

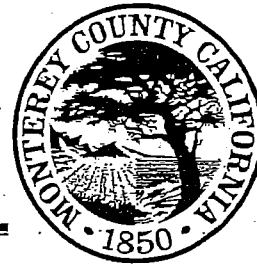
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MONTEREY COUNTY

RESOURCE MANAGEMENT AGENCY

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<http://www.co.monterey.ca.us/rma>

May 20, 2014

California Coastal Commission
Attn: Mike Watson
725 Front Street, Suite 300
Santa Cruz, CA 95060-4508

Subject: Monterey County Housing Element Update; Second Dwelling Units in the North County Coastal Zone.

Dear Mr. Watson,

This letter follows our quarterly meeting on April 30, 2014 between the Coastal Commission staff and the County of Monterey. I believe you are aware of the background on this item so we will dive straight to the point. The County is seeking a written opinion from Coastal Commission staff on your ability to support, or not, some amendment to our zoning ordinance that would allow a limited number of second units in the North County Coastal Zone, within the area of benefit of the Salinas Valley Water Project (Zone 2C).

Currently, without any changes, the County's Local Coastal Program (LCP) allows permitting of Senior Citizen Units and Caretaker's Units in zones that allow residential uses. The current regulations for Senior Citizen Units and/or Caretaker Units require a minimum of 2 acres in areas served by a sewer system and a minimum of 5 acres if on septic. As submitted, this regulation would remove the 2 acre minimum requirement in areas served by a sewer system and would keep the 5 acre minimum in areas with septic systems.

In practice, the County limits the construction of any habitable structures beyond the first single family dwelling outside of "Zone 2C" currently. As submitted, the amendment would expressly prohibit Second Units outside Zone 2C.

As it was submitted, the County proposed to combine Senior Units and Caretaker Units into one title for residential purposes - "Accessory Dwelling Unit" (these might often be referred to as Second Units per State Law). Caretaker Units in the Commercial/Industrial Zones would remain unchanged.

The changes in zoning standards included the following:

| Zoning | Senior Citizen Units | Caretaker Units | Accessory Dwelling Unit |
|---|----------------------|-----------------|-------------------------|
| RESIDENTIAL - SENIOR AND CARETAKER UNITS COMBINED INTO "ACCESSORY DWELLING UNIT" | | | |
| HDR | Y | Y | Y |
| MDR | Y | Y | Y |
| LDR | Y | Y | Y |
| RDR | Y | Y | Y |
| WSC | Y | Y | Y |
| COMMERCIAL/INDUSTRIAL - CARETAKER UNIT FOR ONSITE SECURITY ALLOWED - UNCHANGED | | | |
| CGC | N | Y | CARETAKER |
| MLC | N | Y | CARETAKER |
| IC | N | Y | CARETAKER |
| VSC | N | Y | CARETAKER |
| AI | N | Y | CARETAKER |
| LI | N | Y | CARETAKER |
| HI | N | Y | CARETAKER |
| AGRICULTURE - SENIOR UNITS REMOVED, NO ACCESSORY DWELLING UNITS | | | |
| CAP | Y | N | N |
| AC | Y | N | N |
| RESOURCE CONSERVATION/OPEN SPACE/POP - NO SECOND UNITS ALLOWED - UNCHANGED | | | |
| RC | N | N | N |
| OR | N | N | N |
| PQP | N | N | N |

Based on the zoning allowances and lot size limitations, and excluding areas outside zone 2C and commercial/industrial areas, the County used GIS information to estimate the number of Second Units that could be permitted in the North County Coastal Zone (within Zone 2C excluding commercial/industrial properties).

- 60 Residential properties served by sewer
- 17 Residential properties 2 or more acres in size, served by sewer
- 427 Residential properties 5 acres or more, on septic
- 188 Residential properties 10 acres or more
- 106 Agricultural properties 5 acres or more (CAP and AC zoning)

Using the data above, the existing code, if left unchanged, would allow 17 Senior Citizen Units or a Caretaker Units on properties that are 2 acres or more in areas served by sewer, 427 units on residential properties 5 acres or more on septic system, 106 Senior Citizen Units on properties 5 acres or more zoned CAP or AC, and 188 properties would be allowed both a Senior Citizen Unit and Caretaker Unit on residential properties 10 acres or more ($188 \times 2 = 376$). The existing code also could allow Senior Units and/or Caretaker Units outside of Zone 2C which would add significantly to the totals. The total buildout for Senior Citizen Units and Caretaker Units as it exists (excluding zone 2C and commercial/industrial properties) is 926 units.

The amendment submitted would have reduced the number of Second Units that could be permitted in North County Coastal (Zone 2C) because it would remove the ability of properties greater than 10 acres in size to have both a Senior Unit and a Caretaker Unit (-188 units) and because the amendment removed the allowance for Senior Citizen Units in the CAP and AC zoning districts (-106 units). An increase in second units occurs because of the removal of the 2 acre minimum in areas served by sewer (+ 60 – primarily in Moss Landing). The total buildout for Accessory Dwelling Units under this Scenario would be 692 units.

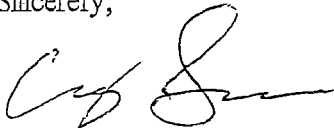
The County is exploring alternative Accessory Dwelling Unit criteria that would allow Accessory Dwelling Units in areas served by sewer (60 units) and on residential lots of 10 acres or more if served by septic in Zone 2C (188 units). The total buildout under this Scenario would be 248 units.

| Existing | As Submitted | Alternative |
|----------|--------------|-------------|
| 926 | 692 | 248 |

With this analysis, the argument can be made that amendment is consistent with the North County LUP because the County is reducing development potential within the 50% buildout of the LCP. The North County Land Use Plan estimated that 5,420 new residential units could be built in North County (9,240 total units minus 3,820 units existing in 1982). Half (50 percent) of this buildout would be 2,710 new residential units. Based on 2010 US Census data and the County's permit records 1,194 new residential units have been constructed since 1982. This means that 1,516 new units could still be constructed before reaching the 50% buildout limitation established in Policy 2.5.3.A.2. The LCP also recognizes the need for affordable housing in this area (Section 4.13). Second Units can help provide affordable housing.

The County requests the written opinion of Coastal Commission staff on the potential interpretation that would allow the County to permit a limited number of Second Units in the North County Coastal Zone. We look forward to your comments.

Sincerely,



Craig Spencer, Associate Planner
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RMA-Planning
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MONTEREY COUNTY
PLANNING DEPARTMENT

June 12, 2014

Craig Spencer
Associate Planner
Monterey County Resource Management Agency, Planning Department
168 W. Alisal Street, 2nd Floor
Salinas, CA 93901

Subject: Monterey County Housing Element Update – Second Units in North County

Dear Mr. Spencer:

We are in receipt of your letter dated May 20, 2014 requesting Coastal Commission staff feedback on a revised approach to the previously proposed second unit ordinance as it applies to North County. In June 2011, the Monterey County Board of Supervisors approved an amendment to the Local Coastal Program (LCP) that, among other things, prohibited second units in North County except for residentially-zoned areas of Zone 2C, the area of benefit of the Salinas Valley Water Project. In its recommendation to the Coastal Commission for certification of the amendment, Commission staff recommended that second units be prohibited in all of North County, including in Zone 2C. This recommendation was based on a lack of information to date on the efficacy of the Salinas Valley Water Project, which began in 2010. This water diversion project is expected to replenish groundwater supplies in the overdrafted groundwater aquifer in Zone 2C; however, Monterey County Water Resources Agency officials have indicated that it will take up to 10 years from the start of the project to quantify the effects on groundwater levels and seawater intrusion. Land Use Plan (LUP) policies explicitly protect groundwater aquifers and require new development to be restricted to that which can be supplied by an identifiable, available, long-term water supply. As such, and since second units are currently prohibited in the inland portion of North County for the same water and other public service constraints, Commission staff recommended that second units should not be allowed in North County, including Zone 2C, until such time as data is available to show that the overdrafted water supply problem is improving.

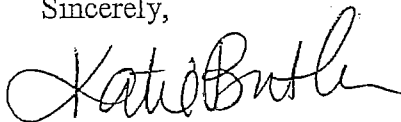
County staff, at the request of the Board of Supervisors, is proposing an alternative that would allow second units in Zone 2C only in residentially-zoned areas served by sewer and on residentially-zoned lots on septic that are 10 acres or more. County staff analysis indicates that this approach would greatly reduce the number of additional dwelling units that are currently allowed by the LCP (which the County, in its May 20, 2014 letter, indicates is a maximum of 926 caretaker and senior units) while still allowing for some second units (maximum 248) in Zone 2C. We understand that this would in fact be a reduction in theoretical maximums; however, the actual number of likely caretaker and senior units under the current LCP is probably much less than 926, as applicants must prove that such units are necessary for

caretakers and seniors. The proposed second units, or accessory dwelling units, do not have to meet the same criteria for use as a caretaker or senior unit, and therefore may be easier and more desirable to obtain for lots that meet the physical criteria (lot size, etc.). Therefore, we believe that while the proposed theoretical maximum number of allowable accessory dwelling units in North County would be smaller than the number of caretaker and senior units allowed by the current LCP, because accessory dwelling units do not have the same use restrictions, the County may actually see more second unit applications than they currently do for senior and caretaker units.

Regardless of the theoretical maximums and actual numbers of units, the current proposal, like the original proposal, would allow second units in Zone 2C. Commission staff remains concerned about groundwater overdraft in all of North County, and does not believe that the County can yet rely on the Salinas Valley Water Project as evidence of a sustainable long-term water supply. Allowing second units would lead to new development in an area that does not have adequate water supply, inconsistent with the LCP, and Commission staff would continue to recommend that second units be prohibited in all of North County. At such time that it can be demonstrated that the Salinas Valley Water Project is improving groundwater overdraft and seawater intrusion in Zone 2C, the County could then apply to amend the LCP accordingly. As stated earlier, we also note that the County has prohibited second units in the inland area of Zone 2C due to water, wastewater, and traffic constraints. It appears as though the County was concerned about this issue in the inland area, and should take the same approach for the coastal zone portion of Zone 2C.

We hope this adequately addresses your request for comments on the current proposal. Please feel free to contact me with any questions.

Sincerely,



Katie Butler
Coastal Planner
Central Coast District Office



