announced that Community TV had been scheduled to video the special meeting but are not present.

3. CONSENT CALENDAR

A. 605 Capitola Avenue

#19-0360

APN: 035-301-16

Sign Permit for a monument sign for a real estate office located within the CN (Neighborhood Commercial) zoning district.

This project is in the Coastal Zone but does not require a Coastal Development

Permit.

Environmental Determination: Categorical Exemption

Property Owner: Jim Black

Representative: Maaret Forst, Filed: 07.31.19

Commissioner Wilk asked Staff if the applicant was encouraged to consider a wooden

sign.

MOTION: Approve the Sign Permit with the following conditions and findings.

- The project approval consists of a three-foot-tall by six-foot-wide monument sign at 605 Capitola
 Avenue with a total sign area of 18 square feet. The proposed project is approved as indicated on
 the final plans reviewed and approved by the Planning Commission on October 17, 2019, except as
 modified through conditions imposed by the Planning Commission during the hearing.
- 2. Prior to making any changes to approved plans, modifications must be specifically requested and

3.B

- submitted in writing to the Community Development Department. Any significant changes to the size or exterior appearance of the sign shall require Planning Commission approval.
- 3. Prior to issuance of building permit, all Planning fees associated with permit #19-0360 shall be paid in full.
- 4. Prior to any work in the City road right of way, an encroachment permit shall be acquired by the contractor performing the work. No material or equipment storage may be placed in the road right-of-way.
- 5. During construction, any construction activity shall be subject to a construction noise curfew, except when otherwise specified in the building permit issued by the City. Construction noise shall be prohibited between the hours of nine p.m. and seven-thirty a.m. on weekdays. Construction noise shall be prohibited on weekends with the exception of Saturday work between nine a.m. and four p.m. or emergency work approved by the building official. §9.12.010B
- 6. Compliance with all conditions of approval shall be demonstrated to the satisfaction of the Community Development Director. Upon evidence of non-compliance with conditions of approval or applicable municipal code provisions, the applicant shall remedy the non-compliance to the satisfaction of the Community Development Director or shall file an application for a permit amendment for Planning Commission consideration. Failure to remedy a non-compliance in a timely manner may result in permit revocation.
- 7. This permit shall expire 24 months from the date of issuance. The applicant shall have an approved building permit and construction underway before this date to prevent permit expiration. Applications for extension may be submitted by the applicant prior to expiration pursuant to Municipal Code section 17.81.160.
- 8. The planning and infrastructure review and approval are transferable with the title to the underlying property so that an approved project may be conveyed or assigned by the applicant to others without losing the approval. The permit cannot be transferred off the site on which the approval was granted.
- 9. The monument sign, together with all supports, braces, and anchors shall be free from excessive deterioration, rot, rust, and loosening and shall be maintained in safe condition. The display surface of all signs shall be kept neatly painted or posted at all times.

FINDINGS:

- A. The application, subject to the conditions imposed, will secure the purposes of the Zoning Ordinance and General Plan.
 - Community Development Department Staff and the Planning Commission have reviewed the sign application and determined that the proposed sign will secure the purpose of the zoning ordinance and general plan.
- B. The application will maintain the character and integrity of the neighborhood.

 Community Development Department Staff and the Planning Commission have reviewed the sign and determined that the sign maintains the character and integrity of the neighborhood. The sign is located in a mixed-use area with commercial and residential in the immediate vicinity. The proposed sign is smaller than the allowed maximum in an effort to fit within the character and scale of the neighborhood and historic property.
- C. The sign has been designed with regard to effect on the existing surroundings and will prevent visual blight. Reasonable conditions may be imposed in approving applications which would otherwise be disapproved.
 - The application has been designed to complement the mixed-use neighborhood along Capitola Avenue. A condition has been added to ensure ongoing maintenance to prevent blight.
- D. This project is categorically exempt under Section 15311(a) of the California Environmental

Quality Act and is not subject to Section 753.5 of Title 14 of the California Code of Regulations.

The on-premise monument sign is proposed for a parcel with an existing commercial building on Capitola Avenue. The sign is appurtenant to the existing commercial building. No adverse environmental impacts were discovered during project review by either the Planning Department Staff or the Planning Commission.

RESULT: APPROVED [UNANIMOUS]

MOVER: Ed Newman SECONDER: Peter Wilk

AYES: Newman, Welch, Wilk, Routh, Christiansen

B. 216 Elinor Street #19-0128 APN: 036-192-32

Design Permit for first-story (stairway) and second-story additions including a second-story deck to an existing single-family home located within the R-1 (Single-Family Residential) zoning district.

This project is in the Coastal Zone but does not require a Coastal Development Permit.

Environmental Determination: Categorical Exemption

Property Owner: Zachery & Birgit Calhoun Representative: Dennis Norton, Filed: 03.18.19

This item was pulled from the Consent Calendar and heard prior to Item 4.A due to public desire to comment on the project.

Assistant Planner Sesanto presented the staff report.

The project representative, Dennis Norton, was available for questions and noted that the project conforms to all Code requirements; he highlighted that the applicant did not ask for a variance and instead is completing the more difficult task of adding a curb-cut to meet parking requirements.

Commissioner Wilk asked if the applicant had considered asking for a variance, and Commissioner Newman questioned why the applicant felt providing a curb-cut and an additional parking space was easier than requesting a parking variance. Commissioner Newman also asked why the applicant is not requesting an Accessory Dwelling Unit (ADU) permit at this time. Chair Welch stated that if the applicant were to pursue that, the parking requirements may be less. Mr. Norton explained that the applicant was not interested in making the changes to the proposed structure that would be required in order to obtain an ADU permit.

Diane Nolan, the resident directly behind the project, spoke against the project due to the proposed second story blocking her property's sun. She also expressed frustration with a large redwood tree that blocks sun and requires a lot of maintenance but that the City will not allow her to remove.

Mary Jones, 825 Columbus Drive, expressed doubt in the property owner's intentions for the second-story additions and stated that the owners had told her that the second-story expansion was intended to be a separate apartment, despite their not applying for an ADU.

Commissioner Routh said that, since the application conforms to all City Ordinances, changes to it cannot be required.

Commissioner Newman explained that historically, the Commission has never sought to protect a resident's ocean view, however a resident's solar access may be a resource

worth defending. Though not in this specific case, Commissioner Newman noted that taking the tact of protecting solar access in the future may allow for design alterations under State and Federal guidelines.

Commissioner Christiansen agreed with the staff recommendation to approve the design permit and supported the conditions of approval.

Chair Welch noted that he received a voicemail message outlining similar concerns to Ms. Jones'. He reiterated that the project conforms to all Code requirements and thus it is out of the Commission's ability to ask for changes.

Commissioner Newman recommended that Ms. Nolan seek out City Council support for potential changes to tree removal requirements in Capitola.

MOTION: Approve the Design Permit with the following conditions and findings.

- 1. The project approval consists of 979 square-feet of first-story (stairway) and second-story additions to an existing nonconforming single-family residence. The maximum Floor Area Ratio for the 7,013 square foot property is 48% (3,372 square feet). The total FAR of the project is 42% with a total of 2,944 square feet, compliant with the maximum FAR within the zone. The proposed project is approved as indicated on the final plans reviewed and approved by the Planning Commission on October 17, 2019, except as modified through conditions imposed by the Planning Commission during the hearing.
- Prior to construction, a building permit shall be secured for any new construction or modifications
 to structures authorized by this permit. Final building plans shall be consistent with the plans
 approved by the Planning Commission. All construction and site improvements shall be
 completed according to the approved plans
- 3. At time of submittal for building permit review, the Conditions of Approval must be printed in full on the cover sheet of the construction plans.
- 4. At time of submittal for building permit review, Public Works Standard Detail SMP STRM shall be printed in full and incorporated as a sheet into the construction plans. All construction shall be done in accordance with the Public Works Standard Detail BMP STRM.
- 5. Prior to making any changes to approved plans, modifications must be specifically requested and submitted in writing to the Community Development Department. Any significant changes to the size or exterior appearance of the structure shall require Planning Commission approval.
- 6. Prior to issuance of building permit, a landscape plan shall be submitted and approved by the Community Development Department. The landscape plan can be produced by the property owner, landscape professional, or landscape architect. Landscape plans shall reflect the Planning Commission approval and shall identify type, size, and location of species and details of any proposed (but not required) irrigation systems.
- 7. Prior to issuance of building permit, all Planning fees associated with permit #19-0128 shall be paid in full.
- 8. Prior to issuance of building permit, the developer shall pay Affordable housing in-lieu fees as required to assure compliance with the City of Capitola Affordable (Inclusionary) Housing Ordinance.
- 9. Prior to issuance of a building permit, the applicant must provide documentation of plan approval by the following entities: Santa Cruz County Sanitation Department, Soquel Creek Water District, and Central Fire Protection District.

- 10. Prior to issuance of building permits, a drainage plan, grading, sediment and erosion control plan, shall be submitted to the City and approved by Public Works. The plans shall be in compliance with the requirements specified in Capitola Municipal Code Chapter 13.16 Storm Water Pollution Prevention and Protection.
- 11. Prior to issuance of building permits, the applicant shall submit a stormwater management plan to the satisfaction of the Director of Public Works which implements all applicable Post Construction Requirements (PCRs) and Public Works Standard Details, including all standards relating to low impact development (LID).
- 12. Prior to any land disturbance, a pre-site inspection must be conducted by the grading official to verify compliance with the approved erosion and sediment control plan.
- 13. Prior to any work in the City road right of way, an encroachment permit shall be acquired by the contractor performing the work. No material or equipment storage may be placed in the road right-of-way.
- 14. During construction, any construction activity shall be subject to a construction noise curfew, except when otherwise specified in the building permit issued by the City. Construction noise shall be prohibited between the hours of nine p.m. and seven-thirty a.m. on weekdays. Construction noise shall be prohibited on weekends with the exception of Saturday work between nine a.m. and four p.m. or emergency work approved by the building official. §9.12.010B
- 15. Prior to a project final, all cracked or broken driveway approaches, curb, gutter, or sidewalk shall be replaced per the Public Works Standard Details and to the satisfaction of the Public Works Department. All replaced driveway approaches, curb, gutter or sidewalk shall meet current Accessibility Standards.
- 16. Prior to issuance of a Certificate of Occupancy, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Community Development Director. Upon evidence of non-compliance with conditions of approval or applicable municipal code provisions, the applicant shall remedy the non-compliance to the satisfaction of the Community Development Director or shall file an application for a permit amendment for Planning Commission consideration. Failure to remedy a non-compliance in a timely manner may result in permit revocation.
- 17. This permit shall expire 24 months from the date of issuance. The applicant shall have an approved building permit and construction underway before this date to prevent permit expiration. Applications for extension may be submitted by the applicant prior to expiration pursuant to Municipal Code section 17.81.160.
- 18. The planning and infrastructure review and approval are transferable with the title to the underlying property so that an approved project may be conveyed or assigned by the applicant to others without losing the approval. The permit cannot be transferred off the site on which the approval was granted.
- 19. Upon receipt of certificate of occupancy, garbage and recycling containers shall be placed out of public view on non-collection days.
- 20. Prior to issuance of building permits, the building plans must show that the existing overhead utility lines will be underground to the nearest utility pole.
- 21. Food preparation area within the second-story living space is limited to a mini-bar/convenience area:
 - a. The mini-bar/convenience area is limited to a small refrigerator, a microwave oven, and a small sink with a drain size less than one and one-half inches.
 - b. No gas line or two hundred twenty electric service is permitted within this area.

- c. Only one such area is permitted within a dwelling in addition to the kitchen, and internal access within the dwelling must be maintained.
- d. The internal access must be maintained between the conditioned space of the main home and the mini-bar/convenience area.
- 22. No part of the residence shall be used as a secondary dwelling unit (SDU) unless permitted under a separate application.

FINDINGS:

A. The project, subject to the conditions imposed, secures the purposes of the Zoning Ordinance, General Plan, and Local Coastal Plan.

Community Development Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the project. The proposed remodel complies with the development standards of the R-1 (Single-Family Residential) District and secures the purpose of the Zoning Ordinance, General Plan, and Local Coastal Plan.

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

Community Development Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the application. The proposed remodel of the home, with stucco siding on the first floor, a new second story with board and batten siding, and new second-story deck will fit nicely within the existing neighborhood. The project will maintain the character and integrity of the neighborhood.

C. This project is categorically exempt under Section 15332 of the California Environmental Quality Act and is subject to Section 753.5 of Title 14 of the California Code of Regulations.

Section 15332 of the CEQA Guidelines exempts projects characterized as in-fill development when: the project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations; the proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses; the project site has no value as habitat for endangered, rare, or threatened species; the project would not result in any significant effects relating to traffic, noise, air quality, or water quality; and the site can be adequately served by all required utilities and public services. The proposed project is consistent with the in-fill development exemption and no adverse environmental impacts were discovered by Planning Staff during review of the proposed project.

RESULT: APPROVED [UNANIMOUS]

MOVER: Courtney Christiansen

SECONDER: Mick Routh

AYES: Newman, Welch, Wilk, Routh, Christiansen

C. 4595 Emerald Street #19-0216 APN: 034-032-15

Design Permit to remodel an existing single-family residence with first- and second-story additions and the removal of a second-story deck within the R-1 (Single-Family Residential) zoning district.

This project is in the Coastal Zone but does not require a Coastal Development

Permit.

Environmental Determination: Categorical Exemption

Property Owner: Chrisman Clum

Representative: Maximilian Brandt, Filed: 05.06.19

MOTION: Approve the Design Permit with the following conditions and findings.

- 1. The project approval consists of the construction of first- and second-story additions and the removal of a second story deck that decrease the floor area by 71 square feet. The maximum Floor Area Ratio for the 3,200 square-foot property is 56% (1,824 square feet). The total FAR of the project is 54% with a total of 1,726 square feet, compliant with the maximum FAR within the zone. The proposed project is approved as indicated on the final plans reviewed and approved by the Planning Commission on October 17, 2019, except as modified through conditions imposed by the Planning Commission during the hearing.
- 2. Prior to construction, a building permit shall be secured for any new construction or modifications to structures authorized by this permit. Final building plans shall be consistent with the plans approved by the Planning Commission. All construction and site improvements shall be completed according to the approved plans
- 3. At time of submittal for building permit review, the Conditions of Approval must be printed in full on the cover sheet of the construction plans.
- 4. At time of submittal for building permit review, Public Works Standard Detail SMP STRM shall be printed in full and incorporated as a sheet into the construction plans. All construction shall be done in accordance with the Public Works Standard Detail BMP STRM.
- 5. Prior to making any changes to approved plans, modifications must be specifically requested and submitted in writing to the Community Development Department. Any significant changes to the size or exterior appearance of the structure shall require Planning Commission approval.
- 6. Prior to issuance of building permit, a landscape plan shall be submitted and approved by the Community Development Department. The landscape plan can be produced by the property owner, landscape professional, or landscape architect. Landscape plans shall reflect the Planning Commission approval and shall identify type, size, and location of species and details of any proposed (but not required) irrigation systems.
- 7. Prior to issuance of building permit, all Planning fees associated with permit #19-0216 shall be paid in full.
- 8. Prior to issuance of building permit, Affordable housing in-lieu fees shall be paid as required to assure compliance with the City of Capitola Affordable (Inclusionary) Housing Ordinance.
- 9. Prior to issuance of a building permit, the applicant must provide documentation of plan approval by the following entities: Santa Cruz County Sanitation Department, Soquel Creek Water District, and Central Fire Protection District.
- 10. Prior to issuance of building permits, a drainage plan, grading, sediment and erosion control plan, shall be submitted to the City and approved by Public Works. The plans shall be in compliance with the requirements specified in Capitola Municipal Code Chapter 13.16 Storm Water Pollution Prevention and Protection.
- 11. Prior to issuance of building permits, the applicant shall submit a stormwater management plan to the satisfaction of the Director of Public Works which implements all applicable Post Construction Requirements (PCRs) and Public Works Standard Details, including all standards relating to low impact development (LID).
- 12. Prior to any land disturbance, a pre-site inspection must be conducted by the grading official to verify compliance with the approved erosion and sediment control plan.
- 13. Prior to any work in the City road right of way, an encroachment permit shall be acquired by the contractor performing the work. No material or equipment storage may be placed in the road right-of-way.

- 14. During construction, any construction activity shall be subject to a construction noise curfew, except when otherwise specified in the building permit issued by the City. Construction noise shall be prohibited between the hours of nine p.m. and seven-thirty a.m. on weekdays. Construction noise shall be prohibited on weekends with the exception of Saturday work between nine a.m. and four p.m. or emergency work approved by the building official. §9.12.010B
- 15. Prior to a project final, all cracked or broken driveway approaches, curb, gutter, or sidewalk shall be replaced per the Public Works Standard Details and to the satisfaction of the Public Works Department. All replaced driveway approaches, curb, gutter or sidewalk shall meet current Accessibility Standards.
- 16. Prior to issuance of a Certificate of Occupancy, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Community Development Director. Upon evidence of non-compliance with conditions of approval or applicable municipal code provisions, the applicant shall remedy the non-compliance to the satisfaction of the Community Development Director or shall file an application for a permit amendment for Planning Commission consideration. Failure to remedy a non-compliance in a timely manner may result in permit revocation.
- 17. This permit shall expire 24 months from the date of issuance. The applicant shall have an approved building permit and construction underway before this date to prevent permit expiration. Applications for extension may be submitted by the applicant prior to expiration pursuant to Municipal Code section 17.81.160.
- 18. The planning and infrastructure review and approval are transferable with the title to the underlying property so that an approved project may be conveyed or assigned by the applicant to others without losing the approval. The permit cannot be transferred off the site on which the approval was granted.
- 19. Upon receipt of certificate of occupancy, garbage and recycling containers shall be placed out of public view on non-collection days.

FINDINGS:

A. The project, subject to the conditions imposed, secures the purposes of the Zoning Ordinance, General Plan, and Local Coastal Plan.

Community Development Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the project. The proposed remodel complies with the development standards of the R-1 (Single-Family Residential) District. The project secures the purpose of the Zoning Ordinance, General Plan, and Local Coastal Plan.

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

Community Development Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the application. The proposed remodel of the home, with a new front entry, stucco siding on the first floor, board and batten siding on the second floor, and the removal of a nonconforming second-story deck will fit well within the existing neighborhood. The project will maintain the character and integrity of the neighborhood.

C. This project is categorically exempt under Section 15301(e) of the California Environmental Quality Act and is subject to Section 753.5 of Title 14 of the California Code of Regulations.

Section 15301(e) of the CEQA Guidelines exempts additions to existing structures provided that the addition will not result in an increase of more than 50 percent of the floor area of the structures before the addition. The proposed remodel decreases the total floor area by 71 square feet, which is a decrease of two percent. No adverse environmental impacts were discovered during review of the proposed project.

RESULT: APPROVED [3 TO 0]

MOVER: Peter Wilk, Commissioner

SECONDER: Courtney Christiansen

AYES: Welch, Wilk, Christiansen

RECUSED: Newman, Routh

4. PUBLIC HEARINGS

A. 4199 Clares Street #19-0169 APN: 034-222-05

Tentative Parcel Map for a two-lot subdivision, Minor Land Division creating two condominium units, and Design Permit for a new single-family residence located within the RM-L (Residential Multifamily – Low Density) zoning district.

This project is not in the Coastal Zone and does not require a Coastal Development

Permit.

Environmental Determination: Categorical Exemption

Property Owner: Larry Andrews

Representative: Larry Andrews, Filed: 04.12.2019

Associate Planner Orbach presented the staff report.

Commissioner Wilk asked about the proposed tree removal to accommodate the driveway width. Staff confirmed the width is necessary to satisfy the Fire code.

Commissioner Newman asked Staff for confirmation that the access easement on the shared driveway did not prevent that portion of the back lot from being counted towards the minimum lot area requirement for the two condominium units. Staff confirmed that easement areas are excluded from the net lot area used in the Floor Area Ratio (FAR) calculation on lots with single-family residences, but they are not excluded from the total lot area in calculating the minimum lot area per unit requirements for multi-family residences in the RM-LM (Residential Multifamily – Low Density) zone, so the 10,000-square-foot lot exceeds the 8,800-square-foot minimum lot area required for the two units.

Representative Larry Andrews explained his history with the property. He also commented that though the 20-foot driveway is a requirement, they chose to include the four-foot land strip for aesthetics and privacy because the Fire Department only requires that 16 feet of the driveway be paved. Commissioner Wilk observed that the landscape plan includes many new trees, to which Mr. Andrews replied that they must include a specific number of replacement trees in order to remove the Queen Palms and satisfy replanting requirements from a previous project on the lot. Mr. Andrews also pointed out that they are keeping several fruit trees.

Commissioner Newman commented that this new proposal for the property seems fitting and gave Mr. Andrews advice on defining the proposed condominiums so that the future buyers can own the building, not just the airspace, in order to increase their value. Commissioner Newman expressed delight that a project worthy of Commission support is finally proposed for this property.

Commissioner Wilk said that in his view the tree replacement requirements and the landscape plan as proposed conflict with the intent of the City Code. He proposed that instead of requiring 18 trees, the Commission could require fewer large canopy native trees. Director Herlihy said that a 15% canopy coverage would be required for the property and noted that Staff could consider modification of the plan to require planting to achieve 15% canopy coverage instead of 18 trees. Director Herlihy and Associate Planner Orbach recommended amending conditions six and 21.

Chair Welch said that making deals with applicants can turn into a slippery slope and though he understands Commissioner Wilk's intent, following the City's Code regarding tree removal is

important. Commissioner Routh agreed and added that Staff should not have to review an applicant's landscape plan to such a degree.

Director Herlihy said that Mr. Andrews has followed Staff's recommendations throughout his application process and that she feels confident in working with him to come up with a compromise regarding both the canopy and tree replacement.

MOTION: Approve Tentative Parcel Map, Minor Land Division, and Design Permit with the following conditions, including amendments to number 6 and 21, and findings.

- 1. The project approval consists of a tentative parcel map for a two-lot subdivision, a minor land division creating two condominium units, and a design permit for a new single-family residence. The maximum Floor Area Ratio for the 5,853-square-foot property with the new single-family residence is 49% (2,868 square feet). The total FAR of the project is 40% with a total of 2,335 square feet, compliant with the maximum FAR within the zone. The proposed project is approved as indicated on the final plans reviewed and approved by the Planning Commission on October 3, 2019, except as modified through conditions imposed by the Planning Commission during the hearing.
- 2. Prior to construction, a building permit shall be secured for any new construction or modifications to structures authorized by this permit. Final building plans shall be consistent with the plans approved by the Planning Commission. All construction and site improvements shall be completed according to the approved plans
- 3. At time of submittal for building permit review, the Conditions of Approval must be printed in full on the cover sheet of the construction plans.
- 4. At time of submittal for building permit review, Public Works Standard Detail SMP STRM shall be printed in full and incorporated as a sheet into the construction plans. All construction shall be done in accordance with the Public Works Standard Detail BMP STRM.
- 5. Prior to making any changes to approved plans, modifications must be specifically requested and submitted in writing to the Community Development Department. Any significant changes to the size or exterior appearance of the structure shall require Planning Commission approval.
- 6. Prior to issuance of building permit, an updated landscape plan shall be submitted and approved by the Community Development Department. The landscape plan can be produced by the property owner, landscape professional, or landscape architect. Landscape plans shall reflect the Planning Commission approval, with an allowance to reduce the 18-tree replanting requirement as long as the 15% minimum canopy coverage is met, and shall identify type, size, and location of species and details of any proposed (but not required) irrigation systems.
- 7. Prior to issuance of building permit, all Planning fees associated with permit #19-0169 shall be paid in full.
- 8. Prior to issuance of building permit, Affordable housing in-lieu fees shall be paid as required to assure compliance with the City of Capitola Affordable (Inclusionary) Housing Ordinance.
- 9. Prior to issuance of a building permit, the applicant must provide documentation of plan approval by the following entities: Santa Cruz County Sanitation Department, Soquel Creek Water District, and Central Fire Protection District.
- 10. Prior to issuance of building permits, a drainage plan, grading, sediment and erosion control plan (Temporary Construction BMPs) shall be submitted to the City and approved by the Public Works Director. The plans shall be in compliance with the requirements specified in Capitola Municipal

Code Chapter 13.16.100 Construction Site Storm Water Runoff Control. All improvements shall be installed prior to the start of construction and shall be maintained throughout project duration.

- 11. Prior to issuance of building permits, the applicant shall submit a Stormwater Control Plan, Bioretention Construction Checklist, and detailed draft Stormwater Operation and Maintenance Plan prepared and certified by a Registered Civil Engineer in accordance with the current Post Construction Requirements (PCRs) for a Tier 2 project for review and approval by the Public Works Director.
- 12. Prior to the issuance of the building permit the applicant shall submit plans detailing all improvements or modifications that impact or interface with the public right of way. At a minimum these details will include the limits of any existing or proposed curb drains, ADA compliant driveway approach, or any other modification to the curb/gutter/sidewalk. The extent of all improvements or modifications shall be limited to those areas fronting the property boundary and shall not impact the frontage of any adjacent parcels.
- 13. Prior to any land disturbance, applicant shall notify the Public Works Department 24 hours in advance for a pre-site inspection to be conducted by the grading official to verify compliance with the approved erosion and sediment control plan. All temporary sediment and erosion control best management practices (BMPs) shall be maintained throughout the project duration.
- 14. Prior to any work in the City road right of way, an encroachment permit shall be acquired by the contractor performing the work. No material or equipment storage may be placed in the road right-of-way.
- 15. During construction, any construction activity shall be subject to a construction noise curfew, except when otherwise specified in the building permit issued by the City. Construction noise shall be prohibited between the hours of nine p.m. and seven-thirty a.m. on weekdays. Construction noise shall be prohibited on weekends with the exception of Saturday work between nine a.m. and four p.m. or emergency work approved by the building official. §9.12.010B
- 16. Prior to a project final, all cracked or broken driveway approaches, curb, gutter, or sidewalk shall be replaced per the Public Works Standard Details and to the satisfaction of the Public Works Department. The driveway approach shall be replaced to meet ADA standards along Clares Street.
- 17. Engineer of Record to inspect construction of stormwater management improvements and certify to the City that the construction meets the intent of the approved design drawings, Stormwater Control Plan, and City Post Construction Requirements.
- 18. Engineer of Record to provide record drawings of the constructed improvements.
- 19. Prior to final occupancy approval the applicant shall submit a final Operation and Maintenance Plan including any revisions resulting from changes made during construction for review, approval and recorded in the Office of the County Recorder by the Public Works Director.
- 20. Prior to final occupancy approval the applicant shall enter into and record in the Office of the County Recorder, any agreements identified in the Stormwater Control Plan which pertain to the transfer of ownership, right-of-entry for inspection or abatement, and/or long-term maintenance of the stormwater treatment BMPs.
- 21. Prior to issuance of a Certificate of Occupancy, the applicant shall demonstrate compliance with the tree removal permit authorized by this permit for 2 palm trees to be removed from the property. Replacement trees shall be planted at a 2:1 ratio provide 15% canopy coverage. In addition, the applicant shall plant 14 new trees, which were required as part of a previous tree removal permit for a joint development project at 4199 and 4201 Clares Street. Required replacement trees shall be of the same size, species and planted on the site as shown on the approved plans.

- Trees approved for removal within this development application may not be removed prior to issuance of a building permit.
- 23. Prior to issuance of a Certificate of Occupancy, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Community Development Director. Upon evidence of non-compliance with conditions of approval or applicable municipal code provisions, the applicant shall remedy the non-compliance to the satisfaction of the Community Development Director or shall file an application for a permit amendment for Planning Commission consideration. Failure to remedy a non-compliance in a timely manner may result in permit revocation.
- 24. This permit shall expire 24 months from the date of issuance. The applicant shall have an approved building permit and construction underway before this date to prevent permit expiration. Applications for extension may be submitted by the applicant prior to expiration pursuant to Municipal Code section 17.81.160.
- 25. The planning and infrastructure review and approval are transferable with the title to the underlying property so that an approved project may be conveyed or assigned by the applicant to others without losing the approval. The permit cannot be transferred off the site on which the approval was granted.
- 26. Upon receipt of certificate of occupancy, garbage and recycling containers shall be placed out of public view on non-collection days.
- 27. Prior to issuance of building permits, the building plans must show that the existing overhead utility lines will be underground to the nearest utility pole.
- 28. The Applicant shall prepare and submit a parcel map showing the original parcel and the parcels being created by the lot division with pertinent supporting data. Said map shall be filed with the Public Works Department with the appropriate review fees for review by the City Surveyor. Said parcel map shall be prepared by a licensed land surveyor who shall be responsible for responding to comments until the map is acceptable to the Public Works Department.
- 29. All plans and profiles of improvements shall be approved by the Public Works Director prior to issuance of the building permit, and the construction of said improvements shall be in accordance with the City Specifications and shall be inspected by the Public Works Director or his authorized agent, subject to fees appropriate for the services.
- 30. Prior to recording of the parcel map, either all street and utility improvements, as required by the Public Works Department (i.e. curbs, gutters, sidewalks, paving, etc.) shall be completed or the developer must enter into a subdivision agreement with the Public Works Department which will include bonding for street and utility improvements.
- 31. Prior to the recordation of the parcel map, the applicant shall submit new legal descriptions for each lot for review by the Community Development Director.
- 32. Available and necessary utilities, including CATV (cable television service) hookup facilities, with connections to each lot within the subdivision, shall be constructed in accordance with the utility's requirements. All utilities shall be underground.
- 33. A Homeowner's Association CC&R document shall be prepared by the developer and subject to the approval of the Community Development Director, Public Works Director, and City Attorney. The CC&Rs shall be prepared and approved prior to recordation of the Parcel Map and all costs associated with the creation of the documents will be the responsibility of the applicant.

FINDINGS:

A. The proposed project is consistent with the general plan, local coastal program, and any applicable specific plan, area plan, or other design policies and regulations adopted by the city council.

Community Development Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the project. The proposed tentative parcel map for a two-lot subdivision, minor land division creating two condominium units, and design permit for a new single-family residence comply with the development standards of the RM-L District. The project secures the purpose of the General Plan and design policies and regulations adopted by the City Council.

B. The proposed project complies with all applicable provisions of the zoning code and municipal code.

Community Development Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the application for a tentative parcel map for a two-lot subdivision, minor land division creating two condominium units, and design permit for a new single-family residence. The project complies with all applicable provisions of the zoning code and municipal code.

C. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA).

This construction of a new single-family residence is categorically exempt under Section 15303(a) of the CEQA Guidelines, which exempts the construction of a single-family residence in a residential zone.

The subdivision and minor land division are categorically exempt under Section 15315 of the CEQA Guidelines, which exempts Minor Land Divisions in urbanized areas zoned for residential use into four or fewer parcels when the division is in conformance with the General Plan and zoning. This project involves a two-lot subdivision and a minor land division creating two condominium units that are in compliance with zoning and the General Plan. No adverse environmental impacts were discovered during review of the proposed project.

D. The proposed development will not be detrimental to the public health, safety, or welfare or materially injurious to the properties or improvements in the vicinity.

Community Development Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the project. The proposed tentative parcel map for a two-lot subdivision, minor land division creating two condominium units, and design permit for a new single-family residence will not be detrimental to the public health, safety, or welfare or materially injurious to the properties or improvements in the vicinity.

E. The proposed project complies with all applicable design review criteria in Section 17.120.070 (Design review criteria).

The Community Development Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the application. The proposed tentative parcel map for a two-lot subdivision, minor land division creating two condominium units, and design permit for a new single-family residence complies with all applicable design review criteria in Section 17.120.070.

F. For projects in residential neighborhoods, the proposed project maintains the character, scale, and development pattern of the neighborhood.

Community Development Staff, the Architectural and Site Review Committee, and the Planning Commission have all reviewed the application for the tentative parcel map for a two-lot subdivision, minor land division creating two condominium units, and design permit for a new single-family residence. The design of the home with small front porch and stucco siding with horizontal siding at the gable ends will fit in nicely with the existing neighborhood. The project will maintain the character, scale, and development pattern of the neighborhood.

G. The application is consistent with the Subdivision Map Act and local Subdivision Ordinance.

The subdivision was designed in accordance with the Subdivision Map Act and local ordinances enacted pursuant thereto. Per the Subdivision Map Act, the proposed map is consistent with the General Plan and Local Coastal Plan, is physically suited for the proposed type and density of development, will not likely cause substantial environmental damage, or substantially and avoidably injure fish, wildlife or their habitats, will not cause serious public health problems, and will not conflict with public easements for access through, or use of, property within the proposed subdivision.

RESULT: APPROVED [UNANIMOUS]

MOVER: Peter Wilk

SECONDER: Courtney Christiansen

AYES: Newman, Welch, Wilk, Routh, Christiansen

B. 115 San Jose Avenue #19-0484 APN: 035-221-17

Conditional Use Permit for a take-out restaurant (coffee shop) with alcohol sales (onsite beer and wine) located within the CV (Central Village) zoning district. This project is in the Coastal Zone but does not require a Coastal Development Permit.

Environmental Determination: Categorical Exemption

Property Owner: Capitola Associates LLC

Representative: Dennis Norton, Filed: 09.19.2019

Commissioners Newman and Wilk recused themselves due to conflicts of interest.

Associate Planner Orbach presented the staff report. Representative Dennis Norton and property manager Josh Fisher were available to answer questions.

Commissioner Routh said he had no problem with the use but pointed out that there have been several alcohol sale permits approved recently for businesses within the Mercantile.

Commissioner Christiansen commented that the business will be a good addition to the central area within the Mercantile.

Chair Welch asked what type of food the business intends to serve. Mr. Fisher responded that they will have sandwiches, pastries, and other light high-quality items.

Director Herlihy explained to the Commission that Planning Staff is working with the California Department of Alcoholic Beverage Control (ABC) and the applicant on a Master Use Permit application for the Mercantile building that will identify "shared-premises" seating areas where alcohol purchased from the various Mercantile vendors can be consumed. For now, alcohol must be consumed on the site of the specific business from which it is purchased.

MOTION: Approve Conditional Use Permit for takeout restaurant with alcohol sales with the following conditions and findings.

CONDITIONS:

 The project approval consists of a Conditional Use Permit for a 314-square-foot take-out restaurant (The Daily Grind) with six seats or less and on-site alcohol sales and consumption at 115 San Jose Avenue (Suite 107). The proposed project is approved as indicated on the final plans reviewed and approved by the Planning Commission on October 17, 2019, except as modified through conditions imposed by the Planning Commission during the hearing.

- A copy of the approved Department of Alcoholic Beverage Control (ABC) Permit must be filed with the Community Development Department prior to initiating on-site beer and wine sales. The Conditional Use Permit is limited to a Type 41 license through the ABC. A proposed change in the type of liquor licensed issued by ABC will necessitate approval of an amendment to the Conditional Use Permit.
- 3. The applicant shall receive permission from ABC prior to October 28, 2021. The conditional use permit will expire in the case where the conditionally permitted use has not been exercised within two years after the date of granting thereof. Any interruption or cessation beyond the control of the property owner shall be deemed to have been "used" when actual substantial, continuous activity has taken place upon the land pursuant to the permit. Applications for extension may be submitted by the applicant prior to permit expiration, pursuant to Municipal Code section 17.81.160.
- 4. Compliance with all conditions of approval and the ABC license requirements and conditions shall be demonstrated to the satisfaction of the Community Development Director. Upon evidence of non-compliance with conditions of approval or applicable municipal code provisions, the applicant shall remedy the non-compliance to the satisfaction of the Community Development Director or shall file an application for a permit amendment for Planning Commission consideration. Failure to remedy a non-compliance issue in a timely manner may result in permit revocation.
- There shall be no amplified audible entertainment inside the business that can be audible outside of the business.
- Prior to construction, a building permit shall be secured for any new construction or modifications
 to structures authorized by this permit. Final building plans shall be consistent with the plans
 approved by the Planning Commission. All construction and site improvements shall be
 completed according to the approved plans.
- 7. At time of submittal for building permit review, the Conditions of Approval must be printed in full on the cover sheet of the construction plans.
- 8. At time of submittal for building permit review, Public Works Standard Detail SMP STRM shall be printed in full and incorporated as a sheet into the construction plans. All construction shall be done in accordance with the Public Works Standard Detail BMP STRM.
- 9. Prior to making any changes to approved plans, modifications must be specifically requested and submitted in writing to the Community Development Department. Any significant changes to the size or exterior appearance of the structure shall require Planning Commission approval.
- 10. Prior to issuance of building permit, all Planning fees associated with permit #19-0484 shall be paid in full.
- 11. Prior to any work in the City road right of way, an encroachment permit shall be acquired by the contractor performing the work. No material or equipment storage may be placed in the road right-of-way.
- 12. During construction, any construction activity shall be subject to a construction noise curfew, except when otherwise specified in the building permit issued by the City. Construction noise shall be prohibited between the hours of nine p.m. and seven-thirty a.m. on weekdays. Construction noise shall be prohibited on weekends with the exception of Saturday work between nine a.m. and four p.m. or emergency work approved by the building official. §9.12.010B
- 13. Prior to issuance of a Certificate of Occupancy, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Community Development Director. Upon evidence of non-compliance with conditions of approval or applicable municipal code provisions, the applicant

3.B

shall remedy the non-compliance to the satisfaction of the Community Development Director or shall file an application for a permit amendment for Planning Commission consideration. Failure to remedy a non-compliance in a timely manner may result in permit revocation.

- 14. This permit shall expire 24 months from the date of issuance. The applicant shall have an approved building permit and construction underway before this date to prevent permit expiration. Applications for extension may be submitted by the applicant prior to expiration pursuant to Municipal Code section 17.81.160.
- 15. The planning and infrastructure review and approval are transferable with the title to the underlying property so that an approved project may be conveyed or assigned by the applicant to others without losing the approval. The permit cannot be transferred off the site on which the approval was granted.

FINDINGS:

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

Community Development Staff and the Planning Commission have reviewed the project. The proposed take-out restaurant with a Type 41 alcohol license complies with the development standards of the C-V District. The project secures the purpose of the Zoning Ordinance, General Plan, and Local Coastal Plan.

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

Community Development Staff and the Planning Commission have reviewed the application for the take-out restaurant with a Type 41 alcohol license. The use will fit with the surrounding commercial uses. The project will maintain the character and integrity of the neighborhood.

C. This project is categorically exempt under Section 15301 of the California Environmental Quality Act and is subject to Section 753.5 of Title 14 of the California Code of Regulations.

Section 15301 of the CEQA Guidelines exempts 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. This project involves a take-out restaurant with a Type 41 alcohol license for the sale of beer and wine for on-site consumption within the C-V (Central Village) zoning district. No adverse environmental impacts were discovered during review of the proposed project.

RESULT: APPROVED [3 TO 0]

MOVER: Mick Routh

SECONDER: Courtney Christiansen AYES: Welch, Routh, Christiansen

RECUSED: Newman, Wilk

C. 211 Monterey Avenue

#19-0313

APN: 035-185-19 Design Permit for a second-story addition to an existing duplex with a variance for the off-site parking and open space requirements located within the C-V (Central Village) zoning district.

This project is in the Coastal Zone and requires a Coastal Development Permit, which is not appealable to the California Coastal Commission.

Environmental Determination: Categorical Exemption

Property Owner: Maor Katz

Representative: Joshua Bauman, Filed: 07.02.2019

Commissioner Christiansen recused herself due to a conflict of interest.

Associate Planner Orbach presented the staff report.

Commissioner Wilk confirmed with Staff that the proposed wall would be at the same location as the current fence.

Dan Gomez, representative from Fuse Architects, spoke about the project's history and highlighted that this addition proves challenging based on the small size of the house as its size makes the allowable 10% expansion relatively minor. He also reminded the Commission that the applicant is requesting a parking Variance only because they are no longer proposing a curb-cut for on-site parking, which the Commission cautioned against at the project's conceptual review.

Maor Katz, property owner, spoke in defense of the project and emphasized his belief that the property does meet special circumstances required to grant the Variances requested.

Commissioner Wilk stated that he would like to approve the project and that the large neighboring structures that surround 211 Monterey Avenue appear to add a unique circumstance to the project as street access is limited to only the front of the property.

Commissioner Newman said that he appreciated the design but was frustrated by the parking requirement, as he does not see how the project qualifies for a Variance. He expressed the need for the City to have an in-lieu parking program for instances such as these.

Commissioner Routh said that if the problem is the parking requirement, which is determined by the size of the project, the project should be scaled down.

Chair Welch explained that he would be more lenient in granting a Variance because of the lack of other parking options in this unique situation. He said that it would be worth assessing the findings in order to grant a Variance because the project will be an asset to the Village as a whole.

Commissioner Newman asked Staff if they could add a condition that the applicant would contribute to an in-lieu parking program should one exist in the future. Director Herlihy responded that this would be inappropriate as the current in-lieu parking program exists solely in the case of a large hotel and thus allowing private homeowners to participate would be inconsistent. Director Herlihy advised the Commission that special circumstances to approve the Variance should be specific to this exact location on Monterey Avenue in Capitola.

Commissioner Routh stated that this is an issue of overbuilding the lot, and that the City should not have to break its own rules to accommodate owners who bought a property too small to fit their needs.

Commissioner Newman said he is leaning towards supporting the project only because the Code requirements conflict, by requiring on-site parking but also prohibiting ways to create on-site parking.

Director Herlihy said that special circumstances could include the scale of the neighboring structures and the City's Public Works Department public safety recommendation against adding a curb-cut for onsite parking.

MOTION: Approve the Design Permit, Off-site Parking Variance, Open Space Requirement Variance, and Coastal Development Permit with the following conditions and findings.

CONDITIONS:

1. The project approval consists of a 590-square-foot addition with 419 square feet of second-story decks to a duplex and a variance to waive the off-site parking requirement and decrease the open space requirement. The proposed project is approved as indicated on the final plans reviewed

- and approved by the Planning Commission on October 17, 2019, except as modified through conditions imposed by the Planning Commission during the hearing.
- 2. Prior to construction, a building permit shall be secured for any new construction or modifications to structures authorized by this permit. Final building plans shall be consistent with the plans approved by the Planning Commission. All construction and site improvements shall be completed according to the approved plans
- 3. At time of submittal for building permit review, the Conditions of Approval must be printed in full on the cover sheet of the construction plans.
- 4. At time of submittal for building permit review, Public Works Standard Detail SMP STRM shall be printed in full and incorporated as a sheet into the construction plans. All construction shall be done in accordance with the Public Works Standard Detail BMP STRM.
- 5. Prior to making any changes to approved plans, modifications must be specifically requested and submitted in writing to the Community Development Department. Any significant changes to the size or exterior appearance of the structure shall require Planning Commission approval.
- 6. Prior to issuance of building permit, a landscape plan shall be submitted and approved by the Community Development Department. The landscape plan can be produced by the property owner, landscape professional, or landscape architect. Landscape plans shall reflect the Planning Commission approval and shall identify type, size, and location of species and details of any proposed (but not required) irrigation systems.
- 7. Prior to issuance of building permit, all Planning fees associated with permit #19-0313 shall be paid in full.
- 8. Prior to issuance of building permit, the developer shall pay Affordable housing in-lieu fees as required to assure compliance with the City of Capitola Affordable (Inclusionary) Housing Ordinance.
- 9. Prior to issuance of a building permit, the applicant must provide documentation of plan approval by the following entities: Santa Cruz County Sanitation Department, Soquel Creek Water District, and Central Fire Protection District.
- 10. Prior to issuance of building permits, a drainage plan, grading, sediment and erosion control plan, shall be submitted to the City and approved by Public Works. The plans shall be in compliance with the requirements specified in Capitola Municipal Code Chapter 13.16 Storm Water Pollution Prevention and Protection.
- 11. Prior to issuance of building permits, the applicant shall submit a stormwater management plan to the satisfaction of the Director of Public Works which implements all applicable Post Construction Requirements (PCRs) and Public Works Standard Details, including all standards relating to low impact development (LID).
- 12. Prior to any land disturbance, a pre-site inspection must be conducted by the grading official to verify compliance with the approved erosion and sediment control plan.
- 13. Prior to any work in the City road right of way, an encroachment permit shall be acquired by the contractor performing the work. No material or equipment storage may be placed in the road right-of-way.
- 14. During construction, any construction activity shall be subject to a construction noise curfew, except when otherwise specified in the building permit issued by the City. Construction noise shall be prohibited between the hours of nine p.m. and seven-thirty a.m. on weekdays.

Construction noise shall be prohibited on weekends with the exception of Saturday work between nine a.m. and four p.m. or emergency work approved by the building official. §9.12.010B

- 15. Prior to a project final, all cracked or broken driveway approaches, curb, gutter, or sidewalk shall be replaced per the Public Works Standard Details and to the satisfaction of the Public Works Department. All replaced driveway approaches, curb, gutter or sidewalk shall meet current Accessibility Standards.
- 16. Prior to issuance of a Certificate of Occupancy, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Community Development Director. Upon evidence of non-compliance with conditions of approval or applicable municipal code provisions, the applicant shall remedy the non-compliance to the satisfaction of the Community Development Director or shall file an application for a permit amendment for Planning Commission consideration. Failure to remedy a non-compliance in a timely manner may result in permit revocation.
- 17. This permit shall expire 24 months from the date of issuance. The applicant shall have an approved building permit and construction underway before this date to prevent permit expiration. Applications for extension may be submitted by the applicant prior to expiration pursuant to Municipal Code section 17.81.160.
- 18. The planning and infrastructure review and approval are transferable with the title to the underlying property so that an approved project may be conveyed or assigned by the applicant to others without losing the approval. The permit cannot be transferred off the site on which the approval was granted.
- 19. Upon receipt of certificate of occupancy, garbage and recycling containers shall be placed out of public view on non-collection days.
- 20. Prior to issuance of building permits, the building plans must show that the existing overhead utility lines will be underground to the nearest utility pole.
- 21. At the time of building permit application for construction within the floodplain or floodway, the applicant shall provide a "No Rise Study", performed by a licensed engineer, in which verification of the structure's impact on the floodplain or floodway is provided.
- 22. Prior to issuance of building permit, the building plans must show that the first-story patio wall and second story deck do not extend more than thirty-three inches from the front of the existing structure.

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. With a variance for the open space and off-site parking requirements, the proposed residence complies with the development standards of the CV (Central Village) District. Conditions of approval have been included to carry out the objectives of the Zoning Ordinance, General Plan, and Local Costal 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. With a variance for the open space and off-site parking requirements, the proposed residence complies with the development standards of the CV (Central Village) zoning district. The design of the addition, with large aluminum-framed windows, stucco and stone siding, and gable roof, will fit nicely with the neighborhood. The proposed duplex will complement the existing mixed-used neighborhood in use, similar mass and scale, materials, and height. The existing building is adjacent to two two-story structures

located in close proximity to the side setback lines. The new addition compliments the built environment within this block of Monterey Avenue.

C. This project is categorically exempt under Section 15332 of the California Environmental Quality Act and is not subject to Section 753.5 of Title 14 of the California Code of Regulations.

Section 15332 of the CEQA Guidelines exempts projects characterized as in-fill development when the project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations; the proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses; the project site has no value as habitat for endangered, rare, or threatened species; the project would not result in any significant effects relating to traffic, noise, air quality, or water quality; and the site can be adequately served by all required utilities and public services. This project involves second-story additions to an existing duplex within the CV (Central Village) zoning district. The proposed project is consistent with the in-fill development exemption and no adverse environmental impacts were discovered during review of the proposed project.

D. Special circumstances applicable to the subject property, including size, shape, topography, location or surroundings, exist on the site and the strict application of this title is found to deprive subject property of privileges enjoyed by other properties in the vicinity and under identical zone classification;

There are special circumstances applicable to the subject property. The existing structure is not historic therefore placing a second story on a portion of the structure will not impact the historic integrity of the structure. The structure is the only single-story building on a block that otherwise consists of two-story structures. The property is also located along the eastern gateway into the Capitola Village with high pedestrian traffic between the public parking lots and the Village. The applicant provided a concept which included onsite parking. The zoning code and Land Use Plan do not allow onsite parking in an effort to maintain the village experience of pedestrian friendly sidewalks and active building facades. The Planning Commission and the Public Works Director did not support the concept with a curb cut to onsite parking due to the negative impact on the pedestrian experience. Also, since attaining ownership of the property, the owner converted the use from a triplex to a duplex and decreased the parking demand of the site from six spaces to four spaces.

E. The grant of a variance would not constitute a grant of a special privilege inconsistent with the limitation upon other properties in the vicinity and zone in which subject property is situated.

The grant of this variance would not constitute a special privilege because the adjacent properties on the block of Monterey Avenue between Capitola Avenue and Park Place are two-story structures. The structure at 211 Monterey is a single story, non-historic building. The building is a duplex with a primary residence on the front and a vacation rental in the back unit. By limiting the addition to 10 percent under the code, only the circulation to the second story can be achieved. The applicant requested a modest addition of sixty-three percent which allows the primary residence adequate living space while maintaining a vacation rental to operate at the rear of the property. All of the structures along this block of Monterey have residential uses in the second story.

COASTAL FINDINGS:

D. Findings Required.

- 1. 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, including, but not limited to:
 - a. A statement of the individual and cumulative burdens imposed on public access and recreation opportunities based on applicable factors identified pursuant to subsection (D)(2) of this section. The type of affected public access and recreation opportunities shall be clearly described:

- An analysis based on applicable factors identified in subsection (D)(2) of this section of the necessity for requiring public access conditions to find the project consistent with the public access provisions of the Coastal Act;
- c. A description of the legitimate governmental interest furthered by any access conditioned required;
- d. An explanation of how imposition of an access dedication requirement alleviates the access burdens identified.
 - The proposed development conforms to the City's certified Local Coastal Plan (LCP). The specific, factual findings, as per CMC Section 17.46.090(D) are as follows:
- 2. Require Project-Specific Findings. In determining any requirement for public access, including the type of access and character of use, the city shall evaluate and document in written findings the factors identified in subsections (D)(2)(a) through (e), to the extent applicable. The findings shall explain the basis for the conclusions and decisions of the city and shall be supported by substantial evidence in the record. If an access dedication is required as a condition of approval, the findings shall explain how the adverse effects which have been identified will be alleviated or mitigated by the dedication. As used in this section, "cumulative effect" means the effect of the individual project in combination with the effects of past projects, other current projects, and probable future projects, including development allowed under applicable planning and zoning.
 - a. Project Effects on Demand for Access and Recreation. Identification of existing and open public access and coastal recreation areas and facilities in the regional and local vicinity of the development. Analysis of the project's effects upon existing public access and recreation opportunities. Analysis of the project's cumulative effects upon the use and capacity of the identified access and recreation opportunities, including public tidelands and beach resources, and upon the capacity of major coastal roads from subdivision, intensification or cumulative buildout. Projection for the anticipated demand and need for increased coastal access and recreation opportunities for the public. Analysis of the contribution of the project's cumulative effects to any such projected increase. Description of the physical characteristics of the site and its proximity to the sea, tideland viewing points, upland recreation areas, and trail linkages to tidelands or recreation areas. Analysis of the importance and potential of the site, because of its location or other characteristics, for creating, preserving or enhancing public access to tidelands or public recreation opportunities;
 - The proposed project is located at 211 Monterey Avenue. The home is not located in an
 area with coastal access. The home will not have an effect on public trails or beach
 access.
 - b. Shoreline Processes. Description of the existing shoreline conditions, including beach profile, accessibility and usability of the beach, history of erosion or accretion, character and sources of sand, wave and sand movement, presence of shoreline protective structures, location of the line of mean high tide during the season when the beach is at its narrowest (generally during the late winter) and the proximity of that line to existing structures, and any other factors which substantially characterize or affect the shoreline processes at the site. Identification of anticipated changes to shoreline processes at the site. Identification of anticipated changes to shoreline processes and beach profile unrelated to the proposed development. Description and analysis of any reasonably likely changes, attributable to the primary and cumulative effects of the project, to: wave and sand movement affecting beaches in the vicinity of the project; the profile of the beach; the character, extent, accessibility and usability of the beach; and any other factors which characterize or affect beaches in the vicinity. Analysis of the effect of any identified changes of the project, alone or in combination with other anticipated changes, will have upon the ability of the public to use public tidelands and shoreline recreation areas;
 - The proposed project is located along Monterey Avenue. No portion of the project is located along the shoreline or beach.
 - c. Historic Public Use. Evidence of use of the site by members of the general public for a continuous five-year period (such use may be seasonal). Evidence of the type and character of use made by the public (vertical, lateral, blufftop, etc., and for passive and/or active

recreational use, etc.). Identification of any agency (or person) who has maintained and/or improved the area subject to historic public use and the nature of the maintenance performed and improvements made. Identification of the record owner of the area historically used by the public and any attempts by the owner to prohibit public use of the area, including the success or failure of those attempts. Description of the potential for adverse impact on public use of the area from the proposed development (including but not limited to, creation of physical or psychological impediments to public use);

- There is not a history of public use on the subject lot.
- d. Physical Obstructions. Description of any physical aspects of the development which block or impede the ability of the public to get to or along the tidelands, public recreation areas, or other public coastal resources or to see the shoreline;
 - The proposed project is located on private property on Monterey Avenue. The project will
 not block or impede the ability of the public to get to or along the tidelands, public
 recreation areas, or views to the shoreline.
- e. Other Adverse Impacts on Access and Recreation. Description of the development's physical proximity and relationship to the shoreline and any public recreation area. Analysis of the extent of which buildings, walls, signs, streets or other aspects of the development, individually or cumulatively, are likely to diminish the public's use of tidelands or lands committed to public recreation. Description of any alteration of the aesthetic, visual or recreational value of public use areas, and of any diminution of the quality or amount of recreational use of public lands which may be attributable to the individual or cumulative effects of the development.
 - The proposed project is located on private property that will not impact access and recreation. The project does not diminish the public's use of tidelands or lands committed to public recreation nor alter the aesthetic, visual, or recreational value of public use areas.
- 3. Required Findings for Public Access Exceptions. Any determination that one of the exceptions of subsection (F)(2) applies to a development shall be supported by written findings of fact, analysis and conclusions which address all of the following:
 - a. The type of access potentially applicable to the site involved (vertical, lateral, bluff top, etc.)
 and its location in relation to the fragile coastal resource to be protected, the agricultural use,
 the public safety concern, or the military facility which is the basis for the exception, as
 applicable;
 - b. Unavailability of any mitigating measures to manage the type, character, intensity, hours, season or location of such use so that agricultural resources, fragile coastal resources, public safety, or military security, as applicable, are protected;
 - c. Ability of the public, through another reasonable means, to reach the same area of public tidelands as would be made accessible by an accessway on the subject land.
 - The project is not requesting a Public Access Exception, therefore these findings do not apply.
- 4. Findings for Management Plan Conditions. Written findings in support of a condition requiring a management plan for regulating the time and manner or character of public access use must address the following factors, as applicable:
 - Identification and protection of specific habitat values including the reasons supporting the conclusions that such values must be protected by limiting the hours, seasons, or character of public use;
 - The project is located in a residential area without sensitive habitat areas.
 - b. Topographic constraints of the development site;
 - The project is located on a flat lot.
 - c. Recreational needs of the public;
 - The project does not impact the recreational needs of the public.

- d. Rights of privacy of the landowner which could not be mitigated by setting the project back from the access way or otherwise conditioning the development;
- e. The requirements of the possible accepting agency, if an offer of dedication is the mechanism for securing public access;
- Feasibility of adequate setbacks, fencing, landscaping, and other methods as part of a management plan to regulate public use.
- 5. Project complies with public access requirements, including submittal of appropriate legal documents to ensure the right of public access whenever, and as, required by the certified land use plan and Section 17.46.010 (coastal access requirements);
 - No legal documents to ensure public access rights are required for the proposed project.
- 6. Project complies with visitor-serving and recreational use policies;

SEC. 30222

The use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.

 The project involves a second-story addition to an existing duplex with a variance for the offsite parking and open space requirements on a residential lot of record.

SEC. 30223

Upland areas necessary to support coastal recreational uses shall be reserved for such uses, where feasible.

- The project involves a second-story addition to an existing duplex with a variance for the offsite parking and open space requirements on a residential lot of record.
 - c) Visitor-serving facilities that cannot be feasibly located in existing developed areas shall be located in existing isolated developments or at selected points of attraction for visitors.
- The project involves a second-story addition to an existing duplex with a variance for the offsite parking and open space requirements on a residential lot of record.
- Project complies with applicable standards and requirements for provision of public and private parking, pedestrian access, alternate means of transportation and/or traffic improvements;
 - The project involves the construction of a second-story addition on an existing duplex with a variance for the off-site parking and open space requirements. With a variance for the off-site parking, the project complies with applicable standards and requirements for provision for parking, pedestrian access, alternate means of transportation, and/or traffic improvements.
- 8. Review of project design, site plan, signing, lighting, landscaping, etc., by the city's architectural and site review committee, and compliance with adopted design guidelines and standards, and review committee recommendations;
 - The project complies with the design guidelines and standards established by the Municipal Code.
- Project complies with LCP policies regarding protection of public landmarks, protection or provision of public views; and shall not block or detract from public views to and along Capitola's shoreline;
 - The project will not negatively impact public landmarks and/or public views. The project will not block or detract from public views to and along Capitola's shoreline.
- 10. Demonstrated availability and adequacy of water and sewer services;
 - The project is located on a legal lot of record with available water and sewer services.
- 11. Provisions of minimum water flow rates and fire response times;

3.B

The project is located 0.2 miles from the Central Fire Protection District Capitola Station.
 Water is available at the location.

12. Project complies with water and energy conservation standards;

The project is for a second-story addition to an existing duplex with a variance for the off-site
parking and open space requirements. The GHG emissions for the project are projected at
less than significant impact. All water fixtures must comply with the low-flow standards of the
Soquel Creek Water District.

13. Provision of park dedication, school impact, and other fees as may be required;

The project will be required to pay appropriate fees prior to building permit issuance.

14. Project complies with coastal housing policies, and applicable ordinances including condominium conversion and mobile home ordinances;

• The project does not involve a condo conversion or mobile homes.

15. Project complies with natural resource, habitat, and archaeological protection policies;

Conditions of approval have been included to ensure compliance with established policies.

16. Project complies with Monarch butterfly habitat protection policies;

• The project is outside of any identified sensitive habitats, specifically areas where Monarch Butterflies have been encountered, identified and documented.

17. Project provides drainage and erosion and control measures to protect marine, stream, and wetland water quality from urban runoff and erosion;

 Conditions of approval have been included to ensure compliance with applicable erosion control measures.

18. Geologic/engineering reports have been prepared by qualified professional for projects in seismic areas, geologically unstable areas, or coastal bluffs, and project complies with hazard protection policies including provision of appropriate setbacks and mitigation measures;

Geologic/engineering reports have been prepared by qualified professionals for this project.
 Conditions of approval have been included to ensure the project applicant shall comply with all applicable requirements of the most recent version of the California Building Standards Code.

All other geological, flood and fire hazards are accounted for and mitigated in the project design;

• Conditions of approval have been included to ensure the project complies with geological, flood, and fire hazards and are accounted for and will be mitigated in the project design.

20. Project complies with shoreline structure policies;

The proposed project is not located along a shoreline.

21. The uses proposed are consistent with the permitted or conditional uses of the zoning district in which the project is located;

• This use is an allowed use consistent with the C-V zoning district.

22. Conformance to requirements of all other city ordinances, zoning requirements, and project review procedures; and

• The project conforms to the requirements of all city ordinances, zoning requirements, and project development review and development procedures.

23. Project complies with the Capitola parking permit program as follows:

 a. The village area preferential parking program areas and conditions as established in Resolution No. 2596 and no permit parking of any kind shall be allowed on Capitola Avenue.

- b. The neighborhood preferential parking program areas are as established in Resolution Numbers 2433 and 2510.
- c. The village area preferential parking program shall be limited to three hundred fifty permits.
- d. Neighborhood permit areas are only in force when the shuttle bus is operating except that:
 - i. The Fanmar area (Resolution No. 2436) program may operate year-round, twenty-four hours a day on weekends,
 - ii. The Burlingame, Cliff Avenue/Grand Avenue area (Resolution No. 2435) have year-round, twenty-four hour per day "no public parking."
- e. Except as specifically allowed under the village parking program, no preferential residential parking may be allowed in the Cliff Drive parking areas.
- f. Six Depot Hill twenty-four minute "Vista" parking spaces (Resolution No. 2510) shall be provided as corrected in Exhibit A attached to the ordinance codified in this section and found on file in the office of the city clerk.
- g. A limit of fifty permits for the Pacific Cove parking lot may be issued to village permit holders and transient occupancy permit holders.
- h. No additional development in the village that intensifies use and requires additional parking shall be permitted. Changes in use that do not result in additional parking demand can be allowed and exceptions for onsite parking as allowed in the land use plan can be made.
 - The project complies with the Capitola parking permit program.

RESULT: APPROVED [3 TO 1]

MOVER: Peter Wilk SECONDER: TJ Welch

AYES: Newman, Welch, Wilk

NAYS: Mick Routh

RECUSED: Courtney Christiansen

5. DIRECTOR'S REPORT

Director Herlihy told the Commission that representatives of Kosmont and Associates met with City Staff for a site visit and Council meetings regarding the Mall redevelopment project. The City also approved a contract with RRM Design Group; this third-party architect will give their professional opinion of the project's design in order to ensure a quality development that fits our community. Their feedback will be included during the November 7 Planning Commission meeting.

6. COMMISSION COMMUNICATIONS - NONE

7. ADJOURNMENT

The meeting was adjourned at 9:07pm to the next regular meeting of the Planning Commission on November 7, 2019.

Chloé Woodmansee, Clerk to the Commission



STAFF REPORT

TO: PLANNING COMMISSION

FROM: COMMUNITY DEVELOPMENT

DATE: NOVEMBER 7, 2019

SUBJECT: 1855 41st Avenue 19-0240 034-261-07,-37,-38,-40, and

-52 (034-261-39 Leased)

Conceptual review for a future redevelopment of the Capitola Mall, in the Regional Commercial zoning district. The concept includes a new open-air design with a main commercial street, 339,131 square feet of new commercial space including a theater, and 637 residential units. The total square footage of the proposed development is 1,123,205 square feet and ranges in height from a single story up to 85 feet...

This project is not in the Coastal Zone.

Environmental Determination: CEQA not applicable for conceptual review.

Property Owner: Merlone Geier Management, LLC Representative: David Geiser, Filed: 08.30.2019

<u>RECOMMENDED ACTION</u>: Receive the presentation by mall owners Merlone Geier Partners of its conceptual plan for redevelopment of the Capitola Mall, receive public comment, and provide input and feedback on the project prior to submission of a formal application.

<u>APPLICANT PROPOSAL</u>: The applicant is seeking preliminary feedback on a conceptual design for redevelopment of 31.44 acres of the 46.16-acre Capitola Mall with a mix of commercial, retail, and residential uses (Attachment 1). The anticipated future application will likely include a Planned Development Zoning District, a Vesting Tentative Tract Map, a Development Agreement, a Design Permit, and a Master Sign Program. The main components of the project description include the following:

- The existing building area within the development site is approximately 373,451 square feet. Demolition of the former Sears building (approximately 110,000 square feet), a portion of the existing mall (approximately 124,936 square feet), and the former Takara restaurant building (approximately 8,000 square feet), for a total of 242,936 square feet.
- The project proposes redevelopment with a total of approximately 339,131 square feet of commercial space, including retail, restaurants, fitness, and entertainment uses, for a net reduction of approximately 34,320 square feet. Development of 637 multi-family residential units within one seven-story building and one five-story building. Both buildings would have retail uses "wrapped" around two parking garages.

- Roadway reconfiguration to improve access to the site and to create an internal grid street
 pattern within the site. This would include realignment of the existing main access drive on
 41st Avenue approximately 300 feet to the south, and extension of a new 38th Street from
 Capitola Road north to Clares Street. An active main street with angled parking, wide
 sidewalks, and spaces for outdoor dining, informal seating, signage, and landscaping is
 proposed as part of the project.
- Relocation of the Santa Cruz Metro transit station to a new location between Macy's and Kohl's, which would be accessed from Clares Street.
- Development of at-grade surface and structured parking with a total of approximately 2,614 commercial parking spaces at an overall commercial parking ratio of 4.3 spaces per 1,000 square feet of commercial space. The two residential parking garages would provide approximately 1,098 dedicated residential parking spaces at a ratio of 1.74 spaces per dwelling unit. The 3,712 spaces represent the parking provided for Merlone Geier Partners portion of the site, not the entire mall.
- Construction of new stormwater infrastructure to treat all stormwater on-site through natural and engineered biofiltration systems and methods.
- Development of various pedestrian and bicycle improvements, along with new signage throughout the project.
- The proposed development would have a maximum height of 85 feet.
- The project applicant is also proposing exterior improvements to existing anchor stores, including Target, Kohl's, and Macy's which border the proposed new development.
- The applicant included a master sign program with the conceptual review, which includes monument signs, way finding signs, directional signs, wall signs, and Capitola Town Square signs (Attachment 2).

<u>BACKGROUND</u>: In 1975, the mall property was annexed into the City of Capitola and zoned to allow construction of an indoor mall. The first iteration of the Capitola Mall opened in 1977. The mall was renovated and expanded in the late 1980s to include four department stores and approximately 100 shops and restaurants.

Over the past decade, the City has consistently focused on the long-term viability of the Capitola Mall and created specific goals, policies, and actions within the new General Plan (adopted in 2014) to both incentivize and guide and redevelopment at the site.

In 2013, the previous mall owner, the City of Capitola, and Santa Cruz Metro began working together to identify an appropriate location to relocate the transit center. In 2014, all parties conceptually agreed the location between Kohl's and Macy's was the best site for the future transit center, however the project was not implemented.

In 2018, the City adopted a new zoning code which implements the actions outlined in the General Plan to incentivize redevelopment at the mall site, as discussed below.

<u>DISCUSSION</u>: The Capitola Mall is 46.16 acres in total and is located on the south side of 41st Avenue between Clares Street and Capitola Road. The existing mall contains a total of 640,631

square feet of building area on ten parcels and is surrounded by a mix of existing commercial development.

The proposed project site consists of the 31.44 acres of the mall owned by the applicant, Merlone Geier Parners. The existing buildings on the development site consist of the indoor mall (181,320 square feet), the former Sears building (110,000 square feet), Kohl's (74,131 square feet), and the former Takara restaurant (8,000 square feet).

The existing mall building, which was constructed in the 1970s and expanded in 1989, is approximately 35 feet high and currently includes 68 retail tenants. The Target, Macy's, and Kohl's buildings are larger anchor retail stores which range from 30 to 40 feet in height.

This staff report will first focus on the project description, then the regulatory framework for mall redevelopment, and conclude with proposed comments from the City's technical review team and other public agencies.

PROJECT DESCRIPTION

The project proposes demolishing the main interior spine of the mall and Sears building and creating a new open-air town center with a new street grid pattern through the site. Target, Macy's and Kohl's, three major retail anchors within the existing mall, would be retained and incorporated into the site design. As proposed, the project would introduce a mix of new retail and entertainment space (339,131 square feet) and 637 new dwelling units (784,074 square feet). The description of the project design is broken down into the following five zones shown on the site plan.



Zone 1 - 41st Avenue Frontage (Gateway)

Along 41st Avenue, the project would be accessed through a new gateway entrance to the site at a new signalized intersection with Town Square Way. Four new retail buildings are proposed on the eastern portion of the site along 41st Avenue, ranging from 3,700 to 6,800 square feet in size, with surface parking. The new retail buildings are single story ranging from 33 feet to 40 feet in height.

Zone 2 – Southeast Block (Sears Block)

The area between 40th Avenue and 38th Avenue (including the former Sears building), is proposed to include a mix of commercial retail uses, with 384 dwelling units, up to seven stories in height. The residential building would be built above proposed retail uses and would be wrapped around an eight-level parking structure. The proposed residential units would consist of studio, one-bedroom, and two-bedroom units. Building heights on this portion of the site would be up to 85 feet and blocks would extend for approximately 500 feet along 38th Avenue and 300 feet along Capitola Road. The new residential building is proposed 15 feet from Capitola Road and 40th Avenue and 12.5 feet from 38th Avenue measured from back of curb.

Zone 3 – Southwest Block (Target Block)

In the southwest quadrant of the site, west of 38th Avenue, the project proposes 253 dwelling units, up to five stories in height, with retail uses along the new interior Town Square Way. The residential building would wrap around a six-level parking garage. Building heights on this portion of the site would be up to 60 feet. The block along 38th Avenue would extend for approximately 600 feet and approximately 220 feet along Capitola Road. The new residential building is proposed 15.5 feet from Capitola Road and 12 feet from 38th Avenue measured from back of curb. The existing Target building and parking structure would remain.

Zone 4 – Northwest Block (Macy's Block)

In the northwest quadrant of the development site, the project proposes two new retail buildings, totaling approximately 8,400 square feet, sidewalk and plaza/public realm improvements in front of Macy's, and the relocated Metro transit station. Building heights would be up to 45 feet.

Zone 5 - Northeast (Kohl's Block)

In the northeast quadrant of the site, between 41st Avenue and 38th Avenue, north of the proposed Town Square Way, the project proposes renovation of a portion of the existing mall, and development of a new 7,900 square foot retail building. Exterior improvements to the existing Kohl's building are also proposed. Building heights would be up to 40 feet.

Roadways and Public Spaces

38th Avenue would serve as the main north-south gateway entrance from Capitola Avenue to the proposed residential units and Town Square Way, extending north to Clares Street. Town Square Way would extend from 41st Avenue west through the site to Clares Street. Town Square Way would be designed as an active main street with angled parking, wide sidewalks, and areas for outdoor dining, informal seating and gathering, signage, and landscaping.

A direct access from 41st Avenue to the Target building is accommodated through a driveway underneath the building in Zones 2 and 3. This pedestrian and auto circulation has been designed to provide vehicular access from the eastern part of the site to the Target building on the southwest portion of the site.

REGULATORY FRAMEWORK

General Plan

In 2014, the Capitola City Council adopted the General Plan Update to replace the City's previous 1989 General Plan. The General Plan includes goals to maintain and enhance Capitola's distinctive identity and unique sense of place. The project site is designated as *Regional Commercial (C-R)* in the Capitola General Plan. The C-R designation is intended for general retail and services for Capitola residents and regional visitors. Permitted land uses include shopping malls, auto sales, general retail, personal and business services, restaurants, offices, similar commercial uses, and mixed-use residential projects. The maximum permitted FAR in the C-R designation is 1.5, with a FAR of 2.0 permitted if special criteria are met. The Capitola Mall was identified as a special study area warranting focused attention by the community in an effort to encourage redevelopment. Specific General Plan goals and policies regarding the mall are identified in Attachment 3.

Zoning Code

The Capitola zoning code was updated in 2018 and incorporates the polices established in the General Plan. As acknowledged in the development standards of Chapter 17.24, when the Capitola Mall site was zoned Regional Commercial (C-R), it was expected that major redevelopment of the mall property may require a rezone, planned development, specific plan, development agreement, or similar process to tailor appropriate development standards for the redevelopment project. The code specifically requires that when an application includes fewer than all parcels within the mall property, the applicant shall demonstrate that the development type, pattern, and site design will be compatible and not unreasonably interfere with future redevelopment of the remaining parcels.

All applications seeking a Planned Development within Chapter 17.36 require conceptual review by both Planning Commission and City Council prior to the submittal of a formal PD application. The current conceptual review application is in fulfillment of this requirement.

Planned Development Zoning District Process

The purpose of the Planned Development (PD) Zoning District (Chapter 17.36) is to allow for high quality development that deviates from standards and regulations applicable to the other zoning districts (Attachment 4). The PD zoning district is intended to promote creativity in building design, flexibility in permitted land uses, and innovation in development concepts. The PD zoning district provides land owners with enhanced flexibility to take advantage of unique site characteristics and develop projects that will provide public benefits for residents, employees, and visitors.

PD applications must illustrate how the proposed development will be superior to development that could occur under the existing zoning standards, and how it will achieve substantial public benefits. Examples of substantial public benefits identified in Chapter 17.36 include:

- 1. Affordable housing;
- 2. Public plazas, courtyards, open space and other public gathering places;
- 3. New or improved pedestrian and bicycle pathways that enhance circulation;
- 4. Green building and sustainable development features:
- 5. Preservation, restoration, or rehabilitation of a historic resource:
- 6. Public art that exceeds minimum requirements and is placed in a prominent and publicly accessible location;
- 7. New or enlarged businesses that increase the supply and/or diversity of jobs available to Capitola residents;

- 8. Increased transportation options for residents and visitors to walk, bike, and take public transit:
- 9. Public parking in excess of the required number of parking spaces for use by the surrounding commercial district;
- 10. Publicly accessible parks, open space, and/or recreational amenities beyond the minimum required; and
- 11. Habitat restoration and/or protection of natural resources beyond the minimum required.

In order to approve a PD application, the Planning Commission and City Council will need to make a finding that the proposed development is superior to development that could occur under the standards applicable in the existing zoning districts.

Also of note, Chapter 17.88: Incentives for Community Benefits is an entirely new zoning chapter that was created to incentivize redevelopment along 41st Avenue, including the mall site (Attachment 5). This chapter identifies mechanisms to allow for an increased floor area ratio of 2.0 and increased height of 50 feet on the site in conjunction with the property owner providing community benefits. In order to receive these incentives of height and massing, projects must provide a substantial benefit to the community that exceeds the minimum requirements of local, state, and federal law and advance the goals of the general plan, have adequate public services and infrastructure, and minimize adverse impacts to neighboring properties to the greatest extent possible. The applicant chose to process the application as a Planned Development to request additional height to concentrate the majority of the development on one area of site. Although the application will not be reviewed under this chapter, it provides guidance in terms of desired community benefits as outlined in section 17.88.040 (refer to Attachment 5).

Specific community benefits for the Capitola Mall are identified within section 17.88.040.B as follows:

- 1. Capitola Mall Block Pattern. Subdivision of the existing Capitola Mall property into smaller blocks with new intersecting interior streets. May include the extension of 40th Avenue south into the mall property to form a new pedestrian-friendly private interior street.
- 2. Surface Parking Lot Redevelopment. Redevelopment of existing surface parking lots fronting 41st Avenue and Capitola Road while introducing new sidewalk-oriented commercial buildings that place commercial uses along the street frontage.
- 3. Transit Center. Substantial infrastructure improvements to the transit center on the Capitola Mall property that are integrated with a possible future shuttle system in Capitola. The transit center may be moved to an alternative location consistent with the operational requirements of Santa Cruz Metro.
- 4. Affordable Housing. Affordable housing that meets the income restrictions applicable in the affordable housing (-AH) overlay zone.

According to the information submitted by the applicant, the exact public benefits will be determined in consultation with the guidance provided by the City during the current conceptual review. During the conceptual review public hearings, the Planning Commission should identify desired public benefits, which could include: pedestrian and bicycle pathways, attracting new or larger businesses, green building and sustainability features, public art, enhanced transportation options, and additional open or public space.

Proposed Planned Development Standards

The applicable development standards under the existing *Regional Commercial* designation, as compared to proposed *Planned Development* standards for the site, are shown in the table below.

	C-R Zone	PD Request
Parcel Area, Minimum	5,000 square feet	2 acres
Floor Area Ratio (FAR), Maximum	Up to 1.5*	1.19
Height, Maximum	40 feet	85 feet
Residential Density, Maximum	20 du/acre***	
Setbacks, Minimum		
Front		
38 th Avenue	15 feet	12 ft. min. setback
	(with minimum 10-foot	<u>5 ft. min. sidewalk</u>
40 th Avenue	sidewalk)	15 ft. min. setback
		<u>5 ft. min sidewalk</u>
Town Square Way		15 ft. min setback
		6 ft. min sidewalk
Rear	0 feet***	0 feet
Interior Side	0 feet***	0 feet
Street Side (Capitola Road)	15 feet	15 feet
Landscaped Open Space, Minimum	5%	21.7%
Residential Open Space, Common Area		15.7%
Residential Landscape Open Space		11.3%
Parking and Loading		
Shared Parking subject to 17.76.050.E	Parking Study	4.3 spaces per 1,000
	required	sq. ft. commercial
		1.74 spaces per
		residential unit

^{*}An FAR of up to 2.0 may be allowed if special criteria are met as established in General Plan Action LU-9.3.

Affordable Housing

The Capitola Town Square concept includes 637 residential rental units. Capitola's affordable housing requirement are outlined in Chapter 18.02 of the municipal code. Pursuant to 18.02.030.A, a housing development creating rental housing is required to pay affordable housing in-lieu fees to the City's housing trust fund. The developer has verbally suggested providing affordable housing onsite, rather than the in-lieu fee. For onsite affordable units, the City requires 15 percent of the total housing units be reserved to accommodate moderate, low, or very low income households (18.02.030.A). Within the development agreement for the project, affordable housing can be negotiated including whether or not the housing is developed onsite.

The 2015-2023 Housing Element was adopted by the Capitola City Council on November 25, 2015 and certified by the California Department of Housing and Community Development (HCD) on February 4, 2016. The Housing Element identifies current issues relating to housing and the policies and programs that will be used to address them. A portion of the Housing Element is dedicated to identifying opportunity sites that will satisfy the Regional Housing Needs Allocation (RHNA) requirement from the State Housing and Community Development

^{**} Density limit for Regional Commercial removed from General Plan and pending removal from Zoning Ordinance.

^{***}Unless adjacent to a residential zoning district.

Department (HCD). HCD requires that each local jurisdiction plan for a certain number of housing units that are affordable to all income groups. The following table includes the City's 2015 – 2023 RHNA Obligation. The City will be receiving updated RHNA numbers in the next year.

Affordability	RHNA	# Units Already Developed	Remaining Units to be Developed
Extremely Low	17	0	17
Very Low	17	0	17
Low	23	0	23
Moderate	26	1	25
Above Moderate	60	49	11
Total	143	5	138

According to the Federal Department of Housing and Urban Development (HUD) and the California Department of Housing and Community Development (HCD), the area median income for a four-person household in Santa Cruz County was \$98,000 in 2019.

California law and some federal housing programs define several income categories based on a percentage of the area median income (AMI) determined by HUD and HCD, as follows:

- 1. Extremely Low Income less than 30% of the area median income
- 2. Very Low Income less than 50% of the area median income
- 3. Lower Income between 51 and 80% of the area median income
- 4. Moderate Income between 81 and 120% of the area median income
- 5. Above Moderate Income over 120% of the area median income

Sign Package

The applicant submitted a master sign program with the conceptual review. The master sign plan identifies the proposed signage on the site and includes specific requests for maximum sign areas per tenant, two types of monument signs, and various wayfinding/directional signs. In the interest of time and providing meaningful feedback on the conceptual review, the master sign program will be brought to the Planning Commission and City Council separate from the conceptual review application. The Planning Commission and City Council may provide general feedback on signs shown in the conceptual review.

Subsequent Processing

As described above, because the project includes a PD rezoning, conceptual review must be completed prior to formal application submittal and processing. Environmental review in accordance with the California Environmental Quality Act (CEQA) must be conducted for the project, after the conceptual review process is completed. The City has contracted with a consultant (Dudek) to prepare an Environmental Impact Report for the project. Initial work will begin on the EIR at this time, however, the bulk of the EIR process and work will be completed upon submittal of the formal application.

TECHNICAL REVIEW AND OTHER PUBLIC AGENCIES

City staff from each department reviewed the conceptual review application and provided feedback to the applicant team in the form of an incompleteness letter dated September 25, 2019 (Attachment 6). The letter identified project issues and items to be further addressed in subsequent submittals.

<u>Design Review</u>

New multi-family residential structures and new nonresidential structures require a Design Permit pursuant to Zoning Code section 17.120.030. The design permit process ensures high-quality design, harmony with existing community character, and minimized impacts to surrounding land uses. All design permit applications require review by City staff and City-contracted design professionals including a landscape architect and architect. The City has contracted with architecture/landscape architecture firm RRM Design Group to provide comprehensive peer review of the Capitola Mall PD application. The current contract with RRM Design Group includes two rounds of design review. Although the conceptual review process does not require peer design review, the City commissioned such review to obtain early feedback on the design prior to the applicant's submittal of an official application. The second peer design review will occur upon complete submittal of an official PD application, which is anticipated in January 2020.

On October 18, 2019, RRM met with City staff to complete a site tour and discuss potential issues and comments on the conceptual project plans. Following the meeting, RRM provided the City with feedback related to the: 1) site planning and layout, 2) architecture, 3) public realm and landscape architecture, 4) livability, and 5) engineering. RRM's memo is attached to this report (Attachment 7). Overall, RRM was very impressed with the overall concept of transforming the mall into an open-air, mixed-use town square. The main design comments and issues identified by City staff and RRM are highlighted below.

Site Planning

- 1. Proposed long block lengths relative to context of blocks within the Central Village.
- 2. 38th Avenue: Applicant must consider how 38th Avenue will function and what the experience will be for residents and visitors. Need to consider building width, heights, and articulation, pedestrian and bicycle facilities and connections. Other items to consider for 38th Avenue include:
 - a. Consider options for this roadway through the site to reinforce the north-south travel and street grid through the site to an intersection on Clares and ultimately Brown's Ranch.
 - b. Consider best alignment and location of transit stop.
- 3. Alignment of Town Square Way with 41st Avenue and Clares Street. Consider the connection of Town Square Way both now and in the long-term to provide best connection with Brown Ranch and Whole Foods plaza access points.
- 4. Consider rotating buildings located along the frontage of 41st Avenue (P-5 and P-4) to be included along the entry of Town Square Way (east of A-5), so they are not orphaned and there is no void in between these buildings. This would create a continued pedestrian space and experience along Town Square Way.
- 5. Plans do not show much improvement to the 41st and Capitola Road site frontages. Add improvements/elements to make these more modern and improved.
- 6. Pedestrian circulation seems sparse at exterior of the site, and the overall design creates long paths of travel for pedestrians and bicyclists. Project should include enhanced pedestrian connections to the site and circulation between the uses on the

- site. For example, include pedestrian connection to the Kohl's building from Town Square Way.
- 7. Solar Access: The taller proposed buildings south of Town Square Way have potential to shade the roadway and the shorter buildings north of Town Square Way.

Architecture

- 1. Concern with 38th Avenue buildings not fitting with style and development within Capitola. The 700 linear feet of repetitive design should have increased articulation through use of materials to create a scale and pattern that fits Capitola's eclectic architecture.
- 2. Architectural features such as corners and open space elements should be enhanced. The transition from common space to residential private open space should be enhanced to create a sense of arrival and privacy (front doors/stoops).
- 3. Residential Buildings: RRM identified concerns with the lack of architectural connection from the upper stories to the ground plane. The design of these buildings appears as residential buildings placed on top of commercial buildings. Pursue opportunities to continue the exteriors of the upper stories to ground plane.
- 4. Large graphics lack connection to place. Break up or enhance building design in areas shown with applied graphics and/or introduce authentic art and use to reinforce local character and placemaking.

Public Realm/Landscape Architecture

- Landscaping for various areas throughout the site could be enhance and expanded. Suggest using consistent and cohesive elements throughout the site, such as benches and pedestrian lighting. Expand upon and carry forward beach theme into project amenities. Pursue opportunities to integrate public art within the pedestrian realm.
- 2. The proposed courtyards at ground level provide good street presence. There is a concern with solar access to the podium level common open space areas within the residential. Opportunity to refine and improve solar access.
- 3. Ensure pedestrian realm amenities are sized to accommodate intended activity. For example, the identified dog park area appears undersized.
- 4. Name of project is Capitola Town Square. The project lacks a true town square or common open space of adequate size to evoke a town square concept/experience.
- 5. Opportunities to integrate or enhance pedestrian circulation, internal pedestrian pathways, connected bicycle path's etc. Anticipating future resident use, lack of clear, well defined and safe path of travel portrayed for project. Opportunity to create exercise or walk path around/within site.
- 6. Maintain viable, healthy trees.

7. Shading for outdoor dining areas. Proposed Metro bus station lacks adequate shade trees and landscaping.

Livability

- Concern with the layouts of some residential unit floor plans shown on Sheets A-36 and A-37. Capitola has strong connection to the outdoors, and as shown, a number of the unit floor plans, including bedrooms, lack adequate layouts and windows to provide adequate natural lighting and outdoor connection.
- 2. Explain the diversity of project enhancements for different age groups, including families, seniors, young professionals, etc.

Civil and Public Works

- 1. Clarify the proposed site drainage concepts and how the water will transition to retention basins and storage features.
- 2. Verify the dimensions of primary roadways through the site are adequate. For example, roadway width of 28 feet adjacent to diagonal parking on Town Square Way may be undersized.
- 3. Concerns with the location of commercial loading/delivery areas adjacent to and underneath proposed residential units.
- 4. Intersection of Clares Street and Town Square Way should be signalized with pedestrian crossings, relocating the existing signal on Clares Street by the corner of Macy's.
- 5. Add a new signal on Clares Street to provide improved access (vehicle and pedestrian) between Capitola Town Square and Brown Ranch Marketplace.
- 6. At the intersection of Town Square Way and 41st Avenue, the proposed signalized intersection being relocated must align with a driveway and access road for the commercial developments to the east.
- 7. The proposed development should provide bicycle ingress/egress to the site with bicycle storage options.
- 8. The proposed development should include active public park space on the site.

Stormwater

The conceptual plans were sent to the City's stormwater consultant, HydroScience, who provided preliminary comments on the project and design (Attachment 8). HydroScience indicated the project's Preliminary Stormwater Control Plan (Sheet C-55) includes elements of stormwater controls which could be successful for this site; however, additional detail and analysis will be required to determine whether the improvements proposed are consistent with post-construction performance requirements. HydroScience also noted that stormwater runoff retention and infiltration was a challenging constraint for the recent Olive Garden Restaurant due to near surface soils with low infiltration rates. This should be considered early in the project's design and development.

Stakeholder Agencies

In addition, staff shared the conceptual application with certain stakeholder agencies which provide services to the site. Initial feedback from the agencies/districts are listed below.

City of Santa Cruz Water Department: The project proposes over 500 residential units and therefore requires completion and adoption of a Water Supply Assessment and verification of water supply by the City of Santa Cruz Water Department, in accordance with SB 610 and SB 221. A Water Supply Assessment is a technical analysis, which documents and evaluates the sufficiency of projected water supply to serve a proposed project, required as part of the environmental review process. City staff intends to continue to meet with the City of Santa Cruz Water Department to coordinate the WSA process.

County of Santa Cruz Sanitation District: Reviewed the conceptual plans and commented that Sanitation staff believes it is likely that the increase in flows associated with the project will require some downstream sewer mains to increase in size. The flows from the Capitola Mall appear to flow directly to the large East Cliff pump station, which Sanitation staff anticipates will be able to handle the increase in flows.

City staff has reached out to staff of the Central Fire District and Soquel Union Elementary School Districts regarding the concept. At the time of publishing the report, no comments had been received. City staff will work with Central Fire and Soquel Union Elementary School District to communicate any concerns to Merlone Geier Partners.

Fiscal Impact

City Staff contracted with Kosmont Companies to prepare a Fiscal Impact Analysis of the conceptual project (Attachment 9). The proposed redevelopment of the site with a mix of retail and residential uses will improve the economic health of the overall shopping center, but depending on the growth in taxable retail sales, it may result in either a slight fiscal benefit or deficit to the City, as compared to the existing mall.

The total annual incremental fiscal revenues from the proposed project are estimated to range from \$850,000 to \$1.2 million per year. The Town Square project would increase the population of the City by approximately 1,115 to 1,275 people, roughly a 12 percent increase above the current population of 10,080. This increase in population would increase the City's expenditures to provide services to the project by approximately \$875,000 to \$1 million per year. As shown in the Fiscal Analysis, the project's fiscal impact could range from a positive impact of \$50,000 per year to a negative impact of \$75,000 per year.

Recent trends in retail sales being captured by e-commerce and big box discounters, provide dismal projections of future retail sales not keeping pace with cost inflation, resulting in greater risk to the General Fund. Diversification of uses on the site combined with possible new financial tools would ensure a stable fiscal project. The Fiscal Impact Analysis identifies the following potential tools available to increase the potential revenues generated and help diversify the revenue base:

- Build a new hotel on the site;
- Establish a Community Facilities District (CFD) Maintenance Fee;
- Enact an Entertainment Tax; or

GUIDANCE REQUESTED:

Conceptual review allows an applicant to receive preliminary, nonbinding input from the Planning Commission and City Council on a proposed project prior to receipt of a formal permit application. Specifically, staff and the applicant are seeking input on the following:

- 1. Architectural design, massing, and articulation;
- 2. Site layout, circulation within the site, and connectivity to adjacent properties;
- 3. Proposed land uses;
- 4. Desired public benefits; and
- 5. Affordable Housing.

These items would be reviewed in a future application and may be negotiated within a development agreement. At this stage, the Planning Commission can provide high-level input and guidance on the above items to inform the applicant's future formal PD application. Also of note, the submitted plans are conceptual and lack necessary detail for a complete zoning review. Additional details will be required at time of official application submittal.

<u>Questions for Planning Commission</u>: Staff is seeking Planning Commission input on the following questions:

- 1. Does the Planning Commission support the guidance provided by RRM Design regarding the general massing, character, and architectural design proposed?
- 2. Does the Planning Commission support the guidance provided by RRM Design regarding site circulation or pedestrian and bicycle facilities?
- 3. Provide general feedback on the proposed mix of uses on the site.
- 4. What public benefits are desired as part of this project?
- 5. Provide guidance on affordable housing. Should the affordable housing be provided onsite or in-lieu?

ATTACHMENTS:

- 1. Capitola Town Square Conceptual Plans
- 2. Master Sign Program
- 3. General Plan Applicable Goals and Policies
- 4. CMC Chapter 17.36 Planned Development Zoning District
- 5. Chapter 17A.88 Incentives for Community Benefits
- 6. Capitola Mall Incomplete Letter
- 7. RRM Design Group Conceptual Design Review
- 8. Hydroscience Stormwater Memo
- 9. Kosmont Fiscal Impact Analysis

Prepared By: Katie Herlihy

Community Development Director

Kimley » Horn

4.A.1

Capitola Town Square Capitola, California MerloneGeier Partners

PROJECT SUMMARY

OVERALL SITE AREA: EXISTING MALL: FORMER SEARS:

square feet 911,667 st 458,023 st 114,843 st 245,019 st 20,836 st 20,836 st 20,836 st 20,836 st 20,010,921 st

square feet 911,667 sf 458,023 sf 1,369,690 sf

MGP DEVELOPMENT CONTROL SITE AREA: EXISTING MALL:

TOTAL OVERALL SITE ARE/

OLIVE GARDEN:

×3

CLARES STREET

W/

FORMER SEARS: TOTAL DEVELOPMENT SITE AREA:

OVERALL EXISTING BUILDING AREA EXISTING MALL:

Existing Mall

пини

square feet
181,320 sf
74,131 sf
110,000 sf
102,000 sf
93,214 sf
50,327 sf
4,910 sf
8,000 sf
8,000 sf
6,000 sf
6,000 sf
6,000 sf
6,000 sf

181,320 sf 74,134 sf 110,000 sf 8,000 sf 373,451 sf

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

MGP DEVELOPMENT CONTROL EXISTING BUILT EXISTING MALL:

VACANT PAD(FORMER TAKARA): TOTAL DEVELOPMENT BUILDING AREA:

CLARES STREET

Kohľs

8

GAPITOLA ROAD

G

BANK OF AMERICA: TOTAL OVERALL SITE SITE BUILDING AREA:

B-0-1-23

VACANT PAD(FORMER TAKARA):

OLIVE GARDEN:

3,023 stalls 4.7 / 1000 sf

OVERALL SITE PARKING EXISTING RETAIL PARKING: OVERALL PARKING RATIO:

Packet Pg. 52

Kimley » Horn

EXISTING SITE PLAN

N

41ST AVENUE

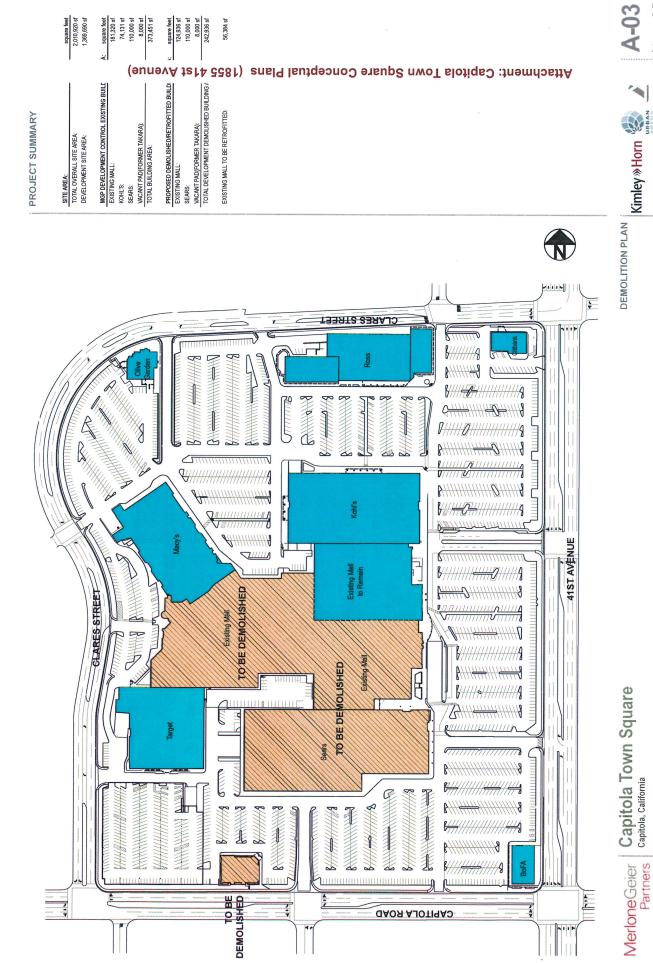
MerloneGeier

Capitola Town Square Capitola, California

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

4.A.1

Packet Pg. 53



Packet Pg. 53

uare feet 6,700 sf 2,400 sf 6,000 sf 7,900 sf 5,700 sf 18,600 sf 8,729 sf

3,700 sf 4,800 sf 6,800 sf 4,200 sf 4,910 sf 8,000 sf

606,311 sf 365,611 sf 240,700 sf

Scale Job No. Date

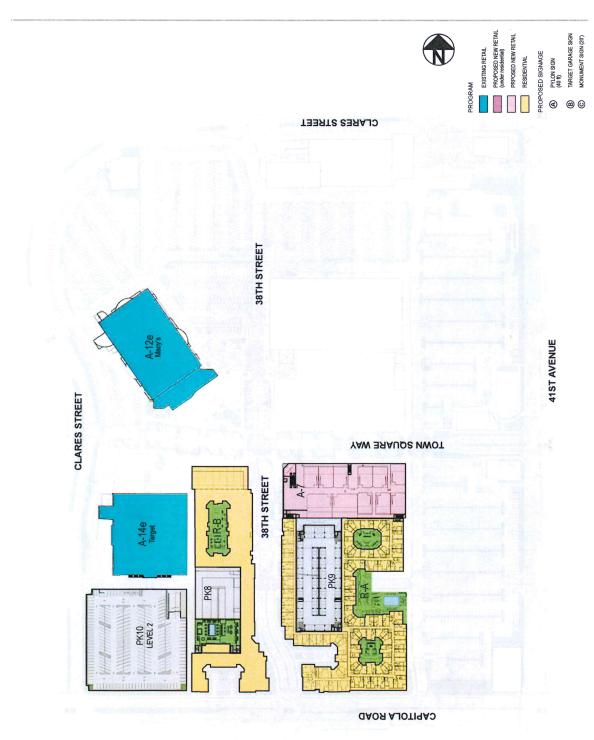
453 stall 645 stalls 1,098 stalls 1.72 stalls/du

2,614 stalls 3.8 / 1000 sf 4.3 / 1000 sf

4.A.1



Capitola, California



Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

OVERALL SITE PLAN Kimley » Horn







Packet Pg. 55

Packet Pg. 55

Capitola Town Square Capitola, California

Merlone Geier Partners



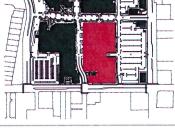




Packet Pa. 56









YAW SQUARE WAY

A-5

A-4

A-3

A-2

Y ×

S-1-S

38TH STREET

PARKING

PK9

LOADIN

CAPITOLA ROAD

BUILDING A Ground Level Plan

Capitola Mall Capitola, California erlone Geier Partners



Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)





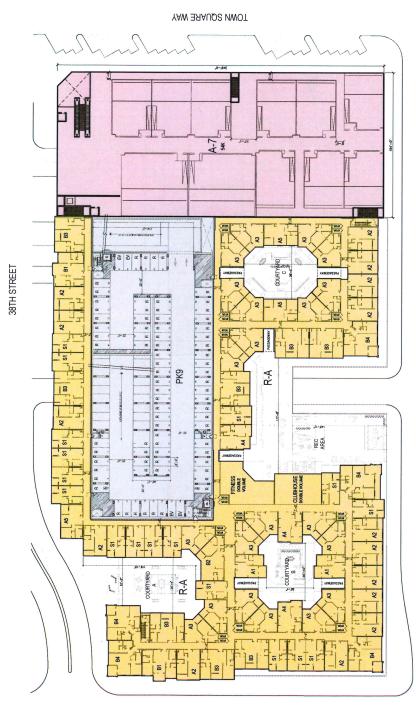
Scale Job No. Date

4.A.1

Packet Pg. 57

BUILDING A Level 03 Plan





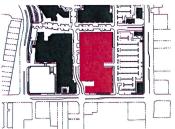
CAPITOLA ROAD

Capitola Mall Capitola, California erlone Geier Partners

38TH STREET

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)







Scale Job No. Date

4.A.1

Packet Pa 58

BUILDING A Level 04 Plan

R-A

YAW SQUARE WAY

CAPITOLA ROAD

erlone Geier Capitola Mall

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

Elevation A-1A









Packet Pg. 59

4.A.1

BUILDING A Elevations

OTARGET

TOP OF PARAPET +24'-0"
TOP OF PODIUM +20'-0"

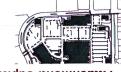
2000

DOP OF PARAPET +75'-1"

TOP OF PARAPET +24' - 0"
 TOP OF PODIUM +20' - 0"

Capitola Mall Capitola, California

erlone Geier Partners



Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

Elevation A-2A

HITHE

TOP OF PARAPET +65' - 0" ♣ TOP OF PARAPET +57' - 11"

TOP OF PODIUM +20'-0"

TOP OF PARAPET +78'-1"









DP OF PARAPET +78' - 1"

TOP OF PODIUM +20'-0"

BUILDING A Elevations

Scale Job No. Date

Packet Pa. 60

4.A.1

Capitola Mall Capitola, California

erlone Geier Partners

Packet Pg. 60

BUILDING A Elevations

Elevation A-4

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)







TOP OF PARAPET +78'-1"

Capitola Mall Capitola, California lerlone Geier Partners 21

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P07

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4.A.1

Packet Pa. 62

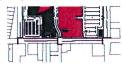
A-12

Scale Job No. Date

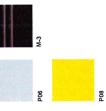
Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

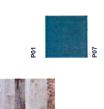










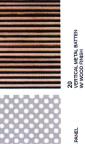




















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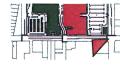


Capitola Town Square

Packet Pg. 62



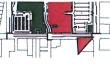




Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)













Packet Pg. 63

4.A.1

Merlone Geier Capitola Town Square

FC-2

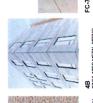
1 UGHT DASH PLASTER FINISH

4B SMULATED METAL SIDING

4.A.1

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)









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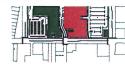
Q 5 . 13 BUILDING A KIMIEY WHORN

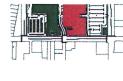








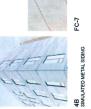












































Merlone Geier Partners

Capitola Town Square

Packet Pg. 65

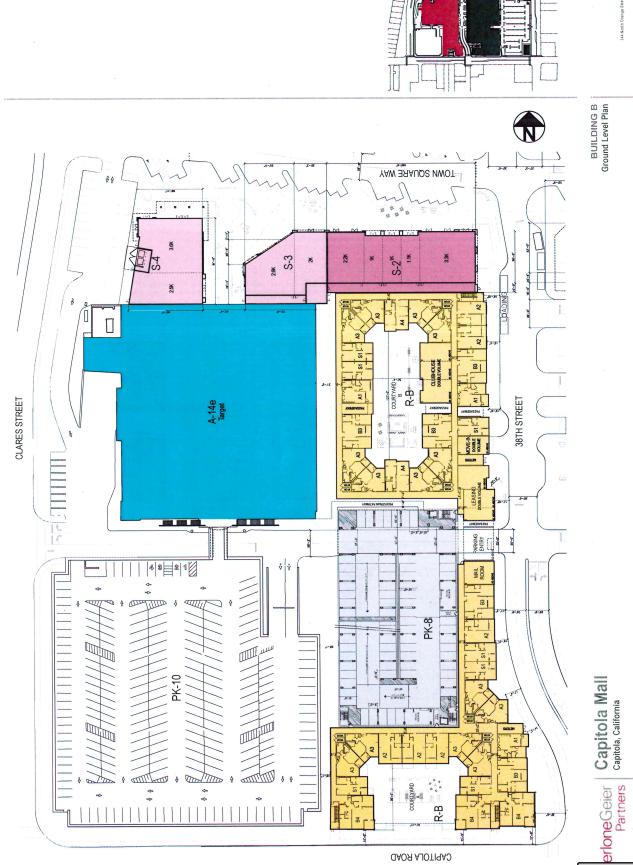
4.A.1

4.A.1

Packet Pa. 66

A-16

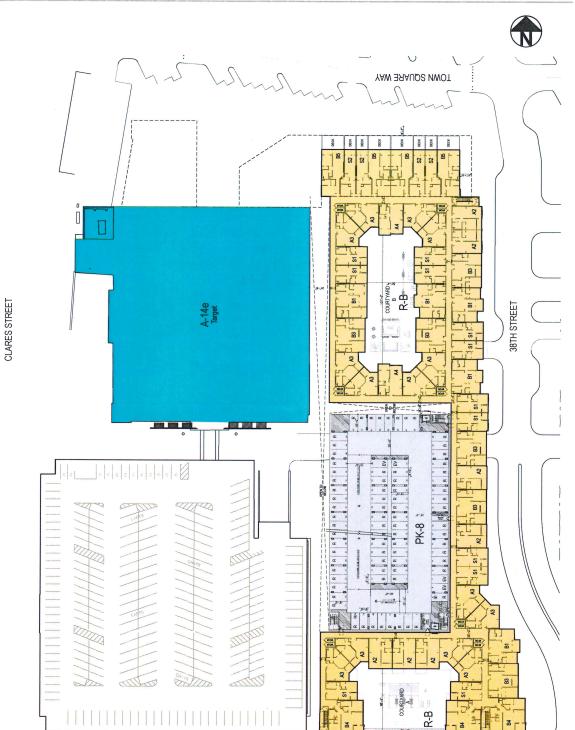
Scale Job No. Date



Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

Packet Pg. 66





CAPITOLA ROAD

Capitola Mall

lerlone Geier Partners

Packet Pg. 67

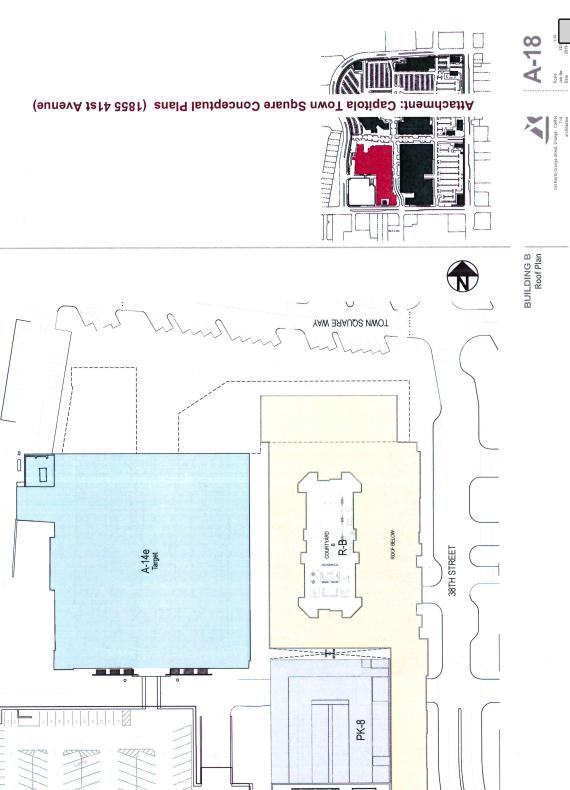
BUILDING B Upper Level Plan

4.A.1

CLARES STREET

4.A.1

Packet Pr 68



AN SPA

CLUB

R-B

CAPITOLA ROAD

erlone Geier Capitola Mall Partners capitola, California

ROOF BELOW

Packet Pg. 68

SEAM LINE

A-19

range, Califor 714 architectso

BUILDING B Elevations

Packet Pg. 69

4.A.1

Elevation B-1B

TOP OF PARAPET +56' - 11"

Elevation B-1A

Capitola Town Square Conceptual Plans (1855 41st Avenue)





TOP OF PARAPET +54' - 11"

erlone Geier Capitola Mall

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

Elevation B-2A







Scale 11:0" = 1/ Job No. 2017 Date 2019-

4.A.1

Packet Pa. 70



BUILDING B Elevations

BEA.CH

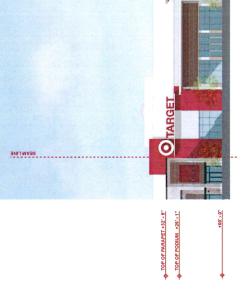
TOP OF PARAPET +40'-0"

DOP OF PARAPET +26' - 0"

#TOP OF PARAPET +55' - 11"

Capitola Mall Capitola, California

erlone Geier Partners





TOP OF PARAPET +56'-1"

⊕ TOP OF PARAPET +85'

TOP OF PARAPET +24' - 0"

TOP OF PODIUM +20' - 0"

Elevation B-3A

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

Elevation B-3B

BUILDING B Elevations

Packet Pg. 71

4.A.1

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

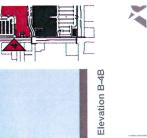
Elevation B-4A

TOP OF PARAPET +40' - 0"









BUILDING B

4.A.1

Packet Pa. 72

Scale 11-0" = 11 Job No. 2019 Date 2019-

TOP OF PARAPET +24' - 0"

TOP OF PODIUM +20' - 0"

Capitola Mall Capitola, California

Packet Pg. 72



Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)







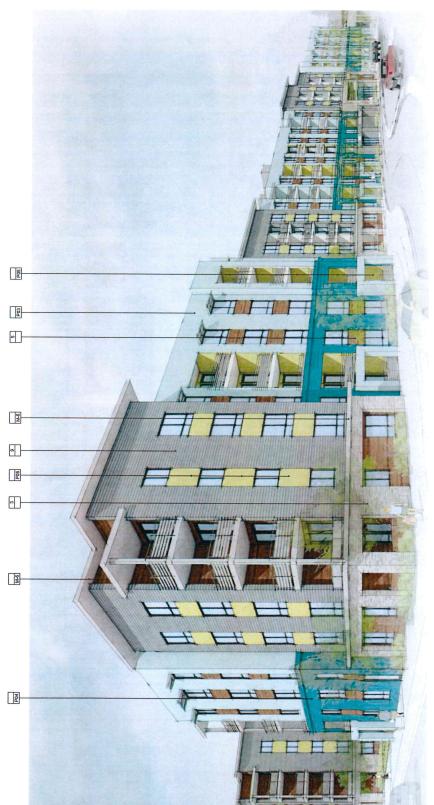


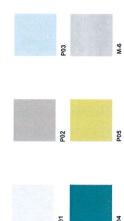


A-23

4.A.1

Packet Pg. 73



















Merlone Geier Capitola Town Square Partners Capitola, California

Packet Pa. 74











MATERIALS AND FINISHES Kimley » Horn

































Capitola Town Square Capitola, California Merlone Geier Partners

Packet Pg. 74

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

























BUILDING B | MATERIALS AND FINISHES | Kimley » Horn





H) Vag







Capitola Town Square Capitola, California

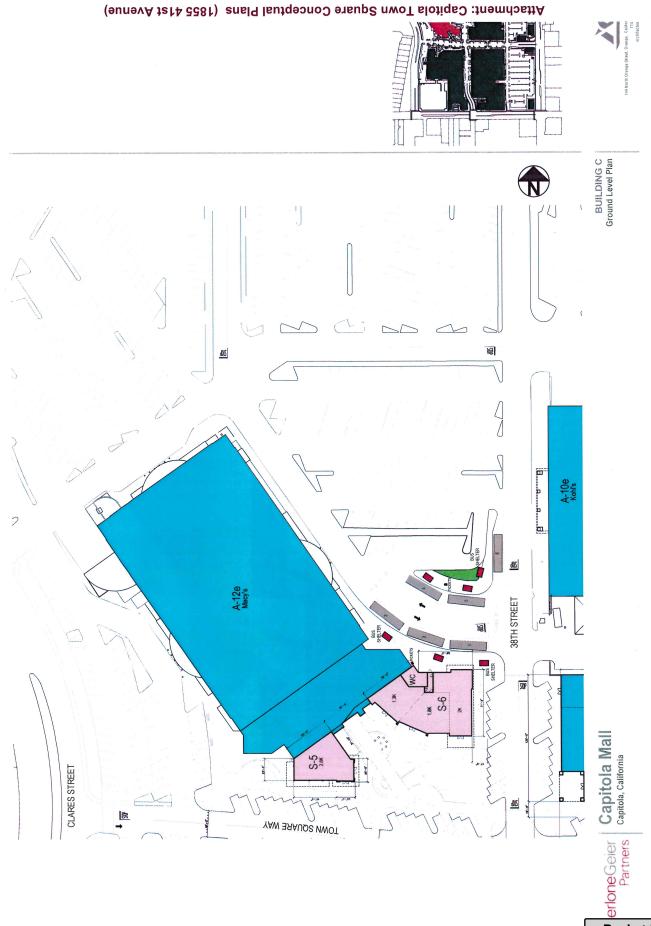
Merlone Geier Partners



Packet Pg. 76

A-26

Scale Job No. Date



Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

Elevation C-2

EXISTING MACY'S BEYOND

TOP OF PARAPET +44' - 2" TOP OF PARAPET +29' - 3" EXISTING MACY'S BEYOND

TOP OF PARAPET +44'-2" DOP OF PARAPET +29' - 3"

TOP OF PARAPET +44'-2" DOP OF PARAPET +29' - 3"

Elevation C-

EXISTING MACY'S BEYOND

DOP OF PARAPET +44' - 2" DOP OF PARAPET +35' - 8" DOP OF PARAPET +24' -0" BUILDING C Elevations

A-27 Scale 1:0" = 116° Job No. 2019-249 Date

Packet Pg. 77

4.A.1

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

Capitola Mall

lerlone Geier Partners

Scale Job No. Date

4.A.1

Packet Pa. 78

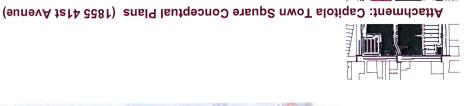






































Capitola Town Square Conceptual Plans (1855 41st Avenue)

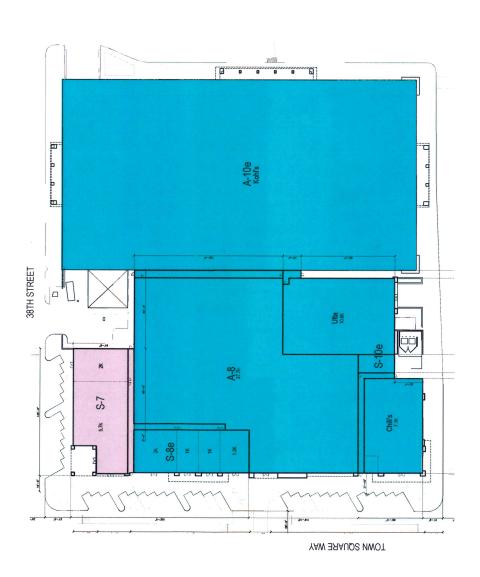
A-29

Packet Pg. 79

4.A.1

BUILDING D Ground Floor Plan





lerlone Geier Capitola Mall

-4 -4

KOHIES

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

Elevation D-2

STONE VENEER STACKED LEDGESTONE

KOHIES

DO OF PARAPET +31' - 0" TOP OF PARAPET +23' - 6"

TOP OF ROOF +40' - 0"

BYHERE

TOP OF PARAPET +31' - 0"
TOP OF PARAPET +23' - 6"

TOP OF ROOF +40'-0" - TOP OF PARAPET +31'-0" TOP OF PARAPET +23' - 6"

TOP OF ROOF +40' - 0"

Elevation D-1

KOHES

(CITA

Absolute FIT

macys

TOP OF PARAPET +38" - 11"

TOP OF PARAPET +24' - 0"



Elevation D-3

Elevation D-4

BUILDING D Elevations

A-30

Scale Job No.

4.A.1

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Capitola Mall erlone Geier Partners

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)





















































Packet Pg. 81





4.A.1







MATERIALS AND FINISHES Kimley » Horn

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4.A.1

Packet Pg. 82

A-32

MATERIALS AND FINISHES Kimley » Horn

Scale Job No. Date



Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)











































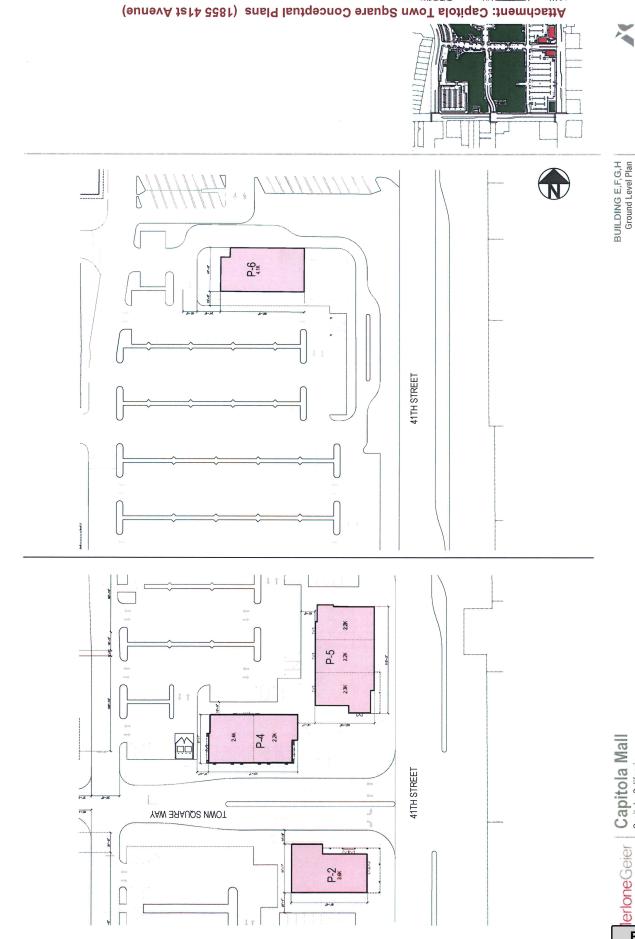






Capitola Town Square Capitola, California Merlone Geier Partners







Packet Pg. 83

4.A.1

erlone Geier Capitola Mall



SOUTH ELEVATION **BUILDING P-2**

NORTH ELEVATION

WEST ELEVATION

EAST ELEVATION

ALLBRAND

ALLBRANDS 1

ALLBRANDS

BUILDING P-4

SOUTH ELEVATION

NORTH ELEVATION

WEST ELEVATION



EAST ELEVATION



erlone Geier Capitola Mall
Partners Capitola, California

Capitola, California

BUILDING E & F Elevations

A-34

Scale Job No. Date

4.A.1

Packet Pn 84

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

4.A.1

Packet Pg. 85

A-35

BUILDING G & H Elevations

lerlone Geier Capitola Mall

RESIDENTIAL BUILDING A

52.6%

(1855 41st Avenue)

gue

RESIDENTIAL BUILDING B

4.A.1

Packet Pa. 86













RESIDENTIAL UNIT PLANS











46.2%

Attachment: Capitola Town Square Conceptual

NET LEASABLE AREA: 788 SQ. FT. PATIO / BALC: 81 SQ. FT. UNIT A5: 1BR / 1BA



UNIT A2: 1BR / 1BA

NET LEASABLE AREA: 703 SQ. FT. PATIO / BALC: 96 SQ. FT.

NET LEASABLE AREA: 604 SO, FT. PATIO / BALC: 52 SO, FT. UNIT S1: STUDIO / 1BA

UNIT A1: 1BR / 1BA

2

WIG

PATIONALC.

72,-0"

19'-8"





NET LEASABLE AREA 784 SQ. FT. PATIO / BALC. 71 SQ. FT. UNIT A4: 1BR / 1BA



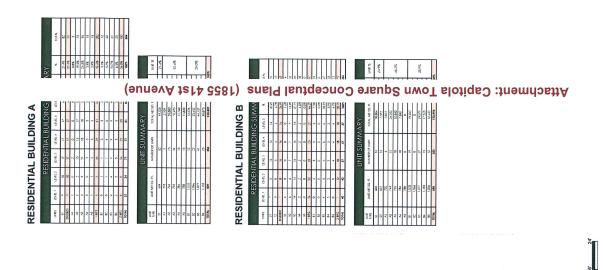
MICHEN

UNIT A3: 1BR / 1BA

NET LEASABLE AREA: 755 SQ. FT. PATIO / BALC: 58 SQ. FT.

Capitola Town Square Merlone Geier Partners





/ # @18

BEDROOM

BEDROOM



NET LEASABLE AREA: 1,028 SQ. FT. PATIO / BALC: 96 SQ. FT. UNIT B1: 2BR / 2BA





UNIT S2: 1BR / 1BA LIVABLE AREA: 631 SQ, FT, PATIORALCONY: 62 SQ, FT,

UNIT B5: 2BR / 2BA LIVABLE AREA: 1036 SQ. FT. PATICIBALCONY: 96 SQ. FT.

UNIT B4: 2BR / 2BA
NET LEASABLE AREA: 1,155 SQ. FT.
PATIO/BALC: 102 SQ. FT.

Capitola Town Square Capitola, California

MerloneGeier Partners



Packet Pd. 88

4.A.1

BUILDING SECTIONS

Capitola Mall Capitola, California

erlone Geier G

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)





4.A.1

CONCRETE WILLIAMS

> Capitola Town Square Capitola, California MerloneGeier

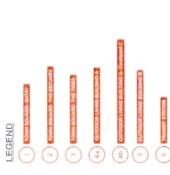
FC-7

Partners

Packet Pa. 90

Scale Job No. Date





CONTEXT MAP

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

Capitola Town Square capitola, California

Merlone Geier Partners

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TOWN SQUARE

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Attachment: Capitola Town Square Conceptual Plans

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P-4



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P-2

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41ST AVENUE

ENLARGEMENT 1: ENTRY

Kimley » Horn

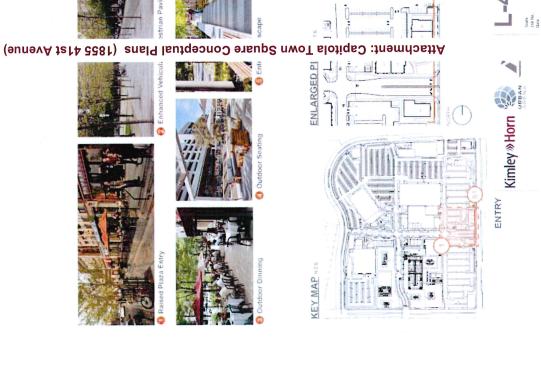
ENTRY

ENTRY

Packet Pg. 91

Capitola Town Square

MerloneGeier



Buffer Zone Building Pad Buffer Zone Walk Zone Buffer Walk Zone Zone Po'g'4. Buffer Zone

tola Town Square

4.A.1

ENTRY

Capitola Town Square

Merlone Geier Partners

Packet Pg. 93



Merlone Geier Partners

Scale Job No. Date

ENLARGED PI KEY MAP ***

THE ESTUARY

lar paving creates a walkways mmodate

(1855 41st Avenue)

A Mark

Attachment: Capitola Town Square Conceptual Plans

THE ESTUARY

Kimley » Horn

Capitola Town Square Merlone Geier Partners The Tides becomes the active core for Capitola Town Square. The Tides is inspired as the set has peaks and valley of energy, seen frough high and low water levels as the set has seed on taken of the mix of people and, therefore, energy on the site is qualities of space based on temptral forces. During the space's peak hours the core team.

5.4

THE TIDES

coastal tide-just ides has different are driven to the inergy.

Cent



TOWN SQUARE

5-3



KEY MAP ATS

5-2











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Scale Job No. Date

4.A.1

Packet Pg. 95

Kimley » Horn

THE TIDES

Packet Pg. 95

Capitola Town Square

Merlone Geier Partners

ENLARGEMENT 3: THE TIDES





Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

Walk Dining Zone Zone

On-Street Walk Parking Zone

5-6"... Lounge OnStreet Space Pasking

Walk Zone

Building













On-Street Buffer Open Walk Building Parking Planting Space Zone Pad

Walk OnStreet F Zone Parking

47.6 Active Zone

,9.0', 23.0'









Packet Pa. 96

Capitola Town Square

MerloneGeier

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

Juddoor Living Building, A exemplifies a healthy and balanced Mestyle for residents community countyard spaces and a recreation deck. These areas offer Captible Too elaxoring preen space, ample seating, cutdoor games and activities, and cocy group.

OUTDOOR LIVING BUILDING A

PK-9

×DBD>

p.

R-A

COURTYARDA

RECREATION DECK

KEY MAP

OURTYARD B

R-A

OUTDOOR LIVING
BUILDING A Kimley » Horn

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

Capitola Town Square Merlone Geier Partners

40 ENLARGEMENT 4a: OUTDOOR LIVING BUILDING A

OUTDOOR LIVING BUILDING A (continued)

4.A.1

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

A-7



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PK-9





















OUTDOOR LIVING
BUILDING A- Kimley » Horn

Capitola Town Square ENLARGEMENT 4b: OUTDOOR LIVING BUILDING A. Courtyard (ARD C 1 Partners MerloneGeier

A-5

OUTDOOR LIVING BUILDING B Kimley » Horn

4.A.1

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

OUTDOOR LIVING BUILDING B



KEY MAP































































































































TRANSIT STATION

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ENLARGEMENT 6: TRANSIT STATION

(1855 41st Avenue)





CRUZ METRO

Attachment: Capitola Town Square Conceptual Plans



Walk Buffer On-Street Zone Zone Parking 15:11 11:01

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4.6. 1 14.0.

TRANSIT STATION

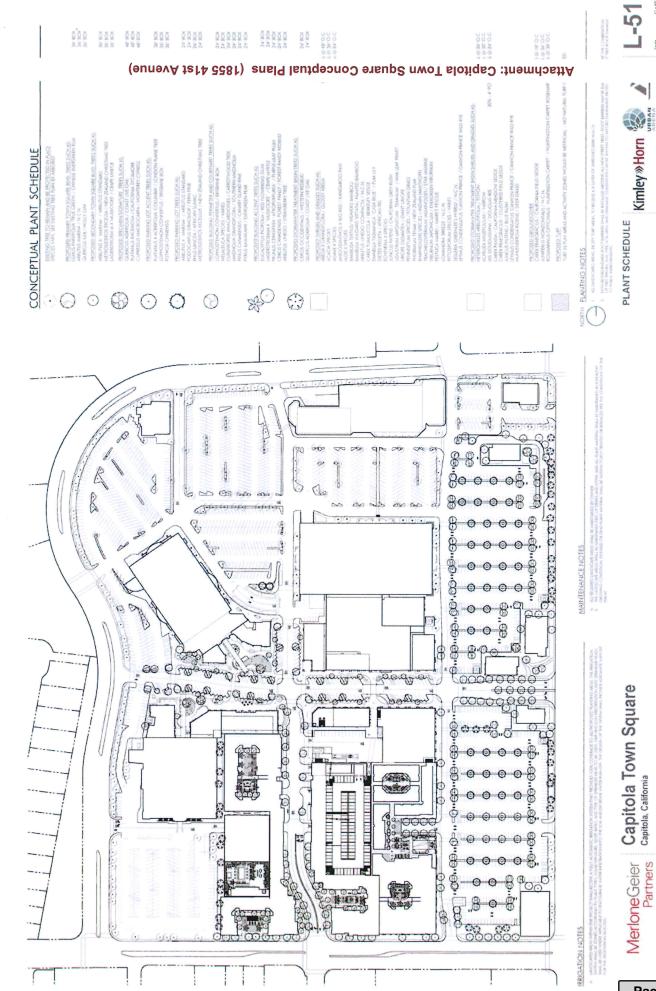
Kimley » Horn

L-50

Scale Job No. Date

Capitola Town Square

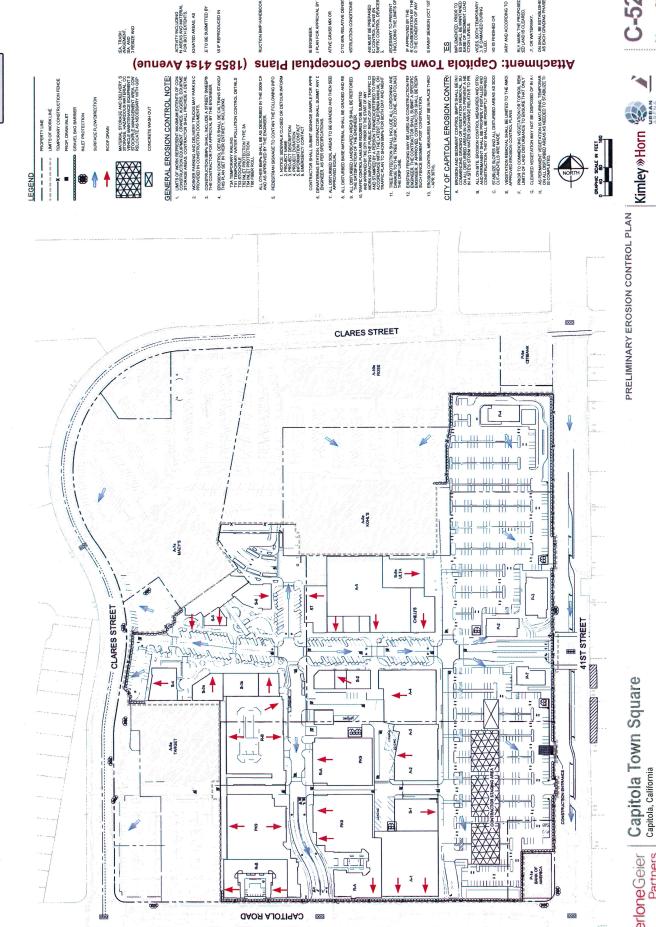
Merlone Geier Partners



Darket Dr 102

Scale Job No. Date

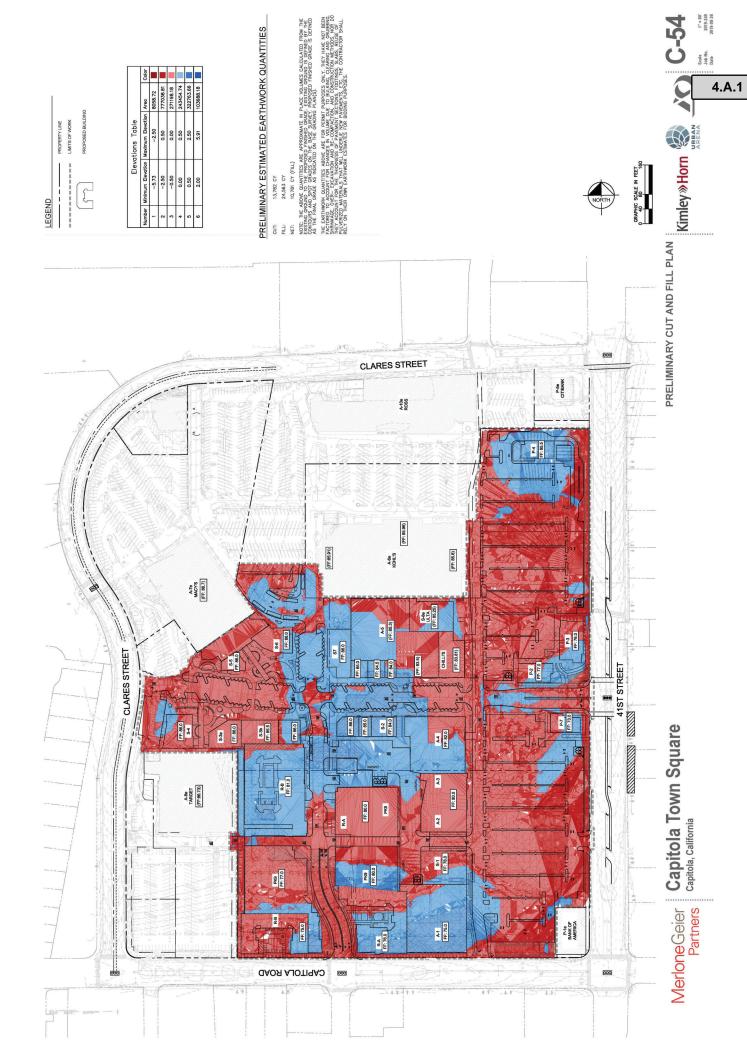
Kimley » Horn



Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

Packet Pg. 102

Merlone Geier Partners



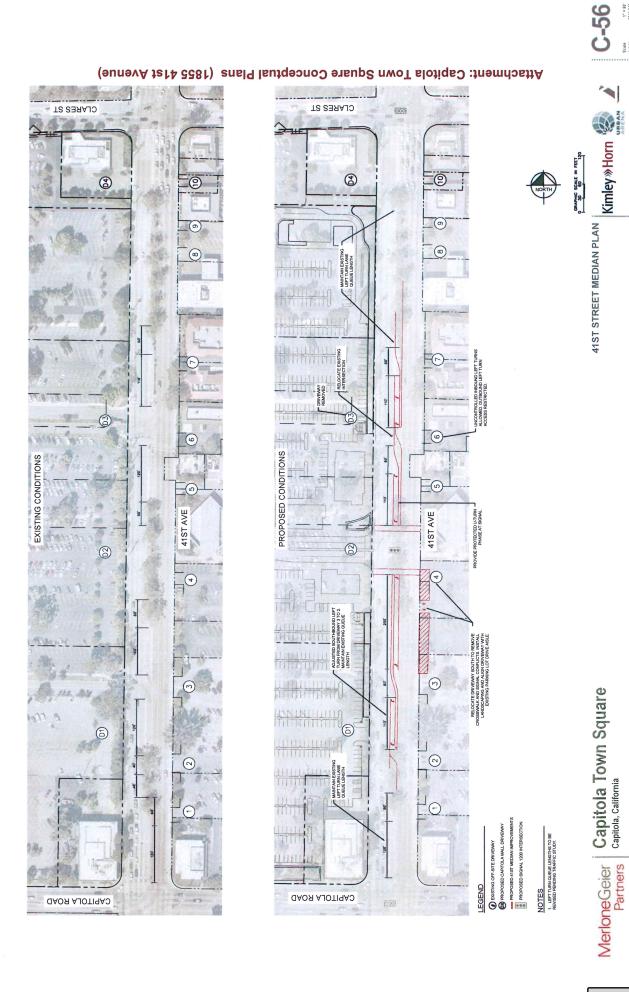
Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

CAPITOLA ROAD

4.A.1

Dankat Da 40E

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Packet Pg. 106

Scale Job No. Date

Kimley » Horn

VICINITY MAP

SUBJECT PROPERTY

4.A.1 T-57 Scale Job No. Date

Attachment: Capitola Town Square

VESTING TENTATIVE MAP

CAPITOLA TOWN SQUA

PROPOSED SUBDIVISION OF 5 SURFACE PARCELS OF LAND AND 5 AIRSPACE PARCELS IN THE CITY OF CAPITOLA, COUNTY OF SANTA CRUZ. STATE OF CALIFORNIA

OPTION ONE

Site Plan / Floor Plans / Elevations Kimley » Horn

Packet Pa. 107

Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

CAPITOLA TOWN SQUARE VESTING TENTATIVE MAP

PROPOSED SUBDIVISION OF 5 SURFACE PARCELS OF LAND AND 5 AIRSPACE PARCELS IN THE CITY OF CAPITOLA, COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

AUGUST 2019

NORTH

Conceptual Plans

FINAL MAPS FOR THIS PROJECT MAY BE RECORDED IN 3 F SECTION 66456.1 OF THE SUBDIVISION MAP ACT.

PROPERTY IS LOCATED IN ZONE X (AREA OF MINIMAL DATED SEPTEMBER 29, 2017. UTILITY LOCATIONS, STREET GRADES, AND LOT DIMEN FINAL ENGINEERING DESIGN.

SANTA CRUZ COLNITY SCOUEL CREEK WATER DIS SANTA CRUZ COLNITY SANI PG&E

034-261-07, 37, 38, 40 & 52 (0

C-R - REGIONAL COMMERCI

31,44 ACRES

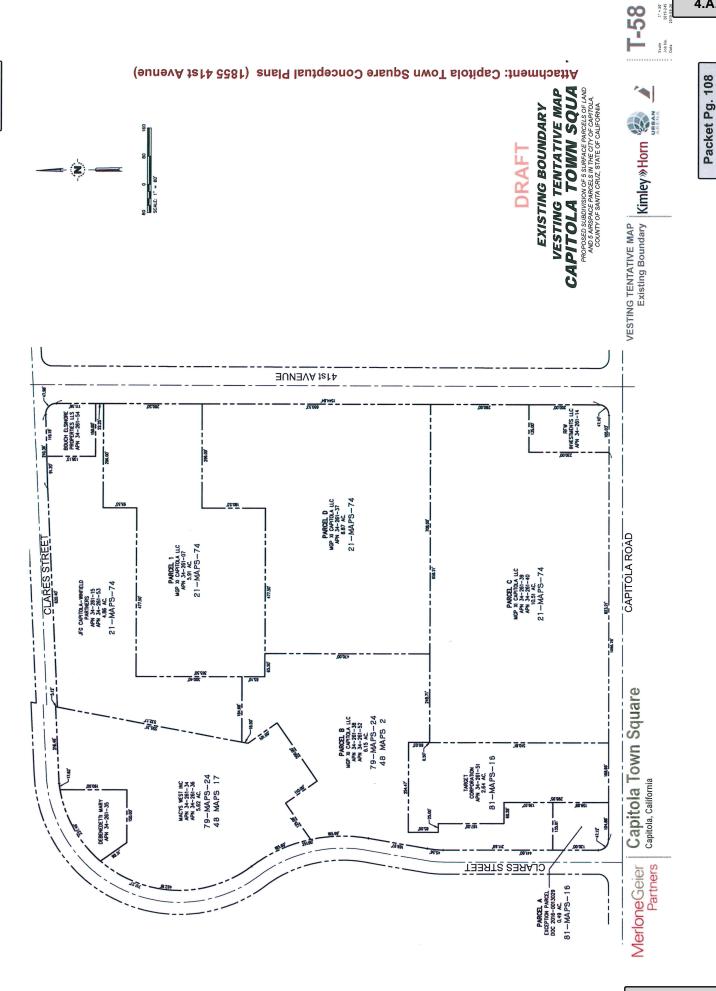
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SUBDIVISION NO

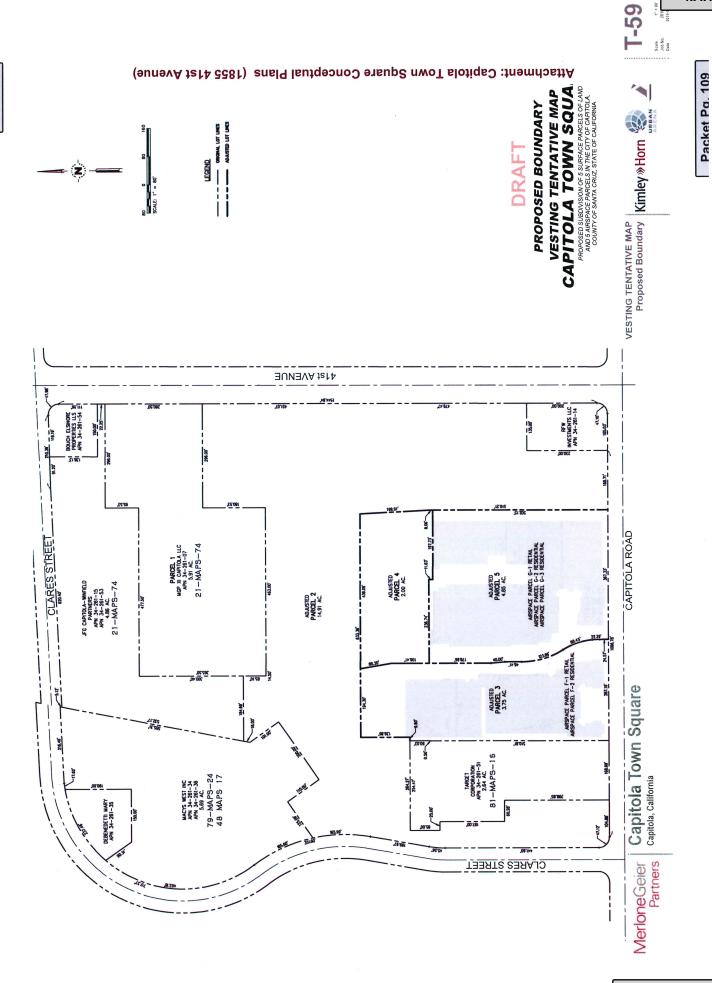
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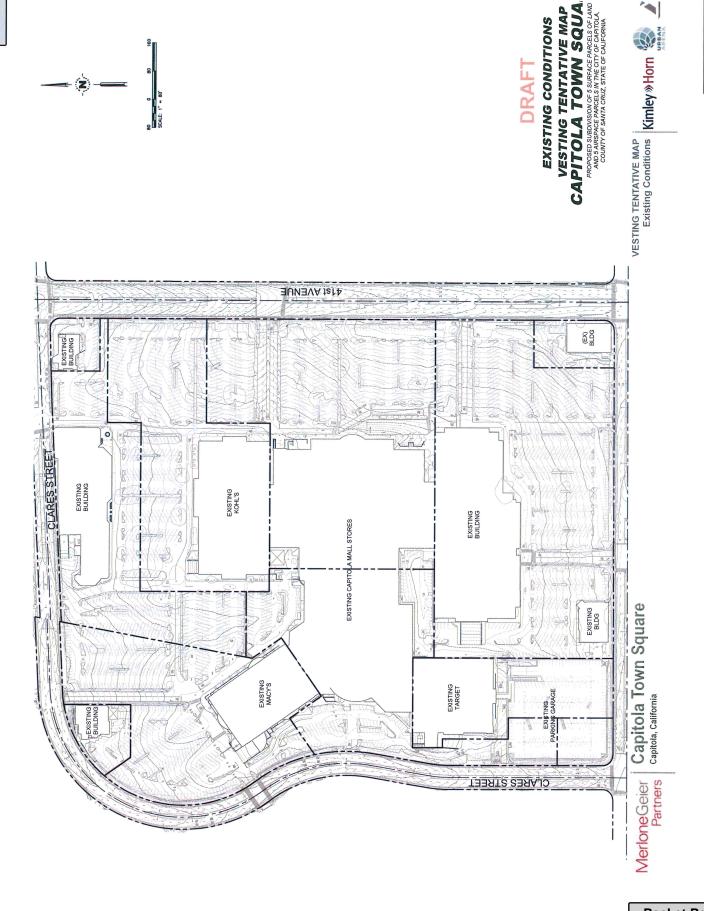
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1.1 COMPACINATION COMPAC	SHEET INDEX	PROJECT TEAM	M	ABBREVIATIONS / LEGEND	LEGEND	
A					DESCRIPTION	PROPOSED
CONTINUE C		OWNER/APPLICANT	ARCHITECT ABCHITECTS OR ANGE		PROPERTY LINE	
COUNT COUNTY CO		4365 EXECUTIVE DRIVE	144 N. ORANGE STREET ORANGE CA 92986		LOTUNE	
Control Cont		SAN DIEGO, CA 92121	NAM WATER		LOT NUMBER	3
COULE HOUSE COUNTE HOUSE COUNT		DAVID GEISER	(714) 839-8860		EASEMENT LINE	
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Ref. Part		SUITE 10 CAPITOLA, CA 95010	SUITE B CAPITOLA, CA 95010		STREET MONUMENT	
Column		BILL WISEMAN	CHRIS HUNDEMER		WATER MAIN	
SURVEYOR SURVEYOR STATE STATE		(831) 316-1430	(831)425-5436		STORM DRAIN MAIN	
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WHITE SEAL AND READ WHITE SEAL WHITE S		SIBVEYOR	I ANDSCAPE ARCHITECT		GAS MAIN	
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Trip		MONTEREY, CA 93940	SUITE 230 SAN DIEGO, CA 02121		SPOT ELEVATION	× 28.
CASH		RICHARD WEBER, RCE 55219	KEITH MITTEMEYER		MANHOLE	•
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Grand Apply Mark Apply App					CATCH BASIN	*
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31.44	8.87					
***	5.91					
	31.44					
				,		



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Attachment: Capitola Town Square Conceptual Plans (1855 41st Avenue)

Packet Pg. 110

4.A.1

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Packet Pg. 110

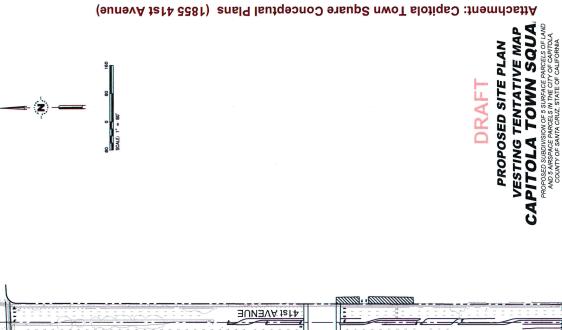
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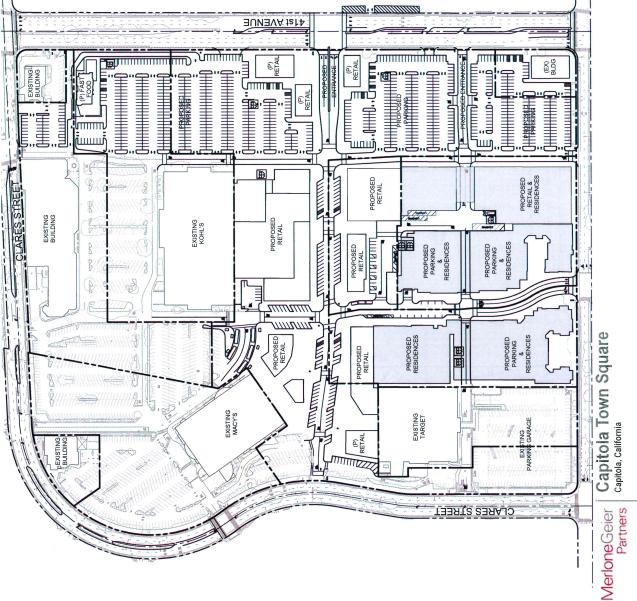
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1-61 T

VESTING TENTATIVE MAP | Kimley » Horn

Scale Job No. Dete





CAPITOLA TOWN SQUARE

MASTER SIGN PROGRAM AUGUST 27, 2019

INDEX

Colors, materials, fonts, logos	03
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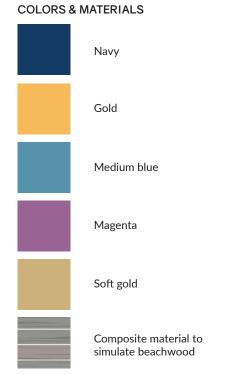
MASTER SIGN PROGRAM | INDEX

CAPITOLA TOWN SQUARE 1855 41st AVENUE, CAPITOLA, CA 95010

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PROJECT FONT

Serifa Regular

ABCDEFGHIJKLMNOPQRSTUVWXYZ

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MASTER SIGN PROGRAM | COLORS, MATERIALS, FONTS

CAPITOLA TOWN SQUARE

1855 41st AVENUE, CAPITOLA, CA 95010

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GENERAL INFORMATION & REQUIREMENTS

The signage drawings within this Master Sign Program are intended for the signage fabricator, who is responsible for developing construction drawings based on the design intent within, acquiring all necessary permits, and ensuring adherence to this Master Sign Program and all applicable laws and regulations. The drawings and written language also clearly define what signage will be acceptable to both Property Owner and the City of Capitola's Planning & Community Development Department.

All location plans and elevations represented in this Master Sign Program may not be representative of the existing built conditions. Sign fabricator is responsible for verifying all existing conditions prior to fabrication and installation. Any conflicts between existing conditions and this package should be discussed with the Property Owner prior to a resolution being implemented. Any tenant signage shown on architectural elevations is illustrative only. Tenants to refer to written criteria to determine allowed signage locations, size, etc.

Where a conflict exists in this Master Sign Program between a conceptual drawing and measurements given, written content (including measurements) is to be followed.

It is the responsibility of any sign fabricator hired by Property Owner or Tenant to:

- Coordinate all sign installations with Property Owner, construction manager, and/or general contractor.
- Remove and legally dispose of all existing signs prior to installation of
- Patch and repair any damage to wall surfaces, surrounding finished floor or hardscape, and landscaping. Includes existing damage and any damage caused by removal of existing sign.
- Remove legal, warning, code required, or ADA signs only when replacement sign is to be installed; temporary signs to be provided as needed for safety measures.
- Verify all final sign messaging and locations with Property Owner prior to fabrication.
- Ensure shop drawings include layout of all seams, attachments, and messaging on all signs.

- Confirm all exterior signs have appropriate water proofing and weep holes. Weep holes to have baffles to prevent light leakage.
- Provide all ventilation required for signs to prevent overheating or condensation from building up. Property Owner to be notified if vent locations necessitate alteration of design.
- Provide all footings and structure as required to support freestanding signs. All sign structural design to be prepared by a licensed structural engineer. If sign location is on a slope, special care should be taken to design a footing so that sign is mounted at an appropriate height. Property Owner approval of footings to be given during the shop drawing review process.

Sign fabricator's shop drawings (which will be used for permitting and construction) must include and clearly document all of the following:

- Internal structure
- Construction details and joints
- All visible attachments and material seams
- Venting
- Lighting details
- Waterproofing and water drainage
- Electrical locations - Access panels
- Foundation/footing details
- Engineered structural members
- Material thicknesses
- Color samples sprayed on actual materials

All drawings produced by the fabricator (for Property Owner approval, permitting, etc) are the sole responsibility of the fabricator. Fabricator is responsible for obtaining all permits.

DESIGN OWNERSHIP

All designs and related details shown in these drawings are the property of Merlone Geier Partners and Designer. They are only to be used by the Property Owner and tenants of this shopping center and shall not be copied for use on another project.

CONSTRUCTION REQUIREMENTS

No labels to be visible on exposed surface of signs, excep required by local ordinance. Required labels to be placed location.

screte

Fasteners and clips to be made of galvanized stainless ste brass, or bronze. Fasteners to be installed so as to be hide ıminum, om view.

Tenant signage design to be complimentary to the design shopping center. Materials, colors, and textures should al considered. Design of any adjacent shopfronts, buildings, signage to also be considered.

No exposed raceways, conductors, crossover conduits, or

shall be permitted.

enant

Tenant signage design, materials, size, position, and const conform to the rules outlined within this Master Sign Pro formers

Should there be a difference between the written contenthis Master Sign Program and any architectural drawings written content is to take precedence.

ided in

Property Owner reserves the right to approve signage no all requirements, restrictions, and directions given in this to address unique circumstances (e.g. unique architectura unusual tenant logo shape, etc). Approval by Property Ov not guarantee approval by the local City government. Pro approval is required prior to submittal for City approval. If like to propose signage that does not conform to the Mas 🤦 gn Program, the tenant should include both their preferred c as well as an option that does conform to all Master Sign Program their submittal for Property Owner's approval.

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Project signage with tenant signage panels or locations m **\(\Sigma\)** allocated to individual tenants per their lease. Property Owner may :: ire that the tenant use a particular signage fabricator to fabricate their signage on select complicated sign types. Property (recommend signage fabricators for shopfront signage, sin panels on project signage, or other specialty signage upor Tenants to electronically submit set of drawings to Prope panels on project signage, or other specialty signage upor Property Owner may request one or more printed sets of **a** ings. Drawing set should include:

nstall r can also enant est. vner.

1) Format: 8 ½"x11" or 11"x17" in size with title b showing preparer information.

MASTER SIGN PROGRAM | WRITTEN CRITERIA

CAPITOLA TOWN SQUARE

1855 41st AVENUE, CAPITOLA, CA 95010

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- 2) Plan of tenant space with shopfront dimensions given and signage locations identified.
- 3) Elevations of each area where signage is proposed. Can be an architectural drawing or a straight-on photograph with annotations as described below. Proposed signage should be shown on the elevation.
- 4) Dimensions of the sign band (area available for signage) and proposed signage shown on the elevation(s). The position of the proposed sign should also be indicated with dimensions.
- 5) In addition to showing proposed signage on the elevation(s), there should be separate, detailed drawings of the proposed signage. These should include a face-on drawing and a section cut showing construction methods, materials, colors, lighting, and attachment methods.
- 6) A total proposed square footage calculation for shopfront signage. This should show the maximum allowed square feet of signage and the square footage of your proposed sign(s). For example:
- If the Tenant Signage Criteria (TSC) allows 1.5 SF/LF and your space has a 37 ft wide shopfront, you would show maximum allowed as: 1.5 * 37 = 55.5 SF.
- If your proposed sign is 13 ft x 2.5 ft, you would show your proposed sign area as: 13 * 2.5 = 32.5 SF. This clearly shows that your proposed signage is within the maximum allowed
- Please also list any other size restrictions to illustrate clearly that your sign is in compliance with the TSC. These other restrictions may include maximum height and maximum width (this is often a calculation similar to: 80% of shopfront width = 37 * 0.8 = 29.6 ft is the maximum width of your sign; the sign proposed in this example is in compliance).
- 7) Size, materials, color, and logo information given for any tenant panels that will be added to project signage (as allowed in the tenant's lease).

SIGNAGE INSTALLATION & MAINTENANCE

All signs to be designed, constructed, and installed in compliance with all local codes and ordinances. All sign permits required to be obtained prior to installation. This Master Sign Program will supersede local codes wherever conflict exists between the two documents.

All costs associated with design, fabrication, installation, electrical connections, and permitting to be paid for by tenant after approval by Property Owner.

Any signs installed without Property Owner's explicit approval and/or with the appropriate permits shall be removed or corrected by tenant at tenant's expense.

Tenant to repair any damage caused by the removal, repair, or installation of tenant signage. When signage is removed, the area should be returned to its original condition and all resulting debris removed.

Installation to take place with minimal disruption to traffic flow around and within the shopping center. Installation to not impede foot traffic from accessing all of shopping center's businesses. Should lane closures be required to complete the installation, tenant to acquire any necessary approvals and permits from the City.

Tenant's signage to remain in good working order and free from rust or corrosion. Should signage need repairs to be made, tenant will do so at tenant's expense within 30 days. If repairs are not made within 30 days. Property Owner may perform corrections at tenant's expense.

Tenants with doors for non-customer use (staff entry, merchandise receiving) may apply the tenant's name in a neutral contrasting color to the door. The tenant name should be in the project font (not the tenant's brand font or logo), 4 inches high, and mounted 6 feet above the ground.

ALLOWED SIGNAGE TYPES

All possible signage types will be described in this section Sign Program. Each sign will be given a letter that will be r the following sections.

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- A Individual face-lit channel letters
- Individual halo-lit letters
- Individual dual-lit channel letters
- Non-illuminated dimensional aluminum channel lette 🙃
- Freestanding face-lit letters with aluminum returns (I caps) mounted on canopy
- Mixed media signs (employing two or more fabrication illumination methods)
- Aluminum panel with cut-thru letters backed with ac
- Flat cut-out aluminum letters and logos with painted
- Push-thru acrylic letters and logos

Attachment: Master Sign Program

MASTER SIGN PROGRAM | WRITTEN CRITERIA

CAPITOLA TOWN SQUARE

1855 41st AVENUE, CAPITOLA, CA 95010

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TENANT SIGNAGE RULES & CALCULATIONS: MULTI-TENANT BUILDINGS, RETAIL TENANTS

Shopfront signage types allowed

(refer to page 5 of this docment): Types A, B, C, D, E, F

Shopfront signage maximum area: 2 SF per lineal foot of shopfront

Shopfront signage maximum width: 80% of sign band width (see definition in Notes below)

Maximum number of shopfront signs: 1 sign per elevation, maximum 2 total signs.

> Blade signs: 1 sign permitted to left side of tenant's customer entrances. maximum quantity: 2. Max area: 5 SF.

> > Mounting height: 8'0" min to underside of blade sign; top of blade sign to not sit higher than the shopfront signage's sign

Blade signs may not be illuminated.

Drive-thru signs: Tenants with drive-thrus may have 1 double-sided sign at each

> entry or exit to the drive-thru area with maximum width: 1'6", maximum height: 4'0", and a maximum messaging area of 1.5 SF per side. Tenants are allowed 1 single-sided menu board sign with maximum area of 50 SF. Tenants may install branded clearance bar signage for their drive-thru. Menu board signs may be illuminated, all other drive-thru signs to be non-illuminated.

Notes: Shopfront signs shall be mounted directly onto the building facade/fascia or to architectural metal storefront canopy where

existing. No visible raceways permitted for any sign types.

Sign band: The area above the shopfront glazing where shopfront signage will logically be placed; it is bound by architectural features including the top of the shopfront glazing, building parapet, changes in material or fascia setback depth, or others. Most sign bands will be the full width of the shopfront, however some may be narrowed by architectural features of the building.

TENANT SIGNAGE RULES & CALCULATIONS: SINGLE-TENANT PAD BUILDINGS, RETAIL TENANTS

Shopfront signage types allowed

(refer to page 5 of this document): Types A, B, C, D, E, F

Shopfront signage maximum area: 2 SF per lineal foot of shopfront

Shopfront signage maximum width: 80% of sign band width (see definition in No low)

Maximum number of shopfront signs: 1 sign per elevation, maximum 4 total signs.

> Blade signs: Not permitted.

Drive-thru signs: Tenants with drive-thrus may have 1 double-

each entry or exit to the drive-thru area with 1'6", maximum height: 4'0", and a maximum r of 1.5 SF per side. Tenants are allowed 1 sing board sign with maximum area of 50 SF. Tena branded clearance bar signage for their drive signs may be illuminated, all other drive-thru

illuminated.

Shopfront signs shall be mounted directly on

facade/fascia or to architectural metal storef existing. No visible raceways permitted for a

Sign band: The area above the shopfront glazii signage will logically be placed; it is boun features including the top of the shopfror parapet, changes in material or fascia setbac 7 th, or others. Most sign bands will be the full width of the s some may be narrowed by architectural featu

sign at mum width: nav install Menu board to be non-

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MASTER SIGN PROGRAM | WRITTEN CRITERIA

CAPITOLA TOWN SQUARE

1855 41st AVENUE, CAPITOLA, CA 95010



TENANT SIGNAGE RULES & CALCULATIONS: SINGLE-TENANT BUILDINGS, RESIDENTIAL BUILDINGS

Primary identity signage types allowed

(refer to page 5 of this document):

Types A, B, C, D, E, F

Primary identity signage maximum area:

2 SF per lineal foot of building footprint

Primary identity signage maximum width:

50% of building elevation width

Maximum number of primary identity signs:

2 signs per elevation, with signs on the same elevation positioned a minimum 50'0" distance apart.

Primary identity sign locations:

At top of building, either centered or left/right-justified on the building elevation.

Blade signs

1 sign permitted to left side of each customer entry, parking entry, or similar public use access entry. Max area: 5 SF per

sıgn

Mounting height: 8'0" min to underside of blade sign; top of blade sign to not sit higher than the shopfront signage's sign hand

Blade signs may not be illuminated.

Wall-mounted pedestrian or vehicular entry

signs

Signage over entries to building lobbies, vehicular parking areas, and other public use access point mounted directly on the building fascia or onto an architectural metal canopy are permitted. May include the building name, brand, "Lobby", "Resident Parking Entry", or similar, or building address as its message.

1 sign per public use access entry is permitted. Maximum area of 20 SF per sign, maximum width is 80% of the sign band area or the full width of an architectural canopy. May be illuminated.

Additional non-illuminated messaging identifying the building name, address, or "Lobby" messaging may be installed on the shopfront glazing or doors. This messaging may be vinyl or painted metal letters maximum 1/4" thick.

Notes:

Shopfront signs shall be mounted directly onto the building facade/fascia or to architectural metal storefront canopy where existing. No visible raceways permitted for any sign types. Cabinet signs not allowed for any sign types.

MASTER SIGN PROGRAM | WRITTEN CRITERIA

CAPITOLA TOWN SQUARE

1855 41st AVENUE, CAPITOLA, CA 95010

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Map Legend

Ground level buildings

Green space

Driving paths and parking aisles

City streets

Signalized intersections

Signage Legend

- Existing tenant-specific monument/entry signs
- Existing Shopping Center Monument signs
- Existing vehicular wayfinding signs
- Existing vehicular wayfinding signs with tenant panels
- New P Pylon signs
- New M Monument signs
- New vehicular wayfinding signs with tenant panels



MASTER SIGN PROGRAM | SITE PLAN | EXISTING + PROPOSED SIGNAGE

CAPITOLA TOWN SQUARE 1855 41st AVENUE, CAPITOLA, CA 95010

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SIGNAGE FAMILY - EXISTING SIGNAGE

Existing monument and vehicular wayfinding signage may remain on the property. Existing signage may be painted, refaced, or otherwise updated to match the design of the development's new signage. Updates to existing signage are not allowed to increase the size or add illumination to signs that were previously not illuminated.

SHOPPING CENTER IDENTITY MONUMENTS, WAYFINDING WITH TENANTS



Monument sign at property entry from 41st Avenue (to be demolished)



Monument sign at multiple property entries



Vehicular \ several loc shopping (



ıding sign at s within the

WAYFINDING, TRAFFIC CONTROL



Vehicular wayfinding sign at 2 street-facing locations adjacent to parking structure at corner of Capitola Road and Clares Street



Typical sign design for onsite stop signs, speed limit signs, and other traffic control

UNIQUE SINGLE-LOCATION MONUMENT SIGNS



Monument sign at single location within shopping center near Ross Dress For Less



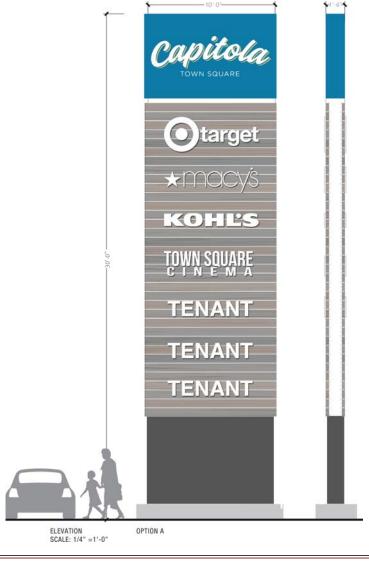
Monument sign at single location, Citibank entry from 41st Avenue

Attachment: Master Sign Program (1855 41st

MASTER SIGN PROGRAM | SIGN DESIGNS | EXISTING SIGNAGE

CAPITOLA TOWN SQUARE 1855 41st AVENUE, CAPITOLA, CA 95010

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PYLON SIGNAGE

10'W x 30'H

Tenant logos: Maximum 7 total per side with maximum height of 2'6"H each. oth the property logo as well as the tenant logos are illuminated push-thru letters. The property logo may be in color, while the tenant logos are only allowed to be white acrylic.

Quantity: 3 double-sided pylon signs.

MASTER SIGN PROGRAM | SIGN DESIGNS | PYLON SIGN

CAPITOLA TOWN SQUARE 1855 41st AVENUE, CAPITOLA, CA 95010





Existing or new monument sign shown with new finishes applied.

target

New monument sign design

MONUMENT SIGNAGE - EXISTING

Existing monument signage will be allowed to remain in place. Finishes may be updated to complement the design scheme of the property and its new signage. Overall dimensions not allowed to increase.

MONUMENT SIGNAGE - NEW

8'W x 4'H

Tenant logos: 4 tenants per side, 1'6"H maximum. Both the property logo as well as the tenant logos are illuminated push-thru letters. The property logo may be in color, while the tenant logos are only allowed to be white acrylic.

Quantity: Maximum 8 double-sided monument signs (new or existing) allowed on the property.

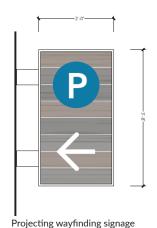
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MASTER SIGN PROGRAM | SIGN DESIGNS | MONUMENT SIGN

CAPITOLA TOWN SQUARE 1855 41st AVENUE, CAPITOLA, CA 95010



Existing vehicular wayfinding signage



Example of typical advertising kiosk

VEHICULAR WAYFINDING SIGNAGE

Existing vehicular wayfinding signage will be allowed to remain in place. Finishes may complement the design scheme of the property and its new signage. Overall dimensic

dated to t allowed to

Additional vehicular wayfinding signage allowed at interior of property (i.e. not at vehi from surrounding roads). Not to exceed 3'W x 6'H if monument style. Flag on pole sig entrances also allowed.

ADVERTISING KIOSK / PEDESTRIAN WAYFINDING SIGNAGE

4'W x 8'H double-sided digital advertising kiosk units.

Some units will serve dual purpose as a pedestrian directory with 1 of the 2 screens s use with an integrated site plan and tenant listing. Units to be located at project interi

Quantity: Maximum 25 advertising kiosks.

41st

(1855)

WALL-MOUNTED OR PROJECTING WAYFINDING SIGNAGE

Wayfinding signage in wall-mounted or projecting design. Both applications have a management of the signage in wall-mounted or projecting design.

Signs may be illuminated and should be scaled and placed according to their location, by vehicles or pedestrians, and adjacent architectural conditions. Signs may indicate s within the shopping center, including tenants. Designs shown here are examples, but encouraged. Signs should use materials and design to complement the building archite

Quantity: As needed, maximum 10 wall-mounted and 10 projecting wayfinding signs quantities do not include existing vehicular wayfinding signage, which is allowed to re

m area of 20 nce visible

ē tted. Allowed

: locations

designs are

PROJECT ID SIGNAGE

Project ID signage can take a variety of forms. When a projecting sign, a wall-mounted a solid color backing panel, or similar, the maximum area is 200 SF. When it is a logo a onto a building face, either with three-dimensional channel lettering, painted flat, or s not limited. Creative applications that complement the building architecture and refle center's personality are encouraged.

Quantity: As needed, maximum 4 total wall-mounted or projecting signs permitted. Lo applications are unlimited.

the size is shopping

sign with

1 directly

MASTER SIGN PROGRAM | SIGN DESIGNS | VEHICULAR WAYFINDING SIGN

CAPITOLA TOWN SQUARE 1855 41st AVENUE, CAPITOLA, CA 95010

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APPLICABLE GENERAL PLAN GOALS AND POLICIES RELATED TO CAPITOLA MALL PROPERTY

General Plan Goal LU-8 supports the long-term transformation of Capitola Mall into a more pedestrian-friendly commercial district with high quality architecture and outdoor amenities attractive to shoppers and families.

General Plan Policy LU-8.1 (Phased Mall Redevelopment) encourages a phased approach to redevelopment of the Mall property. Early phases may include improvements to the Mall façade and front entrance, and new retail pads fronting 41st Avenue. These early improvements shall not conflict with the ultimate vision for the property, as represented in the 41st Avenue/Capitola Mall Vision Plan.

General Plan Policy LU-8.2 (Parking Lot Redevelopment) encourages the development of commercial and mixed-use structures on existing Capitola Mall surface parking lots located adjacent to 41st Avenue and Capitola Road, including both sides of 41st Avenue. New development along 41st Avenue should enhance the design character of 41st Avenue and support the long-term vision for the Mall as a pedestrian-friendly commercial destination. This policy also seeks to ensure that parking lot redevelopment does not result in an inadequate supply of on-site parking that leads to overflow parking in adjacent residential neighborhoods.

General Plan Policy LU-8.3 (Metro Center Relocation) supports the relocation of the Metro Center to an alternative location on the Capitola Mall property that meets the operational requirements of Santa Cruz Metro and advances the design goals for the Capitola Mall. This policy encourages the Metro Center to become a multi-modal facility with amenities for bicycles and integration with a possible future shuttle system in Capitola.

General Plan Policy LU-8.4 (Public Gathering Places) encourages the establishment of public gathering places on the Mall property, such as outdoor dining and courtyards, which provide space for people to informally meet and gather.

General Plan Policy LU-8.5 (New Interior Street) supports the addition of a new interior street within the Mall property lined with sidewalk-oriented retail, outdoor dining, and pedestrian amenities as a long-term vision for Capitola Mall. This new street should be connected with the existing street network surrounding the Mall property to enhance mall access for all modes of transportation.

General Plan Action LU-8.1 (Transit Center Relocation Funding) calls for working with Capitola Mall owners and Santa Cruz Metro to identify funding for the relocation of the Transit Center.

General Plan Action LU-8.2 (Infrastructure Improvement Funding) seeks to identify funding sources for infrastructure improvements that will stimulate investment and redevelopment of the Capitola Mall property and provide urban amenities attractive to residential and mixed-use development.

General Plan Action LU-8.3 (Design Guidelines) calls for updating the 41st Avenue Design Guidelines to reflect the vision for Capitola Mall as described in this General Plan.

General Plan Policy LU-9.1 (Public Amenities) encourages new development near 41st Avenue to provide amenities that enhance the vitality of the corridor, such as outdoor dining and courtyards, public art, publicly accessible or semi-public gathering places, and bicycle and pedestrian facilities.

General Plan Policy LU-9.2 (Entertainment Uses) encourages the establishment of new entertainment and commercial recreation uses within the 41st Avenue corridor and the expansion of existing entertainment uses.

General Plan Action LU-9.3 (Increased Floor Area Ratio) allows the City Council to authorize increased FAR for properties located within the 41st Avenue corridor as follows:

- Properties fronting 41st Avenue or the 41st Avenue/Capitola Road intersection with a Regional Commercial or Community Commercial land use designation may be developed at a maximum FAR of 2.0.
- Structures on properties fronting the east side of 41st Avenue must be set back a minimum of 100 feet from the property line abutting a residential property.

Chapter 17.36 PLANNED DEVELOPMENT ZONING DISTRICT Revised 6/18

Sections:

<u>17.36.010</u>	Purpose of the planned development zoning district. Revised 6/18
<u>17.36.020</u>	Where allowed. Revised 6/18
<u>17.36.030</u>	Permitted land uses. Revised 6/18
<u>17.36.040</u>	Development standards. Revised 6/18
<u>17.36.050</u>	Required approvals. Revised 6/18
17.36.060	Conceptual review. Revised 6/18
17.36.070	Planned development rezoning. Revised 6/18
17.36.080	Development plans. Revised 6/18

17.36.010 Purpose of the planned development zoning district. Revised 6/18

The purpose of the planned <u>development</u> (PD) zoning district is to allow for high quality <u>development</u> that deviates from standards and regulations applicable to the other zoning districts in Capitola. The PD zoning district is intended to promote creativity in <u>building</u> design, flexibility in permitted <u>land uses</u>, and innovation in <u>development</u> concepts. The PD zoning district provides land owners with enhanced flexibility to take advantage of unique <u>site</u> characteristics and develop projects that will provide public benefits for residents, employees, and visitors. <u>Development</u> within each PD zoning district is regulated by a <u>development</u> plan approved by the city council. (Ord. <u>1017</u> § 2 (Exh. A) (part), 2018)

17.36.020 Where allowed. Revised 6/18

The PD zoning district may be applied to any property in Capitola with an area of twenty thousand square feet or more except for those designated as single-family residential on the zoning map and general plan <u>land use</u> map. Planned <u>developments</u> are prohibited in the single-family residential zoning district. (Ord. <u>1017</u> § 2 (Exh. A) (part), 2018)

17.36.030 Permitted land uses. Revised 6/18

Permitted <u>land uses</u> in each PD zoning district shall conform to the applicable general plan <u>land use</u> designation and to the <u>development</u> plan that applies to the property. (Ord. <u>1017</u> § 2 (Exh. A) (part), 2018)

17.36.040 Development standards. Revised 6/18

A. Established in <u>Development Plan. Development standards</u> (e.g., height, <u>setbacks</u>, <u>building</u> coverage) for each PD zoning district shall be established in the applicable <u>development</u> plan.

- B. Maximum Intensity. The maximum permitted <u>floor area ratio</u> and residential <u>density</u> shall not exceed maximums established in the general plan for the applicable <u>land use</u> designation.
- C. Public Improvements. Public infrastructure and improvements in the PD zoning district shall conform to the city's standard specifications as maintained by the public works director. (Ord. 1017 § 2 (Exh. A) (part), 2018)

17.36.050 Required approvals. Revised 6/18

A. <u>Development</u> Plan and Zoning Map Amendment. Establishment of a PD zoning district requires approval of a <u>development</u> plan, zoning map amendment, and <u>LCP</u> amendment if the proposed PD zoning district is in the <u>coastal zone</u>.

B. <u>Design Review</u>. A proposed <u>development</u> must receive a design permit as required by Chapter <u>17.120</u> (Design Permits). All <u>development</u> and <u>land uses</u> within a PD zoning district shall be consistent with the approved <u>development</u> plan. (Ord. <u>1017</u> § 2 (Exh. A) (part), 2018)

17.36.060 Conceptual review. Revised 6/18

Prior to submittal of an application for a PD rezoning and <u>development</u> plan, an <u>applicant</u> must complete the conceptual review process as described in Chapter <u>17.114</u>. The planning commission and city council shall each hold at least one noticed public hearing on the project as part of the conceptual review process. (Ord. <u>1017</u> § 2 (Exh. A) (part), 2018)

17.36.070 Planned development rezoning. Revised 6/18

- A. General Procedures and Requirements. Establishing a PD zoning district requires city council approval of a zoning map amendment consistent with Chapter 17.144 (Zoning Code Amendments). All procedures and requirements for zoning map amendments in Chapter 17.144 apply to the establishment of a PD zoning district.
- B. Timing. The city council shall act on the zoning map amendment concurrently with the <u>development</u> plan. A PD zoning district may be established only with concurrent approval of a <u>development</u> plan.
- C. Reference to <u>Development</u> Plan. The ordinance adopted by the city council establishing a PD zoning district shall reference the <u>development</u> plan approved concurrently with the zoning map amendment. (Ord. <u>1017</u> § 2 (Exh. A) (part), 2018)

17.36.080 Development plans. Revised 6/18

- A. <u>Review Authority</u>. The city council takes action on <u>development</u> plan applications following recommendation from the planning commission.
- B. Timing. A <u>development</u> plan application shall be submitted within one year of conceptual review for the proposed project. If an application is not submitted within one year of conceptual review, the <u>applicant</u> shall complete a second conceptual review process prior to submitting the <u>development</u> plan application.
- C. Application Submittal and Review.
 - 1. <u>Development</u> plan applications shall be filed and reviewed in compliance with Chapter <u>17.112</u> (Permit Application and Review). The application shall include the information and materials required by the community <u>development</u> department and the information required by subsection D of this section (Application Materials).
 - 2. If the property is not under a single ownership, all owners must join the application, and a map showing the extent of ownership shall be submitted with the application.
- D. Application Materials. It is the responsibility of the <u>applicant</u> to provide evidence in support of the findings required by subsection G of this section (Findings). Applications for approval of a <u>development</u> plan shall include the following information and materials:
 - 1. Project Description. A written description of the project proposed within the PD zoning district. The project description shall include a narrative statement of the project objectives and a statement of how the proposed project will comply with general plan goals and policies for the applicable <u>land use</u> designation. An overview of the proposed <u>land use</u>, densities, open space, and parking should be included in the project description.
 - 2. <u>Community Benefits</u>. A description of how the proposed <u>development</u> is superior to <u>development</u> that could occur under the standards in the existing zoning districts, and how it will achieve substantial public

benefits as defined in subsection H of this section.

- 3. <u>Site Plan. Site plan depicting the existing topography, on-site structures</u> and natural features, mature trees, and other significant vegetation and drainage patterns. The <u>site plan shall show the proposed PD zoning district boundaries and all properties within five hundred feet of the <u>site boundary. The site plan shall be to scale and based on a stamped survey prepared by a registered civil engineer or licensed land surveyor.</u></u>
- 4. Concept Plan. An overall diagram of the project concept. This diagram shall illustrate the overall <u>development</u> concept, including proposed <u>land uses</u>, <u>buildings</u>, circulation, open space, and any other significant elements in the proposed project. Phases shall be clearly indicated if multiple phases are proposed.
- 5. <u>Land Use</u>. A map showing the location of each <u>land use</u> proposed within the <u>site</u>, including open space and common areas. The <u>land use</u> map shall be accompanied by a narrative description of permitted <u>land uses</u>, allowable <u>accessory uses</u>, and uses allowed <u>by right</u> or with a conditional use permit.
- 6. Subdivision Map. If the project involves the subdivision of land, a tentative <u>parcel</u> map or tentative map required by Title <u>16</u> (Subdivisions).
- 7. Circulation. A map and descriptions of the major circulation features within the <u>site</u> including vehicular, bicycle, pedestrian facilities; traffic flow of internal traffic; and existing and proposed public <u>streets</u> and sidewalk improvements.
- 8. Public Facilities and Open Space. The amount (in square feet or acres) and percentage of <u>site area</u> that will be dedicated for all types of open space, including proposed recreational facilities and amenities; and any public facilities, including public utility easements, public <u>buildings</u> and public <u>land uses</u>.
- 9. <u>Development Standards</u>. All <u>development standards</u> that apply within the project, including:
 - a. Land use;
 - b. Circulation of traffic;
 - c. Landscaping;
 - d. Architecture;
 - e. **Density** and/or intensity;
 - f. Minimum building site;
 - g. Minimum lot dimensions;
 - h. Maximum building coverage;
 - i. Minimum setbacks;
 - j. Maximum building or structure heights;
 - k. Maximum height of fences and walls;
 - I. Signs;
 - m. Off-street parking; and

- n. Other items as deemed appropriate by the planning commission and city council.
- E. Planning Commission Review and Recommendation.
 - 1. The planning commission shall hold a public hearing on the <u>development</u> plan application as required by Chapter <u>17.148</u> (Public Notice and Hearings).
 - 2. The planning commission shall recommend to the city council the approval, approval with <u>modification</u>, or denial of the <u>development</u> plan application. The recommendation shall be based on the findings in subsection G of this section (Findings).
- F. City Council Review and Decision. Upon receipt of the planning commission's recommendation, the city council shall conduct a public hearing and either approve, approve in modified form, or deny the <u>development</u> plan. The city council may approve the application only if all of the findings in subsection G of this section (Findings) can be made.
- G. Findings. The city council may approve an application for a <u>development</u> plan if all of the following findings can be made:
 - 1. The proposed <u>development</u> is consistent with the general plan, <u>local coastal program</u> (if applicable), and any applicable specific plan or area plan adopted by the city council.
 - 2. The proposed <u>development</u> is superior to the <u>development</u> that could occur under the standards applicable in the existing zoning districts.
 - 3. The proposed project will provide a substantial public benefit as defined in subsection H of this section (Substantial Public Benefit Defined). The public benefit provided shall be of sufficient value as determined by the planning commission to justify deviation from the standards of the zoning district that currently applies to the property.
 - 4. The <u>site</u> for the proposed <u>development</u> is adequate in size and shape to accommodate proposed <u>land</u> <u>uses</u>.
 - 5. Adequate transportation facilities, infrastructure, and public services exist or will be provided to serve the proposed <u>development</u>.
 - 6. The proposed <u>development</u> will not have a substantial adverse effect on surrounding property and will be compatible with the existing and planned <u>land use</u> character of the surrounding area.
 - 7. Findings required for the concurrent approval of a zoning map amendment can be made.
- H. Substantial Public Benefit Defined. When used in this chapter, "substantial public benefit" means a project feature not otherwise required by the zoning code or any other provision of local, state, or federal law that substantially exceeds the city's minimum <u>development standards</u> and significantly advances goals of the general plan. A project must include one or more substantial public benefits to be rezoned as a planned <u>development</u>. The public benefit provided shall be of sufficient value as determined by city council to justify deviation from the standards of the zoning district that currently apply to the property. Examples of substantial public benefits include but are not limited to:
 - 1. Affordable housing that meets the income restrictions applicable in the affordable housing (-AH) <u>overlay</u> <u>zone</u>.
 - 2. Public plazas, courtyards, open space, and other public gathering places that provide opportunities for people to informally meet and gather. The public space must either exceed the city's minimum requirement

for required open space and/or include quality improvements to the public realm to create an exceptional experience for the public. Improvements to <u>streets</u>, sidewalks, curbs, gutters, sanitary and storm sewers, <u>street</u> trees, lighting, and other public infrastructure beyond the minimum required by the city or other public agencies.

- 3. New or improved pedestrian and bicycle pathways that enhance circulation within the property and connectivity to the surrounding neighborhood.
- 4. Green <u>building</u> and sustainable <u>development</u> features that substantially exceed the city's green <u>building</u> award status.
- 5. Preservation, restoration, or rehabilitation of a historic resource.
- 6. Public art that exceeds the city's minimum public art requirement and is placed in a prominent and publicly accessible location.
- 7. New or enlarged businesses that increase the supply and/or diversity of jobs available to Capitola residents. Types of jobs may include jobs that improve environmental quality or reduce energy or resource consumption ("green jobs"), high-tech sector jobs, and jobs in industries focusing on the generation and utilization of intellectual property ("creative jobs").
- 8. Increased transportation options for residents and visitors to walk, bike, and take public transit to destinations and reduce greenhouse gas emissions.
- Public <u>parking lot</u> that provides <u>parking spaces</u> in excess of the required number of <u>parking spaces</u> for use by the surrounding commercial district.
- 10. Publicly accessible parks, open space, and/or recreational amenities beyond the minimum required by the city or other public agency.
- 11. Habitat restoration and/or protection of natural resources beyond the minimum required by the city or other public agency.
- I. Conditions of Approval.
 - 1. The city council may attach conditions of approval to a <u>development</u> plan to achieve consistency with the general plan, <u>local coastal program</u>, zoning code, and any applicable specific plan or area plan adopted by the city council.
 - 2. The city council shall condition approval of the <u>development</u> plan on the completion of public improvements and grants of easement shown on the <u>development</u> plan.
- J. Post-Decision Procedures. Post-decision procedures and requirements in Chapter <u>17.156</u> (Post-Decision Procedures) shall apply to <u>development</u> plans.
- K. Effect of <u>Development</u> Plan. All future <u>development</u> and <u>land uses</u> within a PD zoning district shall comply with the approved <u>development</u> plan.
 - 1. <u>Land Uses</u>. New <u>land uses</u> may be added in a PD zoning district provided the <u>development</u> plan identifies the use as a permitted or conditionally permitted <u>land use</u>. Establishing a <u>land use</u> not specifically permitted by the <u>development</u> plan would require an amendment to the PD zoning district.
 - 2. <u>Structures</u>. New <u>structures</u> may be added in a PD zoning district provided the <u>structures</u> comply with <u>development standards</u> established in the <u>development</u> plan (e.g., height, <u>setback</u>, <u>floor area</u> ratio). <u>Design</u>

review consistent with Chapter 17.120 (Design Permits) is required for all new development that was not approved with the development plan. Development that exceeds development standards in the development plan is allowed only with an amendment to the PD zoning district. (Ord. 1017 § 2 (Exh. A) (part), 2018)

The Capitola Municipal Code is current through Ordinance 1030, passed April 25, 2019.

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Chapter 17.88 INCENTIVES FOR COMMUNITY BENEFITS Revised 6/18

Sections:

17.88.090

17.88.010	Purpose. Revised 6/18
17.88.020	Incentives restricted to added benefits. Revised 6/18
17.88.030	Eligibility. Revised 6/18
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17.88.050	Available incentives. Revised 6/18
17.88.060	Relationship to state density bonus law. Revised 6/18
17.88.070	Application submittal and review. Revised 6/18
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17.88.010 Purpose. Revised 6/18

This chapter establishes incentives for <u>applicants</u> to locate and design <u>development</u> projects in a manner that provides substantial benefits to the community. These incentives are intended to facilitate the redevelopment of underutilized properties along 41st Avenue consistent with the vision for the corridor described in the general plan and to encourage the <u>development</u> of a new hotel in the Village as called for by the general plan. (Ord. <u>1017</u> § 2 (Exh. A) (part), 2018)

17.88.020 Incentives restricted to added benefits. Revised 6/18

Post-decision procedures. Revised 6/18

The city may grant incentives only when the <u>community benefits</u> or amenities offered are not otherwise required by the zoning code or any other provision of local, state, or federal law. <u>Community benefits</u> or amenities must significantly advance general plan goals and/or incorporate a project feature that substantially exceeds the city's minimum requirements. (Ord. <u>1017</u> § 2 (Exh. A) (part), 2018)

17.88.030 Eligibility. Revised 6/18

A. Eligibility for Incentive. The city may grant incentives for the following projects:

- 1. Projects in the regional commercial (C-R) and community commercial (C-C) zoning districts that:
 - a. Front 41st Avenue; or
 - b. Front Capitola Road between Clares Street and 42nd Avenue; or
 - c. Are located on the Capitola Mall site.
- 2. A hotel on the former Capitola Theater <u>site</u> (APN 035-262-04, 035-262-02, 035-261-10) in the mixed use village zoning district.
- B. <u>Setback</u> Required 41st Avenue. <u>Structures</u> on properties fronting the east side of 41st Avenue must be set back a minimum of one hundred feet from the property line <u>abutting</u> a residential property. (Ord. <u>1017</u> § 2 (Exh. A) (part), 2018)

17.88.040 Allowable benefits. Revised 6/18

- A. All Eligible Projects. The city may grant incentives to all eligible projects as identified in Section 17.88.030 (Eligibility) that provide one or more of the following community benefits. The public benefit provided shall be of sufficient value as determined by the planning commission to justify deviation from the standards of the zoning district that currently applies to the property.
 - 1. Public Open Space. Public plazas, courtyards, and other public gathering places that provide opportunities for people to informally meet and gather. Open space must be accessible to the general public at all times. Provision must be made for ongoing operation and maintenance in perpetuity. The public space must either exceed the city's minimum requirement for required open space and/or include quality improvements to the public realm to create an exceptional experience.
 - Public Infrastructure. Improvements to <u>streets</u>, sidewalks, curbs, gutters, sanitary and storm sewers, <u>street</u> trees, lighting, and other public infrastructure beyond the minimum required by the city or other public agency.
 - 3. Pedestrian and Bicycle Facilities. New or improved pedestrian and bicycle pathways that enhance the property and connectivity to the surrounding neighborhood.
 - 4. Transportation Options. Increased transportation options for residents and visitors to walk, bike, and take public transit to destinations and reduce greenhouse gas emissions.
 - 5. Historic Resources. Preservation, restoration, or rehabilitation of a historic resource.

- 6. Public Parking. Public parking <u>structure</u> that provides <u>parking spaces</u> in excess of the required number of <u>parking spaces</u> for use by the surrounding commercial district. Excess parking provided as part of a Village hotel may not be located on the hotel <u>site</u> and must be located outside of the <u>mixed use</u> village zoning district.
- 7. Green <u>Building</u>. Green <u>building</u> and sustainable <u>development</u> features that exceed the city's green <u>building</u> award status.
- 8. Public Art. Public art that exceeds the city's minimum public art requirement and is placed in a prominent and publicly accessible location.
- 9. Other <u>Community Benefits</u>. Other <u>community benefits</u> not listed above, such as entertainment destinations, as proposed by the <u>applicant</u> that are significant and substantially beyond normal requirements.
- B. 41st Avenue/Capitola Road Projects. In <u>addition</u> to the <u>community benefits</u> in subsection A of this section, the city may grant incentives to eligible projects fronting 41st Avenue or Capitola Road between Clares <u>Street</u> and 42nd Avenue or on the Capitola Mall <u>site</u> that provide one or more of the following <u>community benefits</u>:
 - 1. Capitola Mall <u>Block</u> Pattern. Subdivision of the existing Capitola Mall property into smaller <u>blocks</u> with new intersecting interior <u>streets</u>. May include the extension of 40th Avenue south into the mall property to form a new pedestrian-friendly private interior <u>street</u>.
 - 2. Surface <u>Parking Lot</u> Redevelopment. Redevelopment of existing surface <u>parking lots</u> fronting 41st Avenue and Capitola Road while introducing new sidewalk-oriented commercial <u>buildings</u> that place commercial uses along the <u>street</u> frontage.
 - 3. Transit Center. Substantial infrastructure improvements to the transit center on the Capitola Mall property that are integrated with a possible future shuttle system in Capitola. The transit center may be moved to an alternative location consistent with the operational requirements of Santa Cruz Metro.
 - 4. Affordable Housing. Affordable housing that meets the income restrictions applicable in the affordable housing (-AH) <u>overlay zone</u>. (Ord. <u>1017</u> § 2 (Exh. A) (part), 2018)

17.88.050 Available incentives. Revised 6/18

A. 41st Avenue/Capitola Road Projects. The city may grant the following incentives to an eligible project fronting 41st Avenue, Capitola Road between Clares <u>Street</u> and 42nd Avenue, or on the

Capitola Mall site:

- 1. An increase in the maximum permitted floor area ratio (FAR) to 2.0.
- 2. An increase in the maximum permitted <u>building height</u> to fifty feet.
- B. Village Hotel. The city may grant the following incentives to a proposed hotel on the former Capitola Theater <u>site</u> (APN 035-262-04, 035-262-02, 035-261-10):
 - 1. An increase in the maximum permitted floor area ratio (FAR) to 3.0.
 - 2. An increase to the maximum permitted <u>building height</u>; provided, that:
 - a. The maximum height of the hotel remains below the elevation of the <u>bluff</u> behind the hotel; and
 - b. The <u>bluff</u> behind the hotel remains visible from the Capitola wharf as a green edge with existing mature trees maintained on <u>site</u>. (Ord. <u>1017</u> § 2 (Exh. A) (part), 2018)

17.88.060 Relationship to state density bonus law. Revised 6/18

The incentives allowed by this section are in <u>addition</u> to any <u>development</u> incentive required by Section <u>65915</u> of the California Government Code. (Ord. <u>1017</u> § <u>2</u> (Exh. A) (part), <u>2018</u>)

17.88.070 Application submittal and review. Revised 6/18

A. Request Submittal. A request for an incentive in exchange for benefits shall be submitted concurrently with an application for the discretionary permits required for the project by the zoning code. Applications shall be accompanied by the following information:

- 1. A description of the proposed amenities and how they will benefit the community.
- 2. All information needed by the city council to make the required findings described in Section 17.88.080 (Findings), including a pro forma analysis demonstrating that the benefit of the proposed amenities to the community is commensurate with the economic value of the requested incentives.
- B. Conceptual Review. Prior to city action on a request for an incentive, the request shall be considered by the planning commission and city council through the conceptual review process as described in Chapter 17.114 (Conceptual Review). Conceptual review provides the applicant with nonbinding input from the city council and planning commission as to whether the request for incentives is worthy of consideration.

- C. Theater <u>Site</u> Story Poles. Prior to city action on a proposed hotel on the former Capitola Theater <u>site</u> the <u>applicant</u> shall install poles and flagging on the <u>site</u> to demonstrate the height and mass of the proposed project.
- D. Planning Commission Recommendation. Following conceptual review, the planning commission shall provide a recommendation to the city council on the proposed project and requested incentives at a noticed public hearing in compliance with Chapter 17.148 (Public Notice and Hearings).
- E. City Council Action. After receiving the planning commission's recommendation, the city council shall review and act on the requested incentives at a noticed public hearing in compliance with Chapter 17.148 (Public Notice and Hearings). The city council shall also review and act on other permits required for the project requesting incentives. (Ord. 1017 § 2 (Exh. A) (part), 2018)

17.88.080 Findings. Revised 6/18

A. All Eligible Projects. The city council may approve the requested incentives for all eligible projects only if all of the following findings can be made in <u>addition</u> to the findings required for any other discretionary permit required by the zoning code:

- 1. The proposed amenities will provide a substantial benefit to the community and advance the goals of the general plan.
- 2. There are adequate public services and infrastructure to accommodate the increased <u>development</u> potential provided by the incentive.
- 3. The public benefit exceeds the minimum requirements of the zoning code or any other provisions of local, state, or federal law.
- 4. The project minimizes adverse impacts to neighboring properties to the greatest extent possible.
- B. Village Hotel. In <u>addition</u> to the findings in subsection A of this section, the city council may approve the requested incentives for a proposed hotel on the former Capitola Theater <u>site</u> only if the following findings can be made:
 - 1. The design of the hotel respects the scale and character of neighboring <u>structures</u> and enhances Capitola's unique sense of place.
 - 2. The hotel will contribute to the economic vitality of the Village and support an active, attractive, and engaging pedestrian environment.

- 3. The hotel design minimizes impacts to public views of the beach and Village from vantage points outside of the Village.
- 4. Parking for the hotel is provided in a way that minimizes vehicle traffic in the Village and strengthens the Village as a pedestrian-oriented destination. (Ord. <u>1017</u> § 2 (Exh. A) (part), 2018)

17.88.090 Post-decision procedures. Revised 6/18

Post-decision procedures and requirements in Chapter <u>17.156</u> (Post-Decision Procedures) shall apply to decisions on incentives for <u>community benefits</u>. (Ord. <u>1017</u> § 2 (Exh. A) (part), 2018)

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September 25, 2019

David Geiser, Managing Director, Design & Construction Merlone Geier Management, LLC 4365 Executive Drive, Suite 1400 San Diego, CA 92121

Subject: Capitola Town Center, Conceptual Review, #19-0240

Dear Mr. Geiser:

The City of Capitola Community Development Department has completed its review of your application for Conceptual Review submitted on August 27, 2019 to redevelop a substantial portion of the Capitola Mall property, located at 1855 41st Avenue, with a mix of commercial, retail, and residential uses.

Consistent with Section 17.114.070 of the Capitola Municipal Code, following completion of the conceptual review process, you will be required to submit an application for your proposed development project. At that time, the Community Development Department will review the development project application for completeness consistent with the Permit Streamlining Act. This letter applies only to your application for Conceptual Review, and the City reserves all of its rights regarding review of your development application at the time that the application is submitted.

To help you prepare for the Conceptual Review hearings and to identify known areas that will need to be addressed in your subsequent submittals, the Community Development Department is providing you with the following information as a guide for further processing of your application.

PROJECT DESCRIPTION

Below is the project description that staff has developed based on the information submitted in your application package. Please review this project description carefully. If the description is inaccurate or incomplete, please contact your assigned planner immediately to correct the information.

This is a request for a Conceptual Review of a future application including a Planned Development Zoning District, a Vesting Tentative Tract Map, a Development Agreement, a Design Permit, and a Master Sign Program in order to allow for redevelopment of 31.44 acres of the 46.16-acre Capitola Mall with a mix of commercial, retail, and residential uses. The property is located at 1855 41st Avenue, west of 41st Avenue, between Clares Street and Capitola Road, in the CR (Regional Commercial) zoning district. Specifically, the main components of the concept include the following:

- Demolition of the former Sears building (approximately 110,000 square feet), a portion of the existing Mall (approximately 124,936 sf), and the former Takara restaurant building (approximately 8,000 sf), for a total of 242,936 sf.
- The existing building area within the development site is approximately 373,451 sf. The project proposes redevelopment with a total of approximately

339,131 sf of commercial space, including retail, restaurants, fitness, and entertainment uses, for a net reduction of approximately 34,320 sf. The proposed density of this area would be a floor area ratio (FAR) of 0.82.

- Development of approximately 637 multi-family residential units within one seven-story building and one five-story building. Both buildings would have retail uses "wrapped" around two parking garages. The density of the residential development would be approximately 20 dwelling units per acre.
- Roadway improvements to improve access to the site and to create an internal grid street pattern within the site. This would include realignment of the existing main access drive on 41st Avenue approximately 300 feet to the south, and extension of a new 38th Street from Capitola Road north across Clares Street. An active main street with angled parking, wide sidewalks, and spaces for outdoor dining, informal seating, signage, and landscaping is proposed within the site.
- Relocation of the Santa Cruz Metro transit station to a new location between Macy's and Kohl's, which would be accessed from Clares Street.
- Development of grade surface and garage parking with a total of approximately 2,614 commercial parking spaces at an overall Mall parking ratio of 4.3 spaces per 1,000 sf of commercial space. The two residential parking garages would provide approximately 1,098 dedicated residential parking spaces at a ratio of 1.74 spaces per dwelling unit.
- Construction of new stormwater infrastructure to treat all stormwater on-site through natural and engineered biofiltration systems and methods.
- Development of various pedestrian and bicycle improvements, along with new signage throughout the Mall.
- The proposed development would have a maximum height of 85 feet.
- The project applicant is also proposing exterior remodel and improvements to certain Mall anchor stores, including Target and Macy's which are not within the project site.

PROJECT ISSUES/CORRECTIONS

The following project issues and/or corrections to submitted plans and documents must be completed prior to scheduling your project for a Conceptual Review public hearing.

Conceptual Review Project Issues:

1. Community Benefits: As part of the PD process, the City will require substantial community benefits as part of the project, see Capitola Municipal Code Section 17.36.080.G.3. A definition of "Substantial Public Benefit" is provided in Section 17.36.080.H, and it is anticipated that this will be discussed as part of the conceptual review. The Application Narrative you provided does not adequately describe the community benefits you intend to propose as part of the project. Please provide details regarding the required community benefits proposed (such as affordable housing, park improvements, infrastructure improvements, etc.) as part of the project.

Subsequent Processing

- 1. As described above, because the project includes a PD rezoning, conceptual review must be completed prior to formal application submittal and processing.
- 2. Environmental review in accordance with the California Environmental Quality Act (CEQA) must be conducted for the project, after the conceptual review process is completed. As you know, the City has contracted with a consultant to prepare an Environmental Impact Report for the project under CEQA. Initial work will begin on the EIR at this time, however, the bulk of the EIR process and work will be completed upon submittal of your formal application.

Plan Corrections/Additional Information

At a minimum, the following additional information will be necessary for the development application submittal after conceptual review, in order to continue processing your application. The Community Development Department may require additional information following Conceptual Review hearings and submittal of your development application.

- 1. Include a cover sheet with the project team identified and general notes on the front of the plan set, similar to the notes that are shown on Sheet T-057.
- 2. Survey:
 - a. Include a stamped survey of existing conditions by licensed surveyor.
 - b. Identify locations of all additional existing features not shown, including buildings, utility lines, trees and shrubs, and structures on adjacent lots.
- 3. Cut and fill locations are shown in the appropriate shading on sheet C-54. Please also provide detailed topographic survey maps of the existing and proposed conditions. All topographic maps shall be prepared by a registered civil engineer, or licensed surveyor.
- 4. Floor Plans, Roof Plan, and Elevations:
 - a. Provide the floor plans for the missing floors of Buildings A and B, which were not included in the conceptual review plan set.
 - b. Provide roof plan for Building A and confirm maximum height of rooftop equipment and screening.
- 5. Additional, specific details and dimensions of the proposed active outdoor areas, including The Entry, The Estuary, The Tides, and the residential outdoor living areas, will be required for the next submittal.
- 6. Landscape Plan:
 - a. The irrigation plan is mentioned in concept. Additional detail regarding the proposed irrigation will be required during review of the next submittal package.
 - b. Landscape plan must show plant type, size, and quantity of plants and trees. Exact location should be shown on the landscape plan. Identify the locations, species, sizes, and health conditions of all trees on and immediately adjacent to the site, as well as which trees would be removed or retained on the site. A tree removal permit will be required.
- Open Space and Public Places. Provide common and private open space calculations for the multi-family residential. Also, for commercial development provide calculations of public and semi-public open space including plazas and courtyards.
- 8. Lighting. Exterior lighting fixtures, location, positioning to minimize illumination of the sky and adjacent properties in compliance with §17.96.100.

- 9. Mechanical Equipment, Trash Receptacles, and Utilities. Show all mechanical equipment, trash receptacles, and utilities are contained within architectural enclosures or fencing, sited in unobstructive locations, and/or screened by landscaping.
- 10. Public Works: The following comments were generated by the Public Works Department.
 - a. Transit Station: Additional detail and discussion will be necessary regarding the relocation and design of the transit station.
 - b. Connectivity to Adjacent Sites: Additional detail and discussion will be necessary regarding the connectivity to the east side of 41st Avenue and connectivity to Brown's Ranch.
 - c. Erosion Control Plan: The preliminary erosion control plan identifies the proposed erosion control measures at a conceptual level. This information is sufficient for conceptual review, but additional detail regarding these measures will be required in the next formal submittal.
 - d. Grading and Drainage Plan: The preliminary grading and drainage plan identifies the proposed erosion control measures at a conceptual level. This information is sufficient for conceptual review, but additional detail regarding these measures will be required in the next formal submittal.
 - e. Stormwater Control Plan: The preliminary Stormwater Control Plan (Sheet C-55) shows the proposed stormwater control features at a conceptual level. Submit a new Storm Water Application form with the current proposal impervious and pervious areas. The figures in the form and the plans need to be the same.

Please resubmit the above listed information as soon as feasible upon conclusion of the conceptual review process. Please note that any delays in providing revised documents to the City may also result in your public hearings being delayed.

ESTIMATED PROCESSING COST

Based upon our preliminary review of your application, your initial deposit of \$120,000 may be sufficient to complete the processing of your conceptual review application. As discussed, staff will require a positive balance of \$100,000 throughout the entire application processes including conceptual review and planned development application review. The City will provide monthly billing statements to keep your account up to date and ensure the balance remains funded. Please note that any cost estimate is only for your planning applications and will not include building permit costs, outside agency fees, or private engineering, architecture, or contractor costs.

ESTIMATED PROCESSING TIMELINE

Based upon your application status as a conceptual review, we estimate design review by City staff and a City-contracted design professional will occur in October of 2019 followed by Planning Commission and City Council conceptual review on November 7, 2019, and November 14, 2019, respectively. Once the conceptual review process is completed, and a Planned Development application is submitted, staff will conduct the formal completeness review of your application.

OTHER REQUIRED PERMITS

Please be aware that in addition to a Planned Development Zoning District, a Vesting Tentative Tract Map, a Development Agreement, a Design Permit, and a Master Sign Program, you will also be required to obtain other permits/approvals as listed below prior to initiating construction. These permits/approvals typically require additional fees which are not covered by your planning applications.

- Building Permit from the City of Capitola (bvanson@ci.capitola.ca.us)
- Will-serve letter from the Santa Cruz Water Department (831-420-5200)
- Will-serve letter from the Soquel Union School District (831-475-8500)
- Will-serve letter (or plan approval) from the Central Fire Protection District (831-479-6843)

- Approval from County of Santa Cruz Sanitation District (831-454-2160)
- Approval from County of Santa Cruz Department of Environmental Health (food establishments)

If you have any questions or require additional information, please contact me at 831.475.7300 or by email at jschwarz@ci.capitola.ca.us.

Respectfully,

John Schwarz Contract Planner



MEMORANDUM

Date:		
November 1, 2019		
То:	Organization:	
Katie Herlihy, AICP	City of Capitola	
Community Development Director		
From:	Title:	
RRM Design Group	Design Review Team	
Project Name:	Project Number:	
Capitola Mall Design Peer Review	1783-01-UR19	
Topic:		
Capitola Mall Conceptual Review		

Dear Katie,

We have reviewed the proposed Capitola Mall project design for compliance with the City of Capitola's Zoning Code (CZC), specifically Section 17.120.070. For greater policy context, we have also reviewed the City General Plan (GP) as it relates to the Capitola Mall property.

Project documents reviewed are dated August 26, 2019 and include Sheet Index Sheet A-01, Existing Site Plan Sheet A-02, Demolition Plan Sheet A-03, Overall Site Plan Ground Level Sheet A-04, Overall Site Plan Upper Level Sheet A-05, Building A Sheet A-06, Building A Ground Level Sheet A-07, Building A Level 04 Sheet A-08, Building Elevations Sheet A-09, Building Elevations Sheet A-10, Building Elevations Sheet A-11, Building A Materials and Finishes Sheet A-12, Building A Materials and Finishes Sheet A-13, Building A Materials and Finishes Sheet A-14, Building A Materials and Finishes Sheet A-15, Building B Ground Level Sheet A-16, Building B Upper Level Sheet A-17, Building B Roof Plan Sheet A-18, Building B Elevations Sheet A-19, Building B Elevations Sheet A-20, Building B Elevations Sheet A-21, Building B Elevations Sheet A-22, Building B Materials and Finishes Sheet A-23, Building B Materials and Finishes Sheet A-24, Building B Materials and Finishes Sheet A-25, Building C Ground Level Sheet A-26, Building C Elevations Sheet A-27, Building C Materials and Finishes Sheet A-28, Building D Ground Floor Sheet A-29, Building D Elevations Sheet A-30, Building D Materials and Finishes Sheet A-31, Building D Materials and Finishes Sheet A-32, Building E, F, G, H Ground Level Sheet A-33, Building E & F Elevations Sheet A-34, Building G & H Elevations Sheet A-35, Residential Unit Plans Sheet A-36, Residential Unit Plans Sheet A-37, Building Sections Sheet A-38, Materials and Finishes Sheet A-39, Overall Site Plan Sheet L-40, Entry Sheet L-41, Entry Sheet L-42, The Estuary Sheet L-43, The Estuary Sheet L-44, The Tides Sheet L-45, The Tides Sheet L-46,

Outdoor Living Building A Sheet L-47, Outdoor Living Building A-Courtyard C Sheet L-48, Outdoor Living Building B Sheet L-49, Transit Station Sheet L-50, Plant Schedule Sheet L-51, Preliminary Erosion Control Plan Sheet C-52, Preliminary Grading Plan Sheet C-53, Preliminary Cut and Fill Plan Sheet C-54, Preliminary Stormwater Control Plan Sheet C-55, 41st Avenue Median Plan Sheet C-56, Vesting Tentative Map Option One Sheet T-57, Vesting Tentative Map Existing Boundary Sheet T-58, Vesting Tentative Map Proposed Boundary Sheet T-59, Vesting Tentative Map Existing Conditions Sheet T-60, and Vesting Tentative Map Proposed Site Plan Sheet T-61. Additional project materials reviewed for reference include Application Cover Letter, Application Narrative, and Master Sign Program.

Neighborhood Character and Patterns

According to the City of Capitola Zoning Map, the project site is zoned Regional Commercial (C-R). The project site currently contains portions of the Capitola Mall and is located adjacent to 41st Avenue, Capitola Road, and Clares Street. The area immediately surrounding the project site is characterized by a variety of land uses, including Regional Commercial (C-R) to the north, Community Commercial (C-C) to the south, Regional Commercial (C-R) to the east, and Regional Commercial (C-R), Multi-Family Residential High Density (RM-H) and Multi-Family Residential Low Density (RM-L) to the west.



Project Location

Project Design Review

The project proposal comprises 31.44 acres and includes the development of 339,131 square feet of commercial/retail space and 637 residential units. Parking for the project is proposed in two new parking structures as well as existing surface parking lots which collectively includes 2,614 parking spaces for the commercial/retail spaces and 1,098 parking spaces for the residential units. The project proposes a number of separate architectural styles in varying configurations that most closely resemble "Main Street", "Agrarian", and "Contemporary" and will be referred to as such going forward within this review.

Community Character

The idea of community character in and of itself can often times be difficult to describe and adequately captured within an individual project design. Rather than having only one reference point or element to refer to that is emblematic of the character of a place, it is more often than not a series or collection of elements – the natural environment, a sequence of buildings at varying heights, public spaces, juxtaposed materials and colors, landscape placement and selection, among others – that collectively create the setting for the creation of a distinctive sense of place.

Examples of Existing Community Character within Capitola.

















As indicated in the City's General Plan, one of the primary guiding principles for the City is Community Identity. Community Identity highlights the desire of the Capitola community to ensure new development enhances the small-town feel and coastal village charm while also ensuring that all areas of the City possess a unique, memorable, and high-quality identity (GP-2). Moreover, CZC Section 17.120.070.A takes this further, identifying that a development's site plan, height, massing, architectural style, materials, and landscaping all collectively contribute to the unique coastal village character and distinctive sense of place.

In reviewing the provided conceptual plan set for the Capitola Town Square project, it is clear the applicant has begun to weave in a variety of elements throughout the project site plan, building architecture, as well as the public realm and landscape design to create the community's desired unique, high-quality identity while also fostering the village character and distinctive sense of place that is Capitola. However, as further discussed in greater detail within this conceptual review below, there are a number of opportunities for the applicant to individually address that would collectively begin to create a project that more closely exudes the unique coastal village character and distinctive sense of place that is Capitola.

Site Planning

The current site planning configuration at the Capitola Mall site is one in which the primary mall buildings are centrally located on the property with surface parking located

at the periphery. Under existing conditions, access to these parking areas is provided at a number of signalized and unsignalized points along Clares Street, Capitola Road, and 41st Avenue. This current configuration limits the ability of pedestrian and vehicular movements to efficiently pass through the site. As part of the proposed project, the applicant has appropriately introduced new streets - 38th Avenue, 40th Avenue, and Town Square Way - as well as reconfigured secondary access points along Clares Street, Capitola Road, and 41st Avenue to enhance access for both pedestrians and vehicles through the site. However, in reviewing the conceptual plan set, we have initial

- Refine primary street configuration to accommodate bicycle access, considering surrounding City bicycle network.
- 38th Ave. alignment jogs multiple times.
 Consider refinement of layout to provide more direct connection through project and to Clares St.
- Narrow and tunnel-like street. Lacks pedestrian access and amenities to feel like a true street. Enhance street design to provide more inviting pedestrian experience and integration within street network.
- Town Square Way appears to conflict with existing building at east side of 41st Ave.
 Clarify design intent and location.



concerns with the proposed alignments of these new streets as it relates to the surrounding context of the project site (CZC 17.120.070.L). For example, it appears the Town Square Way alignment with 41st Avenue conflicts with existing properties/buildings at the east side of 41st Avenue, while the 38th Avenue alignment could provide a more direct connection to the Capitola Town Square and ultimately provide enhanced north/south access through the site. Moreover, in considering the secondary access points within the project, the applicant has proposed creating a more direct route to the existing Target traveling east to west from 41st Avenue to Clares Street. This alignment is proposed to traverse surface parking, loading areas, parking structures, and cross 38th Avenue and is anticipated to create a tunnel-like affect that appears to lack adequate pedestrian access. It is recommended that the applicant look for opportunities to enhance this direct street route to Target in order to enhance pedestrian access and create a more inviting, integrated experience within this portion of the project. In addition, it appears the primary street alignments are not proposed to accommodate

bicycle users. Going forward, the applicant should refine the proposed street configuration to accommodate bicycle facilities through the site, considering the existing surrounding bicycle network within the vicinity of the project (CZC 17.120.070.L).

In considering the introduction of new streets within the project, the emergence of block lengths, or the distance between one street and the next, was reviewed to determine appropriateness of pedestrian access and walkability. In other areas of the City that exhibit a more walkable environment, such as the Village, typical block lengths range from 250- and 350-feet. Alternatively, areas that are more automobile centric, such as in the immediate vicinity of the project site, typical block lengths range from 350-feet to 750-feet in length. As currently proposed, block lengths along a number of the primary streets appear to range from 600- to 700-feet in distance and lack more pedestrian-friendly lengths that would facilitate greater pedestrian activity. Going forward, the applicant should evaluate other areas within the City for cross-comparison and design direction of block lengths in order to create a more walkable, pedestrian environment while also looking for opportunities to better connect the blocks on-site to the surrounding context of the project site.

Block Lengths - Walkable Environment



Block Lengths - Autocentric Environment



Layout of the project provides pedestrian emphasis along 38th Avenue and Town Square Way, with some emphasis also provided along 40th Avenue. This focus is represented through the inclusion of wider sidewalks and more generous pedestrian amenities. While the more centrally located areas along these primary streets are anticipated to provide for adequate pedestrian connectivity, the applicant should look for opportunities to further enhance pedestrian connections to the rest of the mall site as well as to the project site periphery. Moreover, applicant should clarify variations in width of sidewalks along 38th Avenue, Town Square Way, and 40th Avenue, such as shown on Sheet L-44, and should look for opportunities to ensure consistent design treatment and design is utilized going forward. New pedestrian connections have also been appropriately proposed adjacent to the existing Target and Macys buildings as well as mid-block paseos providing access to the primary streets from parking areas. However, the applicant should pursue additional opportunities to further enhance the pedestrian connectivity within the project site. For example, the long alley at the east side of Target

Site Plan





Paseos create opportunities for enhanced pedestrian connectivity as well as outdoor dining and seating options.

Introduce additional paseos to enhance onsite pedestrian network.

Primary pedestrian emphasis.

Expand pedestrian emphasis to better connect with rest of malls tie and project periphery.

presents an opportunity to introduce an additional pedestrian paseo within the project, while the mall buildings to remain adjacent to and including Kohls, could be better integrated into the overall project concept through the introduction of additional pedestrian access points or enhanced pedestrian amenities and landscaping.

The applicant has appropriately oriented buildings within the project towards the adjacent streets in which they are located. This is further exhibited through the placement of primary building entrances that are oriented towards and are visible from adjacent streets (CZC 17.120.070.E). Orientation of primary building entries towards adjacent streets, rather than on the side or back of a building, supports an active public realm by creating enhanced visibility and activity on the street while also creating a more inviting and interesting pedestrian environment (CZC 17.120.070.E). However, in reviewing the site plan as a whole, it appears that the three proposed pad buildings located adjacent to 41st Avenue and Town Square Way lack adequate orientation of primary building entrances and connection with the larger Capitola Town Square project. To further enhance the presence of these buildings along these primary streets and to



Site Plan

Termination of primary pedestrian area.

Pad buildings at project entry on 41st Avenue lack adequate connection to rest of project.

Primary building entries lack orientation towards adjacent public streets to support active public realm.



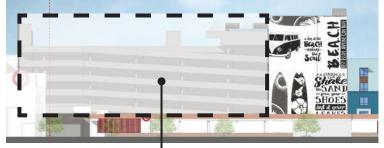
Building entries oriented toward the street create enhanced visibility and activity on the street.

facilitate a more active, interconnected pedestrian environment, the applicant should look for opportunities to better connect these buildings to the adjacent streets while also further fostering the proposed pedestrian environment located elsewhere on Town Square Way.

Considering solar access within the public realm is an important component of projects where taller building heights are proposed. It is anticipated that portions of Town Square Way, or the "main street' of the project, will have limited solar access due to the adjacency to and height of the residential buildings. It is recommended that the applicant look for opportunities to enhance or increase solar access year around within the public realm of the project, particularly along Town Square Way due to its orientation and adjacency to taller buildings within the project.

Proposed parking for the project is to be accommodated through a combination of both new parking structures as well as reconfigured surface parking lots. Of note, the new parking structures are proposed to accommodate both commercial/retail customers as well as the adjacent residential units. To minimize potential visual impacts, the applicant has appropriately wrapped the new parking structures in residential and commercial/retail space and begun to include some level of large graphics/murals (CZC 17.120.070.L). However, we have concerns with the visual qualities of the proposed parking structure west of 38th Avenue, shown on Sheet A-20, as portions are anticipated to be highly visible. Given the planned height and scale of this structure, the applicant should look for opportunities to minimize this parking structure appearance through the integration of additional building elements/materials, murals/screens, landscaping, and/or other design interventions. As shown on the provided landscape sheets, new landscaping areas at the project periphery are anticipated to minimize the visual impact of the large surface parking areas continued forward within the project (CZC 17.120.070.L). In considering proposed on-street parking configurations along Town Square Way and 38th Avenue, the applicant has proposed both parallel and diagonal parking configurations; no on-street parking is proposed along 40th Avenue. While not inappropriate, applicant should consider providing a more balanced mix of diagonal and parallel parking spaces along these main streets through the project, particularly when considering the usability of Town Square Way as a community event space and in areas where sidewalk dimensions could be increased to create a more enjoyable pedestrian environment.

Building B Elevations

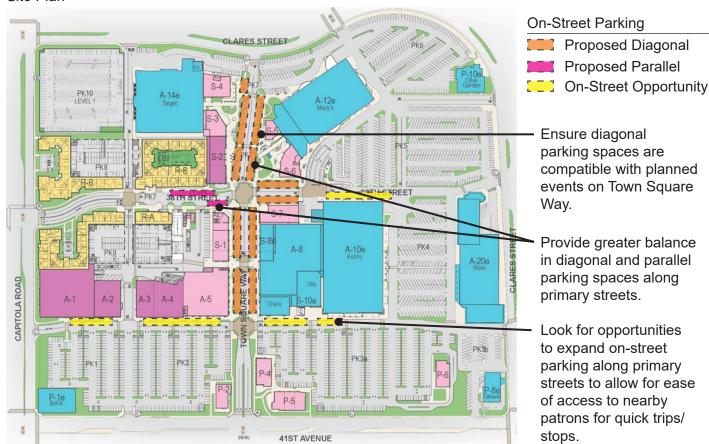


Large, unscreened parking structure anticipated to be very visible along Capitola Road and Clares Street.



One example of option for screening large parking structure.

Site Plan



Loading, deliveries, and trash service for the project are proposed in a number of locations throughout the project site. Conceptually, the applicant has appropriately located these critical operational elements of the project internal to or behind buildings so as to minimize their appearance within the public realm (CZC 17.120.070.S). However, we have initial concerns with the placement and location of loading, delivery, and trash enclosures at the ground level below residential building R-A, east of 38th Avenue. It is anticipated that these activities will create ongoing noise, odors, emissions, and other operational activities that could be of concern to future residents and site patrons. Applicant should clarify how these potential concerns will be addressed to ensure they are not an issue for future residents and site patrons.

Acknowledging that the Capitola Mall site is much larger than the currently proposed project and that portions of the existing mall are to remain into the foreseeable future, it is recommended that the applicant look for opportunities to provide indications or leave direction for the ultimate, long-term build-out of the mall property so that once complete, it appears as a collective, unified vision. The applicant has begun to address this concern within the current site plan configuration, such as providing a secondary entry at the existing Target building while flanking it with new commercial/retail spaces or including sidewalks on one side of the street along portions of 40th Avenue. However, additional attention could be given to the areas north of Town Square Way and east of 40th Avenue as part of the proposed project. This could include continuing of sidewalks, creating a more street-like environment, introducing streetscape elements, providing pedestrian paseos, and/or other design interventions.

Site Plan



Provide indications or leave direction within the Capitola Town Square project design to inform or hint at the ultimate, long-term built out of the mall property so that once complete, it appears as a collective, unified vision.

Architecture

The City of Capitola as a whole, and the Village in particular, has an eclectic mix of architectural styles and detailing that have evolved organically over the years and that contribute to the unique coastal village character. Section 17.120.070.I of the Zoning Code articulates that buildings should have an architectural style(s) that is compatible with the surrounding building and natural environment, is an authentic implementation of established architectural styles, and reflect Capitola's unique coastal village character. As previously discussed above, the styles portrayed in the conceptual plan set include characteristics of "Main Street", "Agrarian", and "Contemporary" styles. In reviewing the styles associated with the commercial/retail portion of the project, the applicant has appropriately created the appearance of a number of different structures through massing and height variation, articulation and detailing, and color/material application (CZC 17.120.070.I). Of note, the proposed theater portion feels distinct and unique from other proposed buildings within the project and the applicant should continue to refine









Examples of some of the variety of architectural styles found within the City today.

the commercial/retail portion of project, including the theater building, with stylistic appropriate elements to further enhance the chosen architectural styles and to more closely exemplify the overall character of Capitola. Separately, the residential portion of the project most closely resembles a "Contemporary" architectural style. While not inappropriate, the residential portions lacks the stylistic variety portrayed within the commercial/retail portion of the project as well as a level of applied design elements that would further enhance the unique coastal village character of the community. Going forward, the applicant should look for opportunities to further enhance the architectural style of the residential portion of the project by providing enhanced articulation/detailing, greater variation in material/color application, and/or introducing additional architectural styles that reflect the unique coastal village character.

Building A Perspective



Theater design appears distinct and unique and should be continued to be refined with stylistic appropriate elements to exemplify Capitola character.



Appropriate integration of materials/colors to provide appearance of individuality in commercial/retail spaces. Continue to refine through integration of additional stylistic appropriate element to create greater identity of individual of commercial/retail spaces.



Subtle changes in articulation, detailing, roofline, material/color application enhance individual building appearances.

Elevation B-1A (west)



Style continues for greater than 700-feet without significant changes in architectural design.

Enhance architectural style of residential portion through enhanced articulation/detailing, variation in color/material application, and/or introducing additional architectural styles that reflect the coastal village character.





Example of development where varying styles have been appropriately integrated to minimize appearance of one large building.

The Town Square project includes a variety of desirable massing elements, including variation in wall planes, variation in wall heights, and roofs located at different levels (CZC 17.120.070.H). In considering the commercial/retail portion of the project, applicant should pursue opportunities to expand the appearance of two-story massing elements, such as shown on Sheet A-31, to better complement the mass and scale found elsewhere in the project design while also maintaining a human scaled design. Moreover, applicant should integrate meaningful wall plane variations within the project design, rather than furred out elements. Separately, the residential portion of the project lacks an appropriate level of variation in wall planes, wall heights, and roofs located at

Building D Perspective



Expand appearance of two-story buildings at commercial/ retail spaces to provide greater transitioning of adjacent building heights.



Example of single-story commercial/retail spaces with two-story appearance.

Elevation A-4 (South)



Residential portion of project lacking adequate pedestrian-scaled elements. Introduce additional, appropriately scaled two- and three-story elements to break down monumental mass of buildings.

different levels to adequately correspond to the human scale, appearing more monumental in scale. While the applicant has begun to break down the residential buildings through introduction of one- and two-story elements, additional refinements are needed to better address the human scale within the building design. As currently proposed, portions of the project which contain a residential component mixed with

commercial/retail space, appear as two separate projects – a residential building above and a commercial/retail building below – lacking adequate cohesion and connection to the ground plane. Applicant should look for opportunities to continue upper story building wall planes down to the ground level so as to enhance the massing of the project. Massing relief has been provided in a number of locations within the project along the primary streets, such as along 40th Avenue with the recessed vehicular drive and common open space areas. This aides in minimizing the overall bulk and scale of the project when viewed from the street level. However, other areas of the site lack adequate relief in proposed building elevations, leading to the appearance of long, monotonous wall planes. Applicant should pursue opportunities to integrate similar massing relief in areas of the project where wall planes continue for long stretches without significant relief or offset, such as along 38th Avenue.

Building A Perspective



Project appears as two separate projects - residential above and commercial/retail below. Look for opportunities to continue residential building to ground plane to better integrate overall project design.

Examples of upper story massing carried to ground plane.





CZC 17.120.070.B highlights the importance of ensuring new projects are designed to respect and complement adjacent properties. In reviewing the surrounding context of the project site along Capitola Road, we have concerns with the neighborhood compatibility of the residential portions of the proposed project. Both the height, massing, and intensity of this portion of the project is out of scale with the surrounding neighborhood context. In reviewing the conceptual elevations fronting Capitola Road, the design lacks adequate height, massing, setbacks, and/or other design interventions that would create the appearance of greater neighborhood compatibility along Capitola Road. Going forward, the applicant should refine the design of the project along Capitola





Existing context along 41st Avenue and Capitola Road.

Elevation A-4 (South)



Project frontage along Capitola Road lacks adequate height, massing, setbacks, and other design interventions to create provide sense of neighborhood compatibility.

Road. Going forward, the applicant should refine the design of the project along Capitola Road to better reflect and complement the adjacent properties through additional height refinement, massing variation, building and story setbacks, and/or other design interventions (CZC 17.120.070.B).

Building articulation adds to the visual interest of a project, its distinctiveness, and its human scale (CZC 17.120.070.J). To provide articulation within the project, the applicant has introduced a variety of elements including trim, louvers, brackets, roof types, varying doors and windows, among other elements within the conceptual design. As the applicant continues to refine the overall articulation and detailing of the individual buildings within the project, the applicant should look for opportunities to use articulation/detailing to create greater individuality and uniqueness within the overall project design as well as at the individual residential unit and commercial/retail space scale. For example, rather than using the same window type for the whole residential portion of the project, adding in additional window types would further enhance the individual residential unit and overall project design. Likewise, where simple roofline detailing is proposed at the commercial/retail spaces more articulated parapet detailing could be integrated.

Intersection corners present opportunities to create strong and informative elements within a development and in a building design. As currently proposed, while the applicant has begun to introduce some level of material/color changes and height variation within the building designs at intersection corners, additional design enhancements, such as increased height or material/color change, should be pursued so as to create a stronger identity and informative element within the overall project framework and building designs.

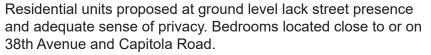


Example of enhanced building design at intersection corner at Riverview Drive and Stockton Avenue. The Capitola light house is an iconic building in the central village. Increased height, articulation, and distinctive design creates a strong and informative element in the overall development framework.

In reviewing the residential orientation of the project, a number of individual units have their private open space located at ground level along 38th Avenue and Capitola Road. Placement of units at ground level provides a certain level of activity along the street, however at the same time it creates limited privacy opportunities and generally lacks a desirable street presence. Going forward, the applicant should integrate strategies to address privacy concerns for the residential units at ground level while also looking for opportunities to create greater street presence along these primary streets of the project. Greater street presence could be achieved through integration of front doors/stoops on the street, relocation of gym and other common area amenities to the ground level, and/or other design interventions.

Building B Perspective







Stoop at unit entry provides delineation of public and private space and enhances public realm.

More so than other architectural characteristics within a project design, colors and materials provide the opportunity to truly foster the unique coastal village character and distinctive sense of place that is Capitola. As shown on Sheet A-39, the applicant has provided a comprehensive list of proposed colors and materials to be integrated within the overall project design. In general, this compilation of colors and materials is anticipated to be high quality, durable, enhances building articulation, and is generally compatible with the surrounding development (CZC 17.120.070.K). That said, we have concerns with a number of the selected colors for the project as they appear to be bright and overly applied or the combination of separate colors on a given building appears inconsistent with one another. Going forward, the applicant should ensure selected colors are appropriate to the chosen architectural style in which they are applied and are used in conjunction with other, complementary colors and materials in a cohesive manner. While the applicant has begun to apply colors and materials to the commercial/retail portion that creates individuality within the design, the applicant should look for opportunities to integrate additional materials/colors within the residential portion of the project, particularly along 38th Avenue, in order to create greater individuality and uniqueness within the residential building designs; rather than appearing as one large building as currently shown. Lastly, as the applicant refines the project materials palette, additional materials that are emblematic of a coastal character should be integrated. such as shingles and/or other materials.





Examples of colors/materials used to create individuality within a single building design. Note alignment of residential wall planes with ground floor commercial/retail, while individuality of commercial/retail spaces is maintained.

A number of what would otherwise be large blank wall planes within the project have been minimized through the use of applied wall plane graphics and/or murals. While not inappropriate, the wall plane graphics and murals shown lack a strong connection to Capitola and present an opportunity to foster the community's desired unique coastal village character and distinctive sense of place. To provide a greater connection to place and to further minimize large blank wall planes, the applicant should introduce authentic art that reinforces the local character and sense of place within the project. Additional building design enhancements could also aide in minimizing blank wall plane spaces in order to ensure large graphics, murals, art, etc. are not overly applied.

Building A Perspective



Graphics/murals shown throughout project aide in minimizing blank wall space however lack connection to place and appear overly applied. Consider integration of timeless design features that further enhance overall design while not dating the project design into the future.



Example of large mural that minimizes blank wall space and portrays coastal characteristics.

Floor Plans/Livability

Capitola as a whole has a strong connection to the outdoors, whether to the Pacific Ocean or the adjacent Santa Cruz Mountains, connection to the outdoors is an inherent part of the community. In considering the proposed residential unit floor plans, we have concern with a number of the layouts shown on Sheet A-36 and A-37, as many lack adequate layouts and windows to provide natural daylighting and connection to the outdoors. Going forward, the applicant should look for opportunities to revise proposed residential unit floor plans in a manner that provides greater opportunities for interior natural daylighting as well as connection to the outdoors. In addition, from the provided plan set, it is unclear the proposed proportions of public and private open space breakdown within the residential portion of the project. Applicant should provide additional information on common and private open spaces proposed as well as articulate planned common open space amenities that accommodate different age groups (e.g. families, seniors, young professionals, etc.) who may inhabit these residential units in the future.



Floor Plan Excerpts

Minimal natural daylighting and connection to outdoors within primary living area.

Bedrooms without windows, lack connection to outdoors and natural daylighting of interior spaces.



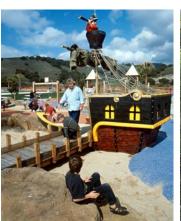
Public Realm/Landscape Architecture

The public realm and the associated landscape design is a critical project component of expanding upon the City's existing coastal village character and distinctive sense of place (CZC 17.120.070.M & .O). In addressing the landscape design for the project, the applicant has appropriately begun to break out the individual areas into themes that are focused around topics related to the coast. This includes areas named 'The Estuary' and 'The Tides', which not only help to inform the story of the project but also aide in locating the project in and of place. Within portions of these themed areas, the applicant has proposed integrating a boardwalk concept – or pier on land– and while this is a step in the right direction, the applicant should expand upon these larger area concepts to further integrate coastal theming opportunities within the project public realm and landscape design (CZC 17.120.070.M). This could be portrayed through landscape plantings, natural materials, paving patterns/materials, water features, playground equipment, stage area, among other elements. At the same time, the conceptual landscape plan also identifies a number of other elements to be included within the public realm and common open space areas. These include but are not limited to seating, pedestrian lighting, signage, and trash cans. To create a certain level of consistency within the overall project design, the applicant should look for opportunities to create a cohesiveness through the public realm design, with similar elements continued in the different, individual areas of the project to inform future residents and visitors that they are within the Capitola Town Square (CZC 17.120.070.0).

The Tides Area Site Plan



Boardwalk concept strong connection to place. Further expand upon individual public realm concepts to enhance coastal character and sense of place.







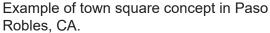
Examples of coastal themed elements that could be integrated into the public realm and open space areas.

The conceptual name of the project itself evokes a certain visual character in one's mind as it relates to the public realm and open space areas - Capitola Town Square. In reviewing the provided conceptual plan set, while a larger central plaza type space has been included at the northwest corner of the Town Square Way and 38th Street intersection that is anticipated to support pedestrian activity and an active public realm, a true town square has not been proposed as part of the project (CZC 17.120.070.0).

Going forward, applicant should clarify intended vision of town square concept within project design and look for opportunities to expand this concept as a potential primary element in fostering the unique coastal village character and distinctive sense of place desired by the community. This could include expanding upon the currently proposed large central plaza space to provide additional open landscape space and informal gathering spaces.

Example of town square concept in Arcata, CA.











A number of public realm open space concepts have been proposed as part of the conceptual project design. This includes a dog run, playground area, informal lawn spaces, movie space, and temporary closures of portions of Town Square Way west of 38th Street for events such as a weekly farmers market. In reviewing the layout and configuration of these public realm open space concepts, it appears a number are inadequately sized to accommodate the intended activities. For example, the dog run is estimated to be about 20-feet by 40-feet and inadequate to allow for adequate dog exercise. Going forward, the applicant should ensure these proposed public realm spaces are appropriately sized and located so as to accommodate the intended activities while also considering the appropriateness of their location within the overall project concept (CZC 17.120.070.0). To further expand upon the public open space concepts proposed, the applicant should look for opportunities to integrate additional public realm open space concepts that accommodate both future residents and visitors (CZC 17.120.070.0). For example, an enhanced exercise path around the periphery or within the property could create public realm open spaces that are more active focused, rather than the currently non-active focus as shown.

As discussed above as part of the building architecture, intersections present an opportunity to both enhance and inform a building design but also to introduce enhancements within the public realm. The applicant has begun to build upon this concept at the intersection of 38th Avenue and Town Square Way with the introduction of plaza space, landscaping, bulb outs, and pedestrian amenities. However, other

primary street intersection locations where the project interfaces with the surrounding roadway network appears to be lacking and leave much to be desired within the public realm design of the project (CZC 17.120.070.0). For example, the 38th Avenue and Capitola Road intersection presents an opportunity to introduce additional plaza space with pedestrian amenities such as seating, decorative paving, wayfinding signage, and accent plantings at this primary project intersection.

Site Plan



Example of plaza space integrated at intersection corner with pedestrian amenities. Corner of Stockton Avenue and Monterey Avenue in the Village.



Integrate additional plaza spaces at intersection corners to highlight location within project design. Plazas could include seating, decorative paving, wayfinding signage, and accent plantings.

Solar access for both public and private open space areas is important to the enjoyment of these spaces. At the same time, areas of shade within both public and private open space areas provide a respite from the elements. In reviewing the private, common open space areas for the residential portion of the project, a number of these spaces have been placed and oriented that it is likely they will get little to no sun access during the course of a winter/summer day. The applicant should explore opportunities to enhance solar access into these common open space areas for future residents, such as varying building heights, relocating to the building edge, and/or continuing to the ground plane as shown elsewhere. In looking at shade opportunities within the public open space and public realm areas, there appears to be adequate shading opportunities associated with outdoor seating and dining areas that will have more direct sun access. Applicant should look for opportunities to integrate additional trees within the public open space and public realm areas to create greater shade opportunities and enjoyment of these spaces.

Outdoor Living - Courtyard C



Internal private common spaces at podium level anticipated to receive little to no sunlight. Enhance solar access through varying building heights, relocating to building edge, or continuing to ground plane at building edge.

To foster the unique coastal character and sense of place, public art has become a recognizable element across Capitola, particularly within public spaces. Public realm areas within the project create new opportunities to expand the arts and to further foster the sense of place of the proposed development. While the applicant has indicated that art pieces will be integrated within two locations in the public realm (Sheet L-45), the applicant should pursue additional opportunities to further integrate public art within the public realm as an additional layer of coastal theming and creating a distinctive sense of place (CZC 17.120.070.A).



Examples of public art that exudes a coastal character and fosters a distinctive sense of place.



The project site contains a number of mature trees that helps to create shade and enhance the appearance of an established development. In reviewing the conceptual plan set, no information has been provided regarding whether or not any existing trees will be maintained or relocated within the project. Applicant should clarify if any existing trees are to remain or be relocated on-site going forward to allow for adequate staff review (CZC 17.120.070.M).

In moving forward towards a formal project submittal, the applicant should review and revise the proposed Planting Plan as necessary to ensure the proposed plantings are appropriate for the Capitola climate, can accommodate seasonal inundation if located within vegetated swales, minimize messy litter and fruit drop, contains species that can tolerate dense shade conditions where they will exist on-site, and includes their WUCOLS designations (CZC 17.120.070.M).

Civil Engineering

Limited information is provided within the August 29, 2019 dated plan set as it relates to new roads/access points proposed within the project site and their connection to the existing, surrounding City context. Applicant should clarify widths/alignments of surrounding streets versus transitions onto the project site to ensure adequate alignment as well as right-of-way widths, as there appears to be opportunities for refinement. Moreover, dimensions of on-site streets appear to be undersized in some locations, such as 28-feet on Town Square Way adjacent to diagonal parking, and the applicant should verify that intended design is adequate to accommodate efficient traffic movement within the project. Applicant should also consider opportunities to integrate secondary vehicular entry points within the project site to eliminate potential traffic pinch points at primary entries. For example, an additional secondary entry point may be appropriate on 41st Avenue north of Town Square Way.

The applicant has appropriately provided preliminary grading concepts for the project, as shown on Sheets C-53 and C-54. However, we have concerns with the proposed project grading concept as portions of the project site appear to be too steep for the intended use. For example, proposed surface parking lots shown at greater than 5% grade. Going forward, applicant should refine grading concept to ensure intended future use can be appropriately accommodated while minimizing potentially unnecessary grade changes across the site.

Our understanding of the current drainage conditions on-site today is that there is minimal to no capturing, treating, and infiltrating of stormwater on the project site, as the existing development predates the current California mandated stormwater requirements. Sheet C-55 conceptually details proposed on-site drainage conditions for the proposed project, which portrays the flow patterns and directions of the project. Sheet C-55 also details conceptual methods in which the anticipated stormwater will be captured and infiltrated on-site, such as to permeable landscape areas and underground retention areas, as well as drainage to the surrounding streets at Clares Street, Capitola Road, and 41st Avenue. While not inappropriate, we have concerns with the current drainage design as it creates high volumes of sheet water flow and it is unclear how stormwater will transition to larger retention basins and underground storage chambers proposed on-site (CZC 17.120.070.N). In addition, applicant should clarify and/or provide further documentation as to the need for including infiltration wells on-site, as it appears underground storage chambers will allow adequate infiltration as long as soil conditions allow (CZC 17.120.070.N).

Applicant has appropriately relocated METRO transit center to the north of the proposed Town Square Way. This adjacency to the primary commercial and residential areas within the project is anticipated to maintain ease of access by current and future transit users. However, we have concerns with the alignment and layout as it relates to ease of bus access and use by transit riders as well as pedestrian amenities provided within the adjacent Transit Station plaza. Applicant should work with METRO to ensure current alignment is adequate for bus access and transit rider use while also looking for opportunities to enhance the Transit Station plaza through additional seating, landscaping, bicycle racks and lockers, and/or other pedestrian amenities.

General Comments

Given the conceptual stage in which this project was reviewed, minimal information was provided regarding the sustainability aspects of the project. Going forward, the applicant should clarify any intended project features related to sustainability, such as on-site energy generation, passive solar design, enhanced energy efficiencies, water conservation measures, and/or other green building techniques to allow for adequate staff review (CZC 17.120.070.D).

Applicant has identified a preliminary exterior building lighting fixture as part of the conceptual plan set packet, as noted on Sheet A-39. Additional exterior building light fixtures can be seen on a number of the individual plan set sheets, however they are not identified or called out. As noted in the CZC, exterior lighting should be considered an integral part of a project design, with light fixtures being designed, located, and positioned in order to minimize illumination of the sky and adjacent properties (CZC 17.120.070.Q). As part of the next submittal, applicant should clearly identify type and location of proposed site and building light fixtures for the project while also ensuring selected fixtures minimize illumination of the sky and nearby properties.

Additional Information Needed

The following project information is needed to ensure adequate staff review going forward:

- 1. Perspective View at Street Level on 38th Avenue at Capitola Road
- 2. Elevations that portray surrounding both on- and off-site context, if not shown
- 3. Shadow Study

Design Recommendations

The following recommendations are made to better respond to the proposed "Main Street", "Agrarian", and "Contemporary" architectural styles and to enhance the overall project design.

Community Character

 Pursue opportunities to further integrate a variety of individual elements within the project design that collectively would begin to more closely exude the unique coastal village character and distinctive sense of place that is Capitola (CZC 17.120.070.A).

Site Planning

- 2. Review alignments of new streets proposed as they relate to the surrounding context of the project site (CZC 17.120.070.L). For example, it appears the Town Square Way alignment with 41st Avenue conflicts with existing properties/building at east side of 41st Avenue, while the 38th Avenue alignment could provide a more direct connection to the Capitola Town Square and ultimately provide enhanced north/south access through the site.
- 3. Enhance internal east-west street route, or tunnel, that provides direct access to Target in order to enhance pedestrian access and to create a more inviting, integrated experience within the overall project (CZC 17.120.070.L).
- 4. Refine proposed street configuration to accommodate bicycle facilities through the site, considering the existing, surrounding bicycle network within the vicinity of the project site (CZC 17.120.070.L).
- 5. Evaluate block lengths in other areas of the City for cross-comparison and design direction for the project site. Integrate appropriate block lengths that create a walkable, pedestrian environment while also looking for opportunities to better connect the blocks on-site to the surrounding context.
- 6. Pursue opportunities to enhance pedestrian connections to the remaining portions of the existing mall and to the project site periphery.
- 7. Clarify variations in sidewalk width along 38th Avenue, Town Square Way, and 40th Avenue, such as shown on Sheet L-44, and should look for opportunities to ensure consistent sidewalk treatment and design is utilized going forward.
- 8. Integrate additional pedestrian connections within the project site. For example, the long alley at the east side of Target presents an opportunity for an additional pedestrian paseo, while the mall buildings to remain adjacent to and including Kohls, could be better integrated into the overall project concept through additional pedestrian access points and enhanced pedestrian amenities and landscaping.
- 9. Orient entries of pad buildings at 41st Avenue and Town Square Way towards the adjacent street while also looking for opportunities to expand the pedestrian environment to better connect with the larger Town Square project.

- 10. Enhance or increase solar access year around along Town Square Way and other areas of the project site where solar access will be limited due to the streets orientation and adjacency to taller buildings within the project.
- 11. Minimize appearance of parking structure west of 38th Avenue through integration of additional building elements/materials, murals/screens, landscaping, and/or other design interventions, as portions are anticipated to be highly visible.
- 12. Look for opportunities to provide a more balanced mix of diagonal and parallel parking spaces along the main project streets, particularly in considering the usability of portions of Town Square Way as a community event space and in areas where sidewalk dimensions could be increased (CZC 17.120.070.L).
- 13. Clarify how concerns with noise, odors, emissions, and other operational activities will be addressed within the project to ensure they are not an issues for future residents and site patrons (CZC 17.120.070.S).
- 14. Provide additional indication or leave direction for the ultimate, long-term build-out of the mall property so that once complete, it appears as a collective, unified vision. Attention should be given to the areas north of Town Square Way and east of 40th Avenue and could include continuation of sidewalks, creating more street-like environments, introducing streetscape elements, providing pedestrian paseos, and/or other design interventions.

Architecture

- 15. Expand appearance of two-story massing elements within the commercial/retail portion of the project to better complement the mass and scale found elsewhere within the project design while also maintain a human scaled design (CZC 17.120.070.H).
- 16. Integrate meaningful wall plane variation within the project, rather than furred out elements as shown.
- 17. Provide additional refinements to the massing and scale of the residential portion of the project in order to better address the human scale within the building design. This could include introduction of additional and/or refinement of one-, two-, and three-story elements within the project design.
- 18. Integrate similar massing relief to that shown along 40th Avenue at the vehicular drive/residential common open space in areas of the project where wall planes continue for long stretches without significant relief or offset, such as 38th Avenue.
- 19. Look for opportunities to continue upper story wall planes down to ground level so as to enhance the massing of the project and minimize the appearance of two separate projects residential above and commercial/retail below.
- 20. Refine design of the project along Capitola Road to better reflect and complement the adjacent properties through additional height refinement, massing variation, building and story setbacks, and/or other design interventions.
- 21. Expand articulation/detailing to create greater individuality and uniqueness within the overall project design as well as at the individual residential unit and commercial/retail space scale. For example, rather than using the same window type for the residential portion, add in an additional window design type. Likewise, where simple roofline is proposed at commercial/retail space, provide more articulated parapet design.
- 22. Create a stronger identity and informative elements within buildings at intersection corners through increase height or material/color change, among other design interventions.

- 23. Integrate strategies within the project design that address privacy concerns for the residential units at ground level while also looking for opportunities to create greater street presence along these primary streets of the project. This could be achieved through integration of front doors/stoops on the street, relocation of gym and other common area amenities to the ground level, and/or other design interventions.
- 24. Ensure selected colors are appropriate to the chosen architectural style in which they are applied and are used in conjunction with other, complementary colors and materials in a cohesive manner (CZC 17.120.070.K).
- 25. Integrate additional materials/colors within the residential portion of the project, particularly along 38th Avenue, in order to create greater individuality and uniqueness within the residential building designs; rather than the appearance of one large building as currently shown (CZC 17.120.070.K).
- 26. Integrate additional materials that are emblematic of coastal character, such as shingles (CZC 17.120.070.K).
- 27. Introduce authentic wall plane graphics and art murals that reinforce the local character and sense of place within the project design. Additional building design enhancements could also aide in minimizing blank wall plane space in order to ensure large graphics, murals, art, etc. are not overly applied.

Floor Plans/Livability

- 28. Revise floor plans that lack adequate layouts and windows to provide natural daylighting and connection to the outdoors.
- 29. Provide breakdown of public and private open space proposed within residential portion of the project.
- 30. Provide additional information on common and private open spaces proposed within the residential portion of the project as well as articulate planned common open space amenities that accommodate different age groups (e.g. families, seniors, young professionals, etc.) who may inhabit these residential units in the future.

Public Realm/Landscape Architecture

- 31. Expand upon the themed public realm/landscape areas to further integrate coastal theming opportunities within the project (CZC 17.120.070.M). This could be portrayed through landscape plantings, natural materials, paving patterns/ materials, water features, playground equipment, stage area, among other elements.
- 32. Pursue opportunities to create a cohesiveness through the public realm design, with similar elements continued into different individual areas of the project to inform future residents and visitors that they are within the Capitola Town Square (CZC 17.120.070.0).
- 33. Clarify intended vision of the town square project within the project design and look for opportunities to expand this concept as a potential primary focal element in fostering the unique coastal village character and distinctive sense of place desired by the community (CZC 17.120.070.0).
- 34. Ensure public realm spaces are appropriately sized and located to accommodate the intended activities while also considering the appropriateness of their location within the overall project concept (CZC 17.120.070.O). For example, the dog run is estimated to be 20-feet by 40-feet and inadequate to allow for adequate dog exercising.

- 35. Expand upon public open space concepts that accommodate both residents and visitors to the project (CZC 17.120.070.0). For example, more active spaces, such as an exercise path at the project periphery could expand upon the currently non-active focus of the public realm spaces.
- 36. Enhance primary street intersection locations within the project, such as 38th Avenue and Capitola Road, with additional plaza spaces with pedestrian amenities such as seating, decorative paving, wayfinding signage, and accent plantings (CZC 17.120.070.0).
- 37. Explore opportunities to enhance solar access to the private, common open space areas within the residential portion of the project that are internal to the buildings and anticipated to received limited to no year around sun exposure. This could be achieved by varying building heights, relocating common open space to building edge, and/or continuing common open space to ground plane.
- 38. Integrate additional trees within the public open space and public realm areas to create greater shade opportunities and enjoyment of these spaces.
- 39. Pursue integration of additional public art within the public realm of the project as an additional layer of coastal theming and creating a distinctive sense of place (CZC 17.120.070.A).
- 40. Clarify if any existing trees are to remain or be relocated on-site going forward to allow for adequate staff review (CZC 17.120.070.M). It should be noted that mature trees help create immediate shade and the appearance of an established development.
- 41. Review and revise proposed Planting Plan for project to ensure the plantings to be used are appropriate to the Capitola climate, can accommodate seasonal inundation if located within vegetated swales, minimizes messy litter and fruit drop, contains species that can tolerate dense shade conditions where they will exist onsite, and includes their WUCOLS designations (CZC 17.120.070.M).

Civil Engineering

- 42. Clarify road widths/alignments of surrounding streets versus transitions onto the project site to ensure adequate alignment as well as right-of-way widths.
- 43. Verify design of on-site streets is adequate to accommodate efficient traffic movement within the project, as they appear to be undersized in some locations. For example, 28-feet along Town Square Way appears undersized adjacent to diagonal parking.
- 44. Look for opportunities to integrate secondary vehicular entry points within the project site to eliminate potential traffic pinch points at primary entries. For example, and additional secondary entry point may be appropriate along 41st Avenue north of Town Square Way.
- 45. Refine grading plan concept to ensure intended future use can be appropriately accommodated while minimizing potentially unnecessary grade changes across the site. For example, proposed surface parking lots shown at greater than 5% grade.
- 46. Clarify proposed drainage design for project. Proposed design creates high volumes of sheet water flow and it is unclear how stormwater will transition to larger retention basins and underground storage chambers proposed on-site (CZC 17.120.070.N).

- 47. Clarify or provide further documentation as to the need for including infiltration wells on-site, as it appears underground storage chambers will allow adequate infiltration as long as soil conditions allow (CZC 17.120.070.N).
- 48. Work with METRO to ensure current transit center alignment is adequate for bus access and transit rider use while also looking for opportunities to enhance Transit Station plaza through additional seating, landscaping, bicycle racks and lockers, and/or other pedestrian amenities.

General Comments

- 49. Clarify any intended project features related to sustainability, such as on-site energy generation, passive solar design, enhanced energy efficiencies, water conservation measures, and/or other green building techniques (CZC 17.120.070.D).
- 50. Identify type and location of proposed site and building light fixtures for the project while also ensuring selected fixtures minimizes illumination of the sky and nearby properties as part of the next submittal (CZC 17.120.070.Q).

Overall, we feel the applicant has proposed a conceptual project that is appropriate to the Capitola Mall location. However, as addressed above, we have a number of concerns regarding community character, site planning, architectural style specifics, massing and height adjacencies, and materials/colors, among others, that will have to be adequately addressed by the applicant to ensure a project that appropriately addresses the existing site context while also being consistent with community's desire for new development projects to exemplify the City's unique coastal village character and distinctive sense of place. We look forward to the project's design progression.

Sincerely,

RRM DESIGN GROUP

HydroScience Strategic Water Solutions

Sacramento • Berkeley • Concord • San Jose

To: Danielle Uharriet Environmental Projects Manager, City of Capitola

From: Leonard Osborne, HydroScience

Subject: Capitola Town Square, Preliminary Stormwater Control Plan Review and Suggestions

Date: September 11, 2019

HydroScience has conducted a cursory review of the Capitola Mall Redevelopment "Capitola Town Square" preliminary project documents consisting of a Preliminary Stormwater Control Plan (SWCP) and supporting documents, received September 3, 2019 via email, per City of Capitola request September 3, 2019. We have grounded our review in the State Resolution No. R3-2013-0032.

The Preliminary Stormwater Control Plan (Sheet C-55) shows elements of stormwater controls that could be successful for this site. However, there is not adequate information on the preliminary drawing to conclude that the improvements proposed are consistent with PCR performance requirements. This holds for both the runoff retention requirement and peak flow management. The planning, analysis, design and calculations required to complete the Stormwater Control Plan (SWCP) document and associated exhibits will be needed to complete assessment of proposed PCR performance.

Regarding the parcel containing the Kohl's building, review of the regulations indicates that the entire parcel (project site) is to be included in PCR development. See the project site definition below from Resolution No. R3-2013-0032, Attachment 1, page 25 and page 7 iii) (1) from 4) Performance Requirements No. 3: Runoff Retention d), iii)(1) for clarity.

Resolution No. R3-2013-0032

ATTACHMENT 1

-25

Pre-Project – Stormwater runoff conditions that exist onsite immediately before development activities occur. This definition is not intended to be interpreted as that period before any human-induced land activities occurred. This definition pertains to redevelopment as well as initial development.

Project Site – The area defined by the legal boundaries of a parcel or parcels of land within which the new development or redevelopment takes place and is subject to these Post-Construction Stormwater Management Requirements.

Resolution No. R3-2013-0032 - Excerpt from page 7

- · Avoid excessive grading and disturbance of vegetation and soils
- iii) Delineation of discrete Drainage Management Areas (DMAs) The Permittee shall require each Regulated Project to delineate DMAs to support a decentralized approach to stormwater management.
 - (1) The Permittee shall require the applicant for each Regulated Project to provide a map or diagram dividing the entire project site into discrete DMAs
 - (2) The Permittee shall require the applicant for each Regulated Project to account for the drainage from each DMA using measures identified in Sections B.4.d.iv. and B.4.d.v., below.

The following comments are provided to aid the developer in Post Construction Requirements "PCR" compliance:

City of Capitola, Department of Public Works

Project Stormwater Assistance and Plan Review - Capitola Town Square Task 331-017

Date September 11, 2019 Page 2 of 2

- Design storm runoff retention infiltration was a challenging constraint for Olive Garden Restaurant in the NW'ly area of the Mall due to near surface soils with low infiltration rates. Consideration of this early in SWCP development may prove helpful. See paragraph 4) Performance Requirement No. 3: Runoff Retention in Resolution No. R3-2013-0032, Attachment 1 on page 5.
- Peak Flow management is required in Watershed Zone 1. See paragraph 5) Performance Requirement No. 4: Peak Management in Resolution No. R3-2013-0032, Attachment 1 on page 10.
- 3. For redevelopment projects outside of an approved Urban Sustainability Area, the total amount of replaced impervious surface area shall be multiplied by 0.5 when calculating the Retention Tributary Area. See Resolution No. R3-2013-0032, Attachment D, paragraph 1)b)(i), page 27.
- 4. HydroScience is available to discuss these items with the developer upon your approval.

Please call me or Alexandra Watson at 925-332-5221 if you have any further questions.



CLIENT PRIVILEGED MEMORANDUM

To: Jamie Goldstein, City Manager City of Capitola

From: Ken K. Hira, President Kosmont Companies

Tom Jirovsky, Senior Advisor Kosmont Companies

Date: October 23, 2019

Re: Capitola Town Square – Analysis of Fiscal Impact

Kosmont & Associates, Inc. doing business as Kosmont Companies ("Consultant" or "Kosmont") is pleased to present our findings from a Fiscal Impact Analysis ("Analysis") in connection with proposed 637 residential units and 600,000 square feet of commercial in the proposed mixed/blended use Capitola Town Square ("Project").

BACKGROUND

Merlone Geier Partners ("MGP"), owner of the Capitola Mall ("Mall") are seeking approval of a major redevelopment plan. As part of ongoing discussions / negotiations between MGP and the City for a new Project Concept Application and Development Agreement, it is important to understand the marginal impact the residential and commercial components will have on General Fund revenues and expenditures.

For purposes of this analysis only, Kosmont assumes that the average household size, based on the proposed average unit sizes ranging from 600 to 800 square feet, will range from 1.75 to 2.0 persons per unit. Prospective renters are expected to range from UC Santa Cruz students sharing units, to young professional, to empty nester households.

The City has compiled historic retail sales data for the Mall and surrounding block to help establish a base year amount. The data shows a significant annual decline in retail sales throughout the entire mall area since 2016. The 2018-19 annual sales for the entire mall area were approximately \$105 million, or less than \$200 per square foot.

- The 3rd party anchor stores (Macy's, Target, Ross Center, Olive Garden) totaling 270,000 square feet generated approximately \$47 million in sales.
- The 370,000 square feet within MGP control generated \$58 million in sales

The MGP Project calls for a reduction of 34,000 square feet of retail space versus the 640,000 square feet currently contained within in the Mall block. In order to finance construction of new retail, MGP has estimated gross annual sales will average \$300 per square foot for MGP's



Capitola Town Square Fiscal Impact Analysis October 23, 2019 Page 2 of 6

336,000 square feet (including Kohl's) of retail space following redevelopment. Assuming a 10% bump in sales at the major stores, the total annual mall block sales could reach \$155 million, a \$50 million increase. However, with no new tenants under contract, this should be considered a somewhat optimistic forecast.

SUMMARY

The proposed reconfiguration of the mall into a mix of residential and retail uses will improve the economic health of the overall shopping center, but depending on the growth in taxable retail sales, it may result in annual fiscal deficit to the City, as compared to the 2018 Mall fiscal impact.

FISCAL REVENUE ANALYSIS

Property Tax & In-Lieu of VLF

Secured property tax revenues are estimated based on the anticipated assessed value of the Project upon full build-out and the applicable property tax rates for the City. Acquisition costs were not included as part of the analysis, as the subject property is already on the tax rolls and title is vested under MGP's name. The City general fund receives an approximate 7.5% share of the annual 1.0% secured property tax general levy placed by the County.

Prior to 2004, a percentage of State motor vehicle license fees (VLF) were distributed to cities and counties. In 2005, the State of California instituted a revenue swap, guaranteeing that municipalities and counties within California receive a distribution equal to the VLF collected the prior year, plus a percentage equal to the annual increase in assessed value. Property tax in-lieu of VLF resulting from the Project is estimated based on the incremental amount of assessed value will add to the City; thereby increasing the City's apportionment. Based on review of the City CAFR, Kosmont estimates VLF will add an amount equal to 4.3% of assessed value.

Kosmont's survey of higher-end apartments in the area indicates monthly rents of +\$4.00 psf, which would support assessed value of \$400,0000 to \$500,000 per unit. At an average of \$450,000, the total assessed value from new residential would be \$290 million. With a combined tax of 0.113%, the City General Fund would receive an additional \$325,000 annually from property taxes.

Sales Tax (Off-Site / Indirect)

Off-site / indirect sales tax revenue is based on the taxable sales generated by the Citywide spending of Project residents, based on average household incomes and BLS Consumer Expenditure Survey data.

Kosmont's preliminary analysis indicates that the 637 residential units are expected to spend an average of \$10,000 to \$15,000 per unit on local serving goods and services, excluding the general merchandise expenditures at Macy's, Kohl's and Target that would be captured irrespective of



Capitola Town Square Fiscal Impact Analysis October 23, 2019 Page 3 of 6

the resident location. At an average of \$12,500, this would result in approximately \$8 million in incremental taxable sales, which would result in an estimated \$80,000 in annual sales tax revenues for the City.

Measure O District Tax of 0.25% will result in an additional \$20,000 in annual offsite sales taxes to City, while Measure F's 0.25% tax will yield additional \$20,000 per year thru Dec. 2027.

On-site Sales Taxes

For this analysis, Kosmont is illustrating the impact from growth in retail sales above the 2018-19 base year. As mentioned earlier, the optimistic forecast for retail sales is a gain of \$50 million, which could result in an additional \$500,000 in annual sales taxes to the City.

Measure O District Tax of 0.25% could result in an additional \$125,000 in annual offsite sales taxes to City, while Measure F's 0.25% tax could yield additional \$125,000 per year thru 2027, for a potential total of \$750,000.

Since the actual tenant mix is not determined and to allow for potential non-taxable uses such large tenants as movie theater and fitness center, Kosmont suggests using a more conservative \$30 million increase in mall retail sales, which would yield \$450,000 annually (including Measure O and Measure F).

Franchise Taxes

For 2019-20 budget, the City is estimated to collects \$560,000 in Franchise taxes. For purposes of preliminary estimates, incremental franchise taxes are estimated on a per capita basis assuming 50% of revenue comes from non-residential uses. Based on estimated population of 10,100, the Franchise tax revenue factor is \$28 per resident. Therefore, at full Project buildout of 637 units, Franchise taxes are estimated to bring \$30,000 to the City General Fund annually.

Total Annual Fiscal Revenue

The total annual incremental fiscal revenues from the mall redevelopment are estimated to range from \$850,000 (to \$1.2 million per year under MGP optimistic forecast).

	<u>Annual Taxes</u>
Property Taxes	\$325,000
Offsite Sales	120,000
Onsite Sales	450,000 /1
Franchise Taxes	30,000
Subtotal	\$925,000

/1 Assumes 30% growth in onsite sales

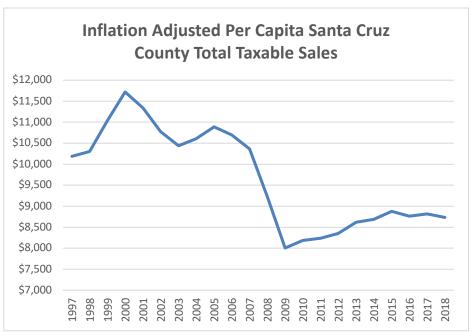


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Long Term Growth

Given the national trends in retail sales being captured by e-commerce and big box discounters, it is likely that the future retail sales may not keep pace with cost inflation, resulting in greater risk to the City General Fund. In addition to the risks of economic recession, this potential long term deterioration is evidenced by historic Santa Cruz County per capita taxable sales, adjusted for inflation, have declined by 20 percent in the past 20 years.

Exhibit 1



For these reasons, it may be prudent for Capitola to conservatively estimate sales tax growth when considering the impact of a large-scale long-term project, such as mall redevelopment.

FISCAL EXPENDITURE ANALYSIS

The proposed Capitola Town Square project will substantially increase the population of the City. As noted earlier, the 637 units are estimated to increase the resident population by 1,115 to 1,275 people, a 12% increase above current population of 10,080, which has remained relatively flat for years.

Over 80% of the City's total expenditures represent salaries, benefits and contract services, indicating a high degree of sensitivity to increased service demands from the new population. Expenditures such as police/protective services, public safety, and other fiscal expenditures are usually measured on a per capita basis based on the City's Budget, and the relevant resident and employee populations within the City. However, complicating the analysis is the impact of tourists.

For this analysis, Kosmont interviewed City department heads. It was determined that the appropriate method to determine incremental per capita costs is to examine current budget by major category,



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and factor in current population of 10,080 plus an estimated 5,700 employees who work in the City, plus summer tourism. For each category, excluding police and public works, it was assumed that per capita incremental cost is derived by dividing the annual budget by 10,080 residents plus 5,700 employees x 50% (reflect reduced demand as compared to a resident).

The Police Chief estimated that 50% of annual cost is derived from resident population, while the Public Works Director estimated that 40% of costs during summer are related to residents and 70% of costs the rest of the year, for an average of 60%.

General Fund expenditures and allocated per resident cost estimates are summarized below:

General Fund Expenditures

	<u>Annual</u>	New Resident
Administrative	\$2,582,000	\$200
Police	6,152,000	305
Public Works	2,879,000	171
Community Development	363,000	28
CIP Funding	650,000	50
Recreation, Arts and Cultural	398,000	<u>31</u>
Subtotal (Before Transfers)	\$13,024000	\$785

With 1,115 to 1,275 net new residents in Capitola Town Square, there could be an increase in General Fund cost of \$875,000 to \$1 million per year, assuming a similar level of service.

NET FISCAL IMPACT

To give the City a better understanding of the potential impact, Kosmont provided a table that summarizes the net fiscal impact to the City using a range of net new residents. As shown in Exhibit 2, the Project could generate a \$50,000 per year positive fiscal impact to a **negative** fiscal impact of \$75,000 per year. The deficit can be attributed to the extremely low property tax share the City receives and nominal off-site sales taxes.

Exhibit 2
Capitola Town Square
Based on Net New Residents

	1,115 Residents	1,275 Residents
GF Revenues	\$925,000	\$925,000
	` '	· ,
GF Expenditures	(\$875,000)	(\$1,000,000)
Net Fiscal Surplus (Deficit)	\$50,000	(\$75,000)



The analyses, projections, assumptions, rates of return, and any examples presented herein are for illustrative purposes and are not a guarantee of actual and/or future results. Project pro forma and tax analyses are projections only. Actual results may differ from those expressed in this analysis.

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OTHER TOOLS TO GENERATE REVENUES

There are several potential financial tools available to improve the City's revenue picture:

- 1. Build New Hotel
- 2. Establish a (Community Facilities District (CFD) Maintenance Fee
- 3. Enact an Entertainment Tax
- 4. Negotiate Sales Tax Assessment Revenues Upfront Payment

Hotel

While no hotel is included in the initial plan, it is our understanding that MGP has preliminarily explored a 105-room select service hotel concept. Kosmont and the City have done preliminary market research indicating a 105 room upscale hotel could be supported within the next few years. Assuming a range of \$160 to \$190 Average Daily Rate (ADR) and 75% to 80% occupancy, Kosmont projects hotel tax revenues of over \$550,000 to as much as \$700,000 per year at 12% Transient Occupancy Tax (TOT) rate.

CFD Maintenance Fee

When large projects result in an increase in municipal service costs, some cities require a CFD maintenance district. A nominal \$25 per month fee for each residential unit would generate almost \$190,000 per year.

Entertainment Tax

Many new commercial uses, such as theaters, bowling alleys, arcades etc. do not generate taxable retail sales. By establishing a 5% tax on admission to such entertainment uses the City might generate \$50,000 to \$100,000 per year.

Sales Tax Assessment Revenue (STAR*)®

The City stands to lose \$500,000 or more each year during the estimated three year demolition and reconstruction of the retail shops. Under a Development Agreement process, the City can negotiate an upfront payment from MGP to offset that loss, and protect themselves in the event that the redevelopment is delayed.