



County of Monterey

Item No.

Board Report

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

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December 13, 2022

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PLN210152 - RIO VISTA GROUP LLC

Public hearing to consider an appeal from Rio Vista Group LLC of the Planning Commission's denial of a Combined Development Permit for the construction of four 16,286 square foot two-story apartment buildings totaling 60 units for agricultural workforce housing and 1 manager unit, including 17,500 cubic yards of grading, and a Variance to increase the required building site coverage.

Proposed CEQA action: Adopt a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Plan

Project Location: 51, 53, 55 & 57 Susan Street, Royal Oaks, North County Area Plan

RECOMMENDATIONS

It is recommended that the Board of Supervisors adopt a resolution to:

- a) Grant in part the appeal by Rio Vista Group LLC of the Planning Commission's denial of a Combined Development Permit for the construction of four 16,286 square foot two-story apartment buildings totaling 60 units for agricultural workforce housing and 1 manager unit, associated site improvements including 17,500 cubic yards of grading and a Variance to increase the required building site coverage from 5% to 27%;
- b) Adopt a Mitigated Negative Declaration pursuant to Section 15074 of the CEQA Guidelines;
- c) Approve a Combined Development Permit for a revised project consisting of:
 1. A Use Permit to allow the construction of three 16,286 square foot two-story apartment buildings containing 45 units for agricultural workforce housing and 1 manager unit, and associated site improvements including 15,000 cubic yards of grading;
 2. An Administrative Permit to allow a 10% setback reduction; and
 3. A Variance to increase the required building site coverage from 5% to 20%; and
- d) Adopting a Condition Compliance and Mitigation Monitoring and Reporting Plan.

The attached draft resolution includes findings and evidence for consideration (Exhibit B). Staff recommends approval of the revised project subject to 24 conditions of approval and 20 mitigation measures.

PROJECT INFORMATION:

Property Owner: RIO VISTA GROUP LLC

APN: 117-361-016-000

Parcel Size: 3.41 acres

Zoning: RC/40|HDR/20|F/40

Plan Area: North County

Flagged and Staked: Flagging was erected for a staff site visit in October 2021, but the flagging has been removed so as not to interfere with ongoing agricultural use of the property.

SUMMARY:

Rio Vista Group, LLC (applicant), represented by Avila Constriction and JRG Attorneys, proposes to construct housing for agricultural employees at the end of Susan Street in the community of Pajaro. The previously proposed project included constructing four two-story apartment buildings containing 61 units, capable of supporting up to 480 agricultural employees (8 per unit) and 1 manager unit on a 3 acre site that is currently used for commercial agriculture (row crop production). This proposal has been controversial with the majority of residence along Susan Street objecting to the large increase of population at the end of Susan Street with is a narrow dead-end County Road. The site is also within the floodplain (Pajaro River levee overtopping), has liquifiable soils, is in proximity to active agricultural use, and is in an area where groundwater is in an overdraft condition. On the other hand, this site is located within the Pajaro Community Plan Area. Community Plan Areas are the top priority for development in the unincorporated areas according to the 2010 General Plan and for the proposed project provides much needed housing for farmworkers. As discussed in more detail below, the proposed project incorporates a reduced scope in effort to further address public comment.

Comments from residences and interested parties were submitted during review of the application. For context, there is a separate application for agricultural employee housing on a property under separate ownership at the end of Gonda Street currently being considered by the County. Gonda Street is west of, and runs parallel to, Susan Street. The two projects are located at the end of the respective streets and share a property line. For this project, 19 property owners along Susan Street have signed a petition against the project. The Gonda Street project is still in process and has not been presented to the Planning Commission for consideration. Comments submitted by Susan Street neighbors have requested that the project not be approved as it would negatively impact neighborhood character. Particular concerns have been raised with traffic along Susan Street. Susan Street is a narrow County Road with about 20 residences that dead ends at the project site. Cars are usually parked on both sides of the road making two-way traffic difficult. Comments have indicated that children and families walk and play in the road and adding up to 381 people at the end of the road will negatively impact their neighborhood as well as result in difficult conditions for buses and cars to navigate two-way traffic. Neighbors have also been commented on a variety of environmental constraints to development in this area (e.g. floods and liquefaction).

The applicant had technical reports prepared and reviewed by the County that address environmental constraints. A geotechnical engineer has determined that the site is suitable for development despite the liquefaction risks provided site preparation and foundation design recommendations are followed. A traffic engineer has reviewed traffic conditions and road widths and determined that the street meets the minimum width requirements although it is recognized that vehicles will need to negotiate passing in opposite directions due to the narrow conditions. The applicant also proposed to improve the sidewalks along Susan Street in areas where gaps exists. Finally, civil engineers have designed raised building pads and drainage systems to address flood conditions.

An Initial Study (IS) was prepared for the project pursuant to the California Environmental Quality Act (CEQA) and technical reports were prepared that address environmental constraints. Mitigation measures that reduce impacts to a less than significant level have been applied. Additionally, the applicants have revised the project to address flooding concerns and agricultural setbacks.

This project has been considered at three different Planning Commission hearings. At the first hearing, concerns with noticing and availability of information in Spanish were raised. The Planning Commission continued that hearing and scheduled a special evening meeting with Spanish interpretation services. The first special evening meeting was again continued after Dr. Mark Strudley with the Pajaro Regional Flood Management Agency (PRFMA) provided testimony during public comment that potential flooding elevations may actually be higher than the flooding elevations shown in the Federal Flood Insurance Rate Maps (FIRM). Although not required by Monterey County Code Chapter 16.16, the applicant revised its project to increase the finished floor elevations above the PRFMA elevations which were 1 to 2 feet higher than the FIRM elevations. At the third and final Planning Commission hearing, the applicant requested a decision from the Planning Commission but new testimony was provided by the Agricultural Commissioner regarding the proposed setback of less than 200 feet from adjacent agricultural uses. At the end of the meeting, the Planning Commission denied the request finding that liquefaction, floods, traffic, and proximity to agriculture had not been adequately addressed.

On October 31, 2022, the applicant filed an appeal of the September 28, 2022 Planning Commission decision to deny the project. The appeal contends that the Planning Commission's decision was not supported by the evidence, and that the decision was contrary to law (**Attachment D**).

Additionally, on November 11, 2022, the applicant submitted a reduced project scope ("proposed project") (**Attachment B2**) for consideration by the Board of Supervisors in effort to further address public comment and the Planning Commission's concerns. The proposed project includes three 16,286 square foot two-story apartment buildings (reduced from 4) containing a total of 45 units for agricultural workforce housing plus 1 manager unit (reduced from 60 units and 1 manager unit). Each unit contains two bedrooms capable of supporting four beds per room (8 beds per unit), a shared kitchen and dining room. The manager unit, located on the first floor of Building A, contains a 216 square foot office with a restroom, and 296 square feet of living area, including a kitchen, bedroom and bathroom. The laundry room is located on the first floor for Buildings B and a recreation room is located on the first floor of Building C. The proposed project will have 95 parking spaces and approximately 59,980 square feet of dedicated open space and recreational areas. These areas would provide onsite recreational opportunities that are immediately available for the employees housed at the site. Proposed recreational facilities include one 975 square feet recreation room, 925 square feet of outdoor seating areas, a 3,074 square foot multi-use court, and various other landscaped and open space recreational areas. The proposed project also includes construction of sidewalk improvements along the west side of Susan Street and intersection of San Juan Road, and 15,000 cubic yards of grading (8,000 cubic yards of excavated material from the adjacent County stormwater detention pond [APN: 117-381-031-000], and 7,000 cubic yards of imported fill). When accounting for shrinkage, the project's associated grading will be 13,500 cubic yards. Excavation of the County stormwater detention pond will enlarge and improve the existing stormwater detention facility. The proposed plans are attached to this staff report as **Attachment B2**.

In comparison to the considered by the Planning Commission (“previously proposed project”), the proposed project’s most significant change is reducing the number of apartment buildings from four to three. This reduces unit count by 15 (46 proposed units) and the total occupancy by 120 individuals (361 total). By removing one apartment building from consideration, the proposed project will result in 15,000 cubic yards (CY) of grading (originally 17,500 CY), increases the open space and recreational acres from approximately 19,900 square feet to 59,900 square feet, and decreases the project’s exceedance of side development coverage (20% rather than 27%). By reducing the overall occupancy by 120 individuals, the proposed project reduces water demand by 5.6-acre feet of water per year, which will be supplied by the Pajaro/Sunny Mesa Community Services District (PMCSO). Although the previously proposed project included a 100-foot buffer, the revised project scope incorporates a 200-foot agriculture buffer between the proposed three buildings and the current organic farming operation to the west (see **Attachment J**).

The applicant is requesting the Board of Supervisors consider the revised project scope as a design alternative in conjunction with their appeal. The hearing on the proposed project at the Board is de novo. Staff recommends granting of the appeal in part, and approval of the Combined Development Permit to allow construction of the reduced project alternative. Staff has prepared a draft resolution to grant the appeal in part, adopt the Mitigated Negative Declaration, approve the Combined Development Permit, and adopt a Condition Compliance and Mitigation Monitoring and Reporting Plan.

DISCUSSION:

A detailed discussion is attached as **Attachment A**.

ENVIRONMENTAL REVIEW

Pursuant to Public Resources Code Section 21083 and California Environmental Quality Act (CEQA) Guidelines Sections 15063(a) and 15063(b)(2), Monterey County as Lead Agency completed environmental review to determine if the project may have a significant effect on the environment. The County prepared a draft initial study and mitigated negative declaration (IS/MND) for this project (**Attachment E**). County staff filed the draft IS/MND with the County Clerk on December 23, 2021, and circulated the draft IS/MND for public review and comment from December 23, 2021 through January 24, 2022 (SCH No. 2021120560). The draft IS/MND identified potentially significant impacts to biological resources, cultural resources, geology/soils, hazards and hazardous materials, hydrology and water quality, noise, tribal cultural resources, and utilities and service systems. Mitigation measures have been applied to reduce potential impacts to biological resources (California Reg-legged Frog and bird nesting), soils and geology (liquefaction), hydrology (groundwater), noise (construction hours and equipment), tribal cultural resources, and utilities (drainage study and stormwater control plan) to less than significant level. The proposed mitigation measures have been agreed to by the applicant. All other standard topics of environmental analysis were found to have no impact or a less than significant impact on the environment without the need for mitigation.

During the public review period for the draft Initial Study, the County received comments from the residences of Susan Street who object to the proposed project. Other comments were provided by the adjacent property owner (Anthony Nicola) and LandWatch who requested clarification on the

existing water use figures. These comments are attached to the staff report as **Attachment E**. County staff reviewed the comments and determined that the comments do not conflict with or challenge the analysis and/or conclusions of the draft Initial Study. Responses to the comments are described in the discussion (**Attachment A**) and are provided in the attached Resolution (**Attachment B**).

Revisions to the IS/MND have been made following the March 16, 2022 and September 28, 2022 Planning Commission hearings. Revisions are required to clarify and amplify the analysis, reflect the change in project addressing flooding elevations, and address the reduced scope of work (three apartment buildings rather than four). The proposed project was slightly changed to include raising the buildings to a finish floor elevation by 2.5 feet from the original proposal in response to comments provided by the Pajaro Valley Flood Management Agency. Additionally, the applicant is now proposing to deepen the County detention pond and using soils excavated from the pond as fill materials (8,000 cubic yard) on the site. These changes triggered minor changes such as the need for additional retaining walls, ramps and stairs to accommodate the transition between the ground level and the building finish floor elevation. In response to traffic related concerns, the project traffic engineer conducted a second 24-hour traffic count at the 525 Third Street Apartments Agricultural Worker Housing project (Greenfield Project) in Greenfield, California to provide additional data to determine daily trip generation totals and hourly variations. Revisions have also been made that reflect the reduced project scope. The reduced scope resulted in decreased traffic trips, water and sewer demand, air quality and greenhouse gas impacts, and grading quantities, and an increase in the agricultural buffer from 100 feet to 200-feet. These changes would not result in any new significant impacts or substantially increase the severity of impacts previously identified in the IS/MND and serve as clarification to the document. Pursuant to CEQA Guidelines Section 15073.5(c), recirculation of the IS/MND is not required because the project revisions have been added in response to comments on the projects effects which are not new avoidable significant effects and other information clarifies and amplifies the previous analysis. No new impacts have been identified.

OTHER AGENCY INVOLVEMENT

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

- Environmental Health Bureau
- HCD-Environmental Services
- HCD-Development Services
- Monterey County Water Resources Agency
- North County Fire Protection District
- Public Works Facilities & Parks

LAND USE ADVISORY COMMITTEE: The proposed project was reviewed by the North County Land Use Advisory Committee (LUAC) on December 1, 2021 (**Attachment O**). The LUAC voted to continue their consideration of the project until after environmental analysis was complete and to allow the applicant to explore other potential traffic connection points for the project. A second meeting of the North County LUAC for this project was held on February 2, 2022 (**Attachment P**). At that meeting, the LUAC voted to recommend denial of the project as presented, because the committee did not support the current traffic access, expressed concerns of neighborhood compatibility due to density, and expressed concerns regarding cumulative effects of multiple projects

in the Pajaro Community Plan area.

Staff has reviewed the LUAC recommendation. Access to this site using Susan Street as a public road is in place and improvements to the sidewalks along Susan Street are proposed. Cumulative effects were considered in the IS/MND. Other projects in the vicinity are in earlier stages of permitting and have very different circumstances. Additionally General Plan Policy LU-2.11 encourages development of affordable and workforce housing projects in Community Areas prior to the adoption of a Community Plan.

AGRICUTLURAL ADIVSORY COMMITTEE: The previously proposed 60-unit project was heard at the January 27, 2022 Agricultural Advisory Committee meeting. Comments from the public at that meeting indicated that the project had not been properly noticed and that the project should not be approved because of its negative impacts on the community. The AAC reviewed the project and adopted a recommendation of support by a 6-0 vote. The AAC suggested that the 100 feet agricultural buffer and proposed vegetation screening would be adequate but suggested that the proposed Sycamore trees be replaced with Cosrena trees or something similar in order to provide denser tree canopy from the ground up. The applicant has agreed to plant a more appropriate agricultural vegetation buffer and will work with the Agricultural Commissioner's Office on the type of vegetation. The proposed 45-unit project incorporates a 200-foot agricultural buffer and vegetation screening along the eastern property boundary.

FINANCING:

Funding for staff time associated with this project is included in the FY2022-23 Adopted Budget within Community Development General Fund 001, Appropriation Unit HCD002, Unit 8543.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This action represents effective and timely response to our HCD customers. Processing this application in accordance with all applicable policies and regulations also provides the County accountability for proper management of our land resources.

Check the related Board of Supervisors Strategic Initiatives:

☒ Administration

☐ Economic Development

☐ Health & Human Services

☐ Infrastructure

☐ Public Safety

Prepared by: Fionna Jensen, Associate Planner

Reviewed by: Craig Spencer, HCD Chief of Planning

Reviewed by: Lori Woodle, Finance Manager I

Approved by: Erik Lundquist, AICP, Director of Housing and Community Development 

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

Attachment A - Detailed Discussion

Attachment B - Draft Resolution

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- B1 - Recommended Conditions of Approval
- B2 - Site Plan, Floor Plans, Elevations, and Colors and Materials

Attachment C - Vicinity Map

Attachment D - Notice of Appeal

Attachment E - Planning Commission Resolution No. 22-024

Attachment F - Draft Initial Study/Mitigated Negative Declaration (SCH No. 2021120560)

Attachment G - CEQA Comments

Attachment H - Agricultural Employee Housing Facility Plan and Letter

Attachment I - Variance justification letter, submitted by applicant

Attachment J - Agricultural Buffer

Attachment K - Updated traffic report, dated November 11, 2022

Attachment L - High Liquefaction Hazard letter

Attachment M - Stormdrain Analysis

Attachment N - Assessment of Flood Hazard Impacts

Attachment O - LUAC Minutes December 1, 2021

Attachment P - LUAC Minutes February 2, 2022

Attachment Q - Public Comment

cc: Front Counter Copy; North County Fire Department; HCD-Public Works; HCD-Environmental Services; Environmental Health Bureau; Fionna Jensen, Associate Planner; Craig Spencer, HCD Chief of Planning; Christopher Bjornstad, CALTRANS Associate Transportation Planner; Michael Delapa, LandWatch Executive Director; Ryan Smith, Wastewater Division Manager, Watsonville; Stanley Mano, Neighbor; Anthony Nicola, Interested Party; Christine Shaw, KeepSusanStreetClosed Representative and Neighbor; Gloria Lopez, Neighbor; Ilda Rocha, Neighbor; Eustacio Cardenas, Neighbor; Guadalupe Alvarez, Neighbor; Jose Ramirez, Neighbor; Jose Guadalupe Estanquero, Neighbor; Maria Isabel Padilla, Neighbor; Ana Rosa Ramirez, Neighbor; Monica Ualdonado, Neighbor; Jessica Costa, Neighbor; Gregorio Ayon, Neighbor; Ramona Ayon, Neighbor; David Parra, Neighbor; Sigifredo Lopez, Neighbor; David Evans, Interested Party; Steve Snodgrass, Interested Party; Cesar Padilla, Agent; Jeffrey Nohr, Project Manager; RIO VISTA GROUP LLC, Property Owner; JRG Attorneys at Law, Appellant; Planning File PLN210152