



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: JUNE 11, 2024

DEPARTMENT: COMMUNITY DEVELOPMENT DEPARTMENT

FROM: LISA BRINTON, DIRECTOR

THROUGH: COURTNEY GROSSMAN, PLANNING MANAGER

BY: BOBBY LATINO, ASSOCIATE PLANNER

TITLE: PLANNED UNIT DEVELOPMENT (PUD) PERMIT 2020-002, CONDITIONAL USE PERMIT (CUP) 2020-030, TENTATIVE MAP (TM) 2022-001, AND ENVIRONMENTAL REVIEW (ER) 2020-018 FOR THE FOLLOWING: REQUEST FOR A PUD FOR A SEVEN PHASE CONCEPTUAL MASTER SITE PLAN WITH ALTERNATIVE DEVELOPMENT STANDARDS FOR A MIXED USE DEVELOPMENT OF A 22.74 ACRE SITE; REQUEST FOR A CUP FOR MIXED USE DEVELOPMENT AND DEVELOPMENT OF AN EXTENDED STAY HOTEL; REQUEST FOR A TENTATIVE MAP (TM); AND AN ENVIRONMENTAL REVIEW (ER) FOR AN INITIAL STUDY- MITIGATED NEGATIVE DECLARATION (IS-MND) FOR THE MIXED USE DEVELOPMENT LOCATED SOUTHEAST OF THE JOHN STREET AND ABBOTT STREET INTERSECTION IN THE CO – FG-4 (COMMERCIAL OFFICE – ABBOTT STREET FOCUSED GROWTH OVERLAY) AND IG (INDUSTRIAL – GENERAL) ZONING DISTRICT

RECOMMENDED MOTION:

A motion to adopt a Resolution affirming the findings and:

1. Adopting the proposed Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program pursuant to section 15074 of the CEQA Guidelines;
2. Approving Planned Unit Development Permit 2020-002 for a seven-phase Master Site Plan and alternative development standards;
3. Approving Conditional Use Permit 2022-030 for the Mixed Use Development and the Extended Stay Hotel; and
4. Approving Tentative Map 2022-001 to reconfigure 14 lots into 9 lots.

EXECUTIVE SUMMARY:

The John Street and Abbott Street Mixed Use Development Project would facilitate mixed use development on a 22.74-acre site located southeast of the John Street and Abbott Street intersection. The project would involve construction of a 70,000 square-foot Extended Stay Hotel with 111 guest rooms, approximately 232,800 square feet of residential uses (197 units), 107,900 square feet of retail use, and 30,900 square feet of office use for a total of 478,800 square feet of new development. The project would be constructed in seven phases over an estimated 9 to 10 years. The 14 lots that make up the project site would be reconfigured into 9 lots with the Tentative Map. Construction of the proposed Extended Stay Hotel would occur in the first phase. Future development in remaining phases would include multi-story mixed-use buildings, retail and office buildings, and multi-family residential buildings subject to subsequent administrative Site Plan Review processes. Prior to building/grading permit approval of any phase, the applicant shall provide a sanitary sewer capacity study that demonstrates adequate capacity in the sanitary sewer main along Abbott.

Environmental impacts of this project have been analyzed in accordance with the California Environmental Quality Act (CEQA), and an Initial Study - Mitigated Negative Declaration (IS-MND) has been prepared for the project. Based on the environmental document, the project will not have a significant effect on the environment, with incorporation of mitigation measures.

BACKGROUND:

The project Applicant and Property Owner, The Uni-Kool Partners, is requesting approval of a Planned Unit Development Permit, Conditional Use Permit, and Tentative Map to construct and operate a seven-phase, Mixed Use Development ultimately consisting of a 70,000 square-foot Extended Stay Hotel with 111 guest rooms, approximately 232,800 square feet of residential uses (197 units), 107,900 square feet of retail use, and 30,900 square feet of office use for a total of 441,600 square feet of new development. A May 3, 2024, letter from the attorney for Uni-Kool Partners and Cadius Partners Limited, states that Cadius Partners Limited is also the intended Applicant/Permittee for the Phase I Extended Stay Hotel Conditional Use Permit. The referenced letter is provided as an attachment to this staff report.

Most of the property (13 of the 14 existing lots) is located in the Zoning District of Commercial Office and one lot is in the General Industrial Zoning District. The property is within the Abbott Street Focused Growth Overlay District. The following provides an overview of the land uses and zoning districts adjacent to the project site:

North: Industrial use - Industrial – General Commercial (IGC)

South: Industrial uses - Industrial – General (IG), Commercial Office (CO), Industrial – General Commercial (IGC)

East: Industrial uses - Industrial – General Commercial (IGC), Industrial – General (IG)

West: Mixed Use Developments - Mixed Use (MX)

Analysis:

General Plan Consistency

The site is designated as Commercial Office on 13 of the 14 existing lots, which the General Plan defines as businesses and offices where residential development of comparable impact may be considered. One lot is designated General Industrial, which the General Plan describes as “automobile dealerships and repair shops, building material sales, light manufacturing, distribution, warehousing, and wholesaling” where residential development (single room occupancies and seasonal transitional housing) may be allowed. Additionally, the site is within the Abbott Street Focused Growth Overlay District (FG-4) which the City’s General Plan describes as existing urbanized areas where additional growth and/or redevelopment and revitalization would be appropriate and provide benefits to the community; by selectively increasing density in a manner compatible with the surrounding neighborhoods, the pressure to develop agricultural lands is also reduced. The City is currently undertaking a General Plan Update and is evaluating increasing density and intensity of uses in the Focus Growth Overlay Districts, which includes the project site. The density and intensity allowed at the project site may increase through the future General Plan Update. The anticipated future General Plan use for the subject site is Mixed Use - Village Center with density allocation of 30 to 50 dwelling units per net acre. Therefore, the IS-MND analyzed additional density of up to 242 residential units should it be permitted by the General Plan and underlying zoning in the future.

Pursuant to Government Code Section 65863 (State No Net Loss Law), the City is required to analyze the effect that the proposed development would have on the City’s ability to accommodate the State’s Regional Housing Needs Allocation (RHNA), as the subject site is included in the 2023-2031 Housing Element to provide credit toward the RHNA. A key consideration for General Plan consistency is determining if the project provides the allocated number of affordable units to the project site identified in the Housing Element. The Housing Element site inventory projects 15 extremely and very low-income units, 14 low-income units, and 213 above moderate-income units for the project site.

Under the Rental Housing Impact Fees Plan dated May 3, 2024 (Exhibit SS), the Applicant commits to 29 residential rental units to the Section 8 Housing Choice Voucher Program for the 242 dwelling units. However, this is higher than current General Plan and zoning density currently allowed. The Rental Housing Impact Fees Plan will be updated to reflect the number of units allowed under current allowed density, which is 197 total units with 24 dedicated to the Section 8 Housing Choice Voucher Program. However, should the General Plan and underlying zoning in the future at time of submittal of residential uses authorize a density increase, the total number of residential rental units and the number of units allocated to Section 8 would be increased, which would trigger an amendment to the Planned Unit Development permit and Rental Housing Impact Fee Plan. The anticipated future General Plan use for the subject site is Mixed Use -Village Center with density allocation of 30 to 50 dwelling units per net acre. Therefore, the IS-MND analyzed additional density of up to 242 residential units should it be permitted by the General Plan and underlying zoning in the future. These units would be evenly distributed among the different unit types in the development and throughout the different phases in the development. The applicant

would also pay a Rental Housing Impact Fee to produce off-site affordable rental units. The units held for Section 8 Housing Choice Voucher Program are not subject to a Deed Restriction under the Inclusionary Housing Ordinance. With the anticipated increase in density through the General Plan and zoning Code update, the project would be consistent with the Housing Element and Government Code Section 65863.

Zoning District Consistency

The site is currently zoned Commercial Office – Abbott Street Focused Growth Overlay (CO – FG-4) on 13 of the 14 existing lots. Per Salinas Municipal Code (SMC) Section 37-30.190(k)(2), Commercial Office provides areas primarily for offices, personal services, financial services, mixed use residential, and residential uses. Per SMC Section 37-40.200, the purpose of the Abbott Street Focused Growth Overlay is to focus growth at high potential, under-utilized sites ("focused growth overlay areas") within Salinas by providing standards that will enhance the city and its neighborhoods and create incentives for mixed use neighborhoods that are active, pedestrian-friendly, safe, and welcoming.

Under the current CO-FG-4 zoning, the Planned Unit Development (PUD) permit would allow a net density of 10 dwelling units per net acre, or approximately 197 dwelling units. However, the General Plan Update (GPU), which is currently underway, may ultimately increase allowable density on the project site. Therefore, the IS-MND analyzed additional density of up to 242 residential units should it be permitted by the General Plan and underlying zoning in the future.

One lot is zoned Industrial – General (IG), which SMC Section 37-30.300(e)(3) defines as areas that provide for the full range of manufacturing, industrial processing, general service, and distribution uses deemed suitable for locations in the city; and protects Salinas’ general industrial areas from competition for space from unrelated commercial uses that could more appropriately be located elsewhere in the City.

Airport Overlay District/Avigation Easement

A portion of the site is within the Airport Overlay District (AR), which serves the Salinas Municipal Airport. SMC Section 37-40.410 states that the purpose of this district is to fulfill the city's obligations, in accordance with requirements of state law (Government Code Section 65302.3), to implement the airport land use compatibility policies adopted by the Monterey County Airport Land Use Commission; regulate land use development within the vicinity of Salinas municipal airport to protect it from potential encroachment by land uses which are incompatible with airport activities and which may impair the future development and use of the airport; and minimize the public's exposure to excessive noise and safety hazards that would result from incompatible land use development within areas around airport. The proposed John Street and Abbott Street Mixed Use Development and associated entitlements are not located within the 1982 Salinas Muni Airport Land Use Plan (ALUP) Area of Influence. Per SMC Section 37-40.415, the city shall require the owner of any property located in the Salinas Municipal Airport "area of influence" to dedicate an avigation easement as a condition of approval of any development review application, or structure identified in SMC Section 37-40.420(a) or (b). The easement is required to protect the airport airspace from objects which could constitute hazards to air navigation, and

to inform future owners and prospective purchasers of the property that aircraft may fly over the location at low altitudes while approaching, departing, or maneuvering near the associated airport. Such easement shall include special provisions for properties within the clear zone required for the California International Airshow (see Figure 37-40.210). The easement shall be dedicated prior to the recordation of any land division or if there is no land division prior to the issuance of the first building permit for the development. Furthermore, the height of all structures shall not exceed the maximum allowed per the underlying zoning district.

Planned Unit Development Permit

The Applicant has requested the following development regulations be prescribed with the proposed Planned Unit Development Permit per SMC Section 37-60.980(a):

- a. Utilize the Mixed-Use Building Incentives, SMC Section 37-30.260 as the basis for the off-street parking requirements, except for the proposed Extended Stay Hotel.
- b. Utilize the Mixed-Use Building Incentives, SMC Section 37-30.260 as the basis for Usable Open Space requirements.
- c. Utilize the Mixed-Use Building Incentives, SMC Section 37-30.260 as the basis for waiving the three- and four- bedroom dwelling unit mix requirement.
- d. Eliminate the development standard for the Phase 1 Extended Stay Hotel structure to be sited along street frontage per SMC Section 37-30.280(c)(1).
- e. Eliminate or reduce the parking lot end islands minimum dimension of five feet exclusive of curbs per SMC Section 37-50.690(g)(4). However, plans do show the provision of more than the minimum of one tree for every five spaces in landscape islands.

Per SMC Section 37-60.1030 one of the findings for a Planned Unit Development Permit is the project does not represent an exception to the standards of this Zoning Code but rather an alternative resulting in an equal or superior design in comparison to development, which strictly complies with base district property development regulations. The proposed master plan is a seven phase, Mixed Use Development encompassing multiple existing lots. Twenty new buildings, re-use of the existing butler building, surface parking, pedestrian walking paths and plazas, internal private drives, and a new signalized intersection at Abbott and Maple Streets are proposed. The proposed development will incorporate multiple uses including a variety of multi-family housing options, as well as a variety of supporting uses to serve and enrich this and the immediately surrounding community. The proposed master plan provides an alternative in superior design by providing:

- a. Pedestrian-friendly community experience by offering multiple exterior plazas and walkable paths that tie the buildings together.
- b. Low impact development concepts are being meaningfully incorporated into the project to address storm water quality as well as water and energy consumption.
- c. Landscaping that will include a mixture of native-style plants and trees that will be watered with drip irrigation.
- d. A design aesthetic for future buildings within this new mixed-use development that are described as "Modern Latin."
- e. Locations and footprints of the future buildings shown on the master site plan are provided for conceptual reference only and each building/phase will be submitted for site plan

review under separate cover.

- f. Compliance with the density and Floor Area Ratio (FAR) requirements of the underlying zoning district.

Conditional Use Permit– Extended Stay Hotel (Phase 1) and Mixed Use Development (Phases 2 through 7)

The Conditional Use Permit will establish the underlying Mixed Use Development use for the subject site and will allow the construction of a 70,000 square-foot, Extended Stay Hotel with 111 guest rooms (Phase 1). The maximum length of stay per occupant(s) shall not exceed ten months within a three hundred and sixty-five-day period. Phase 1 will comply with all conditions of the Planned Unit Development and Conditional Use Permit, including but not limited to, the following:

- a. Mitigation measure compliance.
- b. Removal of all nonconforming chain-link and barbed wire fencing in the subject CO based Zoning District.
- c. Parking lot layout will include concrete curbs along parking lot edges and end islands with a minimum 5-foot-wide perimeter landscape planter.
- d. Provide a minimum 10-foot-wide landscape planter installed along the John Street and Abbott Street frontages (directly behind City and/or Caltrans right-of-way).
- e. Provide a minimum of 125 on-site parking spaces.
- f. Compliance with the General Plan and Building Code interior noise requirements per the Interior Noise Memorandum.

Phases 2 through 7 are described in the attached Draft Planned Unit Development 2020-002, Conditional use Permit 2020-030, and Tentative Map 2022-001 and will be subject to administrative consideration through the Site Plan Review (SPR) process. Phases 2 through 7 will comply with all conditions of the Planned Unit Development and Conditional Use Permit. The following table shows how site improvements will be implemented for each of the phases:

Phase	Action	Timing for Implementation
1	<p>Submit detailed plans for Phase 1 improvements as described below for review and approval by the Community Development Department:</p> <ul style="list-style-type: none"> a. All improvements identified in Exhibit “R” Phase 1: Site Plan. b. Removal of all existing nonconforming chain-link and barbed wire fencing within this Phase and along the John Street and Abbott Street frontage in the subject CO based Zoning District per SMC Section 37-50.090(k). Proposed fencing shall be in accordance with SMC Section 37-50.090 and include appropriate landscaping if adjacent to Union Pacific Railroad right-of-way. 	<p>Submittal of plans demonstrating compliance prior to issuance of a building permit for Phase 1.</p>

Phase	Action	Timing for Implementation
	<p>c. Proposed parking lot layout (off-street parking spaces and drive aisles) along the edges of Phase 1 shall include the following:</p> <ul style="list-style-type: none"> i. Concrete curbs and end islands consistent with SMC Section 37-50.520(d). ii. Minimum 5-foot-wide perimeter landscape planter consistent with SMC Section 37-50.690(g)(2)(B). iii. Temporary fencing to screen and control unauthorized access to remainder Phases. <p>d. To enhance aesthetics of the site, provide an interim Landscaping and Irrigation Plan for the project perimeter along the John Street and Abbott Street frontages (directly behind City and/or Caltrans right-of-way) to include clean up and maintenance of existing trees and shrubs along with the addition of ground cover.</p> <p>e. Demonstrate coordination with Caltrans to develop, install, and maintain Landscaping and Irrigation in the Caltrans right-of-way along John Street frontage.</p> <p>f. Landscaping and Irrigation Plan for Phase 1 development shall comply with the requirements of the PUD.</p>	
	<p>Applicant shall provide a Temporary Construction Plan (identifies emergency access, temporary on-site improvements, permanent on-site improvements, circulation, fencing, screening, etc.) that demonstrates a compliant transition of this Phase to subsequent Phases.</p>	<p>Prior to final inspection and/or certificate of occupancy.</p>
	<p>Phase 1 Improvements shall be installed.</p>	<p>Prior to final inspection and/or certificate of occupancy for Phase 1.</p>
<p>2</p>	<p>Subject to administrative consideration through the Site Plan Review (SPR) process. Subsequent phases shall comply with all conditions and exhibits of this Planned Unit Development Permit and Conditional Use Permit. Buildings shall be sited in accordance with the exhibits and not by the required setbacks from proposed property lines based on the underlying zoning district. Landscaping and Irrigation Plan for Phase 2 development shall comply with the</p>	<p>Prior to issuance of a building permit for Phase 2.</p>

Phase	Action	Timing for Implementation
	requirements of the PUD.	
	<p>The Rental Housing Impact Fees Plan will be reviewed as part of Site Plan Review application for Phase 2 and modified as needed to reflect the actual number of units and Section 8 units per phase.</p> <p>Submission of a revised “Attachment A - Placement of Units to be Offered to Section 8 Program through the Inclusionary Housing Ordinance” for Phase 2.</p>	Prior to approval of a Site Plan Review for Phase 2.
	Removal of all existing nonconforming chain-link and barbed wire fencing within this Phase in the subject CO base Zoning District per SMC Section 37-50.090(k). Proposed fencing shall be in accordance with SMC Section 37-50.090 and include appropriate landscaping if adjacent to Union Pacific Railroad right-of-way.	Prior to issuance of a building permit for Phase 2.
	Applicant shall provide a Temporary Construction Plan (identifies emergency access, temporary on-site improvements, permanent on-site improvements, circulation, fencing, screening, etc.) that demonstrates a compliant transition of this Phase to subsequent Phases.	Prior to issuance of a building permit for Phase 2.
	Payment of Rental Housing Impact Fees for Phase 2.	Prior to issuance of a building permit for Phase 2.
	Phase 2 Improvements shall be installed.	Prior to final inspection and/or certificate of occupancy for Phase 2.
3	Subject to administrative consideration through the Site Plan Review (SPR) process. Subsequent phases shall comply with all conditions and exhibits of this Planned Unit Development Permit and Conditional Use Permit. Buildings shall be sited in accordance with	Prior to issuance of a building permit for Phase 3.

Phase	Action	Timing for Implementation
	the exhibits and not by the required setbacks from proposed property lines based on the underlying zoning district. Landscaping and Irrigation Plan for Phase 3 development shall comply with the requirements of the PUD.	
	Removal of all existing nonconforming chain-link and barbed wire fencing within this Phase in the subject CO based Zoning District per SMC Section 37-50.090(k). Proposed fencing shall be in accordance with SMC Section 37-50.090 and include appropriate landscaping if adjacent to Union Pacific Railroad right-of-way.	Prior to issuance of a building permit for Phase 3.
	Applicant shall provide a Temporary Construction Plan (identifies emergency access, temporary on-site improvements, permanent on-site improvements, circulation, fencing, screening, etc.) that demonstrates a compliant transition of this Phase to subsequent Phases.	Prior to issuance of a building permit for Phase 3.
	Phase 3 Improvements shall be installed.	Prior to final inspection and/or certificate of occupancy for Phase 3.
4	Subject to administrative consideration through the Site Plan Review (SPR) process. Subsequent phases shall comply with all conditions and exhibits of this Planned Unit Development Permit and Conditional Use Permit. Buildings shall be sited in accordance with the exhibits and not by the required setbacks from proposed property lines based on the underlying zoning district. Landscaping and Irrigation Plan for Phase 4 development shall comply with the requirements of the PUD.	Prior to issuance of a building permit for Phase 4.
	Removal of all existing nonconforming chain-link and barbed wire fencing within this Phase in the subject CO based Zoning District per SMC Section 37-50.090(k). Proposed fencing shall be in accordance with Section 37-50.090 and include appropriate landscaping if adjacent to Union Pacific Railroad right-of-way.	Prior to issuance of a building permit for Phase 4.
	Applicant shall provide a Temporary Construction Plan (identifies emergency access, temporary on-site improvements, permanent on-site improvements, circulation, fencing, screening, etc.) that demonstrates a compliant transition of this Phase to subsequent Phases.	Prior to issuance of a building permit for Phase 4.

Phase	Action	Timing for Implementation
	Phase 4 Improvements shall be installed.	Prior to final inspection and/or certificate of occupancy for Phase 4.
5	Subject to administrative consideration through the Site Plan Review (SPR) process. Subsequent phases shall comply with all conditions and exhibits of this Planned Unit Development Permit and Conditional Use Permit. Buildings shall be sited in accordance with the exhibits and not by the required setbacks from proposed property lines based on the underlying zoning district. Landscaping and Irrigation Plan for Phase 5 development shall comply with the requirements of the PUD.	Prior to issuance of a building permit for Phase 5.
	Removal of all existing nonconforming chain-link and barbed wire fencing within this Phase in the subject CO based Zoning District per SMC Section 37-50.090(k). Proposed fencing shall be in accordance with SMC Section 37-50.090 and include appropriate landscaping if adjacent to Union Pacific Railroad right-of-way.	Prior to issuance of a building permit for Phase 5.
	Applicant shall provide a Temporary Construction Plan (identifies emergency access, temporary on-site improvements, permanent on-site improvements, circulation, fencing, screening, etc.) that demonstrates a compliant transition of this Phase to subsequent Phases.	Prior to issuance of a building permit for Phase 5.
	Phase 5 Improvements shall be installed.	Prior to final inspection and/or certificate of occupancy for Phase 5.
6	Subject to administrative consideration through the Site Plan Review (SPR) process. Subsequent phases shall comply with all conditions and exhibits of this Planned Unit Development Permit and Conditional Use Permit. Buildings shall be sited in accordance with the exhibits and not by the required setbacks from proposed property lines based on the underlying zoning district. Landscaping and Irrigation Plan for Phase 6 development shall comply with the requirements of the PUD.	Prior to issuance of a building permit for Phase 6.

Phase	Action	Timing for Implementation
	<p>The Rental Housing Impact Fees Plan will be reviewed as part of Site Plan Review application for Phase 6 and modified as needed to reflect the actual number of units and Section 8 units per phase.</p> <p>Submission of a revised “Attachment A - Placement of Units to be Offered to Section 8 Program through the Inclusionary Housing Ordinance” for Phase 6.</p>	<p>Prior to approval of a Site Plan Review for Phase 6.</p>
	<p>Removal of all existing nonconforming chain-link and barbed wire fencing within this Phase in the subject CO based Zoning District per SMC Section 37-50.090(k). Proposed fencing shall be in accordance with SMC Section 37-50.090 and include appropriate landscaping if adjacent to Union Pacific Railroad right-of-way.</p>	<p>Prior to issuance of a building permit for Phase 6.</p>
	<p>Payment of Rental Housing Impact Fees for Phase 6.</p>	<p>Prior to issuance of a building permit for Phase 6.</p>
	<p>Submit detailed plans identifying required extension of the private drive to Spicer Street.</p>	<p>Prior to issuance of a building permit for Phase 6.</p>
	<p>Applicant shall provide a Temporary Construction Plan (identifies emergency access, temporary on-site improvements, permanent on-site improvements, circulation, fencing, screening, etc.) that demonstrates a compliant transition of this Phase to subsequent Phases.</p>	<p>Prior to issuance of a building permit for Phase 6.</p>
	<p>Phase 6 Improvements shall be installed.</p>	<p>Prior to final inspection and/or certificate of occupancy.</p>
7	<p>Subject to administrative consideration through the Site Plan Review (SPR) process. Subsequent phases shall comply with all conditions and exhibits of this Planned Unit Development Permit and Conditional Use Permit. Buildings shall be sited in accordance with the exhibits and not by the required setbacks from proposed property lines based on the underlying zoning district. Landscaping and Irrigation Plan for Phase 7 development shall comply with the requirements of the PUD.</p>	<p>Prior to issuance of a building permit for Phase 7.</p>

Phase	Action	Timing for Implementation
	<p>The Rental Housing Impact Fees Plan will be reviewed as part of Site Plan Review application for Phase 7 and modified as needed to reflect the actual number of units and Section 8 units per phase.</p> <p>Submission of a revised “Attachment A - Placement of Units to be Offered to Section 8 Program through the Inclusionary Housing Ordinance” for Phase 7.</p>	<p>Prior to approval of a Site Plan Review for Phase 7.</p>
	<p>Removal of all existing nonconforming chain-link and barbed wire fencing within this Phase in the subject CO based Zoning District per SMC Section 37-50.090(k). Proposed fencing shall be in accordance with SMC Section 37-50.090 and include appropriate landscaping if adjacent to Union Pacific Railroad right-of-way.</p>	<p>Prior to issuance of a building permit for Phase 7.</p>
	<p>Applicant shall provide a Temporary Construction Plan (identifies emergency access, temporary on-site improvements, permanent on-site improvements, circulation, fencing, etc.) that demonstrates a compliant transition of this Phase to subsequent Phases.</p>	<p>Prior to issuance of a building permit for Phase 7.</p>
	<p>Payment of Rental Housing Impact Fees for Phase 7</p>	<p>Prior to issuance of a building permit for Phase 7.</p>
	<p>An Amendment or Minor Modification to Conditional Use Permit (CUP) 2018-010 shall be submitted and approved. Per Condition No. 7 of CUP 2018-010 (The Salinas Valley Memorial Hospital System [SVMH] Master Plan), “in the event the off-site parking lot located at 241 Abbott Street is no longer available for use by Salinas Valley Memorial Healthcare System, an Amendment or Minor Modification to this Conditional Use Permit shall be submitted to the Community Development Department.”</p>	<p>Prior to issuance of a building permit for Phase 7.</p>
	<p>Phase 7 Improvements shall be installed.</p>	<p>Prior to final inspection and/or certificate of occupancy for Phase 7.</p>

Tentative Map

The Tentative Map will reconfigure 14 existing lots into 9 lots to coincide with the seven phases of development. The Tentative Map will comply with all conditions of the Planned Unit Development and Conditional Use Permits, including but not limited to the following:

- a. Pursuant to SMC Section 31-402 a Final Map shall be approved by the City Council and recorded by the County Recorder prior to issuance of any building permits.
- b. All privately owned lands and private easements, together with their associated improvements, will be maintained through a Common Area Maintenance Agreement that will be reviewed by the City prior to recordation of the Final Map.

Per SMC Section 31-401.6 the proposed Tentative Map was circulated to public agencies, utilities, and school districts for review and recommendations to the City regarding the effect of the proposed subdivision. It was circulated on May 8, 2024 for the required 15-day review and ended on May 23, 2024. The City received a letter from MBARD on May 17, 2024 stating the project was already reviewed and comments were provided on the IS – MND. The City also received comments from MST on May 23, 2024, reiterating IS-MND comments provided regarding bus stop design and location.

Affordable Housing Plan

As the project exceeds ten residential units, it is subject to the Inclusionary Housing Ordinance per SMC Section 17-16. Applicant commits to offering the appropriate amount of residential rental units to the Section 8 Housing Choice Voucher Program (8% very low and 4% lower income) based on total number of units allowed per the density calculations. Under the Rental Housing Impact Fees Plan dated May 3, 2024 (Exhibit SS), the Applicant commits to 29 residential rental units to the Section 8 Housing Choice Voucher Program for the 242 dwelling units. However, as stated above this is higher than current General Plan and Zoning density currently allowed. The Rental Housing Impact Fees Plan will be updated to reflect the number of units allowed under current allowed density, which is 197 total units with 24 dedicated to the Section 8 Housing Choice Voucher Program. However, should the General Plan and underlying zoning in the future at time of submittal of residential uses authorize a density increase, the total number of residential rental units and the number of units allocated to Section 8 could be increased, which would trigger an amendment to the Planned Unit Development permit and Rental Housing Impact Fee Plan. The anticipated future General Plan use for the subject site is Mixed Use -Village Center with density allocation of 30 to 50 dwelling units per net acre. Therefore, the IS-MND analyzed additional density of up to 242 residential units should it be permitted by the General Plan and underlying zoning in the future. These units would be evenly distributed among the different unit types in the development and throughout the different phases in the development. The applicant would also pay a Rental Housing Impact Fee to produce off-site affordable rental units. The units held for Section 8 Housing Choice Voucher Program are not subject to a Deed Restriction under the Inclusionary Housing Ordinance. The applicant would also pay a Rental Housing Impact Fee to produce off-site affordable rental units.

Planning Commission

On May 29, 2024, the Planning Commission held a Special Meeting to consider the proposed Mixed Use Development project and recommended that the City Council adopt the proposed Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program and approve Planned Unit Development Permit 2020-002, Conditional Use Permit 2020-030, and Tentative

Map 2022-001 as reflected in the attached Planning Commission Resolution 2024-06.

At the meeting, the Planning Commission requested clarification regarding the total number of projected units that will be designated as very low-income and low-income. In response, staff has modified the Affordable Housing Plan and the Planned Unit Development permit to clarify that the total number of authorized units currently allowed by the Zoning District is 197. Accordingly, staff has modified the Rental Housing Impact Fees Plan to reflect the allowed 197 units and adjusted the corresponding number of residential dwelling units allocated to Section 8 Housing from 29 to 24. City Staff further clarified that should the General Plan and underlying zoning in at time of future submittal of residential uses authorize a density increase, the total number of residential rental units and the number of units allocated to Section 8 would increase, which would trigger an amendment to the Planned Unit Development permit and Rental Housing Impact Fee Plan. Staff further clarified that the IS-MND analyzed up to 242 dwelling units, which exceeds the current 10 unit per acre density requirement for the subject 19.7-acre site. The anticipated future General Plan use for the subject site is Mixed Use -Village Center with density allocation of 30 to 50 dwelling units per net acre. Therefore, the IS-MND analyzed additional density of up to 242 residential units should it be permitted by the General Plan and underlying zoning in the future.

Housing and Land Use Subcommittee

The Housing and Land Use Subcommittee reviewed the proposed project as an informational item on June 4, 2024, and recommended that City Council approve the project. At the HLUC the question was asked about the length of the deed restriction for the Section 8 Housing Units. An incorrect response of 30 years was provided. The correct response is that the units held for Section 8 Housing Choice Voucher Program are not subject to a Deed Restriction under the Inclusionary Housing Ordinance. HLUC comments also included maximizing open space and the encouraging additional non-Section 8 affordable units. The Rental Housing Impact Fees Plan proposed by the applicant meets the Inclusionary Housing Ordinance requirements, therefore, no additional affordable units can be required by the City.

Traffic And Transportation Commission Review

On March 9, 2023, the Traffic and Transportation Commission reviewed/considered the proposed Traffic Impact Analysis (see Appendix F of the Initial Study) prepared for the project (see attached Traffic and Transportation Commission Minutes). The Traffic and Transportation Commission recommended approval of the John Street and Abbott Street Mixed Used Development Project Initial Study/Mitigated Negative Declaration based on the Traffic Impact Analysis.

CEQA CONSIDERATION:

The environmental impacts of the project have been analyzed in accordance with CEQA. An Initial Study was prepared to evaluate the potential impacts associated with the project. Based upon review of the Initial Study, the proposed project will not have a significant effect on the environment because the mitigation measures outlined in the proposed Mitigation Monitoring and Reporting Program have been included in the project.

The IS-MND was routed to responsible agencies on February 10, 2023, and posted at the County Clerk's Office on February 10, 2023; the deadline for comments was March 13, 2023. The State Clearinghouse received the document on February 10, 2023; the deadline for Clearinghouse comments was March 13, 2023 (SCH Number 20223020282).

Public comments were received from interested parties and separate public agencies (Monterey-Salinas Transit [MST], California Department of Transportation [Caltrans], and the Monterey Bay Air Resources District [MBARD]) during the comment period as described below:

1. Comments received from Michelle Overmeyer, Director of Planning and Innovation, MST, on March 3, 2023, providing recommendations regarding a potential new bus stop to serve the project site and clarifying information regarding existing transit service near the project site.

Staff Response: Should new bus stops or new lanes associated with the project be proposed, design and construction would comply with MST's Designing for Transit Guidelines and ADA requirements. Information regarding existing transit service was revised in the Final Initial Study - Mitigated Negative Declaration.

2. Comments received from Chris Bjornstad, Associate Transportation Planner, Caltrans, on March 13, 2023, stating that any work that occurs within the state's right-of-way will require an encroachment permit and would be subject to the terms of that permit.

Staff Response: As summarized in the *Project Description* of the Initial Study - Mitigated Negative Declaration, the project does not propose work within the state's right-of-way. If work within the state's right-of-way is necessary, the project applicant would obtain an encroachment permit and would coordinate with Caltrans to determine the appropriate pathway for project review and approval.

3. Comments received from Edward Ballaron, Air Quality Planner, MBARD, on March 13, 2023 stating that project fugitive dust emissions can be further mitigated with MBARD Best Management Practices; any stationary engines greater than 50 horsepower must be permitted by MBARD or registered with the California Air Resources Board; and that MBARD suggests using guidance from the Bay Area Air Quality Management District or the Sacramento Metropolitan Air Quality Management District to evaluate construction greenhouse gas emissions.

Staff Response: As described in Section 3, *Air Quality*, of the Initial Study - Mitigated Negative Declaration, fugitive dust emissions (PM₁₀ and PM_{2.5}) associated with the project would be well below MBARD thresholds. The project applicant would be required to comply with California Air Resources Board and MBARD permit requirements as applicable. Construction greenhouse gas emissions were analyzed in Section 8, *Greenhouse Gas Emissions*, of the MND. Page 62 details the thresholds that were used, stating that "in the absence of any adopted numeric threshold, the significance of the project's GHG emissions is evaluated consistent with CEQA

Guidelines Section 15064.4(b) by considering whether the project complies with applicable plans, policies, regulations, and requirements adopted to implement a statewide, regional, or local plan for the reduction or mitigation of GHG emissions.” The project’s construction-related greenhouse gas emissions of 130 metric tons per year (reported in Table 8 of the MND), are well below Sacramento Metropolitan Air Quality Management District’s construction emission threshold of 1,100 metric tons per year.

The project has been evaluated in an Initial Study/Mitigated Negative Declaration and was found to have less than significant impacts to the environment with mitigation.

STRATEGIC PLAN INITIATIVE:

This staff report and recommendations align with the following City Council strategic planning initiatives:

- Housing/Affordable Housing; and
- Economic Development

DEPARTMENTAL COORDINATION:

The proposed project has been discussed among the Current Planning, Permit Services, Housing Divisions of the Community Development Department, City Attorney, the Public Works Department, and the Fire Department.

FISCAL AND SUSTAINABILITY IMPACT:

No significant impacts to the City’s General Fund is anticipated with the approval of this application. Future revenue generated from future development will include application and permit fees and increase sales and property tax, depending on final uses.

ATTACHMENTS:

Proposed City Council Resolution
Planning Commission Resolution 2024-006
Unofficial May 29, 2024 Planning Commission Minutes
May 3, 2024, Letter from Uni-Kool Partners and Cadius Partners Limited’s Attorney
Draft Planned Unit Development 2020-002, Conditional use Permit 2020-030, and Tentative Map 2022-001 with the following exhibits:

- Exhibit “A” Vicinity Map
- Exhibit “B” Cover Sheet (Sheet A0.00)
- Exhibit “C” Project Information (Sheet A0.10)
- Exhibit “D” Existing Overall Plan (Sheet A1.00)
- Exhibit “E” Architectural Master Plan (Sheet A1.01)
- Exhibit “F” Overall Phasing Master Plan (Sheet A1.10)
- Exhibit “G” Enlarged Site Phasing: Phase 1 (Sheet A1.11)

- Exhibit “H” Enlarged Site Phasing: Phases 2 & 3 (Sheet A1.12)
- Exhibit “I” Enlarged Site Phasing: Phases 4 & 5 (Sheet A1.13)
- Exhibit “J” Enlarged Site Phasing: Phase 6 (Sheet A1.14)
- Exhibit “K” Enlarged Site Phasing: Phase 7 (Sheet A1.15)
- Exhibit “L” Overall Site Traffic Plan (Sheet A1.20)
- Exhibit “M” Overall Conceptual Parking Plan (Sheet A1.30)
- Exhibit “N” Overall Lighting Plan (Sheet A1.40)
- Exhibit “O” Overall Conceptual Master Landscape Plan (Sheet A1.50)
- Exhibit “P” Landscaping Details (Sheet A1.51)
- Exhibit “Q” Phase 1: Conceptual Interim Improvement Site Plan (Sheet A2.00)
- Exhibit “R” Phase 1: Site Plan (Sheet 2.01)
- Exhibit “S” Extended Stay Hotel: Phase 1 Enlarged Site Plan (Sheet A2.10)
- Exhibit “T” Extended Stay Hotel: Phase 1 Conceptual Landscape Plan (Sheet A2.50)
- Exhibit “U” Extended Stay Hotel: Ground Floor Plan (Sheet A3.10)
- Exhibit “V” Extended Stay Hotel: Upper Floor (2 through 4) Plan (Sheet A3.11)
- Exhibit “W” Extended Stay Hotel: Acoustical Requirements (Sheet A3.12)
- Exhibit “X” Extended Stay Hotel: Concept Perspective Facing Abbott (Sheet A4.10)
- Exhibit “Y” Extended Stay Hotel: Concept Perspective Facing Roundabout (Sheet A4.11)
- Exhibit “Z” Extended Stay Hotel: Concept Perspective Facing John (Sheet A4.12)
- Exhibit “AA” Extended Stay Hotel: Concept Perspective Facing John/Abbott (Sheet A4.13)
- Exhibit “BB” Extended Stay Hotel: Concept Perspective Porte Cochere (Sheet 4.14)
- Exhibit “CC” Extended Stay Hotel: Concept Perspective Outdoor Patio (Sheet 4.15)
- Exhibit “DD” Extended Stay Hotel: Conceptual Section/South Elevation (Sheet A5.10)
- Exhibit “EE” Extended Stay Hotel: Conceptual East Elevation (Sheet A5.11)
- Exhibit “FF” Extended Stay Hotel: Conceptual North Elevation (Sheet A5.12)
- Exhibit “GG” Extended Stay Hotel: Conceptual West Elevation (Sheet A5.13)
- Exhibit “HH” Extended Stay Hotel: Color and Materials Board (Sheet A6.10)
- Exhibit “II” Interior Noise Memorandum prepared by Rincon Consultants, Inc. on April 18, 2022
- Exhibit “JJ” Tentative Map – Site Plan (Sheet C1.0)
- Exhibit “KK” Tentative Map – Existing Site Plan (Sheet C1.1)
- Exhibit “LL” Tentative Map – Site Phasing Plan (Sheet C1.2)
- Exhibit “MM” Tentative Map – Site Layout Plan (Sheet C1.3)
- Exhibit “NN” Tentative Map – Site Grading Plan (Sheet C1.4)
- Exhibit “OO” Tentative Map – Site Utility Plan (Sheet C1.5)
- Exhibit “PP” Tentative Map – Site Drainage Plan (Sheet C1.6)
- Exhibit “QQ” Engineer’s Report, dated March 10, 2023
- Exhibit “RR” Housing Memorandum, dated October 13, 2022

Exhibit “SS” Rental Housing Impact Fees Plan dated May 3, 2024
Exhibit “TT” Mitigated Negative Declaration
Exhibit “UU” Mitigation Monitoring Reporting Program
Exhibit “VV” Initial Study with Appendices

Traffic and Transportation Commission Minutes, March 9, 2023

Monterey Salinas Transit Comments, dated March 3, 2023

Caltrans Comments, dated March 13, 2023

MBARD Comments, dated March 13, 2023

MBARD Tentative Map Comments, May 17, 2024

MST Tentative Map Comments, dated May 23, 2024

Cc: The Uni-Kool Partners, Property Owner/Applicant
Cadius Partners Limited, Intended Applicant/Permittee, Phase I Extended Stay Hotel CUP
Heather Wiebe, Project Architect
Michael Harrington
Monterey Salinas Transit
Caltrans
MBARD

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