



Monterey County

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

Board Report

Legistar File Number: RES 15-064

June 23, 2015

Introduced: 6/10/2015

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Resolution

Public hearing to consider adopting a resolution of intent to:

- a. Amend the Big Sur Land Use Plan, the North County Land Use Plan, the Del Monte Forest Land Use Plan, and the Carmel Area Land Use Plan of the County's Local Coastal Program to remove Caretaker Unit Policies and in their place allow Accessory Dwelling Units and to add new language that will allow the granting of Density Bonus; and
- b. Amend the Monterey County Coastal Implementation Plan, (Title 20 of the Monterey County Code), including: Part 1 (Zoning Ordinance); Part 2 (North County Land Use Plan Area Implementation Plan); Part 3 (Big Sur Coast Implementation Plan); and Part 4 (Carmel Area Implementation Plan) in order to implement the 2009-2014 Housing Element to review and update definitions of terms and provide regulations and development standards for 1) Residential Care Facilities; 2) Transitional Housing or Transitional Housing Development; 3) Supportive Housing; 4) Agricultural Employee Housing; 5) Employee Housing; 6) Single Room Occupancy Facilities; 7) Homeless Shelter; 8) Accessory Dwelling Units; 9) Reasonable Accommodation; and 10) Density Bonus and Incentives.
- c. Certify that the amendments are intended to be carried out in a manner fully in conformity with the Coastal Act, and
- d. Submit the proposed amendments to the California Coastal Commission for certification, together with materials sufficient for a thorough and complete review.

(Ordinance/REF140049/Housing Ordinance Update/Addendum to previously adopted Negative Declaration)

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution of intent (Attachment B) to:

- a. Amend the Big Sur Land Use Plan, the North County Land Use Plan, the Del Monte Forest Land Use Plan, and the Carmel Area Land Use Plan to remove Caretaker Unit Policies and in their place allow Accessory Dwelling Units and to add new language that will allow the granting of Density Bonus; and
- b. Amend the Monterey County Coastal Implementation Plan, (Title 20 of the Monterey County Code), including: Part 1 (Zoning Ordinance); Part 2 (North County Land Use Plan Area Implementation Plan); Part 3 (Big Sur Coast Implementation Plan); and Part 4 (Carmel Area Implementation Plan) in order to implement the 2009-2014 Housing Element to review and update definitions of terms and provide regulations and development standards for 1) Residential Care Facilities; 2) Transitional Housing or Transitional Housing Development; 3) Supportive Housing; 4) Agricultural Employee Housing; 5) Employee Housing; 6) Single Room Occupancy Facilities; 7) Homeless

- Shelter; 8) Accessory Dwelling Units; 9) Reasonable Accommodation; and 10) Density Bonus and Incentives.
- c. Certify that the amendments are intended to be carried out in a manner fully in conformity with the Coastal Act, and
 - d. Submit the proposed amendments to the California Coastal Commission for certification, together with materials sufficient for a thorough and complete review.

SUMMARY:

The proposed amendments to the Local Coastal Program propose changes to the County's coastal Land Use Plans and Title 20 (coastal zoning) to implement the 2009-2014 Housing Element and to conform to new changes to state housing law. These amendments return to the Board following a prior round of proposed amendments that were transmitted to the California Coastal Commission for certification, to which Coastal Commission staff proposed modifications. Staff has addressed the concerns raised by Coastal Commission staff in these amendments. In addition, staff has updated the ordinance to implement a recent change in state density bonus law.

On May 27, 2015, the Monterey County Planning Commission recommended that the Board of Supervisors approve these amendments. If the Board adopts the proposed resolution of intent, the next step would be transmission of the amendments to the Coastal Commission for certification. Following Coastal Commission action, staff would return to the Board to consider final adoption of the amendments. Staff has prepared an Addendum to the previously adopted Negative Declaration for the Board's consideration.

DISCUSSION

The Board of Supervisors adopted the 2009-2014 Housing Element on June 15, 2010. The Housing Element identified the need to amend and update the County Zoning ordinances in the following areas in order to conform to and implement Federal and State law:

- Density Bonuses and Incentives
- Second Dwelling Units
- Agricultural Employee Housing
- Residential Care Facilities
- Supportive Housing
- Definition of "Family"
- Reasonable Accommodation
- Transitional Housing
- Emergency Shelters
- Single Room Occupancy (SRO) Units

These changes were required for both Title 21 (Inland Zoning ordinance) and Title 20 (Coastal Zoning ordinance). An amendment to Title 21 implementing these provisions was adopted by the Board of Supervisors on May 21, 2011 and is now in effect. In the Coastal Zone, the Housing Element implementation underwent a separate process including the following key

dates and events:

- **June 21, 2011**, the Monterey County Board of Supervisors adopted a resolution of intent to adopt the Coastal amendments with direction to staff to transmit the amendments to the California Coastal Commission for certification.
- **November 29, 2011**, the Local Coastal Plan amendment was submitted to the California Coastal Commission for certification.
- **March 8, 2012**, the Coastal Commission approved a one year extension to the 90 day review period.
- **February 21, 2013**, Coastal Commission staff issued a staff report for their hearing on March 6, 2013. The staff report contained eight suggested modifications to the amendments as they were submitted. At least one of those eight modifications involved a significant change in policy from what the Board approved and submitted to the Coastal Commission.
- **March 4, 2013**, the County withdrew the LCP amendment in order to provide additional time to evaluate the suggested modifications.
- **July 30, 2013**, the Board of Supervisors considered the Coastal Commission staff report including the suggested modifications and directed staff to work with stakeholders and the Coastal Commission staff.
- **May 27, 2015**, the Planning Commission adopted a resolution by a vote of 10-0 recommending that the Board of Supervisors adopt the revised ordinance.

Between March 4, 2013 and May 27, 2015, County staff has met with stakeholders and negotiated with the Coastal Commission staff regarding suggested modifications. On October 14, 2013, staff met with the North County Citizens Advisory Committee to discuss the suggestion of the California Coastal Commission staff to prohibit second units in the entire North County coastal area. Although there was not a consensus among committee members, some members felt that larger lots having 10 acres or more should be allowed a second unit. RMA-Planning staff inquired with the Coastal Commission staff about the possibilities of allowing second units on larger lots in North County. Staff provided analysis demonstrating the significant reduction in the number of second units that could be permitted if a 10 acre minimum standard were applied. Coastal Commission staff responded to the inquiry in a letter dated June 12, 2014, reiterating their position to prohibit second units in North County based on a lack of documentation responsive to Policy 2.5.1 of the North County Land Use Plan. Policy 2.5.1 of the North County Land Use Plan protects groundwater aquifers in the North County coastal area by limiting new development to that which can be served by an identifiable, available, long term water supply. The Coastal Commission staff's opinion is that definitive water studies demonstrating that safe yields will not be exceeded are required prior to approval of any coastal plan amendments that would allow housing beyond the first home per lot.

On February 25, 2015, the Planning Commission held a duly noticed public hearing on the amendments. At that meeting, the Planning Commission directed staff to conduct additional outreach to the coastal Land Use Advisory Committees (LUAC) given the changes made and the time that had elapsed since the prior consideration. Planning staff then presented the ordinance, proposed amendments at meetings of the Carmel Highlands/Unincorporated LUAC, the North County Coastal LUAC, the Del Monte Forest LUAC, and a joint meeting of the Big Sur and South Coast LUACs. In addition, at the request of the Del Monte Forest LUAC, staff

provided the same presentation to the Del Monte Forest Property Owners' Board. At the joint meeting of the Big Sur LUAC and South Coast LUAC, there was a detailed discussion of housing needs in that area. Ultimately, the consensus was that specific Big Sur and South Coast housing needs should be evaluated in a comprehensive manner through the Big Sur Land Use Plan update process. In general, the LUACs had no objection to the amendments.

In addition, a new state law (Assembly Bill 2222) was passed in 2014. AB2222 amends the state Density Bonus law to do the following:

- Change the affordability timeframes for qualifying units from 30 years to 55 years;
- Incorporate very low and low income families among initial occupants of for-sale units (low and very low income families were previously considered only as tenants within a multifamily rental unit such as apartments or townhomes); and
- Require replacement units as a condition of receiving a density bonus if a proposed housing development would demolish or vacate low or very low income units.

Staff has modified the draft ordinance to be consistent with State Law. No modification was necessary to address occupants of for-sale units because the draft ordinance already provided for that.

It is recommended that the Board of Supervisors consider an Addendum together with a previously adopted Negative Declaration for the ordinance before rendering their decision. An Initial Study was prepared dated February 15, 2011 for the proposed housing-related amendments to both Titles 20 and 21. No significant or potentially significant effects were identified, and a Negative Declaration was circulated for public review from February 18, 2011 to March 19, 2011 (See Exhibit C). The Negative Declaration was adopted by the Board of Supervisors on May 24, 2011 prior to approving the ordinance amending Title 21. Due to the edits proposed to the coastal ordinance, an Addendum to the adopted Negative Declaration has been prepared. The Addendum describes how none of the circumstances described in Section 15162 of the California Environmental Quality Act (CEQA) Guidelines, calling for preparation of a subsequent EIR or negative declaration have occurred. No significant changes are needed to the original Negative Declaration; therefore, an Addendum has been prepared pursuant to Section 15164 of the CEQA Guidelines.

DISCUSSION:

Detailed discussion is provided in **Attachment A**.

OTHER AGENCY INVOLVEMENT:

Staff has worked with the California Coastal Commission staff to revise the ordinance in advance of submitting an application to them for a Local Coastal Program amendment. County Counsel has approved the ordinance as to form.

FINANCING:

Funding for staff time associated with this project is included in the FY14-15 Adopted Budget for RMA-Planning.

Prepared by: Craig Spencer, Associate Planner ext. 5233
Approved by: Mike Novo, Director, RMA-Planning, ext. 5192
Carl P. Holm, Acting Director RMA

This report was reviewed by Jacqueline R. Onciano, RMA Services Manger

cc: Front Counter Copy; Coastal Commission; Jacqueline R. Onciano, RMA Services Manager;
Craig Spencer, Project Planner; The Open Monterey Project (Molly Erickson);
LandWatch (Amy White); John H. Farrow; Janet Brennan; Planning File REF140049

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

- Attachment A Discussion
- Attachment B Draft Board Resolution of Intent including
 - Attachment 1 - Draft Land Use Plan Amendments; and
 - Attachment 2 - Draft Ordinance Amending Title 20
- Attachment C Excerpts from the ordinance showing changes made since June 21, 2011
(when the Board of Supervisors reviewed the previous draft)
- Attachment D Negative Declaration (adopted May 24, 2011)
- Attachment E Addendum to the Negative Declaration
- Attachment F Coastal Commission staff report
- Attachment G Correspondence with the Coastal Commission
- Attachment H Draft ordinance showing revisions to Title 20 (redline edits)