



# Monterey County

## Planning Commission

### Agenda Item #2

Legistar File Number: PC 16-021

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#### **PLN150378/Carmel Inn Ventures LLC (Carmel River Inn)**

Public hearing to consider an Amendment to a Combined Development Permit and General Development Plan for Carmel River Inn proposing guest unit modifications.

**Proposed CEQA Action:** Addendum to an adopted Mitigated Negative Declaration (Section 15164 of the CEQA Guidelines)  
26600 Oliver Road, Carmel, Carmel Area Land Use Plan.

#### RECOMMENDATION:

It is recommended that the Planning Commission adopt a resolution (**Exhibit A**) to:

- a. Consider an Addendum to the adopted Mitigated Negative Declaration (**Exhibit C**) adopted for the Carmel River Inn (Resolution No. 06013; PLN030646);
- a. Approve PLN150378 amending a Combined Development Permit and General Development Plan for Carmel River Inn to eliminate four multi unit structures to be replaced with 22 removable cabins subject to 62 conditions of approval; and
- b. Adopt a Mitigation Monitoring and Reporting Program (**Exhibit A**); and

#### PROJECT INFORMATION:

**Owner:** Carmel Inn Ventures, LLC (Carmel River Inn)

**Project Location:** 26600 Oliver Road, Carmel

**APN:** 009-563-005-000

**Zoning:** Visitor Serving Commercial with a Design Control Overlay (Coastal Zone)

**Lot Size:** 10.8 acres

**Agent:** Paul Davis Partnership; Anthony Lombardo and Associates

**Flagged and Staked:** No

#### SUMMARY:

Carmel River Inn has existing entitlements to expand from 43 units allowing up to 63 guest units, including 23 historic cottages, 6 units in the main lodge, and 34 units in four multi-unit structures. The applicant is requesting to amend the Combined Development Permit and General Development Plan to reallocate the guest units by replacing the multi-unit structures with 22 removable cabins, retaining 17 existing units in the main lodge, and retaining all 24 of the historic cottages. In addition a caretakers unit would be added into the main lodge. The caretakers unit was previously approved in an existing out building. The net change is to reuse the lodge structure and historic cottages and add 22 removable cabins. Ten will be placed on platforms above the 100 year water surface elevation, and the other 12 will be portable capable of being relocated to higher ground on site during flood events.

Staff finds that the proposed amendment is consistent with applicable policies and regulations of the designated area and zoning district. The use of removable ("removable") cabins instead

of conventionally built structures is an improvement from a floodplain management perspective because the cabins are portable and can be removed from the floodplain during flood events. The design and size of the cabins are compatible with the existing character and visual integrity of the property and surrounding neighborhood. The General Development Plan would be revised to reflect the change from the multi-unit structures to the cabins (same total number of units).

Consistent with Section 15164 of the CEQA Guidelines, an addendum to the Carmel River Inn Mitigated Negative Declaration was prepared to identify minor changes which present no substantial change to the analysis approved in the adopted Mitigated Negative Declaration. Staff recommends approval of the amendment.

#### DISCUSSION:

Entitlements for Carmel River Inn include:

- PLN030646 - Combined Development Permit and General Development Plan to increase the number of guest units from 43 to 69 units including a Coastal Administrative Permit and Design Approval to allow:
  1. the remodel of 23 existing cottage and relocation of one cottage to be used as storage,
  2. remodel the main lodge by reducing the number of units from 19 to 6 units,
  3. construction of five, two story, multi-unit structures with eight units in each structure and parking below (total of 34 units), conversion of an existing maintenance building into an employee unit, and associated grading (2,550 cubic yards cut, 2,550 cubic yards fill);
  4. Coastal Development Permit to all the removal of five native trees; and
  5. Coastal Development Permit to allow development within 100 feet of Environmentally Sensitive Habitat.
  6. The project was approved with conditions and mitigation measures to reduce impacts related to biological resources, historic resources, geologic hazards (liquefaction), traffic, and water resources (floodplain).
- PLN070415 - Amended PLN030646 to reduce the multi-unit structures from five to four structures in order to comply with the 150 foot riparian habitat setback.
- PLN110577 - Two-year extension of PLN070415, approved by the Planning Commission from February 29, 2012 to February 29, 2014.
- PLN140154 - Two-year extension of to the previous extension of PLN070415, approved by the Director of RMA-Planning from August 20, 2014 to August 20, 2016.
- Since the last extension, Monterey Peninsula Water Management District determined the property has enough water credits to support only 63 units. To date construction of the multi-unit structures has not occurred and only a handful of conditions and mitigation measures have been satisfied.

The Amendment (PLN150378) consists of the following modifications:

- Retain and remodel all 24 historic cottages;
- Convert two guest units in the main lodge into employee housing reducing guest units from 19 to 17 units; and
- Replace the construction of four, two-story, multi-unit structures with 22 removable cabins.

The following table shows where the breakdown of the existing 43 units and the approved 63 units and how the modification would change the configuration of the units:

<b>Unit Type</b>	<b>Existing</b>	<b>Approved</b>	<b>Proposed</b>
Historic Cottages	24	23	24
Main Lodge	19	6	17
Multi Unit Structure	0	34	0
Removable Cabins	0	0	22
Total	43	63	63

Pursuant to Section 20.70.105.B of the Zoning Ordinance, Amendments to Coastal Development Permits, an amendment not minor or trivial in nature shall be taken to the decision-making body of the original permit and processed consistent with the original permit procedures. In this case, the original appropriate authority is the Planning Commission. The primary change which requires decision by the original appropriate authority is the replacement of the multi-unit structures with cabins. The use of cabins instead of conventionally built structures has never been proposed or considered in the Carmel area. However, the proposed cabin units better meet floodplain and design control regulations. Pursuant to Section 20.82.050 of the Zoning Ordinance, Action by Appropriate Authority, the Planning Commission shall make findings as necessary to support its decision on the permit. Such findings shall address, but not be limited to, consistency with the General Plan, area plans, site suitability, environmental issues and Variance hardships.

#### **Issues and Consistency Review**

The original Combined Development Permit (PLN030646), as amended (PLN070415) and twice extended (PLN110577 and PLN140154), were approved consistent with the 1982 General Plan, Carmel Area Land Use Plan and Coastal Implementation Plan (Part 4) and Zoning Ordinance (Title 20) which applicable policies and regulations have not changed since the project was originally approved. The main issues with regard to the proposed cabins are floodplain management, design and policy consistency, as follows:

##### **Floodplain**

The project is located within the FEMA Special Flood Hazard Area (SFHA) Zone AE, 100-year floodplain of the Carmel River, as shown on FEMA Flood Insurance Rate Map 06053C-0320G. MCC subsection 16.16.050.J.1 which requires “until a regulatory floodway is adopted, no new construction, substantial development, or other development, (including fill) shall be permitted within Zones AE, unless it is demonstrated that the cumulative effect of the proposed development, when combined with all other development, will not increase the water surface elevation of the base flood more than one foot at any point” (Regulations for Floodplains in Monterey County, MCC Chapter 16.16). The original project included mitigation to reduce impacts from the construction of the multi-unit structures to a less-than-significant level by demonstrating through hydraulic analysis that the proposed project would not result in any increase in the base flood elevation.

The amendment using the 22 cabin units was evaluated and discussed in an acceptable

hydraulic analysis prepared by TetraTech Inc., dated October 28, 2015, demonstrating compliance with MCC subsection 16.16.050.J.1. The hydraulic analysis concluded the proposed project resulted in no change to the 100-year water surface elevations at and upstream of the project site. The proposed cabin units are designed to allow 12 of the 22 cabin units to be relocated outside of the floodway during a flood emergency. All relocated cabin units will be retained on the property in locations above the water surface elevation of 100 year flood. The draft Flood Emergency Evacuation Plan (**Attachment K**) has been provided identifying how actions will be taken to relocate CABIN units during a flood event (see related Water Resources Agency Condition No. 20). A Final Evacuation Plan, approved by Water Resources Agency, will be incorporated into the General Development Plan. The other 10 of the 22 CABIN units are located in the 100 year floodplain but will be elevated above the water surface elevation of 100 year flood on raised platforms, and therefore, do not require relocation. The proposed CABIN units are consistent with Section 16.16.010 MCC in that the design promotes public health, safety and general welfare, and will minimize public and private loss due to flood conditions.

All mitigation measures related to the construction of the multi-unit structures (Mitigation Action and Measures 6, 7 and 8 in the Mitigated Negative Declaration) are no longer applicable. The following conditions of approval have been applied related to the CABIN units:

- Foundation Plan - Enclosures/Grade Elevations (Condition No. 19): Provide foundation plan, prepared by a registered civil engineer or licensed architect, certifying the 10 permanent cabins (not to be relocated during a flood emergency) are compliant with foundation regulations (see Condition No. 19 of **Attachment A** for full condition language).
- FEMA Zone AE Recreational Vehicle Plan (Condition No. 20): The applicant shall provide a recreational vehicle evacuation plan certifying the 12 cabins which will remain recreational vehicles and non-elevated. The plans shall demonstrate all recreational vehicles on-site will be fully licensed, maintained at all time to be ready for evacuation, attached to the site only by quick disconnect type utilities, clear of obstructions and with no permanently attached additions. *See Attachment K for Draft Evacuation Plan.*
- FEMA Zone AE Mobile Home Anchoring Plan (Condition No. 21): The applicant shall provide an anchoring plan and supporting calculations prepared by a registered civil engineer. In accordance with Monterey County Code Chapter 16.16.050, for the 10 elevated CABIN cabins shall be designed to resist flotation, collapse, and lateral movement.
- FEMA Zone AE Anchoring Certification (Condition No. 22): The applicant shall provide certification from a registered civil engineer that the 10 elevated cabin cabins were constructed in accordance with the approved anchoring plan.

#### **Viewshed/Design**

The Design Control regulations (Section 20.44.010, Zoning Ordinance) require structures to protect the viewshed, neighborhood character and visual integrity of the surrounding area.

The cabin units will be designed with a natural cedar exterior with a corrugated metal roof

which is similar to the materials proposed for the multi-unit structures. The sizing and location of each cabin unit are similar to the existing cottage. Each cabin unit is between 300-360 square feet. The spacing between each unit will provide landscaping similar to vegetation existing on the property. The cabin units will not be visible from Highway 1, which is a designated scenic highway. Therefore, the cabin units harmonize and are subordinate to the natural scenic character of the area using appropriate design and materials (Policy 2.2.2, Carmel Area LUP).

### **Environmental Review**

A Mitigated Negative Declaration (MND) was prepared for the original project (PLN030646). The MND with Mitigation Monitoring and Reporting Plan was adopted by the Planning Commission on February 22, 2006. Pursuant to section 15164 of CEQA, due to revisions proposed by the amendment, minor technical changes to the analysis are addressed through an addendum to the MND has been prepared. The analysis and mitigation measures regarding traffic, aesthetics, air quality, cultural resources and noise have not changed. The following potential impacts required minor technical changes/updates as part of the addendum:

#### **Hydrology**

*(See Floodplain information above)*

#### **Biological Resources**

The combo structures were analyzed to encroach 15 feet into the 150 feet setback from a riparian corridor. The proposed cabin will meet the required 150 foot setback from riparian habitat and does not propose the removal of the five native trees previously approved for removal. An updated biological assessment was provided by LSA associates, dated November 30, 2015 and February 3, 2016. The assessment reviewed the property for potential impacts to federal and state protected species. Although the property is located adjacent to the Carmel River which is a known habitat for California tiger salamander, California red-legged frog, Western pond turtle and other species, the project maintains a 150-foot setback from riparian vegetation habitat which the proposed development location does not have a suitable aquatic habitat or vegetation that would support said species. Additionally, approved impacts related to the construction of four multi-unit structures from development (grading, tree removal, excavation due to liquefaction) will be reduced substantially by this amendment because the cabin-units require less grading for the driveway, parking areas and pads. As recommended by the assessment, bird nesting survey and construction management plan with best management practices have been included as conditions of project approval. Therefore, the minor technical update does not substantially change the potential impacts of biological resources which were analyzed as a less-than-significant impact.

#### **Geology and Soils**

Pursuant to the Liquefaction Update Letter from Haro, Kasunich and Associates, dated December 21, 2015, the placement of cabin units on pads with engineered earth mat (essentially float the pad and driveway over the liquefied soil) would be less intrusive than the foundation design for the multi-unit structures. However, the letter still recommends the mitigation measure for a final design-level geotechnical report.

**Alternative Decision**

Staff recommends approval of this project. However, if the Planning Commission decides to deny the amendment, the previously-approved Combined Development Plan and General Development Plan (PLN140154) remains in effect and can be pursued by the applicant.

**OTHER AGENCY INVOLVEMENT:**

The following agencies reviewed the project:

- √ RMA-Public Works
- √ RMA-Environmental Services
- √ Environmental Health Bureau
- √ Water Resources Agency
- √ Cypress FPD

Agencies that submitted comments are noted with a check mark ("√"). All recommended conditions have been incorporated into the Condition Compliance/Mitigation Monitoring and Reporting Plan attached to the draft resolution (**Exhibit A**).

The amendment was reviewed by the Carmel Highlands LUAC (Land Use Advisory Committee) on January 19, 2016. The LUAC recommended approval of the project by a vote of 3-1 (**Exhibit E**). The main contentions raised by neighbors in attendance were that 1) temporary structures (cabin) are not taxed the same as permanent structures, so the project is a loss of money to the County, 2) the use of cabin units instead of conventionally built structures may decrease neighborhood property values, 3) proposed fire-pits may impact the air quality in the area, and 4) flood evacuation and cabin unit relocation will not work as designed.

The amendment was reviewed by the HRRB (Historic Resources Review Board) on March 3, 2016. The HRRB recommended approval of the project by a vote of 4-0 (**Exhibit F**). The HRRB recommended conditions which require 1) an on-site meeting with hired contractor, Inn manager, hired historical consultant, a building inspector and project planner to insure repairs to cottages will not degrade the historic integrity of the cottages (Condition No. 62); and 2) amend the adopted Historic Resource District Overlay to include cottage #22 which was relocated outside the overlay boundary (consistent with Condition No. 10).

**FINANCING:**

Funding for staff time associated with this project is included in the FY15-16 Adopted Budget for RMA-Planning.

Prepared by: Dan Lister, Assistant Planner, Ext. 6617  
Reviewed by: John Ford, RMA-Service Manager, Ext. 5158  
Approved by: Carl P. Holm, AICP, Resource Management Agency Director

**ATTACHMENTS:**

Exhibit A Draft Resolution, including:

- Conditions of Approval/Mitigation Measures
  - Site Plan, Floor Plan, Elevations
- Exhibit B Vicinity Map
- Exhibit C Technical Addendum to an approved Mitigated Negative Declaration
- Exhibit D Amended General Development Plan including Draft Flood Emergency cabin Cabin Evacuation Plan
- Exhibit E Carmel Highland LUAC Minutes, dated January 19, 2016
- Exhibit F Historic Resources Review Board Resolution No. 150378, dated March 3, 2016
- Exhibit G Planning Commission Resolution No. 06013 (PLN030646)
- Exhibit H Planning Commission Resolution No. 07052 (PLN070415)
- Exhibit I Planning Commission Resolution No. 12-008 (PLN110577)
- Exhibit J Director of RMA-Planning Approval, Resolution No. 14-043 (PLN140154)

cc: Front Counter Copy; Planning Commission; John Ford, RMA-Planning Services Manager; Cypress Fire District; RMA-Public Works; Environmental Health Bureau; Water Resources Agency; RMA-Environmental Services; Carmel Inn Ventures LLC, Owner; Paul Davis Partnership (Paul E. Davis), Agent; Anthony Lombardo and Associates (Dale Ellis), Representative; The Open Monterey Project (Molly Erickson); LandWatch; District 5 Office; Project File PLN150378