



County of Monterey

Item No.10

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: RES 24-101

June 04, 2024

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PLN150372 - RIVER VIEW AT LAS PALMAS LLC

Public hearing to consider:

- a. Certifying the Final Subsequent Environmental Impact Report (FSEIR), as augmented September 2023;
- b. Adopting a Statement of Overriding Considerations finding that the benefits of the project outweigh the significant and unavoidable traffic impacts;
- c. Adopting a Mitigation Monitoring and Reporting Plan;
- d. Adopting an amendment to the text of the Las Palmas Ranch Specific Plan (LPRSP) to:
 1. Increase the unit cap from 1,031 to 1,058, to allow for an additional 27 residential lots on Parcel Q;
 2. Add a new Policy 12 in Chapter II, Section C, specifying that Parcel Q shall require 25% of new housing units as affordable, 15% of which shall be on-site and available to moderate-income households and the remaining 10% of which shall be provided through payment of an in-lieu fee; and
 3. Update Figures E and H to recognize Parcel Q;
- e. Approving a Vesting Tentative Map to create 27 residential lots, including four moderate income units, and an open space parcel; and
- f. Approving a Use Permit to allow development on slopes in excess of 25%.

Project Location: 15.64-acre lot within Las Palmas Subdivision #1, south of River Road and west of Country Park Road, within the Las Palmas Ranch Specific Plan area in the Toro Area Plan approximately 1.25 miles west of Spreckels and 0.5 miles east of State Highway 68.

Proposed CEQA action: Certify the Final Subsequent Environmental Impact Report, adopt a Statement of Overriding Considerations, and adopt a Mitigation Monitoring and Reporting Plan.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Certify the Final Subsequent Environmental Impact Report (FSEIR), as augmented September 2023;
- b. Adopt a Statement of Overriding Considerations finding that the benefits of the project outweigh the significant unavoidable impacts to traffic;
- c. Adopt a Mitigation Monitoring and Reporting Plan;
- d. Adopt a resolution to amend the text of the Las Palmas Ranch Specific Plan (LPRSP) to:
 1. increase the unit cap from 1,031 to 1,058, to allow for an additional 27 residential lots on Parcel Q;
 2. Add a new Policy 12 in Chapter II, Section C, specifying that Parcel Q shall require 25% of new housing units as affordable, 15% of which shall be on-site

- and available to moderate-income households and the remaining 10% of which shall be provided through payment of an in-lieu fee; and
3. Update Figures E and H to recognize Parcel Q; and
 - e. Adopt a resolution to approve a Combined Development Permit consisting of:
 1. A Vesting Tentative Map to subdivide a 15.64-acre parcel into 27 residential lots, including four moderate income units and an open space parcel; and
 2. Use Permit to allow development on slopes exceeding 25%.

Staff recommends approval of the project subject to 45 conditions, including 18 mitigation measures, which are fully set forth in **Attachment D - Exhibit 1**.

PROJECT INFORMATION:

Owner: River View at Las Palmas LLC
Agent: Dale Ellis, Anthony Lombardo & Associates
APN: 139-211-035-000
Zoning: Medium Density Residential, 2.61 units per acre with a Design Control District or “MDR/2.61-D”
Parcel Size: 15.64 acres
Plan Area: Toro Area Plan
Flagged and Staked: Yes
Project Planner: Zoe Zepp, Assistant Planner
(831) 755-5198
zeppz@co.monterey.ca.us

PROJECT SUMMARY/DISCUSSION:

The subject property is a 15.64-acre parcel within Las Palmas Subdivision #1, approximately 1.25 miles west of Spreckels and 0.5 mile east of State Route 68 (SR 68). Immediate surrounding uses include the existing Las Palmas Subdivision #1, a medium density residential neighborhood to the east; hillside open space to the south; and agricultural land cultivated with row crops to the west and north (across River Road). It is currently undeveloped. See Vicinity Map in **Attachment J**. Below is a summary of the project background and staff’s recommendations for the Commission’s consideration. A more detailed discussion is provided in **Attachment A**.

Background

In 2015, the Applicant applied for entitlements to construct a 190,000-square foot senior assisted living facility inclusive of 13 “Casitas”, a 27,000-square foot Assisted Living Facility, a 21,600-square foot Memory Care Facility and associated site development, including internal roadways and parking areas. This original application was processed, and a Draft Subsequent Environmental Impact Report (DSEIR) was prepared and circulated for public review. The project was discussed at two Toro Land Use Advisory Committee (LUAC) meetings and two Planning Commission hearings. On February 12, 2020, the Planning Commission adopted Resolution Nos 20-004, 20-005 and 20-006 recommending the Board of Supervisors certify the FSEIR, amend the Las Palmas Specific Plan and approve the project. The project was subsequently heard at three Board of Supervisors hearings, and on October 12, 2021, the Board voted to return the matter to staff for further analysis with an expanded look into the FSEIR, community benefit analysis, and housing.

Overall, the senior living facility was disfavored by the Las Palmas #1 Subdivision residents, who expressed their preference for a residential subdivision. Ultimately, the Board voted to continue the project and have staff review the alternatives further to propose a project with less significant potential impacts to the existing neighborhood and to consider housing.

Return to the Planning Commission on November 8, 2023

Upon consideration of the Board's direction, the applicant submitted a revised project scope consisting of a proposed subdivision that would allow up to 26 residential lots, ranging in size from 4,249 square feet to 11,785 square feet, and an open space parcel. This proposal would have contributed fees in lieu of providing affordable housing onsite. The Planning Commission had concerns regarding the lack of on-site affordable units, significant and unavoidable impacts to SR 68, the draft statement of overriding considerations, and the proximity of the proposed development to a Permanent Grazing (PG) zoning district without a 200-foot buffer. The project was ultimately continued to a date uncertain to allow the applicant and County staff time to address these concerns. In response to the Planning Commission direction, the applicant once again revised the proposal to include a 27 residential lot subdivision with four onsite moderate-income units. It was ultimately determined that the new residential uses did not require an agricultural buffer since the adjacent property is designated for residential use in the General Plan, not agriculture. Additionally, the agricultural advisory committee recommended approval of the plan as designed.

Affordable Housing

As requested by the Planning Commission on November 8, 2023, the applicants explored options to offer affordable units onsite as opposed to the originally proposed payment of an in-lieu fee. The project recommended by the Planning Commission includes four moderate-income units onsite and payment of an in-lieu fee for the remaining units to satisfy the 25% affordable unit requirement in the General Plan. The applicant's representative argues that 20%, not 25%, of the units are required to be affordable and that the percentage of units should be based on the total number of market rate units and not the total number of units in the development to avoid "double counting." Staff disagrees with the applicant on both points and is recommending the Board approve the project with the four on-site moderate-income units, representing 14.8% of the total number of units proposed and the payment of in lieu fees based on the remaining 10.2% needed to comply with the General Plan policies. A detailed discussion is provided in **Attachment A**.

Density Bonus and Incentive

The applicants have requested an incentive to waive all fees and priority processing for review and approval of the final map, including improvement plans and related documents and building permits for the inclusionary units (see **Attachment K**) pursuant to Monterey County Code Chapter 21.64. However, incentives are only applicable to projects that qualify for a density bonus. By definition, a density bonus is an increase in density over the maximum allowable residential density under the applicable General Plan land use designation and zoning ordinance while taking into account all applicable limitations. The River View property has an allowed density of 2.61 units per acre which would allow 41.2 units. The applicant proposes a 27 lot residential subdivision (a density of 1.8 units/acre). Therefore, the project is not eligible for a density bonus or any associated incentives as it does not exceed the allowed density.

Process

Like the original proposal, the revised project scope would require an amendment to the Las Palmas Ranch Specific Plan. The adopted Las Palmas Ranch Specific Plan has a residential unit cap of 1,031 units and there are currently 3 units remaining to be built under that cap. As such, the applicant proposes an amendment to the unit cap adding 27 additional residential units for a total of 1,058 units allowed in the Las Palmas Specific Plan area. In accordance with Monterey County Code and State Planning and Zoning Law, approval of the amendment requires a recommendation from the Planning Commission and final approval by the Board of Supervisors. This project went before the Planning Commission on March 13, 2024, continued from November 8, 2023. At this hearing, the Planning Commission voted eight to one to adopt a resolution recommending that the Board of Supervisors approve the proposed project (**Resolution No. 24-005, Attachment L**).

ENVIRONMENTAL REVIEW:

A Draft Subsequent Environmental Impact Report (DSEIR) (**Attachment G**) was prepared and circulated for public review in 2018. A Final SEIR (**Attachment H**) was prepared in 2019. Since the Board did not act on the project in 2021, the FSEIR was not certified. Both the DSEIR and FSEIR analyzed the senior care facility and provided an alternatives analysis pursuant to CEQA Guidelines section 15126.6. The alternatives were considered: Alternative 1 - no project/no development; Alternative 2 - no project/minimum use; Alternative 3 - no project/existing zoning; and Alternative 4 - reduced project. Alternative 3 assumed that based on the site's land use designation, Residential - Medium Density 2.61 units per acre, and accompanying zoning, it would be reasonable that up to 40 dwelling units could be approved on the site.

Augmentation to the River View FSEIR

After the 2021 Board direction and the applicant's revision to the project scope, the River View FSEIR was updated (see Augmentation to the FSEIR, **Attachment I**). This augmentation updated the Project Objectives, clarifying that the applicant's objectives were to provide: a range of housing and/or care options for persons who do not require 24-hour skilled nursing care; housing in/near an established community; and to address the need for housing. The augmentation also updated the alternatives analysis, identifying Alternative 3a as the no project/existing zoning (previous Alternative 3, up to 40-lot residential subdivision) and Alternative 3b - reduced no project/existing zoning which would allow up to a 30-lot residential subdivision.

Proposed Project - Residential Subdivision with up to 30 Lots: Alternative 3b

The current project scope, the creation of 27 residential lots and an open space parcel, meets the FSEIR's Project Objectives. The augmentation analyzed this project scope as Alternative 3b. Compared to the senior living facility, this alternative would have reduced impacts for aesthetics (including the State Route 68 viewshed), air quality, traffic, biological resources, water supply and would have less greenhouse gas emissions, compared to the original proposal.

Recirculation

The FSEIR, including the September 2023 augmentation, did not warrant recirculation because the augmentation did not include significant new information, would not result in a substantial

increase in the severity of potential environmental impacts, project alternatives or mitigation measures that are considerably different from those previously reviewed. As discussed above, Alternative 3b (an up to 30 lot subdivision) is a reduced version of Alternative 3, a 40-lot residential subdivision, which was included in the FSEIR and evaluated therein prior to the augmentation. The augmentation was prepared to amplify the analysis of the residential development alternative since this the revised project description is now reflective of the residential alternative.

OTHER AGENCY INVOLVEMENT:

The following agencies or departments have reviewed the project:

Monterey County Regional Fire District
CalFire
Monterey County Sheriff's Office
Monterey County Water Resources Agency
Monterey County Environmental Health Bureau
Monterey County Housing Office

LAND USE ADVISORY COMMITTEE:

The residential project was referred to the Toro Land Use Advisory Committee (LUAC) for review on October 23, 2023. As demonstrated in Finding 1, Evidence "s" of the attached draft resolution for the Combined Development Permit (**Attachment D**), the LUAC recommended approval of the project and concerns from the public have been addressed. Minutes of the meeting are provided in **Attachment F**.

FINANCING SECTION:

Funding was provided by the applicant for the partially revised Subsequent Environmental Impact Report and review by staff. Other staff time is included in the FY2023-24 Adopted Budget for HCD Appropriation Unit HCD002, Unit 8543.

Prepared by: Zoe Zepp, Assistant Planner
Reviewed by: Anna Ginette Quenga, AICP, HCD Principal Planner
Approved by: Craig Spencer, HCD Director CS

The following attachments are on file with the Clerk of the Board:

Attachment A - Discussion
Attachment B - Draft CEQA Resolution
Attachment C - Draft Las Palmas Ranch Specific Plan Amendment Resolution

- Exhibit 1 - Draft Text of Las Palmas Ranch Specific Plan Amendment

Attachment D - Draft Combined Development Permit Resolution

- Exhibit 1 - Draft Conditions of Approval
- Exhibit 2 - Vesting Tentative Map

Attachment E - Las Palmas Ranch Specific Plan (adopted September 1983)
Attachment F - Toro Land Use Advisory Committee Minutes (October, 23, 2023)
Attachment G - Draft Subsequent Environmental Impact Report
Attachment H - Final Subsequent Environmental Impact Report
Attachment I - Augmentation to the Final Subsequent Environmental Impact Report

- Exhibit 1 - Traffic Analysis
- Exhibit 2 - Twenty-Seven Lot Narrative

Attachment J - Vicinity Map

Attachment K - Comment Letter

Attachment L - Planning Commission Resolution No. 24-005

cc: Front Counter Copy; Board of Supervisors; Craig Spencer, HCD Director; Anna Quenga, HCD-Principal Planner; Zoe Zepp, Project Planner; HCD - Engineering Services; Environmental Health Bureau; HCD Environmental Services; Monterey County Regional Fire Protection District; CalFire; River View at Las Palmas LLC, Applicant/Owner; Dale Ellis, Anthony Lombardo and Associates, Agent; The Open Monterey Project; LandWatch; Christine Kemp, Attorney representing the Las Palmas Ranch Master Association No. 1; Pam Silkwood, Attorney representing residents of the Las Palmas subdivision; The Open Monterey Project; LandWatch (Executive Director); Lozeau Drury LLP; Planning File PLN150372

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