



**DRAFT - MINUTES**

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**CITY OF PACIFIC GROVE  
PLANNING COMMISSION  
REGULAR MEETING**

6:00 p.m. Thursday, May 22, 2014

Council Chambers – City Hall – 300 Forest Avenue, Pacific Grove, CA

**1. Call to Order at 6:10 pm**

**2. Roll Call**

Commissioners Present: Robin Aeschliman, Bill Bluhm (Vice-Chair), Jeanne Byrne, Donald Murphy, 2 vacant seats

Commissioners Absent: Bill Fredrickson (Chair)

**3. Approval of Minutes**

**a. April 17, 2014 Site Review and April 17, 2014 Regular Meetings**

**With changes requested by Commissioner Byrne incorporated and on a motion by Commissioner Byrne, seconded by Commissioner Aeschliman, the Commission voted 4-0 to approve the April 17, 2014 Site Review and Regular Meeting Minutes.**

**4. Public Comments**

**a. Written Communications**

None.

**b. Oral Communications**

None.

**5. Items to be Continued or Withdrawn**

None.

**6. Consent Agenda**

None.

**7. Regular Agenda**

- a. Presentation by Economic Development Manager, Kurt Overmeyer, regarding Form-Based Planning for a Downtown Specific Plan with Discussion.**

Kurt Overmeyer described what form-based zoning looks like and provided examples for Pacific Grove's downtown. He spoke of the review process and the stakeholders group he has been working with over the past year to discuss a Downtown Specific Plan and Form-based Zoning for the Downtown.

Commissioner Byrne questioned the need for a new plan given that the City has invested a lot in plans for downtown over the years, including a parking plan; and zoning that encourages residential building in the downtown. Commissioner Murphy questioned whether water is really available and asked if there would be challenges for a specific owner and businesses even with a plan.

It will cost approximately \$100,000 to do the plan, but the product will create the baseline for planning downtown development.

Public Comment: Carmelita Garcia, speaking on behalf of Nader Agha, owner of the Holman Building, said that development is stalled due to fear of City processes which hinders downtown development and that the City is difficult to work with.

Commissioner Byrne suggested that this issue should wait until a new Community Development Director is hired.

City Manager Thomas Frutchey said the recruitment process was well under way and added that a new Community and Economic Development Director should be in place within two to three months. Secondly, he said, we should expect the new hire to have experience with form-based codes and-specific plans. To start the planning effort now could help with the hiring, he said.

Commissioner Murphy recommended that any new task force that is formed to address this issue should operate under the Brown Act to allow for broad and open public participation.

Commissioner Byrne made a motion to table any further discussion of the concept until a new Director is hired. No second. Commissioner Bluhm stated that no action was required since this was a discussion item.

Commissioner Murphy requested that since the City Council sent this to the Planning Commission for review, the Planning Commission should have an opportunity to weigh in and asked that staff return with an action item on an agenda in the next month or two for Planning Commission action.

Commissioner Aeschliman commented that the new Director should be responsive to community needs and the community should not have to adjust to the Director's preferences.

Public Comment: Richard Flagg, a Pacific Grove resident, stated he was familiar with form-based codes and has had experience with it working in other jurisdictions. He supports the concept and believes it would work in Pacific Grove. He said the Mayor made a strong case for getting the process started as

soon as possible to revitalize the downtown.

Commissioner Bluhm said the issue of people being afraid to work with the City was not real. He said the real issues for downtown development are just how difficult it is to make changes to existing buildings, whether it be ADA (handicapped accessibility retrofits) challenges, lack of water, or tough building safety retrofit standards. These are concerns but not fears. He does not believe anyone is afraid of working with anyone at City Hall.

Commissioner Bluhm would like to review a similar study done for a City the size of Pacific Grove, how this form-based plan helped that City succeed and move forward. Given that the cost of the study and plan can be up to \$100,000, he would like to know what we get for the money. Show us what we can turn the plan into to improve our downtown. If people get together and decide they won't spend money on improvements until those three concerns (ADA challenges, lack of water and tough retrofitting standards) are addressed, then what?

Commissioner Murphy made a motion to ask staff to come back with an Action Item on a future agenda to consider form-based planning and a Downtown Specific Plan, Commissioner Aeschliman seconded the motion, vote 3-1, Commissioner Byrne voting no. **Motion failed.**

**b. Public Hearing: Text Amendment to Section 23.80 of the Pacific Grove Municipal Code, specifically to alter the owner occupancy requirements for pre-August 5, 1992 second units.**

Staff Reference: Steve Matarazzo, Interim Community Development Depart. Director

Recommended Action: Recommend to the Council to Approve the Text Amendment to PGMC Section 23.80.060 (m)

Interim CDD Director Steve Matarazzo offered changes to the text based on corrections of the minutes from the previous Planning Commission meeting on this item.

The current PGMC§ 23.80.060 (m) Occupancy reads:

(1) The principal place of residence of the building site owner shall be either the second unit or the primary unit.

(2) Occupancy of the unit not occupied as the principal place of residence by the owner shall meet at least one of the following criteria:

(A) Occupant(s) shall qualify as no greater than a median income

household according to HUD income level guidelines, as determined by the community development director. Rent charges shall not exceed 30 percent of median or below median income levels as determined annually by HUD.

(B) No rent or other consideration is asked, required or paid as a condition of occupancy.

(3) Occupancy of a second unit is limited to two persons..

New text to read:

(4) The restrictions of subsections (1) and (2) shall not apply to properties with second units constructed prior to August 5, 1992 provided the primary or second unit is a second home to be occupied by the property owner. Under no circumstances are both units to be rented.

Public comment: Ivan Cornelius, owner of 547 Asilomar commented that his intent was only to rent one unit.

Sylvia Schuck, owner of 1152 Seaview, asked for clarification as to how the change affected her unit which was developed prior to 1992.

Commissioner Byrne indicated that it changed the owner occupancy requirement on the property so that either unit can now be used as a second home.

Robert Duey, owner of 547 Asilomar, corrected the spelling of his name in the April 17, 2014 Minutes. He also asked for clarification that the rental is not subject to affordability guidelines established by HUD.

Commissioner Byrne made a motion to amend the text in PGMC Section 23.80.060 (m) to add:

(4) The restrictions of subsections (1) and (2) shall not apply to properties with second units constructed prior to August 5, 1992 provided the primary or second unit is a second home to be occupied by the property owner. Under no circumstances are both units to be rented.

Commissioner Murphy seconded the motion.

Commissioner Aeschliman asked if the rental restrictions after 1992 were mandated by the State.

Terri Schaeffer, Housing Program Coordinator, said regarding the City

ordinances evolved after 1992, it appeared that the affordability component was added as a result of the City's attempt to meet its affordable housing requirements under the Housing Element.

Commissioner Byrne confirmed that after the state mandated that granny units had to be allowed in residential zones, the City later decided the best way to meet the state mandated affordable housing unit requirements was to attach that requirement to second units.

**The Motion carried 4-0.**

**8. Acceptance of Minutes from Other Bodies**

None

**9. Reports of PC Subcommittees**

None

**10. Reports of PC Members**

Commissioner Murphy suggested it was time to reconsider the Trader Joe project and would like a report on the next agenda.

**11. Reports of Council Liaison**

None

**12. Reports of Staff**

Interim Community Development Director Steve Matarazzo reported that the recruitment for a new Community and Economic Development Director is under way and that applicant interviews are scheduled for Friday, June 13, 2014.

Also, Requests for Proposals for preparation of the Local Coastal Plan (LCP) are due Tuesday, May 27, 2014. The RFP is for the development and implementation of a certified LCP to allow for local permitting in the coastal zone.

**13. Adjournment**

Commissioner Aeschliman moved to adjourn the meeting at 7:35 pm and to reconvene on Thursday, June 26, 2014, second by Commissioner Byrne.

**Motion passed 4-0.**

**APPROVED BY PLANNING COMMISSION:**

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Donald Murphy, Secretary

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Date