



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

AGENDA REPORT

TO: Chair Murphy and Members of the Planning Commission

FROM: Alyson Hunter, Senior Planner

MEETING DATE: March 12, 2020

SUBJECT: Amend Zoning Code to Eliminate Use Permit Requirements for Multi-Family Development in the R-3 and R-4 Zones

CEQA: The project is exempt from environmental review per Section 15301(b)(3) the California Environmental Quality Act (CEQA)

RECOMMENDATION

Discuss the proposed amendment and provide a recommendation to City Council.

DISCUSSION

This item was before the Planning Commission at its January 9, 2020, meeting for discussion. Although the general consensus of the Commission was unfavorable at the previous meeting, a formal recommendation is needed to move the item forward to the City Council.

As mentioned in the previous staff report, the proposed amendment is one of several efforts underway to reduce development barriers associated with multi-family development. The adopted 2015-2023 Housing Element identified programs to facilitate the creation of more housing opportunities. Additionally, the State supports all efforts to streamline and expedite development processes that encourage the development of additional housing units as indicated through the release of the SB2 Planning Grant Program.

The R-3 and R-4 zoning districts allow for multi-family developments of up to seven (7) units with an Architectural Permit, but eight (8) or more units require a Use Permit in addition to the Architectural Permit which requires a two-hearing process.

The proposed amendment is intended to assist in meeting Housing Element Policy 3.3: *Ensure that City policies, regulations, and procedures do not add unnecessarily to the time or cost of producing affordable housing, while assuring the attainment of other City objectives.* The adopted Housing Element Program 3.3c furthers this general goal by specifically recommending the proposed text amendment as identified below:

Program 3.3.c Use Permit for Multi-Family Development

The City currently has a Use Permit requirement for multi-family developments consisting of eight or more units in the City’s multi-family zones (R-3 and R-4). While the City is relying heavily on mixed-use development in commercial zones to accommodate its need for lower-income households, several high-density residential opportunity sites allowing capacity above the seven unit threshold have been identified in the inventory. To ensure the City’s permit process is not an unreasonable constraint on the potential development of these sites, the City will process a Zoning

Code amendment to eliminate the Use Permit requirement for multi-family developments in the R-3 and R-4 zones.

An eight (8) or more unit multi-family development currently requires both an Architectural Permit and a Use Permit. The cost of a Use Permit is currently \$2,897. Along with the cost of the permitting process, the approval of a Use Permit increases the entitlement process time. For example, in addition to the time needed to review the project for compliance at the staff level, the project must then be heard by both the Architectural Review Board for a recommendation to the Planning Commission on the Architectural Permit and a second noticed public hearing at the Planning Commission for approval of both permits. Due to the restraints in scheduling meetings and the requirements of public noticing, this results in a far lengthier approval process than requiring only an Architectural Permit. Generally, as more discretionary approvals are required, the greater risk to a property owner and the less attractive the City looks as a potential development site. Removing the Use Permit requirement eliminates the Planning Commission action on these projects; however the Planning Commission still retains appeal authority on all Architectural Permits.

Because of the City's discretionary architectural review, all development projects would continue to be subject to environmental review under the California Environmental Quality Act (CEQA); the majority would qualify for infill and other exemptions.

The Housing Element recommends that this requirement be removed from the residential zoning districts. In addition to the R-3 and R-4 zones, the requirement for a Use Permit also exists in all commercial and industrial zones within the City, but these zoning districts were not included in the Housing Element Program.

CEQA

The amendment is exempt from environmental review per [Section 15061\(b\)\(3\)](#) of the CEQA Guidelines which states that *the activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.*

COUNCIL GOAL

These amendments are in alignment with City Council Number 6 to "Increase Affordable Housing: Determine policies, projects and programs that will advance the effort to create new affordable housing in the City."

RESPECTFULLY SUBMITTED:

Alyson Hunter

Alyson Hunter, Senior Planner

Attachments:

1. Draft Ordinance

ORDINANCE NO. 20-____

**AN ORDINANCE OF THE CITY OF PACIFIC GROVE
AMENDING CHAPTERS 23.24, 23.28 AND 23.57
OF THE PACIFIC GROVE MUNICIPAL CODE
REGARDING MULTI-FAMILY HOUSING**

WHEREAS, the City of Pacific Grove (City) Housing Element 2015-2023 was adopted by the City Council in March 2016; and

WHEREAS, in response to state law, the City Council adopted City Council Goal #6 to reduce barriers, streamline approval, and further accommodate the development of affordable housing; and

WHEREAS, the California State Legislature brought forward several bills in 2019 relating to the planning of housing development; and

WHEREAS, the City planned to amend Pacific Grove Municipal Code (PGMC) Title 23 as part of the long term plans in the Housing Element; and

WHEREAS, the R-3 and R-4 zoning districts allow for multi-family developments of up to seven units with an Architectural Permit, but eight or more units require a Use Permit in addition to the Architectural Permit which requires additional expense and time for a multiple hearing process; and

WHEREAS, the City determined that it is appropriate to amend PGMC Chapters 23.24 (R-3), 23.28 (R-4), and 23.57 (R-3-PGB) to comply with the Housing Element and City Council goals to provide a more streamlined process for the development of additional affordable housing opportunities; and

WHEREAS, Housing Element Program 3.3c furthers this general goal by specifically recommending deletion of certain portions of the PGMC to expedite development processes; and

WHEREAS, notice of a public hearing before the Planning Commission was published in the Monterey County Weekly on February 24, 2020 posted at City Hall on February 24, 2020; and

WHEREAS, this Ordinance amends sections of PGMC Sections 23.24, R-3 District, 23.28, R-4 District and 23.57, entitled “, R-3-PGB District.

WHEREAS, the amendments are exempt from environmental review per [Section 15061\(b\)\(3\)](#) of the California Environmental Quality Act (CEQA) Guidelines that provide that the activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. **NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE:**

SECTION 1. The foregoing recitals are adopted as findings of the City Council as though set forth fully herein.

SECTION 2. Existing PGMC Chapter 23.24, R-3 Districts, shall be amended by deletion of all text shown in ~~strikeout~~ (strikeout-text) to read as follows:

Chapter 23.24

R-3 DISTRICTS

Sections:

23.24.010 Generally.

23.24.020 Uses permitted.

23.24.030 Building height limit.

23.24.040 Building site area required.

23.24.050 Allowed building coverage.

23.24.051 Allowed site coverage.

23.24.060 Yards required.

23.24.070 Garbage areas.

23.24.010 Generally

The regulations found in this chapter shall apply to all R-3 districts and shall be subject to the provisions of Chapter 23.64 PGMC.

23.24.020 Uses permitted

The following uses shall be permitted in the R-3 district:

(a) Single- or two-family dwellings;

(b) Second units as permitted by Chapter 23.80 PGMC;

(c) Multiple dwellings, apartment houses and dwelling groups, ~~subject to first securing a use permit in either of the following cases:~~

~~(1) The total number of family units shall exceed seven on a building site; or~~

~~(2) The proposed development includes a combination of an existing structure (whether or not altered) with a new structure or additions to an existing structure on one building site;~~

(d) Rooming or boarding houses, subject to first securing a use permit;

(e) Accessory uses and buildings normally incidental to any in this section;

(f) State-licensed residential care facilities for seven or more persons, subject to first securing a use permit.

23.24.030 Building height limit

The maximum height of main buildings shall be 30 feet.

23.24.040 Building site area required

For each building, or group of buildings, a minimum of 4,000 square feet and minimum width of 40 feet shall be required on interior lots. A minimum of 6,000 square feet and a minimum width of 60 feet shall be required on corner lots. In the subdivisions designated as additions to Pacific Grove Retreat and in the Pacific Grove Retreat, where the lot sizes, as legally subdivided, are 30 by 60 feet, the minimum lot size shall be 3,600 square feet, with the lot lines along the lines of said subdivisions. Nothing contained herein shall authorize such smaller minimum lot sizes for any future subdivisions.

SECTION 3. Existing PGMC Chapter 23.28, R-4 District, shall be amended by deletion of all text shown in ~~strikeout~~ (strikeout text) to read as follows:

Chapter 23.28

R-4 DISTRICT

Sections:

23.28.010 Generally.

23.28.020 Uses permitted.

23.28.030 Building height limit – Site area – Lot coverage – Yards.

23.28.010 Generally

The regulations found in this chapter shall apply in all R-4 districts and shall be subject to the provisions of Chapter 23.64 PGMC.

23.28.020 Uses permitted

The following uses shall be permitted in the R-4 district:

(a) Single- or two-family dwellings;

(b) Second units as permitted by Chapter 23.80 PGMC;

(c) Multiple dwellings, apartment houses, ~~subject to first securing a use permit in either of the following cases:~~

~~(1) The total number of family units shall exceed seven on a building site, or~~

~~(2) Additions or structural alterations are made to an existing structure;~~

(d) Rooming or boarding houses, subject to first securing a use permit;

(e) Dwelling groups ~~subject to first securing a use permit in either of the following cases:~~

~~(1) The total number of family units shall exceed seven on a building site, or~~

~~(2) The proposed development includes a combination of an existing structure (whether or not altered) with a new structure or additions to an existing structure on one building site.~~

(f) Professional uses allowed are: accountants, advertisers, appraisers, architects, assayers, attorneys, beauty shops, building designers, chiropractors, chiropodists, clinical laboratories, collection agencies, contractors (no warehousing of material), dental laboratories, detective agencies, dentists, geologists, insurance adjusters, interior decorator services (no display rooms, retail sales, and no warehousing of materials), insurance offices, land surveyors, medical doctors, medical laboratories, oculists, opticians, optometrists, osteopaths, physical therapists, podiatrists, private detectives, professional engineers, psychologists, real estate offices, secretary services and telephone answering services, subject to first securing a use permit;

SECTION 4. Existing PGMC Chapter 23.57, R-3-PGB District, shall be amended by deletion of all text shown in ~~strikeout~~ (strikeout-text) to read as follows:

Chapter 23.57

R-3-PGB District

Sections:

23.57.010 Purpose and description.

23.57.020 Uses permitted.

23.57.030 Building height limits.

23.57.040 Building site area required.

23.57.050 Allowed building coverage.

23.57.051 Allowed site coverage.

23.57.060 Yards required.

23.57.070 Architectural approval.

23.57.010 Purpose and description.

The council declares that the portion of the Pacific Grove Beach Tract bounded by Lorelei Street on the east, Ocean View Boulevard on the north, Sea Palm Avenue on the west, and the southerly property line of property on the south side of Mermaid Avenue on the south is an architecturally unique neighborhood of the city of Pacific Grove; that said neighborhood is characterized by its small lots, spaces and massing which has resulted in a village-like setting; and that it is the intention of the council to resolve the unique problems of said neighborhood through the regulations of this chapter. Said district shall be known as the R-3-P.G.B. district.

23.57.020 Uses permitted.

The following uses are permitted in the R-3-P.G.B. district, subject to first securing architectural approval and a use permit:

(a) Single-family dwellings:

(b) Duplexes, multiple-family dwellings, apartment houses and dwelling groups;

(c) Accessory uses and buildings normally incidental to any of the above.

23.57.030 Building height limits.

The maximum height of main buildings shall be 25 feet and limited to two stories.

...

SECTION 5. The City Manager is directed to execute all documents and to perform all other necessary City acts to implement effect this Ordinance.

SECTION 6. Severability. If any provision, section, paragraph, sentence, clause or phrase of this ordinance, or any part thereof, or the application thereof to any person or circumstance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance, or any part thereof, or its application to other persons or circumstances. The City Council hereby declares that it would have passed and adopted each provision, section, paragraph, subparagraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, paragraphs, subparagraphs, sentences, clauses or phrases, or the application thereof to any person or circumstance, be declared invalid or unconstitutional.

SECTION 7. In accord with Article 15 of the City Charter, this ordinance shall become effective on the thirtieth (30th) day following passage and adoption hereof.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE THIS _____ day of April 2020, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

BILL PEAKE, Mayor

ATTEST:

SANDRA KANDELL, City Clerk
DATED:_____

APPROVED AS TO FORM:

DAVID C. LAREDO, City Attorney