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Chapter 17.90

INCENTIVES FOR A VILLAGE HOTEL WITH COMMUNITY BENEFITS

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17.90.010 Purpose.

This chapter establishes incentives for the development of a new hotel in the Village in a manner that provides substantial benefits to the community. These incentives are intended to encourage the development of a new Village hotel as called for by the general plan and the local coastal program (LCP).

17.90.020 Incentives restricted to added benefits.

The city may grant incentives for a Village hotel only when the community benefits or amenities offered are not otherwise required by the zoning code or any other provision of local, state, or federal law. Community benefits or amenities must significantly advance general plan and/or LCP goals and/or incorporate a project feature that substantially exceeds the city's minimum requirements.

17.90.030 Eligibility.

The city may grant incentives provided in this chapter for a hotel on the former Capitola Theater site (APNs 035-262-04, 035-262-02, 035-262-11, and 035-261-10) in the Mixed Use Village (MU-V) zoning district.

17.90.040 Allowable benefits.

The city may grant incentives to a Village hotel project that provides one or more of the following community benefits. The public benefits provided shall be of sufficient value as determined by the planning commission to justify deviation from the standards of the zoning district that currently applies to the property.

A. Public Open Space. Public plazas, courtyards, and other public gathering places that provide opportunities for people to informally meet and gather. Open space must be accessible to the general public at all times. Provision must be made for ongoing operation and maintenance in perpetuity. The public space must either exceed the city's minimum requirement for required open space and/or include quality improvements to the public realm to create an exceptional experience.

B. Public Infrastructure. Improvements to streets, sidewalks, curbs, gutters, sanitary and storm sewers, street trees, lighting, and other public infrastructure beyond the minimum required by the city or other public agency.

C. Pedestrian and Bicycle Facilities. New or improved pedestrian and bicycle pathways that enhance the property and connectivity to the surrounding neighborhood.

D. Low-Cost Visitor Serving Amenities. New or improved low-cost visitor serving recreational opportunities or accommodations within the Central Village area.

E. Transportation Options. Increased transportation options for residents and visitors to walk, bike, and take public transit to destinations and reduce greenhouse gas emissions.

F. Historic Resources. Preservation, restoration, or rehabilitation of a historic resource.

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G. Public Parking. A public parking structure that provides parking spaces in excess of the required number of parking spaces for use by the surrounding commercial district. Excess parking provided as part of a Village hotel may not be located on the hotel site and must be located outside of the mixed use village zoning district.

H. Green Building. Green building and sustainable development features that exceed the city's green building award status.

I. Public Art. Public art that exceeds the city's minimum public art requirement and is placed in a prominent and publicly accessible location.

J. Child Care Facilities. Child care centers and other facilities providing daytime care and supervision to children.

K. Other Community Benefits. Other community benefits not listed above, such as entertainment destinations, as proposed by the applicant that are significant and substantially beyond normal requirements.

17.90.050 Available incentives.

The city may grant the following incentives to an eligible Village hotel project:

A. An increase in the maximum permitted floor area ratio (FAR) to 3.0.

B. An increase to the maximum permitted building height; provided, that:

1. The maximum height of the hotel (including all rooftop architectural elements such as chimneys, cupolas, etc., and all mechanical appurtenances such as elevator shafts, HVAC units, etc.) remains below the elevation of the bluff behind the hotel;

2. The bluff behind the hotel remains visible as a green edge (i.e., the upper bluff (i.e., below the blufftop edge) and upper bluff vegetation shall remain substantially visible across the length of the project site) when viewed from the southern parking area along the bluff of Cliff Drive (i.e., the parking area seaward of Cliff Drive and closest to Opal Cliff Drive) and from the Capitola wharf;

3. Existing mature trees shall be maintained on the site, except that trees that are unhealthy or unsafe may be removed; and

4. The rooftop shall be aesthetically pleasing and shall not significantly adversely affect public views from Cliff Avenue on Depot Hill. In addition to modifications to avoid structural incursions into this view, this can be accomplished through design features on top of the roof as well (e.g., use of a living roof, roof colors and materials that reduce its visual impacts, etc.). Rooftop appurtenances (e.g., elevator shafts, HVAC units, vents, solar panels, etc.) shall be screened from public view and integrated into/within the above-referenced rooftop design features to the greatest extent feasible.

17.90.060 Application submittal and review.

A. Request Submittal. A request for an incentive in exchange for benefits shall be submitted concurrently with an application for the discretionary permits required for the project by the zoning code. Applications shall be accompanied by the following information:

1. A description of the proposed amenities and how they will benefit the community.

2. All information needed by the city council to make the required findings described in Section 17.90.080 (Findings), including a pro forma analysis demonstrating that the benefit of the proposed amenities to the community is commensurate with the economic value of the requested incentives.

B. Conceptual Review. Prior to city action on a request for an incentive, the request shall be considered by the planning commission and city council through the conceptual review process as described in Chapter 17.114 (Conceptual Review). Conceptual review provides the applicant with nonbinding input from the city council and planning commission as to whether the request for incentives is worthy of consideration.

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C. Theater Site Story Poles. Prior to city action on a proposed hotel on the former Capitola Theater site, the planning commission or city council may require the applicant to install poles and flagging on the site to demonstrate the height and mass of the proposed project.

D. Planning Commission Recommendation. Following conceptual review, the planning commission shall provide a recommendation to the city council on the proposed project and requested incentives at a noticed public hearing in compliance with Chapter 17.148 (Public Notice and Hearings).

E. City Council Action. After receiving the planning commission's recommendation, the city council shall review and act on the requested incentives at a noticed public hearing in compliance with Chapter 17.148 (Public Notice and Hearings). The city council shall also review and act on other permits required for the project requesting incentives.

17.90.070 Findings.

The city council may approve the requested incentives for a proposed Village hotel project only if all of the following findings can be made in addition to the findings required for any other discretionary permit required by the zoning code:

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

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

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

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

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

F. The design of the hotel respects the scale and character of neighboring structures and enhances Capitola's unique sense of place.

G. The hotel will contribute to the economic vitality of the Village and support an active, attractive, and engaging pedestrian environment.

H. Hotel siting and design will (a) minimize impacts to public views, including views of the beach and Village from vantage points outside of the Village and from Cliff Avenue and Depot Hill behind the hotel; and (b) not adversely impact any significant public views of the coastline as identified in the LCP's land use plan.

I. Parking for the hotel is provided in a way that minimizes vehicle traffic in the Village, strengthens the Village as a pedestrian-oriented destination, and protects public parking options.

17.90.080 Post-decision procedures.

Post-decision procedures and requirements in Chapter 17.156 (Post-Decision Procedures) shall apply to decisions on incentives for a Village hotel with community benefits.