



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF MAY 11, 2017

FROM: Community Development

SUBJECT: Zoning Code Update

RECOMMENDED ACTION: Accept the staff presentation, discuss and provide direction on the proposed land use regulation to limit development on a third story to residential, and direct staff to initiate the public review of the Zoning Code.

BACKGROUND: On January 9, 2017, an updated draft zoning code and zoning map were published that incorporate all edits received from the Planning Commission and City Council during 2016. The Planning Commission edits that were accepted by the City Council have been incorporated into the draft zoning code in black. The City Council recommended revisions are shown in red. The draft code also includes revisions made by City staff to improve clarity and non-policy revisions requested by Coastal Commission staff. City staff revisions are shown in blue. The draft code, zoning map, and previous staff reports with attachments are available online. Hardcopies of the draft code are available to the public at City Hall and the Capitola Library.

DISCUSSION: The Planning Commission finalized the review of City Council edits to the Zoning Code and Zoning Map on April 6, 2017, and forwarded a positive recommendation for City Council to initiate a 60-day public review. The Planning Commission-recommended additional edits and City Council direction are summarized in the table in Attachment 1.

On April 27, 2017, the City Council provided direction on the Planning Commission recommendations. The City Council continued that hearing to May 11 to review two additional topics. First, the City Council requested additional information on the criteria utilized to modify the Environmentally Sensitive Habitat Area (ESHA) map. Second, Council Member Bertrand introduced a new idea to limit third stories in the Mixed-Use Village zone to residential uses only. The Council directed staff to send notices to Village property owners so members of the public can participate in the discussion.

The ESHA map was modified based on qualitative surveys performed by a qualified local biologist. The biologist recommended modifications based on the presence or absence of native vegetation. Fully developed areas that were previously mapped as being environmentally sensitive, but support little or no native vegetation, (e.g. roadways, buildings, central Village and Beach and Village Parking Lot #2) are proposed to be removed from the ESHA map. Other areas that were not previously mapped, but do support native vegetation (e.g., areas adjacent to New Brighton State Park), have been added to the ESHA map. Staff will provide additional supporting information during the hearing.

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When considering the idea to limit third stories in the Central Village to residential uses, the Council should consider the Vacation Rental Use overlay and the Village Residential overlay (Attachments 2 and 3). Dwellings within the Vacation Rental Use overlay may be utilized as short-term rentals for less than 30 days. Structures within the Village Residential overlay are already limited to residential uses only and may not be utilized as commercial space. Third story residential uses in these overlay areas would be allowed to function as vacation rentals.

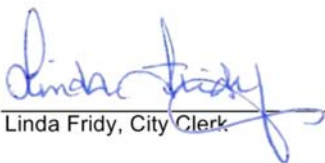
FISCAL IMPACT: None.

ATTACHMENTS:

1. PC and CC edits to January 2017 draft
2. Vacation Rental Use Overlay
3. Village Residential Overlay

Report Prepared By: Katie Herlihy
Senior Planner

Reviewed and Forwarded by:



Linda Fridy, City Clerk

5/5/2017

Planning Commission Requested Modifications			City Council Direction
Section	Page	Change	City Council Direction
Zoning Map			√ = Agrees with PC Note: Not all items were discussed.
Zoning Map	Map	502 Beulah – include in Vacation Rental overlay	√
Zoning Map	Map & 17.40.030	Vacation Rental Use (VR) and Village Residential (VR) are same acronyms. The code removed the term “use” after Vacation Rental. Keep “use” in chapter 17.40.030.	√
Zoning Map	Map	911 Capitola Avenue zoned MUN should extend all the way back to the hotel property behind it	√
Zoning Map	Map	Shadow Brook Property and parking lot should be MU-N not CC	√
Zoning Map	Map	Remove Vacation Rental that is located over the water. Only place Vacation Rental overlay on inset map, removed from primary zoning map. Too cluttered.	√
Zoning map	Map	Stockton creek should be blue with the sliver of open space by the bridge where there is a small City park.	√
Zoning Map	Map	3 residential properties 3881, 3891, 3895 Brommer Street change from RM-L to RM-H	√
Environmentally Sensitive Areas Map	Map	Hire consultant to review Environmentally Sensitive Areas Map to ensure accuracy of boundary	Request for additional information on criteria for removal.
Planning Commission Requested Modifications			City Council Direction
Section	Page	Change	City Council Direction
Zoning Code			√ = Agrees with PC Note: Not all items were discussed.
17.20.030 Mixed Use Village Height Exception	20-5	Replace with: 1. Up to 33 feet for a gabled or hipped roof with a minimum 5:12 roof pitch and a maximum plate height of 26 feet. There shall be no breaks in the roof slope for doors and decks. 2. Up to 33 feet for projections for non-habitable decorative features and structures as allowed by Section 17.48.020.C. Include image of allowable pitched roof designs.	√

Planning Commission Requested Modifications			City Council Direction
Section	Page	Change	v = Agrees with PC Note: Not all items were discussed.
17.24.020 Table 17.24-1 Land Use Table	24-2	PC directed staff to require a Conditional Use Permit for Multi-Family Dwellings in the C-R. Also, within the C-R Residential Mixed Use has a footnote [7] which states "Residential uses are prohibited on the first story." Planning Commission directed staff to remove the footnote.	Reword that multi-family may be reviewed as CUP as long as there is commercial also on the same property.
Table 17.24-2 Permitted Office Uses in the C-C and C-R Zoning Districts	24-4	Revise: Require Conditional Use Permit in C-R for Ground floor, less than 5,000 square feet Require Conditional Use Permit in C-R for Ground floor, 5,000 square feet or more. Permit in C-R located within a multi-tenant site in which the office space is not located within a storefront and is setback from the front façade.	Do not change. Keep the redlines proposed by City Council. Add that an existing office bldg. used exclusively for office space, be allowed to continue until such time that the office building is redeveloped or removed.
17.24.030(E) Capitola Mall Redevelopment	24-7	Section 17.24.030(E) Capitola Mall Redevelopment. While the Capitola Mall site has been zoned Regional Commercial (C-R) as part of the Zoning Code Update, it is 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. Where an application submitted pursuant to this section includes fewer than all parcels within the Mall property, the applicant shall demonstrate that the development type and pattern and site design will be compatible and not unreasonably interfere with future redevelopment of the remaining parcels. For the purposes of this section, the mall property is defined as the area bound by 41st Avenue, Clares Street, and Capitola Road.	v
Figure 17.24-3 Coastal Commission Edits	Page 24-9 Throughout Code	Remove 65% minimum from figure. Change references of Local Coastal Act to Local Coastal Plan	v

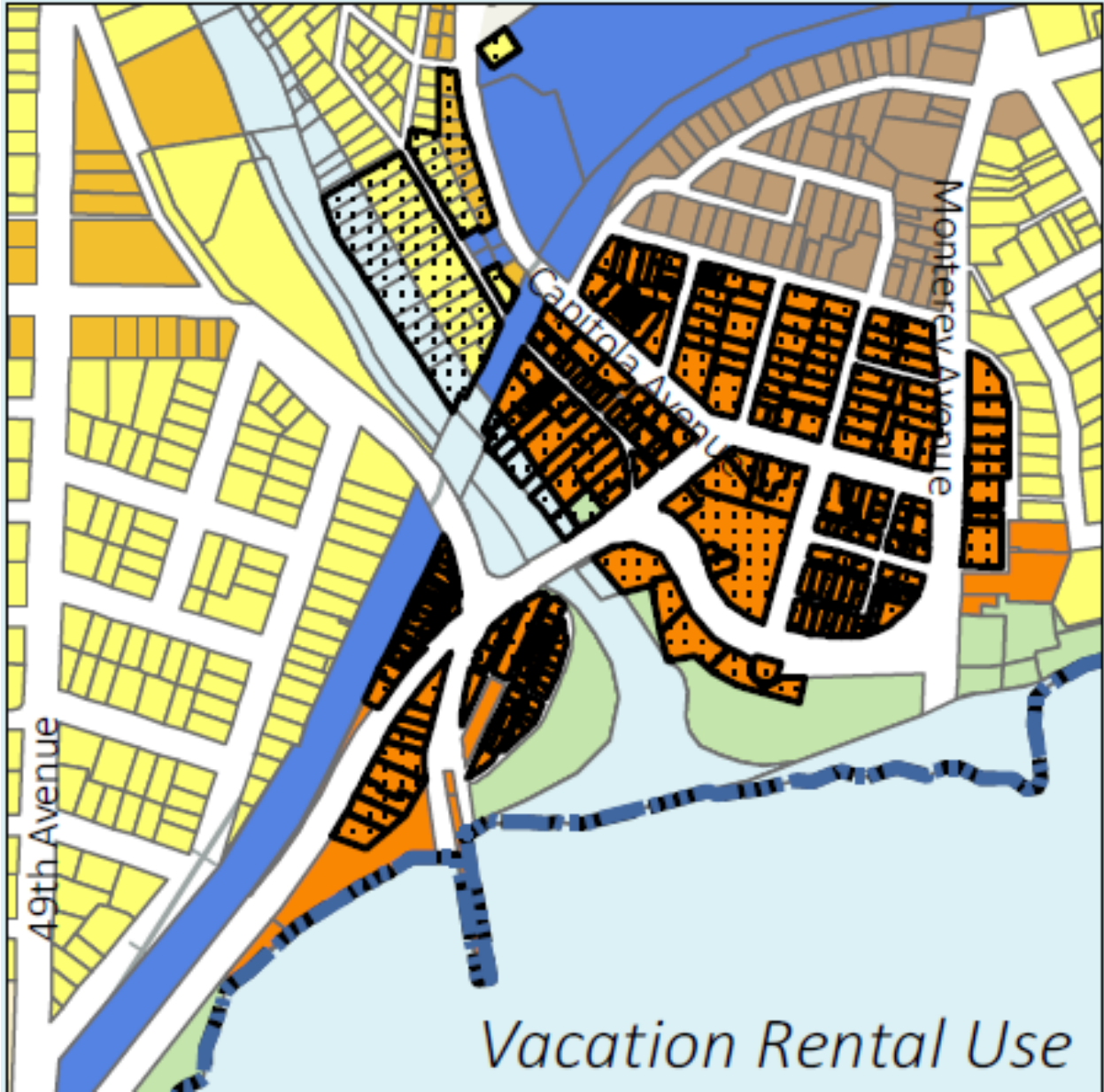
Planning Commission Requested Modifications			City Council Direction
Section	Page	Change	V = Agrees with PC Note: Not all items were discussed.
17.36.080.D.3	Page 36-3	Change engineers to engineer	
17.36.080.H.7 Planned Dev. Substantial Public Benefit Defined	Page 36-6	Correct typo - jobs "in" industries Add "supply and" as follows: "7. New or enlarged business that increase the <u>supply</u> and/or diversity of jobs available to Capitola residents. Types of jobs may include jobs that improve environmental quality or reduce energy consumption ('green jobs'), high-tech sector jobs, and jobs <u>in</u> industries focusing on the generation and utilization of intellectual property ('creative jobs')."	
17.40.020.J Affordable Housing Overlay – Assurance of Affordability	Page 40-6	Change to "for 55 years or the natural life of the unit whichever is greater"	
17.44.030	Page 44-2	Coastal Bluff definition change to "overlooking coastal water"	
17.44.030.F	Page 44-4	Remove first sentence "Any area in which ... developments."	
17.44.150.B.6.a AND b	Page 44-2	Change to Local Coastal Plan	
Table of Contents Part 3	Part 3 Chapter 17.74	Replace Secondary with Accessory	
17.48.020.B Height Exceptions	48-2	Reword: "B. Height Exceptions. Buildings may exceed the maximum permitted height in the applicable zoning district as shown in Table 17.48-1. These exceptions may not be combined with other height exceptions, including but not limited to, allowances for additional height in the MU-V zone or for historic structures."	

Planning Commission Requested Modifications			City Council Direction
Page	Change	Page	Change
17.48.030 D and E Projections into Required Setbacks. Allowed encroachments	17.48.030 C and D	Incorporate staff suggestions on modifications to setbacks presented to PC, except: <ul style="list-style-type: none"> • Landscape features – 17.48.030.E.10 – change to “Decorative ornamental features up to a maximum height of 6 feet which does not enclose the perimeter of the property” and change minimum distance from Property line to “No Minimum” • Hot Tubs – Min distance from property line – Change Rear to 2 feet. • Under other structures and equipment, remove trash enclosure from moveable objects list 	220 volt in outdoor kitchen Change accessory structure to 100 sf footprint, 120 sf with roof overhang, and 10 ft. height limit to mirror state. Update in all applicable sections of code.
17.52.030.B.4 Accessory Uses	52-4	Reword “4. All exterior vending machines require a Conditional Use permit.”	
17.64. Environmentally Sensitive Habitat Lands	Page 64-1 & 64-4	The title of 17.64.050 should be rearranged say “Monarch Butterfly Habitat – Rispin-Soquel Creek and Escalona Gulch” Make change in three places: Sections (pg 64-1), Applicability (pg 64-1), and 17.64.050 title (pg 64-4)	
17.64.040.A Environmentally Sensitive Habitat Lands	Page 64-4	No new development is permitted within the banks riparian corridor along Soquel Creek and Lagoon, except.....	
Chapter 17.74 Accessory Dwelling Units	Item to Add	Accessory Dwelling Units that utilize the decreased setbacks and increased FAR should not remove the ADU and enjoy the benefits of creating a non-conformity of oversized FAR. Add requirement that properties that utilize increased FAR and decreased setbacks shall keep the ADU.	Incorporation into Primary Residence: A detached accessory dwelling unit may not be incorporated into the primary residence unless parking and setback standards for the expanded primary residence are satisfied.
17.74.020.D Accessory Dwelling Units	Page 74-1	Add #4 “The term Internal Accessory Dwelling Unit includes Junior Accessory Dwelling Units as defined in Government Code Section 65852.22”	v

Planning Commission Requested Modifications			City Council Direction
Page	Change	Page	Change
17.74.030.A.1.b	Page 74-2	Typo. Change n to an	v
17.74.030.A.2.	Page 74-2	Add approval of a Design Permit "and Conditional Use Permit".	v
17.74.050.A Accessory Dwelling Units	Page 74-4 & 74-5	Add allowance for internal ADUs and JADUs in the R-1, RM, and MU-N zoning districts on lots of 4,000 square feet or more occupied by one single-family dwelling.	v
17.74.050.C Accessory Dwelling Units	Page 74-5	Change the Unit size minimums to the following Lot Size: Max ADU size Under 4,000 square feet: Not permitted 4,000 to 7,500 square feet: 500 sf max 7,501 to 9,999 square feet: 640 sf max 10,000 to 11,999 square feet: 800 sf max 12,000 or more: 1,000 sf max	v
17.74.040 Accessory Dwelling Units	Page 74-7	Deed restrict must include occupancy standard of 17.74.040.C – the property owner must occupy either the primary or accessory dwelling.	v
17.74.080.A.1-3 Accessory Dwelling Units	Page 74-7 & 74-8	Remove fee waivers for Affordable Units.	v
17.76.040.B.2.b AND c Parking and Loading	76-8	In b and c, the reference should remove the zero before the 2. Section 17.020.	
17.76.070.D.2 Parking and Loading	Page 76-19	Shade trees. Require that shade trees be a minimum of <u>24-inch</u> box tree for tree health rather than 36-inch.	
17.80.080.A.1.d Auto Dealership Signs	Page 80-9	Remove Maximum Area of Auto Dealership sign – Replace with requirement that Planning Commission review sign applications if combined sign area exceeds 100 square feet.	
17.80.080.K Sidewalk Signs.	Page 80-15	Keep the two shapes for the sign face. Remove the option for an alternate shape to be approved by the Planning Commission. Agreed with new organization of section and all other suggested edits.	Remove alternative shape. BIA shape only.

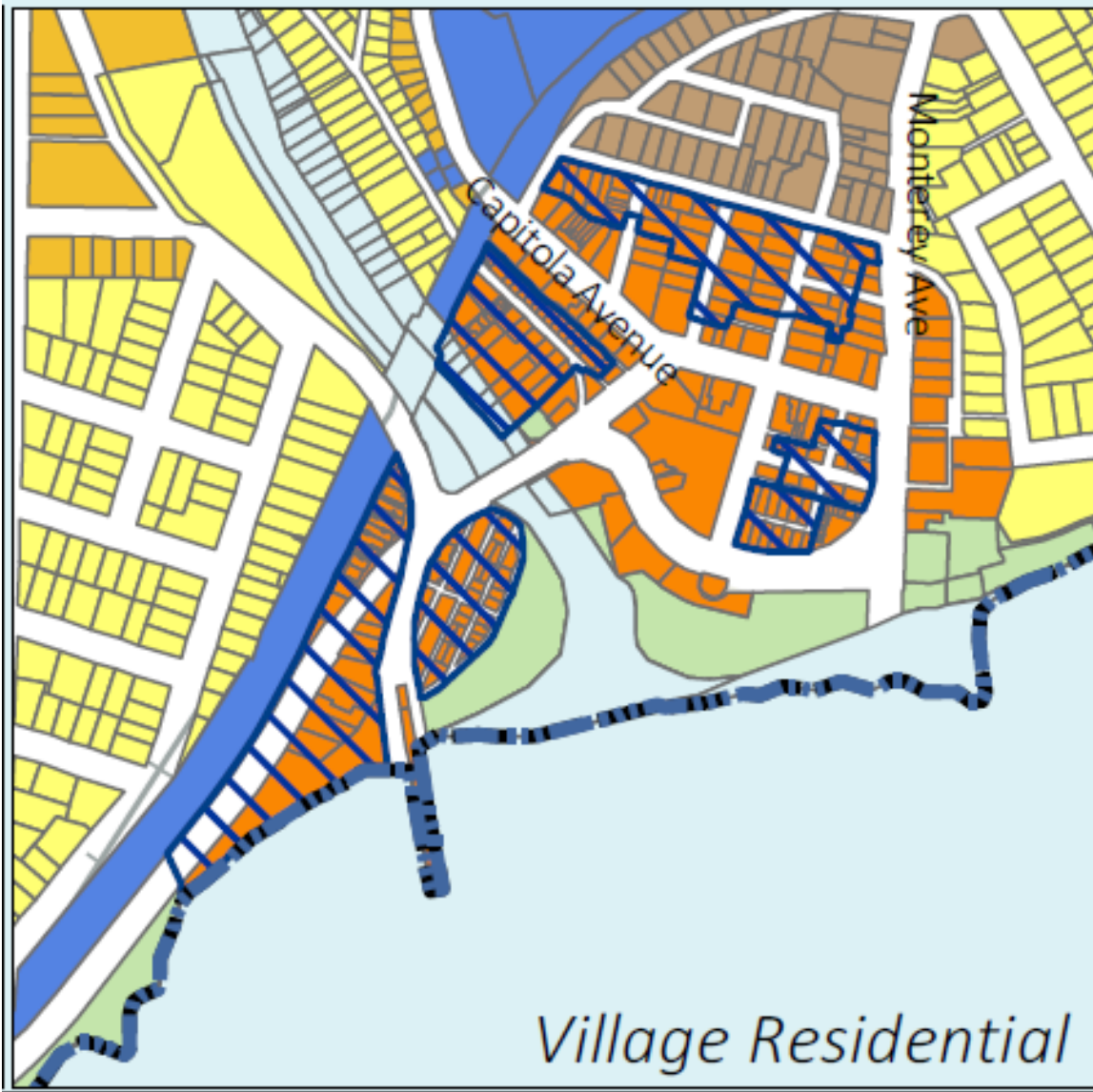
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17.80.090.A.6 Signs	Page 80-17	Prohibit Internally illuminated signs in the mixed-use neighborhood.	
17.80.100.A. 1-8 Signs	Page 80-17	Remove Residential Signs – A. 1-8. General Standards. Keep section B for multi-unit properties.	
17.80.110 Table 17.80-10 Temporary Sign Standards	80-19	Temporary Sign Standards: Auto Dealership Signs. Change Maximum Duration to year-round. Add requirement that they must be maintained in good condition.	
17.92.070.B.2.d Non-conforming multi-family uses in R-1 Zoning District	92-3	Remove “B.2.d The extension will not impair coastal resources”	
Table 17.92-1	Page 92-6	<ul style="list-style-type: none"> • Reword “repair” in third category “exterior repairs reconstruction (demolish and rebuilt) and modifications that alter or affect the nonconforming aspect of the structure”. Update example to demolish and rebuild. • Last category “recreation of an involuntarily damaged or destroyed structure” add a reference to 19.92.080.D 	v
5000 sf auto space		Check with TESLA that 5,000 sf would support auto showroom. Toyota and Subaru confirmed that 5,000 sf would work.	
Additional Staff Edits			
Update code to include allowance of a mini bar or efficiency kitchen. In the previous code the allowance was included in the definition of kitchen. Put standard to allow efficiency kitchen in correct place			
Revise setbacks in Environmentally Sensitive Habitat Areas to allow development on existing developed lots. Ex. Lower lot woodland may not allow expansion of homes along Buellah.			
McDonalds now does curbside delivery. Our existing code states restaurants not including restaurants with drive-up windows or car service. Need to add prohibition on car service to new code. Was not carried over.			

Vacation Rental Use Overlay



Attachment: Vacation Rental Use Overlay (1834 : Zoning Code Update)

Village Residential Overlay



Attachment: Village Residential Overlay (1834 : Zoning Code Update)