ATTACHMENT A Discussion

South County Housing Corporation (Camphora Apartments) PLN100446

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Discussion

Project Description and Setting

The project is the reconstruction of a Soledad area farm labor housing project approved in September of 1958 for as many as 1,000 men on a parcel less than 5 acres in area, known then as Villa Casa Apartments or Villa Camphora (Use Permit #3352). Forty-four units were constructed on the site in the 1960s consisting of seven buildings ranging from 8-10 units per building and all still remain without any notable modifications for 50 years. To bring the property into compliance with the 2010 General Plan, the applicants are requesting to add an Affordable Housing Overlay zoning designation to the property, and to redevelop the existing number of units to serve the existing population, consistent with the new General Plan.

Purpose and Need for the Project

The Camphora Apartment Replacement Project is intended to improve and correct adverse living conditions for the residents. The project has been designed to alleviate overcrowding and to remove failing septic treatment systems and to connect to public sewer infrastructure. There are approximately 185 residents at the complex and in 13 of the units there are more than two persons per room. There are no three-bedroom units on the property. Septic systems on this parcel have continually needed service and have failed over the decades, resulting in ground surface contamination. The project will be built to modern building code standards and will include outdoor and recreational amenities for the residents.

Issues and Analysis

Why the Zone Change?

The 4.6 acre property is presently legal but non-conforming to the Zoning Code. While approved with a use permit issued in 1958, the existing housing project does not meet the lot coverage standards for the Farmland 40 zoning district, nor would the new proposal. Standards for this F/40 district most appropriately provide for large parcel farming operations and become complicated for smaller parcels that have relatively greater lot coverage needs. Lot coverage maximums in F/40 district are 5% of the parcel area. The Camphora Apartment Replacement Project would have a foot print of approximately 31,930 square feet resulting in nearly 16 % of lot coverage.

Adding an Affordable Housing Overlay (AHO) district to the subject property would allow an Affordable Housing Project to be placed on the property and the new development would become legal and conforming to the 2010 General Plan and Zoning Code. For an AHO district, the 2010 Monterey County General Plan does not specify classic development standards such as minimum lot size, setbacks, height and coverage; it specifies the affordability range of units to be offered and a range of preferred development density. Similar to the latitude offered in General Development Plans, the County has reserved great discretion in how such an Affordable Housing Project can be developed. With a project meeting the Affordability Criteria for an Affordable Housing Project and that meets the Development Standards for Agricultural Employees Housing, the County is given great leeway through a Use Permit review in approving an appropriate site

design for the property. With County approval under these circumstances, the site will become legal and conforming to Code.

The Affordability Criteria for an Affordable Housing Project

According to Policy LU-2.11.c of the General Plan, "If a property meets all of the suitability criteria..., the property owner may voluntarily choose to develop an Affordable Housing Overlay project rather than a use otherwise allowed by the underlying land use designation." To qualify, an Affordable Housing Project must propose a combination of unit spaces that serve persons fitting the Very Low, Low, Moderate and Workforce income demographics in the following percentage (plus or minus 1%):

- 10% Very Low
- 15% Low
- 15% Moderate
- 20% Workforce I, and
- 40% Workforce II.

The Applicant's project meets and exceeds the income suitability criteria by proposing a 100% affordable housing project to meet the needs of agricultural employees (farm workers) who typically earn less than 50% of the area median income. The affordability restrictions will be enforced through Condition 28 of the Use Permit requiring an Affordable Housing Agreement with the County in a form acceptable to the Economic Development Department. Where the County General Plan would only require 10% of the units to serve the Very Low income demographic, the South County Housing Corporation has proposed that 100% of the units be targeted to Very Low and Low income households.

According to the Monterey County Economic Development Department, the rental units will be deed-restricted for a term consistent with other affordable housing funding sources. It is expected that the term will be for a minimum of 55 years. The Camphora Apartment Replacement Project is consistent with the County's program for retaining affordable housing units.

Development Standards for Agricultural Employee Housing

The Camphora Apartment Replacement Project meets the development standards for Agricultural Employee Housing (Section 21.66.060 of Title 21 Zoning Code).

- Compliance with conditions received from the Environmental Health Bureau will assure that there is adequate water and sewer available to service the development (Conditions 15-18).
- The site has been developed with agricultural employee housing for 50 years and is not prime or productive agricultural land. The heavily impacted project site is suited for redevelopment so that no other or adjacent agricultural lands would potentially be impacted.
- Preliminary Site Grading and Drainage Civil Engineered plans have been submitted by the applicant (Sheet C4) and reviewed by County Land Use Agencies and the Monterey County Water Resources Agency. Compliance with conditions received from the Water Resources Agency will assure that the project incorporates proper erosion and drainage controls (Conditions 26 and 27).

- Each of the two- and three-bedroom floor plan designs includes customary bedroom closets, linen closets, coat closets, and kitchen cabinet storage spaces customary with a modern apartment design. Parking areas do not include enclosed garage spaces.
- Laundry facilities will be provided on-site in the Community Building.
- Recreational facilities will be provided for residents including a basketball half-court, two turf-covered play areas, a tot lot, and a picnic and barbecue area adjacent to the community building.
- The property will be extensively landscaped (See Plan Sheets L1-L6).

Long-Term Water Supply (PS-3.1)

Policy PS-3.1 of the 2010 General Plan requires proof of a long-term, sustainable water supply for new development for which a discretionary permit is required, with some exceptions.

- The project is not necessarily "new" development in that the existing condition of the property includes 44 residential units and the completed project will have an equivalent 44 units. "Redevelopment" would be a more appropriate term.
- Policy PS-3.1 does not apply to the Camphora Apartment Replacement Project as the project meets exemption criteria (c) of Policy PS-3.1: (c) development related to agricultural land uses within Zone 2C of the Salinas Valley Groundwater Basin.
- This agricultural employee (farm worker) housing project is development related to agricultural land uses within Zone 2C.
- The existing well on the property will continue to serve the residents. The well was drilled in 1996 to a depth of 690 feet, yields an estimated 500 gallons per minute, and meets current drinking water standards.

Therefore, Policy PS-3.1 does not apply to the Camphora Apartment Replacement Project, and the project is consistent with the General Plan.

Items built into the project

The Applicant has engaged in numerous studies and evaluations of the property and has provided geotechnical analysis, soil studies, traffic impact analyses, archaeological and historic reports, acoustical analysis, utility service and wastewater reports, well completion reports, tenant relocation plans, and other environmental documentations. When technical recommendations have been recommended, or measures to comply with code have been suggested, the applicant has built these components into the project proposal such as:

- Standard dust control measures during the construction phase of the project;
- Recommendations for site preparation and construction specifications included in the geotechnical report;
- An earthen berm with a minimum height of six (6) feet relative to the finished floor elevation of the closest residential buildings to acoustically shield common outdoor activity areas and lower-floor individual patios within the development;
- Noise dampening windows and sliding glass doors to acoustically shield apartment interiors are to be installed on the north, south and west sides of the closest apartment building to the freeway;
- Air conditioning or mechanical ventilation in buildings closest to the freeway so that windows and doors may remain closed for the required acoustical isolation;

- Solid-core wood or insulated steel exterior doors, excluding glass doors, with perimeter weather-stripping and threshold seals; and
- Acoustic baffles on the interior side of attic vents that face or are perpendicular to U.S. Highway 101.

Environmental Review

The circulation period for the Initial Study and Proposed Negative Declaration for public review and agency comment is from June 25, 2012 through July 24, 2012 (See **Attachment F**). Issues that were analyzed in the Negative Declaration include: aesthetics, agriculture and forest resources, air quality, biological resources, cultural resources, geology/soils, greenhouse gas emissions, hazards/hazardous materials, hydrology/water quality, land use/planning, mineral resources, noise, population/housing, public services, recreation, transportation/traffic, and utility/service systems.

There are no significant wildlife habitats or natural features present on the site or examples of the major periods of California history or prehistory. Redevelopment of the project site will not conflict with any applicable habitat conservation plan or natural community conservation plans as there are no adopted habitat conservation plans or natural community conservation plans along this portion of the Salinas Valley. The project will not have the potential to degrade the environment in this regard and is considered to be less than significant.

The redevelopment of the subject property and the replacement of 44 residential units with the same number of residential units does not introduce new impacts that are cumulatively considerable. In the project description and analysis contained in the Initial Study checklist, the project has been designed to meet or exceed a LEED Gold Level standard. No thresholds of the air management district will be exceeded or require mitigation. The project has been determined to have a less than significant effect on Greenhouse Gasses through the use of the air quality model prepared by County staff and included in the environmental analysis. Furthermore, no mitigation measures have been deemed necessary. Beyond the temporary impacts of noise and effects related to construction vehicles, the project is considered to have a less than significant impact on cumulative resources.

The project will be a direct improvement in the quality of life for the residents. In this manner, the project is considered to be less than significant in that it will not have an adverse affect on human beings. The Initial Study provides substantial evidence, based upon the record as a whole, that the project would not have a significant effect on the environment.

Comments Received

- City of Soledad (July 3, 2012) (See Attachment G)
- Monterey Bay Unified Air Pollution Control District (MBUAPCD)(July 9, 2012) (See Attachment G)

The County has considered the comments received during the public review period. The MBUAPCD officially had no comment. The City of Soledad who has offered a "Can and Will Serve" letter to the South County Housing Corporation previously, indicates the type of physical equipment connection necessary to connect to the City of Soledad sewer infrastructure and that City Council approval is necessary. The comments received do not alter the conclusions in the

Initial Study and Negative Declaration. A condition of approval requires the applicant to obtain all necessary approvals to enable the City of Soledad to provide sewer service to the project. The applicant shall submit evidence of such approvals to the County.

Conclusion

The project will replace rundown, inadequate housing with quality affordable housing for agricultural employees. The project will remove the failing and dated septic systems and replace them with a connection to a sewer system. Overcrowding will be diminished or eliminated and on-site recreation facilities will be provided.

The application of the Affordable Housing Overlay, and a project designed to meet the criteria for agricultural employees and the affordability criteria of the AHO will have the project site become legal and conforming to the General Plan and Zoning Code. Staff recommends approval of the Camphora Apartment Replacement Project.