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## Capitola Mall Rezoning & RHNA Implementation

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From Teresa Maguire <tlcmaguire@gmail.com>

Date Wed 10/1/2025 10:28 AM

To City Clerk <cityclerk@ci.capitola.ca.us>; PLANNING COMMISSION <planningcommission@ci.capitola.ca.us>

Cc Gerry Jensen <gjensen@ci.capitola.ca.us>; Margaux Morgan <mmorgan@ci.capitola.ca.us>; Clarke, Joe <jclarke@ci.capitola.ca.us>; Melinda Orbach <morbach@ci.capitola.ca.us>; Westman, Susan <swestman@ci.capitola.ca.us>

Dear Mayor and Councilmembers,

As a Capitola resident, I urge the Council to proceed cautiously on the Capitola Mall rezoning and Housing Element implementation. While we all understand state RHNA requirements, the current direction risks overwhelming our city with market-rate housing, traffic gridlock, and infrastructure demands that far exceed our capacity.

HCD has required feasibility assumptions that heavily favor developer profitability, essentially mandating a 4:1 ratio of market-rate to affordable housing. This has artificially inflated site capacity at the Mall, reducing the relative share of affordable housing while tripling market-rate units. That outcome undermines the very intent of state housing law—to meet affordable housing needs.

I respectfully request that the Council consider the following actions:

- Direct staff to prepare a **Specific Plan and Programmatic EIR** for the Mall and 41st Avenue corridor, including traffic, sewer, fire, police, parking, and fiscal impacts. As the busiest road in Santa Cruz county, the impacts of so many units really needs to be understood, and plan in place to mitigate issues and improve level of services.
- Adopt **infrastructure concurrency standards** so no additional density is permitted until improvements are funded or constructed.
- Commission an **independent feasibility review** using Capitola-specific costs and conditions, and formally challenge HCD's market-heavy assumptions under Gov. Code §65585(i).
- Strengthen **inclusionary housing** requirements to increase and deepen affordable unit percentages. Add over 1000 more market rate houses doesnt help our Teachers, police, city workers, and others struggling to afford a house or apartment in Capitola.
- Accelerate **ADU incentives** to diversify housing production without oversizing a single site. We need more diverse pre-approved ADU's since you have Workbench plans already, the city of Santa Cruz has different ones, can we get 10-12 different pre-approved options, and assistances in this process.
- Require **development agreements** for large projects, tying approvals to affordable housing, infrastructure upgrades, and public safety contributions.

Capitola should remain in compliance with RHNA law, but we must also protect our residents from outsized impacts and ensure affordability goals are not undermined by inflated zoning for developer profit.

Thank you for including these concerns in the public record.

Sincerely,  
Teresa Maguire  
Capitola Resident