



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## City of Capitola Response to Report Titled "Housing Our Workers"

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**Moss, Julia** <jmoss@ci.capitola.ca.us>

Fri, Jul 28, 2023 at 12:01 PM

To: "Syda.Cogliati@santacruzcourt.org" <Syda.Cogliati@santacruzcourt.org>

Cc: "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

Good Morning,

Please find attached the City of Capitola's response to the 2022-2023 Santa Cruz County Civil Grand Jury report titled **Housing Our Workers**. This response was approved by the Capitola City Council on July 27<sup>th</sup>, 2023, as can be seen in the attached draft minutes from that meeting.

Please respond to confirm receipt of this email. Thank you,

**Julia Moss**

City Clerk - City of Capitola

831.475.7300 x228

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### 2 attachments



**Housing Grand Jury Response.pdf**

401K



**Housing - Minutes from July 27th.pdf**

609K

# City of Capitola

## City Council Meeting Minutes

### Thursday, July 27, 2023 – 6:00 PM



City Council Chambers  
420 Capitola Avenue, Capitola, CA 95010

**Mayor:** Margaux Keiser

**Vice Mayor:** Kristen Brown

**Council Members:** Yvette Brooks, Joe Clarke, Alexander Pedersen

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#### Closed Session – 5 PM

- i. CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code § 54957.6)  
Negotiator: Chloé Woodmansee, Assistant to the City of Manager  
Employee Organizations: Association of Capitola Employees, Police Officers Association, Mid-Management Employees, Confidential Employees, Police Captains, and Management
- ii. CONFERENCE WITH LEGAL COUNSEL—LIABILITY CLAIMS (Gov. Code § 54956.95)  
1) Graciela Cardiel  
Claim against the City of Capitola
- iii. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Gov. Code § 54956.9)  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: one case

#### Regular Meeting of the Capitola City Council – 6 PM

### 1. Roll Call and Pledge of Allegiance

*The meeting was called to order at 6:00 PM. In attendance: Council Members Brooks, Clarke, Pedersen, and Mayor Keiser. Absent: Vice Mayor Brown*

### 2. Additions and Deletions to the Agenda - None

### 3. Report on Closed Session – *The City Council met and discussed three items on the Closed Session Agenda. No reportable action was taken.*

### 4. Additional Materials

- A. Updated Attachments for Item 7F
- B. Correspondence Received - Item 8C (2 emails)
- C. Correspondence Received - Item 8E (3 emails)
- D. Correspondence Received - Item 8F (3 emails)

### 5. Oral Communications by Members of the Public - None

### 6. Staff / City Council Comments

- *Police Chief Dally reminded the public of National Night Out on August 1<sup>st</sup> from 5-7 PM.*
- *Council Member Clarke commended the Random Acts of Capitola Kindness group for their efforts on the Depot Hill fence repair.*

### 7. Consent Items

- A. City Council Meeting Minutes

Recommended Action: Approve the June 22, 2023, City Council meeting minutes.

B. City Check Registers

Recommended Action: Approve check registers dated June 23, 2023, and July 7, 2023.

C. Liability Claim of Graciela Cardiel

Recommended Action: Reject liability claim.

D. Grand Jury Response – Cyber Security

Recommended Action: Approve the responses to the Grand Jury Report and direct the City Clerk to submit the completed response packet pursuant to California Penal Code Section 933.05.

E. Grand Jury Response – Housing our Workers

Recommended Action: Approve the responses to the Grand Jury Report and direct the City Clerk to submit the completed response packet pursuant to California Penal Code Section 933.05.

F. Jade Street Park Universally Accessible Playground Fundraising Partnership

Recommended Action: 1) Authorize the City Manager to execute a Memorandum of Understanding with the Friends of Santa Cruz County Parks for a fundraising campaign and administration of donations for the Jade Street Park Universally Accessible Playground Project; and 2) approve an administrative policy regarding the Universally Accessible Playground at Jade Street Park Donor Recognition.

G. Plein Air Public Art Prize Amount

Recommended Action: Approve the Art & Cultural Commission recommendation to increase the Plein Air Public Art Festival Competition prize amount from \$1,500 to \$1,800 for first place and from \$800 to \$1,000 for second place.

***Motion to adopt the Consent Calendar: Council Member Clarke***

***Seconded: Council Member Brooks***

***Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser***

***Absent: Vice Mayor Brown***

## 8. General Government / Public Hearings

A. State Budget Update from Senator John Laird

***Senator John Laird provided a presentation on the State of California Budget.***

B. Children and Youth Bill of Rights

Recommended Action: Adopt a resolution adopting the City of Capitola Children and Youth Bill of Rights.

***Deputy City Clerk Westly presented the staff report.***

***Council Member discussion included an overview of the partnership between the City and the Children's Network and Youth Action Network.***

***Motion to adopt the resolution adopting the Capitola Children and Youth Bill of Rights with direction to staff to research the addition of a \$2,000 stipend for youth participation on City advisory boards: Council Member Brooks***

***Seconded: Council Member Clarke***

***Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser***

***Absent: Vice Mayor Brown***

C. Jade Street Park UA Playground Project

Recommended Action: Approve the Final Conceptual Design for the Jade Street Park Universally Accessible (UA) Playground Project.

**Public Works Director Kahn and Todd from Verde Design presented the staff report.**

**Public Comments:**

- **Brenda, community member, spoke in support of the UA Playground Project.**
- **Dan Hastley, County Park Friends, spoke in support of the UA Playground Project.**
- **Lisa Duran, Capitola Aptos Rotary Member, spoke in support of the UA Playground Project.**

**Council Member discussion included thanks for the Santa Cruz County Park Friends for their fundraising efforts, and encouragement to the community to donate to the fundraiser.**

**Motion to approve the Final Conceptual Design: Council Member Brooks**

**Seconded: Council Member Pedersen**

**Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser**

**Absent: Vice Mayor Brown**

D. Community Center Renovation Project – Budget Update

Recommended Action: 1) Receive update on external funding sources for the Community Center Renovation Project; and 2) authorize Amendment 1 to the Professional Services Agreement with Boone Low Ratliff Architects in the amount of \$374,000 for final design documents, bidding support, and construction administration for the Community Center Renovation Project.

**Public Works Director Kahn presented the staff report.**

**Council Member discussion included clarification on funding sources and timelines.**

**Motion to authorize Amendment 1 to the Agreement with Boone Low Ratliff Architects:**

**Council Member Pedersen**

**Seconded: Council Member Clarke**

**Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser**

**Absent: Vice Mayor Brown**

E. Capitola Wharf Enhancement Project Preliminary Conceptual Design

Recommended Action: Direct staff to prepare a final concept plan, for consideration by the City Council on August 24, 2023, for the Capitola Wharf Enhancement Project (CWEP).

**Public Works Director Kahn presented the staff report.**

**Public Comments:**

- **Community member requested clarification on the conceptual design.**
- **Gerry Jensen, CWET, thanked City staff and Wharf to Wharf staff for their collaboration efforts.**
- **Skip Allen, community member, voiced concerns about enhanced lighting in the conceptual design.**

**Council Members expressed thanks to CWET for their efforts, an interest in the addition of a kiosk element, and additional outreach for volunteer opportunities.**

**Direction provided to staff to prepare a Final Conceptual Design with the addition of a kiosk: Council Member Brooks**

**Seconded: Council Member Clarke**

**Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser**

**Absent: Vice Mayor Brown**

F. Capitola Road Pavement Rehabilitation Project

**Recommended Action:** Approve the plans, specifications, and construction budget of \$1,700,000 for the Capitola Road Pavement Rehabilitation Project; adopt a resolution amending the FY 2023-24 budget; and authorize the Department of Public Works to advertise for construction bids.

**Public Works Director Kahn presented the staff report.**

**The City Council requested that staff provide an update on the ADA recommendations for this project and associated electrical improvements.**

**Public Comments:**

- **Marianne Mahern, resident, requested further consideration of ADA accommodations in the pavement plan.**

**Motion to approve the plans, specifications, and budget for the Road Pavement Rehabilitation Project and adopt the resolution: Council Member Brooks**

**Seconded: Council Member Clarke**

**Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser**

**Absent: Vice Mayor Brown**

G. City Council Appointments to City Advisory Bodies

**Recommended Action:** Appoint members of the public to the City of Capitola Arts and Cultural Commission and Historical Museum Board.

**City Clerk Moss presented the staff report.**

**Motion to appoint Jennifer Major to the Arts and Cultural Commission to a term expiring 12/31/2024 and Brian Legakis to the Historical Museum Board to a term expiring 6/30/2024: Council Member Clarke**

**Seconded: Council Member Pedersen**

**Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser**

**Absent: Vice Mayor Brown**

**9. Adjournment – The meeting was adjourned at 7:36 PM to the next regularly scheduled meeting on August 24, 2023, at 6:00 PM.**

**ATTEST:**

\_\_\_\_\_  
Margaux Keiser, Mayor

\_\_\_\_\_  
Julia Moss, City Clerk



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Capitola City Council

to Respond by August 31, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

## Housing Our Workers

Essential Workers Need Affordable Housing!

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. **Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown  
in our minutes dated July 27, 2023.

4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**

## Findings

- F1.** While all city and county planning departments have demonstrated a good understanding of the new State housing laws and the need to facilitate more housing, the failure to do so in a timely manner has served to further decrease the availability of housing and further increase the need and cost of more housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The City of Capitola has consistently updated the Capitola Municipal Code to comply with state housing law in a timely manner. With the many annual housing bills, cities and developers alike must be diligent in understanding the latest legislative changes. Even in doing so, the state Housing and Community Development Department and case law provide new interpretations and precedents.

The pace of entitlements and construction of ADUs in Capitola has increased in recent years, partly due to the changes in state legislation and the City's rapid incorporation of those changes into the daily narrative and development entitlement decisions. For example, for new ADU laws that came into effect on Jan 1, 2020, Capitola updated the ordinance by March of 2020. Capitola updated the ordinance again in 2022 due to additional modifications in ADU law.

The City's up-to-date understanding of housing legislation does and will continue to facilitate housing production. The City will continue to remain diligent in staying knowledgeable about the latest legislative changes, interpretations, and case law.



**F4.** Capitola has made little progress towards achieving housing goals, particularly for low income housing. Although the City identified sites for mixed use developments, they have made little progress towards developing those sites.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Capitola has made great progress towards achieving housing goals, but has made little progress in developing low-income sites in the current housing cycle.

In terms of housing goals, Capitola had made great progress to enable more housing development citywide. Completed planning projects include:

1. Complete overhaul of Zoning Code to remove barriers to housing and ensure housing could be accommodated. (2014-2020)
2. Updated the ADU ordinance (2020 and 2022)
3. Created ADU guidance document (2022)
4. Created building permit ready ADU prototype designs (2022)
5. Completed a nexus study for affordable housing (2020/2021)
6. Completed feasibility analysis for affordable housing fees (2020)
7. Updated Chapter 18.02 Inclusionary Housing Ordinance (2020/2021)
8. Added Chapter 18.05 for Inclusionary Housing Impact Fees (2020/2021)
9. Added Chapter 17.82 establishing Objective Standards for Multifamily and Mixed-Use Developments (2022)

The City is not responsible for developing sites as the City is not a developer. Capitola is responsible for ensuring there are adequate sites to develop housing within the City and removing barriers. However, the City recently approved a 36 unit 100% affordable development at 4401 Capitola Road. The City will continue efforts to proactively reach out to affordable housing developers to increase interest in Capitola sites.

**F5.** Capitola has focused primarily on streamlining the construction of ADUs as a means to increase housing. However, there is little evidence that ADUs are prioritized for rental to local workers, and there is little chance that ADUs alone can meet the housing needs for the 6th Cycle Housing Element.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

ADUs are only a small portion of the work the City had done to meet housing needs. Of the nine tasks listed below toward housing, ADUs were the focus of three. The City agrees that ADUs alone cannot meet the housing needs for the 6<sup>th</sup> cycle.

Completed housing projects:

1. Complete overhaul of Zoning Code to remove barriers to housing and ensure housing could be accommodated. (2014-2020)
2. Updated the ADU ordinance (2020 and 2022)
3. Created ADU guidance document (2022)
4. Created building permit ready ADU prototype designs (2022)
5. Completed a nexus study for affordable housing (2020/2021)
6. Completed feasibility analysis for affordable housing fees (2020)
7. Updated Chapter 18.02 Inclusionary Housing Ordinance (2020/2021)
8. Added Chapter 18.05 for Inclusionary Housing Impact Fees (2020/2021)
9. Added Chapter 17.82 establishing Objective Standards for Multifamily and Mixed-Use Developments (2022)

The City agrees there is little evidence that ADUs are prioritized for rental to local workers. However, the City recently approved a 36 unit 100% affordable development at 4401 Capitola Road and included a condition of approval for local worker preference.

**F6.** Capitola and the County of Santa Cruz need to work together to facilitate significant housing in the mid-county area where a large percentage of jobs are located.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

All jurisdictions in the County regularly collaborate during the Association of Monterey Bay Area Government (AMBAG) regularly scheduled meetings. Senate Bill 375 set forth consistency requirements between transportation planning processes and housing planning processes. More specifically, the regional housing needs allocation (RHNA) must be consistent with the Sustainable Communities Strategy (SCS) development pattern. For the Monterey Bay region, these requirements necessitate extensive coordination between three regional transportation planning agencies, two major transit agencies, 21 local jurisdictions, two councils of government and AMBAG, the region's metropolitan planning organization. The RHNA process considered the job/housing ratio of jurisdictions and assigned more units to areas with more jobs, including Capitola and the County of Santa Cruz. The increase allocation based on jobs will result in increased housing in the mid-county area where a large percentage of jobs are located.

Also, Planning Directors from throughout the County meet regularly to collaborate on housing and other related issues. The Planning Department staff from the countywide jurisdictions also collaborate through AMBAG meetings, trainings, discussions of state legislation, joint presentations, and various other communications.

**F7.** The City of Capitola has made little progress towards facilitating the development of the Capitola Mall as a mixed-use project which could accommodate both business and housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

In the recent Zoning Code update, Chapter 17.88: Incentives for Community Benefits was added providing incentives of additional height and floor area ratio on the mall site. In 2019, the mall owner submitted an application for a mixed-use development which would accommodate 637 new residential units along with commercial uses. During the conceptual review, the applicant received favorable feedback from Planning Commission and City Council. Ultimately, the applicant withdrew the application in the summer of 2020 due to the pandemic. Capitola made progress with the adoption of the new Incentives for Community Benefits Zoning as there are now incentives in place for increased height and floor area, combined with underlying zoning that has no density limit.

However, the Capitola Mall is comprised of multiple parcels, owned by seven different entities. These seven property owners must all agree on any significant development on the Mall site. Unanimous agreement among these property owners has been a challenge for decades.

While the City has created incentives to facilitate development, and helped facilitate discussions among those property owners, the City is not able to compel private property owners to redevelop Capitola Mall.

**F8.** The City of Capitola claims to have significantly fewer resources to attract housing planners and builders than do the bigger municipalities of Santa Cruz, Watsonville and the County of Santa Cruz, but that does not mean the City should be exempt from the need to construct housing for local low income workers.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The City agrees it should not be exempt from the need to construct housing for local low-income workers. However, it is a fact that Capitola has significantly less housing staff and financial resources than the City of Santa Cruz, City of Watsonville, and the County of Santa Cruz, which can make it more challenging to partner with housing developers toward construction of projects.

Two new housing fund sources recently became available through the payoff of a large housing loan and the recent award from the state of PLHA funds. Capitola intends to utilize the new funding source to assist MidPen Housing with plans for a 52-unit 100% affordable project at 1098 38<sup>th</sup> Avenue.

**F12.** While all local municipalities have voiced support for prioritizing housing for local workers, only some of them have clear local preference guidelines that give some priority to local workers. Without clear guidelines and incentives, new housing is more likely to be purchased by those who do not live and work here.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Capitola's inclusionary housing ordinance (IHO) gives preference to local residents and workers. Within Capitola Municipal Code Section 18.02.080, the City's inclusionary ordinance gives preferences for ownership inclusionary units to households who live or work in Capitola.

Beyond the IHO, Capitola does not have requirements for prioritizing housing for local workers. However, during the review of a recent 36-unit, 100 percent affordable housing development project at 4401 Capitola Road, the project was conditioned to require local worker preference.

Prior to adopting a standard for local worker preference, the City would have to do more research on applicable laws and fair housing practices.

**F13.** All municipalities are trying to identify and facilitate the building of housing projects, but most of that is done independently of the other municipalities or with outside partners. Since workforce housing and transportation gridlock is a county-wide problem, all county municipalities need to work more closely together and with property owners to develop housing solutions.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

While representatives from the different jurisdictions can and do regularly learn from one another and collaborate on the best ways to grow across the region, particularly when it comes to planning for and requiring increased densities in areas close to transit and other daily needs, individual projects are typically best handled by the jurisdiction in which they are located.

All jurisdictions in the County regularly collaborate during the Association of Monterey Bay Area Government (AMBAG) meetings. Senate Bill 375 set forth consistency requirements between transportation planning processes and housing planning processes. More specifically, the regional housing needs allocation (RHNA) must be consistent with the Sustainable Communities Strategy (SCS) development pattern. For the Monterey Bay Area, these requirements necessitate extensive coordination between three regional transportation planning agencies, two major transit agencies, 21 local jurisdictions, two councils of government and AMBAG, the region's metropolitan planning organization. The RHNA process assigned more units to Capitola and the County of Santa Cruz due to the number of jobs in mid-county to facilitate significant housing in the mid-county area where a large percentage of jobs are located.

Also, Planning Directors from throughout the County meet regularly to collaborate on housing and other related issues. The Planning Department staff from the countywide jurisdictions also collaborate through AMBAG meetings, trainings, discussions of state legislation, joint presentations, and various other communications.

## Recommendations

**R1.** By the end of 2023 the City of Capitola should identify enough parcels of land, zoned appropriately, to meet the new RHNA housing allocations for all income levels, especially low income housing. (F4 – F6, F8)

**HAS BEEN IMPLEMENTED** – summarize what has been done

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)

**WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

The 6<sup>th</sup> cycle draft housing element, as submitted to HCD, identifies more than the required parcels of land, zoned appropriately, to meet the new RHNA housing allocations for all income levels, including low-income housing.



**R2.** By the end of 2023 the City of Capitola should show significant progress towards planning and facilitating the construction of mixed use businesses and housing on identified parcels of land in the City. (F4, F6 – F8)

**HAS BEEN IMPLEMENTED** – summarize what has been done

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)

**WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City updated the Zoning Code to allow mixed-use in all commercial zones (2014-2020); updated Chapter 18.02 Inclusionary Housing Ordinance (2020/2021); added Chapter 18.05 for Inclusionary Housing Impact Fees (2020/2021); and added Chapter 17.82 establishing Objective Standards for Multifamily and Mixed-Use Developments (2022). The draft 6<sup>th</sup> cycle housing element includes many properties within Capitola’s mixed-use zoning district. These accomplishments create significant progress towards planning and facilitating the construction of mixed-use businesses and housing citywide.

**R3.** By the end of 2023, the City of Capitola should demonstrate a plan to work with the County of Santa Cruz as well as other for profit and non-profit agencies to develop housing close to transportation corridors along Hwy 1 and 41st Avenue. (F6, F7, F13)

**HAS BEEN IMPLEMENTED** – summarize what has been done

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)

**WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Planning Directors from throughout the County meet regularly to collaborate on housing and other related issues. The Planning Department staff from the countywide jurisdictions also collaborate through AMBAG meetings, trainings, discussions of state legislation, joint presentations, and various other communication streams. Specific development projects typically are handled by the specific jurisdiction where they are located.

In terms of regional planning, all jurisdictions in the County regularly collaborate during the Association of Monterey Bay Area Government (AMBAG) meetings. Senate Bill 375 set forth consistency requirements between transportation planning processes and housing planning processes. More specifically, the regional housing needs allocation (RHNA) must be consistent with the Sustainable Communities Strategy (SCS) development pattern. For the Monterey Bay Area, these requirements necessitate extensive coordination between three regional transportation planning agencies, two major transit agencies, 21 local jurisdictions, two councils of government and AMBAG, the region's metropolitan planning organization. The regional coordination encourages housing development near transportation corridors along Hwy 1 and 41st Avenue. Also, Capitola's Draft 6<sup>th</sup> Cycle Housing Element includes numerous sites along 41<sup>st</sup> Avenue due to existing transit and jobs.

**R4.** By the end of 2023 the City of Capitola should develop clear, measureable guidelines to ensure that local preference is given to local workers in the construction of ADUs as well as low income housing. (F12)

**HAS BEEN IMPLEMENTED** – summarize what has been done

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)

**WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City cannot legally require private homeowners to hire local workers for construction of ADUs. Further, this requirement would be an impediment to housing development due to limited construction workers at the local level, and increased development costs which would make development of new housing less feasible.

**R5.** By the end of 2023 the City of Capitola should demonstrate that they have reestablished regular meetings of a workgroup or entity that would allow planners from all 5 county jurisdictions to share ideas on housing development and develop joint projects. (F13)

**HAS BEEN IMPLEMENTED** – summarize what has been done

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)

**WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

As stated in R3, Planning Directors from throughout the County meet regularly to collaborate on housing and other related issues. The Planning Department staff from the countywide jurisdictions also collaborate through AMBAG meetings, trainings, discussions of state legislation, joint presentations, and various other communication streams. Specific development projects typically are handled by the specific jurisdiction where they are located.