

6th Cycle Housing Element Update (2023-2031)

Comprehensive Public Comment Report

City of Carmel-by-the-Sea

April 2024



Prepared by
EMC Planning Group

The following links lead to recordings of City of Carmel-by-the-Sea public meetings, during which public comments may have been expressed related to the 6th Cycle Housing Element Update.

November 17, 2022 Housing Ad Hoc Committee Community Meeting

<https://www.youtube.com/live/83p3z3GOUkw?si=Ha7IWjWXSh665CVe>

February 28, 2023 Housing Ad Hoc Committee Community Meeting

https://www.youtube.com/live/kJxT0njkaO4?si=a_UDoeG4q1LXkILV

April 6, 2023 Housing Ad Hoc Committee Community Meeting

https://www.youtube.com/live/HTw0_IP4efY?si=IuWM38t4zex_RYvW

May 24, 2023 Housing Ad Hoc Committee Community Meeting

<https://www.youtube.com/live/iP1orFGSiW0?si=EmQdFTKbnP13jILV>

June 15, 2023 Joint City Council/Planning Commission/Housing Ad Hoc Committee Community Meeting

<https://youtu.be/VdYraxQ-8cU?si=NFyZ5EKRGIL2H7W2>

July 11, 2023 City Council Meeting

<https://www.youtube.com/live/SdnfR--me4?si=zDfn05YZ89RwFGoG>

August 1, 2023 City Council Meeting

https://www.youtube.com/live/iZX67T_W10w?si=zPx2S17wjmWYikMS

November 13, 2023 Housing Ad Hoc Committee Community Meeting

<https://www.youtube.com/live/w80vA1sa510?si=f1cgsyQ-jQu6vGaY>

January 9, 2023 City Council Meeting

<https://www.youtube.com/live/OWsbN7ach3Q?si=LEjwaKU3pyEpi4nJ>

March 5, 2024 City Council Meeting

<https://www.youtube.com/live/4mfwiBBxVo?si=EQ9s2TiYLGWVP3VT>

April 2, 2024 City Council Meeting

<https://www.youtube.com/live/-s5YVs2WnkQ?si=sPhTGKr31NDiuLDv>

6th Cycle Housing Element Update (2023-2031)

Public Comment Response

City of Carmel-by-the-Sea

March 27 - April 2, 2024

Prepared by
EMC Planning Group

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Public Comment on March 27, 2024 Revised Draft Housing Element

1.1 AB 215 Housing Element Noticing Requirements

Pursuant to Assembly Bill (AB) 215, the Housing Element must undergo a draft process subject to a 30-day public comment period, and if comments are received, an additional 10-day consideration and revision period prior to Housing and Community Development (HCD) submittal. Any additional revisions to the Housing Element are subject to a seven-day public comment period prior to submittal to HCD.

The following document outlines all public comments received during the seven-day public comment period held between March 27, 2024 and April 2, 2024 on the updated Revised Draft Housing Element, as well as responses to comments and revisions to the Housing Element.

1.2 Advertisement of Revised Draft Housing Element

The March 27, 2024 Revised Draft Housing Element was posted on the dedicated Housing Element website (homecarmelbythesea.com) and distributed via constant contact email blast to the City's mailing list. Additionally, City staff developed a matrix to outline substantive changes made to the draft, including page numbers to indicate where revisions were made, which was posted online at homecarmelbythesea.com.

1.3 HCD Draft Housing Element Report

This Public Comment Report for the March 27, 2024 Revised Draft Housing Element has been prepared to document and address comments received during the public comment period. [Table 1, Public Comments Received on March 27, 2024 Revised Draft Housing Element](#), presents all comments received on the revised draft, as well as responses to comments and references to where edits were made in the draft.

Table 1 Public Comments Received on March 27, 2024 Revised Draft Housing Element

Commenter Name	Comment	Response	Edit Reference in Document
Rich Pepe	What is meant the term Opportunity Sites?	<p>We use the term "opportunity sites" to describe properties included in our Housing Element Sites Inventory, which are sites listed as potential viable sites that housing could be developed in the future given the zoning and other land use regulations in place. These sites are all shown on a map in the Housing Element. Here is the introduction paragraph copied directly from the Housing Element, Appendix C, Page C-3:</p> <p>C.3 Overview of Sites Inventory The purpose of the sites inventory is to identify and analyze specific sites that are available and suitable for residential development in order to accommodate Carmel-by-the-Sea's assigned 349 housing units. The City isn't responsible for building the housing but creates the programs and policies to plan for where it should go and how many units could be accommodated on potential sites.</p> <p>No edits to the draft housing element have been made in response to this comment.</p>	-
Barbara Darrah	What all you do -- do not destroy the heart of the village by building affordable housing at Sunset Center. Please!!! I don't live within the magic parameters, but maybe my request still is heard.	City staff has noted this comment. No edits to the draft housing element have been made in response.	-
Cynthia and Brian Weick	We have looked over the March 2024 planning report. It is thorough and seems to address the state's concerns. What is still missing in my mind is verbiage that directly and succinctly addresses the range of changes that full time residents such as my husband and I should expect to see in our R-1 neighborhood. In particular there seems to be no discussion of whether, as parking requirements are waived in many of the new developments, the overflow of cars associated with the 349 new dwellings combined with visitors/tourists will be allowed to park on residential streets that have not experienced this before. Will "no parking" areas still be allowed? Will the	The Carmel Municipal Code currently waives on-site parking in the Central Commercial (CC) District. This existing regulation would not change. One of the action items under the Housing Element is to evaluate the parking standards for the Service Commercial (SC) District and the Residential & Limited Commercial (RC) District to ensure they are reasonable. Parking requirements can increase the cost of housing and thereby make it less affordable. The Housing Element	-

Commenter Name	Comment	Response	Edit Reference in Document
	<p>requirement for having a residential parking permit be changed? This is the sort of information that will help residents envision how their neighborhoods will or will not be irrevocably altered. If, for example, we will now experience lines of parked cars along our street, Carmel by the Sea will, sadly, not be a place in which we wish to live. I do not think we are alone. It is important that you alert residents of these implications sooner than later. We chose to live in Carmel because of its long standing respect for natural beauty, its non-ostentatious and unique homes, and its artistic legacy. We deeply hope these will not be eclipsed by commercial interests, and that we will feel comfortable remaining here.</p>	<p>does not contemplate eliminating "no parking" areas or changing residential parking permit regulations.</p> <p>No edits to the draft housing element have been made in response to this comment.</p>	
Sunset Board of Directors	<p>Move Sunset Center lots from 1st and 2nd place in the Sites Inventory, and Vista Lobos from 3rd place; the ordering suggests these sites are priority sites over the others.</p>	<p>A note has been added at the top of Table C-3 in Appendix C, stating that the following sites have been identified as potential housing sites and are not listed in any order of priority.</p>	<p>Appendix C, page C-5</p>
Anonymous	<p>Appendix C, Page C-22 (clean version) still says "the city will make the property available through the Surplus Land Act process" but the City has stated they do not intend to sell city property. Please clarify.</p>	<p>Appendix C has been revised to match the language in Chapter 2, which was previously modified at the direction of Council and reviewed by the City's Ad Hoc Committee to address this issue.</p>	<p>Appendix C, page C-23</p>
Ian Martin	<p>Thank you for following up! Again, I think staff, Karen and Bobby (cc'd) and the consultant have done a splendid job of landing this thing. Here are my comments based on the March 27 draft:</p> <p>My two concerns: non-profit developers not being specified for the Sunset Center south parking lot and Vista Lobos, and the lack of caveats regarding the use of the Surplus Lands Act.</p> <p>Non-profit developer language I was heartened to find this language on page C-23 (p. 269 of the PDF) regarding Sunset's north parking lot: "The City's intention for development of this site includes partnering with a non-profit affordable housing developer with a demonstrated track record of building affordable housing in California to enable the development of deed-restricted residential units over podium parking." That non-profit language should be in the south parking lot section too on page C-25 (page 271 of the PDF) and into the Vista Lobos section as well, C-27 (p. 273 of the PDF).</p> <p>Surplus Lands Act Unfortunately, there's still that language in there which doesn't capture that the Surplus Lands Act process might include a decision</p>	<p>The non-profit language has been added to the Sunset Center south parking lot section and Vista Lobos section.</p> <p>The language has been revised across all three City-owned sites to be consistent with previously modified language that was done at the direction of Council and reviewed by the City's Ad Hoc Committee to address this issue.</p>	<p>Appendix C, page C-25 and C-26; page C-28.</p>

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	<p>to not surplus the land, as it requires council to take a vote on the matter. Although the sections about the Sunset's south parking lot and Vista Lobos include: "Council approval is required for each step in this process," that language is missing from the north parking lot section. And, the overall language of all three sections makes it sound like surplus the land is an assured outcome, which of course it's not as it requires a vote of council. It needs to be made clear that the Surplus Lands Act requires public deliberation and a vote of council.</p> <p>Sunset Center, north parking lot: p.C-22 (page 268 of the PDF): "Following approved development standards, the City will make the property available through the Surplus Land Act process, develop a project description, and establish an RFP process to solicit developers as well as community input."</p> <p>Sunset Center, south parking lot: p.C-25 (page 271 of the PDF): "Following approved development standards, the City will make the property available through the Surplus Land Act process, develop a project description, and establish an RFP process to solicit developers."</p> <p>Vista Lobos: p. C-27 (p. 273 of the PDF): "The City will make the property available through the Surplus Land Act process, develop a project description, and establish an RFP process to solicit developers."</p> <p>Thanks again,</p>		
Ian Martin	<p>In the March 27 draft, there's a line in there that's something of a howler. (Sorry!) I can't imagine developing the Sunset parking lots and Vista Lobos with only one public hearing for the developer, and I urge the City to delete that incentive.</p> <p>Program 1.1.B: City-Owned Sites - AFFH: p. 2-6 (p. 28 of the PDF) second bullet point: "Develop incentives for developers, including a maximum of one public hearing;... [Emphasis mine.]"</p> <p>Thank you for your consideration and hard work,</p>	Chapter 2, Program 1.1.B has been revised to eliminate the incentive stating "a maximum of one public hearing."	Chapter 2, page 2-6

Commenter Name	Comment	Response	Edit Reference in Document
Michael Noakes	<p>A small postcard campaign (250) was completed over the weekend to get a sense for the degree to which the community is distressed. The next step will be an electronic petition on Jotform that will generate hundreds of signatures. We are asking for language to be added to the report making it clear to the state the three parking lots (Sunset Center South and North, Vista Lobos Property) are in government and commercial use and NOT to be had for buildout. Nor will they be made so in the future in fulfilling California's housing mandates. Apparently, you we directed by a majority of the council to make the change/addition on March 5, and failed to do so. Is there an explanation? Regardless, please complete the task and settle the issue. Taking that action is more efficient and agreeable than holding a referendum to overturn approval of an inaccurate and haphazardly written document that is largely unsupported by the public.</p>	<p>The Sunset Center north and south lots have been included in the Housing Element as opportunity sites since early 2023 and still remain in the Housing Element as opportunity sites. The conversation at the City Council revolved around the language in the Housing Element that may have been interpreted as though the City would possibly surplus the land through the Surplus Lands Act (which was not the intent of the language). The Council gave direction to revise the language so that it did not imply that the City was going to make the sites available as "surplus" land. The intention has always been to retain ownership of the land. The City Council did not give direction to take the Sunset Center or Vista Lobos off the list of opportunity sites in the Housing Element.</p> <p>The meeting recording, at 5:06:05, shows where the Mayor begins the conversation by summarizing the deliberations by council and giving direction to staff and lists the items that needed to be edited. The very first edit that the mayor offers is to remove specific language pertaining to the Surplus Lands Act. This clarification is brought up again by councilmember Dramov at 5:12:29. Here again, the conversation is about removing language implying a City commitment to making the land available through the Surplus Lands Act as "Surplus", but there is no conversation about removing them from the opportunity site list and not launching an RFP at some point in the next 8 years.</p> <p>It's worth noting that the Draft Housing Element that was sent back to the state following this meeting with this revised language was reviewed and approved by two members of City Council who make up the Housing Ad Hoc Committee, Bobby Richards and Karen Ferlito.</p>	-

Commenter Name	Comment	Response	Edit Reference in Document
		No edits to the draft housing element have been made in response to this comment.	
Carolyn White	<p>In response to the feedback you are seeking:</p> <p>In looking at the proposed areas for more housing, we are opposed to using the Sunset Center parking lot. We need this space for tourists and events. If we rid ourselves of this lot, all of these cars will end up in our neighborhoods. This area is not the solution. I think it's very sad that we have to look at our only parking lot of its worth and turn it into more density. The look of this area will be forever changed. We can't lose our open spaces. We need to go east to vacant land.</p> <p>I also think the ADU's in Carmel by the Sea should be counted against the number of dwellings needed.</p>	<p>City staff has noted this comment. ADUs are being counted to meet the housing goal of 349 new units by 2031.</p> <p>No edits to the draft housing element have been made in response.</p>	-
Linda Leeb-Goldman	<p>Many thanks to all who have worked hard on the draft Housing Element for Carmel. I am a homeowner in Carmel and I fully support the addition of new affordable housing -- especially mixed-income housing, including higher density units where possible. All of this can be done while still preserving the wonderful character of our beautiful city. In fact, turning the unsightly parking lots next to the Sunset Center into housing and underground parking garages would be a big improvement.</p>	<p>City staff has noted this comment. No edits to the draft housing element have been made in response.</p>	-
Julie and Ray Dormandy	<p>The inclusion of the North and South Sunset Center parking lots as potential housing opportunities floors us. It's an unconscionable proposed use of that space, in large part due to the actual NEED for parking! Carmel is a commercial tourist town and a separate residential community. Losing these two significant parking areas thrusts our neighborhood into becoming adjunct parking lots. We didn't sign up for cars (and their associated trash left in our front yard) when we purchased our home. Sunset Center is a public performance venue as well. Does the City plan to cancel performances at Sunset also? Where is car parking proposed --- in our driveway?</p> <p>Furthermore, the added density devalues every property in proximity to multi-unit/income-restricted housing. A miserable experience would be imposed on local existing homeowners. What a stupid, stupid, thoughtless idea to use someone else's privacy, quality of life, and property to achieve your goals.</p>	<p>All existing parking will be retained and incorporated into a proposed project.</p> <p>No edits to the draft housing element have been made in response.</p>	-

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Cynthia and Brian Weick	The issues of inadequate parking and congested roads preceded the affordable housing initiative. The City should proactively endeavor to solve the longstanding parking/congestion issues in tandem with providing affordable housing. This way residents have an incentive to view affordable housing in a positive light.	City staff has noted this comment. No edits to the draft housing element have been made in response.	-
Councilmember Alissandra Dramov	The City plans to pursue three (3) sites (#1, #2, and #3 in the Sites Inventory) over the next five years for the potential development of 122 total units over the three sites (105 affordable to lower-income households and 17 for moderate-income households). These sites would remain in City ownership made available for development through long-term leases. ... Projects undertaken throughout the 2023-2031 Housing Element planning period will be processed in accordance with the requirements of the Surplus Land Act and all other applicable State laws.	The text in Chapter 2, Program 1.1.B, has been revised to include the word "pursue" and the word "would."	Chapter 2, page 2-5
Various	88 postcards were received that did not support housing at Sunset Center and/or Vista Lobos.	City staff has noted this comment. No edits to the draft housing element have been made in response.	-
Nancy Twomey	<p>I personally support submission of this current draft of the Housing Element to Sacramento for final Carmel-by-the-Sea certification. This current version does yeoman's work to address how we can move ahead on our 349 Village Housing Unit RHNA Allocation in our 1 square mile. However, as Village Citizens, we must stay actively engaged in the next step deliverables and programs called out in this Housing Element – so that we:</p> <ol style="list-style-type: none"> 1. Preserve our Village in the Forest for the Trees - Trees cannot be sacrificed for incremental housing. 2. Preserve our Architectural character and charm with all new construction with local controls – that is not only critical to our Residents (predominantly with 4000 sq ft lots), but also to our Downtown Businesses. We benefit from the international and domestic recognition that emphasizes the amazing look and feel of our Village in both Residential and Commercial Districts. As concerned and committed Village Stewards we cannot destroy this precious heritage for everyone's benefit and for the generations to come. 3. Minimize becoming a back-to-back Construction Zone with locally approved building throughout our Village for the next 7 years of this current Cycle and beyond. <p>Finally - the real scarcity of Water and Open Land remain critical impediments to meeting this State Mandate as well. While our Water</p>	City staff has noted this comment. No edits to the draft housing element have been made in response.	-

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	<p>availability must be addressed at a State level - our lack of available unused land can't be addressed without annexing surrounding land or eliminating our open parkland – which are not on the table.</p> <p>I believe together we can make incremental progress on our stated Housing Element, but continued community involvement with careful oversight will be essential in the months to come. Count me in!</p>		
Charles Najarian	<p>After reviewing the Housing Element I learned that Carmel-by-the-Sea is racially segregated and has too many white people. However, affordability is supposed to be the issue here, not race, and affordability impacts everyone equally. I actually wasn't aware that excess white people were problematic for Carmel-by-the-Sea. After all, an estimated 85-90% of Carmel-by-the-Sea residents are registered Democrats.</p> <p>Please consider the obvious, Carmel is only one square mile! Then ask yourself if every individual one square mile of California needs to comply with governmental racial objectives. This sort of nonsensical and racist assessment has no place in Carmel's Housing Element. It's a slur and a smear on Carmel-by-the-Sea. Please remove it.</p> <p>The Housing Element claims that Carmel-by-the-Sea has a "lack of housing stock that meets the needs of residents." The problem is, by definition, if you're a resident of Carmel-by-the-Sea your need for housing has already been met. Therefore, there is no lack of housing stock for Carmel-by-the-Sea residents. Please correct this inaccuracy.</p> <p>The City Council has ignored, distorted, and downplayed the State's Surplus Land Act requirements. They assumed that they could develop publicly owned sites, but never established those sites as "unused" and "underutilized." The problem is those proposed sites are, and always have been, significantly used and significantly utilized for parking, which is already extremely limited in Carmel-by-the-Sea. Please ensure the Surplus Land Act legal requirements are met as mandated.</p> <p>The City Council promises the State to do "everything in their power to facilitate construction of new housing stock" in every nook and cranny of Carmel-by-the-Sea, and therefore increase density as much as they</p>	City staff has noted this comment. No edits to the draft housing element have been made in response.	-

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	<p>possibly can. The problem is Carmel-by-the-Sea is already dense because we have a combination of 1) 3300 residents, 2) 1000 hotel rooms, 3) numerous short-term rentals, and 4) significant day visitors, all packed into one square mile. For the sake of Carmel-by-the-Sea, any goal, objective, or promise to increase its density beyond the already dense situation should be expunged from the Housing Element. Please do so.</p> <p>Our City Council seems to be more concerned about what the State will do if they don't comply with the housing requirements, than what the residents that they govern think and expect. Most Council members act as though affordable housing is imperative, for example, by publicly stating that "aversion" to affordable housing is simply because of bad PR. Any sane resident should have serious "aversions" towards something that will significantly degrade Carmel-by-the-Sea for the State's overreaching one-size fits all approach.</p> <p>If anything, most City Council members are such strong supporters for affordable housing that they downplayed or failed to consider water usage and associated credits, natural resources impacts, increased utility usage including garbage and electricity, lack of parking, over-crowding and traffic congestion, repercussions to small businesses, environmental impacts, and as previously addressed, the Surplus Land Act.</p>		
Michael McWalters	<p>Dear All,</p> <p>Please read Beth Bowman's Letter to the Editor in "The Pine Cone" March 8th edition. Ms. Bowman is the Executive Director of the Sunset Cultural Center.</p> <p>Last year Councilmember Richards described our response to the California Housing Department affordable housing mandate as a "homework assignment". His ad hoc committee identified over 360 sites where affordable housing units could be built. Those affordable housing sites did not include the Sunset Center's North & South parking lots or the Vista Lobos parking lot.</p> <p>Beth Bowman said in her letter, "As a city partner, we are surprised not to have been engaged in a discussion, especially since we will lose three cottage tenants and the accompanying parking." Why weren't they?</p>	City staff has noted this comment. No edits to the draft housing element have been made in response.	-

Commenter Name	Comment	Response	Edit Reference in Document
	<p>I think it's fair to say the Sunset Center was not involved in this discussion, is because last year the Planning & Building Dept had already identified more than 349 sites in our village for affordable housing.</p> <p>The bigger question is, after having identified over 349 sites, why were the parking lots at Sunset Center & Vista Lobos targeted for affordable housing when Carmel by the Sea has a serious parking shortage? Councilmember Ferlito has been talking about "our parking problem" for years.</p> <p>Bowman describes the Sunset Cultural Center as "the Crown Jewel of Carmel" & I would agree. It is the "Cultural Crown Jewel of Carmel" & of course, the Carmel Beach is "The Greatest Meeting of Land & Sea Crown Jewel".</p> <p>I'm in favor of protecting the Sunset Cultural Center. In order to do that, their parking lots north & south have to remain as parking lots, which is why I am asking those of you who have not signed the petition, to please sign it.</p> <p>These parking lots would never be named as "surplus" if we were to follow the protocol laid out in the Surplus Lands Act. We should not be deceiving the State of California into thinking that we would ever make these parking lots "surplus". It's ludicrous & dishonest. These parking lots, along with the Vista Lobos, are vital, for not only for the Sunset Cultural Center, they are vital for our commercial district. Over 50% of City Hall's budget comes from the "TOT", transit occupancy tax also called the hotel tax & from the sales tax.</p> <p>In my view, taking away these parking lots for affordable housing would result in the death of our business district & in the death of the Sunset Cultural Center. Where are their customers going to park their cars?</p> <p>As you say in your email Nancy, "there one size fits all legislation is the source of this and where we need to push back" & for me & everyone who signed our petition, that "push back" begins NOW with us pushing back & saying "NO" to the State of California taking away our parking lots. The answer is "NO". We've ID'd over 349 sites, exclusive of the Sunset Center & Vista Lobos parking lots. State of California, keep your hands off of our parking lots. We need them for parking.</p> <p>Thank you.</p>		

SOURCE: City of Carmel-by-the-Sea

6th Cycle Housing Element Update (2023-2031)

Public Comment Response

City of Carmel-by-the-Sea

March 1 – March 7, 2024

Prepared by
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1.3 HCD Draft Housing Element Report

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Table 1 Public Comments Received on March 1, 2024 Revised Draft Housing Element

Commenter Name	Comment	Response	Edit Reference in Document
Ian Martin	<p>I'm restating my suggested edits regarding the use of public land in the housing element I made during Tuesday's council meeting.</p> <p>On page C-23, at the top of the second paragraph, I'd like to see the sentence "partnering with an affordable housing developer" to specifically say a non-profit affordable housing developer with a demonstrated track record of building affordable housing in California. That the developer chosen should be an experienced non-profit really needs to be spelled out as publicly-owned land is being used. I hope you all agree that this should be required.</p> <p>And at the top of that same page, where it says ...establish an RFP process to solicit developers, I'd also like to see "as well as establish a process to solicit community input."</p> <p>Thank you all again for your thought and hard work that's been put into this daunting task.</p>	City staff has incorporated the suggested edits in Appendix C to Site #1.	Appendix C, page C-23
Jeanne McWalters	Please give the public more time to weigh in on the Housing Element and the plans to possibly develop the North and South parking lots at the Sunset Center and/or the Vista Lobos parking lots. It is my belief that the public has not been made aware of the seriousness of Multi Unit Housing being built in these locations and the tremendous effects that it will have on our village. We need to maintain our open spaces and distribute affordable housing throughout the city so that the low-income residents are not all living in one place, akin to the housing projects of San Francisco or New York, or the "Council" housing in England. As I understand it, California prefers that low-income housing is "folded" into regularly priced housing and not all in one place.	City staff has considered this comment. No edits to the draft housing element have been made.	-
Mike Cate	<p>I strongly oppose the direction the city is moving to develop the open spaces of the town now used as parking. Both the open space, which allows one to see between and around existing buildings, allowing one to not feel boxed in as well as the much needed parking that these locations now provide should not be built on.</p> <p>The character of this town, which the city council is steward to, should not be tainted by dense housing on these open spaces. The ridiculous statements by some that 'parking spaces are a blight to a town' should actually respect the fact that not all the space in this town needs to be built out.</p> <p>Public space is just that, space to be used by the public for gathering space (The Homecrafters Market) and yes, for places to park. For the many service, professional and retail workers who</p>	City staff has considered this comment. No edits to the draft housing element have been made.	-

Commenter Name	Comment	Response	Edit Reference in Document
	<p>use the three spaces proposed to be developed, to meet ridiculous standards dumped on us by Sacramento, for parking, the proposed changes would be devastating. Where to park? In the neighborhoods? Every day would be like the madness that we experienced during the one day of the car show on Ocean Avenue.</p> <p>Orders that mandate or demand that low-income housing be jammed into areas like this town are Orwellian. Bright minds should push back against demands from Sacramento and come up with better ideas. Don't sell off space that is valuable to this town just as it is.</p>		
Nancy Twomey	<p>The CRA Board appreciates the significant work of staff on our Housing Element. All of these efforts have been made to ensure our Village has an approved Housing Element - a critical goal. As not everyone is aware, an approved Housing Element helps assure that the Charm and Character of our Village is not harmed by Builders Remedy projects and loss of local control.</p> <p>However, since the Nov 1 official HCD feedback on our Housing Element Draft - there has been scarce public deep dives into that letter, positioned as insignificant yet tedious. In re-reviewing this letter - we find that the City Owned Sites were called out as replaceable with alternate sites OR if we left them in our document that we must provide more specifics on how we can deliver affordable housing on these locations.</p> <p>The RFP specifics and timelines have dramatically increased in the January and this March drafts - again without critical public discussion. It is also our understanding that once finalized - it will be difficult if not impossible to prevent building on these sites as documented if you approve the current draft.</p> <p>With the significant local value in our very scarce and historic City Owned properties, specifically of Vista Lobos and Sunset Center with north and south lots, the CRA Board asks that these sites, should be replaced with alternate sites that the team has mentioned they have in reserve if needed in our next submission to HCD Sacramento.</p>	City staff has adjusted Program 1.1.B to reflect the CRA Board's suggested edits.	Chapter 2, page 2-5
Tim Twomey	<p>Marnie, thanks for all of your hard work on this complex project. You did a great job in walking us through it last evening. My only comment after the meeting is to reinforce the changes that were suggested on the City owned property. Specifically, pushing out the timeframes on the RFP process.</p> <p>Thanks again!</p>	City staff has adjusted Program 1.1.B to reflect the suggested edits.	Chapter 2, page 2-5

Commenter Name	Comment	Response	Edit Reference in Document
Rich Pepe	<p>Sunset Center or Vista Lobos Housing Element: Dave Potter once told me at least one year ago, he had Patrice Pastor interested and positioned to build an underground parking garage/structure at Sunset Center with some sort of above ground element, maybe a museum or passive park.</p> <p>This now had blossomed into low-cost housing on the roof of the parking garage/structure. Even the words "garage/structure" should be enough to alarm the residents and stakeholders of our community.</p> <p>Councilmember Bobby Richards questioned Marnie Waffle if Sunset Center or Vista Lobos is required by the state to be included in the Surplus Lands Act. Marnie confirmed it does not, as it is in use and not vacant land.</p> <p>Victoria Beach mentioned Sunset Center or Vista Lobos was only recently included in the housing plan, without any public input. Sound familiar with this council? Slip in something and hope no one notices.</p> <p>The CRA spoke against this plan, and no nearby residents or businesses were informed or questioned as to their concerns or opinions.</p> <p>No drawings or renderings were provided to the community, as to what a parking garage/structure with rooftop housing may look like as per size and mass, and the impact on light and viewshed to nearby homes and businesses.</p> <p>Marnie mentioned any RFP would need to show no reduction of parking spaces, with one parking space for one car per housing unit. If any housing unit may have two cars, then one would have to park on the street, causing congestion in that neighborhood.</p> <p>As for the parking lot that exists today, it is free of charge and generally full on a daily basis. There is no way a newly built parking garage/structure could be free of charge. Underground parking garage/structures are extremely costly to build, maintain, and to provide security. According to the Walker Parking Study of 2013, underground parking is the least favored alternative to solve small town parking issues. And where do the water credits come from? This may be the biggest issue!</p> <p>I am open to listen, view any proposals, learn, have my viewpoints heard,</p>	<p>City staff has considered this comment. No edits to the draft housing element have been made.</p>	-

Commenter Name	Comment	Response	Edit Reference in Document
	<p>but I expect no one at city hall cares to hear from concerned stakeholders. This all seems predestined for Patrice Pastor to come in, grab free land to build, and make a small fortune, and bury his profits in building costs and operational costs. Am I wrong?</p>		
Sunset Cultural Center – Beth Bowman	<p>I am writing on behalf of the Sunset Cultural Center staff and Board of Trustees to share our concern over the latest draft of the Housing Element. Identifying Sunset Center's North and South Lots as the top two sites for affordable housing is alarming to us. Bearing the brunt of construction on two sides and the loss of critical parking alone threatens our very existence.</p> <p>We are compelled to ask why this has been rushed with little or no time for public comments prior to closing the door on discussion Friday. The citizens of Carmel have the right to understand the impact this will have on their performing arts center and have an opportunity to comment. This appears to be a rushed process for such an important and impactful issue.</p> <p>As a city partner, we are surprised not to have been engaged in a discussion, especially since we will lose three cottage tenants and the accompanying parking. It is also unclear how the South Lot fits into the suggested timeline since it's under a lease agreement until 2032.</p> <p>The density of affordable housing surrounding our campus is also a concern. Were thoughts given to how that will affect the "Crown Jewel of Carmel" as a regional performing arts destination?</p> <p>We welcome an opportunity to discuss our concerns and hope for an extension of public comments before a revised draft is submitted to HCD Sacramento.</p>	City staff has considered this comment. No edits to the draft housing element have been made.	-
Michael	<p>Respected, I'm not a Carmel resident, but I like and follow everything you do. If you will allow me a few comments.</p> <ol style="list-style-type: none"> 1. proposal for new house construction. To make it completely ecological, green, without unnecessary energy loss. 2. explain the importance of making external insulation (as an easy job) and the method of revitalizing the facade. 3. NY has NY state solar, as an idea of saving the roof and helping to save the personal budget. 4. I still have a lot of ideas for you, so if I'm interesting to anyone, feel free to contact me. 	City staff has considered this comment. No edits to the draft housing element have been made.	-

SOURCE: City of Carmel-by-the-Sea

6th Cycle Housing Element Update (2023-2031)

Public Comment Response

City of Carmel-by-the-Sea

January 16 - January 23, 2024

Prepared by
EMC Planning Group

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Revised Draft Housing Element Public Comment Response

1.1 Public Comments Received

Per the requirements of AB 215, the City of Carmel-by-the-Sea published the Revised Draft Housing Element for a seven-day public review period on the City's dedicated Housing Element Update website, <https://homecarmelbythesea.com/>. The public review period began on January 16, 2024 and ended on January 23, 2024. A total of five comments were received, none of which indicated a need for substantive changes to the draft. Public comments received on the Revised Draft Housing Element are listed below, as well as City staff's response to comments.

Comment #1: J. Comer

Marnie, what an undertaking with the report. Congratulations to you and your team for putting together this very extensive report. In reading it, as much as I could, I realize that we have a thoughtful group of people in the city who are trying to do the best they can related to the California mandate.

Given the space constraints, the Coastal Commission, the water issue and power problems I think it will be difficult to accomplish the goal of adding 349 units but you have put together a sensible plan. Clearly, as those in power at the state level deal with all their own issues, I think it is sufficient to say that the goals will be in flux for many years. Maybe they will even wake up and find that their goals are unrealistic for small communities that are virtually built out.

Good luck and thanks to your team for all the work.

City Response: Thank you for your support and continued engagement.

Comment #2: N. Twomey

First, thank you for all of your unending efforts on behalf of this monster 2023-2031 Housing Element. (extend my thanks to others as appropriate). I will trust your judgement on what it will take to deliver an acceptable draft for HCD approval. You know our Village, its values, character, charm, concerns, limitations and have done your utmost to incorporate and protect them. With any/all of the following - I'm not requesting that these comments warrant any changes to your draft. However, I'd request the appropriate items below to be embraced in the next steps in programs, projects and deliverables. I worry and am fearful that we/you won't have enough time/resources to

meet the timelines throughout this draft Housing Element. I hope that there will be "grace periods" if they are underway but not yet completed.

My comments - based on my limited years in this amazing Village:

TREES - As previously expressed, we cannot be required to loosen our existing processes/ordinances to support new housing in preference to existing trees. Carmel is already at significant risk with its decades of investments in our forest and tree health. Our Trees, our Beach, our Architecture, and our Culture ALL contribute to what makes Carmel-by-the-Sea special (as you know).

City Response: Comment noted. The forest character of Carmel is a valuable asset and existing policies to preserve and protect the forest will continue while balancing the need to accommodate new housing units. All of the identified potential housing sites are developed properties, many of which do not currently contain trees. New developments, such as Ulrika Plaza, will include revitalized streetscapes that incorporate trees thereby adding to the forest character of the village. The City will monitor all new housing projects to ensure that trees are not a barrier to the development of low-income housing.

ADUS - (see page 15 of redlined doc) - this calls out that in 2023 that we are revising our ordinance. This should be updated to 2024 (with the hopes that this can get done this calendar year). This continues to mention "pre-approved" ADU plans - which I continue to find concerning. Anything that moves us in a direction of "Cookie cutter" designs - is antithetical to what has made Carmel's Architecture an asset for residents and visitors alike. I understand that this is a program that HCD likes to see - but I struggle with this - even if exterior finishes/colors are required to align with the primary dwelling. Roof lines and shape make a huge difference to the appeal and fit in our residential areas. Note: you have the anticipated Dec 2024 timing correctly noted on page 34.

City Response: Comment noted. The City's efforts to update the ADU ordinance will continue into 2024 with the goal of adopting the ordinance by the end of the year. City staff received valuable feedback from the community and the Planning Commission at the workshop on November 15, 2023, and are working to incorporate that feedback into the draft ordinance. Objective design standards are expected to be part of the draft ordinance to ensure compatibility with the architectural character of the village and could also guide the creation of pre-approved ADU plans. Both efforts will include public engagement. Preapproved ADU plans make the construction of ADUs more affordable to homeowners, should they choose to take advantage of them. Homeowners would still be able to develop their own ADU plans. In other words, the preapproved plans would not be mandatory.

MANUFACTURED HOMES - see my comments in the ADU topic above. Same concerns here.

City Response: Comment noted.

SUNSET CENTER North Lot - (I personally acknowledge that new housing is destined to/for this location - that many others intensely disagree) Called out on page 28 is mentioned that we will issue an RFP within 6 months (fall of 2024). Given how tough big decisions are here - and that this is city owned land...what will be the process this project/RFP will follow beyond what is shown on this page 28? And won't this require rezoning to make this possible as well? I'd believe - that we'd HAVE to make this a STRATEGIC PRIORITY in this coming half year planning session if we are expecting to do this on time.

City Response: Comment noted. The 6th cycle Housing Element contains an ambitious set of programs to guide efforts over the 8-year planning cycle. Where appropriate, and with the support of the City Council, staff will engage the services of qualified consultants to assist with the preparation of a Request for Proposals which will include opportunities for public engagement. Rezoning of the property is not needed as the current zoning allows for the development of housing. Establishing objective design and development standards for the Sunset Center site will be an integral part of the process. The housing element work plan will be included in the City Council's strategic planning sessions throughout the planning period.

OBJECTIVE DESIGN STANDARDS - I'd previously understood that we'd need to have these approved by City Council much sooner than the mentioned December 2025 (page 44). Is this timing still OK? (this is also relevant to the prior #4 item/project too of course)

City Response: The development of objective design and development standards is a top priority. The City has secured grant funding for this effort and will engage the services of a qualified consultant to assist staff in the development of the standards. Public engagement will be part of that process and will build upon the immense work completed to date with the Design Traditions project. Additional financial and staffing resources will be crucial to completing tasks within the projected timelines.

STREAMLINED APPROVALS - As a select few low income housing plans may be candidates for ministerial approvals - how can we as citizens keep an eye out for these knowing they won't require Planning Commission or Noticing processes? I assume we can (on our own time) watch an online database of project submissions? or something similar?

City Response: The City will continue to utilize existing channels of communication to ensure the community stays abreast of new housing projects including, but not limited to, announcements in the City Administrator's weekly Friday vlog and newsletter, at regular City Council and Planning Commission meetings, on the City's website <https://ci.carmel.ca.us/>, and via Constant Contact listservs.

ASSUMING MANY NEW HOUSING PROJECTS MOVE AHEAD (beyond already known ADU's, 7th & Dolores, 5th & Dolores etc) - how do we contain the beauty and enjoyment,

especially Downtown for the benefit of Residents, Businesses and Visitors? Likely, this is a wait and see - but is there something we can or should do in advance to prevent this potential "construction zone Village" feel? SEE page 40 on Program 1.3 Procedures for SB35 - I pray that this bill does not become applicable to the Coastal Zone. How do we get notified if this happens?

City Response: The City requires that all new projects include construction management plans to manage construction activity and minimize disruption to residents, businesses, and visitors. We will continue to refine the requirements contained within these plans.

PARKING - especially as this project targets lower income housing - when these residents include children, no or limited parking is completely unrealistic. These families have schools, doctors, activities etc - that require transportation beyond what could be made possible via mass transit. Decreased parking requirements on low cost housing is opposite to the need/requirements. And you know we are already crunched on parking downtown now! (Stating the obvious)

City Response: Comment noted. There are a variety of programs that can be developed to supplement transportation needs. Reduced parking requirements are already codified for senior and affordable housing. The City will work with affordable housing developers and the community to ensure an adequate supply of on-site parking coupled with alternative transportation options (including, but not limited to, mass transit).

UTILITIES - Water, CAWD & PG&E remain huge challenges - that you've addressed in this draft. (Stating the obvious)

City Response: Comment noted. The City is committed to ongoing partnerships with local utilities to ensure adequate services are available to support housing goals.

UNDERGROUNDING - I am amazed that the timeline you included on page 32 is remotely possible...especially for the 20-30 year goal for undergrounding the whole city. This would be great - but like other projects (e.g. Police Station) funding is a huge hurdle to achieve this goal - and would be beyond this RHNA cycle requirements. (Stating the obvious)

City Response: Comment noted.

Comment #3: C. Hollenbeck

Housing Element Review Committee (City of Carmel), I am very disappointed that our City leaders did not do more to protect our village from State overreach. I hope Carmel will find the courage to join with other cities who are fighting to maintain local control. I feel the public is being given the false hope that densifying and destroying years of thoughtful planning and preservation of our beautiful town will somehow provide opportunities for young families to live here. Sadly, we are just being manipulated into helping developers to make lots of money. By the time people wake up and

figure out we've been duped, it will be too late to save Carmel. We will have a mini San Francisco with little green space and no parking.

City Response: The draft 2023-2031 Housing Element strives to maintain local control by putting forth a housing plan that is sensitive to the history, character, and values of Carmel while accommodating a variety of housing opportunities to meet the needs of existing and future residents. The draft policies and programs emphasize the conversion of, or additions to, underutilized buildings and the redevelopment of parking lots that can accommodate on-site parking and housing. Redevelopment of city-owned parking lots to accommodate lower-income housing will provide workforce housing opportunities for employees of the tourism, agricultural, and service industries, including young families.

Comment #4: B. Wilke

Regarding segregation: Historic Resources Board member, Karyl Hall's proposed Notable Homes program would create segregation because it incentivizes rich white people to increase their property values through program incentives. Thus driving out people who work here because they can't afford to rent those houses. So any placeholder in the draft for Hall's program should be removed. Hall recently threatened a hotel owner, per a deposition, and hasn't attended a Historic Resources Board meeting since.

Mentioned in the state's letter was a lot about fair housing/reasonable accommodations for the elderly, disabled, etc. Recently, the City Administrator threatened, retaliated against and physically assaulted a disabled person due to head injury. The administrator retaliated by telling the disabled person he'd talk to his landlord because his interaction with disabled person was not the way interactions are supposed to go. So the state's comments about treatment of these people is welcomed so everyone is treated fairly.

City Response: The City Council placed the Notable Homes proposal on hold and it has not been included in the draft 6th cycle 2023-2031 Housing Element. The policies and programs proposed in the draft Housing Element aim to increase housing opportunities for a variety of households and income levels. The City will review and revise where necessary, its reasonable accommodation policy to ensure access to housing for persons of all abilities.

Comment #5: L. Smith

We appreciate the opportunity to comment on this 6th draft of Carmel's HCD. Thank you for the tremendous amount of work you have done to try to address the crucial need Carmel has for affordable housing. We have personally just finished a marathon effort to find such housing in Carmel for our elderly friend, a Carmel resident and worker in Carmel shops for the past 25 years, after a difficult eviction based on her age and health. It is a ruthless environment for such as she, I can tell you. Carmel needs badly to find ways to produce affordable housing and assistance for those like our friend who are part of what's left of the community and can't afford the rapacious rents, but

must, in order to stay close to their survival matrix, live here. Our concern is that many of the proposed solutions suggested could be, and show signs of being, anathema to Carmel's unique history and forest environment and therefore are not in compliance with the Coastal Act and our well thought out General Plan/LUP. It is sad that this document seems to have been forgotten during the decades since it was so pain-stakingly prepared by informed historians, scientific experts and aware residents of Carmel.

Carmel is unique among the roster of Monterey Peninsula cities in its historic relationship with and commitment to its "urbanized" Monterey Pine Forest environment. Our village was built by people who loved the 400 acres of fragrant Native Monterey Pine Forest that they found here at the edge of the beautiful Carmel Bay. They built small houses nestled amidst the trees and accepted the risks they took on. They were true lovers of Nature and true Beauty seekers, and the choice they made to preserve and protect our forest, and the simple life they lived here, have set the stage for all the blessings we have reaped to this day. It's tragic that we have destroyed so much of this heritage already, and unfortunately we risk accelerating this sad process to solve a hardship created by uncontrolled market forces and unfortunately by over exploitation of our heritage.

We are concerned that the unrestricted building of ADUs on already small crowded lots and the filling up of every open space available in this historic village with new buildings goes against Carmel traditions and history of cherishing open space and small houses subservient to the natural environment and in fact will encourage the removal of our native trees, leaving no room for new trees to grow. This will degrade our "village in the forest" environment greatly, with associated risk to the Carmel Bay Area of Special Biological Significance, and creating a hotter, ecologically poorer, uglier setting and creating conflict among neighbors (where they exist). As an example of this risk to social harmony, we have an historic property with many oaks and native shrubs on its 2 ½ wild lots along with a little 1905 700 sq ft redwood Carmel cottage. 7 years ago an out of town investor purchased the neighboring property and, after having shown little interest in history or concern about his impact on the neighborhood, and disrupting life with incessant remodeling, is presently, all of a sudden, without warning, constructing a large ADU, as big as our cottage, with significant negative impacts on the viewshed and privacy from our vantage point. It takes up all available land where replacement trees should go to mitigate the 5 oaks he was allowed to remove. If this trend continues there will ultimately be no trees and no open space remaining in Carmel. The destruction of Carmel's unique forested village character and history will be complete.

We believe that Carmel's history is a model for the world, of a community that strove to live a life in harmony with Nature...simple living and high thinking in an atmosphere of brotherly love were our founders' aspirations. We need to revisit our founders' values and vision. And, with biodiversity loss and climate warming barreling down upon our fellow creatures and our posterity, it would behoove us to look for ways to address our problems as sensitively and in tune with our place and our past as is possible.

Some suggestions of ways to increase affordable housing, in addition to those you have already suggested that don't add to the significant removal of open space and the forest might be:

- To encourage and incentivize internal conversion of existing larger houses to accommodate a studio or 1 bedroom apartment.

City Response: A junior accessory dwelling unit (JADU) consists of the conversion of up to 500 square feet of existing living space to a separate dwelling unit, which may have shared or independent bathroom and/or kitchen space with the primary dwelling. The City will continue to disseminate information on JADUs.

- To mandate conversion of short term rentals in the commercial district to long term rental status.

City Response: The conversion of existing short-term rental units in the commercial district is a policy decision that the City Council could consider. The legal implications of revoking a land use entitlement a few years after granting it would need to be carefully evaluated. Staff also notes that property owners who have been granted a short-term rental permit still retain the option to rent their units long-term. In the interim, encouraging owners of underutilized buildings to convert second-floor space in commercial buildings to apartments will be a focus of implementing the 6th cycle Housing Element.

Finally, I'd like to highlight some excerpts from the General Plan/Coastal Land Use Plan Introduction Purpose & Organization (adopted June 3, 2003) which speak in harmony with all other elements of the General Plan/LUP and the City Codes.

Carmel-by-the-Sea Community Profile

Regional Setting

...Carmel is an area rich in coastal resources and cultural heritage in California and an area of nationwide visitor and historical interest. (pg 12)

Physical Characteristics

The renowned scenic environment of the City of Carmel-by-the-Sea and Monterey Peninsula stems from its two dominant features: the coastline and the central ridge of wooded hills. The preservation of these two features is imperative if the scenic character of the Peninsula is to be maintained. The wooded ridgeline runs through the heart of the Peninsula separating the City of Carmel-by-the-Sea from Pacific Grove, Monterey and Carmel Valley. Numerous fingers of open space extend outward from this ridge to the sea, helping to define the Peninsula communities. The Carmel River originates at elevations of 4500 to 5000 feet and flows westerly through the Carmel Valley, emptying into the Bay at a point just south of the City. The Carmel River floodplain zone broadens near the river mouth. The City of Carmel-by-the-Sea, since its origin, has recognized the need for open space. As a

result, the City owns most of the beach along its western boundary, open areas and several parklands within the city. Carmel Bay is designated as an Area of Special Biological Significance, requiring protection of species or biological communities to the extent that alteration of the natural water quality is undesirable.

Carmel gives the impression of having a considerable amount of additional open space from the abundance of trees and wide road shoulders in natural growth. Although some of the streets of Carmel, notably Ocean Avenue, were planted with trees, most of the village was tree covered long before there was a Carmel. There are numerous records by travelers passing through Carmel-by-the-Sea which mention a “village in a forest above a white ocean beach”; “a town whose citizens love trees”. Many of the trees are older than the town. The general impression of a forest comes from more than just the trees on the City streets, it includes those on private property, and the impression is created by fair-sized trees.

We all should be aware that we are keepers, on this Peninsula of a world renowned ecological treasure, not only for its extraordinary beauty but “The conservation status of 33 conifer species has declined, including California’s Monterey Pine (*Pinus radiata*) - the world’s most widely planted pine valued for its rapid growth and pulp qualities.” Monterey pines in their native habitats are newly recognized on the ICUN Red List as “endangered”. The Native Monterey Pine Forest of the Peninsula is and has been its primary natural feature. It welcomes resident and visitor alike with its cool dark green beauty and freshness. And Carmel is the only city on the Peninsula that embraced its portion of this forest at the heart of its character!

And lastly from the Coastal Resources Management Background Element of the General Plan/LUP:

Steps must be taken to minimize the threat to existing healthy Monterey pines and new seedlings to ensure continued diversity in species, age, and location. This document includes policies to respond to this issue. Disturbance and/or removal of mature and disease resistant trees during construction or other development activities should be avoided. Permit conditions requiring replacement trees for those removed from private land should be monitored and enforced to ensure that the trees are healthy and reach maturity. Replacements should also be in like kind. It is essential that these and other policy directives be carried out to ensure that the Monterey pine forest landscape is protected so that the forested character of this unique coastal village is preserved. (LUP)

Thank you for your attention to our concerns, Marnie, and again for all your hard work.

6th Cycle Housing Element Update (2023-2031)

Public Comment Response

City of Carmel-by-the-Sea

June 5 - July 6, 2023

Prepared by
EMC Planning Group

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Attachments

Attachment A Email Comments and Responses

1.1 Draft Housing Element

Pursuant to AB215, the Housing Element must undergo a draft process subject to a 30-day public comment period, and if comments are received, an additional 10-day consideration and revision period prior to Housing and Community Development (HCD) submittal.

The following document outlines all public comments received during the 30-day public comment period as well as responses and revisions to the Housing Element.

1.2 Purpose of Draft Housing Element Public Comment

As required by HCD, the Draft Housing Element was available for 30-days of public review from June 5, 2023 to July 6, 2023. The Draft Housing Element was posted on the City of Carmel website and the dedicated Housing Element website (homecarmelbythesea.com) and a number of written public comments were received. Additionally, verbal public comments were received at a special joint City Council and Planning Commission Committee meeting on June 15, 2023.

The City received 31 written comments and 8 verbal comments for a total of 39 public comments on the Draft Housing Element. The City of Carmel-by-the-Sea also received 157 responses to a Stakeholder Survey which was available between May 24, 2023 and July 7, 2023. The results of the Stakeholder Survey are discussed in [Appendix H](#) of the HCD Initial Draft Housing Element.

Government Code 65585(b)(1) indicates that the purpose of the public review process includes the following:

- Disclosing agency analysis;
- Discovering public concerns; and
- Incorporating public comments.

1.3 HCD Draft Housing Element Report

This Comment Report for the Preliminary HCD Draft Housing Element review has been prepared to address comments received during the public comment period and, together with the Draft Housing Element, constitutes the complete City of Carmel-by-the-Sea 6th Cycle 2023-2031 Housing Element. This Comment Report for the Preliminary HCD Draft Housing Element is organized according to the method by which comments were received.

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Public Comment on the Draft Housing Element

2.1 Verbal Draft Housing Element Comments

The following verbal public comments were received at the June 15, 2023 special joint Planning Commission and City Council meeting. The following comments are abbreviated based on notes taken. Responses to these comments were provided by Brandon Swanson, Community Planning & Building Director, during the meeting, and are provided below.

Nancy Twomey, Public Comment 1

The Architectural Digest voted Carmel #8 out of the 50 most beautiful towns. We need to protect the character of our town, especially of the village. Twomey expressed concern with second stories. Dolores and Ocean is an example of second stories done right. Design review should be continued. We do welcome new residents and housing, but be selective and infrequent with second stories.

Tasha Witt, Public Comment 2

What is missing from the public draft: retaining discretionary design standards. Keep Planning Commission review.

Karyl Hall, Public Comment 3

Retain existing zoning. Against Objective Design Standards. New housing should follow design principles.

Ken White, Public Comment 4

Carmel is built to capacity. 349 is too many. We're a world-famous tourist destination and that's to Carmel's credit – not the State's. We should support a ballot opposing this. This is not our philosophy. Do we want cultural diversity? The people of California haven't had a say. Be careful as we proceed.

Dave Fahey, Public Comment 5

No one has bought into the State edict. We can't take parking away. Why do we have to do this?

Linda Calafiore, Public Comment 6

Offered words of praise of document. Sometimes the government needs to step in and do what we are not doing as citizens. This is up to us to do our share. We need workforce housing. We'll work on the new water sources. Bravo on the effort.

Tim Twomey, Public Comment 7

No objective design standards. We need to keep our incredible design standards. Vacancy taxes are only allowed in Charter Cities. The ECONorthwest study conflicts from the Public Draft information, and should be removed from the Appendix.

Maria Ruess, Public Comment 8

Very complete document. The housing problem is a national problem, and we need to be part of the solution. Question: Were sites lost in the edition? Question: How do ADUs relate to water? A vacancy tax would really help and should be implemented.

Response to public comments from Brandon Swanson, Community Planning & Building Director

Points of clarification:

- We are not recommending 3rd stories; 2nd stories are currently allowed in the Municipal Code.
- ECONorthwest report was a starting point, a roadmap.
- Objective Design Standards are only for affordable housing projects. Everything else would be reviewed against our normal guidelines. Besides, we (Carmel) would be the authors of any potential objective design standards.

Councilmember Ferlito

Current subjective guidelines can drag out a process to the point of making it unaffordable. We would be vigorous about drafting Objective Design Standards (ODS).

Planning Commissioner Allen

Only low-income projects are subject to ODS?

Response to Commissioner Allen from Brandon Swanson, Community Planning & Building Director

Low, very-low, and moderate-income projects are subject to ODS.

Councilmember Baron

Not just hotels in the R-I should get the convert to housing benefit after moving units elsewhere. Include commercial hotels to do the same. Suggests clarifying “unit” in Program 1.3.B. Marnie Waffle (City staff) says hotels could provide housing in exchange for hotel rooms. Baron suggests at least one conversion allowed, possibly more.

Pre-approved ADU plans likely won’t work in Carmel. Doesn’t seem realistic.

Sunset Center? Unrealistic to think housing would go on that site under ODS. It will need to be subjective – a design competition or public-private partnership. A housing trust fund would be good to fund that project. Waffle (City staff) says Baron is confusing “development standards” with objective design standards. Baron says Carmel owns the property (sunset Center) so the City is in control. Brandon Swanson says City could exclude the Sunset Center from the ODS overlay. Baron recommends incentivizing development of Sunset Center another way.

Objective design standards don’t make sense in our community. Slowing down the process isn’t a problem. It protects old houses from being razed. ODS might be a detriment to our community. Ferlito clarifies ODS is only for affordable housing projects.

Program 1.3.C: encouraging ADUs. Suggests survey needs to be done to find out if ADUs are being lived in. Baron thinks not. Housing trust find money shouldn’t go towards making houses bigger. Baron would like to see ADUs forced to be lived in.

Vacancy tax needs a lot more thought. Pie in the sky. TOT is the most realistic. Vacancy tax means becoming a charter city and opens a bag of worms.

Baron expresses interest in TOT, vacancy tax, etc. but wants to hear others input. Baron says all these potential programs are worth considering. Ferlito says vacancy tax may be more palatable in 5 years, and points out this is an 8 year process!

Program 2.3, Barons really likes.

Program 2.4.A, Lot mergers. Prohibit please, and prohibit homes being replaced with commercial uses.

Program 3.1.A same as 2.3.A? What’s the difference?

Senior housing shouldn’t pay school fees.

Mayor Pro Tem Richards

Can we get certified without programs? Swanson answers: No. The State needs to see the effort.

Planning Commissioner Allen

Are we better off with high level programs instead of defined programs?

Response to Commissioner Allen from Brandon Swanson, Community Planning & Building Director

We can use general policy language.

Planning Commissioner LePage

We're old and rich in terms of land value / appreciation. We're dying off. Let's think about what happens when current population dies? It will result in more outsiders coming in, more second homes. Vacancy will only go up. We need people (residents)! Not just visitors. The whole point of all this is getting people here. How do we encourage affordability. Coastal land is so scarce. Density needs to increase. We're a dying community! Got to bring people in, people who want to live here. That will provide culture, diversity, etc.

Planning Commissioner Locke

Affordability should be #1. I was a single mom when I moved here. I have a great job and still struggled to find something affordable. We need to facilitate another Carmel Foundation or Mid-Pen housing project. ADUs are nearly never used for affordable units. None are deed restricted. City of Monterey has a 1st time homeowners program. But this is more about renters. They work here.

Councilmember Dramov

Where is the money going to come from for the trust fund? Shares concern about more City staff for all this program implementation and tracking of the unfunded state mandate. Vacancy tax is a huge infringement on private property rights. The document is too vague.

Planning Commissioner Delves

Read the document. It's do-able. We are old with high vacancy. Many of us are at or below the AMI! Granted, retirement status affects that but still surprising. These stats should motivate us. We're a hollowed-out community. If we're vibrant we need kids! Sure, these plans might seem absurd to some today, but give it time. Gives Telluride example. State ADU law going all wrong here. I don't like that State RHNA mandate #'s, but just ignore the numbers and read the document. It's good. It's achievable if we want to do it. Just start.

Councilmember Ferlito

My three educated adult children can't live here. Exclusionary. Hopefully these ADUs will at some time be lived in. We have cash poor, house rich people here. ADUs can help there.

Planning Commissioner Allen

Agrees with Ferlito on the upside of ADUs. Yes, pursue ADUs. Strongly opposed to vacancy tax. Concerned about need for more City resources with more population. Let's focus on elderly housing. Stay away from rezoning and ODS. No multi-family housing please. Don't reduce parking standards.

Mayor Pro Tem Richards

This is our document. Reach out to me if you don't understand why we're doing this.

Councilmember Ferlito

Carmel Foundation has a 5-7 year waitlist. Please add that to the document. Think about the idea that not everyone needs a car.

Mayor Potter

ADUs are farcical. Affordability by design is a misnomer. Don't reduce parking standards. This whole process is unfortunate, wish we didn't have to do this. We're being forced to do this.

2.2 Community Outreach Website Comments

The Draft Housing Element was posted on the City of Carmel-by-the-Sea website and the dedicated Housing Element website (homecarmelbythesea.com), where community members were able to post their comments directly to the website. The following online correspondence was received via the dedicated Housing Element website (Housing Opportunities Made Easier (HOME)) online community outreach platform during the 30-day public comment period. Comments and responses, including where revisions to the Draft Housing Element occurred, are provided below:

Comment #1, HOME Main Page

How is parking for the residents of the new affordable housing being addressed? I just attended a workshop on downtown parking congestion. The current affordable housing proposal includes converting parking lots into affordable units. How is the city providing the infrastructure, ie parking, to accommodate the population increase?

Response: Program 1.1.C: The City will offer waived or reduced parking requirements for affordable housing projects. Alternate parking programs such as bike and/or car share or free or discounted bus passes will be evaluated to offset reduced parking. If an existing parking lot is redeveloped, the same number of those existing spaces will be integrated into the design of the new housing development, not eliminated.

This can be accomplished through the incorporation of underground parking lots, housing above at-grade parking, or simply re-organizing site plan design for more efficient accommodation of both parking and housing. Presently, Carmel Municipal Code Section 17.16.060 (Central Commercial (CC) District Regulations Applicable) waives off-street parking entirely for apartments in the CC district. In the SC District, the required parking for an affordable housing unit is ½ space per unit and for senior housing it is ⅓ space per unit. Senior housing also has a guest parking requirement of 1 space per 4 housing units."

Reference in document: *Program 1.1.C*

Comment #2, HOME Main Page

Why not prioritize more condos that can be purchased by homeowners that will take better care as owners.

Response: Program 1.3.A speaks to condominium conversions. The City restricts the conversion of existing apartments to condominiums in order to preserve apartments (which are typically lower-cost housing options) throughout Carmel. Apartments cannot be converted to condominiums unless a new apartment is created to offset the conversions. Appendix A includes Figure A-17 which indicates that 43% of households in Carmel are renters (as of 2019). Renters have always been and continue to be a valued segment of our community.

Reference in document: *Program 1.3.A*

Comment #3, HOME Main Page

Draft is very well prepared but I am concerned that we are making commitments we cannot achieve. The major properties identified such as the church parking lots and Bruno's parking lots and the small city area which serve as parks do not seem as practical areas for development. The following are some general thoughts/suggestions.

We, the citizens of Carmel-by-the-Sea, understand the need for more housing and have come up with formal responses to the state's request for plans to meet the housing goals. We are also suggesting the following ground rules and recommendation to increase the probabilities that these plans will be successful over the defined period.

Ground Rules

1. Any new properties or housing units developed by the state's requirement be required to fit into the charm and quaintness of the Village so that this charm and quaintness is not dissipated.

2. Changes made to meet the challenges proposed by the state to increase the housing units in Carmel should not impact the current parking situation which is dire due to the number of daily tourists. Any parking spaces/areas lost by a change should be offset by the addition of 1.5 parking spaces/areas within the village. The added 0.5 space would be a step toward reducing the major parking issue in the Village.

3. Additional staff not be required by the city to implement the states directives. If additional staff is required, funding for this staffing will be provided by the state.

Recommendations for State and Federal Government to Aid the Process

The underlying issue preventing additional persons/families living in Carmel-by-the-Sea is economic. Housing is very expensive and there is not a large supply in the almost 100% built out 1-mile by 1-mile area of the village. Carmel has a very large percentage of second homes which have very low occupancy rate and incentives that would make economic sense to sell some of these properties would increase available housing units.

1. Modifying properties for additional housing units will impact the tax basis of the property. It is recommended that the current tax basis of the property be maintained if the property is modified to provided added housing. Property costs, as noted, are very high in Carmel-by-the-Sea due to inflation and desirability. Proposition 13 fixes the taxes of property at the time of safe or major improvement to the property. Under current law, adding additional floors or spaces to an existing building or replacing the building to provide addition housing units would cause the property to be reassessed which in many cases would double or even quadruple the property taxes. Most leased commercial property in Carmel has the business leasing the property responsible for the property taxes including increases. A five million-dollar building reworked to provide a second or third level would probably have a property tax impact of at least \$5,000/mo. which unless offset will drive out many small businesses. The Village downtown is almost all small businesses.

2. Persons selling their property to agencies such as Carmel Foundation which provide low-cost housing could be given a State and Federal capital gains tax break to make the sale more desirable and increase the amount of property available for persons/families with limited means.

3. Double the deduction from selling your home from the current \$500,000 per family to \$1,000,000 to make it less costly to sell your home. This deduction also be applied to second homes but should be limited to a single transaction on a second home in an impacted area per person/family if the result of the sale was a permanent resident in the Village.

4. Revenue from added low-cost housing be tax free so that the cost to the renter can be minimized.

Crazy Thoughts

1. State allow/help Carmel to sell off Flanders Mansion. This property is not within Carmel-by-the-Sea proper but is adjacent and would provide additional housing for the area. Carmel has been trying to rid itself of this property for years but has repeatedly been stopped by what many would consider frivolous issues. Selling this property potentially would allow the Village to make early contributions to the Trust Fund envisioned.

2. The vast majority of low-cost housing in the area is provided by the surrounding communities of Monterey, Pacific Grove, Seaside, Marina and Seaside. Potentially Carmel-by-the-Sea could procure property in these adjacent areas and designate it for low-cost housing if this would meet the State's requirements.

Question

1. What would happen to the current major water issue if all the homes in Carmel-by-the-Sea were occupied rather than the current situation of $\approx 50\%$ occupancy?

2. Does state want more housing units or more people living in Carmel. Is it less expensive and more practical for city to buy housing that is not being used and then manage it to meet state goals of more affordable housing?

Response: Comments noted. Program 1.1.C speaks to parking; the City will offer waived or reduced parking requirements for affordable housing projects. Alternate parking programs such as bike and/or car share or free or discounted bus passes will be evaluated to offset reduced parking. Existing parking would be integrated into new housing, not eliminated.

New housing units will still be built to mirror the charm and architecture of the village, whether they are reviewed under the City's existing design guidelines or the (not yet crafted, not yet implemented) Objective Design Standards.

Response to Q1: The City does not manage the supply of water credits. Carmel is under the jurisdiction of the Monterey Peninsula Water Management District (water district) and receives its water from the California-American Water Company (Cal-Am). The water district has permit authority over the production and distribution of all water supplies within the Monterey Peninsula region, and allocates water supplies to cities and County areas within its jurisdiction.

Response to Q2. The State (HCD) requires Carmel's Housing Element to plan for 349 housing units.

Reference in document: Program 1.1.C

Comment #4, HOME Main Page

Has a combined community effort, Carmel and Carmel Valley, been explored to be sited at Fort Ord? Seems like having enough space for a planned community would be beneficial to all. And would be a better use of time and resources.

I understand we need to respond to state requirements, but sometimes having a plan B to propose can go a long way.

Response: Comment noted. State law requires each jurisdiction to plan for affordable housing within their own community.

Reference in document: *Not applicable.*

Comment #5, HOME Main Page

The county owns many acres of land adjacent to CBTS. They should sell a portion of these properties to developers and require them to build a percentage or these be condos or other moderate income building types. There should be incentives for any new units to be primary residences.

Response: Comment noted. State law requires each jurisdiction to plan for affordable housing within their own community.

Reference in document: *Not applicable.*

Comment #6, HOME Main Page

An excellent job in looking for places to comply with the new law!

My suggestions

1. If feasible, dig 4 floors at the Sunset Center current parking lot. The creates parking for the residents and the public. Ground level and two floors up, more floors new housing.
2. If feasible at the Pit, do the same thing, except ground level for businesses. Quit delaying this project for personal reasons of taste.
3. If feasible, do the same as #1 to the public parking lot near the police station.

Stay out of the parking lots of businesses

#1 and #2 and #3 will also provide needed parking. Adding parking meters won't solve parking problems because drivers with money will use the good spots, sending more vehicles without the dough into residential areas.

4 Add a third floor to buildings where owners agree so long as nobody's view is totally blocked

5. See if city can purchase the very few vacant lots or partner with owners to construct any single Or duplex rentals or sales.

6. Amend city laws to get this done to provide needed housing for workers.

My two cents worth!

Response: Comments noted, with responses below.

Some sites with parking lots have been retained on the sites inventory list on the condition that existing parking spaces will be incorporated into the design of any future housing project.

1. Comment about underground parking with housing above at Sunset Center noted. Sunset Center is identified as a site in the Sites Inventory.

2. There are currently 28 parking spaces proposed for the Pit, with mixed use (businesses and housing) above. The revised project will return to the Planning Commission in August. The applicant has not included any affordable housing units in the project; all units will be market-rate.

3. Vista Lobos is also an identified site in the Sites Inventory. Private property owners will not be forced to redevelop their properties even if the sites are included on the Sites Inventory; the City can only incentivize redevelopment, not require it. Where existing parking exists, new projects will need to include the same amount of parking (either through an underground garage, parking at-grade with housing above, or re-organized site design).

4. The City is not proposing to increase the height limits to 3-stories. The RHNA can be achieved in the 6th cycle through more efficient use of existing building sites such as conversion of 2nd floor office space to residential, second floor additions to one-story buildings, and redevelopment of parking lots. Additionally, the City is proposing a third-floor mezzanine to further incentivize affordable housing.

5. The Sites Inventory includes the Sunset Center north and south parking lots, and the Vista Lobos parking lot which are owned by the City. The Norton Court senior housing development is an example of an on-going public-private partnership between the City and the Carmel Foundation whereby the City retains ownership of the land and the housing is managed by the Foundation. The City looks forward to entering into new public-private partnerships to advance our housing goals.

6. Please review Chapter 2 for proposed programs to meet the RHNA goal.

Reference in document: *Appendix C; Program 3.1.A*

Comment #7, HOME Chapter 1

This is a bad result. The City built 18 housing units and none were affordable to lower and moderate income households! Why not, and what's the plan to address the 187 affordable units by 2031?

Response: Comment noted. The City is revising programs and policies to ensure the RHNA is met in 6th Cycle. While the City continues to rely on the private development market, and outside organizations (such as the Carmel Foundation) to create and maintain affordable housing projects, the City has committed to exploring an Affordable Housing Trust Fund (see Program 2.1.D) in the 6th Cycle. The Fund would be dedicated to the creation, maintenance, and rehabilitation of affordable units. Please review Chapter 2 which includes goals, policies, and programs aimed at meeting the City's RHNA at all income levels: very low, low, moderate, and above-moderate.

Reference in document: *Program 2.1.D*

Comment #8, HOME Chapter 1

Very thoughtful and balanced approach. Greatly appreciate the effort going into this importance process.

Response: Comment noted.

Reference in document: *Not applicable.*

Comment #9, HOME Questions and Answers Page

More studios and 1 bedroom please the more you make the more prices will go down.

Response: Comment noted. The City is exploring a "minimum density" to encourage the creation of more small units, as opposed to fewer large units. See Chapter 2, Goals, Policies, and Programs, specifically, Program 3.1.G.

Reference in document: *Program 3.1.G.*

Comment #10, HOME Questions and Answers Page

Please eliminate all the vacation homes. Require properties to be lived in by the owner a majority of the year. The housing costs would plummet, which everyone will complain about in the short term. The long term benefit to the community immediately outweighs any of that Start with simply putting your feet down on the short term rentals.

Response: Comment noted. Program 2.1.D involves the establishment of an Affordable Housing Trust Fund. Sources of funding identified include a possible vacancy tax, which will be explored during the 6th Cycle.

Reference in document: *Program 2.1.D*

Comment #11, HOME Questions and Answers Page

I appreciated Chapter 2 on goals of the effort but it seems these goals were written to help explain why we need 349 units, a target mandated by the state but not really something that our community has taken ownership of. I suggest we step back and really look at the kind of community we want to be in the future and how housing can make that happen. What kind of demographic do we need to attract to stay vibrant and relevant? Where do those people want to live and work and what are their housing needs and how do we attract them? What trade-offs are we willing to make to achieve whatever goal we prioritize? Knowing the "why" will make the "what" and "how" much easier to achieve. Let's paint a picture of what the Carmel of the future can be with new energy and a long-term, sustainable future. The housing costs would plummet, which everyone will complain about in the short term. The long-term benefit to the community immediately outweighs any of that. Start with simply putting your feet down on the short term rentals."

Response: See Appendix H - Stakeholder Survey Results. This survey includes community members responses about what types of housing they would like to see built in Carmel-by-the-Sea.

Reference in document: *Appendix H.*

Comment #12, HOME Questions and Answers Page

2.2 of the Initial Public Review Draft of the 6th Cycle Housing Element Update RE: Program 2.2.A: Historic Preservation Educational Programs: "...the city will continue to promote education programs that improve public understanding of the city's rich cultural and design heritage, and provide zoning flexibility and incentives to facilitate residential rehabilitation of historic resources." It is unfair, discriminatory, and segregating to give zoning flexibility and incentives to a certain style house, but not to other style houses. The term, "historic resources," refers to a certain style house

that is not historic, so is a confusing and deceptive term. The Historic Resources Board was instructed by the city that the proposed program to give zone flexibility and incentives to a certain style house must NOT be combined with the National Registry of historic houses and must be completely separate and have nothing to do with it. The city told it to change the name of the proposed program to make it clear it was not part of the National Registry of historic houses. Therefore, it cannot be combined in the draft either. “Educational Programs” cannot enforce or endorse any style house and can’t “educate” as to what style house is or isn’t acceptable.

Response: The historic preservation ordinance already provides zoning flexibility and incentives for all buildings on the historic inventory regardless of style. No changes are proposed to these provisions. The Housing Element program reinforces these existing provisions and commits to promoting them over the next 8 years. The Housing Element program is independent of the recent discussions of the Level 2/Notable Homes proposal being discussed with the Historic Resources Board.

Reference in document: *Not applicable.*

Comment #13, HOME Potential Sites Inventory Page

Forest Cottages Specific Plan: 4 single-family residences on a 9,892 SF lot and 2 multi-family deed-restricted in perpetuity very low/low-income residences on a 3,019 SF lot

Response: The Forest Cottages site has been added to the Sites Inventory.

Reference in document: *Appendix C.*

Comment #14, HOME Potential Sites Inventory Page

I think we are at our max of housing in this small village. consider, traffic, pollution,water etc.

Response: The City has identified potential sites to accommodate the City's 349-unit RHNA goal. The environmental impact of these units will be described and evaluated in the CEQA analysis under development in the Fall of 2023.

Reference in document: *Not applicable.*

Comment #15, HOME Potential Sites Inventory Page

The property currently for sale at 24744 Dolores Street would be an excellent development site for multi-family housing. It's 1.57 acres, walking distance to downtown, next door to Stevenson school, set back from the neighboring homes. I suggest you form a private/public partnership to purchase the property, prepare it for low-income, multi-family development, then sell it at a profit to a developer. (I have no relationship whatsoever to the property, the owners of the realtors involved.) Just seems like a really rare opportunity.

Response: This site is outside CBTS City limits in County jurisdiction.

Reference in document: *Not applicable.*

Comment #16, HOME Potential Sites Inventory Page

[Sunset center is an] ideal place for multiple family housing and studio apartments over parking.

Response: Sunset Center has been identified in the Sites Inventory for housing over parking.

Reference in document: *Appendix C.*

Comment #17, HOME Potential Sites Inventory Page

The Sunset Center plays a prominent role in the downtown parking plan. Please don't add to the parking and congestion problem by eliminating this parking area and bringing in more people.

Response: Program 1.1.C: The City will offer waived or reduced parking requirements for affordable housing projects. Alternate parking programs such as bike and/or car share or free or discounted bus passes will be evaluated to offset reduced parking. If an existing parking lot is redeveloped, the same number of those existing spaces will be integrated into the design of the new housing development, not eliminated. This can be accomplished through the incorporation of underground parking lots, housing above at-grade parking, or simply re-organizing site plan design for more efficient accommodation of both parking and housing. In the case of Sunset Center, the existing topography lends well to parking with housing above.

Reference in document: *Program 1.1.C*

Comment #18, HOME Potential Sites Inventory Page

Redevelop the pottery and yoga studios on the Southern side of the [Sunset Center] property, in addition to the parking lots. There's a lot of under-utilized space on this lot.

Response: The Sunset Center south parking lot as well as the north lot have been added to the Sites Inventory list. Because the yoga and pottery studios at the south lot are Inventory-listed historic resources, they would remain and be incorporated into the design of any new development.

Reference in document: *Appendix C*

Comment #19, HOME Potential Sites Inventory Page

This is a prime spot for more density. Rethink how this property can be used and find a way to get it usable again by a new owner.

Response: It appears as though this comment is in reference to Flanders Mansion. The City has not included Flanders Mansion in the 6th Cycle Sites Inventory. However, the City has identified other City-owned sites (Sunset Center north and south lots and Vista Lobos) as viable sites for redevelopment.

Reference in document: *Not applicable.*

2.3 Email Comments

Twelve comments were submitted by email to the City and/or the Housing Consultant at wahl@emcplanning.com. Due to length, responses received via email are included as an attachment to this document labeled: [Attachment A – Email Comments and Responses](#).

1. Cynthia Wagner Weick, email dated June 11, 2023;
2. Nancy and Tim Twomey, email dated June 14, 2023;
3. Sam Farr, email dated June 15, 2023;
4. Karen Wood, email dated June 24, 2023;
5. Leslie Williamson, email dated June 26, 2023;
6. Erin Allen, email dated June 29, 2023;
7. Stephen Engblom, email dated June 30 2023;
8. Michael DeLapa, email dated July 6, 2023;
9. Shannon Hughes, email dated July 6, 2023;
10. Stephanie Locke, email dated July 6, 2023;

11. Monterey Bay Economic Partnership, email dated July 6, 2023; and
12. Esther Goodhue, email dated July 5, 2023.

Email Comments and Responses



ATTACHMENT

Email Comment #1

Received from Cynthia Weick

Thank you for making available the Initial Public Review Draft 6th Cycle Housing Element Update (2023-2031) for the City of Carmel-by-the-Sea, June 5, 2023. As full-time residents of Carmel-by-the-Sea my husband and I have followed the development of this document by reading prior reports, attending meetings and researching other related materials from across the state.

Below are three general comments/suggestions, followed by specific comments/suggestions.

- Please create an executive summary at the start of the draft that succinctly details what is being proposed in terms of policy/program/code changes and specific sites. As is, the reader is expected to piece together the various recommendations to create a full picture of the changes recommended and their implications. This is not the same as the mostly topical summary provided on the HOME website – the information at the bottom of page 1 and top of page 2 in this summary is a start but needs to be enhanced to create a fuller picture. **Comment noted.**
- The document needs to be proofread. **Comment noted.**
- Quotes derived from public meetings are highlighted in the draft, and imply strong and unanimous community support of the plan that has been crafted. From other sources, the *Pine Cone* for example, there is a good deal of dissonance within the community over the housing issue. Moreover, a positive comment from a community member does not necessarily imply support for the entire plan, although this is the impression given in the draft. **Comment noted.**

My specific comments (in bold) follow passages from the draft (italicized).

Page 1-1

Carmel-by-the-Sea is a community with a high quality of life, a healthy environment, and renowned architecture. The long-term vitality of Carmel-by-the-Sea and the local economy depend upon the availability of various types of housing to satisfy the community's local housing needs while continuing to be a vacation destination for all. As Carmel-by-the-Sea looks towards the future, increasing the range and diversity of housing options is integral to the City's success. This Housing Element serves as a continuation of the City's commitment to ensuring new opportunities for residential development, as well as preserving and enhancing existing neighborhoods.

This paragraph sets the stage for many of my comments below. Most regard the need to explicate more fully how the changes proposed demonstrate “the City’s commitment to ensuring new opportunities for residential development, as well as preserving and enhancing existing neighborhoods.”

Page 1-1

The Carmel-by-the-Sea 6th Cycle Housing Element represents a sincere and creative effort to meet State housing mandates within the constraints of a fully established built-out community, limited land availability, coastal hazards, and extraordinarily high costs of land and housing.

... “the need to protect the natural environment” should be added here. This is seminal value of the community and should be among the criteria used for developing new opportunities.

Response: Comment noted. Added to page 1-1 and A-92.

Page 1-7

The City has a higher share of white residents than other jurisdictions in the Monterey Bay Area as a whole, a lower share of Latinx residents, a lower share of Black residents, and a lower share of Asian/Pacific Islander residents.

This is clearly and unfortunately true. The City and Chamber of Commerce should study why Carmel by the Sea is not viewed as a desirable area by LatinX, Black and Asian/Pacific Islanders who do indeed have the financial means to afford market-rate homes here. Are current residents unwelcoming? And how many of Carmel’s businesses are owned by LatinX, Black and Asian/Pacific Islanders? What is deterring this? If increasing racial/ethnic diversity is accomplished only through offering “affordable housing,” incorrect stereotypes that associate race/ethnicity and economic status will simply be reinforced. Not all non-white people are low income, and a truly diverse community should reflect this fact.

Response: Comment noted; the City will partner with the Chamber on this issue.

Page 2-4

The City will continue incentives and provisions that facilitate development on small sites, including waived or reduced parking requirements for affordable housing projects (0.5 parking spaces per unit), density bonuses that allow for development up to 88 du/ac, flexible or in some cases no required setbacks in the R-4 zone, and lot mergers. The City will also further evaluate the parking ratio and/or reducing parking requirements in the SC and RC zoning districts to help facilitate market rate housing. Alternative parking programs such as car share will also be considered to offset reduced parking.

While this clause appears to regard 20 units in this plan, it seems to have repercussions for additional current and future development. Parking for residents, employees and visitors is already problematic in Carmel. If affordable housing replaces parking lots in the City, and only 0.5 parking spaces are allocated for new units (some of which will have multiple new residents), the plan needs to specify where parking opportunities will be expanded to accommodate additional cars. If the intention is to expand parking along residential streets

this needs to be made explicit. This will have a deleterious impact on the aesthetics of the residential community – current and potential residents need to know about it.

Response: Existing parking would be integrated into new housing, not eliminated.

Carmel Municipal Code Section 17.14.060 (Central Commercial (CC) District Regulations Applicable) waives off-street parking entirely for apartments. In the SC District, the required parking for an affordable housing unit is ½ space per unit and for senior housing it is ⅓ space per unit. Senior housing also has a guest parking requirement of 1 space per 4 housing units. Alternative modes of transportation will also be explored.

Page 2-6

Pursuant to coastal zone requirements, the City has recognized existing R-1 motels as an important coastal visitor asset and economic base in the community and there are a number of older non-conforming motels and hotels in the R-1 residential zoning district. These commercial establishments can be encouraged to transition out of residential areas and be rehabilitated as multifamily residences. These properties are located in key residential areas and this policy would diversify the housing stock through a more affordable means of rehabilitating and refurbishing existing buildings. In order to encourage these properties to transition into permanent multi-family residences and to retain the same number of motel rooms to accommodate coastal visitor access in the City, the City will develop a program to incentivize the transfer of development rights of motels located in the R-1 zoning district to the commercial district.

It is concerning that the City is prioritizing visitors and the local economic base over the residential community of Carmel. It is also concerning that additional commercial zoning will be added to the R-1 residential zone. In the future will this be expanded such that developers can convert properties in other R-1 zones to commercial uses, affordable or not? What will prevent this? This should be made explicit.

Response: There will not be additional commercial zoning in the R-1 district. Existing R-1 hotels (a commercial activity) would be encouraged to relocate to the commercial zones to make more housing available in the residential zone (i.e. motel converted to multi-family housing).

Page 2-7

Additionally, the City has number of motel units that would greatly benefit from having an affordable on-site employee housing. These units would alleviate the current lack of housing that many employees in Carmel face.

This is a great example of how businesses in Carmel can and should support the employees who make them successful. Carmel is a small jurisdiction that has a disproportionately large and dense commercial sector that mainly serves the tourist industry. This appears to be driving much of the additional housing needs. The commercial sector should take more responsibility for making sure its employees are adequately compensated and can achieve an acceptable standard of living.

Response: Comment noted.

Page 2-8

Program 1.3.E: Amend the A-2 Zoning District - AFFH

The Community and Cultural Center Zoning District, A-2, allows senior housing (55+) as a permitted use in addition to uses that provide cultural and community activities associated with the arts, education and recreation; however, development standards are not specified for the A-2 district and design review is required. The lack of development and design standards adds uncertainty and can significantly lengthen the development process. Amending the A-2 zoning district with clear setbacks, height, and objective design standards will add clarity and remove a development constraint. The City will amend the Municipal Code to include clear development standards for the A-2 zoning district to encourage affordable senior housing.

It is wise to delineate development and design standards. Failing to do so for any and all new opportunities will transgress the introductory statement on page 1-1 in which the City commits to “preserving and enhancing existing neighborhoods.” Moreover, if affordable housing is of lesser quality than market rate housing, lower income residents will be treated unfairly. If the goal is to create a cohesive community within Carmel, low-income residents should not be relegated to substandard housing and thus be stigmatized.

Response: Comment noted.

Program 1.3.F: Manufactured Homes on a Foundation System.

The City current permits manufactured homes on a foundation system on lots zoned for conventional single-family residential dwellings pursuant to State law Government Code 65852.3. Manufactured homes represent an affordable and cost-effective form of housing. The City will amend the Municipal Code to include manufactured homes as a permitted use in the R 1 zoning district subject to the same development standards to which a conventional single family residential dwelling on the same lot would be subject

This passage appears to make sure that manufactured homes would have to meet similar standards as any single-family dwelling in Carmel. In the last sentence, however, the wording should be changed to “development AND DESIGN standards.”

Response: Comment noted.

Page 2-12

Program 2.3.A: Preserve and Increase Second and Existing Third Floor Residential Uses - AFFH

The retail and office landscape is shifting and the City continues to experience retail and office vacancies. This shift represents an opportunity to the increase supply of housing including but not limited to housing over first-floor commercial uses, as a preferred development form in all Commercial Districts. The City will proactively work with property owners to encourage conversion of vacant existing second and third stories to affordable residential uses. The City will continue to prohibit the conversion of existing second-floor residential floor space to commercial use and will require newly constructed floor space at the second floor to be used as

residential units.

Consideration should be given to converting any and all vacancies in retail and office buildings to housing, including the first floors. Business to residential conversions should be made whenever possible as this will open up opportunities for housing.

Response: Comment noted. Carmel Municipal Code (CMC) Chapter 17.14 (Commercial Zoning Districts) encourages residential uses in all three commercial zoning districts (CC, SC, & RC). CMC Section 17.14.040.N.5 prohibits new residential units on the first story of any building in the CC district IF the units would front directly on a public street. Ground floor commercial space that does NOT front on a public street can be converted to residential use. Additionally, ground floor commercial space in the SC and RC could also be converted to residential use. The City will include this information in educational materials that promote the creation of new housing through conversion of existing commercial space.

Page 2-14

Program 3.1.B: Housing for Extremely-Low Income Households - AFFH

Providing housing units for Extremely-Low Income Households earning 30 percent or less of the Area Median Income (AMI) for Monterey County has proved challenging for the City. The City will continue to place specific emphasis on the provision of family housing and non-traditional housing types such as single-room occupancy units and transitional housing.

The plan needs to explicitly address how parking will be made available to these sorts of households, and how residents in these households will be provided with needed services, as well as access to affordable groceries and other necessities.

Response: Comment noted. If an existing parking lot is redeveloped, the same number of those existing spaces will be integrated into the design of the new housing development, not eliminated. This can be accomplished through the incorporation of underground parking lots, housing above at-grade parking, or simply re-organizing site plan design for more efficient accommodation of both parking and housing. Car share and bus passes will also be explored. The City's "Housing Resources" webpage will provide information about City and County housing programs and services.

Page 2-16

Program 3.1.G: Affordable Housing Overlay Zoning District - AFFH Overlay districts are zoning districts established by the City to carry out specific purposes. Overlay districts can be constraints to development, or they can be used as a tool to encourage certain types of development. Currently, the city does not have an overlay district to encourage affordable housing. An overlay that requires a minimum density of 33 du/ac for specific sites, including but not limited to, identified in the Site Inventory encourages a higher unit yield and improves the financial viability of the project by increasing the unit count. Minimum density is also a tool that works to ensure the limited available land in the City is used in an efficient manner and

lower densities are avoided. The City will craft an affordable housing overlay zone with a minimum density of 33 du/ac.

In order to make sure current residents in the R-1 zones - and potential buyers in R-1 zones - are fully informed, the plan should explicitly address whether or not this overlay district may be expanded in the future into R-1 areas.

Response: No, the overlay district would not include the R-1 area. There are no plans to expand it into the R-1 area.

Page 3-4

According to U.S. Census Bureau data reported in a Housing Feasibility Study for the City of Carmel-by-the-Sea by ECONorthwest, 1 a mere 2.6 percent of workers live and work in Carmel by-the-Sea, while approximately half of all workers live within 10 miles of the City and 26 percent commute from more than 25 miles away.² Concentrations in hospitality and leisure services may create obstacles for local workers that earn lower-incomes and cannot afford to live in the community. Such imbalances of jobs to housing impacts an individual's ability to integrate into the community due to long distance travel, excessive costs of travel, and reduced personal time.

The low percentage of workers who actually live in Carmel by the Sea should come as no surprise.

One, as stated in this report (Table 3-2) Carmel has a large number of people who are seniors, most of whom are retired and are not in the workforce.

Two, Carmel has a high proportion of retail operations, restaurants, etc. whose owners do not typically pay their employees wages or benefits that meet basic needs period, much less allow them to afford a home in Carmel.

Three, employees who have families and wish to live in, and ideally own, homes of a size larger than Carmel offers will choose to live elsewhere.

The argument that affordable housing will accommodate workers in Carmel is questionable and concerning given that prior reports estimate the number of employees in Carmel's central business district at 2,100, and the number of residents in the surrounding community at 3,200, living mostly in relatively small homes on small lots.

Thought should be put into ways in which employees can be better paid and provided with benefits – a mandated higher minimum wage is a start, followed by mandated benefits. If a business has to pay substandard wages and benefits to employees to survive, then it is not a viable business. Consideration should be given to ways in which Carmel can attract businesses that offer higher and fair compensation to employees.

Response: Comment noted.

Page A-18

According to the AMBAG 2022 Regional Growth Forecast, Carmel-by-the-Sea was projected to experience an employment growth of 17 percent (562 new jobs) between 2015-2045. This projected employment growth mirrors the County (17 percent) and is 4 percent higher than

Pacific Grove (13 percent), but reflects 1 percent lower than Del Rey Oaks (18 percent). This projected increase in job growth presents an opportunity for cities to construct additional housing options for the existing and future workforce.

This is a good example of how the City is showing preference for the commercial sector and tourism over the residential sector, and also demonstrates the vicious cycle created by increased commercial activity, especially low wage commercial activity. Why does the one mile by one mile City of Carmel need additional employment in the future? And why should any city be proud of creating jobs that pay substandard wages and benefits to people? Won't the "additional housing options" associated with even more employment further transgress the commitment stated on page 1-1 to "preserving and enhancing existing neighborhoods"?

Response: Comment noted.

Page B-35

Manufactured Homes and Mobile Homes

A new program to amend the Municipal Code to clarify that manufactured homes and mobile homes are allowed as a permitted use in the R-1 zoning district is included in the Housing Element.

Is this consistent with the statement on page 2-8 Program 1.3.F: (above)? If so, add verbiage that indicates how this "new program" makes sure that manufactured homes would have to meet similar development and design standards as any single-family dwelling in Carmel. If not, indicate what this "new program" entails.

Response: This program ensures that the Carmel Municipal Code remains in compliance with state law.

Multi-Family Housing

Currently, the City allows multi-family housing without a conditional use permit (CUP) at densities up to 22 dwelling units per acre. In order to provide additional incentive to build multi family housing, the City will amend the Code to remove the CUP for multi-family developments up to 33 du/ac.

Clarify in this statement where this multi-family housing can be built. Is this allowed in R-1 zones or only in the Overlay District? (See p 2-16 Program 3.1.G: Affordable Housing Overlay Zoning District – AFFH, above).

Response: Multi-family housing is currently allowed in all commercial districts (CC, SC, & RC) and the multi-family district (R-4). It is not currently allowed in the single-family (R-1) district. This program would eliminate the requirement for a use permit in the existing districts where multi-family is currently allowed. Is it not allowed in the R-1 district.

Email Comment #2

Received from Nancy and Tim Twomey

Thanks to all for all of your work on behalf of our Village. Great stuff.

General terminology confusion needing clarification. What is the difference between Design Standards versus Design Guidelines? If they are synonymous – please stay with Design Guidelines. If Design Standards are what is in code – then please call this out.

Response: Design Standards (if adopted after development and review by the public, the Planning Commission and City Council) would apply to specific projects downtown that include at least 20% affordable units. Applicants of such qualifying projects would be eligible for “By Right” project approval if all design standards are met. “By Right” would mean the applicant could bypass public hearings and have the project approved at the staff level. Think of design standards as “yes/no” checklist-style requirements. If not all design standards are met, the application would be processed through the City’s typical review process which involves public hearing(s) and compliance with the Design Guidelines, which include a mix of objective and subjective principles.

1. **Page 21 – Program 1.1.B – Underutilized Sites** – there are additional locations that should be considered outside of core listings provided. Why are they not on this listing?

Response: The initial sites listed were selected based on the likelihood of redevelopment based on opportunities such as low land-to-improvement ratios, property owner interest, and/or current planning applications. Refer to Section C.3 Site Inventory, for more information on sites.

2. **Page 22 – Program 1.1.C – Development on Small Sites** – concerned about decreasing parking requirements (mentioned again below) and very concerned about removing any requirements for setbacks, etc.

Response: Comment noted. Carmel Municipal Code Section 17.14.060 (Central Commercial (CC) District Regulations Applicable) waives off-street parking entirely for apartments. In the SC District, the required parking for an affordable housing unit is ½ space per unit and for senior housing it is ⅓ space per unit. Senior housing also has a guest parking requirement of 1 space per 4 housing units. With regards to setbacks, there are no setback requirements in the CC or SC districts. These provisions are already in place.

3. **Page 26 – Program 1.3.E – Amend the A-2 Zoning District – AFFH.** Does this item require alignment inside the Design Guidelines/Design Traditions Project underway – or will it be resolved by City Staff?

Response: Through a public process, development standards (i.e. parking, setbacks, height, floor area, open space, landscaping, etc.) and design guidelines will be developed that are appropriate for the A-2 district (which is limited to the Sunset Center property). Other options include a Community Plan District or a design competition with prospective developers.

The Design Traditions project thus far has focused on updating the design guidelines for the R-1 district. The in-progress update to the commercial design guidelines could also include multi-family housing.

4. **Page 26 Program 1.3.F – Manufactured Homes on a Foundation** - Concerned about embracing any "manufactured" homes, as they may not comply with factors in our Design Guidelines. This topic is also mentioned on page 191.

Response: State law requires that manufactured homes be a permitted use in the R-1 district (i.e., no use permit required). In the R-1 district, they are still subject to the residential design guidelines.

5. **Page 26 – Program 1.4.A – Remove Use Permit requirement for multi-family development - AFFH.** Please explain what is proposed here. Can you provide an example?

Response: A use permit is another entitlement (at additional cost) that a developer must secure to obtain approval of a project. For multi-family projects, the use permit is a tool to require affordable housing when the density is greater than 33 dwelling units to the acre. For projects with a density of 0-33 dwelling units per acre, the use permit provides little to no value as the code does not require any affordable housing at that density. This program removes a regulatory requirement that adds cost and uncertainty to a housing developer.

6. **Page 27 - Objective Design Standards....**The wording here is concerning. This program states that we lack objective Design Guidelines. Some of our current Design Guidelines ARE objective. And with Design Traditions 1.5, there is significant work to clarify what is Required/Objective vs Subjective/Recommended. Please consider acknowledging this in words used before final submittal.

Response: While some of the current design guidelines are objective, most are not. The effort to create additional objective design standards specific to multi-family housing will help streamline the review process and create more clarity and certainty for housing developers. These standards will be developed through a public process in collaboration with the community.

7. **Page 28 Program 2.1.B Permanent Housing -AND- Page 29 Program 2.1.D Establish Affordable Housing Trust Fund** – Please confirm yes or no, that our Village could consider funding a proposed Trust Fund via a vacancy tax ONLY if we became a Charter City – which is

a separate, involved, multi-year project if it was deemed beneficial or required.

Response: General law cities are authorized to enact a vacancy tax as a parcel tax pursuant to Article XIII A, Sec. 4 of the California Constitution. A vacancy tax is only one potential option to fund an Affordable Housing Trust Fund. Including it in a menu of options does not commit the City to adopting such a tax but rather exploring the possibility during the 8-year Housing Element cycle. Based on policy direction received from the City Council on July 11, 2023, a vacancy tax will remain “on the menu” for now.

8. Page 30 Program 2.3.A Preserve and Increase 2nd and Existing 3rd Floor Residential Uses -AND- Page 32 Program 3.1.A Mixed Use Affordable Housing – Today’s Carmel Downtown look and feel is critical to the visitor and residential experience. And each business benefits from the charm and attraction that it’s next-door business bring to all passersby. Encouraging property owners to add 2 or 3rd floors to 1 story buildings can negatively impact the Village charm and its overall livelihood. Caution and care must be applied to this recommended expansion.

Response: Two-story buildings have always been allowed in Carmel. Restricting two-story buildings downtown would require changing the Zoning Code and General Plan; this is not under consideration. In the Draft 2023-2031 Housing Element, the City identifies one-story buildings as an existing opportunity to meet the RHNA without resorting to more drastic measures. Further, increasing existing one-story buildings to two-stories may be an opportunity to actually improve the aesthetics of the downtown. This is particularly true of one-story buildings presently topped with unsightly mechanical equipment visible from the public right-of-way, and surrounded by blank walls of adjacent two-story buildings that contribute nothing in the way of architectural interest.

Another creative option to accommodate housing is to encourage third-floor mezzanines within two-story buildings. This would allow for additional living space within the building while maintaining the appearance of a two-story building from the exterior. As outlined in the Carmel Municipal Code, in the CC and SC districts, building height is limited to a maximum of 30 feet. In the RC and R-4 districts, building height is limited to a maximum of 26 feet. Building sites which face, abut, or adjoin any property in the R-1 district are limited to a height of 24 feet. Current height limits are not proposed to be changed.

9. Page 33 – Density Bonus – what is envisioned here? Can you provide potential examples?

Response: This is State law. The Carmel Municipal Code details both the State Density Bonus law and a local Carmel-specific Bonus Density provision in a manner that can be confusing and difficult to navigate. The intent is to review and simplify these regulations. Refer to Appendix B for more information.

10. **Page 33 - Program 3.1.D Facilitate Housing Construction** - all these Programs say the funding is from the General Fund.

o Let's say we get a housing boom and they comply with lower cost units - our city Income will decrease due to decrease in fees paid (should this decrease in fees be considered in future budget planning cycles?)

Response: The General Fund will not be used to construct housing. However, the costs in staff time associated with amending the code, developing new policies, revising fee schedules, etc. would be covered by the General Fund. Additionally, offering reduced permit fees would require use of the General Fund to cover staff time processing applications. It is a policy decision (offering reduced permit fees to encourage development of affordable housing) that the City Council would need to consider. If, after appropriate consideration, the Council determines it is not financially feasible, the City does not have to adopt reduced permit fees. It is simply one of many potential incentives that the City can propose to encourage development of affordable housing. Lastly, another way to reduce costs to the developer is through streamlining the permitting process and prioritizing affordable housing applications.

o The North Lot of Sunset Center is a targeted site for housing. But the process of construction will severely impact the functionality of this major Event Center for 1-3 years...which is unfortunate and must be minimized.

Response: Comment noted.

11. **Page 33-34 – Program Reduced Parking Requirements – AFFH.** Anyone that knows, lives in and visit our Village – knows that parking can be a challenge. Waiving or decreasing parking requirements as we increase occupancy will only elevate these challenges. Are we prepared and do we understand the impact of reduced parking as a benefit to affordable housing? And - In the proposal to shift from 22 du/ar to 33 du/ar....this likely increases the need for parking spaces...which are waived in most of these projects.

Response: When evaluating parking reductions or waivers, it is prudent to also consider alternative parking models to offset the reduction in parking while still providing viable transportation alternatives. See also response to comment #2.

12. **Page 34 Program 3.1.F Expedited Processing Procedures - AFFH** Concerned about bypassing or respecting the requirements in our Design Guidelines in any major new/remodel building in our village.

Response: Comment noted.

13. **Page 34 Program Expedited Processing Procedures – AFFH.** What is the general

direction or thoughts for this item?

Response: Granting priority processing to applications that include affordable housing.

14. **Page 34-35 Program 3.1.G Affordable Housing Overlay Zoning District** What is meant by “Design review other than Objective Development and Design Standards” We cannot have AFFH housing negatively impact the character of our Downtown.

Response: It means we can only apply objective design and development standards as part of our Design Review process.

15. **Page 54 – Vacant Housing by Type** - Where does the data in Table 3-10 come from?

Response: The source for data presented in Table 3-10 (pg. 3-14 of the Draft Housing Element) is the U.S. Census Bureau ACS 5-Year Estimate, 2019, Vacancy Status, Table ID: B25004.

16. **Page 69-148 – Fair Housing Recommendations** – Not unlike other cities - economic factors are the only factors limiting diversity in our housing stock. There must not/should not be any other diversity or fairness barriers in our Village. We are one contiguous square mile, with no intentional or unintentional points of separation. It seems odd that this much content is needed in our Housing Element.

Response: Comment noted. State law establishes the required contents of a Housing Element. More information can be found at:

<https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks>

17. **Page 157 - Section B** - The Constraints to me, other than what is stated, are poor programs designed and funding by the state that enables low-cost housing for more than the FIRST buyer and giving control of what's best per jurisdiction to that jurisdiction.

Response: Comment noted.

18. **Page 164 Development Standards** – Open item “Lack of development standards for A2” □ should this be a topic to be considered inside the Design Traditions 1.5 project scope? Or would this be done by City Staff?

Response: See response to comment #3.

19. **Page 168 – Commercial Design Review Process** – shouldn't there be a mention that any RC and R4 projects should align with the Residential Design Guidelines and possibly also processes?

Response: The residential design guidelines were developed with single family homes in mind. While there are certainly elements of the residential design guidelines that are appropriate for multi-family housing, more work should be done with multi-family housing in mind.

20. **Page 172 – top of page 2nd paragraph – regarding “pre-approved plans”** This recommendation is not supported by the Design Traditions 1.5 project. Any “cookie cutter” housing is NOT recommended.

Response: Agreed. The preapproved ADU plans would be building permit ready construction drawings. A variety of pre approved floor plans could be developed. The exterior colors, materials, and finishes would be site specific depending on the architectural style of the primary residence thereby aligning with our unique residential design guidelines.

21. **Page 172 – Objective Design and Development Standards-** Here again, is the mention of “lack” of adopted design guidelines. Our Design Guidelines today have both objective & subjective standards today. And the Design Traditions 1.5 effort is working on revisions that increase the objective terminology. This section also calls out that there are no objective standards for multi-family – when this work too is incorporated into the Design Traditions 1.5 effort. These must be indicated here.

Response: The intent is to create objective design and development standards for multi-family affordable housing to streamline the review and approval process. Adding in elements of subjectivity creates less certainty for a housing developer and adds time and cost to the review process. Adoption of any new standards would be part of a public process in collaboration with the community.

22. **Page 181 – in Processing & Permit Procedures** – in the second paragraph, you call out that ADU’s are exempt from the Design Review Ordinance. ADU’s really must align with requirements in our Design Guidelines wherever possible...even if ministerial.

Response: Objective Design Standards would accomplish this.

23. **Page 189 – Summary of Governmental Constraints** – PLEASE include mention that these “constraints” are in place to protect the charm and character of our Village in the Forest by the Sea. These factors are what provides the economic engine for our community and make it a wonderful place to live and visit. We cannot risk a slippery slope of lessening these review steps.

Response: Comment noted.

The programs in the Housing Element are specifically designed to encourage

development of affordable housing. No procedural changes would occur with the development of market rate single family homes.

24. **Page 190 – bullet 5.** This wording acknowledges that our Design Guidelines include both objective and subjective standards. They propose a new version of just objective guidelines – this separate version would cause significant version control issues and usability confusion points. Please do not accept this recommendation.

Response: Objective Design Standards for affordable multi-family housing projects would be based on the core design principles of the village. The City currently has design guidelines for single family residential and commercial storefronts. The City has a separate set of design guidelines specific to commercial storefronts at Carmel Plaza. The proposed set of Objective Design Standards would focus on affordable multi-family housing.

25. **Page 191 – ADUs & Manufactured Homes -** Our upcoming ADU ordinance must embrace alignment with our (current or future) Design Guidelines – that are critical to maintaining the character of our Village in the Forest by the Sea.

Response: Comment noted. Objective design guidelines for ADUs are being considered.

26. **Page 219 Carmel Foundation Site –** Although I do not believe the Foundation is receptive to building housing in their primary location – this targeted site would require rezoning. It was our understanding that rezoning was not going to be required to meet our RHNA mandated requirements.

Response: The Carmel Foundation property is zoned A-3 and senior housing is currently allowed as a permitted use.

27. **Page 245 – Program 3-4. 1.a Permanent Housing –** I understand that we can't consider vacant unit tax unless we are a charter city. So why is this even mentioned as a possibility?

Response: General law cities are authorized to enact a vacancy tax as a parcel tax pursuant to Article XIII A, Sec. 4 of the California Constitution.

28. **Page 246 – Program 3-4 2.a Neighborhood Compatibility.** I do not understand why this building bulk item should be marked as “Deleted” this is a critical requirement in the current and future Design Guidelines.

Response: Comment noted. This will continue whether or not it is a program in the Housing Element. The thought in deleting it is that doing what we have always done isn't producing affordable housing, and we need to focus the Housing Element document on that goal. Market rate development will continue to be evaluated against the City's current

Design Guidelines.

29. **Page 247 – Program 3-5.3.c Subordinate Units** – There is no mention of ADU alignment with any of the Design Guidelines and there must be. At least to indicate the strong desire for ADU's to support the Guidelines especially tied to usable space, landscape, siting, finishes....

Response: Comment noted. This will be accomplished with the ADU ordinance.

30. **Page 248 – Program 3-5.4.a Density Bonus** – I've scanned our City Municipal Code and don't get any real clarification on what this could entail. It doesn't look to specify if it could include waiving requirements, or waiving fees or ????? Is this what you expect to "clarify"?

Response: See response to comment #9.

31. **Page 249 – Program 3-5.5.a & b Reduced Fees, Entitlement, Parking.** These two descriptions mention "reduced parking in-lieu" fees....when in our FY2022/23 and upcoming FY2023/2024 budgets and prior years too – there is NO NET NEW inbound parking in-lieu fees being added. So, it is a real program or not???

Response: On June 2, 2020, the City Council adopted Urgency Ordinance 2020-003 waiving the "annual setting of the value of improved off-street parking facilities" (i.e. updating the parking in-lieu fee) until further notice. This Ordinance remains in effect until rescinded by the Council. The parking in-lieu fee of \$54,080 per parking space was last adopted by Resolution 2003-72 and remains in effect. The City Council chose to hold the fee at the 2003 rate and not increase it.

32. **Page 265 begins the ECONorthwest Feasibility Study** – that likely shouldn't be included in our final HDC submission. Or I question why it should be included.

Response: It must be included because it provides critical analysis of some of the sites that have the potential for housing development over the next 8 years. The revised draft will include an introduction to the ECONW Appendix to better describe the Feasibility Study and how it ties into the analysis within the full Housing Element draft.

33. **Page 302 – Recommendations** – These three items need edits and/or more discussion...as below....(below is copy/paste from current draft – and this is the EcoNorthwest report – that may or may not be applicable)

o **Explore changes to development standards.** Our review of Carmel's zoning code found that overly restrictive development standards, such as the two-story height limit are not likely to facilitate maximum allowed densities. The City should explore options to remove these barriers

consistent with the findings above.

Response: This is a recommendation for the City to consider when updating the Housing Element and it is being explored in the proposed Housing Element programs. Rather than increase the two-story height limit, the City is proposing to establish a minimum density of 33 du/acre to encourage the development of affordable housing.

o **Adopt objective design standards.** Local developers indicate that the review and approval process in Carmel is overly restrictive. Senate Bill 35 and the Housing Accountability Act also require the use of objective standards. The City's code currently includes subjective standards. The City should analyze its current code language and develop recommendations for objective criteria and opportunities for a streamlined review process.

Response: Comment noted.

o **Create an accessory dwelling unit program.** An accessory dwelling unit program could range broadly from creating promotional materials and informational outreach to an aggressive program that could project subsidies, development of pre-approved plans, assisting with allocating water credits (for deed-restricted units only), and technical assistance with planning and building staff navigating the planning and permitting process for property owners.

Response: Comment noted.

Email Comment #3

Received from Sam Farr.

For decades City and County General Plans have had to have approved Housing Elements indicating the numbers of units, their rents or costs and quality of the housing stock. They also have to use census data to inventory the residents as to age groups, income groups and ethnicity. The goal is to sustain opportunity for all. You can't export poverty.

Response: Comment noted.

Carmel has had a Housing Element for decades, but never enforced its responsibilities. Neither have most Cities and Counties in California, that's why the Legislature is putting pressure on local governments to implement their own plans. The State doesn't tell us where, when and how to make good on our promises to follow our General Plan, just insisting we get started after all these years. Just do it!

Response: Comment noted.

Carmel originated as a middle class town. Everyone who worked in the town lived here. It was a working class community. They built it, maintained it, and improved it. Tourism was an add on, not the primary purpose of Carmel. So strongly did our City Fathers feel this way they enshrined it in the preamble hanging in the Council Chambers. "Carmel is a Residential Community". Q. At what point do the empty houses no longer make it residential? If too few people are here to run Little League, volunteer for the Library Board, vote in elections do we lose being "a Community"?

Response: Comment noted.

Carmel, the School District, even the Regional Park district and the unincorporated lands around us have under utilized space to accommodate additional units for those that work here, or as limited income Seniors want to stay here.

Response: Comment noted.

Working with architects we can maintain our aesthetic beauty though spacial planning. As Citizens of this great town, that is famous for finding solutions to problems through design, we should help the electeds solve a problem that we created by pushing our historic workforce out of town. Welcome to the hot seat. Go Padres!

Response: Comment noted.

Email Comment #4

Received from Karen Wood.

I understand we need more affordable housing for workers to live in the Peninsula but don't understand where the water is coming from. I know development has been stymied for decades due to our water issue. Also the infrastructure in Carmel Valley will be hard pressed to accommodate all the new housing planned out this way, especially Carmel Valley Road. I hope thought is given to building with this in mind. Just frustrating to see that while building affordable housing (which I'm all for), the majority of housing is moderate and above. I understand developers need to make a profit but perhaps our state could consider other ways which could enable much more affordable housing for many more people. Might this be up for discussion please read how Vienna has tackled this.

https://reasonstobecheerful.world/100-years-of-urban-housing-success/?utm_source=Reasons+to+be+Cheerful&utm_campaign=6f09839892-EMAIL_CAMPAIGN_2021_11_22_04_40_COPY_01&utm_medium=email&utm_term=0_89fb038efe_6f09839892-389536856

Response: Comment noted. A City policy to clearly reflect water allocation priority and incentives for Extremely Low, Very Low, Low and Moderate-Income households will be adopted (see Program 1.2.A). In the 6th Cycle Housing Element, 57 extremely low, 56 very low, 74 low, and 44 moderate income units are required to be constructed. The City will continue to work cooperatively with the Monterey Peninsula Water Management District (MPWMD) to address water availability and infrastructure limitations that affect the ability to serve new housing development.

Email Comment #5

Received from Leslie Williamson

Hello,

I know this is a bit down the road, but I think the point needs to be made very clear to property owners. In parts of Oregon, the entire property is reassessed when an ADU is added. I'm not sure how the County of Monterey handles property taxes in a similar situation.

Response: Comment noted.

Thanks for listening,

Lesli Williamson

Email Comment #6

Received from Planning Commissioner Allen

Dear Brandon and Marnie,

After reading the Pine Cone on Saturday- I realized that I did not do a good job of explaining myself in regards to the Housing Element in our joint Council/Commission meeting. So I feel the need to expand on my answer.

After hearing my fellow Commissioners concerns- it made me think....who are we targeting? And are we aligned on who we will attract to our village with affordable housing? I'd like to offer low income housing and set people up for success- I'm concerned about how they afford our restaurants? (\$30 hamburgers) Our village markets? And services? (typically 100% more here than other areas) So they have to leave town for everything? Not able to wrap my head around that one.

Response: Comment noted.

So then are we trying to attract a young worker? I'm trying to visualize what would be appealing to a single 30 year old in our quiet town? Aside from beauty!

Or is it the family with small kids? As addressed by Commissioner Delves in his comment around Halloween and the vibrance of a community. These folks are going to need financial support and a plan to home ownership.

Response: We received 154 Stakeholder Survey responses. These responses helped inform the demographics of the City as well as what types of housing community members are interested in. See Appendix H for an analysis of the Stakeholder Surveys.

I stated that I don't want to make changes in our guidelines or offer incentives. I believe we won't need to. Your plan is really good- and I think it will be well received during the State review process.

Response: Comment noted.

Some things that I want to propose:

- An aligned "Vision of the Future" and how we see our community changing.....growing number of single people, Baby Boomers still owning the majority of housing and aging in place, Millennials unable to purchase homes, GenZers facing an unprecedented behavioral health crisis, home ownership at its lowest rate in five decades.

Response: Comment noted.

- Expand 5.2.A for more connectivity with Not For Profit, Non Profit, Foundations and Charities from across the country and around the world. Residents want to help- they just need to know how.

Response: Comment noted.

- Utilizing our “prestige” to attract the right investors and create our future vs. waiting for a proposal. Collaborate with developers that share our vision and purpose. We don’t have to do this in a vacuum or silo- I’m sure plenty of influential people would help.

Response: Comment noted.

- Hold an annual “Design Competition” that would bring architects and designers from around the world to provide solutions to 1.4.B for housing in a village that is creative and innovative.

Response: Comment noted. The City will look into this option further.

- Then provide financial options (from investors and residents) that could be offered to new home buyers- potentially new home buyers that would renovate or build a “cottage” that has a proposed plan from the design competition for 2.4.B then potentially offer financial assistance through a rent to own program. A “Return to the Cottage” campaign.

Response: Comment noted.

- Rally volunteers to help in the rehabilitation of historic units in 2.2.A

Response: Comment noted.

- Work with local architects to provide pro bono services to low income home buyers or owners wanting to add an additional housing option.

Response: Comment noted.

- Most of all- creation of a plan that doesn’t take the standard path. A plan that can really shape a positive future for our community.

Response: Comment noted.

Email Comment #7

Received from Stephen Engblom

To the Carmel by the Sea Planning Staff and Housing Element team of consultants,

I really appreciate the thorough work done to date. I am very proud to be part of a community that is taking the responsibility of being a good steward of our town while balancing the need to address our housing attainability crisis and environmental crisis. There is no better way to address our environmental crisis and add charm to our town than to find context appropriate ways of removing the eyesore of parking lots from our town and replacing them with well designed residences.

The Carmel-by-the-Sea Housing Element draft provides a comprehensive and well-thought-out plan for addressing the housing needs of the community while considering the unique characteristics of the city. Carmel-by-the-Sea is renowned for its high quality of life, beautiful environment, and distinctive architecture, and it is important to preserve and enhance these aspects while ensuring housing options for both residents and visitors.

The draft acknowledges the challenges faced by the city, such as limited land availability, coastal hazards, and high costs of land and housing. Despite these constraints, the Housing Element demonstrates a sincere and creative effort to meet the state's housing mandates and provide a suitable living environment for all residents.

By outlining housing production objectives consistent with state and regional growth projections, the Housing Element aligns with the broader goals of California's housing policies. It also focuses on special needs populations, ensuring that the housing plan addresses the specific requirements of vulnerable groups within the community.

Moreover, the draft identifies adequate sites for housing development catering to various income levels, thus promoting inclusivity and affordability. The analysis of potential constraints to new housing production demonstrates a thorough understanding of the local context and the need to balance development with environmental considerations.

Importantly, the Housing Element is evaluated for consistency with other General Plan elements, ensuring that it aligns with the broader vision and goals of the city. Additionally, the evaluation of Affirmatively Furthering Fair Housing highlights a commitment to equity and non-discrimination in housing practices.

Overall, the Carmel-by-the-Sea Housing Element draft represents a forward-thinking and comprehensive approach to addressing the community's housing needs. It balances the preservation of the city's unique character with the necessity of providing diverse housing options. By embracing creativity and considering the challenges specific to Carmel-by-the-Sea, this plan sets the stage for the city's long-term vitality and success.

I have a questions/suggestions.

Response: Comments noted.

Allow for future consideration of three stories

While I think the site inventory is well thought out, limiting the study to current two story limitation across the board seems to all but ensure a problem in the following decade. Has the city looked at how the site inventory could yield more if zoning change in Commercial districts were allowed for three stories in select sites within Carmel-by-the-Sea. There is historic precedent for three stories in the historic core (hotels: Cypress Inn, La Playa, Auberge), and given the topography of some of the biggest sites – three stories could be accommodated without disturbing view sheds. This could offer several benefits to the overall housing process. By increasing the building height limit in specific locations, it can help generate more market interest in these sites and ultimately yield more housing units – thereby easing pressure on future generations. Here are some reasons why three stories can be advantageous:

1. **Increased Housing Capacity:** By allowing taller buildings, there is an opportunity to maximize the use of available land and increase the number of housing units that can be accommodated on a given site. This is particularly valuable in areas where land is limited, and it becomes challenging to create housing options that meet the demand.
2. **Diverse Housing Options:** By introducing one extra floor on key sites / special buildings, it becomes possible to diversify the architecture and types of housing available. Three-story structures can create visual interest at key corners. And accommodate a mix of apartment-style units, townhouses, or even live-work spaces. This variety attracts a wider range of residents, including families, professionals, and individuals with different housing preferences and needs.
3. **Increased Affordability Potential:** With greater housing capacity, there is an opportunity to include a mix of market-rate and affordable housing units within the three-story buildings. This can help address affordability concerns and provide housing options for a broader range of income levels, ensuring a more inclusive and diverse community.
4. **Improved Market Interest:** Increasing the building height limit can make certain sites more appealing to developers, investors, and potential homeowners. The additional building stories can enhance the return on investment by allowing for a greater number of housing units, which can attract developers who are looking to maximize their investment in the area.
5. **Preserving Open Space:** By allowing an additional floor in specific areas, it may be possible to concentrate development in selected corners or centers of site, thus allowing a design the ability to accommodate more open space into their design concepts, like courtyards, or paseos, and the community to have the ability to consider some of the sites as open space in other parts of the community. This helps strike a balance between urban development and maintaining the natural and aesthetic appeal of Carmel-by-the-Sea.

Response: Comments noted.

However, it is essential to approach the implementation of a zoning change to allow for an additional floor carefully, considering the existing architectural character and context of the surrounding area. Adequate urban planning, design guidelines, and community input should be incorporated to ensure that the increased building height complements the existing aesthetic and does not detract from the unique charm of Carmel-by-the-Sea.

By exploring the possibility of three stories in select sites, Carmel-by-the-Sea can potentially unlock more housing opportunities, accelerate the eradication of ugly parking lots in the village center, cater to a

broader range of residents, and create a sustainable and vibrant community for the future.

Thank You for the opportunity to comment.

Stephen Engblom and Lance Relicke
Monte Verde 3SW 12
Carmel By The Sea, CA 93921

Email Comment #8

Received from Michael DeLapa

July 6, 2023

City of Carmel-by-the-Sea

P.O. Box CC

Carmel-by-the-Sea, CA 93921

RE: Carmel-by-the-Sea Public Review Draft Housing Element

City of Carmel Housing Team:

LandWatch has reviewed Carmel-by-the-Sea Public Review Draft Housing Element. We support the goals to eliminate constraints and make it easier to build housing consistent with Regional Housing Needs Assessment (RHNA). Set forth below are specific comments on the site inventory and the proposed policies and programs. Monterey County residents need multifamily housing, not more single-family homes, especially in Carmel.

Response: Comment noted.

Monterey County has a housing problem: the housing local governments have approved is misaligned with the housing needs of local working families and individuals, especially those who work in Carmel. According to the U.S. Census Monterey County's median household income is \$82,000. A rule of thumb is that for a home to be affordable it should cost 2.5-3 times your annual income. For the average family in our county, they can afford a \$250,000 home. However, the median price of a home in Monterey County is almost \$900,000 and in Carmel \$1.9 million—impossibly expensive for most working families. Census data shows that almost 1,600 people commute daily into Carmel, likely to work. Those daily trips generate very significant greenhouse gas emissions.

Response: Comment noted.

For both equity and environmental reasons, LandWatch and others have advocated for more multifamily housing, which by its design is far more affordable than single family housing. Single family homes by and large serve the needs of investors, 2nd home owners, and Bay Area commuters, not local working families and individuals. Indeed, it's been reported that more than 40% of the homes in Carmel are vacant.

Response: Comment noted.

Unfortunately, Monterey County and its 12 cities have consistently approved single-family rather than multifamily housing. See Monterey County Housing Pipeline, which documents more than

21,000 residential housing units that have been entitled (approved) but not yet been built. Almost all of the approved units are single family homes. There are another 13,000 units for which entitlements are being sought, and most of these are also single-family homes. The data show a dire shortage of multifamily rentals, the costs (rents) of which align much more closely with median incomes in the County than the costs (mortgages) of single-family homes.

Response: Comment noted.

A. Housing constraints

Density: We encourage any program that will result in higher densities, such as the following:

- Program 2.3.A: Preserve and Increase Second and Existing Third Floor Residential Uses;
- Program 3.1.A: Mixed Use Affordable Housing – AFFH;
- Program 3.1.G: Affordable Housing Overlay Zoning District – AFFH; and
- Program 3.1.C: Density Bonus - AFFH. Increased densities are essential to enable projects that provide affordable units or mixed uses to pencil out. The City can unlock value by upzoning, and the City can require that some portion of that value be dedicated to provision of affordable units.

Response: Comment noted.

We believe these programs can be bolstered by providing for a local density bonus in addition to the bonus required by the State Density Bonus law. Program 3.1.C, calling for the City to “further review and revise” density bonus ordinances should be revised to provide a meaningful standard for that revision. For example, the City could provide a local density bonus equal to 150% of the state minimum. Such an approach is being taken by Sand City, which is proposing a 250 percent density bonus as long as 15% of the units are affordable to lower income households. In addition, the City could encourage density by providing one more concession than required by the State Density Bonus law at specified levels of affordability.

Response: Carmel Municipal Code Section 17.12.020.C (Bonus Density) offers a local density bonus of up to 44 dwelling units per acre in the R-4 Multi-Family District. In the Central Commercial (CC), Service Commercial (SC), and Residential and Limited Commercial (RC), the City proposes to increase the floor area bonus incentive from 15% to 25%. Additionally, the City will continue to offer incentives and concessions that facilitate development on small sites in the commercial and multi-family districts, including waived or reduced parking requirements for affordable housing projects, and density bonuses that allow for development up to 88 du/ac.

Program 2.1.A to create incentives for mixed use housing would provide a FAR bonus from 15 to 25% for projects that include affordable units. The program should make it clear that the increase in FAR is not simply the specified concession or waiver the City has decided to make for projects that qualify under the State Density Bonus law but that it represents an additional

concession for projects with affordable units or that it independently permits an increase in density.

Response: Comment noted. The FAR bonus is not tied to State Density Bonus law.

Program 1.4.A: Remove Use Permit requirement for multi-family development - AFFH. We support the removal of Conditional Use Permit (CUP) requirements for the R-1 (Single-Family Residential) and R-4 (Multifamily Residential), RC (Residential and Limited Commercial), CC (Central Commercial), SC (Service Commercial) and including the quasi-public zoning districts also permit limited residential uses; P-2 Improved Parklands (Park and Recreation District); A-2 Community and Cultural (Other Public District); and A-3 Senior Citizen Facility (Other Public District). Removal of the Use Permit Requirement will still leave projects encumbered by unnecessary discretionary review of site plans and design. Elimination of a CUP requirement should be coupled with adoption of objective standards for both site plan and design review, as discussed below.

Response: Comment noted. The City proposes to remove the requirement for a Use Permit(s) to streamline the entitlement process and facilitate affordable housing development. Currently, for projects with a density greater than 33 du/acre, the Use Permit is the instrument by which affordable housing is required. The City does not have an Inclusionary Housing ordinance. See program 3.1.A: Mixed Use Affordable Housing and program 1.4.B: Objective Design Standards.

Program 1.4.B: Objective Design Standards - AFFH. The program provides that the City will create Objective Design standards for multi-family affordable developments. The objective standards should apply to both site plan review (i.e., review to determine whether the project meets development standards such as height, setback, FAR, and density) and design review so that approval of MFR projects can be entirely objective.

Response: Comment noted. The City will develop Objective Design Standards that can be applied to both site plan review and design review.

With or without ministerial by-right approval processes, objective standards accelerate permitting and increase certainty. Development of objective standards should be required for development in residential zones R-1 (Single-Family Residential) and R-4 (Multifamily Residential), RC (Residential and Limited Commercial), CC (Central Commercial), SC (Service Commercial) and including the quasi-public zoning districts also permit limited residential uses; P-2 Improved Parklands (Park and Recreation District); A-2 Community and Cultural (Other Public District); and A-3 Senior Citizen Facility (Other Public District).

Response: Comment noted. The City proposes Objective Design Standards for multi-family affordable housing to further incentivize and diversify the housing stock. Objective design standards are also being considered for Accessory Dwelling Units.

By-Right Ministerial Permitting of MFR Infill Housing: In addition to provision of objective standards, the Housing Element should require provision of by-right, ministerial permitting for all infill multi-family residential projects. The adoption of objective development and design review standards can eliminate the need for discretionary review and obviate the redundant project-level CEQA review for urban infill projects in areas already subjected to program level CEQA review. CEQA review should take place when the City amends its General Plan or zoning code, not when a developer comes to the City with a conforming project.

Response: Comment noted. Due to small lot sizes in Carmel, housing projects are typically categorically exempt from CEQA.

Ministerial by-right approval should be applicable to MFR projects on an infill site as defined by the language from SB 35 or the CEQA infill exemption. (Government Code Section 65913.4(a)(2) [SB 35] or Public Resources Code Section 21094.5(e)(1)(B) [CEQA infill exemption].)

Response: Comment noted.

The ministerial permitting program should not apply to projects on environmentally sensitive sites, e.g., habitat for endangered, rare or threatened species; farmland of statewide and local importance; wetlands; earthquake/seismic hazard zones; federal, state, and local preserved lands, NCCP and HCP plan areas, and conservation easements; riparian areas; Department of Toxic Substances Control (DTSC) facilities and sites; landslide hazard, flood plains and, floodways; and wildfire hazard as determined by the Department of Forestry and Fire Protection. (See Gov. Code 65913.4(6)(B) through (K) [sites excluded from ministerial permitting in SB 35].)

Response: Comment noted.

Concerns for gentrification and loss of historic resources could be addressed by continuing to require discretionary review for projects on existing affordable housing sites, mobile home sites, or historic resources sites. (See Gov. Code 65913.4(a)(7), (10) [SB 35].)

Response: Comment noted.

By-right ministerial permitting for all infill MFR units is not a stretch. Program 3.1.G will already require that the City provide by-right ministerial permitting based on objective standards for sites identified in prior housing elements that have not been developed and are proposed for at least 20% affordable housing. (Gov. Code, § 65583.1(c).)

Response: Comment noted.

The Draft Housing Element mentions, but does not explain, a “Housing Priority Overlay Zone” in

which by-right development would be permitted. City Officials have proposed a “Housing Priority Overlay Zone” to facilitate redevelopment and/or intensification of uses on sites included in the City’s housing sites inventory (see Table C-3, Appendix C). This overlay zone allows for housing development by right (objective design and development standards apply), minimum density, and otherwise overrides the development standards of the base district to ensure that the number and types of units identified in the housing sites inventory can be achieved. (Housing Element, p. 4-3.)

Response: Comment noted. Refer to revised Program 3.1.G.

The Housing Element does not identify the area subject to this Housing Priority Overlay Zone and none of the programs uses the term. Nor is it clear whether this Housing Priority Overlay Zone is to be adopted in the Housing element or is merely something being “proposed” by “City Officials” in some other context. The Housing Priority Overlay Zone should not be limited to the sites in Table C-3 identified in prior housing elements that are now subject to by-right permitting under Government Code Section 65583.1(c) as referenced in Program 3.1.G. All infill MFR sites should be included in the Housing Priority Overlay Zone.

Response: Comment noted. Refer to revised Program 3.1.G. Additionally, a map has been added to the draft Housing Element delineating the proposed boundary of the overlay district. The overlay zone is not proposed to be limited to the sites identified in Table C-3.

Program 2.1.D – Affordable Housing Trust Fund. The program is intended to raise \$1 million for affordable housing through a vacancy tax, hotel tax, or transfer tax. We encourage the City to pursue a vacancy tax, which will have the dual benefit of raising funds and encouraging use of existing properties for primary residential use rather than vacation or second home use.

Response: Comment noted.

Program 3.1.E: Reduced Parking Requirements - AFFH. The city should consider reduction of parking requirements, by either eliminating parking requirements entirely or by setting lower requirements. This strategy is being used by hundreds of cities now to reduce the cost of housing and to increase effective density. (See <https://parkingreform.org/resources/mandates-map/>.)

Response: Carmel Municipal Code Section 17.14.060 (Central Commercial (CC) District Regulations Applicable) waives off-street parking entirely for apartments. In the SC District, the required parking for an affordable housing unit is ½ space per unit and for senior housing it is ⅓ space per unit. Senior housing also has a guest parking requirement of 1 space per 4 housing units. The City will continue to offer waived or reduced parking requirements for affordable housing projects. Additionally, alternate parking programs such as bike and/or car share or free or discounted bus passes will

be evaluated to offset reduced parking.

Another strategy that should be adopted is to unbundle parking from rental units. The City should require that parking be separately priced in all rental unit contracts and that tenants be free to decline that parking.

Response: Comment noted.

Program 3.1.F: Expedited Processing Procedures - AFFH . This program needs to specify measurable objectives or objective standards. The program should be revised to specify a time period in which ministerial permit would be granted or the application deemed approved. Specific fee waivers should be identified.

Response: Comment noted.

Program 3.1.A – Mixed Use Affordable Housing. This program is intended to create incentives for upper-story housing but it is insufficiently ambitious because it lacks mandates and reinforces an unworkable height limit. Instead of merely mentioning the “potential of allowing a third story when devoted to affordable housing subject to appropriate objective design standards, including the City’s 30-foot height limit,” the program should require the City to permit a third story for any kind of housing, subject to a workable height limit. A three-story building with typical 14-foot ground floor retail ceilings would require a height limit of at least 35 to 40 feet. The Appendix F ECO Northwest Feasibility Study makes it clear that the existing two-story height limit is the most significant limitation on achieving higher density. (Appendix F, pp. 13-14.)

Response: Comment noted. The City is not proposing to increase the height limits to 3-stories. The RHNA can be achieved in the 6th Cycle Housing Element through more efficient use of existing building sites such as conversion of 2nd floor office space to residential, second floor additions to one-story buildings, and redevelopment of parking lots. Additionally, the City is proposing a third-floor mezzanine to further incentivize affordable housing.

B. Housing resources - site inventory

Overall, we support the selection of sites which show the most potential for mixed use and multi-family development, such as Site #2, #4, #6, #9, #10, #14, #15, #16, #17 #18 and #21. There are 7 out of 21 sites (Site #1, #3, #5, #7, #8, #12, and #13) that are either primarily used as parking lots or which have an excess of parking area. The city has proposed Program 3.1.E: Reduced Parking Requirements - AFFH, but its policy could further remove development barriers by significantly reducing parking by setting maximum parking requirements for new developments or completely eliminating parking requirements.

Response: Comment noted. Table C-3 has been revised based on public comment and policy direction from the City Council. The City will evaluate alternative parking programs to offset reduced or waived parking requirements. Alternative modes of

transportation must be considered when evaluating the elimination of parking in Carmel due to limited access to public transit.

Thank you for this opportunity to comment.

Regards,

Michael DeLapa
Executive Director

Email Comment #9

Received from Shannon Hughes

Here are comments on the plan for 349 units in Carmel.

Nice job involving the community through the public meetings and providing documents for us to react to.

I've reviewed the site inventory list and have concerns about many of them:

Public parking lots: Parking is already very limited in town and we have a separate parking effort that will likely require change, cost and communication. I support incentives to private property owners to open up their limited parking for the general public or to get them re-imagining their lots for an alternate use but I'm doubtful that will bring about many new housing units.

Response: Comment noted. If a parking lot is redeveloped, existing parking will be integrated into the new housing development, not eliminated.

Small lots: Even if half of these were redeveloped (and that's a huge stretch goal), it won't bring about the big changes that will be required to get to 349. I'd focus on bigger lots that have more of an opportunity to impact our total goal. Those include Flanders Mansion (how can this expansive property be better utilized with more density?) and Sunset Center (how expand development opportunities to the SE and SW corners to include the pottery and yoga studios?)

Response: Program 1.1.B: Underutilized Sites. The City commits to actively investigate the feasibility of developing publicly owned sites. Table C-3 Sites Inventory includes the north and south parking lots at Sunset Center as well as the Vista Lobos site, all of which are owned by the City.

Privately owned property: While including these private lots shows a valiant effort, I doubt the incentives would be great enough to have many of these property owners redevelop/reimagine their space. I suggest a low probability factor on these options.

Response: Comment noted.

The committee has done a thorough job looking at the supply side but what about the demand side? What understanding do we have of the needs of the people who would be moving into these units in terms of location, desired configuration/size/type, timing...and can we work with other organizations (non-profit and otherwise) who specialize in understand the needs of future residents and getting affordable units built in communities?

Response: See Appendix H (Stakeholder Survey Response) for a summary of community member responses to questions about desired housing types.

Again, thanks for the opportunity to review.

Shannon Hughes
3017 Lasuen Drive, Carmel

prskh@yahoo.com
206-548-8329

Email Comment #10

Received from Stephanie Locke

SUBJECT: Initial Public Review Draft Housing Element Update for Carmel-by-the-Sea

Dear Ms. Wahl:

Thank you for the opportunity to review and comment on the City of Carmel-by-the-Sea's draft housing element update. I am a resident of Carmel-by-the-Sea, serve the City of Carmel as a Planning Commissioner, and I work for the Monterey Peninsula Water Management District. It is from these perspectives that I offer the following comments on the draft document.

SECTION 1.6 PUBLIC PARTICIPATION

First, I'd like to compliment the City and EMC for setting up a user-friendly website (<https://homecarmelbythesea.com/housing-element-updates>) that provides the resources necessary to review the housing element update. In the bulleted key components and interactive engagement plan, please be sure to include the public meeting held with the Planning Commission and the City Council at Sunset Center on June 15, 2023, that was also well-attended by the public.

Response: Comment noted. This meeting as well as the meetings of July 11, 2023 and August 1st, 2023 will be added.

SECTION 2.4 GOALS, POLICIES AND PROGRAMS

With the need to accommodate 113 Low- and Very Low-Income households, the City must do everything it can to incentivize development of these types of units. As I mentioned during the June 15th meeting, the City should partner with local housing organizations such as the Carmel Foundation, Mid-Pen Housing, GLC Foothill Partners LLC, Ascent, and others. Perhaps the proposed Affordable Housing Trust Fund (Program 2.1.D) could be funded by donations, endowments, etc. in addition to General Fund monies to be used to reduce costs to developers of restricted Low- and Very Low-Income housing.

Response: Comment noted. The City will engage the public in the development of an affordable housing trust fund, and explore all available funding options including donations and endowments.

Program 1.1.A: Adequate Sites. There is a typo in the third sentence: "...new units consistent with RHNA be (should be "by") continuing..."

Response: Comment noted.

Program 1.2.B: Address Infrastructure Constraints -- It is discouraging to read about Program 1.2.B, Address Infrastructure Constraints. The City must prioritize maintenance of infrastructure to ensure that existing and future residents and businesses occupy a safe and stable community.

Response: Comment noted.

Program 1.3.B, R-1 Motel (Conversion) Development Transfer Rights -- AFFH is an interesting concept that should be pursued.

Response: Comment noted.

Program 1.3.C: Accessory Dwelling Units – AFFH is challenging given the Design Guidelines. Standardized pre-approved ADU plans have worked very well for the City of Seaside, which is the only Peninsula city that has this program to date. I agree that this would reduce costs for some people who want to build an ADU.

Response: Pre-approved ADU plans will be explored via this program. Objective design standards can also be explored in conjunction with pre-approved construction plans.

Under this same heading is a proposal to incentivize owners of lodging facilities to provide on-site affordable employee housing in exchange for approval of an additional room. This is a great idea to facilitate workforce housing, although the site may or may not be able to accommodate new hotel rooms that might be offered as an incentive to convert one or two existing rooms into a living unit for an employee.

Response: Comment noted. This is an opportunity to create a housing opportunity for employees similar to the “manager’s unit” concept that was common in the past. The City looks forward to exploring the feasibility of this concept over the next 8 years.

Program 1.3.F: Manufactured Homes on a Foundation System – There is a typo in the third word: It should probably read “currently” not “current.”

Response: Comment noted.

Program 1.4.B: Objective Design Standards – AFFH – Objective multi-family housing affordable design standards would certainly reduce the cost and uncertainty/risk of these developments, but the concept of standardization will run into objections from various residents and community groups.

Response: Comment noted. Preservation of the village character remains a top priority while the City looks for innovative solutions to diversify the housing stock.

Program 2.1.C: Monitor Affordable Housing Stock – AFFH – There are two typos on page 2-11 in the first paragraph under this heading. “The City will updated (should be update) its databases to better track data on the new construction demolition, conversion and replacements (should be replacement).”

Response: Comment noted.

Program 2.3.A: Preserve and Increase Second and Existing Third Floor Residential Uses – AFFH. There is a comma after “commercial uses” that shouldn’t be there.

Response: Comment noted.

SECTION 5.0 ENERGY CONSERVATION AND REDUCTION OF GREENHOUSE GAS EMISSIONS

Monterey Peninsula Water Management District: I'm not sure that the inclusion of the list of rebates is necessary for the topic of furthering conservation in the construction of housing, but the one included in the draft document is out of date. The current version can be found at <https://www.mpwmd.net/rules/Rule141-TableXIV-1.pdf>.

Response: Comment noted. The list of rebates has been updated.

More importantly and directly related to conservation in the construction of housing in Carmel-by-the-Sea are the water efficiency requirements for new construction and landscaping, remodels/additions, and changes in use (commercial to residential). MPWMD [Rule 142 Water Efficiency Standards](#) and [Rule 142.1 Water Efficient Landscape Requirements](#) codify these MPWMD requirements and should be included in the final document. In addition, the MPWMD enforces [Rule 162 Stage 1 Water Conservation: Prohibition on Water Waste](#) which is always in effect.

Response: Comment noted.

Program 2.4.B: Residential Inspection Services – The program speaks to maintaining property and identifying necessary repairs. The City inspects properties through the building permit process, but why not offer annual inspection services if requested? This should be focused on multi-family housing in the Village.

Response: This program has been removed due to lack of City resources.

GOAL H3: PROVIDE OPPORTUNITIES FOR NEW AFFORDABLE AND OTHER SPECIAL NEEDS HOUSING

Policy 3.1: Incentivize affordable housing development, with an emphasis on affordable housing built to accommodate Extremely Low-Income residents [hyphenation changed]. Encourage the private sector to produce affordable housing – Shouldn't this title include both Extremely Low- and Low-income housing levels?

Response: Comment noted.

Program 3.1.B: Housing for Extremely Low Income Households – AFFH – The second paragraph of this program seems to suggest that of the ADUs being developed recently, there is “a portion of which are affordable to Extremely Low Income Households.” However, at the June 15, 2023, joint meeting of the City Council and the Planning Commission, I asked if there are any deed restricted affordable ADUs in Carmel, and I believe the answer was “no.” Without income restrictions, there is no way to know that an ADU is affordable to the occupant. Along this line, I'd like to see a requirement for more affordable units in multi-family housing. The current trigger is set too high, and there should also be incentives to make the inclusion of these units viable.

Response: Comment noted. Based on research conducted in the San Francisco Bay Area, ADUs can be affordable without the use of deed restrictions (which is currently prohibited under State law). When considered along with pre-approved construction drawings, fee

reductions/waivers, or other incentives, ADUs become more widely available to households with more modest incomes which increases the potential of an ADU being utilized for rental income. Additionally, while an ADU may not be used as rental housing today, it becomes part of the permanent housing stock, increasing the availability of housing well into the future as properties are sold to new owners or life circumstances change.

Program 4.1.A: Water Conservation – AFFH – See previous comment about Section 5.0.

Response: Comment noted.

Program 5.1.C: Shared Housing Information – AFFH – Consider using the HOME website or similar as a community bulletin board to announce housing opportunities.

Response: Comment noted. The HOME website will sunset at the end of the project. However, the City has created a new Housing webpage (<https://ci.carmel.ca.us/post/housing-resources>) which will be maintained and enhanced throughout the next 8 years.

To conclude my comments, I want to commend you for the extensive effort undertaken to compile this draft document. I am very concerned about the aging population in our community and the ability of those residents to continue to live in our village without experiencing housing insecurity. I am also concerned about the number of part-time/second/short-term rental homes and the rising cost of renting here without the addition of new restricted income housing opportunities.

As I stated at the joint City Council/Planning Commission meeting in June 2023, I moved to Carmel-by-the Sea as a newly-single mother of a 6th grader, and we had a big dog. I was fortunate to find a rental that was barely affordable to me and lived there until my son completed high school. However, the house was sold shortly after graduation, and I was forced to find replacement housing. I've been in that "housing insecurity" position and don't wish it upon anyone, especially someone on a fixed income who is older with challenges. I encourage the City of Carmel-by-the-Sea to prioritize housing for its workforce and for its elder population.

Sincerely,

Stephanie Locke

Email Comment #11

Received from Monterey Bay Economic Partnership



July 6, 2023

Carmel-By-The-Sea City Council and Staff
Monte Verde St.
Carmel-By-The-Sea, CA 93923

Subject: Support 6th Cycle Housing Element Draft

Dear Mayor Potter, City Councilmembers, and City Staff,

Monterey Bay Economic Partnership (MBEP) supports draft recommendations for the 6th Cycle Housing Element made available to the public June 2023. The City of Carmel-By-The-Sea's Draft Housing Element incorporates policies in alignment with recommendations from MBEP's white paper *Practical Housing Policy: Increasing Supply and Affordability*, which include:

1. Streamline permitting and reduce discretionary reviews
2. Increase allowable densities
3. Reform impact fees
4. Increase funding sources for affordable housing
5. Optimize inclusionary housing ordinances

Specific comments on Draft Housing Element:

Program 1.1.B: Underutilized Sites - AFFH

MBEP supports the City's planned use of publicly owned sites for housing development and recommends seeking innovative models for private developers – including for-profit organizations – to construct affordable housing. Availing of property tax exemptions through retained public ownership can increase financial viability for development of affordable housing under thoughtfully executed public-private partnerships.

Response: Comment noted. The draft 6th Cycle Housing Element includes the Sunset Center north and south parking lots and the Vista Lobos parking lot which are owned by the City. The Norton Court senior housing development is an example of an on-going public-private partnership between the City and the Carmel Foundation whereby the City retains ownership of the land and the housing is managed by the Foundation. The City looks

forward to entering into new public-private partnerships to advance our housing goals.

Program 1.1.C: Development on Small Sites

The combination of reduced or waived parking requirements and setbacks along with density bonuses increases housing development viability and MBEP supports implementation of such incentives, especially in the high value and high cost downtown area. Integrating such incentives – including the 88 du/acre density potential – into the Affordable Housing Overlay Zoning District (Program 3.1G) will maximize development potential, especially for affordable homes.

Response: Comment noted. Carmel Municipal Code Section 17.14.060 (Central Commercial (CC) District Regulations Applicable) waives off-street parking entirely for apartments. In the SC District, the required parking for an affordable housing unit is ½ space per unit and for senior housing it is ⅓ space per unit. Senior housing also has a guest parking requirement of 1 space per 4 housing units. With regards to setbacks, there are no setback requirements in the CC or SC districts. The City will ensure these development incentives are incorporated into the housing overlay district. Additionally, the City is proposing a third-floor mezzanine as an additional incentive for affordable housing.

Program 1.3.E: Amend the A-2 Zoning District

MBEP applauds the City for planning the creation of clear and objective design guidelines for developers to use in advance of permit applications. Integrating these guidelines with the By Right approval processes guaranteed for projects including 20% affordable units in the Affordable Housing Overlay program will only further strengthen development potential for affordable homes.

Response: Comment noted.

Policy 1.4: Improve Development Review and Approvals Processes

MBEP supports implementation of the programs entailed in this policy to their fullest extent. Removing the conditional use permitting (CUP) process for multifamily development (1.4A) is an excellent start for streamlining development and MBEP recommends maximizing impact of this policy by increasing the exemption from CUP for density up to 88 du/acre or higher, consistent with Program 1.1C.

Response: Comment noted. The City does not currently have an inclusionary housing ordinance and instead relies on the use permit process to ensure that housing projects between 34 and 88 dwelling units per acre contain affordable housing units. The City is open to exploring alternatives to the use permit process in order to obtain affordable housing. Additionally, the City is proposing to remove the use permit requirement for other project components such as underground parking.

Program 1.4.B: Objective Design Standards - AFFH

MBEP supports the program for creating objective design guidelines for projects including affordable units, as mentioned in our support for Program 1.3E. Ensuring minimal discretionary review following objective design approval only further maximizes development potential for affordable units.

Response: Comment noted.

Program 2.1.A: Incentives for Mixed-Use Development - AFFH

MBEP agrees strongly with the assertion that granting floor area ratio (FAR) bonuses for affordable units only compounds affordability potential and project feasibility. We support offering the maximum FAR for affordable units within health and safety code requirements, which in some cases could exceed the 15-25% bonus offered in this program.

Response: Comment noted. The City is proposing to increase the floor area bonus from 15% to 25% to encourage the development of affordable housing.

Program 2.3.A: Preserve and Increase Second and Existing Third Floor Residential

Uses - AFFH MBEP supports this policy and recommends expanding to allow for development of residential uses on the first floor of parcels otherwise in commercial use – such as behind the existing the commercial establishment – to maximize affordable development potential.

Response: Comment noted. Carmel Municipal Code (CMC) Chapter 17.14 (Commercial Zoning Districts) encourages residential uses in all three commercial zoning districts (CC, SC, & RC). CMC Section 17.14.040.N.5 prohibits new residential units on the first story of any building in the CC district IF the units would front directly on a public street. Ground floor commercial space that does NOT front on a public street can be converted to residential use. Additionally, ground floor commercial space in the SC and RC could also be converted to residential use. The City will include this information in educational materials that promote the creation of new housing through conversion of existing commercial space. Please note this program has been refocused on underutilized upper floors.

Policy 3.1.: Programs A-G:

MBEP strongly supports Programs A-G under Policy 3.1 with special emphasis on 3.1G which would create an Affordable Housing Overlay Zoning District. Offering as many incentives as possible and guaranteeing By Right approval for developments that meet objective design guidelines creates an optimal environment for much-needed affordable housing.

Response: Comment noted. The City is proposing a housing overlay district that combines development standards, Objective Design Standards, and incentives in a cohesive ordinance providing clear information to prospective housing developers.

In conclusion, MBEP supports the Draft 6th Cycle Housing Element set forth by the City of Carmel-By-The-Sea with some qualified recommendations. This first draft represents an affirmative and encouraging step toward progress on affordability. You can find more recommendations in our housing white paper at <https://mbep.biz/initiatives/housing>. Please contact Gabriel Sanders, Director of Housing and Community Development Policy, at gsanders@mbep.biz with any questions or concerns.

Sincerely,



Tahra Goraya, MA, MPA
President & CEO

Email Comment #12

Received from Esther Goodhue

What a huge accomplishment - I learned so much about Carmel. My only addition would be the possible use of ground floor commercial space for residences for people with special needs. These empty spaces don't appear to be marketable any longer.

Response: Comment noted. Carmel Municipal Code (CMC) Chapter 17.14 (Commercial Zoning Districts) encourages residential uses in all three commercial zoning districts (CC, SC, & RC). CMC Section 17.14.040.N.5 prohibits new residential units on the first story of any building in the CC district IF the units would front directly on a public street. Ground floor commercial space that does NOT front on a public street can be converted to residential use. Additionally, ground floor commercial space in the SC and RC could also be converted to residential use. The City will include this information in educational materials that promote the creation of new housing through conversion of existing commercial space.

Thank you for the educational experience.

Best,
Esther

