

Exhibit A

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DISCUSSION

Process

Land uses expected for Heavy Commercial (HC) zoning include mini-warehouse storage facilities, and if the facility exceeds 5,000 square feet in size, the Zoning Administrator is the appropriate hearing body for the discretionary decision (Title 21 Section 21.20.060.C). However, the Carmel Valley Association expressed concerns about access to the neighboring parcel in a letter to the Zoning Administrator on September 23, 2024 in response to the notice of a scheduled September 26, 2024 hearing before that body. Staff found it best to continue the item to a future hearing date to allow time to further clarify the access. The Zoning Administrator received this and other public comments in response to the Public Hearing Notice which prompted his decision to refer the item to the Planning Commission.

The Planning Commission opened the hearing of the project on October 30, 2024. The Planning Commission shared general concerns with the proposed development in that it is not affordable housing which was anticipated for the mid valley area in the 2010 General Plan, that it may be time for a cap on new self storage facilities in Carmel Valley unless they are reuse of old buildings, that the concerns of the one household on Center Street before the terminus are still a priority, and that Public Works should be following up on the flooding issues on Berwick Drive now, in the rainy season. Finally, there was questioning of the need for the project to be as large as it is and to have two stories. As to the motion for continuance, the Commissioners requested the following action items on the project design and staff report/presentation for the next hearing:

- Modify site plan and Building A, specifically, to ensure the public can cross the parcel safely;
- Modify site plan to allow more clearance of the access road in the entry area from project parking lot;
- Update the plans and presentation to clarify more fully the difference between the Use Permit for development within 200 feet of the Carmel River, the “floodway fringe” and ways that hydrologists measure the potential for flooding; and

The Planning Commission continued the item to a date certain of January 8, 2025 but the applicant’s redesigned plan was not ready in time for County staff-level review. Therefore, on January 8th the Commission granted the hearing be continued to February 26, 2025. Public also submitted written comments since the October 30th hearing. Concerns expressed by the public which were not related to the Planning Commission questions above are responded to below under the “*Public Comment*” heading. Responses to the concerns of the Planning Commission are discussed below by subject matter heading.

Land Use & Development Standards

Setbacks in the HC district are set by the surrounding land use, provision of adequate parking and landscaping, and other site design features. As the parcel fronts Carmel Valley Road, a 100 foot setback is required pursuant to CVMP Policy CV-3.1. The project includes 100 feet (front), approximately 10 feet (rear), and 27 feet on the entry side and 3 feet on the other side, a property line shared with a mini-warehouse storage facility’s fence and windowless wall. The proposed setbacks are adequate for the site. The height for the proposed project was at the maximum

allowed height in this zoning district, 35 feet above average natural grade (ANG). Pursuant to Planning Commission feedback to reduce height, the maximum height of the project is now proposed as 28 feet, 4 inch maximum above ANG, a 6 foot, 8 inch reduction. Therefore, pursuant to Title 21, the CVMP and as proposed, the project conforms to applicable development standards regarding building site coverage, setbacks, and height. While concern was expressed by at least one Commissioner about the two-story buildings, especially at the edges of the project near an existing residence, the January 2025 redesign retains the two-story design but reduces height as well as the size of Building A to be less bulky. The design was previously changed in response to LUAC and Carmel Valley Association (CVA) feedback to address the bulkiness of the buildings visible from Carmel Valley Road and Center Street. Rooflines and facades were changed in 2024, prior to the circulation of the project's Initial Study. The IS/MND found impacts to aesthetic resources to be less than significant without mitigation. Site coverage for HC parcels is 50 percent. The project as proposed has a site coverage of 35,620 square feet, which is 39.3 percent. The previous design had a site coverage of 38,670 square feet (42.7%), so the project redesign includes a reduction in overall site coverage.

The project is consistent with all but one of the Policies of the CVMP, Policy CV-1.24. Policy CV-1.24 states that "property located between the end of Center Street and north of the Carmel River within the mid-valley area shall be retained as one building site (APN: 169-131-024, 169-131-025)." The two properties are two separate legal lots of record, given the approval of a minor subdivision of the subject properties (MS96006, with Kaminske Parcel Map found in Vol. 21 PAR Pg 104). They are under separate ownership, have distinct and different Land Use designation and zoning districts, and each owner has constitutional private property rights. Therefore, the County cannot enforce CVMP Policy-1.24 and cannot require the application be consistent with this policy.

Trails in the Carmel Valley

Two CVMP Policies recommend trails be developed and shortcut trails be respected in the Carmel Valley. One is Policy CV-3.14, which recommends that "*wherever possible a network of shortcut trails and bike paths should interconnect neighborhoods, developments, and roads. . . and their intent is to facilitate movement within the Valley without the use of automobiles.*" The other is Policy CV-3.19 states that "*development of bike paths and a coordinated, area-wide trails system are essential for circulation, safety, and recreation in the Carmel Valley Planning Area*" and "*dedication of trail easements may be required as a condition of development approval, notwithstanding Policy OS-1.10(b)*". Policy OS-1.10(b) states that "*dedication of public trails or trail easements on private property shall be voluntary, except as may be required by State Law.*"

A social trail crosses this private property, and the Commission expressed strong interest in protecting the social trail that functions for some residents as shortcut trail but modifying the applicant's previously proposed re-location to keep it off of steep slopes behind the project site. In response, the applicant created a walking access area between the top of slope and Building A with a minimum 6 foot width and at other places wider than 20 feet by reducing the footprint of Building A by approximately 5 feet on the west end and by approximately 5 feet on the south end and amending the angle of the buildings away from the south property line. To illustrate this area, the plans include red hatching. The applicant added a crosswalk from the terminus of the

sidewalk on Center Street at the entrance to Building A to increase the safety of pedestrians accessing the social trail from Center Street; they would be encouraged to walk around Building A on flat areas as they cross the property toward Robinson Canyon Road. In the Planning Commission October 30th discussion, a question was raised as to whether the existing storage facility that is adjacent to the subject property was required to establish a trail easement as part of the entitlement. Staff confirmed that a trail easement was not required (**Exhibit L**, Board Resolution No. 04-029).

Visual Resources and Design Review

The site is subject to the policies of the Design Control “D” zoning district, which establishes design review requirements to assure protection of the public viewshed and neighborhood character. Additional policies found in the 2010 General Plan and the Carmel Valley Master Plan with regard to viewshed and rural character, viewshed near the Carmel River, and the Carmel Valley Road (Policies CV-1.1, CV-1.8, CV-1.9, CV-1.13, CV-1.14, CV-1.21, CV-3.1, CV-3.2, CV-3.3, and CV-3.8). The project is consistent with these policies and the surrounding neighborhood character:

- The proposed structure is consistent with the development standards of the zoning district and is in character with the height and massing of other development in the neighborhood. Many of the commercial buildings on Berwick Drive are two story structures. Adjustments to reduce bulkiness of the façades and roofline lowering of the structures within public views, Buildings A and E, were made in response to public input at the LUAC. In response to the Planning Commission, the building height of Building A was further reduced.
- The colors and materials include matte gray Galvaline metal roof, medium gray-green metal panel body, dark gray concrete CMU material, white window frames, trellis and vents, and black semi-transparent fence. These have a muted appearance and would blend with the proposed landscaping and area harmoniously.
- Three coast live oak trees are proposed to be planted beside the last structure on the side of the parcel within the Carmel Valley Road viewshed as part of a draft Landscape Plan (sheet L-1 of the attached Plans).
- Exterior lighting would be strategically placed approximately 3 feet above the 8-foot rollup doors (approximately 11-12 feet off the ground) to minimize off-site light spillage. Condition of Approval No. 27 requiring an exterior lighting plan which shall ensure compliance with Monterey County’s Design Guidelines for Exterior Lighting/Glare.

It is difficult for staff to state whether the proposed development “encourages and furthers the letter and spirit of the Master Plan” as CVMP Policy CV-1.20 recommends. It can be surmised that the spirit of the CVMP is furthered by the development because it is proposed infill on a lot surrounded by urban uses, rather than proposing sprawl into more rural areas of Carmel Valley (with a request for rezoning). It is therefore consistent with CV-1.13, “to preserve the character of the village, commercially designated lots in Carmel Valley shall not be used for exclusively residential purposes”; and consistent with CV-1.14, which states that service centers should be limited to urbanized areas such as the mouth of the Valley, Carmel Valley Village or mid-Valley area. It can also be interpreted that the spirit of the CVMP is expressed by Policy CV-1.1, which states “the goal of preserving Carmel Valley’s rural character. In order to preserve the rural character of Carmel Valley,” the policy continues, “development shall follow a rural architectural

theme with design review.” The proposed development includes a façade design with a rural architectural theme (barn-ish). Design review by the Carmel Valley LUAC led to the proposed façade. However, any storage facility layered with a veneer of rural thematic elements is still in essence a storage facility, not a ranch. Therefore, the decision maker has discretion in the consideration of approvals on projects which are not rural in use because Policy CV-1.20 is subjective.

The project conforms with CVMP Policy CV-1.8 in that the siting protects visible open space in sensitive visual areas by developing within the mid-valley urban area and the design protects natural resources with mitigation measures and a voluntary naturally preserved area; it is consistent with the policy’s guidance that development be sited adjacent to vertical forms and development in open spaces, as it is next door to a two-story commercial facility and other vertical forms.

CVMP Policy CV-1.9 states that structures proposed in open grassland areas that would be highly visible from Carmel Valley Road shall be minimized in number and be clustered near existing natural or man-made vertical features. The Project is proposed on a 2.08-acre lot that is currently vacant and has non-native grassland. Given the size and shape of the lot and the hardscape development to the east and west of it, this would not normally be considered “open grassland.” There are similar vertical manmade structures on the adjacent parcel to the west. The project therefore conforms with CVMP Policy CV-1.9.

The CVMP and 2010 General Plan reinforce clustered development wherever possible. The project will infill one of the last open parcels in mid valley center. The urbanized quality of the shopping center and storage center to the west as well as the zoning district of the subject parcel reinforce that private development proposed for the site will be commercial in nature. HC zoning district purpose statement specifically names storage facilities among other types of development (Title 21 Section 21.20.010).

Pursuant to CVMP Policy CV-3.2, public vista areas shall be provided and improved along Carmel Valley Road. The project site is located on the side of Carmel Valley Road at the shortest property line (30 feet wide). When travelling at normal speeds on Carmel Valley Road, the project would flash by for approximately 1 second. There is no sidewalk on the frontage of the property, and adjacent properties along Carmel Valley Road are built out with similar commercial development. Therefore, as proposed, the project would not obstruct public views of the hills and vistas as seen from Carmel Valley Road. Pursuant to CVMP Policy CV-3.3, views of the river and the hills as seen from key public viewing areas are not disturbed. There is no view of the river or the hills from a public vista point that would cross the subject parcel. If there were, it would be partially blocked by all the other development in the mid-valley shopping center and the immediate vicinity.

Development within 200 feet of the Carmel River

The revised project includes a very small amount development within 200 feet of the Carmel River. Title 21 section 21.64.130.D.1 states development within 200 feet of the Carmel River top of bank is allowed pursuant to a Use Permit. An area on the parcel below any proposed development is classified as floodway fringe (Title 21 section 21.64.130.C.4). This area is

outlined on sheet C4 of the plans with the FEMA zoning label of “AE” and it is the only area on the subject parcel that is in the 100-year flood zone. No part of the development is within the floodway fringe. Areas on the steep slope are between the 100-year flood zone and the 500-year flood zone (FEMA area “shaded X”). The extent of that area is delineated on C4, as well. Lastly, the remainder of the parcel is in the 500-year flood zone (FEMA area “unshaded X”) and this area is considered minimal flood hazard. In response to a Commissioner’s request for greater clarity, this section of the staff report has been updated. In addition, the applicant added color labels to Sheet C4 of the plans to show FEMA zones and the “top of slope.” The sheet retains the 200-foot setback from the Carmel River top of bank as a green-colored line. Consistent with CVMP Policy CV-3.8, there will be no removal of indigenous vegetation and no grading within the floodway.

The question arose if the FEMA potential analysis for impacts includes a climate change scenario in which heavy scouring and changes to the banks of the Carmel River are accounted for. Staff forwarded the question to Environmental Services staff, who responded that FEMA engineers perform many Flood Insurance Studies (FIS) which are compilations of flood hazard areas along terrestrial and coastal lands. A FIS is based on a variety of different variables including hydrologic data (past/current/future-global warming), meteorologic data, hydraulic data, development data (past/current/future), etc., all of which is run through their models. The resulting graphical data of the FIS are shown on FEMA Flood Insurance Rate Maps (FIRM), also known as ‘FEMA Flood Maps.’ The FEMA Map Center website shares FIRM information.

Health and Safety

Domestic water is to be provided by an onsite well located on the parcel on the eastern side of Building C. Well testing was reviewed by the Environmental Health Bureau (EHB) and the well water quantity and quality was found sufficient to serve the project. Because the project will have only two water fixtures, including the toilet and sink for the manager's office and only minimal additional landscaping, water use will not exceed the limited water allowance that was established for the parcel upon its formation (MS96006 Conditions of Approval recorded as County of Monterey Document No. 2004014525). As discussed above, this project includes the installation of an OTWS to serve the office. EHB review a preliminary OWTS design and a percolation testing report for the project by Brian Papurello, Landset Engineers, Inc. dated August 12, 2022 (HCD Library Document No. LIB220335) which reported free groundwater was encountered at this site in a bore at an approximate depth of 40 feet below grade. EHB found the proposed system acceptable to support the proposed development. There are no impacts to health and safety anticipated by the construction or use phase of the development.

Pursuant to the direction of the Planning Commission in the October 30th hearing, the parking area was adjusted to increase clearance of the access road in the entry area. There is an easement agreement between the owner of the subject parcel and the neighboring parcel (APN 169-131-025-000, Document No. 2022048093). Within the document, the easement is described as a parking and drive easement. The easement anticipates parking onsite for the proposed project and sketched in a legal description plat dated April 2022. Parking is now further back from the drive easement so a vehicle can back out to leave without entering the access road area. There is sufficient access allowed for the owner of the neighboring parcel to drive into APN 169-131-025-000. This includes capacity for the minimum width required for construction of an access

road pursuant to Q102.2 of the County Fire Code, specifically two 10-foot-wide traffic lanes with an unobstructed vertical clearance of not less than fifteen feet, which are the dimensions of an access road.

Adequate road and transportation facilities exist for the use. The property is located on Center Street, a tertiary road, which is the main access road to the site. Transportation and Traffic impacts were further analyzed in the project Initial Study. Per the Traffic Study prepared for the project (Rick Engineering Company, July 25, 2022, HCD Library Doc. No. LIB220334), the two study intersections: Carmel Valley Road/Dorris Drive and Carmel Valley Road / Berwick Drive, operate between Level of Service A and C during peak hours with the proposed project with no operational deficiencies identified. The Initial Study found no significant impacts to traffic or transportation and the less-than-significant impacts are mitigated through the payment of County traffic fees, therefore, no mitigation measures were applied. The Applicant shall pay the Carmel Valley Master Plan Area Traffic Mitigation fee pursuant to the Board of Supervisors Resolution NO. 95-410, adopted September 12, 1995 (Fees are updated annually based on CCI). The applicant is also required to pay the Regional Development Impact Fee (RDIF) pursuant to Monterey Code Chapter 12.90. The County's Carmel Valley Traffic Impact Fee and RDIF fees have been applied as Condition Nos. 6 and 7, respectively.

Adequate fire protection shall be provided for the facility. A Cal Am fire hydrant exists to serve the property. The hydrant had a pressure test done February 14, 2022. The pressure is more than enough to service fire suppression for this facility and therefore Cal Am provided the applicant a fire service letter (**Exhibit H**). Scott Anderson, Fire Marshal for the area, reviewed the underground fire line and back flow preventer plans in March of 2023 and is expected to sign off on a final version of them, with a smaller square footage of building space, as part of the construction permit. Therefore, the fire safety water is provided by Cal Am and the preliminary design shows sufficient fire prevention technology.

Although gutter improvements were required as part of the Engineering Services' condition of approval no. 4 for submittal as part of the construction permit process, the applicant chose to illustrate the planning permit plans with a suggested concrete cross gutter at the edge of Center Street to ensure all rainfall to the entrance area is contained on the property. In response to questions raised about flooding on Berwick Drive, staff has verified that Public Works staff continue to monitor the minor localized flooding issues on Berwick Drive and work with the residents and businesses there to ensure their landscaping and irrigation do not inundate the public roadway.

Public Comment received since the October 30, 2024 hearing

CVA provided a comment letter which includes the statement that the ongoing approval of development such as this “test the spirit and standards of our CV Master Plan and are increasingly undermining the character of our community.” Specific to this development, CVA recommends the development be controlled to 1) maintain existing historical trail access by reducing or eliminating Building A to provide at least 10 feet between it and the existing fence line and support it by recording an easement; and 2) add a second sidewalk on Center Street. (see **Exhibit I**).

Regarding trail access and Building A, staff has worked with the applicant to ensure that a trail of at least 6 feet width is allowed on a flat area of the parcel. Many portions of the trail area are 10 feet wide. Building A was reduced in size. Pursuant to a letter from the owner dated May 9, 2024, the owner explored options for creating a walking trail easement on the southern portion of the subject property, but it was not feasible for several reasons (**Exhibit J**). Any new trail easement would be voluntary by the landholder and County does not have a nexus to require it as part of the proposed project. Regarding adding a second sidewalk on Center Street, the proposed project does not include such a feature. Adding a sidewalk would further narrow the Center Street access to this project and any future project that would be constructed on the neighboring parcel. Engineering Services staff can address this more specifically in the hearing, if desired by the Commission. Staff has reviewed the proposed project and finds that it meets the most relevant CVMP Policies, which pertain to urbanized areas.

Staff received written comments from five other members of the public which all expressed opposition to the project on similar grounds to the CVA letter, for reasons of aesthetics and the size of the structures, concerns with traffic which are discussed above, and wishes to keep the social trail on the subject parcel.

CEQA:

Pursuant to Public Resources Code Section 21083 and CEQA Guidelines Sections 15063(a) and 15063(b)(2), the County of Monterey as Lead Agency completed environmental review to determine if the project may have a significant effect on the environment. The County prepared a Initial Study and draft Mitigated Negative Declaration (IS/MND) for this project (**Exhibit E**). The MND was filed with the County Clerk on June 21, 2024, and circulated for public review and comment from June 21 to July 22, 2024 (SCH No. 2024060941).

During public review of the IS/MND, the County received comments from Deborah Castles of Anthony Lombardo and Associates (agent representing the project) expressing a number of edits to the public draft and a comment letter from staff at Monterey Bay Air Resources District (**Exhibit F**). Most proposed edits were within the Biological Resources section and referred to an attached letter from the project biologist to the applicant recommending errata edits for clarification of reporting timing and survey types. Others were suggested corrections to typos. The agent also requested the County set a strict time period for the consulting archaeologist to conclude any assessment of the extent of the resources, should any be discovered during ground disturbance. County staff reviewed the comments received based on the specific circumstances of this project and determined that they do not alter the conclusions in the Initial Study, however staff found minor revisions to the draft IS/MND are necessary in response to the comments.

Some requested edits were not made. Rather than set a week for archaeologist to complete their assessment of resources, staff edited the draft MND to state that the amount of time taken to prepare the determination shall be coordinated between the owner and the archaeologist through the Scope of Work in their contract. Also, the comment from MBARD was noted to be concerned with requirements already in place as part of the construction permit review and issuance (fugitive dust control, carbon emission standards for construction equipment, registering construction equipment with the Portable Equipment Registration Program). The MBARD letter included a suggestion that the owner add publicly available dual port Level 2 & DC fast-charge

charging EV stations in the facility parking areas as part of the project. Staff conveyed the request to the applicant for their consideration but did not require charging stations as a Mitigation Measure because the Greenhouse Gasses (GHG) Chapter of the IS/MND did not conclude that GHG would be impacted to a level that would require mitigation.

After some additional consideration of the Project Traffic Reports, HCD-Engineering found that they would not use the VMT report that was submitted for the project, and instead utilized the traffic data that was included in a separate traffic study and analyze the impacts based on the Office of Planning and Research thresholds. They requested several edits to pages 26 and 65 through 68. The edits did not alter the analysis conclusions.

In light of these reviews of the publicly circulated IS/MND, staff prepared the redline version of the IS/MND which is attached as **Exhibit G**. The redline version shows that most applicant-requested edits were absorbed, and reflects the changes made by HCD-Engineering Services. It is this version of the environmental document which staff recommends the commission adopt.