County of Monterey

Airport Land Use Commission

Item No.2

Monterey Peninsula Airport District. 200 Fred Kane Drive, Suite 200. Monterey, CA 93940

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REF260023 - County of Monterey (Housing Element Update)
Public hearing to consider whether the actions required to implement the County of Monterey's Sixth Cycle (2023-2031) Housing Element Update (HEU6) including the rezoning of Opportunity Sites 31, 46, 47, 52, and 53, adoption of a By-Right Housing Ordinance, adoption of Objective Design Standards, and associated amendments to the Monterey County Code, 2010 General Plan, and Local Coastal Program are consistent with the 2019 Airport Land Use Compatibility Plans (ALUCP) for the Monterey Regional Airport and the Marina Municipal Airport.

RECOMMENDATION:
Staff recommend that the Monterey County Airport Land Use Commission (ALUC) find the proposed project (ALUC File No. REF260023) consistent with the 2019 Airport Land Use Compatibility Plans (ALUCP) for both Monterey Regional Airport and the Marina Municipal Airport.

PROPOSED AMENDMENT:
On July 27, 2026 the County of Monterey submitted an application (ALUC File No. REF260023) to ALUC staff requesting a consistency review of the implementation actions of its Sixth Cycle (2023-2031) Housing Element Update (HEU6). The Draft Housing Element is required to show that the County has adequate sites available to accommodate its Regional Housing Need Allocation (RHNA), based on statewide and regional estimates determined by HCD.

The County's draft Housing Element updates that were considered at January and December 2025 ALUC hearings consisted of only housing opportunity sites and draft program policies. The actions taken by the ALUC did not consider any Zoning or Code amendments needed to implement the Housing Element. The proposed application now considers specific land use actions required to implement the HEU6, such as rezoning Opportunity Sites 31, 46, 47, 52, and 53 to High Density Residential, Adoption of a By-Right Housing Ordinance, Adoption of Objective Design Standard and adoption of text amendments to the Monterey County Code, the 2010 General Plan and the Local Coastal Programs, including new Policies and Special Treatment Areas to satisfy prior ALUC conditions and concerns. Additionally, staff is requesting that the Airport Land Use Commission reconsider the inclusion of sites 46 and 47 as Opportunity sites in the HEU6, which were previously found inconsistent with the MRY ALUCP.

BACKGROUND INFORMATION:
The County of Monterey (County) has been in the process of updating the County's HEU6 since late 2022. ALUC staff presented to the Commission on January 13, 2025 and December 15, 2025 requesting that the Commission find various Housing Element Programs and Opportunity Sites

consistent with applicable land use compatibility plans.

On January 13, 2025, the ALUC reviewed the County of Monterey's Sixth Cycle Draft Housing Element Update for consistency with the 2019 ALUCPs for both the Marina Municipal Airport and the Monterey Regional Airport (ALUC File No. REF240038). At this hearing the Commission considered the draft Housing Element which included three Housing Opportunity/Pipeline Sites within the Monterey Regional Airport Influence Area (Site 46 and 47) and two Housing Opportunity Sites within the Marina Municipal Airport Influence Area (Site 7 and 31). After deliberation, the Commission adopted two consistency determinations:

1) **Resolution No. 25-001** (Marina Municipal ALUCP), finding the draft Housing Element, Sites 7 and 31, and various Program policies consistent with the OAR ALUCP, subject to Conditions ALUC-9 and ALUC-10; and
2) **Resolution No. 25-002** (Monterey Regional ALUCP), finding the draft Housing Element and certain Program policies consistent with the MRY ALUCP, subject to three conditions of approval, including the removal of Opportunity Sites 46 and 47 (Conditions ALUC-11 and ALUC-13).

Condition ALUC-10 of the above mentioned resolutions requires the County to amend or establish Airport Approach Zoning (AAZ) regulations for the Airport Influence Area of each airport. These regulations would mirror the noise, airspace protection (including other flight hazards), and safety zone compatibility requirements of the Monterey Regional and Marina Municipal ALUCPs, and establish required conditions of approval and Appropriate Authority findings. Condition No. ALUC-10 also requires that all properties within the Monterey Regional and Marina Municipal AIAs be rezoned with an AAZ overlay district. This Condition was applied to ensure that future development of the Housing Element's Opportunity Sites is consistent with the ALUCPs but also to satisfy the outstanding requirements of Government Code Section 65302.3. Upon adoption of a new ALUCP, Government Code Section 65302.3 requires that local jurisdictions and districts amend their general plans, specific plans, community plans, and zoning ordinances, as necessary, to be consistent with the updated ALUCP or take the steps necessary to overrule the ALUC within 180 days. The County has not complied with this requirement. Therefore, updating Chapter 21.86 is supported by Government Code Section 65302.3. The County is committed to ensure that these regulations are established in a timely manner will be referring them to the ALUC. For now, the County proposes to add a new Policy into the County's Land Use Element to ensure compliance with Condition No. ALUC-10.

On December 15, 2025, the Commission reviewed the revised draft Housing Element (ALUC File No. REF250041), which included additional Housing Opportunity sites (Site 52 and 53) that were proposed for inclusion into the draft HEU6. After deliberation, the Commission adopted two consistency determinations, **Resolution No. 25-006** (Monterey Regional ALUCP), and **Resolution No. 25-007** (Marina Municipal ALUCP). These resolutions found the additional Opportunity Sites consistent with the respective ALUCPs. An additional draft Housing Element Program (H-2.D) "By-Right Housing Ordinance" was also considered by the ALUC at that time. However, the ALUC did not take action the draft Program and requested more information. The County is now returning with the Program H-2D's specific regulations for the Commission's consideration, as well as other HEU6 implementation proposals.

On May 12, 2026, the California Department of Housing and Community Development (CA HCD) found the HEU6 in statutory compliance with state housing law. The HEU6 cannot however be found in substantial compliance until the County has adopted the housing element, completes its required rezones and are adopted, submitted to, and approved by CA HCD. As of the date of this hearing, the County has failed to adopt a substantially compliant housing element. Therefore, the County is in violation of Housing Element Law. Consequences apply if the County does not have a housing element in substantial compliance with Housing Element Law. First, noncompliance results in ineligibility or delay for the County to receive state funding. Secondly, under the Housing Accountability Act, the County is subject to the Builder's Remedy and finally state law provides for court-imposed penalties for persistent noncompliance, including enhanced financial penalties of up to $100,000 per month for non-compliant jurisdictions.

County of Monterey staff are now preparing various amendments to the County's municipal code, 2010 General Plan, and Land Use Plans to implement the HEU6 and to obtain certification from CA HCD. Simultaneously, on July 17, 2026, the County released a draft Programmatic Environmental Impact Report (Draft PEIR) for a 45-day public review period. The draft PEIR includes discussion of the potential environmental effects of implementing the HEU6. The public comment period for the draft PEIR closes on August 31, 2026. Staff will continue to refine draft amendments to County of Monterey regulations in preparation for future Planning Commission hearing (anticipated date of October 14, 2026) and Board of Supervisor hearing (anticipated November 3, 2026). Upon adoption of the HEU6, Staff will submit the HEU6 and associated amendments to implement the HEU6 to CA HCD. Once HEU6 is certified by CA HCD, the County will no longer be subject to consequences of Housing Element violation.

The County's Draft Housing Element draft Programmatic Environmental Impact Report may be viewed in its entirety on the County's public website at the following link: <https://www.countyofmonterey.gov/government/departments-a-h/housing-community-development/planning-services/advance-planning/ordinances-plans-under-development/general-plan-elements-update-housing-element-6th-cycle-update-2023-2031-ref220020-lrpwp-task-no-21-02>

PROPOSED AMENDMENTS:
ALUC staff reviewed the County of Monterey's referral in accordance with the adopted 2019 ALUCPs for the Monterey Regional Airport and the Marina Municipal Airport, as discussed below. The County-wide implementation actions will be addressed first and follow with an airport specific analysis.

Adoption of By-Right Housing Ordinance
As discussed at the two previous ALUC meetings, the HEU6 includes Programs (Program H-3.A and Program H-2.H) that allow for qualifying housing developments be processed as a "Use By-Right" as outlined in Government Code Section 65583.2(i). "Use By Right" means that the County "…cannot require a conditional use permit, planned unit development permit, or other discretionary local government review…". Therefore, qualifying projects would be considered ministerially and approved at a staff level. County staff have prepared a draft "By-Right" Housing Ordinance (CHAPTER 21.55 BY-RIGHT APPROVAL) which establishes the framework for processing qualifying projects ministerially. Housing projects that would qualify for a by-right include:

- Housing development on Opportunity Sites that are a minimum project density of 20 units per acre and deed restrict a minimum of 20% of the total units to low or very low-income households; or
- Housing development on an Opportunity Site that deed restricts 100% of the units to very-low, low-, or moderate-income households; or
- Housing developments that are 100% affordable to very-low, low-, or moderate-income households located in a Community Plan area, Rural Center, or Affordable Housing Overlay as identified in the 2010 General Plan; or
- Housing developments that are located on land owned by religious institutions or non-profit independent institution of higher education that meets the requirements of Government Code section 65913.6; or
- Other “use by right” housing development that may be required by the Legislature.

In addition to identifying which project would qualify, the By-right ordinance has set a permit requirement that provides the ministerial pathway, the Zoning Clearance (Draft Chapter 21.71). The Zoning Clearance will be processed at the County staff level, which entails non-discretionary verification by the Chief of Planning or designee that the project is in conformance to the allowed uses, the development standards, all applicable provisions and policies of the County, including the adopted ALUCPs. The By-Right Housing Ordinance has specific development standards that qualifying projects must satisfy. Those development standards establish ownership type, objective design standards, affordability covenants, and the applicable objective ("OBJ") mitigation measures of the HEU6 Program EIR Mitigation Monitoring and Reporting Program. Notably the County will also adopt by resolution the Model Objective Design Standards that establish objective criteria governing building form, materials, site design, landscaping, and parking for multi-unit and mixed-use development for qualify projects. These standards defer to the height and density requirements of underlying base zoning district to maximum of 30 units/acre with a 35-foot height and do not authorize heights, densities, or uses beyond what is established by the applicable zoning designation. The objective standard also requires exterior lighting to comply with the County's exterior lighting standards, which require downlit lighting and is consistent with the ALUCP's interest in avoiding hazards to flight.

For the purposes of the ALUCP consistency, the airport compatibility requirements would be satisfied in the framework as objective standards that will be verified through the Zoning Clearance. The Airport Land Use Commission's authority derives from the State Aeronautics Act with the stated purpose of which is to protect public health, safety, and welfare:

“...public health, safety, and welfare by encouraging orderly expansion of airports and the adoption of land use measures that minimize exposure to excessive noise and safety hazards within areas around public airports to the extent that these areas are not already devoted to incompatible uses.”

One of the functions of the ALUC is to review local agency land use actions and airport plans for consistency with the land use compatibility policies and criteria in airport land use compatibility plans the commission has adopted. The adopted ALUCPs establish objective design standards for airspace

protection, noise and safety standards. Therefore, the By-Right approval does not bypass the ALUCP consistency determination. Further, consistent with Condition ALUC-10 of Resolution No. 25-001 and 25-002, the County will amend its Airport Approach Zoning (AAZ) regulations (Title 21) and apply an AAZ overlay to the affected parcels. The AAZ overlay incorporates the noise, airspace protection (including other flight hazards), and safety zone compatibility requirements of the 2019 Monterey Regional ALUCP, establishes required conditions of approval and Appropriate Authority findings. Implementation of the AAZ regulations will also rezone all properties within the Monterey Regional and Marina Municipal Airport Influence Areas to include an AAZ overlay district. The County proposes to add a policy to the 2010 General Plan (Land Use Element) memorializing the Condition ALUC-10 of Resolution No. 25-001 and 25-002 that the County will amend its Airport Approach Zoning regulations. The County anticipates commencing the AAZ amendments by the end of 2026, and those amendments will return to the Commission for separate review prior to adoption.

It is important to note that future development projects that provide certain levels of affordability can also modify local development standards through state law (such as Density Bonus Law) in which applicants can request modification of local development standards. However, if there are clear public health and safety issues (such as a conflict with ALUCP requirements related to height, noise and safety) a local jurisdiction can deny the modification if findings can be made so that the modification would adversely impact public health and safety for occupants and the community. The projects need to demonstrate consistency with the requirements of ALUCP or design the project to mitigate any potential impacts to the health and safety of occupants or members of the public, regardless of if a by-right approval process is applicable. For these reasons, staff finds the By-Right Housing Ordinance, Zoning Clearance and Objective Model Design Standards consistent with the noise, airspace protection, and safety policies of both ALUCPs.

Condition No.10 - Implementation

As described above, the County is proposing a new Land Use Element Policy to ensure that future development is consistent with the OAR ALUCP requirements and allows for advisory ALUC review on a case-by-case basis pursuant to ALUCP Policies 4.1.10.2 and 4.0.8.3. The draft language is as follows:

LU-1.22: *The County shall ensure consistent application of the 2019 Monterey and Marina Airport Land Use Compatibility Plans (ALUCP) and establish regulations for each Airport Influence Area. Development proposals that have the potential to conflict with ALUCP noise, airspace, safety, and/or land use compatibility requirements shall be referred to the Airport Land Use Commission (ALUC) for an advisory review. The County shall refer these amendments to the General Plan and zoning changes to ALUC for consideration.*

This policy is proposed to satisfy Condition No. ALUC-10 of the above-described resolutions, but also to meet the intent of Government Code Section 65302.3. Staff recommend the ALUC find this language complies with the ALUCP. The policy language may be adjusted prior to adoption by the Board of Supervisors; however, its intent and overall structure will remain unchanged. If significant changes are made, it will be referred to the ALUC. The policy requires the County to adopt zoning ordinance regulations that reflect and implement the requirements of the applicable Airport Land Use Compatibility Plans (ALUCPs). Once prepared, any such ordinance amendments will be referred to

by the Airport Land Use Commission (ALUC) for review and consideration

Adoption of Amendments to County of Monterey Regulations to Implement the HEU6 (Monterey County Code, 2010 General Plan and Local Coastal Program)

In addition to the rezoning of opportunity sites and adoption of the By-Right Ordinance process, included for consistency review today are the required amendments to the Monterey County Code, 2010 General Plan, and the Local Coastal Program together with sectional map amendments to reflect consistency with the rezonings. The amendments are solely focused on implementation of the HEU6 and centered specifically on allowing for adequate development standards and capacity for development on Opportunity Sites.

REZONING OF OPPORTUNITY SITES:

Marina Municipal Airport Sphere of Influence - Sites Inventory

Two Opportunity Sites are located within the Marina Municipal Airport's Influence Area. These sites were previously considered by the ALUC as to whether the foreseeable development on each site (based on the future land use designation/zoning and allocated density/build out) would be consistent with the ALUCP. Opportunity Sites 31 and 53 in the draft HEU6 were found consistent with the OAR ALCUP by the ALUC in 2025. Therefore, today's action is only considering the rezoning of these sites.

As a reminder, Opportunity Site 31 is located 1.1 miles south of Marina Municipal Runway 29 with the unincorporated area of Monterey County and has a General Plan designation of School/University and zoning district of Public/Quasi-Public with Design and Site Plan Review overlay (PQP-D-S). Through the implementation of the draft Housing Element, Opportunity Site 31 will be rezoned to High Density Residential, 30 units per acre. See **Attachment 1, Page 1, of Exhibit C.**

Opportunity Site 53, located at the intersection of Imjin Road, 6th Ave, and 8th Street within the City of Marina, has a General Plan designation of Commercial Multiple Use and a zoning district of Commercial/Multiple-family residential (C-R (City of Marina)). Due to the site being within the City of Marina (City), the County of Monterey and City of Marina will have to enter into a Memorandum of Understanding (MOU) agreement which governs the type of zoning that needs to be contemplated for the site (needs to allow at least HDR with a minimum of 30 dwelling units to the acre). Upon further review, the most comparable zoning designation is R-4 or Multiple-Family Residential District. Through the implementation of the proposed draft Housing Element, Opportunity Site 53 will be rezoned to HDR/30 (City of Marina equivalent is R-4) 30 units per acre. **Attachment 1, Page 1, of Exhibit C.**

Monterey Regional Airport Sphere of Influence - Sites Inventory

Three Opportunity Sites and one Pipeline Site are located within the Monterey Regional Airport's Influence Area. These sites were previously considered by the ALUC as to whether the foreseeable development on each site (based on the future land use designation/zoning and allocated density/build out) would be consistent with the ALUCP. Opportunity Site 52 and Pipeline Site 60 were found consistent with the MRY ALCUP by the ALUC in 2025. Therefore, today's action is only considering the rezoning of Site 52 to HDR, as Pipeline Site 60 does not require further rezoning. However, Opportunity Sites 46 and 47 were found inconsistent and therefore required to be removed from the

draft HEU6. County staff have returned requesting that Sites 46 and 47 be reconsidered by the ALUC, as discussed further below.

As a reminder, Opportunity Site 52, located at the intersection of Olmstead Road and Highway 68 and known as "Tarpy Flats", has a General Plan designation of Resource Conservation with Affordable Housing Overlay as designated by the 2010 County of Monterey General Plan and zoning district of Rural Density Residential with Urban Reserve and Viewshed sensitivity overlay (RDR/10-UR-VS). Through the implementation of the proposed draft Housing Element, Opportunity Site 52 will be split rezoned to High Density Residential, 30 units per acre (HDR/30) and portion of the site to Resource Conservation (RC). **Attachment 1, Page 2, of Exhibit C.**

Site 46 and 47

As previously mentioned, Commission conditioned the removal of Opportunity Sites 46 and 47 with concerns related to ALUCP safety, land use, and airspace compatibility, as well as encroachment into Part 77 Airspace at the January 13, 2025, meeting (ALUC Resolution No. 25-002). **Attachment 1, Page 3, of Exhibit C.**

On March 12, 2025, the Board of Supervisors provided direction to County staff to include Site 46 and 47 in the Opportunity Sites Inventory for the HEU6. As such, County staff are returning with additional information on the proposed rezoning of these sites and requesting that the Commission reconsider these sites and make a consistency determination on these sites' inclusion in the Opportunity Sites inventory of the HEU6 and associated rezoning.

Opportunity Site 46 has a General Plan designation of Urban Reserve Overlay and a zoning designation of Public/Quasi-Public with Design and Site Plan Review overlay (PQP-D-S). Opportunity Site 47 has a General Plan designation of Open Space Recreation and zoning district of Public/Quasi-Public with Design and Site Plan Review overlay (PQP-D-S). Through the implementation of the HEU6, Sites 46 and 47 are proposed to be split zoned to identify portions of the property that would be rezoned to High Density Residential (HDR) with a maximum density of 30 dwelling units per acre (HDR/30) and portions of the sites will continue to be zoned Public-Quasi Public (PQP) with Design Control (D) and Site Control (S) overlay districts where height restrictions would apply to avoid penetration into Part 77 Airspace. The rezoning for Sites 46 and 47 will include a Special Treatment Area (STA) Policy in the 2010 General Plan and rezone the property with a Special Treatment Zoning Designation which memorializes the height requirements to ensure consistency with Part 77 Airspace requirements of the 2019 Monterey Regional ALUCP as described above.

CONCLUSION:

Based on review and analysis of the proposed project, staff recommend that the ALUC find the proposed project consistent with the 2019 Airport Land Use Compatibility Plan for Monterey Regional Airport and the Marina Municipal Airport, with no conditions of approval. As a reminder, previously adopted conditions of approval are still applicable to the draft Housing Element, specifically Condition ALUC-10 of Resolution No. 25-001 and 25-002. However, should the ALUC find the Sites 46 and 47 consistent with applicable ALUCP, then the previously adopted conditions and related evidence requiring removal of those sites would be null and void, but the remaining conditions

and decision of the ALUC would remain valid.

The following attachments are on file with HCD:

Exhibit A - OAR Consistency Determination Analysis
Exhibit B - Draft ALUC Resolution (Monterey Regional Airport)
Exhibit C - Draft ALUC Resolution (Marina Municipal Airport)
Exhibit D - County of Monterey Consistency Analysis Letter including:

- Rezone Maps
- By-Right Approval Program Text
- By-Right Approval Zoning Ordinance
- Draft Objective Design Standards

Exhibit E - MRY Comments

CC: ALUC Commissioners; ALUC Counsel; Monterey Peninsula Airport District (C. Morello); Project Planner (Edgar Sanchez); Marina Municipal Airport Manager (Adarian Lawson); Fionna Jensen, Principal Planner; Agent (Sarah Wikle); Board of Supervisors, Planning Commission; ALUC File No. REF260023;