

MONTEREY COUNTY PLANNING COMMISSION

Meeting: November 12, 2014	Agenda Item No.:
Project Description: (Continued from October 8 and October 29, 2014) Combined Development Permit consisting of: 1) Standard Subdivision Vesting Tentative Map for the subdivision of approximately 870 acres to into 212 lots including 146 market rate single family residential lots, 23 clustered market rate residential lots & 43 lots for Inclusionary Housing units; three Open Space parcels of approximately 600 acres (Parcels A, B, & C), and one agricultural-industrial parcel (Parcel D) for the future development of winery related uses; 2) Use Permit for removal of up to 921 protected Oak trees; 3) Use Permit for development on slopes exceeding 30 percent; a General Plan Amendment to amend the land use designation of parcel (Parcel D) from Low Density Residential to Agricultural Industrial; and an amendment to the Zoning Ordinance changing Parcel D from LDR/2.5-VS (Low Density Residential, 2.5 acres/unit with Visual Sensitivity) to AI-VS (Agricultural Industrial with Visual Sensitivity). Also consider a General Plan Amendment to amend the land use designation of proposed Parcel D from Low Density Residential to Agricultural Industrial, and an amendment to the zoning maps to reclassify Parcel D from LDR/2.5-VS (Low Density Residential, 2.5 acres/unit with Visual Sensitivity) to AI-VS (Agricultural Industrial with Visual Sensitivity).	
Project Location: Fronting on and southerly of State Highway 68, encompassing two areas separated by Toro Regional Park. The eastern portion is bound by River Road and the western portion is bound by San Benancio Road.	APN: 161-011-019-000, 161-011-030-000, 161-011-039-000, 161-011-057-000, 161-011-058-000, 161-011-059-000, 161-011-078-000, 161-031-016-000, and 161-031-017-000
Planning File Number: PLN040758	Owner/Applicant: Bollenbacher & Kelton Inc. (Ferrini Ranch) Agent: Lombardo & Associates (Tony Lombardo)
Planning Area: Toro Area Plan	Flagged and staked: No
Zoning Designation: Unclassified	
CEQA Action: EIR	
Department: RMA-Planning	

RECOMMENDATION:

Staff recommends that the Planning Commission adopt resolutions to recommend that the Board of Supervisors take the following actions:

- 1) Certify the Environmental Impact Report (Exhibit B); and
- 2) Adopt the Statement of Overriding Considerations (Exhibit B); and
- 3) Approve the Combined Development Permit and Vesting Tentative Map Alternative 5, based on the findings and evidence and subject to the conditions of approval (Exhibit C); and
- 4) Adopt a Mitigation Monitoring and Reporting Plan (Exhibit C); and
- 5) Deny the Request to change the General Plan Land Use Designation from LDR 2.5 to Agricultural Industrial (Exhibit D); and
- 6) Deny the Request to apply the Agricultural Industrial zoning designation to Parcel D of the Ferrini Ranch Subdivision (Exhibit D).

PROJECT OVERVIEW:

On October 8, 2014 and October 29, 2014 the Monterey County Planning Commission held public hearings to consider the originally proposed Combined Development Permit and Vesting Tentative Map for a 212 lot subdivision. During these hearing the original project proposal (212

lots) and project alternatives, as identified in the project EIR, were discussed. On October 29, 2014, the Planning Commission adopted a motion of intent to approve the project and directed staff to return on November 12, 2014 with the necessary Findings and Evidence for approval of Reduced Density Alternative 5B.

See Exhibit A for a detailed discussion of Alternative 5.

OTHER AGENCY INVOLVEMENT: The following agencies and departments reviewed this project:

- √ RMA-Public Works Department
- √ RMA-Environmental Services
- √ Environmental Health Bureau
- √ Water Resources Agency
- √ Monterey County Fire Protection District
- √ Parks Department
- RMA - Building Department
- Economic Development Department
- √ California Department of Transportation, District 5
- √ Regional Water Quality Control Board, District 3

/S/ John H. Ford

/S/ David J. R. Mack

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November 12, 2014

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November 12, 2014

cc: Front Counter Copy; Planning Commission; Monterey County Regional Fire Protection District; RMA-Public Works Department; RMA-Environmental Services; Parks Department; Environmental Health Bureau; Water Resources Agency; John H. Ford, RMA Services Manager; David J. R. Mack, Associate Planner; Bollenbacher & Kelton Inc. (Ferrini Ranch), Owner; Lombardo & Associates (Tony Lombardo), Agent; The Open Monterey Project (Molly Erickson); Land Watch (Amy White); Dee Baker, Interested Party; Laurel Hogan, Interested Party; Pat Huber, Interested Party; John H. Farrow; Janet Brennan; Planning File PLN040758

Attachments: Exhibit A Project Discussion
Exhibit B Draft Resolution – Certification of EIR and Findings of Overriding Considerations
Exhibit C Draft Resolution – Combined Development Permit, including:
• Conditions of Approval and Mitigation Monitoring and Reporting Program
• Vesting Tentative Map Alternative 5 –
○ Option B
Exhibit D Draft Resolution – Request for General Plan Land Use Designation Amendment and Rezone.
Exhibit E Toro Land Use Advisory Committee Minutes (LUAC)
Exhibit F* Draft Environmental Impact Report (DEIR)
Exhibit G* Recirculated Draft Environmental Impact Report (RDEIR)

Exhibit H* Final Environmental Impact Report (FEIR)

Exhibit I Public Comment Letters

*- Distributed earlier with the October 8, 2014 Planning Commission Staff Report.

This report was reviewed by John H. Ford, RMA-Services Manager

EXHIBIT A DISCUSSION

ALTERNATIVE 5 DESCRIPTION

The Planning Commission's motion was relative to Alternative 5B. The only difference between Alternative 5 and Alternative 5B is related to how the lots are configured with respect to the 17 moderate rate housing lots. Alternative 5 uses the existing lot (146) fronting on 117 Drive, while Alternative 5B places a total of three lots in this area and realigns the street to create larger lots along the western property line. Alternative 5B also does not place as many homes behind the existing residences. The one drawback of Alternative 5B is that it places new dwelling units within the 100 foot setback from Highway 68. Technically the lots should not be placed within the 100 foot setback as that is inconsistent with the strict interpretation of the Toro Area Plan Policy. Alternative 5 places no new units within the setback, while Alternative 5B places 5 lots within the 100 foot setback. The mitigating factors here are that most of these units would be behind the sound wall, adjacent to existing development and behind an existing road. Lots 1 and 2 in Alternative 5B would be more visible than the others. Please compare the attached maps. In the motion to approve the Planning Commission will want to specify which of these options they are choosing.

Overall, Alternative 5 consists of a Standard Subdivision Vesting Tentative Map for the subdivision of approximately 870 acres into 185 lots including 168 market rate single family residential lots and 17 moderate income lots for Inclusionary Housing units; three Open Space parcels of approximately 700 acres (Parcels A, B, & C), and a parcel for the future development of a visitor center (Parcel D); Use Permit for removal of up to 921 protected Oak trees; and Use Permit for development on slopes exceeding 30 percent.

Additionally, Alternative 5 proposes a Winery Corridor/Gateway visitor center on Parcel D, instead of a full size industrial winery. The 2010 General Plan contains the Agricultural and Winery Corridor Plan (AWCP), which encourages development of a visitor center near State Route 68. The subject site (eastern portion) is located within the Central/Arroyo Seco/River Road Segment of AWCP, and therefore placement of the Visitor Center at this location would not require modification to the Land Use Designation, so no General Plan Amendment is necessary. The Low Density Residential land use designation and zoning designation would allow this type of development as a Public/Quasi Public use subject to approval of a future Use Permit; therefore the General Plan Amendment portion of the original project description is unnecessary and should be denied (Exhibit D).

PROJECT ANALYSIS

Critical Viewshed

Alternative 5 as proposed contains lots within the critical viewshed or within the required 100 foot setback from critical viewshed area. On the eastern portion of the subject property, lots 138, 138a, and 139 are located completely within the Critical Viewshed; while on the western portion of the property, lots 82a, 83, 83a, and 84 are either located within the critical viewshed area or are encumbered by the 100 foot setback requirement (This is based on the interpretation provided in the October 29, 2014 staff report.) The location of these specific lots is not consistent with Toro Area Plan Policy 40.2.5(T), or 40.2.4(T).

Policy 40.2.5 (T) specifically states:

“The County shall require newly created parcel to have building site outside of the critical viewshed area. (Added 7/31/84).”

Policy 40.2.4(T) specifically states:

“The County shall require a 100 foot building setback on all parcels adjacent to County and State Scenic routes. The 100 foot setback will also apply to areas designated on the Toro Visual Sensitivity Map (Toro Area Plan, Figure 9) as critical viewshed. This setback is established without causing existing structures to become nonconforming and without rendering existing lots of record unbuildable. Critical Viewshed areas shall also have open space zoning applied to the 100 foot setback area. (Added 7/31/84) (Amended 5/22/90)”.

Based on these policies, Lots 83, 83A, 84, 82A, 138, 138a, and 139 need to be relocated to areas outside the critical viewshed and 100 foot setback or eliminated from the Vesting Tentative Map Mitigation Measure MM 3.1-1a has been modified to require the relocation or removal of these lots prior to recordation of the final map.

Visual Sensitivity

One of the key components of addressing the visual sensitivity concerns with this project is the requirement to apply VS and D overlays to ensure that development is not an adverse visual impact. This overlays would require future discretionary review of proposed homes to insure that the design is consistent with the visual sensitivity of the area.

Ridgeline Development

Development of several of the lots would result in Ridgeline Development. This is not consistent with the General plan and these lots should be relocated or removed. A condition has been added to require that Lots 30a, 30b, 62, 63, 49a and 50 be relocated or removed. Development on the rear portion of Lot 42b would result in Ridgeline development. This lot should either be reconfigured, or an easement should be placed on the rear portion of the lot to prevent structural development.

INCLUSIONARY HOUSING

The project is subject to the Monterey County Code (MCC) Section 18.40-Inclusionary Housing. Inclusionary Housing Ordinance #04185, in effect at the time the project was deemed complete, requires the developer to supply 20% of the total number of proposed units as Inclusionary Units, with 6% affordable for very low income, 6% for low income, and 8% for moderate income. The project is therefore required to supply a minimum of 42 Inclusionary Units with twelve (12) units at very low income, thirteen (13) at low income, and seventeen (17) at moderate income.

Section 18.40.090 of the County's Inclusionary Ordinance allows for modifications to the requirements for compliance based on specific characteristics of the development site, such as lack of access to services, zoning which requires large lot development, or potentially high site maintenance costs, that make the site unsuitable for households at the required income levels. The modification must be specifically approved by the Appropriate Authority with supporting findings and evidence. County staff supports a finding that a modification to the requirements for compliance with the County's Inclusionary Housing Ordinance, specifically related to the affordability levels of the very low and low on-site Inclusionary Units, is appropriate and that an In-Lieu Fee is paid for the 25 very low and low unit obligation.

It is believed that the Inclusionary Housing Ordinance's requirements for very low and, to an extent, low affordability levels are not best suited to single family housing. Family incomes of \$35,950 and \$57,500, respectively, for a family of four leave little room for emergency and unexpected expenses. With little to no discretionary income, the risk of losing a home is much higher than that of families earning median to moderate incomes (\$68,700 and \$72,450 for a family of four). Therefore, in order to meet the Inclusionary Housing requirements at the lower income levels, it is believed that rental housing is the more appropriate type of housing.

Given the dearth of rental housing in the market and the high demand for it, it is believed that additional rental housing units "will provide a greater contribution to the County's affordable housing needs". As there are no off site units currently identified, it is suggested that an In Lieu fee be paid to and held by the County for up to five years in order for the Applicant or County to identify an affordable housing project that will meet the Inclusionary requirements.

Per the Ordinance, "off-site units need to provide a greater contribution to the County's affordable housing needs.... and will not be considered to provide a greater contribution unless the number of units exceeds the number which would have been required on-site." Therefore, in the event that an off-site location is identified for the construction of required units, County staff recommends that the requirement for off-site units should be 30 units, with 13 at very low income levels (50% of the Area Median Income) and 17 units at low income levels limited to 60% of the Area Median Income. While the off-site units are often required in the same planning area, there is no land zoned for multi-family housing in the Toro Planning Area. Thus off-site housing can be constructed in any unincorporated area of the County except for Castroville where over 115 affordable rental housing units have been developed in the last three years.

A condition of approval has been placed on the project requiring the developer to deposit \$4,015,520 with the County prior to recordation of the final, and enter into an Agreement with the County that specifies the required compliance, including but not limited to the type, location, and size of units and the phasing of providing the required units. In the event a location is identified within 5 years by either the applicant or the County for the construction of affordable multi-family rental units, in exchange for the in-lieu fee, the developer shall enter into an Agreement to construct and restrict a minimum of 30 units for low and very low households.

RECOMMENDATION

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