

Capitola Planning Commission

Agenda Report



Meeting: October 20, 2022

From: Community Development Department

Address: 3720 Capitola Road & 1610 Bulb Avenue

Permit Number: #22-0149

APN: 034-18-114 and 031-12-139

Conceptual Review for (1) future annexation of 1610 Bulb Avenue into Capitola City limit and (2) Community Benefit Application for Senior Living facility at 3720 Capitola Road and 1610 Bulb Avenue in the Community Commercial (CC) Zoning District.

Environmental Determination: To be determined

Property Owner: Zurite LLC and Capitola Land Ventures LLC

Representative: Zurite LLC and Capitola Land Ventures LLC

Applicant Proposal: The applicant is seeking feedback on a conceptual review for (1) future annexation of 1610 Bulb Avenue into the Capitola city limits and (2) future Community Benefit Application for a Senior Living facility on 3720 Capitola Road and 1610 Bulb Avenue. The property at 3720 Capitola Road is located within the Community Commercial (C-C) zoning district. The applicant is proposing an 80-unit assisted living facility with integrated memory care within the approximate 70,000 square-foot, four-story building.

Background: On July 6, 2022, the city received a complete application for conceptual review. The plans were then sent to RRM Design for architectural review of the proposed assisted living facility.

On July 26, 2022, the city received the Design Review memo from RRM Design (Attachment 2).

The Conceptual Review was originally scheduled for the October 6, 2022, Planning Commission meeting. Due to technical issues, the item was continued. Following the hearing, staff re-noticed the application for the special meeting on October 20, 2022.

Discussion: The conceptual review application is for an 80-unit assisted living facility with integrated memory care at 3720 Capitola Road and 1610 Bulb Avenue. The property at 1610 Bulb Avenue is located within the County of Santa Cruz and is currently zoned residential. The purpose of the conceptual review is for the applicant to receive feedback from the City related to the proposed (1) future annexation of 1610 Bulb Avenue into the Capitola city limits and (2) future Community Benefit Application for a Senior Living facility, on the two properties.

In accordance with Chapter 17.88: Incentives for Community Benefits, the applicant is seeking an increase to the maximum floor area ratio (FAR) and height standards in exchange for the community benefit of a senior assisted living facility. The applicant is seeking an increase in the FAR from 2.0 to 2.5 and an increase in height from 35 feet to 53 feet. All incentives for community benefit applications require conceptual review prior to official entitlement application.

The conceptual review plans are defined enough to provide the City with a broad understanding of the intent of the use and future site planning, but lacks many of the details of a complete formal application. A future submittal for entitlements shall require a survey, landscape plans, complete elevations, CEQA

compliance, stormwater, third party reports, and more. It should also be noted that the application does not comply with all development standards and objective standards of the code, which will be required for an official entitlement application. Attachment 2 is a table which included the development standards for the Community Commercial zoning district relative to the proposed project.

Incentives for Community Benefits: Pursuant to Chapter 17.88: Incentives for Community Benefits, the applicant is seeking an increase to the maximum floor area ratio (FAR) and height standards in exchange for the community benefit of a senior assisted living facility. The applicant is seeking an increase in the maximum FAR from 2.0 to 2.5 and an increase in maximum height from 35 feet to 53 feet.

All incentives for community benefit applications require conceptual review by Planning Commission and City Council in which the applicant receives nonbinding input as to whether the request for incentives is worthy of consideration (17.88.070.B). The current application is to fulfill the conceptual review requirement, as well as receive a recommendation from Planning Commission on the proposed annexation of 1610 Bulb Avenue into Capitola city limits.

The purpose of Chapter 17.88 Incentives for Community Benefits is to establish incentives for applicants to locate and design development projects in a manner that provides substantial benefits to the community. These incentives are intended to facilitate the redevelopment of underutilized properties consistent with the vision for the 41st Avenue corridor as described in the general plan. The city may grant incentives only when the community benefits or amenities are offered that are not required. A community benefit must significantly advance general plan or incorporate a project feature that substantially exceeds the city's minimum requirements.

Properties located in the Community Commercial zoning district that front Capitola Road between Clares Street and 42nd Avenue are eligible for incentives. Chapter 17.88 lists ten eligible project types that are considered Community Benefits, including but not limited to public open space, public infrastructure, pedestrian and bicycle facilities, low-cost visitor serving amenities, child care facilities, and more. The list does not include assisted living facilities; however, it allows a broader review for "other community benefits not listed, as proposed by the applicant that are significant and beyond normal requirements". The applicant is seeking feedback on whether or not the proposed 80 unit assisted living facility would qualify as a public benefit under the "other community benefits" standard.

Pursuant to 17.88.080, the city council may approve the requested incentives for eligible projects only if all of the following underlined findings can be made in addition to the findings required for any other discretionary permit required by the zoning code:

1. The proposed amenities will provide a substantial benefit to the community and advance the goals of the general plan.

Staff Analysis: The General Plan Housing Element highlights elderly households as a special needs group that are of important concern in Capitola. The elderly maintain special needs related to housing construction, often requiring ramps, handrails, lower cupboards, and counters to allow for greater access and mobility. Fifteen percent of Capitola's residents are 65 years of age or older (1,539 residents).

The following goals and policies are from the Capitola General Plan Housing Element and in support of senior assisted living facilities:

Goal 3.0 Housing for Persons with Special Needs Accessible housing and appropriate supportive services that provide equal housing opportunities for special needs populations Capitola is home to people with special housing needs due to income, family characteristics, disabilities, or other issues. These groups include, but are not limited to seniors, families with children, people with disabilities, single parent families, and people who are homeless or at risk of becoming homeless. Capitola is dedicated to furthering a socially and economically integrated community and therefore is committed

to providing a continuum of housing and supportive services to help address the diverse needs of its residents.

Policy 3.1: Encourage the accessibility and utilization of universal design principals in new housing construction as well as through conversion of existing housing to create environments that can be used by all people.

Policy 3.3: Support and facilitate programs that address the housing needs of special needs groups including the elderly population, homeless persons, female-headed households, extremely low-income households, and persons with disabilities, including developmental disabilities.

Policy 3.5: Support the development of accessible and affordable senior rental housing readily accessible to support services; provide assistance for seniors to maintain and improve their homes.

Policy 3.6: Support the development of accessible and affordable housing that is designed to serve all ages.

Policy 3.8: Encourage the integration of special needs housing in residential environments, readily accessible to public transit, shopping, public amenities, and supportive services.

Policy 3.9: Encourage the provision of supportive services for persons with special needs to further the greatest level of independence and equal housing opportunities.

Policy 3.10: Investigate and encourage the development of a variety of housing options for seniors including Congregate Housing, Continuing Care Retirement Communities (CCRCs), Assisted Living, Mobile Home Parks, co-housing, secondary dwelling units and Independent Living.

2. There are adequate public services and infrastructure to accommodate the increased development potential provided by the incentive.

Staff Analysis: The site is serviced by Santa of Cruz Water Department and County of Santa Cruz Sanitation. Both entities provided will-serve letters noting that adequate public services and infrastructure are available to accommodate the 80 unit assisted living facility.

3. The public benefit exceeds the minimum requirements of the zoning code or any other provisions of local, state, or federal law.

Staff Analysis: Assisted living facilities are not a requirement of the zoning code or local, state, or federal law. The facilities provide the public benefit of additional housing opportunities for residents in need of ongoing care. Since there is no requirement for assisted living and it is a community benefit, the proposed public benefit exceeds minimum requirements.

4. The project minimizes adverse impacts to neighboring properties to the greatest extent possible.

Staff Analysis: The proposed assisted living facility is sited with the structure located along the Capitola Road frontage and the parking area behind the building on the 1610 Bulb Avenue lot. The project complies with all setback requirements of the Community Commercial zone. Along the front and street side property line the building is at least fifteen feet from the curb or street edge and the building placement allows for a minimum ten-foot sidewalk along the property frontage. The C-C zone has a no setback requirement for interior sides or rear yards, unless adjacent to a residential zoning district. The building is proposed with no setback on the interior side yard, which is adjacent to the commercial zone and currently home to Pono Hawaiian Kitchen and Tap. The structure is setback 85 feet from the proposed rear property line which is adjacent to residential at 1574 Bulb Avenue.

To ensure the project minimizes adverse impacts to neighboring properties, Building Official Robin Woodman suggests the structure be setback from east property line, where no setback is currently proposed. There are twenty-two (22) residential rooms with windows proposed on the setback. This design could have impacts on the future redevelopment of the adjacent property. The building should either be redesigned to eliminate windows on the property line or to have an adequate setback for the residential rooms. The conceptual design has not been reviewed by the Fire Marshall. Staff anticipates additional concern from Central Fire regarding access to the bedrooms relative to no setback.

5. If in the coastal zone and subject to a coastal development permit, the project enhances coastal resources.

Staff Analysis: The property is not located in the Coastal Zone.

Design Review: The primary focus of conceptual review application is to first determine whether the assisted living facility qualifies as a public benefit and whether or not the City will support an annexation of 1610 Bulb Avenue. The applicant also chose to initiate early design comments to have the ability to work on design revisions while the annexation is processed.

New multi-family residential structures require a Design Permit pursuant to §17.120.030 and compliance with the Objective Design Standard for Multifamily pursuant to §17.82.040 – 17.82.090. The design permit process ensures high quality design, harmony with existing community character, and minimized impacts to surrounding land uses. All design permit applications require review by city staff and city contracted design professionals including a landscape architect and architect.

The City has contracted with architecture/landscape architecture firm RRM Design Group to provide comprehensive peer review of the assisted living facility. RRM reviewed the application relative to the Design Permit Criteria and the Objective Standards. RRM provided indepth analysis and a summary list of items to be further address in future revisions (Attachment 5). If there is support for the proposed use and annexation, the applicant would also like initial design feedback on the concept as submitted.

Staff Recommendation: Provide the applicant with feedback on the concept for a future annexation and incentive for community benefit. If there is general support for the concept, also provide preliminary design feedback for the proposed site planning and architecture.

Attachments

1. Conceptual Plan
2. Development Standards Table
3. RRM Design Review Memo