

City of Capitola

City Council Meeting Minutes

Thursday, January 08, 2026 – 6:00 PM



City Council Chambers

420 Capitola Avenue, Capitola, CA 95010

Mayor: Margaux Morgan

Vice Mayor: Gerry Jensen

Council Members: Joe Clarke, Melinda Orbach, Susan Westman

Regular Meeting of the Capitola City Council – 6 PM

1. **Roll Call and Pledge of Allegiance** - *The meeting was called to order at 6:00 PM. In attendance: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, and Mayor Morgan.*
2. **Additions and Deletions to the Agenda** – *None*
3. **Presentations**
 - A. *Mayor Morgan presented a proclamation recognizing Kristen Brown for her service as Capitola's representative on the Community Action Board of Santa Cruz County.*
 - B. *Soquel Union Elementary School District Superintendent Turnbull and Community Service and Recreation Director Bryant provided a presentation on the Golden Bell Award, awarded to the City's Equity Swim Program partnership with Soquel Union Elementary School District.*
4. **Additional Materials**
 - A. *Item 8A – Two emails received after publication of the agenda packet.*
 - B. *Item 8D – Updated attachment provided as additional materials.*
5. **Oral Communications by Members of the Public**
 - *Tiffany Hsu*
 - *Goran Klepic*
 - *Speaker*
 - *Lin Hsu*
6. **Staff / City Council Comments**
 - *Community and Economic Development Director Herlihy provided updates on the Wharf short term and long term planning efforts.*
 - *Assistant to the City Manager, Chloe Woodmansee, thanked the Museum Curator and Historical Museum Board of Trustees for their installation of the Capitola Wharf model in the Council Chambers; and advised the public that applications are being accepted for "Discover Capitola."*
 - *Council Member Clarke thanked the Public Works Department staff for their work over the holidays.*
 - *Council Member Westman wished all a happy new year.*
 - *Vice Mayor Jensen thanked staff for their efforts over the holidays; provided updates from the Santa Cruz Regional Transportation Commission; requested that the RTC provide a presentation at an upcoming Council meeting to notify the public of services offered;*

reminded the public that bicycle racks funded by CWEP have been installed on the Capitola Wharf.

- *Council Member Orbach advised the Council that METRO will be providing a presentation on March 12th.*
- *Mayor Morgan thanked staff for their efforts over the holiday period.*

7. Consent Items

A. City Council Meeting Minutes

Recommended Action: Approve minutes from the regular meeting on December 11, 2025.

B. 2nd Amendment to Agreement with Ben Noble Planning

Recommended Action: Adopt a resolution amending the FY 2025-26 Budget to allocate funding for Housing Element Implementation and authorizing the City Manager to execute Amendment 2 to the Professional Services Agreement in a form acceptable to the City Attorney's Office with Ben Noble Planning to assist in Housing Element implementation. **(Resolution No. 4469)**

C. Capitola Municipal Code Sections 2.04.140 and 2.04.210

Recommended Action: Adopt an ordinance amending Capitola Municipal Code Sections 2.04.140 and 2.04.210 to update the process by which City Council members request agenda items and their rules of debate. **(Ordinance No. 1073)**

D. City Investment Brokerage Services

Recommended Action: Authorize the Administrative Services Director to execute a non-corporate resolution allowing Cetera Advisor Networks, LLC to continue acting as the City's investment broker.

Motion to approve the Consent Calendar: Council Member Orbach

Second: Council Member Westman

Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, Mayor Morgan

8. General Government / Public Hearings

A. 2025 Special Event Report

Recommended Action: Receive a report highlighting special events held in the City in 2025; provide feedback for recurring Special Event Permits; determine if any additional review should be required for any 2026 special events; and adopt a resolution to approve Coastal Development Permit #25-0607 for the 2026 Capitola Beach Festival and Junior Guards Competition.

Police Chief Ryan and Community and Economic Development Director Herlihy presented the staff report.

Public Comment:

- ***Speaker***
- ***Speaker***

The City Council discussed the challenges of the current special event approval mechanism and the importance of engaging local businesses in the process of approving special events in the Village. Vice Mayor Jensen requested that the holiday tree lighting be added to the Minor Special Event list in 2026. The City Manager clarified that there are legal considerations in approving special events that were taken into consideration when updating the process.

Motion to adopt Resolution No. 4470 and direct staff to come up with a plan to engage local businesses in the community and return to the City Council to further discuss special events: Council Member Westman

Second: Vice Mayor Jensen

Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, Mayor Morgan

B. Local Coastal Program Amendments for Cliff Drive Resiliency

Recommended Action: 1) Introduce for first reading, by title only, waiving further reading of the text, an ordinance amending Capitola Municipal Code Title 17: Zoning, Chapter 17.32 Parks and Open Space, Chapter 17.64 ESHA, Chapter 17.76 Parking and Loading, and Chapter 17.68 Geological Hazard (collectively, the “Zoning Code Amendments”) and authorizing submittal to the California Coastal Commission for Certification; 2) Adopt a resolution amending Capitola’s Land Use Plan Chapter 2: Public Access and Chapter 7: Natural Hazards (collectively, the “Land Use Plan Amendments”) and authorizing submittal to the California Coastal Commission for certification; and 3) Find that the above actions are exempt from the California Environmental Quality Act (CEQA).

Community and Economic Development Director Herlihy presented the staff report.

Public Comment: None

Motion to introduce Ordinance No. 1074 and adopt Resolution No. 4471: Council Member Orbach

Council Member Westman requested a correction to page 33 of the Land Use Program Policy II-4 under Implementation section (a) to remove the reference to Park Avenue and Village.

Council Member Orbach accepted the friendly amendment to the motion.

Second: Council Member Westman

Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, Mayor Morgan

C. Annual and Five-Year Impact Fee Report

Recommended Action: Adopt a resolution adopting the Fiscal Year 2024-25 Development Impact Fee Annual Report.

Administrative Services Director Malberg presented the staff report.

Public Comment: None

The Council requested that housing in-lieu fees be reviewed as a part of the next regular review of the fee schedule.

Motion to adopt Resolution No. 4472: Council Member Westman

Second: Council Member Clarke

Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, Mayor Morgan

D. FY 2024-25 Audit Report

Recommended Action: Receive report.

Administrative Services Director Malberg presented the staff report.

Public Comment:

- ***Leslie Nielsen***

The City Council requested that the mid-year budget report include information from the FAC discussion and information specific to Measure Y revenues for Council review.

E. City Council Representation on Regional Boards

Recommended Action: Appoint a representative to the Santa Cruz County Community Action Board.

City Clerk Gautho presented the staff report.

Public Comment: None

The City Council directed the City Clerk to notice the vacancy to the public for appointment.

9. Adjournment

The meeting adjourned at 8:03 PM. The next regularly scheduled City Council meeting is on January 22, 2026, at 6:00 PM.

Margaux Morgan, Mayor

ATTEST:

Julia Gautho, City Clerk