



# Council Agenda Report

---

**FROM:** Kimberly Cole, AICP, Community Development Director  
Ande Flower, AICP, Principal Planner  
Chris Schmidt, Associate Senior Planner  
Andrea Renny, P.E., PTOE, City Traffic Engineer  
Marissa Garcia, EIT, Engineering Assistant  
Thomas Harty, PE, QSD, Senior Engineer

**SUBJECT:** Review Concept and Provide Initial Policy Guidance Within Priority B Area of Window on the Bay to Consider Housing as an Allowed Use and to Consider Building Footprint Expansion (Not a Project under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061)

**RECOMMENDATION:**

That the City Council provide initial policy guidance on an idea to allow housing within an expanded building footprint in the priority B area of Window on the Bay. This action is not approving a specific project or zoning code amendments, and it is not binding on future decisions regarding this proposal.

**POLICY IMPLICATIONS:**

Future amendments to the Waterfront Master Plan and Harbor Coastal Land Use Plan would be necessary. The California Coastal Commission would have to certify any amendments to the Harbor Coastal Land Use Plan and it is unlikely some of the proposed amendments would be supported. The Monterey County Airport Land Use Commission would also review the project for consistency with the Monterey Regional Airport Land Use Compatibility Plan

**FISCAL IMPLICATIONS:**

Concept Applicant Agha paid \$1,520.50 for this conceptual review. This represents approximately 1% of the City's actual cost to process this application. Concept Applicant Barlow paid a \$5,000 deposit for a text amendment application on December 17, 2019. This represents approximately 3% of the City's actual cost to process this application.

**ENVIRONMENTAL DETERMINATION:**

The City of Monterey determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA)(CCR, Title 14, Chapter 3 (CEQA Guidelines), Article 20, Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities 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. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to

CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or any reasonably foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

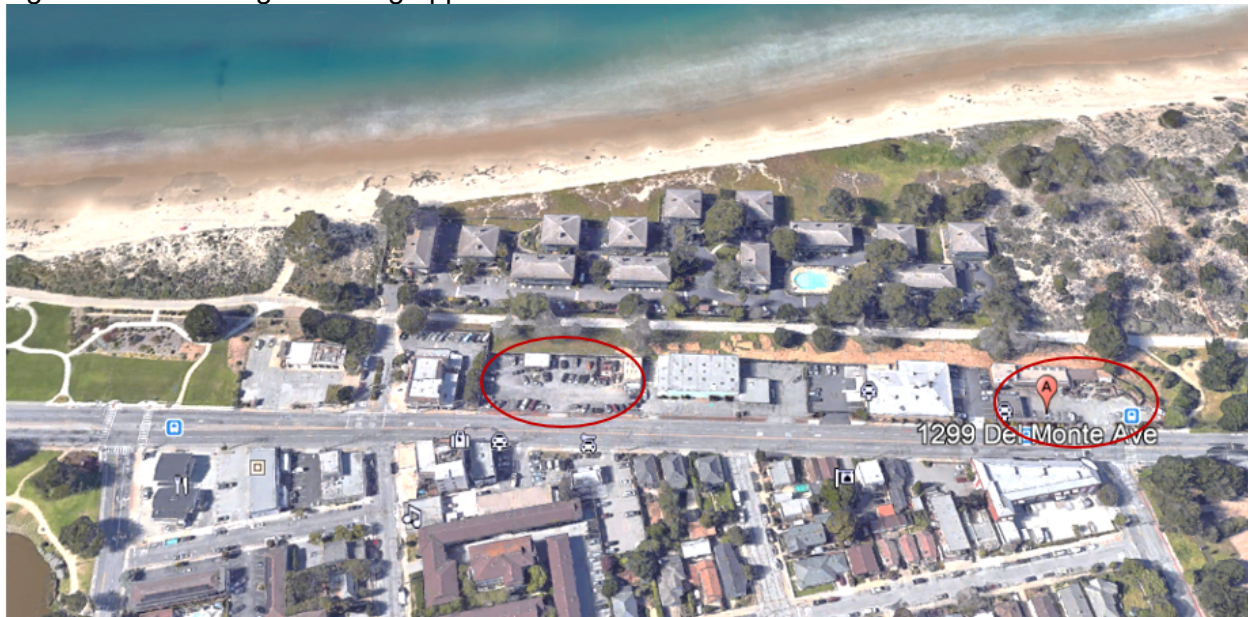
### **ALTERNATIVES CONSIDERED:**

The purpose of the meeting is to provide an opportunity to discuss the concepts behind these potential projects because they would require substantial amendments to City plans. Councilmembers can provide preliminary feedback on the proposals and suggest a framework of policy issues to consider and explore before applicants proceed to before the Planning Commission.

### **BACKGROUND:**

Concept Applicants, Agha and Barlow, have brought forward residential proposals along Del Monte Avenue, east of the Monterey Waterfront Park. The site owned by Nader Agha includes two parcels: 1107 and 1179 Del Monte Avenue. Architect Chris Barlow represents the proposal for 1299 Del Monte Ave. (Figure 1) (Attachments 1 & 2)

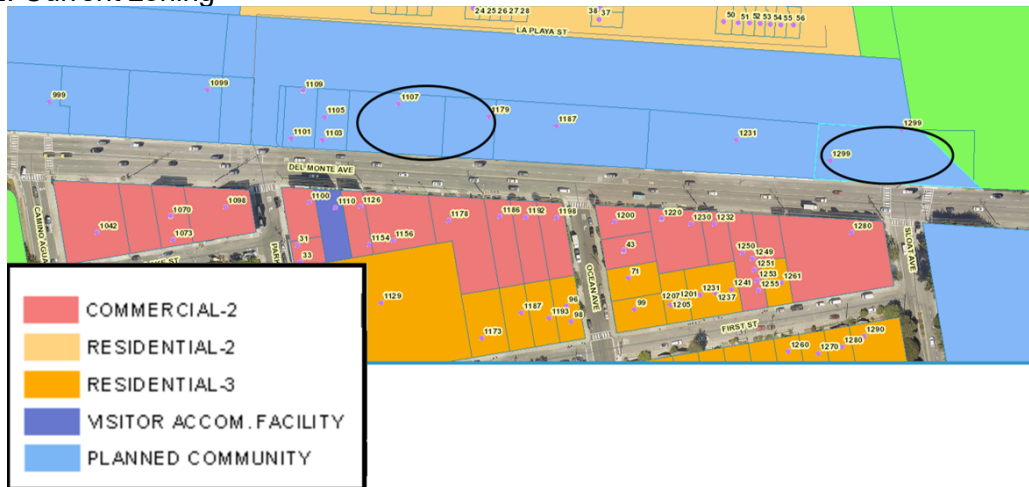
Figure 1: Aerial image showing applicant locations



Both subject sites are zoned Planned Community-Waterfront, which means that the Waterfront Master Plan is a regulatory tool for these locations. (Figure 2). Additionally, the sites are governed by the Harbor Coastal Land Use Plan (LUP). The proposed Coastal Plan amendments and project will ultimately require Coastal Commission review and certification. The sites are also located within airport Safety Zone 4, which requires review by the County Airport Land Use Commission.

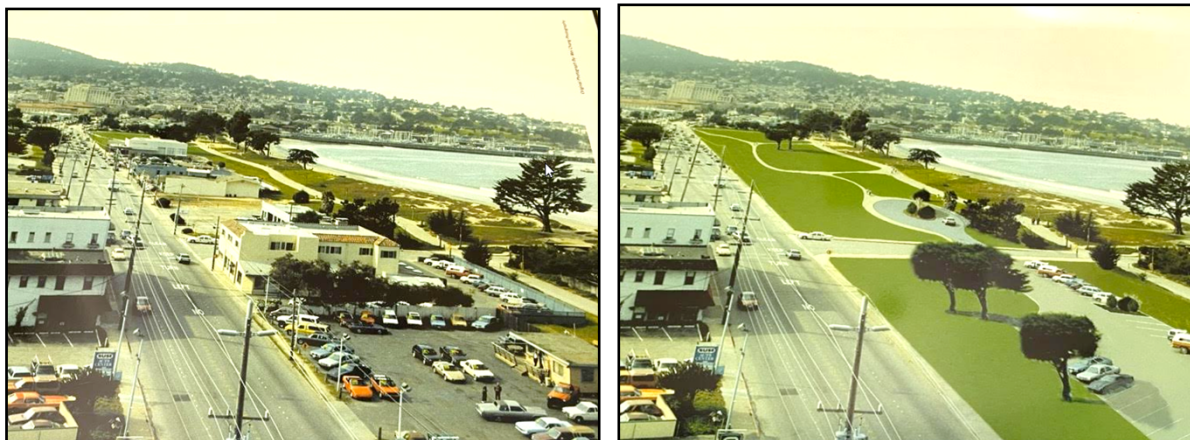
The Planning Commission reviewed both concepts on August 11, 2020 (Attachment 4). All seven Commissioners did not favor the proposals for reasons including sea level rise, traffic congestion, and that the ideas are in direct opposition to the long-standing vision for the area.

Figure 2: Current zoning



Since the 1930s, Monterey has envisioned and achieved a framework of open space that allows for great public views of the Bay (Figure 3 and Attachment 3). Plans show an intention for a landscaped parking lot and a restroom.

Figure 3: Historic photo and rendering of Monterey's Window-on-the-Bay "The Challenge" & "The Vision" as demonstrated by Landscape Architect Bellinger Foster Steinmetz, visioning what we now know as Monterey Waterfront Park, north of Park Street. The parking lot in the foreground is the Agha site.

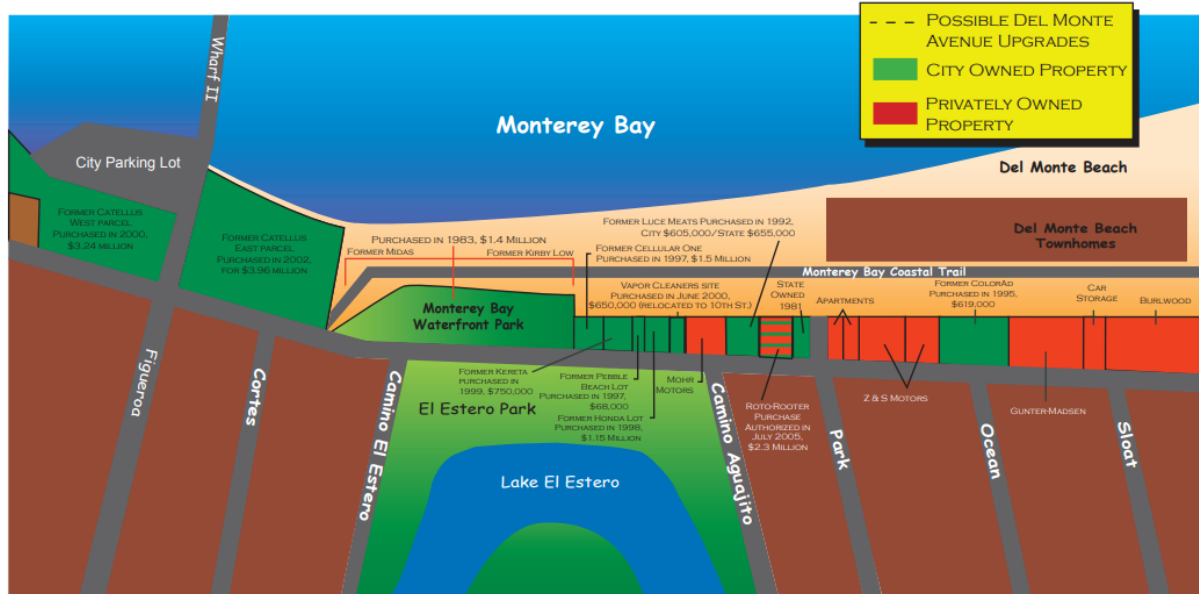


Over time, Window-on-the-Bay properties were purchased by the City, with assistance from Coastal Conservancy towards the goal of public ownership along the coast. Only one site has been purchased within the Priority B area: 1187 Del Monte, currently leased by Mohr Motors (Figure 4). City acquisition of all sites north of Del Monte and east of the Custom House has been envisioned from at least as early as drafting the "Master Plan of the City of Monterey" as submitted by the Planning Commission in 1939. Included with a *Summary of Major Objectives* is the following:



“The need of careful planning to render El Estero and other existing parks more attractive for mild recreation; ...of building extensive beach promenades, and providing a municipal bathhouse with parking areas on the south side of the East Promenade.” (Attachment 3)

Figure 4: City map of Window-on-the-Bay property ownership.



## PROJECT DESCRIPTION:

The concept idea at the Agha site at 1107 & 1179 Del Monte proposes the following: 40 units (20 studios and 20 1-bedroom units), 1,000 sf retail, and 33 parking spaces. Initial Development Review Committee notes that some changes would be required to improve circulation and vision clearance, such as a one-way driveway and a greater setback of the eastern building (Figure 5).

Figure 5: 1107 & 1179 Del Monte proposal rendering (40 units proposed)





The concept idea at the Barlow site at 1299 Del Monte includes three units: one large unit and two smaller units. A sound-barrier wall is proposed, along with an openness to incorporating artwork such as a mural depicting inclusive history of Monterey. (Figure 6)

Figure 6: 1299 Del Monte proposal rendering (3 units proposed)



#### **DISCUSSION:**

These conceptual projects are a bellwether for several policy discussions currently taking place within the City of Monterey, including the following:

- Affordable housing (location, density allowance, water availability)
- Transportation Adaptation planning (Del Monte Avenue, particularly)
- Open space planning

#### **Affordable housing:**

Both applicants have suggested that these projects could include more affordable units than the minimum required. For the Agha site, at least 20 units would be devoted to affordable standards, though only eight would be required. The Barlow site includes fewer than six units, therefore, inclusionary housing would not be required, though the owner has indicated that two of the units could become affordable. The City of Monterey needs to meet its Regional Housing Needs Allocation (RHNA), and the total number of units suggested with these concepts would contribute to that effort.

The Agha site has insufficient water for the project idea. There is a possibility that the City may have water available in the near future, though criteria for any future allocation cannot be known at this time. This location is not one of the corridors that the City's General Plan list to include mixed-use and the proposal would exceed density allowance for the zone, even with a density bonus for the 50% affordable housing offered. The Housing Crisis Act of 2019 overrides local density regulations for proposals that offer 100% affordable housing. Further analysis would be required if the applicant for the Agha site were to offer 100% affordable units. The proposed concept has significant hurdles to overcome with City regulations.

#### **Potential Policy shift:**

Consideration of these contemplated Del Monte projects would constitute a significant policy shift for the city, with ripple effects among several regulations, both adopted and in process. Below is a synopsis of some of the biggest challenges within each regulatory plan, and attached is a wider list of potential inconsistencies that these proposals pose within each plan (Attachment 5). Following are regulatory considerations applicable to the subject sites that is addressed in greater detail through this document:

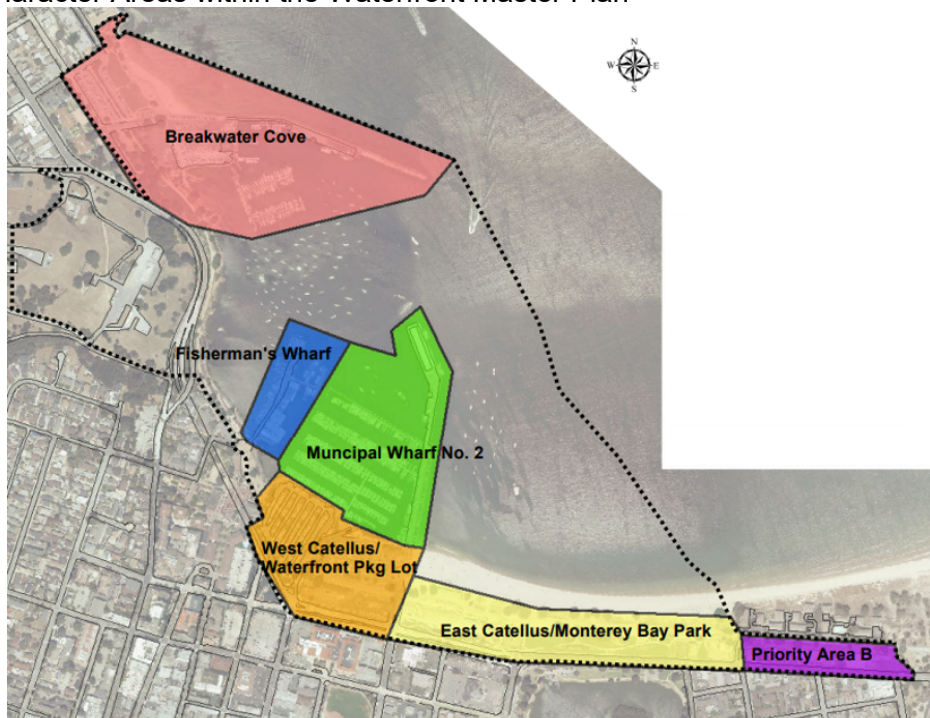
- Waterfront Master Plan
- Coastal Harbor Land Use Plan
- Airport Land Use Compatibility Plan
- Transportation Adaptation Plan (in process)
- Context (Traffic safety, Existing uses)

### Waterfront Master Plan, 2016

For all Character Areas within the Waterfront Plan, proposed uses shall “encourage visitation based on Monterey’s natural setting and history” and should be “coastal-dependent, waterfront-linked, or waterfront-enhancing.” (Figure 7) Further, **“any new development on these parcels shall be limited to the scale and intensity of existing uses.”** The Master Plan was adopted in 2016 and did not remove all economic opportunity for the sites. See Attachment 5 for a table of excerpted criteria, and a link to the full Plan.

Both subject sites are within the *Priority Area B* of the Waterfront Master Plan, which includes 1101 – 1299 Del Monte Avenue. This is all properties on the north side of Del Monte Avenue, east of Monterey Waterfront Park, as depicted in the map below.

Figure 7: Character Areas within the Waterfront Master Plan



### Monterey Harbor Land Use Plan (LUP), 2003

The most restrictive policy for these proposals is “Any properties fronting on Del Monte Avenue on the bay side between Camino El Estero (at the eastern boundary of the east Catellus parcel) and Sloat Avenue, that have not been purchased by the City of Monterey for inclusion into Monterey Bay Park, shall be designated commercial with the principal permitted use of commercial visitor serving and a conditional use of general commercial uses, **with development being limited to the scale and intensity of existing uses.**” (as found in Section III, Land Use and Development, Locating and Planning New Development, Policy j.)

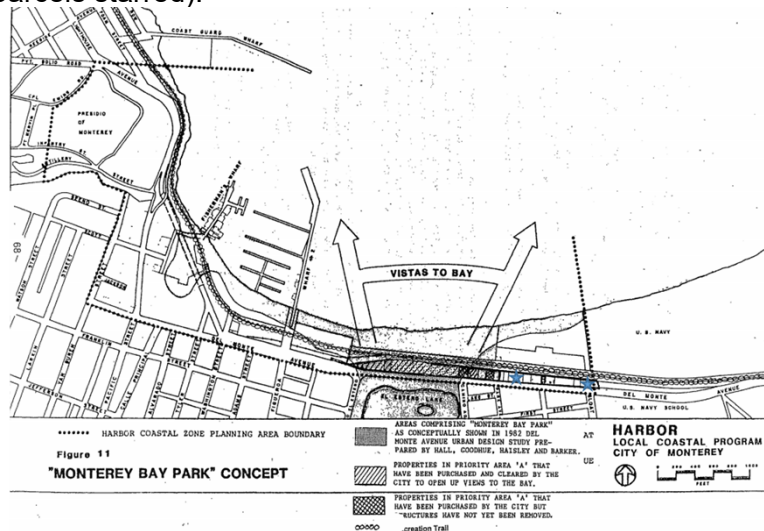
Throughout the development of the Harbor LUP, citizens stated the need for recreational and visitor-serving-uses, intended to serve both the marina and Monterey Beach. Uses discussed have been marine-related sales, dry boat storage, a transportation center, a youth hostel, and additional parking to serve the area.

A second subsection of j (above) describes that “In the area on the north side of Del Monte Avenue between Park Avenue and Sloat Avenue, following the public purchase of any lands, the majority of these lands shall be used for public parking and circulation improvements. Additional development may include restrooms and low-intensity recreation improvements.”

Within section I. Natural Coastal Resources, Natural Hazards, Policy b. states that “New residential, commercial, or industrial development shall not be allowed in tsunami (seismic sea wave) run-up or storm wave inundation areas.” Further analysis would be necessary to understand whether these proposals would be subject to this policy. See Attachment 5 for a table of excerpted criteria, as well as a link to the full Plan.

Within section II. Public and Coastal Related Use and Access, Public Access, Policy h. states that “This program proposes the use of the area from Park Avenue to Sloat Avenue between the recreation trail and Del Monte Avenue for support parking spaces for Monterey Bay Park.” Neither proposal with this concept review fits this LUP program description. The LUP further describes this area within section II, E. Public Works, Parking, and Circulation, Policy e., which states “In the area on the north side of Del Monte Avenue between Park Avenue and Sloat Avenue, following the purchase of any lands through the City's opportunity buying program, the majority of any purchased lands shall be used for public parking and circulation improvements.”

Figure 8: Monterey Bay Park concept within the coastal Harbor Land Use Plan, showing vistas to the Bay (subject parcels starred).



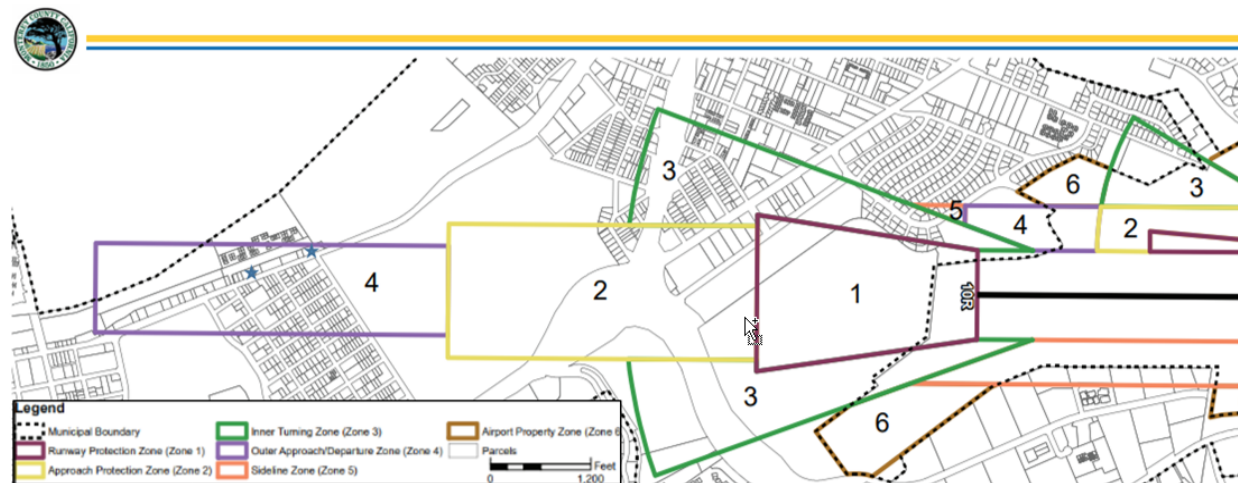
### Airport Land Use Compatibility Plan, 2019

Both sites are within Zone 4 - Outer Approach/Departure Zone (OADZ). The OADZ is situated along the extended run. Approaching aircraft are usually at less than traffic pattern altitude in the OADZ. (Figure 9) Airplane accident risk level is considered to be moderate within the OADZ, encompassing approximately five percent of general aviation aircraft accidents. See Attachment 5 for a table of excerpted criteria.



Both proposals represent residential density beyond the maximum stated within this plan, which equals one dwelling per two acres. This means that both sites would be subject to the Infill development rule 4.2.2.3. Further analysis is required to discover whether either proposal would exceed (b), which states there is an allowance for the density of the project to equal up to the average density represented by all existing lots that lie fully or partially within a distance of 300 feet from the boundary of the parcel to be divided. Council can override an Airport inconsistency determination with a 2/3 vote, if desired.

Figure 9: Monterey Regional Airport Safety Zones with subject sites starred.



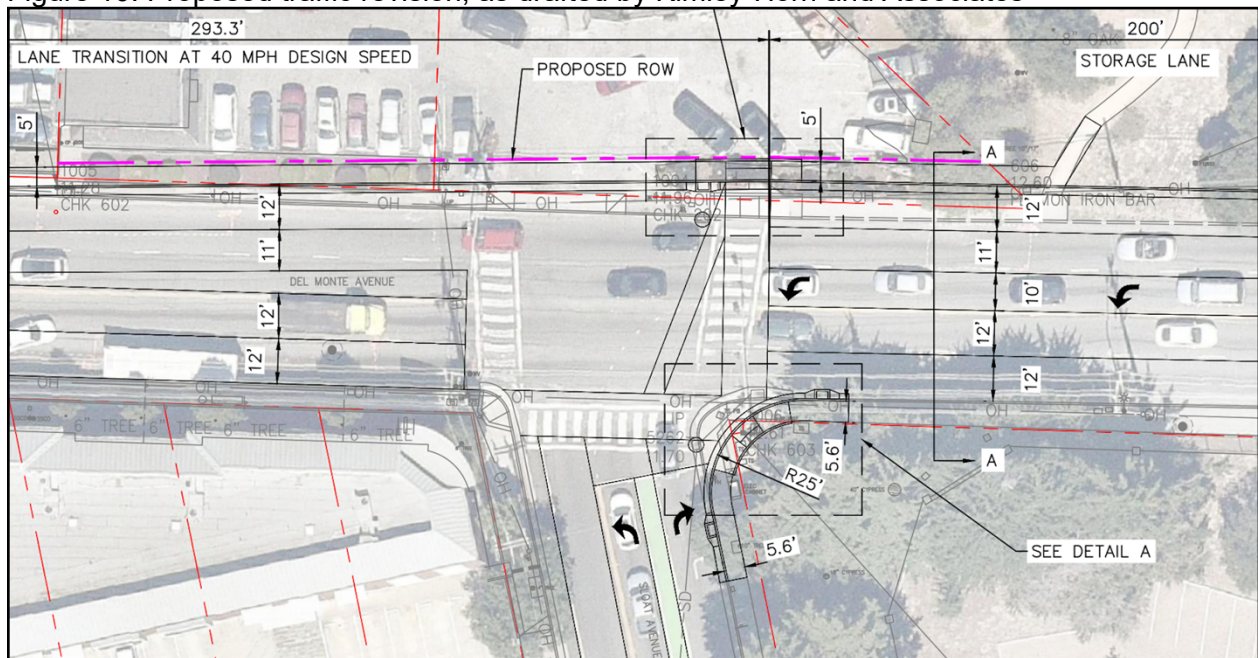
### Traffic Safety and Operations

The intersection of Del Monte Avenue and Sloat Avenue does not have a westbound left turn pocket. Del Monte Average Daily Traffic in this segment is 24,744 vehicles. A November 2016 count showed that on average 170 vehicles make that left turn from westbound Del Monte onto Sloat during the am peak period (one-hour peak). There is no designated left turn lane or left turn pocket. Drivers making that left turn get a protective left arrow at the beginning of the signal cycle and then the left turn is a permissive left turn. Without additional right of way, it is not possible to install a left turn lane or pocket under the current configuration. Installing a left turn pocket will increase the operations at the intersection as well as enhance safety. Left turns will be more predictable for the eastbound traffic as well as have a protected phase.

The property owner at 1299 Del Monte proposes to work with the City's Public Works Director to provide the city with the right-of-way necessary to widen the roadway and add a left turn pocket for westbound Del Monte Traffic to turn onto Sloat Avenue (Figure 10). The preliminary plans for the addition of a left turn lane were prepared by Kimley Horn and Associates to ensure that adequate right of way was addressed. After acquiring the right of way, City staff would apply for safety grants to improve this intersection.

Also, Mr. Barlow has incorporated with his 1299 Del Monte proposal, a recreation trail easement along the western corner of the subject property to improve connectivity for cyclists.

Figure 10: Proposed traffic revision, as drafted by Kimley-Horn and Associates



### Transportation Adaptation Plan

The City received funding to study transportation adjustments to sea level rise. The Transportation Adaptation Plan is currently in the planning stages and public outreach has been initiated. Debate ensues about whether the most appropriate response to climate change over time should be to

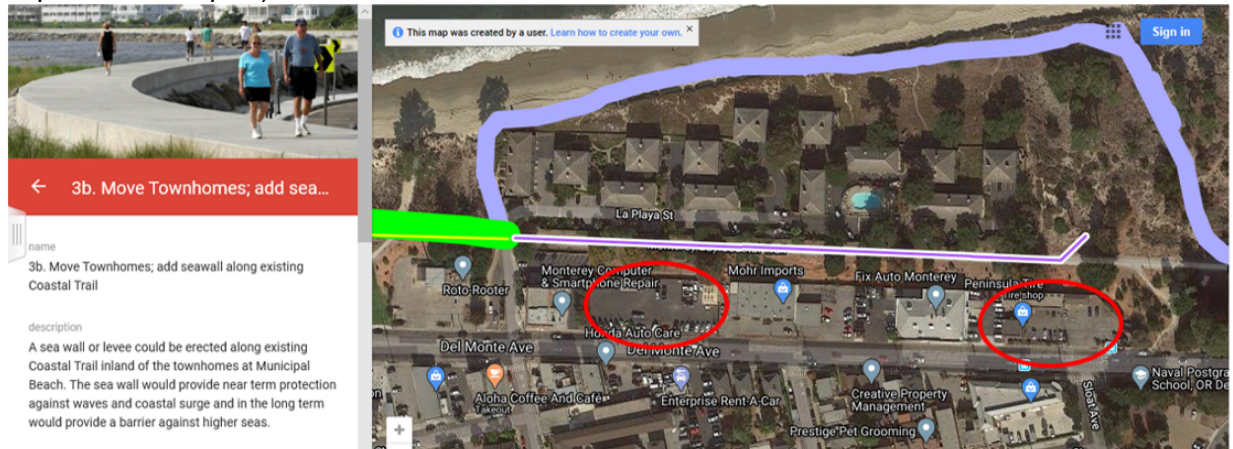
1. Protect: protect the Rec Trail with a seawall or levee, or
2. Retreat: let the Rec Trail & Del Monte Avenue flood as sea level rises with time.

Del Monte Avenue will likely bear the biggest consequences of the City's choice through this transportation adaptation planning process.

The planning process currently includes public access to an interactive mapping program, which informs readers of several options. (Figure 11) Both proposals for this concept review would include an ability to adapt over time, with structures that can withstand some amount of inundation, and with no bedrooms on the ground floor.

Installing a seawall or levee will be highly scrutinized by the California Coastal Commission and conflicts with State policy guidance.

Figure 11: Adaptation Plan seawall option, and subject sites circled with red (see link to interactive map at end of report).



### General Development Considerations

Both projects are subject to existing regulations for development and will be required to meet current standards. Stormwater treatment will be required, designed to meet the standards of the Stormwater Management Requirements for Development Projects in the Central Coast Region (Central Coast Regional Water Board, Resolution No. R3-2013-0032). Both developments will require connections to existing public utilities for sewer, water, power, natural gas, and telecommunications. Accessible paths of travel will be required through each site and along the frontage of Del Monte Avenue.

A common thread among regulatory documents that would require being addressed is that development in this area “**shall be limited to the scale and intensity of existing uses.**” Vision for Priority B Area has historically been relegated to landscaped parking in service to the envisioned Promenade that has become Monterey Waterfront Park. Ninety years following an approved Master Plan that memorialized this vision as an area subordinate to the primary park feature, these requests for Concept Review suggest an alternative vision. As recorded in the 1939 Master Plan:

“Monterey’s splendid beach provides a superb natural setting which should be restored as nearly as possible to its natural condition. A foundation will then be established upon which all other planning for the City of Monterey can logically proceed.”

In summary, staff requests that Council Members give guidance to the Concept Review applicants of the two subject sites.

AF:cbk

- Attachments:
1. Renderings for 1107 & 1179 Del Monte
  2. Renderings for 1299 Del Monte
  3. Map D from 1939 Monterey Master Plan
  4. Planning Commission August 11, 2020 Meeting notes (see highlighted title)
  5. Excerpts of initial regulatory compliance worksheets



Link:

Monterey Transportation Adaptation Plan Interactive map:

<https://www.google.com/maps/d/viewer?mid=1M1LGjjm8LzmYj-iHcrjb1uhE5UfD7jkT&oid=0&ll=36.60923944196742%2C-121.85667173164194&z=16>

e: Steve Wittry, Public Works Director

Andrea Renny, City Traffic Engineer

Marissa Garcia, EIT, Engineering Assistant

Thomas Harty, PE, QSD, Senior Engineer

All Neighborhood Associations

All Business Associations

Joe Sidor, Associate Planner, Monterey County Monterey County RMA-Planning

Lisa Findler, HOA Board of Directors President, Parkland of Monterey Condominiums

Alexandra McCoy, California Coastal Commission

Writings distributed for discussion or consideration on this agenda item, pursuant to Government Code § 54957.5, are posted at <https://monterey.org/Submitted-Comments> within 72 hours of the meeting.