



**CITY OF SALINAS
HOUSING AND LAND USE COMMITTEE**

DATE: MAY 21, 2026

DEPT.: COMMUNITY DEVELOPMENT

FROM: LISA BRINTON, DIRECTOR

BY: SON PHAM-GALLARDO, SENIOR PLANNER

**TITLE: PLANNED UNIT DEVELOPMENT PERMIT 2025-003 (PUD 2025-003) AND
CONDITIONAL USE PERMIT 2025-025 (CUP 2025-025); REQUEST TO
CONSTRUCT 88 AFFORDABLE MULTIFAMILY HOUSING UNITS WITH
A 4,335 SQUARE FOOT DAYCARE CENTER LOCATED AT 200 CASENTINI
STREET IN THE RESIDENTIAL HIGH DENSITY (R-H-2.1-F) FLOOD
OVERLAY ZONING DISTRICT**

RECOMMENDED MOTIONS:

Motion recommending City Council approve a Resolution:

1. Finding the project exempt pursuant to Sections 15165, 15303 and 15332 of the CEQA Guidelines;
2. Approving a Planned Unit Development Permit (PUD 2025-003) to construct 88 multifamily residential units with a 2,400 square foot leasing/amenity building and related site improvements, subject to administrative consideration through the Site Plan Review process and a day care facility, subject to a Conditional Use Permit; and
3. Approving a Conditional Use Permit (CUP 2025-025) to construct and operate a 4,335 square foot daycare center with related site improvements.

BACKGROUND:

The Applicant, Aaron Barger from Milestone Housing Group, on behalf of the Housing Authority of the County of Monterey, the Property Owner, is requesting approval of a Planned Unit Development (PUD) Permit, Conditional Use Permit (CUP), and Site Plan Review (SPR) as described below to develop a 4.59-acre site located at 200 Casentini Street.

1. Planned Unit Development Permit (PUD 2025-003): Amend PUD 1992-006 to construct 88 multifamily dwelling units (87 affordable/one manager unit), consisting of five (5) three-story residential buildings, with a 2,400 square foot leasing/amenity building and related site improvements, subject to administrative consideration through the Site Plan Review process;
2. Conditional Use Permit (CUP 2025-025): Construct and operate a 4,335 square foot daycare center. with related site improvements; and

3. Site Plan Review (SPR 2025-014): Construct 88 multifamily dwelling units.

The project includes an Amendment to Planned Unit Development (PUD 1992-006). PUD 1992-006 was approved by the City Council on October 20, 1992, and authorized development of 120 units on the property located at the northeast corner of Rico St./Casentini St. intersection (APN 003-161-006 and 026) on 10.3-acre lot. An Environmental Impact Report was prepared and certified in accordance with the California Environmental Quality Act. The original PUD included three construction phases for low-income housing as described in Table 1 below. Both the First and Second Phase have been constructed.

Table 1: Original Approved Project Phasing

Phase	Approval	Construction
First Phase	50 units for low-income families	Constructed between 1994-1999 (Permits #99-27931 through #94-27968)
Second Phase	20 units for low-income mental health clients	Constructed in 1993 (Permits #93-24922 through #93-24925)
Third Phase	50 units for future development	Vacant Lot (Subject Site)

PUD 2025-003 amends the Third Phase of PUD 1992-006. The proposed eighty-eight (88) residential units are comprised of twenty-four (24) one (1) bedroom units, twenty-four (24) two (2) bedroom units and forty (40) three (3) bedroom units. Upon approval and effective date of the PUD and CUP, the SPR will be administratively approved.

As a fully affordable housing development, the project offers units for households earning at or below 60% of the Area Median Income (AMI), with an overall average affordability level of approximately 49% AMI. The distribution of AMI levels, unit types, and the number of subsidized units is summarized in Table 2 below.

Table 2: CASENTINI STREET FAMILY APARTMENTS UNIT MIX AMI BREAK DOWN			
BEDROOM TYPE	AMI AND INCOME LEVEL		NUMBER OF UNITS
1-BEDROOM	30.00%	EXTREMELY LOW INCOME	3
1-BEDROOM	40.00%	VERY LOW INCOME	4
1-BEDROOM	50.00%	VERY LOW INCOME	12
1-BEDROOM	60.00%	LOW INCOME	5
2-BEDROOM	30.00%	EXTREMELY LOW INCOME	3

2-BEDROOM	40.00%	VERY LOW INCOME	4
2-BEDROOM	50.00%	VERY LOW INCOME	12
2-BEDROOM	60.00%	LOW INCOME	4
3-BEDROOM	30.00%	EXTREMELY LOW INCOME	4
3-BEDROOM	40.00%	VERY LOW INCOME	6
3-BEDROOM	50.00%	VERY LOW INCOME	15
3-BEDROOM	60.00%	LOW INCOME	15
TOTAL UNIT COUNT (SUBSIDIZED)			87
TOTAL UNIT COUNT AT 30% AMI		EXTREMELY LOW INCOME	10
TOTAL UNIT COUNT AT 40% AMI		VERY LOW INCOME	14
TOTAL UNIT COUNT AT 50% AMI		VERY LOW INCOME	39
TOTAL UNIT COUNT AT 60% AMI		LOW INCOME	24
AVERAGE AMI - VERY LOW INCOME			49%

Pursuant to Government Code Section 65863 (No Net Loss Law), the City is required to evaluate the impact of the proposed development on its ability to accommodate the State’s Regional Housing Needs Allocation (RHNA), as the subject site is included in the 2023-2031 Housing Element to contribute toward the RHNA capacity. A key factor in determining General Plan consistency is whether the project delivers the number of affordable units allocated to the project site identified in the Housing Element. A total of 50 units were authorized per PUD 1992-006. The 2023-2031 Housing Element identified 67 moderate income units for the Third Phase vacant site. The proposed project would add 21 units to RHNA capacity and the provision of 10 extremely low, 53 very low and 24 low-income units.

In addition to residential uses, the project includes a variety of on-site amenities to serve the residents, including, but not limited to, a community room, fitness area, business/computer room, basketball court, and a tot lot for children up to nine (9) years of age.

The project consists of seven (7) buildings as described in Table 3 below:

Table 3: Proposed Building Uses

Building No.	Proposed
Building Nos. 1-5	Residential units ranging from 1-bedroom to 3-bedroom
Building No. 6	2,400 square foot leasing/amenity office
Building No. 7	4,335 square foot daycare center

The project site is designated Residential High Density by the General Plan. General Plan Land

Use Map (Figure LU-1) is adjacent to a riparian corridor (Natividad Creek). The proposal supports General Plan policies promoting higher-density residential development, affordable housing, and efficient land use patterns.

The property is located in the Zoning District of Residential High Density (R-H-2.1-F). The following provides an overview of the land uses and zoning districts adjacent to the project site:

North: Residential High Density (R-H 2.1-F) – Residential Low Density (R-L 5.5) – Commercial Office/Retail (CO/R)

South: Residential High Density (R-H 2.1-F) – Residential Low Density (R-L 5.5)

West: Residential High Density (R-H 2.1-F) – Residential Low Density (R-L 5.5) – Public Semipublic (PS) – Public (P)

East: Residential High Density (R-H 2.1-F) - Agricultural (A) – Mixed Use (MX)

Affordable Housing Plan

As the project exceeds ten residential units, it is subject to the Inclusionary Housing Ordinance per SMC Section 17-16. An Affordable Housing Plan was completed and executed on April 29, 2026.

Planning Commission

On May 20, 2026, the Planning Commission will consider a recommendation to City Council on the proposed Planned Unit Development Permit 2025-003 and Conditional Use Permit 2025-025. Staff will provide the Planning Commission's action at the Housing and Land Use Committee meeting on May 21, 2026.

ATTACHMENTS:

PowerPoint Presentation