



CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council
FROM: Anastazia Aziz, AICP, Senior Planner
Mark Brodeur, Director of Community and Economic Development
MEETING DATE: May 18, 2016
SUBJECT: Local Coastal Program Update - Land Use Plan and Implementation Plan
CEQA STATUS Statutory Exemption, CEQA Guidelines Section 15265

RECOMMENDATION

Receive as information.

BACKGROUND

The Local Coastal Program Update was initiated in April 2014 when the Coastal Commission awarded a grant of \$130,000 to assist the City in achieving Local Coastal Program certification. To date, staff and EMC Consultants have held various public workshops, meetings, work sessions with the Planning Commission and joint sessions with Council. The 2nd Draft Land Use Plan and the accompanying Draft Implementation Plan (zoning ordinances) were released in January 2016.

DISCUSSION

In March 2016, staff received a plethora of comments from the Coastal Commission on policy issues in the January 2016 Draft Land Use Plan. Issues under further discussion with Coastal Commission staff are described below and will be brought forward at the May 19, 2016 Planning Commission meeting for discussion and policy direction.

Land Use Plan Issues

1. *Sea Level Rise and Associated Hazard Erosion and Flooding Policies*

The City's Coastal Commission grant stipulated that the City's Updated Local Coastal Program address sea level rise. The Coastal Commission's [Sea Level Rise Policy Guidance](#), adopted in August 2015, provides an overview of the best available science on California sea level rise and recommended methodology for addressing sea level rise in coastal areas.

The City's [Vulnerability Assessment](#) was released in January 2015 and used the best readily available data at that time. The recently updated *Monterey County Multi-Jurisdictional Hazard Management Plan* and the Pacific Institute were solicited as sources. Data was available for Pacific Grove with a 2100 time horizon but no data was available for other time horizons such as 2025 or 2050 or for potential erosion from Point Pinos to Asilomar Beach. The hazard maps were prepared using a projected sea level rise high of 55" by 2100. Staff received many comments regarding the establishment of new hazard policies related to erosion and flooding as possible impacts due to sea level rise, and issues regarding the year 2100 as a basis for developing the hazard zone.

In preparation for the February 24, 2016 Joint Council and Planning Commission Workshop, the City's hazard maps were updated using recently available 2025 and 2050 sea level rise data but the outcomes were not significantly different from 2100. Data gaps still remain from Point Pinos to Asilomar (see attached Hazard Map).

At the Joint Workshop, there was general sentiment from both the Planning Commission and Council that requiring geo hazard technical reports for new development based on a potential impact 80 years into the future was unreasonable. Planning Commission and Council suggested an alternative, using 2" in local sea level rise as a more tangible and reasonable trigger to require additional technical reports.

Staff has spoken at length about this issue with Coastal Commission staff. The Coastal Commission requires geo technical reports that assess the life of the structure, which is generally 75-100 years of use, for designated hazard areas. The reports generally either require additional setbacks or changes to the structure to accommodate flooding or erosion if feasible.

One option to consider is a policy that requires an initial screening of the project and hazard area, and a determination as to whether additional supporting technical reports are warranted at the time of coastal development permit submittal. The screening would identify if the parcel is inherently subject to coastal hazards such as erosion or flooding. If the screening shows the hazard risks are non-existent or if the project is located inland away from the shore, then no formal report is needed. When sea level rise reaches 2" locally, technical reports will be required for all projects in the hazard zone.

2. *Definition of existing development*

Legally permitted "existing development" is an important term to define in order to determine legal non-conforming status, the definition of demolition, and when a structure must be brought into full conformance with coastal regulations. The term affects whether a property can maintain legal non-conforming status for uses and development standards such as setbacks, height, parking requirements and hazard requirements.

The Coastal Act was passed in 1976 and Coastal staff suggested applying the cutoff date of January 1, 1977 to define "existing development." The implications include affecting what constitutes a demolition to a structure and the amount a structure may be demolished or renovated before triggering compliance with existing regulations. This would require review of building and planning permit history to determine pre and post January 1, 1977 construction dates. Any modifications after that date would not be included in the definition of "existing development" and could affect how much a structure could be modified before triggering full conformance with all regulations including setbacks, height, hazard requirements, etc.

However, City staff proposes using the adoption date of June 7, 1989 of the City's current Land Use Plan to define existing development. The adoption date is significant in that it represents the date that local coastal zone policies were adopted and implemented. A review of planning and building permit history since 1989 rather than 1977 would still be required.

3. *Stormwater Runoff and Water Quality*

Monterey Bay is one of the City's greatest assets. The Bay is a natural resource that provides diverse and highly valued coastal and marine habitats in addition to unparalleled scenic value. Pacific Grove's water and marine resources include the rocky intertidal and subtidal areas of the coastline interspersed with sandy beaches and rocky bluffs. Water quality plays a vital role to the overall health of the Bay.

The City is subject to stormwater and runoff regulations by the State Water Board and is part of the [Monterey Regional Stormwater Management Program](#). The primary mechanism is the City's [National Pollutant Discharge Elimination Permit \(NPDES\) Phase II Municipal Permit](#). Additional regulations are forthcoming for the City's [Area of Special Biological Significance](#), also administered by the State Water Board. The City's current NPDES permit which is issued on a 5 year cycle includes a number of regulations to improve stormwater runoff and governs construction sites, industrial discharges, illicit discharge detection and illumination (illegal storm drain dumping), restaurants, public education and outreach, municipal operations such as the City's Corporation Yard, and new development.

Stringent technical regulations for new development were instituted on March 6, 2014. City Planning staff have been fastidiously implementing these regulations for projects that meet the permit thresholds and reporting results annually to the State Water Board. A Community and Economic Development Department [Stormwater webpage](#) dedicated to stormwater and new development provides an overview of project impervious surface thresholds which start at 2,500 square feet of new or replaced impervious surface, and associated performance requirements. Performance requirements include implementing Low Impact Development (LID) site design measures, or for projects that are required to design a stormwater treatment measure, such as a swale or infiltration measure, to treat the 85th or 95th percentile of the 24-hour storm. The City is also responsible for inspecting each stormwater treatment measure annually and reporting results to the State Water Board. Staff encourages all project applicants to incorporate Low Impact Development site design measures to protect water quality.

Coastal Commission staff has indicated that all new development projects in the coastal zone, regardless of size, shall be required to include stormwater runoff treatment facilities engineered to treat the 85th percentile of the 24-hour storm.

City staff recommends that policies supportive of water quality and implementation of the State Water Board's NPDES permit requirements to be included in the Land Use Plan, but that technical sizing requirements not be specified. Reasons include potential for conflict with the State Water Board requirements, particularly as new NPDES permits are issued on a five year cycle, and possible confusion over which regulations prevail.

4. *Fencing and Subdivision in the Asilomar Dunes Neighborhood*

The Asilomar Dunes residential area (bounded by Lighthouse Ave, Asilomar Avenue and Asilomar State Beach and Conference Grounds) is the location of sand dunes that support rare and endangered biological resources. The entire area is designated as an Environmentally Sensitive Habitat Area and staff proposes to also designate this area a Special Community. The area, which was annexed by the City in 1980, was previously subdivided into residential parcels.

There are currently a number of additional development restrictions governing this area, including limitations on fencing to reduce impacts on public views, and allow for free passage of native wildlife and seeds. Coastal Commission staff has been interpreting this policy to mean no on-site fencing. The Coastal Commission has been conditioning new development in this area to remove existing perimeter fencing and any other on-site fencing.

City staff proposes to allow new perimeter fencing that is limited to minimal symbolic fencing such as a split rail fence, that is necessary to protect native dune habitat and allows for free passage of sand, seeds, and wildlife. Staff also proposes to allow enclosure of up to 5% of lot area that may be used as proximate outdoor living space.

Additionally, the current Local Coastal Program specifies that new subdivisions within the Asilomar Dunes shall be allowed only where potential adverse impacts to environmentally sensitive habitats can be prevented. Minimum lot sizes in the Asilomar Dunes range from half to one acre depending on location, and approximately six parcels are large enough to be subdivided. Historically, the Coastal Commission has denied subdivision applications in this area because the proposed subdivision would adversely impact environmentally sensitive habitats.

City staff proposes to allow subdivisions for resource dependent or conservation uses. By doing so, a subdivision would still be permitted; however, the uses of the new lots would be limited to passive uses such as trail development.

5. Implementing a Parking Program in Appropriate Areas

In order to create a more sustainable funding source to fund coastal access and coastal restoration projects, the City proposed a new policy to allow for future metered parking programs in appropriate areas of the City. Many other cities, including the City of Monterey, have robust parking meter programs in the coastal zone.

The City of Pacific Grove has been subject to budget issues for many years and funding for City operations remains scarce. Identifying areas within the City's coastal zone that are appropriate for a metered parking program and possible revenue stream would help alleviate funding issues for coastal access and restoration programs.

A Coastal Development Permit would likely be the mechanism for implementation. Coastal staff is considering the proposed policy.

Implementation Plan

The Coastal Commission requested many organizational and administrative changes which staff is reviewing. The requests include removing cross-references to the existing Zoning Code and integrating the City's existing zoning districts directly into the Implementation Plan. In terms of substantial issues raised for consideration, staff is reviewing the following and will bring forward these items to the Planning Commission for direction.

1. Commercial-Visitor Zoning District Height Limit

The Coastal Commission wants the City to consider if 40 feet is too high for buildings in certain areas of the Coastal Zone Commercial-Visitor (C-V) District. Existing height standards include a reduced height limit to 18 feet that applies when buildings are adjacent to certain residential zones

(R-1, R-H, R-2). With the American Tin Cannery site rezoning to C-V-ATC, the only remaining C-V District in the Coastal Zone will be along the east side of Eardley Avenue and this new boundary will extend to the shoreline to encompass the eastern Hopkins Marine Lab buildings adjacent to the Monterey Bay Aquarium.

Staff will consider if there is justification for a reduced height limit adjacent to coastal open space areas. Hotel uses are a proposed permitted use in the new Sunset Service Commercial zoning designation. Adjacent open space areas include Majella Slough and the linear Union Pacific railroad open space area in addition to residential uses.

2. *American Tin Cannery Zoning*

The recent passage of Measure X approved re-zoning the American Tin Cannery site and adding a hotel use. Reference to the new zoning district will be incorporated into the Land Use Plan. A new zoning district, C-V-ATC, will be added to Implementation Plan maps and commercial use and development standards tables.

Staff proposes to rely principally on the development regulations that apply to the C-V district, with the exception that the floor area ratio (FAR) be increased to 3.0 instead of 2.0. This better reflects the more urban developed nature of this area of Pacific Grove and also reflects the surrounding built environment along Cannery Row. The Coastal Commission is considering this proposed change.

3. *Standards for Development for Visitor Serving Parcels*

There is currently a density limit of 2,500 square feet per hotel/motel unit. This standard along with setback and height requirements generates a very low-density suburban type automobile-oriented motel/hotel development. A density limiting the number of unit in a hotel or motel based on parcel size is generally not a common development standard used to control the size of a development. Generally height restrictions, setbacks, parking requirements and floor area ratios are the means used to regulate the size and density of a development.

Staff proposes to remove the reference to the 2,500 square foot density requirement and Coastal Commission concurs with this direction. Properties currently zoned R-3-M would still be subject to this restriction due to the voter approved initiative commonly referred to as Measure U.

Adoption Timeline

Given the extensive comments received in March from Coastal Commission staff, the timeline adopted by Council in January 2016 has been revised.

2016 Local Coastal Program Revised Adoption Timeline

Activity	Date
Planning Commission Policy Issue Discussion	May 19, 2016
Planning Commission Study Session – Land Use Plan and Implementation Plan	June 1, 2016 (tentative)
Planning Commission Recommendation on Final Local Coastal Program to Council (Land Use Plan and Implementing Ordinances)	June 2, 2016
City Council Local Coastal Program Hearing	June 15, 2016
Submit to Coastal Commission	June 22, 2016

Coastal Commission Hearing	TBD, tentatively August 2016
Council Adoption Local Coastal Program	TBD

Note: Timeline subject to change

RESPECTFULLY SUBMITTED:



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Senior Planner



Mark Brodeur, Director
Community and Economic Development Dept.

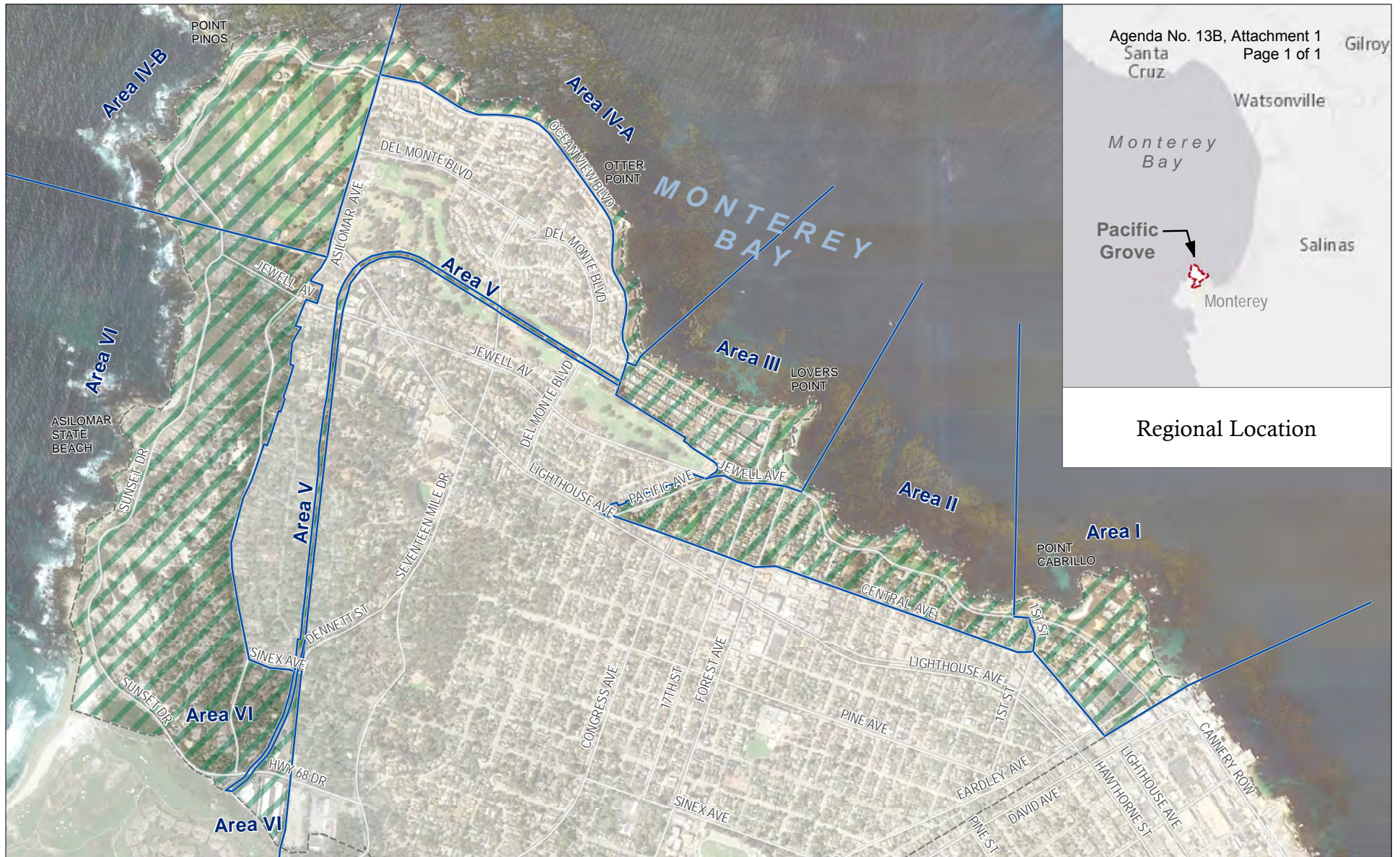
REVIEWED BY:

Ben Harvey

Ben Harvey,
City Manager

ATTACHMENTS:

1. Coastal Zone Map
2. Land Use Plan
3. Hazard Map



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Legend

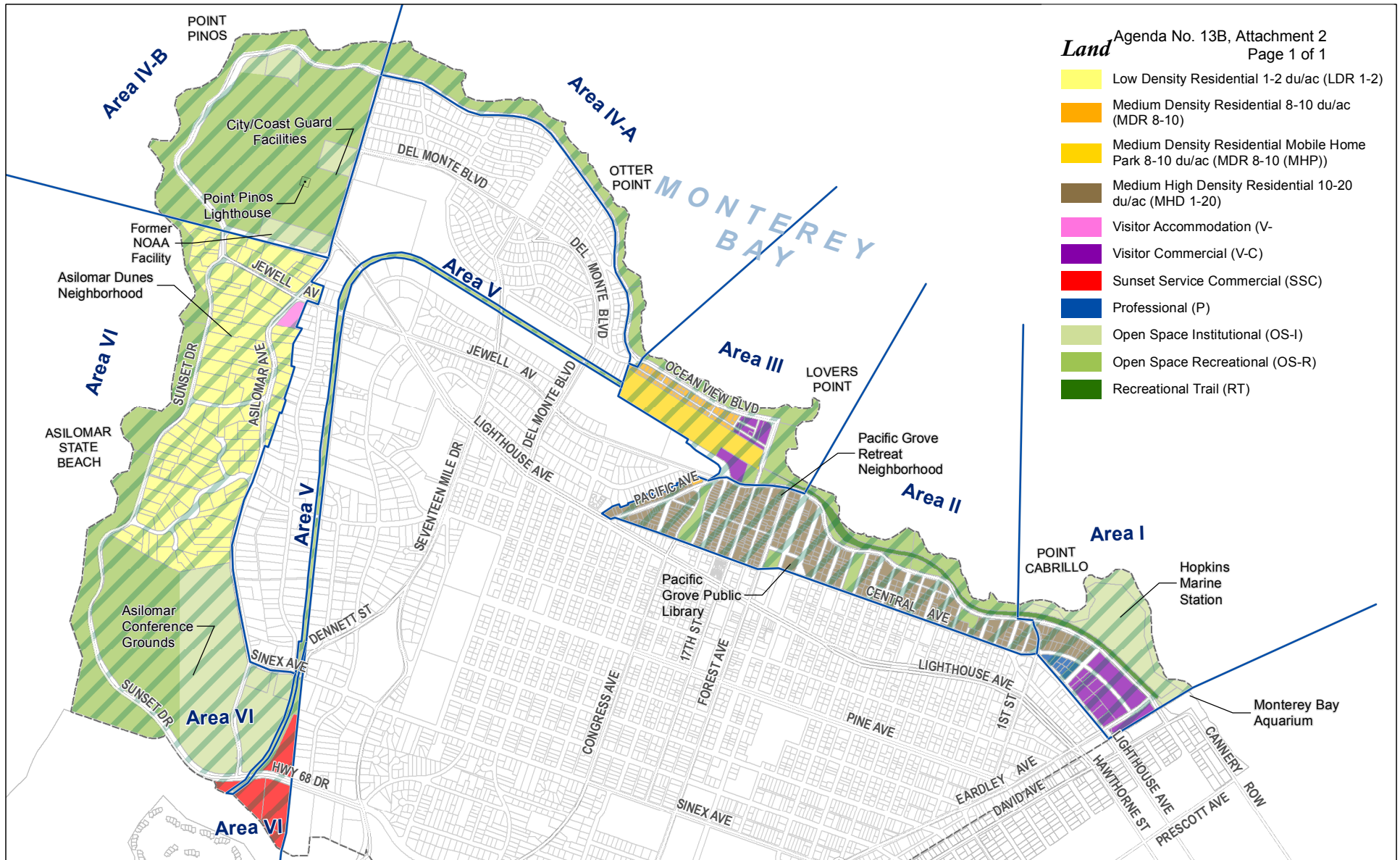
- Planning Area Boundaries
- City of Pacific Grove
- Major Roads
- Coastal Zone

Source: City of Pacific Grove, Google Earth 2013



Figure 1
Pacific Grove Coastal Zone
 Pacific Grove Vulnerability Assessment

- Agenda No. 13B, Attachment 2
Page 1 of 1
- Land**
- Low Density Residential 1-2 du/ac (LDR 1-2)
 - Medium Density Residential 8-10 du/ac (MDR 8-10)
 - Medium Density Residential Mobile Home Park 8-10 du/ac (MDR 8-10 (MHP))
 - Medium High Density Residential 10-20 du/ac (MHD 1-20)
 - Visitor Accommodation (V-)
 - Visitor Commercial (V-C)
 - Sunset Service Commercial (SSC)
 - Professional (P)
 - Open Space Institutional (OS-I)
 - Open Space Recreational (OS-R)
 - Recreational Trail (RT)



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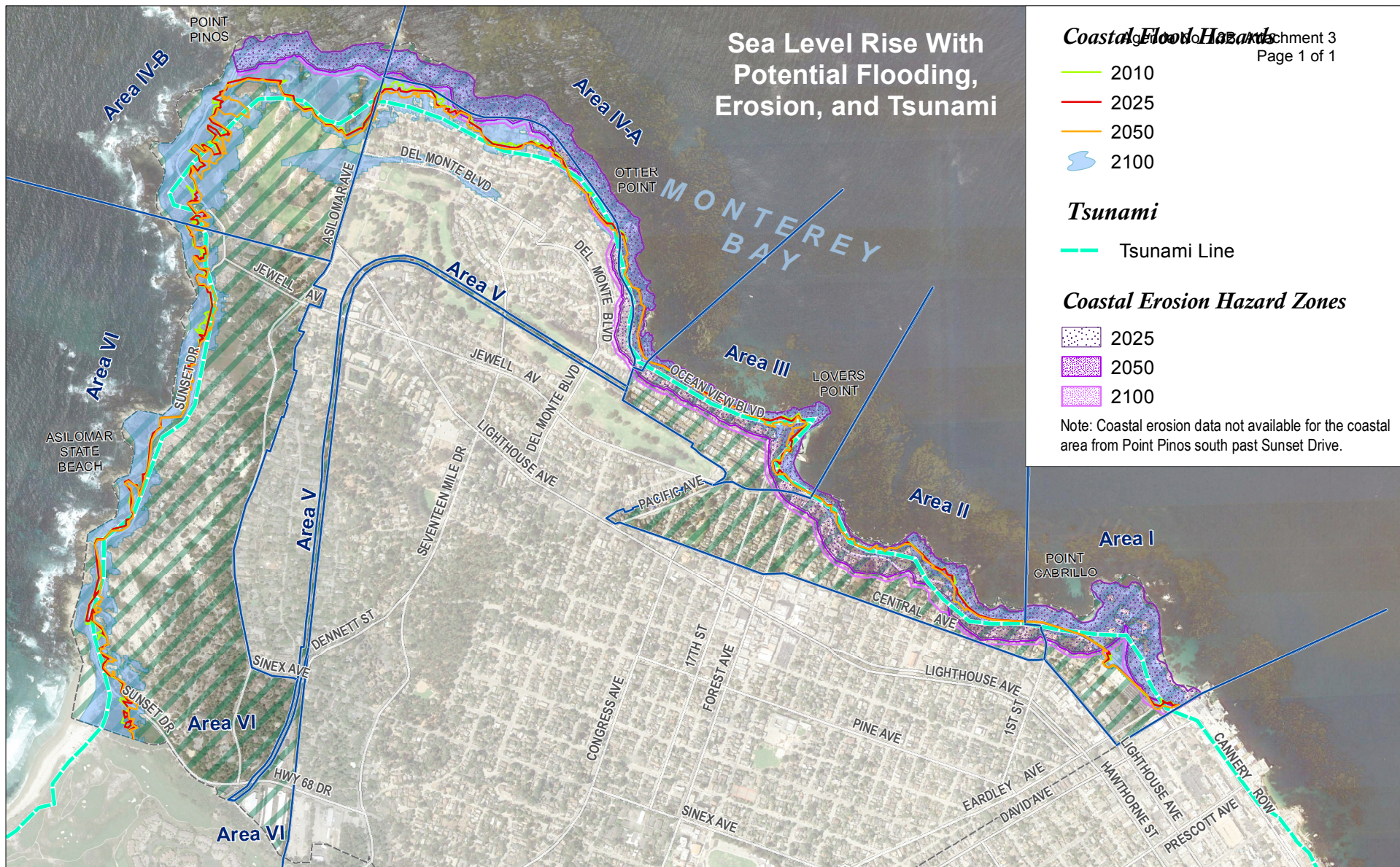
Legend

- Planning Area Boundaries
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Source: City of Pacific Grove 2014, Google Earth 2013

Figure 5
Coastal Zone Land Use Designations
City of Pacific Grove Land Use Plan





0 1800 feet

Legend

- Planning Area Boundaries
- City of Pacific Grove
- Major Roads
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Source: Pacific Institute 2009, City of Pacific Grove, Google Earth 2013

Figure 2
Areas of Potential Sea Level Rise Hazard
City of Pacific Grove Land Use Plan