

Capitola Planning Commission

Agenda Report



Meeting: July 18, 2024

From: Community Development Department

Address: 720 Hill Street

Project Description: Application #24-0257. APN: 036-011-28. Two-year entitlement extension request pursuant to section 17.156.080 of the Zoning Ordinance for the Design Permit, Conditional Use Permit, and Tree Removal Permit #21-0122 for the 42-room hotel project located in the Community Commercial (CC) Zoning District.

Environmental Determination: Categorical Exemption

Recommended Action: Staff recommends the Planning Commission approve the two-year extension requested under application #24-0257.

Property Owner: Capitola by the Sea Hospitality, LLC

Representative: Dhanesh Patel, Filed: 6.26.24

Background: On July 21, 2022, the Planning Commission approved Application #21-0122 for a Design Permit, Conditional Use Permit, and Tree Removal Permit for a new 42-room hotel at 720 Hill Street located in the Community Commercial (CC) Zoning District. The building permit has not been approved and the permit is due to expire on July 21, 2024, 24 months from the date of issuance.

On March 6, 2024, the applicant submitted plans to the Building Division for building plan check review. The applicant has demonstrated continued progress in the process and continues to expend resources in the effort to secure a Building Permit.

Discussion: The applicant is seeking an extension to permit #21-0122. CMC §17.156.080 regulates time limit and extensions. An extension to a permit may be approved by the review authority which originally approved the permit. The review authority may extend the permit if the applicant has proceeded in good faith and has exercised due diligence in efforts to exercise the permit in a timely manner. Over the past two years, the applicant has encountered a few challenges including contracting a new architect, financing difficulties due to less favorable market conditions. The applicant has stayed in contact with staff and has demonstrated continued progress in the last six months by making two formal submittals to the Building Department. The project has remained primarily unchanged since the original Planning Commission approval with the one notable change of abandoning the roof top deck. This rooftop deck was a guest amenity and not required by the city code. No other notable changes have been made. The applicant has provided a further description of their extension request in Attachment #3. If granted, the extension would be through July 21, 2026. The review authority may approve up to two two-year extensions (four years total) to a permit.

Attachments:

1. 720 Hill Street – Approved Plan Set
2. 720 Hill Street – Final Local Action Notice and Project Conditions
3. Applicant's extension request letter – 6.20.2024

Report Prepared By: Brian Froelich, Associate Planner

Reviewed By: Austin Westly, Deputy City Clerk

Approved By: Katie Herlihy, Community Development Directo