

City of Capitola

City Council Meeting Agenda

Thursday, May 26, 2022 – 7:00 PM



City Council Chambers
420 Capitola Avenue, Capitola, CA 95010

Mayor: Sam Storey
Vice Mayor: Margaux Keiser
Council Members: Jacques Bertrand, Yvette Brooks, Kristen Brown

Regular Meeting of the Capitola City Council – 7 PM

All correspondences received prior to 5:00 p.m. on the Wednesday preceding a Council Meeting will be distributed to Councilmembers to review prior to the meeting. Information submitted after 5 p.m. on that Wednesday may not have time to reach Councilmembers, nor be read by them prior to consideration of an item.

1. Roll Call and Pledge of Allegiance

Council Members Jacques Bertrand, Yvette Brooks, Kristen Brown, Margaux Keiser, and Mayor Sam Storey.

2. Additions and Deletions to the Agenda

3. Presentations

Presentations are limited to eight minutes.

A. Central Coast Community Energy Annual Update

4. Additional Materials

Additional information submitted to the City after distribution of the agenda packet.

5. Oral Communications by Members of the Public

*Please review the Notice of Remote Access for instructions. Oral Communications allows time for members of the Public to address the City Council on any "Consent Item" on tonight's agenda, or on any topic within the jurisdiction of the City that is not on the "General Government/Public Hearings" section of the Agenda. Members of the public may speak for up to three minutes, unless otherwise specified by the Mayor. Individuals may not speak more than once during Oral Communications. All speakers must address the entire legislative body and will not be permitted to engage in dialogue. **A maximum of 30 minutes** is set aside for Oral Communications.*

6. Staff / City Council Comments

Comments are limited to three minutes.

7. Consent Items

All items listed as "Consent Items" will be enacted by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Council votes on the action unless members of the City Council request specific items to be discussed for separate review. Items pulled for separate discussion will be considered following General Government. Note that all Ordinances

which appear on the public agenda shall be determined to have been read by title and further reading waived.

- A.** Consider the minutes from the May 12, 2022, regular City Council meeting
Recommended Action: Approve minutes.
- B.** Association of Capitola Employees and the Capitola Police Officers Association Side Letters
Recommended Action: Authorize the City Manager to sign side letters with the Association of Capitola Employees and Capitola Police Officers Association, approving the option of ten-hour shifts for some Police Department Personnel.
- C.** Senate Bill 9 Residential Developments and Urban Lot Splits Ordinance
Recommended Action: Adopt an ordinance of the City of Capitola adding Municipal Code Chapters 16.78 and 17.75, adding Municipal Code section 16.08.020, and amending section 17.74.040 for the implementation of government code sections 66411.7 and 65852.21 related to Urban Lot Splits and Senate Bill 9 Residential Developments.
- D.** Objective Standards for Multifamily and Mixed-Use Residential Ordinance
Recommended Action: Adopt an ordinance adding Municipal Code Chapter 17.82 to establish objective standards for multifamily dwellings and mixed-use residential development, amending section 17.16 Residential Zoning Districts, section 17.20 Mixed Use Zoning Districts, and 17.24 Commercial and Industrial Zoning Districts to reference Chapter 17.82 Objective Standards for Multifamily Dwellings and Mixed-Use Residential Development.
- E.** Receive Update on Pandemic Response and Consider Adopting Proposed Resolution Allowing for the Continuation of Teleconferencing
Recommended Action: 1) Make the determination that all hazards related to the worldwide spread of the coronavirus (COVID-19) as detailed in Resolution No. 4168 adopted by the City Council on March 12, 2020, still exist and there is a need to continue action; and 2) Adopt the proposed resolution authorizing the City Council (along with the Planning Commission and all advisory bodies) to continue to conduct teleconferencing meetings.

8. General Government / Public Hearings

All items listed in “General Government / Public Hearings” are intended to provide an opportunity for public discussion of each item listed. The following procedure pertains to each General Government item: 1) Staff explanation; 2) Council questions; 3) Public comment; 4) Council deliberation; 5) Decision.

- A.** Community Grant Program Recommendations
Recommended Action: Consider the recommendations of the Community Grant Subcommittee and direct staff to make proposed changes to the Community Grant process.
- B.** Receive Community Survey Results
Recommended Action: Receive report and provide direction to staff regarding potential measures to place on November 2022 ballot.
- C.** Regional Housing Needs Allocation
Recommended Action: Accept staff presentation on Regional Housing Needs Allocation and direct the Mayor to send the attached comment letter to the Association of Monterey Bay Area Governments Board of Directors.
- D.** Dental Insurance Premium Refund
Recommended Action: Approve the proposed refund of up to five months of dental premiums to City employees.

9. Adjournment

Notice of Remote Access

In accordance California Senate Bill 361, the City Council meeting is not physically open to the public and in person attendance cannot be accommodated.

To watch:

- Online at <https://www.cityofcapitola.org/meetings>
- Spectrum Cable Television channel 8
- City of Capitola, California YouTube Channel

To Join Zoom by Computer or Phone:

- Meeting ID: **814 9248 3812**
- Meeting Passcode: **426714**
- Meeting link: <https://us02web.zoom.us/j/81492483812?pwd=bnJjN25aYkRhRHlUajAzM3o1cnpDQT09>
- Or dial one of these phone numbers: **1 (669) 900 6833, 1 (408) 638 0968, 1 (346) 248 7799**

To make public comment:

When submitting public comment, one comment (via phone or email, not both), per person, per item is allowed. If you send more than one email about the same item, the last received will be read. You will have three minutes to speak, and emails will be read aloud for no longer than three minutes. They Mayor will announce the public comment period for each agenda item.

- **If you have joined the Zoom Meeting:** Use participant option to “raise hand”. The moderator will unmute you
- **If called in over the phone:** Dial *9 on your phone to “raise your hand”. The moderator will unmute you
- **If you want to send an email:** During the meeting, email written public comment to publiccomment@ci.capitola.ca.us
 - Emailed comments on items will be accepted after the start of the meeting until the Mayor announces that public comment for that item is closed
 - Emailed comments should be a maximum of 450 words, which corresponds to approximately 3 minutes of speaking time
 - Emails received by publiccomment@ci.capitola.ca.us outside of the comment period outlined above will not be included in the record

Note: Any person seeking to challenge a City Council decision made as a result of a proceeding in which, by law, a hearing is required to be given, evidence is required to be taken, and the discretion in the determination of facts is vested in the City Council, shall be required to commence that court action within ninety (90) days following the date on which the decision becomes final as provided in Code of Civil Procedure §1094.6. Please refer to code of Civil Procedure §1094.6 to determine how to calculate when a decision becomes “final.” Please be advised that in most instances the decision become “final” upon the City Council’s announcement of its decision at the completion of the public hearing. Failure to comply with this 90-day rule will preclude any person from challenging the City Council decision in court.

Notice regarding City Council: The City Council meets on the 2nd and 4th Thursday of each month at 7:00 p.m. (or in no event earlier than 6:00 p.m.), in the City Hall Council Chambers located at 420 Capitola Avenue, Capitola.

Agenda and Agenda Packet Materials: The City Council Agenda and the complete Agenda Packet are available for review on the City’s website: www.cityofcapitola.org and at Capitola City Hall prior to the meeting. Agendas are also available at the Capitola Post Office located at 826 Bay Avenue Capitola. Need more information? Contact the City Clerk’s office at 831-475-7300.

Agenda Materials Distributed after Distribution of the Agenda Packet: Pursuant to Government Code §54957.5, materials related to an agenda item submitted after distribution of the agenda packet are available for

public inspection at the Reception Office at City Hall, 420 Capitola Avenue, Capitola, California, during normal business hours.

Americans with Disabilities Act: Disability-related aids or services are available to enable persons with a disability to participate in this meeting consistent with the Federal Americans with Disabilities Act of 1990. Assisted listening devices are available for individuals with hearing impairments at the meeting in the City Council Chambers. Should you require special accommodations to participate in the meeting due to a disability, please contact the City Clerk's office at least 24 hours in advance of the meeting at 831-475-7300. In an effort to accommodate individuals with environmental sensitivities, attendees are requested to refrain from wearing perfumes and other scented products.

Televised Meetings: City Council meetings are cablecast "Live" on Charter Communications Cable TV Channel 8 and are recorded to be rebroadcasted at 8:00 a.m. on the Wednesday following the meetings and at 1:00 p.m. on Saturday following the first rebroadcast on Community Television of Santa Cruz County (Charter Channel 71 and Comcast Channel 25). Meetings are streamed "Live" on the City's website at www.cityofcapitola.org by clicking on the Home Page link "**Meeting Agendas/Videos.**" Archived meetings can be viewed from the website at any time.

Capitola City Council Agenda Report

Meeting: May 26, 2022

From: City Manager Department

Subject: Consider the minutes from the May 12, 2022, regular City Council meeting



Recommended Action: Approve minutes.

Discussion: Attached for Council review and approval are the draft minutes from the regular City Council meeting held on May 12, 2022.

Attachments:

1. May 12 draft

Report Prepared By: Chloé Woodmansee, City Clerk

Reviewed/Approved By: Jamie Goldstein, City Manager

City of Capitola

City Council Meeting Minutes

Thursday, May 12, 2022 – 7:00 PM



City Council Chambers
420 Capitola Avenue, Capitola, CA 95010

Mayor: Sam Storey
Vice Mayor: Margaux Keiser
Council Members: Jacques Bertrand, Yvette Brooks, Kristen Brown

Closed Session – 6 PM

Conference with Real Property Negotiator
[Govt. Code §54956.8]
Property: 4400 Jade Street, APN 034-551-02, Capitola, CA
City Negotiator: Jamie Goldstein, City Manager
Negotiating Parties: Soquel Union Elementary School District
Under Negotiation: Terms of Joint Use Agreement

Regular Meeting of the Capitola City Council – 7 PM

1. Roll Call and Pledge of Allegiance

Council Members Jacques Bertrand, Kristen Brown, Vice Mayor Margaux Keiser, and Mayor Sam Storey were present. Council Member Brooks was absent.

2. Additions and Deletions to the Agenda

3. Report on Closed Session

City Attorney Zutler said there was no reportable action.

4. Additional Materials – none

5. Oral Communications by Members of the Public

A member of the public asked about National Police Week, in an email a member of the public commented on graffiti at Jade Street Park.

6. Staff / City Council Comments

City Manager Goldstein clarified that the staff report regarding Travel Reimbursements, the proposed tip ceiling is 18%.

Chief Dally announced that second annual SkateTola event is Saturday, May 14, 11am to 4pm.

Council Member Brown thanked Capitola Police and said Police Week is a time to thank and honor Police Officers. She said that May is Community Action Month and shared the work of the Community Action Board. She also announced that the Capitola Police Department, via the Criminal Justice Council, submitted a Policy Analysis Report to the National Association of Counties and won an award the first of its' kind for the report.

Mayor Storey thanked Capitola Police and encouraged the public to express gratitude during National Police Week and always. He also announced that the summer Twilight Concert Series band lineup has been finalized; events begin June 15.

7. Consent Items

Motion: Approve, Authorize, Determine, and Adopt, as recommended

Result: Passed, 4:0 (Unanimous)

Mover: Council Member Brown

Secunder: Vice Mayor Keiser

Yea: Mayor Storey, Vice Mayor Keiser, Council Member Bertrand, Council Member Brown

Absent: Council Member Brooks

- A. Consider the minutes from the April 28, 2022, regular City Council meeting
Recommended Action: Approve minutes.
- B. Approval of City Check Registers Dated April 1, April 8, April 15, April 22, and April 29
Recommended Action: Approve check registers.
- C. Updated Travel Reimbursement Policy
Recommended Action: Approve amended Administrative Policy III-2: Employee & Public Official Travel Expense Reimbursement & Travel Regulations.
- D. Contract for Housing Element Update
Recommended Action: Authorize the City Manager to enter a contract with RRM Design Group in the amount of \$183,560 for the Housing Element Update.
- E. Receive Update on Pandemic Response and Consider Adopting Proposed Resolution Allowing for the Continuation of Teleconferencing
Recommended Action: 1) Make the determination that all hazards related to the worldwide spread of the coronavirus (COVID-19) as detailed in Resolution No. 4168 adopted by the City Council on March 12, 2020, still exist and there is a need to continue action; and 2) Adopt the proposed resolution authorizing the City Council (along with the Planning Commission and all advisory bodies) to continue to conduct teleconferencing meetings.

8. General Government / Public Hearings

- A. Application from the Capitola Village and Wharf Business Improvement Association to Replace Arbor Sign at Stockton Avenue and Capitola Avenue
Recommended Action: Consider an application from the Capitola Village and Wharf Business Improvement Association to replace the sign hanging at the Stockton-Capitola Avenue arbor with a surfboard-style sign.

Public Works Director Jesberg presented a staff report.

Mayor Storey asked if the City would repurpose the current sign once it is replaced. Director Jesberg confirmed that the City owns the sign and that staff could identify a location for it. Vice Mayor Keiser supported the idea and suggested the parking lot corner at Monterey/Park Ave.

In public comment, Anthony from the BIA said the intention of the new sign is to highlight parking and to use bright colors to enhance visibility. Carin said that the proposed sign is more contemporary and represents a fresh update. Vicki said that she appreciates the use of the international symbol for parking on the proposed sign.

Motion: Approve the proposed surf-board style sign

Result: Passed, 4:0 (Unanimous)

Mover: Council Member Brown

Secunder: Vice Mayor Keiser

Yea: Mayor Storey, Vice Mayor Keiser, Council Member Bertrand, Council Member Brown

Absent: Council Member Brooks

B. Women on Waves Surf and Swim Contest

Recommended Action: Consider expanding Women on Waves Surf and Swimming Contest, a previously approved General Special Event, from a one-day to a two-day event.

Police Chief Dally presented a staff report.

Vice Mayor Keiser asked about the composure of the event and verified that the same activities will take place across two days, rather than a full second day of new added activities.

In response to a question from Mayor Storey, Chief Dally explained that based on the projected number of attendees and impacts a portable bathroom is recommended as a condition of the event. Mayor Storey asked about the early event start time, Chief Dally said that noise conditions can be included in the official event permit.

There was no public Comment.

Council Member Bertrand said he is pleased the event will return.

Motion: Approve extending the event to two days

Result: Passed, 4:0 (Unanimous)

Mover: Council Member Brown

Second: Council Member Bertrand

Yea: Mayor Storey, Vice Mayor Keiser, Council Member Bertrand, Council Member Brown

Absent: Council Member Brooks

C. Senate Bill 9 Residential Developments and Urban Lot Splits Ordinance

Recommended Action: 1) Introduce, by title only, waiving further reading of the text, an ordinance of the City of Capitola adding Municipal Code Chapters 16.78 and 17.75, adding Municipal Code section 16.08.020, and amending section 17.74.040 for the implementation of government code sections 66411.7 and 65852.21 related to Urban Lot Splits and Senate Bill 9 Residential Developments; and 2) Adopt proposed resolution Authorizing Submittal to the California Coastal Commission for the Certification of an Amendment to the Local Coastal Program Adding Municipal Code Chapters 16.78 and 17.75, adding Municipal Code Section 16.08020, and Amending Section 17.74.040 for the Implementation of Government Code Sections 66411.7 and 65852.21 Related to Urban Lot Splits and Senate Bill 9 Residential Developments.

Director Herlihy introduced Ben Noble, who presented a report on a proposed Ordinance.

Council Member Bertrand asked about urban lot splits and subdivisions.

Mayor Storey asked about requiring residents to use their garages for cars, rather than relying on street parking. He also asked for clarification on rideshare. In response to a question about Accessory Dwelling Units, Director Herlihy said that ADUs do count towards the City's RHNA; when a building permit is pulled determines which RHNA Cycle the unit is attributed to. ADUs do not count as opportunity sites.

Council Member Bertrand asked about internal lot lines and building separation.

During public comment a member asked about Senate Bill 5 and 10, and how train corridors affect Senate Bill 9. After direction from the Mayor, Mr. Noble responded that Senate Bill 9 applies to all zones, regardless of their proximity to a train corridor.

Motion: 1) Introduce by title only waiving further reading of the text the proposed ordinance and 2) Approve the resolution authorizing the submittal to the Coastal Commission

Result: Amended

Mover: Council Member Bertrand

Second: Council Member Brown

Motion: 1) Introduce by title only waiving further reading of the text the proposed ordinance and 2) Approve the resolution authorizing the submittal to the Coastal Commission Amendment: Include definition of rideshare in the ordinance (Storey)

Result: Passed, 4:0 (Unanimous)

Mover: Council Member Bertrand

Second: Council Member Brown

Yea: Mayor Storey, Vice Mayor Keiser, Council Member Bertrand, Council Member Brown

Absent: Council Member Brooks

D. Objective Standards for Multifamily and Mixed-Use Residential Ordinance

Recommended Action: 1) Introduce, by title only, waiving further reading of the text, an ordinance of the City of Capitola adding Municipal Code Chapter 17.82 to establish objective standards for multifamily dwellings and mixed-use residential development, amending section 17.16 Residential Zoning Districts, section 17.20 Mixed Use Zoning Districts, and 17.24 Commercial and Industrial Zoning Districts to reference Chapter 17.82 Objective Standards for Multifamily Dwellings and Mixed-Use Residential Development; and 2) Adopt the proposed resolution Authorizing Submittal to the California Coastal Commission for the Certification of an Amendment to the Local Coastal Program.

Director Herlihy reintroduced Ben Noble, who presented on the objective standards ordinance.

In public comment, a member asked about Senate Bill 35, standards for non-residential buildings, and rail corridors. After direction from the Mayor, Mr. Noble responded that objective standards apply in all zones where multifamily/mixed-use residential is allowed.

Motion: 1) Introduce by title only waiving further reading of the text the proposed ordinance and 2) Approve the resolution authorizing the submittal to the Coastal Commission

Result: Passed, 4:0 (Unanimous)

Mover: Council Member Bertrand

Second: Vice Mayor Keiser

Yea: Mayor Storey, Vice Mayor Keiser, Council Member Bertrand, Council Member Brown

Absent: Council Member Brooks

9. Adjournment

The meeting was adjourned at 8:53pm to the next regular City Council Meeting on May 26, 2022.

ATTEST:

Sam Storey, Mayor

Chloé Woodmansee, City Clerk

Capitola City Council

Agenda Report



Meeting: May 26, 2022

From: City Manager Department

Subject: Association of Capitola Employees and the Capitola Police Officers
Association Side Letters

Recommended Action: Authorize the City Manager to sign side letters with the Association of Capitola Employees and Capitola Police Officers Association, approving the option of ten-hour shifts for some Police Department Personnel.

Background: The City of Capitola has existing employment agreements with the Association of Capitola Employees (ACE) and the Capitola Police Officers Association (CPOA) valid through June 30, 2024. Employment agreements define wages, benefits, shifts, and working conditions for the employees in each specified group.

Discussion: The City received modification requests to existing agreements from both ACE and the CPOA, to allow Police Department office staff to work four-day a week, 10-hour a day work schedule (4/10) rather than the standard five-day, eight-hour a day (5/8) schedule. Police management has reviewed the request and feels this proposed 4/10 schedule would continue to allow for necessary public-hours while also providing time for staff to complete tasks during non-public hours; allowing staff to complete work that can be difficult to manage while balancing customer service tasks. If a possible 4/10 schedule is approved, the Chief of Police has the flexibility to adjust shifts as needed for the benefit of the police department.

Proposed side letters to the existing ACE and CPOA employee agreements are included as Attachments 1 and 2 and contain the proposed allowance of a 4/10 schedule. In addition to this requested schedule, corresponding modifications to sick leave accrual and holiday banks for employee classifications affected by the 4/10 schedule are included in the side letters.

If approved, the changes will go into effect on May 29, 2022.

Fiscal Impact: Annual increase of sixty hours in annual leave (sick time and holidays), due to potential ten-hour shifts.

Attachments:

1. Association of Capitola Employees Side Letter
2. Capitola Police Officers Association Side Letter

Report Prepared By: Larry Laurent, Assistant to the City Manager

Reviewed By: Chloé Woodmansee, City Clerk

Approved By: Jamie Goldstein, City Manager

**SIDE LETTER
BETWEEN CITY OF CAPITOLA AND
ASSOCIATION OF CAPITOLA EMPLOYEES**

WHEREAS, the City of Capitola (City) and Association of Capitola Employees (ACE), have met and conferred in good faith regarding shift changes; and

WHEREAS, the City and the Union have previously agreed on an MOU with a term beginning on July 1, 2021 and expiring on June 30, 2024; and

WHEREAS, it was determined that the changes to the language will help retain employees without impacting the Capitola Police Departments ability to provide service.

WHEREAS, all other provisions in the MOU remain unchanged and shall remain in effect.

IT IS HEREBY AGREED AS FOLLOWS: The following articles shall be amended to read:

VI. Sick Leave

A. Sick Leave Accrual

Sick leave accrues on a pro-rated basis, based upon a 30-day month. Twelve days accrue each calendar year. Parking Enforcement Officers, Police Records Technicians, and Administrative Analysts if working a regularly scheduled 4/10 shift shall accrue 120 hours (12 days) per calendar year.

VII. Holidays

C. Holiday Hours Bank – Police Department Employees

Police Records Technicians, Parking Enforcement Officers, Administrative Records Analysts, and Police Department Administrative Assistants shall receive a pro-rated bank of holiday hours based on the regularly scheduled shift times. Police Department Employees working 8 hours a day five days a week (5/8) shifts, shall receive a bank of 96 hours (12 days). Employees working 10 hours a day four days a week (4/10) shifts, shall receive a bank of 120 hours (12 days).

Upon separation, if an employee has not actually taken as much holiday time as a pro-rated amount, he/she will be entitled to compensation for the unused portion. For instance, if a 4/10 employee whose last day was June 30 had taken only 55 hours of holiday time, (s)he would be entitled to 20 hours of compensation. If an employee has taken more than the pro-rated amount, that amount will be taken out of the employee's final check. For instance, if a 4/10 employee whose last day was June 30 had taken 95 hours of holiday time, (s)he would pay back 20 hours on their final paycheck.

MOU: All other provision of the ACE MOU shall remain in effect.

Union and City Rights: All rights for the Union and the City that are not specifically addressed in this Letter remain unchanged.

Association of Capitola Employees

City of Capitola

Ryan Heron, Liuna 792
Labor Relations Representative

Jamie Goldstein, City Manager

Dated: _____

Dated: _____

**SIDE LETTER
BETWEEN CITY OF CAPITOLA AND
CAPITOLA POLICE OFFICERS ASSOCIATION**

WHEREAS, the City of Capitola (City) and Capitola Police Officers Association (CPOA), have met and conferred in good faith regarding shift changes; and

WHEREAS, the City and the Union have previously agreed on an MOU with a term beginning on July 1, 2021 and expiring on June 30, 2024; and

WHEREAS It was determined that the changes to the language will help retain employees without impacting the Capitola Police Departments ability to provide service.

WHEREAS All other provisions in the MOU remain unchanged and shall remain in effect.

IT IS HEREBY AGREED AS FOLLOWS: The following articles shall be amended to read:

ARTICLE 7.00 HOURS OF WORK, SHIFT, SCHEDULES, AND REST PERIODS

7.02 SHIFT

For sworn personnel and Community Service Officers, the normal schedule is a 4-day, 10-hour (4/10) work week. For members of the bargaining unit assigned to the Capitola Investigation Unit (CIU), the Chief of Police may assign either a 4-day, 10-hour shift (4/10) or 5–day, 8-hour shift (5/8) based on department needs.

The Records Manager classification may be assigned to either a 4-day, 10-hour shift (4/10) or 5–day, 8-hour shift (5/8) based on department needs.

Nothing in this section shall limit the Chief of Police authority to revise schedules based on the needs of the department.

ARTICLE 11.00 HOLIDAYS

Holidays will be expressed as an annual (calendar year) bank of hours and taken as scheduling permits. Employees in the shall receive 15 days of holiday hours based on their permanent work schedule. Personal holidays are included in the 15-days and are not in addition to them.

Employees working 4/10 schedules shall receive 150 hours per calendar year and employees working 5/8 schedules shall receive 120 hours per calendar year. Employees working 4/10 schedules will be debited for 10 holiday hours when they take full day off as a holiday; those working 5/8 schedules will be debited for 8 hours.

Upon separation, if an employee has not actually taken as much holiday time as a pro-rated amount, he/she will be entitled to compensation for the unused portion. For instance, if a 4/10 employee whose last day was June 30 had taken only 55 hours of holiday time, (s)he would be entitled to 20 hours of compensation. If an employee has

taken more than the pro-rated amount, that amount will be taken out of the employee's final check. For instance, if a 4/10 employee whose last day was June 30 had taken 95 hours of holiday time, (s)he would pay back 20 hours on their final paycheck.

ARTICLE 23.00 SICK LEAVE

Sick leave accrues at rate of 12-days each calendar year. All unit employees working a 4/10 schedule shall accrue 120 hours per year, and all unit employees working a 5/8 schedule shall accrue ninety-six (96) hours of sick leave per year. The rate at which sick leave accrues is not affected by whether overtime is worked in a pay period. Sick leave accrues on a prorated basis, based upon a 30-day month. Accrued but unused sick leave has no cash value and shall not be cashed out.

Capitola Police Officers Association

City of Capitola

Jesus Mendoza

Jamie Goldstein, City Manager

Dated: _____

Dated: _____

Capitola City Council

Agenda Report

Meeting: May 26, 2022

From: Community Development Department

Subject: Senate Bill 9 Residential Developments and Urban Lot Splits Ordinance



Recommended Action: Adopt an ordinance of the City of Capitola adding Municipal Code Chapters 16.78 and 17.75, adding Municipal Code section 16.08.020, and amending section 17.74.040 for the implementation of government code sections 66411.7 and 65852.21 related to Urban Lot Splits and Senate Bill 9 Residential Developments.

Background: The State legislature passed Senate Bill 9 (SB 9) in 2021; the bill went into effect on January 1, 2022. SB 9 enacted Government Code Sections 66411.7 and 65852.21, which apply solely to properties within a single-family (R-1) zone. The bill allows the subdivision on R-1 lots into two lots with up to two residential units on each new lot.

On February 3, 2022, the Planning Commission reviewed the draft SB9 ordinance and provided feedback.

During a special meeting on March 31, 2022, the Commission reviewed SB9 buildout models designed to fit on typical Capitola lots and provided policy direction regarding height, setbacks, and parking options for smaller lots that cannot accommodate SB9 development without adding additional height or allowing parking within the entire front yard.

On April 15, 2022, the City republished the draft ordinance, including the Planning Commission redlines. During a special meeting on April 21, 2022, the Planning Commission recommended City Council adopt the ordinance.

On April 28, 2022, the City Council received staff presentation on SB9 and the draft ordinance and on May 12, 2022, City Council approved a first reading of the ordinance, with the inclusion of a definition for “rideshare”.

Discussion: The proposed ordinance establishes two new chapters of the Capitola Municipal Code: Chapter 16.78 for Urban Lots Splits and Chapter 17.75 for Two Unit Developments. The ordinance establishes eligibility requirements, review procedures, and objective standards for review of urban lot splits and SB-9 residential development applications.

Consistent with State law requirements, the ordinance includes the following:

Eligibility:

- All properties located in the single family (R-1) zoning district Subdivision
- Up to two new parcels of at least 1,200 square feet in area
- Created lots at least 40 percent of the lot area of the original parcel
- Lots with access to the public right-of-way

Allowed Development:

- Up to two units allowed on each lot. Maximum of four units, total.
- Guaranteed allowance of up to 800 square feet per unit, regardless of setbacks, parking, and height
- 4 feet maximum side and rear yard setback

Ministerial Review:

- Ministerial review by staff. Not subject to discretionary review by the Planning Commission.
- Review limited to applying objective development standards
- Review cannot apply subjective standards, such as compatibility within the neighborhood.

CEQA: This action is statutorily exempt from the provisions of the California Environmental Quality Act ("CEQA"), pursuant to Government Code sections 65852.21(j) and 66411.7(n), as this action is to adopt an ordinance to implement the requirements of sections 65852.21 and 66411.7 of the Government Code.

Fiscal Impact: None.

Attachments:

1. Proposed Senate Bill 9 Ordinance

Report Prepared By: Katie Herlihy, Community Development Director

Reviewed By: Chloé Woodmansee, City Clerk; Samantha Zutler, City Attorney

Approved By: Jamie Goldstein, City Manager

CHAPTER 16.78 – URBAN LOT SPLITS

Sections:

16.78.010	Purpose and Intent
16.78.020	Eligibility
16.78.030	Objective Standards
16.78.040	Parcel Map Application Review and Action
16.78.050	Use and Development Requirements
16.78.060	Deed Restrictions

16.78.010 Purpose and Intent

This chapter contains requirements for urban lot splits to implement Government Code Section 66411.7. These requirements are necessary to preserve of the public health, safety, and general welfare, and to promote orderly growth and development. In cases where a requirement in the chapter directly conflicts with Government Code Section 66411.7, the Government Code governs.

16.78.020 Eligibility

- A. Parcel Map Required.** A parcel map is required for all urban lot splits pursuant to Government Code Section 66411.7.
- B. Requirements to Accept Application.** The City shall accept a parcel map application for an urban lot split only if the application complies with all of the following requirements:
1. **Existing Parcel Size.** The area of the existing parcel is 2,400 square feet or more.
 2. **Number of New Parcels.** The urban lot split creates no more than two new parcels.
 3. **New Parcel Size.** The area of each newly created parcel is:
 - a. At least 1,200 square feet; and
 - b. No smaller than 40 percent of the parcel area of the original parcel.
 4. **Zoning District.** The parcel is located within the Residential Single-Family (R-1) zoning district.
 5. **Environmental Resources and Hazards.**
 - a. The parcel satisfies the requirements of Government Code subparagraphs (B) to (K), inclusive, of paragraph (6) of subdivision (a) of Section 65913.4, which prohibits development on sites subject to specified environmental resources and hazards.
 - b. The parcel is not located in any of the following areas as identified in the City's certified Local Coastal Program:
 - (1) Geological hazard areas.

- (2) 100-year and/or 500-year flood hazard areas.
- (3) Environmentally Sensitive Hazard Habitat Areas (ESHA).

6. **Affordable and Rental Housing.** The proposed urban lot split would not require demolition or alteration of any of the following types of housing:

- a. Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.
- b. Housing that is subject to any form of rent or price control through a public entity’s valid exercise of its police power.
- c. A parcel or parcels on which an owner of residential real property has exercised the owner’s rights under Chapter 12.75 (commencing with Section 7060) of Division 7 of Title 1 of the Government Code (the Ellis Act) to withdraw accommodations from rent or lease 15 years before the date that the development proponent submits an application.
- d. Housing that has been occupied by a tenant in the last three years based on the date of the application for an urban lot split.

7. **Historic Resources.**

- a. The parcel is not located within a historic district or property included on the State Historic Resources Inventory, as defined in Section 5020.1 of the Public Resources Code.
- b. The parcel is not located on a site which includes a structure that is a Designated Historic Resource or that meets the criteria provided in Municipal Code Section 17.84.020.B. to qualify as a Designated Historic Resource.

8. **No Prior Urban Lot Split.**

- a. The parcel has not been established through prior exercise of an urban lot split provided for in Government Code Section 66411.7 of this chapter.
- b. Neither the owner of the parcel being subdivided nor any person acting in concert with the owner has previously subdivided an adjacent parcel using an urban lot split as provided for in this chapter.

16.78.030 Objective Standards

All urban lot splits shall comply with the following standards, unless the applicant can demonstrate that a standard would have the effect of physically precluding the construction of two units on either of the resulting parcels or would preclude a unit size of 800 square feet for either unit.

- A. Parcel Line Angles.** New parcel lines that abut a street shall maintain right angles to streets or radial to the centerline of curved streets, or be parallel to existing parcel lines.
- B. Street Frontage/Flag Lots.** Parcels without 20 feet or more of frontage on a street are not permitted, except that flag lots are permitted if:

1. The front corridor portion of the flag lot is at least 5 feet in width; and
2. The lot shares with the other newly created lot a driveway or private road at least 10 feet in width and no more than 40 percent of the parcel width or 20 feet, whichever is less.

C. Parking.

1. Number of Spaces.

- a. A minimum of one off-street parking space shall be provided for each dwelling unit except that no parking is required where the parcel satisfies one or more of the following circumstances:
 - (1) The parcel is located within one-half mile walking distance of either a high-quality transit corridor, as defined in subdivision (b) of Section 21155 of the Public Resources Code, or a major transit stop, as defined in Section 21064.3 of the Public Resources Code.
 - (2) There is a car share vehicle located within one block of the parcel. [A car share vehicle means a motor vehicle that is operated as part of a regional fleet by a public or private car sharing company or organization that meet all the following criteria:](#)
 - (a) [Provides hourly or daily service;](#)
 - (b) [Vehicle reservations are processed and paid for using an on-line system;](#)
 - (c) [Vehicles can be accessed where they are parked without having to go to a different physical location to execute a contract and/or pick up the keys; and](#)
 - (d) [Fleet has more than five cars in Capitola and more than twenty cars in Santa Cruz County.](#)
- b. The exception for parcels that satisfy subparagraphs (1) or (2) does not apply to areas identified in Figure 1.

Figure 1



2. Shared Driveways.

- a. Both newly created parcels shall share one driveway providing vehicle access to the parcels. A maximum of one curb cut is permitted to serve both newly created parcels.
- b. The maximum width of the new driveway crossing a public sidewalk is 12 feet.

D. Access to Public Right-of-way. The newly created parcels shall provide access to or adjoin the public right-of-way, sufficient to allow development on the parcel to comply with all applicable property access requirements under the California Fire Code section 503 (Fire Apparatus Access Roads) and California Code Regulations Title 14, section 1273.00 et seq. (Intent).

E. Setbacks.

1. No setback is required for an existing structure or a structure reconstructed in the same location and to the same dimensions as an existing structure. In all other circumstances minimum setbacks consistent with Zoning Code Section 17.75.050 (Objective Development Standards) are required.
2. Within the coastal zone, structures must comply with minimum setbacks from environmentally sensitive habitat areas and geologic hazards as specified in Zoning Code

Chapter 17.64 (Environmentally Sensitive Habitat Areas) and Chapter 17.68 (GH Geologic Hazards District).

3. Verification of size and location of the existing and proposed structure requires pre- and post-construction surveys by a California licensed land surveyor.
- F. Existing Structure on One Parcel.** The proposed lot split shall not result in the splitting of any structure between the two parcels and shall not create a new encroachment of an existing structure over a property line.
- G. Residential Land Use.** The proposed new parcels must be intended for residential use.
- H. Floor Area Calculation.** Floor area calculation exclusions in 17.48.040(B)(6) do not apply to an SB9 residential development.
- I. Compliance with Subdivision Requirements.** The parcel map shall satisfy the objective requirements of the Subdivision Map Act and this title regarding parcel maps, including Chapter 16.24 (Design Standards) except as provided in this chapter.

16.78.040 Parcel Map Application Review and Action

- A. Application Contents.** A parcel map application for an urban lot split must be filed with the Community Development Department on an official City application form. Applications shall be filed with all required fees, information, and materials as specified by the Community Development Department. At a minimum, an application package shall include the following:
1. Title report showing the current ownership and all liens and encumbrances.
 2. Copies of deeds for all properties included in the request.
 3. A plat map drawn to scale by a licensed land surveyor or registered civil engineer depicting all of the following:
 - a. Existing and proposed parcel lines.
 - b. Location of easements required for the provision of public services and facilities to each of the proposed parcels.
 - c. Location of any easements necessary for each parcel to have access to the public right-of-way.
 - d. Survey of existing conditions signed and stamped by licensed land surveyor or civil engineer.
 - e. Site plan with existing conditions, proposed parcel lines, driveways, and location of utility easements.
 4. An affidavit, signed by the property owner under penalty of perjury, declaring all of the following to be true:

- a. Any housing units proposed to be demolished or altered have not been occupied by a tenant at any time within three years of the date of the application for an urban lot split.
- b. The owner of the parcel intends to occupy one of the housing units as their principal residence for a minimum of three years from the date of the approval of the urban lot split. Owner-occupancy is not required if the owner is a community land trust or qualified nonprofit corporation under Sections 214.15 or 402.1 of the Revenue and Taxation Code.
- c. The owner has not previously subdivided an adjacent parcel using an urban lot split.
- d. The owner has not previously acted in concert with any person to subdivide an adjacent parcel using an urban lot split. "Acted in concert" means that the owner, or a person acting as an agent or representative of the owner, knowingly participated with another person in joint activity or parallel action toward a common goal of subdividing the adjacent parcel.

B. Ministerial Approval. The Community Development Director shall ministerially approve a parcel map for an urban lot split if the application complies with all requirements of this chapter. No public hearing or discretionary review is required.

C. Basis for Denial.

1. The Community Development Director shall deny the urban lot split if either of the following is found:
 - a. The urban lot split fails to meet or perform one of more objective requirements imposed by the Subdivision Map Act or by this chapter. Any such requirement or condition that is the basis for denial shall be specified by the Community Development Director in writing.
 - b. The building official makes a written finding, based upon a preponderance of the evidence, that the proposed subdivision would have a specific, adverse impact, as defined and determined in paragraph (2) of subdivision (d) of Section 65589.5 of the Government Code, upon public health and safety or the physical environment and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact.
2. For an urban lot split in the coastal zone, the Community Development Director shall deny the application upon finding that the development is inconsistent with policies of the Local Coastal Plan and/or will have an adverse impact on coastal resources.
3. The Community Development Director shall not deny an urban lot split solely because it proposes adjacent or connected structures provided that the structures meet building code safety standards and are sufficient to allow separate conveyance.

D. Conditions of Approval.

1. **Easements.** The Community Development Director shall condition parcel map approval on the dedication of any easements deemed necessary for the provision of public services to

the proposed parcels and any easements deemed necessary for access to the public right-of-way.

2. **Nonconforming Zoning Conditions.** The Community Development Director may not require the correction of nonconforming zoning conditions on the parcel a condition of parcel map approval.

E. Within Coastal Zone.

1. A proposed urban lot split that is located in the coastal zone may require a Coastal Development Permit (CDP) as specified by Chapter 17.44 (Coastal Overlay Zone) and the findings for approval of a CDP as specified in 17.44.130 (Findings for Approval).
2. A public hearing for a CDP application for an urban lot split is not required.
3. Nothing in this chapter shall be construed to supersede or in any way alter or lessen the effect of application of the California Coastal Act of 1976 (Division 20, commencing with Section 30000, of the Public Resources Code).

16.78.050 Use and Development Requirements

A. Short-term Rentals Prohibited. It is unlawful to use a dwelling unit constructed on a parcel created under this chapter for vacation rentals as defined in Chapter 17.160 (Glossary).

B. Residential Use. The primary use of a dwelling unit constructed on a parcel created under this chapter must be residential.

C. Maximum Unit Size. New dwelling units constructed on a parcel created under this chapter shall be no more than 800 square feet in floor area, or 1,200 square feet if each newly created parcels contain only one dwelling unit.

D. Compliance with Zoning Requirements

1. New dwelling units constructed on a parcel created under this chapter are subject to the requirements of Zoning Code Chapter 17.75 (Two-Unit Developments) and shall also comply with all applicable objective zoning requirements set forth in Zoning Code.
2. The standards described in this paragraph (1) of this subsection apply to all urban lot splits except where a standard directly conflicts with a provision of this chapter, or where the applicant demonstrates that a standard would:
 - a. Have the effect of physically precluding the construction of two units on either of the newly created parcels; or
 - b. Necessarily result in a unit size of less than 800 square feet.

E. Maximum Number of Dwelling Units. Notwithstanding any other provision of the Municipal Code, no more than two dwelling units, including any accessory dwelling units or junior accessory dwelling units, are permitted on a parcel created under this chapter.

16.78.060 Deed Restrictions

- A.** Before obtaining a building permit for a dwelling unit constructed on a parcel created under this chapter, the property owner shall file with the County Recorder a declaration of restrictions containing a reference to the deed under which the property was acquired by the current owner. The deed restriction shall state that:
1. The maximum size of the dwelling unit is limited to 1,200 square feet for two-unit projects and 800 square feet for three and four-unit projects;
 2. The primary use of the unit must be residential;
 3. Use of shared driveway must be permanently provided and maintained for both newly created parcels through a reciprocal access easement or other comparable mechanism; and
 4. The unit may not be used for vacation rentals as defined in Zoning Code Chapter 17.160 (Glossary).
- B.** The above declarations are binding upon any successor in ownership of the property. Lack of compliance shall be cause for code enforcement.
- C.** The deed restriction shall lapse upon removal of all dwelling units established on a parcel created under this chapter.

Capitola City Council

Agenda Report

Meeting: May 26, 2022

From: Community Development Department

Subject: Objective Standards for Multifamily and Mixed-Use Residential Ordinance



Recommended Action: Adopt an ordinance adding Municipal Code Chapter 17.82 to establish objective standards for multifamily dwellings and mixed-use residential development, amending section 17.16 Residential Zoning Districts, section 17.20 Mixed Use Zoning Districts, and 17.24 Commercial and Industrial Zoning Districts to reference Chapter 17.82 Objective Standards for Multifamily Dwellings and Mixed-Use Residential Development.

Background: In 2017, the State of California established the Senate Bill 2 (SB2) grant program to fund city planning efforts that streamline housing approvals and accelerate housing production. Capitola utilized part of its SB2 grant to create objective standards for multi-family and mixed-use development projects, which will ensure quality design and development in Capitola, while keeping the City in compliance with new state housing laws.

In 2021, the City began to prepare objective standards for multifamily dwellings and mixed-use residential development. These standards are needed to protect the city and ensure quality development considering new state housing laws. The City is using part of its SB2 grant funds for this project and is working with consultants Ben Noble and Bottomley Design and Planning on the project.

The City has held the following meetings regarding the Objective Standards project:

- 2021:
 - February 3: Planning Commission Study Session to present project goals and approach
 - April 8: City Council Study Session to present project goals and approach
 - July 21: Stakeholder Meeting #1 to receive preliminary input from developers, architects, and residents on potential draft standards
- 2022:
 - February 16: Stakeholder Meeting #2 to receive feedback on draft standards
 - March 31: Planning Commission to receive feedback on draft standards
 - April 21: Planning Commission positive recommendation to City Council
 - April 28: City Council receives staff presentation on recommended ordinance
 - May 12, 2022: City Council approved a first reading of the proposed ordinance

Discussion: Recent changes to state law aimed at increasing housing production mandate an “expedited review” process for multifamily housing projects. These laws include Senate Bill (SB) 35, the Housing Accountability Act, and SB 330. The state created a streamlined administrative review process for applicable multifamily housing projects which comply with the local jurisdiction’s objective standards. Objective standards are defined by the state as standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark.

The objective standards for multifamily and mixed-use residential development would apply to all new multifamily and mixed-use residential development in the Multifamily Residential (RM), Mixed-Use Neighborhood (MU-N), Community Commercial (C-C), and Regional Commercial (C-R) districts. The standards would not apply in the Mixed-Use Village (MU-V) district as sufficient standards are already in place for this district. The standards would apply to projects that require a design permit, as well as projects requesting ministerial approval under SB 35.

The standards are divided into six categories. Each category includes an intent statement to explain the purpose of the standards followed by the objective standards to guide the design and citing. The six categories are:

1. Circulation and Streetscape
2. Parking and Vehicle Access
3. Building Placement, Orientation, and Entries
4. Building Massing
5. Facade and Roof Design
6. Other Site Features

A proposed project would be permitted to request deviation from one or more standards with Planning Commission review. The Planning Commission could approve a deviation upon finding the project successfully incorporates an alternative method to achieve the intent of the standard. A project requesting a deviation would not be eligible for streamlined review under SB 35.

CEQA:

State CEQA Guidelines Section 15061(b)(3) provides that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. There is no possibility that the objective design standards will have a significant effect on the environment, and all non-ministerial projects approved pursuant to the objective design standards shall be subject to CEQA review.

Fiscal Impact: None.

Attachments:

1. Objective Standards for Multifamily and Mixed-Use Residential Ordinance

Report Prepared By: Katie Herlihy, Community Development Director

Reviewed By: Chloé Woodmansee, City Clerk; Samantha Zutler, City Attorney

Approved By: Jamie Goldstein, City Manager

ORDINANCE NO. XXXX

AN ORDINANCE OF THE CITY OF CAPITOLA ADDING MUNICIPAL CODE CHAPTERS 17.82 TO ESTABLISH OBJECTIVE STANDARDS FOR MULTIFAMILY DWELLINGS AND MIXED-USE RESIDENTIAL DEVELOPMENT, AMENDING SECTION 17.16 RESIDENTIAL ZONING DISTRICT, SECTION 17.20 MIXED USE ZONING DISTRICTS, AND 17.24 COMMERCIAL AND INDUSTRIAL ZONING DISTRICTS TO REFERENCE CHAPTER 17.82 OBJECTIVE STANDARDS FOR MULTIFAMILY DWELLINGS AND MIXED-USE RESIDENTIAL DEVELOPMENT.

WHEREAS, SB-35 (Chapter 366, Statutes of 2017) enacted section 65913.4 to the Government Code, effective January 1, 2018; and

WHEREAS, Government Code section 65913.4 requires cities and counties to approve qualifying multifamily projects through a streamlined ministerial process if a project conforms to applicable objective standards and meets other requirements;

WHEREAS, The Housing Accountability Act (HAA), Government Code section 65589.5, limits the ability of cities and counties to deny or reduce the density of housing development projects that are consistent with objective standards;

WHEREAS, SB-330 (Chapter 654, Statutes of 2019) enacted Government Code section 66300 which prohibits cities and counties from establishing design standards that are not objective;

WHEREAS, the HAA and SB-330 apply within the coastal zone, but do not alter or lessen the effect or application of Coastal Act resource protection policies;

WHEREAS, Capitola's Zoning Code currently contains limited objective design standards for multifamily residential development;

WHEREAS, Capitola currently relies on subjective design review criteria in Zoning Code Section 17.120.070 to ensure that multifamily residential development exhibits high-quality design that enhances Capitola's unique identity and sense of place;

WHEREAS, for a project requesting streamlined review under SB-35, the City cannot enforce these requirements;

WHEREAS, under the Housing Accountability Act and SB-330, the City cannot require compliance with these standards for any multifamily or mixed-use residential project in a manner that disallows or reduces the density of the proposed project;

WHEREAS, in 2021 Capitola was awarded an SB-2 grant from the State of California established to fund city planning efforts to streamline housing approvals and accelerate housing production;

WHEREAS, Capitola elected to use part of this SB-2 grant to prepare new objective standards for multifamily and mixed-use residential development;

WHEREAS, the Planning Commission held a study session on February 3, 2021 and the City Council held a study session on April 8, 2021 to provide feedback on the project goals and approach;

WHEREAS, a stakeholder group including architects, developers, and residents provided input on new objective standards at meetings on July 21, 2021 and February 16, 2022;

WHEREAS, on March 31, 2022, the Planning Commission provided feedback on draft objective standards.

WHEREAS, on April 21, 2022, the Planning Commission recommended to the City Council adoption of the objective standards.

BE IT ORDAINED by the City of Capitola as follows:

Section 1. The above findings are adopted and incorporated herein.

Section 2. Section 17.82 (Objective Standards for Multifamily and Mixed-Use Residential Development) is added to the Municipal Code to read as shown in Attachment 1.

Section 3:

Paragraph 4 is added to Municipal Code Section 17.16.030.C as follows:

4. Objective Standards for Multifamily Dwellings. New multifamily dwellings in the RM zoning district must comply with Chapter 17.82 (Objective Standards for Multifamily and Mixed-use Residential Development).

Subsection I is added to Municipal Code Section 17.20.040 as follows:

I. Objective Standards for Multifamily Dwellings and Mixed-use Residential Development. New multifamily dwellings and mixed-use residential development in the MU-N zoning district must comply with Chapter 17.82 (Objective Standards for Multifamily and Mixed-use Residential Development).

Subsection H is added to Municipal Code Section 17.24.030 as follows:

H. Objective Standards for Multifamily Dwellings and Mixed-use Residential Development. New multifamily dwellings and mixed-use residential development in the C-c and C-R zoning districts must comply with Chapter 17.82 (Objective Standards for Multifamily and Mixed-use Residential Development).

Section 4: Environmental Review.

State CEQA Guidelines Section 15061(b)(3) provides that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. There is no possibility that the objective design standards will have a significant effect on the environment, and all non-ministerial projects approved pursuant to the objective design standards shall be subject to CEQA review.

Section 5: Effective Date.

This Ordinance shall be in full force and effect thirty (30) days from its passage and adoption except that it will not take effect within the coastal zone until certified by the California Coastal Commission. This Ordinance shall be transmitted to the California Coastal Commission and shall take effect in the coastal zone immediately upon certification by the California Coastal Commission or upon the concurrence of the Commission with a determination by the Executive Director that the Ordinance adopted by the City is legally adequate.

Section 6: Severability.

The City Council hereby declares every section, paragraph, sentence, cause, and phrase of this ordinance is severable. If any section, paragraph, sentence, clause, or phrase of this ordinance is for any reason found to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining sections, paragraphs, sentences, clauses, or phrases.

Section 7: Certification.

The City Clerk shall cause this ordinance to be posted and/or published in the manner required by law.

This Ordinance was introduced at the meeting of the City Council on the ____ day of _____ 2022, and was adopted at a regular meeting of the City Council on the ____ day of _____ 2022, by the following vote:

AYES:
NOES:
ABSENT:

Sam Story, Mayor

Attest: _____
Chloe Woodmansee, City Clerk

Approved as to form:

Samantha Zutler, City Attorney

Chapter 17.82 - OBJECTIVE STANDARDS FOR MULTIFAMILY AND MIXED-USE RESIDENTIAL DEVELOPMENT

Sections:

- 17.82.010 Purpose
- 17.82.020 Applicability
- 17.82.030 Deviations
- 17.82.040 Circulation and Streetscape
- 17.82.050 Parking and Vehicle Access
- 17.82.060 Building Placement, Orientation, and Entries
- 17.82.070 Building Massing
- 17.82.080 Facade and Roof Design
- 17.82.090 Other Site Features

17.82.010 Purpose

This chapter contains objective standards for multifamily and mixed-use residential development. These standards are intended to help ensure that proposed development exhibits high-quality design that enhances Capitola's unique identity and sense of place.

17.82.020 Applicability

A. Land Use.

1. The standards in this chapter apply to new multifamily dwellings, attached single-family homes (townhomes), and mixed-use development that contain both a residential and non-residential use.
2. This chapter does not apply to detached-single-family dwellings, including subdivisions of multiple subdivisions of multiple single-family homes.

B. Zoning Districts. The standards in this chapter apply in all zoning districts except for the Single-Family (R-1), Mobile Home (MH), Mixed Use Village ((MU-V), and Industrial (I) districts.

17.82.030 Deviations

An applicant may request deviation from one or more standard through the design permit process. The Planning Commission may approve a deviation upon finding that the project incorporates an alternative method to achieve the intent statement the proceeds the standard. A project requesting a deviation is not eligible for streamlined ministerial approval under Government Code Section 65913.4.

17.82.040 Circulation and Streetscape

A. Intent. The intent of the circulation and streetscape standards is to:

1. Enhance the visual character and aesthetic qualities of the city.
2. Encourage pedestrian mobility with safe, functional, and attractive sidewalks.
3. Provide for sufficient sidewalk widths to accommodate street trees and an ADA-compliant pedestrian clear path.
4. Provide for appropriate and attractive transitions from the public to private realm.
5. Promote social engagement along property frontages.

B. Standards.

1. **Sidewalks.** Outside of designated sidewalk exempt areas, public sidewalks abutting a development parcel shall have a minimum sidewalk width (back of curb to back of walk) as follows:
 - a. RM and MU-N zones: 6 feet. If the sidewalk ties into an existing 4-foot sidewalk, the minimum sidewalk width is 4 feet.
 - b. C-C and C-R zones: 10 ft.
2. **Street Trees.**
 - a. At least one street tree for every 30 feet of linear feet of sidewalk length shall be provided within the sidewalk.
 - b. A minimum 48-inch pedestrian clear path shall be maintained adjacent to street trees.
 - c. Sidewalk tree wells shall be minimum 36 inches in width by minimum 36 inches in length. Tree grates are required for sidewalks less than 7 feet in width.
 - d. Street trees shall be located a minimum 15 feet from power and/or other utility poles and “small” per PG&E’s “Trees and shrubs for power line-friendly landscaping” to reduce potential utility line conflicts.
 - e. Street trees shall not be planted over buried utilities, public or private,
 - f. Street trees shall be planted with approved root guard to encourage downward root growth
 - g. The variety of street tree to be planted must be approved the City as part of a landscape plan.
3. **Public Access Easement.** If the existing public right-of-way area between the curb and the property line is insufficient to meet the minimum standards above, extension of the sidewalk onto the property, with corresponding public access easement or dedication, shall be provided.

17.82.050 Parking and Vehicle Access

A. Intent. The intent of the parking and vehicle access standards is to:

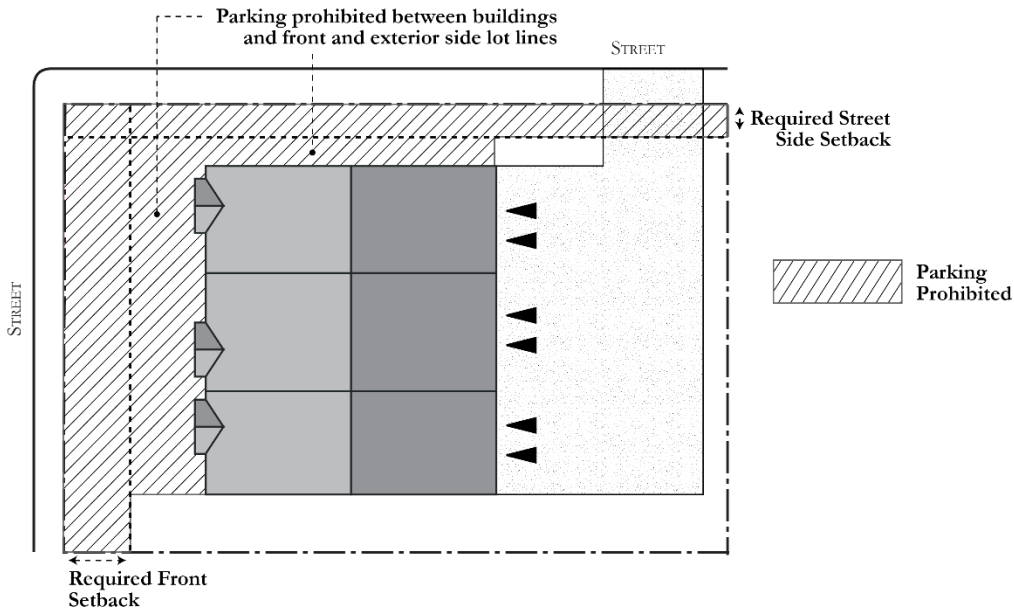
1. Support a pedestrian-friendly streetscape, walkable neighborhoods, and active and inviting mixed-use districts.
2. Minimize the visual dominance of parking facilities visible from the street frontage.
3. Encourage residents to walk, bike, and/or take transit to destinations, rather than drive.

B. Standards

1. Parking Placement.

- a. As shown in Figure 17.82-1, surface parking spaces may not be located:
 - (1) In a required front or street side setback area; or
 - (2) Between a primary structure and a front or street side property line.
- b. The Director may administratively approve an exception to this requirement for age-restricted senior housing developments or when necessary to provide ADA-compliant parking. For such exceptions, the following standards apply:
 - (1) Parking areas adjacent to a street must include a landscaped planting strip between the street and parking area at least four feet wide with a minimum planting height of 36 inches.
 - (2) Plantings and screening materials may include a combination of plant materials, earth berms, solid decorative masonry walls, raised planters, or other screening devices that are determined by the Director to meet the intent of this requirement.
 - (3) Trees must be provided within the planting strip at a rate of at least one tree for each 30 feet of street frontage with a minimum distance of not more than 60 feet between each tree. Tree species must reach a mature height of at least 20 feet.

Figure 17.82-1: Parking Placement



2. **Driveway Width.** The maximum width of a new driveway crossing a public sidewalk is 12 feet for a one-car driveway and 20 feet for a two-car driveway. Greater driveway width is allowed if required by the Fire District.
3. **Number of Driveways.** A maximum of two curb cuts for one-way traffic and one curb cut for two-way traffic are permitted per street frontage per 150 feet of lineal street frontage. Deviation from this standard is allowed if required by the Fire District.
4. **Garage Width and Design.**
 - a. Garage doors may occupy no more than 40 percent of a building's street frontage and shall be recessed a minimum of 18 inches from a street-facing wall plane.
 - b. Street-facing garage doors serving individual units that are attached to the structure must incorporate one or more of the following so that the garage doors are visually subservient and complementary to other building elements:
 - (1) Garage door windows or architectural detailing consistent with the main dwelling.
 - (2) Arbor or other similar projecting feature above the garage doors.
 - (3) Landscaping occupying 50 percent or more of driveway area serving the garage (e.g, "ribbon" driveway with landscaping between two parallel strips of pavement for vehicle tires)
5. **Podium Parking.**

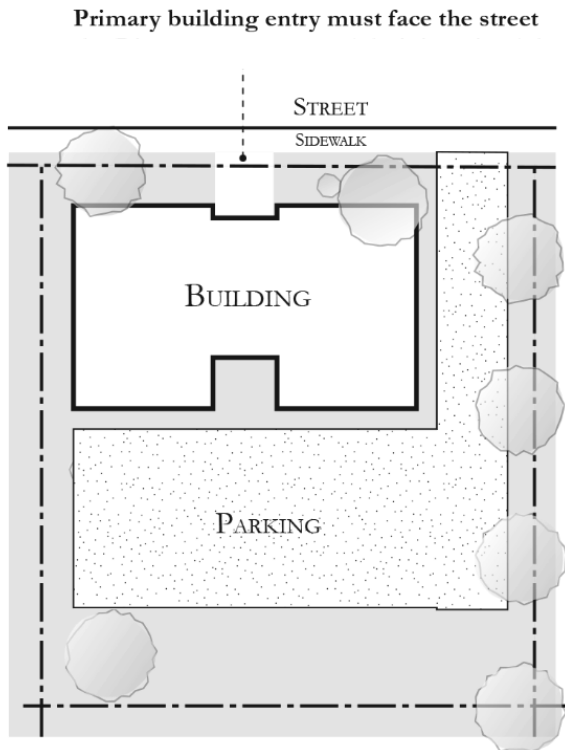
- a. **Landscaping Strip.** Partially submerged podiums adjacent to a street must include a landscaped planter between the street and podium at least 4 feet wide with a planting height and vegetative cover sufficient in height to fully screen the podium edge and ventilation openings from view. At maturity, plantings must comprise a minimum of 75 percent of the total landscape planter area.
 - b. **Residential-only Projects.**
 - (1) The maximum height of lower-level parking podium adjacent to the street is 5 feet above finished sidewalk grade.
 - (2) First-floor units above a street-facing podium must feature entries with stoops and stairs providing direct access to the adjacent sidewalk.
 - c. **Mixed-Use Projects.** The podium parking entry shall be recessed a minimum of 4 feet from the front street-facing building facade.
6. **Loading.**
- a. Loading docks and service areas on a corner lot must be accessed from the side street.
 - b. Loading docks and service areas are prohibited on the primary street building frontage.

17.82.060 Building Placement, Orientation, and Entries

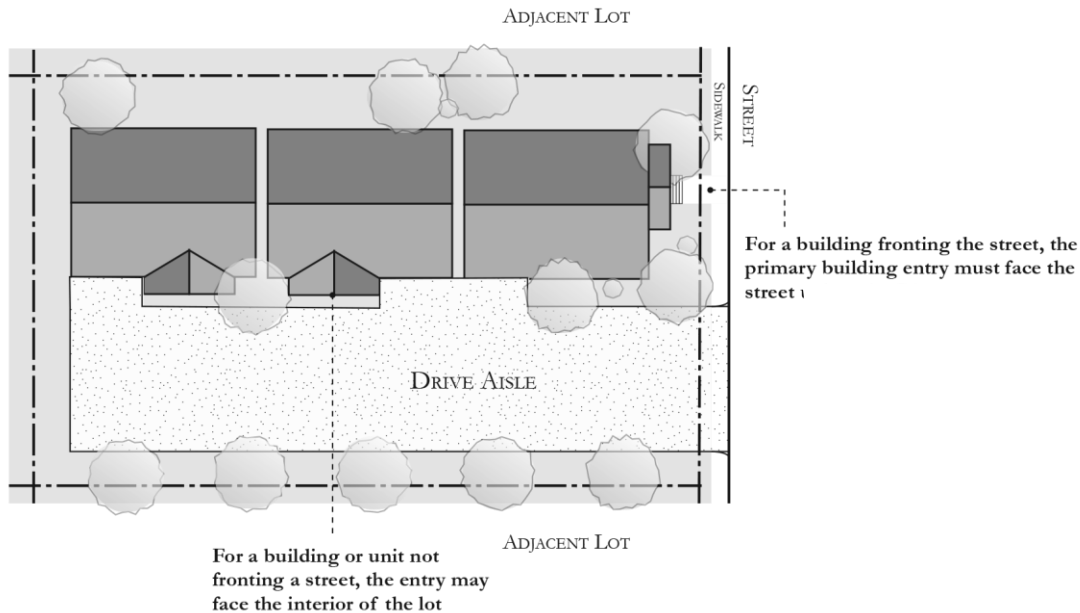
- A. Intent.** The intent of the building placement, orientation, and entries standards is to:
- 1. Support cohesive neighborhoods and social interaction with outward facing buildings.
 - 2. Support a pedestrian-oriented public realm with an attractive and welcoming streetscape character.
 - 3. Provide for sensitive transition from the public realm (sidewalk) to the private realm (residences).
 - 4. Provide adequate area behind buildings for parking.
- B. Standards**
- 1. **Maximum Front Setback.**
 - a. RM Zone: 25 ft. or front setback of adjacent building, whatever is greater.
 - b. MU-N Zone: 25 ft.
 - c. C-C and C-R Zones: 25 ft. from edge of curb.
 - 2. **Front Setback Area.**

- a. All areas between a building and adjoining sidewalk shall be landscaped with live plant materials, except for:
 - (1) Areas required for vehicular or pedestrian access to the property; and
 - (2) Courtyards, outdoor seating areas, and other similar outdoor spaces for residents, customers and/or the general public.
 - b. Landscaping shall consist of any combination of trees and shrubs, and may include grass or related natural features, such as rock, stone, or mulch. At maturity, plantings must comprise a minimum of 75 percent of the total landscape area.
3. **Building Entrances.**
- a. For buildings with one primary entrance that provides interior access to multiple individual dwelling units, the primary building entrance must face the street. A primary building entrance facing the interior of the interior of a lot is not allowed. See Figure 17.82-2.

Figure 17.82-2: Building Entry Orientation – Single Primary Entry



- b. On lots where units have individual exterior entrances, all ground floor units with street frontage must have an entrance that faces the street. If any wall of a ground floor unit faces the street, the unit must comply with this requirement. For units that do not front the street, entrances may face the interior of the lot. See Figure 17.82-3.

Figure 17.82-3: Building Entry Orientation – Multiple Primary Entries

- c. The Director may administratively approve an exception to the entry-orientation standards in this section for residential-only projects on Bay Avenue, Capitola Road, and 41st Avenue north of Jade Street that comply with all of the following standards:
- (1) At least one pedestrian walkway per 50 feet of property street frontage must connect the adjacent sidewalk to the interior of the lot.
 - (2) The area between a building and the street must be landscaped, except for private open space for units (patios) and pedestrian pathways.
 - (3) Continuous solid fences between buildings and the street are prohibited. Private outdoor space, if provided, may be defined by a low fence at least 50 percent transparent.
 - (4) Street-facing buildings may not exceed a width of 100 feet.

4. **Pedestrian Walkway.** A pedestrian walkway, minimum 6-foot width, shall provide a connection between the public street and all building entrances (i.e., residents shall not be required to walk in a driveway to reach their unit).

C. Entry Design.

1. Residential Projects.

- a. A street-facing primary entrance must feature a porch, covered entry, or recessed entry clearly visible from the street that gives the entrance visual prominence. Entrances must be connected to the adjacent sidewalk with a pedestrian walkway.
- b. Front porches must comply with the following:

- (1) The front porch must be part of the primary entrance, connected to the front yard and in full view of the street-way.
 - (2) Minimum dimensions: 6 feet by 5 feet.
 - (3) The porch or covered entry must have open-rung railings or landscaping defining the space.
- c. Recessed entries must feature design elements that call attention to the entrance such as ridged canopies, contrasting materials, crown molding, decorative trim, or a 45-degree cut away entry. This standard does not apply to secondary or service entrances.
2. **Mixed-Use Projects.** Entrances to mixed-use buildings with ground floor commercial must be emphasized and clearly recognizable from the street. One or more of the following methods shall be used to achieve this result:
- a. Projecting non-fabric awnings or canopies above an entry (covered entry);
 - b. Varied building mass above an entry, such as a tower that protrudes from the rest of the building surface;
 - c. Special corner building entrance treatments, such as a rounded or angled facets on the corner, or an embedded corner tower, above the entry;
 - d. Special architectural elements, such as columns, porticos, overhanging roofs, and ornamental light fixtures;
 - e. Projecting or recessed entries or bays in the facade;
 - f. Recessed entries must feature design elements that call attention to the entrance such as ridged canopies, contrasting materials, crown molding, decorative trim, or a 45-degree cut away entry; and
 - g. Changes in roofline or articulation in the surface of the subject wall.
3. **Street-facing Entries to Upper Floors.** Street-facing entries to upper floors in a mixed-use building shall be equal in quality and detail to storefronts. This standard may be satisfied through one or more of the following:
- a. Dedicated non-fabric awning, canopy, or other projecting element
 - b. Dedicated light fixture(s)
 - c. Decorative street address numbers or tiles
 - d. Plaque signs for upper-floor residences.

17.82.070 Building Massing

- A. Intent.** The intent of the building massing and open space standards is to:

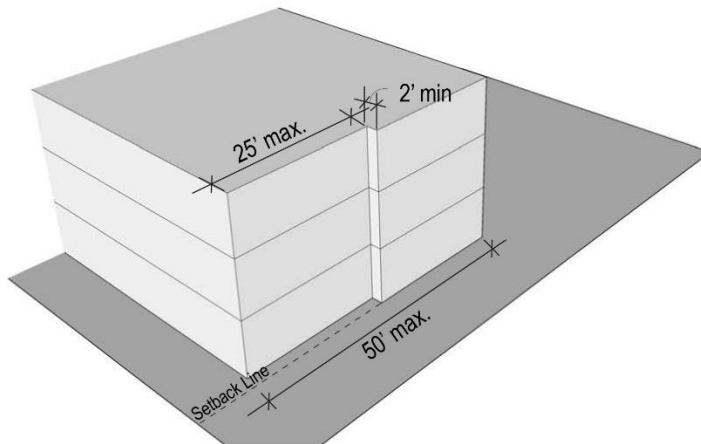
1. Provide for human-scale and pedestrian-friendly building massing where large buildings are broken into smaller volumes that fit into the surrounding neighborhood.
2. Provide for sensitive transitions to adjacent lower-density residential uses.
3. Minimize visual and privacy impacts to neighboring properties.

B. Standards.

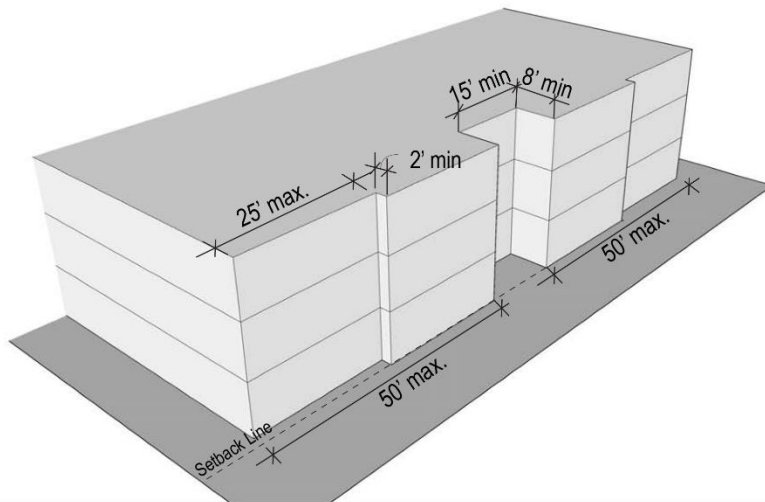
1. Massing Breaks.

- a. All street-facing building facades 25 feet or more in length shall incorporate a building projection or recess (e.g., wall, balcony, or window) at least 2 feet in depth. See Figure 17.82-4.

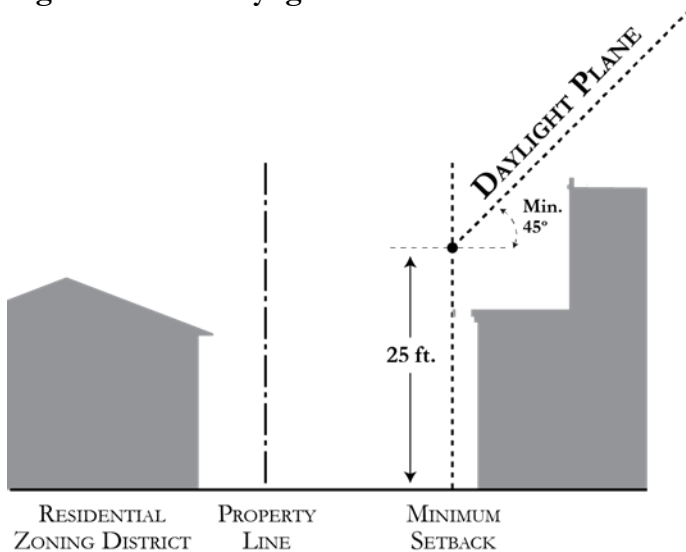
Figure 17.82-4: Massing Breaks – 25 ft. Module



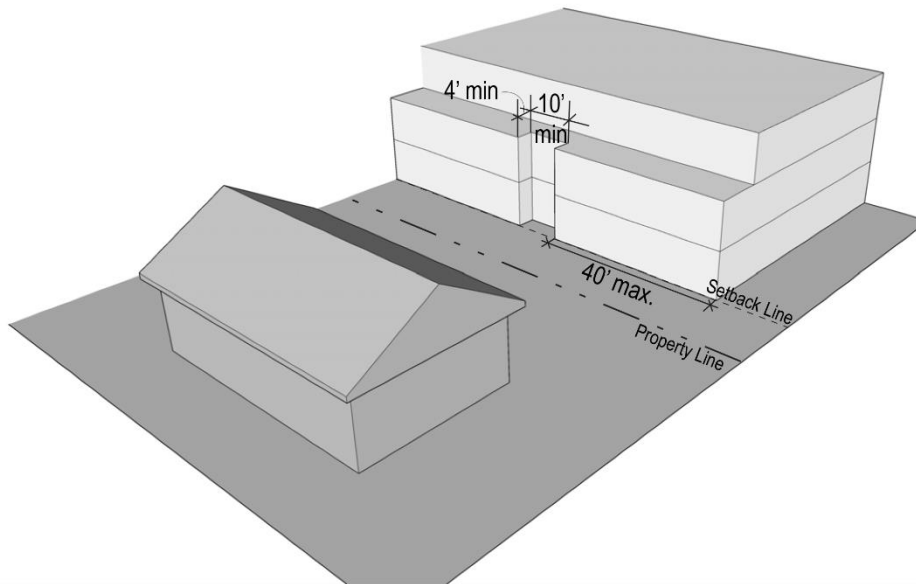
- b. Buildings that exceed 50 feet in length along a street facade shall provide a prominent recess at intervals of 50 feet or less. The recess shall have a minimum of depth of 8 feet and minimum width of 15 feet. See Figure 17.82-5.

Figure 17.82-5: Massing Breaks – 50 ft. Module

2. **Residential Transitions.** Development sharing a side or rear lot line with the R-1 district shall comply with the following:
 - a. No structure shall extend above or beyond a daylight plane having a height of 25 feet at the setback from the residential property line and extending into the parcel at an angle of 45 degrees. See Figure 17.82-6.

Figure 17.82-6: Daylight Plane

- b. A side building wall adjacent to a single-family dwelling may not extend in an unbroken plane for more than 40 feet along a side lot line. To break the plane, a perpendicular wall articulation of at least 10 feet width and 4 feet depth is required. See Figure 17.82-7.

Figure 17.82-7: Break in Side Building Wall**17.82.080 Facade and Roof Design**

A. Intent. The intent of the facade and roof design standards is to:

1. Create street-facing building facades that are varied and interesting with human-scale design details;
2. Incorporate architectural elements that reduce the perceived mass and box-like appearance of buildings;
3. Provide for buildings designed as a unified whole with architectural integrity on all sides of the structure;
4. Promote design details and materials compatible with the existing neighborhood character; and
5. Minimize privacy impacts to neighboring properties

B. Standards.

1. **Blank Wall Areas.**
 - a. The area of a blank building wall fronting a public street may not exceed a square area where the height and width are both 10 feet. See Figure 17.82-8.
 - b. A break in a blank building wall may be provided by any of the following:
 - (1) Doors, windows, or other building openings.
 - (2) Building projections or recesses, decorative trim, trellises, or other details that provide architectural articulation and design interest.

- (3) Varying wall planes where the wall plane projects or is recessed at least six inches.
- (4) Awnings, canopies or arcades.
- (5) Murals or other similar public art.

Figure 17.82-8: Blank Walls



2. **Windows and Doors.** Street-facing windows and doors shall comply with one of the following:
 - a. All street-facing windows and doors feature built up profile trim/framing. Windows must include sills and lintels. Trim/framing must project at least two inches from the building wall with material that visually contrasts from the building wall.
 - b. For all street-facing windows, glass is inset a minimum of 3 inches from the exterior wall or frame surface to add relief to the wall surface.
3. **Facade Design.** Each side of a building facing a street shall include a minimum of two of the following façade design strategies to create visual interest:
 - a. **Projecting Windows.** At least 25 percent of the total window area on the street-facing building wall consists of projecting windows. The furthest extent of each projecting window must project at least one foot from the building wall. This requirement may be satisfied with bay windows, oriel windows, bow windows, canted windows, and other similar designs.
 - b. **Window Boxes.** A minimum of 50 percent of street-facing windows feature window boxes projecting at least one-half foot from the building wall.
 - c. **Shutters.** A minimum of 50 percent of street-facing windows feature exterior decorative shutters constructed of material that visually contrasts from the building wall.

- d. **Prominent Front Porch.** A front porch with a minimum depth of 6 feet and width of 12 feet providing access to the unit's primary entrance.
 - e. **Balconies.** Balconies, habitable projections, or Juliet balconies, with at least 20 percent of the linear frontage of the street-facing building wall containing one or more above-ground balcony.
 - f. **Shade/Screening Devices.** Screening devices such as lattices, louvers, shading devices, awnings, non-fabric canopies, perforated metal screens, with such a device occupying at least 20 percent of the linear frontage of the street-facing building wall.
 - g. **Datum Lines.** Datum lines that continue the length of the building, such as cornices, with a minimum four inches in depth, or a minimum two inches in depth and include a change in material.
 - h. **Varied Exterior Color.** The street-facing building walls feature two or more visibly contrasting primary colors, with each color occupying at least 20 percent of the street-facing building wall area.
 - i. **Varied Building Wall Material.** The street-facing building walls feature two or more visibly contrasting primary materials (e.g., wood shingles and stucco), with each material occupying at least 20 percent of the street-facing building wall area.
4. **Roof Design.** Each side of a building facing a street shall include a minimum of one of the following roof design strategies to create visual interest:
- a. **Roof Eaves.** A roof eave projecting at least two feet from the street-facing building wall with ornamental brackets or decorative fascia and eave returns.
 - b. **Roof Form Variation.** At least 25 percent of the linear frontage of the building's street-facing building roof line incorporates at least one element of variable roof form that is different from the remainder of the street-facing roof form. This requirement may be satisfied with recessed or projecting gabled roof elements, roof dormers, changes in roof heights, changes in direction or pitch of roof slopes, and other similar methods.
 - c. **Roof Detail and Ornamentation.** At least 80 percent of the linear frontage of the building's street-facing roof line incorporates roof detail and/or ornamentation. This requirement may be satisfied with Parapet wall that is an average of at least one-foot tall and has a cornice, periodic and articulated corbelling or dentils, an ornamental soffit, an offset gable clearstory, and other similar methods.
5. **Neighbor Privacy.**
- a. Balconies, roof decks and other usable outdoor building space is not allowed on upper-story facades abutting R-1 zoning district.

- b. Sliding glass doors, French doors, and floor-to-ceiling windows are not allowed on upper-story facades abutting R-1 zoning district.
 - c. Windows facing adjacent dwellings must be staggered to limit visibility into neighboring units. The vertical centerline of a window may not intersect the window of an adjacent dwelling.
6. **360-degree Design.** Buildings shall have consistent architectural quality on all sides, with all exterior surfaces featuring consistent facade articulation, window and door material and styles, and building wall materials and colors.

17.82.090 Other Site Features

A. Intent. The intent of the other site feature standards is to:

- 1. Minimize visual clutter on a development site.
- 2. Enhance the design character of the public realm.
- 3. Support an active and welcoming pedestrian environment.
- 4. Minimize noise, odor, and visual impacts on neighboring residential properties.

B. Standards.

- 1. **Refuse Storage Areas.**
 - a. Refuse collection and storage areas may not be located:
 - (1) In a required front or street side setback area;
 - (2) Between a primary structure and a front or street side property line;
 - (3) Within a required landscape area; or
 - (4) Within a required side setback area adjacent to an R-1 district.
 - b. Refuse containers shall be located in a building or screened from public view by a solid enclosure.
- 2. **Mechanical Equipment Screening.**
 - a. Rooftop mechanical equipment, including vents and stacks, shall be fully screened from view by an architectural feature, such as a parapet wall.
 - b. Ground-mounted mechanical equipment may not be located
 - (1) In a required front setback area; or
 - (2) Between a primary structure and a front property line.
- 3. Backflow prevention devices shall not be placed directly in front of the building but may be located in a side location of the front yard. Backflow prevention devices may be located within the front half of the lot, when located between the side building plane extending to the front property line and the side yard property line. The equipment shall be either:

- a. Screened to its full height by a combination of fencing and perennial landscaping to 70 percent opacity; or
- b. Contained within a protective enclosure (metal grate) within a planter or landscape bed.

Capitola City Council

Agenda Report

Meeting: May 26, 2022

From: City Manager Department

Subject: Receive Update on Pandemic Response and Consider Adopting Proposed Resolution Allowing for the Continuation of Teleconferencing



Recommended Action: 1) Make the determination that all hazards related to the worldwide spread of the coronavirus (COVID-19) as detailed in Resolution No. 4168 adopted by the City Council on March 12, 2020, still exist and there is a need to continue action; and 2) Adopt the proposed resolution authorizing the City Council (along with the Planning Commission and all advisory bodies) to continue to conduct teleconferencing meetings.

Background: In December 2019, an outbreak of a respiratory illness linked to the novel coronavirus (COVID-19) was first identified. In March 2020, the State of California, the County of Santa Cruz, and the City of Capitola each declared a state of emergency due to the virus. Also in March 2020, the World Health Organization declared COVID-19 a pandemic.

State and local health officers issued health orders to stop the spread of COVID-19; in Santa Cruz County this included March, April, and May 2020 Shelter-In-Place orders that were more restrictive than statewide guidance. Since then, the County Health Officer has incorporated all Orders of the State Public Health Officer, which set baseline statewide restrictions on travel and business activities.

Currently (and since February 2022), there are no State required COVID-19 restrictions, other than minimal masking requirements in certain settings. COVID-19 public safety economic restrictions were mostly removed in June 2021 when the state met the criteria to fully reopen the economy and moved beyond the Blueprint for a Safer Economy.

The State released the SMARTER Plan on February 17, 2022, which focuses on Shots, Masks, Ventilation, Tests, Isolation, and Treatment as the keys to prepare for future COVID-19 surges or variants.

As of May 20, 2022, more than 6.27 million people worldwide have died of COVID-19. One million of those deaths have been in the United States. This is likely an undercount of all those that have died from the virus. There have been 523.9 million cases reported worldwide, though this is an undercount of all those that have been infected with COVID-19. At least 5.2 million children have lost a parent or caretaker due to the virus.

In the United States, more than one million people have died from Covid since the beginning of the pandemic. Per Nation Public Radio reports, “so many people died from COVID-19, that a disease that didn’t exist three years ago became the third leading cause of death in [America], after heart disease and cancer”. More than 82 million COVID-19 cases have been reported in the U.S. On May 5, 2022, The World Health Organization said that “nearly 15 million more people died during the pandemic than would have in normal times”.

According to reports from NBC News, “two years into the pandemic, the number of children who have lost a parent or other in-home caregiver to Covid across the United States is estimated to exceed 200,000.”

Discussion: In California 90,382 deaths due to COVID-19 have been reported since the beginning of the pandemic. There is currently a daily average of 10 deaths a day, down from 13 two-weeks ago. According to data from May 19, 2022, the average new COVID-19 case count per 100k was 23.2 (up from 20.9 just two days earlier, and from 18.5 on Monday, and 12.4 on May 6). In California, at least 1 in 4 residents have been infected with COVID-19.

Spring Surge

The New York Times reported on May 20 that “the United States is currently averaging more than 100,000 known cases per day for the first time since February. Cases are rising in nearly every state, and since many cases go uncounted in official reports, the true toll is likely even higher than these figures suggest”. In the Northeast and Midwest, “daily case reports are higher today that they were at the peak of last summer’s Delta surge”.

Boosters

On March 29, 2022, the Center for Disease Control (CDC) announced a recommendation that certain individuals (outlined below) receive an additional mRNA booster (a Moderna or Pfizer shot). Those recommended for an additional booster are:

- 1) Immunocompromised individuals
- 2) People over the age of 50 who received an initial booster dose at least 4 months ago
- 3) Adults who received a primary vaccine and booster dose of Johnson & Johnson’s Janssen COVID-19 vaccine at least 4 months ago

California Statewide Mask Guidelines

Masks are required in:

- Healthcare settings
- Emergency shelters
- Jails and prisons
- Homeless shelters
- Long-term care

Masks are strongly recommended in:

- Public transit, stations, terminals, and airports
- Indoor public settings
- K-12 schools
- Childcare settings

The U.S. Government is giving out free N95 masks to those that need them. Each person is eligible for three masks, and masks will be available at community health centers, pharmacies, and other stores. Locally, Walgreens and CVS are currently distribution points.

At-home tests are now more readily available at many drug stores. Four free rapid antigen at-home tests are also available for all residents, provided by the federal government. Shipments are limited per household, and you can sign up for your free delivery through the United States Postal Service with this link: <https://special.usps.com/testkits>. Tests are generally delivered within a week-and-a-half of ordering.

Local Case Numbers and Statistics in Santa Cruz County

On April 20, the active case count in Santa Cruz County was 727. Now according to data from May 18, the active case count is at 1,734 and the average case count per 100k is 41. As a reminder, the case count per 100k in Santa Cruz County is twice that of the state’s average.

In our County the total death count due to COVID-19 is 262.

City Hall Operations

City Hall has been open to the public since June 2020 in one configuration or another, dependent upon applicable health guidance and local COVID-19 case levels. Staff has returned to the COVID-default setup, with the lobby open to one member of the public at a time.

Virtual/Teleconferencing Meetings & In-Person Meetings

The Governor signed Assembly Bill 361 on September 16, 2021. The Bill allows cities to continue virtual meetings (much as Capitola City Council Meetings function now) as long as the state is under a proclaimed state of emergency; through 2024 when the bill will sunset. The Bill requires legislative bodies to comply with the requirements set forth in Government Code section 54953(e)(2) to ensure the public can safely participate and observe local government meetings. One of the requirements is for Council to adopt findings every thirty days.

Attached is a resolution that makes the following findings:

- 1) Find that current conditions authorize teleconference public meetings, based on the Governor's state of emergency regarding the COVID-19 Pandemic
- 2) Authorize legislative bodies to conduct teleconference meetings, allowing Capitola City Council, Planning Commission, and other advisory bodies to continue to meet using Zoom.

After feedback provided by Council during the March 24, 2022, meeting, staff is prepared to discuss conducting hybrid Council meetings (with both virtual and in-person attendance) beginning in summer. Staff researched, determined, and ordered the necessary equipment to facilitate hybrid meetings, and all but one item has been received; the last remaining piece is anticipated by the vendor. Staff hopes that all equipment will be delivered in time for installation to begin at City Hall sometime in June.

When Council does return for hybrid meetings, the public will be notified in advance that in-person attendance is welcome with information on the published meeting agenda as well as on the City website.

Fiscal Impact: Fiscal impacts are continually reviewed by Staff as business restrictions and consumer behaviors change in our community. In addition, the City Council has set aside \$600,000 to help ensure the City has available resources should the pandemic result in further unforeseen impacts, which remains in the approved FY 2021/22 Budget.

Attachments:

1. Proposed Teleconferencing resolution

Report Prepared By: Chloé Woodmansee, City Clerk

Approved By: Jamie Goldstein, City Manager

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA AND ON BEHALF OF COMMISSIONS AND COMMITTEES CREATED BY THE CITY COUNCIL PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54952(b) AUTHORIZING TELECONFERENCE MEETINGS IN COMPLIANCE WITH AB 361 (GOVERNMENT CODE SECTION 54953(e)) TO CONTINUE TO ALLOW MEMBERS OF THE PUBLIC TO SAFELY PARTICIPATE IN LOCAL GOVERNMENT MEETINGS

WHEREAS, the City Council is committed to ensuring public access to observe and participate in local government meetings; and

WHEREAS, all meetings of the City Council and other legislative bodies created pursuant to Government Code Section 54952(b) are open and public, as required by the Ralph M. Brown Act, so that any member of the public may participate in local government meetings; and

WHEREAS, the recently adopted AB 361, codified at Government Code section 54953(e), makes provisions for remote teleconferencing participation in local government meetings, without compliance with the requirements of 54953(b)(3), during a Governor-proclaimed state of emergency and if the local legislative body determines, by majority vote, that as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees, and

WHEREAS, on March 4, 2020, Governor Newsom proclaimed a State of Emergency due to the outbreak of respiratory illness due to a novel coronavirus (now known as COVID-19) and that State of Emergency is still in effect in the State of California; and

WHEREAS, on March 12, 2020, the Capitola City Council proclaimed the existence of a local emergency due to the worldwide spread of the coronavirus with Resolution No. 4168, pursuant to Section 8.08.020 of the Capitola Municipal Code and Section 8625 of the California Emergency Services Act in response to the COVID-19 pandemic; and

WHEREAS, COVID-19 continues to threaten the health and lives of City residents; and

WHEREAS, the SARS-CoV-2 Delta Variant (Delta Variant) is highly transmissible in indoor settings; and

WHEREAS, on July 28, 2021, the California Department of Public Health issued guidance calling for the use of face coverings and stating that the Delta Variant is two times as contagious as early COVID-19 variants, leading to increasing infections, the Delta Variant accounts for over 80% of cases sequenced, and cases and hospitalizations of COVID-19 are rising throughout the state; and

WHEREAS, the Delta Variant has caused, and will continue to cause, conditions of imminent peril to the health safety of persons within the City; and

WHEREAS, on October 14, November 23, and December 9, 2021, January 13, February 10, and February 27, March 10, March 24, April 14, April 28, and May 12, 2022, the City Council adopted a resolution proclaiming the need to meet by teleconference pursuant to Government Code Section 54953; and

WHEREAS, the City Council, acting as a legislative body pursuant to Government Code section 54952(a) and for the benefit of the commissions, committees and other bodies that were created by the City Council pursuant to Government Code section 54952(b) (collectively referred to as "Legislative Bodies"), finds that the current conditions meet the circumstances set forth in Government Code section 54953(e)(3) to allow Legislative Bodies to continue to use

teleconferencing to hold open and public meetings if the Legislative Bodies comply with the requirements set forth in Government Code section 54953(e)(2) to ensure the public can safely participate in and observe local government meetings.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Capitola that the City Council does hereby:

1. Recitals. The Recitals set forth above are true and correct and are hereby incorporated by this reference.

2. Find that Current Conditions Authorize Teleconference Public Meetings of Legislative Bodies. The City Council has reconsidered the circumstances of the state of emergency and finds that based on the California Governor’s continued declaration of a State of Emergency and current conditions, meeting in person would present imminent risks to the health or safety of attendees, such that the conditions continue to exist pursuant to Government Code section 54953(e)(3) to allow Legislative Bodies to use teleconferencing to hold public meetings in accordance with Government Code section 54953(e)(2) to ensure members of the public have continued access to safely observe and participate in local government meetings.

3. Authorize Legislative Bodies to Conduct Teleconference Meetings. The Legislative Bodies are hereby authorized to take all actions necessary to carry out the intent and purpose of this Resolution, including conducting open and public meetings in accordance with Government Code section 54953(e)(2) and other applicable provisions of the Brown Act.

I HEREBY CERTIFY that the foregoing resolution was PASSED and ADOPTED by the City Council of the City of Capitola on the 28th day of April 2022, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Sam Storey, Mayor

ATTEST: _____
Chloé Woodmansee, City Clerk

Capitola City Council

Agenda Report

Meeting: May 26, 2022

From: City Manager Department

Subject: Community Grant Program Recommendations



Recommended Action: Consider the recommendations of the Community Grant Subcommittee and direct staff to make proposed changes to the Community Grant process.

Background: The City of Capitola Community Grant Program historically has funded up to 40 community groups and programs. In 2018, the voters approved an amendment to the Transitory Occupancy (Hotel) Tax that dedicates a percentage of the tax to Early Child and Youth Programs (ECYP). The City Council has used this to fund youth programs through the Community Grant Program.

At the April 14, 2022, City Council meeting, the City Council received a report from Optimal Solutions Consulting outlining ways Capitola's Community Grant Program could be modified. The City Council appointed Councilmembers Brown and Brooks to a subcommittee to review the report and make recommendations.

Discussion: The subcommittee met multiple times to review the Optimal Solutions report and to consider its recommendations. The following are the subcommittee's recommendations:

- Budget the Community Grant Program at the Following Amounts
 - General Fund (GF) \$125,000
 - ECYP Funding \$61,000
- Establish a three-year grant cycle
 - Establishes a secure funding source for the grantees
- Establish three general fund Grant Conditions for Health and Well Being Priorities
- Fund the Conditions for Health and Well Being Priorities at the following percentages.
 - Stable and Affordable Housing and Shelter - 50% of GF funding
 - Health and Wellness - 30% of GF funding
 - Healthy Environment - 20% of GF funding
- Establish the Dedicated Funding Grant priority for Early Childhood and Youth Programs (ECYP)
 - Use recurring ECYP revenues to fund ECYP Grants
- Organize Grants into two tiers:
 - Operational Grants (Up to \$7,500)
 - 30% of funding in each Priority
 - Organization must serve Capitola residents
 - Can be used for administration
 - Outcome Grants (\$7,500 - \$15,000)
 - 70% of funding in each Priority
 - Specific program funded must directly benefit Capitola residents
 - Organization to report to City Council during grant period
 - Up to 25% of grant can be used for administration

The subcommittee also recommended opening the program up to new applicants and to find additional ways to distribute information about the Community Grant program.

In addition to the Community Grant Program, the City has been able to secure more than \$450,000 of CDBG funding over three years for food distribution agencies in Santa Cruz County. This funding will be allocated to Second Harvest Food Bank, Grey Bears, and Community Bridges.

Upon recommendation of the City Council, staff would create and distribute the application with the approved budgetary information.

Fiscal Impact: The General Fund portion of the Community Grant Program was \$125,000 in fiscal year 2021-22 and the ECYP allocation was \$50,000. The 2022-23 amounts will be determined by the City Council during the budget process.

Attachments:

1. Optimal Solutions Community Grant Program Report
2. Conditions for Health and Well-Being

Report Prepared By: Larry Laurent, Assistant to the City Manager

Reviewed By: Chloé Woodmansee, City Clerk; Samantha Zutler, City Attorney

Approved By: Jamie Goldstein, City Manager



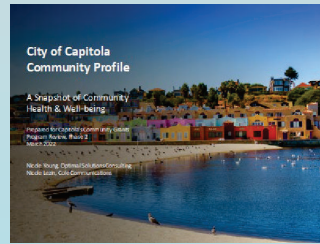
City of Capitola Community Grants Program (CGP) Review

Interim Report to the Capitola City Council on Implementing Recommended CGP Process Improvements

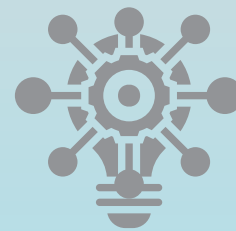
April 14, 2022

Optimal Solutions Consulting

CGP Review, Phase 2



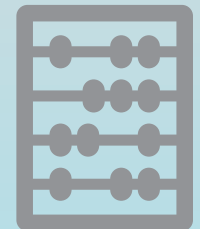
Community Profile



Useful Lessons & Insights



City Council Member Interviews

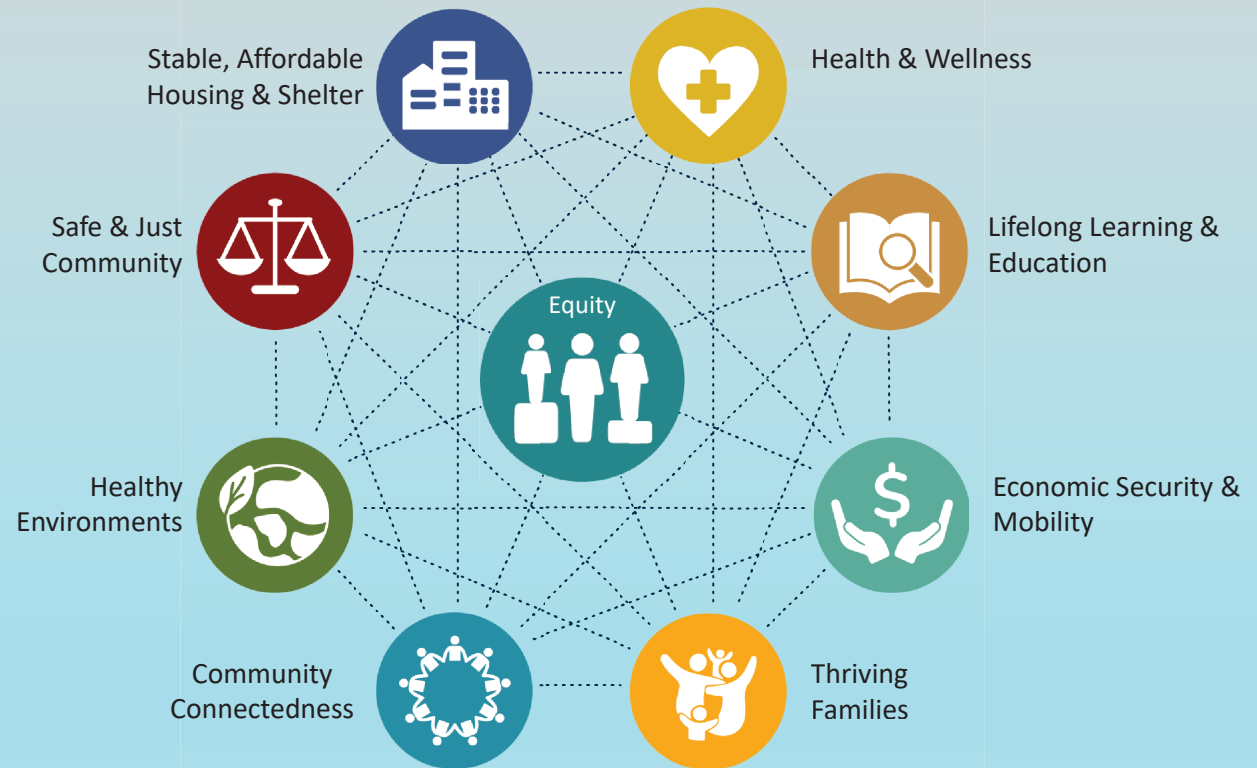


Funding Allocation Strategy and Process

City of Capitola Community Profile



CORE Conditions for Health & Well-being



City of Capitola Community Profile

City of Capitola Community Profile

A Snapshot of Community Health & Well-being

Prepared for Capitola Community Health & Well-being Steering Committee
March 2022

Nicole Young, General Solutions Consultant
Nicole Lohr, Case Management Analyst

Who Lives in Capitola?

Age

Population by Age Group

Age Group	2019	2020	% Change
0-17	1,100	1,100	0%
18-24	1,100	1,100	0%
25-34	1,100	1,100	0%
35-44	1,100	1,100	0%
45-54	1,100	1,100	0%
55-64	1,100	1,100	0%
65+	1,100	1,100	0%

Population by Race

Race	2019	2020	% Change
White	1,100	1,100	0%
Black	1,100	1,100	0%
Hispanic	1,100	1,100	0%
Asian	1,100	1,100	0%
Other	1,100	1,100	0%

A Framework for Understanding Community Health & Well-being in the City of Capitola

The City of Capitola is a vibrant community with a rich history and a strong sense of community. The City's health and well-being is shaped by a variety of factors, including social, economic, and environmental conditions. This framework provides a comprehensive overview of the factors that influence community health and well-being in Capitola.

CORE Condition: Health & Wellness

All citizens have the opportunity to live a healthy, active, and well-being life.

17% of the population is obese

17% of the population is overweight

17% of the population is underweight

17% of the population is obese

17% of the population is overweight

17% of the population is underweight

CORE Condition: Economic Security and Social Mobility

Capitola has a high percentage of the population that is economically secure and has a high rate of social mobility.

21% of the population is economically secure

21% of the population is economically secure

21% of the population is economically secure

21% of the population is economically secure

CORE Condition: Community Connectedness

Capitola has a high percentage of the population that is community connected and has a high rate of social engagement.

33% of the population is community connected

33% of the population is community connected

33% of the population is community connected

33% of the population is community connected

CORE Condition: Safe & Just Community

Capitola has a high percentage of the population that is safe and has a high rate of justice.

40% of the population is safe

40% of the population is safe

40% of the population is safe

40% of the population is safe

CORE Condition: Thriving Families

Capitola has a high percentage of the population that is thriving and has a high rate of family well-being.

50% of the population is thriving

50% of the population is thriving

50% of the population is thriving

50% of the population is thriving

CORE Condition: Healthy Environments

Capitola has a high percentage of the population that is healthy and has a high rate of environmental well-being.

60% of the population is healthy

60% of the population is healthy

60% of the population is healthy

60% of the population is healthy

CORE Condition: Stable, Affordable Housing & Shelter

Capitola has a high percentage of the population that is stable and has a high rate of affordable housing and shelter.

70% of the population is stable

70% of the population is stable

70% of the population is stable








70% of the population is stable

View the Capitola Community Profile: <https://bit.ly/Capitola-Community-Profile-2022>

Capitola Community Profile: A-ha's & Surprises

Age of population: working age (25-64), older adults

Growing diversity of population: race/ethnicity, language

-  Older adults with a disability
-  Childcare: unmet need, high cost (> UC tuition)
-  Residents with a Bachelor's degree
-  Median household income
-  Children (<18) living in families with low incomes
-  AARP Livability score
-  Home ownership rate; Housing vacancy rate

*"Those who **want** to live here **can't**; those who **can afford** to live here **don't!**"*

Many of the indicators are related, or interconnected...like the CORE Conditions

Data Wish List

- More data on adolescent / young adult age groups
- Civic engagement; connection to local government; levels of volunteerism
- Access to counseling, mental health services
- Nature of service calls to Capitola Police Dept
- Participation in Capitola Parks & Rec programs
- Effects of tourism on quality of life
- Homeless Census Count



Useful Lessons & Insights: Funders & Community- based Organizations (CBOs)

- **Streamline and simplify** funding processes
- **Simple ≠ Easy**
- **CORE Conditions** as organizing framework
- **Embed equity** throughout funding processes
- CBOs appreciate:
 - Clear and frequent **communication**
 - **Tools and technical assistance**
 - Only being asked for **information that will be used** for funding decisions and reports
 - **Level of detail** required in funding applications and progress reports is **proportionate** to amount of funds requested

Interview Themes

- Data & Results: Situational Approach
- High-level Priorities
- Leveraging Opportunities
- Consistent, Stable Process
- Existing vs. New Grantees



Address gaps or unmet needs with an equity lens

informed by a variety of data (quantitative and qualitative)



Align with other City goals & commitments (plans, budget principles)

while leaving room to address emerging issues



Invest in the health & well-being of Capitola residents

through City-specific programs and/or contributions to countywide efforts



Balance consistency, flexibility, past practices, innovation, accountability & feasibility

to ensure effective use of CGP funds while minimizing burden for grantees and staff

DRAFT: Guiding Principles for CGP Funding

1. Identify **3-4 priority areas**: informed by **data** about overall needs and specific populations, aligned with **City goals and commitments**, organized by **CORE Conditions for Health & Well-being**
2. Allocate an **equal percentage of CGP funds across selected priority areas** unless/until a more thorough community-centered prioritization process is conducted
3. Consider **multi-year grants** that **align with other local funding cycles** to increase stability, enhance leveraging potential, and reduce workload for grantees and staff
4. Consider using [GuideStar profiles](#) and [Candid's Seals of Transparency](#) as the grant application, supplemented with minimal additional, Capitola-specific information
5. Establish **2-3 types of Community Grants**, with varying award amounts and expectations that are proportionate to the amount of funding requested

Recommendations to Consider

Example: Aligning CGP Priorities

CORE Condition	Health & Wellness	Lifelong Learning & Education	Community Connectedness	Stable, Affordable Housing & Shelter
Areas of Community Need	<ul style="list-style-type: none"> • Older adults w/a disability • Mental health of adults & youth • Food security & nutrition 	<ul style="list-style-type: none"> • Childcare needs & cost (including out-of-school care) 	<ul style="list-style-type: none"> • Social capital • Civic engagement 	<ul style="list-style-type: none"> • Housing stability (access, affordability) • Rental assistance
Aligns with: City Goals, Plans, Existing Efforts, and/or Other City Investments	<ul style="list-style-type: none"> • Public Service budget principle • Opioid settlement • CDBG grants 	<ul style="list-style-type: none"> • Public Service budget principle • Recreation Programming • Children & Youth Fund 	<ul style="list-style-type: none"> • Public Service budget principle • Recreation Programming 	<ul style="list-style-type: none"> • Public Service budget principle • Housing Element • Countywide Homelessness Response • CDBG grants

Example: Candid Seals of Transparency (excerpt)

	Bronze	Silver	Gold	Platinum
Agency Overview: Contact Info, Mission Statement, Subject Area, Target Population, Agency Leader	✓	✓	✓	✓
Programs: Program Name & Description, Geo Area Served		✓	✓	✓
Financials: Audited Financial Statement or Financial Reports			✓	✓
Board & Staff: Board Chair, Board Members, Other Staff, Leader Demographics (race/ethnicity, gender, sexual orientation, disability status)			Leadership Demographics required, all else is optional	✓
Strategy & Goals: Strategic Plan or Stated Goals, Metrics, <i>Evaluation Report (optional)</i>				✓

[View PDF Summary](#)

Example: Types of Community Grants

	Operational Grants	Outcomes Grants	Impact Grants
Grant Size	Small (e.g., \$5,000 - \$9,999)	Medium (e.g., \$10,000 - \$19,999)	Large (e.g., \$20,000+)
# Awards	More	Fewer	Least
Grant Purpose	Support general operating costs for programs that foster health & well-being of Capitola residents	Support implementation and/or evaluation of programs that foster health & well-being of Capitola residents; Directly benefits Capitola residents	Co-fund/Contribute to broader initiative(s) that foster equitable health & wellbeing; May directly or indirectly benefit Capitola residents
Application & Data/ Reporting Expectations	<ul style="list-style-type: none"> • Bronze Seal or higher • Program description & use of CGP funds • Est. % Capitola residents served • Units of service (outputs) 	<ul style="list-style-type: none"> • Silver Seal or higher • Program description & use of CGP funds • Est. % Capitola residents served • Units of service (outputs) • At least 1 outcome 	<ul style="list-style-type: none"> • Gold Seal or higher • Accept detailed proposals & progress reports submitted to other co-funders

Conditions for Health and Well-being

Committee Selected Conditions

Health and Wellness

- Equitable access to affordable, quality care
- Appropriate utilization of care
- Behaviors that maintain or improve health
- Optimal health status

Stable, Affordable Housing and Shelter

- Increased inventory of housing, especially affordable housing
- Increased availability of safe shelter
- Access to safe, stable, affordable housing

Healthy Environments

- Quality of the natural environment and natural resources
- Climate change resiliency
- Safe, affordable, accessible recreational spaces
- Safe, affordable, accessible transportation system

Other Conditions

Lifelong Learning and Education

- Equitable access to high-quality education and learning opportunities
- Quality of education and learning opportunities and environments
- Participation in education and learning opportunities
- Skills & educational achievement
- Educational attainment & workforce readiness

Economic Stability and Social Mobility

- Increased economic vitality
- Higher levels of self-sufficiency
- Increased social, economic, and occupational mobility
- Increased generational wealth

Thriving Families

- Increased resilience of children and youth
- Increased resilience among adults
- Increased resilience among older and dependent adults

Community Connectedness

- Connection to others
- Access to diverse community arts and cultural experiences
- Increased civic engagement

Safe and Just Communities

- Individuals and families are free from all forms of violence
- Neighborhoods and communities are safe
- Justice systems are fair, restorative, and promote healing

Capitola City Council

Agenda Report



Meeting: May 26, 2022

From: City Manager Department

Subject: Receive Community Survey Results

Recommended Action: Receive report and provide direction to staff regarding potential measures to place on November 2022 ballot.

Background: The City Council authorized a contract with Gene Bregman and Associates for a community survey on April 14, 2022. At that meeting, Council directed two key topics for polling: 1) a second home tax, 2) a new District sales tax.

Discussion: Mr. Bregman will present the polling results at the meeting. Following the presentation Council will be asked to provide direction regarding potential ballot measures. Suggested potential actions include:

- Direct staff to gather additional information about a second home tax and/or new District sales tax for City Council review on June 9
- Determine the City, based on the polling results, should not consider any ballot measures for the November 2022 election

The deadline to place measures on the ballot is August 12, 2022. There are three regular Council meetings prior to that date; on June 9, June 23, and July 28. Should Council wish to place an item on the November 7, 2022, ballot Council must adopt the appropriate resolutions before August 12.

Fiscal Impact: Fiscal impacts of any new potential tax would be dependent on the details of that tax. One quarter percent District sales taxes in Capitola generate about \$1 million per year. Potential revenue from a second home tax would depend on the tax level and ultimate number of homes subject to the tax. Based off data from the Census, and the second home tax rate used by other cities, such a tax could generate approximately \$2 million per year.

Report Prepared/Approved By: Jamie Goldstein, City Manager

Reviewed By: Chloé Woodmansee, City Clerk

Capitola City Council

Agenda Report

Meeting: May 26, 2022

From: Community Development Department

Subject: Regional Housing Needs Allocation



Recommended Action: Accept staff presentation on Regional Housing Needs Allocation and direct the Mayor to send the attached comment letter to the Association of Monterey Bay Area Governments Board of Directors.

Background: On April 22, 2022, AMBAG released the [Draft 6th Cycle \(2023-2031\) RHNA Plan](#) which initiated a 45-day appeal period allowing a member jurisdiction or the California Department of Housing and Community Development (HCD) to appeal the allocation. The public review/appeal period ends on June 6, 2022.

The next Housing Element update is due to HCD by December 2023. On May 12, 2022, the City Council authorized a contract with RRM Design to update Capitola's Housing Element. A focus of the Housing Element update is to identify sites to accommodate the City's Regional Housing Needs Allocation (RHNA).

Discussion: Since 1969, the State of California has required all cities and counties plan to meet the housing needs of the community. Cities comply with this requirement by updating their housing elements on regular cycles defined by the state. The housing element is part of the City's General Plan which is the long-range planning document delineating how the city will evolve and develop in the future.

A city's housing needs are determined through a process called the Regional Housing Needs Allocation (RHNA). First HCD determines the amount of housing needed in each region of the state over the six-year planning period Capitola participates in the Association of Monterey Bay Area Government (AMBAG) region, which includes all jurisdictions in Santa Cruz Monterey and San Benito counties. AMBAG is then required to develop a RHNA methodology to distribute the regional housing allocation to local jurisdictions.

Once each jurisdiction is allocated their RHNA units, the jurisdictions are required to update their housing elements and identify sites to accommodate the units. If the RHNA units cannot be accommodated under the current zoning, the housing element must identify areas to rezone to accommodate all the units assigned to the jurisdiction.

Housing law establishes factors to use in the RHNA allocation methodology. The 12 RHNA factors for consideration when creating a distribution methodology include:

1. Jobs and Housing Relationship
2. Opportunities and constraints on additional housing development, including capacity for sewer and water service, availability of land suitable for development, lands preserved or protected from development, and county policies to preserve prime agricultural land
3. Opportunities to maximize transit and existing transportation infrastructure
4. Policies directing growth toward incorporated areas
5. Loss of units contained in assisted housing developments
6. High housing cost burdens
7. Rate of Overcrowding
8. Housing needs of farmworkers
9. Housing needs of University of California and California State University students
10. Loss of units during an emergency
11. Senate Bill 375 Greenhouse Gas Reduction Targets
12. Other factors adopted by Council of Governments (COGs)

AMBAG is currently in the planning phase for the 6th Cycle (2023-2031) RHNA period. The 6th Cycle significantly increased the amount of housing each region must accommodate. This increase was due to recent legislative changes (Senate Bill 828 (2018), Assembly Bill 1771 (2018), and Assembly Bill 686 (2018)), which altered HCD RHNA determinations in the following ways:

- Adjusts RHNA upwards by:
 - Setting a target “healthy” vacancy rate of no less than 5%
 - Accounting for existing overcrowding and redistributing overcrowding into new housing units
 - Comparing the difference in cost- burden, by income group, for the region to the cost burden by income group for comparable regions, and adjusting the very-low and low income housing need upwards accordingly;
- Prohibits the use of previous underproduction of housing or stable population growth to reduce housing development goals
- Requires RHNA methodologies to promote fair housing and reduce income and racial segregation when allocating housing of various income types

AMBAG was assigned 10,043 units during the prior cycle; this time AMBAG was assigned 33,274 units. Similar increases are typical throughout the State of California.

Since April of 2021, AMBAG has been working on potential options for a RHNA allocation methodology. Draft methodologies were presented to the AMBAG board on November 10 and December 8, 2021, and January 12, 2022.

In preparation for the December 8, 2021, meeting, City staff submitted a public comment letter regarding the allocation formula with the request to remove the baseline of regional growth projections and replace it with land area adequate for development. Council Member Brown, the Chair of the AMBAG Board of Directors, provided comments during the December and January board meetings to reconsider the allocation methodology in alignment with staff’s December 6, 2022, letter.

At the January 12 meeting, AMBAG staff presented seven draft RHNA allocation methodologies, and ultimately selected “Option Z” by a 19-5 vote. HCD then reviewed and accepted that draft methodology. On April 13, 2022, the AMBAG Board approved the final RHNA methodology.

In Option Z, Capitola is allocated 1,336 units, which is 4% of the total units allocated to the region. Capitola’s population represents 1.4% of the total population for the region. Option Z was calculated by including the number of units in the regional growth forecast for four years, and then distributing the remaining units based on the following methodology: 15% jobs, 31% jobs/housing, 4% transit, 8% resilience, and 42% Affirmatively Furthering Fair Housing (AFFH). The AFFH baseline is based on percent of households in the region, rather than the original regional growth projections or Capitola’s prior suggestion of land area adequate for development.

Capitola’s allocation increased substantially due to our jobs/housing data and the AFFH contribution as Capitola was identified as a “high resource” jurisdiction with a racially concentrated area of affluence (RCAA). Jobs/Housing and AFFH were both weighted the highest within the formula.

On April 22, 2022, AMBAG released the [Draft 6th Cycle \(2023-2031\) RHNA Plan](#) which initiated a 45-day appeal period allowing a member jurisdiction or the HCD to appeal the allocation. The public review/appeal period ends on June 6, 2022.

As mandated by state law the scope of a RHNA appeal is limited to the following reasons:

1. AMBAG failed to adequately consider the information submitted as part of the local jurisdiction survey
2. AMBAG did not determine the jurisdiction’s allocation in accordance with its adopted methodology and in a manner that furthers, and does not undermine, the RHNA objectives identified in Government Code Section 65584(d)

3. A significant and unforeseen change in circumstances has occurred in the local jurisdiction, or jurisdictions, that merits a revision of the information submitted as part of the local jurisdiction survey

The AMBAG Board of Directors, the group that originally adopted the RHNA methodology, would consider a RHNA appeal, not the state. If Capitola were to appeal, Council Member Brown would be required to recuse herself as it affects Capitola. Also of note, the decision by the AMBAG board would be final and could not be challenged in a lawsuit since RHNA is legislation.

Staff researched recent RHNA appeals and found the likelihood of success is extremely low due to limited scope of an appeal. Among the 50+ appeals in the Southern California Association of Governments (SCAG) region, only two appeals were approved based on incorrect information used by SCAG in calculating the RHNA for these jurisdictions. Among the handful of appeals in Association of Bay Area Governments (ABAG), none were approved.

The City runs little risk if associated with an appeal; however, staff recommends against an appeal due to the following considerations. The benefit of appeal is that it provides a form of protest against the RHNA methodology. However, the appeal would only go as far as being heard by our regional partners and could not be litigated in court. Also, with six working days until the June 6 appeal deadline, time is extremely limited to draft an in-depth, comprehensive appeal of the complex formula.

The City launched its Housing Element update on May 12, 2022, which is being led by RRM Design. An appeal would not have an impact on the current timing of the housing element update.

Staff does recommend the City Council provide written comment to the AMBAG Board. Attachment A is a draft letter from Mayor Storey to the AMBAG Board of Directors. The focus of the letter is to highlight that the RHNA formula lacks consideration for the size of City and the areas appropriate for development, including redevelopment.

Fiscal Impact: An appeal would require assistance from housing experts within the RRM Design team. Up to \$10,000 in general plan funds should be allocated for assistance with drafting an appeal and presenting the appeal to the AMBAG board.

Attachments:

1. Draft Comment Letter to AMBAG regarding RHNA methodology

Report Prepared By: Katie Herlihy, Community Development Director

Reviewed By: Chloé Woodmansee, City Clerk; Samantha Zutler, City Attorney

Approved By: Jamie Goldstein, City Manager



May 26, 2022

AMBAG Board of Directors
24580 Silver Cloud Ct.
Monterey, CA 93940

Dear AMBAG Board of Directors,

I first want to acknowledge the current housing crisis within our region and the dire need for more affordable housing. Capitola is dedicated to planning for affordable housing and has recently launched our 6th cycle Housing Element update. However, the City of Capitola strongly opposes AMBAG's formula to allocate RHNA housing units. **Capitola believes that not including land area adequate for development makes the current formulas ineffective, inequitable and illogical.**

AMBAG's proposed formula to calculate AFFH units only distributes units based on existing households in a city, which results in smaller densely populated cities being required to accommodate far more units per acre than low density cities.

The following table demonstrates the inconsistent outcomes in the current formula by presenting the proposed number of AFFH units, divided by total land area in high resources cities. Each jurisdiction with RCAA and TCCA averages of 5 or below is shown in green. Jurisdiction with an average of .9 to 1 are shown in blue. If the method was logical, there should be a correlation within each category for units per square mile (excluding counties). However, the method is illogical as evidenced by **Capitola's 401 RCAA units per square mile that is vastly higher than all other jurisdictions**, with the closest jurisdiction trailing by 112 units per square mile.

	RCAA and TCAC Average	2020 Households	Assigned AFFH Units	Total Land Area (Sq. Mile)	AFFH Units per Sq. Mile
Total			11,452		
Monterey County					
Carmel-By-The-Sea	1.0	2,129	306	1.06	288.68
Del Rey Oaks	0.5	683	49	1.06	.94
Monterey	0.9	11,981	1,493	12.27	121.67
Pacific Grove	1.0	6,779	974	4.00	243.5
Sand City	.3	144	5	2.91	1.72
Unincorporated Monterey	.5	33,922	2,337	3,695.00	.63
Santa Cruz County					

Capitola	1.0	4,773	674	1.68	401.19
Santa Cruz	.4	22,608	1,190	15.83	75
Scotts Valley	1.0	4,522	650	4.618	140.75
Unincorporated Santa Cruz	0.5	52,156	3,774	578	6.53

Capitola is proud of its planning heritage, the City is built-out with a wide variety of housing opportunities including mixed use, multifamily, mobile homes, and single-family and a 50/50 mix of ownership/rental. Capitola has historically been the most-dense city within the Santa Cruz region. Simply put, our good planning practices of previously developing at higher densities are now the source of our illogically high allocation of RHNA units. To ignore land area adequate for development within the formula is not sound planning. During the housing element update, our residents will be asked to look at future densities much higher than our neighboring jurisdictions within our 1.68 square miles.

The RHNA plan statutory objectives “to ensure the overall size of jurisdiction is considered to assure that large jurisdictions do not get inappropriately small allocations which do not fulfill the needs of their populations, and small jurisdictions do not get inappropriately large allocations that exceed the feasible capacity of developable land” has not been met. The approved AMBAG RHNA formula does not meet this objective.

In closing, the City of Capitola is objecting to the RHNA allocation formula because it does not take into account the actual facts on the ground, the actual amount of land a city has to accommodate new development.

Sincerely,

Sam Storey, Mayor
City of Capitola

Capitola City Council

Agenda Report

Meeting: May 26, 2022

From: City Manager Department

Subject: Dental Insurance Premium Refund



Recommended Action: Approve the proposed refund of up to five months of dental premiums to City employees.

Background: The City of Capitola's dental insurance provider recently issued a refund of dental premiums to the City for 2021 and 2022. The refund was due to reduced use of dental services during the pandemic.

Discussion: Because employees, rather than the City, pay for dental insurance, Staff proposes passing on the refund to employees that paid for dental coverage in 2021 and 2022. This refund includes management and council members that paid dental insurance premiums during this period. The refund is considered taxable income and if approved by Council would be included on the June 17, 2022, paycheck.

The following is the proposed refund criteria:

- Eligibility:
 - Currently employed by City as of 5/1/2022
 - Paid for Dental Insurance at least one month in 2021 and/or 2022.
 - Refund will be based on the coverage selected (Employee Only, Employee +1).
- 2021
 - Refund equal to the actual number of months employee paid for dental insurance, up to a maximum of four months
- 2022
 - One month refund

Fiscal Impact: The fiscal impact of the refund is approximately \$21,000, which is offset by the payment issued by the insurance company.

Report Prepared By: Larry Laurent, Assistant to the City Manager

Reviewed By: Chloé Woodmansee, City Clerk; Samantha Zutler, City Attorney

Approved By: Jamie Goldstein, City Manager