



CAPITOLA MALL UPDATE & BEN NOBLE PLANNING CONTRACT AMENDMENT





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Recommended Actions

1. Receive update on Capitola Mall / Housing Element Programs 1.6 & 1.7
2. Provide direction on zoning update approach
3. Adopt resolution amending FY 2025–26 Budget for Housing Element implementation
4. Authorize City Manager to execute Amendment I with Ben Noble Planning



CAPITOLA MALL UPDATE

Background – Long Range Planning

2011 41st Avenue / Capitola Mall Re-Visioning Plan

2013 General Plan Update

2024 Housing Element Update



41ST AVENUE/CAPITOLA MALL RE-VISIONING PLAN

OCTOBER 26, 2011

Final Report



CAPITOLA MALL UPDATE

Background – Implementation Planning

Zoning Code Updates

1. Reduced parking requirements and allowed mixed use (2010)
2. Community Benefits (2018)
 - 50 feet height & 2.0 FAR for Mall Redevelopment
2. Updated Regional Commercial Zoning (2018)
 - Vertical and horizontal mixed use allowed throughout
 - Decreased parking
3. Objective Standards for Multifamily and Mixed Use (2022)
4. Removed barriers to housing (2024)



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Background – Prior Mall Redevelopment Concepts

2019 Pre Application from Merlone Geier Partners (MGP)

629 Residential Units

330,000 sf Commercial



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Housing Element

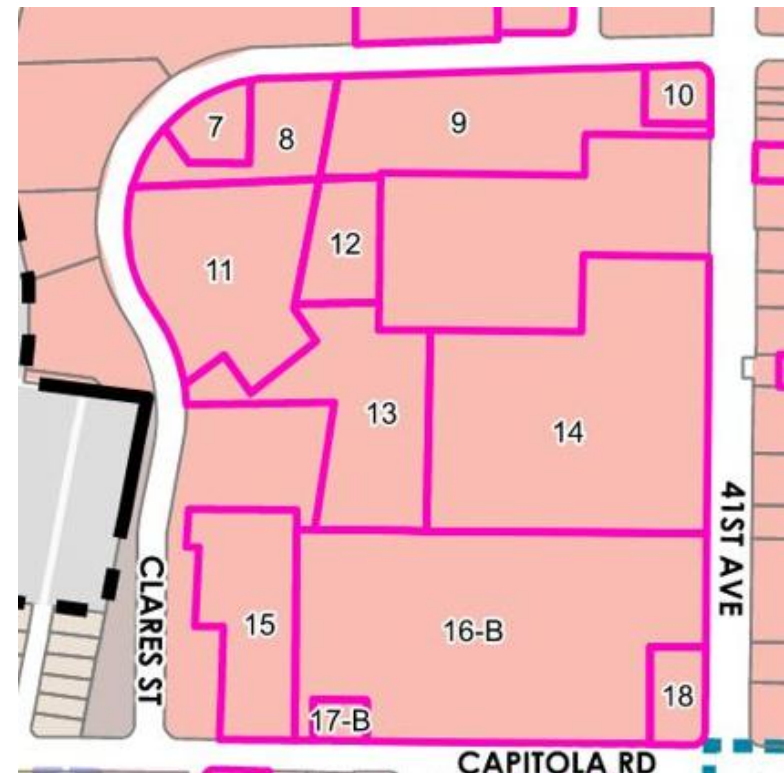
Capitola Mall: Key redevelopment site

- Program 1.6: Development Regulations
- Program 1.7: Shopping Center Redevelopment

Sites Inventory Housing Units

Entire Block 1,777

MGP Properties 1,125





CAPITOLA MALL UPDATE

Housing Element Program Deliverables

1. Develop land use policies to facilitate shopping center redevelopment with a strong sense of urban design cohesion
2. Establishes Capitola Mall as all properties between Clares St, 41st Ave, and Capitola Rd.
3. Building height up to 75 feet for Mall Redevelopment
4. Define “Mall Redevelopment” to mean a mix of uses including residential and retail/commercial components
5. Exclude parking garages from project FAR calculations
6. Adopt objective development standards to facilitate mall redevelopment



CAPITOLA MALL UPDATE

Implementing deliverable requires zoning code updates

Outreach to MGP regarding zoning updates

May 2025: MGP requested form-based code (FBC)

June 2025: Discussion & questions

July 2025: Staff shared FBC cost/timing → \$150k–200k, ~1 year

Aug 2025: MGP requested objective standards and completion by December 2025



CAPITOLA MALL UPDATE

Options for zoning update to implement deliverables

Option 1 – Objective Standards

Option 2 – Expedited Objective Standards (MGP Request)

Option 3 – Form-Based Code



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Option I – Objective Standards

- Amend Zoning Code and General Plan with objective standards
- Increase building height (75 ft) and FAR (2.0)
- Includes 3 rounds of stakeholder meetings + 1 community workshop, PC/CC study sessions
- Completion: April 2026
- Estimated cost: \$75,972



CAPITOLA MALL UPDATE

Amend Chapter 17.82: Objective Standards for Multifamily and Mixed-Use Residential Development

- Circulation and streetscape
- Parking and Vehicle Access
- Building placement, orientation, and entries
- Building Massing
- Façade and Roof Design
- Other site features



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Amend Chapter 17.88

Incentives for Community Benefits

- Update qualifications for Mall Redevelopment with objective standards
- Increase height to 75 feet
- Exclude parking structures from 2.0 max FAR



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3 STAKEHOLDER MEETINGS & 1 COMMUNITY WORKSHOP



WHAT IS IMPORTANT TO YOU?

Issues previously raised during review of Benicia Business Park and Northern Gateway Mixed-Use Project applications

Issue	Is this important to you for the North Study Area?	Comments
Economy		
Real Estate Market Demand and Development Feasibility Allowing financially feasible land uses for which there will be future market demand		
Citywide Economic Vitality Ensuring that new development contributes to citywide economic growth and vitality		
Benicia Business Park Expanding opportunities for businesses to locate and expanding in the Benicia Business Park		Along 2nd St. side
Parks and Recreation		
Trails Providing publicly accessible multi-use trails for outdoor recreation		Great place to build a bike-friendly trail
Parks Providing parks for new residents and general public		

North Study Area Visioning Process



CAPITOLA MALL UPDATE

3 STAKEHOLDER MEETINGS & 1 COMMUNITY WORKSHOP

City Of Capitola Residential Multifamily Zone Amendments



Community Workshop
February 26, 2025

Development Standards

Potential RM Zone Development Standards

	Existing			Potential New
	RM-L	RM-M	RM-H	
Density (max)	10 du/ac	15 du/ac	20 du/ac	30 du/ac
Height (max)	20 ft	30 ft	35 ft	35 ft (1)
Building Coverage (max)	40%	40%	40% 45%	50%
Setbacks (min)				
Front	15 ft	15 ft	15 ft	15 ft (2)
Interior Side	10% of lot width (3)	10% of lot width (3)	10% of lot width (3)	10% of lot width (3) (4)
Street Side	10 ft	10 ft	10 ft	10 ft (2)
Rear	15% of lot depth	15% of lot depth	15% of lot depth	15 ft

(1) Additional 5 feet permitted above plate height for roof elements with a minimum 5:12 pitch. Maximum 3 stories.
(2) The planning commission may approve reduced front and street side setbacks if the reduced setbacks will be developed that comply with setbacks and street standards in 17.05.040 (Circulator and Streetlights).
(3) No lot less than 3 feet or greater than 7 feet.
(4) No lot less than 3 feet or greater than 7 feet.

Multifamily development in all RM subzones also must comply with an existing "daylight plane" standard to limit the height of building walls adjacent to existing single-family homes.

RM Daylight Plane: Where an RM zoning district abuts an R-1 zoning district, no structure shall extend above or beyond a daylight plane having a height of 25 feet at the setback from the R-1 property line and extending into the parcel at an angle of 45 degrees.

25 ft
45°
R-1
RM



Multifamily Housing Design

What do you like about this example? What don't you like?

Santa Cruz, California - 15 du/ac

What do you like about this example? What don't you like?

Mountain View, California - 12 du/ac



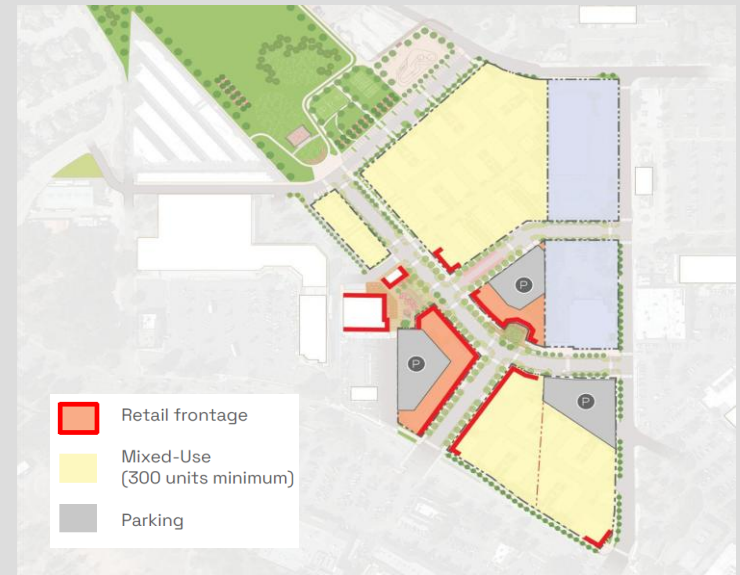
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EXAMPLE OBJECTIVE STANDARDS

Public Plazas



Block Patterns

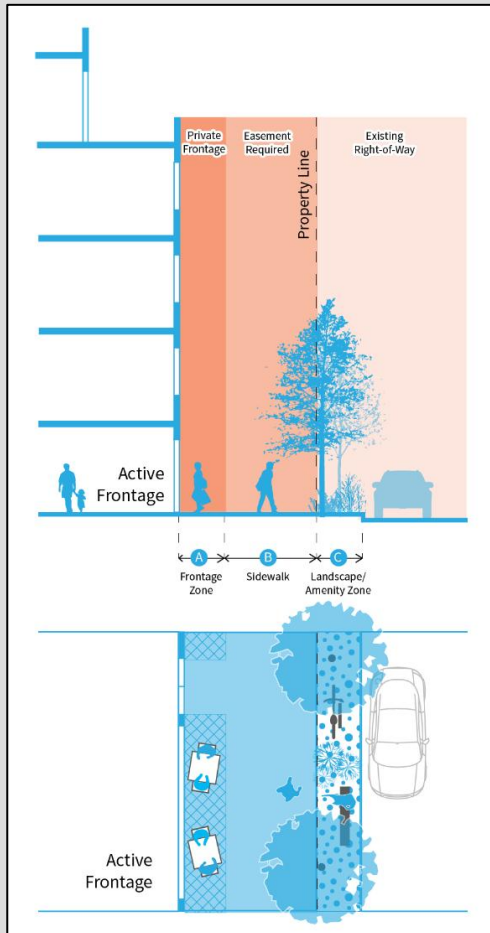




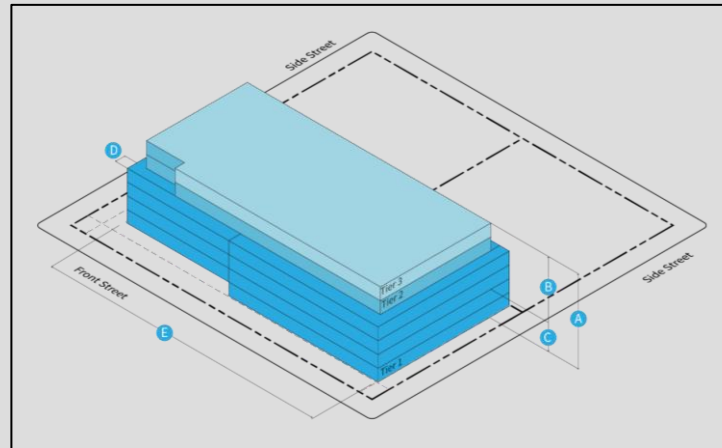
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EXAMPLE OBJECTIVE STANDARDS

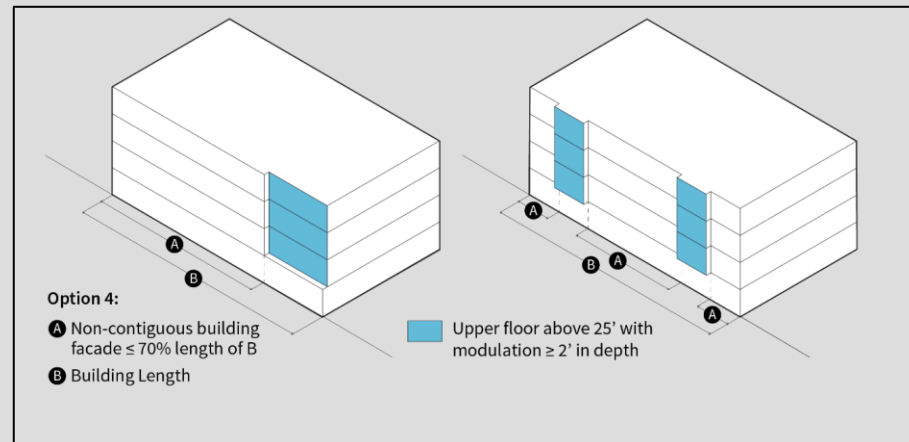
Pedestrian Realm Dimensions



Building Massing



Upper Floor Building Modulation





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Option 2 – Expedited Objective Standards

- Amend Zoning Code and General Plan with objective standards
- Increase building height (75 ft) and FAR (2.0)
- Includes 1 stakeholder meetings
- Completion: Jan. 2026
- Estimated cost: \$45,781



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Option 3 – Form Based Code

- Replace existing zoning with form-based code for Mall block
- Focus on building form + frontages and their relationship to streets, sidewalks and public spaces
- Includes design charrette + cohesive design standards + regulating map
- Completion: ~8 months (mid-2026)
- Estimated cost: \$161,484



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FBC: WORKSHOP WITH COMMUNITY & STAKEHOLDERS





CAPITOLA MALL UPDATE

CREAT CODE FRAMEWORK & REGULATING PLAN

A. Intent

Downtown Core

Intent Diagram



Intent

A vibrant, walkable, urban main street serving the Rohnert Park community and the region with commercial, retail, entertainment, and civic uses, public transportation, and medium-to-large footprint, moderate-to-high intensity housing choices.

Downtown Main Street

Intent Diagram



Intent

A walkable, vibrant urban main street serving multiple neighborhoods with commercial, retail, entertainment, and civic uses, public transportation, small-to medium footprint buildings with some moderate-to-high-intensity housing choices.

Downtown Neighborhood

Intent Diagram



Intent

A walkable, urban neighborhood environment with small-to-medium footprint, lower-intensity housing choices, supporting and within short walking distance of neighborhood-serving retail and services.



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CREAT CODE FRAMEWORK & REGULATING PLAN

Key
 ---- Design Site Line/Building Setback Line

B. Required Elements

Distance between Glazing	2' max.	A
Ground Floor Glazing between Sidewalk and Finished Ceiling Height	Per Chapter 2 (Development Standards) Subsection E (Façade Design)	B
Shopfront Base/Bulkhead	0.5' min, 2' max.	C

C. Additional Standards

Operable doors/windows that do not roll up but allow the space to open to the street are allowed in compliance with Chapter 3 (Massing and Articulation).



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Comparison of Options

Option	Engagement	Timeline	Cost
1. Objective Standards	PC/CC, Stakeholders + Workshop	Apr 2026	\$75,972
2. Expedited Standards	Hearings only	Jan 2026	\$45,781
3. Form-Based Code	Charette/ Community Workshops	~8 months (mid-2026)	\$161,484



CAPITOLA MALL UPDATE

Comparison of Options

Option	Regulations	Redevelopment approval process
1. Objective Standards	Less Prescriptive More Flexible	PC Review
2. Expedited Standards	Less Prescriptive More Flexible	PC Review
3. Form-Based Code	More Prescriptive Less Flexible	Increased Administrative Review



CAPITOLA MALL UPDATE

Fiscal Impact

- Current contract balance: \$46,611
- Funds needed: \$45,781 – \$161,484 (depending on option)
- Funds available in General Plan Maintenance Fund
- Recommendation: Reserve contract balance for ongoing code updates; Amend contract to cover full cost of chosen option



CAPITOLA MALL UPDATE

Council Direction

- Select preferred zoning update approach
- Amend FY 2025–26 Budget to allocate funding
- Authorize contract amendment with Ben Noble Planning
- Continue coordination with MGP and stakeholders



DRAFT MOTION

Authorize contract amendment with Ben Noble Planning to implement option ____,

and

Amend FY 2025–26 Budget to allocate

1: \$76,000 2: \$46,000 3: \$162,000

from General Plan Maintenance Fund, and