

Capitola Planning Commission

Agenda Report



Meeting: July 18, 2024

From: Community Development Department

Address: 720 Hill Street

Project Description: Application #24-0156. APN: 036-011-28. Proposed Tentative Parcel Map to split the existing 3.82-acre lot into two lots. The proposed lot sizes are 1.158 acres and 1.924 acres. The property is located within the C-C (Community Commercial) zoning district. This project is not in the Coastal Zone

Environmental Determination: Categorical Exemption

Recommended Action: Staff recommends the Planning Commission approve the two-lot subdivision requested under application #24-0156.

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 applicant now seeks to subdivide the property. The applicant reports that this action would allow the existing and approved hotel to be separately underwritten and salable assets, which would allow for more options to obtain lending and financing for the hotel project.

Discussion: The proposal includes new lot boundaries to create two parcels (Parcel A & B). Parcel A is where the approved hotel would be built, is 1.158 acres and yields a 30-foot-wide right-of-way easement to Parcel B. Parcel B will retain all four existing buildings associated with the Quality Inn. Parcel B is proposed to be 1.924 acres and yields a 25 foot right of way easement and ingress/egress easement to the trash enclosure and parking area for Parcel B. Effectively, the proposed subdivision would result in both properties being independently compliant with development and operational requirements.

Within a minor land division application (lot split), new lots must comply with Section 16.24.170(A-G) of the Municipal Code as follows:

- A. The size and shape of lots shall be in conformance to any zoning regulations effective in the area of the proposed subdivision.

The subdivision is located in the C-C (Community Commercial) zoning district. Pursuant to table 17.24-3, the minimum lot area requirement for the C-C district is 5,000 square feet. Both lots comply with the minimum required lot size of 5,000 square feet. The required minimum width is 50 feet and the required minimum depth is 100 feet. Both proposed parcels meet or exceed all measurable standards.

- B. The side lines of all lots, so far as possible, shall be at right angles to the street which the lot faces, or radial or approximately radial if the street is curved.

The proposed lot lines do not create any new curved lot lines and are angled only to follow the existing access driveway. The proposed lots are of similar size and shape as other nearby lots accessed from Crossroads Loop.

- C. The planning commission may require that building set back lines shall be indicated by dotted lines on the subdivision map.

The applicant has not included building set back lines on the subdivision map; however, adequate setbacks are provided with the proposed lot design. The C-C zone requires setbacks from residentially zoned properties and property lines that abut a street to ensure a minimum sidewalk width. Neither requirement applies to the proposed lot layout. Additional setback analysis is provided below.

- D. No lot shall be divided by a city boundary line.

The parcel is entirely within the city boundary.

- E. Lots without frontage on a dedicated public street of twenty feet or more will not be permitted. Frontage requirements for flag lots may be satisfied by a driveway or private road accessing a street of twenty feet in width or more.

Neither proposed parcel has frontage on a dedicated public street. However, both parcels have access to dedicated public streets via a combination of private road and right of way easements that exceed 20 feet in width to satisfy the access requirement.

- F. Lots other than corner lots may front on more than one street where necessitated by topographic or other unusual conditions.

Not applicable.

- G. In riparian corridors no lots may be created which do not contain adequate building area outside the riparian or stream setback.

Not applicable.

Floor Area

The maximum FAR (Floor Area Ratio) in the C-C zone is 1.0. The existing Quality Inn hotel is 34,492 square feet and would be 0.45 FAR with the proposed Parcel B. The approved 42-room hotel is 18,261 square feet and would be 0.41 FAR with the proposed Parcel A. Both calculations include the net lot area, which excludes the right of way easements.

Parking

The approved new hotel requires 43 parking spaces, and the proposed Parcel A provides 43 parking spaces within the boundaries. The Quality Inn requires 56 parking spaces, the proposed Parcel B provides 57 parking spaces within the boundaries.

Setbacks

The C-C zone requires setbacks from residentially zoned properties and property lines that abut a street to ensure a minimum sidewalk width. Neither requirement applies to the proposed lot layout and the setbacks from the proposed property lines could be zero feet.

The existing Quality Inn hotel has a 50 foot as-built rear setback from the nearest residentially zoned property where 20 feet is required. (table 17.24.030(e))

The approved 42-room hotel has a side setback of 19 feet from the nearest residentially zoned property where 15 feet is required. (table 17.24.030(e))

Improvements

Existing roads, utilities, and infrastructure already exist in the immediate area. No dedications or improvements are required.

CEQA

Section 15315 of the CEQA Guidelines exempts Minor Land Divisions in urbanized areas zoned for commercial use into four or fewer parcels when the division is in conformance with the General Plan and zoning, no variances or exceptions are required, all services and access to the proposed parcels to local standards are available, the parcel was not involved in a division of a larger parcel within the previous two years. This project involves a two lot Minor Land Division that is in compliance with zoning and the General Plan. No adverse environmental impacts were discovered during review of the proposed project.

Findings:

A. That the proposed map is consistent with applicable general and specific plans.

The proposed map is consistent with the general plan and zoning ordinance. All measurable standards are accommodated and both lots can accommodate the existing and proposed development without creating nonconformity.

B. That the design or improvement of the proposed subdivision is consistent with applicable general and specific plans.

The proposed map is consistent with the general plan and zoning ordinance. All measurable standards are accommodated and both lots can accommodate the existing and proposed development without creating nonconformity.

C. That the site is physically suitable for the type of development.

Both resulting properties can accommodate a variety of anticipated commercial developments. The applicant has demonstrated by obtaining approval of a new hotel that all development standards can be met.

D. That the site is physically suitable for the proposed density of development.

Both created parcels are physically suitable for the anticipated development. The existing Quality Inn on Parcel B and the approved hotel on Parcel A utilize less than 50% of the maximum FAR.

E. That the design of the subdivision or the proposed improvements is not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.

The design of the subdivision follows the existing and approved development pattern on the parcels. The approved hotel permit #21-0122 has several conditions of approval that ensure mitigation of environmental impacts. The proposed Tentative Map does not introduce any new environmental impacts.

Conditions of Approval:

General Conditions

1. The project approval consists of a tentative parcel map for a minor Land Division/ Lot Split to create two lots zoned Community Commercial. The proposed parcels comply with the General Plan, Zoning Ordinance, and meet or exceed all measurable standards. The proposal is tentatively approved as indicated on the Tentative Parcel Map reviewed and approved by the Planning Commission on July 18, 2024.
2. This permit shall expire 24 months from the date of issuance. The applicant shall complete all improvements and furnish the city with all required documents to record the Final Map. Applications for extension may be submitted by the applicant prior to expiration pursuant to Municipal Code section 16.16.140.
3. The planning and infrastructure review and approval are transferable with the title to the underlying property so that an approved project may be conveyed or assigned by the applicant to others without losing the approval. The permit cannot be transferred off the site on which the approval was granted.

Planning Department Conditions

4. Prior to making any changes to the Tentative Map, modifications must be specifically requested and submitted in writing to the Community Development Department. Any significant changes to shall require Planning Commission approval.
5. Prior to issuance of building permit, all Planning fees associated with permit #24-0156 shall be paid in full.
6. Prior to recording the Final Map, the applicant must provide documentation of plan approval by the Central Fire Protection District.
7. The owner shall consult the members and/or managers of the Road and Utility Maintenance Agreement to obtain any necessary modifications to the agreement.

Public Works Department Conditions

8. Prior to the recordation of the Final Map, the applicant shall submit new legal descriptions for each lot for review by the City Engineer.
9. Prior to submittal of the Final Map to the City Engineer for examination, the owner (applicant) shall cause the property to be surveyed by a Licensed Land Surveyor or an authorized Civil Engineer. The submitted map shall show the existence of a monument at all external property corner locations, either found or set. The submitted map shall also show monuments set at each new corner location, angle point, or as directed by the City Engineer, all in conformity with the Subdivision Map Act and the Professional Land Surveyors Act. The survey shall include verification of the size and location of the existing structures by a California-licensed land surveyor.
10. The owner (applicant) shall submit four (4) copies of a Final Map in substantial conformance with the approved Tentative Map, along with the additional documents required by Section 16.78 of the Municipal Code with applicable fees and deposits, to the City Engineer for examination and prior approval. The Final Map shall contain all of the information required in Section 16.78 of the Municipal Code and shall be accompanied by the following items:
 - a. One copy of map checking calculations.
 - b. Preliminary Title Report for the property dated within ninety (90) days of the date of submittal for the Final Map.
 - c. One copy of each map referenced on the Final Map.

- d. One copy of each document/deed referenced on the Final Map.
 - e. One copy of any other map, document, deed, easement or other resource that will facilitate the examination process as requested by the City Engineer.
 - f. One copy of the approved Tentative Map.
11. Interior monuments shall be set at each lot corner, prior to recordation of the Final Map.
 12. The owner (applicant) shall provide Irrevocable Offers of Dedication for all required easements and/or rights-of-way on the Final Map, in substantial conformance with the approved Tentative Map and conditions of approval, prior to Final Map approval.
 13. An Encroachment Permit issued by the Public Works Department is required for all work in any portion of the public right-of-way or of a public easement.
 14. Prior to Final Map approval, the owner (applicant) shall furnish the City Engineer with satisfactory written commitments from all public and private utility providers serving the subdivision guaranteeing the completion of all required utility improvements to serve the subdivision.
 15. The owner (applicant) shall secure all necessary permits from the City and any other public agencies, including public and private utility providers, prior to commencement of construction. Copies of permits other than those issued by the City shall be provided to City Engineer.
 16. The owner/applicant shall comply with requirements of Section 13.16.080 of the Municipal Code "Post-construction storm water management". The applicant shall use and maintain Best Management Practices (BMP's) for site design and storm water treatment.

Attachments:

1. 720 Hill Street – Tentative Parcel Map

Report Prepared By: Brian Froelich, Associate Planner

Reviewed By: Austin Westly, Deputy City Clerk

Approved By: Katie Herlihy, Community Development Directo