

# Capitola Planning Commission

## Agenda Report



**Meeting:** March 31, 2022

**From:** Community Development Department

**Address:** SB9 Ordinance

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### **Ordinance #: 1049**

#### **APN: Applicable to all parcels in Single-Family Zone**

Project description: Amendments to the Capitola Municipal Code, Adding Section 17.75 Two-Unit Developments to Title 17, Part 3 (Zoning, Citywide Standards), Adding Section 16.78 Urban Lot Splits to Title 16 (Subdivisions), Amending Section 17.74 Accessory Dwelling Units, and Amending Section 16.08 Definitions for the implementation of Government Code Sections 66411.7 and 65852.21 Related to Urban Lot Splits and Two-Unit Developments.

Environmental Determination: Implement of Government Code sections 65852.21 and 66411.7, are not considered a project under CEQA.

Property Owner: Ordinance applies to all properties in the R-1 Zoning District

Representative: Katie Herlihy, Community Development Director

**Background:** Senate Bill 9 (SB 9) was passed in September of 2021, and went into effect on January 1, 2022. SB 9 enacted Government Code Sections 66411.7 and 65852.21 which allows ministerial review of two-lot subdivisions with up to two residential units on each new lot. SB9 applies solely to properties within a single-family zone. The ministerial review is limited to the review of the objective standards established within the municipal code.

At the February 3, 2022, Planning Commission meeting, the Planning Commission reviewed the draft ordinance and provided feedback to staff on the objective standards.

**Discussion:** The draft ordinance will establish two new chapters of the Capitola Municipal Code, including Chapter 16.68 for Urban Lots Splits and Chapter 17.75 for Two-Unit Developments. The ordinance establishes review procedures and objective standards for review of SB-9 applications. Pursuant to state law, the code must allow 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 have access to the public right-of-way.

#### Allowed Development:

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

SB9 development applications must be reviewed administratively by staff and are not subject to discretionary review by the Planning Commission. Staff is limited to applying objective development standards in the review of the project and cannot apply subjective standards, such as compatibility within the neighborhood. The ordinance can guide the design of the urban lot splits and two-unit developments through the application of objective standards for siting and design.

The draft ordinance previously reviewed by the Planning Commission included objective standards geared at allowing densification of the single-family zoning district in a manner that maintains the patterns and scale of the residential neighborhood, with fifteen-foot front yard setbacks, four-foot side and rear setbacks, twenty-two feet height limits, onsite parking requirements, orientation standards, and design standards. At the February 3, 2022 Planning Commission meeting, staff introduced the challenges to fitting four units within an R-1 lot, particularly on lots less than 6,000 square feet. The Planning Commission provided guidance to staff to protect the front yards in the R-1 zone, require shared driveways access to limit curb cuts, and direct parking to the side or rear of the structures. The Commission also directed staff to remove separation standards between structures and allow for further reduction in the interior side setback and rear setback standards.

Ben Noble Planning is currently revising the SB9 ordinance based on Planning Commission direction. Mr. Noble subcontracted Bottomley Design and Planning to create scaled scenarios based on the Planning Commission direction. In further study of the proposed development standards applied to Capitola's typical lot sizes, the scenarios found that lots under 6,000 square feet in size cannot accommodate four units per lot which comply with all three desired development standards for setbacks, height, and parking. For instance, on a 4,000 square foot lot, if the 15-foot front yard setback is maintained and parking is required on the side or to the rear of the structures, a third story must be allowed to fit four 800 square foot units within the lot. SB9 buildout scenarios on typical Capitola lots are included in Attachment A.

At the March 31, 2022 Planning Commission meeting, staff will present the different development scenarios. In each scenario on lots under 6,000 square feet in size, one or more of Capitola's development standards had to be forfeited to accommodate four units up to 800 square feet each. At the meeting, staff will ask Planning Commission to provide feedback on the buildout scenarios and ask which development standards should be prioritized on lots under 6,000 square feet in size: height, front yard setback, or onsite parking.

**CEQA:** Enactment of this Ordinance 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.

**Recommendation:** Accept staff presentation, provide feedback on which development standards should be prioritized on lots under 6,000 square feet, and continue the review of the SB9 ordinance to the Planning Commission special meeting April 21, 2022.