STAFF REPORT

TO: PLANNING COMMISSION
FROM: COMMUNITY DEVELOPMENT
DATE: FEBRUARY 4, 2016
SUBJECT: Zoning Code Update - Initiation of Public Review

BACKGROUND
The City of Capitola initiated an effort in 2014 to comprehensively update its 1975 Zoning Code. Over the past 18 months, staff solicited input from a variety of stakeholders to identify issues with current Zoning Code and opportunities for improvement. Staff used this feedback to develop an issues and options paper which served as the basis for 8 public hearings with the Planning Commission and City Council to provide staff with policy direction prior to drafting an updated code.

Staff has completed a draft Zoning Code update based on policy direction received during the issues and options hearings. The draft updated code will be released on February 4, 2016 for an extended public review and comment period. Staff will return to the Planning Commission at the regularly scheduled March 3, 2016 hearing to present significant changes in the updated zoning code, address any issues the Commission wishes to debate, and to schedule additional review meetings, as necessary.

Interested members of the public will have opportunities to provide comments on the draft code throughout the hearing process. The draft code will be available at City Hall, the Capitola branch library and the City's website at: 
http://www.cityofcapitola.org/communitydevelopment/page/zoning-code-update

DISCUSSION
At the February 4, 2016 Planning Commission hearing, staff will provide an overview of the draft Zoning Code update and an orientation to facilitate review of the document. Staff will subsequently present the draft code to the City Council on February 11. No decisions or actions on the Zoning Code content will be requested during these initial meetings.

The updated Zoning Code represents a comprehensive overhaul of the existing code. The updated code presents a refreshed format and organization which is intended to be more user-friendly for the public, decision-makers, developers, and staff. Where possible, development standards are shown in tables for ease of reference and graphics are used to better illustrate the meaning and intent of various regulations.
Tips to Review the updated Zoning Code
The extensive scope of revisions in the updated code does not lend itself to showing changes in a traditional strikeout-underline format. Instead, a disposition table has been prepared which includes all substantive code revisions. The disposition table will be circulated with the draft Zoning Code. In addition, major changes are highlighted in the body of the draft code with an illustration and description as shown in the following example:

Note: Procedures and criteria for addressing unlisted land uses in Subsection D below are new.

Highlights of the updated Zoning Code
The updated Zoning Code includes new and revised zoning districts, permit processes, development standards, and procedures which are intended to streamline the development review process while implementing General Plan goals to protect Capitola’s coastal village character and to promote design excellence. The following represents some of the key changes in the updated Zoning Code:

- Improved organization and format to improve clarity and usability;
- A new user guide to help citizens access, understand, and apply the zoning code;
- Revised regulations to comply with federal and state law;
- Streamlined permitting process for routine permits including signs, design permits, rooftop solar systems, and tenant improvements;
- Consolidated/eliminated 6 overlay zones to simplify the zoning map;
- Updated coastal overlay chapter with significantly improved organization and clarity;
- Improved historic preservation chapter which codifies process to review and modify historic structures and provides incentives and exceptions to promote preservation;
- Simplified legal non-conforming standards which eliminates 80% valuation standard and adds a new replication allowance;
- Revised parking standards for take-out restaurants in the Village to replace the current 6-seat rule with a square-footage allowance;
- Relaxed development standards for secondary dwelling units;
- Planned Developments would no longer be allowed in R-1 zones;
- Better defined community benefits to qualify for a Planned Development or increased floor area ratio allowances;
- Simplified Floor Area Ratio calculation;
- New lighting standards;
- New regulations to control unattended donation boxes;
- Improved guidance on when post approval changes to a project trigger review by the Planning Commission;
- New standards to limit the allowable area of outdoor commercial displays;
- Incentives to encourage non-conforming multi-family uses in single-family zones to make needed property improvements. Also reduced allowable extensions from 50 to 25 years.
• New standards to allow parklets and sidewalk dining areas;
• New minor modification process to allow the Planning Commission to authorize minor deviations to certain development standards which don’t meet variance findings;
• New standards to regulate the placement of outdoor decks in residential zones;
• Modified Design Review process to allow a 2nd architect to review major projects;
• New requirements for large commercial and residential projects to provide bike and electric vehicle parking.

CEQA
An Addendum to the General Plan Update Environmental Impact Report will be prepared prior to final adoption hearings.

RECOMMENDATION
Accept the staff presentation.

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