

Exhibit A

This page intentionally left blank.

EXHIBIT A DISCUSSION

The objective of this Planning Commission workshop is to introduce the DES prepared by LandWatch, provide a comparison between LandWatch and RMA-Planning's DES, and present the commission with options for finalizing a revised DES that incorporates the most appropriate components, from one or both versions, which is consistent with direction provided during the November 27, 2017 Planning Commission workshop.

BACKGROUND

Policy LU-1.19 of the *2010 Monterey County General Plan* calls for the establishment of a Development Evaluation System (DES) to provide a systematic, consistent, predictable and quantitative method for decision-makers to evaluate certain proposed developments located outside development priority areas (i.e. Community Areas, Rural Centers and Affordable Housing Overlay Districts). See **Exhibit E** for the complete text of the policy.

Due to the complexity of the DES and in an effort to involve the public participation in its development, several Planning Commission workshops and DES Focus Group meetings were held. At the November 27, 2017 workshop, staff provided options for consideration (see **Exhibit D**), and the commission directed staff on the following items:

Priority Ranking – Assign weights to only the Focus Group's top four priority criteria. Affordable housing should be ranked first, infrastructure second, site suitability third, and resource management fourth. All other criteria would receive a flat score.

Applicability Thresholds – Thresholds for determining applicability should be standardized. Water use and wastewater should have identical thresholds but more research and data gathering is needed to finalize these estimations. The commission recommended that staff begin with the water demand utilized in the California Plumbing Code (CPC) and Monterey Peninsula Water Management District's (MPWMD) fixture unit count. Traffic thresholds should be determined by standard counts identified in the Institute of Transportation Engineers Trip Generation Manual.

Process – Planning Commission recommendations on the DES process covered: 1) The evaluation method; 2) Treating the DES score as a pass/fail and how the score is presented to the hearing body.

- 1) The commission recommended a 2-step evaluation method; an initial evaluation would occur at the DRC meeting and the final evaluation would occur after an application has been deemed complete. This would provide the applicant with an informational and interactive evaluation upfront to allow for redesign, if necessary, and provide the hearing body with an accurate evaluation with more detail.
- 2) Projects subject to the DES require discretionary permits, and a strict pass or fail resulting in approval or denial at staff level would be inconsistent with the fundamental principal of due process afforded by the discretionary permit process. Therefore, the commission recommended the hearing body consider a project's passing or failing DES score along with the analysis of all other project components. However, failing projects that score below a 70%, should have a recommendation of denial by staff. Presentation of the DES to the hearing body should include the DES score, a narrative explaining the analysis & outcome of evaluation, and the final DES score sheet.

Exemption of Agricultural Subdivisions and Developments – The commission directed staff to clearly define the development type to determine if/when exemption from DES is appropriate. Staff proposes to define “exempt development” in three-parts. In order for projects to meet the definition, the project must be on the list of development types, meet the identified measurement criteria, and agree to incorporate an assurance mechanism as a condition of approval.

LANDWATCH DEVELOPMENT EVALUATION SYSTEM

On April 19, 2017, following their review of the County draft DES, LandWatch submitted a draft version of the DES consisting of a cover report, DES Procedures, and a DES Summary to RMA-Planning for consideration (**Exhibit B**). The cover report provides key information, in narrative form, that explains the DES. It begins with a helpful purpose statement followed by an overview of Policy LU-1.19, including establishing minimum thresholds for water use and wastewater and traffic generation for projects that would be subject to review under the DES. This information is followed by a list of exempt developments that must meet the corresponding measurement criteria and incorporate the listed assurance mechanisms. “Agricultural use” is defined as “cultivating crops, vineyards, or trees and/or livestock grazing.” The DES Procedures provide a summary of the DES, outlining applicability, DES components, the evaluation method, and presenting DES results to the hearing body. The DES Summary is a table that categorizes 8 evaluation criteria (site suitability; infrastructure; resource management; proximity to city, community area, or rural center; mix/balance of uses; environmental impacts and potential mitigation; proximity to multiple modes of transportation; and jobs/housing balance), identifies the applicable General Plan policy and/or General Plan EIR mitigation measure; and points awarded for project components.

DEVELOPMENT EVALUATION SYSTEM COMPARISON

This section focuses on key differences between the DES prepared by LandWatch and RMA-Planning. The tables below are intended to provide a side by side comparison, as well as staff’s recommended direction. The columns are arranged by topic and follow a chronological order to provide an understanding of the continuing modification and refinement occurring throughout the process of creating the DES.

Table 1 addresses necessary information for understanding the what, why, and where, as well as how the DES fits within the County’s discretionary permit process. Table 2 compares the suggested ranking criteria and how they relate to Planning Commission recommendations that stemmed from the Focus Group’s input. Table 3 addresses the scoring methodology which should be tied to ranking and how that criteria drives awarding, or subtracting, of points. Table 4 describes and compares the exemption process, development types, measurement criteria, and assurance mechanisms. Staff’s recommendation is provided in the last column on each table.

Table 1 – DES Components & Process

Topic	RMA-Planning Draft DES Dated February 11, 2015	LandWatch DES Dated April 19, 2017	Planning Commission Recommendation Dated November 29, 2017	Staff Recommendation
Purpose Statement	Provides similar information relative to the goal and applicability of the DES. Does not provide applicability thresholds for water, wastewater, and traffic.	Provides a purpose statement that includes the goal of DES, an overview of Policy LU-1.19, where it applies, and applicability thresholds for water, wastewater, and traffic.	No recommendation.	Suggest Counsel review the language to determine if it is legally appropriate. If so, suggest including this statement in DES informational literature, evaluation forms, and required findings.
Applicability Thresholds	<ul style="list-style-type: none"> • Water = from .93 acre feet/year to 1.68 acre feet/year • Wastewater = 1.68 acre feet/year • Traffic = 47.6 daily trips or 17,374 annual trips 	<ul style="list-style-type: none"> • Water = 1.55 acre feet/year • Wastewater = 1.55 acre feet/year • Traffic = 49.5 daily trips or 18,067.5 annual trips 	<ul style="list-style-type: none"> • Water = begin with estimated water demand established by CPC (1.05 AF/yr) and MPWMD (.93 AF/yr). Continue research prior to finalizing amount. • Wastewater = same as water • Traffic = use trips established by the Institute of Transportation Engineers Trip Generation Manual, 9th Edition. 	<ul style="list-style-type: none"> • Water = begin with estimated water demand established by CPC (1.05 AF/yr) and MPWMD (.93 AF/yr). Continue research prior to finalizing amount. • Wastewater = same as water • Traffic = use trips established by the Institute of Transportation Engineers Trip Generation Manual, 9th Edition.
Evaluation Method	3-part evaluation: During DRC, prior to deeming a project complete, and post CEQA.	3-part evaluation: During DRC, Prior to deeming a project complete, and post CEQA.	PC recommended a 2-part evaluation: DRC and after deeming a project complete.	2-part evaluation: DRC and after deeming a project complete.
Points & Pass/Fail	No maximum points established, minimum of 100 points to pass.	Discrepancy between procedures and summary. Procedures state minimum passing score is 100 points and summary states there is a maximum of 100 points allowed with a minimum passing score of 70.	Passing score of 70% or higher.	Maximum of 100 points allowed with a minimum passing score of 70. This is consistent with PC recommendation.

Table 2 – DES Ranking Criteria

Topic	RMA-Planning Draft DES Dated February 11, 2015	LandWatch DES Dated April 19, 2017	Planning Commission Recommendation Dated November 29, 2017	Staff Recommendation
Priority Ranking & Weighted Points	No recommendation on ranking priority.	5 criteria ranked in priority and maximum points allowed: <ul style="list-style-type: none"> • Site Suitability – 25 points • Infrastructure – 25 points • Mix/Balance of Uses – 25 points • Resource Management – 20 points • Jobs/Housing Balance – 5 points 	Priority ranking in the following order: 1) affordable housing, 2) infrastructure, 3) site suitability, and 4) resource management.	Priority ranking in the following order: 1) affordable housing, 2) infrastructure, 3) site suitability, and 4) resource management. Include subtraction of points where appropriate.
Other Criteria	No recommendation on ranking priority.	2 criteria with only point penalty <ul style="list-style-type: none"> • Proximity to CA, RC, or AHO • Environmental Impacts 	All other criteria would receive a flat score.	All other criteria would receive a flat score. Include subtraction of points where appropriate.
Proximity to CA, RC, or AHO	Minus 10 points if within 5 miles of an existing community area or rural center.	Minus 2 points for every mile from an existing community area or rural center as measured from the center of the project.	No recommendation.	<ul style="list-style-type: none"> • LandWatch’s cover report states that the purpose of the DES is to focus development in appropriate areas and avoid urban sprawl. • LU-1.19 states that priority areas for development are community areas, rural centers, and affordable housing overlay districts. • Based on the above bullet points, project should not be awarded for being close to priority areas.

Table 3 – DES Scoring Methodology

Topic	RMA-Planning Draft DES Dated February 11, 2015	LandWatch DES Dated April 19, 2017	Planning Commission Recommendation Dated November 29, 2017	Staff Recommendation
Points Received for Open Space	Site Suitability: 5 points awarded for every 10% increase of open space permanently preserved beyond the site coverage maximum.	Site Suitability: 5 points awarded for every 10% increase of open space that reduces development beyond the maximum allowable site coverage as long as it is permanently preserved as open space and is adjacent to other off-site open space that is permanently preserved. Resource Management: 5 points awarded for every 10% of property dedicated in a conservation easement.	No recommendation.	Limiting points received to only one category to prevent double counting. May be most appropriate in resource management.
Methodology Used for Scoring – Infill Development	The subject property must be immediately adjacent to, and surrounded by, development on 3 or more sides to receive points.	The subject property must meet the CEQA definition of an “infill site” to receive points.	No recommendation.	In summary, CEQA defines an infill site as either an undeveloped site in an urbanized area immediately adjacent to developed parcels with qualified urban uses or a site previously developed for qualified urban uses. Locations applicable to the DES would typically not qualify as an urbanized area. Therefore, this definition would be inappropriate for a rural county.
Traffic – Threshold and Measurements	Applicability threshold quantifies traffic in daily trips and annual trips. Traffic reduction is quantified in VMTs.	Applicability threshold quantifies traffic in daily trips and annual trips. Traffic reduction is quantified in VMTs.	No recommendation.	Is there an issue if measurements are not consistent? If so, research needed to determine which measurement is appropriate.

Methodology Used for Scoring – VMT Reduction	10 points for every 10% reduction in VMT over business as usual based on results of a formal traffic study.	1 point for every 1% reduction in VMT compared with baseline based on CAPCOA's VMT credit methodology from "Quantifying Greenhouse Gas Mitigation Measures".	No recommendation.	Suggest further research to determine if use of CAPCOA's methodology and definition are accepted by public agencies and licensed professionals before incorporating this recommendation in the evaluation.
Underground Existing Aboveground Utilities	1 point for every 100 linear feet of undergrounding of existing utilities that are currently above ground.	1 point for every 1000 linear feet of undergrounding of existing utilities that are currently above ground, not to exceed 5 points.	No recommendation.	<ul style="list-style-type: none"> • Points should be capped. • Is 1,000 linear feet excessive?
Penalty for New Infrastructure	No penalty for installation of new infrastructure.	<p>Minus 1 point for each additional linear 100 ft. of utility infrastructure (e.g., pipelines or transmission lines) to support water, sewer, or power.</p> <p>Minus 5 points for a significant increase, i.e., a 25% increase, in waste water treatment plant or water supply systems.</p>	No recommendation.	<ul style="list-style-type: none"> • Suggests further exploration for how new utility infrastructure should be handled. LW penalty appears to be overly restrictive as most projects subject to the DES would be in areas where no utility infrastructure exists. • Need to clarify what was meant by “significant increase”. Increase in use of the facility or projects that would result in the increase in size of the facility?
Community Resources	10 points for every 1,000 square feet of building space dedicated to education, healthcare, senior center and/or daycare center.	5 points for every 10% building space dedicated, constructed, and used for education, healthcare, senior center and/or daycare center, not to exceed 10 points, where there is a demonstrable and binding commitment to dedicate and construct such uses.	No recommendation.	A demonstrable and binding commitment to dedicate and construct such uses is necessary. Points should not be awarded if the building would not be used for community resource purposes.

Table 4 – DES Exemption Process

Topic	RMA-Planning Draft DES Dated February 11, 2015	LandWatch DES Dated April 19, 2017	Planning Commission Recommendation Dated November 29, 2017	Staff Recommendation
Exempt Development	<p>Staff noted that criteria language defining “subdivisions for exclusive agricultural purposes” still needs to be crafted to avoid inadvertently exempting project that should be subject to the DES.</p> <p>As a starting point, staff suggested exempt projects include:</p> <ul style="list-style-type: none"> • Development consistent with the following Agricultural policies of the 2010 General Plan: <ul style="list-style-type: none"> ○ AG-1.3 – limits subdivisions of important farmland for exclusive agricultural purposes only. ○ AG-1.4 – viable agricultural land uses on important farmland shall be preserved, enhanced, or expanded. ○ AG-1.7 – Residential uses incidental to the primary agricultural use of the property and located to minimize conversion of viable agricultural land. ○ AG-2.4 – Accessory structures that support the primary agricultural use of the property and located to minimize 	<p>Exempt projects include:</p> <ul style="list-style-type: none"> • Subdivisions for separation of agricultural lands for estate purposes to provide individual family members a unique property to continue the existing agricultural use • Developments of permanent affordable agricultural employee housing exclusively for agricultural employees as defined in Section 50517.5(g)(1) of the California Health and Safety Code. • Developments that include a minimum of 80% permanent affordable housing. 	Clearly define exempt development.	<ul style="list-style-type: none"> • Exempting projects with a minimum of 80% permanent affordable housing has not been considered by the Planning Commission. These developments may have the potential to result in large affordable housing areas far from available jobs and services such as public transportation, grocery stores, and sufficient social amenities. Suggest further analysis before considering adding it as an exception. • Should “affordable” defined? • Should a mix of affordability be allowed? • Define “exempt development” in three-parts. In order for projects to meet the definition, the project must be on the list of development types, meet the identified measurement criteria, and agree to incorporate an assurance mechanism as a condition of approval. • The first part of defined exempt development shall include one or more of the following proposed uses:

	<p>conversion of viable agricultural land.</p> <ul style="list-style-type: none"> • Specific development located within and established within the Agricultural and Winery Corridor Plan (AWCP). 			<ul style="list-style-type: none"> ○ Subdivisions for the separation of existing vineyard/crop land(s) from an existing winery/processing facility. ○ Subdivisions for the separation of different varietals, crops, or orchards for finance and/or lending purposes. ○ Subdivisions for the separation of existing lands farmed by owners from lands farmed by lessees. ○ Subdivisions for separation of agricultural lands for estate purposes to provide individual family members a unique property to continue the existing agricultural use. ○ Developments of long-term affordable housing exclusively for agricultural employees as defined in Section 50517.5(g)(1) of the California Health and Safety Code. ○ The following development within the Agricultural and Winery Corridor Plan (AWCP) area: <ul style="list-style-type: none"> ▪ Artisan Wineries ▪ Full-scale Wineries ▪ Winery Tasting Rooms ▪ Food Service Facilities such as Restaurants and Delicatessens ▪ Inns ▪ Creation of a 5-acre lot per Section 3.5 of the AWCP
--	---	--	--	--

Measurement Criteria	<p>Measurement Criteria includes:</p> <ul style="list-style-type: none"> • There is an existing agricultural use on the property and development will not cause a negative impact to that use. • Development will not require infrastructure typically found in residential or commercial developments (i.e. paved streets, sidewalks, and wastewater facilities). • Development will not result in the intensification of water use (PS-3.1). • Parcels meet or exceed zoning's minimum lot size. • Parcel size will sustain the continued agricultural use per California Government Code Section 66474.4. • AWCP development shall be consistent with uses, density, and intensity of those listed in the plan. 	<p>Measurement Criteria includes:</p> <ul style="list-style-type: none"> • Proposed uses shall be restricted to: 1) those that continue agricultural use or that support, maintain, or enhance agricultural use of the property; 2) permanent affordable agricultural employee housing exclusively for agricultural employees as defined in Section 50517.5(g)(1) of the California Health and Safety Code; or 3) developments that include a minimum of 80% permanent affordable housing. For the purpose of this exemption and the Assurance Mechanisms, "agricultural use" is defined as cultivating crops, vineyards, or trees and/or livestock grazing. • If the proposed use is to continue agricultural use or to support, maintain, or enhance the agricultural use of the property, acreage of lots resulting from the subdivision shall be no smaller than 10 acres or the minimum lot size for viable agricultural use, whichever is greater. • Proposed improvements on the subject property shall be located in areas that will minimize impact on productive land. 	Clearly define exempt development.	<ul style="list-style-type: none"> • First bullet point from LandWatch reiterates exempt development. Suggest reducing redundancy. • Define "exempt development" in three-parts. In order for projects to meet the definition, the project must be on the list of development types, meet the identified measurement criteria, and agree to incorporate an assurance mechanism as a condition of approval. • The second part of defined exempt development shall meet one or more of the following Measurement Criteria: <ul style="list-style-type: none"> ○ Acreage of lots resulting from the subdivision is equal or greater than the minimum lot size for viable agricultural use¹ and as prescribed by zoning. ○ Proposed uses incorporated in the project are restricted to only those that support, maintain and/or enhance the existing viable agricultural use of the property. ○ Proposed improvements on the subject property are located in areas that will have minimal impact on productive land. ○ The development type in the AWCP does not exceed the facility limitations prescribed by the AWCP.
----------------------	--	---	------------------------------------	---

Assurance Mechanisms	No recommendation.	<p>2 Assurance Mechanisms Options:</p> <p>The project shall be conditioned to record a <i>Deed Restriction</i> against the subject property and shall be zoned B-7 to limit future subdivision. The deed shall include the following:</p> <ul style="list-style-type: none"> • Project description. • A clear statement indicating that future uses on the property shall be limited to 1) those that continue the agricultural use or that support, maintain and/or enhance the agricultural use of the property, 2) permanent affordable housing, which use may be facilitated by transfer to CHISPA or other affordable housing developer, or 3) housing exclusively for agricultural employees as defined in Section 50517.5(g)(1) of the California Health and Safety Code. Future subdivision shall only be permitted in order to accommodate permanent affordable housing or housing exclusively for agricultural employees as defined in Section 50517.5(g)(1) of the California Health and Safety Code. 	Clearly define exempt development.	<ul style="list-style-type: none"> • Although the B-7 provisions allow for future reclassification, this requirement is inconsistent with the regulations for the Farmland and Permanent Grazing zoning districts which allows for division of property to create a 1-acre minimum lot to accommodate housing for members of the immediate family of the property owner who earn their livelihood from the agricultural use of the family land. In addition, applying the B-7 would be inconsistent with LandWatch’s suggestion to permit future subdivisions for permanent affordable housing or agricultural employee housing. • Suggest omitting any reference to a specific affordable housing developer (e.g. CHISPA). • Define “exempt development” in three-parts. In order for projects to meet the definition, the project must be on the list of development types, meet the identified measurement criteria, and agree to incorporate an assurance mechanism as a condition of approval. • The third part of defined exempt development shall incorporate one of the following Assurance Mechanisms as a condition of approval: <ul style="list-style-type: none"> ○ The project shall include a <i>General Development Plan</i> to
----------------------	--------------------	--	------------------------------------	--

¹ Minimum parcel size as identified in Government Code 51222: 10 acres for prime agricultural land and 40 acres for not prime agricultural land.

		<ul style="list-style-type: none"> • A clear statement indicating that the property(ies) associated with the project are subject to the Deed Restriction for no less than 99 years. • A clear statement indicating that removal of any or all restrictions prior to the sunset date shall require an amendment to the discretionary permit. <p style="text-align: center;">OR</p> <p>The project shall be conditioned to record a <i>Conservation Easement</i> in perpetuity against the subject property and shall be re-zoned B-7 to limit future subdivision. The easement shall include the following:</p> <ul style="list-style-type: none"> • Project description. • A clear statement indicating that future uses on the property shall be limited to 1) those that continue the agricultural use or that support, maintain and/or enhance the agricultural use of the property, 2) permanent affordable housing, which use may be facilitated by transfer to CHISPA or other affordable housing developer, or 3) housing exclusively for agricultural employees as 		<p>address the long range development and operation of the facilities on the property. The following components, as applicable to the project, shall be covered under the plan:</p> <ul style="list-style-type: none"> ▪ Project description ▪ Statement indicating that lot sizes resulting from future subdivisions shall be equal or greater than the minimum lot size for viable agricultural use. ▪ A clear statement indicating that future uses on the property shall be limited to those that support, maintain and/or enhance the existing viable agricultural use of the property. ▪ A clear statement indicating that the General Development Plan will be held in place for the life of the permit. ▪ A clear statement indicating removal of any or all restrictions shall require an amendment approved by the original hearing body that approved the discretionary permit. Substantial modification to the General Development Plan may result in requiring an amendment to original discretionary permit and/or evaluation through the DES.
--	--	---	--	---

		<p>defined in Section 50517.5(g)(1) of the California Health and Safety Code. Future subdivision shall only be permitted in order to accommodate permanent affordable housing or housing exclusively for agricultural employees as defined in Section 50517.5(g)(1) of the California Health and Safety Code.</p> <ul style="list-style-type: none"> • A clear statement indicating that removal of any or all restrictions shall require an amendment to the discretionary permit. 		<p style="text-align: center;">OR</p> <ul style="list-style-type: none"> ○ The project shall be conditioned to record either a <i>Deed Restriction</i> or a <i>Conservation Easement</i> against the subject property. The deed or easement shall include the following: <ul style="list-style-type: none"> ▪ Project description. ▪ A clear statement indicating that lot sizes resulting from future subdivisions shall be equal or greater than the minimum lot size for viable agricultural use. ▪ A clear statement indicating that future uses on the property shall be limited to those that support, maintain and/or enhance the existing viable agricultural use of the property. ▪ A clear statement indicating that the property(ies) associated with the project are subject to the Deed Restriction or Conservation Easement for the life of the permit. ▪ A clear statement indicating that removal of any or all restrictions prior to the sunset date shall require an amendment to the discretionary permit.
--	--	--	--	---