



County of Monterey Planning Commission

Item No.5

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Agenda Item No. 5

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PLN220352 - CHUN-TAO MA & NING ZHANG TRS

Continued from February 28, 2024, public hearing to consider establishment of the transient use of a residential property (single-family dwelling) for remuneration, commonly known as a short-term rental.

Project Location: 26132 Carmel Knolls Drive, Carmel

Proposed CEQA action: Find the project categorically exempt pursuant to Section 15301, Existing Structures, of the CEQA Guidelines and no exceptions to the exemption per Section 15300.2 can be made.

RECOMMENDATION:

It is recommended that the Planning Commission adopt a Resolution:

1. Finding that the project qualifies for a Class 1 Categorical Exemption pursuant to Section 15301 of the CEQA Guidelines, and there are no exceptions pursuant to Section 15300.2; and
2. Approving an Administrative Permit to allow the transient use of a residential property for remuneration.

PROJECT INFORMATION:

Agent: Aaron Gannage

Property Owner: Chun-Tao Ma & Ning Zhang Trs

APN: 015-293-010-000

Parcel Size: 74,052 square feet (1.7 Acres)

Zoning: Low Density Residential, with Design Control, Site Plan Review and Residential Allocation

Zoning overlay districts or "LDR/D-S-RAZ"

Plan Area: Carmel Valley Master Plan

Flagged and Staked: No

Project Planner: Zoe Zepp, Assistant Planner

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SUMMARY:

The property is located at 26132 Carmel Knolls Drive, Carmel, within the Carmel Knolls subdivision, and is subject to the policies and regulations of the 2010 Monterey County General Plan, Carmel Valley Master Plan and the Monterey County Zoning Ordinance Title 21. The proposed project includes the use of an existing single-family dwelling as a short-term rental. Water for the property will continue to be provided by California American Water, sewage services will continue to be provided by Carmel Area Wastewater District and solid waste and recycling services will continue to be provided by Waste Management.

An operations plan submitted with the application address the requirements contained in the zoning code for the proposed use. The occupancy limitation of 7 individuals, rental duration, parking availability, local property management, and restriction of onsite advertisement and other provisions are all addressed in the operations plan.

An Administrative Permit is required for the transient use of residential properties for remuneration. Following direction from the Board of Supervisors, the Planning Commission shall consider each short term rental permit applied for in District 5, including the subject application. This application has been reviewed by County HCD staff and the Environmental Health Bureau and is in compliance with the County's policies and regulations for obtaining an administrative permit for transient use for remuneration.

During the course of review of this application, staff received multiple letters of opposition from neighbors and residents of the Carmel Knolls subdivision. These letters raised concerns mainly regarding traffic safety concerns, compatibility of the proposed use with the neighborhood character and safety and security of the long term residents and children of the subdivision. Members of the public brought up similar concerns when this project was presented at the Carmel Valley LUAC.

DISCUSSION:

Land Use

Based on staff review of the planning application materials, the property complies with all rules and regulations pertaining to zoning uses and other applicable provisions of the 2010 Monterey County General Plan, Carmel Valley Master Plan, and applicable sections of the Monterey County Zoning Ordinance (Title 21). The parcel is zoned Low Density Residential with Design Control, Site Plan and Regulations for Residential Allocation Zoning overlay districts (LDR/D-S-RAZ) which allows for transient use of a residential property for remuneration, subject to an Administrative Permit.

There are currently 5,033 residential dwellings in Carmel Valley Master Plan area and 30 short-term rental applications in this same area on file with the County of Monterey. Eight of these applications have been approved, 22 are in different stages of the planning review process. If all these applications were to be approved, short-term rentals would make up 0.6% of the residences in Carmel Valley.

Monterey County Code (MCC) Section 21.64.280.D.2 establishes the requirements and regulations for which a property operating as a transient use for remuneration must abide by. As detailed in the draft resolution (**Exhibit A**), the applicant has provided evidence of compliance with the applicable requirements. The Operations Plan, as attached to the draft resolution, limits the subject property to one rental contract with rental periods with no less than a 7-night consecutive stay and no greater than a 30 night consecutive stay, and a maximum occupancy of 7 individuals per contract. The proposed occupancy does not exceed the limits set forth in the California Housing Code which requires 70 square feet of space for the first individual in a bedroom and 50 square feet of space for each additional individual in that room. Adequate parking spaces will be provided (5 total), all parking spots are located on the property, no street parking is proposed. The property owners (Chun-Tao Ma & Ning Zhang Trs) do not reside within 5 miles of the property and will therefore designate a local

contact/property manager who will be available 24/7 to respond tenant and neighborhood questions or concerns. Since the property is not currently operating as a short term rental, there is not a current property manager. The project has been conditioned to submit evidence of a local property manager prior to operation of the rental.

To ensure the proposed use will not affect the residential character of the neighborhood, Condition of Approval No. 8, No Events Allowed, has been incorporated. This will ensure the property will only be used as a short term rental, and not an event space. Additionally, the rental is subject to Monterey County's Noise Ordinance (Chapter 10.60), which prohibits loud or unreasonable noise between the hours of 9:00PM and 7:00AM. If the property is found to be in violation of the approved operations plan or conditions of approval attached to this administrative permit, the permit can be revoked for non-compliance.

Public Comment

Staff received multiple letters from neighbors and residents of the Carmel Knolls subdivision expressing their opposition of the proposed short term rental (see **Exhibit B**). As previously mentioned, the opposition stems from concerns of traffic impacts and safety, consistency with neighborhood character and safety and security of the existing residents.

Members of the public refer to the road leading to the proposed rental as steep, curvy and complicated. With the addition of residents who are known to walk in the street, due to the lack of sidewalks in the area, neighbors are concerned for their safety and believe potential renters would not be prepared to avoid people walking in the road. Some of the public comment letters assume renters would drive more recklessly and speed than permanent residents. The proposed short term rental is located off the first driveway after turning onto Carmel Knolls Drive. Therefore, renters would not need to drive far into the subdivision. Additionally, there is a four way intersection at Carmel Knolls Drive and Carmel Valley Road providing a protected left turn for anyone traveling east from Highway 1, and a right turn for anyone travelling west from Carmel Valley. HCD-Engineering Services reviewed this application and did not identify any issues with the proposed location of the short term rental based on traffic or associated roads.

Another concern was that a short term rental would not fit in with the existing neighborhood character and the residential character. A few public members referred to the subdivision as a small area that should be reserved for long term residences. The proposed short term rental is an allowed use for the area as the lot is zoned for residential uses. The property is near the Carmel Barnyard shopping center which offers multiple restaurants and bars that would benefit from tourism. As stated above, the rental would be subject to the same Noise Ordinance as all the other homes in Monterey County which prohibits excessive noise between the hours of 9pm and 7am. The permit would be subject to revocation if the rental was found to be in violation of the approved operations plan or conditions of approval.

Health and Safety

The property receives water, wastewater and solid waste and recycling services via public utilities:

- The property currently has a California American water connection that will remain in place

following the issuance of this permit.

- The property currently receives sewage services from Carmel Area Wastewater District, this service will not change following the issuance of this permit.
- The property currently receives solid waste and recycling service from Waste Management and will continue to do so following the issuance of this permit.

No health and safety concerns were identified during the County's review by any of the respective agencies or departments.

CEQA:

The project qualifies as a categorical exemption from environmental review pursuant to Section 15301 of the CEQA Guidelines. This exemption applies to the leasing of existing private structures, involving negligible or no expansion of an existing use. The applicant proposes to use (operate) an existing residential single family dwelling for transient use for remuneration and does not propose any additional exterior development and/or expansion of the existing structure. The main dwelling in question is existing and has been confirmed by County agencies to be adequate for this use. The use of the single family residence for short term rental will not substantially change the intensity of use of the property and the existing structure. Potential impacts of short term rentals on long term housing are not a unique circumstance that would disqualify the use of a categorical exemption. Potential social and economic impacts of short term rentals are not required to be addressed in CEQA. Therefore, the proposed use is consistent with the CEQA Guidelines Section 15301. None of the exceptions under CEQA Guidelines Section 15300.2 apply to this project.

OTHER AGENCY INVOLVEMENT:

The project was reviewed by HCD-Planning, HCD-Engineering Services, HCD-Environmental Services, the Environmental Health Bureau, and Cypress FPD. The respective agencies have recommended conditions, where appropriate, to ensure that the project will not have an adverse effect on the health, safety, and welfare of persons either residing or working in the neighborhood.

LUAC:

The project was referred to the Carmel Valley Land Use Advisory (LUAC) for review (see **Exhibit C**). The LUAC reviewed the project at a duly noticed public meeting on September 18, 2023, and voted to recommend denial of the project as proposed. Their reasons for denial included uncertainty if a driveway easement exists for the shared driveway, traffic and safety hazards and the entry from Carmel Valley Road being unsafe. Staff's research found a road access easement described on the grant deed for the subject property. Staff did not find any record of a road maintenance agreement associated with this easement. Regarding traffic and safety hazards, the property is located at the very beginning of Carmel Knolls Road and would not impact traffic within the subdivision. Staff conducted a site visit and did not observe any obvious safety hazards on or near the property. Access from Carmel Valley Road onto Carmel Knolls Road includes a four-way stoplight with a protected left hand turn for people travelling from Highway 1 towards Carmel Valley. Staff did not find this intersection to be unsafe during the site visit. Public comment was made this meeting and was in opposition of the project for reasons including traffic concerns and neighborhood compatibility.

Prepared by: Zoe Zepp, Assistant Planner x5198

Reviewed by: Anna Ginette Quenga, AICP, Principal Planner

Approved by: Melanie Beretti, AICP, HCD Acting Chief of Planning

The following attachments are on file with the HCD:

Exhibit A - Draft Resolution including:

- Recommended Conditions of Approval
- Site Plans, Floor Plans
- Operations Plan

Exhibit B - Public Comment

Exhibit C - LUAC Recommendation

Exhibit D - Vicinity Map

cc: Front Counter Copy; Planning Commission, Cypress Fire Protection District; HCD-Environmental Services; HCD-Engineering Services; Environmental Health Bureau; Zoe Zepp, Planner; Anna Ginette Quenga, AICP, Principal Planner; Chun-Tao Ma & Ning Zhang TRS, Property Owner; Aaron Gannage, Agent; The Open Monterey Project; LandWatch (Executive Director); Lozeau Drury LLP; Christina McGinnis; Project File PLN220352

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