

**RESOLUTION NO. \_\_\_\_**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF  
CAPITOLA RECOMMENDING THAT THE CITY COUNCIL ADOPT AN  
ORDINANCE AMENDING MUNICIPAL CODE TITLE 17 (ZONING) FOR THE  
RESIDENTIAL MULTIFAMILY (RM) ZONE AND THE ZONING MAP, AND  
FINDING THE PROJECT EXEMPT FROM CEQA**

WHEREAS, on August 22, 2024, the City Council adopted amendments to the 2023-2031 Housing Element of the General Plan (“Housing Element”) and Addendum to the General Plan Final Environmental Impact Report;

Whereas, on August 30, 2025, the California Department of Housing and Community Development (“HCD”) certified the Housing Element;

WHEREAS, Housing Element Program 1.6 states that the City shall review density and other development standards in the Residential Multifamily (RM) zone and revise as appropriate to facilitate multifamily housing development;

WHEREAS, the Planning Commission held work sessions on May 2 and June 6, 2024, to consider Zoning Code amendments affecting the RM zone in furtherance of Housing Element Program 1.6;

WHEREAS, at a noticed public hearing on August 15, 2024, the Planning Commission directed staff to conduct additional public outreach and return to the Planning Commission for continued discussion of the RM zone amendments in 2025;

WHEREAS, on February 24, 2025, the City hosted a community workshop to receive public input on the RM zone amendments with a focus on increases to allowed density in locations that could realistically accommodate additional multifamily development consistent with Housing Element Program 1.6;

WHEREAS, on March 3, 2025, the Planning Commission received an update on the RM zone amendments and provided input on the most effective and pragmatic approach to the RM zone amendments, including increased allowed density in seven RM areas;

WHEREAS City staff prepared draft amendments to Municipal Code Title 17 and the Zoning Map (together, the “Amendments”) to implement Housing Element Program 1.6;

WHEREAS, the California Department of Housing and Community Development conveyed that the City’s approach to implementing Housing Element Program 1.6 with respect to the RM amendments are generally consistent with state housing law;

WHEREAS, notice of the Amendments’ availability was mailed and a public review draft made available on August 1, 2025, in compliance with California Coastal Act public participation requirements and applicable state law;

WHEREAS, the Amendments and the associated General Plan text amendment (together, the “Project”) are exempt from the California Environmental Quality Act (CEQA), pursuant to California Public Resources Code Section 21080.85 which exempts from CEQA rezonings to implement a certified Housing Element.

Further, the Project was analyzed and considered as part of the City’s adoption of the Addendum to the General Plan EIR for the City’s Housing Element, such that nothing further is required under CEQA. There are no substantial changes proposed to the Housing Element, including Program 1.6, that would require major revisions of the previous EIR or its Addendum due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. The Project merely implements Housing Element Program 1.6, which was studied and evaluated in the General Plan EIR Addendum. There are no substantial changes with respect to the circumstances under which implementation of the Housing Element will be undertaken which will require major revisions of the previous environmental document due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. There is no new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous Addendum was adopted.

Lastly, the Project is categorically exempt from CEQA because it can be seen with certainty that there is no possibility that the Project will have a significant effect on the environment. (CEQA Guidelines, 14 Cal. Code of Regs. Section 15061(b)(3)). The Project merely implements the Housing Element and proposes no development, and implementing projects would be subject to environmental review; and

WHEREAS, at a duly noticed public hearing on August 21, 2025, the Planning Commission reviewed the proposed Amendments at which time it considered all evidence presented, both written and oral.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission hereby finds that, based on substantial evidence in the record:

1. The foregoing recitals are true and correct and are incorporated by reference into this action.
2. Pursuant to Capitola Municipal Code Section 17.144.040 and 17.144.060 and based on substantial evidence in the record:
  - a) The proposed Amendments are consistent with the General Plan, including the Housing Element and Land Use Element and any applicable specific plan as provided by Government Code Section 65860. Concurrent with the Amendments, the Planning Commission and City Council will be considering a text amendment to the General Plan Land Use Element to allow for greater density in the RM designation. Adoption of the Amendments will be subject to final City Council approval and adoption of the associated General Plan text amendment.
  - b) The proposed Amendments will not be detrimental to the public interest, health,

safety, convenience, or welfare of the City.

c) The proposed Amendments are internally consistent with other applicable provisions of the Zoning Code.

3. The Planning Commission has considered the Amendments' consistency with the certified Local Coastal Program (LCP) and finds the Zoning Code and Zoning Map Amendments in conformity with and adequate to carry out the certified Land Use Plan as described in Exhibit C attached hereto and incorporated herein.

4. The Planning Commission recommends that the City Council:

a. Find that the Amendments and the associated General Plan text amendment (together, the "Project") are exempt from the California Environmental Quality Act (CEQA), pursuant to California Public Resources Code Section 21080.85 which exempts from CEQA rezonings to implement a certified Housing Element.

Further, the Project was analyzed and considered as part of the City's adoption of the Addendum to the General Plan EIR for the City's Housing Element, such that nothing further is required under CEQA. There are no substantial changes proposed to the Housing Element, including Program 1.6, that would require major revisions of the previous EIR or its Addendum due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. The Project merely implements Housing Element Program 1.6, which was studied and evaluated in the General Plan EIR Addendum. There are no substantial changes with respect to the circumstances under which implementation of the Housing Element will be undertaken which will require major revisions of the previous environmental document due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. There is no new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous Addendum was adopted.

Lastly, the Project is categorically exempt from CEQA because it can be seen with certainty that there is no possibility that the Project will have a significant effect on the environment. (CEQA Guidelines, 14 Cal. Code of Regs. Section 15061(b)(3)). The Project merely implements the Housing Element and proposes no development, and implementing projects would be subject to environmental review.

b. Adopt an ordinance amending Capitola Municipal Code Title 17: Zoning set forth in Exhibit A attached hereto and incorporated herein, subject to the adoption of the associated General Plan text amendment.

c. Adopt amendments to the official Zoning Map of the City of Capitola set forth in Exhibit B attached hereto and incorporated herein, subject to the adoption of the associated General Plan text amendment and authorize staff to update the Zoning Map on the City's website.

## SEVERABILITY

If any term, provision, or portion of these findings or the application of these findings to a particular situation is held by a court to be invalid, void or unenforceable, the remaining provisions of these findings, or their application to other actions related to the Project, shall continue in full force and effect unless amended or modified by the City.

ADOPTED by the Planning Commission of the City of Capitola at a meeting this 21<sup>st</sup> day of August, 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Chair

Attest: \_\_\_\_\_  
Katie Herlihy, Community  
Development Director