

Capitola City Council

Agenda Report

Meeting: January 22, 2026

From: City Manager Department

Subject: Use Agreement for Capitola City Hall Council Community Room



Recommended Action: Authorize the City Manager to execute an agreement with the Capitola Village and Wharf Business Improvement Area for use of the City Hall Community Room for the next three years.

Background: The Capitola Village and Wharf Business Improvement Area (BIA) non-profit organization coordinates community events, such as seasonal Sip N' Strolls, and holds regular Board meetings. The BIA uses the Capitola City Hall Community Room to conduct board meetings and to plan its various events.

The Community Room is a multi-use space essential to City operations, hosting mandated advisory body meetings, staff training, staff meetings, and overflow for City Council and Planning Commission meetings. When not in use for City business, the room is available to partner agencies, local businesses, and community groups at no cost.

Due to high demand, the City currently limits reservations to a three-month rolling window via an online management system. This administrative process requires approximately five hours of staff time per month across three staff members to coordinate schedules, minimize conflicting reservations, and ensure the room remains available for high-priority City functions.

The BIA has expressed a need for consistent, long-term access to the Community Room to facilitate planning efforts over the next several years. To accommodate this, the organization has requested the ability to secure recurring reservations beyond the standard three-month limit.

Discussion: As the City has a contractual relationship with the BIA nonprofit, and provides the nonprofit significant annual funding, Staff recommends establishing a formalized use agreement with the BIA nonprofit organization. This agreement would grant the organization the necessary scheduling flexibility to ensure successful event execution while reducing the monthly administrative burden of manual booking.

Should the City Council approve this agreement, the Community Room will be reserved for BIA Board meetings on the second Tuesdays of each month from 8:30 AM to 10:00 am, and for additional time in February, May, and November to accommodate the planning of typical special events, making it unavailable for other public or City uses during those times. To mitigate any potential impact on City operations, the agreement will include provisions ensuring that essential City business or emergency sessions take precedence over scheduled partner use.

Additionally, if the City Council adopts a use fee for the Community Room during the proposed three-year contract, the BIA would be required to pay the non-profit rate adopted for the use of the room from that point forward.

Fiscal Impact: Potentially none. The Community Room is currently available free of charge.

Alignment with 2025-2029 Strategic Plan Priority: Accountable Government; Economic Opportunity; Sustainable Infrastructure

Attachments:

1. Proposed Use Agreement – BIA

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Reviewed By: Julia Gautho, City Clerk

Approved By: Jamie Goldstein, City Manager