

# Capitola City Council

## Agenda Report



**Meeting:** May 23, 2024

**From:** Community Development Department

**Subject:** Contract with Ben Noble Planning

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**Recommended Action:** Adopt a resolution authorizing the City Manager to execute a sole-source Professional Services Agreement with Ben Noble Planning in the amount of \$124,375 to implement Housing Element action items into the Capitola Zoning Code and process annual Zoning Code updates.

**Background:** On November 2, 2023, the City Council adopted a resolution accepting a funding allocation not to exceed \$128,750 in Regional Early Action Planning 2.0 (REAP 2.0) grant from AMBAG to implement land use strategies within the Housing Element to accelerate housing production and facilitate compliance with the 6<sup>th</sup> Cycle Housing Element. AMBAG then clarified the allocation would be lowered to half the original amount due to budget cuts at the State level. The allocation for Capitola is now \$64,375. The funding is proposed to be utilized to implement Housing Element action items into the Capitola Zoning Code.

**Discussion:** The City of Capitola is working toward certification of the updated Housing Element by the State. The new Housing Element obligates the City to implement the deliverables identified in the document. There are numerous deliverables related to updating the Zoning Code which must be completed in 2024 and 2025. The following is a brief summary of items to be updated:

- Develop formal procedures to monitor no net loss in capacity pursuant to SB166;
- Develop strategies to provide for missing middle housing;
- Remove the affordable housing overlay from the Zoning Code;
- Amend the Zoning Code to address replacement housing requirements;
- Update incentivized zone for increased height and FAR on the mall site;
- Encourage other alternative housing types, such as factory-built housing, live/work units, single-room occupancy, and micro units;
- Modify development standards to ensure they do not pose constraints on the development of housing. This includes assessing the maximum densities allowed in the multifamily zones to determine if higher densities can facilitate multi-family development;
- Update density bonus ordinance to comply with state law;
- Permit emergency shelters by-right in the Community Commercial Zone; and
- Create objective standards for daycares in commercial districts to allow daycares with a minor use permit.

Ben Noble has provided consulting assistance to the City of Capitola since 2010 when the City Council approved a contract with PlaceWorks (formerly Design, Community, and Environment). At that time, Ben Noble was PlaceWorks' project manager for the General Plan Update, Climate Action Plan, Zoning Code Update, Environmental Impact Report (EIR), and supporting technical studies and reports.

In 2015, Ben Noble began an independent planning firm, Ben Noble Planning. Mr. Noble continued in his role managing the Capitola Zoning Code update as a contract employee for PlaceWorks and as an independent contractor in 2016. Mr. Noble completed the comprehensive Zoning Code update in 2020.

Since 2020, Ben Noble has assisted the City with numerous zoning code updates to remain in compliance with state law. Recent efforts include multifamily and mixed-use objective standards ordinance, SB9 ordinance, and multiple updates to the City's accessory dwelling units ordinance.

Due to Ben Noble's work on Capitola's General Plan update and multiple Zoning Code updates, and his extensive background and working knowledge of Housing Element implementation strategies, staff is recommending the City contract with Mr. Noble to prepare the Zoning Code amendments consistent with the sole source purchasing policy in Administrative Policy III-4.

The proposed contract amount is \$124,375. The scope of work is included in Attachment 1. The total cost includes all items outlined in the scope of work for Housing Element implementation (Task A) and annual Zoning Code support (Task B).

Fiscal Impact: The City received a REAP 2.0 grant from AMBAG in the amount of \$64,375. The grant will cover the cost of Housing Element Implementation into the Capitola Zoning Code. The contract also includes services to update the Zoning Code annually for a not to exceed annual amount of \$20,000. The \$20,000 per year will be covered by the General Plan special revenue fund.

Attachments:

1. Scope of Work
2. Sole Source Purchase Determination

Report Prepared By: Katie Herlihy

Reviewed By: Julia Gautho, City Clerk

Approved By: Jamie Goldstein, City Manager