Municipal Code Amendments
Consistency with LCP Land Use Plan

Incentivized Zone Amendments

The proposed amendments to the incentivized zone (Chapter 17.88) implement Program 1.4 in Capitola's 2023-2031 Housing Element. Capitola committed to completing these amendments to comply with state housing laws.

The proposed incentivized zone amendments add objective standards for available benefits, increase the allowed height for qualifying hotels, and clarify rules for projects that provide community benefits and receive incentives for affordable or senior housing under state density bonus law. The incentivized zone is an existing urban area located along a transportation corridor and seeks to direct new development into areas that do not contain sensitive coastal resources. Table 1 identifies the basis of finding the proposed incentivized zone amendments consistent with applicable LCP policies.

Table 1: Incentivized Zone Amendment Consistency Determination

LCP Policies	Basis for Consistency Finding
Coastal Act Policy 30250: New residential, commercial or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it, or, where such areas are not able to accommodate it, in other areas with adequate public services, and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources.	The incentivized zone area is surrounded on all sides be existing development and does not contain known environmental sensitive habitat areas or sensitive coastal resources as defined in Coastal Action Section 30116.
Coastal Act Policy 30253: New development shall: 1) Minimize risks to life and property in areas of high geologic, flood and fire hazard …	The incentivized zone area is located outside of active fault zones, high and very high liquefaction potential zones, 100 year flood zones, areas with potential hazards from bluff and sand beach erosion, tsunami inundation risk areas and fire hazard areas as identified in the City's Local Hazard Mitigation Plan.
Coastal Act Policy 30240: a) Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on such resources shall be allowed within such areas …	None of the following categorical ESHA areas, as identified in the certified LCP, are located the incentivized zone area: Soquel Creek, Lagoon, and Riparian Corridor; Noble Gulch Riparian Corridor; Tannery Gulch Riparian Corridor; and Monarch butterfly habitat – Rispin-Soquel Creek and Escalona Gulch.
Policy VII-1: It shall be the policy of the City of Capitola to adequately plan for natural hazards in new development, reduce risks to life and property, and revise all plans and Zoning Ordinances to be in conformance with all the policies of the Coastal Act relating to hazards and shoreline structures.	See basis for Coastal Act Policy 30253 above.

ADU Amendments

The proposed amendments to Capitola's accessory dwelling unit (ADU) regulations are required to comply with recent changes to state ADU law. These changes revised the process and timeframe for cities to review and act on ADUs and JADUs, modified owner occupancy requirements for JADUs, and clarified ADU provisions which also apply to JADUs. None of the proposed ADU amendments create conflicts with the City's LCP policies.

Body Art Studios (Tattoo Establishments) Amendments

The proposed body art studio amendments allow body art studios in the C-C, C-R, and MU-V zoning districts with a CUP, limit the number of body art studios in each district, and establish standard for minimum separation, visibility of procedures, alcohol consumption, age restrictions, and other issues as appropriate. Currently, personal service uses are allowed in commercial and mixed use zoning districts, and the proposed amendments add body art establishments as a similar allowed use subject to operational standards. This change create conflicts with the City's LCP policies. Furthermore, the Coastal Act calls for accommodating visitor-serving commercial uses in appropriate locations in the coastal zone. Because body art studios are frequently patronized by visitors, allowing them in the coastal zone is consistent with this Coastal Act objective.