

**CITY OF CAPITOLA
Notice of Exemption**

To: Clerk of the Board
County of Santa Cruz
Governmental Center
701 Ocean Street
Santa Cruz, CA 95060

Office of Planning and Research
1400 Tenth Street, Room 121
Sacramento, CA 95814

From: City of Capitola, Community Development Department, 420 Capitola Avenue, Capitola, CA 95010

Project Title: The Bluffs at 44th

Project Address: 4401 Capitola Road

Assessor's

Parcel No.: 034-123-05 and 034-124-18

Project Location: City of Capitola (see Figure 1)

County of: Santa Cruz

Project Description: The project consists of a Coastal Development Permit, Design Permit, Conditional Use Permit and Density Bonus request for construction of a 36-unit, affordable housing project on an approximate 0.81-acre site on the northeast corner of Capitola Road and 44th Avenue in the city of Capitola. Four existing office buildings, totaling approximately 3,700 square feet would be demolished to accommodate the project. The project consists of a mix of 1-bedroom, 2-bedroom and 3-bedroom apartment units, configured in one 3-story building, totaling 32,475 square feet. The project will be a 100% affordable housing project, including 10 low income units, 25 extremely low income units, and 1 manager unit. The project will also provide approximately 1,270 square of support uses, including a community room, a laundry room, a lobby, a mail room and a manager's office. The project includes a landscaped exterior plaza with a dedicated children's play area and 36 parking spaces within a surface parking lot.

The project includes a density bonus request pursuant to California Government Code sections 65915 – 65918. The project applicant has requested two concessions related to sidewalks and frontage massing relief, and has requested five waivers, including reduction of required parking, increase in allowable compact parking, increase in building height (from 27 to 36 feet), decrease in the drive aisle width and reduction of the required side yard setback (from 10 To 5 feet).

Name of Person or Agency Carrying Out Project: CRP Affordable Housing and Community Development, 4455 Morena Blvd., Suite 107, San Diego, CA 92117

Name of Public Agency Approving Project: City of Capitola

Exempt Status: (check one)

_____ Ministerial Project (Section 21080(b)(1); 15268).

Categorically Exempt (Section 15332).

_____ Declared Emergency (Section 21080(b)(3); 15269(a)).

_____ Emergency Project (Section 21080(b)(4); 15269(b)(c)).

_____ Statutory Exemption (Code/Section _____).

_____ The project clearly will not have a significant effect on the environment (15061(b)(3)).

Reasons why project is exempt: CEQA provides “categorical exemptions” which are applicable to categories of projects and activities that the Natural Resources Agency has determined generally do not pose a risk of significant impacts on the environment. The Class 32 categorical exemption is for “infill development” projects that meet the following criteria:

- (a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations;
- (b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses;
- (c) The project site has no value as habitat for endangered, rare or threatened species;
- (d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality; and
- (e) The site can be adequately served by all required utilities and public services.

The proposed project meets all of the foregoing criteria to claim the application of the infill exemption as summarized below, which is based on a detailed review of how the project meets the above criteria and does not meet any of the exceptions to an exemption.

- (a) The project is consistent with General Plan and zoning land use designations and all applicable General Plan policies and zoning regulations. The property is designated Neighborhood Mixed Use (MU-N) in the City’s General Plan and also is zoned Neighborhood Mixed Use (MU-N). The MU-N General Plan designation applies to pedestrian-oriented mixed-use areas with an emphasis on resident-serving stores and services. Multi-family developments are permitted in the MU-N designation, as well as other residential, commercial and community uses. The project is consistent with permitted uses in this land use designation and has a floor area ratio (FAR) of 0.88, which is consistent with the maximum permitted FAR in the MU-N designation of 1.0. The proposed project also is consistent with the policies of the General Plan.

Multi-family residential projects are permitted in the MU-N zone district with a Conditional Use Permit. The proposed project is consistent with all development standards of the MU-N zone. However, the applicant is requesting waivers to building height, parking requirements and side yard setbacks, as well as concessions to sidewalk width and frontage massing, as part of the density bonus request pursuant to provisions in state law. Therefore, the project is consistent with zoning regulations pursuant to provisions under the State Density Bonus law, which allow for waivers and concessions to the City’s zoning regulations, which would not render the project inconsistent with City zoning requirements. The court decision in *Wollmer v. City of Berkeley* expressly held that the waivers a city was required to grant for a Density Bonus-eligible project did not result in planning and zoning inconsistencies that disqualified the project from the categorical exemption for infill development, because the mandatory nature of the waivers meant that those standards were inapplicable to the project.

Therefore, The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.

- (b) The 0.81-acre site is located within City limits, is less than 5 acres in size, and is surrounded by existing developed urban residential uses adjacent to the site and commercial uses across the street along Capitola Road.
- (c) The project site is developed with four small one- and two- story office buildings, totaling approximately 3,700 square feet, and is entirely covered with existing pavement or structures with some ornamental landscaped trees. The site is not within mapped areas of potential sensitive habitat as depicted in the City's General Plan, and there are no known endangered or threatened species on or adjacent to the site due to the site's location within a developed urban area. Thus, the project has no value as habitat for endangered, rare, or threatened species.
- (d) The project would not result in any significant effects relating to traffic, noise, air quality, or water quality. The project is a 100% affordable housing project, which is screened out from traffic-vehicle miles traveled (VMT) reviews. The City's adopted VMT threshold and accompanying guidelines follow CEQA Guidelines Section 15063(c)(3)(C) and the Office of Planning and Research (OPR) Technical Advisory on Evaluating Transportation Impacts in CEQA, which allows for development of "screening criteria" that can be used to identify projects that are not expected to cause a significant impact on transportation without conducting a detailed VMT analysis. Affordable residential development is screened out; the OPR Technical Advisory provides data to support the conclusion that adding affordable housing to infill locations generally improves jobs-housing match, in turn shortening commutes and reducing VMT. Accordingly, the Capitola's screening criteria provides that projects that are a 100% affordable residential development or the residential component of a mixed-use development, in infill locations shall be assumed to have a less than significant impact on transportation. The project is both a 100% affordable residential project and located in an infill location.

The project would not result in a substantial increase in permanent or temporary noise levels. Review of project construction and operations concluded that the project would not result in a substantial increase in permanent or temporary noise levels, and existing City regulations include performance standards that prohibit generation of loud, boisterous, irritating, penetrating, or unusual noise that is defined and regulated in the Capitola Municipal Code.

Air pollutant emissions generated during project construction and operation would not exceed significance thresholds established for different criteria pollutants by the Monterey Bay Air Resources District (MBARD). Emissions from construction activities represent temporary impacts that are typically short in duration, depending on the size, phasing, and type of project, and MBARD CEQA Guidelines indicate that projects with grading of less than 2.1 acres per day would not result in significant emissions. The project site is less than 1 acre in size. In addition, the project size (36 apartment units) is below the screening level for residential apartment uses that has been identified by the MBARD as being potentially significant

The proposed project does not involve any discharges that would violate any water quality standards or waste discharge requirements, and would not result in significant impacts to water quality. The project is currently developed, and impervious surfacing would not significantly increase with the proposed project. The project would be designed to comply

with regulations contained in the City's Municipal Code regarding stormwater runoff water quality impacts. A stormwater plan review has since completed, and concluded that the project complies with City requirements.

The site can be adequately served by all required utilities and public services, as existing utility infrastructure already serves the project area. All existing public services and utilities area adequate to serve the project. In addition, the project includes drip irrigation, low-water use landscaping, and the apartment building will be an energy-efficient with energy star appliances, LED lighting and generous roof area available for solar photo-voltaic panels.

The City has further considered whether the project is subject to any of the exceptions to the use of a categorical exemption found at CEQA Guidelines Section 15300.2. This section prohibits the use of categorical exemptions under the following circumstances:

- (a) for certain classes of projects (3, 4, 5, 6 and 11) due to location;
- (b) when the cumulative impact of successive projects of the same type in the same place, over time, is significant;
- (c) where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances;
- (d) where the project may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway;
- (e) where the project is located on a state designated hazardous waste site; and
- (f) where the project may cause a substantial adverse change in the significance of a historical resource.

Section 15300.2(a) does not apply to this project because the Class 32 category of projects is not excluded on the basis of location.

There is no evidence of a potential significant cumulative impact (b) because successive projects of the same type in the same place have not been approved and are not proposed. Additionally, there is no evidence to conclude that significant impacts would occur based on past project approvals in the surrounding area or that the proposed project's impacts are cumulatively considerable when evaluating any cumulative impacts associated with air quality, noise, transportation or water quality as a result of other approved projects in the surrounding area. Other development projects in the vicinity of the project have been limited and/or small-sized projects and would not result in project-level or cumulatively significant impacts. Therefore, this exception does not apply.

The project would not result in any significant effects on the environment due to unusual circumstances (c). The project site's immediate area has similar General Plan and zoning designations as the project property. There are no "unusual circumstances" that differentiate the project or project site from the general class of similarly situated projects. For example, other properties in the project vicinity along Capitola Road have developed or could develop a similar affordable housing project, utilizing waivers and concessions permitted under the provisions of the state density bonus law. The project is located in a developed urban neighborhood and is directly surrounded by urban uses, including existing multi-

family housing, and sensitive resources are not present. There are no features that distinguish the project or project site from other properties in the area.

For these reasons, the project would not result in any significant effects on the environment due to unusual circumstances, and exception (c) does not apply to the project.

The project will not result in damage to scenic resources or a scenic highway (d). There are no designated state scenic highways within the City, and the project site is not located near a highway officially designated as a state scenic highway. Highway 1 north of the project site is an eligible state scenic highway; however, the project site is not visible from the highway due to distance from the highway and intervening development. Therefore, the project would not result in damage to scenic resources within a state scenic highway. Thus, this exception does not apply to the project.

The site is not a hazardous waste site (e). The project site is not located on any of the California Department of Toxic Substance Control lists of hazardous materials sites. There are no known former or current hazardous materials release sites on or adjacent to the project site. Therefore, the project site is not included on any list compiled pursuant to Government Code §65962.5 and this exception does not apply to the project.

The existing structures on the project site were developed in 1985 and are not of the age to be considered historical resources, the project site is not located within a designated historic district. An archaeological records search conducted for the proposed project did not identify potential prehistoric or historic cultural resources on or adjacent to the project site. Therefore, the project would not result in a substantial adverse change to the significance of a historical resource, and this exception does not apply to the project.

Therefore, the City is able to document that the project qualifies for the Categorical Exemption found at CEQA Guidelines section 15332, the infill exemption, and that none of the potential exceptions to the use of a categorical exemption apply to this project or the project site.

Lead Agency

Contact Person: Brian Froelich, Senior Planner

Phone: (831) 475-7300 x 259

Department: Community Development

Address: 420 Capitola Avenue
Capitola, CA 95010

Signature: _____

Date: _____

Title: Senior Planner

- Signed by Lead Agency
- Signed by Applicant

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a notice of exemption been filed by the public agency approving the project? Yes No

Date Received for filing at County Clerk: _____

Date Received for filing at OPR: _____

FIGURE 1: Project Location

