



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

Legistar File Number: PC 22-097

November 09, 2022

Introduced: 11/2/2022

Current Status: Agenda Ready

Version: 1

Matter Type: Planning Item

PLN200118 - CALTRANS

Public hearing to consider:

1. Rescinding the June 29, 2022 decision of the Planning Commission to approve a Combined Development Permit for the Castroville Boulevard/Highway 156 interchange project (Planning Commission Resolution 22-013);
2. A recommendation to the Board of Supervisors on amendments to the North County Land Use Plan and Coastal Implementation Plan Part 2 of Title 20 to add new polices and regulations applicable to the Castroville Blvd/Hwy 156 interchange improvements: and
3. A recommendation to the Board of Supervisors to approve a Combined Development Permit for the Castroville Boulevard/Highway 156 interchange

Project Location: Highway 156 (Postmiles R1.6-1.4) near Castroville Blvd and HWY 156

Proposed CEQA Action: Consider the CEQA/NEPA Revalidation Form together Final Environmental Impact Report/Environmental Impact Statement (FEIR/EIS) previously certified by the California Department of Transportation for the State Route 156 West Corridor Project on January 31, 2013 (SCH#1999111063).

RECOMMENDATION:

It is recommended that the Planning Commission:

- 1) Adopt a resolution to rescind the June 29, 2022 decision of the Planning Commission to approve a Combined Development Permit for the Castroville Boulevard/Highway 156 interchange project (Planning Commission Resolution 22-013) (**Exhibit A**); and
- 2) Adopt a resolution recommending the Board of Supervisors:
 - a. Consider the information and affirm the conclusions contained in the CEQA/NEPA Revalidation Form together with the Final Environmental Impact Report/Environmental Impact Statement (FEIR/EIS) for the State Route 156 West Corridor Project, certified by the California Department of Transportation on January 31, 2013 (SCH#1999111063);
 - b. Adopt a resolution to add Policy 3.1.3.8 to the North County Land Use Plan allowing improvements to Highway 156/Castroville Boulevard intersection despite impacts to agriculture and sensitive habitats;
 - c. Adopt an ordinance to add subsection 6 to Section 20.144.020.B of the Monterey County Coastal Implementation Plan, Part 2 to implement Policy 3.1.3.8 of the North County Land Use Plan and establishing criteria for design, review, and mitigation of improvements at the Highway 156/Castroville Boulevard intersection; and
 - d. Adopt a resolution to approve a Combined Development Permit, consisting of:
 - i. Coastal Development Permit to allow construction of three new roundabouts

- replacing the existing Castroville Boulevard/Highway 156 intersection, construct new on and off ramps on Highway 156 with a new bridge overpass, reuse of a portion of the current Castroville Blvd as a mixed use bicycle and pedestrian path, driveway improvements and replacement along the new or modified sections of Highway 156 and Castroville Blvd;
- ii. Coastal Development Permit to allow development on slopes in excess of 25%;
 - iii. Coastal Development Permit to allow removal of one Coast live oak tree and three Willow trees;
 - iv. Coastal Development Permit to allow development within 100 feet of environmentally sensitive habitat; and
 - v. Adopt a Mitigation Monitoring and Reporting Program.

Two resolutions are attached for consideration. The first resolution contains findings for rescission of the July 29, 2022 Planning Commission decision to approve the project (**Exhibit A**) and the second resolution contains recitals for a recommendation that the Board of Supervisors approve amendments to the North County Land Use and Implementation Plan and the project (**Exhibit B**).

PROJECT INFORMATION:

Owner: California Department of Transportation

Planning File Number: PLN200118

Project Location: Highway 156 between Castroville Boulevard (postmile R1.40) and the Moro Cojo Slough Bridge (postmile 1.60)

APNs: 133-071-010-000, 133-071-011-000, 133-071-012-000, 133-071-013-000, 133-071-021-000, 133-072-034-000, 133-073-001-000, 133-073-002-000, 133-073-003-000, 133-073-004-000, 133-073-005-000, 133-073-006-000, 133-073-007-000, 133-073-008-000, 133-073-009-000 and 133-081-007-000), North County Land Use Plan, Coastal Zone.

Zoning: Coastal Agricultural Preserve (CAP), Resource Conservation (RC), High Density Residential (HDR), and Coastal General Commercial (CGC)

Parcel Size: 43 acres for all parcels

Plan Area: North County Coastal

Flagged and Staked N/A

SUMMARY:

On June 29, 2022, the Planning Commission considered an Environmental Impact Report (EIR) and Environmental Impact Statement (EIS) and a Combined Development Permit for the Highway 156/Castroville Boulevard interchange project (Project). At that hearing, the Planning Commission adopted a resolution to approve the project as presented (Resolution 22-013). An appeal of that decision was filed by The Open Monterey Project. Prior to the Board of Supervisors review of the appeal, Caltrans (the applicant) requested the County include a Local Coastal Program amendment (LCPA) as part of the Project. On October 11, 2022, the Board of Supervisors referred the Project back to the Planning Commission for modification and recommendation on an LCPA with the Combined Development Permit for the Project. The appellant and the Board have also requested Planning Commission review the language for mitigation for agricultural impacts.

DISCUSSION:

Rescinding Planning Commission's Approval - Resolution No. 22-013

Monterey County staff, California Coastal Commission (CCC) staff and Caltrans staff had several discussions during the course of review. It was known at the time of the Planning Commission hearing that CCC staff recommendation was to amend the North County Land Use Plan (LUP) and Coastal Implementation Plan (CIP) due to impacts on agriculture and habitat. On June 29, 2022, County staff recommended, and the Planning Commission found, that the project is consistent with the LUP and CIP. At the time, CalTrans staff had hoped to convince CCC staff that an LCPA was not needed and was willing to deal with an appeal to the CCC should it arise. Also at that time, appeals of the Planning Commission decision locally were not anticipated as there had been no clear opposition to the Project. After an appeal of the Planning Commission's decision was filed and in additional discussions between the County, CCC, and CalTrans, it was agreed that the best course of action was to revise the project to include a LCPA. Caltrans has requested a modification to their permit to include an LCPA. Pursuant to County regulations, the Planning Commission is required to consider the LCPA and make a recommendation to the Board of Supervisors before the Board can consider taking action on the amendment. Since the Commission's June 29th did not include an LCPA and the Board of Supervisors has sent the Project back to the Planning Commission, staff recommends the Commission rescind their previous approval (**Exhibit A**) before acting on the modified decision/recommendation. This will complete the loop on the prior decision, the appeal of that decision, and the direction from the Board on the appeal.

Local Coastal Program Amendment

The Monterey County Local Coastal Program consists of 4 Land Use Plans (LUPs) and a 6-part Coastal Implementation Plan (CIP). The North County (NC) LUP and CIP Part 2 contain policies and regulations for development in the North County Coastal areas. A new NC LUP policy (Policy 3.1.3.8) and a new CIP regulation (Section 20.144.020.B.6) are proposed that would allow the Project provided certain requirements are complied with.

North County Land Use Plan - Chapter 3, Public Service System

NC LUP section 3.1 - Transportation identifies the need to upgrade the capacity of Highway 156, which connects the Prunedale and Castroville communities, to provide a reasonable level of service and traffic safety. Monterey County and CCC staff have agreed upon the draft language below. Adding new policy 3.1.3.8 to the NC LUP would specifically identify that the Project is consistent with the LUP. The Board of Supervisors can adopt LUP amendments by Board Order. Pursuant to Planning and Zoning Law, the Planning Commission must make a recommendation to the Board before the Board considers the LUP amendment.

LUP Policy 3.1.3.8. *“Notwithstanding agricultural, environmentally sensitive habitat area, and wetland provisions of this Land Use Plan, the Highway 156-Castroville Boulevard intersection may be relocated just east of its current location and modified to replace stoplight traffic control with on and off ramps and related connectors, including repurposing the existing alignment of Castroville Boulevard for bicycle and pedestrian access, provided that:*

- a) *The intersection project is required to meet current and future regional public access needs, particularly with respect to the connection between the Highway 101 corridor and the southern Monterey Bay area;*
- b) *Stable boundaries between the highway corridor and adjacent agricultural resources and sensitive habitat are provided;*
- c) *Modifications represent the least environmentally-damaging feasible alternative available for meeting such needs; and*
- d) *Impacts to coastal resources are mitigated to the maximum extent feasible.*

Coastal Implementation Plan Section 20.144.020 - Transportation Development Standards

The intent of Section 20.144.020 in the CIP is to provide development standards for highways, roads, and public transit. The CIP regulations implement the proposed NC LUP Policy 3.1.3.8 and provide a greater level of detail. In order for the Project to be approved, it must be found consistent with the proposed LUP and CIP. The Board of Supervisors can adopt CIP amendments by ordinance. Pursuant to Planning and Zoning Law, the Planning Commission must make a recommendation to the Board before the Board considers the ordinance. A draft ordinance is attached as **Attachment 1 to Exhibit B** to this report. For ease of reference, the draft regulation language is provided below.

CIP section 20.144.020.B.6. *“Notwithstanding agricultural, environmentally sensitive habitat area, and wetland provisions of this Title, the Highway 156-Castroville Boulevard intersection may be relocated just east of its current location and modified to replace stoplight traffic control with on and off ramps and related connectors, including repurposing the existing alignment of Castroville Boulevard for bicycle and pedestrian access. Unavoidable inconsistencies with Local Coastal Plan policies protecting coastal resources shall be strictly limited and shall only be allowed if the project complies with all of the following:*

- a. *The intersection project is sited and designed to avoid coastal resource impacts, and to minimize those that are not avoidable, to the maximum extent feasible.*
- b. *The intersection project is sited and designed in a manner that is the minimum necessary to accommodate the safe flow of traffic.*
- c. *The intersection project is sited and designed such that it does not substantially change capacity of Highway 156 or local roads in the vicinity.*
- d. *The intersection project is sited and designed to avoid future encroachments into agricultural lands and environmentally sensitive habitat areas.*
 - 1) *Impacts to environmentally sensitive habitat areas shall be fully mitigated through a combination of habitat, rehabilitation, enhancement, and preservation, with consideration of factors including the acreage of impacts and the length of time required to establish fully functioning habitat. Preference shall be given to creating new like areas of environmentally sensitive habitat functionally connected to existing environmentally sensitive habitat areas near Highway 156 within the*

same watershed.

- 2) *Impact to lands zoned Coastal Agricultural Preservation (“CAP”), including direct impacts and any reduction in viability of agricultural lands, shall be mitigated. A minimum of 1:1 acreage shall be restored or permanently protected, along with additional agricultural sustainability enhancements on those properties or through local sustainable agriculture programs as exemplified below. Mitigation shall provide for long-term protection, conservation, or enhancement of productive and potentially productive agricultural lands, with the goal of maintaining the long-term viability and sustainability of agriculture in the North Monterey County coastal zone. Examples of such mitigation, in order of preference, include but are not limited to: restoring agricultural lands, especially those that have been converted to other uses in the past; permanent protection of the most significant agricultural lands threatened by conversion to non-agricultural use (e.g., through conservation easements, retirement of “paper” subdivisions); measures that result in enhanced separation between non-agricultural and agricultural lands at the urban-rural boundary (e.g., development restrictions); and programs to restore and enhance sustainable agricultural uses, ensure compatibility with adjacent sensitive habitats, and provide opportunities for agricultural education. In all cases, such mitigation sites shall be located near Highway 156 or elsewhere in the North Monterey County coastal zone segment, and shall be subject to enforceable protections (e.g., through fee title acquisition, agricultural conservation easements, agricultural deed restrictions) that shall be described in an agricultural mitigation plan. Such agricultural mitigation plan shall be required with specified deadlines as part of any permit approved for such conversion, and shall be conditioned to require that the mitigation measures remain in place in perpetuity.*
- e. *The intersection project is sited and designed to effectively blend with the surrounding rural aesthetic character of the Highway 156 corridor, and all visual impacts are offset through enhancement and/or restoration of visually degraded areas near Highway 156 (e.g., native landscaping, undergrounding utilities, removal of visual obstructions).*
- f. *The intersection project will maximize opportunities for non-automotive modes of transportation (e.g., bicycle, pedestrian) and will meet the goals of the California Department of Transportation’s Complete Streets Program and the related provisions of the Transportation Agency of Monterey County’s Regional Transportation Plan for the Highway 156 corridor.*
- g. *The intersection project, as compared to the alternatives considered, best meets regional public access needs, while protecting public safety and irreplaceable coastal resources to the maximum extent feasible.”*

Project Analysis

The proposed Project remains the same as they were when the Commission approved the project in

June. Therefore, staff is attaching the previously prepared reports and information provided to the Planning Commission for reference (**Attachments 1 and 2 to Exhibit B**). The key changes from the prior review involve the introduction of the proposed LCPA. If the LCPA is approved by the Board and certified by the CCC, the analysis of the Project for consistency with the NC LUP and CIP will need to be updated.

New Analysis -

On the whole, the project is consistent with the existing and proposed policies of the NC LUP and CIP. With the proposed LCPA, there is no longer a debate surrounding potential inconsistencies with agricultural or environmentally sensitive habitat policies. New language allows the Project “notwithstanding” these policies. The project also represents the least damaging option for addressing the existing safety concerns at the current intersection along with safety concerns at the driveway encroachments from Monte Del Lago and Simon Park on Highway 156. CalTrans staff have prepared a written justification for the project with reference to the proposed LUP and CIP policies (**Exhibit G**). The project replaces the at-grade signalized intersection with a safer grade separated intersection. Roundabouts are used as a safer and more effective intersection design than a signalized intersection. The southern-most roundabout will impact agricultural lands. Design considerations for this intersection took into account the safety and effectiveness of roundabout designs and represents an alternative to a signalized intersection that would require merging lanes to on and off ramps the geometry and distance of which would encroach upon an arm of the Moro Cojo Slough east of the main intersection. The project will retain the 2 lane capacity on Highway 156 and Castroville Blvd. Mitigation is proposed consistent with the proposed CIP both for impacts to Environmentally Sensitive Habitat and Agricultural lands. Visual access will be preserved and improved by undergrounding overhead utility lines. Disturbed areas will be restored and replanted with native plant species. The existing alignment of Castroville Blvd will be repurposed to serve as an extension of the bike and pedestrian path that runs from Del Monte Farms Road to the town of Castroville. Bicycle lanes will also be included along new road segments. In all, this project will improve safety and reduce congestion while balancing and mitigating form impacts to agricultural lands and sensitive habitat.

CEQA:

The initiation of the LCPA is statutorily exempt. Pursuant to Public Resources Code section 21080.9 and CEQA Guidelines Section 15265, CEQA does not apply to activities and approvals pursuant to the California Coastal Act by any local government necessary for the preparation and adoption of a local coastal program, and shifts the burden of CEQA compliance from the local agency to the California Coastal Commission (CCC). Furthermore, CEQA Guidelines Section 15251(f) identifies the CCC as a certified regulatory program which meets the requirements of Public Resources Code Section 21080.5 involving the preparation, approval, and certification of local coastal programs. As such, the CCC staff report prepared for the LCP Amendment qualifies as a functional equivalent environmental review document with regard to CEQA. Therefore, the County is not required to take formal CEQA action on the proposed LCP Amendment.

The Project does not qualify for a CEQA exemption. As the “lead agency”, Caltrans is required to prepare and certify environmental documents pursuant to the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). In accordance with CEQA and NEPA, Caltrans prepared a draft environmental document that was circulated for public comment

from June 17, 2009 to August 17, 2009 for the State Route 156 West Corridor Project. Potential project impacts addressed in the Environmental Impact Report (EIR) and Environmental Assessment (EA) were related to farmlands, visual qualities, water quality, environmentally sensitive habitat and land use. On January 31, 2013 Caltrans adopted a Finding that the project would have No Significant Adverse Impacts (FONSI) on the environment pursuant to NEPA and Statement of Overriding Consideration pursuant to CEQA. The Overriding Consideration finding was premised upon the project's permanent conversion of agricultural and residential zoned land to a public highway facility.

In accordance with Title 23 Code of Federal Regulations, part 771 section 771.129, a written evaluation of a draft EIS is required if there is a change in scope, setting, effects, mitigation measures, requirements. For this purpose, the NEPA/CEQA Re-validation form is used to document the determination of whether: 1) the original Draft EIS remains valid, or 2) additional documentation is needed to keep the document valid, or 3) a supplemental EIS or a new DEIS is required. To capture the reduced scope of work (only a portion of Phase 1) and in accordance with federal regulations, Caltrans prepared and approved a NEPA/CEQA Re-validation form on October 8, 2020. This re-validation form identified that the project has been reduced to a total disturbance of approximately 75 acres; approximately 32 acres will be temporarily disturbed during construction and approximately 43 acres, of which 23 acres are zoned for agricultural uses and 20 acres for residential uses, will be permanently converted as roadway facility. The re-validation form concluded that the EIR/EA required additional documentation to keep the document valid. This re-validation form identified project specific potential impacts to land use (primarily agriculture), natural communities & habitats, jurisdictional waters, California tiger salamanders (CTS), Santa Cruz long-toed salamanders (SCLTS), California red-legged frogs (CRLF), migratory nesting birds and visual resources. Caltrans subsequently prepared a Natural Environment Study (NES) to serve as the updated biological assessment. The NES identified the required minimization and avoidance measures to reduce impacts to jurisdiction waters, SCLTS, CTS, CLRF, migratory nesting birds and trees to a less than significant level. Minimization and avoidance measures for land use and visual impacts are identified in the re-validation form.

As the decision-making body of a Responsible Agency, the Planning Commission must certify that it has reviewed and considered the information contained in the EIR/EA. As such, the Planning Commission is asked to certify it has reviewed and considered the information contained in the Lead Agency's (Caltrans) EIR/EA, its Finding of Overriding Considerations, the Re-Validation Form and its Finding of No Significant Impact, and affirm the conclusions therein prior to acting upon or approving the project (**Exhibit C**). In this case, although there will be significant impacts as a result of conversion of farmlands, the benefits of the project may override the significant unavoidable impacts. The proposed intersection and driveway improvements will address long-standing safety issues and will help alleviate congestion. Potentially significant but mitigatable impacts included visual/aesthetics, air quality, biology (including impacts to natural communities, wetlands, and special status species like the federally endangered Long-toed salamander), hydrology and water quality, noise, land use, and potential growth inducing effects. Staff has reviewed the EIR/EA and found it adequate to comply with CEQA/NEPA. Mitigations applicable to the Castroville Blvd interchange portion of the project within the responsibility of the County (to issue a Coastal Development Permit) have been incorporated as conditions of approval of the project.

NEXT STEPS:

After the Planning Commission adopts a recommendation to the Board of Supervisors, County staff will schedule the amendment before the Board of Supervisors for a final decision. If the Board of Supervisors approves the proposed text amendment, County staff would transmit this amendment to the Coastal Commission staff for certification by the CCC. If the CCC certifies the amendments, the amendments will become effective.

Time is of the essence on this matter. CalTrans has state and federal grant funding for the project that may be lost if land use approvals are not in place by July of 2023. The proposed LCPA and project must be acted upon by the Board of Supervisors before the decision is transmitted to the CCC for certification. CCC staff will need adequate time to review and process the LCPA.

OTHER AGENCY INVOLVEMENT:

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

- California Coastal Commission
- Environmental Health Bureau
- Public Works Department
- HCD-Engineering Services
- HCD-Environmental Services
- Environmental Health Division
- North County Fire Protection District
- North County Land Use Advisory Committee
- Castroville Land Use Advisory Committee
- California Department of Transportation, District 5

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Reviewed by: Craig Spencer, Chief of Planning
Approved by: Erik Lundquist, AICP, Director HCD

The following attachments are on file with HCD:

- Exhibit A - Draft Resolution Rescinding Planning Commission Resolution 22-013
 - Attachment 1 - Planning Commission Resolution 22-013
 - Attachment 2 - Appeal of the Planning Commission decision
 - Attachment 3 - Board Order referring the matter back to the Planning Commission
- Exhibit B - Draft Resolution Recommending approval to the Board of Supervisors
 - Attachment 1 - Draft Amendment to the North County Land Use Plan
 - Attachment 2 - Draft Ordinance Amending CIP Part 2 Section 20.144.020
 - Attachment 3 - Draft Resolution Approving the Combined Development Permit
 - Exhibit 1 - Draft Conditions of Approval
 - Exhibit 2 - Project Plans
- Exhibit C - NEPA/CEQA Re-Validation Form*

- FEIR/EIS*
- NES*

Exhibit D - Caltrans adopted Offsite Compensatory Mitigation and Monitoring Plan*

Exhibit E - Caltrans adopted Onsite Wetland Enhancement Plan*

Exhibit F - Staff Report prepared for the June 8, 2022 Planning Commission hearing

Exhibit G - CalTrans staff project justification and consistency analysis

Exhibits which include an asterisk (*) may also be found at:

<https://www.co.monterey.ca.us/government/departments-a-h/housing-community-development/planning-services/current-planning/general-info/current-major-projects>

For links to Exhibits C, D, and E, refer to the attachments to this document.

cc: Front Counter Copy; California Coastal Commission; Erik Lundquist, HCD Director, Craig Spencer, Chief of Planning; Fionna Jensen, Associate Planner; Elizabeth Gonzales, Supervising Planner; Anna Quenga, AICP, Principal Planner; Mitch Dallas, Caltrans, Applicant/Owner; North County School District; Transportation Agency of Monterey County (TAMC); The Open Monterey Project (Molly Erickson); LandWatch (Executive Director); Project File PLN200118.