



Monterey County Planning Commission

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Agenda Item No. 1

Legistar File Number: PC 17-026

May 10, 2017

Introduced: 5/3/2017

Version: 1

Current Status: Agenda Ready

Matter Type: Planning Item

PLN140089 - CARMEL RIO ROAD LLC (CLARK)

Public hearing to consider an Environmental Impact Report, zoning amendments, and an application to subdivide three existing lots totaling approximately 7.92 acres into 25 lots and related Use Permit; adopt a motion of intent; and continue the hearing to May 31 to adopt a recommendation to the Board of Supervisors.

Project Location: 26500 Val Verde Drive, Carmel Valley Master Plan

Proposed CEQA action: Certification of an Environmental Impact Report (SCH#2015071046)

RECOMMENDATION:

It is recommended that the Planning Commission conduct a public hearing to:

1. Consider certification of the Environmental Impact Report;
2. Consider the proposed project consisting of:
 - a. An ordinance amending Title 21 of the Monterey County Code to allow the following exceptions in the Low Density Residential (LDR) designation if done to achieve affordable housing pursuant to Policy CV-1.10 in the Carmel Valley Master Plan:
 - i. Section 21.14.050.A to exceed 4 units/acre on a lot
 - ii. Section 21.14.060.A to create lots under the minimum one acre building site size; and
 - iii. Section 21.14.060.B to exceed the maximum development density
 - b. Combined Development Permit consisting of:
 - i. Tentative Map for a standard subdivision of three parcels totaling 7.92 acres into 25 lots, including 24 single-family lots and one multi-unit parcel that could accommodate up to seven inclusionary units; and
 - ii. Use Permit pursuant to Section 21.14.050.A to allow seven units on Lot 25;
3. Adopt a motion of intent with recommendation to the Board of Supervisors of the Planning Commission's selected alternative; and
4. Continue the public hearing to May 31, 2017 for staff to return with an ordinance and resolution for Commission consideration.

Staff recommends approval of the proposed project. The project is consistent with applicable policies in the 2010 General Plan and the Carmel Valley Master Plan. With the exception of transportation and circulation, environmental impacts have been reduced to a level of less than significant. Since transportation and circulation were identified as a significant unavoidable impacts, a statement of overriding considerations would be required if the project is approved. CEQA requires decision makers to balance the economic, legal, social, technological or other benefits, including region-wide environmental benefits of a proposed project against its unavoidable environmental risks when determining whether to approve a project with

significant unavoidable impacts. Potential project benefits that outweigh the significant unavoidable traffic impacts are as follows:

1. Provides a range of housing types, including small lot single-family and apartment units, that are not typical of Carmel Valley and thereby would be relatively more affordable by design in comparison to the typical large-lot (one acre or more) single-family residences and ranch homes that characterize Carmel Valley.
2. Provides 25% affordable units consistent with Policy CV-1.10. In addition to meeting the 25% inclusionary housing threshold, the applicant has also agreed to provide the in-lieu fee of \$206,544 pursuant to the existing terms of a Settlement and Release Agreement between the County and Carmel Rio Road LLC.
3. Provides housing in a location that is within walking distance to shopping and services.
4. Would create economic benefits to the County and the local economy through the creation of temporary construction jobs and the creation of new property tax revenue through higher property valuation.
5. Would reduce baseline consumptive water use on average by approximately 47% which will be a benefit to Carmel River and its biological resources.

If the project is approved, future applications for an Administrative Permit and Design Approvals will be required for development of a 31-unit residential project in the “S” (Site Control) and “D” (Design Control) zoning districts.

PROJECT INFORMATION:

Applicant/Agent: Brian Clark

Property Owner: Carmel Rio Road LLC

APN: 015-021-020-000, 015-021-021-000 and 015-021-015-000

Site Size: 1.3 acres, 1.3 acres and 5.3 acres (7.92 acres total)

Zoning: LDR/1-D-S-RAZ

Plan Area: Carmel Valley Master Plan

Flagged and Staked: No

Project Planner: Bob Schubert, AICP

SUMMARY:

Mr. Brian Clark, representing Carmel Rio Road LLC, has submitted applications to develop 7.92 acres on Val Verde Drive (private road) between Rio Road and Carmel Valley Road near the mouth of Carmel Valley. The site consists of three existing, legal lots of record. Approximately 6.6 acres, or 83.5% of the site, are currently used for row crop agriculture producing strawberries, melons, artichokes, squash, pumpkins, fennel, fava beans, zucchini, radishes, and flowers. The remaining 1.3 acres (APN 015-021-020-000), located at the southeast corner of the site, are developed with an existing single-family residence and detached garage. The southeast corner of the site also contains planted mixed woodland habitat.

In 2012, a Combined Development Permit (GPZ09004) to subdivide the same 7.92 acres into 31 market rate lots plus 11 inclusionary units (42-units total) was denied on appeal to the Board of Supervisors. That project, evaluated under the 2010 General Plan, was denied in part based on interpretations of policy conflicts relative to private roads (Val Verde Drive) and clustering/density. Subsequently, a legal settlement was reached among private parties relative to the private road. The applicant also sued the County over the denial, which ultimately resulted in a

Settlement Agreement. Pursuant to the Settlement Agreement, County agreed to bring the current proposed 31-unit project (called the “Amended Project”) to hearing before the Board of Supervisors with the applicant agreeing to dismiss their lawsuit. The Settlement Agreement does not limit County’s discretion but provides that applicant may reinstitute its lawsuit if the Board does not approve the 31-unit project within specified timeframes.

This application is to subdivide the 7.92 acres into 25 lots to accommodate 31-units, including 24 single family lots and one lot with seven affordable housing units. Entitlements for consideration include the subdivision and a use permit for seven units on one lot. Construction of the units/homes requires Administrative Permits and Design Approvals (AP/DA) for each parcel. The applicant provided conceptual plans adequate for environmental review, but did not submit specific site plans, landscape plans, etc. for each lot. Therefore, subsequent AP/DA action(s) will be required prior to vertical construction on each lot, and conditions are limited to what is necessary for the subdivision and infrastructure in preparation for building homes/units. A key aspect to reviewing AP/DA will be to review designs for a rural character.

The proposed action includes consideration of amendments to zoning, which are legislative matters that make the Planning Commission a recommending body and the Board of Supervisors the decision-maker for this project. Under the terms of the Settlement Agreement between the County and the applicant, the Board of Supervisors must hold a public hearing and be prepared to make a final decision on the project by July 12, 2017.

Given the project’s lengthy history, relative complexity and community interest it was decided to conduct the hearing before the Planning Commission over two Commission meetings, with staff requesting the Planning Commission to make a recommendation to the Board of Supervisors on the second day of hearings, proposed for May 31. The first part of the hearing, at the Commission’s May 10 meeting, is to provide the Commission and public with an overview of the proposed Carmel Rio Road Subdivision and the issues associated with it, such as:

- Units Per Lot: This project, as designed, requires amending Section 21.14.050.A of Title 21 (inland zoning ordinance) of the Monterey County Code to exceed a maximum of four units per lot in the LDR zone.
- Minimum Building Site/Clustering: This project, as designed, requires either defining the project as clustered or amending Section 21.14.060.A of the Zoning Ordinance to allow lots to be less than 1 acre minimum.
- Density: Section 21.14.060.B MCC of the Zoning Ordinance prohibits density to exceed what is shown on the Zoning Map, which designates the subject site LDR/1. However, Policy CV-1.10 allows a density bonus specific to Val Verde Drive.
- Rural Character: A question has been raised relative to the design meeting the rural character intended in Policy CV-1.1.
- Buildout-Carmel Valley: There is capacity in the overall unit cap of 190-units.
- Density Bonus-Val Verde Drive: Policy CV-1.10 allows a density bonus of up to 4 -units per acre if at least 25% of the units are affordable.
- Affordable Housing: Policy LU-2.13 requires a minimum of 25% affordable housing, including 20% inclusionary (very low, low, and moderate) and 5% Workforce I. Policy LU-1.19 requires a minimum of 35% affordable housing, including 10% Workforce for projects with five or more units. Policy CV-1.10 requires a minimum of 25% affordable

housing. Chapter 18.40 of the Monterey County Code requires a minimum of 20% affordable housing.

- Development Evaluation System (DES): Challenges have been made relative to the County not having an adopted DES. Projects have been approved applying the specific criteria adopted in Policy LU-1.19 within project findings (resolution).
- Overriding Considerations: The EIR prepared for this project identified significant impacts that cannot be mitigated to a less than significant level. As such, project approval would require adoption of a statement of overriding considerations under CEQA.

Staff is seeking a motion of intent from the Commission and continuance of the hearing to May 31, and then staff will return with a draft resolution for the Commission's consideration with a recommendation to the Board of Supervisors based on the Commission's motion of intent.

DISCUSSION:

Detailed discussion is provided in **Exhibit B**.

OTHER AGENCY INVOLVEMENT:

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

- Environmental Health Bureau
- RMA-Public Works
- RMA-Environmental Services
- Water Resources Agency
- Cypress Fire Protection District
- Carmel Valley Land Use Advisory Committee
- Economic Development Department
- Parks Department
- Monterey Peninsula Water Management District

On April 21, 2014, the Carmel Valley LUAC reviewed plans for the Amended Project (see **Exhibit C**, LUAC minutes). The committee expressed concerns regarding traffic, water, floodplain encroachment, inconsistency with the rural character of adjacent homes and excessive density. The item was continued to a date uncertain to return for further review following completion of the Draft EIR.

The proposed project was reviewed a second time by the Carmel Valley LUAC on April 17, 2017. The LUAC recommended denial of the project by a vote of 7-0 (see **Exhibit C**, LUAC minutes) due to non-conformance with the Carmel Valley Master Plan and the rural character of the area.

Prepared by: Bob Schubert, AICP, Senior Planner, Ext. 5183
Reviewed by: Jacqueline Onciano, RMA Chief of Planning
Approved by: Carl Holm, AICP, RMA Director

The following attachments are on file with the RMA:
Exhibit A - Project Data Sheet

- Exhibit B - Discussion
- Exhibit C - Carmel Valley LUAC Minutes
- Exhibit D - Vicinity Map
- Exhibit E - Tentative Subdivision Map
- Exhibit F - Draft EIR (distributed to Commissioners on CD on 12/1/2016) *
- Exhibit G - Final EIR (hard copies in Commission packets) *
- Exhibit H - Mitigation Measures
- Exhibit I - Correspondence from the public

*Copies of the Draft EIR and Final EIR 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/carmel-rio-road-subdivision>

cc: Front Counter Copy; Planning Commission; Jacqueline Onciano, RMA Services Manager; Brian Clark, Applicant; Yuri Anderson; Harry Finkle; Patrick Lynch; Lea Magee; Richard Nystrom; Margaret Robbins; Richard Stott; Gillian Taylor; Jackie Zischke; The Open Monterey Project (Molly Erickson); LandWatch; John H. Farrow; Janet Brennan; Project File PLN140089.