Exhibit A



DISCUSSION

BACKGROUND:

The Moss Landing Community Plan is Chapter 5 of the North County Land Use Plan (LUP). The North County LUP is in turn a part of the County's Local Coastal Program (LCP). The LCP contains four Land Use Plans, one for each of the County's coastal planning areas; the Monterey County Coastal Implementation Plan (CIP), which contains the codified regulations and development standards that implement the plan policies; and multiple Appendices.

The entire LUP applies in Moss Landing. The 1982 Moss Landing Community Plan chapter covers land use and development within the community in more detail than the rest of the LUP. Additionally, the community plan contains supplemental narrative and policies on the community's circulation, wastewater infrastructure, public access and recreation, and the community's unique historical and visual character as a port town. The update revises the narrative and policies for these subject areas. Some of the major additions include adding climate hazard and sea level rise policies, restructuring the community plan to mirror the broader LUP, and adding tribal cultural resource protection policies.

The community plan is interconnected with the other policy and regulatory documents in the LCP. Therefore, the community plan update also involves updating other sections of the LUP, which ensures an internally consistent plan; updating the CIP, which ensures the policies of the community plan are incorporated into the County's regulations; and updating relevant Appendices. At the end of the process the goal is to have a seamlessly harmonized; rather than multiple plans and the potential for confusion or conflict between them.

The existing LUP and CIP, including LUP Chapter 5, the Moss Landing Community Plan, can be found on the County's webpage for the Moss Landing Community Plan update project. The latest draft of the updated community plan, released December, 2024, and the latest drafts of updated CIP regulations can all also be found on the web page. The web page also contains a "blue-line" version of the latest draft, which compares it to the November 2020 draft considered at previous Planning Commission workshops:

 $\frac{https://www.countyofmonterey.gov/government/departments-a-h/housing-community-development/planning-services/ordinances-plans-under-development/moss-landing-community-plan.}$

UPDATE HISTORY:

As mentioned in the cover report, this update has been a challenge. The County has been working to update the Moss Landing Community Plan with community, relevant agencies, and interested parties since in 2008. At that time several concurrent development applications were submitted which resulted in a board referral and direction to update the community plan so that the growth of the community could be considered holistically rather than through individual applications for context a typical general/comprehensive plan has an anticipated life of 20 years before a major update is considered, while the community plan update has taken 18 years. The following synthesizes some of this history.

2008-2009 Community Update Committee

A Community Plan Update Committee ("Committee") was created to develop a vision for

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future development in Moss Landing in 2008. The Committee included representatives from key members and organizations in the community, including regulatory agencies, property owners, environmental advocacy organizations, and the general public. To accomplish its task the Committee formed two subcommittees, one focused on existing and proposed land uses; and another focusing on infrastructure needs, particularly sewer, water, and transportation. The Committee held several public meetings between 2008 and 2009 to obtain input on future development trends and the needs of the community.

Early in the process the Committee came to a consensus that the overall direction of development in Moss Landing was consistent with the existing land use plan, but recognized portion of the plan were either out of date or needed additional work.

The Committee contemplated several different growth scenarios. The first was a no/limited growth scenario where no changes be made to the plan and little additional development be accommodated. The second is what is referred to as a "moderate growth" alternative. This would involve updating the plan to allow vacant properties to be developed, including expansion of the sewer service area ("Urban Service Line") to the Moss Landing Business Park site (former Kaiser refractories). The final alternative was an expanded growth alternative, which involved changing the land use designations to allow additional uses, including commercial, along the Highway 1 corridor. This expanded growth alternative is in contrast to the current Heavy Industrial land use designation east of Highway 1.

The general consensus of the community was that the moderate growth alternative would be consistent with the overall vision for Moss Landing and its resource constraints. Thematically, the Committee recommended that new development have a nexus to the unique resources in the community, including marine research, marine industrial/commercial businesses, and tourism. While the text of the update has evolved over the years, the Committee's recommendations and the moderate growth alternative remain central to the direction of the plan update. If drafting a plan were like building a house, the 2009 recommendations are like the foundation of everything to come.

2018-2020 Meetings and Workshops

Various drafts and concepts were considered between 2009 and 2017, which ultimately did not result in an approved plan. Between 2018 and 2019, the County conducted a series of public meetings to review the draft update section by section. In 2020, multiple Planning Commission workshops were also conducted to further review and provide direction on the plan. The vision remained that of moderate growth identified by the Community Plan Update Committee, but the structure and text of the plan update was substantially revised at this point, and the resulting 2020 draft is instrumental to the current version. Continuing the analogy of drafting a plan to building a house, the input of these meetings and workshops are like setting up the wood framing. The delineation of what are where all of the rooms are has been set up, and the finished product is much easier to visualize.

2020-Present Work

Between 2020 and 2024 County planning staff worked to refine the plan and draft implementing regulations that could be considered concurrently with it. Taking years between major public

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efforts like this is, candidly, not an ideal approach. The most recent updates to the plan are intended to minimize alteration of the policy from 2020 and focus on structural and grammatical clarity. We believe the foundation and the form of the plan are basically sound and are trying to address new issues as they arise rather than go backward. Continuing with our plan/house analogy, the current effort is like the finishes of the house, such as the roofing, siding, windows, furnishings. This is where it's all intended to come together.

KEY WORK ITEMS REMAINING:

Staff also acknowledge that a significant amount of work needs to be done to get this plan update over the finish line. Continuing with the analogy in the that updating a plan is like building a house, with every construction project there are always unexpected issues that arise in the field that need to be addressed. Below are the major ones that staff have identified.

Outreach and Public Comment:

The Public Participation Handbook Pg. 22 states "The closer you get to a final decision; the more people are likely to be involved. But the opportunity to participate at each stage is essential to success." (Creighton, 2005) While staff have emphasized that we believe the foundation and framework of the community plan update are sound, we also acknowledge public participation is an on-going process. Staff began re-engaging the community in the update process in November 2024 with a release of the latest draft of the community plan. The following outreach activities have occurred since then:

- December-January 2025:
 - Released a renewed Notice of Preparation (NOP) for the Moss Landing
 Community Plan Environmental Impact Report (EIR) on December 4, 2025.
 - o Released an updated draft of the community plan on December 6, 2025.
 - o Conducted a public scoping meeting on the EIR December 13, 2025.
- March-April 2025:
 - Released draft Climate Change Coastal Implementation Plan Regulations on March 20, 2025
 - o Conducted a public meeting on these regulations on April 15, 2025.
- May-June 2025:
 - o Released draft Coastal Implementation Plan regulations addressing topics in the community plan except for sea level rise on May 12, 2025.

Multiple comment letters have been received. Not all of these are specifically about the plan, some are in response to a revised Notice of Preparation for an Environmental Impact Report or draft regulations that the County has released. However, changes to the plan text are being considered to address them. The public comments are compiled in **Exhibit B**. A few of the key comments are discussed below.

• California Coastal Commission – On February 19, 2025, the County received a letter from California Coastal Commission (CCC) staff with comments on the plan. Some of the changes or considerations that are recommended are those that County staff are supportive of and feel can be easily accommodated. Others would raise extreme complications and may take the plan in a dramatically different direction. One of these is the concept of considering changing the land use designation on the former Kaiser Refractories / Moss Landing Business Park site from industrial to another use, such as

commercial or affordable housing. Staff plan to work with CCC staff to see if a consensus can be reached.

- Harbor District Multiple letters have been received by the Harbor District. One of the letters sent on January 20, 2025, in response to the NOP strongly recommends that the community plan include specific policies regarding fire safety of battery energy storage facilities and expanding Highway 1 into four lanes. These are both challenging issues to address. Battery Energy Storage is discussed in the previous section. Widening Highway 1 is not explicitly mentioned in the most recent draft of the community plan but is an existing policy of the North County Land Use Plan. It's also one of multiple alternatives being considered long-term by transportation agencies as discussed in the Circulation and Transportation section below.
- Climate Hazard Regulations Form Letter Many of the comments in response to the Climate Change Coastal Implementation Plan regulations released in March appear to be a form letter requesting that "none of the policies in this updated community plan apply to the industrial area where battery storage is ongoing." We believe this arises from a concern with the wording of the draft Climate Change of section 20.144.100.D.4.b.1) would allow rebuilding of the damaged Moss 300 battery energy storage site. This is not the intent of that regulation, and staff will review to ensure the purpose and effect of the regulation are clear.

Staff have also coordinating with local agencies with jurisdiction in the area, and have met with Moss Landing Harbor District, Castroville Community Services District, Pajaro Sunny Mesa Community Services District, California Coastal Commission, and California Department of Transportation (Caltrans) staff.

<u>Battery Energy Storage Systems:</u>

The largest issue that's recently developed is if and how and the community plan update addresses utility scale battery energy storage system (BESS) facilities in Moss Landing. The discussion here is focused on policies that could be incorporated into a local land use plan, not all things related to BESS. The recent January 2025 fire at the Moss 300 BESS facility at the Moss Landing power plant, owned and operated by Vistra Energy, has brought this issue into sharp focus in Moss Landing and statewide. Recovery efforts and data collection on the results of the fire and subsequent flare up are on-going, and being led by the County's Department of Emergency Management (DEM) and Environmental Health Bureau. The County of Monterey DEM response web page for the fire has detailed information on this: https://www.readymontereycounty.org/emergency/2025-moss-landing-vistra-power-plant-fire.

BESS and fire hazards associated with them are key concern for the community. Fact finding on the causes and effects of the fire is on-going, and we would want to ensure any policies that are crafted for the community plan are based in best available science. BESS are also a priority for the state to achieve it's climate change goals, and current state law allows BESS operators to apply for streamlined permitting through the state rather than go through the local approval process. Multiple state bills have also been proposed that would further shift the California legislative landscape, but we don't know what the final result of those bills would be.

Therefore, at this time HCD staff plan to work with Department of Emergency Management (DEM), the Environmental Health Bureau (EHB), North County Fire Protection District, California Coastal Commission (CCC), and first responders on a policy or policies that can be added to the community plan that would require BESS facilities to utilize the best available science, require that they comply with state and federal regulations pertaining to both fire prevention and emergency response, and that contain the standard minimum submittal requirements for any BESS permit application. Staff expect that this will be far from the last policy or regulatory conversation surrounding land use and BESS in the County.

Shoreline and Harbor Adaptation Plan:

Moss Landing is a low-lying coastal community that is susceptible to climate change; therefore, the draft update of the plan includes establishing policies and specific measures to avoid or address climate change impacts. In addition to policies that address how developments are reviewed for climate change hazard impacts, the latest draft of the community plan has a new policy that would require preparation of a Shoreline and Harbor Adaptation Plan. This policy, specific policy 5.2.6.H.1, states that the Shoreline and Harbor Adaptation Plan detail appropriate steps to protect the harbor and community or develops other types of adaptation strategies against the effects of climate change hazards on the community; and details appropriate adaption triggers and steps for managed retreat to accommodate shoreline migration.

While this is a significant addition in comparison to the drafts considered by the Planning Commission in November and December of 2020, staff feel it's an appropriate one in the current context. In April 2020, an older draft of the community plan included a policy requiring preparation of a "Shoreline Management Plan," which is conceptually similar to what is in the latest plan draft. In November 2020, County had staff removed the policy relating to a Shoreline Management Plan, explaining that the planning effort would be too expensive and could not be pursued at that time due to the financial burden, and that until funding could be found, individual proposed projects would need to provide an analysis of future coastal hazard impacts.

However, state law was recently updated in 2023 through Senate Bill (SB) 272, which requires local governments to address sea level rise in their LCPs, and includes specific requirements:

- 1. The use of the best available science.
- 2. A vulnerability assessment that includes efforts to ensure equity for at-risk communities.
- 3. Sea level rise adaptation strategies and recommended projects.
- 4. Identification of lead planning and implementation agencies.
- 5. A timeline for updates, as needed, based on conditions and projections and as determined by the local government in agreement with the California Coastal Commission.

Additionally, the California Coastal Commission (CCC) Local Coastal Program (LCP) rolling grant fund also made funds available for local governments to update their LCP's consistent with the California Coastal Act, with special emphasis on planning for sea level rise and climate change. Staff initiated conversations with CCC staff to see if the on-going update of the Moss Landing community plan was an appropriate candidate for the grant in in early 2024, and they communicated it would be. Rather than attempt to integrate all of the elements of SB 272 into the on-going community plan update, staff worked CCC staff to develop a phased approach to

update the LCP. The first phase of work would be concurrent with the community plan update and focus on updating policies and regulations detailing how Coastal Development Permits involving coastal hazards or shoreline protection would be reviewed, considering existing Moss Landing vulnerability analyses prepared in 2017 and 2019, and the California Coastal Commission's Sea Level Rise Policy Guidance.

The second phase would be preparation of the Shoreline Habor Adaptation Plan as detailed in policy specific policy 5.2.6.H.1. After coordinating on the grant scope, in April 2025 the County entered into a grant agreement with the CCC for the amount of \$938,960.00, which would cover a portion of the costs of the current Moss Landing Community Plan update effort (phase I of the grant) and cover the preparation of the Shoreline and Harbor Adaptation Plan (phase II of the grant). This phased approach ensures that climate change hazard issues are appropriately addressed in Moss Landing and will bring the portion of the County's LCP applicable to Moss Landing into compliance with SB 272, without slowing down the current effort to complete the Moss Landing community plan. Our tentative schedule has the final adoption of the Moss Landing Community plan the middle of 2026, with the Shoreline and Harbor Adaptation Plan occurring after this at the end of 2027.

Design Guidelines:

Creating Design Guidelines that reflect the unique architectural themes and aesthetic qualities of Moss Landing is called for in draft policy 5.2.2.C.2 of the latest draft of the Moss Landing Community Plan. A draft of these guidelines was prepared in 2015, but staff believe it needs some refinement before it's ready for release and review. We're working to prepare these guidelines concurrently with the community plan update process to ensure that their drafting isn't deferred to an indeterminate future date.

We're targeting August 2025 for preparation of the guidelines, and once we have an updated, we plan to release them on our website and schedule a public meeting with the community to review them and provide input. We were also considering scheduling this as a joint community meeting and North County Land Use Advisory Committee (LUAC) as site design and local considerations are part of the LUAC's purview but haven't gotten far enough to determining what the format of location of such a meeting would be.

Circulation and Transportation:

There are multiple transportation projects at various stages in the planning process within the community. The County is analyzing a project to construct sidewalks, and storm drains along Moss Landing Road to connect the Heights residential neighborhood into the Village Center, which contains the post office and other light commercial businesses. Doing so has been integrated into the text of the community plan as a planned improvement and seeking funding for the improvement of both this road and Sandholdt has been directed by and the Specific Policy 5.3.2.G.4 in the latest draft. The draft plan also states that the development of the Monterey Bay Sanctuary Scenic Trail through the community is a high priority. This trail is a pedestrian / bicycle access trail that would run parallel to Highway 1 and integrate Moss Landing into the larger California Coastal Trail.

The County is not the only agency undertaking long-range planning efforts in the community.

Caltrans are pursuing a pavement maintenance project along Highway 1, which is described on their website: https://dot.ca.gov/caltrans-near-me/district-5/district-5-current-projects/05-1k870
The Transportation Agency for Monterey County (TAMC) is working on two planning projects that are particularly relevant to long-term transportation and circulation in and around Moss Landing. The first is the North Monterey County Regional Transportation Vulnerability Assessment, which is a study understand how coastal hazards such as sea level rise, coastal flooding, erosion, groundwater rise, etc. will affect transportation such as local roads and streets, railroad lines and crossings, active transportation infrastructure, and transit infrastructure: https://www.tamcmonterey.org/monterey-county-regional-transportation-vulnerability-assessment.

The second is the Highway 1 Elkhorn Slough Corridor Resiliency Project: https://www.tamcmonterey.org/highway-1-elkhorn-slough-corridor-resiliency-project. This project builds off of the 2020 Central Coast Highway 1 Climate Resiliency Study prepared by the Association of Monterey Bay Area Governments: https://ambag.org/plans/central-coast-highway-1-climate-resiliency-study, and is intended to evaluate the viability of long-term transportation climate adaptation options for both Highway 1 and railway infrastructure in the area. This project is still in the early stages of development but would analyze different projects concepts such as widening Highway 1 to four lanes in its existing alignment or elevated, elevating the highway and keeping it at two lanes.

County planning staff are continuing to coordinate with TAMC and participate in their outreach efforts for these projects, and the latest draft of the community plan has a policy stating that the County of Monterey shall participate in initiatives for regional transportation planning, improved rail service, expanded transit service, demand reduction, and signage and other travel instructions that implement the Moss Landing Community Plan (Pg. 29, General Policy 5.3.2.F.1.).

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