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Board Report

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PLN040061 - Rancho Canada Ventures, LLC (Rancho Canada Village Subdivision)

Public hearing to consider:

- a. Certification of the *Rancho Canada Village Project Environmental Impact Report* (EIR);
- b. Adoption of CEQA findings and a Statement of Overriding Considerations for the 130-unit Alternative;
- c. Amendment of the text of General Plan Policy CV-1.27 so that the 130-unit Alternative shall be required to provide a minimum of 20% affordable housing, rather than 50%, affordable/workforce housing;
- d. Rezoning of approximately 37.7 acres of the 130-unit Alternative site that occupies the former West Course of the Rancho Canada Golf Course from Public/Quasi-Public (P/Q-P -D-S-RAZ) to Medium-Density Residential (MDR-D-S-RAZ) and Lot 130 from Public/Quasi-Public (P/Q-P -D-S-RAZ) to Low-Density Residential (LDR -S-D-RAZ);
- e. Approval of a Combined Development Permit for the Rancho Canada Village project (PLN040061, 130-unit alternative), including:
 1. Vesting Tentative Subdivision Map subdividing 81.7 acres into 130 residential lots, common areas and roadways and a 39.4-acre open space lot; and
 2. Development in the Carmel River Floodplain; tree removal, allowing the removal of up to 139 native trees; and grading and infrastructure installation, including installation of a below-grade drainage pipe and culvert to improve area-wide flood control and drainage.
- f. Adoption of a Mitigation and Monitoring Reporting Plan

Proposed CEQA Action: Certify the Rancho Canada Village Environmental Impact Report

Location: Rancho Canada Golf Club, 4860 Carmel Valley Road, Carmel Valley, Carmel Valley Master Plan.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Adopt a resolution (Exhibit B.1) to:
 1. Certify that: the Rancho Canada Village Final Environmental Impact Report (FEIR) (SCH#: 20006081150) has been completed in compliance with CEQA; the FEIR was presented to the Board of Supervisors and the Board of Supervisors reviewed and considered the FEIR prior to approving the project; and the FEIR reflects the County's independent judgment and analysis;
 2. Adopt the above CEQA findings for approval of the project and adopt the Statement of Overriding Considerations;
 3. Amend the text of General Plan Policy CV-1.27;
 4. Approve a Combined Development Permit for the Rancho Canada Village Subdivision Project 130-unit Alternative, consisting of:

- a. Vesting Tentative Subdivision Map for the 130-unit Alternative, subdividing 81.7 acres into 130 residential lots, common areas and roadways and a 39.4-acre open space lot;
 - b. Development in the Carmel River Floodplain; tree removal, allowing the removal of up to 139 native trees; and grading and infrastructure installation, including installation of a below-grade drainage pipe and culvert to improve area-wide flood control and drainage; and
5. Adopt the Mitigation Monitoring and Reporting Plan.
- b. Adopt an ordinance (Exhibit B.2) rezoning approximately 37.7 acres of the 130-unit Alternative site that occupies the former West Course of the Rancho Canada Golf Course from Public/Quasi-Public (P/Q-P-D-S-RAZ) to Medium-Density Residential (MDR-D-S-RAZ) and Lot 130 from Public/Quasi-Public (P/Q-P-D-S-RAZ) to Low-Density Residential (LDR-S-D-RAZ).

A draft resolution with findings and evidence recommending approval of the 130 Unit Alternative is attached for consideration. A matrix of recommended conditions and mitigation measures is included as part of the resolution. An ordinance for rezoning the property is also attached.

PROJECT INFORMATION:

Owner: Rancho Canada Ventures, LLC

Project Location: Rancho Canada Golf Club, 4860 Carmel Valley Road, Carmel Valley

APNs: 281-unit Project: 015-162-009-000, 015-162-016-000, 015-162-017-000, 015-162-025-000, 015-162-026-000, 015-162-027-000, 015-162-039-000, 015-162-040-000 and 015-162-043-000;
130-unit Alternative: 015-162-009-000, 015-162-017; 015-162-025-000, 015-162-026-000, 015-162-033-000, 015-162-039-000, 015-162-040-000, 015-162-041-000, 015-162-042-000, 015-162-043-000, 015-162-045-000, 015-162-046-000 and 015-162-047-000.

Zoning: Public/Quasi-Public (P/Q-P)

Agent: Alan Williams

Plan Area: Carmel Valley Master Plan

Parcel sizes: Approximately 81.7 acres

Flagged and Staked: No

SUMMARY:

The Planning Commission considered the Rancho Canada Village (RCV) Subdivision (PLN040061) proposal at a special meeting on November 16, 2016 with the purpose of making a recommendation on the RCV proposal to the Board of Supervisors. The Board is the decision-making body since the project includes both a General Plan Amendment and rezoning actions. The Commission's consideration involved four primary components:

- 1) Environmental Impact Report (EIR). The EIR as a whole consists of the Revised Draft EIR (RDEIR), the Final EIR, and the Mitigation Monitoring and Reporting Program. A Statement of Overriding Considerations must be adopted for project approval due to potentially significant impacts that cannot be fully mitigated to a less than significant level. The Planning Commission received a draft Final EIR. The final EIR includes minor clarifications made as a result of comments received by the public and

- Commissioners. On a vote of 4-3, the Commission voted to recommend certification of the EIR and adoption of CEQA findings and a Statement of Overriding Considerations.
- 2) Project. Planning Commission recommends consideration of the 130-unit alternative, except for the proposed General Plan amendment modifying the affordability requirements.
 - 3) General Plan Amendment - amending Policy CV-1.27 affordability requirement from 50% affordable/workforce housing to 20% affordable. As proposed, the inclusionary housing calculation is based on additional lots created (125). This would exclude five existing lots that would otherwise allow one unit from calculating the requirement (meaning the obligation would be 25 units). The applicant agrees to building 25 moderate income units on-site, with no low or very low units and no in lieu fee. Pursuant to Government Code section 65354, an affirmative vote of the majority of the total membership of the Planning Commission is required to recommend approval of a General Plan Amendment. A motion recommending Board approval of the project as listed above received a 4-3 vote from the Planning Commissioners present, which does not constitute a majority of the total Commission membership. Therefore, the motion to recommend approval of the General Plan amendment failed..
 - 4) On ordinance rezoning the residential portion of the 130-unit Alternative site that occupies the former Rancho Canada West Course from Public/Quasi-Public (P/Q-P) to Medium-Density Residential (MDR) and Lot 130 from Public/Quasi-Public (P/Q-P) to Low-Density Residential (LDR). A zone change is not necessary with the Special Treatment Area overlay but would make matters cleaner going forward. On a vote of 4-3, the Commission voted to recommend approval of this zone change.

The Planning Commission resolutions are attached to this staff report. In addition staff presented an overview of the proposed Ranch Canada Village Subdivision (PLN040061) at a Planning Commission workshop on September 14, 2016. At the workshop, staff identified issues associated with the Rancho Canada Village Project and associated *Recirculated Draft Environmental Impact Report* (RDEIR).

DISCUSSION:

In 2004, the predecessor in interest of Rancho Canada Ventures, LLC applied for a 281-unit subdivision called Rancho Canada Village Subdivision (PLN040061). This application included amending the 1982 General Plan to change the land use designation from public/quasi-public (PQP) to medium density residential (MDR). In January 2008, the *Rancho Canada Village Specific Plan Draft Environmental Impact Report* (Draft EIR) was prepared and circulated for public comment; however, due to changing economic conditions and other factors, the project did not go forward for consideration by the Planning Commission or Board of Supervisors at that time and was essentially put on hold.

A comprehensive General Plan Update for the inland area of Monterey County was adopted in October 2010, including an update to the Carmel Valley Master Plan (CVMP). Amendments included creating a Special Treatment Area over the Rancho Canada Golf Course allowing a maximum density of 10 units/acre for up to 40 acres, provided at least 50% of the project was affordable/workforce housing (Policy CV-1.27). The higher affordability requirement was based on a higher density where higher densities are able to achieve affordability by design. The applicant indicates that the 50% affordability could be achieved for the 281-unit project,

which equates to about seven (7) units per acre. However, the applicant indicates that the affordability rate in the STA policy cannot be achieved if the project is reduced to 130 units (3.25 units per acre). Therefore, the applicant requests amending Policy CV-1.27 to change the rate of affordability from 50% affordable/workforce housing to 20% affordable housing for the 130-unit alternative. The applicant also requests to receive credit for existing lots, meaning that 20% would equate to 25 units, and they propose these units be made affordable rental units at the moderate income level only. The Housing Advisory Committee did not reach a consensus recommendation on this matter. The Planning Commission did not recommend approval of this proposed amendment. Although the STA covers about 300 acres, this project would develop 40 acres which is the maximum allowed under the STA. As such, this project would be the extent of residential development within the STA.

Policy CV-1.6 of the 2010 General Plan, Carmel Valley Master Plan, amended (reduced) the 1982 General Plan (CVMP) buildout cap. This policy, as amended in 2013, established a new limit for new residential units in Carmel Valley to a maximum of 190 units, of which 24 were assigned to the former Carmel Valley Airport site. Of the 166 units available under the 2010 Carmel Valley Master Plan (CVMP), 160 units remain. Approval of this project would reduce the units available to 30 for future development, including secondary units on existing lots.

The original 2008 Draft EIR was revised to address comments and analyze impacts of a 130-unit, reduced density, alternative. A Recirculated Draft EIR (RDEIR) for was circulated for public review from June 2, through August 8, 2016. At the request of Carmel Valley Association, the County accepted comments received through August 31, 2016. A Final EIR has been prepared with responses to comments received on the RDEIR.

Staff finds that the 130-unit alternative project is consistent with the 2010 General Plan. However, the applicant requests reducing the affordability requirement from 50% to 20% due to the economics of the reduced density project. Reducing the affordability would require amending the Special Treatment Area language in Policy CV-1.27 of the 2010 General Plan (CVMP). If the Board supports the project but not the GP Amendment (as proposed), the Board could identify an option to the affordability component and recommend staff revise the draft resolution accordingly.

DISCUSSION

Exhibit A provides a detailed overview of the proposed project.

OTHER AGENCY INVOLVEMENT:

The following agencies have been consulted on this project:

- Resource Management Agency (RMA)-Public Works Department
- RMA-Environmental Services
- Environmental Health Bureau
- Water Resources Agency
- County Counsel
- Federal Emergency Management Agency (FEMA)
- U.S. Fish and Wildlife Service
- California State Transportation Agency (Caltrans)
- Transportation Agency for Monterey County

- Monterey County Local Agency Formation Commission
- Monterey Peninsula Water Management District
- Carmel Unified School District
- Monterey-Salinas Transit
- Monterey County Sheriff
- Cypress Fire Department
- California Air Resources Board
- California Dept. of Fish and Wildlife
- Regional Water Control Board, District 3

The 281-unit Rancho Canada Village (RCV) Project was presented to the Carmel Valley Land Use Advisory Committee (LUAC) in May 2004, at which time the LUAC voted not to make a recommendation. On September 21, 2015 and February 1, 2016 the Project and 130-Unit Reduced Density Alternative were presented to the LUAC. Both the applicant and County staff attended the LUAC meetings, presented information and responded to questions from LUAC members and the public. At the conclusion of the February 1, 2016 meeting the LUAC voted not to provide a recommendation to the Planning Commission and Board of Supervisors regarding the RCV subdivision scenarios since the RDEIR was not yet available.

RCV was presented to the Housing Advisory Committee (HAC) at its March 9, 2016 meeting. Both the applicant and County staff attended the HAC meeting, presented information and responded to questions from HAC members. The HAC's discussion focused on the proportion of affordable units that should be required of the 130-unit Alternative, but ultimately, after three separate motions, the HAC did not provide a recommendation due a lack of majority on the motions. The HAC confirmed their action at its April 20, 2016 meeting.

The Planning Commission held a workshop on September 14, 2016 and held a public hearing to make a recommendation on the project on November 16, 2016. The Commission recommended certification of the EIR and approval of the project components on a vote of 4-3. Because a majority of the membership is required to recommend approval of a general plan amendment, the Commission took a separate vote on the general plan amendment, and the motion to recommend approval of the amendment failed on a vote of 4-3. The Planning Commission resolutions are attached to this staff report.

County Counsel has approved the rezoning ordinance as to form.

Prepared by: Luke Connolly, AICP, Management Specialist
Reviewed by: Jacqueline R. Onciano, Interim Chief of Planning
Approved by: Carl P. Holm AICP, RMA Director

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

- Exhibit A Project Discussion
- Exhibit B.1 Draft Resolution including Conditions of Approval and Mitigation Monitoring and Reporting
- Exhibit B.2 Ordinance amending Section 21-16 of the Sectional District Maps.
- Exhibit C 130 Unit Project Alternative Site Plan Vesting Tentative Map
- Exhibit D 130 Unit Project Alternative Site Plan Preliminary Grading & Drainage Plan

Exhibit E	Vicinity Map
Exhibit F	Carmel Valley LUAC Minutes
Exhibit G	Housing Advisory Committee Minutes
Exhibit H	Planning Commission Resolution Nos. 16-028 & 16-029
Exhibit I	Final EIR (distributed to Board of Supervisors on December 1, 2016.)

Copies of the FEIR were distributed separately and are available for review on the RMA-Planning public website at the following link:

<http://www.co.monterey.ca.us/government/departments-i-z/resource-management-agency-rma-/planning/current-major-projects/rancho-canada-village-specific-plan>

cc: Front Counter Copy; Planning Commission; Jacqueline R. Onciano, Interim Chief of Planning; ; RMA-Public Works; RMA-Environmental Services; Environmental Health Bureau; Water Resources Agency; Cypress Fire District; Monterey County Sheriff; MPWMD; Carmel Unified School District; FEMA; Caltrans; Monterey-Salinas Transit; TAMC; Molly Erickson, Stamp & Erickson; Carmel Valley Association; Open Monterey Project; Land Watch Monterey County; Margaret Robbins; Suzie Franklin; CSA50 Citizens Advisory Committee