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 June 22, 2015, special Planning Commission meeting minutes.

Commissioner Newman asked that “jury” be changed to “court” in paragraph five under City Council Appeals.

   A motion to approve the June 22, 2015, meeting minutes as amended was made by Commissioner Ortiz and seconded by Commissioner Westman.

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

4. **PUBLIC HEARINGS**

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

   **Issues 1 & 16.A: Protecting the Unique Qualities of Residential Neighborhoods Issue & Height in Residential Neighborhoods**

Staff noted that the new General Plan calls for protection of neighborhoods and compatibility. The challenge is to identify these qualities and include them in code. Planner Cattan presented an overview of how current code impacts design and character. Previous discussions supported
removing the floor area ratio (FAR) calculation from front yard first-floor decks, view-facing locations, and hotels and restaurants.

Commissioner Newman asked about impacts of the FAR exception for restaurants, and several commissioners expressed concern about reducing the required parking. Staff noted floor area square footage is not necessarily the same calculation as FAR. Commissioner Westman noted that for a hotel, a series of 50-foot decks will increase overall massing. The commission supported limiting the exception.

Height limits in residential neighborhoods were brought back from a previous discussion. Staff presented options to allow 27 feet for roof pitches exceeding 5:12, for lots meeting a specific square footage, for lots meeting a specific width, and/or for lots on steep slopes. Planner Cattan noted in stepped lots, height can impact garage size, but these are also likely candidates for variances. She presented images showing different lot sizes and widths throughout the City.

Commissioner Newman asked about the two-foot difference from 25 to 27 feet in height – is it to allow a third story? Staff said the request came from design stakeholder meetings. Commissioner Welch said as an alternative he favors a plate height standard to avoid flat roofs. After debate about the impacts and merits, commissioners agreed larger lots and additions mimicking the pitch of an existing historic structure could go to 27 feet.

Staff also noted the concern with existing code that lots 30 feet wide face challenges with second-story setbacks, and many rear-yard garages are non-conforming because they do not meet the eight-foot setback.

Commissioners held an extensive discussion regarding back-of-lot garages and whether to allow new development. They supported a decrease in rear-yard requirements to four feet for a secondary structure and development of garage standards in code.

Commissioner Ortiz asked to revisit second story decks, as they can be intrusive. Currently they count toward FAR and are reviewed for privacy concerns. Commissioner Westman suggested prohibiting them from the side or back in lots under 6,000 square feet. Commissioners also asked whether roof decks were allowed.

Gerry Jensen, resident, explained that when he was building his home, a green roof proved problematic and counted toward FAR. Staff noted it was considered a deck because of the height of railings.

Commissioner Newman said he wants to support outside enjoyment and the issue is separation from an adjacent residence. Other commissioners agreed and supported new criteria for an administrative special permit based on size and setbacks, and any exception would come for Planning Commission review. They will review specific language in the draft.

### Issue 1: Protecting the Unique Qualities of Residential Neighborhoods

### Issue 16: Height

**Direction:** Introduce additional standards/exceptions based on lot characteristics and existing development patterns.

- 25 feet height limit
- 27 feet height exception for the following circumstances:
  - Addition to historic structures that is designed to match the roof pitch of the historic structure within the area of new addition.
- Lots greater than 6,000 sf in size
- Lots with width 60 feet wide or more.
- Lots on a steep slope. Steep slope is defined as a lot having a slope of 25% or greater.

- Second-story setbacks 15% of lot width
  - Add exception to second-story setback for lots that are 30 feet wide or less.

- Secondary Structure in Rear Yard
  - Decrease rear yard setback from 8 feet to 4 feet.
  - Maintain 17.15.140.G “The width of detached garages or carports in the rear yard is limited to twenty-one feet. The height is limited to fifteen feet (nine feet to the top of the wall plate) however the planning commission may approve an exception to allow additional height if necessary to match the architectural style of the existing primary structure.”
  - Maintain required 2-foot landscape buffer between driveway and property line.
  - Maintain front setback (40 feet), side yard setback (3 feet) and setback from primary structure (3 feet).
  - Add statement in residential zoning districts that existing garages located within the required setback areas are legal non-conforming structures that may be updated but the non-conformity may not be expanded.

**Issue 8: Non-conforming Uses: Calculations of Structural Alterations, Historic Structures, and Amortization in R-1**

Current code restricts work on non-conforming structures to an 80 percent calculation based on figures from the building code. Commissioners agreed that they would like to change this standard, but differed in the methods and triggers for calculation. Concerns included allowing a complete rebuilding of a home lost to a fire, whether to include extensive interior remodels with no exterior changes, and determining the impact the non-conformity has on its neighborhood.

Mr. Noble noted this is a common problem across communities. Most jurisdictions find a square footage percentage preferable to valuation and often use non-conformity findings such as adequate offsets and parking. The most effective language addresses work on both vertical and horizontal surfaces, but the issue remains challenging especially when more decay is uncovered once work begins and the scope expands.

To rebuild non-conforming structures, options discussed included maintaining a minimum three-foot setback as required by building code or a more general description of adequate light and circulation, and more restrictive parking requirements in impacted neighborhoods such as Riverview Terrace.

**Issue 8: Non-Conforming A. Calculation of Structural Alterations**

**Direction: Option 3 Remove valuation cap for structural alterations to non-conforming structures.**

- Non-conforming structures may be rebuilt with approval of a non-conforming permit issued by the Planning Commission.
- To approve a non-conforming permit, the Planning Commission must make a finding that the existing non-conforming structure does not have a negative impact on adjacent properties, the surrounding neighborhood, or the public.
- Alterations to non-conforming structures may not increase the degree of non-conformity.
- Any addition to a non-conforming structure would be required comply with all development standards of the zone.

Non-conforming Multi-family units in R-1

Current code includes a sunset or extension clause for these properties. Planner Cattan provided an overview of the affected properties and outreach. Staff surveyed owners and residents within 300 feet. The online survey garnered 77 participants and 40 people attended a community workshop. Results showed the impact of multi-unit properties varied by neighborhood.

Options presented were keep the current sunset clause, remove it, modify, rezone some areas, and create incentives in exchange for public improvements.

A representative from the condos on Opal Cliff asked if that property should apply for an extension or if it could be rezoned multi-family. The commission expressed strong support for rezoning that area.

Staff also suggested that the apartments by the Coastal Life Church in Cliffwood Heights were another likely candidate for rezoning to multi-family, which received support.

Commissioner Westman said particularly for 47th Avenue, an area where several such properties have a big impact with overflow parking and unsightly dumpsters, the incentive approach was appealing. She added that problem properties are not necessarily low-rent.

Commissioner Newman believes it is unlikely due to legal costs and concerns that the City would force the removal of a complex by refusing an extension. Deterioration is a concern. He would support developing a list of requirements for an extension.

Commissioners noted refinancing or obtaining a loan for a new owner is an incentive to gain an extension ahead of the sunset deadline. There was support for a shorter extension period in order to review impacts more frequently, with 25 years suggested if that length was appropriate for a commercial loan.

Commissioners also noted that installing sidewalks and gutters may drive improvements along 47th Avenue. A neighborhood assessment district tax could require multi-units to pay more. Requiring participation in the district could be a condition of an extension.

Commissioners also supported requiring properties to provide required parking when granting extensions.

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<th>Issue 8 B: Non-conforming activities and structures on improved R-1 parcels.</th>
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<td><strong>Direction:</strong> Hybrid of Option 1, Option 4, and Option 5</td>
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**Option 1: Maintain existing sunset clause and opportunity to apply for extension.**

- Require upgrades to mitigate impacts.
- Extensions are issued for 25 years maximum.
- Applicant must agree to participate in a future assessment district to mitigate impacts of multi-family.
- Update code to include that the extension is publicly noticed and notice is sent to neighbors within 300 feet.

**Option 4: Rezone areas with existing non-conforming multi-family uses to a multi-family zone.**
- Rezone condominiums at Opal Cliff East and West to multi-family.
- Rezone affordable housing development behind Coastal Life Church on Monterey Avenue to multi-family

Option 5: Create an incentive program to allow participating non-conforming property owners to retain their uses subject to providing specified public benefits.

- City to work with City Architect to create design solutions to front facades and parking for typical four-plex.

Commissioners also provided staff with specific edits for the matrix before it is presented to City Council.

6. DIRECTOR’S REPORT

7. COMMISSION COMMUNICATIONS

Commissioner Westman suggested inviting a representative of the Coastal Commission to a meeting to provide direction on current philosophy. Director Grunow noted it recently released sea level rise guidance which if it became policy could have significant impact for development in the Village and parts of Depot Hill. Reviewing recently approved local coastal plans, the building life requirements have increased to 75 years for residential and 100 years for commercial projects without any action such as a seawall.

8. ADJOURNMENT

Chairperson Smith adjourned the meeting at 8:53 p.m. to the regular meeting of the Planning Commission to be held on Thursday, August 6, 2015, at 7 p.m. in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

Approved by the Planning Commission on September 3, 2015.

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Linda Fridy, Minutes Clerk