

Exhibit A

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DISCUSSION

The project site is a four-acre Medium Density Residential parcel within the Boronda Community Area of Monterey County. The subdivision proposes to create 16 new lots for future residential development, a parcel for road and utilities (Parcel 1, 0.93 acres) a Right-of-way dedication to County for Boronda Road (0.03 acres); a parcel for stormwater detention basin (Parcel 2, 0.11 acres), and a Remainder Lot, which will contain the existing single family dwelling and accessory structures. The new lots are proposed at a ratio that County staff and advisory bodies have found appropriate for development. The standard subdivision complies with regulations in Title 19. The ratio also meets the intent of the California Environmental Quality Act (CEQA) infill housing exemption.

Site Suitability

A preliminary soils report (County of Monterey Planning Library No. LIB210239) was submitted and found no groundwater table above a 41-foot depth at the project site and low liquefaction potential. This report concluded that the land has good groundwater recharge and sufficient percolation. Per the prepared Archaeological Report (County of Monterey Planning Library No. LIB220052), no significant archaeological resources were found to have the potential to be impacted as part of the subdivision. Monterey County Regional Fire District staff reviewed the design and advised the placement of two hydrants within the subdivision at the locations they are shown on the draft VTM (above Lot 17 and above Lot 10).

Water Supply and Demand

A hydrogeological report was not required for this subdivision because it is in a Community Plan Area that is served by an established public utility, California Water Service. California Water Services' 2020 Urban Water Management Plan for the Salinas District (dated June 2021) plans for and manages water availability for the subject property and the surrounding area. Also, California Water Service provided a "Can and Will Serve" letter for the proposed subdivision, indicating that it has the capacity to provide the project's water demand. Average single family home residential water use is estimated to be 0.27-acre-feet per year (AFY). With the implementation and build-out of the subdivision, the proposed 16 residential units and one existing residential unit will demand approximately 4.59 AFY. As required by Title 19 section 19.03.15.L, the County Health Department determined that the water supply and health and safety of the water supply are adequate to serve the proposed subdivision. Thus, the County did not require a hydrogeological report in this case because the subject site is on a well-documented water basin. More discussion is provided under *2010 General Plan*, below.

Drainage

The slope summary table on the draft VTM illustrates that 99.9% of the existing lot area is 20% slope or less, 0.003% is between 20% and 30%, and 0.004% is greater than 25% slope. The naturally sloped portion is a drop at the easternmost edge of the property. Drainage from the subdivision will be controlled by improvements, including compacted fill, so that surface water will run toward the drainage basin at the last lot to the west (Parcel 2). Site improvements to allow property drainage would result in an increase in elevations required retaining walls and constructed slopes. The site plan includes a retaining wall of 3 feet to 8 feet immediately after the 3:1 sloped constructed area at edges of Lots 6, 7, 8, and 9. In an effort to aid the offsite drainage issues from these slopes and from APN 261-101-002-000 toward APN 261-101-005-000, the

project proposes to construct an 8-foot wide drainage channel along the northern half of the eastern edge of the subdivision after the retaining wall. The project site is not within a FEMA designated floodplain. There is one utility easement located on the project site; it is a sanitary sewer easement at the southeast corner and an existing 6-inch sanitary sewer main is located in the easement.

Zoning Ordinances

The project complies with the MDR zoning district's requirements for lot size and density. The maximum building site coverage for the MDR zoning is 35%. Setbacks are 20 feet front, 5 feet side, 10 feet rear. These setbacks are drawn on the draft VTM. The smallest lot created in this subdivision is 6,004 square feet in size, which complies with the zoning district's minimum lot size of 6,000. The maximum height is 30 feet for the district, so a two-story residence could be as much as 4,200 square feet in floor area on the smallest lot. The lot sizes in the neighborhood are as small as 6,500 square feet, and most are larger. There is sufficient room for onsite parking, as well. The proposed subdivision is consistent with the design of others in the neighborhood.

The Project is within the "A" Zoning District overlay. The purpose of the district is to provide for some agricultural use of land while placing limits on the number of animals and intensity of agricultural uses in those areas which are not suitable by size, terrain, neighborhood uses or similar constraints for extensive agricultural use. Historical aerial photography was reviewed, which indicated that the open areas of the existing lot were used for horsemanship. All uses are permitted in the district with which the "A" District is combined. No special regulations would prevent this subdivision.

The project site's Urban Reserve zoning overlay indicates that it is in an area anticipated for future annexation into the City of Salinas (City). Therefore, the application was reviewed by the City's Planning and Development Engineering departments. The City Planner's review indicated that there were no design elements particular to this subdivision that would not meet applicable City of Salinas ordinances. If annexed into the City, the foreseeable zoning would allow eight dwelling units per net acre. As discussed above, the net site acreage for the 17 new residential lots is 2.93 acres (Parcels 1 and 2 do not contribute towards density). As proposed, the subdivision's density is less than eight units per acre, as allowed by the City's jurisdiction. Therefore, the subdivision has the potential to comply with the City zoning upon annexation. The City requires an Agrarian Easement on the property. The County's requirement for an Agricultural Buffer easement aligns with this requirement to allow for a smooth transition into City jurisdiction, should annexation occur. The City's Development Engineering offered to review the final improvement plans, which will be attached to the Final Map for Board of Supervisors acceptance. The City Development Engineering office requested that the improvement plans detail curb ramps, streetlights, cluster mailbox, street trees, and a joint trench and that the utility cabinets and transformers be installed underground. When the project's sewer ties to the Boronda system, the City stated that the Boronda system discharges to the City's sanitary sewer. Therefore, the Applicant shall pay City sanitary sewer impact fees when they construct. Lastly, the City Engineer estimated the Salinas traffic fees in the 2021 review.

Agriculture Buffer Variance

During application reviews, HCD staff and the Agricultural Commissioner's Office recommended that the applicant include an easement on the west side of the subdivision to establish a well-defined buffer for the protection of agriculture from the impacts of new residential development. The applicant did not add an agricultural buffer easement to the proposed Vesting Tentative Map but made a presentation to the Agricultural Advisory Committee (AAC) on April 27, 2023 as to why they could not comply with 2010 Monterey County General Plan Policy No. AG-1.2 and Monterey County Code section 21.66.030.F.2. 2010 General Plan Policy AG-1.2 details criteria to help establish an appropriate buffer width based on proposed development, site conditions, weather patterns, anticipated agriculture practices, crop type, machinery, pesticide use, etc. California Government Code section 65860 requires County ordinances to be consistent with the General Plan. This section states that "[i]n the event that a zoning ordinance becomes inconsistent with a general plan by reason of amendment to the plan... the zoning ordinance shall be amended within a reasonable time so that it is consistent with the general plan as amended" (Government Code section 65860(c)). Title 21 section 21.66.030 has yet to be amended to reflect the 2010 General Plan Policy AG-1.2 criterion, but it is included in the County's long-range planning work program. In this case, a Variance is proposed to modify the requirements of Title 21 while still meeting Policy AG-1.2. The AAC reviewed a sketch of a proposed easement area, which was only 20 feet wide with a 6-foot tall sound wall added for structural buffering. The AAC generally supported the project with an agricultural easement of less than 200 feet, but they did not take a vote. Rather, they reviewed the proposed agricultural buffer for the subdivision and made recommendations such as: 1) construct a 7-foot-tall buffer wall along the 20-foot setback line of the proposed Parcel 1, drainage parcel, 2) add vegetation buffers and 3) reach out to the area's agricultural operators to exchange information of their activities so that growers can advise of their crop operations and activities to reduce incompatible issues.

The applicant redesigned the proposed VTM and, in doing so, added more area to the northwestern corner, which can serve as an agricultural buffer. The distance from agricultural operations on the west side of Boronda Road to the nearest new residential lot would be 139 feet, and a 6-foot high soundwall is proposed along the width of this lot (Lot 1, Residential). The agricultural buffer easement area would include all of Parcel 2 (Drainage), and no structures would be added to that area, although occasional maintenance of the drainage control basin may be required and would be allowed. Although the existing dwelling is approximately 120 feet from the Farmland parcel boundary across Boronda Road, the Owner/Applicant proposes to construct a 6-foot-tall sound wall 78 ½ feet from the adjacent Farmland parcel boundary to add buffering. The redesigned VTM was not brought back to the AAC because the potential impact to nearby agricultural uses by the subdivision would be reduced by the redesign. The applicant requests that the Planning Commission find that this smaller buffer area and two sound walls be sufficient to meet the agricultural buffer easement requirements and requests a Variance to Title 21 section 21.66.030.F.2. Staff recommends that the Planning Commission support approval of the Variance with findings that privileges inconsistent with the limitations upon other properties in the vicinity would not be given to the applicant because all the development in the vicinity show a less-than-200-foot buffer, and the Medium Density Residential zoning district does not expressly authorize agricultural buffer easements, so there is not a cross-zoning conflict. The third finding for Variance is based on the AAC review which found the adjusted and qualitative

buffering sufficient and, in the hearing, the AAC noted that several other residentially developed parcels along Boronda Road front the same agricultural uses and lack any agricultural buffer easement. The Project includes a condition of approval for vegetation and sound walls to be constructed as described in the attached Agricultural Advisory Committee April 27, 2023 Minutes: a 7-foot wall at the 20ft setback line from Boronda Rd for proposed Lot 1 and, in addition to the 7-foot wall described above, vegetative buffer within the 20 foot setback between Boronda Rd and Lot 1 (Condition No. 30).

2010 General Plan

The project site is located within the Boronda Community Area established in the 2010 General Plan (2010 GP). The Project is consistent with other Land Use Policies LU-1.19, which prioritizes development within Community Areas and is not subject to meeting the criteria of the Development Evaluation System of Policy LU-1.19. The Project is consistent with 2010 GP Land Use Policy LU-2.25, which allows for development of subdivisions in Community Areas prior to adoption of a Community Plan. The project is conditionally consistent with LU-2.12 and 2.13, affordable housing requirements, with a modified proposal that was reviewed by the Housing Advisory Committee for recommendation to the Planning Commission. The ratio and affordability levels are discussed below and in Condition of Approval No. 8. No park area is proposed, and therefore the Quimby Act requirements shall be complied with in the form of in-lieu fees to the County Parks Department (Condition No. 9).

The proposed subdivision and future development will be served by public services, including water, wastewater, fire, police, and public transportation, in compliance with Table PS-1 of the 2010 General Plan. The project site is within the County Water Resource Agency's Zone 2C and, therefore County relied on available reports that address the potential of a long-term sustainable water supply to the Project under policy PS-3.1. Evidence of the project's ability to meet the long-term sustainable water supply criteria under Policy PS-3.2 is found within the California Water Service 2020 Urban Water Management Plan for the Salinas District (dated June 2021). In the Urban Water Management Plan, California American Water analyzed their infrastructure, historical and projected water demands, water supplies, supply reliability and vulnerabilities, contingency planning, and demand management programs, including water conservation planning to assess the groundwater conditions and ensure it can meet its service needs. Based on this analysis, California Water Service's report stated that the available supplies are expected to be sufficient to meet projected demands in all hydrologic conditions. The conservation progress update made in February 2024 (www.calwater.com) shows Salinas is in the green on overall water-use reduction, using 7.5% less water in February 2024 than in February 2020. As described above, the California Water Services provided the project with a "Can and Will Serve" letter, confirming its ability to provide potable water to 16 new residential structures.

5,000 Cubic Yards (CY) of cut and 10,900 CY of fill are anticipated, disturbing 3.3 acres and importing a net of 6,560 CY. Grading quantities are high due to the restructuring of the slope from natural to opposite direction. Condition of Approval No. 22, Construction Management Plan, was applied to the project to allow Public Works and HCD-Engineering Services to review and approval the hauling routes, times, and parking locations of the related trucks.

Most policies in the Greater Salinas Area Plan do not relate to this development because it is within the Boronda Community Area. GS-3.2 does relate to this development in that it requires native vegetation to be used to integrate the man-made environment with the natural environment and to screen/soften the visual impact of new development. The subdivision shall be landscaped in the common areas (Condition No. 24).

Traffic and Roads

A Traffic Study was prepared for this Project by Keith Higgins (January 14, 2022, HCD-Planning Document No. LIB220053). The report concluded that this Project, when analyzed alone, would not generate significant new traffic because it only adds 16 single family homes on a new cul-de-sac street that will be about 700 feet long. The Project's Trip Generation was modeled to be a total of 150 daily trips. The Project was estimated to generate 12 trips occurring during the AM peak hour (3 in, 9 out) and 16 trips occurring during the PM peak hour (10 in, 6 out). Hence, the Project would increase traffic on Boronda Road by about 4% (one car every five minutes) immediately south of the Project. All other segments would experience increases of 2% or less. The traffic report found these increases would be imperceptible.

Cumulative conditions plus the Project were also analyzed in the traffic report. The Traffic engineer's analysis of intersections with potential to be affected by the subdivision resulted in no changes in traffic operations, but the Boronda Road at Calle Del Adobe intersection would marginally meet all-way stop warrants. The Post Drive and El Rancho Way approaches at the Post Drive at Calle De Adobe intersection would operate at LOS F (peak hours of AM and PM) if no further improvements were made. Signalizing this intersection, which is already planned, would bring the LOS up to LOS B during the AM and PM peak hours. The City of Salinas is coordinating the installation of a signal at this intersection. The Project would be responsible for paying its fair-share contribution towards the signal, based on the relative number of trips it adds to the intersection. (Condition No. 10, City of Salinas Traffic Fee).

2010 GP Policy C-4.2 states, "all new road and interior circulation systems shall be designed, developed, and maintained according to adopted County standards or allowed through specific agreements and plans." HCD-Engineering staff and Monterey County Regional Fire District reviewed the subdivision improvements and found the new road, proposed to be called "A Street," complies with all regulations. The entrance is proposed to be built of pervious pavers with an island to allow turn-around, a small median to slow traffic upon entry into the cul-de-sac, and 5-foot sidewalks on both sides and the front. The interior road would be 36 feet wide, allowing 8 feet of limited parking and two 10-foot lanes. Note that Regional Fire District required red curb painting to restrict parking on portions of the sides and the end of the cul-de-sac for emergency access.

Affordable Housing

The County's Affordable/Workforce Housing Incentive Program is intended to promote the implementation of inclusionary housing by offering incentives such as density bonuses, streamlined permitting processes, and modified development standards. Policy LU-2.13 of the 2010 GP requires consistent application of an affordable housing ordinance, which requires new development to provide 6% very low, 6% low, 8% moderate, and 5% Workforce I units for a total project obligation of 25%. Chapter 18.40 of Monterey County Code (Inclusionary Housing)

requires 20% affordable units (8% moderate, 6% low, 6% very low) for all new development projects containing five or more units. With the adoption of GP Policy LU-2.13, the affordability ratio in Policy LU-2.13 became the standard for residential development of five or more units. However, the State HCD issued a letter of technical assistance to County in 2020 that indicated County should not apply affordability requirements above the 20% represented by very low, low, and moderate income level units without having analyzed it as a potential constraint in the preparation of a Housing Element (**Exhibit D**). Since County has not made this analysis, HCD staff recommend that Policy LU-2.13 not be strictly enforced in this case, as it will add more cost. The applicant has not provided specific evidence that the cost of compliance would be a preventative constraint, but they were invited to do so for this hearing.

Title 18 section 18.40.070 requires units to be built on-site unless the applicant demonstrates greater contribution to County's affordable housing needs at an offsite location. In this case, the required affordable units will be located within the subdivision but will be constructed by the developer at a later date. When calculating the percentage of inclusionary housing, the County subtracts existing lots from the total and does not count any non-residentially created lots, such as the proposed road and utility lot or drainage lot. The Project site consists of one existing unit, so the base unit is 16. Using a 20% affordability ratio, the project is required to provide three inclusionary units, which this Project does. The Project, as proposed, would meet this requirement by providing all inclusionary units at the moderate income level. Pursuant to Govt. Code Section 65915(b)(1), the moderate income level units must be built by the developer to qualify for a Density Bonus.

In a letter to the Planning Commission dated May 6, 2024, Anthony Lombardo on behalf of the applicant provided a breakdown of how strict compliance with Chapter 18.40 would be cost preventative with a subdivision of this size. Mr. Lombardo argued that the sales price limitation for very low- or low-income units would result in a loss \$154,200 to \$166,100 on each of those units. The proposed subdivision's size and density (16 new residential lots) is not large enough to allow the applicant/owner to feasibility add the loss from the three affordable units to the price to the 13 market rated units. Therefore, the applicant proposes all 3 affordable housing units be moderate-income level units. The moderate homes would sell at a price that would allow a small profit to the applicant.

Staff brought this proposal to the Housing Advisory Committee (HAC) on April 10, 2024. At the meeting, Mr. Lombardo proposed that the Inclusionary Housing income level distribution for the project be three moderate-income inclusionary units, instead of the one low- and two moderate-income units as required by the Inclusionary Housing Ordinance. Furthermore, Mr. Lombardo pressed for no Workforce Housing requirement, whether in lieu fee or otherwise, because they claim the 5% Workforce requirement of the GP Policy LU-2.13 was not formally adopted into the Title 18 ordinance and that requiring 5% Workforce housing is an impediment to provision of housing. The HAC considered this proposal most reasonable and recommended it to the Planning Commission in a unanimous vote (5 AYES, 0 NOES). The County has not met the need for providing Moderate income level units. Pursuant to Title 18 Section 18.40.050.B, County may make modifications to the calculations of affordability levels based on sufficient evidence. In staff's opinion, the evidence provided by Mr. Lombardo is sufficient and thus recommends the Planning Commission approval of the project with the affordability requirement met by three

moderate units (3 moderate-income units divided by 16 total units equals 18.75%). As stated in Condition No. 8, the three moderate income level homes are required to be constructed prior to the issuance of the building permit for the tenth market rate unit.

Density Bonus

Zoning of the property (MDR/4) allows a maximum of four units per every acre. Based on the total acreage (four acres), the maximum allowed number of lots/units is 16. Title 21 section 21.65.050.C states that applications that provide and maintain at least 10 percent of the base units¹ in a condominium or planned development project to moderate income units are eligible for a density bonus. Pursuant to the table in Title 21 section 21.65.060.C.3, projects that provide 18 percent of moderate units qualify for a maximum density bonus of 13 percent in the number of market rate units allowed in MDR/4 zoning, which results in two bonus units for the Project. Absent the County's Inclusionary Housing Ordinance, the applicant would need to sell two units to moderate-income households (10 percent of the project) to qualify for a five percent density bonus (one additional unit) necessary to develop the existing unit and 16-new units on the four-acre parcel.

In the letter to the Planning Commission dated May 6, 2024, Mr. Lombardo requested that the County grant two concessions to the Project because it dedicates three moderate income units. The requested concessions included:

- 1) Expedited Final Map processing; and
- 2) Waiver of County fees for Final Map processing and inclusionary units.

Government Code Section 65915(d)(2)(B) requires the County only grant two incentives or concessions for projects that include at least 20 percent of the total units for persons and families of moderate income in a development in which the units are for sale. By agreeing to restrict three units for sale to persons or families of moderate-income, the applicant has not reached the 20 percent threshold required to qualify for two incentives or concessions (3 moderate-income units divided by 16 total units equals 18.75% affordability). Therefore, Govt. Code Section 65915(d)(2)(A) applies, and the applicant is only entitled to one incentive or concession.

The project agent confirmed in March 2025 that waiving the final map fees is the preferred concession. Standard Final Map processing fees shall not be applied. When all Final Map documents, including the original Final Map, the Subdivision Guarantee, Tax Clearance Certificate, Road and Drainage Maintenance Agreement, and, in the case that the developer does not directly build these improvements, Subdivision Improvement Agreement and Subdivision security are routed to the Clerk of the Board for signature by the Chair, a map recording fee is the only fee that will be collected for the Recorder's Office. This concession is memorialized as Condition No. 29.

Staff requested clarification on what was meant by their request that County fees be waived for Final Map Processing "and inclusionary units." The agent clarified that they request a waiver of fees associated with the construction of the inclusionary units -- Building, County traffic impact fees and similar fees. Staff finds that, consistent with Board of Supervisors Resolution 2000-342,

¹ Title 21 section 21.65.0303.C defines "base units" as the number of units that would be allowed under the General Plan land use designation and zoning ordinance for the site before calculation of the density bonus.

the HCD Director may wave fees for building permit applications and traffic fees for the inclusionary portion of proposed residential developments. As this is allowed through ministerial action, it does not have to count as an incentive or concession. The HCD Director has agreed to waive fees for the construction of two moderate-income units, not three. The reasoning is that the project has already been incentivized by moving the Inclusionary Housing ratios up to moderate-income-level units, rather than providing one low- and two moderate-income units as required by the Inclusionary Housing Ordinance. Therefore, HCD requires further justification on the financial need for the third moderate income unit's construction fees to be waived. The waiver of fees, not formally a concession, is memorialized in the draft Resolution in general terms but can be finalized through the fee waiver request procedure.

The design and supporting documentation compel staff to recommend the Planning Commission support this project, as it complies with the Title 19 requirements for a standard subdivision as discussed above under subsections Site Suitability, Water Supply and Demand, and 2010 General Plan. Furthermore, the proposed standard subdivision draft VTM was found to comply with the regulations for design and labeling required by Title 19 section 19.03.010. The subdivision requires the establishment of a Homeowners Association, pursuant to Title 19 and required by Condition of Approval No. 19.