



**FINAL ADOPTED MINUTES
CAPITOLA PLANNING COMMISSION
SPECIAL MEETING MONDAY, JUNE 22, 2015
6 P.M. – CAPITOLA CITY COUNCIL CHAMBERS**

Chairperson Smith called the Special Meeting of the Capitola Planning Commission to order at 6 p.m.

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

Commissioners: Ed Newman, Gayle Ortiz, TJ Welch, and Susan Westman and Chairperson Linda Smith.

2. ORAL COMMUNICATIONS

A. Additions and Deletions to Agenda - None

B. Public Comments - None

C. Commission Comments - None

D. Staff Comments - None

3. APPROVAL OF MINUTES

A. Approval of draft May 18, 2015, Planning Commission Special Meeting minutes

B. Approval of draft May 21, 2015, Planning Commission Special Meeting minutes

A motion to approve the May 18 and 21, 2015, meeting minutes was made by Commissioner Westman and seconded by Commissioner Ortiz.

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

4. PUBLIC HEARINGS

**A. Zoning Code Update - Review of Issues and Options Report.
Issues: 9, 11, 13, & 18**

Senior Planner Cattan, Community Development Director Rich Grunow and consultant Ben Noble facilitated the discussion providing direction on several issues within the zoning code.

Issue 11: Architecture and Site Review

Authority, Timing and Composition: Staff explained that stakeholder feedback indicated confusion about the committee's role as a recommending body. From a staff perspective, the information provided to applicants from departments such as public works and building is helpful along with design review by others. Options presented were maintain the existing structure, give the committee power to approve smaller projects, and eliminate the committee.

Commissioner Westman recognized there is a subjective element of whether a project “fits” the community and she believes it is worth having someone else look at design in addition to the Planning Commission.

Commissioner Ortiz agreed, but expressed concern that architects sometime do not wish to critique their peers. She supported a name change for the body/process and review by staff and contract employees only.

Commissioner Newman also agrees. He and Commissioner Welch believe a review before the hearing is beneficial to the applicant. Commissioner Welch would like to maintain a professional landscape review as a contract element.

Commissioner Westman would prefer that a contract architect not regularly have projects within the City.

The commissioners were comfortable with some reviews presented in written format. Staff confirmed that the process could be more informal and not require a Brown Act level body.

Commissioners also supported continuing to offer a conceptual review process and holding the new preliminary review only after a complete application has been submitted.

Issue 11A: Authority of Architecture and Site Review

Direction: Support of Option 3

Option 3: Eliminate the Architecture and Site Committee.

- Replace the Arch and Site committee with a preliminary design review committee (non Brown Act committee)
- Function: review applications and make preliminary recommendations to applicant prior to Planning Commission review.

Issue 11B: Timing of Design Permit Review

Direction: Support for Option 1

Option 1: Maintain existing timing for Design Permit Review

- Complete Application → Design Permit Review → Planning Commission

Issue 11C: Composition of Architecture and Site Committee

Direction: Support for Option 4

Option 4: Revise committee as follows:

- All positions on committee to be staff and contract consultants.
- Committee to include:
 - Architect
 - Landscape Architect
 - Architectural Historian
 - Staff Planner
 - Staff Public Works representative
 - Staff Building representative

Issue 13: Planned Development

This process allows rezoning of a parcel with deviation from existing requirements. Stakeholder feedback was divided between those who have developed and residents. One recommendation was that City Council should be part of the initial review.

Options discussed were maintain existing regulations; reduce the required parcel size; modify the approval process with City Council review; and eliminate altogether. Staff noted amendments could also add other requirements, such as prohibiting within the R-1 zone. Staff noted that when changes are proposed in a PD, it can be difficult to review and determine what is permitted since it has unique standards.

Commissioner Newman questioned what function this option serves now in a small city. Commissioner Westman prefers to use the zoning ordinance. Commissioner Ortiz hears from residents that they feel City development is too compacted and she would like to see PD eliminated.

Commissioner Smith said while she understands the desire for zoning to accommodate all projects, over the long term creative projects may come along that don't quite fit. Capitola Road is ripe for interesting development and she hopes the zoning will allow it. Variances are challenging because of the required findings. She would like to see sufficient flexibility within the zoning update and variance findings to allow for creative development.

Issue 13: Planned Development

Direction: Option 4

Option 4: Eliminate PD

- City is largely built out and little opportunity exists for PD.
- Existing zoning results in more compatible development.

Issue 9: Secondary Dwelling Units

Staff reviewed the definition of a dwelling unit and current approaches for permits. Requirements include adequate onsite parking, unit size as determined by lot size, project must meet setbacks and height limits, and the property owner must be a resident, although it can be a second home.

Options presented included maintain existing standards, amend the code to allow more units, eliminate residency requirement; and focus increases on certain areas.

Chris Scalzo, Heritage Lane property owner, supports lifting the owner occupation requirement. He and his father co-owned a property and for several years had no trouble with the occupation requirement, but life circumstances change and they may be forced to sell a property they would like to keep. He also believes lifting the requirement would increase the housing supply.

Teresa Mendoza, property owner, echoed these sentiments.

Commissioner Ortiz asked the purpose behind the owner occupancy requirement. Commissioner Westman believes the owner occupancy was created to prevent having no owner onsite to oversee management. She noted Heritage Lane is a Planned Development and may change the requirement within its zoning. Homes there are not typical of second units. She is more concerned by density than occupancy.

Commissioner Newman noted there was a time when loans in a subdivision required certain level of owner occupancy, and there is a perceived better maintenance by owner occupants than renters. He agreed that density is a greater concern and said occupancy is difficult to enforce.

Consultant Ben Noble said some owner occupancy requirements historically came from the state level.

Commissioner Newman believes allowing second units on lots over 5000 square feet does help address housing needs and mandated state increases. Commissioners supported maintaining that standard.

Commissioners also were open to allowing second-floor units above garages when brought before the Planning Commission.

Issue 9: Secondary Dwelling Units

Direction: Option 2

Option 2: Amend code to encourage development of additional secondary dwelling units.

- Eliminate the current residency requirement and allow both the primary and secondary dwellings to be rented.
- Create opportunity for secondary dwelling units above garages.
 - Must comply with all development standards.
 - No decreased setbacks for detached garage with second story.
 - Require approval by Planning Commission.

Issue 18: City Council Appeal

Staff noted that a recent court decision ruled that a City Council member who appealed a decision should not have voted in the appeal hearing. Future hearings in Capitola will not allow the appealing Council member to sit on the appeal.

Options discussed were maintaining the existing practice (plus exclusion); establish a “call up” procedure, and require a majority vote of Council to accept an appeal by a member.

Commissioner Ortiz confirmed the appeal cost, which is currently slightly more than \$140 for the applicant or other party, but no cost for Council.

Commissioner Welch expressed distaste for some appeals in the past requested by a single Council member that Commissioner Welch felt wasted time and money. He supports a majority call up.

Commissioner Newman said that unlike a court, a Council should not have to be an impartial body and a Council member may have made land use positions a campaign issue. However, he said it would be reasonable to require at least two members support an appeal.

Commissioner Ortiz said a Council appeal appeared only to be a way for someone to avoid the fee and asked when Council may have another interest. Commissioner Newman offered an example of granting a variance that both the applicant and neighbors supported, but which set a City-wide precedent the Council opposed. Based on that example, Commissioner Ortiz would favor a call-up process.

Commissioner Smith wanted to include assurances that the Council member requesting an appeal have a chance to explain why the appeal should be heard prior to the call-up vote, since that member would not be sitting on the appeal.

The commission also did not want the call-up procedure to add significantly to the time before an appeal is heard.

Issue 18: City Council Appeal of Planning Commission Decision

Direction: Option 2

Option 2: Add “call-up” procedure with 2 Council member support requirement to review a Planning Commission decision.

- Council member may initiate review of any decision or action of the Planning Commission by giving notice to the City Clerk within appeal period.
- City Clerk places “call-up” vote on next regularly scheduled meeting.
- During next regularly scheduled meeting, Council member provides reasoning for “call-up” of Planning Commission decision. 2 Council members must vote in support of hearing “call-up”
- If supported by 2 members, City Clerk schedules review of Planning Commission decision.

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7. COMMISSION COMMUNICATIONS

Chairperson Smith was pleased to see work underway on the long-delayed project on Capitola Road. Director Grunow noted that the property owner hopes to avoid penalties and is attempting to meet the deadline for completion.

8. ADJOURNMENT

Chairperson Smith adjourned the meeting at 7:35 p.m. to the regular meeting of the Planning Commission to be held on Thursday, July 16, 2015, at 7 p.m. in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

Approved by the Planning Commission on July 20, 2015.

Linda Fridy, Minutes Clerk