

City of Capitola

Planning Commission Meeting Minutes

Monday, March 03, 2025 – 6:00 PM



City Council Chambers
420 Capitola Avenue, Capitola, CA 95010

Chairperson: Paul Estey

Commissioners: Courtney Christensen, Matthew Howard, Nathan Kieu, Susan Westman

1. **Roll Call and Pledge of Allegiance** - *The meeting was called to order at 6:00PM. In attendance: Commissioners Kieu, Westman, Christensen, and Chair Estey. Absent: Commissioner Howard.*
2. **Additions and Deletions to the Agenda** – *The Deputy City Clerk announced that four emails had been received as additional materials for Item 6A.*

3. Oral Communications

- *David Staks*

4. Planning Commission/Staff Comments

- *Chair Estey commented on the growing concern of residents of the erosion on Grand Ave.*
- *Director Herlihy announced that the RTC is hosting a community meeting on March 4th from 6-7:30 PM at New Brighton Middle School.*

5. Consent Calendar

A. RTC CDP for Park Avenue

Project Description: Request to Continue Application #25-0056. APN: 036-201-02. Coastal Development Permit to construct approximately 1,300 linear feet of fencing along a coastal bluff. The project is located within the CF (Community Facility) zoning district.

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: Santa Cruz Regional Transportation Commission

Representative: Riley Gerbrandt, RTC, Filed: 1/28/25

Recommended Action: Continue item to a date uncertain.

Motion to approve the request to continue Application #25-0056: Commissioner Westman

Second: Vice Chair Christensen

Voting Yea: Commissioners Kieu, Westman, Vice Chair Christiansen, Chair Estey

Absent: Commissioner Howard

6. Public Hearings

A. Multifamily Residential Zoning

Project Description: Potential amendments to the Multifamily Residential (RM) zoning district and development standards to implement Housing Element Program 1.6.

Property Owner: Zoning Code amendments would apply to RM properties citywide.

Representative: Ben Noble Consultant; Sean Sesanto, Associate Planner

Recommended Action: Receive update on potential RM zoning district amendments to implement Housing Element Program 1.6 and provide direction on preferred approach to the amendments.

Ben Noble presented the staff report.

The Commission asked for clarification on the potential amendments to multifamily residential zoning.

Public Comments:

- ***Keith Cahalen***
- ***Speaker***
- ***Tony Young***
- ***Speaker***
- ***Maddy Hesler***
- ***Liz***
- ***Robin***
- ***Tessa Tuttmann***
- ***Suzanne***
- ***Janine Roth***
- ***Cheryl Van***
- ***Kevin Maquire***
- ***Mark***
- ***David Staks***

The Commission discussed potential amendments to the Multifamily Residential Zoning designation and provided suggestions to staff for density allowance at the seven proposed development sites. The Commission asked that notification postcards be sent out to residents for any rezoning proposal.

B. 309 Capitola Avenue

Project Description: Application #25-0093. APN: 035-172-06. Conditional Use Permit and Wall Sign for a wine tasting room with retail sales (Type 02 License - Winegrower). The building is located within the MU-V (Mixed Use Village) zoning district. The location is in the Coastal Zone, but this application does not require a Coastal Development Permit.

Environmental Determination: Categorical Exemption

Property Owner: Lawrie Properties

Applicant: Joeseeph Miller – Rexford Winery, Filed: 01/16/25

Recommended Action: Consider Application #25-0093 and approve the project based on the attached Conditions and Findings for Approval.

Senior Planner Froelich presented the staff report.

The applicants introduced themselves and explained their application and business model.

Public Comments: None

Motion to approve Application #25-0093 based on the Conditions and Findings of Approval: Vice Chair Christensen

Second: Commissioner Kieu

Voting Yea: Commissioners Kieu, Westman, Vice Chair Christiansen, Chair Estey

Absent: Commissioner Howard

Conditional Use Permit Findings:

- A. The proposed use is allowed in the applicable zoning district.
Tasting rooms and retail alcohol sales are categorized as a conditional use within the MU-V (Mixed-Use Village) zoning district. Conditional Uses require Planning Commission review at a noticed public hearing.
- B. The proposed use is 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 proposed business location and plan for retail sales of wine with onsite tasting, and it complies with the intent of the MU-V zoning district.
- C. The location, size, design, and operating characteristics of the proposed use will be compatible with the existing and planned land uses in the vicinity of the property.
Community Development Staff and the Planning Commission have reviewed the proposed use and determined it is consistent with the existing uses in the vicinity, and future uses within the MU-V zone.
- D. The proposed use will not be detrimental to the public health, safety, and welfare.
Community Development Staff and the Planning Commission have reviewed the proposed Conditional Use Permit and determined it will not be detrimental to the public health, safety, or welfare.
- E. The proposed use is properly located within the city and adequately served by existing or planned services and infrastructure.
The proposed retail and wine tasting business is in an area well served by pedestrian and vehicular access and is adequately served by utilities, services, and infrastructure.
- F. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA).
Section 15301 of the CEQA Guidelines exempts minor alterations to existing facilities, such as licensing, provided the project involves negligible or no expansion of use. The proposed project involves a conditional use permit within an existing commercial space to include tasting and the retail sale of wine. No adverse environmental impacts were discovered during project review by either Planning Department Staff or the Planning Commission.

Conditions of Approval:

1. The Conditional Use Permit allows a wine sales and tasting establishment at 309 Capitola Avenue. The Conditional Use Permit is approved as outlined in the analysis of the staff report reviewed and approved by the Planning Commission on March 3, 2025, except as modified through conditions imposed by the Planning Commission during the hearing.
2. The applicant shall maintain an active business license with the City of Capitola. The applicant shall maintain an active license through the California Department of Alcoholic Beverage Control (ABC) so long as alcohol is sold.
3. 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 duplicate Type 02 license through

Planning Commission Meeting Minutes – March 03, 2025

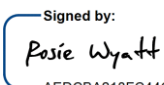
the ABC. A proposed change in the type of liquor licensed issued by ABC will necessitate approval of an amendment to the Conditional Use Permit.

4. Prior to opening, all Planning fees associated with permit #-25-0093 shall be paid in full.
5. 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.
6. This permit shall expire 24 months from the date of issuance. The applicant shall have started business operations before this date to prevent permit expiration. Applications for extension may be submitted by the applicant prior to expiration pursuant to Capitola Municipal Code Chapter 17.156.
7. Conditional Use Permits are issued to the underlying property. An approved Conditional Use Permit may be assigned to future tenants of the same tenant space. The Conditional Use Permit shall expire and become void if the permitted use is abandoned or discontinued for one year or longer. The permit cannot be transferred off the site on which the approval was granted.
8. The applicant shall apply for a Building Permit, prior to installation of exterior signage.
9. There shall be no amplified sound or music inside the business that can be audible outside of the business.
10. No outdoor displays, uses or seating are permitted with this permit.
11. The area open to customers for tasting shall be limited to no more than one hundred sixty square feet.

7. Director's Report

Director Herlihy updated the Planning Commission on the southbound Highway 1 onramp opening after being delayed; the Coastal Commission has reviewed the City's Zoning Code updates and a hearing is anticipated in May to get the updates certified; City staff has been working on the Wharf long-term plan and concepts will be brought forth to City Council at the March 13th meeting, public outreach for feedback will begin after City Council review; City Council will be reviewing an annexation application for 1610 Bulb Ave at their March 13th meeting; the City is moving forward with a Housing Rehabilitation Program with potential partnership with Habitat for Humanity that will focus on protecting existing affordable housing stock; reminded the Commission and the public of the RTC community meeting on March 4th at New Brighton Middle School.

8. Adjournment – *The meeting adjourned at 8:19 PM. The next regularly scheduled meeting of the Planning Commission is on April 3rd, 2025, at 6:00 PM.*

ATTEST:  Signed by:
AEDCBA218FG44G8...
 Rosie Wyatt, Deputy City Clerk