

# Legislation Details (With Board Report)

File #:	PC	19-060	Name:	PLN170765 - MCINTOSH		
Туре:	Plar	ning Item	Status:	Agenda Ready		
File created:	8/5/2	2019	In control:	County of Monterey Planning Co	mmission	
On agenda:	8/14	8/14/2019 Final action:				
Title:	Pub a. use b. squa apa Proj Grea	uses on Lots 2-7, such that the gross square footage of residential use does not exceed commercial use within the entire LSOP (Lots 1-19), and				
Sponsors:	Planning / RMA					
Indexes:						
Code sections:						
Attachments:	1. Staff Report, 2. Exhibit A - Project Data, 3. Exhibit B - Discussion, 4. Exhibit C - Draft Resolution, 9 Exhibit D - Vicinity Map, 6. Exhibit E - CEQA Documents, 7. Exhibit F - Reports, 8. Exhibit G - ALUC Resolution No. 19-008					
Date	Ver.	Action By	ŀ	Action	Result	
8/14/2019	1	County of Monterey P Commission	lanning			
			H TR (LAGUN	A SECA OFFICE PARK)		
Public hearing						
2-7, suc	h that	1	U U	Office Park (LSOP) to allow reside l use does not exceed commercial		
		· //	t Permit (PLN02	0332) changing from approximate	ly 20 000 square	

b. Amending Combined Development Permit (PLN020332) changing from approximately 20,000 square feet of office space to approximately 22,000 square feet multi-family residential (15-unit apartment building) on Lot 5 of the LSOP.

**Project Location:** Laguna Seca Office Park (Lots 1-19), 24491 Citation Court (Lot 5), Monterey, Greater Monterey Peninsula Area Plan.

**Proposed CEQA Action:** Consider an Addendum together with the Laguna Seca Office Park FEIR (File No. 80-109, Resolution No. PC-3734)

### **RECOMMENDATION:**

Staff recommends the Planning Commission adopt a Resolution to:

- 1. Consider an Addendum together with the Laguna Seca Office Park (LSOP) Final Environmental Impact Report (FEIR) in accordance with CEQA Guidelines Section 15164;
- 2. Approve a General Development Plan (GDP) for the Laguna Seca Office Park (Lots 1-19) that would:
  - a) Allow up to 118,570 square feet of residential use on Lots 2-7, not to exceed the gross square footage of commercial use on all nineteen lots in the LSOP;

- b) Exclude the potential for residential use mixed with commercial use on Lots 1 and 8-19; and
- c) Consolidate and supersede all previously approved GDPs for parcels in the LSOP; and
- 3. Amend Combined Development Permit (PLN020332, PC Resolution No. 12-035) approving a Use Permit and Design Approval to allow construction of a 22,137 square foot two-story 15-unit residential apartment building, instead of a 20,306 square foot two-story professional office building.

The attached draft resolution includes findings and evidence for consideration (Exhibit C). Staff recommends approval subject to eighteen (18) Conditions of Approval.

# PROJECT INFORMATION:

 Agent: Anthony Lombardo and Associates

 Property Owner: MCINTOSH LEONARD H TR

 APNs: Lots 2-7: 173-121-002, 173-121-003, 173-121-004, 173-121-005 (Lot 5), 173-121-023, & 173-121-026;

 Lots 1 & 8-19: 173-122-005, 173-121-025, 173-121-009, 173-123-012, 173-121-011, 173-121-012, 173-121-013, 173-121-014, 173-121-015, 173-121-016, 173-121-017, 173-121-018, & 173-124-005

 Parcel Size: Laguna Seca Office Park (54 acres) and Lot 5 (1.924 acres)

 Zoning: "VO/B-6-UR-D-S" (Visitor Serving/Professional and Office Zoning District with overlays for Urban Reserve, Building Site, Design Control, and Site Plan Review)

 Plan Area: Greater Monterey Peninsula Area Plan

 Flagged and Staked: yes

# **SUMMARY**

An application for a General Development Plan (GDP) and an Amendment to a previously approved Combined Development Permit (PC Resolution No. 12-035) was submitted by Leonard McIntosh, owner of Lot 5 in the Laguna Seca Office Park (LSOP). The LSOP is located between Ryan Ranch Industrial Park and Laguna Seca Ranch Estates 1 and 2 subdivisions, north of State Route 68 (SR 68). The LSOP subdivision was approved in 1983 and created 19 lots for professional serving uses. Thirteen lots within the LSOP have been developed with professional office buildings and six lots remain undeveloped to date.

The 19 lots within the LSOP are zoned for Visitor Serving/Professional Office use ("VO") which allows, among other things, residential uses provided the gross square footage of the residential use does not exceed the gross square footage of the commercial use and subject to a Use Permit in each case. None of the office buildings approved, to date, include residential use within the LSOP.

The proposed LSOP GDP would concentrate cumulative allowed residential use across the 54-acre, 19-lot subdivision on six currently undeveloped lots (Lots 2-7) within the LSOP rather than allowing the residential uses to be mixed with commercial uses on the other thirteen individual lots. Further, the LSOP GDP would address comprehensively, long-range development and operation of the facilities for the LSOP as a whole, rather than on an individual lot by lot basis.

In conjunction with the proposed LSOP GDP, the applicant is proposing to amend a previously approved permit for Lot 5, which approved construction of a 20,306 square foot two story professional office building and removal of 43 protected Coast live oaks (PLN020332, PC Resolution No. 12-035). The proposed amendment requests approval for a 22,137 square foot, 2-story residential apartment building, and includes removal of the same 43 Coast live oaks.

Although the project is not located within a Rural Center or Community Area, provision of residential use in this area would locate housing near major employment opportunities which include the LSOP and nearby Ryan Ranch. Analysis under the Development Evaluation System policy of the General Plan is required for the development and is addressed in this report and within the Findings and Evidence in Exhibit C. Water and traffic information have been submitted that demonstrate residential uses would demand less water and generate less traffic than would professional office uses on the same lots.

The Airport Land Use Commission (ALUC) has reviewed the project and voted to not make a recommendation on the project. The project is consistent with the 1987 Monterey Airport Land Use Compatibility Plan, which is the applicable plan in this case. However, the Commission identified a potential conflict with the 2019 Monterey Airport Land Use Compatibility Plan because the project is located within the current airport outer approach/departure zone.

Staff finds that amending the Combined Development Permit uses the same footprint as the previously approved development, so impacts the same number of trees.

### DISCUSSION

The site is zoned "VO/B-6-D-S-UR" [Visitor Serving/Professional and Office Serving in the Urban Reserve Zoning District with overlays for Building Site, Design Control, and Site Plan Review]. Residential use is allowed within this zone provided the gross square footage of the residential use does not exceed the gross square footage of the commercial use, and subject to review and approval of a Use Permit (Section 21.22.060 of Title 21). A General Development Plan (GDP) is required for development in the VO zone when the site is in excess of one acre, that includes more than one use, or that includes any form of subdivision (Section 21.22.030 of Title 21).

The LSOP was approved in 1983 to create 19 parcels. At that time a GDP was not required so development of each parcel in the LSOP has been required to submit a GDP as part of each project application for lots which are in excess of one acre. Approval of this GDP for the entire LSOP would eliminate the future need for GDP on each parcel. However, underlying permitting requirements for development would remain, such as Design Approval and Administrative Permits for development in the "D" and "S" districts.

None of the currently developed Lots 1 & 8-19 in the LSOP include residential use, although the VO zoning district would permit residential use on each individual lot subject to a Use Permit in each case and provided the square footage of the residential use does not exceed the square footage of the commercial use. Rather than planning each individual lot, the proposed LSOP GDP applies residential use, as allowed throughout all 19 lots in the LSOP to be incorporated cumulatively on undeveloped Lots 2-7. There has been 152,978 square feet of commercial buildout over Lots 1 and 8-19, and the GDP proposes residential buildout of up to 118,570 square feet across Lots 2-7. Therefore, the residential gross square footage would not exceed the gross square footage of commercial development in the LSOP.

# Development Evaluation System (DES)

Development proposals of five or more lots or units outside of the priority development areas in unincorporated County areas (Community Areas, Rural Centers, and Affordable Housing Overlay Districts) are subject to analysis using the DES. Staff analyzed both the proposed LSOP GDP and Lot 5 apartment building using criteria set forth in the Development Evaluation System (DES) of the *2010 General Plan* Policy LU-1.19. Application of the DES criteria is an opportunity to ascertain a project's strengths and shortcomings in light of the policies of the General Plan and implementing of regulations, resources and infrastructure constraints, and overall quality of the development.

Accommodation of full buildout regarding infrastructure and resource management was analyzed in the project Final Environmental Impact Report (FEIR) certified in 1983 (File No. 80-109, Resolution No. PC-3734) while site-specific infrastructure and resource management are implemented with each development project. Using the DES as a performance measure, the proposed project would meet all criteria. The LSOP shares the easternmost boundary with Ryan Ranch within the City of Monterey urban overlay district in anticipation of future annexation. The LSOP is in the Urban Reserve ("UR") district which identifies areas that are reserved for annexation and are to be developed in a phased manner as part of an incorporated city (i.e. City of Monterey). The development was referred to the City of Monterey for comment. City staff expressed concern about tree removal and replacement. With assurance that trees would be replaced at a 1:1 ratio, City staff had no further comments or concerns. Commercial buildout has reached 152,978 square feet and together with the GDP proposal of 118,570 square feet of residential use, would total 271,548 square feet for completion of buildout in the LSOP.

Under the Inclusionary Housing Ordinance, the applicant will provide units in affordability categories and/or pay in lieu fees, each of which is directed and calculated by the County Housing Authority (Condition No. 18). In the situation where the applicant chooses to submit in lieu fees, even market-rate units of an apartment building at the LSOP could contribute to alleviating rental housing pressures, explained in the 2015-2023 Housing Element, adopted by the Board of Supervisors January 26, 2016 [certified by Federal Housing and Community Development (HCD) May 10, 2016]. A more detailed analysis of the project through the lens of the DES is attached as Exhibit B.

# Procedural Background - Airport Land Use Commission (ALUC)

On March 20, 2018, the applicant applied for an Amendment to a previously approved project (PC Resolution No. 12-035) changing from a commercial building to a residential apartment building on Lot 5 in the Laguna Seca Office Park (LSOP). On April 19, 2018, the project was deemed complete. During the months of May through July 2018, staff worked with the applicant to obtain additional information necessary to completely analyze the project. Staff informed the applicant that residential development would not be allowed to exceed commercial development for a project in the VO zone. Rather than proposed mixed use on Lot 5, the applicant proposed a General Development Plan (GDP) that would apply residential use to be considered cumulatively over all 19 lots in the LSOP with specific allowance for residential use on Lots 2-7, which are currently undeveloped. Staff added the GDP to the project description for the subject application in October 2018.

On January 14, 2019, staff received all information necessary to analyze the project. Subsequently, on February 25, 2019 an Airport Land Use Compatibility Plan for the Monterey Regional Airport was adopted that replaced the 1987 Compatibility Land Use Plan for the airport (1987 CLUP). The project required review by the Airport Land Use Commission (ALUC), responsible for review of projects within the applicable area of influence for consistency with the adopted airport land use compatibility plan. The 2019 ALUCP Policy 4.1.5.2 provides that a project application deemed complete prior to adoption of the 2019 ALUCP should be evaluated under the 1987 CLUP. The applicant and ALUC staff disagreed as to whether the policy was referring to completeness determination by the ALUC staff or by the County. The previously approved project for a professional office building (PC Resolution No. 12-035) had been analyzed for consistency with the 1987 CLUP and was found in compliance. The applicant interpreted the 2019 ALUCP Policy 4.1.5.2 refers to the County completion date, and therefore, the 1987 CLUP was the appropriate plan for review of the project for consistency. ALUC staff interpreted Policy 4.1.5.2 refers to the ALUC completion date, and therefore, the 2019 ALUCP was the appropriate plan for review of the project for consistency.

The 2011 Caltrans Airport Land Use Planning Handbook created a Safety Zone 4 that allows a residential development density maximum of 1 dwelling unit per 2 acres, which is included in the 2019 ALUCP.

Therefore, analysis of the proposed project with the 2019 ALUCP would result in a finding of inconsistency. The 1987 CLUP does not include Safety Zone 4, indicating a finding of consistency could be made for the proposed project if analyzed using the 1987 CLUP. During the May 30, 2019 meeting, the ALUC voted in a 3 (ayes) - 4 (noes) decision against a motion to find the project inconsistent with the 2019 ALUCP. Subsequently, the ALUC voted 6 (ayes) - 0 (noes) to not make a consistency determination of the proposed project with the airport land use compatibility plan.

# Safety and Land Use

Monterey Regional Airport is approximately 1.5 miles from the LSOP. Notwithstanding the final vote by the ALUC to not make a consistency determination of the proposed project with the 2019 ALUCP, the Zone 4 incorporation of the LSOP is fully disclosed and the applicant shall be required to record a deed restriction that encumbers each of Lots 2-7 in the LSOP. The deed restriction shall include a disclosure clause requiring the property owner fully state in each rental agreement, the circumstances of airport proximity, potential hazards, and restrictions for residents within Zone 4 (Condition No. 17).

The 2019 ALUCP seeks to ensure that people and facilities are not concentrated in areas susceptible to high risk of aircraft accidents per the 2011 Handbook (Chapter 1, pg. 1-1, 2019 ALUCP), and allows a maximum 150 persons per acre for non-residential uses in Zone 4 (Chapter 4, Table 4b, pg. 4-28, 2019 ALUCP). Daytime commercial operation of the LSOP concentrates people in the area during the majority of flights in and out of the airport, which operates 4am to midnight. Further, the recommendation for non-residential uses in Zone 1 is for zero people maximum who may be on the parcels or site at a single point in time, whether indoors or outdoors. Zone 1 is applied to the locations of Tarpy's Roadhouse and Stone Creek Plaza (7-Eleven, Starbucks, Jack-in-the-Box, Wells Fargo Bank, Pet Specialists of Monterey, Avian & Exotic Clinic, and Stone Creek Kitchen). Participants in commercial operations in the Stone Creek Plaza or the LSOP on any given business day (7am-7pm) are concentrated in areas susceptible to high risk of aircraft accidents more so than residents in the LSOP on any given day (4am-7am and 7pm-midnight when fewer Monterey Regional Airport departures and arrivals occur than 7am-7pm).

Exhibit B includes further Discussion.

# Design

Parcels in the LSOP are subject to the Design Control ("D") overlay which provides for consideration of location, size, configuration, materials, and colors to ensure visual integrity of the public viewshed and to protect neighborhood character. An Administrative Permit is requested as required for development in the "S" district for those areas of the County where development, by reason of its location, has the potential to adversely affect or be adversely affected by natural resources or site constraints. Siting, bulk, and mass of the residential apartment building are no more than marginally different from those of the previously approved office building. The Lot 5 apartment building proposal includes colors and materials that are compatible with the natural surroundings. Landscaping includes Coast live oaks, large non-invasive screening shrubs, and native vegetation in aesthetic sympathy with the rural setting.

# <u>CEQA</u>

An Addendum to the certified Laguna Seca Office Park FEIR (File No. 80-109, Resolution No. PC-3734) has been prepared for this project. The Addendum describes changes in circumstances and conditions that had occurred subsequent to approval of the office park (1983) including groundwater and traffic. Site-specific information for Lot 5 was analyzed for potential environmental impacts and a 2012 IS/Addendum (PC Resolution No. 12-035) demonstrated that major revisions to the LSOP FEIR were not required due to these changes in circumstances. The apartment building proposal for Lot 5 presents no changes in circumstances that

were not contemplated in the 2012 IS/Addendum for the professional office building. This 2019 Addendum contemplates potential project-specific impacts on the environment due to the change in use from commercial to residential and shows that the General Development Plan for the LSOP, residential development on Lots 2-7, and a 15-unit apartment building on Lot 5, as proposed, would have less than significant impact on traffic and groundwater supplies. Therefore, there are no new significant impacts due to implementation or operation of the proposed project.

Staff finds the project, as proposed and conditioned, is in conformance with applicable County land use and zoning regulations as provided by the 1987 CLUP.

### OTHER AGENCY INVOLVEMENT:

The following agencies have reviewed the project, have comments, and/or have recommended conditions: Bureau of Environmental Health RMA-Public Works & Facilities RMA-Environmental Services RMA-Parks Water Resources Agency Monterey County Regional Fire Protection District City of Monterey Monterey County Sheriff Department Economic Development Department

LUAC: The Greater Monterey Peninsula LUAC voted 4-0 in favor of recommending the project for approval with no changes. The meeting took place on April 19, 2018.

Prepared by: Jaime Scott Guthrie, AICP Associate Planner, ext. 6414

Reviewed by: Craig Spencer, Acting Planning Services Manager Brandon Swanson, Acting Chief of Planning

Approved by: John M. Dugan, FAICP, Deputy Director of RMA Land Use and Community Development

The following attachments are on file with the RMA:

- Exhibit A Project Data Sheet
- Exhibit B Discussion
- Exhibit C Draft Resolution, including:
  - Conditions of Approval
  - Site Plans, Elevations
  - General Development Plan
- Exhibit D Vicinity Map, including
  - Vicinity Map
  - Laguna Seca Office Park Map
- Exhibit E CEQA Documents, including:
  - Laguna Seca Office Park FEIR (File No. 80-109, Resolution No. PC-3734)
  - IS/Addendum to FEIR for planning file PLN020332 (Lot 5)
  - Addendum to FEIR for planning file PLN170765 (Lot 5)

Exhibit F - Reports, including:

- Geotechnical and Infiltration Investigation, Taluban and Garcia (LIB180115)
- Drainage Report Update, Bestor Engineers, Inc. (LIB180117)

- Trip Generation Study, Higgins (LIB190165)
- Forest Management Plan, Webster (LIB110397)
- Exhibit G Airport Land Use Commission (ALUC) Resolution No. 19-008

cc: Front Counter Copy; Brandon Swanson, Acting RMA Chief of Planning; Dale Ellis c/o Anthony Lombardo and Assoc., Agent; Leonard H. McIntosh, Applicant/Owner; Alan Hendry c/o Wald, Ruhnke, Dost Architects; Chairperson, Greater Monterey Peninsula Land Use Advisory Committee; Shelly Glennon, Designee of Secretary to the ALUC; Mark Blum c/o Horan Lloyd, interested party; Edward Rockower c/o York Hills HOA, interested party; Michael Weaver, interested party; M R Wolfe & Associates (John Farrow); The Open Monterey Project (Molly Erickson); LandWatch (Executive Director); Michael Weaver, interested party; Project File PLN170765.