

Capitola City Council

Agenda Report

Meeting: April 28, 2022

From: Community Development Department

Subject: Presentation on Objective Standards for Multifamily and Mixed-Use Residential and Related Upcoming Proposed Ordinance



Recommended Action: Accept staff presentation.

Background: In 2017, the State of California established the Senate Bill 2 (SB2) grant program to fund city planning efforts that streamline housing approvals and accelerate housing production. Capitola utilized part of its SB2 grant to create objective standards for multi-family and mixed-use development projects, which will ensure quality design and development in Capitola, while keeping the City in compliance with new state housing laws.

In 2021, the City began to prepare objective standards for multifamily dwellings and mixed-use residential development. These standards are needed to protect the city and ensure quality development in light of new state housing laws. The City is using part of its SB2 grant funds for this project and is working with consultants Ben Noble and Bottomley Design and Planning on the project.

The City has held the following meetings for the Objective Standards project:

- February 3, 2021: Planning Commission Study Session to present project goals and approach
- April 8, 2021: City Council Study Session to present project goals and approach.
- July 21, 2021: Stakeholder Meeting #1 to receive preliminary input from developers, architects, and residents on potential draft standards
- February 16, 2022: Stakeholder Meeting #2 to receive feedback on draft standards
- March 31, 2022: Planning Commission to receive feedback on draft standards
- April 21, 2022: Planning Commission positive recommendation to City Council

This report is intended to provide an overview of the proposed Objective Standards for Multifamily and Mixed-Use Residential ordinance. The intent of this agenda item is to circulate the ordinance early to the City Council, in preparation for a first reading on May 12, 2022.

Discussion: Recent changes to state law aimed at increasing housing production create an “expedited review” process for multifamily housing projects. These laws include Senate Bill (SB) 35, the Housing Accountability Act, and SB 330. The state created a streamline administrative review process for applicable multifamily housing projects which comply with the local jurisdiction’s objective standards. Objective standards are defined by the state as standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark. Subjective standards, such as “neighborhood compatibility,” are not allowed in the review of applicable multifamily and mixed-use housing applications. Multifamily housing is allowed in the Multifamily Residential (RM) zoning districts in

the City, and mixed-use applications are allowed in Mixed-Use Neighborhood (MU-N), Community Commercial (C-C), and Regional Commercial (C-R) zoning districts as shown in Zoning Map in Attachment 3.

City staff will present the draft objective standards for multifamily and mixed-use residential development in preparation for a first reading of the proposed ordinance on May 12, 2022 (Attachment 1). The new standards would apply to all new multifamily and mixed-use residential development in the Multifamily Residential (RM), Mixed-Use Neighborhood (MU-N), Community Commercial (C-C), and Regional Commercial (C-R) districts. The standards would not apply in the Mixed-Use Village (MU-V) district as sufficient standards are already in place for this district. The standards would apply to projects that require Design Review, as well as projects requesting ministerial approval under SB 35.

The standards are divided into six categories. Each category includes an intent statement to explain the purpose of the standards followed by the objective standards to guide the design and citing. The six categories are:

1. Circulation and Streetscape
2. Parking and Vehicle Access
3. Building Placement, Orientation, and Entries
4. Building Massing
5. Facade and Roof Design
6. Other Site Features

A proposed project would be permitted to request deviation from one or more standard with Planning Commission review. The Planning Commission could approve a deviation upon finding that the project successfully incorporates an alternative method to achieve the intent of the standard. A project requesting a deviation would not be eligible for streamlined review under SB 35.

Fiscal Impact: None.

Attachments:

1. Draft Ordinance
2. Memorandum on Objective Standards for Multifamily and Mixed-Use Development
3. Zoning Map

Report Prepared By: Katie Herlihy, Community Development Director

Reviewed By: Chloé Woodmansee, City Clerk; Samantha Zutler, City Attorney

Approved By: Jamie Goldstein, City Manager