

RESOLUTION NO. 19-027

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE APPROVING FILE NUMBER AP/UP 19-0173 FOR THE DEVELOPMENT OF AN APPROXIMATE 1,392 SQUARE FOOT SECOND STORY ADDITION CONSISTING OF THREE ONE-BEDROOM AFFORDABLE RESIDENTIAL UNITS AT 301 GRAND AVENUE.

FACTS

1. The applicant proposes to develop an approximate 1,392 square foot addition consisting of three one-bedroom affordable residential units above the parking area approved for a previous permit (AP 18-0273) and currently under construction consisting of 8,931 square feet for a total of approximately 10,373 square feet;
2. The former building on the site was on the Historic Resources Inventory (HRI). Architectural Permit AP 16-121 was approved on March 8, 2016 by the Architectural Review Board and allowed the addition of five one-bedroom units to the second floor of the existing building with retail and three one-bedroom units on the ground floor. During the building permit process, it was discovered that the existing structure was in such a state of disrepair that it was condemned by the Building Official through a Notice to Vacate and Demolish issued in December 2017.
3. Subsequently, a new Architectural Permit, AP 18-0273 for a mixed use two-story project with commercial uses and a total of eight one-bedroom and studio residential units was submitted and approved on April 24, 2018 on by the Architectural Review Board. Additionally, the original two parcel configuration was merged by LLA18-306 to facilitate orderly development, foster development in conformance with the General Plan and the new single lot was found in conformance with the General Plan and Zoning Ordinance.
4. The current project consists of the development of three one-bedroom, 424 sq. ft., second-floor residential units over the area that was previously approved for parking. A Use Permit in addition to an Architectural Permit was applied as a residential density bonus was requested.
5. The applicant has agreed to enter into a 50-year affordable housing agreement with the City of Pacific Grove through a deed restriction for the three new proposed units. The applicant has agreed to the "Low Income" income category as defined by the State's Housing and Community Development (HCD) Department;
6. The proposed project is an allowed use in the Downtown Commercial designation of the General Plan and the C-D zoning district, meets the development standards and is nearly 20 feet lower than the allowed 40 foot height limit;
7. The project furthers General Plan goals by providing for diverse, quality housing choices for lower income residents;
8. The project is located in the Downtown Parking District (District). This District was established by Ordinance No. 381 N.S. in 1962. The establishing ordinance, and those

that followed, did not preclude downtown residents from using the parking lots and a parking permit program has since been established to administer long-term permits for those residents. The proposed project is not required to provide on-site parking and benefits from the parking district and on-street parking along all three project street frontages and a bus stop;

9. The proposed project was reviewed by the City's Architectural Review Board (ARB) at two noticed public hearings on July 9, and August 15, 2019. The ARB recommended conditional approval to the Planning Commission which is the final review authority;
10. At its September 5, 2019, noticed public hearing, the Planning Commission denied the application;
11. On September 6, 2019, the applicant submitted a timely appeal of the Planning Commission's decision;
12. The project is exempt from environmental review pursuant to a Class 32, Section 15332, categorical exemption as an *In-fill Development Project*. The exceptions to the exemptions in Section 15300.2 of the CEQA Guidelines do not apply.

FINDINGS

Architectural Permit Findings – PGMC § 23.70.060(f)

1. The architecture and general appearance of the completed project are compatible with the neighborhood;
2. The completed project will neither be detrimental to the orderly and harmonious development of the City nor impair the desirability of investment or occupation in the neighborhood; and
3. The Council has been guided by and has made reference to applicable provisions of the Architectural Review Guidelines in making its determinations on single-family residences. (not applicable)

Use Permit Findings – PGMC § 23.70.080(a)(4)

1. The proposed use is allowed with a use permit within the applicable zoning district and complies with all applicable provisions of these regulations;
2. The proposed use is consistent with the General Plan, the Local Coastal Program, and any applicable specific plan;
3. The establishment, maintenance, or operation of the use will not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the neighborhood of the proposed use;
4. The use, as described and conditionally approved, will not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the City; and
5. The location, size, design, and operating characteristics of the proposed use are compatible with the existing and future land uses in the vicinity.

6. In approving the permit, the following conditions of approval are imposed and deemed reasonable and necessary to ensure that the approval will be in compliance with the facts and findings cited above.

CONDITIONS OF APPROVAL

1. **Permit Expiration.** This permit shall expire and be null and void if a building permit has not been applied for within two (2) years from and after the date of approval. Application for extension of this approval must be made prior to the expiration date.
2. **Construction Compliance.** All construction must occur in strict compliance with the proposal as set forth in the application, subject to any special conditions of approval or modifications made by the City Council at its October 2, 2019, hearing. Any deviation from approvals must be reviewed and approved by staff, and may require ARB and/or Planning Commission approval. The final plans, as revised, shall be submitted within thirty (30) days of approval.
3. **Terms and Conditions.** These terms and conditions shall run with the land; it is the intention of the City and the owner/Permittee to bind all future owners and possessors of the subject property to the terms and conditions, unless amended. Amendments to this permit may be achieved only if an application is made and approved by the City, pursuant to the Zoning Code.
4. **Public Works, Fire and Building.** Review and approval by the Public Works, Fire and Building Departments are required prior to issuance of a building permit. Work taking place in the public right-of-way shall require an encroachment permit prior to issuance of the building permit.
5. **Affordable Housing Term.** The owner shall enter into a 50-year agreement with the City through issuance and recordation of a deed restriction to ensure the three (3) affordable units are retained and actively used as Low Income (as specified in California HCD guidelines current at the time of entry into the contract) rental units for the life of the term.
6. **Occupancy of Affordable Units.** To ensure immediate occupancy of the affordable units, the construction plans for the proposed development shall be appended to the existing Building Permit (PGBP 18-1432) and shall be issued a Certificate of Occupancy at the same time or before occupancy of the market-rate residential units.
7. **Water.** The affordable units may qualify for entitlement water from the affordable housing reserve established City Council Resolution on May 15, 2019, but available water is not assured by this AP/UP. Applicant shall apply for, acquire and pay for any water needed by the units; applicant may request, but is not assured the City will share in the cost of water needed for the project. Approved use of water to the property must comply with requirements of the Monterey Peninsula Water Management District. Limitations may apply regarding installation and use of California American Water Company water meters.
8. **Bike Storage.** The owner shall install and maintain a minimum of four (4) covered bicycle parking facilities onsite.

9. **Transit Passes.** The owner shall provide annual all-access transit passes to the tenants of the three (3) affordable units for the life of the term agreement.
10. **Stormwater Treatment Measure.** The stormwater treatment measures shall be maintained by the property owner in perpetuity and City staff shall be allowed access to inspect all stormwater treatment measures on an annual basis.
11. **Parking.** The project is located in the Downtown Parking District (District); all uses within the District may benefit from and use City parking lots and on-street parking. One proposed ADA parking space is located on-site.
12. **Parking Permits.** The owner shall provide five (5) City parking permits to tenants of the proposed project units throughout the 50-year term of the affordable agreement.
13. **Construction Hours.** Given the proximity of nearby dwellings and to coincide with construction hours allowed for the existing project, construction activities shall not occur before 8:30 a.m. or after 5:00 p.m. Monday through Friday, or at any time on Saturday or Sunday. Furthermore, windows shall be closed during interior construction. Contractors are required to park in the City lot.
14. **Building Plans.** All conditions of approval for the Planning permit(s) shall be printed on a full size sheet and included with the construction plan set submitted to the Building Department.
15. **Landscaping.** At a minimum, the applicant shall have installed, prior to the issuance of Certificate(s) of Occupancy, a 15-gallon tree in the center of the open center courtyard and evergreen screening trees appropriate for the area along the east property line. All trees and plants shall be species chosen from the City's Landscape Guidelines & Plant Palette.
16. **Windows.** The windows on the east side of Unit 11 shall be frosted.
17. **Drainage Analysis.** Prior to final approval of PGBP 18-1432, as amended to add the proposed development, the applicant shall demonstrate compliance with all California Building Code grading and drainage requirements, including through the installation of retaining structures as needed.
18. **Lighting.** All lighting shall be down-shielded, directed within the property and located along the ground on walkways, exterior stairs and balconies.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE:

1. The Council determines that each of the Facts and Findings set forth above are true and correct, and by this reference incorporates those Facts and Findings as an integral part of this Resolution.
2. The Council authorizes approval of AP/UP 19-0173 as modified.
3. The required Findings and Conditions of Approval are hereby approved and incorporated herein by reference.

4. This Resolution shall become effective immediately following passage and adoption thereof.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE
this 2nd day of October, 2019, by the following vote:

AYES: Mayor Peake, Mayor Pro Tem Huitt, Councilmembers Amelio, McAdams, Smith and Tomlinson.

NOES: Councilmember Garfield.

ABSENT: None.

APPROVED:

Bill Peake

BILL PEAKE, Mayor

ATTEST: *Dated 10/3/2019*

Sandra Kandell

SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

David C. Laredo

DAVID C. LAREDO, City Attorney

