



County of San Mateo

Inter-Departmental Correspondence

Department: PLANNING AND BUILDING

File #: 20-538

Board Meeting Date: 7/21/2020

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Steve Monowitz, Community Development Director

Subject: Consideration of a Local Coastal Program (LCP) Amendment to rezone a vacant parcel located at the corner of Carlos and Sierra Streets in Moss Beach from "PUD-124/CD" to "PUD-140/CD". The amendment proposes to revise the site plan and reduce the density of the previously approved Planned Unit Development (PUD) zoning from 148 dwelling units to 71 dwelling units, and to revise Policy 3.15(d) of the LCP to require that all units be affordable.

County File Number: PLN2018-00264

RECOMMENDATION:

Public Hearing for consideration of a Local Coastal Program (LCP) amendment to rezone a vacant parcel located at the corner of Carlos and Sierra Streets in Moss Beach from "PUD-124/CD" to "PUD-140/CD":

- A) Open Public hearing
- B) Close Public hearing
- C) Recommendation to adopt a resolution directing staff to submit the Proposed Local Coastal Program (LCP) Amendments for California Coastal Commission review and certification.

BACKGROUND:

Mid-Pen Housing Corporation, with the assistance of the San Mateo County Housing Department, is pursuing the approvals necessary to develop 71 affordable housing units on an approximately 11-acre parcel within Moss Beach that is designated for this purpose by the Local Coastal Program (LCP). The first step in the process, which is the subject of this report, is to make clarifying amendments to the County's LCP, and the particular Zoning Regulations that implement the LCP to allow a smaller and less impactful project than the one previously envisioned for the site. Upon certification of these amendments, the applicant will be able to apply for a coastal development permit to construct the project.

The proposed amendments have been requested because the existing zoning (PUD-124/CD)

authorizes a specific number of dwelling units with a specific layout and design (Attachment D). The current zoning on the project parcel was adopted in 1986 and allows 148 dwelling units (a density of 13.6 dwelling units per acre), with a mix of 96 market rate units and 52 affordable units. Approximately 54 percent of the parcel would remain as open space under this existing zoning. Because of the nature of the Planned Unit Development zoning regulations, only the specific site design of the adopted PUD can be built without a zoning amendment.

The proposed zoning amendment will reduce the total number of dwelling units from 148 to 71, resulting in a density of 6.5 dwelling units per acre, a density consistent with the Local Coastal Program (LCP) land use designation of Medium Density Residential that applies to adjacent parcels. The proposed PUD clusters development within a 5.39-acre area near the center of the parcel and preserves the remainder of the site as open space. The proposed PUD site plan consist of 18 two-story buildings containing two to four units in each building, and a single building that will house a general office, manager's office, community room, kitchen, computer room, laundry, and maintenance and storage areas. The site plan also includes a community garden; a children's play area; an upper and a lower green; BBQ areas; and a public walking trail (Attachment E).

The reduction in the number of units that may be constructed on the site also necessitates an amendment to the LCP Land Use Designation for the site, and associated LCP maps. Specifically, the proposed amendments will change the current LCP designation of Medium High Density Residential to Medium Density Residential. In addition, the proposed amendments include a revision to LCP Policy 3.15(d) that increases the required percentage of affordable units that must be provided by a future development project. Currently, this policy requires that 35 percent of the dwelling units constructed at the project site be reserved for low and moderate income households (21 percent for low income households and 14 percent for moderate income households). This ratio was based on the 1986 PUD zoning for the site, which envisioned a mix of market rate and affordable units. The proposed amendment requires that 100 percent of the units be affordable.

STANDARDS AND PROCEDURES

The matter currently before the Board of Supervisors is whether to direct staff to submit the proposed LCP amendments to the California Coastal Commission (CCC) for certification. In order to certify the LCP amendments, the CCC will need to determine that the proposed changes to the LCP Land Use Plan are consistent with the Chapter 3 policies of the California Coastal Act. The LCP Land Use Plan amendments consist of the change in the land use designation from High Density Residential to Medium Density Residential, and the revision to LCP Policy 3.15 to increase the required percentage of affordable units. The CCC will also need to find that the proposed amendment to the LCP Implementation Program (i.e., the Zoning Amendment) is consistent with, and adequate to carry out, the LCP Land Use Plan, including all applicable LCP Policies.

In the event that the CCC determines that the proposed amendments do not meet the relevant standards, it may suggest modifications to the amendment that, if agreed to by the County, will achieve conformity and thereby enable amendment certification. The CCC's decision to certify the amendments as submitted or modified will then be transmitted back to the County. The amendments will then take effect after the Board of Supervisors acknowledges the CCC's certification and takes action to accept any modifications suggested by the California Coastal Commission.

In order to construct the project that is the subject of these amendments, the owner of the property will need to apply for, and obtain, a Coastal Development Permit from San Mateo County. That permit application will be subject to the review and approval of the Planning Commission, based on the project's conformity to the County's LCP, including LCP Policies. At that time, the Planning

Commission can determine what conditions of approval may be required to achieve LCP consistency.

Planning Commission Action: On June 10, 2020, the Planning Commission voted to recommend that the Board of Supervisors direct staff to submit the Local Coastal Program (LCP) Amendments to the California Coastal Commission for certification.

Report Prepared By: Michael Schaller, Senior Planner

Owner/Applicant: Mid-Pen Housing Corporation

Location: Carlos Street, Moss Beach

APN(s): 037-022-070

Size: 10.875 acres

Existing Zoning: PUD-124/CD

General Plan Designation: Medium High Density Residential (8.8-17.4 d.u./acre)

Local Coastal Plan Designation: Medium High Density Residential (8.1-16 d.u./acre)

Sphere-of-Influence: Half Moon Bay

Existing Land Use: Vacant

Water Supply: Montara Water and Sanitary District. LCP Policy 2.24 and Table 2.17 of the LCP identify the provision of affordable housing at the subject site as a priority land use for which sufficient water supplies must be reserved.

Sewage Disposal: Montara Water and Sanitary District. LCP Policy 2.16 and Table 2.7 of the LCP identify the provision of affordable housing at the subject site as a priority land use for which sufficient sewage treatment capacity must be reserved.

Flood Zone: Zone X (Areas of minimal flooding), FEMA Panel Number 06081C0117F, effective date August 2, 2017.

Environmental Evaluation: Section 21080.9 of the California Public Resources Code (California Environmental Quality Act (CEQA)), exempts a local government from the requirements of CEQA in connection with its activities and approvals necessary for the preparation and adoption of a Local Coastal Program. Certification of an LCP by the Coastal Commission is subject to CEQA, and the Commission's LCP review and approval program has been found by the Resources Agency to be the functional equivalent of the environmental review required by CEQA, pursuant to CEQA Section 21080.5.

Setting: The site that is the subject of the proposed amendments is located in a low-density residential neighborhood within the unincorporated urban community of Moss Beach. The site is on the inland side of Highway One, and slopes from east to west, with elevations ranging from approximately 77 feet above mean sea level (MSL) at the northwest corner to 189 feet MSL along the easterly boundary. Montara Creek, a perennial stream, is located approximately 250 feet to the

northeast of the site, and runs parallel to the site's northern border. The creek sits approximately 100 feet lower in elevation from the area designated for residential development.

Vegetative communities on the project site consist primarily of grasslands, coastal scrub, and invasive species. Forest lands comprised predominantly of Monterey cypress, and Monterey pine are located along the northern boundary of the site. Remnant concrete building foundations associated with the previous use of the site for military purposes, abandoned long ago, are present on the site.

Chronology:

<u>Date</u>	<u>Action</u>
1979	-Publication of the Public Hearing Draft of the County's LCP Land Use Plan, which proposes to designate four sites in the Midcoast, including the subject site, for affordable housing.
1980	-The CCC certifies the County's LCP, including affordable housing site designations.
October 9, 1985	-The Planning Commission approves a CDP, Tentative Subdivision Map, Use Permit, and Rezoning Application (PUD-124) to allow for the development of 148-unit housing development on the site known as the "Farallon Vista" project.
March 11, 1986	-Board of Supervisors denies an appeal and approves the CDP, Tentative Map, Use Permit, and Rezoning Application for the Farallon Vista project.
May 26, 1986	-CCC certifies the Rezoning Application, establishing the PUD-124 Zoning District that is specific to the Farallon Vista project.
September 10, 1987	-CCC certifies LCP amendments regarding the provision of sewer service for the subject site.
February 12, 1988	-Time extension to record final subdivision map requested by Farallon Vista developer due to Public Utility Commission moratorium on new water connections. One-year extensions granted by County on March 3, 1988, and January 27, 1989.
March 23, 1988	-Planning Commission approves a CDP, Planned Agricultural District Permit, and Use Permit to allow for the construction of an off-site water supply and storage system to serve the Farallon Vista project.
June 28, 1988	-Board of Supervisors denies appeal and approves permits for off-site water system to serve Farallon Vista.
July 8, 1988	-Appeal of CDP for Farallon Vista off-site water system filed with CCC.
January 12, 1989	-CCC staff issues staff report recommending that the CCC determine that the appeal of the CDP for the off-site water system raises a substantial

issue with regard to LCP consistency.

- March 11, 1991 -Tentative Map for Farallon Vista Project expires.
- April 17, 2009 -CCC certifies Montara Water and Sanitary District Public Works Plan (PWP). The PWP and subsequent amendments effectively end the moratorium on new water connections subject to specific requirements.
- September 30, 2017 -Pre-application public workshop for currently proposed amendments.
- July 2018 -LCP Amendment application submitted.
- April 2019 -Revised application submitted.
- January 22, 2020 -First Planning Commission hearing held in Half Moon Bay.
- June 10, 2020 -Second Planning Commission hearing. Planning Commission recommends that the Board of Supervisors direct staff to submit the amendment for CCC certification.

DISCUSSION

A. KEY ISSUES

1. Consistency of Land Use Plan Amendments with the California Coastal Act

As described above, amendments to the County's LCP Land Use Plan (LUP) must be consistent with the requirements of the California Coastal Act.

Specifically, pursuant to Section 30512.2 of the Public Resources Code (*California Coastal Act*), the Commission's review of an LCP amendment is limited to a determination that the amendment is or is not consistent with the Coastal Zone values cited in Section 30001 of the Act, as well as its conformance with the requirements of Chapter 3 (commencing with Section 30200) of the Coastal Act. In this case, the proposed changes to the LUP are limited to re-designation of the site from Medium High Density Residential to Medium Density Residential, and the revision to Policy 3.15 that increases the percentage of affordable dwelling units that must be provided by any proposed development of the site.

The proposed LUP amendments are consistent with the Coastal Act (CA) because the reduction in density ensures the protection of coastal resources, and because it increases the number of affordable units with increased coastal access opportunities, as detailed below.

CA Section 30001(d) (*Legislative Findings and Declarations*) states that existing developed uses, and future developments that are carefully planned and developed consistent with the policies of this division, are essential to the economic and social well-being of the people of this state and especially to working persons employed within the Coastal Zone.

The proposed LUP amendments are consistent with this finding because the

reduction in density enables a carefully planned development that will protect coastal resources, will be compatible with the intensity of residential development in the surrounding neighborhood and increases the ability of lower income residents to access and enjoy the coast. The proposed increase in the required percentage of affordable housing units will enhance the well-being of working persons employed within the Coastal Zone by increasing the number of housing units that will be affordable to such workers, within a community that has a significant shortfall of affordable rental opportunities.

CA Section 30240 (*Environmentally Sensitive Habitat Areas; Adjacent Developments*) states:

- a. *Environmentally sensitive habitat areas (ESHAs) shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas; and,*
- b. *Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade those areas, and shall be compatible with the continuance of those habitat and recreation areas.*

No environmentally sensitive habitat areas (ESHA) have been identified on the project parcel. The closest ESHA is Montara Creek, which lies to the north of the project parcel. The proposed reduction in density will help ensure that future development of the parcel will not threaten or degrade this adjacent habitat area. There is no evidence to indicate that future residential development, at the reduced density allowed by the LUP amendments, will have adverse impacts on any known ESHAs in the project vicinity.

CA Section 30244 (*Archaeological or Paleontological Resources*) requires that where development would adversely impact archaeological or paleontological resources as identified by the State Historic Preservation Officer, reasonable mitigation measures shall be required.

The applicant has submitted a cultural resources assessment that describes the site as highly disturbed and identifies the presence of imported soils. However, the assessment also states that there is the potential for subsurface cultural materials to occur on undisturbed portions of the site, and identifies a potential midden site composed of mussel shell fragments. Therefore, the assessment recommends the implementation of mitigation measures, including monitoring during ground-disturbing activities, within these areas. The County's review of any future CDP application required to construct the project will provide the opportunity to require these and other mitigation measures. There is no evidence to suggest that the proposed reduction in density will impede the County's ability to effectively mitigate any potential impacts to these areas.

CA Section 30250 (*Location; Existing Developed Area*) states that new residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources.

The parcel that is the subject of these LUP amendments has been designated for affordable housing since 1980. Public facilities (road access, sewer, water and power lines) are available at the site, which is within an existing residential neighborhood. Because the project is designated a priority use under the County's LCP, sewer and water capacity has been reserved for it. The proposed reduction in density, and the requirement to demonstrate LCP consistency at the permitting stage, will ensure that future development will not have significant adverse impacts on coastal resources, as further discussed in Section A.2 of this report.

CA Section 30251 (*Scenic and Visual Qualities*) states that the scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas.

The applicant has submitted a Visual Resources assessment confirming that the reduced density of development proposed by the LUP amendments can be accommodated on the site without being visible from Cabrillo Highway, and will not block views of the ocean available from public viewing points. Accommodating the proposed density of development will not require significant alteration of landforms, nor impact highly scenic areas, and will enable the preservation of significant open space areas that can be used to provide visual screening for any future development proposal.

CA Section 30252 (*Maintenance and Enhancement of Public Access*) requires that the location and amount of new development maintain and enhance public access to the coast by (1) facilitating the provision or extension of transit service, (2) providing commercial facilities within or adjoining residential development or in other areas that will minimize the use of coastal access roads, (3) providing non-automobile circulation within the development, (4) providing adequate parking facilities or providing substitute means of serving the development with public transportation, (5) assuring the potential for public transit for high intensity uses such as high-rise office buildings, and by (6) assuring that the recreational needs of new residents will not overload nearby coastal recreation areas by correlating the amount of development with local park acquisition and development plans with the provision of onsite recreational facilities to serve the new development.

The subject site is within walking distance of Moss Beach's commercial district, and the proposed LUP amendments reduce the total number of residential units that have been previously approved for the project site, thereby reducing potential adverse impacts to coastal access attributable to future development. As discussed in section A.2 of this report, the proposed PUD includes walking trails to allow for easy pedestrian circulation within the development, as well as for adjacent residents; requires an amount of on-site parking that exceeds existing requirements; and, includes on-site recreation facilities (e.g., barbeque facilities, open space areas, and a community room) that will serve future residents.

With regard to the provision of public transit facilities, the County is in the initial stages of working with SamTrans to evaluate, and if feasible pursue, improvements to existing bus services that will facilitate transit use by future residents. Additional trail and roadway improvements that will enhance circulation to and

from the subject site, and within the greater Midcoast area, are being pursued as part of “Connect the Coastside”, a Comprehensive Transportation Management Plan for the area. The specific transit and roadway improvements that will be required in conjunction with the development of the site will be determined at the time the County considers a CDP application, as necessary to ensure compliance with the above CA requirements and associated LUP Policies.

CA Section 30253(a) (*Minimization of Adverse Impacts*) states that new development shall minimize risks to life and property in areas of high geologic, flood, and fire hazard.

The subject site does not contain any known geologic hazards, such as fault lines, landslide zones, or areas that are susceptible to floods. The project site is not within a designated Hazardous Fire Area, but is located within a Community at Risk zone according to the County’s Wildland Urban Interface Fire Threatened Communities Map. New residential structures that may be constructed in the future will be required to conform to modern fire and building codes, include fire detection and extinguishing systems, and provide adequate access for emergency responders. In addition, the landscaping areas identified by the proposed PUD will replace fire susceptible vegetation that currently exists on the site with fire resistant landscape materials. Finally, the proposed reduction in density, and the circulation improvements that will be required in conjunction with any future development approvals, will improve the ability to evacuate the area in the event of a wildfire.

CA Section 30253(b) requires new development to assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs.

The proposed reduction in density does not present any new potential erosion impacts. Nor will it contribute to geologic instability, cause the destruction of the site or surrounding area, or necessitate the construction of protective devices that would alter natural landforms.

CA Section 30253(c) requires new development to be consistent with requirements imposed by an air pollution control district or the State Air Resources Board as to each particular development.

The proposed reduction in density does not present any conflicts with air quality protection requirements. Dust control measures and other measures to prevent air pollution from future development will be addressed at the time the County considers a CDP application.

CA Section 30253(d) requires new development to minimize energy consumption and vehicle miles traveled.

The proposed reduction in density will reduce the amount of energy consumed, and the number of vehicle miles traveled, by future residents. Future development of the site will be required to meet energy efficiency standards. In order to further minimize vehicle miles traveled, MidPeninsula (MidPen) Housing has stated that they will give preference to renters who are currently employed on the coast, to the extent allowed by federal and

state law.

2. Consistency of Zoning Amendments with the San Mateo County Local Coastal Program Land Use Plan

The LCP Land Use Plan consists of the Land Use Plans, Maps, and Policies adopted by the County and certified by the CCC as being consistent with the Coastal Act. Among other things, the Land Use Plan establishes the policy basis for regulating the type, intensity, and location of land uses within specific geographic areas of the Coastal Zone.

The ordinances, regulations, and zoning maps that implement the Land Use Plan, and that have been certified by the CCC as being adequate to do so, comprise the LCP Implementation Program. Proposed amendments to the LCP Implementation Plan must also be consistent with, and adequate to carry out, the LCP Land Use Plan.

In this case, the proposed amendment to the LCP Implementation Plan is the replacement of the existing PUD Zoning District with a new PUD Zoning District that reduces the maximum number of housing units that may be permitted on the site (subject to CDP approval), and that adjusts the site plan to ensure the protection of coastal resources and provide an effective means of carrying out long standing LCP Land Use Plan provisions that designate the site for housing affordable to people and families with low to moderate incomes.

Staff's analysis of the proposed Implementation Program amendment's consistency with, and ability to adequately to carry out the components of the LCP Land Use Plan is provided below.

Locating and Planning New Development Component

Policy 1.5 (*Land Uses and Development Densities in Urban Areas*) limits the type of land uses allowed by the LCP Land Use Plan Map, and restricts the maximum density of development to that which is specified in Table 1.2.

The LCP Land Use Map designates the subject site as "Medium High Density Residential", with a corresponding density of 8.1 - 16.0 dwelling units per acre. The proposed revision to the PUD results in a density of 6.5 dwelling units per acre, which is below the minimum densities permitted in the Medium High-Density Residential land use designation. The proposed amendment to the LCP Land Use Plan, which re-designates the site as Medium Density Residential and is discussed in section A.1 of this report, resolves this conflict.

Policy 1.18.c (*Location of New Development*) allows some future growth to develop at relatively high densities for affordable housing in areas where public facilities and services are or will be adequate and where coastal resources will not be endangered.

The proposed PUD amendment reduces the number of housing units that may be constructed on the site under the existing zoning, and preserves more of the site's open space. This will minimize the demands that future development will place on public facilities and services, and avoid impacts to coastal resources. The site is within an area

served by public facilities and services, including water, sewer, gas, and electricity, fire, sheriff, hospitals, and schools. The affordable housing units planned for the project site are identified as a priority use by the LCP, and the water supply and wastewater treatment capacity required to serve this use have been reserved by the local service provider. Thus, the proposed rezoning is consistent with this policy.

Policy 1.19 (*Ensure Adequate Public Services and Infrastructure for New Development in Urban Areas*) states that no permit for development in the urban area shall be approved unless it can be demonstrated that it will be served with adequate water supplies and wastewater treatment facilities.

The subject site is within the service area of the Montara Water and Sanitary District (MWSD). In 2013, the Coastal Commission considered and certified an amendment to MWSD's Public Works Plan (PWP) that was predicated, in part, on the confirmation that "the PWP would protect all LCP-enumerated priority uses," including affordable housing. Per LCP Policy 3.12, the affordable housing units planned for the project site qualify as a priority land use, and therefore, the water demand and sewer capacity must be supplied by MWSD's priority use reserves. The project site is specifically listed in the LCP as "North Moss Beach Site (11 acres)" in *Table 2.7: Sewage Treatment Capacity to be Reserved for Priority Land Uses-Montara Sanitary District*, and *Table 2.17: Amount of Water Capacity to be Reserved for Priority Land Uses-Montara*

Water and Sewer District. The proposed rezoning therefore complies with this policy.

Policy 1.25 (*Protection of Archaeological/Paleontological Resources*) requires investigation of development sites for potential archaeological/paleontological resources. If it is determined that there is a high potential to uncover resources during construction, then a mitigation plan, prepared by a qualified professional must be implemented as part of the project.

MidPen Housing contracted with an outside consulting firm to survey the project site and prepare a Cultural Resources Report (Attachment F) which found that the project site contains one potential archaeological resource. The consulting archaeologist noted that: "A small area of prehistoric shell midden was noted during surface reconnaissance. The midden was sparse, and surface elements consisted of a scatter of Mussel shell fragments. Subsequently, an archaeological testing program was conducted at the midden site that concluded that this deposit is highly disturbed and possibly imported from outside the proposed project area during modern dumping activities. The midden material is not significant enough to warrant preservation, however it may contain significant isolated artifacts/remains and any construction activities carried out within the vicinity of the site should be monitored by an archaeologist." The report concluded that a mitigation plan is necessary to ensure that any potential impact to resources is reduced to a less than significant level. The recommended measures that should be included as conditions of approval for future development on the site include:

- Conducting additional testing of the midden site to collect data on any resources present at the site, and cataloging and storing all resources obtained from the site;

- Conduct monitoring of construction on the project site;
- Specify actions to be taken to protect resources if any are identified during construction;
- Prepare a paleontological resource monitoring plan and conduct pedestrian surveys for paleontological resources on the project site; and,
- Implement procedures for handling any human remains that may be discovered during project construction.

It is anticipated that these mitigation measures will be included in the project description contained in a future CDP application. If they are not, the decision-making authority will have the ability to require them as conditions of CDP approval pursuant to the requirements of LCP Policy 1.25. The proposed PUD amendment is therefore consistent with this Policy.

Public Works Component

Policy 2.8 (*Reservation of Capacity for Priority Land Uses*) requires the reservation of public works capacity for land uses given priority by the LCP, as shown on Table 2.7 and Table 2.17 of the LCP, and states that all priority land uses shall exclusively rely on public sewer and water services.

This policy mirrors Policy 1.19, discussed above. As previously described, the project will rely upon water and sewer service provided by Montara Water and Sanitary District. The approved Public Works Plan for MWSD requires the district to reserve capacity specifically for this site. The amount of sewer and water capacity that is to be reserved is based on the current zoning which allows 148 dwelling units. The proposed PUD amendment would reduce that dwelling unit count down to 71 units, thus freeing up a corresponding amount of sewer and water capacity for other uses within the MWSD service area. The Sewer Authority Mid-Coastside has indicated that the wastewater treatment system has adequate capacity for growth anticipated in the region, including the development of 71 residential units on the subject site. The proposed PUD amendment is therefore consistent with this LCP policy.

Policy 2.42 (*Roadway Capacity Limits*) limits the expansion of roadways (i.e., - additional lanes) to a capacity which does not exceed that needed to accommodate commuter peak period traffic when buildout of the Land Use Plan occurs, and which does not exceed existing and probable future capacity of water and sewage treatment and transmission capacity or otherwise conflict with other policies of the LCP.

The proposed PUD amendment reduces the intensity of residential development that may be permitted on the site, and will thereby diminish the potential need to add additional lanes to existing roadways in the future. Based on the modeling conducted to prepare the Connect the Coastside Transportation Management Plan, the development of 71 residential units on the subject site, when combined with other development that could occur within Half Moon Bay and the unincorporated Midcoast, will not require additional lanes on Highway One other than limited passing and turning lanes. What will be required are intersection controls at certain locations, such as at California Avenue and

Highway One in Moss Beach.

There are a range of options available to provide the necessary intersection controls, including the installation of traffic signals or roundabouts. Connect the Coastside, which is currently in draft form and will be the subject of public hearings prior to the consideration of the CDP required to develop the subject site, describes these options, and provides a forum to identify the preferred method of needed intersection controls. The selected form of intersection controls, and the timing of their installation, will be decided prior to or concurrently with the County's consideration of a CDP for development of the subject site.

Irrespective of the type and timing of these intersection improvements the PUD amendment is consistent with this LCP policy because it does not propose or necessitate the expansion of roadways.

Policy 2.52 (*Traffic Mitigation for all Development in the Urban Midcoast*) requires applicants for new development that generates any net increase in vehicle trips on Highways 1 and/or 92...to develop and implement a traffic impact analysis and mitigation plan (TIMP), and to submit the TIMP and associated analyses and implementation measures prior to the approval of any CDP application that triggers this requirement.

The proposed PUD amendment will reduce potential new vehicle trips on Highways 1 or 92 by reducing the maximum density of development allowed on the site. As required by policy 2.52, a TIMP will need to be submitted in conjunction with any future permit application, at which time a full analysis of necessary mitigation measures, and a plan for their implementation, must be provided.

The traffic analysis performed by MidPen to date (Attachment G) shows that, under current conditions, the Etheldore Street and California Avenue intersections with Highway One operate at Level of Service (LOS) E or F during the morning and/or evening commute periods. The project will incrementally exacerbate these delays at the two intersections by approximately 1.4% percent. The traffic report identifies several potential mitigation measures, which have been considered during the development of Connect the Coastside. These measures will be refined and presented to the Planning Commission and Board of Supervisors after public feedback on the Connect the Coastside draft is obtained, and prior to the consideration of a CDP application to develop the subject site. During its consideration of a future CDP application, the Planning Commission (and Board of Supervisors upon appeal) will have the opportunity to evaluate the effectiveness of the specific mitigations measures selected by Connect the Coastside, determine the project's appropriate fair share contribution to the necessary improvements, and establish timelines for their implementation in relation to project construction and occupancy. This approach is consistent with this policy, which requires that mitigation for traffic impacts be determined prior to the approval of a CDP.

Housing Component

Policy 3.1 (*Sufficient Housing Opportunities*) states: *"Through both public and private efforts, protect, encourage and, where feasible, provide housing opportunities for persons of low and moderate income who reside, work or can be expected to work in the Coastal Zone."*

The proposed PUD Amendment is intended to enable the future construction of 71 affordable rental housing units that are reserved for low- and moderate-income households. Although there may be legal limits on the ability to restrict the rental of the future units to just those people who live or work in the Coastal Zone, MidPen Housing is working with the County Department of Housing, to explore the possibility of giving priority to qualifying renters who already live and/or work in the Midcoast area. Irrespective of MidPen's ability to establish such priorities, it is reasonable to assume that many of the future occupants will be existing Coastsides residents and/or workers. The proposed amendment is therefore consistent with this LCP policy.

Policy 3.2 - Non-Discrimination: "Strive to ensure that decent housing is available for low- and moderate-income persons regardless of age, race, sex, marital status or other arbitrary factors."

The proposed amendment will allow for the future development of housing units for low- and moderate-income households, at a lower density than that which is currently allowed. If permits for the construction of these units are granted in the future, the owners of the units will not be allowed to discriminate based upon age, race, sex, marital status or any other protected category. The proposed PUD site plan includes multiple unit types (one, two, and three-bedroom units), in order to provide housing for a broad range of potential renters. Additionally, some of the units will include mobility and/or communications features to assist people with mobility, vision and hearing impairments. The proposed amendment is consistent with this LCP policy.

Policy 3.3 (Balanced Developments) states: "Strive to provide such housing in balanced residential environments that combine access to employment, community facilities and adequate services."

The purpose of this policy is to integrate affordable housing into the County's existing coastal communities. The site that is the subject of the PUD amendment is located in an area with existing infrastructure and services, and that avoids the conversion of agricultural lands. The project site is within 1/2-mile of the Coastsides Market grocery store and Moss Beach Park. It is within 1.4 miles of Farallone View Elementary School, and 0.8 miles of the Seton Coastsides Medical Center. The existing PUD for the site has already been determined to be consistent with this policy, and the proposed amendments maintain this consistency.

Policy 3.4 (Diverse Housing Opportunities) states: "Strive to improve the range of housing choices, by location, type, price and tenure, available to persons of low and moderate income."

At the present time, there are no income-restricted affordable housing units in the Montara - Moss Beach - El Granada area. The proposed PUD zones the site for 71 housing units that will be restricted to low- and moderate-income households. The PUD includes a mix of 1, 2, and 3-bedroom units designed to accommodate a range of housing needs that is not currently being met by the for-profit housing market. The proposed project is therefore consistent with this LCP policy.

Policy 3.13 (Maintenance of Community Character) requires new development that

provides significant housing opportunities for low- and moderate-income persons to contribute to maintaining a sense of community character by being of compatible scale, size and design. Accordingly, this policy limits the height of such development to two stories, and requires negative traffic impacts to be assessed and mitigated as much as possible.

As discussed above, the PUD Amendment provides for the potential future development of the parcel at a density of 6.5 dwelling units per acre, which is consistent with the land use designation of the adjacent residential neighborhood. Because of the relatively large size of the subject parcel, in comparison to adjacent parcels, the proposed PUD calls for future development to be concentrated in the center of the parcel, preserving a significant portion of the parcel as open space. The PUD limits all proposed buildings to two stories, consistent with this policy. Please see the discussion of Policy 2.53, above, for an explanation of how traffic impacts of future development will be addressed. In summary, the height, density, and location of the residential development envisioned by the PUD is compatible with the surrounding neighborhood, and options for mitigating traffic impacts have been identified and will be required at the time that the County considers a CDP for development of the site. Thus, the PUD Amendment is consistent with this policy.

Policy 3.15.d (*Designated Affordable Housing Sites*) calls for the proposed development of the subject site to be evaluated according to the following criteria:

- a. *Twenty-one percent (21%) of the total units constructed on the site are to be reserved for low income households.*
- b. *In addition to the required low-income units, fourteen percent (14%) of the total units constructed are to be reserved for moderate income households.*

As discussed in Section A.1., the applicant is proposing to amend this policy in a manner that requires all of the units to be affordable. This is consistent with MidPen Housing's intent to restrict occupancy of the units to persons and families with low and moderate incomes (defined as households earning up to 80 percent of the Average Median Income). This amendment will further the LCP and Coastal Act goal of providing affordable housing options for all San Mateo County residents and greater coastal access opportunities for all income levels, and is therefore consistent with the LUP Land Use Plan.

- c. *Development must comply with all of the regulations established for Structural and Community Features (Urban), as established in the Visual Resources Component.*

The consistency of the proposed PUD with the policies contained in the Visual Resources Component of the LCP is discussed below.

- d. *Require the provision of amenities including, but not limited to, landscaping and recreation facilities.*

The proposed PUD site plan includes landscaping areas, a community garden, a children's play area, BBQ areas, and a public trail through a portion of the site. The

applicant has stated that the trail will be open to both project residents and the general public. The proposed project is consistent with this LCP policy.

e. *Encourage the provision of community services, such as day care centers.*

The proposed PUD includes a community room and other common areas that will be used for after-school programs for children, adult education and training opportunities, and programs to connect residents to a variety of social service providers in the area. The proposed PUD is therefore consistent with this LCP policy.

Policy 3.16 (*Phasing the Development of Designated Housing Sites*) limits the number of building permits that can be issued for the construction of affordable housing on designated sites to 60 during any 12-month period, in order to allow the development to be assimilated into the community a few at a time. However, it also allows the Board of Supervisors to increase the number of affordable housing units permitted if they make the finding that the above phasing requirement threatens the implementation of affordable housing on a designated site by prohibiting the developer(s) from building when circumstances are uniquely favorable for a limited period of time (i.e., low interest rate financing or public subsidies are available).

MidPen Housing is requesting that, in conjunction with its approval of the requested amendments, the Board of Supervisors allow all of the proposed units to be constructed in one phase. The materials submitted in this regard state that: "The significant challenges of financing and constructing affordable housing, which include continued escalation of construction costs in the Bay Area, increases in interest rates over time, a shifting financial environment, and limited income from rental units, means that requiring the project to be approved and built over two years would significantly increase costs and jeopardize feasibility. Also, tight project deadlines and high competition for tax credit financing would not allow the project to be developed in two phases."

Staff recommends that the Board of Supervisors grant the requested waiver when it considers the proposed amendments. Providing the Board with this discretion is consistent with LCP Policy 3.16.

Sensitive Habitats Component

Policy 7.3.a (*Protection of Sensitive Habitats*) prohibits any land use or development which would have a significant adverse impact on sensitive habitat areas.

A biological resources report prepared by the De Novo Planning Group (Attachment H) identifies the potential for eight rare plant species and ten special status wildlife species to occur on the project site. However, detailed investigation by the project biologist found no evidence of these rare and special status species occurring on the project site:

"There has been no documented evidence that any special status species are currently occupying the project site or have occupied it in recent history. The proposed project would result in redevelopment of a largely disturbed urban site that has been naturalized to some extent. The ground-disturbing activities on the site will consist of demolishing the existing

foundations and grading the site. Subsequently, new construction will result in new buildings, infrastructure, ancillary facilities (e.g., parking areas), and landscaping on the areas that are currently developed and those that are naturalized as grassland and coastal scrub. The parcel does not contain special status species or their habitat and is currently exposed to on-going human presence including some vehicle and pedestrian traffic (hiking/jogging).”

With regard to the potential presence of raptors on the project site, the project biologist found:

“There were no active or remnant nests observed within the project site. Additionally, there were no individuals or pairs observed overhead in the immediate vicinity of the project site during the field surveys. Although no raptors or raptor nests have been identified on the project site, the forested areas in the northern portion of the site could become occupied by raptors in the future prior to the initiation of project construction.”

To mitigate potential impacts, the biologist recommended pre-construction surveys and the placement of tree protection fencing prior to and during construction to prevent intrusion into the forested north portion of the project site.

The biological information provided to date demonstrates that there are no sensitive habitats on the site, and that potential construction impacts to raptors can be avoided. The proposed PUD is therefore consistent with Policy 7.3.a.

Section b of Policy 7.3 requires development in areas adjacent to sensitive habitats to be sited and designed to prevent impacts that could significantly degrade the sensitive habitats. All uses must be compatible with the maintenance of biologic productivity of the habitats.

As discussed above and in greater detail in the biological report, the subject site does not contain any wetlands, riparian or other sensitive habitats. Montara Creek is approximately 330 feet north of the proposed areas of development on the project site. Existing residential development and the paved portion of 16th Street lie between the project parcel and the banks of Montara Creek. There is no evidence to suggest that the PUD Amendment will degrade sensitive habitats or reduce their biological productivity. The project is therefore consistent with LCP Policy 7.3.b.

Visual Resources Component

Policy 8.5 (*Location of Development*) states: “On rural lands and urban parcels larger than 20,000 sq. ft.:

- a. *Require that new development be located on a portion of a parcel where the development: (1) is least visible from State and County Scenic Roads; (2) is least likely to significantly impact views from public viewpoints; and (3) is consistent with all other LCP requirements, best preserves the visual and open space qualities of the parcel overall. Where conflicts in complying with this requirement occur, resolve them in a manner which, on balance, most protects significant coastal resources on the parcel, consistent with Coastal Act Section 30007.5.”*

A Scenic Resources Analysis (Attachment I) of the proposed PUD found that the project will generate only minor visual impacts that are consistent with the general urban residential character of the surrounding neighborhood. The proposal to reduce the number of units allowed by the existing PUD minimizes the visual impact that future development will have, and the location of the development proposed by the PUD is not visible from the nearest County Scenic Road (Cabrillo Highway) due to intervening topography and vegetation. The proposed site plan also locates development in an area that will not obstruct existing views of the ocean available to the public along Stetson or Carlos Streets. The proposed PUD site plan locates development in areas that would be partially visible from Lincoln and Buena Vista Streets, which are the two streets closest to the east side of the project site. Westerly scenic vistas from these two roads are currently dominated by the numerous trees surrounding the periphery of the site.

The PUD site plan identifies that the building pads nearest to Lincoln Street will range from 183 feet above mean sea level (MSL) to 186 feet MSL. All other building pad elevations on the site will be lower. Buildings nearest Lincoln Street and Buena Vista Street will be set back approximately 230 feet from the nearest neighboring residences on Lincoln Street or Buena Vista Street. Within this setback area, existing trees will be retained, as will trees along the northerly portion of the project site. As a result, the roofs of project buildings will be only partially visible from Lincoln Street and from the base of Buena Vista Street.

They will appear similar in height and mass to the existing water storage tanks, and lower in height than the background vegetation. All other proposed buildings will be located at lower elevations and more distant from Lincoln and Buena Vista Street. Because of the change in elevation between onsite building pads, the distance of the buildings from public viewing points (Lincoln and Buena Vista Streets), and intervening vegetation that will not be affected by the project, vistas of the Pacific Ocean would not be blocked. The proposed location of development therefore complies with this policy.

Policy 8.9 (*Trees*) states:

- a. *Locate and design new development to minimize tree removal.*
- d. *Protect trees specifically selected for their visual prominence and their important scenic or scientific qualities.*

The proposed PUD amendment reduces the amount of the development that may be permitted on the site, thereby reducing the need for tree removal, and improving the ability to protect any trees that have important scenic qualities.

Major vegetation on the subject site consists of a scattering of Monterey Pine and Cypress trees, with a larger concentration of trees along the northern property line and dropping down slope from there to 16th Street. The proposed location of future residential buildings is clustered near the center of the parcel; in an area that was previously occupied by military barrack buildings. Clustering the buildings in this location will minimize their visibility from surrounding areas and reduce the potential need for tree removal. The proposed PUD amendment is therefore consistent with this policy.

Hazards Component

Policy 9.1 (*Definition of Hazard Areas*) defines hazardous areas as “*fault zones and land subject to dangers from liquefaction and other severe seismic impacts, unstable slopes, landslides, coastal cliff instability, flooding, tsunamis, fire, and steep slopes (over 30%).*”

The subject site is not within or immediately adjacent to a known fault zone, nor does it have steep or unstable slopes or soils subject to liquefaction. The subject site is not adjacent or within a flood hazard zone or an area of coastal cliff instability. Therefore, the policies of the Hazards Component are not applicable to this PUD Amendment.

3. Compliance with Planned Unit Development (PUD) Findings

Section 6191 of the Zoning Regulations states that no PUD District shall be enacted for any area unless and until the Board of Supervisors has first:

“Reviewed a precise plan of the subject area and its environs, and found that the proposed zoning of the area would be in harmony with said plan, and would not be in conflict with the County Master Plan (i.e., 1986 General Plan), or with any current land use plan for a sub-area of the County previously adopted by the Commission.”

Based on the previous discussion in the LCP Compliance Section of this report (Section A.2), the proposed PUD Zoning District regulations, for this parcel, are in harmony with applicable LCP policies.

Additional required findings listed below (*italicized*), stipulate that the Board of Supervisors must find that the specific PUD District:

- a. *Is a desirable guide for the future growth of the subject area of the County.*

As discussed in the sections above, the project site has been designated as an affordable housing site since 1980. The proposed PUD reduces the density of the existing PUD to a level comparable to the surrounding neighborhood and clusters future development in a manner that provides more open space on the parcel than the current, adopted zoning would provide. The PUD Amendment establishes zoning standards that will enable the County to fulfill the long term objective of providing affordable housing on the Coastsides, in a manner that is compatible with its surroundings, protects natural resources, and is consistent with LCP policies. The PUD therefore addresses the pressing need for affordable housing growth in a desirable way.

- b. *Will not be detrimental to the character, social and economic stability of the subject area and its environs, and will assure the orderly and beneficial development of such areas.*

The proposed PUD amendment reduces the amount of development allowed by the existing zoning in a manner that is consistent with the density of the surrounding neighborhood. The proposed amendment will reduce and cluster the footprint of future development allowed by the existing zoning, thereby providing more open space and diminishing demands on infrastructure and public services. It will provide trails and recreation areas that will benefit existing and future residents, and be accompanied by

transit and circulation improvements that will benefit the greater community. The protection of the character, social and economic stability of the Coastside requires the provision of housing opportunities for all income levels, with the people and families of lowest incomes having the greatest need. The proposed amendment provides a way to help meet these needs, in an orderly and beneficial manner.

c. *Will be in harmony with the zoning in adjoining unincorporated areas.*

The adjacent neighborhood to the south and east of the subject parcel is zoned R-1/S-17 (Single Family Residential/5,000 sq. ft. minimum parcel size). The proposed reduction in density will result in the same dwelling units per acre as the adjacent S-17 district. Clustering of the apartment units closer to the center of the project parcel will provide a significant open space transition between the new residences and existing nearby houses. Accordingly, the PUD sets standards for future development that is in harmony with the zoning of adjacent areas.

d. *Will obviate the menace to the public safety resulting from land uses proposed adjacent to highways in the County, and will not cause undue interference with existing or prospective traffic movements on said highways.*

Highway intersections within Moss Beach are currently constrained during peak commute times and recreational periods, and in need of improvement. By lowering the number of units that may be constructed on the site, the PUD amendment reduces the impacts that future development of the site will have on Highways 1 and 92. At the time a CDP application for development of the site is being considered, the specific actions that will be taken to address the project's impact on traffic, safety, and circulation will be identified. Connect the Coastside provides a forum to address these needs, and will inform future decisions on a development application for this site, in order to ensure that the development is accompanied by measures that protect public safety and minimize traffic congestion.

e. *Will provide adequate light, air, privacy and convenience of access to the subject property and further that said property shall not be made subject to unusual or undue risk from fire, inundation, or other dangers.*

The proposed PUD amendment increases the amount of open space that will be preserved in conjunction with future development. The site plan provides safe and convenient access, and clusters future development near the center of the site thereby providing adequate light, air, and privacy to neighboring uses. The subject site is not in an area prone to flooding, and future construction must comply with building and fire code requirements. The PUD amendment therefore does not present any unusual or undue risks.

f. *Will not result in overcrowding of the land or undue congestion of population.*

As discussed previously, the proposed project will reduce the number of residential units on the project parcel from what is currently allowed under the existing PUD zoning. The resulting density matches that of the adjacent single-family neighborhood and will provide an appropriate number of residential units for a parcel of this size, in an area with available water and sewer services.

B. REVIEW BY THE MIDCOAST COMMUNITY COUNCIL

The Midcoast Community Council (MCC) submitted comment letters on the proposed amendments on several occasions. There were four main issues that the Council expressed concerns on:

Height of Buildings

As originally proposed, the amendments would have restricted the proposed apartment buildings to two stories, but height would have been measured as average grade to average roof height. This method of calculation could have resulted in buildings that were greater than 28 feet tall. The Council requested that this particular language in the amendments be revised so that all buildings constructed on the project parcel are limited to 28 feet in height, which will be measured as the vertical distance from any point on the finished grade to the topmost point of the building directly above. The applicant agrees with the Council in this regard and has modified their proposal. This requested language is reflected in the draft Ordinance included as Attachment C of your report.

Setback of Buildings

Planned Unit Development (PUD) Zoning Districts are unique from other zoning districts in that they establish a specific site plan for future development on a parcel that may be different from the adjacent zoning district with respect to setbacks, height, and other requirements. The original site plan as proposed by the applicant included two apartment buildings within 20-feet of the Carlos Street property line, which is less than the minimum setback required in the adjacent single-family zoning district. In response to the Council's comments, the applicant has revised the site plan so that no buildings will be closer than 20-feet from the Carlos Street property line.

Preference for Local Residents and Workers

The Council commented, as did many speakers at the January 22, 2020 Planning Commission meeting, that reserving all (or as many as possible) of the dwelling units in the complex for people who already live or work on the Coastsides would greatly alleviate community concerns about population and traffic increase in the area. When this topic was discussed at the January 22, 2020 Planning Commission meeting, the number of units proposed for the local live/work preference was at 50% of the total. In response to these comments, the applicant worked with the Department of Housing, who is contributing County housing funds to the future development of the site, to determine if this preference ratio could be increased. It has been concluded that a 75 percent local preference is the largest preference ratio that can be supported without violating the Department's responsibility to distribute these funds in a manner that is equitable to all County residents.

Traffic and Circulation

A considerable number of comments were made regarding existing traffic issues in the area as well as concerns regarding the additional vehicle trips that the Cypress Point project could generate in the future. Complicating the discussion is the overlap between the processing of these proposed amendments and the County's current efforts to draft a traffic circulation improvement plan (known as Connect the Coastsides) for the Coastsides. Separating those improvements which will be necessary for occupancy of Cypress Point versus the larger scale improvements that will come out of the Connect the Coastsides effort has been difficult during the public hearings for these amendments. At the June 10, 2020 Planning Commission meeting, Staff presented a list of viable circulation improvements that will be more thoroughly analyzed and potentially augmented when the CEQA

review for the future Cypress Point CDP is conducted. These improvements are not expressly required for adoption of the proposed amendments, but were presented at the hearing to illustrate the larger neighborhood improvements that could result from construction and occupancy of Cypress Point.

C. MAJOR DEVELOPMENT PRE-APPLICATION WORKSHOP

Section 6415.4 of the Zoning Regulations requires a public workshop to be held for residential development involving ten (10) or more new dwelling units. The intent of the public workshop is to allow community members and public agency representatives the opportunity to provide the applicant with project input before the preparation of final development plans. The County held a public workshop for this project on September 20, 2017, at the El Granada Elementary School. Comments received during this phase of the project are discussed in the Workshop's summary letter, which is included as Attachment J.

D. ENVIRONMENTAL REVIEW

Per Section 21080.9 of the California Public Resources Code, environmental review of the proposed LCP amendment is the responsibility of the California Coastal Commission. The Commission's LCP review and approval program has been found by the Resources Agency to be the functional equivalent of the environmental review required by CEQA, pursuant to CEQA Section 21080.5. Therefore, Coastal Commission documents prepared during its review of an LCP submission act in lieu of traditional CEQA documents such as an EIR.

County Counsel has reviewed the report as to form.

FISCAL IMPACT:

No fiscal impact.

REVIEWING AGENCIES

County Building Inspection Section
County Department of Public Works
County Environmental Health Services
Coastside Fire Protection District
Montara Water and Sanitary District
Midcoast Community Council
California Department of Fish and Game
Caltrans, District 4
California Coastal Commission
California Historical Resources Information System (CHRIS) Northwest Info Center

ATTACHMENTS:

- A. Board of Supervisors Recommendations
- B. Proposed Resolution
- C. Proposed Zoning Amendment Ordinance
- D. Site Plan and Text - PUD-124
- E. Proposed Plans - PUD-140

Due to the size of Attachments F - I, copies of these documents will be available at the following

locations:

1. Electronic version on the Planning Department's website at:
<https://planning.smcgov.org/cypress-point-affordable-housing-community-project>
2. Print copy (UPON REQUEST) at the County Planning Department, 455 County Center, Second Floor, Redwood City, California. For print copies, please contact the Planning Commission Secretary, Janneth Lujan, at 650/363-1859 or jlujan@smcgov.org
<mailto:jlujan@smcgov.org>

- F. Cultural Resources Report
- G. Traffic Impact Analysis
- H. Biological Resources Assessment
- I. Aesthetics and Visual Resources Report
- J. September 20, 2017 Pre-Application Workshop Summary letter