



County of Monterey Planning Commission

Item No.4

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

Agenda Item No. 4

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PLN230192 - MC MONIGLE JOSEPH & NANCY T TRS

Public hearing to consider establishing transient use of residential property for remuneration (commonly known as Short-Term Rental).

Project Location: 27365 Schulte Road, Carmel

Proposed CEQA action: Find the project Categorical Exempt pursuant to Section 15301 of the CEQA Guidelines and none of the exceptions to the exemptions listed in Section 15300.2 can be made.

RECOMMENDATIONS

It is recommended that the Planning Commission adopt a Resolution to:

- a. Find the project qualifies for a Class 1 Categorical Exemption pursuant to CEQA Guidelines section 15301 and none of the exceptions to the exemptions listed in Section 15300.2 can be made; and
- b. Approve an Administrative Permit to allow transient use of a residential property for remuneration.

The attached draft resolution includes findings and evidence for consideration (**Exhibit A**). Staff recommends approval subject to 9 conditions of approval.

PROJECT INFORMATION

Agent: Stephen Lyon, Lyon Design

Property Owner: MC MONIGLE JOSEPH & NANCY T TRS

APN: 169-171-045-000

Parcel Size: 1.05 acres

Zoning: Low Density Residential, 2.5 acres per unit with Design Control, Site Plan Review, and Residential Allocation zoning overlays or "LDR/2.5-D-S-RAZ"

Plan Area: Carmel Valley Master Plan

Flagged and Staked: No

Project Planner: Benjamin Moulton, Assistant Planner

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SUMMARY:

The project is located at 27365 Schulte Road, Carmel, and is subject to the policies and regulations of the 2010 County of Monterey General Plan, Carmel Valley Master Plan and the County of Monterey Zoning Ordinance - Title 21. The proposed project includes the use of a single-family dwelling and detached guesthouse as a short-term rental.

On July 11, 2023, Agent Stephen Lyon for Mc Monigle Joseph & Nancy T TRS, submitted an application seeking short-term rental of a residential property located at 27365 Schulte Road, Carmel. No exterior changes or development is proposed. The primary residence is 2,247 square feet in size with four bedrooms, three bathrooms, a kitchen, and an attached garage. The guesthouse is 600 square feet in size with one bedroom and one bathroom. The Applicant/Owner is proposing a maximum of 10 people to stay at the property at a time. The Operations Plan specifies that only one contract will be allowed at a time, meaning a rental contract can be either for both the residence and guesthouse or for only the residence; separate concurrent contracts for the primary residence and the guesthouse would be prohibited. The property will retain its domestic water connections to a nearby small water system and the existing onsite septic systems will continue to provide sewer treatment for the two dwellings.

DISCUSSION:

Land Use

The Proposed Project is subject to the policies and regulations of the 2010 County of Monterey General Plan, Carmel Valley Master Plan, and the County of Monterey Inland Zoning Ordinance (Title 21). Based on staff's review of the planning application materials, the property complies with all rules and regulations pertaining to zoning uses and other applicable provisions of the 2010 Monterey County General Plan, Carmel Valley Master Plan, and applicable sections of the Monterey County Zoning Ordinance. The parcel is zoned Low Density Residential, 2.5 acres per unit with Design Control, Site Plan review, and Residential Allocation Zoning overlays (LDR/2.5-D-S-RAZ). Title 21 section 21.64.280 allows for the transient use of a residential property for remuneration in all zoning districts which allow residential uses, subject to the granting of an Administrative Permit.

Title 21 section 21.64.280.D.2 establishes the requirements and regulations for which a property operating as a transient use for remuneration must abide by. As detailed in the draft resolution (**Exhibit A**), the Applicant/Owner has provided evidence of compliance with the applicable requirements. The Operations Plan, attachment 3 of the Draft Resolution (**Exhibit A**), limits the subject property to one rental contract with rental periods with no less than a 7-night consecutive stay and no greater than a 30-night consecutive stay, and a maximum occupancy of 10 individuals. The proposed occupancy does not exceed the limits set forth in the California Uniform Housing Code and is within the abilities of the existing septic system. Adequate parking spaces will be provided (5 guest parking spaces within property walls and gates; no on-street parking). The property owner (Mc Monigle Joseph & Nancy T TRS) does not reside within 5 miles of the property and has therefore designated a local contact/property manager, Omar Salazar, who resides at 1032 Sonoma Avenue, Seaside, within a 20 minute drive and who will be available 24/7 to respond to tenant and neighborhood questions or concerns.

To ensure the proposed use would not affect the residential character of the neighborhood, Condition of Approval No. 4, No Events Allowed, has been incorporated. The purpose of this condition is to ensure that the property will only be used as a short-term rental and not an event venue. Additionally, the proposed short-term rental is subject to Monterey County's Noise

Ordinance (Chapter 10.60), which prohibits loud or unreasonable noise between the hours of 9:00PM and 7:00AM. In accordance with Title 21 section 21.64.28.D.2.h, if the property is found to be in violation of the approved operations plan or conditions of approval attached to this Administrative Permit, the permit may be revoked for non-compliance.

There are currently 5,033 residential dwellings in the Carmel Valley Master Plan area. There are 163 vacation rental dwelling units currently being advertised and 36 short-term rental applications have been received by the County. Eleven applications have been approved. If approved, the granting of this Administrative Permit would allow the establishment of the 12th permitted short-term rental in the Carmel Valley Master Plan Area.

Public Comment

Members of the public made comments during the Carmel Valley Land Use Advisory Committee hearing and submitted letters in opposition to the project. Raised concerns relate to traffic in the area due to the campground at the end of Schulte Road, the number of existing short-term rentals in the local area/neighborhood, poor relations with short-term rentals, noise, and the project's possible future categorization as a commercial vacation rental that would not be allowed per the proposed but not adopted vacation rental ordinances.

The comments in opposition describe Schulte Road as already having too many commercial uses. Saddle Mountain Ranch RV and Campground, and Camel by the River RV Park are located approximately 0.9 miles drive at the west end of Schulte Road. The comments raise concerns about the volume of traffic and increased noise levels that accompany the two RV campgrounds. In addition to these two commercial uses, Schulte Road residents claim that numerous residential properties along this road currently operate as short-term rentals. Local residents are concerned that an additional short-term rental would worsen Schulte Road's existing traffic and noise issues.

As stated above, the number of occupancy would not exceed the limits set forth in the California Uniform Housing Code. The proposed use would have a comparable intensity and nature of a single-family dwelling and guesthouse and would not create an adverse environmental impact. Carmel Valley Road is identified as an evacuation route in the 2010 General Plan. Given that the project would not intensify the existing land use (a single-family residence), the project would not impair or interfere with the adopted emergency response or evacuation plan. HCD-Engineering Services have reviewed the proposed project and the nearby roadways and determined that the road is suitable for this use. The Monterey County Regional Fire Protection District has reviewed the application, made no comments, and raised no concerns about access to the property's development. Condition No. 4 has been applied to specify that no parties or events are allowed. Additionally, the rental is subject to County of Monterey's Noise Ordinance. Per the Operations Plan, a local property manager, located within a 25-mile radius of the rental unit, would serve as a 24-hour point of contact. Finally, the project is subject to the current short-term rental regulations contained in Monterey County Code section 21.64.280. It would be inappropriate to consider an ordinance that has yet to be adopted by the Board of Supervisors.

CEQA:

The project qualifies as a categorical exemption from environmental review pursuant to CEQA

Guidelines section 15301. This exemption applies to the operation of existing private structures, involving negligible or no expansion of an existing use. The Applicant/Owner proposes to use (lease) an existing residential single-family dwelling and guesthouse as a transient use for remuneration and does not propose any additional exterior development and/or expansion of the existing structures.

The subject property would be limited to one rental contract at any given time, and therefore the property is limited to functioning as one rental unit. All facilities are existing and have been confirmed by County agencies to be adequate for this use. Therefore, the proposed use is consistent with the CEQA Guidelines Section 15301. None of the exceptions under CEQA Guidelines Section 15300.2 apply to this project. Additionally, there would be no significant effect on the environment due to unusual circumstances. Further, there is no evidence that “the cumulative impact of successive projects of the same type in the same place, over time is significant.” Under CEQA, an action is a “project” only when it is either “directly undertaken by any public agency”, “supported, in whole or in part” by financial or other forms of assistance from a public agency or involves the issuance of an entitlement by a public agency (Public Resources Code, § 21065). The surrounding area includes numerous unpermitted short-term rentals. By definition, these short-term rentals are not “projects” under CEQA, and therefore are not considered for purposes of this cumulative impact analysis.

OTHER AGENCY INVOLVEMENT

The following agencies have reviewed the project, have comments, and/or have recommended conditions:

- HCD-Engineering Services
- Environmental Health Bureau
- HCD-Environmental Services
- Monterey County Regional Fire District

LUAC:

The project was referred to the Carmel Valley Land Use Advisory (LUAC) for review (**Exhibit B**). The LUAC reviewed the project at a duly noticed public meeting on July 15, 2024, and voted 4-0 to recommend denial of the project as it would be prohibited in the Carmel Valley Master Plan under the regulations in the forthcoming Vacation Rental ordinance. As was described above, public comments included concerns over traffic, and relations with other short-term rentals.

Prepared by: Benjamin Moulton, Assistant Planner, x5240
Reviewed by: Anna Ginette Quenga, AICP, Principal Planner
Approved by: Melanie Beretti, AICP, Chief of Planning

The following attachments are on file with HCD:
Exhibit A - Draft Resolution including:

- Recommended Conditions of Approval
- Site Plans and Floor Plans
- Operations Plan

Exhibit B - LUAC Minutes

Exhibit C - Vicinity Map

Exhibit D - Public Comments

cc: Front Counter Copy; Monterey County Regional Fire District; HCD-Environmental Services; HCD-Engineering Services; Environmental Health Bureau; Benjamin Moulton, Planner; Anna Ginette Quenga, AICP, Principal Planner; Mc Monigle Joseph & Nancy T TRS, Property Owners; Stephen Lyon, Lyon Design, Agent; Interested Party List; The Open Monterey Project; LandWatch (Executive Director); Laborers International Union of North America (Lozeau Drury LLP); Christina McGinnis, Keep Big Sur Wild; Planning File PLN230192.