RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA AUTHORIZING SUBMITTAL TO THE CALIFORNIA COASTAL COMMISSION FOR THE CERTIFICATION OF AN AMENDMENT TO THE LOCAL COASTAL PROGRAM AMENDING MUNICIPAL CODE TITLE 17 (ZONING) PERTAINING TO INCENTIVES FOR COMMUNITY BENEFITS, ACCESSORY DWELLING UNITS, AND BODY ART STUDIOS

WHEREAS, on August 22, 2024, the City Council adopted amendments to the 2023-2031 Housing Element of the General Plan ("Housing Element") and Addendum to the General Plan Final Environmental Impact Report;

Whereas, on August 30, 2025, the California Department of Housing and Community Development ("HCD") certified the Housing Element;

WHEREAS, the Housing Element identifies Zoning Code Chapter 17.88 (Incentives for Community Benefits) as a constraint to housing production and calls for the City to establish objective standards for projects that provide community benefits;

WHEREAS, in 2025, the state enacted AB 1154 and SB 543 which, revise the process and timeframe for cities to review and act on accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs), modify owner occupancy requirements for JADUs, and clarify ADU provisions which also apply to JADUs;

WHEREAS, Municipal Code Chapter 9.08 (Tattoo Establishments), adopted in 1962, states that "It is unlawful to maintain or conduct a tattoo establishment or to maintain and conduct a tattooing business in the city.";

WHEREAS, on May 7, 2026, staff met with California Coastal Commission staff to review proposed amendments to Chapter 17.88 (Incentives for Community Benefits) related to the Capitola Village Hotel and, based on the information provided Coastal staff provided direction to move the Capitola Village Hotel community benefits into a separate chapter of the code and not make changes to the standards;

WHEREAS, at a duly noticed public hearing on August 20, 2026 the Planning Commission recommended the City Council adopt the Municipal Code Amendments pertaining to incentives for community benefits, accessory dwelling units, and body art studios

WHEREAS, notice of the Amendments' availability was mailed and public review drafts were made available on August 14, 2026, in compliance with California Coastal Act public participation requirements and applicable state law;

WHEREAS, the Capitola City Council conducted duly noticed public hearings on September 10 2026, at which the City Council introduced and performed a first reading of an ordinance to adopted the proposed Zoning Code Amendments. On September 24, 2026 the City Council adopted the ordinance, with the Zoning Code Amendments; and

WHEREAS, the City Council determined that the Zoning Code Amendments are consistent with the General Plan and that the revisions would be internally consistent with all

other provisions of the Municipal Code.

WHEREAS, the Zoning Code Amendments would become a component of Implementation Plan of the City's Local Coastal Program and is intended to be implemented in a manner that is in full conformance with the California Coastal Act.

WHEREAS, the Local Coastal Program Implementation Plan establishes specific land use and development regulations to implement the Local Coastal Program Land Use Plan, and Title 17 (Zoning) and the Zoning Map are part of Capitola's Local Coastal Program Implementation Plan; and

WHEREAS, the City provided Public Notice, as required under Coastal Act 30514 et seq., for Certification of the LCP Implementation Plan and Corresponding Maps.

NOW, THEREFORE, BE IT HEREBY RESOLVED, by the City Council of the City of Capitola, that this Resolution declares and reflects the City's intent to amend the LCP Implementation Plan as it pertains to Chapter 17 (Zoning), as drafted, if certified by the California Coastal Commission, in full conformity with the City of Capitola LCP and provisions of the California Coastal Act.

BE IT FURTHER RESOLVED, that the City Manager or his designee is directed to submit the said Coastal Commission LCP Amendments to the California Coastal Commission for its review and certification. If the Coastal Commission approves the amendment package, it will take effect automatically upon Coastal Commission approval. If the Coastal Commission modifies the amendment package, only the modifications will require formal action by the City of Capitola.

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the City Council of the City of Capitola on the 10th day of September, 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____

Margaux Morgan, Mayor

ATTEST: _____

Julia Gautho, City Clerk