



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

AGENDA REPORT

TO: Chairman Fredrickson and members of the Planning Commission

FROM: Mark J. Brodeur, Community and Economic Development Director

MEETING DATE: February 2, 2017

SUBJECT: Amend Zoning Code Table 23.31.040, Building Form Requirements, Site Coverage Maximum Percentage in Downtown Commercial (C-D).

CEQA STATUS Categorically Exempt (Class 5 – Minor Alterations in Land Use Limitations)

RECOMMENDATION

Consider increasing the required Site Coverage (75% or 90% to 100%) requirement in the Downtown Commercial District for qualifying mixed use projects only

DISCUSSION

At the Planning Commission's last regularly scheduled meeting, an amendment to the site coverage requirements in downtown was presented. Discussion ensued about what the City should get in return for permitting additional site coverage. The Commission felt that multi story mixed use should be able to take advantage of 100% site coverage. The Planning Commission requested that the Director return with some specific additional ideas and requirements for mixed use development that could be applied to mixed use development, if the development chose to cover 100% of the parcel.

Affordable Housing

It was obvious that the Planning Commission would like to see a percentage of total dwelling unit count to be dedicated to **affordable units**, whether they are apartments or condominiums. What was unclear was the percentage that should be made affordable. The required percentage of affordable units ranges from 5 percent to 50 percent in California programs. The Non Profit Housing Association reports that approximately 4 percent of jurisdictions require less than 10 percent inclusionary, 48 percent have a 10 to 14 percent requirement, 25 percent have a 15 to 19 percent requirement, and 23 percent require 20 percent or more. The distribution for rental housing requirements is roughly the same as the ownership requirements. If Pacific Grove wants to fall in the middle range of cities in California, the percentage should be in the 10 – 14% range. The Planning Commission discussed a 15% requirement and that is probably a valid number to proceed with. Terms of affordability range from 2 years to perpetuity, though most programs (64 percent) require affordability restrictions to remain in effect for at least 30 years. Pacific Grove should follow the average and require (by deed restriction) that the units remain affordable for 30 years. The threshold project size for affordable requirements is generally 10 units, as smaller projects often lack the economies of scale to make inclusionary units financially feasible for the developer.

Other Amenities

Another idea that the Planning Commission discussed was other project amenities that could be required from a mixed use development taking advantage of the newly created 100% site coverage requirement. The Community Development Department staff sought out what other cities require of their mixed used developers and has outlined them below for your consideration:

Mixed-use developments that contain both commercial and residential uses must comply with the following standards:

- (a) Retail/commercial uses must be located on the ground floor level in the entire portion of the building fronting the primary street, and must occupy a minimum of 30% of the ground floor area.
- (b) Residential dwelling units, cultural uses, and office uses are allowed on the second and third floors, and behind the ground floor retail/commercial use.
- (c) Separate entrances to the different use occupancies must be provided for residential and nonresidential uses. When possible, separate entrances to residential units must be provided in the front of the building. Separations will be reviewed through the applicable discretionary permit review process. Adequate soundproofing and odor control between residential and nonresidential uses must be provided.
- (d) Retail/commercial uses must be located directly behind the sidewalk with a zero setback unless the setback is designed as a public plaza.
- (e) In accordance with the General Plan, the maximum residential Floor Area Ratio may not exceed 2.3.
- (f) The parking requirement for mixed use residential is 1.3 spaces per unit.
- (g) The residential units shall not be used for short term vacation rentals.
- (h) Solid waste disposal collection bins/dumpsters shall be contained within the building walls.
- (i) The gross square footage of a third floor shall not exceed 75% of the total gross floor area of the first floor. (May not be necessary with 2.3 FAR)
- (j) Any mixed use development proposing more than 10 dwelling units shall dedicate 15% of the total number of units to “affordable” for a period of 30 years.

ECONOMIC DEVELOPMENT COMMISSION

At its regularly scheduled meeting on Thursday October 13th, the Economic Development Commission endorsed allowing 100% site coverage in the downtown.

CEQA COMPLIANCE

The proposed action is Categorical Exempt from CEQA pursuant to Guidelines Section 15305 (Class 5 – Minor Alterations in Land Use Limitations). No changes in density would occur since the building height cannot be exceeded and only a small percentage (10%) of site coverage would be added. There are no other aspects of the proposed amendment that would result in potentially significant environmental impacts.

RESPECTFULLY SUBMITTED:

A handwritten signature in black ink, reading "Mark J. Brodeur". The signature is fluid and cursive, with the first name "Mark" and last name "Brodeur" clearly legible. The middle initial "J." is smaller and less distinct.

Mark J. Brodeur
Community and Economic Development Director