

# Exhibit A

This page intentionally left blank.

## DISCUSSION

### Project Background:

The Minor Subdivision (PLN060581 Michelet/Goode), located at 11450 Poole Street, within the community of Castroville (Assessor's Parcel Number 030-096-001-000), was administratively approved by the Director of Planning on July 25, 2007 and subject to 19 Conditions of Approval (see Exhibit C). All conditions have been met or will remain ongoing except for Condition of Approval No. 8. Premier Real Estate Inc. purchased the subject property and assumed the approved entitlement in January of 2014. The property owner has actively worked through condition compliance in order to bring the final map before the Board of Supervisors for acceptance. All requirements and conditions have been met, with the exception of Condition of Approval No. 8. Compliance requires the owner to pay the inclusionary fee of \$40,687.80 in order to clear the condition.

The property owner contacted the Monterey County Housing Program Manager to notify the County that due to the need for housing, they wish to construct their personal residence on one of the approved lots. The Housing Manager advised the owner that this change would qualify the subdivision as an "Owner occupied development" as defined in the Monterey County Inclusionary Housing Ordinance. Further, an owner-occupy unit within the subdivision would result in an exception to payment of the required inclusionary housing in-lieu fee provided the owner sign a legally binding document agreeing to live in the residence for at least one year.

On April 1, 2016, the applicant submitted an application to amend the approved Minor Subdivision to modify Condition of Approval No. 8.

### Consistency with Monterey County Subdivision Ordinance:

The proposed amendment, PLN060581-AMD1, consists of modification to language contained in Condition of Approval No. 8. Pursuant to Section 19.08.010 of the Monterey County Subdivision Ordinance, modifications to conditions of approval of a tentative parcel map may be allowed as long as the parcel has not been filed or recorded, the modification would not result in the addition or creation of the approved number of lots or units, the amendment would be consistent with any governing General Plan and Specific Plan, there are no resulting violations on the property, and it would not result in a new significant adverse environmental affect. Analysis of the project has concluded the proposed amendment is consistent with this requirement. See Finding 2 of the attached Exhibit B for further discussion.

### Consistency with Inclusionary Housing Ordinance:

Payment of required inclusionary housing in-lieu fees for the Minor Subdivision were applied as Condition of Approval No. 8, based on the Inclusionary Housing Ordinance No. 4185 and the accompanying Administrative Manual. Subsequent to approval of the Minor Subdivision, the subject property has been sold and circumstances have changed. During the condition compliance phase of the project, the property owner discussed the requirement of payment of the in-lieu fees for inclusionary housing with the Economic Development Department, Housing Division. Based on need of the new owner, one of the units to be constructed on one of the newly

created lots will be occupied as his primary residence. Therefore, pursuant to the advice of Economic Development, the applicant has applied for an amendment to modify Condition of Approval No. 8, requesting the development be considered as an “Owner occupied development” as defined in the Monterey County Inclusionary Housing Ordinance.

Pursuant to Section 18.40.060.A of the Monterey County Code (MCC) and Section 3.A of the Monterey County Inclusionary Housing Program Administrative Manual, owner-occupied units in an owner-occupied development of four units or less are not applicable to the inclusionary housing requirements. In light of the new information provided by the property owner, payment of the \$40,687.80 in-lieu Inclusionary Housing fee is no longer required. However, consistent with Section 18.40 of the MCC, the Monterey County Inclusionary Housing Ordinance, and Administrative Manual, the owner is required to record a legally binding agreement stating that they will occupy the unit for at least one year. The proposed modified Condition of Approval No. 8 is consistent with this requirement.

Conclusion:

Staff has reviewed the governing regulations, and any subsequent amendments, that applied to the project at the time the Minor Subdivision was approved and determined that the proposed modification to Condition of Approval No. 8 is consistent.

Further, the proposed modification will not alter the intent or findings of the original decision making body as it was approved in 2007. In fact, the intended effect is to facilitate the owner’s ability to exercise their option to occupy the residents in lieu of paying fees as provided in the Inclusionary Housing Ordinance. The owner is fully aware that they will be required to sign an agreement with Housing requiring the owner to reside in the unit for 1 year and record a Promissory Note (for the amount of the In-Lieu Fee) secured by a Deed of Trust on the lot/unit being exempted.

For these reasons staff recommends that the Planning Commission approve the proposed Revised Condition Compliance and Mitigation and Monitoring Plan based on the proposed Findings and Evidence contained within Attachment B.