CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL AGENDA

Mayor Dave Potter, Councilmembers Jeff Baron, Alissandra Dramov, Karen Ferlito, and Bobby Richards
Contact: 831.620.2000 www.ci.carmel.ca.us

All meetings are held in the City Council Chambers
East Side of Monte Verde Street
Between Ocean and 7th Avenues

REGULAR MEETING
Tuesday, January 9, 2024

4:30 PM

HYBRID MEETING ATTENDANCE OPTIONS

This meeting will be held in person and via teleconference ("hybrid"). The public is welcome to attend the meeting in person or remotely via Zoom, however, the meeting will proceed as normal even if there are technical difficulties accessing Zoom. The City will do its best to resolve any technical issues as quickly as possible. To view or listen to the meeting from home, you may also watch the live stream on the City's YouTube page at: https://www.youtube.com/@CityofCarmelbytheSea/streams. To participate in the meeting via Zoom, copy and paste the link below into your browser.

https://ci-carmel-ca-us.zoom.us/j/88127129693 Dial in: (253) 215-8782 Webinar ID: 881 2712 9693 Passcode: 596075

HOW TO OFFER PUBLIC COMMENT

The public may give public comment at this meeting in person, or using the Zoom teleconference module, provided that there is access to Zoom during the meeting. Zoom comments will be taken after the in-person comments. The public can also email comments to cityclerk@ci.carmel.ca.us. Comments must be received at least 2 hours before the meeting in order to be provided to the legislative body. Comments received after that time and up to the beginning of the meeting will be made part of the record.

OPEN SESSION
4:30 PM

CALL TO ORDER AND ROLL CALL

PLEDGE OF ALLEGIANCE

PUBLIC APPEARANCES - Members of the public are entitled to speak on matters of municipal concern not on the agenda during Public Appearances. Each person's comments shall be limited to 3 minutes, or as otherwise established by the Chair. Persons are not required to provide their names, however, it is helpful for speakers to state their names so they may be identified in the minutes of the meeting.

Under the Brown Act, public comment for matters on the agenda must relate to that

agenda item and public comments for matters not on the agenda must relate to the subject matter jurisdiction of this legislative body. Hateful, violent, and threatening speech is impermissible public comment as it disrupts the conduct of the public meeting. This is a warning that if a member of the public attending this meeting remotely violates the Brown Act by failing to comply with these requirements of the Brown Act the meeting, then that speaker will be muted.

EXTRAORDINARY BUSINESS

A. Carmel High School Report Out

B. Appointment of Mayor Pro Tempore for 2024

ANNOUNCEMENTS

CONSENT AGENDA

Items on the consent agenda are routine in nature and do not require discussion or independent action. Members of the Council, Board or Commission or the public may ask that any items be considered individually for purposes of Council, Board or Commission discussion and/ or for public comment. Unless that is done, one motion may be used to adopt all recommended actions.

1. December 4, 2023, Special Meeting Minutes & December 5, 2023, Regular Meeting Minutes

2. November 2023 Monthly Reports

3. November 2023 Check Register Summary

4. Resolution 2024-004 adopting the Fiscal Year 2024-2025 budget schedule

5. Resolution 2024-005 authorizing the City Administrator to execute a Construction Contract with Color New Co., in the amount, with contingency, of $392,150, for the Sunset Center Exterior and Harrison Memorial Library Exterior and Interior Painting Projects

6. Resolution 2024-006 authorizing the City Administrator to execute Amendment No. 2 to the Professional Services Agreement with Ten Over Studio for architectural services for the Sunset Center Portico Design Project, for a fixed fee of $29,500

7. Resolution 2024-007, authorizing one (1) Free Use Days of the Sunset Center Theater and Lobby to Frans Lanting Studio, in connection with the Bay of Life Fund non-profit organization, to host a "Bay of Life Project" community event in 2024

8. Resolution 2024-008 ratifying an appointment to the Forest and Beach Commission

9. Resolution 2024-009 awarding a Professional Services Agreement to PAST Consultants, LLC, for a not-to-exceed fee of $79,380, to provide consultant support for the “Phase II” update to the City's Historic Context Statement

10. Resolution 2024-010, authorizing the City Administrator to accept funds from the California Department of Park and Recreation under the Historic Preservation Fund Grant Program for a $40,000 award to partially fund “Phase II” of the Historic Context Statement update project

11. Resolution 2024-011 authorizing the City Administrator to execute an Amendment to Professional Services Agreement No. PBD-EMC-037-22-23 with EMC Planning Group, Inc. for scope of work for a not-to-exceed amount of $92,331, increasing the

total contract cost to $371,931

12. Resolution 2024-012 Authorizing the City Administrator to Execute a Professional Services Agreement with Visit Carmel to Serve as the Carmel Restaurant Improvement District Owners' Association

ORDERS OF BUSINESS

Orders of Business are agenda items that require City Council, Board or Commission discussion, debate, direction to staff, and/or action.

13. Consideration of philosophy regarding ticketed events held in the public right-of-way during Car Week

14. Receive a presentation regarding Scout House Options and provide direction to staff

15. 6th Cycle Draft Housing Element (2023-2031), Response to HCD Comment Letter

FUTURE AGENDA ITEMS

ADJOURNMENT

This agenda was posted at City Hall, Monte Verde Street between Ocean Avenue and 7th Avenue, Harrison Memorial Library, located on the NE corner of Ocean Avenue and Lincoln Street, the Carmel-by-the-Sea Post Office, 5th Avenue between Dolores Street and San Carlos Street, and the City's webpage http://www.ci.carmel.ca.us in accordance with applicable legal requirements.

SUPPLEMENTAL MATERIAL RECEIVED AFTER THE POSTING OF THE AGENDA

Any supplemental writings or documents distributed to a majority of the City Council regarding any item on this agenda, received after the posting of the agenda will be available for public review at City Hall located on Monte Verde Street between Ocean and Seventh Avenues during regular business hours.

SPECIAL NOTICES TO PUBLIC

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at 831-620-2000 at least 48 hours prior to the meeting to ensure that reasonable arrangements can be made to provide accessibility to the meeting (28CFR 35.102-35.104 ADA Title II).

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

January 9, 2024
CONSENT AGENDA

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Nova Romero, City Clerk
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	December 4, 2023, Special Meeting Minutes & December 5, 2023, Regular Meeting Minutes

RECOMMENDATION:

Approve Draft Minutes.

BACKGROUND/SUMMARY:

The City Council routinely approves minutes of its meetings.

FISCAL IMPACT:

None

PRIOR CITY COUNCIL ACTION:

None

ATTACHMENTS:

Attachment 1) December 4, 2023, Special Meeting Minutes
Attachment 2) December 5, 2023, Regular Meeting Minutes

CARMEL-BY-THE-SEA
CITY COUNCIL

SPECIAL MEETING MINUTES

December 4, 2023

CALL TO ORDER AND ROLL CALL

Mayor Potter called the meeting to order at 4:30 p.m.
Roll Call: Councilmembers Jeff Baron, Alissandra Dramov, Karen Ferlito, Mayor Pro Tem Richards, and Mayor Dave Potter were present.

PUBLIC APPEARANCES

None

CONSENT AGENDA

Public comment: None

Motion by Mayor Pro Tem Richards to adopt consent agenda items #1-6, seconded by Councilmember Dramov, and approved 5-0-0-0 by the following roll call vote:
AYES: Councilmembers Baron, Dramov, Ferlito, Richards, and Mayor Potter
NOES: None
ABSENT: None
ABSTAIN: None

Item 1 - November 6, 2023, Special Meeting Minutes, November 7, 2023, Regular Meeting Minutes, and November 7, 2023, Public Improvement Authority Special Meeting Minutes

Item 2 - October 2023 Monthly Reports

Item 3 - October 2023 Check Register Summary

Item 4 - Resolution 2023-105, Establishing the meeting dates of the City Council for calendar year 2024

Item 5 - Resolution 2023-106, authorizing three (3) Free Use Days of the Sunset Center Theater and Lobby for the Carmel Unified School District annual choral, string and band festivals for Spring 2024

Item 6 - Second Reading and Adoption of Ordinance No. 2023-007 Amending the Carmel Municipal Code (CMC) Title 17 (Zoning) by Repealing and Replacing Chapter 17.42 Stormwater Quality and Utility and Chapter 17.43 Water Quality Protection

ORDERS OF BUSINESS

Item 7 - Urgency Ordinance 2023-008 of the City Council of the City of Carmel-by-the-Sea Regarding Mills Act Contracts

City Attorney Pierik gave a brief summary of the item and answered questions from the Council.

Public Comment: None

Motion by Councilmember Dramov to adopt Urgency Ordinance 2023-008, Regarding Mills Act Contracts, seconded by Councilmember Ferlito, and approved 5-0-0-0 by the following roll call vote:
AYES: Councilmembers Baron, Dramov, Ferlito, Richards, and Mayor Potter
NOES: None
ABSENT: None
ABSTAIN: None

CLOSED SESSION

A. Conference with Legal Counsel – Existing Litigation
Government Code Sections 54956.9 (d) (1)
Name of Case: Theresa Buccola v. City of Carmel-by-the-Sea; U.S District Court Northern California Case #2203877

PUBLIC COMMENT - Limited to items on closed session only
None

ADJOURNMENT

Council adjourned the meeting at 4:36 p.m.

APPROVED: ATTEST:

_____ _____
Dave Potter, Mayor Nova Romero, MMC, City Clerk

CARMEL-BY-THE-SEA
CITY COUNCIL

REGULAR MEETING MINUTES

DECEMBER 5, 2023

CALL TO ORDER AND ROLL CALL

Mayor Dave Potter called the meeting to order at 4:30 p.m.
Roll call: Councilmembers Jeff Baron, Alissandra Dramov, Karen Ferlito, Mayor Pro Tem Richards, and Mayor Dave Potter.

PLEDGE OF ALLEGIANCE

Mayor Potter led the pledge of allegiance.

EXTRAORDINARY BUSINESS

A. Annual Update from Monterey Salinas Transit (MST)

Councilmember Baron introduced Michelle Overmeyer, MST Director of Planning and Innovation who gave a brief presentation on the MST mission, vision, and values. She also gave an overview of the services, budget, and major projects.

B. Carmel High Report Out

Harper Homan, Carmel High ASB President, gave a summary of recent and upcoming events at the High School. He also spoke about the achievements of the various sports teams and fundraising for non-profits.

PUBLIC APPEARANCES

The following members of the public spoke:
Polly Osborne
Carmel River School Room 6 first grade students
Jeannette Burko
Daisy Rose
Craig Rose
Ken White
Doug Schmitz
Jo Todd
Nicholas J.
Cindy Lloyd
Catherine

Nancy Twomey
C. Roy
Chris Cav

ANNOUNCEMENTS

City Administrator – Voiced gratitude to all the speakers who came tonight. Thanked staff for putting on the Annual Holiday Tree Lighting and Menorah lighting, and said the community really enjoyed it. He welcomed Police Chief Paul Tomasi back to the village. He also thanked Acting Police Chief Jeff Watkins for his leadership for the past year and congratulated him on his upcoming retirement.

City Attorney - Brian Pierik announced that there was no reportable action from yesterday's closed session.

Councilmember Dramov - Thanked the American Legion Post 512 and City Staff for the Veterans Day ceremony. She also thanked Public Works Staff and Chip for replacing the flags at Devendorf Park.

Mayor Pro Tem Richards, Councilmember Ferlito, and Mayor Potter - Welcomed back Chief Tomasi, and thanked Acting Chief Watkins for all his service.

ORDERS OF BUSINESS

Item 1 - Resolution 2023-107 approving Policy C2023-01 establishing Guidelines for Carmel Beach Cleanup Operations

Mayor Pro Tem Richards suggested postponing this item to gather more information on the City's options regarding beach debris removal. Councilmember Dramov and Mayor Potter voiced support, with Mayor Potter proposing consultation with the California Coastal Commission on what is allowed. Councilmembers Baron and Ferlito expressed interest in hearing the presentation prepared by City Staff and the Forest and Beach Commission's input before making a decision.

Mayor Pro Tem Richards made a motion to continue this item to a future meeting date, seconded by Councilmember Dramov.

Mayor Potter opened public comment.

The following members of the public spoke:
Shirley Moon
Richard Kreitman
Dale Byrne
Brian Sours

Council discussion resumed. Councilmember Baron proposed returning the item to the Forest and Beach Commission after Council guidance. City Administrator Rerig recommended a joint public meeting involving Council, the Forest and Beach Commission, and inviting representatives from the California Coastal Commission, State Lands Commission, Monterey Bay Sanctuary, and Fish and Game. He suggested including a beach tour before the meeting, accessible to the public.

Motion by Mayor Pro Tem Richards amended his original motion: to continue the Beach Cleanup Policy to a future meeting date, schedule a joint meeting of the City Council and Forest and Beach Commission with a tour of the beach prior, and invite the Coastal Commission Staff and other relevant regulatory bodies to discuss the beach cleanup policy in depth. Motion seconded by Councilmember Dramov, and approved 5-0-0-0 by the following roll call vote:
AYES: Councilmembers Baron, Dramov, Richards, and Mayor Potter
NOES: None
ABSENT: None
ABSTAIN: None

Resolution 2023-107 did not pass due to lack of motion.

Item 2 - Receive a Presentation regarding the 2023 Storm Drain Master Plan Update

Public Works Director Bob Harary gave a presentation regarding the 2023 Storm Drain Master Plan Update covering its history, addressing concerns and unknown impacts, outlining projects for the 10-year storm prediction, and discussing drainage improvement priorities, Capital Improvement Projects (CIP), and required investments. He answered questions from Council.

Council received the report, no action taken.

Item 3 - Consider a recommendation from the City's Traffic Safety Committee to convert a total of three (3) public street parking spaces to "no parking" zones in front of two (2) existing bus stops. The subject bus stops are on Junipero Avenue, northeast of 4th Avenue in front of the gas station (2 spaces), and on San Carlos Street, northeast of 10th Avenue in front of the Sunset Center (1 space).

Community Planning and Building Director Brandon Swanson gave a brief presentation of the item and answered questions from Council. Michelle Overmeyer, MST Director of Planning and Innovation requested that the Council consider removing 2 parking spaces in front of Sunset Center bus stop for safety reasons.

Public comment:
None

Council discussion resumed.

Motion by Mayor Potter to approve the conversion of a total of four (4) public street parking spaces to "no parking" zones in front of 2 existing bus stops, located on Junipero Avenue, northeast of 4th Avenue in front of the gas station (2 spaces) and on San Carlos Street, northeast of 10th Avenue in front of the Sunset Center (2 spaces). Motion seconded by Councilmember Baron, and approved 5-0-0-0 by the following roll call vote:
AYES: Councilmembers Baron, Dramov, Richards, and Mayor Potter
NOES: None
ABSENT: None
ABSTAIN: None

Council took a recess at 6:24 p.m. and returned to the dais at 6:35 p.m.

PUBLIC HEARINGS

Council gave consensus direction to hear items 7 and 6 before hearing items 4 and 5.

Item 7 - MA 23-103 (Cypress Inn): Consideration of a Mills Act Contract application MA 23-103 (Cypress Inn) for the historic "La Ribera Hotel" located on the northeast corner of Lincoln Street and 7th Avenue in the Residential-Commercial (R-C) District. APN 010-147-008 - Recommended for Continuance to a future meeting

City Attorney Pierik announced that this item has been recommended by staff for continuance to a future meeting date. Mayor Potter invited public comment on the topic of continuance.

Public comment:
Girard Rose, on behalf of the applicant, said he agrees with the continuance.

Motion by Mayor Pro Tem Richards to continue the item to a future meeting, seconded by Mayor Potter, and approved 5-0-0-0 by the following roll call vote:
AYES: Councilmembers Baron, Dramov, Ferlito, Richards, and Mayor Potter
NOES: None
ABSENT: None
ABSTAIN: None

Item 6 - MA 23-146 (Lopez 5 NW, LLC): Consideration of a Mills Act Contract application MA 23-146 (Lopez 5 NW, LLC) for the historic "Cosmas House" located on Lopez Avenue 5 northwest of 4th Avenue in the Single-Family Residential (R-1) District. APN 010-232-028 - Recommended for Continuance to a future meeting

City Attorney Pierik announced that this item has been recommended by staff for continuance to a future meeting date. Mayor Potter invited public comment on the topic of continuance.

Public comment:

Pierre LeComte, applicant, requested that Council not continue this item.

Motion by Mayor Pro Tem Richards to continue this item to a future meeting, seconded by Mayor Potter, and approved 5-0-0-0 by the following roll call vote:
AYES: Councilmembers Baron, Dramov, Ferlito, Richards, and Mayor Potter
NOES: None
ABSENT: None
ABSTAIN: None

Item 4 - MA 23-117 (Griffin): Consideration of a Mills Act Contract application MA 23-117 (Griffin) for the historic "Agnes Shorting House" located on 3rd Avenue 2 northwest of Junipero Avenue in the Single-Family Residential (R-1) District. APN 010-108-007

Principal Planner Marnie Waffle gave a presentation on the item.

Public comment:
Chris Barlow, representing the applicant, addressed Council
Elizabeth Marsh
Catherine Gualtieri
Kristi Reimers

Motion by Mayor Pro Tem Richards to approve the Mills Act Contract for MA 23-117 (Griffin), seconded by Mayor Potter, and approved 5-0-0-0 by the following roll call vote:
AYES: Councilmembers Baron, Dramov, Ferlito, Richards, and Mayor Potter
NOES: None
ABSENT: None
ABSTAIN: None

Item 5 - MA 23-116 (Esperanza Carmel, LLC): Consideration of a Mills Act Contract application MA 23-116 (Esperanza Carmel LLC) for the historic "Mrs. Clinton Walker House" located at 26336 Scenic Road in the Single-Family Residential (R-1) District. APN 009-423-001

Principal Planner Marnie Waffle gave a presentation on the item.

Public comment:
Chris Mitchell, representing the applicant, addressed the Council
Jason Retterer
Kristi Reimers
Polly Osborne
Chris Barlow

Councilmembers Baron, Dramov, and Ferlito expressed concerns that the proposed tax break under the Mills Act contract appears to exceed the rehabilitation costs, questioning compliance with criteria #5 for a "fair and equitable agreement."

Motion by Councilmember Baron to deny the application, citing non-compliance with not finding #5, due to the amount of tax abatement being less than the amount the applicant will spend on historical preservation, seconded by Councilmember Ferlito.

Council discussion resumed. Councilmember Baron inquired if the City could propose an amended Mills Act Contract with a lower tax break, in order to meet finding #5. City Attorney Pierik said that there is nothing in the City's current policy or code that provides for that option. He added that if Council decides that finding #5 is not met the Council could ask the applicant if they would volunteer to a lower tax break in the agreement, or submit a new application, however, he recommended that the Council adhere to what is in the current policy and code.

Councilmember Baron suggested tabling the item and have staff arrange a discussion with the applicant on adjusting the tax break in the Mills Act contract to align with rehabilitation costs. Chris Mitchell, the applicant's representative expressed openness to a discussion. City Administrator Rerig noted that any amended contract would require Council approval in a future meeting. City Attorney Pierik recommended a motion to continue the item without conditions tied to potential agreement changes.

Councilmember Baron made a substitute motion, to continue MA 23-116 (Esperanza Carmel, LLC): Consideration of a Mills Act Contract to a date uncertain. Motion was seconded by Mayor Potter and approved 4-1-0-0 by the following roll call vote:
AYES: Councilmembers Baron, Dramov, Ferlito, and Mayor Potter
NOES: Mayor Pro Tem Richards
ABSENT: None
ABSTAIN: None

FUTURE AGENDA ITEMS

None

ADJOURNMENT

Council adjourned the meeting at 7:51 p.m.

APPROVED: ATTEST:

_____ _____

Dave Potter, Mayor Nova Romero, MMC, City Clerk

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

January 9, 2024
CONSENT AGENDA

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Nova Romero, City Clerk
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	November 2023 Monthly Reports

RECOMMENDATION:

Review and receive monthly reports.

BACKGROUND/SUMMARY:

This is a monthly series of reports:

- City Administrator Contract Log *(no contracts under $60,000 in Nov. 2023)*
- Community Planning and Building Department Reports
- Police, Fire, and Ambulance Reports
- Public Records Act Requests
- Public Works Department Reports

FISCAL IMPACT:

N/A

PRIOR CITY COUNCIL ACTION:

N/A

ATTACHMENTS:

Attachment 1) Community Planning and Building Department Reports
Attachment 2) Police, Fire, and Ambulance Reports
Attachment 3) Public Records Act Requests
Attachment 4) Public Works Dept.

CITY OF CARMEL-BY-THE-SEA
Monthly Report

Community Planning and Building Department

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Leah Young, Administrative Coordinator
SUBMITTED ON:	January 9, 2024
APPROVED BY:	Brandon Swanson, Director of Community Planning and Building

NOVEMBER 2023 – DEPARTMENT ACTIVITY REPORT

I. PLANNING PERMIT APPLICATIONS:

In November 2023, 33 planning permit applications were received.

II. BUSINESS LICENSE APPLICATIONS:

In November 2023, 2 business license applications were received.

III. BUILDING PERMIT APPLICATIONS:

In November 2023, 53 building permit applications were received.

IV. CODE COMPLIANCE CASES:

In November 2023, 19 new code compliance cases were created.

V. TRANSIENT RENTAL COMPLIANCE CASES:

In November 2023, 5 new transient rental compliance case was created.

VI. ENCROACHMENT PERMIT APPLICATIONS:

In November 2023, 22 encroachment permit applications were received.

VII. TREE PERMIT APPLICATIONS:

In November 2023, 19 tree permit applications were received.

VIII. YEAR-TO-DATE TRENDS

Table 1 includes the following November 2023 totals:

- Planning Permit Applications
- Business License Applications
- Building Permit Applications
- Code Compliance Cases
- Transient Rental Cases
- Encroachment Permit Applications
- Tree Permit Applications

November 2023 totals are provided alongside November 2022 totals for comparison. Compared to the same time period in the year 2022, Table 1 denotes percentage changes in the year 2023.

Table 1
Permit Application Totals and YTD Percentage Changes

	PLANNING	BUSINESS LICENSES	BUILDING	CODE COMPLIANCE	TRANSIENT RENTAL COMPLIANCE	ENCROACH-MENTS	TREE REMOVAL & PRUNING
2022 YTD Totals	355	57	457	234	45	256	166
2023 YTD Totals	373	68	568	219	35	262	360
YTD % Difference	+ 5.07%	+ 19.30%	+ 24.29%	- 6.41%	- 22.22%	+ 2.34%	+ 116.88%

Planning Permit Report

11/01/2023 - 11/30/2023

Permit #	Permit Type	Project Description	Address/Location	Date Received	Date Approved	Status
23372	Design Review	revised outdoor seating permit	Corner of Dolores & 7th Avenue			In Review
23371	Reasonable Accommodation	Owner requests a reasonable accommodation to exceed site coverage with semi-permeable decking to facilitate the use of the property. Additional site coverage requested is 400 sf.	Casanova 7 NW of Ocean	11/30/2023		In Review
23370	Design Review	outdoor lighting revision	6th Avenue & Junipero Street			In Review
23369	Notice of Exempt Work	Fill holes created by story pole installation to match existing wall finish	7th Avenue and Dolores			In Review
23368	Appeal	Specific action or decision being appealed: The SW section of the wrap-around, upper level deck. Grounds for appeal: SW section of the deck overlooks our front door, and we deem this an invasion of our privacy. Because of the proximity of the deck, anyone on that deck can see right through our house causing security concerns.	Santa Rita 4 SE of Ocean Ave	11/28/2023		In Review
23367	Historic Evaluation	HISTORIC EVALUATION - PHASE 1 INTENSIVE. Evaluation to include two (2) APNs: 010-144-016 & 010-144-015.	SE Corner of Dolores & 8th	11/6/2023		In Review

23366	Design Study	REPLACE, IN KIND, WINDOWS IN SECOND FLOOR BATHROOM. INSTALL NEW HVAC FOR UNIT OVER GARAGE. INSTALL NEW SIDING TO MATCH EXISTING ALONG REAR OF MAIN RESIDENCE. INSTALL NEW GUTTERS AT GARAGE OVER STAIRWAY. COMPLETE WORK AS APPROVED UNDER DS22092 (EXPIRED PERMIT).	Monte Verde 6 SW of 10th Avenue	11/8/2023		In Review
23365	Landscape Plan Check/Inspection	Tree replacement and landscape plan	SW Corner of Santa Rita Street and 5th Avenue	11/6/2023		In Review
23364	Use Permit	Add one (1) table and three (3) chairs to existing outdoor patio for a total of five (5) tables and fifteen (15) chairs.	Southside of San Carlos	11/21/2023		Pending Assignment
23363	Design Study	Expand existing deck 38 S.F.; New 836 S.F. accessory dwelling unit below existing/expanded deck; new 11 S.F. lightwell.	Camino Real 9 NE of 4th Avenue	11/20/2023		In Review
23362	Authorized Work	In-kind repair of damaged sand set paver driveway due to Cal Am water main break.	2922 Santa Lucia Ave	11/17/2023	11/17/2023	Approved
23361	Use Permit	Temporary Use Permit application for a pop-up restaurant service from Toasted for the Homecrafters art fair. Setup will begin at 8 am and run from 10am - 3pm. Trash containers and removal to be provided by Toasted. Pop up to be 10'x10' and located along 9th, taking three parking stalls	SW Corner of San Carlos & 9th	11/16/2023	11/17/2023	Approved

23360	Banners	Installation of ten double sided banners along Ocean Ave from Junipero to Monte Verde as default banners when not otherwise in use.	Ocean from Junipero to Monte Verde	11/16/2023	11/16/2023	Approved
23359	Sign	Installation of two hanging wood signs for entrances on both sides of the store. One at the Carmel Plaza courtyard entrance and one along the Mission Street entrance.	Carmel Plaza Suite 115	11/15/2023		In Review
23358	Design Study	Minor amendments to Design Study approval DS 21-180 (Janz)	NEC 4th & Carpenter	11/15/2023		In Review
23357	Temporary Use Permit	Authorization. This approval grants extended hours of operation for the Barmel Supper Club (operating as a full-line restaurant under a Use Permit). The approved closing time has been extended from 11 pm on Wednesday, November 22nd to 1 am on Thursday, November 23rd. Four (4) additional employees working and one (1) additional security person stationed at the entrance to the supper club for the duration of these extended hours. Supper Club to be fully closed and empty no later than 1:15 am. No live music. Maximum occupancy of 48 individuals.	San Carlos 2 NE of 7th	11/15/2023	11/21/2023	Closed
23356	Design Study	Evaluation of a CUPA 50 Lightweight American Slate material in color Gray for a new roof.	NW Corner of Casanova & 9th	11/15/2023		In Review

23355	Banners	Installation of ten double sided banners along Ocean Ave from Junipero to Monte Verde for the Carmel Culinary Week. Banners are authorized to be installed 5/22/24 - 6/11/24.	Ocean from Junipero to Monte Verde	11/15/2023	11/15/2023	Approved
23354	Design Study	Conversion of 246 sf of existing floor area into ADU along with a 41 sf ADU addition. 60 sf 1st floor addition, 375 sf 2nd floor addition, 166 sf deck expansion over the existing garage and 148 sf 2nd floor deck.	Cassanova 3 se of 4th	11/14/2023		In Review
23353	Design Study	REMODEL OF AN (E) TWO STORY HOUSE WITH AN ATTACHED CARPORT. REPLACE (E) EXTERIOR WOOD WINDOWS & DOORS WITH NEW ALUMINUM CLAD WINDOWS & DOORS. REPLACE (E) ASPHALT ROLL ROOFING WITH NEW PVC ROOF MEMBRANE. REPLACE (E) WALKWAYS & PATIOS WITH NEW. REPLACE (E) FRONT YARD FENCE & GATE WITH NEW 4'H WOOD FENCE & GATE. EXTEND (E) WOOD TRELLIS, ON SIDE OF HOUSE, ALONG FRONT ENTRY & CARPORT. INSTALL NEW EXTERIOR LIGHTING, LANDSCAPE & GAS FIRE PIT.	9TH AVENUE 2 N.W. OF CARMELO ST.	11/14/2023		In Review

23352	Temporary Use Permit	**Authorization issued under TEMP UP 23-357 (Barmel). See notes for details.** 11/21/2023: "Approval. This approval grants extended hours of operation for the Barmel Supper Club (operating as a full-line restaurant under a Use Permit). The approved closing time has been extended from 11 pm on Wednesday, November 22nd to 1 am on Thursday, November 23rd. Four (4) additional employees working and one (1) additional security person stationed at the entrance to the supper club for the duration of these extended hours. Supper Club to be fully closed and empty no later than 1:15 am. No live music. Maximum occupancy of 48 individuals."	San Carlos 2 NE of 7th	11/15/2023	11/21/2023	Approved
23351	Notice of Exempt Work	Roof repairs to the main house, including: resealing all roofing pipes, installing screws at all roofing jacks, painting all metal roofing components to match existing composition shingle roof, resealing two roof windows, and replacing glass in five broken windows. Refer to photos on file in the Community Planning & Building Department.	25987 Mission Street	11/8/2023	11/9/2023	Approved
23350	Design Study	Remove asphalt, concrete walkway and replace with Calstone pavers in Antiquated Cobble Oak Barrel Color, 354sf.	Crespi 6 SW of Mountain View	11/15/2023		In Review

23349	Design Study	Revisions to permitted exterior egress ramps and walkways on the north and south sides of the building. Addition of ADA compliant entrance ramp and front entry improvements on Monte Verde Street side.	Between 8th and 9th Ave off Monte Verde	11/7/2023		In Review
23348	Historic Evaluation	Historic evaluation for proposed Track 1 project	Santa Fe Street 2 SW of 4th Avenue	11/7/2023		In Review
23347	Design Review	Minimize front door for safety and security. Add Maglock remote device to (N) front door. All finishes to match (E).	Ocean Avenue 2 NE of San Carlos	11/28/2023		In Review
23346	Landscape Plan Check/Inspection	Replacing ivy with Carmel Creeper and indigenous vegetation.	NE Corner 5th Ave And Santa Rita	11/7/2023		In Review
23345	Temporary Use Permit	Temporary Use Permit authorization for The Pocket restaurant to host a fundraiser event in conjunction with The Food Bank of Monterey County. The event is authorized to take place on Friday, December 8th from the hours of 6pm to 10pm, with the property hard closed at 10:30pm. The event is to be capped at 250 guests and will be monitored by volunteers from the Food Bank. Two parking stalls in front of The Pocket will be reserved for the Food Bank's trucks. All food and alcohol consumption will be kept to The Pocket private premises. A DJ will be present to provide low level music with no live music on the property.	Lincoln 5 NE of 6th Ave	11/7/2023	12/6/2023	In Review
23344	Design Study	WINDOW & DOOR REPLACEMENT, GUARDRAIL & EXT. LIGHTING MODIFICATIONS	TORRES STREET 10 SW OF 10TH	11/7/2023		In Review

23343	Historic Evaluation	Historic Evaluation.	SE Corner of Dolores & 8th	11/6/2023		In Review
23342	Design Study	A new 9'-6" X13.5' (128 sf) 2nd floor deck expansion above an existing wood deck.	San Carlos 2 NW of 3rd	11/3/2023		In Review
23341	Design Study	This approval of Design Study application DS 23-341 (Fezell) authorizes the installation of a hot tub on the south side of the garage behind a 5-foot tall grape stake fence located on Palou 2 southwest of 2nd Avenue in the Single-Family Residential (R-1) District as depicted in the plans stamped approved and on file in the Community Planning & Building Department unless modified by the conditions of approval.	Palou 2SW of 2nd	11/3/2023	11/17/2023	Approved
23340	Landscape Plan Check/Inspection	Our initial landscape plan was done by a landscape company that told us that we could change the plants and plan as we go and that the city would have no issue with it. Obviously this was incorrect and false information. So, we have redrawn our plan to fit our homes lot and reduced the plantings by a lot while still setting our yard up to become beautiful.	Oak Knoll 3 NE of Forest	11/2/2023		In Review

Total Records: 33 **12/8/2023**

Business License Report

11/01/2023 - 11/30/2023

Entity #	Application Type	Business Name	Business Description	Location	Date Received	Date Approved	Status
23067	Ownership Change	Rise and Roam Bakery & Pizzeria	Bakery and pizzeria	NE Corner of 7th Avenue & Mission Street	11/6/2023		In Review
23066	New Business	El Bistro By Salt and Pepper	Full-line restaurant	Mission 2 SW of 5th	11/20/2023		In Review

Total Records: 2

12/8/2023

Building Permit Report

11/01/2023 - 11/30/2023

Permit #	Date Submitted	Date Approved	Project Description	Valuation	Permit Type	Property Location
230566	12/1/2023		Existing retail cabinets to be replaced with cabinets for portable coffee bar equipment and extend existing water/sewage from previous tenants.	15,000	Plumbing	SW Corner of Ocean and Mission
230565	12/1/2023		Repair and Restoration of Existing Windows and Water Damaged Framing at North and South sides of Garage. All work shall be done such that there will be No changes to the appearance of the Existing. Interior and Exterior Materials Shall Remain the Same as Existing. There will be No Change in the Floor Area, Areas of Fenestration, Existing Mechanical and Electrical Systems nor Grading. Replacing Existing Wood Framing in Pony Walls where necessary with Steel Stud Framing in Same Location; Re-Installation of Existing Glass using powder-coated, metal window frames to match existing. Existing steel skylight supports to Remain In Place; Re-Installation of Existing Gas Fireplace and wood shelving units in same locations; and replace existing electrical outlets in repaired Pony Walls with GFCI Outlets (per 2022 CEC) in same locations as existing.	15,000	Building	Torres 3 SE of 3rd
230564	11/29/2023	11/30/2023	Remove & replace rail at two walls with new code compliant guard rail.	0	Building	NE Corner of Lincoln & Ocean
230563	11/29/2023	11/29/2023	Remove and replace 80k BTU furnace and move return air to living room.	11,551	Mechanical	NE Corner of San Carlos and 13th

230562	11/29/2023	12/1/2023	Tear off old asphalt shingle roof and replace with new Owens Corning asphalt roof in color Driftwood.	20,000	Roofing	Lopez 4 NE of 4th
230561	11/29/2023	11/29/2023	Replace Flange and cast iron pipe leading down into one the room below	1,100	Plumbing	NE Corner of Ocean & Monte Verde
230560	11/29/2023		Remove existing roof, install new Landmark Pro 40-year shingles in color Max Def Burnt Sienna.	22,000	Roofing	San Carlos 4 SE of 4th
230559	11/28/2023		Add electrical for hot tub. Hot tub will be hose filled	1,500	Electrical	Palou 2 SW of 2nd
230558	11/27/2023		Remodel to an (e) 3-story SFD with attached two-car garage and new detached ADU. Including site grading and drainage.	1,750,000	Building	San Antonio 1 NW of 9th
230557	11/27/2023	12/6/2023	Remove (e) comp shingles on small area in front of house. Install 30 year Malarkey shingles in Slate Gray.	5,700	Roofing	SW Corner of Junipero & 9th
230556	11/22/2023		Construction of a new 290 SF JADU addition to an existing 1,352 sf single family residence.	135,000	Building	Carpenter 3 NW of 3rd
230555	11/22/2023	11/22/2023	Tear off (e) wood shake roof system. Install waterproofing and Davinci Multi Width Shake in color Aged Cedar.	134,959	Roofing	Palou 2 SW of 2nd
230554	11/22/2023	11/22/2023	We propose to pr1) Remove and dispose of existing unit. 2) Install new Bryant 80% furnace at existing location. 3) Tie into existing supply plenum, gas, thermostat and power. 4) Install new filter box. 5) Install programmable thermostat. 6) Start up and test system.	5,383	Mechanical	Ocean 2 SW of Scenic
230553	11/20/2023	11/20/2023	Remove existing brown composition shingles and replace with new Malarkey Legacy Comp brown shingles in color Natural Wood.	26,940	Roofing	Casanova 5 SE of 2nd
230552	11/20/2023		New accordion window, moving existing door and replace two windows.	30,000	Building	26245 Dolores

230551	11/20/2023	11/27/2023	Replace rotten deck boards in-kind. Explore for possible structural damage.	25,000	Building	Monte Verde 2 NW of Ocean
230550	11/20/2023	11/20/2023	Replace existing wood Sierra Pacific glass french doors with a new wood Sierra Pacific glass sliding door. No sizing or framing changes.	0	Exempt Work	Camino Real 2 NW of 11th
230549	11/20/2023		Interior and exterior remodel of an existing SFR with an attached garage. New doors, windows, two skylights, plumbing, and electrical. New/altered door and window openings. New class A composition roofing and sewer lateral. No grading or landscaping is proposed.	322,581	Building	2836 Santa Lucia
230548	11/17/2023		Obtain permit to legalize shower/tub installation that was installed over 20 years ago with no permit.	0	Building	9th 2 NE of San Antonio
230547	11/16/2023	11/16/2023	Remove (e) 100 amp panel and install (n) 200 amp panel in same location.	2,000	Electrical	SW Corner of Monte Verde & 3rd
230546	11/16/2023		Install Generac Model #7172 10,000 KW Back-Up Generator.	18,750	Mechanical	Lopez 11 NW of 4th
230545	11/16/2023	11/28/2023	137 sf interior remodel of bathroom and kitchen.	15,000	Building	Mission 3 SW of 4th
230544	11/15/2023		Installation of 25kW backup generator.	5,000	Mechanical	Crespi 3 SW of Mountain View
230543	11/15/2023	11/22/2023	Tear off (e) wood shake roof, install winterguard at all penetrations and openings and one layer of Diamond Deck over roof deck. Install Landmark Pro in color "Georgetown Gray". Remove and replace gutter system to match existing.	52,569	Roofing	Ocean 2 NE of Camino Real

230542	11/15/2023		Alterations to an existing duplex. Unit #1: Remodel existing laundry and bathroom, add new window in shower. Add 58 sf to east steps and stone patio. Unit #2: 144sf addition to replace roof deck over existing garage with a new kitchen, remove the existing kitchen and remodel the bathroom and relocate the closets. Add 102 sf to west deck and stairs. Replace one window in the living room with single hung door and one window with a larger window. Garage: add new 15sf storage closet.	300,000	Building	Casanova 2 NW of 7th
230541	11/15/2023	11/15/2023	This approval amends Design Study (DS 20-370, Caplin) and authorizes the installation of film to a skylight located on an accessory building located at on Camino Real 5 SW 13th in the Single Family Residential (R-1) District. This approval authorizes the following to be utilized for the film material:• SOLYX SX3-314 Acid EtchThe film shall be installed on all portions of the glazing on the subject skylight.	0	Exempt Work	
230540			Redo front yard landscape	60,000	Building	Crespi 2 SW, Mountain View
230539			Replacing 1 existing skylight with 2 smaller operable skylights & adding 1 operable skylight to guest bath	0	BP Revision	Monterey St 3 SW of First AVE
230538	11/15/2023	12/6/2023	ROOF MOUNTED SOLAR PV SYSTEM 4.050 kWp. 10 panels.	10,500	Electrical	SW Corner of Santa Fe & 1st
230537	11/15/2023		Install 4.86kw(12 modules) +13.5kwh Energy storage system.	24,000	Electrical	SE Corner of Carmelo & 13th
230536	11/15/2023		Rebuild existing balcony.	5,000	Building	Santa Fe 3 NE of 4th
230535	11/13/2023		Replacement of an exterior stair case to match existing details.	59,900	Building	SW Corner of Camino Real & 8th

230534	11/13/2023	11/16/2023	Remove existing composition shingles and install comp shingles, 30 year Malarkey in color "Silverwood".	22,300	Roofing	Mission 7 SE of 8th
230533	11/13/2023	11/28/2023	Installation of new Valor G3 fireplace insert at existing fireplace opening. Replace code compliant gas line.	10,000	Plumbing	NW Corner of Guadalupe & 3rd
230532	11/9/2023	11/9/2023	Water heater replacement from 50-gallon water heater to tankless water heater.	4,500	Plumbing	Camino Real 3 NW of 11th
230531	11/9/2023		RETAIL TENANT IMPROVEMENT, NO CHANGE OF USE, NO STRUCTURAL ALTERATIONS. ALL SCOPE IS INTERIOR. NO CHANGE OF FIRE/LIFE SAFETY. NO CHANGE TO EXTERIOR OR SITE PLAN.	15,000	Building	San Carlos 3 NE of 6th
230530	11/8/2023	11/28/2023	REMODEL TO RECONFIGURE WINE CELLAR INTO EXPANDED LAUNDRY ROOM. REMOVE NON-PERMITTED WALL IN GARAGE.	6,000	Building	Guadalupe 3 NW of 6th
230529	11/8/2023	11/8/2023	REMOVE AND REPLACE 80K BTU FURNACE	9,471	Mechanical	Camino Real 2 SW of 4th
230528	11/7/2023	11/7/2023	Exterior paint to include walls, eaves, windows and door trim, deck and fences. Interior walls, windows, and doors trim to be plastered and painted. Exterior paint to be Farrow and Ball - Mouse's Back #40 Flat, window sash to be Fine Paints of Europe - Black. Interior walls/trim to be Benjamin Moore - Swiss Coffee - Flat.	0	Exempt Work	Scenic 5 SE of 9th
230527	11/3/2023		Convert existing 208 sf guest house into ADU with an addition of 56sf	0	Building	Carmelo 2 NE of 8th
230526	11/6/2023	11/28/2023	Add New Bryant 38MARBQ36AA3 heat pump to existing furnace in air conditioning only mode.	11,071	Mechanical	Lincoln 2 SW of 8th
230525	11/6/2023	11/15/2023	Tear off one layer of shake roof. Install Premium Heavy Shake	58,000	Roofing	25955 Junipero Avenue
230524	11/6/2023	11/6/2023	Paint exterior of house the same color as existing paint.	0	Exempt Work	Scenic 5 SE of 10th

230523	11/6/2023		Tenant Improvement - update interior with new recessed lighting, sand and refinish existing wood flooring, revise interior door - see accessible upgrades for notes.	30,000	Building	SW Corner of Ocean & Dolores
230522	11/3/2023	11/8/2023	Exploratory demolition of openings on both levels.	5,000	Demolition	Carmel Plaza, Suite 115
230521	11/3/2023		Interior remodel only of existing residential condominium: new plumbing fixtures, electrical, lighting, and cabinets	275,000	Building	NE corner of San Carlos & 8th
230520			revision to EP 23-324	0	Building	4910 Monterey St
230519	11/3/2023		Removal of 17SF from existing main level, replace existing fireplace. New 222 SF garage addition; 183 SF addition to existing upper level. Add first story west-facing dormer, and two second story west-facing dormers.	300,000	Building	Carmelo 2 NE of 8th
230518	11/1/2023	11/28/2023	INSTALLATION OF A 26KW KHOLER ALL HOME GENERATOR WITH A 200AMP TRANSFER SWITCH.	15,000	Electrical	NE Corner of Dolores & 3rd
230517	11/1/2023	11/20/2023	SHOWER SUPPLY LINE REPAIR AND TILE REPLACEMENT	3,000	Plumbing	SE Corner of Camino Real & 9th
230516	11/1/2023		Rear and side yard improvements, deck expansion, new outdoor kitchen, a new hot tub, fencing, gates, and artificial turf.	35,000	Building	Torres 2 NE of 5th
230515	11/1/2023	11/1/2023	Replacing and repairing broken posts and pickets in kind with white cedar.	0	Exempt Work	Camino Real 2 NE of 4th
230203	5/8/2023	5/10/2023	Remove (e) shake roof and replace with new CertainTeed Landmark TL comp shingles in color Country Gray.	33,000	Roofing	Guadalupe 2 NE of 4th

Total Records: 53 **12/8/2023**

Code Compliance Report

11/01/2023 - 11/30/2023

Case #	Case Date	Status	Location	Problem Description	Date Received	Date Closed
23220	11/24/2023	1st NOV sent	SEC Perry Newberry and 4th	Transient Rental	11/24/2023	
23219	11/17/2023	Closed	Carmelo 4 SE of 2nd	Wood burning	11/17/2023	11/24/2023
23218	11/27/2023	Closed	SWC Trail View and Acacia	Cutting tree roots	11/27/2023	12/1/2023
23217	11/20/2023	Closed	Lopez 8 NE of 4th	Transient Rental	11/20/2023	11/27/2023
23216	11/14/2023	1st NOV sent	Lincoln 5 SE of 4th	Transient Rental	11/14/2023	
23215	11/15/2023	Open	Monte Verde 3 NE of 8th	Landscape lighting	11/15/2023	
23214	11/13/2023	Closed	SWC Ocean and Lincoln	Railing construction	11/13/2023	11/13/2023
23213	11/14/2023	1st NOV sent	Casanova 3 SE of 9th	Transient Rental	11/14/2023	
23212	11/14/2023	Closed	5 Sand & Sea	Transient Rental	11/14/2023	12/1/2023
23211	11/8/2023	Closed	Carmel Plaza	Exterior signage	11/7/2023	11/8/2023
23210	11/6/2023	Closed	Ridgewood 2 NE of Junipero	Construction without a permit	11/6/2023	11/7/2023
23209	11/6/2023	Open	25990 Junipero	Hardscape without a permit	11/6/2023	
23208	11/6/2023	Closed	San Carlos NE of 13th	Construction without a permit	11/6/2023	11/7/2023
23207	11/3/2023	Open	SWC 6th and Mission	Expired business license	11/3/2023	
23206	11/3/2023	Open	NEC San Antonio and 13th	Operating without a license	11/3/2023	
23205	11/1/2023	Closed	San Carlos N Camino Del Monte	Gas Leaf Blower	11/1/2023	11/3/2023

23193	11/9/2023	Open	Crespi 2 SW of Mt. View	Site coverage and electrical work without permit	11/9/2023	
23192	11/8/2023	Open	Monte Verde 3 NW of 3rd	Driveway construction	11/8/2023	
23191	11/7/2023	Open	SEC Casanova and 4th	Site coverage	11/7/2023	

Total Records: 19 **12/8/2023**

Transient Rental Report

01/01/2023 - 11/30/2023

Case #	Street	Status	Date Received	Last Status Date	Date Closed
23220	Perry Newberry	1st NOV sent	11/24/2023	11/27/2023	
23217	Lopez	Closed	11/20/2023	11/27/2023	11/27/2023
23216	Lincoln	1st NOV sent	11/14/2023	11/17/2023	
23213	Casanova	1st NOV sent	11/14/2023	11/15/2023	
23212	San Antonio	Closed	11/14/2023	12/1/2023	12/1/2023
23198	Mission	Closed	10/24/2023	10/24/2023	10/24/2023
23194	Casanova	1st NOV sent	10/17/2023	11/15/2023	
23189	San Antonio	1st NOV sent	10/13/2023	11/15/2023	
23173	Mountain View	Potential STR identified	9/16/2023	11/6/2023	
23135	Ocean	Closed	8/18/2023	9/25/2023	9/25/2023
23134	Ocean	Closed	8/18/2023	8/25/2023	8/25/2023
23133	Monte Verde	Closed	8/17/2023	11/1/2023	11/1/2023
23109	13th	Closed	7/28/2023	11/14/2023	11/14/2023
23107	13th	Closed	7/28/2023	8/16/2023	8/16/2023
23104	Santa Fe	Closed	7/21/2023	9/29/2023	11/15/2023
23099	Mission	Closed	7/7/2023	9/19/2023	9/19/2023
23094	2nd	Closed	6/23/2023	8/21/2023	8/21/2023
23093	Rio	Closed	6/21/2023	8/31/2023	8/31/2023
23092	Ocean	Closed	6/21/2023	7/7/2023	7/7/2023
23091	Dolores	Closed	6/22/2023	7/19/2023	7/19/2023
23061	Monte Verde	Closed	4/27/2023	7/17/2023	7/17/2023
23058	Mission	Closed	4/19/2023	6/2/2023	6/2/2023
23057	Carmelo	Closed	4/19/2023	6/2/2023	6/2/2023
23053	San Carlos	Closed	3/21/2023	6/2/2023	6/2/2023
23039	Rio Road	Closed	2/27/2023	4/17/2023	4/17/2023
23015	Carmelo	Closed	1/9/2023	2/3/2023	2/3/2023
23014	Mission	Closed	1/9/2023	1/10/2023	1/30/2023
23013	N Casanova	Closed	1/9/2023	2/3/2023	2/3/2023
23012	Mission	Closed	1/9/2023	1/27/2023	1/27/2023
23009	Santa Fe	Closed	1/8/2023	2/3/2023	2/3/2023
23008	Guadalupe	Closed	1/8/2023	1/13/2023	1/13/2023
23007	2nd	Closed	1/8/2023	1/8/2023	4/8/2023
23005	Carpenter	Closed	1/8/2023	2/3/2023	2/3/2023

23004	5th	Closed	1/5/2023	2/3/2023	2/3/2023
23003	Dolores and 1st	Closed	1/5/2023	2/3/2023	2/3/2023

Total Records: 35 **12/6/2023**

Encroachment Permit Report

11/01/2023 - 11/30/2023

Permit #	Permit Type	Date Submitted	Project Description	Property Location	Date Issued	Status
230261	Temp Ench	11/30/2023	Install scaffolding along the length of the building along 6th avenue sidewalk in order to remove brick facade, install new windows, apply new stucco, and paint the building. Include debris dumpster for limited days.	SW Corner of Mission & 6th	12/6/2023	Issued
230260	Temp Ench	4/26/2023	Applicant to trench, backfill & install electric substructures. PG&E to remove existing overhead service, install underground service conductor, replace pole, install TPX and remove secondary conductor. Tree trimming required. PM# 35420138. Contact: PG&E (408) 478-1894	Lincoln 2 NW of 13th	4/28/2023	Issued
230259	Temp Ench	11/29/2023	Replace sewer lateral using pipe bursting.	SE Corner of Dolores & 8th	11/29/2023	Issued
230258	Temp Ench	11/27/2023	Replace sewer lateral using pipe bursting.	Lincoln 2 SW of Ocean	11/29/2023	Issued
230257	Temp Ench	11/22/2023	PG&E to install underground service, replace pole, and replace overhead transformer. PM# 35436539	NW Corner of San Carlos & 10th		In Review
230256	Temp Ench	11/20/2023	PG&E to install 144' of 350 tpx secondary from existing #2 box to new #2 box. PG&E to pull in 58' of tpx from new #2 box to panel. PM# 35402863.	Lincoln 5 SW of 10th	11/22/2023	Issued
230255	Temp Ench	11/20/2023	Sawcut and remove a section of the sidewalk. Exavate and remove the carmel trap, provide and install a two-way clean-out and backwater valve, backfill all and repour the area of concrete removed to perform the work.	San Carlos 3 SE of 5th	11/28/2023	Issued
230254	Temp Ench	11/17/2023	PG&E to install riser and underground service cable. PM# 35392301	11th 2 NW of Dolores	12/6/2023	Approved
230253	Temp Ench	11/17/2023	Dig 5'x5' bellhole on Dolores, pull approximately 80' of SDR17 from pothole to pothole and tie into the City main.	SE Corner of Dolores & 12th	11/22/2023	Issued

230252	Temp Ench	11/17/2023	Loading of demolition debris into trailer and loading/unloading materials and equipment.	Ocean 2 SW of San Carlos		In Review
230251	Driveway	11/17/2023	Replace existing asphalt driveway with sand set stone pavers from face of new garage to minimum 3' wide asphalt apron at edge of Monte Verde St.	Monte Verde 3 SE of 11th		In Review
230250	Temp Ench	11/16/2023	Closure of three parking spaces and encroachment into the City sidewalk for pop-up restaurant for Toasted to serve at the Homecrafters art faire.	SW Corner of San Carlos & 9th	11/17/2023	Issued
230249	Temp Ench	11/15/2023	Applicant to trench, backfill and install electric substructures. PG&E to replace overhead transformer and install underground service. PM# 35463208	Carmelo 4 NW of Ocean	11/22/2023	Issued
230248	Temp Ench	11/15/2023	PG&E to trench and backfill a 5'x5' bellhole and abandon existing gas service. PM# 35424974.	Carmelo 2 SW of 11th	11/15/2023	Issued
230247	Temp Ench	11/15/2023	Applicant to trench, backfill, and install electric substructures. PG&E to install underground electric service. PM# 35407233.	Mission 4 NE of 10th	11/22/2023	Issued
230246	Temp Ench	11/15/2023	PG&E to trench and backfill a 5'x5' bellhole, PG&E to abandon existing gas service. PM# 35478138	Carmelo 2 NW of 12th	11/15/2023	Issued
230245	Driveway	11/13/2023	Replace existing impermeable paver driveway with sand set permeable paver stripes, reusing existing apron.	San Carlos 7 SW of 13th	11/22/2023	Issued
230244	Driveway	11/13/2023	Replace existing asphalt driveway with new paver driveway not to exceed 14' in width and have a 3' asphalt connection to the right of way.	Monte Verde 5 SW of 2nd	11/17/2023	Issued
230243	Temp Ench	11/9/2023	Replace sewer lateral using pipe bursting.	Mountain View 2 NE of Santa Fe	11/15/2023	Issued
230242	Perm Ench	11/8/2023	Kindly request permssion to place permeable pavers in right of way	Camino Real 3 NW of 8th		In Review
230241	Temp Ench	11/3/2023	Replace waste line from cleanout, approximately 80' long. Install new cleanout and backwater valve.	2984 Santa Lucia	11/3/2023	Issued

230240	Temp Ench	11/1/2023	REPLACE 50' OF 4" SEWER DRAIN 9' DEEP IN THE STREET. WILL INSTALL 2 WAY CLEAN OUT AND BACK WATER VALVE	Casanova 3 SW of 8th	11/3/2023	Closed

Total Records: 22 **12/8/2023**

Tree Permit Report

11/01/2023 - 11/30/2023

Permit #	Permit Date	Permit Type	Location of Property	Description	Status	Approved Date
23342	11/1/2023	Tree Evaluation	11 Vizcaino SW Mountain View	Tree inspection and opinion		
23343	11/3/2023	Tree	Torres 2 NW of 1st	URGENT: PRUNING - One (1) limb, approx. 20" in diameter.	Approved	11/13/2023
23344	11/3/2023	Tree	Casanova Street 2 SE of 13th	REMOVE: One (1) mature, diseased Oak tree with fungus on tree trunk. Very large.		
23345	11/3/2023	Tree	Santa Fe 4 SW of 8th	REMOVE: One (1) large Monterey Pine leaning toward the house.	In Review	
23346	11/6/2023	Tree	Dolores 3 NE of 9th	REMOVE: One (1) large, dead Oak and one (1) smaller dead Oak, verified by Justin Ono.	Approved	11/9/2023
23347	11/6/2023	Tree	NW Corner of Junipero & 10th	Remove dead tree	In Review	
23348	11/15/2023	Tree	Mission 3 NW of 8th	Pruning of three city trees on Mission St. Limbs are touching building and branches making pedestrian travel difficult.	Approved	11/29/2023
23349	11/15/2023	Tree	San Antonio 1 SW of 7th	Trim 20" DBH cypress city tree to be pruned.	In Review	
23350	11/15/2023	Tree	Camino Real 4 SE of Ocean	Removal of one double sparred oak tree on the left side of the driveway. DBH 18" and 20" 2 trunks.	In Review	
23351	11/17/2023	Tree	8th 2 SW of Mountain View	Remove 15" oak spar touching the eves on the right side of the house.	In Review	
23352	11/17/2023	Tree	Casanova 3 SW of 8th	REMOVE: One cedar tree on the City side of the property line.	In Review	
23353	11/17/2023	Tree	Lincoln 5 SW of 10th	Removal of four pine trees and grind stumps.	In Review	
23354	11/21/2023	Tree	2922 Santa Lucia	REMOVAL: One (1) Cypress tree; very large;	Denied	

				in front of house; attached to PG&E pole.		
23355	11/22/2023	Tree	Guadalupe 3 NW of 3rd	EVALUATION TE 23-316 (Crapo). REMOVAL: One (1) Monterey Pine trees on private property.	Approved	11/22/2023
23356	11/22/2023	Tree w/ Construction	Ocean Avenue 4 NE of Guadalupe	REMOVAL: One (1) Coast Live Oak, Tree #3 from Tree Evaluation Worksheet.	In Review	
23357	11/30/2023	Tree Evaluation	Torres 3 NW of 8th Avenue	EVALUATION: All trees on lot, one additional dead tree and limbs on tree to the west. **NOTE**Please call, so owner may be present during the evaluation.	In Review	
23358	11/30/2023	Tree	Scenic 3 NE of 13th	PRUNING: REQUESTING PRUNING OF TWO CYPRESS TREES - APPROXIMATELY 5 LIMBS IN EACH. TREE SIZES ARE 36" DIAMETER.	In Review	
23359	11/30/2023	Tree	SW Corner of Ocean Avenue and Dolores Street	PRUNING: Six (6) medium size limbs off City tree. Please reference photo.		
23360	11/30/2023	Tree	NE Corner of San Antonio & 8TH ST	Trim & Sculpt Cypress Tree. PRUNING: 2 Cypress Trees , each with a ~15" dia. limb. Both are on private property.		

Total Records: 19 **12/8/2023**

CITY OF CARMEL-BY-THE-SEA
Monthly Report

Public Safety

November 2023

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Paul Tomasi, Director of Public Safety
APPROVED BY:	Chip Rerig, City Administrator

AMBULANCE REPORT

Summary of Carmel Fire Ambulance November 2023 Calls for Service

AMBULANCE PERFORMANCE MEASURE

The performance goal for Code-3 (life threatening emergency-lights & siren) ambulance calls with a response time of 5 minutes or less from dispatch to arrival is 95%. For the month of November 2023, the ambulance was unable to meet the performance measure. The response time was 87% with (7) code-3 calls over 5 minutes.

56 Calls for service in CBTS Average response time: 3:13 min.
53 Code 3 calls for service –Seven calls over 5:00 min.

11/30/2023- Monte Vede & 12th – Response Time 5:10 min - Did not hit the on-scene button.
11/28/2023- 1st Ave & Dolores- Response Time 5:15 min- Did not hit the on-scene button.
11/25/2023- Junipero & 3rd – Response Time 5:17 min- Did not hit the on-scene button.
11/1/2023- Lobos & 4th -Response Time 5:27 min- Did not hit the on-scene button.
11/5/2023 – Ocean & Scenic – Response Time 5:47 min- Unable to locate upon arrival.
11/2/2023- Ladera Dr. – Response Time 6:30 min- Did not hit the on-scene button.
11/24/2023- 5th & Guadalupe – Response Time 5:26 min- Did not hit the on-scene button.

MONTEREY FIRE REPORT

Summary of Monterey Fire November 2023 Calls for Service

FIRE PERFORMANCE MEASURE

The performance goal for Code-3 (life threatening emergency-lights & siren) fire calls with a response time of 5 minutes or less from dispatch to arrival is 95%. For the month of November 2023, the fire department was unable to meet the performance measure. The response time was 94% with (4) code-3 calls over 5 minutes.

*The performance goal for Code-3 (life threatening emergency-lights & siren) ambulance calls with a response time of 5 minutes or less from dispatch to arrival is 95%.

73 total calls for service in CBTS Average response time: 3:26 min.
63 total Code-3 calls – Four calls with a response time over 5:00 min.

11/1/2023- Lobos & 4th Ave- Response Time 5:27 min- Did not push on scene button.
11/2/2023 – Ladera & Rio- Response Time 6:22 min- Delay due to distance.
11/10/2023- Monterey St- Response Time 5:46 min- Did not push on scene button.
11/2/2023-Monte Verde & 7th -Response Time 5:03 min.- Did not push on scene button.

BEACH FIRES

There were 0 illegal beach fires recorded during the month of November, except one after hours propane fire.

*The performance goal for Code-3 (life threatening emergency-lights & siren) ambulance calls with a response time of 5 minutes or less from dispatch to arrival is 95%.

RESPONSE SUMMARY REPORT BY INCIDENT TYPE
27060 CARMEL-BY-THE-SEA
Alarm Date From: 11/01/2023 To: 11/30/2023

Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
300-321 Series (EMS)						
Medical assist, assist EMS crew	11/1/2023 1:38 PM	231101-MNT08398	0:02:28	MISSION ST	7TH AVE	3
Medical assist, assist EMS crew	11/7/2023 1:29 PM	231107-MNT08574	0:03:00	LINCOLN ST	8TH AVE	3
Medical assist, assist EMS crew	11/14/2023 1:29 PM	231114-MNT08808	0:03:03	SAN ANTONIO AVE	8TH AVE	3
Medical assist, assist EMS crew	11/14/2023 7:42 PM	231114-MNT08821	0:03:14	4TH AVE	SAN CARLOS ST	3
Medical assist, assist EMS crew	11/19/2023 4:07 PM	231119-MNT08953	0:03:23	FOREST RD	8TH AVE	3
Medical assist, assist EMS crew	11/18/2023 7:04 PM	231118-MNT08930	0:03:30	OCEAN AVE	MONTE VERDE ST	3
Medical assist, assist EMS crew	11/1/2023 12:43 AM	231101-MNT08383	0:05:27	LOBOS ST	4TH AVE	3
Medical assist, assist EMS crew	11/2/2023 6:35 AM	231102-MNT08413	0:06:22	26345 LADERA DR		3
Medical assist, assist EMS crew	11/24/2023 2:07 PM	231124-MNT09074	0:07:38	11TH AVE	TORRES ST	2
EMS call, excluding vehicle accident with injury	11/3/2023 6:50 PM	231103-MNT08474	0:01:39	LINCOLN ST	7TH AVE	3
EMS call, excluding vehicle accident with injury	11/3/2023 12:51 PM	231103-MNT08461	0:01:49	5TH AVE	DOLORES ST	3
EMS call, excluding vehicle accident with injury	11/23/2023 12:55 PM	231123-MNT09046	0:02:00	SAN CARLOS ST	7TH AVE	3
EMS call, excluding vehicle accident with injury	11/21/2023 2:25 PM	231121-MNT08999	0:02:12	MONTE VERDE ST	12TH AVE	3
EMS call, excluding vehicle accident with injury	11/3/2023 10:12 AM	231103-MNT08452	0:02:43	CASANOVA ST	8TH AVE	3
EMS call, excluding vehicle accident with injury	11/10/2023 6:49 AM	231110-MNT08674	0:02:56	SAN CARLOS ST	5TH AVE	3
EMS call, excluding vehicle accident with injury	11/10/2023 5:40 PM	231110-MNT08693	0:03:05	SAN ANTONIO AVE	7TH AVE	3
EMS call, excluding vehicle accident with injury	11/3/2023 7:20 PM	231103-MNT08477	0:03:13	TORRES ST	8TH AVE	3
EMS call, excluding vehicle accident with injury	11/5/2023 11:47 AM	231105-MNT08515	0:03:13	OCEAN AVE	SCENIC RD	3
EMS call, excluding vehicle accident with injury	11/15/2023 9:21 PM	231115-MNT08858	0:03:19	MONTE VERDE ST	12TH AVE	3
EMS call, excluding vehicle accident with injury	11/6/2023 12:06 PM	231106-MNT08544	0:03:36	SCENIC RD	8TH AVE	3
EMS call, excluding vehicle accident with injury	11/11/2023 11:51 AM	231111-MNT08713	0:03:38	OCEAN AVE	SCENIC RD	3
EMS call, excluding vehicle accident with injury	11/9/2023 8:03 PM	231109-MNT08664	0:03:46	JUNIPERO AVE	10TH AVE	3
EMS call, excluding vehicle accident with injury	11/14/2023 8:19 PM	231114-MNT08823	0:03:46	LINCOLN ST	12TH AVE	3
EMS call, excluding vehicle accident with injury	11/24/2023 9:22 AM	231124-MNT09063	0:04:00	SAN ANTONIO AVE	NW CORNER OF 8TH AVE	3
EMS call, excluding vehicle accident with injury	11/24/2023 12:47 PM	231124-MNT09070	0:04:00	OCEAN AVE	DEL MAR AVE	3
EMS call, excluding vehicle accident with injury	11/9/2023 11:00 PM	231109-MNT08668	0:04:02	LOBOS ST	4TH AVE	3
EMS call, excluding vehicle accident with injury	11/13/2023 8:06 PM	231113-MNT08791	0:04:25	CARMELO ST	13TH AVE	3
EMS call, excluding vehicle accident with injury	11/23/2023 11:47 PM	231123-MNT09055	0:04:30	CAMINO REAL AVE	2 SE OF 13TH	3
EMS call, excluding vehicle accident with injury	11/25/2023 12:18 AM	231125-MNT09083	0:04:30	NE CORNER OF JUNIPERO AND 3RD AVE		3
EMS call, excluding vehicle accident with injury	11/6/2023 4:39 PM	231106-MNT08549	0:04:34	SCENIC RD	SANTA LUCIA AVE	3
EMS call, excluding vehicle accident with injury	11/13/2023 12:39 PM	231113-MNT08777	0:04:42	13TH AVE	CARMELO ST	3

Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
300-321 Series (EMS) cont.						
EMS call, excluding vehicle accident with injury	11/24/2023 12:44 AM	231124-MNT09066	0:04:45	11TH AVE	2 NE OF TORRES	3
EMS call, excluding vehicle accident with injury	11/30/2023 3:10 AM	231130-MNT09216	0:04:53	MONTE VERDE ST	12TH AVE	3
		33	***0:03:44***			
322-399 Series (Rescues)						
Search for person in water	11/2/2023 6:18 PM	231102-MNT08436	0:02:41	SCENIC RD	9TH AVE	3
		1	***0:02:41***			
400 Series (Hazardous Material)						
Gas leak (natural gas or LPG)	11/21/2023 6:18 PM	231121-MNT09003	0:00:01	SCENIC RD	11TH AVE	3
Gas leak (natural gas or LPG)	11/21/2023 5:06 PM	231121-MNT09001	0:01:53	CASANOVA ST	13TH AVE	3
Gas leak (natural gas or LPG)	11/24/2023 1:12 PM	231124-MNT09071	0:03:00	SANTA RITA ST	6TH AVE	3
Gas leak (natural gas or LPG)	11/21/2023 6:58 AM	231121-MNT08988	0:03:13	SAN CARLOS ST	OCEAN AVE	3
Gas leak (natural gas or LPG)	11/27/2023 7:27 AM	231127-MNT09132	0:03:39	GUADALUPE ST	6TH AVE	3
Gas leak (natural gas or LPG)	11/24/2023 5:11 PM	231124-MNT09078	0:04:15	5TH AVE	GUADALUPE ST	3
Breakdown of light ballast	11/3/2023 12:42 PM	231103-MNT08460	0:02:08	OCEAN AVE	SAN CARLOS ST	3
Arcing, shorted electrical equipment	11/3/2023 4:09 PM	231103-MNT08468	0:03:32	MISSION ST	7TH AVE	3
Accident, potential accident, other	11/24/2023 9:13 AM	231124-MNT09061	0:04:30	ALTA AVE	MISSION ST	2
		9	***0:02:55***			
500 & 600 Series (Service Calls)						
Person in distress, other	11/29/2023 1:23 AM	231129-MNT09198	0:06:42	MISSION ST	10TH AVE	2
Water or steam leak	11/11/2023 9:21 PM	231111-MNT08725	0:00:23	LOBOS ST	4TH AVE	2
Water or steam leak	11/14/2023 6:01 AM	231114-MNT08797	0:03:48	JUNIPERO AVE	OCEAN AVE	3
Water or steam leak	11/4/2023 9:49 AM	231104-MNT08493	0:05:47	SCENIC RD	MARTIN WAY	2
Water or steam leak	11/4/2023 5:54 PM	231104-MNT08505	0:09:11	MARTIN WAY	SCENIC RD	2
Smoke or odor removal	11/12/2023 11:02 AM	231112-MNT08741	0:02:05	DOLORES ST	7TH AVE	3
Smoke or odor removal	11/12/2023 2:45 PM	231112-MNT08748	0:03:20	DOLORES ST	OCEAN AVE	3
Animal rescue	11/5/2023 2:20 PM	231105-MNT08520	0:04:00	MOUNTAIN VIEW AVE	FOREST RD	2
Public service	11/16/2023 7:28 AM	231116-MNT08862	0:02:44	OCEAN AVE	FOREST RD	3
Public service	11/28/2023 4:23 PM	231128-MNT09183	0:03:51	11TH AVE	TORRES ST	3
Public service	11/28/2023 3:00 AM	231128-MNT09166	0:04:26	1ST AVE	DOLORES ST	3
Public service	11/6/2023 6:55 PM	231106-MNT08554	0:04:38	SAN ANTONIO AVE	OCEAN AVE	2
Public service	11/19/2023 2:08 AM	231119-MNT08941	0:05:18	MONTE VERDE ST	7TH AVE	2
Assist invalid	11/6/2023 8:50 AM	231106-MNT08536	0:02:59	LINCOLN ST	11TH AVE	3
Assist invalid	11/16/2023 9:26 PM	231116-MNT08887	0:03:44	CASANOVA ST	8TH AVE	3
Dispatched & canceled en route	11/29/2023 2:53 PM	231129-MNT09211	0:00:57	DOLORES ST	5TH AVE	3
Dispatched & canceled en route	11/16/2023 10:32 AM	231116-MNT08867	0:03:30	DOLORES ST	5TH AVE	3
No incident found on arrival at dispatch address	11/13/2023 4:54 PM	231113-MNT08782	0:01:37	SAN CARLOS ST	OCEAN AVE	3
No incident found on arrival at dispatch address	11/18/2023 10:20 AM	231118-MNT08922	0:02:28	DOLORES ST	7TH AVE	3

Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
500 & 600 Series (Service Calls) cont.						
No incident found on arrival at dispatch address	11/29/2023 2:04 PM	231129-MNT09209	0:02:45	TORRES ST	6TH AVE	3
No incident found on arrival at dispatch address	11/10/2023 4:09 PM	231110-MNT08689	0:03:00	SANTA RITA ST	6TH AVE	3
No incident found on arrival at dispatch address	11/14/2023 1:59 PM	231114-MNT08809	0:04:37	LOPEZ AVE	2ND AVE	3
No incident found on arrival at dispatch address	11/10/2023 2:43 PM	231110-MNT08684	0:05:46	5104 MONTEREY ST		3
EMS call, party transported by non-fire agency	11/4/2023 3:10 PM	231104-MNT08499	0:02:20	JUNIPERO AVE	4TH AVE	3
HazMat release investigation w/no HazMat	11/14/2023 10:32 AM	231114-MNT08801	0:04:47	JUNIPERO AVE	1ST AVE	3
		25	***0:03:47***			
700 Series (False Alarms)						
Alarm system sounded due to malfunction	11/24/2023 9:49 AM	231124-MNT09065	0:04:00	SW CORNER OF MISSION AND 7TH		2
Alarm system sounded due to malfunction	11/17/2023 2:30 AM	231117-MNT08892	0:04:59	10TH AVE	CASANOVA ST	3
Alarm system activation, no fire - unintentional	11/2/2023 8:08 AM	231102-MNT08414	0:05:03	MONTE VERDE ST	7TH AVE	3
Carbon monoxide detector activation, no CO	11/7/2023 9:48 PM	231107-MNT08588	0:02:44	SAN CARLOS ST	6TH AVE	3
Carbon monoxide detector activation, no CO	11/7/2023 11:31 PM	231107-MNT08589	0:03:40	MONTE VERDE ST	13TH AVE	3
		5	***0:04:05***			

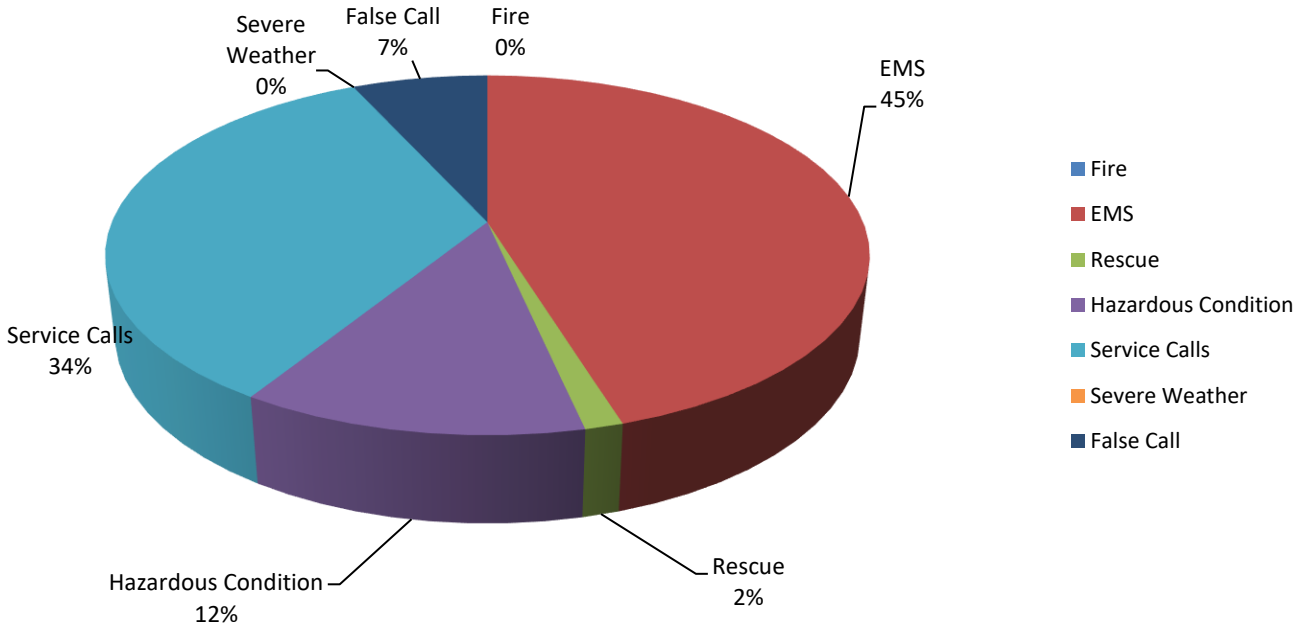
Over 5 Minute Response Times Cause of Delay: Code 3 Responses

231101-MNT08383 Did not push on scene button
231102-MNT08413 Delay due to distance
231110-MNT08684 Did not push on scene button
231107-MNT08589 Did not push on scene button

Code 2 Calls	**10**
Code 3 Calls	**63**
Total # of Incidents	**73**
% Under 5 Minute Response Time	**94%**

CARMEL-BY-THE-SEA
NOVEMBER 2023
Response Summary Report by Incident Type

Type of Call	Number	Average Response Time
Fire	0	0:00
EMS	33	3:44
Rescue	1	2:41
Hazardous Condition	9	2:55
Service Calls	25	3:47
Severe Weather	0	0:00
False Call	5	4:05
Total Responses	73	3:26



Total Code 3 Calls:	63
Response Times for Code 3 Calls ≤ 5 minutes:	94%

RESPONSE SUMMARY REPORT BY DISTRICT
27015 CARMEL-BY-THE-SEA FIRE AMBULANCE
Alarm Date From: 11/01/2023 To: 11/30/2023

Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
300-321 Series (EMS)						
EMS call, excluding vehicle accident with injury	11/29/2023	231129-CFA01515	00:00:28	DOLORES ST	5TH AVE	3
EMS call, excluding vehicle accident with injury	11/16/2023	231116-CFA01466	00:00:44	DOLORES ST	5TH AVE	3
EMS call, excluding vehicle accident with injury	11/18/2023	231118-CFA01476	00:01:13	OCEAN AVE	MONTE VERDE ST	3
EMS call, excluding vehicle accident with injury	11/19/2023	231119-CFA01481	00:01:48	MISSION ST	7TH AVE	3
EMS call, excluding vehicle accident with injury	11/1/2023	231101-CFA01391	00:02:10	MISSION ST	7TH AVE	3
EMS call, excluding vehicle accident with injury	11/3/2023	231103-CFA01403	00:02:15	5TH AVE	DOLORES ST	3
EMS call, excluding vehicle accident with injury	11/19/2023	231119-CFA01480	00:02:31	FOREST RD	8TH AVE	3
EMS call, excluding vehicle accident with injury	11/10/2023	231110-CFA01432	00:02:49	SAN ANTONIO AVE	7TH AVE	3
EMS call, excluding vehicle accident with injury	11/4/2023	231104-CFA01409	00:02:50	JUNIPERO AVE	4TH AVE	3
EMS call, excluding vehicle accident with injury	11/9/2023	231109-CFA01421	00:02:52	JUNIPERO AVE	10TH AVE	3
EMS call, excluding vehicle accident with injury	11/14/2023	231114-CFA01456	00:02:52	LINCOLN ST	12TH AVE	3
EMS call, excluding vehicle accident with injury	11/2/2023	231102-CFA01397	00:02:53	DOLORES ST	5TH AVE	3
EMS call, excluding vehicle accident with injury	11/3/2023	231103-CFA01401	00:02:53	CASANOVA ST	8TH AVE	3
EMS call, excluding vehicle accident with injury	11/13/2023	231113-CFA01446	00:02:54	CARMELO ST	13TH AVE	3
EMS call, excluding vehicle accident with injury	11/24/2023	231124-CFA01498	00:02:54	SAN CARLOS ST	SANTA LUCIA AVE	3
EMS call, excluding vehicle accident with injury	11/21/2023	231121-CFA01490	00:03:00	ESCOLLE WAY	PERRY NEWBERRY WAY	3
EMS call, excluding vehicle accident with injury	11/10/2023	231110-CFA01424	00:03:01	SAN CARLOS ST	5TH AVE	3
EMS call, excluding vehicle accident with injury	11/7/2023	231107-CFA01417	00:03:02	LINCOLN ST	8TH AVE	3
EMS call, excluding vehicle accident with injury	11/14/2023	231114-CFA01451	00:03:03	SAN ANTONIO AVE	8TH AVE	3
EMS call, excluding vehicle accident with injury	11/15/2023	231115-CFA01463	00:03:23	MONTE VERDE ST	12TH AVE	3
EMS call, excluding vehicle accident with injury	11/26/2023	231126-CFA01507	00:03:32	CARMEL WAY	2ND AVE	3
EMS call, excluding vehicle accident with injury	11/16/2023	231116-CFA01464	00:03:40	OCEAN AVE	FOREST RD	3
EMS call, excluding vehicle accident with injury	11/21/2023	231121-CFA01488	00:03:53	MONTE VERDE ST	12TH AVE	3
EMS call, excluding vehicle accident with injury	11/16/2023	231116-CFA01468	00:03:55	CASANOVA ST	8TH AVE	3
EMS call, excluding vehicle accident with injury	11/24/2023	231124-CFA01495	00:04:00	SAN ANTONIO	8TH AVE	3
EMS call, excluding vehicle accident with injury	11/9/2023	231109-CFA01422	00:04:01	LOBOS ST	4TH AVE	3
EMS call, excluding vehicle accident with injury	11/30/2023	231130-CFA01518	00:05:10	MONTE VERDE ST	12TH AVE	3
EMS call, excluding vehicle accident with injury	11/28/2023	231128-CFA01510	00:05:15	1ST AVE	DOLORES ST	3
EMS call, excluding vehicle accident with injury	11/25/2023	231125-CFA01501	00:05:17	3RD AVE	JUNIPERO AVE	3
EMS call, excluding vehicle accident with injury	11/1/2023	231101-CFA01388	00:05:27	LOBOS ST	2NW OF 4TH	3
EMS call, excluding vehicle accident with injury	11/29/2023	231129-CFA01513	00:05:34	MISSION ST	10TH AVE	2
EMS call, excluding vehicle accident with injury	11/5/2023	231105-CFA01411	00:05:47	OCEAN AVE	SCENIC RD	3

Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
300-321 Series (EMS) cont.						
EMS call, excluding vehicle accident with injury	11/2/2023	231102-CFA01396	00:06:30	26345 LADERA DR		3
		33	***0:03:23***			
322-399 Series (Rescues)						
Motor vehicle/pedestrian accident (MV Ped)	11/6/2023	231106-CFA01414	00:03:31	SCENIC RD	SANTA LUCIA AVE	3
Motor vehicle accident with no injuries.	11/14/2023	231114-CFA01452	00:01:53	JUNIPERO AVE	4TH AVE	3
Search for person in water	11/2/2023	231102-CFA01399	00:02:22	SCENIC RD	9TH AVE	3
		3	***0:02:35***			
400 Series (Hazardous Material)						
Hazardous condition, other	11/10/2023	231110-CFA01430	00:01:39	SANTA RITA ST	6TH AVE	3
Hazardous condition, other	11/28/2023	231128-CFA01511	00:04:02	11TH AVE	TORRES ST	3
Hazardous condition, other	11/27/2023	231127-CFA01508	00:04:05	GUADALUPE ST	6TH AVE	3
Hazardous condition, other	11/14/2023	231114-CFA01450	00:04:23	JUNIPERO AVE	1ST AVE	3
Hazardous condition, other	11/24/2023	231124-CFA01494	00:05:00	MISSION ST	ALTA	3
Gas leak (natural gas or LPG)	11/29/2023	231129-CFA01514	00:03:00	TORRES ST	6TH AVE	3
Gas leak (natural gas or LPG)	11/10/2023	231110-CFA01429	00:04:34	5104 MONTEREY ST		3
Gas leak (natural gas or LPG)	11/21/2023	231121-CFA01489	00:04:36	CASANOVA ST	13TH AVE	3
Gas leak (natural gas or LPG)	11/24/2023	231124-CFA01499	00:05:26	5TH AVE	GUADALUPE ST	3
Electrical wiring/equipment problem, other	11/10/2023	231110-CFA01427	00:02:12	LINCOLN ST	5TH AVE	3
Electrical wiring/equipment problem, other	11/3/2023	231103-CFA01402	00:02:16	OCEAN AVE	SAN CARLOS ST	3
Electrical wiring/equipment problem, other	11/3/2023	231103-CFA01405	00:03:04	MISSION ST	7TH AVE	3
		12	***0:03:41***			
500 & 600 Series (Service Calls)						
Water or steam leak	11/14/2023	231114-CFA01449	00:03:15	JUNIPERO AVE	OCEAN AVE	3
Water or steam leak	11/11/2023	231111-CFA01434	00:04:34	LOBOS ST	4TH AVE	3
Water or steam leak	11/4/2023	231104-CFA01407	00:08:28	SCENIC RD	MARTIN WAY	2
Assist invalid	11/14/2023	231114-CFA01455	00:01:46	4TH AVE	SAN CARLOS ST	3
Assist invalid	11/6/2023	231106-CFA01413	00:03:05	LINCOLN ST	11TH AVE	2
Assist invalid	11/24/2023	231124-CFA01497	00:03:50	11TH AVE	TORRES ST	3
		6	***0:04:10***			
700 Series (False Alarms)						
False alarm or false call, other	11/18/2023	231118-CFA01473	00:01:47	DOLORES ST	7TH AVE	3
False alarm or false call, other	11/7/2023	231107-CFA01418	00:02:49	SAN CARLOS ST	6TH AVE	3
		2	***0:02:18***			

Over 5 Minute Response Times Cause of Delay: Code 3 Responses
231130-CFA01518 Did not hit the on scene button
231128-CFA01510 Did not hit the on scene button
231125-CFA01501 Did not hit the on scene button
231101-CFA01388 Did not hit the on scene button

Code 2 Calls	**3**
Code 3 Calls	**53**
Total # of Incidents	**56**
% Under 5 Minute Response Time	**87%**
Total Average Response Time	**0:03:13**

Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
231105-CFA01411 Unable to locate upon arrival						
231102-CFA01396 Did not hit the on scene button						
231125-CFA01499 Did not hit the on scene button						

RESPONSE SUMMARY REPORT BY DISTRICT
27015 CARMEL-BY-THE-SEA FIRE AMBULANCE
Alarm Date From: 11/01/2023 To: 11/30/2023

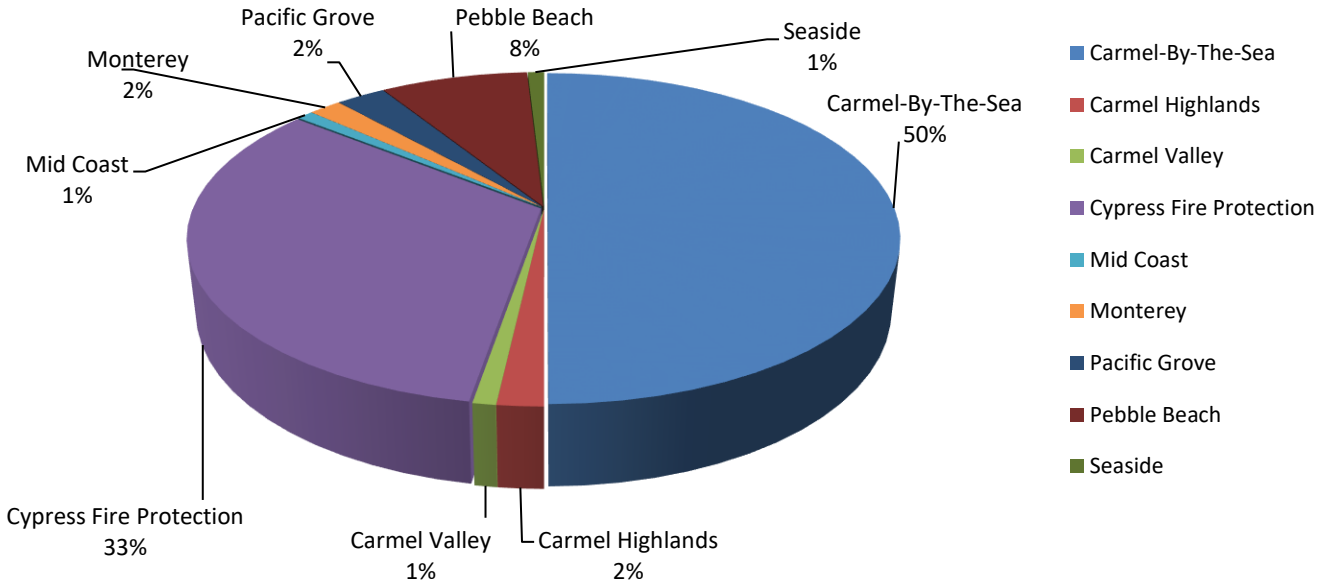
Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
CARMEL HIGHLAND						
EMS call, excluding vehicle accident with injury	11/10/2023	231110-CFA01431	00:09:03	73 FERN CANYON RD		3
Water & ice-related rescue, other	11/15/2023	231115-CFA01459	00:13:07	YANKEE POINT DR	CARMEL RIVIERA DR	3
		2	***0:11:05***			
CARMEL VALLEY						
EMS call, excluding vehicle accident with injury	11/16/2023	231116-CFA01467	00:11:56	8545 CARMEL VALLEY RD		3
		1	***0:11:56***			
CYPRESS						
Rescue, EMS incident, other	11/25/2023	231125-CFA01503	00:07:57	OCEAN VIEW AVE	SCENIC RD	3
EMS call, excluding vehicle accident with injury	11/1/2023	231101-CFA01389	00:05:23	26045 S CARMEL HILLS DR		3
EMS call, excluding vehicle accident with injury	11/1/2023	231101-CFA01393	00:04:59	26270 DOLORES ST		3
EMS call, excluding vehicle accident with injury	11/2/2023	231102-CFA01394	00:06:55	26372 RIVERSIDE PL		3
EMS call, excluding vehicle accident with injury	11/3/2023	231103-CFA01400	00:08:11	25417 CARMEL KNOLLS DR		2
EMS call, excluding vehicle accident with injury	11/5/2023	231105-CFA01412	00:03:51	3850 RIO RD		3
EMS call, excluding vehicle accident with injury	11/10/2023	231110-CFA01425	00:07:12	2890 RIBERA RD		3
EMS call, excluding vehicle accident with injury	11/12/2023	231112-CFA01435	00:05:00	26600 OLIVER RD		3
EMS call, excluding vehicle accident with injury	11/12/2023	231112-CFA01437	00:06:36	25682 CARMEL KNOLLS DR		3
EMS call, excluding vehicle accident with injury	11/13/2023	231113-CFA01438	00:06:02	3744 THE BARNYARD		3
EMS call, excluding vehicle accident with injury	11/13/2023	231113-CFA01439	00:04:39	3785 VIA NONA MARIE		3
EMS call, excluding vehicle accident with injury	11/13/2023	231113-CFA01440	00:03:49	FLANDERS DR	MORSE DR	3
EMS call, excluding vehicle accident with injury	11/13/2023	231113-CFA01441	00:03:58	24558 CAMINO DEL MONTE		3
EMS call, excluding vehicle accident with injury	11/13/2023	231113-CFA01442	00:04:39	26135 CARMEL RANCHO BLVD		3
EMS call, excluding vehicle accident with injury	11/15/2023	231115-CFA01462	00:06:20	3777 RIO RD		2
EMS call, excluding vehicle accident with injury	11/15/2023	231115-CFA01461	00:04:26	26245 CARMEL RANCHO BLVD		3
EMS call, excluding vehicle accident with injury	11/16/2023	231116-CFA01465	00:05:15	26245 CARMEL RANCHO BLVD		3
EMS call, excluding vehicle accident with injury	11/17/2023	231117-CFA01471	00:05:21	26005 DOUGHERTY PL		3
EMS call, excluding vehicle accident with injury	11/14/2023	231114-CFA01454	00:07:44	25451 CANADA VALLEY DR		3
EMS call, excluding vehicle accident with injury	11/18/2023	231118-CFA01475	00:05:13	24324 SAN JUAN RD		3
EMS call, excluding vehicle accident with injury	11/21/2023	231121-CFA01487	00:08:39	2877 PRADERA RD		3
EMS call, excluding vehicle accident with injury	11/21/2023	231121-CFA01491	00:06:15	26530 MISSION FIELDS RD		3
EMS call, excluding vehicle accident with injury	11/25/2023	231125-CFA01504	00:06:17	3659 THE BARNYARD		3
EMS call, excluding vehicle accident with injury	11/25/2023	231125-CFA01505	00:05:12	25939 CARMEL KNOLLS DR		3
EMS call, excluding vehicle accident with injury	11/25/2023	231125-CFA01502	00:11:43	24411 PORTOLA RD		3
EMS call, excluding vehicle accident with injury	11/24/2023	231124-CFA01496	00:05:16	26135		3
EMS call, excluding vehicle accident with injury	11/27/2023	231127-CFA01509	00:05:34	3771 RIO RD		3

Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
CYPRESS cont.						
EMS call, excluding vehicle accident with injury	11/22/2023	231122-CFA01492	00:07:48	25344 PINE HILLS DR		3
EMS call, excluding vehicle accident with injury	11/20/2023	231120-CFA01482	00:08:19	3665 RIO RD		3
EMS call, excluding vehicle accident with injury	11/30/2023	231130-CFA01520	00:05:59	3850 RIO RD		3
EMS call, excluding vehicle accident with injury	11/24/2023	231124-CFA01500	00:06:12	3303 SYCAMORE PL		3
EMS call, excluding vehicle accident with injury	11/29/2023	231129-CFA01516	00:04:41	26525 FISHER DR		3
EMS call, excluding vehicle accident with injury	11/30/2023	231130-CFA01519	00:07:18	26135		3
Motor vehicle accident with injuries	11/2/2023	231102-CFA01395	00:06:21	HWY 1	RIBERA RD	3
Motor vehicle accident with injuries	11/20/2023	231120-CFA01484	00:05:41	HWY 1	HANDLEY DR	3
Public service assistance, other	11/21/2023	231121-CFA01485	00:06:12	25636 MORSE DR		2
False alarm or false call, other	11/15/2023	231115-CFA01458	00:07:02	26336 SCENIC RD		3
		37	***0:06:10***			
MID COAST						
No incident found on arrival at dispatch address	11/10/2023	231110-CFA01426	00:17:13	33170-33691 HWY 1		3
		1	***0:17:13***			
MONTEREY						
EMS call, excluding vehicle accident with injury	11/13/2023	231113-CFA01445	00:05:52	2170 N FREMONT ST		3
Cover assignment, standby, moveup	11/17/2023	231117-CFA01470	00:11:42	HWY 1	AGUAJITO RD	2
		2	***0:08:47***			
PACIFIC GROVE						
EMS call, excluding vehicle accident with injury	11/1/2023	231101-CFA01392	00:10:31	1229 DAVID AVE		3
EMS call, excluding vehicle accident with injury	11/2/2023	231102-CFA01398	00:12:56	551 GIBSON AVE		3
EMS call, excluding vehicle accident with injury	11/19/2023	231119-CFA01478	00:10:38	1042 FOREST AVE		3
		3	***0:11:22***			
PEBBLE BEACH						
EMS call, excluding vehicle accident with injury	11/1/2023	231101-CFA01390	00:07:28	3164 CORTEZ RD		3
EMS call, excluding vehicle accident with injury	11/4/2023	231104-CFA01408	00:09:09	1630 SONADO RD		3
EMS call, excluding vehicle accident with injury	11/10/2023	231110-CFA01433	00:09:52	1432 VISCAINO RD		3
EMS call, excluding vehicle accident with injury	11/13/2023	231113-CFA01448	00:10:51	1626 CORTE LN		3
EMS call, excluding vehicle accident with injury	11/14/2023	231114-CFA01453	00:08:05	1445 RIATA RD		3
EMS call, excluding vehicle accident with injury	11/18/2023	231118-CFA01472	00:08:34	FOREST LAKE RD	WILDCAT CANYON RD	3
EMS call, excluding vehicle accident with injury	11/23/2023	231123-CFA01493	00:06:00	1500 CYPRESS DR		3
EMS call, excluding vehicle accident with injury	11/28/2023	231128-CFA01512	00:08:18	1576 CYPRESS DR		3
EMS call, excluding vehicle accident with injury	11/29/2023	231129-CFA01517	00:07:02	3187 PALMERO WAY		3
		9	***0:08:22***			
SEASIDE						
EMS call, excluding vehicle accident with injury	11/6/2023	231106-CFA01416	00:12:44	3253 MONTEREY RD		3
		1	***0:12:44***			

Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
					Code 2 Calls	4
					Code 3 Calls	52
				Total # of Incidents		56
				Total Average Response Time		0:10:49

CITY OF CARMEL - FIRE AMBULANCE DEPARTMENT
NOVEMBER 2023
Response Summary Report by District Type

District Response	Number	Average Response Time
Carmel-By-The-Sea	56	3:13
Carmel Highlands	2	11:05
Carmel Valley	1	11:56
Cypress Fire Protection	37	6:10
Mid Coast	1	17:13
Monterey	2	8:47
Pacific Grove	3	11:22
Pebble Beach	9	8:22
Seaside	1	12:44
Total Responses	112	10:05



Total Code 3 Calls:	53
CFA Response Times for Code 3 Calls ≤ 5 minutes:	87%

Attachment 3

Police Records Request Log

November 2023

Request No.	Request Date & Received By	10-Day Due Date	Requestor	Info Requested	Status	Date & PSO Mailed
2023-0001	11/08/2023AP	11/17/2023AP	Kristine Tataryan	photo images CG2300469	completed	mailed by DA
2023-0002	11/10/2023AP	11/10/2023AP	Jennifer Block	CC2300412	report realeased	11/10/2023 AP
2023-0003	11/10/2023AP	11/20/2023AP	Pallavi Shimoda	10-36 retention schedule	email	11/21/23 mw
2023-0004	11/10/2023AP	11/20/2023AP	Kristen Ridout -Owner Toro sushi	CG2300501	completed	emailed by DA
2023-0005	11/10/2023AP	11/20/202 3AP	Coopers LLP Trail Lawyers	CG2200237	completed	faxed by DA
2023-0006	11/11/2023 mw	11/21/2023	Isabel Salinas	CG2200402 / CG2300420	Pick up	11/14/23 mw
2023-0007	11/14/23 mw	11/24/2023	Paralegal AnnaMarie Bruno	911 audio	completed	emailed by DA
2023-0008	11/14/23 AI	11/24/2023	Department of Real Estate	CG2200036	completed	11/14/23 AI
2023-0009	11/14/23 AI	11/24/2023	Tey Leporatif	CG2300458	completed	mailed by DA
2023-0010	11/23/2023	12/3/2023	Lexis Nexis	CC2300258	completed	mailed by DA

City Clerk Public Records Request Log

November 2023

Request Number	Date Requested	10-day Response Date	Records Requested	Requestor Name	Date Completed	Notes
2023-114 (Next Request ID # 23-21)	11/15/2023	11/27/2023	List of all businesses in town, including business name, type, address/contact info	Tricia Nguyen	11/29/2023	records sent
2023-115 (Next Request ID # 23-22)	11/21/2023	12/1/2023	All employment records associated with Chilone Payton ("PAYTON") including but not limited to (see letter): 1. Documents reflecting dates of employment in any capacity. 2. Documents reflecting dates and hours worked such as work schedules and timesheets. 3. Documents reflecting positions held.	Carla Vasquez dos Santos-Moore		12/1/2023 emailed 14 day extension notice to requester. 12/15/2023 - emailed requester that PRA request denied pursuant to GC 7927.700, 7923.600-7923.625, and protective order issued.
2023-116	11/28/2023	12/8/2023	Business License applications for: 23064, 23063, 23062, 23061, and 23059	Mary Schley	11/28/2023	records sent by CPB Dept.

CITY OF CARMEL-BY-THE-SEA
Public Works Department
November 2023 Monthly Report

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Robert M. Harary, P.E., Director of Public Works
SUBMITTED ON:	December 1, 2023
APPROVED BY:	Chip Rerig, City Administrator

City Council Special Meeting of November 6, 2023

- Adopted Resolution 2023-100, awarding a construction contract to Monterey Peninsula Engineering, in the amount of $1,139,566, for the Fiscal Year (FY) 2021/22 Paving Project, including the San Carlos Bike Route between Eighth and Thirteenth Avenues, and Sidewalk Repairs, and transferring $261,566 from the Contingency Fund to award the contract.
- Adopted Resolution 2023-101, awarding Amendment #1 to the Professional Services Agreement (PSA) with Wallace Group, for a fee of $241,258, for engineering and design of the FY 2023/24 Paving Project and for project management oversight for the Coastal Infrastructure Repair Project.

City Council Meeting of November 7, 2023

- At a Public Hearing, gave a presentation regarding the PG&E Rule 20A underground utility funding program, and recent program changes including the reallocation of City credits. Council selected an undergrounding conversion project in the Mission Trails Nature Preserve (MTNP) along the Willow Trail, but deferred adoption of an undergrounding district pending further outreach to residents along Ridgewood Road and review of potential funding mechanisms to help pay for private conversions.
- At a Public Hearing, gave a presentation and introduced the first reading of Ordinance 2023-007, amending Title 17, Zoning, by repealing and replacing Chapter 17.42, Stormwater Quality and Utility, and Chapter 17.43, Water Quality Protection.
- The Carmel-by-the-Sea Public Improvement Authority adopted Resolution PIA 2023-001, authorizing the execution of an Easement Deed granting a 10-foot wide easement to PG&E in the Vista Lobos parking lot for installation of electrical facilities to power upcoming City EV charging stations.

Forest and Beach Commission Meeting of November 9, 2023

- Announcements included:
  - Commissioner Sours resigned
  - Clarified that Commissioners-proposed topic of declaring the beach infrastructure a state of emergency is not within the subject matter jurisdiction of the Commission
  - Provided an update of additional research regarding the proposed Beach Cleanup Policy
- At the northwest corner of Lincoln Street and Twelfth Avenue, approved the removal of a Monterey Pine based on a subsequent report prepared by an engineering firm, and paid by the Applicant, that documents damage to the foundation of the house was due to tree roots. No replanted was required.
- Reviewed the Rules of Procedure for the Forest and Beach Commission which apparently have not been updated since 2002. Commissioners considered changes recommended by staff and identified additional updates. The revised Rules of Procedures will be resubmitted to the Commission for final review and adoption at an upcoming meeting.
- The Director presented the Forester's and Public Works Department Reports for October 2023.

Public Works Department Report – November 2023

Climate Committee Meeting of November 16, 2023

- This was the first Climate Committee meeting since adoption of the Climate Action and Climate Adaptation Plans in August 2022. Members are Committee Chair Jeff Baron, and Carrie Theis, Scott Lonergran, and Michael LePage. Environmental Programs Manager Mary Bilse is the staff liaison.
- Presented the following two technical reports produced under the Coastal Engineering Study, a key Climate Adaptation Strategy initiative:
  - Task 1, Shoreline Infrastructure Condition Assessment, presented by Haro Kashunich and Associates
  - Task 2, Shoreline and Beach Change Analysis, presented by Integral Consulting
- Reviewed the list of projects outlined in the Climate Action and Climate Adaptation Plans. The projects are divided into short-, medium-, and long-term initiatives, and the estimated percentage complete were assigned. Committee provided feedback to provide a more user-friendly project tracking list for review at subsequent meetings.

Traffic Safety Committee Meeting of November 29, 2023

- Denied a request to convert the Santa Rita Street and Fourth Avenue intersection from a 2-way to 4-way stop control, but requested that vegetation at the northwest and southwest corners of the intersection be pruned back for improved visibility. The location will be brought back to the Committee at the next meeting to evaluate the effectiveness of the pruning.
- Reviewed the current baseline situation of commercial vehicles bypassing the official truck route along San Carlos Street, between Eighth and Thirteenth Avenues, by using Junipero Street. It was noted that San Carlos Street will be repaved with a new shared bike route in early Spring, and truck traffic behavior may subsequently change. Public comments noted that as many as 30-40 trucks per day use Junipero Street. Motion was to perform a clipboard survey of truck counts, inventory existing truck-related signs and evaluate additional signs that may be needed, request Police to issue warnings, and re-evaluate the matter at subsequent Committee meetings.

Administration

- Tom Ford and wife Michelle gave birth to a baby boy on November 26th. Congratulations!
- Jenn Menke joined the Forestry Division for temporary administrative support.
- Leadership Carmel Class of 2023 treated the entire Public Works Department to a wonderful lunch and get together in appreciation of our support of their legacy nature play project at Forest Hill Park.
- Prepared staff report and presentation for the December 5th Council meeting regarding the City-wide Drainage Master Plan Update Project.
- Held the annual Public Works Thanksgiving holiday luncheon as a team building event.
- The wooden upper portions of the Eleventh Avenue footbridge at the entrance into the MTNP was declared to be unrepairable, but the underlying steel beams can remain. As a unique Team Building Project in December, the entire Public Works Department will rebuild this footbridge. An often dusty/muddy road entrance at the adjacent park entry gate will also be reconstructed.

Carmel Cares and Other Volunteer Groups

- Carmel Cares coordinated the donation of a stove for the Fire Station.
- "Median Minders" volunteers continued to improve medians across the Village.
- "Downtown Detail" volunteers improved the landscaping around the Post Office parking lot.
- The Friends of MTNP offered to pay for upgraded MTNP entry display signs, and the sign fabrication is underway.

Environmental Programs

- For the new Stormwater Ordinance, prepared the staff report and resolution for the second reading and adoption for the December 4th Council meeting.
- For the Coastal Engineering Study, Phase I, staff met with consultants at Integral and EMC to review preliminary findings of Tasks 3, Shoreline and Beach Erosion Exposure Modeling, and Task 4, Coastal Hazard and Sea Level Rise Vulnerability Assessment. Reports scheduled to be ready for presentations to Commission/Committee in February.

Public Works Department Report – November 2023

- Began to process the California Coastal Commission's $500,000 Local Coastal Programs Grant to fund Phase II of the Coastal Engineering Study by gathering additional documentation.
- Prepared the staff report, resolution, and presentation for the December 5th Council meeting to propose a new Beach Cleanup Operations Policy. As requested by the Forest and Beach Commission as part of their recommendation for Council approval, staff conducted additional research on driftwood, further collaborated with regulatory agencies, and met with Carmel Cares to determine areas of agreement and disagreement with the proposed Policy.
- Coordinated with Applied Marine Science for a proposal to continue to provide water quality testing for up to three years under a new Professional Services Agreement.
- Coordinated with the Building Department to resume inspections of stormwater best management practices at construction sites.

Facility Maintenance

- For the FY 2023/24 ADA Upgrades Project, plans were approved for additional ADA-compliant railings to be installed at the Harrison Memorial Library.
- For the Sunset Center Bollards Replacement CIP Project, eight bollards were delivered: late, wrong color, missing hardware, and some cracked and chipped. All were rejected and returned.
- For the Carpenter Hall Heater Replacement CIP Project, received recommendations from two contractors for alternate replacement systems. Concepts will be converted into a request for informal quotes. The new system appears to be within budget.
- Contractor repaired roof tiles at the corner of Flander's Mansion damaged by vandalism.
- Vendor upgraded door locks in the Administration Department at City Hall.
- In preparation for winter storms, cleaned roof gutters, and tested pumps and backup generators.
- Replaced water filtration systems in several park restrooms,
- Cleared a clogged drain at the Scenic Restroom ADA drinking fountain.
- The steel fire doors between the Public Works Garage and basement offices were deemed unsafe. Quotes for repairs versus complete replacements are in progress.
- Overhead roll up doors passed maintenance inspections at the Fire Station and Public Works, except for one garage door that needs to be significantly repaired.
- Purchased new flags.
- Installed year-end holiday decorations around Devendorf Park and lights along the Ocean Avenue median islands.

Project Management for the Capital Improvement Program

<u>4 Leaf Projects</u>:

- For the Police Building Renovation Project, met with Council Ad Hoc Committee on November 13th to discuss key findings of Indigo Architect's condition assessment and space programming reports, and preliminary alternatives. Ad Hoc directed staff to provide the space programming report with potential reductions, consider alternative sites for a new facility, and return to the Ad Hoc in early December.

<u>Ausonio, Inc. Projects</u>:

- For the Sunset Center North Wing and Harrison Memorial Library Exterior/Interior Painting Project, seven contractors attended the pre-bid meeting on November 9th, and an addendum was issued in response to questions. Bids will be opened on December 5th.
- Draft bidding and contract documents were prepared for the Park Branch Library Dumbwaiter Decommissioning, an operating budget project. Staff and building permit readiness review comments are being incorporated.
- For the Sunset Center Retaining Walls Repair Project and San Antonio Walkway Repair Project, Second to Fourth Avenues, ZFA Structural Engineers were selected via a competitive consultant selection process performed by CSUMB. ZFA reviewed both project sites, and a draft PSA for on-call structural engineering services is being prepared.

Public Works Department Report – November 2023

Wallace Group Projects:

- For the FY 2022/23 Concrete Streets Repair Project, BKF Engineers submitted 95% complete design plans, technical specifications, and cost estimates which are being checked by Wallace Group. Due to higher construction cost estimates versus available funding, bidding may be pushed until additional CIP funds are available via the FY 2024/25 Capital Improvement Program.
- For the FY 2023/24 City-wide Paving Project, the Council-approved Amendment No. 1 to the PSA with Wallace Group was executed, Notice to Proceed was issued, and a kickoff meeting was held. Field surveying, utility coordination, and preliminary layout plans will be underway in December.
- For the Coastal Infrastructure Repair Project, also approved by Amendment No. 1, Wallace Group began to compile information and example RFPs to develop a new RFP customized for Carmel Beach infrastructure repair scoping, cost estimating, and beach access stair repair designs.

Additional Capital Projects:

- For the MTNP Well and Tank/Pump House Removal Project, the well decommissioning permit was issued by the County Environmental Health Department, and the well was decommissioned. The contractor demobilized from the jobsite, and only closeout paperwork remains for this project.
- For the FY 2021/22 City-wide Paving Project, the contract with MPE was executed, Notice to Proceed was issued, and a Preconstruction Meeting was held in late November. Technical submittals will be processed in December, and sidewalk repairs and paving overlays are set to begin in January.
- For the MTNP 3 Drainage Project, after a year-long, tedious approval process, the California Department of Fish and Wildlife Service issued a Streambed Alteration Agreement. With all three regulatory approvals in hand, staff can finalize the bidding and contract documents for construction and request partial reimbursement of the $178k State Parks Per Capita Grant.
- For the 4 Drainage Improvements Project, following staff review of the 30% design plans, Neill Engineers are proceeding to 90% design for three of the four sites. On-call environmental consultant, Denise Duffy & Associates, are preparing a proposal for required environmental review and documentation for two of the four sites.
- For the Electrical Panels at City Hall, Fire Station, and Vista Lobos Project, the technical reports submitted by Advanced Design Consultants (ADC) were checked by staff and returned to be finalized. Overall, panels at City Hall and Fire Station can be repaired with remedial work by an electrician; however, the panels at Vista Lobos require complete reconstruction for safety reasons.
- For the Vista Lobos Parking Lot EV Charging Station Project, the 60% plans were reviewed by staff and returned to ADC. ADC is coordinating final design plans with PG&E to tie into PG&E's new transformer to be installed in the easement just approved by the Carmel Public Improvement Authority. This project may be expanded to incorporate the required reconstruction of the Vista Lobos electrical panels with the EV charging stations project for efficiency and cost-savings.
- Met with CAWD and their design consultants to coordinate encroachment permit special conditions of approval, final plans, and construction impacts for two upcoming sewer projects: 1) Pipe bursting and manhole rehabilitations project along Santa Rita and Guadalupe Streets, from Ocean Avenue to the north City limits, and 2) Pipe bursting along Scenic Road, from Ocean Avenue to the south City limits.

Street Maintenance

- Provided staffing, barricades, signage, and clean up for the Veteran's Day and Homecrafter events.
- Completed the annual Storm Drain System Inspection Program which included clearing out vegetation and debris along drainage channels and culverts across the City.
- Sales at public auction included $15,100 for the former street sweeper, $2,600 for an old patrol vehicle, and $861 for broken portable generator parts. Funds will be credited to the City's Vehicle and Equipment Fund for future vehicle and equipment purchases.
- Ordered an EV truck for Forestry, as a CIP project, for $57k.
- Coordinated equipment repairs to the high ranger and chipper.
- Receive 20 dual trash/recycling and 10 trash-only, ribbon-style containers. The first batch of containers were installed in late November.
- Filled in cracks along San Antonio Pathway between Second and Fourth Avenues.

- As a cost-sharing project with a developer, the sidewalk in front of Fourtane Jewelers on Ocean Avenue was reconstructed by a private contractor with upgraded, permeable pavers.
- Cleaned up the Rio Park material storage areas.
- Prepared material quantities and cost estimate for a new post and rail fence along Ocean and San Antonio Avenues along the borders of the North Dunes Habitat site. Fence to be reviewed by Forest and Beach Commission in January.
- Attended the re-launched Utility Coordination Meeting at the City of Monterey, and provided plans to coordinate the City's FY 2021/22 and FY 2022/23 paving projects with the utility companies.

Forestry, Parks, and Beach (Forester's Report)

- For the Urban Forest Master Plan (UFMP), 343 responses to the Community Survey were received prior to the closing date. The data is currently being compiled and will be presented to the Forest and Beach Commission when complete.
- Status of Davey Resource Group's development of the UFMP is as follows:
    - Tree Canopy and Land Cover Assessment - complete
    - Urban Forest Resource Analysis (Eco) - complete
    - Operations review ~99% complete
    - Community Survey - 90% complete
    - Draft Recommended Species List ~75% complete
    - Draft 1 UFMP ~90% complete
        - Developing goals, objectives, and action steps
        - Incorporating community survey results
- Due to the extraordinarily onerous requirements, re-work, and unclear/contradictory directions to seek grant reimbursement from CalFire for the UFMP, and since no funds have been reimbursed to date, staff requested to be relieved of further administering this grant.
- As requested by the Forest and Beach Commission, an overgrown Podocarpus tree was pruned on San Antonio, southwest of Second Avenue. The adjacent Loquats have also been looked at by the City Forester, but we are proceeding carefully with trimming so that they remain healthy.
- In the North Dunes Habitat Restoration Site, invasive acacia seedlings and saplings were removed.
- Unauthorized cactus plantings were removed in the MTNP by the Friends of MTNP and staff.
- Fuel management weed whacking and tree pruning was performed in and around Rio Park yard by forestry staff.
- First nursery order of large cypress trees was made with more pines, cypresses, and oaks coming soon for plantings in the coming months.
- A majority of the planned work issued via Task Orders to our three tree service contractors, Community Tree Service, Tope's Tree Service, and West Coast Arborist, has been completed to date. Some funds remain in reserve for storm recovery efforts, but all allocated funds will be expended well before the end of the Fiscal Year. Additional funding for tree services will be requested as part of the Mid-Year Budget review process.
- To date in Fiscal Year 2023/24, contractors removed 59 trees, pruned 13 trees, and ground out 48 stumps.
- The removed trees also had their stumps ground and backfilled to create new planting locations.
- Landscape maintenance work across the City continues to be fully engaged by contractor Town & Country.

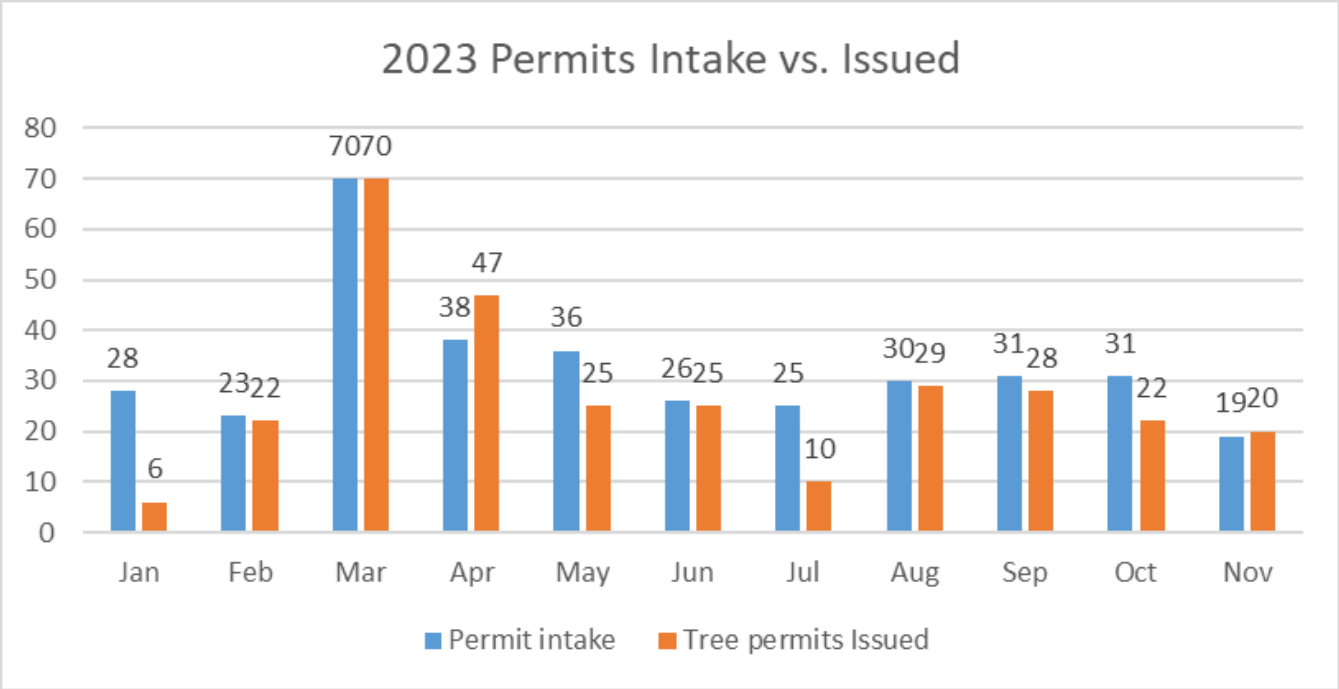
. Permit Information

Public Works Department Report – November 2023

Attachment 4

2023 Permitted removals, pruning, and required planting

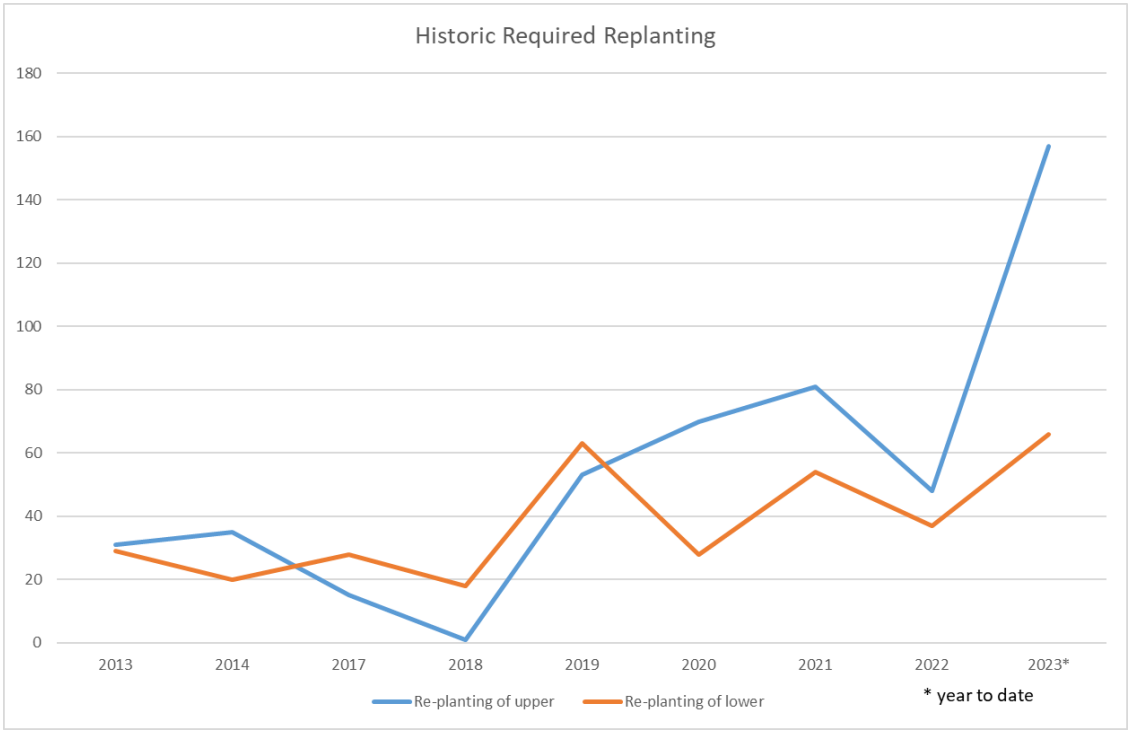
	Tree permits received	Tree permits Issued	Total Prunings	Total Removals	Removal of Upper	Removal of Lower	Required to Plant Upper	Required to Plant Lower	No room for new tree	Meets Density Rec.	Total Number of Trees Required
January	28	6	0	12	3	7	5	1	0	2	6
February	23	22	1	24	15	9	15	10	0	0	25
March	70	70	21	71	47	24	32	14	1	7	46
April	38	47	16	53	49	4	32	3	2	2	35
May	36	25	9	26	20	6	18	4	4	7	22
June	26	25	14	26	17	9	16	6	0	4	22
July	25	10	7	7	5	2	3	2	0	2	5
August	30	29	5	24	12	20	8	12	2	6	20
September	31	28	6	22	14	9	12	8	0	7	20
October	30	22	1	20	14	7	11	6	0	2	17
November	19	20	7	11	8	11	5	0	0	8	5
December											0
2023 Totals	**356**	**304**	**87**	**296**	**204**	**108**	**157**	**66**	**9**	**47**	**223**



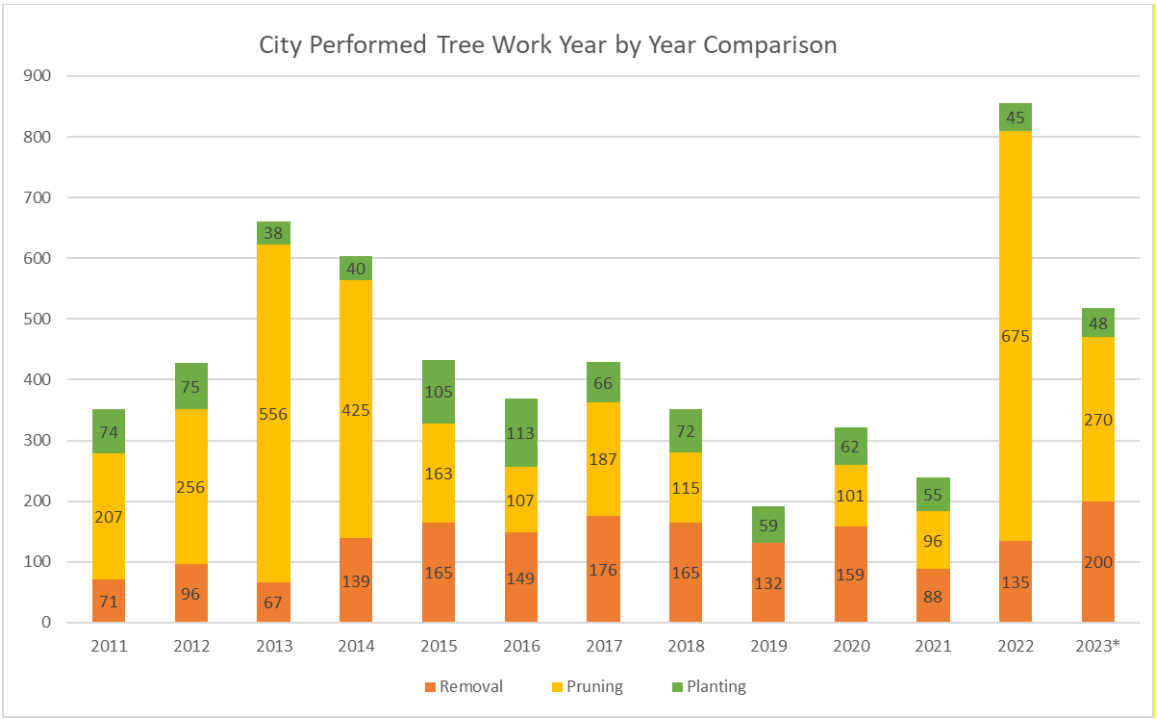
Historic permitted removals and required planting

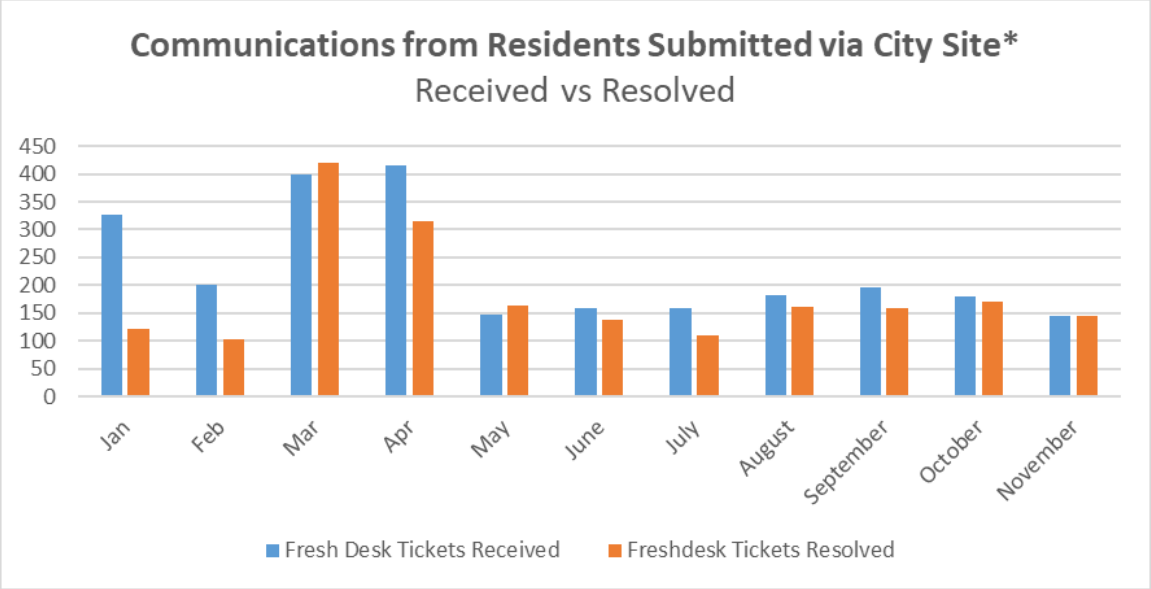
Year	Permitted removals	Removal of upper	Removal of lower	Replanting Required	Replanting of upper	Replanting of lower	Replanting %	Applications processed
2021	204	81	123	135	81	54	66.18%	213
2022	149	82	67	85	48	37	57.05%	155
2023*	296	204	108	223	157	66	75.34%	284
*Year To Date								

Public Works Department Report – November 2023



City Forestry, Parks, and Beach Activities





* Numbers only represent correspondences received via the City's website and do not incude live calls, coicemails, drop-in visitors, and emails sent directly to employees from residents, nor return calls and emails from staff.

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

January 9, 2024
CONSENT AGENDA

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Jane Hogan, Accountant
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	November 2023 Check Register Summary

RECOMMENDATION:

Approve the check register for November 2023.

BACKGROUND/SUMMARY:

The check register is a financial report generated from the City's financial system (Attachment 1). It categorizes checks by the responsible department or function, providing essential information such as the check number, vendor name, purchase description, check issue date, and the check amount.

Per the California Supreme Court's decision in the case of Los Angeles County Board of Supervisors v. Superior Court (Dec. 29, 2016) (2016 WL 7473802), the check register excludes the specific invoice payments for legal services incurred for pending and active investigations, pending and active litigation, as well as recently concluded matters. The Supreme Court has ruled that these specific invoices are protected under attorney-client privilege and therefore are not subject to disclosure under the Public Records Act.

As a supplement to the check register, staff have included information about the contract balances for vendors who received payments during the month of November 2023. This data can be found on the last page of the report.

The check register provides valuable insights into the City's financial transactions, ensuring transparency and accountability in our financial operations. The exclusion of certain legal services payments adheres to the California Supreme Court's guidelines, safeguarding attorney-client privilege. The contract balance information further enhances our financial transparency.

FISCAL IMPACT:

The check register summary for November 2023, totals $1,227,015.86.

PRIOR CITY COUNCIL ACTION:

Council ratified the October 2023 check register at the December 4, 2023, special meeting.

ATTACHMENTS:

Attachment 1) November 2023 Check Register

November 2023 Check Register

Check No.	Vendor/Employee	Transaction Description	Date	Amount
Department: 000 ___				
52389	Division of the State Architect	Jul-Sep 2023 DSA Form 786 remittance	11/13/2023	645.20
52420	Visit Carmel	CRID remittance Jul-Sep 2023	11/16/2023	71,177.92
				71,823.12
		Total for Department: 000 ___		71,823.12
Department: 110 City Council				
52365	Peninsula Messenger LLC	Mail service sorting and delivery	11/08/2023	7,128.00
52409	Carmel Chamber of Commerce	Awards dinner tickets 1 table	11/16/2023	2,250.00
52438	Carmel Chamber of Commerce	Membership	11/29/2023	445.00
		Total for Department: 110 City Council		9,823.00
Department: 111 City Administration				
52332	5th Avenue Deli	City Clerk meeting lunch expense	11/08/2023	1,247.32
52336	Amazon Web Services Inc	Data and cloud storage fees	11/08/2023	1,020.87
52337	AT&T	Telephone service citywide	11/08/2023	2,287.99
52344	Digital Deployment	Website support agreement:Maint, training, security and updates	11/08/2023	700.00
52349	Iron Mountain	Records storage and management services	11/08/2023	326.51
52361	Nova Romero	Reimburse for Notary Oath and Notary seal expenses	11/08/2023	54.85
52362	Office Depot, Inc.	Office supplies Admin	11/08/2023	158.55
52369	Robert Half	Temporary Finance assistance services - Tony Wong	11/08/2023	15,344.00
52372	SHI International Corp	6 Lenovo Thinkstation Computers	11/08/2023	10,888.02
52373	SystemsUp LLC	Remote desktop services as directed by IT Manager	11/08/2023	39.00
52379	Universal Staffing Inc	Temporary staffing services:H Griffin	11/08/2023	19,631.00
52381	Verizon Wireless	Cell phone usage and sales	11/08/2023	10,483.13
52382	Wageworks,Inc	Healthcare monthly Admin and Compliance Fee	11/08/2023	205.00
52383	Alhambra	Water service-City Hall	11/13/2023	202.35
52387	Complete Paperless Solutions	Laserfiche Cloud services-Annual renewal	11/13/2023	9,500.00
52390	Granicus, Inc.	Novus Agenda, Novus Agenda Vidio streaming services	11/13/2023	14,806.22
52398	Pitney Bowes Bank Inc Purchase Power	Postage-meter refills	11/13/2023	3,045.00
52399	Richard Rerig	Reimburse Rerig LOCC expenses 9/19-9/22/23	11/13/2023	318.00
52400	Ryan Ranch Printers	Envelopes, stationary, business card and business license printi	11/13/2023	715.43
52401	SystemsUp LLC	Remote desktop services as directed by IT Manager	11/13/2023	390.00
52403	US Bank	Slide AI subscription	11/13/2023	10.00
52403	US Bank	NYT Subscription	11/13/2023	20.00
52403	US Bank	Employee appreciation expense	11/13/2023	210.00
52403	US Bank	HR: Employee Training	11/13/2023	75.00
52403	US Bank	NeoGov job advertisement	11/13/2023	249.00
52403	US Bank	Employee appreciation expense	11/13/2023	80.56
52406	Amazon Capitol Services	IT Supplies and Equipment	11/16/2023	526.41
52410	Carmel Pine Cone	Legal noticing	11/16/2023	810.00
52411	Chavan and Associates, LLC	Financial auditing services	11/16/2023	11,000.00
52415	Office Depot, Inc.	Office supplies Admin	11/16/2023	219.37
52417	Robert Half	Temporary Finance assistance services - Tony Wong	11/16/2023	4,384.00
52418	SystemsUp LLC	IT serivices	11/16/2023	351.00
52419	Universal Staffing Inc	Temporary staffing services:H Griffin	11/16/2023	1,952.00
52434	AT&T	Telephone service citywide	11/29/2023	1,046.42
52439	Carmel Pine Cone	Legal noticing	11/29/2023	375.00
52445	Comcast	City Hall cable service	11/29/2023	68.71
52446	Comcast Business	NonNGEN internet and recurring charges	11/29/2023	545.43
52447	Corbin Willits System	MOM Financial system monthly fee	11/29/2023	720.79
52456	GovInvest Inc	Finance Forecasting module-Annual subscription fee	11/29/2023	23,200.00
52458	Grasings/The Carmel Restaurant Group	Catering for employee/staff Holiday luncheon	11/29/2023	4,499.58
52459	Hinderliter, De Llamas & Associates	Sales/transactions tax auditing services	11/29/2023	9,223.96
52460	Image Sales	Employee ID Badges	11/29/2023	22.83
52462	J 4 Systems	System moderization and resiliency services directed by IT-Amend	11/29/2023	3,675.00
52467	MRC	Printer usage fees-All departments	11/29/2023	812.37
52468	Municipal Resource Group, LLC	City manager evaluation report expense	11/29/2023	506.25
52472	Robert Half	Temporary Finance assistance services - Tony Wong	11/29/2023	8,768.00
52477	SHI International Corp	Falcon bundle/misc software maint programs	11/29/2023	10,982.69
52478	SystemsUp LLC	Remote desktop services as directed by IT Manager	11/29/2023	253.50
52483	Universal Staffing Inc	Temporary staffing services:H Griffin	11/29/2023	3,827.75
52484	US Bank	Admin office supplies	11/29/2023	79.79
52484	US Bank	League of CA Cities Conference Rerig	11/29/2023	750.00
52484	US Bank	Clerk office supplies	11/29/2023	46.51

52484	US Bank	FedEx - Clerk - shipping	11/29/2023	32.95
52484	US Bank	HR subscriptions - Fax	11/29/2023	11.95
52484	US Bank	Traffic safety vest for staff	11/29/2023	228.70
52484	US Bank	Employee holiday lunch supplies	11/29/2023	97.75
52484	US Bank	Employee Halloween paty supplies	11/29/2023	399.71
52484	US Bank	IT Subscriptions - Freshworks	11/29/2023	545.00
52484	US Bank	IT Subscriptions - Adobe, Zoom, Microsoft, Backblaze	11/29/2023	3,108.22
52484	US Bank	IT Dues - DNS Made East	11/29/2023	129.90
52484	US Bank	IT telephone expense - Amazon	11/29/2023	382.56
52484	US Bank	IT Materials & supplies - Amazon	11/29/2023	25.10
52484	US Bank	IT telephone expense	11/29/2023	1,237.84
52488	Xerox Financial Services	Xerox copier leases citywide	11/29/2023	2,905.06
		Total for Department: 111 City Administration		189,759.90

Department: 112 City Attorney

52339	Burke,Williams & Sorensen, LLP	City Attorney services-	11/08/2023	75,324.61
52407	Best Best & Krieger, Attorney At Law	Legal fees:Telecommunications issue, Verizon litigation	11/16/2023	18,989.00
		Total for Department: 112 City Attorney		94,313.61

Department: 116 Police

52335	Amazon Capitol Services	PD Supplies and Equipment	11/08/2023	18.55
52340	Carmel Towing & Garage	PD Towing expense	11/08/2023	4,902.66
52342	Dawn Almario	Travel expense CLEARS Training 11/5-11/10/2023	11/08/2023	366.00
52350	Javier Auto Services	PD Auto Repairs	11/08/2023	195.73
52351	Lexipol LLC	Annual Law Enforcement Daily Training/Policy Update and Training	11/08/2023	13,496.18
52374	T2 Systems Canada Inc.	PD:Digital iris services	11/08/2023	75.00
52376	Transunion Risk & Alterna	PD: Monthly fee for information services	11/08/2023	75.00
52380	US Bank	Telephone Expense	11/08/2023	763.51
52380	US Bank	PD community promotion expense	11/08/2023	54.08
52380	US Bank	PD travel/seminar expenses	11/08/2023	675.00
52386	Carmel Towing & Garage	PD Towing expense	11/13/2023	450.00
52388	De Lage Landen Financial	PD Copier usage	11/13/2023	168.74
52391	Javier Auto Services	PD Auto Repairs	11/13/2023	640.60
52394	Motorola	Service from 11/21/23-11/20/24	11/13/2023	1,769.85
52395	Office Depot, Inc.	Office supplies PD	11/13/2023	268.33
52402	T2 Systems, Inc	Citation collection service fees $.63 per citation	11/13/2023	195.51
52406	Amazon Capitol Services	PD Supplies and Equipment	11/16/2023	240.30
52412	Comcast	PD Cable serices	11/16/2023	20.82
52413	Dawn Almario	Reimburse for travel expense CLEARS Seminar 11/5-11/10/2023	11/16/2023	1,496.96
52414	Department of Justice/Accounting Office	PD:Fingerprinting services	11/16/2023	32.00
52433	Alhambra	Water service-Police Dept	11/29/2023	150.84
52445	Comcast	PD Cable serices	11/29/2023	352.83
52479	T2 Systems, Inc	Automated owner lookups-Mail services	11/29/2023	195.51
		Total for Department: 116 Police		26,604.00

Department: 117 Fire

52333	Alhambra	Water service-Fire Dept	11/08/2023	254.49
52340	Carmel Towing & Garage	Fire Dept. Gas Expense (E15)	11/08/2023	1,009.38
52341	City Of Monterey	FY 23-24 Monthly fee Interim Fire Admin/Emerg Incident Mgmt	11/08/2023	245,891.60
52354	Mission Linen Service	Fire Dept laundry service	11/08/2023	247.24
52359	Monterey Sanitary Supply	Fire Dept. Housekeeping supplies	11/08/2023	196.63
52392	Mission Linen Service	Fire Dept laundry service	11/13/2023	123.62
52444	City Of Monterey	Fire Dept Vehicle repairs	11/29/2023	69,674.08
52466	Mission Linen Service	Fire Dept laundry service	11/29/2023	123.62
		Total for Department: 117 Fire		317,520.66

Department: 118 Ambulance

52338	Bound Tree Medical LLC	Medical supplies	11/08/2023	3,152.38
52340	Carmel Towing & Garage	Amb Dept. Gas Expense (7166)	11/08/2023	1,543.16
52341	City Of Monterey	FY 23-24 Ambulance Administration fee	11/08/2023	3,793.81
52343	De Lage Landen Financial	Ambulance copier usage	11/08/2023	71.01
52366	Peninsula Welding & Medical Supply, inc.	Ambulance Dept-Oxygen/hazardous materials transport service	11/08/2023	125.11
52384	American Supply Company	Janitorial Supplies-Amb Dept	11/13/2023	251.38
52388	De Lage Landen Financial	Ambulance copier usage	11/13/2023	71.01
52397	Peninsula Welding & Medical Supply, inc.	Ambulance Dept-Oxygen/hazardous materials transport service	11/13/2023	54.72
52408	Bound Tree Medical LLC	Medical supplies	11/16/2023	933.90
52486	Wittman Enterprises, LLC	Ambulance billing service	11/29/2023	3,990.13
		Total for Department: 118 Ambulance		13,986.61

Department: 119 Public Works

52334	Always Under Pressure	Oil water seperator	11/08/2023	261.25
52346	Golden State Portables	Forest Theater events maintenance/cleaning	11/08/2023	2,252.78
52347	Granite Construction Company	Asphalt	11/08/2023	841.23
52352	M & S Building Supply	FM supplies	11/08/2023	515.50
52353	Metropolitan Transportation Commission	Street Saver annual subscription 9/26/23 #4926-AR13132	11/08/2023	3,000.00
52355	Monterey County Health Department	10/4/23 #10431298	11/08/2023	26.00
52358	Monterey Regional Waste Management District	Annual proportionate Share Costs for CA Senate Bill-10/19/23 #01	11/08/2023	1,626.00
52360	Mutt Mitt	Mutt Mitt purchase- 40 cases of pink Mutt-Mitts	11/08/2023	3,102.70
52367	Poe's Plumbing & Backflow	Plumbinf repair for City Facilities	11/08/2023	282.93
52370	Scarborough Lumber & Building	Supplies for FM	11/08/2023	415.01
52371	Sentry Alarm Systems	Alarm monitoring	11/08/2023	231.00
52375	Tope's Tree Service Inc.	Tree services citywide as directed by City Forester	11/08/2023	13,134.00
52378	Uline Inc.	Safety supplies for PW/Forestry	11/08/2023	1,184.74
52379	Universal Staffing Inc	Temporary staffing services PW/Forestry	11/08/2023	1,700.00
52380	US Bank	parts for the gator-9/12/23 RC 1916	11/08/2023	892.63
52431	Ailing House Pest Control	Pest Control	11/29/2023	354.00
52432	Airtec Inc	HVAC repairs for City facilities	11/29/2023	336.00
52435	Ausonio, Inc	On Call service for PW Facilities	11/29/2023	1,365.00
52437	Carmel Cares-Dale Byrne, President	Landscaping Services for Scenic Pathway-	11/29/2023	2,182.50
52440	Carmel Towing & Garage	Fuel for PW vehicles	11/29/2023	3,151.24
52441	Chemtek, Inc	10 gallon of asphalt release agent.	11/29/2023	531.67
52442	Christopher Dinner Heating Inc	Replace local history vault dehumidifier	11/29/2023	4,925.00
52443	Cintas Corporation	Uniform Service for PW staff	11/29/2023	417.00
52444	City Of Monterey	Shipper Service 103137	11/29/2023	63.00
52449	Disaster Kleenup Specialists	Mold testing PBL-SI-51231	11/29/2023	1,168.75
52451	Edges Electrical Group	Electrical supplies, LED lights for City facilities	11/29/2023	201.56
52453	Forestry Suppliers, Inc	F & B Materials and supplies	11/29/2023	177.95
52455	Golden State Portables	Forest Theater events maintenance/cleaning	11/29/2023	650.00
52457	Granite Rock Company	Public Works supplies	11/29/2023	724.87
52463	Jamestown Advanced Products Corp	20 dual ribbon cams and 10 single cans.	11/29/2023	57,302.40
52464	Layer 1 Networks Inc	Outdoor electrical outlet work Sunset Center	11/29/2023	589.48
52465	M3 Environmental Consulting	HAZ Mat testing- FM	11/29/2023	1,179.99
52470	Pacific Smog	Smog inspection unit 3 #1610	11/29/2023	41.75
52471	Pureserve Building Service	Janitorial services FY 23/24	11/29/2023	21,775.59
52473	Ross Recreation Equipment, Inc.	Install replacement parts I24220	11/29/2023	2,500.00
52474	S.S.P. Inc.	Tax from lockers from 6/2022 that was not chraged #SQ088457	11/29/2023	554.94
52475	Safeway Sign Co.	PW signs-Carsonite Road Marker	11/29/2023	423.77
52476	Scarborough Lumber & Building	Supplies for FM	11/29/2023	225.00
52480	Town and Country Gardening	Landscape contractors for City locations	11/29/2023	12,900.00
52481	Toyota Material Handling Northern California	GEM car parking break KABV97	11/29/2023	294.00
52482	Trucksis Enterprises, Inc.	Replacement flags for City	11/29/2023	1,088.79
52483	Universal Staffing Inc	Temporary staffing services PW/Forestry	11/29/2023	4,980.00
52484	US Bank	Facilities - telephone expense	11/29/2023	91.72
52484	US Bank	Facilities supplies	11/29/2023	333.77
52484	US Bank	Apple subscription	11/29/2023	9.99
52484	US Bank	Grammarly subscription	11/29/2023	144.00
52487	Wm Baxter Electric	Rewire of breaker for car charger at SSC-1276	11/29/2023	190.00
		Total for Department: 119 Public Works		150,339.50

Department: 120 Library

52364	Pacific Grove Self Storage	Storage Unit - Document storage	11/08/2023	406.00
		Total for Department: 120 Library		406.00

Department: 121 Community Activities

52345	Glastonbury Inc	Veterans Day sound system	11/08/2023	1,725.00
52377	Triple F Farms, Inc.	650+ pumpkins for Pumpkin Roll	11/08/2023	1,950.00
52439	Carmel Pine Cone	Homecrafters' ad 11.17.23	11/29/2023	850.00
52454	Glastonbury Inc	Sound system for Holiday Celebration 12.1.23	11/29/2023	1,725.00
52484	US Bank	Halloween parade car magnets, Pumpkin Roll, Homecrafters' & Holi	11/29/2023	771.39
52484	US Bank	Homecrafters' Marketplace posters and postcards	11/29/2023	473.41
		Total for Department: 121 Community Activities		7,494.80

Department: 122 Economic Revitalization

52404	Visit Carmel	Destination marketing funding FY 23-24	11/13/2023	30,000.00
		Total for Department: 122 Economic Revitalization		30,000.00

Department: 130 Non-Departmental

52357	Monterey County Tax Collector	2023-2024 Property tax assessments	11/08/2023	90,752.92

52363	Pacific Gas & Electric	Citywide gas & electric services	11/08/2023	207.78
52396	Pacific Gas & Electric	Citywide gas & electric services	11/13/2023	2,110.74
52405	Alliant Insurance Services	AD&D Accident Medical Policy 9/23-9/24	11/16/2023	250.00
52416	Pacific Gas & Electric	Citywide gas & electric services	11/16/2023	10,965.17
52436	Cal-Am Water Company	Water service citywide	11/29/2023	13,163.85
		Total for Department: 130 Non-Departmental		117,450.46

Department: 311 Capital Projects

52348	Indigo/Hammon & Playle Architects, LLP	Architect & Engineering Services for PD/PW Building Project	11/08/2023	57,666.00
52385	BKF Engineers	Project managment: Ocean Ave resurface/San Antoinio, San Carlos,	11/13/2023	7,321.37
52430	Advance Design Consultants, Inc	CIP Electrical panel upgrades	11/29/2023	29,487.50
52435	Ausonio, Inc	CIP PD Renovation project management	11/29/2023	11,080.13
52448	Davey Resource Group, Inc.	CIP:Urban Forest Master Plan Project manager services	11/29/2023	8,365.00
52450	Dudek	Environmental support:MTNP 3 Stream Stability Project	11/29/2023	4,252.91
52452	EMC Planning Group, Inc	Coastal Hazard project services	11/29/2023	20,157.54
52461	Indigo/Hammon & Playle Architects, LLP	Architect & Engineering Services for PD/PW Building Project	11/29/2023	42,904.50
52469	Neill Engineers Corp.	Civil engineering design services: Storm Drain capital project A	11/29/2023	15,230.50
52485	Wallace Group	Concrete Streets	11/29/2023	1,028.75
		Total for Department: 311 Capital Projects		197,494.20
		Grand Total		1,227,015.86

Vendor	Contract Amt	Paid thru Nov	Contract Balance
Pen Messenger	$ 107,730.00	$ 62,396.00	$ 45,334.00
City of Monterey *	$ 2,950,699.00	$ 992,656.40	$ 1,958,042.60
Pureserve *	$ 272,000.00	$ 130,019.30	$ 141,980.70
4Leaf Inc.	$ 179,800.00	$ 78,407.57	$ 101,392.43

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

January 9, 2024
CONSENT AGENDA

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Jane Hogan, Accountant
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2024-004 adopting the Fiscal Year 2024-2025 budget schedule

RECOMMENDATION:

Adopt Resolution 2024-004 adopting the Fiscal Year 2024-2025 budget schedule.

BACKGROUND/SUMMARY:

This item is on the Council's agenda to adopt the Fiscal Year 2024-2025 budget schedule in accordance with the Carmel-by-the-Sea Municipal Code. Specifically, Municipal Code §3.06.020 requires the City Administrator to present a proposed budget schedule to Council on or before February 15 of each year. The budget schedule includes several meetings to encourage public participation in developing and prioritizing capital projects, programs and services given limited resources. The Fiscal Year 2024-2025 covers the period of July 1, 2024 through June 30, 2025.

FISCAL IMPACT:

There is no fiscal impact associated with adopting this budget schedule.

PRIOR CITY COUNCIL ACTION:

Not applicable.

ATTACHMENTS:

Attachment 1) Resolution 2024-004

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

RESOLUTION NO. 2024-004

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA APPROVING THE FISCAL YEAR 2024-2025 BUDGET SCHEDULE

WHEREAS, Carmel-by-the-Sea Municipal Code §3.06.020 requires the City Administrator to present to Council a proposed budget schedule on or before February 15 of each year; and

WHEREAS, the budget schedule includes public meeting dates pertaining to the development and review of the capital improvement plan and annual operating budget to allow for public participation in the budget process; and

WHEREAS, the budget schedule is intended to allow City Council time to deliberate while also ensuring the budget is adopted before July 1 in accordance with the City's Municipal Code.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

Approve the Fiscal Year 2024-2025 budget schedule per Exhibit A.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 9th day of January, 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

_____
Dave Potter
Mayor

ATTEST:

_____
Nova Romero, MMC
City Clerk

EXHIBIT A

Activity	**Date***
Adoption of FY 24-25 Budget Schedule	Special Council Meeting January 8, 2024
Development: FY 24-25 Operating Budget / Five-Year Capital Improvement Plan (CIP) & Five-Year Financial Forecast	January - March 2024
Five-Year CIP and Financial Forecast Workshop	Special Council Meeting Week of March 11, 2024
Council consideration of funding projects as part of the FY 24-25 Capital Improvement Plan (CIP)	Council Meeting April 2, 2024
Submittal of FY 24-25 Proposed Budget to Council	Council Meeting May 7, 2024
FY 24-25 Proposed Budget Workshop	Special Council Meeting Week of May 21, 2024
Adoption of FY 24-25 Budget and GANN Limit	Council Meeting June 4, 2024
Adoption of FY 24-25 Budget and GANN Limit *as Needed*	Special Council Meetings June 17, 2024 June 24, 2024
FY 24-25 Begins	July 1, 2024

*Dates are tentative and subject to change

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

January 9, 2024
CONSENT AGENDA

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Robert Harary, P.E, Director of Public Works
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2024-005 authorizing the City Administrator to execute a Construction Contract with Color New Co., in the amount, with contingency, of $392,150, for the Sunset Center Exterior and Harrison Memorial Library Exterior and Interior Painting Projects

RECOMMENDATION:

Adopt Resolution 2024-005 authorizing the City Administrator to execute a Construction Contract with Color New Co., in the amount, with contingency, of $392,150, for the Sunset Center Exterior and Harrison Memorial Library Exterior and Interior Painting Projects.

BACKGROUND/SUMMARY:

In June 2022, Council adopted Resolution 2022-048 approving the Capital Improvement Program (CIP) Budget for Fiscal Year (FY) 2022/23, which included six Facility Renovation Projects, including the two Painting Projects described below.

- **Sunset Center Hazardous Materials Abatement and Exterior Painting:** The exterior of the historic Sunset Center has not been painted in decades. An initial budget of $150,000 was established with the understanding that future project phases would be necessary to paint the full exterior of the complex. During design, the north wing of Sunset Center was determined to be most in need of painting. Prior to painting, hazardous lead paint must be remediated from the walls, and asbestos removed from the window frames. All paint colors will match existing.

- **Harrison Memorial Library Renovations Exterior and Interior Painting:** A City investment of $100,000 to paint the exterior of the library, plus $100,000 to paint the interior, was established to satisfy the City's deferred and ongoing maintenance obligation for this historic building. This project was programmed to inspire private donations associated with the long-range Libraries Master Planning initiative and future renovations. For both the exterior and interior, lead paint will need to be remediated, and all paint colors will match existing. Interior painting also includes moving and storage on site of furniture and art work.

Funded by Measure C, the total initial budget for these painting projects was $350,000.

In August 2022, Council adopted Resolution 2022-065, awarding a Professional Services Agreement to Ausonio, Inc. for Project Management Services for delivery of nine facility renovation Projects, including these Projects. In February 2023, Council adopted Resolution 2023-041, approving Amendment No. 1 to the Professional Services Agreement with Ten Over Studio to design five of these projects for a fee of $78,900.

In June 2023, Council adopted Resolution 2023-067 approving the carry-over of 25 prior FY CIP projects, including the remaining four Facility Renovation Projects with a carryover budget of $649,000. In July 2023, Council adopted Resolution 2023-073 approving Amendment No. 1 to the Professional Services Agreement with Ausonio, for a FY 2023/24 fee of $125,000 to continue to implement these, and other, facility renovation projects.

Previously, four facility renovation projects were bundled together with the intent that a larger project would attract more construction contractors, be more cost-effectiveness due to economies of scale, and be more efficient for our consultants, contractors, and staff by having to manage one consolidated construction contract rather than multiple contracts. In addition to the two subject painting projects, the previously-bundled bidding documents included the City Hall Roof Replacement and Sunset Center Cottage Window Repair Projects. The design plans and technical specifications for the prior four renovation projects were prepared by Ten Over Studio. M3 Environmental performed hazardous materials sampling and laboratory testing, and prepared remediation specifications. Ausonio provided project management, checked plans, assembled contract documents, and led the public bidding process.

In August 2023, only two bids were received for the four bundled Facility Renovation Projects, and the bids came in well over-budget. In September 2023, Council adopted Resolution 2023-082 rejecting all bids received and directing staff to evaluate alternative contracting methods before re-advertising for bids.

Ausonio and staff scrutinized these bids and subsequently implemented cost-cutting measures prior to re-advertising for bids. For example, the prior bundled project was split into three contracts, with this first contract modified to allow painters to directly submit bids. The painting contract documents were also arranged to give Council flexibility to award one or two different contracts if that resulted in a lower total cost to the City. Also, the hazardous materials testing and reporting duties were removed from the contractor's scope to reduce markups and contingencies, and the City will directly retain a qualified consultant for this effort. In addition, the contract documents and specifications manual were trimmed to remove every general and special condition that is not essential to achieving a high-quality end product.

In November 2023, the subject painting project was extensively re-advertised for bids. Notices were published in the Carmel Pine Cone, Central Coast Builders Association, and posted on the City's and other public purchasing websites. Seven painting and abatement contractors attended the non-mandatory site tour. Five (5) bid proposals were received and opened at a Public Bid Opening held on December 5, 2023, with the following results:

No.	Bidder	Sunset Center Exterior	HML Exterior	Additive Bid - HML Interior	Total Bid
-	*Project Team Cost Estimate*	*$104,000*	*$106,650*	*$100,000*	*$310,650*
1	**Color New Co.**	**$117,000**	**$117,000**	**$107,000**	**$341,000**
2	Primal Painting	53,712	40,696	35,675	$130,083
3	Cypress Painting	98,600	74,390	129,900	$302,890

4	Polychrome Construction	174,300	73,800	154,400	$402,500
5	Pro-Ex Construction	149,000	132,000	159,000	$440,000

Only the Bid Proposal from Bidder #1, Color New Co., is responsive because they were the only bidder to acknowledge receipt of the issued Addendum. This acknowledgement is a requirement of a responsive bid proposal and should not be waived.

Color New Co.'s total bid amount of $341,000 is 10% above the Project Team's cost estimate of $310,650 and 3% higher than non-responsive Bidder #3, Cypress Painting. The total bid of $130,083 from Bidder #2 appears erroneous and not reflective of the required project scope. It should be noted that when the prior, bundled project was bid in August 2023, the total bids for these same painting projects were $448,219 and $537,652. Thus, by implementing these recent cost-cutting measures, the City's cost for the same work was reduced by at least $107,000.

A Woodland Hills, California-based business established in 2003, Color New Co. possesses the required C-33 Painting and Decorating Contractor's license. They had favorable references, and in the past few years completed eight other Public Works projects, including a large project on the CSUMB campus.

The bids included one additive task: painting of the interior of the Harrison Memorial Library. Due to the facility's condition and availability of funding, the Additive Bid of $107,000 is recommended for award at this time. Although the library will need to be closed for up to three weeks, the Carmel Public Library Foundation and library staff are agreeable with proceeding with the interior painting.

A 15% contingency is recommended with this construction contract. Hazardous materials mitigation has inherent risks, especially with historic buildings which cannot be damaged or put out of service for extended periods. Should differing site conditions warrant an urgent field change, this contingency would be immediately available. Any funds remaining will be returned to the CIP fund balance at the completion of the project.

Weather permitting, work will take approximately three months to complete following issuance of the Notice to Proceed. Sunset Center will remain open during painting, and the Contractor's staging area will be located in the Southwest corner of the parking lot. Harrison Memorial Library will also remain open during exterior painting, and the Contractor will be granted up to four on-street parking spaces along Lincoln Street.

FISCAL IMPACT:

Council initially appropriated $350,000 to these Projects in FY 2022/23 in CIP Account Number 301-311-00-43008. Total estimated expenses for these painting Projects, including the cost for this construction contract and contingency, is $499,844 as listed below.

No.	Company	Services	Prior Fees	Remaining Fees	Total
1	Ausonio, Inc.	Project and Construction Management	$27,597	$22,500	$50,197
2	Ten Over Studio Architects	Drawings and Specifications	*27,500*	*0*	*27,500*
	M3	Haz Mat Testing,			

3	Environmental	Specifications, and Remediation Monitoring	3,950	26,147	30,097
4	Color New Co.	Haz Mat Remediation & Painting: Sunset Center Exterior & HML Exterior and Interior	0	341,000	341,000
5	Color New Co.	15% Contingency	0	51,150	51,150
		Total Project Cost	**$59,047**	**$440,797**	**$499,844**

The FY 2023/24 CIP including a remaining carry-over budget of $649,000 for these facility renovation projects; however, that amount includes funding for the City Hall Roof Replacement and Sunset Center Cottage Window Repairs, both of which will be re-bid in the coming months.
While there is sufficient funding to award this painting contract as recommended, it is unknown at this time if there will be sufficient funding to award contracts for the City Hall Roof Replacement or Cottage Window Repairs, or if the remaining balance in the FY 2023/24 Contingency Fund will be adequate for any overages. Therefore, additional funding may be requested with the FY 2023/24 Mid-Year Budget and/or with the FY 2024/25 Capital Improvement Program to cover projected costs.

PRIOR CITY COUNCIL ACTION:

In June 2022, Council adopted Resolution 2022-048 approving the (CIP) Budget for FY 2022/23, which included the Sunset Center Exterior Painting Project and the Harrison Memorial Library Exterior and Interior Painting Project, with an initial budget of $350,000.

In June 2023, Council adopted Resolution 2023-067 approving the carry-over of 25 prior FY CIP projects, including the remaining four Facility Renovation Projects (subject two painting projects plus the City Hall Roof Replacement and Sunset Center Cottage Window Repairs) with a carryover budget at $649,000. In September 2023, Council adopted Resolution 2023-082, rejecting all bids received for the four renovation projects and directing staff to evaluate alternative contracting methods before re-advertising for bids.

ATTACHMENTS:

Attachment #1 - Resolution 2024-004

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

RESOLUTION NO. 2024-004

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A CONSTRUCTION CONTRACT WITH COLOR NEW CO., IN THE AMOUNT, WITH CONTINGENCY, OF $392,150, FOR THE SUNSET CENTER EXTERIOR AND HARRISON MEMORIAL LIBRARY EXTERIOR AND INTERIOR PAINTING PROJECTS

WHEREAS, the exterior of the historic Sunset Center has not been painted in decades, and, during design, the north wing of the complex was determined to be most in need of painting; and

WHEREAS, painting the exterior and interior of the historic Harrison Memorial Library will satisfy the City's maintenance obligation and inspire private donations associated with the Libraries Master Planning initiative and future renovations; and

WHEREAS, in June 2023, Council adopted Resolution 2023-067 approving the carry-over of 25 prior Fiscal Year Capital Improvement Projects, including four Facility Renovation Projects, with a carryover budget of $649,000; and

WHEREAS, in the Summer of 2023, these two painting projects were bundled with the City Hall Roof Replacement and Sunset Center Cottage Window Repairs Project for efficiency; however, only two bids were received for these four bundled facility renovation projects with bids nearly twice the cost estimate; and

WHEREAS, in September 2023, Council adopted Resolution 2023-082 rejecting all bids and directing staff to evaluate alternative contracting methods before re-advertising for bids; and

WHEREAS, the two painting projects were repackaged and extensively re-advertised for bids, and five bid proposals were received for these projects at the Public Bid Opening held on December 5, 2023,

WHEREAS, only Color New Co.'s bid proposal was responsive and included $117,000 for the Sunset Center exterior, $117,000 for the Harrison Memorial Library exterior and $107,000 for the interior, for a total bid of $341,000, which was 10% above the Project Team's estimate, but saved at least $107,000 from the prior, bundled bid for the same painting work; and

WHEREAS, due to the inherent risks associated with remediating hazardous lead paint and asbestos as part of the painting projects, a 15% contingency of $51,150 is recommended, resulting in a total contract amount of $392,150; and

WHEREAS, sufficient funding is available in the Capital Projects fund account.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

Authorize the City Administrator to execute a Construction Contract with Color New Co., in the amount, with contingency, or $392,150, for the Sunset Center Exterior and Harrison Memorial Library Exterior and Interior Painting Projects.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 9th day of January, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

_____
Dave Potter
Mayor

ATTEST:

_____
Nova Romero, MMC
City Clerk

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

January 9, 2024
CONSENT AGENDA

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Robert Harary, P.E, Director of Public Works
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2024-006 authorizing the City Administrator to execute Amendment No. 2 to the Professional Services Agreement with Ten Over Studio for architectural services for the Sunset Center Portico Design Project, for a fixed fee of $29,500

RECOMMENDATION:

Adopt Resolution 2024-006 authorizing the City Administrator to execute Amendment No. 2 to the Professional Services Agreement with Ten Over Studio for architectural services for the Sunset Center Portico Design Project, for a fixed fee of $29,500.

BACKGROUND/SUMMARY:

In September 2022, following a qualifications-based selection process, a Selection Committee identified Ten Over Studio as best qualified to provide architectural services for facility renovation projects for the City. A Professional Services Agreement (PSA) was prepared with Ten Over Studio with a base fee of $24,999 to provide on-call, as needed services.

In February 2023, Council adopted Resolution 2023-014 authorizing the City Administrator to execute Amendment No. 1 to the PSA with Ten Over Studio for architectural services for five facility renovation projects included in the Fiscal Year (FY) 2022/23 Capital Improvement Plan for a not-to-exceed fee of $78,900. Two of those five renovation projects are on the Agenda for the January 8, 2024 meeting for Council to award a contract for painting the exterior of the north wing of Sunset Center, and the exterior and interior of the Harrison Memorial Library.

In June 2023, Council adopted Resolution 2023-067 approving 25 carry-over projects plus 16 additional projects for the FY 2023/24 Capital Improvement Program, including a $40,000 budget for the Sunset Center Portico Design Project.

In July 203, Council adopted Resolution 2023-073 authorizing the City Administrator to execute Amendment No. 1 to the PSA with Ausonio, Inc. for project management services associated with four carry-over projects, three new facility renovation projects, including the subject Portico Project, and on-call services for a not-to-exceed fee of $125,000 for FY 2023/24.

Amendment No. 2 to the PSA was recently negotiated with Ten Over Studio and is included as Attachment

#2. Ten Over Studio recognizes that Sunset Center is an historic structure. Their key tasks include for the portico include:

- Site visit and progress meetings
- Preparing a demolition plan for removal of the prior portico columns
- Preparing a preliminary roof plan
- Preliminary structural engineering to support the portico
- Preliminary electrical and lighting design
- Developing two portico design concepts
- Coordinating with Ausonio and City staff

Ausonio will complement this work by checking plans, preparing cost estimates, and coordinating with representatives of Sunset Center as well as with the Public Works and Community Planning and Building Departments.
The design concepts are scheduled to be completed within four weeks following issuance of a Notice to Proceed.

FISCAL IMPACT:

The fee for Ten Over Studio to provide architectural services for the Sunset Center Portico Design concepts is $29,500. The total fee for Ten Over Studio for the original Agreement plus Amendment No. 1 of $78,900 for five prior renovation projects, plus this Amendment No. 2 with a fee of $29,500 for the Portico Design, is $108,400.

The fee for Ausonio to provide project management services for the Sunset Center Portico Design project is $11,000. There are no funds available at this time to complete the final design of the selected Portico nor to move forward with construction. Such funding is anticipated to be programmed as part of the FY 2024/25 CIP.

All expenditures for this project is covered in the Capital Projects Fund Account 301-311-00-43008.

PRIOR CITY COUNCIL ACTION:

In June 2022, Council adopted Resolution 2022-048 approving 25 new FY 2022/23 Capital Improvement Projects, including five facility renovation projects with a combined budget of $720,000.

In February 2023, Council adopted Resolution 2023-014 authorizing the City Administrator to execute Amendment No. 1 to the PSA with Ten Over Studio for architectural services for all five facility renovation projects for a not-to-exceed fee of $78,900.

In June 2023, Council adopted Resolution 2023-067 approving 25 carry-over projects plus 16 additional projects for the FY 2023/24 Capital Improvement Program which included a $40,000 budget for the Sunset Center Portico Design Project.

In July 2023, Council adopted Resolution 2023-073 authorizing the City Administrator to execute Amendment No. 1 to the PSA with Ausonio, Inc. for project management services associated with four carry-over projects, three new facility renovation projects, and on-call services for a not-to-exceed fee of $125,000 for FY 2023/24.

ATTACHMENTS:

Attachment 1) Resolution 2024-006
Attachment 2) Amendment No. 2 to PSA with Ten Over Studio

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

RESOLUTION NO. 2024-006

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE AMENDMENT NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT WITH TEN OVER STUDIO FOR ARCHITECTURAL SERVICES FOR THE SUNSET CENTER PORTICO DESIGN PROJECT, FOR A FIXED FEE OF $29,500

WHEREAS, In September 2022, following a qualifications-based selection process, Ten Over Studio was determined to be best qualified to provide architectural services for facility renovation projects, and a Professional Services Agreement was prepared with Ten Over Studio, with a base fee of $24,999, to provide on-call, as needed services for the City; and

WHEREAS, in February 2023, Council adopted Resolution 2023-014 authorizing the City Administrator to execute Amendment No. 1 to the Agreement with Ten Over Studio for architectural services for five facility renovation projects included in the Fiscal Year (FY) 2022/23 Capital Improvement Program for a not-to-exceed fee of $78,900; and

WHEREAS, in June 2023, Council adopted Resolution 2023-067 approving 25 carry-over projects plus 16 additional projects for the FY 2023/24 Capital Improvement Program, including a $40,000 budget for the Sunset Center Portico Design Project; and

WHEREAS, Amendment No. 2 to the Professional Services Agreement was negotiated with Ten Over Studio to develop two design concepts for the Sunset Center Portico Project, including preparation of a demolition plan and electrical and structural engineering designs, for a fee of $29,500; and

WHEREAS, sufficient funding is available for these additional services in the Capital Projects fund account.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

Authorize the City Administrator to execute Amendment No. 2 to the Professional Services Agreement with Ten Over Studio for Architectural Services for the Sunset Center Portico Design Project for a fixed fee of $29,500.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 9th day of January, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dave Potter
Mayor

ATTEST:

Nova Romero, MMC
City Clerk

AMENDMENT NO. 2
AGREEMENT #PWD-TEN-OVER-22-23
On-Call Architectural Services

1. This amendment (the "Amendment") is made by **City of Carmel-by-the-Sea ("CITY")** and **Ten Over Studio ("CONSULTANT"),** parties to Agreement PWD-TEN-OVER-22-23 (the "Agreement") executed on December 16, 2022.

2. The Agreement is amended as follows:

a. Exhibit "A" of the Agreement (**Scope of Services)** is modified as follows:

Incorporate attached **Exhibit A.2, Proposal for Architectural Services** for Sunset Center – Portico Design.

b. Exhibit "B" of the Agreement (**Key Personnel, Compensation & Fee Schedule)** is modified as follows:

Incorporate attached **Exhibit B.2, Architect's Fee.** CTIY shall pay CONSULTANT an amount not to exceed **Twenty-Nine Thousand Five Hundred Dollars ($29,500)** for the additional services included in Exhibit A.2.

c. Exhibit "C" of the Agreement **(Project Schedule)** is modified as follows:

Incorporate **Exhibit C.2, Revised Project Schedule**, for the additional services included in Exhibit A.2.

3. Except as set forth in this Amendment No.2, the original Agreement and Amendment No. 1, executed in February 2023, is unaffected and shall continue in full force and effect in accordance with its terms. If there is conflict between this Amendment No.2 and the Agreement or any earlier amendment, the terms of this Amendment will prevail.

Ten Over Studio:

By: _____ Date: _____
Jim Duffy, President

CITY:

By: _____ Date: _____
Chip Rerig, City Administrator

ATTEST:

By: _____ Date: _____
Nova Romero, MMC, City Clerk

TEN OVER STUDIO, INC

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PROPOSAL FOR ARCHITECTURAL SERVICES CITY OF CARMEL-BY-THE-SEA

DATE
October 26, 2023

PROJECT
Sunset Center, San Carlos Street at Ninth Avenue

CLIENT
Bob Harary, Public Works Director, Carmel-By-The-Sea
Junipero Street between Fourth and Fifth Avenues, 831.620.2021, rharary@ci.carmel.ca.us
P.O. Box CC, Carmel-By-The-Sea, CA 93921

ARCHITECT
Jim Duffy - TEN OVER STUDIO, INC.
539 Marsh Street, San Luis Obispo, CA 93401 - W 805.541.1010 M 805.540.8896 - jimd@tenoverstudio.com

PROJECT UNDERSTANDING
Ten Over Studio is to provide On-Call Architectural Services on an as needed basis for facility remodels, renovations, and tenant improvements. The Client has expressed the desire for architectural services on the following project:

SUNSET CENTER PORTICO - DESIGN
The City has requested that the design team design a new portico at the Sunset Center's exterior promenade and concessions area. The project scope of services will include architectural design, structural engineering, lighting design, and civil review of the existing site improvements under the new portico cover for accessibility compliance.

This project will replace an ornamental garden trellis that was demolished in 2017 and demolition of the remaining columns that are severely damaged by dry rot. The proposed new portico design may consist of an approximately 1,000 square foot of roof structure to create a functional outdoor concession space, enhance the theatre patron experience, eliminate water intrusion into the concession stand, and provide weather protection for the existing wood framed doors and windows at the main lobby entrance.

The Sunset Center is a historic building. The City's schematic design budget is $30,000. The construction budget for this project has not been established. There is no existing hazardous materials analysis or report.

The project scope will be focused on design only. No work associated with permit documents will be a part of the scope of work.

CONSULTANT TEAM
The ARCHITECT will coordinate the work of Consultants when engineering and cost estimation is required. Consultants included in the Ten Over Studio proposal are as follows:

- Civil — Whitson Engineers - NA for this project
- Structural — Biggs Cardosa Associates, Inc.

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805.541.1010

SAN JOSE, CA
805.541.1010

BEND, OR
541.648.1010

info@tenoverstudio.com
tenoverstudio.com

CLIENTS INITIALS

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- Mechanical 3C Engineering, Inc.- NA for this project
- Electrical Thoma Electric, Inc.
- Cost Estimator Cumming Group - NA for this project

CONSTRUCTION MANAGEMENT
The CLIENT will engage the services of a construction management firm to provide pre-construction services during the design phases and to provide construction management during the bidding and construction phases.

CLIENT'S RESPONSIBILITIES
The CLIENT shall provide, and the ARCHITECT shall be entitled to rely on the accuracy of the following:

- Scope of work, schedule, and project budget for each project.
- Project budget & schedule information shall include reasonable contingencies for each.
- Geotechnical report when required for the project. The report shall provide project data for structures, site improvements & percolation calculations.
- Utility information when required for the project
- As-built drawings in hardcopy and ACAD format
- Hazardous material investigation and reports
- Identification of CLIENT primary point of contact, stakeholders & final decision maker(s)
- Timely response to the ARCHITECT'S requests for information
- It is the CLIENT'S responsibility to verify that the project scope meets their budget through all phases of work.

SCOPE OF WORK

TASK 1 - SUNSET CENTER PORTICO DESIGN
This is a replacement project and the project approach is to prepare two design concepts for City review. This project will replace an ornamental garden trellis that was demolished in 2017 and demolition of the remaining columns that are severely damaged by dry rot. The proposed new portico design may consist of an approximately 1,000 square foot of roof structure to create a functional outdoor concession space, enhance the theatre patron experience, eliminate water intrusion into the concession stand, and provide weather protection for the existing wood framed doors and windows at the main lobby entrance

The project scope of services will include architectural design, structural review, lighting review, and civil review of the existing site improvements under the new portico cover for potential accessibility issues

The preparation of an entitlements planning package and the preparation of permit drawings for the City's planning and building review is not a part of this project. No topographic survey services are a part of this project. No remediation of existing asbestos and lead paint will be a part of this project.

The ARCHITECT will meet with the CLIENT to review the design of the portico to receive feedback, and to modify the design as requested by CLIENT. **This Task assumes one round of refinements to the two design options.**

Client Participation:

- Attend scheduled meetings
- Provide timely decisions and direction

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CLIENTS INITIALS

_____

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- Provide as-built drawings of the existing Sunset Center Building and Site Plans

Schedule

- Four (4) weeks for Schematic Design approach

Meetings:

- One (1) site visit
- One (1) project kickoff meeting.
- One (1) Schematic Design review meeting

Deliverables

- Draft 30% Schematic Design
  - One (1) New Partial Demolition Site Plan showing approach to demolition
  - Two (2) Design Options for the New Partial Site Plan showing approach to replacement
  - Two (2) Design Options for the New Roof Plan showing approach to the Portico design
  - Two (2) Design Options for the New Exterior Elevation sketches of the Portico design
- Final 30% Schematic Design
  - One (1) New Partial Demolition Site Plan
  - One (1) New Partial Site Plan
  - One (1) New Roof Plan
  - One (1) New Exterior Elevation

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CLIENTS INITIALS

EXHIBIT B.2

TEN OVER
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ARCHITECT'S FEE

TASK	TASK NAME	FEE TYPE	FEE
1	SUNSET CENTER PORTICO DESIGN		
1.1	30% SCHEMATIC DESIGN	FIXED FEE	$ 29,500

EXCLUSIONS

Unless noted otherwise, the following services are not included in the above Scope of Work or Fee Proposal. Many of them are available upon request as additional services.

- Measurement and drafting of as-built drawings
- Entitlement documentation and processing though local planning and historic committees/commissions
- Engineering services unless noted above in the scope of work
- Stormwater Management design and erosion control plans
- Construction or project cost estimates
- Permit documents and services
- Permit application and responses
- Bidding assistance services
- Construction administration services
- Technical specifications
- Topographic survey
- Hazardous Materials testing, reports, or recommendations for removal
- Material testing and inspections (during construction)
- Permits and Application Fees
- Utility applications and/or fees
- Determining capacity of existing utilities (power, water, sewer/septic system)
- Analysis of existing engineered system (structural/mechanical/plumbing/electrical)
- Post Construction Record or As-built Drawings
- Value engineering services
- Renderings for marketing
- Environmental Studies (Traffic, Noise, Flood, EIR / Initial Study / Coordination)
- Phasing of project and work other unless noted otherwise
- Preparation of Construction Documents for multiple bid packages
- Off-site improvements beyond the curb/gutter at street and beyond property lines
- Floodproofing certification

NOTES

- The ARCHITECT shall rely on the CLIENT provided information will be accurate and true. Any discrepancies shall be at the risk of the CLIENT.
- Modifications requested after previously approved designs will be billed on an hourly basis above and beyond estimated or fixed fees
- The ARCHITECT reserves the right to adjust the fee if the CLIENT/CONTRACTOR relationship varies from the project assumptions
- Reimbursable receipts will not be provided with invoices but will be available upon request

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805.541.1010

BEND, OR
541.648.1010

info@tenoverstudio.com
tenoverstudio.com

CLIENTS INITIALS

Exhibit C.2 – Revised Project Schedule

Final design documents for the project listed in Notice to Proceed (NTP) will be completed and delivered four (4) working weeks from NTP, not inclusive of time necessary for City review.

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

January 9, 2024
CONSENT AGENDA

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Nova Romero, City Clerk
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2024-007, authorizing one (1) Free Use Days of the Sunset Center Theater and Lobby to Frans Lanting Studio, in connection with the Bay of Life Fund non-profit organization, to host a "Bay of Life Project" community event in 2024

RECOMMENDATION:

Adopt Resolution 2024-007, authorizing one (1) Free Use Days of the Sunset Center Theater and Lobby to Frans Lanting Studio, in connection with the Bay of Life Fund non-profit organization, to host a "Bay of Life Project" community event in 2024.

BACKGROUND/SUMMARY:

The 2017 Agreement between the City and Sunset Cultural Center, Inc. (SCC) provides that the City shall have the right to use the theater and lobby for up to twelve (12) full days each fiscal year without charge, as long as the spaces have not already been committed to rental customers by SCC.

The Frans Lanting Studio reached out to the City in November 2023 to formally request Council to consider granting them 1 (one) free use day of the Sunset Center in connection with their community event, the "Bay of Life Project," scheduled for the spring of 2024 (**Attachment 2**). The event will encompass exhibitions and other activities aligned with the Bay of Life mission.

Background on the Bay of Life Project

"Bay of Life: From Wind to Whales" was created by Frans Lanting and Christine Eckstrom to showcase Monterey Bay as a unique eco-region. The project was launched in the fall of 2022 as a book with contributions by Leon Panetta and Julie Packard. The first exhibition opened in January 2023 at the Museum of Art and History in Santa Cruz, and Frans and Chris will be staging the exhibition in the spring of 2024 at the Monterey Museum of Art and at CSUMB simultaneously.

As an extension of the Project, Frans Lanting and Christine Eckstrom have established the Bay of Life Fund to support local nonprofit organizations active in conservation and education in the Monterey Bay region, with a focus on partnerships and collaborative efforts with the Bay of Life Project.

Other initiatives include a Bay of Life school curriculum created in collaboration with Santa Cruz County Office of Education, and a partnership with Santa Cruz METRO for an innovative campaign called “One Ride at A Time” that aims to raise money for local nonprofits while showcasing the environmental benefits of public transit.

Frans and Chris have a rich history of community engagement, having conducted over 35 presentations in Santa Cruz since 1990. Their events typically draw a significant audience, with more than 1,000 people attending public gatherings in the Santa Cruz area. The Bay of Life Project aims to further extend its reach by choosing the Sunset Center as the venue due to its large capacity and strategic location near Monterey, Carmel, Santa Cruz, Salinas, and Watsonville. This central location ensures accessibility to a diverse community population.

Recommendation

Staff requests that Council consider adopting the attached Resolution, which will grant 1 of the City's Free Use Days of the Sunset Center in 2024 to the Bay of Life Project to host a community event to bring educational, environmental, and cultural benefits to residents across the Monterey Bay region.

FISCAL IMPACT:

None for this action

PRIOR CITY COUNCIL ACTION:

None for this action

ATTACHMENTS:

Attachment 1) Resolution 2024-007
Attachment 2) Bay of Life Project Request Letter

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

RESOLUTION NO. 2024-007

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA AUTHORIZING ONE (1) FREE USE DAYS OF THE SUNSET CENTER THEATER AND LOBBY TO FRANS LANTING STUDIO, IN CONNECTION WITH THE BAY OF LIFE FUND NON-PROFIT ORGANIZATION, TO HOST A "BAY OF LIFE PROJECT" COMMUNITY EVENT IN 2024

WHEREAS, the City's Amended and Restated Lease Agreement with Sunset Center Cultural Center (SCC), adopted by the City Council on June 6, 2017, stipulates that the City shall have the right to use the Sunset Center theater, lobby and dressing rooms for up to twelve (12) full days (designated in the Lease Agreement as "Free Theater Days") each fiscal year without charge; and

WHEREAS, the Bay of Life Fund is a non-profit organization active in conservation and education in the Monterey Bay region, with a focus on partnerships and collaborative efforts with the Bay of Life Project launched by Frans Lanting and Chris Eckstrom; and

WHEREAS, The Bay of Life Project connects land and sea and people with nature to promote a unified view of the Monterey Bay region through publications, exhibitions, events, and partnerships. The Project aims to stimulate engagement that contributes to a sustainable future for the Bay of Life; and

WHEREAS, the Frans Lanting Studio, in connection with their non-profit organization Bay of Life Fund, has requested 1 free use day of the Sunset Center in the spring of 2024 to host a community event, the “Bay of Life Project”; and

WHEREAS, the support of the City in granting a free use day of the Sunset Center for this community event will provide a venue to bring educational, environmental, and cultural benefits to residents across the Monterey Bay region.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

Authorize Frans Lanting Studio, in connection with the Bay of Life Fund non-profit, one (1) of the City's Sunset Center Free Theater Days for their “Bay of Life Project” community event in Spring 2024.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BYTHE-SEA this 9th day of January, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTA IN:

APPROVED:

_____
Dave Potter
Mayor

ATTEST:

_____
Nova Romero, MMC
City Clerk

Frans Lanting Office
Nov 17, 2023, 12
to me, Chip

Hi Nova,

Thanks again for your response to our inquiry.

We would be grateful if you would be able to put our letter in front of the appropriate individual or individuals within Carmel's City Council who may be able to consider our request to one of the City's Free Use days at the Sunset Center for a Bay of Life community event.

Please let us know if you have any questions or need further information.

Sincerely,

Talia

To Whom it May Concern,

"Bay of Life: From Wind to Whales" was created by Frans Lanting and Christine Eckstrom to showcase Monterey Bay as a unique eco-region. The project was launched in the fall of 2022 as a book with contributions by Leon Panetta and Julie Packard. The first exhibition opened in January 2023 at the Museum of Art and History in Santa Cruz, and we will be staging the exhibition in the spring of 2024 at the Monterey Museum of Art and at CSUMB simultaneously.

As an extension of the Project, Frans Lanting and Christine Eckstrom have established the Bay of Life Fund to support local nonprofit organizations active in conservation and education in the Monterey Bay region, with a focus on partnerships and collaborative efforts with the Bay of Life Project.

Other initiatives include a Bay of Life school curriculum created in collaboration with Santa Cruz County Office of Education, and a partnership with Santa Cruz METRO for an innovative campaign called "One Ride at A Time" that aims to raise money for local nonprofits while showcasing the environmental benefits of public transit.

We are now seeking a venue to host a "Bay of Life" community centered event by Frans Lanting and Christine Eckstrom during the spring of 2024 in the Monterey/Carmel area in connection with the exhibitions and other activities.

Frans and Chris have done more than 35 community presentations in Santa Cruz since 1990. They have a significant following around Monterey Bay. When they schedule public events in the Santa Cruz area, more than 1,000 people typically show up.

We are drawn to the Sunset Center as a venue because of its large capacity and proximity to Monterey, Carmel and other surrounding cities such as Santa Cruz, Salinas and Watsonville. It is an ideal location for reaching a diverse community population.

We have approached the Sunset Center who has informed us that they would not be able to sponsor such an event, but that a "Bay of Life" community event may be eligible for consideration by the City of Carmel for one of the City's Free Use dates. If this is something that the City Council would be interested in, we would appreciate the chance to further discuss our proposal and how we might be able to proceed.

Attached is a summary of the Bay of Life Project to give you some background information.

For more information about **Frans** and **Chris**, click on each name.

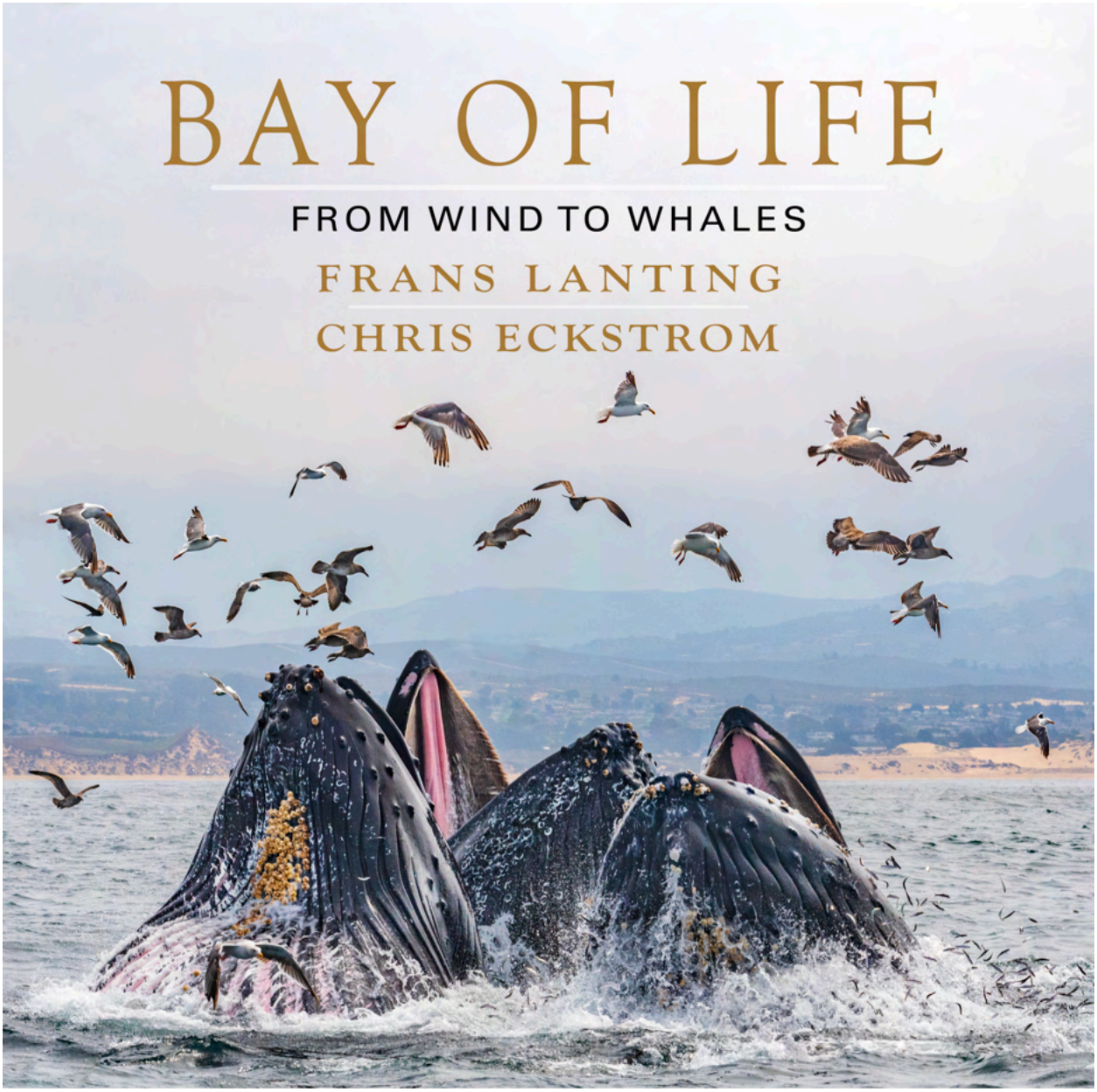
We look forward to hearing from you.

Sincerely,

Talia Lipskind

BAY OF LIFE

Frans Lanting Studio
108 High Road
Santa Cruz, CA 95060 USA
+1-831-429-1331
office@lanting.com
Lanting.com
BayofLife.net


BAY OF LIFE
FROM WIND TO WHALES
FRANS LANTING
CHRIS ECKSTROM

BAY OF LIFE

Frans Lanting

Chris Eckstrom

The Bay of Life is a unique confluence
of land and sea,
energized by the sun,
shaped by the forces of fog and fire,
and influenced by the actions of people.

BAY OF LIFE: FROM WIND TO WHALES

Frans Lanting and Chris Eckstrom

VISION:

California's Monterey Bay region is the hottest hotspot for biodiversity in all of North America today, according to a study by the Nature Conservancy. Yet a hundred years ago the region was more like a hotspot of ecological collapse. Onshore, the Santa Cruz Mountains were clearcut and few redwood trees were left standing. Offshore, the marine resources of the bay had been decimated by whalers, sealers, and fishers.

The recovery of Monterey Bay since then is a remarkable environmental success story which shows that damaged ecosystems can be restored when people care and act together. It is a story of hope as we are faced with new challenges ranging from expanding access to nature for more communities to improving natural resource stewardship, extending habitat connectivity, and adapting to climate change.

Humpback Whales, 2019 Frans Lanting

PROJECT:

The Bay of Life Project connects land and sea and people with nature to present a unified view of the Monterey Bay region.

The Project features a book in multiple editions, a traveling exhibition, a website, events, partnerships, a public transit campaign, an educational initiative, a charitable fund, and more.

Bay of Life combines art with conservation through education and engagement for the purpose of contributing to a sustainable future for the Bay of Life as whole.

See and hear more: Bay of Life Project video

Redwoods, 2015 Frans Lanting

PARTNERS:

Partnerships are a vital component of the Bay of Life Project. We embrace partners to elevate visibility for the work they are doing and to expand the reach of the Project.

Partners are acknowledged in the book, on the website, and are given opportunities to participate at exhibitions and events.

The Bay of Life Project produces and distributes media content to partners such as Watsonville Wetlands Watch for their educational and fundraising needs.

See a list of Bay of Life partners here.

Watsonville Wetlands Day, 2023 Frans Lanting

BOOKS:

The first edition of *Bay of Life: From Wind to Whales* was published in the fall of 2022 by Earth Aware Editions, along with a special Collector's Edition for donors, influencers, and supporters. The publishing plan includes a Spanish-language softcover edition for 2024, along with a softcover English-language edition.

The book content can be viewed here: [Bay of Life book layout]

EXHIBITS:

The first exhibition opened in January 2023 at the Museum of Art and History in Santa Cruz. The exhibition will be staged next in the spring of 2024 at the Monterey Museum of Art and at CSUMB simultaneously.

Exhibit at the Museum of Art and History, 2023

WEBSITE:

The Bay of Life website serves as a portal that features content from the book and the exhibit, videos created for partners, a calendar of events, and more. Partners are described with their mission statements and links to their websites.

Check: https://bayoflife.net/

EVENTS:

In-person and virtual events are produced in collaboration with different partners for a variety of audiences. To date, more than 3,000 people have attended in-person presentations and many more have joined for virtual programs. A list of events is here.

Bay of Life has received extensive media coverage. Links to print, online, radio, and television stories are here.

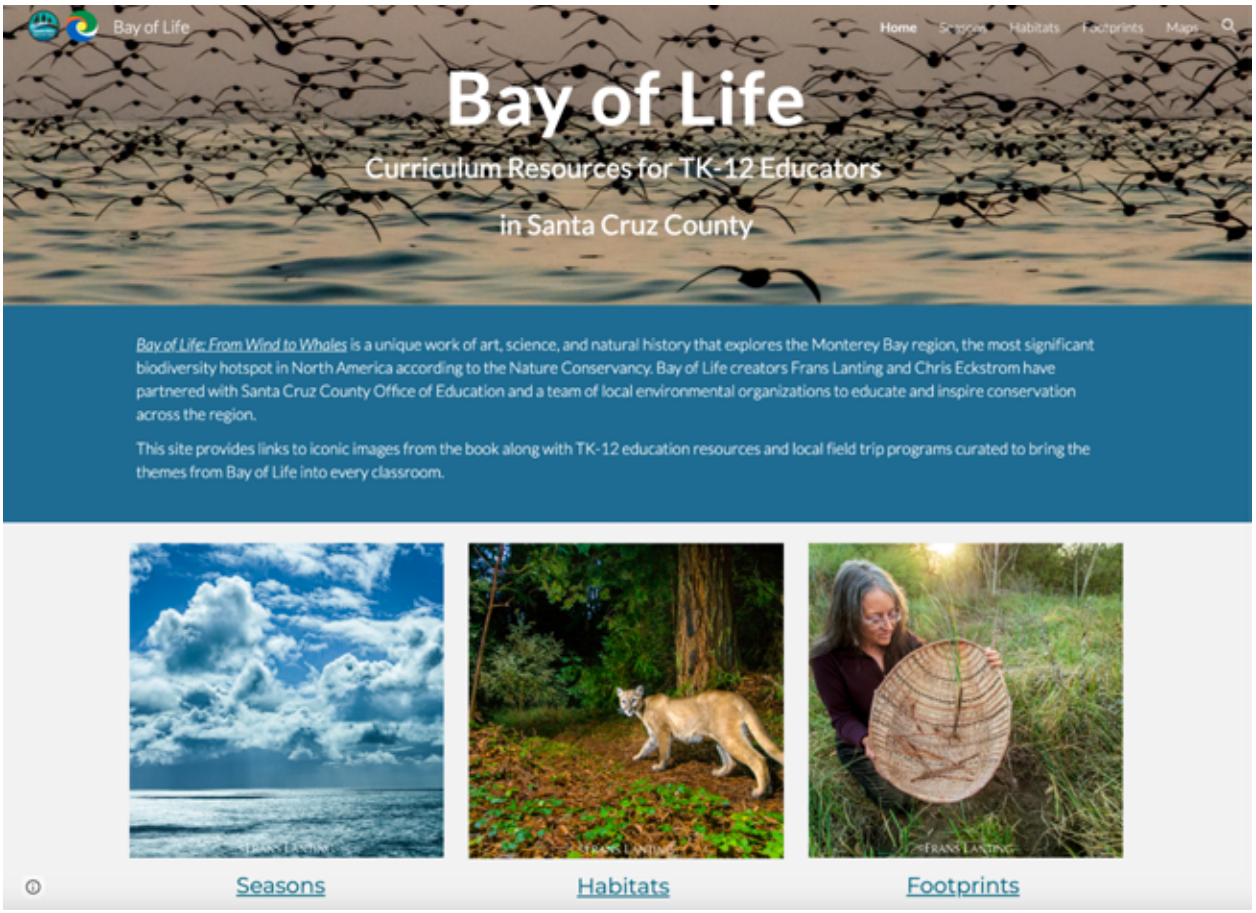
Frans Lanting and Chris Eckstrom at the Monterey Bay Economic Partnership Conference, 2022

EDUCATION:

We developed a partnership with the Santa Cruz County Office of Education to create a new school curriculum based on the Bay of Life book. We provided the content of the book and fostered a collaboration with local educational organizations to customize the curriculum.

The initial version has been launched and may be viewed here.

This site provides links to images from the book along with TK-12 education resources and local field trip programs curated to bring the themes from Bay of Life to many classrooms in Santa Cruz County.



Bay of Life school curriculum website home page, 2023

“ONE RIDE AT A TIME" CAMPAIGN:

We have developed a partnership with Santa Cruz METRO for an innovative campaign called “One Ride at A Time” that aims to raise money for local nonprofits while showcasing the environmental benefits of public transit.

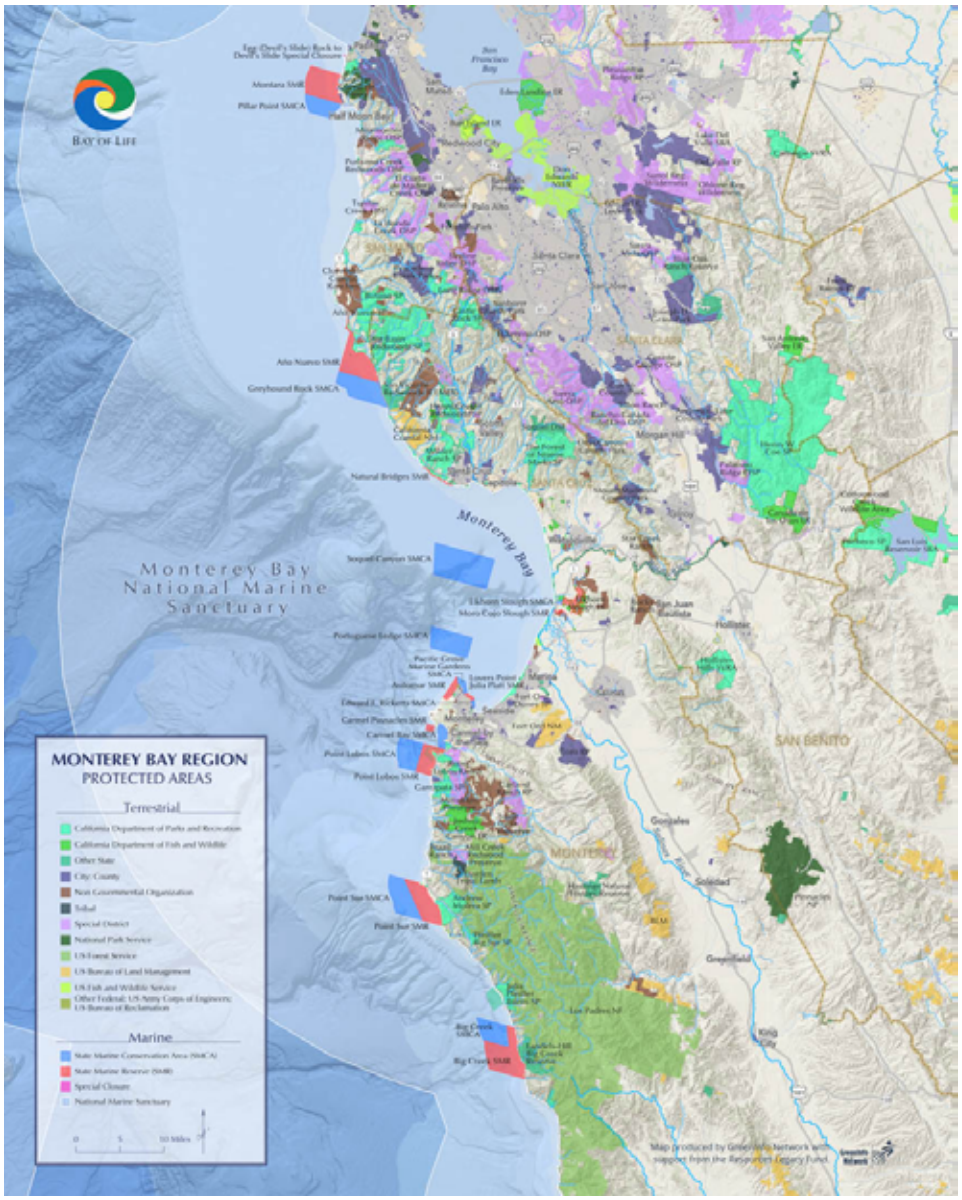
More than two dozen new clean air buses will be decorated with images from Bay of Life as an eye-catching expression of the campaign. The first 15 buses are already in service.

A portion of the proceeds from rides on METRO buses over the next two years will be donated to the Bay of Life Fund for distribution to local environmental nonprofits associated with the Bay of Life Project.

Santa Cruz METRO buses decorated with Bay of Life images, 2023

CONSERVATION:

A mosaic of protected areas shelter Monterey Bay's unique ecological diversity and provide access for people to experience nature. Improvements need to be made to achieve more connectivity and to reach California's statewide goal to protect 30 percent of its land and marine areas by 2030 as part of the "30 x 30" global campaign.



This is an original map created for the Bay of Life Project that shows all protected areas, terrestrial and marine, in the larger Monterey Bay area. Bay of Life highlights past achievements in land and sea conservation and embraces new priorities of project partners.

NEW FIELDWORK:

Monterey Bay's riverine systems merit more attention than they have received until now. The extreme weather events of this past winter that caused extensive flooding in the Salinas and Pajaro Valleys present a historic opportunity to document their dynamic natural qualities.

Salinas River Flooding, 2023 Frans Lanting

Frans Lanting has been hailed as one of the great photographers of our time. His influential work appears in books, magazines, and exhibitions around the world and has been commissioned frequently by National Geographic, where he was a Photographer in Residence. Lanting's books have received awards and acclaim: "No one turns animals into art more completely than Frans Lanting," writes *The New Yorker*. His books include *Into Africa, LIFE, Jungles, Penguin, Eye to Eye, Living Planet, Bonobo, Okavango, Forgotten Edens,* and *Madagascar: A World Out of Time.*

Lanting has received numerous awards for his work as a photographer and conservationist, including top honors from World Press Photo, the Sierra Club's Ansel Adams Award, and the prestigious Wildlife Photographer of the Year's first Lifetime Achievement Award. He serves as an Ambassador for the World Wildlife Fund, on the Leadership Council of Conservation International, and on the International Board of WildAid. H.R.H. Prince Bernhard inducted him as a Knight in the Royal Order of the Golden Ark, the Netherlands' highest conservation honor.

Chris Eckstrom is a writer, editor, and videographer. She is the author of *Forgotten Edens*, and as a staff writer she contributed to many books published by the National Geographic Society. She earned a Lowell Thomas Award for Best Magazine Article on Foreign Travel for her *National Geographic Traveler* story, *"The Last Real Africa."* The editor of *Into Africa, Life, Jungles, Penguin, Eye to Eye, and Okavango*, she has also produced stories for the National Geographic Channel. Eckstrom and Lanting travel around the world for their fieldwork and collaborate on publishing projects from their home base in Santa Cruz, California.

FRANS LANTING STUDIO

108 HIGH ROAD, SANTA CRUZ, CALIFORNIA 95060 USA

+1-831-429-1331 • OFFICE@LANTING.COM • WWW.LANTING.COM

BAYOFLIFE.NET

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

January 9, 2024
CONSENT AGENDA

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Nova Romero, City Clerk
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2024-008 ratifying an appointment to the Forest and Beach Commission

RECOMMENDATION:

Adopt Resolution 2024-008 ratifying an appointment to the Forest and Beach Commission.

BACKGROUND/SUMMARY:

Background

On November 9, 2023, the City Clerk's office received a resignation letter from Forest and Beach Commissioner Brian Sours. In adherence to the California Maddy Act and the Council's appointment policy, the City advertised the unscheduled vacancy on the Forest and Beach Commission. The application submission period concluded on December 6, 2023, for the specified vacancy:

Forest and Beach Commission: One (1) seat - Term expiring on May 30, 2025.

Five qualified applications were received from individuals residing within the City or its sphere of influence, included as **Attachment 1**.

Recommendation

An Ad Hoc Committee, consisting of Mayor Potter and Mayor Pro Tem Richards, interviewed the applicants for the Forest and Beach Commission vacancy on December 11, 2023. The applicants demonstrated a notable commitment to community service and a genuine desire to contribute to the Carmel-by-the-Sea community. The Ad Hoc Committee extends appreciation to all community members, representing diverse backgrounds and exceptional skill sets, who actively participated in the application and interview process.

After thorough deliberation, the Ad Hoc Committee recommends the appointment of the following individual to fill the Forest and Beach Commission vacancy, thereby completing Commissioner Brian

Sours' term:

Gerald Montmorency - term expiring May 30, 2025

Staff recommends the Council's adoption of the attached Resolution to formally ratify the appointment to the Forest and Beach Commission (**Attachment 2**).

FISCAL IMPACT:

None for this action

PRIOR CITY COUNCIL ACTION:

None for this action

ATTACHMENTS:

Attachment 1) Forest and Beach Commission applications (redacted)
Attachment 2) Resolution 2024-008

City of Carmel-By-The-Sea

DEC 0 1 2023

Office of the City Clerk

APPLICATION TO SERVE ON A CARMEL-BY-THE-SEA CITY BOARD OR COMMISSION

In accordance with the Public Records Act, submitted applications and attachments are considered public records and will be disclosed upon receipt of a public records request. Applications may also be published (with signatures and personal contact information redacted) in the agendas of relevant meetings of the City Council, boards and commissions.

NAME Andi Carr DATE 11-30-24

RESIDENCE ADDRESS [redacted] CITY [redacted] ZIP 93921

MAILING ADDRESS PO Box CITY Pebble Beach ZIP 93953

RESIDENCE PHONE [redacted] BUSINESS PHONE

EMAIL [redacted]

HOW LONG HAVE YOU LIVED IN CARMEL-BY-THE-SEA? 6 1/2 years, moved here in 1976 and lived in Carmel and Pebble Beach

Board or Commission Selection:

You may apply for more than one Board or Commission. Please note, however, that members shall not serve simultaneously on more than one Council-appointed Board or Commission.

Community Activities & Cultural Commission (meets the second Tuesday of the month at 9:30 a.m.)	
Harrison Memorial Library Board of Trustees (meets the fourth Wednesday of the month at 9:00 a.m.)	
Planning Commission (meets the second Wednesday of the month at 4:00 p.m., tour of inspection at 2:00 p.m.)	
Forest & Beach Commission (meets the second Thursday of the month at 3:30 p.m., tour of inspection at 3 p.m.)	X
Historic Resources Board (meets the third Monday of the month at 4:00 p.m., tour of inspection at 3:15 p.m.)	
Board of Appeals (once annually and on an as-needed basis)	

Will you be available to attend board/commission meetings regularly? yes

Revised July 16, 2019

All members of boards and commissions are subject to the Conflict of Interest Laws of the State of California and are required to submit Form 700, "Statement of Economic Interest," within 30 days of assuming office. Form 700 must be filed annually thereafter, and within 30 days of leaving office as well.

In accordance with Assembly Bill (AB) 1234 appointed members are required to attend Public Service Ethics Education upon appointment and every two years thereafter.

Do you agree to file all required statements in a timely manner as prescribed by law or the City's Conflict of Interest Code? YES [X] NO [ ]

Reason for Interest in the Position:

I have lived on the Monterey Peninsula since 1976 have loved living here. and wish to give back to this special community.

Please list any relevant qualifications or experience you possess that would enhance the mission and goals of the board(s) or commission(s) for which you are applying:

We live in an area that requires consideration and compliance during construction. I have done building on the peninsula and understand the relevance of considering trees during this process. I have also learned that it is imperative to educate residents on how to take care of the trees on their property. In addition, my husband and I are the stewards of Vista Lobos Park.

Please list any local area associations, boards, commissions, foundations, or companies in which you have an investment, or serve as an officer or director:

Education:

Institution	Course of Study	Degree Year (s)
UCLA	History, Social Science, Teaching Credential	1968 BA & Teaching Credential

Employment Experience (Start with Most Recent):

Organization:	Hotel Owner - Coachman Inn, Green Lantern Inn, Carmel Oaks Inn	
Position:	Desk clerk, decorator, jack of all trades	Year: 1981 – 2001
Organization:	L.A. Unified School District	
Position:	3rd Grade School Teacher	Year: 1969 - 1976
Organization:		
Position:		Year:

Prior public service, civic or volunteer activities:

Organization:	Carmel Cares	
Position:	Caretaker of Vista Lobos Park	Year: 2018 to present
Organization:	National Charity League	
Position:	President	Year: 1995
Organization:	River School	
Position:	Volunteer	Year: 2016 to present

[redacted]
Signature

11-30-23
Date

Citizen knowledge, interest and participation are vital ingredients to the delivery of high-quality public services. The richness that comes from citizens serving in advisory roles to the City Council contributes to making Carmel by the Sea the special place it is. The City of Carmel-by-the Sea thanks you for your interest in serving on a City board or commission.

Return application to the City Clerk's Office, East side of Monte Verde Street, between Ocean and Seventh Avenues or mail to PO Box CC, Carmel-by-the-Sea, 93921, attention: City Clerk's Office.

APPLICATION TO SERVE ON A CARMEL-BY-THE-SEA CITY BOARD OR COMMISSION

In accordance with the Public Records Act, submitted applications and attachments are considered public records and will be disclosed upon receipt of a public records request. Applications may also be published (with signatures and personal contact information redacted) in the agendas of relevant meetings of the City Council, boards and commissions.

NAME DAN LINDSEY DATE 11-19-23

RESIDENCE ADDRESS [redacted] CITY CARMEL ZIP 93923

MAILING ADDRESS [redacted] CITY CARMEL ZIP 93923

RESIDENCE PHONE [redacted] BUSINESS PHONE _____

EMAIL [redacted]

HOW LONG HAVE YOU LIVED IN CARMEL-BY-THE-SEA? 1 YEAR 11 MONTHS

Board or Commission Selection:

You may apply for more than one Board or Commission. Please note, however, that members shall not serve simultaneously on more than one Council-appointed Board or Commission.

Community Activities & Cultural Commission (meets the second Tuesday of the month at 9:30 a.m.)	
Harrison Memorial Library Board of Trustees (meets the fourth Wednesday of the month at 9:00 a.m.)	
Planning Commission (meets the second Wednesday of the month at 4:00 p.m., tour of inspection at 2:00 p.m.)	
Forest & Beach Commission (meets the second Thursday of the month at 3:30 p.m., tour of inspection at 3 p.m.)	✓
Historic Resources Board (meets the third Monday of the month at 4:00 p.m., tour of inspection at 3:15 p.m.)	
Board of Appeals (once annually and on an as-needed basis)	

Will you be available to attend board/commission meetings regularly? YES

All members of boards and commissions are subject to the Conflict of Interest Laws of the State of California and are required to submit Form 700, "Statement of Economic Interest," within 30 days of assuming office. Form 700 must be filed annually thereafter, and within 30 days of leaving office as well.

In accordance with Assembly Bill (AB) 1234 appointed members are required to attend Public Service Ethics Education upon appointment and every two years thereafter.

Do you agree to file all required statements in a timely manner as prescribed by law or the City's Conflict of Interest Code? YES ☑ NO ☐

Reason for Interest in the Position:
I AM A TRIATHLETE AND SPEND QUITE A BIT OF TIME SWIMMING, BIKING, AND RUNNING IN THE AREA. I AM VERY FAMILIAR WITH THE LOCAL TRAILS AND PARKS. I LOVE THE AREA AND WOULD ENJOY HELPING THE COMMITTEE ON VARIOUS FORESTRY AND BEACH RELATED ISSUES.

Please list any relevant qualifications or experience you possess that would enhance the mission and goals of the board(s) or commission(s) for which you are applying:
MY WIFE AND I MOVED TO CARMEL FROM DENVER, COLORADO A COUPLE OF YEARS AGO. I SPENT QUITE A BIT OF TIME ENJOYING THE COLORADO TRAILS AND OPEN SPACE WHICH MAY BE A HELPFUL PERSPECTIVE. I ALSO WORK WITH A LOCAL CONSTRUCTION COMPANY THAT HAS AN ENVIRONMENTAL TEAM. I WOULD BE ABLE TO RUN ANY QUESTIONS BY THEM, IF IT WAS EVER NEEDED.

Please list any local area associations, boards, commissions, foundations, or companies in which you have an investment, or serve as an officer or director:
I AM AN OFFICER OF GRANITEROCK. MY OFFICIAL TITE IS VICE PRESIDENT AND CHIEF FINANCIAL OFFICER.

Education:

Institution	Course of Study	Degree Year (s)
FLORIDA STATE UNIVERSITY	FINANCE	1992
UNIVERSITY OF CENTRA FLORIDA	ACCOUNTING	1993
UNIVERSITY OF FLORIDA	MBA	2002

Employment Experience (Start with Most Recent):

Organization: GRANITE ROCK	
Position: VP AND CFO	Year: 2022
Organization: FLATIRON CONSTRUCTION CORP.	
Position: VP OF FINANCE AND CORPORATE CONTROLLER	Year: 09-2017
Organization:	
Position:	Year:

Prior public service, civic or volunteer activities:

Organization: CITY OF LONE TREE	
Position: AUDIT COMMITTEE	Year: 2021
Organization: COLORADO HIGH SCHOOL MOUNTAIN BIKING LEAGUE	
Position: TREASURER	Year: 2012
Organization:	
Position:	Year:

[redacted]

Signature

11-19-23

Date

Citizen knowledge, interest and participation are vital ingredients to the delivery of high-quality public services. The richness that comes from citizens serving in advisory roles to the City Council contributes to making Carmel by the Sea the special place it is. The City of Carmel-by-the Sea thanks you for your interest in serving on a City board or commission.

Return application to the City Clerk's Office, East side of Monte Verde Street, between Ocean and Seventh Avenues or mail to PO Box CC, Carmel-by-the-Sea, 93921, attention: City Clerk's Office.

Attachment 1

City of Carmel-By-The-Sea

DEC 01 2023

Office of the City Clerk

APPLICATION TO SERVE ON A CARMEL-BY-THE-SEA CITY BOARD OR COMMISSION

In accordance with the Public Records Act, submitted applications and attachments are considered public records and will be disclosed upon receipt of a public records request. Applications may also be published (with signatures and personal contact information redacted) in the agendas of relevant meetings of the City Council, boards and commissions.

NAME GERALD MONTMORENCY MONTMORENCY DATE 12/1/23

RESIDENCE ADDRESS [redacted] CITY CARMEL ZIP 93923

MAILING ADDRESS [redacted] CITY CARMEL ZIP 93921

RESIDENCE PHONE [redacted] BUSINESS PHONE _____

EMAIL [redacted]

HOW LONG HAVE YOU LIVED IN CARMEL-BY-THE-SEA? 20+ YEARS SINCE 1948

Board or Commission Selection:

You may apply for more than one Board or Commission. Please note, however, that members shall not serve simultaneously on more than one Council-appointed Board or Commission.

Community Activities & Cultural Commission (meets the second Tuesday of the month at 9:30 a.m.)	
Harrison Memorial Library Board of Trustees (meets the fourth Wednesday of the month at 9:00 a.m.)	
Planning Commission (meets the second Wednesday of the month at 4:00 p.m., tour of inspection at 2:00 p.m.)	
Forest & Beach Commission (meets the second Thursday of the month at 3:30 p.m., tour of inspection at 3 p.m.)	X
Historic Resources Board (meets the third Monday of the month at 4:00 p.m., tour of inspection at 3:15 p.m.)	
Board of Appeals (once annually and on an as-needed basis)	

Will you be available to attend board/commission meetings regularly? YES

All members of boards and commissions are subject to the Conflict of Interest Laws of the State of California and are required to submit Form 700, "Statement of Economic Interest," within 30 days of assuming office. Form 700 must be filed annually thereafter, and within 30 days of leaving office as well.

In accordance with Assembly Bill (AB) 1234 appointed members are required to attend Public Service Ethics Education upon appointment and every two years thereafter.

Do you agree to file all required statements in a timely manner as prescribed by law or the City's Conflict of Interest Code? YES [X] NO [ ]

Reason for Interest in the Position:

SEE ATTACHED

Please list any relevant qualifications or experience you possess that would enhance the mission and goals of the board(s) or commission(s) for which you are applying:

SEE ATTACHED

Please list any local area associations, boards, commissions, foundations, or companies in which you have an investment, or serve as an officer or director:

NONE

Education:

Institution	Course of Study	Degree Year (s)
U. C. BERKELEY	BUSINESS ADMINISTRATION	1970 BS
UNIV. OF SO. CALIF	FINANCE	1973 MBA

Employment Experience (Start with Most Recent):

Organization: SELF EMPLOYED	
Position: CORPORATE FINANCE CONSULTANT	Year: 1988-2006
Organization: SPORTS RESTAURANTS, INC	
Position: S.V.P. & CFO	Year: 1983-1987
Organization: WENDY'S INTERNATIONAL	
Position: SR. FINANCIAL ANALYST / ACCOUNTING MGR	Year: 1979-1983

Prior public service, civic or volunteer activities:

Organization: LAKESHORE HOMES ASSOCIATION	
Position: PRESIDENT - BOARD CHAIR	Year: 1999-2017
Organization: CALIFORNIA ALPINE CLUB	
Position: FINANCE COMMITTEE	Year: 2020 - PRESENT
Organization: UNITED WAY CENTRAL TENNESSEE	
Position: ALLOCATION COMMITTEE CHAIR	Year: 1988 - 1990

[redacted]
Signature

12/1/23
Date

Citizen knowledge, interest and participation are vital ingredients to the delivery of high-quality public services. The richness that comes from citizens serving in advisory roles to the City Council contributes to making Carmel by the Sea the special place it is. The City of Carmel-by-the Sea thanks you for your interest in serving on a City board or commission.

Return application to the City Clerk's Office, East side of Monte Verde Street, between Ocean and Seventh Avenues or mail to PO Box CC, Carmel-by-the-Sea, 93921, attention: City Clerk's Office.

Gerald Montmorency

Forest and Beach Commission Application 12/1/23

Reason for interest

I have valued Carmel's forest, parks, open spaces and beaches since growing up in Carmel beginning in the early 1950's. I have seen small shifts between and among revival, containment, and elimination in Carmel's natural and man-made environment: which trees to plant, if any, beach enjoyment without harm, "natural" park or "developed" space, fauna and/or flora. I would like to help facilitate a continued and balanced approach between landowners and the community-at-large in maintaining our rare meeting of land and sea.

Relevant qualifications or experience

For 17 years until 2017, I was president and chair of our 350 acre, 1,055 home (single family) HOA in Oakland. The HOA's founding vision remains today: people and nature intertwined as one community. I led the continuing effort of this neighborhood's 100 year-old vision to safely maintain our urban forest with its large public access park, seven pocket parks, many oaks, redwoods (even Monterey pines), numerous paths, and 434 mature sycamore street trees, among many species of flora and fauna. Our sustainability plan looked 80 years out.

Spending many summers in 400 acres of stream-fed meadowland and forest on a family ranch in the Sierra Nevada, I learned the ways of the forest and took a great interest in its trees, wildlife and evolution. I managed over 2,000,000 board-feet of second growth yellow and sugar pine, white fir and cedar.

Enjoying my youth on Carmel's Ocean Beach and visiting many others on travels with my wife, I learned about the communion of sea and shore. Although this is perhaps less directly relevant, my semi-knowledgeable perspective adds to the conversation.

APPLICATION TO SERVE ON A CARMEL-BY-THE-SEA CITY BOARD OR COMMISSION

In accordance with the Public Records Act, submitted applications and attachments are considered public records and will be disclosed upon receipt of a public records request. Applications may also be published (with signatures and personal contact information redacted) in the agendas of relevant meetings of the City Council, boards and commissions.

NAME Jeanne McCulloch DATE 12/06/2023

RESIDENCE ADDRESS [redacted] CITY Carmel, CA ZIP 93921

MAILING ADDRESS [redacted] CITY Carmel, CA ZIP 93921

RESIDENCE PHONE [redacted] BUSINESS PHONE [redacted]

EMAIL [redacted]

HOW LONG HAVE YOU LIVED IN CARMEL-BY-THE-SEA? 21 years full time

Board or Commission Selection:

You may apply for more than one Board or Commission. Please note, however, that members shall not serve simultaneously on more than one Council-appointed Board or Commission.

Community Activities & Cultural Commission (meets the second Tuesday of the month at 9:30 a.m.)	
Harrison Memorial Library Board of Trustees (meets the fourth Wednesday of the month at 9:00 a.m.)	
Planning Commission (meets the second Wednesday of the month at 4:00 p.m., tour of inspection at 2:00 p.m.)	
Forest & Beach Commission (meets the second Thursday of the month at 3:30 p.m., tour of inspection at 3 p.m.)	✓
Historic Resources Board (meets the third Monday of the month at 4:00 p.m., tour of inspection at 3:15 p.m.)	
Board of Appeals (once annually and on an as-needed basis)	

Will you be available to attend board/commission meetings regularly? yes

All members of boards and commissions are subject to the Conflict of Interest Laws of the State of California and are required to submit Form 700, "Statement of Economic Interest," within 30 days of assuming office. Form 700 must be filed annually thereafter, and within 30 days of leaving office as well.

In accordance with Assembly Bill (AB) 1234 appointed members are required to attend Public Service Ethics Education upon appointment and every two years thereafter.

Do you agree to file all required statements in a timely manner as prescribed by law or the City's Conflict of Interest Code? YES ☑ NO ☐

Reason for Interest in the Position:

I appreciate and actively utilize the Parks, Beach and Open Spaces in Carmel and feel it is important to the community to maintain them. I feel passionate about protecting the community from potential wildfire and feel it is very important to remove dead trees & brush from the area. I would also like to preserve the integrity of Carmel Beach and its environs. I would like to serve on the Forest & Beach Commission because I love Carmel & would like to preserve the right of our community to have a warming fire on the Beach. I look forward to working with other members of the Commission to find a common ground to serve the City of Carmel. I recognise the pro bonfire position is a point of contention and I would like to work with all members of the Commission to resolve this issue.

Please list any relevant qualifications or experience you possess that would enhance the mission and goals of the board(s) or commission(s) for which you are applying:

Over the years of being a full time resident of Carmel by the Sea I have taken it upon myself to call the Forester on more than one occasion to inspect and remove dead trees that I have noticed on my walks around the town. I advocated for an elderly neighbor when a tree destroyed her fence and hit her garage in last winter's storms. I was very active in the community working to find a compromise during the Beach Fire Pilot Program. I attended Forest & Beach Commission, City council, & Planning Commission Meetings always addressing the Dais with my concerns. I raised my daughter in the community and would like to preserve our Open Spaces, Parks, and the Beach for the next generation.

Please list any local area associations, boards, commissions, foundations, or companies in which you have an investment, or serve as an officer or director:

none

Education:

Institution	Course of Study	Degree Year (s)
Northwestern University	Theater/French Double Major	1987
La Sorbonne	Cours de Civilisation Francais	1986
British Academy of Dramatic Arts	Drama Program at Balliol College, Oxford	1987

Employment Experience (Start with Most Recent):

Organization: Pebble Beach Company, Beach Club Tennis	
Position: Front Desk Attendant	Year: 2023
Organization: Carmel Foundation	
Position: Freedance and Yoga Instructor	Year: 2023
Organization: Backyard Productions	
Position: Theater Producer and Director	Year: 1999-2023

Prior public service, civic or volunteer activities:

Organization: National Charity League	
Position: Volunteer Dorothy's Kitchen and Hospitality for Organisation	Year: 2013
Organization: Carmel Women's Club	
Position: Member, Participant in Fashion Show & provided Refreshments for monthly meeting	Year: 2019-2023
Organization: Carmel River School's Parent & Teacher Organisation, Girl Scout's, YMCA Intramural Soccer, AFG	
Position: French Teacher for extracurricular afterschool program, Actor @ Sober Grad Party CHS	Year: 2002-2015

[redacted]

Signature

12/06/2023

Date

Citizen knowledge, interest and participation are vital ingredients to the delivery of high-quality public services. The richness that comes from citizens serving in advisory roles to the City Council contributes to making Carmel by the Sea the special place it is. The City of Carmel-by-the Sea thanks you for your interest in serving on a City board or commission.

Return application to the City Clerk's Office, East side of Monte Verde Street, between Ocean and Seventh Avenues or mail to PO Box CC, Carmel-by-the-Sea, 93921, attention: City Clerk's Office.

City of Carmel-By-The-Sea
DEC 04 2023
Office of the City Clerk

APPLICATION TO SERVE ON A CARMEL-BY-THE-SEA CITY BOARD OR COMMISSION

In accordance with the Public Records Act, submitted applications and attachments are considered public records and will be disclosed upon receipt of a public records request. Applications may also be published (with signatures and personal contact information redacted) in the agendas of relevant meetings of the City Council, boards and commissions.

NAME Melanie C. Billig DATE 12/4/2023

RESIDENCE ADDRESS [redacted] CITY Carmel ZIP 93921

MAILING ADDRESS [redacted] CITY Carmel ZIP 93921

RESIDENCE PHONE [redacted] ~~BUSINESS~~ PHONE Cell [redacted]

EMAIL [redacted]

HOW LONG HAVE YOU LIVED IN CARMEL-BY-THE-SEA? 32 years

Board or Commission Selection:

You may apply for more than one Board or Commission. Please note, however, that members shall not serve simultaneously on more than one Council-appointed Board or Commission.

Community Activities & Cultural Commission (meets the second Tuesday of the month at 9:30 a.m.)	
Harrison Memorial Library Board of Trustees (meets the fourth Wednesday of the month at 9:00 a.m.)	
Planning Commission (meets the second Wednesday of the month at 4:00 p.m., tour of inspection at 2:00 p.m.)	
Forest & Beach Commission (meets the second Thursday of the month at 3:30 p.m., tour of inspection at 3 p.m.)	X
Historic Resources Board (meets the third Monday of the month at 4:00 p.m., tour of inspection at 3:15 p.m.)	
Board of Appeals (once annually and on an as-needed basis)	

Will you be available to attend board/commission meetings regularly? Yes

All members of boards and commissions are subject to the Conflict of Interest Laws of the State of California and are required to submit Form 700, "Statement of Economic Interest," within 30 days of assuming office. Form 700 must be filed annually thereafter, and within 30 days of leaving office as well.

In accordance with Assembly Bill (AB) 1234 appointed members are required to attend Public Service Ethics Education upon appointment and every two years thereafter.

Do you agree to file all required statements in a timely manner as prescribed by law or the City's Conflict of Interest Code? YES [X] NO [ ]

Reason for Interest in the Position:
I moved to Carmel for one reason and that was to live in a pine forest by the sea in a small Village of creative people. I love our natural environment and want to help protect and preserve it especially in these times of problematic times now and in the future

Please list any relevant qualifications or experience you possess that would enhance the mission and goals of the board(s) or commission(s) for which you are applying:
I think my experience in government generally will enable me to participate productively in meetings. Also having lived here and owned our property since 1989 I am very familiar with community issues especially the forest. Also because of my real passion for our native forest I have educated myself extensively on its history which is very unique. I would hope that I could serve the city government and residents in appreciating our forest while providing balance to the F+B Commission between those more passionate about our beach + those concerned about our forest

Please list any local area associations, boards, commissions, foundations, or companies in which you have an investment, or serve as an officer or director:
None

Education:

Institution	Course of Study	Degree Year (s)
U.C. Berkeley	European + American History	BA 1965
San Francisco State	" "	M.A. 1969

Employment Experience (Start with Most Recent): Retired 1974-75 / Former Educator

Organization: Taught in Missouri, Illinois, Oregon + Calif	
Position: Parochial School in MO. and	Year:
Organization: Public School at High School level.	
Position:	Year:
Organization: Teaching Assistant at San Francisco State	
Position:	Year: 1965-66?

Prior public service, civic or volunteer activities:

1. Organization: City of San Luis Obispo	
Position: Mayor, City Council Member, Planning Commission	Year: 1980's
2. Organization: City of Carmel-By-The-Sea	
Position: Planning Commissioner, Carmel Library Foundation Board 4yrs	Year: 1990's - 2000's
3. Organization: League of Women Voters	
Position: Vice President + board member Monterey Co,	Year: 2000's

(cont pt #2, 2 City Planning Committees, Chair of Ad Hoc city Undergrounding committee.

4. Organization: Carmel Residents assoc. President + board member

5. Organization: Borders Foundation Pres

[redacted] Date 12/4/2023

late 1990's - 2023

Citizen knowledge, interest and participation are vital ingredients to the delivery of high-quality public services. The richness that comes from citizens serving in advisory roles to the City Council contributes to making Carmel by the Sea the special place it is. The City of Carmel-by-the Sea thanks you for your interest in serving on a City board or commission.

Return application to the City Clerk's Office, East side of Monte Verde Street, between Ocean and Seventh Avenues or mail to PO Box CC, Carmel-by-the-Sea, 93921, attention: City Clerk's Office.

APPENDIX

COMMUNITY ACTIVITIES AND CULTURAL COMMISSION

The Community and Cultural Commission is a five-member body whose role is to stimulate and encourage community, cultural and artistic activities within the City, and to make recommendations to the City Council and the City Administrator concerning community, cultural, and artistic activities and programs as may be deemed appropriate. A two-thirds majority of the members of the Community Activities Commission shall be residents of the City, and the remainder may be residents of the City's sphere of influence. An equitable division of the membership shall be representative of persons who have an interest in, or familiarity with, the creative or performing arts and those who have an interest in, or familiarity with, the City's park and recreational programs and in the various City park facilities.

HARRISON MEMORIAL LIBRARY BOARD OF TRUSTEES

The Harrison Memorial Library Board of Trustees is a five-member body whose duties and responsibilities are to manage, control and administer any library building or library property owned by the City, and to make and enforce all rules, regulations and bylaws necessary for the administration, government and protection of the library. At least three Board members must reside in the City, and no more than two members may reside in the City's adopted Sphere of Influence. All members of the Harrison Memorial Library Board of Trustees must have a current Harrison Memorial Library patron card. Applicants should be interested and knowledgeable about library services.

PLANNING COMMISSION

The Planning Commission is a five-member body whose duties and responsibilities are to develop and maintain a General Plan; review Environmental Impact Reports and Initial Studies; conduct public hearings, review evidence and determine requests for use permits, variances, rezoning and land use Code amendments; hear and render decisions on appeals of determinations made by administrative staff; determine the consistency with the General Plan of capital improvement projects and programs; and review and act upon design review and design study applications. All members of the Planning Commission shall be residents and electors of the City and have particular interest in, and familiarity with, planning matters.

FOREST AND BEACH COMMISSION

The Forest and Beach Commission is a five-member body whose duties and responsibilities are to develop a management plan for the urban forest, parks and beach and to correlate such plans with the City's General Plan; consider and act on applications for tree-trimming and tree-removal; and advise the City Council or other government instrumentalities of the City with respect to specific items of management and technical forestry and beach matters. A two-thirds majority of the Commission shall be residents of the City, and the remainder may be residents of the City's Sphere of Influence. Applicants should have an interest in, or familiarity with, the City's parks and open space.

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

RESOLUTION NO. 2024-008

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA RATIFYING AN APPOINTMENT TO FOREST AND BEACH COMMISSION

WHEREAS, City Boards and Commission perform a valuable service to the City by providing means by which the City Council can obtain advice, opinions, and recommendations of City residents and other members of the community; and

WHEREAS, there is a need to appoint a member to the Forest and Beach Commission to complete a vacant term ending May 30, 2025; and

WHEREAS, the Mayor and Mayor Pro Tempore comprised the Ad Hoc Committee and interviewed five (5) qualified applicants on December 11, 2023; and

WHEREAS, the applicants demonstrated a strong commitment to service and a desire to serve the Carmel-by-the-Sea community; and

WHEREAS, the Ad Hoc Committee is appreciative of all community members who filled out an application and participated in the interview process.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

Appoint Gerald Montmorency to serve on the Forest and Beach Commission effective January 9, 2024, completing an unexpired term ending May 30, 2025.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 9th day of January, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

_____
Dave Potter
Mayor

ATTEST:

_____
Nova Romero, MMC
City Clerk

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

January 9, 2024
CONSENT AGENDA

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Brandon Swanson, Community Planning & Building Director
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2024-009 awarding a Professional Services Agreement to PAST Consultants, LLC, for a not-to-exceed fee of $79,380, to provide consultant support for the "Phase II" update to the City's Historic Context Statement

RECOMMENDATION:

Adopt Resolution 2024-009 awarding a Professional Services Agreement to PAST Consultants, LLC, for a not-to-exceed fee of $79,380, to provide consultant support for the "Phase II" update to the City's Historic Context Statement

BACKGROUND/SUMMARY:

The City's Historic Context Statement, together with General Plan preservation policies, serves as the foundation for the City's historic preservation program. The current Historic Context Statement was originally adopted by the City Council in 1994, and subsequently updated 1997, in 2008, and most recently "Phase I" in 2023.

Carmel's Historic Context Statement covers historical periods relevant to the City prior to 1965. The Context Statement is organized into themes and development periods which are used to evaluate the significance of properties in the City's ongoing historical survey process. The Context Statement also aids in preparing State of California Department of Parks and Recreation (DPR) records. Carmel-by-the-Sea has adopted comprehensive historic preservation policies as part of the General Plan and implements these policies through the Historic Preservation Ordinance.

On October 27, 2023, the City issues RFP #23-24-2023 seeking proposals from qualified professionals to assist in "Phase II" of updating the City's Historic Context Statement (**Attachment 3**). The stated scope of the project included: (1) updating the earlier eras and architectural styles covered in the Historic Context Statement to be consistent with the formatting of the newer 1966 through 1986 portion; (2) reworking the current context statement categories of prehistory and Hispanic settlement; economic development; government, civic and social institutions; architectural development; and arts and culture into a chronologically-ordered narrative; (3) conducting tribal outreach as appropriate to update the "Prehistory and Hispanic Settlement" content (4) updating the bibliography and appendices; (5) verifying and updating all source data throughout; and, (6) assisting/participating in public meetings as needed. At the time when the submission period closed, the City received (1) responsive proposal. A selection committee of the City's Principal Planner and Director of Community Planning and Building reviewed the proposal. Ultimately, the

selection committee felt that PAST Consultants, LLC, having successfully prepared “Phase I” of the project was the correct choice for the project based on factors of both qualifications and cost. A Professional Service Agreement (PSA) with Exhibits, and Resolution to approve this agreement have been included as **Attachment 2**. The "not to exceed" amount of this PSA is $79,380.

FISCAL IMPACT:

This project was included as part of the FY2023-24 Community Planning and Building department budget ($80,000). Funding for this project will come in part from a California State Certified Local Government (CLG) grant in the amount of $40,000.

PRIOR CITY COUNCIL ACTION:

In April, 2022, Council approved a contract with PAST Consultants, LLC for "Phase I" of this project.

ATTACHMENTS:

Attachment 1) Resolution 2024-009
Attachment 2) PSA and Exhibits
Attachment 3) RFP #23-24-2023

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

RESOLUTION NO. 2024-009

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH PAST CONSULTANTS, LLC, FOR A NOT-TO-EXCEED AMOUNT OF $79,380 TO SUPPORT "PHASE II" UPDATES TO THE CITY'S HISTORIC CONTEXT STATEMENT

WHEREAS, the City's Historic Context Statement, together with General Plan preservation policies, serves as the foundation for the City's historic preservation program; and

WHEREAS, the City wishes to keep these guiding and regulatory documents current and relevant as to be the most beneficial to the City; and

WHEREAS, RFP #23-24-003 requesting proposals from qualified professionals to assist with updating the City's Historic Context Statement was properly noticed and advertised for a period from 10/27/2023 to 11/13/2023

WHEREAS, responsive proposals were reviewed and ranked by a technical subcommittee of the City's Principal Planner and Director of Community Planning and Building; and

WHEREAS, PAST Consultants' proposal was found to be superior to the others based both qualifications and cost.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

Authorize the City Administrator to execute a Professional Services Agreement with PAST Consultants, LLC, for a not-to-exceed amount of $79,380, to support updating the City's Historic Context Statement.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 9th day of January, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: ATTEST:

Dave Potter
Mayor

Nova Romero
City Clerk

DocuSign Envelope ID: 779CEB4F-55AE-49ED-8C10-6CA861229DA2

PROFESSIONAL SERVICES AGREEMENT
for the
City of Carmel-by-the-Sea Historic Context Statement Update – "Phase II"
Agreement No. PBD-PAST-39-23-24

THIS AGREEMENT is executed this ____ day of January, 2024, by and between the City of Carmel-By-The-Sea, a municipal corporation, (hereinafter "City"), and PAST Consultants, LLC, (hereinafter "Consultant"), collectively referred to herein as the "parties".

WHEREAS, the City wishes to engage Consultant to perform the services required by this Agreement; and

WHEREAS, Consultant is willing to render such professional services, as hereinafter defined, on the following terms and conditions; and

WHEREAS, Consultant represents that it is trained, experienced and competent and holds all necessary licenses and certifications to perform the services required by this Agreement.

NOW, THEREFORE, in consideration of the terms and conditions herein contained, the parties hereby covenant and agree as follows:

1. SERVICES

A. **Scope of Services**. Consultant agrees to provide to the City, as the scope of services ("Scope of Services") under this Agreement, the following: "Phase II" Historic Context Statement Update, to involve, (1) updating the earlier eras and architectural styles covered in the Historic Context Statement to be consistent with the formatting of the newer 1966 through 1986 portion; (2) reworking the current context statement categories of prehistory and Hispanic settlement; economic development; government, civic and social institutions; architectural development; and arts and culture into a chronologically-ordered narrative; (3) conducting tribal outreach as appropriate to update the "Prehistory and Hispanic Settlement" content (4) updating the bibliography and appendices; (5) verifying and updating all source data throughout; and, (6) assisting/participating in public meetings as needed. The Scope of Services is attached hereto as Exhibit "A." The Scope of Services under this Agreement should include, but is not limited to, a project description, project phases, task descriptions, identification of key personnel, identification of subconsultants, their key personnel and general description of services that will be performed, as further set forth in this Agreement and attachments hereto. Consultant agrees to all of the following:

i. Consultant will furnish all of the labor, technical, administrative, professional and other personnel, all supplies and materials, equipment, printing, vehicles, transportation, office space and facilities, and all tests, testing and analyses, calculations, and all other means whatsoever, except as otherwise expressly specified in this Agreement, necessary to perform the services required of Consultant under this Agreement.

ii. Consultant's designated representative(s) who are authorized to act on its behalf and to make all decisions in connection with the performance of services under this Agreement are listed in Exhibit A, which is made a part of this Agreement.

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iii. Consultant must make every reasonable effort to maintain the stability and continuity of Consultant's key personnel and subcontractors, if any, listed in Exhibit A to perform the services required under this Agreement. Consultant must notify City and obtain City's written approval with respect of any changes in key personnel prior to the performance of any services by replacement personnel.

iv. Consultant must obtain City's prior written approval before utilizing any subcontractors to perform any services under this Agreement. This written approval must include the identity of the subcontractor and the terms of compensation.

v. Consultant represents that it has the qualifications, experience and facilities necessary to properly perform the services required under this Agreement in a thorough, competent and professional manner. Consultant will at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described in this Agreement. In meeting its obligations under this Agreement, Consultant must employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of Consultant under this Agreement.

vi. City may inspect and accept or reject any of Consultant's work under this Agreement, either during performance or when completed. Acceptance of any of Consultant's work by City will not constitute a waiver of any of the provisions of this Agreement.

vii. The Consultant must maintain any work site in the City in a safe condition, free of hazards to persons and property resulting from its operations.

B. **Change Orders**.

i. Agreements and Change Orders exceeding $24,999 require City Council approval to be valid.

ii. The City may order changes to the Scope of Services, consisting of additions, deletions, or other revisions, and the compensation to be paid Consultant will be adjusted accordingly. All such changes must be authorized in writing, and executed by Consultant and City. The cost or credit to City resulting from changes in the services will be determined by the written agreement between the parties. However, any increase in compensation beyond the compensation limit amount approved by the City Council must be authorized in advance by the City Council and any service provided by Consultant in the absence of such approval are at Consultant's sole risk.

iii. Consultant will not be compensated for any services rendered in connection with its performance of this Agreement that are in addition to or outside of those set forth in the Scope of Services or otherwise required by this Agreement, unless such additional services are authorized in advance and in writing by City.

iv. If Consultant believes that additional services are needed to complete the Scope of Services, Consultant will provide the City Administrator with written notification describing the proposed additional services, the reasons for such services, and a detailed proposal regarding cost.

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C. **Familiarity with Services and Site.**

i. By executing this Agreement, Consultant represents that Consultant:

a. has thoroughly investigated and considered the Scope of Services to be performed;
b. has carefully considered how the services should be performed;
c. understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement; and
d. possesses all licenses required under local, state or federal law to perform the services contemplated by this Agreement, and will maintain all required licenses during the performance of this Agreement.

ii. If services involve work upon any site, Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, before commencing its services. Should Consultant discover any latent or unknown conditions that may materially affect the performance of services, Consultant will immediately inform City of such fact and will not proceed except at Consultant's own risk until written instructions are received from City.

2. COMPENSATION

A. **Total Fee**. Subject to any limitations set forth in this Agreement, the City agrees to pay and Consultant agrees to accept as full and fair consideration for the performance of this Agreement, hourly fees as set forth in Consultant's Key Personnel, Compensation, and Fee Schedule (Exhibit "B"), in a base amount not-to-exceed Seventy Nine Thousand Three Hundred and Eighty Dollars ($79,380), which is the "Maximum Authorized Expenditure" under this Agreement. The Fee Schedule includes, but is not limited to, fees for each phase and task, not-to-exceed total fee, hourly rates, reimbursable rates and subconsultant mark-up rates. The use of subconsultants will not be considered a reimbursable expense, and such costs must be applied towards the approved budgeted amount. Payment of any compensation to Consultant is contingent upon performance of the terms and conditions of this Agreement to the satisfaction of the City. If the City determines that the Services set forth in the written invoice have not performed in accordance with the terms of this Agreement, the City is not responsible for payment until the Services have been satisfactorily performed.

B. **Invoicing**. Consultant must submit to the City monthly written invoices to the City's Project Representative, identified in Section 5 below. Invoices must be prepared in a form satisfactory to the City, describing the services rendered and associated costs for the period covered by the invoice. The City will provide invoicing format upon request. Consultant may not bill the City for duplicate services performed by more than one person. Consultant's invoices must include, but are not limited to, the following information:

i. Project Title, the City's Purchase Order number and City's Project Code(s) for each project;

ii. Invoice number and date;

iii. A brief description of services performed for each project phase and/or task;

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iv. The budgeted amount for each phase, task and item, including the total amount, with the same for approved Change Orders, if any;

v. Amount invoiced to date divided by the agreed total compensation, expressed as a percentage, with the same for approved Change Orders, if any;

vi. The amount earned and invoiced to date for each phase, task and/or item, including the total amount, with the same for approved Change Orders, if any;

vii. The amount previously invoiced for each phase, task and/or item, including the total amount, with the same for approved Change Orders, if any;

viii. The amount due for the period covered by this invoice for each phase, task, and/or item, including the total amount, with the same for approved Change Orders, if any;

ix. For time and materials authorizations, the number of hours spent, by whom and their hourly rate for each phase, task and/or item, including the total amount;

x. The costs incurred, including reimbursables, for each phase, task, and/or item for the agreed total compensation and approved Change Orders, if any, along with a brief description of those costs;

xi. The total amount due for the period covered by this invoice, including subconsultants and vendors of services or goods;

xii. Copies of subconsultant, vendor, and reimbursable invoices including hourly breakdowns when requested by City.

xiii. Copies of subconsultant and vendor lien releases.

Any such invoices must be in full accord with any and all applicable provisions of this Agreement. Consultant must submit invoices to the City on or before the sixteenth (16^{th}) day of each month for services performed in the preceding month.

The City will review each invoice submitted by Consultant to determine whether the work performed and expenses incurred are in compliance with this Agreement. In the event that no charges or expenses are disputed, the invoice will be approved and paid.

Except as to any charges for work performed or expenses incurred by Consultant that are disputed by City, the City will pay on each such invoice within thirty (30) days of receipt; provided, however, that Consultant submits an invoice which is not incorrect, incomplete, or not in accord with the provisions of this Agreement. If any charges or expenses are disputed by City, the invoice will be returned by City to Consultant for correction and resubmission, and the City will not be obligated to process any payment to Consultant until thirty (30) days after a correct and complying invoice has been submitted by Consultant. Payment to Consultant for services performed under this Agreement may not be deemed to waive any defects in the services performed by Consultant, even if such defects were known to City at the time of

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payment. City reserves the right to withhold future payment to Consultant if any aspect of the Consultant's work is found to be non-conforming to the terms of this Agreement.

The City is not obligated to pay Consultant a greater percentage of the Maximum Authorized Expenditure than the actual percentage of services completed as of the invoice date.

Consultant agrees to remit and is responsible for all withholding taxes, income taxes, unemployment insurance deductions, and any other deductions required by applicable federal, state or local laws and regulations for Consultant, its employees, subconsultants and vendors of services or goods.

C. **Adjustment of Maximum Authorized Expenditure**. The City may increase or decrease the Maximum Authorized Expenditure by issuing a Change Order to the Agreement in accordance with Section 1.B "Change Orders" above. Should Consultant consider that any request or instruction from the City's Project Representative constitutes a change in the scope of services, Consultant will advise the City's Project Representative, in writing, within fourteen (14) calendar days of such request or instruction. Without said written advice within the time period specified, the City is not obligated to make any payment of additional compensation to Consultant.

D. **Hourly Rates**. Payment for all authorized services, including payment for authorized on-call, as-needed services, will be made by the City to Consultant in accordance with the various hourly rates as set forth in the Consultant's Key Personnel, Compensation & Fee Schedule (Exhibit A).

E. **Subconsultants and Vendors**. Invoices for subconsultants and vendors of services or goods will be paid by the City to Consultant in accordance with the various rates as set forth in the Consultant's Compensation & Fee Schedule (Exhibit A). All reimbursable expenses will be considered as included within the Maximum Authorized Expenditure. Consultant is solely responsible for payment to subconsultants and vendors of services or goods, and the City is not responsible or liable for any payments to subconsultants and vendors, either directly or indirectly.

F. **Audit and Examination of Accounts**:

i. Consultant must keep and will cause any assignee or subconsultant under this Agreement to keep accurate books of records and accounts, in accordance with sound accounting principles, which pertain to services to be performed under this Agreement.

ii. Any audit conducted of books of records and accounts must be kept in accordance with generally accepted professional standards and guidelines for auditing.

iii. Consultant must disclose and make available any and all information, reports, books of records or accounts pertaining to this Agreement to the City and any city of the County of Monterey, or other federal, state, regional or governmental agency which provides funding for these Services.

iv. Consultant must include the requirements of Section 2F, "Audit and Examination of Accounts," in all contracts with assignees or subconsultants under this Agreement.

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v. All records provided for in this Section are to be maintained and made available throughout the performance of this Agreement and for a period of not less than four (4) years after full completion of the Services. All records, which pertain to actual disputes, litigation, appeals or claims, must be maintained and made available for a period of not less than four (4) years after final resolution of such disputes, litigation, appeals or claims.

3. AGREEMENT TERM

A. **Term**. The work under this Agreement will commence by January 15th, 2024 and must be completed by June 30th, 2025 unless sooner terminated or the City grants an extension of time in writing pursuant to the terms of this Agreement, except for provisions in this Agreement that will survive the termination or completion of this Agreement. Consultant will perform Change Order services as set out in Section 1.B, "Amendment of Services (Change Orders)," in a timely manner or in accordance with the agreed upon Change Order Project Schedule.

B. **Timely Work**. Consultant will perform all Services in a timely fashion, as set forth more specifically in Section 3.A, "Term," and Section 3.C, "Project Schedule," of this Agreement. Failure to perform is deemed a material breach of this Agreement, and the City may terminate this Agreement with no further liability hereunder, or may authorize, in writing, an extension of time to the Agreement.

C. **Project Schedule**. Services must be completed by Consultant in accordance with the Project Schedule set forth in Exhibit A. The parties may, from time to time, by Change Order, alter the Project Schedule. Consultant will provide the Services pursuant to the Project Schedule or any applicable Project Schedule Change Order. If at any time Consultant discovers that the Project Schedule cannot be met, Consultant must promptly notify the City in writing and provide a revised Project Schedule for review and consideration by City.

D. **Notice to Proceed**. Upon execution of this Agreement by both parties and the receipt of all documentation required by this Agreement to be provided by Consultant to the City, including proof of insurance and tax identification numbers, the City will issue a written Notice to Proceed to the Consultant. The City may, in its sole discretion, issue subsequent notices from time to time regarding further portions or phases of the work. Upon receipt of such notices, Consultant will diligently proceed with the Services authorized and complete those Services within the agreed time specified in said notice. Consultant will not proceed with any of the Services unless they have received a Notice to Proceed from the City.

4. CONSULTANT'S EMPLOYEES AND SUBCONSULTANTS

A. **Listed Employees and Subconsultants.** Consultant will perform the Services using the individuals listed in the Key Employees and Subconsultants List attached hereto in Exhibit "B."

B. **Substitution of Employees or Subconsultants:**

i. Consultant may not substitute any key employee or subconsultant listed in Exhibit "B" without the prior written approval of the City, and such approval will not be unreasonably

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withheld. The City will not approve removal or substitution of employees or subconsultants for the reason that Consultant or its affiliates has called on such individuals to perform services for another client of the Consultant.

ii. If, at any time, the City reasonably objects to the performance, experience, qualifications or suitability of any of Consultant's employees or subconsultants, then Consultant may, upon written request from the City, replace such employee or subconsultant. Consultant must, subject to scheduling and staffing considerations, make reasonable efforts to replace the individual with an individual of similar competency and experience.

iii. Whether or not the City consents to, or requests a substitution of any employee or subconsultant of Consultant, the City will not be liable to pay additional compensation to Consultant for any replacement or substitution.

C. **Sub-agreements with Subconsultants.** Consultant will incorporate the terms and conditions of this Agreement into all sub-agreements with subconsultants in respect of the Services necessary to preserve all rights of the City under this Agreement. Consultant is fully responsible to the City of all acts and omissions of subconsultants and of persons employed by any subconsultant.

D. **Not an Agent of the City.** Nothing in this Agreement will be interpreted to render the City the agent, employer, or partner of Consultant, or the employer of anyone working for or subcontracted by Consultant, and Consultant must not do anything that would result in anyone working for or subcontracted by Consultant being considered an employee of the City. Consultant is not, and must not claim to be, an agent of the City.

E. **Independent Contractor**:

i. Consultant is an independent contractor. This Agreement does not create the relationship of employer and employee, a partnership, or a joint venture. The City may not control or direct the details, means, methods or processes by which Consultant performs the Services. Consultant is responsible for performance of the Services and may not delegate or assign any Services to any other person except as provided for in this Agreement. Consultant is solely liable for the work quality and conditions of any partners, employees and subconsultants.

ii. No offer or obligation of permanent employment with the City or particular City department or agency is intended in any manner, and Consultant may not become entitled by virtue of this Agreement to receive from the City any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. Consultant will be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Consultant's performance of Services under this Agreement. Consultant will defend, indemnify and hold the City harmless from any and all liability, which the City may incur because of Consultant's failure to pay such taxes.

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5. REPRESENTATIVES AND COMMUNICATIONS

A. **City's Project Representative.** The City appoints the individual named below as the City's Project Representative for the purposes of this Agreement ("City's Project Representative"). The City may unilaterally change its project representative upon notice to Consultant.

Name: Katherine Wallace
Title: Associate Planner
Address: PO Box CC, Carmel-by-the-Sea, CA, 93921
Telephone: 831-620-2032
Email: kwallace@cbts.us

B. **Consultant's Project Manager.** Consultant appoints the person named below as its Project Manager for the purposes of this Agreement ("Consultant's Project Manager").

Name: Seth A. Bergstein
Title: Principal
Company: PAST Consultants, LLC
Address: PO Box 721, Pacific Grove, CA, 93950
Telephone: 415-515-6224
Email: seth@pastconsultants.com

C. **Meet and Confer**. Consultant agrees to meet and confer with the City's Project Representative, its agents or employees with regard to Services as may be required by the City to insure timely and adequate performance of this Agreement.

D. **Communications and Notices**. All communications between the City and Consultant regarding this Agreement, including performance of Services, will be between the City's Project Representative and Consultant's Project Manager. Any notice, report, or other document that either party may be required or may wish to give to the other must be in writing and will be validly given to and received by the addressee, if delivered personally, on the date of such personal delivery, if delivered by email, on the date of transmission, or if by mail, seven (7) calendar days after posting.

6. **INDEMNIFICATION**

Consultant hereby agrees to the following indemnification clause:

To the fullest extent permitted by law (including, without limitation, California Civil Code Sections 2782 and 2782.6), Consultant will defend (with legal counsel reasonably acceptable to the City), indemnify and hold harmless the City and its officers, designated agents, departments, officials, representatives and employees (collectively "Indemnitees") from and against claims, loss, cost, damage, injury expense and liability (including incidental and consequential damages, Court costs, reasonable attorneys' fees as may be determined by the Court, litigation expenses and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation) to the extent they arise out of, pertain to, or relate to, the negligence, recklessness, or willful misconduct of Consultant, any subconsultant or subcontractor, anyone directly or indirectly employed by them,

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or anyone that they control (collectively "Liabilities"). Such obligations to defend, hold harmless and indemnify any Indemnitee will not apply to the extent that such Liabilities are caused in part by the active negligence or willful misconduct of such Indemnitee.

Notwithstanding the provisions of the above paragraph, Consultant agrees to indemnify and hold harmless the City from and against all claims, demands, defense costs, liability, expense, or damages arising out of or in connection with damage to or loss of any property belonging to Consultant or Consultant's employees, subconsultants, representatives, patrons, guests or invitees.

In no event will the obligation of the Consultant exceed the limitations on the duty to defend and indemnify as set forth in Civil Code Sections 2782, 2782.6, and 2782.8.

7. **INSURANCE**

Consultant must submit and maintain in full force all insurance as described herein. Without altering or limiting Consultant's duty to indemnify, Consultant must maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

A. Commercial General Liability Insurance including but not limited to premises, personal injuries, bodily injuries, property damage, products, and completed operations, with a combined single limit of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate.

B. Professional Liability Insurance with limits of not less than $1,000,000 per occurrence or claim and $2,000,000 in the aggregate. Consultant will have a policy for professional liability coverage that provides coverage on an occurrence basis or obtain extended reporting (tail) coverage (with the same liability limits) for at least three years following the City's acceptance of the work.

C. Automobile Liability Insurance covering all automobiles, including owned, leased, non-owned, and hired automobiles, used in providing Services under this Agreement, with a combined single limit of not less than $1,000,000 per occurrence.

D. Workers' Compensation Insurance. If Consultant employs others in the performance of this Agreement, Consultant must maintain Workers' Compensation insurance in accordance with California Labor Code section 3700 and with a minimum of $1,000,000 per occurrence.

E. Other Insurance Requirements:

i. All insurance required under this Agreement must be written by an insurance company either:

a. admitted to do business in California with a current A.M. Best rating of no less than A:VI; or
b. an insurance company with a current A.M. Best rating of no less than A:VII. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

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ii. Each insurance policy required by this Agreement may not be canceled, except with prior written notice to the City.

iii. All liability and auto policies must:

a. Provide an endorsement naming the City of Carmel-by-the-Sea, its officers, officials, employees, and volunteers as additional insureds. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 23 37 forms if later revisions used).

b. Provide that such Consultant's insurance is primary as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City is excess to the Consultant's insurance and will not contribute with it.

c. Contain a "Separation of Insureds" provision substantially equivalent to that used in the ISO form CG 00 01 10 01 or their equivalent.

d. Provide for a waiver of any subrogation rights against the City via an ISO CG 24 01 10 93 or its equivalent.

iv. Prior to the start of work under this Agreement, Consultant will file certificates of insurance and endorsements evidencing the coverage required by this Agreement with the City. Consultant will file a new or amended certificate of insurance promptly after any change is made in any insurance policy which would alter the information on the certificate then on file.

v. Neither the insurance requirements hereunder, nor acceptance or approval of Consultant's insurance, nor whether any claims are covered under any insurance, may in any way modify or change Consultant's obligations under the indemnification clause in this Agreement, which will continue in full force and effect. All coverage available to the Consultant as named insured will also be available and applicable to the additional insured. Notwithstanding these insurance requirements, Consultant is financially liable for its indemnity obligations under this Agreement.

vi. All policies must be written on a first dollar coverage basis or contain a deductible provision. Any deductibles or self-insured retentions ("SIR") must be declared to and approved by the City. At the option of the City, either: the insured will reduce or eliminate such deductibles or SIR as respects the City, its officers, officials, employees and volunteers; or Consultant will provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. In no event will any SIR or insurance policy contain language, whether added by endorsement or contained in the policy conditions, that prohibits satisfaction of any self-insured provision or requirement by anyone other than the named insured, or by any means including other insurance, or which is intended to defeat the intent or protection of an additional insured.

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vii. City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

viii. Consultant must require and verify that all subconsultants and subcontractors maintain insurance meeting all the requirements in this Agreement.

ix. If Consultant, for any reason, fails to have in place at all times during the term of this Agreement all of the required insurance coverage, the City may, but is not obligated to, obtain such coverage at Consultant's expense and deduct the cost from the sums due Consultant. Alternatively, City may terminate the Agreement.

x. The existence of the required insurance coverage under this Agreement will not be deemed to satisfy or limit Consultant's indemnity obligations under this Agreement. Consultant acknowledges that the insurance coverage and policy limits set forth in this Agreement constitute the minimum coverage and policy limits required. Should any coverage carried by the Consultant or any subcontractor of any tier have limits of liability that exceed the limits or have broader coverage than required in this Agreement, those higher limits and that broader coverage are deemed to apply for the benefit of any person or organization included as an additional insured and those limits and broader coverage will become the required minimum limits and insurance coverage in all sections of this Agreement. Any insurance proceeds available to City in excess of the limits and coverages required by this Agreement, and which is applicable to a given loss, must be made available to City to compensate it for such losses.

xi. Consultant must give City prompt notice of claims made of lawsuits initiated that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability insurance policies.

xii. The Consultant hereby waives any right of subrogation that any of its insurers may have or that they may accrue out of the payment of any claim related to the Consultant's performance of this Agreement, regardless of whether any endorsements required by this section are obtained.

8. PERFORMANCE STANDARDS

A. Consultant warrants that Consultant and Consultant's agents, employees, and subconsultants performing Services under this Agreement are specially trained, experienced, and competent and have the degree of specialized expertise contemplated within California Government Code Section 37103, and further, are appropriately licensed to perform the work and deliver the Services required under this Agreement.

B. Consultant, its agents, employees, and subconsultants must perform all Services in a safe and skillful manner consistent with the usual and customary standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields in accordance with sound professional practices. All work product of Consultant must comply with all applicable laws, rules, regulations, ordinances and codes. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and will advise City of any changes in any laws that may affect Consultant's performance of this Agreement. All Services performed under

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this Agreement that are required by law to be performed or supervised by licensed personnel must be performed in accordance with such licensing requirements.

C. Consultant must furnish, at its own expense, all materials, equipment and personnel necessary to carry out the terms of this Agreement. Consultant may not use the City premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

D. Consultant agrees to perform all work under this Agreement to the satisfaction of City and as specified herein. The City's Project Representative or his or her designee will evaluate the work. If the quality of work is not satisfactory, City in its discretion may meet with Consultant to review the quality of work and resolve the matters of concern, and may require Consultant to repeat the work at no additional fee until it is satisfactory.

9. CITY INFORMATION AND RESOURCES

A. **Available Information.** The City will make available to Consultant all relevant information, plans, maps, reports, specifications, standards and pertinent data which is in the hands of the City and is required by Consultant to perform the Services. Consultant may rely upon the accuracy and completeness of such information and data furnished by the City, except where it is stated otherwise or unreasonable.

B. **City Resources.** The City acknowledges that Consultant's ability to provide the Services in accordance with this Agreement may be dependent on the City providing available information and resources in a prompt and timely manner as reasonably required by Consultant. To the extent that the City fails to provide City resources, Consultant will not be liable for any resulting delay in the Services or failure to meet the Project Schedule, but in no event will such delay or failure to provide City resources constitute a breach of this Agreement by the City, nor will Consultant be entitled to extra compensation for same. Consultant's sole remedy shall be an extension of time to complete the Scope of Services.

C. **Obligations of Consultant.** No reviews, approvals, or inspections carried out or supplied by the City will derogate from the duties and obligations of Consultant, and all responsibility related to performance of the Services will be and remain with Consultant.

10. OWNERSHIP AND USE OF MATERIALS

A. **Ownership of the Materials.** All data, studies, reports, calculations, field notes, sketches, designs, drawings, plans, specifications, cost estimates, manuals, correspondence, agendas, minutes, notes, audio-visual materials, photographs, models, software data, computer software (if purchased on the City's behalf) and other documents or products produced by Consultant under this Agreement (collectively, "the Materials") are and will remain the property of the City even though Consultant or another party may have physical possession of them or a portion thereof. Consultant hereby waives, in favor of the City, any moral rights Consultant, its employees, subconsultants, vendors, successors or assignees may have in the Materials.

B. **No Patent or Copyright Infringement.** Consultant guarantees that in its creation of the Materials produced under this Agreement, no federal or state patent or copyright laws were violated.

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Consultant agrees that all copyrights, which arise from creation of the work or Services pursuant to this Agreement, will be vested in the City and waives and relinquishes all claims to copyright or intellectual property rights in favor of the City. Consultant covenants that it will defend, indemnify and hold City harmless from any claim or legal action brought against the City for alleged infringement of any patent or copyright related to City's use of Materials produced by Consultant and its employees, agents and subconsultants under this Agreement.

C. **Delivery and Use of the Materials.** All Materials will be transferred and delivered by Consultant to the City without further compensation following the expiration or sooner termination of this Agreement, provided that the City may, at any time prior to the expiration or earlier termination of this Agreement, give written notice to Consultant requesting delivery by Consultant to the City of all or any part of the Materials in which event Consultant must forthwith comply with such request. The Materials created electronically must be submitted in a format and medium acceptable to the City. The Materials may be used by the City in any manner for the intended purpose or as part of its operations associated with the Materials.

D. **Survival of Ownership and Use Provisions.** The provisions contained in Section 10, Ownership and Use of Materials survives the expiration or earlier termination of this Agreement, and that this Section is severable for such purpose.

E. **Additional Copies**. If the City requires additional copies of reports, or any other material that Consultant is required to furnish as part of the Services under this Agreement, Consultant must provide such additional copies, and the City will compensate Consultant for the actual costs related to the production of such copies by Consultant.

11. CONFIDENTIALITY

A. **No Disclosure.** Consultant must keep confidential and may not disclose, publish or release any information, data, or confidential information of the City to any person other than representatives of the City duly designated for that purpose in writing by the City. Consultant may not use for Consultant's own purposes, or for any purpose other than those of the City, any information, data, or confidential information Consultant may acquire as a result of the performance of the Services under this Agreement. Consultant must promptly transmit to the City any and all requests for disclosure of any such confidential information or records. The obligations under this Section will survive the expiration or earlier termination of this Agreement.

B. **California Public Records Act.** Consultant acknowledges that the City is subject to the California Public Records Act (Government Code Section 6250 et seq.), known as the "PRA," and agrees to any disclosure of information by the City as required by law. Consultant further acknowledges that it may have access to personal information as defined under the PRA, and Consultant will not use any such personal information for any purposes other than for the performance of Services under this Agreement without the advance written approval of the City.

All Scopes of Services and related documents received will be public records, with the exception of those elements, identified by the Consultant as business trade secrets and are plainly marked "Trade Secret," "Confidential," or "Proprietary." If disclosure is required under the PRA or

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otherwise by law, the City will not be liable or responsible for the disclosure of any such records and the Consultant will indemnify, defend, and hold the City harmless for any such disclosure.

12. CONFLICT OF INTEREST

Consultant covenants that neither Consultant, nor any officer, principal or employee of its firm, has or will acquire any interest, directly or indirectly, that would conflict in any manner with the interests of City relating to this Agreement or that would in any way hinder Consultant's performance of services under this Agreement. Consultant's attention is directed to the conflict of interest rules applicable to governmental decision-making contained in the Political Reform Act (California Government Code Section 87100 and following) and its implementing regulations (California Code of Regulations, Title 2, Section 18700 et seq.), and California Government Code section 1090.

Consultant is required to file a Form 700 in compliance with the City's Conflict of Interest Code unless a written determination by the City Administrator is made modifying or eliminating said requirement, or unless otherwise exempted by law.

In addition, Consultant, Consultant's employees, and subconsultants agree as follows:

A. That they will conduct their duties related to this Agreement with impartiality, and must, if they exercise discretionary authority over others in the course of those duties, disqualify themselves from dealing with anyone with whom a relationship between them could bring the impartiality of Consultant or its employees into question;

B. May not influence, seek to influence, or otherwise take part in a decision of the City knowing that the decision may further their private interests;

C. May not accept any commission, discount, allowance, payment, gift, or other benefit connected, directly or indirectly, with the performance of Services related to this Agreement, that causes, or would appear to cause, a conflict of interest;

D. May have no financial interest in the business of a third party that causes, or would appear to cause, a conflict of interest in connection with the performance of the Services related to this Agreement, and if such financial interest is acquired during the term of this Agreement, Consultant must promptly declare it to the City, and;

E. May not, during the term of this Agreement, perform a service for, or provide advice to, any person, firm, or corporation, which gives rise to a conflict of interest between the obligations of Consultant under this Agreement and the obligations of Consultant to such other person, firm or corporation.

13. DISPUTE RESOLUTION

A. **Dispute Resolution Procedures.** The parties will make reasonable efforts to promptly resolve any dispute, claim, or controversy arising out of or related to this Agreement ("Dispute") using the Dispute Resolution Procedures set forth in this Section.

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B. **Negotiations.** First, the City's Project Representative and Consultant's Project Manager will make reasonable efforts to resolve any Dispute by amicable negotiations and will provide frank, candid, and timely disclosure of all relevant facts, information, and documents to facilitate negotiations. Should these negotiations be unsuccessful in resolving the Dispute, the matter will be promptly referred to the City Administrator or designee, and the Consultant's Principal, who will meet and confer, in good faith, to resolve the Dispute to mutual satisfaction of the parties.

C. **Mediation.** If all or any portion of a Dispute cannot be resolved by good faith negotiations as set forth above within thirty (30) days of the date that the matter was referred to the City Administrator pursuant to subsection B above, either party may, by notice to the other party, submit the Dispute for formal mediation to a mediator selected mutually by the parties from the Monterey Superior Court's Court-Directed Mediator Panel list. The duration of any such mediation may not exceed 2 hours unless otherwise agreed to by the parties. The cost of the mediation (including fees of mediators) will be borne equally by the parties, and each party will bear its own costs of participating in mediation. The mediation will take place within or in close proximity to the City of Carmel-by-the-Sea.

In any mediation conducted pursuant to this section, the provisions of California Evidence Code section 1152 will be applicable to limit the admissibility of evidence disclosed by the parties in the course of the mediation. In the event the parties are unsuccessful in resolving the dispute through the mediation process, then the parties agree that the dispute will be submitted to Binding Arbitration to a single Arbitrator in accordance with the existing Rules of Practice and Procedure of the Judicial Arbitration and Mediation Services, Inc. (JAMS) within thirty (30) days of the close of mediation as declared by the mediator.

D. **Arbitration.** The submission to Mediation and Arbitration in accordance with the requirements of this section of any and all agreements, differences, or controversies that may arise hereunder is made a condition precedent to the institution of any action or appeal at law or in equity with respect to the controversy involved. The award by the arbitrator will have the same force and effect and may be filed and entered, as a judgment of the Superior Court of the State of California and is subject to appellate review upon the same terms and conditions as the law permits for judgments of Superior Courts. A "Prevailing Party" will be determined in the Arbitration, and the prevailing party will be entitled to reasonable attorney's fees and costs incurred, and accrued interest on any unpaid balance that may be due. Costs will include the cost of any expert employed in the preparation or presentation of any evidence. All costs incurred and reasonable attorney fees will be considered costs recoverable in that proceeding, and be included in any award.

14. TERMINATION OF AGREEMENT

A. **Termination for Cause or Default.** The City reserves the right to immediately terminate this Agreement, in whole or in part, if Consultant or any subconsultant defaults or fails to deliver the Services in accordance with the terms and conditions of this Agreement. Such termination must be in writing, setting forth the effective date of termination, and will not result in any penalty or other charges to the City, and may be issued without any prior notice. Without limitation, Consultant is in default of its obligations contained in this Agreement if Consultant, or any subconsultant:

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i. Fails to perform the required Services within the term and/or in the manner provided under this Agreement;

ii. Fails to supply sufficient, properly skilled workers or proper workmanship, products, material, tools and equipment to perform the Services;

iii. Fails to observe or comply with all laws, ordinances, including all requirements of governmental or quasi-governmental authorities, including federal, state, and local government enactments, bylaws, and other regulations now or, following the date of this Agreement, in force that pertain to;

iv. Fails to observe or comply with the City's reasonable instructions;

v. Breaches the Conflict of Interest provisions of this Agreement; or

vi. Otherwise violates any provision of this Agreement.

B. **Termination for Convenience.** The City may, at its option and sole discretion, terminate this Agreement, in whole or in part, with or without cause, at any time during the Agreement Term for the convenience of the City, upon ten (10) days written notice to the Consultant.

C. **Steps after Termination:**

i. Upon termination of this Agreement by the City for any reason, the City will pay Consultant for satisfactorily performed Services and disbursements incurred by Consultant to the date of termination pursuant to this Agreement, less any amounts necessary to compensate the City for damages or costs incurred by the City arising from Consultant's default. Termination will be without prejudice to any other rights or remedies the City may have.

ii. Upon receipt of written notice of termination of this Agreement by the City for any reason, Consultant must:

a. Promptly cease all Services, including Services provided by any subconsultant, unless otherwise directed by the City; and

b. Deliver to the City all the Materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement. Such Materials are to be delivered to the City in completed form; however, notwithstanding the provisions of Section 10, Ownership and Use of Materials, herein, the City may condition payment for services rendered to the date of termination upon Consultant's delivery to the City of such Materials.

iii. If this Agreement is terminated by the City for any reason, the City is hereby expressly permitted to assume the projects and Services, and to complete them by any means including, but not limited to, an agreement with another party.

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15. LEGAL ACTION / VENUE

A. Should either party to this Agreement bring legal action against the other, the validity, interpretation and performance of this Agreement will be controlled by and construed under the laws of the State of California, excluding California's choice of law rules.

B. Venue for any such action relating to this Agreement will be in Monterey County.

C. If any legal action or proceeding, including action for declaratory relief, is brought for the enforcement of this Agreement or because of an alleged dispute, breach, default or misrepresentation in connection with this Agreement, the prevailing party may recover reasonable attorneys' fees as may be determined by the Arbitrator, experts' fees, and other costs, in addition to any other relief to which the party may be entitled.

16. MISCELLANEOUS PROVISIONS

A. **Non-discrimination**. During the performance of this Agreement, Consultant, and its subconsultants, may not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age, or sexual orientation, either in Consultant's employment practices or in the furnishing of services to recipients. Consultant further acknowledges that harassment in the workplace is not permitted in any form, and will take all necessary actions to prevent such conduct.

B. **Acceptance of Services Not a Release**. Acceptance by the City of the Services to be performed under this Agreement does not operate as a release of Consultant from professional responsibility for the Services performed.

C. **Force Majeure**. Either party is absolved from its obligation under this Agreement when and to the extent that performance is delayed or prevented, and in the City's case, when and to the extent that its need for vehicles, materials, or Services to be supplied hereunder are reduced or eliminated by any course, except financial, for reasons beyond its control. Such reasons include, but are not limited to: earthquake, flood, epidemic, fire, explosion, war, civil disorder, act of God or of the public enemy, act of federal, state or local government, or delay in transportation to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

D. **Headings**. The headings do not govern, limit, modify, or in any manner affect the scope, meaning or intent of the provisions of this Agreement. The headings are for convenience only.

E. **Entire Agreement**. This Agreement, including the Exhibits attached hereto, constitutes the entire agreement between the parties hereto with respect to the terms, conditions, and Services and supersedes any and all prior proposals, understandings, communications, representations and agreements, whether oral or written, relating to the subject matter thereof pursuant to Section 1B, "Change Order of Services." Any Change Order to this Agreement will be effective only if it is in writing signed by both parties hereto and will prevail over any other provision of this Agreement in the event of inconsistency between them.

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F. **Conflict between Agreement and Exhibits**. In the event of a conflict between a provision in this Agreement and a provision in an Exhibit attached to this Agreement, the provisions in this Agreement will take precedence.

G. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, and may be signed in counterparts, but all of which together will constitute one and the same Agreement.

H. **Multiple Copies of Agreement**. Multiple copies of this Agreement may be executed, but the parties agree that the Agreement on file in the office of the City's City Clerk is the version of the Agreement that governs should any difference exist among counterparts of this Agreement.

I. **Authority**. Any individual executing this Agreement on behalf of the City or Consultant represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

J. **Severability**. If any of the provisions contained in this Agreement are held illegal, invalid or unenforceable, the enforceability of the remaining provisions will not be impaired thereby. Limitations of liability and indemnities will survive termination of the Agreement for any cause. If a part of the Agreement is valid, all valid parts that are severable from the invalid part remain in effect. If a part of this Agreement is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

K. **Non-exclusive Agreement**. This Agreement is non-exclusive and both the City and Consultant expressly reserve the right to enter into agreements with other Consultants for the same or similar services, or may have its own employees perform the same or similar services.

L. **Assignment of Interest**. The duties under this Agreement are not assignable, delegable, or transferable without the prior written consent of the City. Any such purported assignment, delegation, or transfer constitutes a material breach of this Agreement upon which the City may terminate this Agreement and be entitled to damages.

M. **City Business License**. Prior to receiving a Notice to Proceed from the City, Consultant will obtain and maintain a valid City of Carmel-by-the-Sea Business License for the duration of the Agreement. Costs associated with the license are the responsibility of Consultant.

N. **Laws**. Consultant agrees that in the performance of this Agreement it will comply with all applicable federal, state and local laws and regulations. This Agreement will be governed by and construed in accordance with the laws of the State of California and the City of Carmel-by-the-Sea.

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IN WITNESS WHEREOF, the parties enter into this Agreement hereto on the day and year first above written in Carmel-by-the-Sea, California.

CITY OF CARMEL-BY-THE-SEA

City Administrator

Printed Name Date

CONSULTANT

DocuSigned by:
Seth Bergstein
C154771EF17E472...

Consultant Signature

Seth Bergstein 1/3/2024

Printed Name Date

Principal

Title

PAST Consultants, LLC

Consultant Legal Company Name

APPROVED AS TO FORM:

By: _____ Date: _____

Brian Pierik, Esq., City Attorney

ATTEST:

By: _____ Date: _____

Nova Romero, MMC, City Clerk

ATTACHMENTS

Exhibit "A" Scope of Services, Personnel, Fees, and Schedule

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EXHIBIT A

Scope of Services, Personnel, Fees, and Schedule

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PAST
CONSULTANTS LLC

Seth A. Bergstein
415.515.6224
seth@pastconsultants.com

November 4, 2023

Katherine Wallace, Associate Planner
City of Carmel-by-the-Sea
PO Box CC
Carmel, CA 93921

Re: Carmel-by-the-Sea Historic Context Statement Update – Phase Two
Proposal Response to RFP 23-24-003

Dear Ms. Wallace:

At the City of Carmel-by-the-Sea's request, the following proposal response provides a proposed Scope of Work, Table of Contents and Fee Estimate for Phase Two of the Carmel Historic Context Statement (Carmel HCS) Update. In 2022, PAST Consultants, LLC (PAST) successfully completed the Certified Local Program (CLG)-funded Carmel HCS 1966 – 1986 update.

Methodology to Date

The 2022 Carmel HCS update was a collaborative process between the California State Office of Historic Preservation (SHPO), Carmel Planning Staff, the Carmel Historic Resources Board (HRB) and the public. Preparation of the update allowed PAST and Carmel Planning Staff to analyze and evaluate the present document and to understand its strengths and inadequacies. Meetings with the Carmel HRB and the public confirmed that a second phase of the Carmel HCS update is necessary to make the document be a more effective evaluative tool for assessing potential historic properties.

In summary, the present document contains structural and narrative issues, such as:

1. The present document lacks a chronological structure that would aid evaluation of potential historic properties.
2. Related to Number 1 above, the existing themes are too broad in scope and time period. For example, the theme "Economic Development" spans a long time period (1846-1986) and is too general to apply to Carmel's unique architectural development.
3. While the present historical development is detailed and thorough, portions of the narrative are repetitive or inconsistent and may contain factual errors.

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4. The present document does not contain an evaluative methodology for establishing historic significance and historic integrity for specific properties. This necessary evaluative methodology was partially addressed by our consultant team in the 1966-1986 Carmel HCS update by placing integrity threshold tables in the Architectural Development chapter. However, this methodology should be tailored and applied to every theme/time period within the document.
5. The present document does not contain an introductory chapter that presents the historic significance criteria (Federal, State and Local), describes the process of evaluating historic integrity and summarizes historic preservation efforts within the City.
6. Historic context statements should be visual documents. Until the completion of the 1966-1986 Carmel HCS update by PAST, the document had no photographs of important historic properties, or Carmel architectural styles.
7. Related to Number 6 above, the document does not contain photographs of typical styles, nor does it contain lists of character defining features for each style, both of which are critical for purposes of determining historic integrity.

Based on what the project team has learned from our recent Carmel HCS update process and the requirements of this RFP, PAST proposes the following Table of Contents, Scope of Work and Fee Estimate to address the needs of the present document.

PAST Consultants: Summary of Qualifications

Seth Bergstein, Principal of PAST Consultants, LLC, began his technical career as a civil, structural and geotechnical engineer for a variety of commercial and transportation engineering projects. This experience created an appreciation for historic engineering and architectural structures and led him to architectural study at the University of Oregon and a Master of Arts in Historic Preservation from Cornell University. After Cornell, Seth was an architectural historian, materials conservator and project manager for Architectural Resources Group and managed projects for a diverse range of historic building types, including the Point Reyes Lighthouse, Bernard Maybeck's First Church of Christ, Scientist, Pasadena City Hall, the John Muir House, and a number of historic bridges, including project management for the restoration of the Wawona Covered Bridge in Yosemite National Park.

In 2004, Mr. Bergstein founded PAST Consultants, LLC (PAST), a historic preservation consulting firm specializing in preservation planning, documentation, and conservation of historic and cultural resources. PAST's clients include the State of California, public agencies, architectural and engineering firms, museums, nonprofit organizations, preservation advocates and private property owners. PAST is represented on the California Historical Resources Information System (CHRIS) list of qualified historic consultants sponsored by the California Office of Historic Preservation and is on numerous certified consultant lists for public agencies throughout California.

PAST has prepared successful National Register nominations, written historic context statements for public agencies, photo-documented historic buildings for HABS/HAER projects, prepared historic structure reports and evaluated numerous historic buildings throughout central and northern California for both public and private clients. PAST is often hired to evaluate proposed changes to historic buildings for conformance with the *Secretary of the Interior's Standards for the Treatment*

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of Historic Properties. PAST is presently the on-call historic preservation consultant for the City of Carmel-by-the-Sea and the City of Capitola.

Principal Seth Bergstein has over 30 years combined experience in civil and structural engineering, materials conservation, architectural history and historic preservation planning. Seth meets the *Secretary of the Interior's Professional Qualifications* Standards in Architectural History and History. Mr. Bergstein has been keynote speaker at preservation conferences, has written articles on historic contexts and the preparation of historic context statements, provided historic preservation training to city planning staff and has led architectural tours. He is a member of the Alliance of Monterey Area Preservationists (AMAP) and is founding board member of the Monterey Area Architectural Resources Archive (MAARA).

Previous Certified Local Government (CLG) Experience

In 2010 and 2011 PAST was awarded two CLG-funded projects through the California State Office of Historic Preservation (SHPO): the 2010 *Historic Context Statement for Agricultural Resources in the North County Planning Area, Monterey County* and the 2011 *Agricultural Resources Evaluation Handbook, Monterey County, California*. The latter project was a collaborative effort with Monterey County, the California State Office of Historic Preservation (SHPO) and the community to develop a methodology for evaluating historic agricultural resources as a model for all regions of California. Both public reports are published on the Monterey County housing and community development website.

In 2022, PAST completed the Certified Local Program (CLG)-funded Carmel HCS 1966 – 1986 update.

Proposed Table of Contents

EXECUTIVE SUMMARY

I. INTRODUCTION

- A. Project Team
- B. Funding
- C. Project Description
  1. Previous Updates to the Historic Context Statement
     a. Synthesis of Previous Versions into a Single Cohesive Document
  2. Project Objectives
  3. Project Methodology
     a. Historical Research
     b. Field Reconnaissance Survey
     c. Tribal Outreach
     d. Project Meetings
     e. Project Limitations
- D. How to Use This Document
- E. Acknowledgments

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II. IDENTIFYING AND EVALUATING HISTORIC RESOURCES
- A. Purpose and Goals of Historic Context Statements
- B. Eligibility Criteria
  1. National Register of Historic Places (NR)
  2. California Register of Historical Resources (CR)
  3. Carmel-by-the-Sea Historic Resources Inventory (HRI)
     a. Historic Preservation Efforts in Carmel-by-the-Sea
     b. Creation of the Carmel-by-the-Sea HRI
  4. The Carmel Register of Historic Resources
- C. Historic Integrity
- D. Property Type Registration Requirements: Introduction to the use of Eligibility Criteria and Integrity Thresholds

III. HISTORIC THEMES, ASSOCIATED PROPERTY TYPES, ELIGIBILITY CRITERIA AND INTEGRITY THRESHOLDS
- A. Introduction and Chapter Format
  1. Historic Themes for Carmel Architectural Resources
  2. Chapter Format and Limitations
     a. Chapter Format
     b. Chapter Limitations
  3. Theme and Property Type Example
- B. Theme 1: Prehistory and Hispanic Settlement (1542-1846)
- C. Theme 2: Carmelo (1847-1903)
  1. Introduction
  2. Carmelo: Historic Context
  3. Associated Property Types, Eligibility Requirements and Integrity Thresholds
- D. Theme 3: Seacoast of Bohemia (1904-1923)
  1. Introduction
  2. Seacoast of Bohemia: Historic Context
  3. Associated Property Types, Eligibility Requirements and Integrity Thresholds
- E. Theme 4: Village in a Forest (1924-1945)
  1. Introduction
  2. Village in a Forest: Historic Context
  3. Associated Property Types, Eligibility Requirements and Integrity Thresholds
- F. Theme 5: Postwar Development (1946-1965)
  1. Introduction
  2. Postwar Development: Historic Context
  3. Associated Property Types, Eligibility Requirements and Integrity Thresholds
- G. Theme 6: Continuity in Change (1966-1986)
  1. Introduction
  2. Continuity in Change: Historic Context
  3. Associated Property Types, Eligibility Requirements and Integrity Thresholds

IV. BIBLIOGRAPHY

V. APPENDICES

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Comments About the Proposed Table of Contents

The chapters within the existing document: Prehistory and Hispanic Settlement (1542-1846), Economic Development (1846-1986), Government, Civic and Social (1903-1986), Architectural Development (1888-1986) and Development of Art and Culture (1904-1986) will need to be analyzed, edited, fact-checked and parsed into the individual historic context narratives for each of the six proposed themes. This process will be challenging and will require a substantial amount of editing and revision to create a flowing and easily readable document.

Our experience with photographing Carmel commercial and residential properties for the 1966-1986 Carmel HCS update is that the City is busy with tourists and other commerce, making it difficult to get clear photographs of the buildings. Residential properties are set back from the street, obscured by trees and often are not visible from behind fencing. For these reasons, the photographic process will likely take longer than a photographic phase for a typical context study area.

Proposed Scope of Work

The following outlines our proposed Scope of Work and Fees.

TASK	Bergstein (hours)	Seavey (hours)	Milestone Date
I: Review Existing Historic Context Statement	5	0	January 31, 2023
II: Attend First Study Session with Carmel HRB	2	2	February 2024
III: Conduct Historic Research	30	20	Ongoing
IV: Tribal Outreach for Prehistory Chapter	5	5	March 2024
V: Submit Progress Report to OHP	0	0	March 14, 2024
VI: Conduct Reconnaissance Survey and Photography	40	0	April 2024
VII: Prepare Draft Historic Context Statement:			
1. Chapter 1: Introduction	10	0	Working Draft:
2. Chapter 2: Identifying and Evaluating Historic Resources	20	0	July 18, 2024
3. Chapter 3: Historic Themes, Associated Property Types, Eligibility Criteria and Integrity Thresholds			Final Draft: September 26, 2024
A. Theme 1: Prehistory and Hispanic Settlement (1542-1846)	35	5	
B. Theme 2: Carmelo (1888-1903)	40	10	
C. Theme 3: Seacoast of Bohemia (1904-1923)	40	10	
D. Theme 4: Village in a Forest (1924-1945)	40	10	
E. Theme 5: Postwar Development (1946-1965)	10	10	
F. Theme 6: Continuity in Change (1966-1986)	10	5	
4. Chapter 4: Bibliography	10	5	
5. Appendices	10	0	
VIII: Submit Draft Historic Context Statement Update and Progress Report to OHP	2	2	Working Draft: July 18, 2024
IX: Submit Final Draft of Historic Context Statement and **Progress Report to OHP**	40	0	September 26, 2024

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X: Submit Progress Report to OHP	0	0	November 15, 2024
XI: Attend Four Public Meetings: Final HRB, Planning Commission, City Council, Coastal Commission; estimated @ 2 hours/mtg.)	8	0	September 2024 - January 2025
XII: Submit Progress Report to OHP	0	0	January 29, 2025
TOTAL HOURS:	357	84	
RATE:	$180/hr.	$180/hr.	
SUBTOTAL PER PERSON:	$64,260	$15,120	
NOT TO EXCEED PROJECT TOTAL*	**$79,380**		
***includes reimbursable expenses**			

Conclusion

Please offer any questions, comments or revisions to this document.

Sincerely,

Seth Bergstein

Seth A. Bergstein
Principal

Cc: Marnie Waffle, AICP, Principal Planner, Carmel-by-the-Sea

CITY OF CARMEL-BY-THE-SEA

REQUEST FOR PROPOSALS

FOR

HISTORIC CONTEXT STATEMENT UPDATE – PHASE II

RFP 23-24-003

Release Date: October 27, 2023

REQUEST FOR PROPOSALS
HISTORIC CONTEXT STATEMENT UPDATE – PHASE II
October 27, 2023

Introduction

The City of Carmel-by-the-Sea is seeking proposals from qualified professionals to assist in updating the City's Historic Context Statement. The Context Statement, together with General Plan preservation policies, serves as the foundation for the City's historic preservation program. Carmel's Historic Context Statement covers historical periods relevant to the City prior to 1986. The Context Statement is organized into themes and development periods which are used to evaluate the significance of properties in the City's ongoing historical survey process. The Context Statement also aids in preparing State of California Department of Parks and Recreation (DPR) records. Carmel-by-the-Sea has adopted comprehensive historic preservation policies as part of the General Plan and implements these policies through the Historic Preservation Ordinance.

The City of Carmel-by-the-Sea is characterized by its architectural diversity and eclectic design. Early twentieth century designs reflecting Craftsman and European Revival styles are immediately evident throughout the City, as well as a wide array of other recognized architectural styles, including architecture from the mid-century modern period and even many unique expressions of creativity that do not fit into clear classifications. This diversity of design enriches the community, enhances the experience of visitors and defines the City's architectural character.

The current Historic Context Statement was adopted by the City Council on December 6, 2022, following the completion of the "Phase I" Historic Context Statement Update, made possible by a Certified Local Program (CLG)-funded grant. The "Phase I" Historic Context Statement Update extended the document to cover a twenty-year period from 1966 through 1986, and added narrative text consistent with the existing context statement categories of economic development; government, civic and social institutions; architectural development; arts and culture. The "Phase I" update also resulted in new descriptive text and accompanying photographs of various mid-century modern architectural styles. Throughout the course of the "Phase I" update, it became evident that the entire document – beyond the 1966 to 1986 extension effort – would benefit from additional attention, and the California Office of Historic Preservation agreed a "Phase II" comprehensive document update was necessary, awarding a second grant ($40,000 grant award with $26,667 City match) to fund the effort.

Scope

The City is seeking consulting services to assist with a "Phase II" Historic Context Statement Update, to involve, (1) updating the earlier eras and architectural styles covered in the Historic Context Statement to be consistent with the formatting of the newer 1966 through 1986 portion; (2) reworking the current context statement categories of prehistory and hispanic settlement; economic development; government, civic and social institutions; architectural development; and arts and culture into a chronologically-ordered narrative; (3) conducting tribal outreach as appropriate to update the "Prehistory and Hispanic Settlement" content (4)

updating the bibliography and appendices; (5) verifying and updating all source data throughout; and, (6) assisting/participating in public meetings as needed.

Consultant proposals must include a detailed scope of work that identifies a recommended process for data collection, issue identification, public participation and issue resolution. Carmel-by-the-Sea has an active citizenry and a strong public involvement component is vital to the success of this project. The proposal should also affirm that the tasks, milestones and work products required by the CLG Grant will be satisfied as specified in the timeline.

The updated Historic Context Statement must clearly, and defensibly, emphasize the significance of the chronological periods with thematic narratives woven throughout. The section on architectural development should be thoroughly enhanced and supplemented with high-quality descriptive photographs. All forms of property must be included (residential, commercial and institutional, public and private) and the update must follow the format already established in the 1966-1986 portion of the existing Historic Context Statement.

Public Process/Administration/Deliverables

The Consultant should anticipate that most work with City staff can be accomplished through email, Zoom and telephone. Staff will devote a considerable amount of time collaborating with the Consultant and will be available for some writing and editing of documents. Consultants should also expect to work with the City's Historic Resources Board—the primary public body charged with overseeing the project. It is likely that the Consultant will meet with the Board at least six times during the course of the project to share data, identify themes, review drafts, resolve issues and respond to questions. Most of these Board meetings may be working sessions to solicit public input, but at least two meetings will be formal public hearings (draft and final).

The Consultant may not be required to attend all meetings with the Historic Resources Board when the desired outcome of the meeting is within the technical capability of City Staff. However, proposals must include a commitment for the primary Consultant to attend at least six meetings. It is important to maintain a consistent "public face" for the consulting firm throughout the update process, so it is expected that the liaison to the City will remain the same as much as possible.

Upon approval of the updated Historic Context Statement by the Historic Resources Board, the draft document will be reviewed by the Planning Commission, the City Council and the California Coastal Commission. Consultants should budget one meeting for each of these review bodies.

The project will be funded via a grant from the State Office of Historic Preservation (OHP). To satisfy grant reporting requirements, the Consultant must work closely with City staff to meet the milestones and timeline below:

14 March 2024: On or before this date, submit a progress report for OHP's review and comment that includes an outline of the new chronological historic context narratives, including a discussion of any issues encountered in the process; and outcomes and conclusions drawn from the first public workshop and consultation with local tribal representatives.

18 July 2024: On or before this date, submit a progress report for OHP's review and comment that includes a working draft or partial draft of the historic context statement, including a discussion of any issues encountered in the process.

26 September 2024: On or before this date, submit a progress report for OHP's review and comment that includes a final draft of the historic context statement, including a discussion of any issues encountered in the process; and outcomes and conclusions drawn from the second public workshop.

15 November 2024: On or before this date, submit a progress report for OHP's review and comment that includes response of Historic Resources Board and Planning Commission to recommendation to adopt updated historic context, including any subsequent actions or conclusions.

29 January 2025: On or before this date, submit a progress report for OHP's review and comment that includes outcome of presentation to City Council to adopt the updated historic context; outcome of submission to the California Coastal Commission for Local Coastal Plan Amendment; and any subsequent actions, conclusions, or issues encountered in both processes

***Please note that January 2025 is the firm deadline for the City to submit all reimbursable work to OHP to meet the grant requirements.**

Qualifications and Experience

Proposals must identify the project lead and all other members of the consultant team that will work on the project and include qualifications and references. If subconsultants will be a part of the team, please identify whether the primary consultant has worked with the subconsultant(s) before, and identify the title and nature of these projects. The City will evaluate the experience of the consultant team working on similar projects in making the final selection.

The identified project lead must meet the Secretary of the Interior's professional qualifications standards for performing work in the areas of 'History' or 'Architectural History'. These qualifications, which set specific minimum education and experience requirements, can be found online at: https://www.nps.gov/articles/sec-standards-prof-quals.htm. Respondents must articulate in their proposal how the designated project lead meets these minimum qualifications.

Costs

Proposals must identify all costs associated with this project. Project deliverables must be in digital formats (Microsoft Word and Adobe Acrobat). No hard copies are required.

Costs for meeting attendance should be broken out separately. Proposals should anticipate one (1) meeting with City Staff at the onset of the project and regular meetings with City Staff throughout the duration of the project, as needed, on a schedule to be determined, and at least six (6) meetings with the Historic Resources Board for document development, review of the draft, and review of the final document by the Historic Resources Board. In addition to these meetings, the proposal should include one (1) public meeting at the Planning Commission, City Council and California Coastal Commission. Proposals shall also include a "per meeting cost" that can be used to adjust contract payments in the event more or fewer meetings are required.

Invoices for deliverables will be paid within 45 days of receipt by the City.

Submission of Proposals

One (1) digital copy in Adobe Acrobat format must be received by the City no later than **5:00 PM on Monday, November 13, 2023**. Postmarks will not be counted as an "on time" submissions. Please submit proposals to:

City of Carmel-by-the-Sea
Community Planning & Building Department
Attn: Marnie R. Waffle, Principal Planner
mwaffle@cbts.us

Proposals on a thumb drive may also be hand delivered to Carmel City Hall, Community Planning & Building Department, located on the east side of Monte Verde Street between Ocean Avenue and 7th Avenue.

Hard copy proposals will not be accepted.

Optional Materials: Consultant proposals may also include digital links to no more than three (3) examples of similar work to demonstrate the written competencies of the consultant team.

Rights of the City

This RFP does not commit the City to enter into a contract, nor does it obligate the City to pay for any costs incurred in preparation and submission of proposals or in anticipation of a contract. The City reserves the right to:

- Make the selection based on its sole discretion;
- Reject any and all proposals;
- Issue subsequent Requests for Proposals;
- Postpone selection for its own convenience;
- Remedy technical errors in the Request for Proposals process;
- Negotiate with any, all or none of the Proposers;
- Accept other than the lowest offer;
- Waive informalities and irregularities in the Proposals; and/or
- Enter into an agreement with another Proposer in the event the originally selected Proposer defaults or fails to execute an agreement with the City.

Materials submitted by respondents are subject to public inspection under the California Public Records Act (Government Code Sec. 6250 et set.), unless exempt. An agreement shall not be binding or valid with the City unless and until it is executed by authorized representatives of the City and of the Proposer. The selected firm will be required to meet all City contracting requirements.

Selection Process

City staff will evaluate all proposals received by the deadline. The City reserves the right to select a short list of finalists, based on the written proposals, for separate interviews prior to making a recommendation to the City Council. The successful respondent will be the one who best meets the qualifications listed in this RFP while providing the best overall value (not based on cost only). The staff recommendation will be presented to the City Council for contract authorization. The consultant should plan on attending the Council meeting (in person or via Zoom) at no cost to the City. The consultant may be asked to make a short presentation, or just be available to answer questions, at this meeting.

Tentative Timeline

RFP Issued	10/27/23
Deadline for Receipt of Proposals	**11/13/23**
Evaluation of Proposals	11/14/23
Award of Contract by City Council	12/04/23

Resources

A copy of the City's current Historic Context Statement as well as the City's Historic Preservation Ordinance (CMC 17.32) can be obtained from the City's website, https://ci.carmel.ca.us/post/historic-preservation.

Thank you for your interest in this project. We look forward to hearing from you.

Questions

Please direct any questions or requests for additional information to Marnie R. Waffle, Principal Planner at (831) 620-2057 or via email at, mwaffle@cbts.us.

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

January 9, 2024
CONSENT AGENDA

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Brandon Swanson, Community Planning & Building Director
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2024-010, authorizing the City Administrator to accept funds from the California Department of Park and Recreation under the Historic Preservation Fund Grant Program for a $40,000 award to partially fund "Phase II" of the Historic Context Statement update project

RECOMMENDATION:

Adopt Resolution 2024-010, authorizing the City Administrator to accept funds from the California Department of Park and Recreation under the Historic Preservation Fund Grant Program for a $40,000 award to partially fund "Phase II" of the Historic Context Statement update project

BACKGROUND/SUMMARY:

In December of 2021, the City of Carmel-by-the-Sea accepted award of a $30,000 Certified Local Government (CLG) Grant from the California Department of Parks and Recreation to fully fund "Phase 1" of a comprehensive update to the City's Historic Context Statement (HCS). Phase 1 was successfully completed, and ultimately certified by the California Coastal Commission as part of the City's Local Coastal Program (LCP). Now, ready to undertake the second and final phase of updating the HCS, staff has applied for and received award of another CLG Grant from the State. This time the award amount is $40,000, (the maximum available award) which will pay for half of the effort. The remaining $40,000 of the $80,000 project will be paid from funding that was specifically allocated to this project as part of the adopted FY 2023-24 Community Planning and Building Budget. As stated in the Grant Award Agreement (**Attachment 1**), the City's minimum contribution of matching funds to accept this grant is $26,667, which can be comprised of either monetary or non-monetary (staff time) contributions. Given that the City will be spending $40,000 on this effort, and the numerous staff hours that will go into the project, this matching requirement is more than adequately met.

The City Council is being asked to adopt a resolution (**Attachment 2**) accepting the $40,000 Grant Award from the State of California.

FISCAL IMPACT:

The total project cost for the "Phase II" update to the City's Historic Context Statement is $80,000. The $40,000 grant award from the State would cover 50% of these project costs. The remaining $40,000 will be covered under 'Contract Services' in the adopted FY 2023-24 Community Planning and Building Budget

PRIOR CITY COUNCIL ACTION:

In December of 2021, the City accepted a $30,000 Certified Local Government (CLG) Grant from the California Department of Park and Recreation fund “Phase 1” of this project. Phase 1 was successfully completed, and ultimately certified by the California Coastal Commission as part of the City’s Local Coastal Program (LCP).

ATTACHMENTS:

Attachment 1) State Grant Award Agreement
Attachment 2) Resolution 2024-010

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NATIONAL HISTORIC PRESERVATION ACT OF 1966
HISTORICAL RESOURCES PRESERVATION PROJECT AGREEMENT

State of California - The Resources Agency
DEPARTMENT OF PARKS AND RECREATION
~~Attachment 1~~

SUB9RANT PROGRAM
2023 HISTORIC PRESERVATION FUND GRANT

PARTICIPANT
CITY OF CARMEL-BY-THE-SEA

PROJECT PERIOD	PROJECT NUMBER
OCTOBER 1, 2023 - JANUARY 31, 2025	C08423002

PROJECT SCOPE

The City of Carmel-By-The-Sea, hereafter the Participant, will contract with a consultant meeting the Secretary of the Interior's Professional Qualifications for historian or architectural historian as set forth in 36 CFR part 61, Appendix A. The consultant will develop a Phase II update to the existing citywide Historic Context Statement to make the document a comprehensively effective tool for assessing potential historic properties. A Phase I effort was undertaken in 2021-22, with this Phase II effort to complete all remaining updates to the document.

All work shall be performed, and deliverables produced in accordance with the *2013-2017 Statewide Historic Preservation Plan* goals to identify, preserve, and protect significant historic resources; *Secretary of the Interior's Standards for Preservation Planning, Identification, Evaluation and Registration* when such standards are applicable; National Register Bulletin #24 – *Guidelines for Local Surveys: A Basis for Preservation Planning;* and National Register Bulletin #16B – *How to Complete the National Register Multiple Property Documentation Form.*

PROGRESS REPORTS:

Participant shall submit to the State Office of Historic Preservation (OHP) regular progress reports, with specific deliverables in accordance with the following schedule. A work plan will be developed to be included as part of the contract.

Progress reports will include any deliverables specified in the work plan, detail the work accomplished to date, and identify and discuss any problems or issues that have the potential to adversely affect the scope or progress of the project.

OHP may ask for additional progress reports or drafts of work papers during the project period.

OHP reserves the right to withhold disbursements of up to half the grant amount until the final products have been determined to meet the Secretary of the Interior's Standards. Participant may submit billings for partial payment as the work progresses.

PROJECT FUNDING

Total costs supported by Federal grant P23AF01255 (CFDA 15.904) under the National Historic Preservation Act of 1966: **Forty thousand dollars and no cents ($40,000.00).**

Minimum contribution of the Participant to match Federal grant funds:
Twenty-six thousand six hundred and sixty-seven dollars and no cents ($26,667.00).

AGENCY	PARTICIPANT
STATE DEPARTMENT OF PARKS AND RECREATION	CITY OF CARMEL-BY-THE-SEA
BY	BY Brandon Swanson
TITLE STATE HISTORIC PRESERVATION OFFICER	TITLE Director, Community Planning & Building
DATE 10/27/2023	DATE 10/25/2023

State of California - The Resources Agency
DEPARTMENT OF PARKS AND RECREATION

FUNDING STRIP

CONTRACT NO.	AM. NO.
C08423002	Attachment 1

AMOUNT ENCUMB. BY THIS DOCUMENT	CONTRACTOR NAME				CALSTARS VENDOR NO.	
$ 40,000.00	CITY of Carmel				0000012957	
	OPTIONAL USE					
	P23AF01255					
PRIOR AMOUNT ENCUMB. FOR THIS CONTRACT	FUND TITLE			ITEM	CHAPTER	STATUTE / FISCAL YEAR
$	Federal Trust Fund			3790-101-0890	12	23 / 23/24
	INDEX	OBJECT	PCA	PROJECT/WORK PHASE	AMOUNT	
	1084	702	58017	379008403100	$ 40,000.00	
TOTAL AMOUNT ENCUMB. TO DATE						
$ 40,000.00						

DPR 526A (Rev. 2/2007)(Excel 2/2/2007)

DISTRIBUTION: ***Copy 1-Controller; Copy 2-Accounting; Copy 3-Originator***

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REPORT SCHEDULE

06 December 2023: On or before this date, Participant shall submit a progress report for OHP's review and comment that will confirm that an RFP was submitted to the OHP for review and comment, and subsequently sent to potential consultants, and that a consultant is under contract. This report will also include a copy of the work plan.

14 March 2024: On or before this date, Participant shall submit a progress report for OHP's review and comment that includes an outline of consultant's proposed outline of new chronological historic context narratives, including a discussion of any issues encountered in the process; and outcomes and conclusions drawn from the first public workshop and consultation with local tribal representatives.

18 July 2024: On or before this date, Participant shall submit a progress report for OHP's review and comment that includes a working draft or partial draft of the historic context statement, including a discussion of any issues encountered in the process.

26 September 2024: On or before this date, Participant shall submit a progress report for OHP's review and comment that includes a final draft of the historic context statement, including a discussion of any issues encountered in the process; and outcomes and conclusions drawn from the second public workshop.

15 November 2024: On or before this date, Participant shall submit a progress report for OHP's review and comment that includes response of Historic Resources Board and Planning Commission to recommendation to adopt updated historic context, including any subsequent actions or conclusions.

29 January 2025: On or before this date, Participant shall submit a progress report for OHP's review and comment that includes outcome of presentation to City Council to adopt the updated historic context; outcome of submission to the California Coastal Commission for Local Coastal Plan Amendment; and any subsequent actions, conclusions, or issues encountered in both processes.

A Final Performance Report shall also be submitted summarizing the outcome of the comprehensive project efforts comparing actual accomplishments to planned objectives, discussing lessons learned, explaining how project data will be incorporated into local planning and preservation activities, and describing future needs or activities to derive continued benefit from the project. A final copy of the historic context statement shall be submitted as well.

11 February 2025: On or before this date, Participant shall submit the final Request for Reimbursement (DPR 417), with all claims for project costs dated prior to the end of the project period (30 December 2024).

FINAL PRODUCTS WILL INCLUDE:

- Final Performance Report (referenced above)
- Electronic copy of the historic context statement

The attached General and Special Provisions (12 pages) are incorporated and made a part hereof. Additionally, the budget as submitted in the grant application, with revisions if approved by OHP, is incorporated by reference and made a part hereof.

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GENERAL PROVISIONS

I. GENERAL

A. **Performance**
1. The Participant agrees to complete the project in accordance with this agreement.
2. The Participant shall perform all work and supply material necessary to complete the project described in the paragraph entitled "Project Scope:" on p.1 of this agreement within the period specified. Failure of the Participant to render satisfactory progress or to complete this or any other project which is subject to federal assistance under this program to the satisfaction of the OHP may be cause for suspension of all obligations of Interior and the State of California (State) under this agreement.
3. However, failure of the Participant to comply with the terms of this agreement shall not be cause for the suspension of all such obligations if, in the judgement of the OHP, such failure was due to no fault of the Participant. In such case, any amount required to settle at minimum costs any irrevocable obligations properly incurred shall be eligible for assistance under this agreement.

B. **Cost Sharing/Matching Requirement**.
1. At least 40 percent non-Federal cost-share/match is required for costs incurred under this Agreement. A minimum of 40 percent in eligible non-Federal cost share/match as identified on the cover page of this agreement, that is allowable and property documented, must be expended for work approved under Scope of Work during the Period of Performance in addition to the Federal grant share.
2. Non-monetary contribution may constitute part or all of the Participant's match. Valuation of such contribution shall be set forth by the OHP.
3. Failure to expend the required non-Federal matching share will result in the disallowance of costs reimbursed, and/or the deobligation of remaining unexpended funds.
4. Non-Federal cost share or match must meet the same requirements as the Federal share.
5. The OHP shall not pay federal funds hereunder if the Participant has used financial assistance under any other federal program or activity (not including federal revenue sharing funds, community block grants, and any other federal funds allowable as match) as a match on the project.

C. **Agreement Amendment**. This agreement may be amended only by agreement in writing executed by both of the parties hereto.

D. **Agreement Termination**
1. The Participant may, upon written notice to the OHP, unilaterally terminate this agreement at any time prior to the commencement of the project.
2. The OHP may, upon written notice to the Participant, unilaterally terminate this agreement at any time prior to the commencement of the project.
3. The project shall be deemed commenced when the Participant makes any expenditure or incurs any obligations with respect to the project.
4. After the project commences, the Participant and the OHP may terminate the agreement by mutual consent, in which case they shall negotiate termination conditions.

E. **Non-Compliance**. If the Participant materially fails to comply with the terms of the agreement, the OHP shall provide written notice of non-compliance, which states the nature of the deficiency. If the Participant is still not in compliance in thirty (30) days after receipt of the notice, the OHP may in addition to other remedies: (1) withhold cash payments until deficiency is removed; (2) terminate the agreement and make no further payments hereunder; (3) disallow costs; and (4) disqualify the Participant from further subgrants.

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F. **Indemnification**. The Participant hereby waives all claims and recourse against the State including the right to contribution for loss or damage to persons or property arising from, growing out of, or in any way connected with or incident to this agreement, except claims arising from the concurrent or sole negligence of the State, its officers, agents, and employees. The Participant shall indemnify the State and its officers, agents, and employees against and hold the same free and harmless from any and all claims, demands, damages, losses, costs, and/or expenses of liability due to, or arising out of, either in whole or in part, whether directly or indirectly, the organization, development, construction, operation, or maintenance of the project. Participant shall waive and indemnify State only in proportion to and to the extent that such claims, damages, losses, costs, and/or expenses of indemnification are caused by or result from the negligent or intentional acts or omission of Participant, its officers, agents, or employees.

G. **Severability**. This agreement shall be governed by the laws of the State of California. If any provision of the agreement, including without limitation these General Conditions shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any other way be affected or impaired.

H. **Survival.** Any and all provisions which, by themselves or their nature, are reasonably expected to be performed after the expiration or termination of this Agreement shall survive and be enforceable after the expiration or termination of this Agreement. Any and all liabilities, actual or contingent, which have arisen during the term of and in connection with this Agreement shall survive expiration or termination of this Agreement.

I. **Partial Invalidity.** If any provision of this Agreement or the application thereof to any party or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement or the application of such provision to the parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby and each provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

J. **Captions and Headings.** The captions, headings, article numbers and paragraph numbers appearing in this Agreement are inserted only as a matter of convenience and in no way shall be construed as defining or limiting the scope or intent of the provision of this Agreement nor in any way affecting this Agreement.

II. PROJECT EXECUTION

A. **Standards**. The Participant shall carry out its work in accordance with the "Secretary of the Interior's Standards and Guidelines for Archeology and Historic Preservation", including standards for planning, identification, evaluation, registration, historical documentation, architectural and engineering documentation, archaeological documentation, historic preservation projects, and professional qualifications, as published in the Federal Register, September 29, 1983 (Vol. 48, No. 190), pp. 44716 et seq..

B. **Qualifications**. If the project scope requires research in history, architectural history, or archeology, the Participant shall ensure that the principal investigator meets the applicable Secretary of the Interior’s professional qualifications standards. If the project scope requires architectural plans, the Participant shall ensure that the architect producing those plans meets the applicable Secretary of the Interior’s professional qualifications standards. If the project scope requires an expert practitioner in another field, the Participant shall ensure that such expert meets standards of education and experience similar to those of the Secretary of the Interior’s professional qualifications standards.

C. **OHP Review**.

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1. After selection of an employee or contractor to perform professional work outlined in the previous paragraph, but before making any financial commitment to that person, the Participant shall submit the person's resume to the OHP for review. The OHP shall either approve or disapprove use of the person on the project within twenty (20) working days after receipt of the resume. The Participant may consider failure of the OHP to respond within the period to constitute approval.
2. When requested to do so by the OHP, the Participant shall make available to the OHP draft reports, studies, plans, drawings, or other preliminary documents prepared during the project. The Participants shall permit periodic site visits by the OHP to ensure that work is progressing on scheduled and according to applicable instructions and standards.

D. **Reporting**.
1. As outlined in this agreement, or date approved by the OHP, the Participant shall furnish to the OHP all final work products mentioned in the project scope and elsewhere in this agreement.
2. Participant shall submit progress reports and interim work products on the dates indicated in this agreement. Progress reports shall be in such form and contain such information as the OHP instructs.
3. The OHP shall not be obligated to provide federal funds for work products that, in the opinion of the OHP, do not conform to the terms of this agreement or to the applicable Secretary of the Interior's Standards.
4. As outlined in this agreement, the Participant shall furnish to the OHP a final performance report, acceptable to the OHP, which compares actual accomplishments to planned objectives and, if appropriate, gives reasons that the objectives were not met as planned. The OHP shall provide further instructions for form the form and content of the final report.

III. FINANCIAL ADMINISTRATION

A. **Financial Management**. The Participant shall use a financial management system that: permits the preparation of financial reports required herein, permits the preparation of financial reports required herein, provides an accounting of funds expended on the project, and follows the standards set forth by the Office of Management and Budget Circulars referenced herein. The Participant shall expend funds only on allowable costs as set forth in the budget established in the approved project notification.

B. **Determination of Value of Goods and Services**. Goods in the form of equipment, whether owned, purchased, leased, or donated, will be valued on a use basis of actual costs of operation or of purchase or lease or prevailing costs of goods if donated. Residual market value of purchased equipment shall be credited to project costs upon completion. Goods in the form of supplies and material will be valued at actual direct costs to Participant or, if donated, according to the prevailing costs in the marketplace. Services will be valued in the actual amounts of salaries, wages, and direct overhead costs expended on the project.

C. **Volunteer Services**.
1. Volunteer services will be valued for contribution purposes at the rates paid for similar technical skills and work in other activities. Specific procedures for the Participant in establishing the value of in-kind contributions from non-Federal third parties are set forth below:
2. Valuation of Volunteer Services: Volunteer services may be furnished by professional and technical personnel, consultants, and other skilled and unskilled labor. Volunteered service maybe counted as cost sharing or matching if the service is an integral and necessary part of an approved program.
3. Rates for Volunteer Services: Rates for volunteers should be consistent with those paid for similar work in other activities of state and local government. In those instances in which the

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required skills are not found in the Participant's organization, rates should be consistent with those paid for similar work in the 15 labor markets in which the Participant competes for the kind of services involved. Volunteers with no historic preservation education or experience may claim only the minimum wage rate.

4. Volunteers Employed by Other Organizations: When an employer, other than the Grantee, furnishes the services of an employee, these services shall be valued at the employee's regular rate of any (exclusive of fringe benefits and overhead costs), provided these services are in the same skill for which the employee is normally paid. This rate shall not exceed the maximum daily rate of compensation for a GS-18 position in the federal civil service, as established by law.

D. **Billing.**

1. Taking into account a four-to-six-week delay between the time a payment request is submitted to the OHP and the time the OHP provides the requested federal funds, the Participant shall submit its payment requests so as to minimize the time elapsing between receipt and disbursement of funds.
2. The Participant shall have sufficient working capital to ensure that the project progresses on schedule even though payments from the OHP are unexpectedly delayed.
3. When seeking reimbursements, the Participant shall base its billings upon financial records for both the federal and nonfederal shares of project costs which are supported by appropriate documentation. All reimbursement requests shall be accompanied by copies of timesheets, cancelled checks, receipts, etc., for OHP's verification before payment.
4. The Participant shall submit billings during the project period for this agreement. The final billing statement with documentation sufficient for audit dated prior to end of the contract period, shall be submitted with the Final Report as described in this agreement.
5. Participant may also submit supplemental billing statements during the project period with progress reports but must include an itemization of expenditures or receipts or timesheets of work completed.
6. The Participant shall submit billings on the billing statement form (DPR 417) prescribed by the OHP. The OHP need not make payment on billings submitted in other formats. The Participant shall submit billings in duplicate, each with an original signature, to: Office of Historic Preservation, Department of Parks and Recreation, ATTN: Fiscal and Grants Coordinator, 1725 23rd Street, Suite 100, Sacramento CA 95816. The Participant shall ensure that the billing form bears the signature of the Participant's project representative.
7. After reviewing each billing for accuracy and appropriateness, the OHP shall pay the least of the following: (a) sixty percent of the amount of the total project costs incurred during the billing period shown on the billing: (b) the amount of cash outlays made during the billing period as shown on the billing; and (c) the amount of federal grant funds available for support of the project as shown in the project funding section of this agreement.
8. The OHP will not reimburse more than ninety (90%) percent of allocated grant funds until the OHP has verified completion of the project, and if necessary, until an audit approval has been received by the OHP for the Audits Section of the Department of Parks and Recreation.

E. **Approved Indirect Rate**. The federally negotiated indirect rate plus administrative costs to be applied against this agreement shall not by statute 54 U.S.C. 302902, commonly known as Section 102(e) of the NHPA, exceed 25 percent of the total project cost. Indirect costs will not be allowable charges against this agreement unless specifically included as a line item in the approved budget incorporated into this agreement. If indirect costs are allowable charges, a copy of the Participant’s approved negotiated indirect rate shall be provided to the OHP.

F. **Pre-Award Incurrence of Costs**. The Participant shall be entitled to costs incurred on or after Start date. In accordance with 2 CFR 200.458, such costs are allowable only to the extent that they would have been allowable if incurred after the date of the Federal award and only with the

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written approval of the Awarding agency. Pre-award costs shall only be applied to the non-Federal cost share and are not eligible for reimbursement.

IV. CHANGES

A. **Budget**. The Participant and OHP understand that the Participant is permitted to re-budget within the approved direct cost budget to meet unanticipated requirements and may make program changes to the project.

B. **OHP Approval**. Notwithstanding the provisions of the foregoing paragraph, the Participant shall obtain from the OHP prior approval for: (a) any substantive revision of the scope, objectives, or budget of the project; (b) extension of the need for federal funds; (c) changes in key persons, including all persons filling positions for which the incumbent must meet the Secretary of the Interior's professional qualifications standards; (d) additional contracts or hiring to perform activities that are central to the project; and (e) new or revised performance or reporting milestones. The Participant shall make requests for such changes in writing. The OHP shall approve or disapprove in writing. If appropriate, the Participant and the OHP shall amend this agreement to include approved changes.

V. REPORTS AND RECORDS

A. **General**. All Participant financial and programmatic records, supporting documents, statistical records, and other grants-related records shall be maintained and available for access in accordance with 2 CFR 200-200.337 and the Historic Preservation Fund Grants Manual.

B. **Service Records**. Records of personal services contributions, whether paid or volunteer, shall include timesheets bearing the signature of the person whose time is contributed and of the supervisor verifying that the record is accurate. "Personnel Activity Reports" as specified in OMB Circular A-21 and its successors shall be acceptable as documentation of time spent on this project by "professional" and "professorial" staff. Volunteer records shall show the actual hours worked, the specific duties performed, and the basis for determining the rate of contribution. These records shall be included with the audit material. The Participant shall keep such records, maps, and reports as the OHP and Interior prescribe, including records that fully disclose the dispositions by the Participant of federal grant funds, total cost of the project, the amount and nature of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

C. **Financial Records**. During its regular office hours, the Participant shall make financial records available to the OHP, Interior, the Comptroller General of the United States, or any of their duly authorized representatives for the purpose of inspection, copying, and audit. The Participant shall provide copies of such records to the OHP if requested to do so by the OHP and shall retain such records for three years following project termination. Project records shall be retained by Participant for three years following project completion or longer until notification that the Federal audit covering the project has been closed.

D. **Single Audit Act**. If a local government, the Participant shall comply with the Single Audit Act of 1984, and furnish the OHP with a copy of the audit report within thirty (30) days after issuance. If a university or nonprofit organization, the Participant shall comply with the audit requirements of OMB Circular A-133. The Participant shall reimburse the OHP for costs disallowed during an audit.

E. **Publications**. In regard to all copyrightable material, which are produced as a deliverable under this project, including but not limited to books reports, plans, photographs, drawings, films,

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recordings, videotapes, and computer programs, which are produced as part or result of this project, the Participant must grant the United States of America a royalty-free non-exclusive and irrevocable license to publish, reproduce and use, and dispose of in any manner and for any purpose without limitation, and to authorize or ratify publication, reproduction or use of others, of all copyrightable material first produced or composed under this Agreement by the Participant, its employees or any individual or concern specifically employed or assigned to originate and prepare such material.

1. Any publications resulting from the project shall contain the following statements: "The activity which is the subject of this (type of publication) has been financed in part with Federal funds from the National Park Service, Department of the Interior, through the California Office of Historic Preservation. However, the contents and opinions do not necessarily reflect the views or policies of the Department of the Interior or the California Office of Historic Preservation, nor does mention of trade names or commercial products constitute endorsement or recommendation by the Department of the Interior or the California Office of Historic Preservation. Regulations of the U.S. Department of the Interior strictly prohibit unlawful discrimination in departmental Federally-assisted programs on the basis of race, color, sex, age, disability, or national origin. Any person who believes he or she has been discriminated against in any program, activity, or facility operated by a recipient of Federal assistance should write to: Director, Equal Opportunity Program, U.S. Department of the Interior, National Park Service, P.O. Box 37127, Washington, D.C. 20013-7127
2. The Participant shall provide three copies of all publications to the OHP no later than at the end of the project period.

VI. OTHER REQUIREMENTS

A. **OMB Circulars and Other Regulations.** The following Federal Regulations are incorporated by reference into this Agreement (full text can be found at http://www.ecfr.gov):

1. **Administrative Requirements:**
   a. 2 CFR 200,“Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”
2. **Determination of Allowable Costs:**
   a. 2 CFR 200, Subpart E, "Cost Principles”
3. **Audit Requirements:**
   a. 2 CFR 200, Subpart F, “Audit Requirements”
4. **Code of Federal Regulations/Regulatory Requirements:**
   a. 2 CFR 182 and 1401, "Government-wide Requirements for a Drug-Free Workplace"
   b. 2 CFR 180 and 1400, "Non-Procurement Debarment and Suspension" (previously located at 43 CFR, 42, "Government wide Debarment and Suspension (NonProcurement)")
   c. 43 CFR 18, "New Restrictions on Lobbying"
   d. 2 CFR 175, "Trafficking Victims Protections Act of 2000"
   e. FAR Clause 52.203-12, Paragraphs (a) and (b), “Limitation on Payments to Influence Certain Federal Transactions”
   f. 2 CFR 25, “System for Award Management (www.SAM.gov) and Data Universal Numbering System (DUNS)”
   g. 2 CFR 170,"Reporting Subawards and Executive Compensation" or FFATA (Refer to XII.B.11)

B. **Non-Discrimination.** All activities pursuant to this Agreement shall be in compliance with the requirements of Executive Order 11246, as amended; Title VI of the Civil Rights Act of 1964, as amended, (78 Stat. 252; 42 U.S.C. §2000d et seq.); Title V. Section 504 of the Rehabilitation Act of 1973, as amended, (87 Stat. 394; 29 U.S.C. §794); the Age Discrimination Act of 1975 (89 Stat. 728; 42 U.S.C. §6101 et seq.); and with all other federal laws and regulations prohibiting discrimination on grounds of race, color, sexual orientation, national origin, disabilities religion, age, or sex.

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C. **Lobbying Prohibition.** 18 U.S.C. §1913, Lobbying with Appropriated Moneys, as amended by Public Law 107-273, Nov. 2, 2002. No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter printed or written matter, or other device, intended or designed to influence in ay any manner a Member of Congress, a jurisdiction, or an official of any government, to favor, adopt, or oppose, by vote or otherwise, any legislation, law, ratification, policy, or appropriation, whether before or after the introduction of any bill, measure, or resolution proposing such legislation, law, ratification, policy, or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to any such Members or official, at his request, or to Congress or such official, through the proper official channels, requests for legislation, law, ratification, policy, or appropriations which they deem necessary for the efficient conduct of the public business, or from making any communication whose prohibition by this section might, in the opinion of the Attorney General, violate the Constitution or interfere, with the conduct of foreign policy, counter-intelligence, intelligence, or national security activities. Violations of this section shall constitute violation of section 1352(a) title 31. In addition to the above, the related restrictions on the use of appropriated funds found in Div. F, §402 of the Omnibus Appropriations Act of 2008(P.L. 110-161) also apply.

D. **Anti-Deficiency Act.** Pursuant to 31 U.S.C. §1341 nothing contained in this Agreement shall be construed as binding the NPS to expend in any one fiscal year any sum in excess of appropriations made by Congress, for the purposes of this Agreement for that fiscal year, or other obligation for the further expenditure of money in excess of such appropriations.

E. **Minority Business Enterprise Development.** Pursuant to Executive Order 12432 it is national policy to award a fair share of contracts to small and minority firms. NPS is strongly committed to the objectives of this policy and encourages all recipients of its Grant Agreements to take affirmative steps to ensure such fairness by ensuring procurement procedures are carried out in accordance with the Executive Order.

F. **Assignment.** No part of this Agreement shall be assigned to any other party without prior written approval of the OHP and the Assignee.

G. **Member of Congress.** Pursuant of 41 U.S.C. §22. No Member of Congress shall be admitted to any share or part of any contract or agreement made, entered into, or adopted by or on behalf of the United States, or to any benefit to arise thereupon.

H. **Agency.** The Participant is not an agent or representative of the United States, the Department of the Interior, NPS, or the State, nor will the Participant represent its self as such to third parties. NPS and State employees are not agents of the Participant and will not act on behalf of the Participant.

I. **Non-Exclusive Agreement.** This Agreement in no way restricts the Participant or OHP from entering into similar agreements or participating in similar activities or arrangements, with other public or private agencies, organizations, or individuals.

J. **No Employment Relationship.** This Agreement is not intended to and shall not be construed to create an employment relationship between NPS or OHP and Participant or its representatives. No representative of Participant shall perform any function or make any decision properly reserved by law or policy to the Federal government.

K. **No Third-Party Right.** This Agreement creates enforceable obligations between NPS, OHP and Participant. Except as expressly provided herein, it is not intended nor shall it be construed to

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create any right of enforcement by or any duties or obligation in favor of persons or entities not a party to this Agreement.

L. **Foreign Travel.** The Participant shall comply with the provisions of the Fly American Act (49 U.S.C. 40118). The implanting regulations of the Fly American Act are found at 41 CFR 301-10.131 through 301-10.143.

M. **Public Information and Endorsements**
1. Participant shall not publicize or otherwise circulate promotional material (such as advertisement, sales brochures, press releases, speeches, still and motion pictures, articles, manuscripts or other publications) which states or implies governmental, Departmental, bureau, or government employee endorsement of a business, product, service, or position which the Participant represents. No release of information relating to this award may state or imply that the Government approves of the Participant's work product to be superior to other or services.
2. Participant must provide a digital copy of any public information releases concerning this award that refer to the Department of the Interior, National Park Service, OHP or Historic Preservation Fund. Specific text, layout photographs, etc. of the proposed release may be submitted for prior approval.
3. As stipulated in 36 CFR 800, public views and comments regarding all Federally-funded undertaking on historic properties must be sought and considered by the authorizing Federal agency. Therefore, the grantee is required to post a press release regarding the undertaking under this grant in on or more major newspapers or news sources that cover the area affected by the project within 30 days of receiving the signed grant agreement. A copy of the posted release must be submitted to NPS within 30 days of the posting.
4. The grantee must transmit notice of any public ceremonies planned to publicize the project or its results in a timely enough manner so that NPS, Department of the Interior, Congressional or other Federal officials can attend if desired.

N. **Publications of Results of Studies.** No party will unilaterally publish a joint publication without consulting the other party. This restriction does not apply to popular publications of previously published technical matter. Publications pursuant to this Agreement may be produced independently or in collaboration with other; however, in all cases proper credit will be given to the efforts of those parties contribution to the publication. In the event no agreement is reached concerning the manner of publication or interpretation of results, either party may publish data after due notice and submission of the proposed manuscripts to the other. In such instances, the party publishing the data will give due credit to the cooperation but assume full responsibility for any statements on which there is a difference of opinion.

O. **Audit Requirements**
1. Non-Federal entities that expend $750,000 or more during a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the Single Audit Amendments of 1996 (31 U.S.C. 7501-7507) and 2 CFR 200, Subpart F.
2. Non-federal entities that expend less than $750,000 for a fiscal year in Federal awards are exempt from Federal audit requirements for that year, but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and General Accounting Office (GAO).
3. Audits shall be made by an independent auditor in accordance with generally accepted government auditing standards covering financial audits. Additional audit requirements applicable to this agreement are found at 2 CFR 200, Subpart F, as applicable. Additional information on single audits is available from the Federal Audit Clearinghouse at https://harvester.census.gov/facweb/Default.aspx.

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P. **Procurement Procedures.** A full description of procurement standards can be found in 2 CFR 200.317-200.326.

Q. **Prohibition on Text Messaging and Using Electronic Equipment Supplied by the Government while Driving.** Executive Order 13513, Federal Leadership On Reducing Text Messaging While Driving, was signed by President Barack Obama on October 1, 2009. This Executive Order introduces a Federal Government-wide prohibition on the use of the text messaging while driving on official business or while using Government-supplied equipment. Additional guidance enforcing the ban will be issued at a later date. In the meantime, please adopt and enforce policies that immediately ban text messaging while driving company-owned or -rented vehicles, government-owned, or leased vehicles, or while driving privately owned vehicles when on official government business or when performing any work for or on behalf of the government.

R. **Seat Belt Provision.** The Participant is encouraged to adopt and enforce on-the-job seat belt use policies and programs for their employees when operating company-owned, rented or personally owned vehicles. These measures include, but are not limited to, conducting education, awareness, and other appropriate programs for their employees about the importance of wearing seat belts and the consequences of not wearing them.

S. **Participant Employee Whistleblower Rights and Requirement to Inform Employees of Whistle-blower Rights.**
   1. This award and employees working on this financial assistance agreement will be subject to the whistleblower rights and remedies in the pilot program on Award Recipient employee whistle-blower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act of Fiscal Year 2013 (P.L. 112-239).
   2. The Participant shall inform its employees in writing, in the predominant language of the workplace, of employee whistleblower rights and protections under 41 U.S.C. 4712.
   3. The Participant shall insert the substance of this clause, including this subsection (3), in all subawards or subcontracts over the simplified acquisition threshold, 42 CFR 52.203-17 (as referenced 42 CFR 3.908-9).

T. **Reporting Executive Compensation**
   1. Participant must report all subaward and executive compensation data pursuant to the Federal Funding Accountability and Transparency Ace (FFATA) of 2006 and associate amendments (P.L. 109-282, as amended by section 6202(a) of P.L. 110-252 (see 31 U.S.C. 6101 note)). Refer to https://www.fsrs/gov/ for more information.

U. **Conflict of Interest**
   1. The Participant must establish safeguards to prohibit its employees from using their positions for purposes that constitute or present the appearance of a personal or organizational conflict of interest. The Participant is responsible for notifying the Awarding Officer in writing of any actual or potential conflicts of interest that may arise during the life of this award. Conflicts of interest include any relationship or matter which might place the Participant or its employees in a position of conflict, real or apparent, between their responsibilities under the agreement and nay other outside interests. Conflicts of interest may also include, but are not limited to, direct or indirect financial interests, close personal relationships, positions of trust in outside organizations, or decision-making affecting the award that would cause a reasonable person with knowledge of the relevant facts to question the impartiality of the Participant and/or Participant's employees and Sub-recipients in the matter.
   2. The Awarding Officer and the servicing Ethics Counselor will determine if a conflict of interest exists. If a conflict of interest exists, the Awarding Officer will determine whether a mitigation plan is feasible. Mitigation plans must be approved by the Awarding Officer in writing.

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3. Failure to resolve conflicts of interest in a manner that satisfies the government may be cause for termination of the award. Failure to make required disclosures may result in any of the remedies described in 2 CFR §200.338, Remedies/or Noncompliance, including suspension or debarment (see also 2 CFR part 180).

V. **Minimum Wages Under Executive Order 13658 (January 2015)**

1. Definitions. As used in this clause:
   a. "United States" means the 50 states and the District of Columbia.
   b. "Worker"
      i. Means any person engaged in performing work on, or in connection with, an agreement covered by Executive Order 13568; and
      ii. Whose wage under such agreements are governed by the Fair Labor Standards Act (29 U.S.C. chapter 8), the Service Contract Labor Standards statute (41 U.S.C. chapter 67), or the Wage Rate requirements (Construction) statute (40 U.S.C. chapter 31, subchapter IV);
      iii. Other than individuals employed in a bona fide executive, administrative, or professional capacity, as those terms are defined in 29 CFR 541.
      iv. Regardless of the contractual relationship alleged to exist between the individual and the employer.
      v. Includes workers performing on, or in connection with, the agreement whose wages are calculated to special certificates issued under 29 U.S.C. §214(c).
      vi. Also includes any person working on, or in connection with, the agreement and individually registered in a bona fide apprenticeship or training program registered with the Department of Labor's Employment and Training Administration, Office of Apprenticeship, or with a State Apprenticeship Agency recognized by the Office of Apprenticeship.
2. Executive Order Minimum Wage rate.
   a. The Participant shall pay to workers, while performing in the United States, and performing on, or in connection with, this agreement, a minimum hourly wage rate of $10.60 per hour beginning January 1, 2016.
   b. The Participant shall adjust the minimum wage paid, if necessary, beginning January 1, 2016, and annually thereafter, to meet the Secretary of Labor's annual E.O. minimum wage. The Administrator of the Department of Labor's Wage and Hour Division (the Administrator) will publish annual determination in the Federal Register no later than 90 days before the effective date of the new E.O. minimum wage rate. The Administrator will also publish the applicable E.O. minimum wage on https://sam.gov/content/wage-determinations (or any successor Web site) and on all wage determinations issued under the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute. The applicable published E.O. minimum wage is incorporated by reference into this agreement.
   c. The Participant may request a price adjustment only after the effective date of the new annual E.O. minimum wage determination. Prices will be adjusted only if labor costs increase as a result of an increase in the annual E.O. minimum wage, and for associated labor costs and relevant subaward costs. Associated labor costs shall include increases or decreases that result from changes in social security and unemployment taxes and workers' compensation insurance, but will not otherwise include any amount for general and administrative costs, overhead, or profit.
      i. Subrecipients may be entitled to adjustments due to the new minimum wage, pursuant to paragraph (b)(2). Participants shall consider any Subrecipient requests for such price adjustment.
      ii. The Awarding Officer will not adjust the agreement price under the clause for any costs other than those identified in paragraph (b)(3)(i) of this clause, and will not provide duplicate price adjustments with any price adjustment under clauses

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implements the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute.

d. The Participant warrants that the prices in this agreement do not include allowance for any contingency to cover increased costs for which adjustment is provided under this clause.
e. The Participant shall pay, unconditionally to each worker, all wages due free and clear without subsequent rebate or kickback. The Participant may make deductions that reduce a worker's wages below the E.O. minimum wage rate only if done in accordance with 29 CFR §10.23,Deductions.
f. The Participant shall not discharge any part of its minimum wage obligation under this clause by furnishing fringe benefits or, with respect to workers whose wages are governed by the Service Contract Labor Standards statute, the cash equivalent thereof.
g. Nothing in this clause shall excuse the Participant from compliance with any applicable Federal or State prevailing wage law or any applicable law or municipal ordinance establishing a minimum wage higher than the E.O. minimum wage. However, wage increases under such other laws or municipal ordinances are not subject to price adjustment under this subpart.
h. The Participant shall pay the E.O. minimum wage rate whenever it is higher than any applicable collective bargaining agreement(s) wage rate.
i. The Participant shall follow the policies and procedures in 29 CFR 10.24(b) and 10.28 for treatment of workers engaged in an occupation in which they customarily and regularly receive more than $30.00 a month in tips.

3. This clause applies to workers as defined in Section 1.b of this agreement condition. As provided in that definition:
   a. Workers are covered regardless of the contractual relationship alleged to exist between the Participant or Subrecipient and the worker;
   b. Workers with disabilities whose wages are calculated pursuant to special certificates issued under 29 U.S.C. 214(c) are covered; and
   c. Workers who are registered in a bona fide apprenticeship program or training program registered with the Department of Labor's Employment and Training Administration, Office of Apprenticeship, or with a State Apprenticeship Agency recognized by the Office of Apprenticeship, are covered.
4. This clause does not apply to:
   a. Fair Labor Standards Act (FLSA) - covered individuals performing in connection with contracts covered by the E.O., *i.e.* those individuals who perform duties necessary to the performance of the agreement, but who are not directly engaged in performing the specific work called for by the agreement, and who spend less than 20% of their hours worked in a particular workweek performing in connection with such agreements;
   b. Individuals exempted from the minimum wage requirements of the FLSA under 29 U.S.C. §213 (a) and (b), unless otherwise covered by the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute. These individuals include but are not limited to:
      i. Learners, apprentices, or messengers whose wages are calculated pursuant to special certificates issued under 29 U.S.C. §214(a).
      ii. Students whose wages are calculated pursuant to special certificates issued under 29 U.S.C. §214(b).
      iii. Those employed in a bona fide executive, administrative, or professional capacity (29 U.S.C. §213(a)(1) and 29 CFR 541).
5. Notice. The Participant shall notify all workers performing work on, or in connection with, this agreement of the applicable E.O. minimum wage rate under this clause. With respect to workers covered by the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute, the Contractor may meet this requirement by posting, in a prominent and accessible place at the worksite, the applicable wage determination under those statutes. With respect to workers whose wages are governed by the FLSA, the Participant shall post notice, utilizing the poster provided by the Administrator, which can be

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obtained at www.dol.gov/whl/govcontracts, in a prominent and accessible place at the worksite. Participants that customarily post notices to workers electronically may post the notice electronically provided the electronic posting is displayed prominently on any Web site that is maintained by the Participant, whether external or internal, and customarily use for notices to workers about terms and conditions of employment.

6. Payroll Records
   a. The Participant shall make and maintain records, for three years after completion of the work, containing the following information for each worker:
      i. Name, address, and social security number,
      ii. The worker's occupation(s) and classification(s);
      iii. The rate or rates of wages paid;
      iv. The number of daily and weekly hours worked by each worker;
      v. Any deductions made; and
      vi. Total wages paid.
   b. The Participant shall make records pursuant to paragraph (e)(1) of this clause available for inspection and transcription by authorized representatives of the Administrator. The Participant shall also make such records available upon request of the Contracting Officer.
   c. The Participant shall make a copy of the agreement available, as applicable, for inspection or transcription by authorized representatives of the Administrator.
   d. Failure to comply with this paragraph (e) shall be a violation of 29 CFR §10.26 and this agreement. Upon direction of the Administrator or upon the Awarding Officer's own action, payment shall be withheld until such time as the noncompliance is corrected.
   e. Nothing in this clause limits or otherwise modifies the Participant's payroll and recordkeeping obligations, if any, under the Service Contract Labor Standards statute, the Wage Rate Requirements (Construction) statute, the Fair Labor Standards Act, or any other applicable law.
7. Access. The Participant shall permit authorized representatives of the Administrator to conduct investigations, including interviewing workers at the worksite during normal working hours.
8. Withholding. The Awarding Officer, upon his or her own action or upon written request of the Administrator, will withhold funds or cause funds to be withheld from the Participant under this or any other Federal agreement with the same Participant, sufficient to pay workers the full amount of wages required by this clause.
9. Disputes. Department of Labor has set forth in 29 CFR §10.51, Disputes concerning the Participant's compliance with Department of Labor regulations at 29 CFR §10. Such disputes shall be resolved in accordance with those. This includes disputes between the Participant (or any of its Subrecipients) and the contracting agency, the Department of Labor, or the workers or their representatives.
10. Antiretaliation. The Participant shall not discharge or in any other manner discriminate against any worker because such worker has filed any complaint or instituted or caused to be instituted any proceeding under or related to compliance with the E.O. or this clause, or has testified or is about to testify in any such proceeding.
11. Subcontractor compliance. The Participant is responsible for Subrecipient compliance with the requirements of this clause and may be held liable for unpaid wages due Subrecipient workers.

W. **Patents and Inventions**. Participants of agreements which support experimental, developmental, or research work shall be subject to applicable regulations governing patents and inventions, including the government-wide regulations issued by the Department of Commerce at 37 CFR 401, Rights to Inventions Made by Non-profit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements. These regulations do not apply to any agreement made primarily for educational purposes.

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

RESOLUTION NO. 2024-010

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA AUTHORIZING FUNDS FROM THE CALIFORNIA DEPARTMENT OF PARK AND RECREATION UNDER THE HISTORIC PRESERVATION FUND GRANT PROGRAM FOR A $40,000 AWARD TO PARTIALLY FUND "PHASE II" OF THE HISTORIC CONTEXT STATEMENT UPDATE PROJECT.

WHEREAS, the California Department of Park and Recreation under the Historic Preservation Fund Grant Program, may provide financial assistance to support historic preservation and has approved a grant program to provide such financial assistance for Certified Local Governments (CLG); and,

WHEREAS, the goal of the grant program is to assist CLGs with historic preservation programs; and,

WHEREAS, the City of Carmel-by-the-Sea is a CLG; and,

WHEREAS, the City of Carmel-by-the-Sea, desires to pursue a project that would result in the completion and submittal for certification by the California Coastal Commission of a comprehensive update to the City's Historic Context Statement; and,

WHEREAS, the City of Carmel-by-the-Sea's Historic Context Statement is a key guiding regulatory document for the preservation of historic resources in the City; and,

WHEREAS, the City of Carmel-by-the-Sea commits to and agrees to fully support a planning effort intended to amend a certified LCP pursuant to the provisions of the California Coastal Act, with full public participation and coordination with the Coastal Commission staff.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

1. Authorize the City Administrator of the City of Carmel-by-the-Sea or their Designee to accept and execute in the name of the City of Carmel-by-the-Sea, all necessary applications, contracts, and agreements and amendments thereto, to accept a $40,000 grant award from the State of California Department of Parks and Recreation.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 9th day of January, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTEST:

Dave Potter
Mayor

Nova Romero, M.M.C.
City Clerk

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

January 9, 2024
CONSENT AGENDA

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Marnie R. Waffle, AICP, Principal Planner
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2024-011 authorizing the City Administrator to execute an Amendment to Professional Services Agreement No. PBD-EMC-037-22-23 with EMC Planning Group, Inc. for scope of work for a not-to-exceed amount of $92,331, increasing the total contract cost to $371,931

RECOMMENDATION:

Adopt Resolution 2024-011 authorizing the City Administrator to execute an Amendment to Professional Services Agreement No. PBD-EMC-037-22-23 with EMC Planning Group, Inc. for scope of work for a not-to-exceed amount of $92,331, increasing the total contract cost to $371,931.

BACKGROUND/SUMMARY:

On February 7, 2023, the City Council adopted Resolution 2023-024 authorizing the City Administrator to execute a Professional Services Agreement with EMC Planning Group Inc. for a not-to-exceed fee of $239,145 to update the General Plan Housing and Safety Elements.

On July 11, 2023, the City Council adopted Resolution 2023-074, authorizing the City Administrator to execute Amendment #1 to Professional Services Agreement No. PBD-EMC-037-22-23 with EMC Planning Group, Inc. to complete the required environmental review for the General Plan Housing and Safety Element updates in accordance with the California Environmental Quality Act (CEQA) for a not-to-exceed amount of $40,455, increasing the total contract cost to $279,600.

On August 3, 2023, the City submitted the 6th cycle 2023-2031 Housing Element update to the Department of Housing and Community Development (HCD) for review. On November 1, 2023, the City received a comment letter from HCD outlining necessary revisions for the housing element to be in substantial compliance with state law.

Staff has been working with EMC Planning Group to respond to the comments and have expended the funds available in Task 3 to accomplish the work. This budget amendment allows staff to complete the necessary revisions and submit a revised Housing Element to HCD for review.

The Carmel Municipal Code requires the City Council to approve all contracts valued at $25,000 or more by Resolution. The purpose of this agenda item is to authorize the City Administrator to approve an amendment to the existing agreement with EMC Planning Group that increases the not-to-exceed contract amount by $92,331, from $279,600 to $371,931.

FISCAL IMPACT:

Consultant fees for the project are $371,931. The cost will be paid with grant funding from SB2, LEAP, and REAP, as well as contract services from the Community Planning & Building Department fiscal year 2023/2024 budget. In 2019 and 2020, the City received three grant awards totaling $290,000 to assist with the cost of updating the Housing Element: SB2 ($160,000), LEAP ($65,000), and REAP ($65,000).

PRIOR CITY COUNCIL ACTION:

On February 7, 2023, the City Council adopted Resolution 2023-024 authorizing the City Administrator to execute a Professional Services Agreement with EMC Planning Group Inc. for a not-to-exceed fee of $239,145 to update the General Plan Housing and Safety Elements.

On July 11, 2023, the City Council adopted Resolution 2023-074 authorizing the City Administrator to execute Amendment No. 1 to the Professional Services Agreement that increases the not-to-exceed contract amount by $40,455, from $239,145 to $279,600.

ATTACHMENTS:

Attachment 1) Resolution 2024-011
Attachment 2) EMC Planning Group, Inc.- Request for Contract Amendment # 3

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

RESOLUTION NO. 2024-011

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE AN AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT NO. PBD-EMC-037-22-23 WITH EMC PLANNING GROUP, INC. TO PREPARE RESPONSES TO COMMENTS PROVIDED BY THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT ON THE 6TH CYCLE 2023-2031 HOUSING ELEMENT UPDATE FOR A NOT-TO-EXCEED AMOUNT OF $92,331 INCREASING THE TOTAL CONTRACT COST TO $371,931

WHEREAS, on February 7, 2023, the City Council adopted Resolution 2023-024 authorizing the City Administrator to execute a Professional Services Agreement with EMC Planning Group Inc. for a not-to-exceed fee of $239,145 to update the General Plan Housing and Safety Elements; and

WHEREAS, on July 11, 2023, the City Council adopted Resolution 2023-074 authorizing the City Administrator to execute Amendment #1 to the Professional Services Agreement to complete the required environmental review for a not-to-exceed amount of $40,455, increasing the total contract cost to $279,00, and

WHEREAS, on August 3, 2023, the City submitted the 6th cycle 2023-2031 Housing Element update to the Department of Housing and Community Development (HCD) for review; and

WHEREAS, on November 1, 2023, the City received a comment letter from HCD outlining necessary revisions for the housing element to be in substantial compliance with state law; and

WHEREAS, EMC Planning Group, Inc. has provided a proposal to complete the responses to HCD's comments for a not-to-exceed amount of $92,331, increasing the total contract cost to $371,931; and

WHEREAS, the Carmel Municipal Code requires the Council to approve contracts with a value of $25,000 or more by Resolution; and

WHEREAS, in 2019 and 2020, the City received three grant awards totaling $290,000 to assist with the cost of updating the Housing Element: SB2 ($160,000), LEAP ($65,000), and REAP ($65,000); and

WHEREAS, the project will be funded by SB2, LEAP, and REAP grants and contract services in the Community Planning & Building Department budget.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

Authorize the City Administrator to execute an amendment to Professional Services Agreement No. PBD-EMC-037-22-23 with EMC Planning Group Inc. for a not-to-exceed amount of $92,331, increasing the total contract cost to $371,931.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 9th day of JANUARY, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dave Potter
Mayor

ATTEST:

Nova Romero, MMC
City Clerk

Planning for Success.

December 4, 2023

Brandon Swanson
Community Planning and Building Director
City of Carmel-by-the-Sea
City Hall
Carmel-by-the-Sea, CA 93921

Re: Carmel-by-the-Sea 6th Cycle Housing Element (2023-2031) Request for Contract Amendment #3

Dear Brandon,

This is a request to amend the existing scope and budget for the 6th Cycle Housing Element Update (2023-2031) project. With this scope and budget amendment, the EMC Planning Group team will make revisions to the draft housing element in response to Housing and Community Development (HCD) comments, which the City received on November 1, 2023.

Completion of Work to Date

In coordination with City staff, EMC Planning Group facilitated and supported City staff at public meetings to inform the community on the status of the 6th Cycle Housing Element Update. EMC Planning Group facilitated additional outreach efforts including, the development of a dedicated housing element update website (https://homecarmelbythesea.com/), stakeholder survey, and promotional outreach materials.

On June 5, 2023, EMC Planning Group published the Initial Public Review Draft Housing Element for a 30-day public review period, which ended on July 6, 2023. Throughout this period, EMC Planning Group and City staff reviewed public comments and developed responses.

EMC PLANNING GROUP INC.
A LAND USE PLANNING & DESIGN FIRM
601 Abrego Street, Monterey, CA 93940 Tel 831·649·1799 Fax 831·649·8399
www.emcplanning.com

On July 11, 2023, the City Council discussed revisions to the draft housing element following the 30-day public comment period, and provided policy direction. Per the direction of City staff and the City Council, EMC Planning Group revised the draft housing element. Revisions to the draft addressed public comments and responses to the stakeholder survey. On August 3, 2023, the Initial Draft Housing Element was submitted to HCD for a 90-day review.

City staff conducted a mid-cycle review with HCD reviewers on September 15, 2023. On November 16, 2023, EMC Planning Group and City staff reviewed the HCD review letter to determine next steps. EMC Planning Group facilitated a meeting with HCD reviewers the following day on November 17, 2023. This meeting was held to gain clarity for specific comments in the November 1, 2023 HCD review letter.

HCD Requested Revisions for the Housing Element Update

EMC Planning Group will continue to work with City staff, and community stakeholders in making the necessary revisions responsive to the November 1, 2023 HCD review letter. This effort includes one (1) set of revisions and follows the Initial Draft Housing Element submitted to HCD on August 3, 2023.

Scope

Amendments to the current scope are intended to address Tasks 1–3. The following outlines the proposed revised scope of work according to task. Please note, the scope and budget included with this contract amendment is based on the following assumptions:

- Certain items identified in the Tasks require City staff knowledge and access to resources. EMC Planning Group staff will work in partnership with City staff in order to avoid redundancies and expedite revisions;
- No more than ten (10) written public comment letters would be received during the seven-day public review period for the HCD Draft #2, and these letters would not raise new issues that require additional analysis. Any additional written public comments may require a contract amendment;
- City staff would conduct all required distribution, publication, and noticing tasks associated with release of the HCD Draft #2, publication of notices in a local newspaper, public hearing notices;
- City staff will provide all internal comments on the HCD Draft #2 in one consolidated set of comments (electronically); and,
- City staff will coordinate with EMC Planning Group to permit EMC staff to submit HCD Draft #2.

Task 1 – Project Management and Coordination

This task includes project management and covers communication and coordination between the EMC Planning Group team, City staff, and HCD. It includes meetings, phone conferences, email exchanges, and other communications and submission of the final HCD Draft #2.

Deliverables:

- Attendance at up to two (2) one-hour meetings with HCD reviewers including meeting preparation;
- Attendance at up to four (4) one-hour meetings with City staff, including meeting preparation; and
- Management and coordination of the submittal of the Final HCD Draft #2 to HCD, both hard copy and electronically; and,
- Coordination with the City team and internal team.

Task 2 – Community Outreach and Engagement

To complete this task, EMC Planning Group will do the following:

- Develop property owner outreach forms for the City to distribute to property owners to determine development interest; and
- Maintaining the dedicated housing element update website https://homecarmelbythesea.com/ to meet AB 215 requirements including:
  - Seven-day public noticing requirement for revisions to the draft housing element prior to HCD resubmittal; and
  - Posting the HCD Revised Draft Housing Element online at https://homecarmelbythesea.com/.

Deliverables:

- One (1) property owner outreach form in electronic PDF format; and
- Update housing element website, https://homecarmelbythesea.com/.

Task 3 – Revisions to the Housing Element Per November 1, 2023 HCD Review Letter

To complete this task, EMC Planning Group will revise the draft housing element and submit two (2) informal partial submissions to HCD reviewers according to the topics identified in the November 1, 2023 HCD review letter. EMC Planning Group will work with City staff to identify the items to submit for an informal review.

Specifically, EMC Planning Group will be responsible for the following in response to the HCD Review Letter:

A. Housing Needs, Resources, and Constraints

1. Affirmatively Furthering Fair Housing;
2. Special Housing Needs with support from City staff;
3. Sites Inventory
    - Realistic Capacity, with support from the City;
    - Suitability of Nonvacant Sites, with support from the City in gathering data; and resources provided by the City's subconsultant, ECONorthWest;
    - Alternative Adequate Sites, with support from the City;
    - Zoning for Lower-Income Households, with support from the City;
    - Infrastructure;
    - Zoning for a Variety of Housing Types.
4. Governmental and Non-Governmental Constraints.

B. Housing Programs

1. Schedule of Actions and Discrete Timing for Implementation
    - Program 3.1A, with support from the City;
    - Program 3.3D, with support from the City;
2. Identify Actions to Make Sites Available During Planning Period
    - Shortfall of Sites to Accommodate the Lower-Income RHNA (This item is being reviewed by HCD staff as of 11/17/23);
    - Minimum Densities;
    - City-Owned Sites, with support from the City.
3. Address and as Possible, Remove Governmental and Non-Governmental Constraints
    - Revise or Add Programs to Address/Remove Identified Constraints, with support from the City.
4. Promote and Affirmatively Further Fair Housing Opportunities, with support from the City.

Deliverables assumes a revised copy sent to HCD on or before January 24, 2024 as outlined in the timeline below:

- Two (2) informal partial submissions to HCD in response to the November 1, 2023 HCD review letter;
- One (1) revised draft posted on the City's website for a seven-day public review period;
- One (1) revision based on comments received during the seven-day public review period (assuming up to 10 written comments);

- One (1) Revised Draft Housing Element – clean version in electronic PDF format and one (1) hard copy;
- One (1) Revised Draft Housing Element – track changes version in electronic PDF format;
- One (1) Revised HCD Site Inventory Table in electronic Excel format (if necessary);
- One (1) Revisions Matrix detailing responses to HCD comments;
- One (1) Re-submittal Cover Letter in electronic PDF format;

Task 4 –Safety Element

Complete preparation of Safety Element updates/revisions per scope of services in contract executed on February 7, 2023.

Task 5 – CEQA

Complete preparation of CEQA documentation per scope of services in contract executed on February 7, 2023 and amended on July 11, 2023.

Timeline

The timeline for the scope of revisions to the housing element is contingent on the timeliness of HCD to respond to revisions. It is also understood that the City is waiting for further clarification from HCD on the following items which could affect the timeline:

- Program 3.1.G and minimum density of 33 dua/ac. Particularly the fact that commercial uses are permitted and a single-story commercial use could be proposed.

- Water issues in Carmel-by-the-Sea. City's control is limited to small scale programs and allocation priority.

- Use of SB 10 for Site 10 (Carmel Foundation) and Site 11 (American Legion). These properties are both owned by service providers therefore reasonable to use SB 10.

The following table presents an anticipated timeframe to complete the aforementioned revisions to the housing element. Please note the timeline anticipates a timely execution of amendment #3 and may be impacted if the amendment is authorized after funds in the existing contract are expended.

Task		Timeframe
Task 1	Project Management and Coordination	Ongoing throughout the project
Task 2	Community Outreach and Engagement	December 2023 – January 24, 2024
Task 3	HCD Housing Element Draft #2 (Response to HCD letter, republish draft and submit to HCD)	December 2023 –January 24, 2024

Budget

A spreadsheet is attached presenting the budget for the process. The following table provides an overview of the contract, including this contract amendment request.

Contract Overview	
Current Contract (including contingency)	$239,145
Amendment #1	$40,455
Amendment #2 (time extension)	$0.00
Subtotal	$279,600
Amendment #3 (including contingency)	***$92,331***
Total New Contract Amount After Approval of this Amendment	**$371,931**

We look forward to continue to work with you and City staff on this important planning effort. Please let me know if you have any questions.

Sincerely,

Michael Groves, AICP
Senior Principal

Cc: Anastazia Aziz, AICP

Carmel-by-the-Sea Housing Element Update (6th Cycle) HCD Revisions

Task	EMC Planning Group Inc.							
	Senior Principal	Principal	Associate Planner	Graphics	Desktop Publisher	Admin/Production		
Staff	Michael Groves	Anastazia Aziz Martin Carver	Kailon Thompson & Kylie Pope	Matt Papurello	Kristina Arden	Tiffany Robinson	**Total Hours**	**Total Cost**
Billing Rate (Per Hour)	$295.00	$275.00	$175.00	$140.00	$150.00	$125.00		
Task 1 - Project Management and Coordination	7.0	12.0	18.0	0.0	4.0	5.0	56.0	$11,140.00
Task 2 - Community Outreach and Engagement	0.0	4.0	9.0	0.0	2.0	0.0	20.0	$3,675.00
Task 3 - HCD Revisions to Housing Element	4.0	25.0	85.0	12.0	4.0	17.0	212.0	$36,435.00
Task 4 - Safety Element								$19,920.00
Task 5 - CEQA								$4,463.00
Subtotal (Hours)	11.0	41.0	112.0	12.0	10.0	22.0	**Total Hours**	**Total Cost**
Subtotal (Cost)	$3,245.00	$11,275.00	$19,600.00	$1,680.00	$1,500.00	$2,750.00	**288.0**	**$75,633.00**

Additional Costs	
Travel and Production Costs	$180.00
Administrative Overhead 10%	$18.00
Total	**$198.00**

Total Costs	**$75,831.00**

Contingency Fees*	
Contingency Fees*	$15,000.00
Administrative Overhead 10%	$1,500.00
Total	**$16,500.00**

*The need for subconsultant support is unknown at this time and will be determined with City Staff at a later date. This contingency is not a part of the total cost, but is strongly recommended to be approved with the contract - to allow as staff discretionary funds to be used throught the term of the contract to seek certification of the Housing Element by HCD.

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

January 9, 2024
CONSENT AGENDA

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Jane Hogan, Accountant
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2024-012 Authorizing the City Administrator to Execute a Professional Services Agreement with Visit Carmel to Serve as the Carmel Restaurant Improvement District Owners' Association

RECOMMENDATION:

Approve Resolution 2024-012 Authorizing the City Administrator to execute a Professional Services Agreement with Visit Carmel to serve as the Carmel Restaurant Improvement District Owners' Association

BACKGROUND/SUMMARY:

Background Summary:

- The Carmel Restaurant Improvement District (CRID) was initially established on January 1, 2019, for a five-year term.
- Restaurant business owners decided to pursue renewal of the CRID in order to continue a revenue source devoted to providing sales and marketing services to increase restaurant food and drink sales at assessed restaurant businesses.
- Following the CRID renewal process, on July 11, 2023, Council adopted Ordinance No. 2023-005, renewing the CRID for a term of 9 years and 6 months, starting January 1, 2024, through June 30, 2033, and adopted the CRID Management District Plan.
- Through the adoption Ordinance 2023-005, the Council determined that Visit Carmel will continue to serve as the Owners' Association for the CRID and designated to continue to implement the CRID Management District plan, as defined in Streets and Highways Code §36612.
- Passage of this Ordinance authorized the Council to contract with Visit Carmel to administer the CRID.

Recommendation:

It is recommended by staff that the City enter into an agreement with Visit Carmel to serve as the "Owners'

Association" for the CRID. As defined within State law, the "Owners' Association" is a "private nonprofit entity that is under contract with a city to administer or implement improvements, maintenance and activities specified in the management district plan."

Carmel Restaurant Improvement District Highlights: A restaurant improvement district is a special assessment district formed under California Streets and Highway Code that allows restaurant business owners to organize their collective efforts to increase restaurant sales. Specifically, as specified within the District Management Plan, the CRID will:

- Include all full service and fine dining restaurant businesses, presently existing, and those established in the future, within the City boundaries of Carmel-by-the-Sea.
- Provide sales and marketing services to increase restaurant food and drink sales of the assessed businesses within the CRID.
- Set an annual assessment rate at one quarter of one percent (.25%) of gross food and drink sales revenue, which may be increased by the CRID Management Committee to a maximum rate of one percent (1%) of gross food and drink sales revenue during the CRID's term.
- Remain in existence through the nine (9) year six (6) month duration, beginning January 1, 2024 through June 30, 2033. Once per year, beginning on the anniversary of the CRID formation, as set forth in the adopted formation resolution, there is a thirty (30) day period in which business owners paying fifty percent or more of the assessment may submit a written petition requesting the disestablishment of the district.
- Have an estimated annual budget of $240,000 for the nine year and six month term if maximum assessment rates are not adopted.

In addition, the City will be responsible for:

- Collecting the assessment on a quarterly basis from each restaurant business located within the CRID boundaries. The City shall be paid a fee equal to two percent (2%) of the amount of assessment collected to offset its cost of collection and administration.
- Forwarding the assessments to Visit Carmel, which will serve as the Owners' Association as required by State law, and have the responsibility of managing CRID programs as provided in the Management District Plan.

The Visit Carmel Board will:

- Support a CRID Management Committee tasked with managing funds and implementing programs in accordance with the Management District Plan.

FISCAL IMPACT:

The City will receive an annual fee of two percent (2%) of the amount collected (currently estimated to be $5,595 for fiscal year 2023-24) to cover its costs of administration.

PRIOR CITY COUNCIL ACTION:

On October 2, 2018, Council approved Resolution No. 2018-107-2 Authorizing the City Administrator to

execute a Professional Services Agreement with Visit Carmel to serve as the Carmel Restaurant Improvement District Owners' Association.

On July 11, 2023, Council passed Ordinance 2023-005 renewing the Carmel Restaurant Improvement District (CRID) for a term of nine (9) years and six (6) months, beginning January 1, 2024 or soon as possible thereafter, and ending on June 30, 2033.

ATTACHMENTS:

Attachment 1) Resolution 2024-012
Attachment 2) PSA CRID Visit Carmel
Attachment 3) Exhibit A - CRID Management District Plan 2024-33

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

RESOLUTION NO. 2024-012

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH VISIT CARMEL TO SERVE AS THE OWNERS' ASSOCIATION FOR THE CARMEL RESTAURANT IMPROVEMENT DISTRICT FOR THE TERM OF JANUARY 1, 2024 THROUGH JUNE 30, 2033

WHEREAS, the City intends to establish the Carmel Restaurant Improvement District (CRID) under the Property and Business Improvement District Law of 1994, California Streets and Highways Code §3660; and

WHEREAS, Streets and Highways Code §36612 requires a private nonprofit entity to contract with a city to administer or implement improvements, maintenance and activities specified in the management district plan; and

WHEREAS, Visit Carmel serves as the Owners' Association for the Carmel Hospitality Improvement District and is qualified to serve in this capacity for the Carmel Restaurant Improvement District as well; and

WHEREAS, the CRID will have a nine-year six-month duration, commencing on January 1, 2024 and terminating on June 30, 2033.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY FINDS AND ORDERS THE FOLLOWING:

Authorize the City Administrator to execute a professional services agreement with Visit Carmel to serve as the Owners' Association for the Carmel Restaurant Improvement District from January 1, 2024 and terminating on June 30, 2033.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 9th day of January, 2024 by the following roll call vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

SIGNED: ATTEST:

Dave Potter, Mayor

Nova Romero, City Clerk

CITY OF CARMEL-BY-THE-SEA
PROFESSIONAL SERVICES AGREEMENT
Visit Carmel – Carmel Restaurant Improvement District Owner's Association

THIS AGREEMENT is, by and between the City of Carmel-By-The-Sea, a municipal corporation, (hereinafter "City"), and Visit Carmel, (hereinafter "Consultant"), collectively referred to herein as the "parties" and shall be effective on January 9, 2024.

WHEREAS, the City wishes to engage Consultant to perform the services required by this Agreement; and

WHEREAS, Consultant is willing to render such professional services, as hereinafter defined, on the following terms and conditions; and

WHEREAS, Consultant represents that it is trained, experienced and competent and holds all necessary licenses and certifications to perform the services required by this Agreement.

NOW, THEREFORE, in consideration of the terms and conditions herein contained, the parties hereby covenant and agree as follows:

1. SERVICES

A. **Scope of Services**. Consultant agrees to provide to the City, as the scope of services ("Scope of Services") under this Agreement, the following: Manage CRID assessment funds and implement programs in accordance with the Management District Plan, as set forth in Exhibit "A" attached hereto and incorporated herein by reference and in accordance with the California Property and Business Improvement District Law of 1994. The Scope of Services under this Agreement should include, but is not limited to, a project description, project phases, task descriptions, identification of key personnel, identification of subconsultants, their key personnel and general description of services that will be performed, as further set forth in this Agreement and attachments hereto. Consultant agrees to all of the following:

i. Consultant will furnish all of the labor, technical, administrative, professional and other personnel, all supplies and materials, equipment, printing, vehicles, transportation, office space and facilities, and all tests, testing and analyses, calculations, and all other means whatsoever, except as otherwise expressly specified in this Agreement, necessary to perform the services required of Consultant under this Agreement.

ii. Consultant must make every reasonable effort to maintain the stability and continuity of Consultant's key personnel and subcontractors, if any. Consultant must notify City and obtain City's written approval with respect of any changes in key personnel prior to the performance of any services by replacement personnel.

iii. Consultant must obtain City's prior written approval before utilizing any subcontractors to perform any services under this Agreement. This written approval must include the identity of the subcontractor and the terms of compensation.

iv. Consultant represents that it has the qualifications, experience and facilities necessary to properly perform the services required under this Agreement in a thorough, competent and professional manner. Consultant will at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described in this Agreement. In meeting its obligations under this Agreement, Consultant must employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of Consultant under this Agreement.

v. City may inspect and accept or reject any of Consultant's work under this Agreement, either during performance or when completed. Acceptance of any of Consultant's work by City will not constitute a waiver of any of the provisions of this Agreement.

vi. The Consultant must maintain any work site in the City in a safe condition, free of hazards to persons and property resulting from its operations.

B. **Change Orders**.

i. Agreements and Change Orders exceeding $59,999 require City Council approval to be valid.

ii. The City may order changes to the Scope of Services, consisting of additions, deletions, or other revisions, and the compensation to be paid Consultant will be adjusted accordingly. All such changes must be authorized in writing, and executed by Consultant and City. The cost or credit to City resulting from changes in the services will be determined by the written agreement between the parties. However, any increase in compensation beyond the compensation limit amount approved by the City Council must be authorized in advance by the City Council and any service provided by Consultant in the absence of such approval are at Consultant's sole risk.

iii. Consultant will not be compensated for any services rendered in connection with its performance of this Agreement that are in addition to or outside of those set forth in the Scope of Services or otherwise required by this Agreement, unless such additional services are authorized in advance and in writing by City.

iv. If Consultant believes that additional services are needed to complete the Scope of Services, Consultant will provide the City Administrator with written notification describing the proposed additional services, the reasons for such services, and a detailed proposal regarding cost.

C. **Familiarity with Services and Site.**

i. By executing this Agreement, Consultant represents that Consultant:

a. has thoroughly investigated and considered the Scope of Services to be performed;
b. has carefully considered how the services should be performed;
c. understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement; and

d. possesses all licenses required under local, state or federal law to perform the services contemplated by this Agreement, and will maintain all required licenses during the performance of this Agreement.

ii. If services involve work upon any site, Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, before commencing its services. Should Consultant discover any latent or unknown conditions that may materially affect the performance of services, Consultant will immediately inform City of such fact and will not proceed except at Consultant's own risk until written instructions are received from City.

2. COMPENSATION

A. **Total Fee**. Compensation is entirely funded by CRID assessments. City shall collect assessments on a quarterly basis. City shall transfer to Consultant all collected assessments, less the City collection fee of two (2) percent and any proportional enforcement costs associated with the collection of delinquent CRID assessments within thirty (30) days of receipt of all remittances from the reporting restaurant owners. Payments shall include a total balance of the CRID assessment, less any administrative collection fee and enforcement fees

B. **Reporting.** Consultant agrees to provide to City reports under this Agreement as follows:

i. Preparation of the Annual Report as required by the California Property and Business Improvement District Law of 1994, which shall include:
   a) Any recommended changes to the CRID boundaries;
   b) The improvements and activities to be provided for that fiscal year;
   c) An estimate of cost for providing the improvements and activities;
   d) The method and basis for levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his/her business for that fiscal year;
   e) The amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and
   f) The amount of any contributions to be made from sources other than assessments.

ii. Deliver the annual report to the City in the month of April, as required by the California Property and Business Improvement District Law of 1994. The annual report required by this section may include other annual reports as part of an all-inclusive report.

C. **Audit and Examination of Accounts**:

i. Consultant must keep and will cause any assignee or subconsultant under this Agreement to keep accurate books of records and accounts, in accordance with sound accounting principles, which pertain to services to be performed under this Agreement.

ii. Any audit conducted of books of records and accounts must be kept in accordance with generally accepted professional standards and guidelines for auditing.

iii. Consultant must disclose and make available any and all information, reports, books of records or accounts pertaining to this Agreement to the City and any city of the County of Monterey, or other federal, state, regional or governmental agency which provides funding for these Services.

iv. Consultant must include the requirements of Section 2F, "Audit and Examination of Accounts," in all contracts with assignees or subconsultants under this Agreement.

v. All records provided for in this Section are to be maintained and made available throughout the performance of this Agreement and for a period of not less than four (4) years after full completion of the Services. All records, which pertain to actual disputes, litigation, appeals or claims, must be maintained and made available for a period of not less than four (4) years after final resolution of such disputes, litigation, appeals or claims.

3. AGREEMENT TERM

A. **Term**. The work under this Agreement will commence by January 1, 2024 and must be completed by June 30, 2033 unless sooner terminated or the City grants an extension of time in writing pursuant to the terms of this Agreement, except for provisions in this Agreement that will survive the termination or completion of this Agreement.

B. **Timely Work**. Consultant will perform the Services under this Agreement in accordance with the following phase, task and/or milestone dates:

i. Consultant shall perform all duties incidental or necessary in executing the Management District Plan and providing annual reports to Council in a timely fashion and shall be performed diligently, completely and in accordance with professional standards of performance. Failure to so perform is hereby deemed a material breach of this Agreement and City may terminate this agreement with no further liability hereunder.

4. REPRESENTATIVES AND COMMUNICATIONS

A. **City's Project Representative.** The City appoints the individual named below as the City's Project Representative for the purposes of this Agreement ("City's Project Representative"). The City may unilaterally change its project representative upon notice to Consultant.

Name:	Chip Rerig
Title:	City Administrator
Address:	P.O. Box CC, Carmel-by-the-Sea, CA 93921
Telephone:	831-620-2000
Email:	crerig@ci.carmel.ca.us

B. **Consultant's Project Manager.** Consultant appoints the person named below as its Project Manager for the purposes of this Agreement ("Consultant's Project Manager").

Name: Amy Herzog
Title: Executive Director
Company: Visit Carmel
Address: P.O. Box 3921, Carmel-by-the-Sea, CA 93921
Telephone: 831-238-1849
Email: amy.herzog@carmelcalifornia.com

C. **Meet and Confer**. Consultant agrees to meet and confer with the City's Project Representative, its agents or employees with regard to Services as may be required by the City to insure timely and adequate performance of this Agreement.

D. **Communications and Notices**. All communications between the City and Consultant regarding this Agreement, including performance of Services, will be between the City's Project Representative and Consultant's Project Manager. Any notice, report, or other document that either party may be required or may wish to give to the other must be in writing and will be validly given to and received by the addressee, if delivered personally, on the date of such personal delivery, if delivered by email, on the date of transmission, or if by mail, seven (7) calendar days after posting.

5. **INDEMNIFICATION**

Consultant hereby agrees to the following indemnification clause:

To the fullest extent permitted by law (including, without limitation, California Civil Code Sections 2782 and 2782.6), Consultant will defend (with legal counsel reasonably acceptable to the City), indemnify and hold harmless the City and its officers, designated agents, departments, officials, representatives and employees (collectively "Indemnitees") from and against claims, loss, cost, damage, injury expense and liability (including incidental and consequential damages, Court costs, reasonable attorneys' fees as may be determined by the Court, litigation expenses and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation) to the extent they arise out of, pertain to, or relate to, the negligence, recklessness, or willful misconduct of Consultant, any subconsultant or subcontractor, anyone directly or indirectly employed by them, or anyone that they control (collectively "Liabilities"). Such obligations to defend, hold harmless and indemnify any Indemnitee will not apply to the extent that such Liabilities are caused in part by the active negligence or willful misconduct of such Indemnitee.

Notwithstanding the provisions of the above paragraph, Consultant agrees to indemnify and hold harmless the City from and against all claims, demands, defense costs, liability, expense, or damages arising out of or in connection with damage to or loss of any property belonging to Consultant or Consultant's employees, subconsultants, representatives, patrons, guests or invitees.

In no event will the obligation of the Consultant exceed the limitations on the duty to defend and indemnify as set forth in Civil Code Sections 2782, 2782.6, and 2782.8.

6. **INSURANCE**

Consultant must submit and maintain in full force all insurance as described herein. Without altering or limiting Consultant's duty to indemnify, Consultant must maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

A. Commercial General Liability Insurance including but not limited to premises, personal injuries, bodily injuries, property damage, products, and completed operations, with a combined single limit of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate.

B. Professional Liability Insurance with limits of not less than $1,000,000 per occurrence or claim and $2,000,000 in the aggregate. Consultant will have a policy for professional liability coverage that provides coverage on an occurrence basis or obtain extended reporting (tail) coverage (with the same liability limits) for at least three years following the City's acceptance of the work.

C. Automobile Liability Insurance covering all automobiles, including owned, leased, non-owned, and hired automobiles, used in providing Services under this Agreement, with a combined single limit of not less than $1,000,000 per occurrence.

D. Workers' Compensation Insurance. If Consultant employs others in the performance of this Agreement, Consultant must maintain Workers' Compensation insurance in accordance with California Labor Code section 3700 and with a minimum of $1,000,000 per occurrence.

E. Other Insurance Requirements:

i. All insurance required under this Agreement must be written by an insurance company either:

a. admitted to do business in California with a current A.M. Best rating of no less than A:VI; or
b. an insurance company with a current A.M. Best rating of no less than A:VII. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

ii. Each insurance policy required by this Agreement may not be canceled, except with prior written notice to the City.

iii. All liability and auto policies must:

a. Provide an endorsement naming the City of Carmel-by-the-Sea, its officers, officials, employees, and volunteers as additional insureds. General liability coverage can be provided in the form of an endorsement to the Consultant’s insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 23 37 forms if later revisions used).

b. Provide that such Consultant’s insurance is primary as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance

maintained by the City is excess to the Consultant's insurance and will not contribute with it.

c. Contain a "Separation of Insureds" provision substantially equivalent to that used in the ISO form CG 00 01 10 01 or their equivalent.

d. Provide for a waiver of any subrogation rights against the City via an ISO CG 24 01 10 93 or its equivalent.

iv. Prior to the start of work under this Agreement, Consultant will file certificates of insurance and endorsements evidencing the coverage required by this Agreement with the City. Consultant will file a new or amended certificate of insurance promptly after any change is made in any insurance policy which would alter the information on the certificate then on file.

v. Neither the insurance requirements hereunder, nor acceptance or approval of Consultant's insurance, nor whether any claims are covered under any insurance, may in any way modify or change Consultant's obligations under the indemnification clause in this Agreement, which will continue in full force and effect. All coverage available to the Consultant as named insured will also be available and applicable to the additional insured. Notwithstanding these insurance requirements, Consultant is financially liable for its indemnity obligations under this Agreement.

vi. All policies must be written on a first dollar coverage basis or contain a deductible provision. Any deductibles or self-insured retentions ("SIR") must be declared to and approved by the City. At the option of the City, either: the insured will reduce or eliminate such deductibles or SIR as respects the City, its officers, officials, employees and volunteers; or Consultant will provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. In no event will any SIR or insurance policy contain language, whether added by endorsement or contained in the policy conditions, that prohibits satisfaction of any self-insured provision or requirement by anyone other than the named insured, or by any means including other insurance, or which is intended to defeat the intent or protection of an additional insured.

vii. City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

viii. Consultant must require and verify that all subconsultants and subcontractors maintain insurance meeting all the requirements in this Agreement.

ix. If Consultant, for any reason, fails to have in place at all times during the term of this Agreement all of the required insurance coverage, the City may, but is not obligated to, obtain such coverage at Consultant's expense and deduct the cost from the sums due Consultant. Alternatively, City may terminate the Agreement.

x. The existence of the required insurance coverage under this Agreement will not be deemed to satisfy or limit Consultant's indemnity obligations under this Agreement. Consultant acknowledges that the insurance coverage and policy limits set forth in this Agreement constitute the minimum coverage and policy limits required. Should any coverage carried by the Consultant or any subcontractor of any tier have limits of liability that exceed the limits or have broader coverage than required in this Agreement, those higher limits and that broader coverage are deemed to apply for the benefit of any person or organization included as an additional insured and those limits and broader coverage will become the required minimum limits and insurance coverage in all sections of this Agreement. Any insurance proceeds available to City in excess of the limits and coverages required by this Agreement, and which is applicable to a given loss, must be made available to City to compensate it for such losses.

xi. Consultant must give City prompt notice of claims made of lawsuits initiated that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability insurance policies.

xii. The Consultant hereby waives any right of subrogation that any of its insurers may have or that they may accrue out of the payment of any claim related to the Consultant's performance of this Agreement, regardless of whether any endorsements required by this section are obtained.

7. PERFORMANCE STANDARDS

A. Consultant warrants that Consultant and Consultant's agents, employees, and subconsultants performing Services under this Agreement are specially trained, experienced, and competent and have the degree of specialized expertise contemplated within California Government Code Section 37103, and further, are appropriately licensed to perform the work and deliver the Services required under this Agreement.

B. Consultant, its agents, employees, and subconsultants must perform all Services in a safe and skillful manner consistent with the usual and customary standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields in accordance with sound professional practices. All work product of Consultant must comply with all applicable laws, rules, regulations, ordinances and codes. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and will advise City of any changes in any laws that may affect Consultant's performance of this Agreement. All Services performed under this Agreement that are required by law to be performed or supervised by licensed personnel must be performed in accordance with such licensing requirements.

C. Consultant must furnish, at its own expense, all materials, equipment and personnel necessary to carry out the terms of this Agreement. Consultant may not use the City premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

D. Consultant agrees to perform all work under this Agreement to the satisfaction of City and as specified herein. The City's Project Representative or his or her designee will evaluate the work.

If the quality of work is not satisfactory, City in its discretion may meet with Consultant to review the quality of work and resolve the matters of concern, and may require Consultant to repeat the work at no additional fee until it is satisfactory.

8. CITY INFORMATION AND RESOURCES

A. **Available Information.** The City will make available to Consultant all relevant information, plans, maps, reports, specifications, standards and pertinent data which is in the hands of the City and is required by Consultant to perform the Services. Consultant may rely upon the accuracy and completeness of such information and data furnished by the City, except where it is stated otherwise or unreasonable.

B. **City Resources.** The City acknowledges that Consultant's ability to provide the Services in accordance with this Agreement may be dependent on the City providing available information and resources in a prompt and timely manner as reasonably required by Consultant. To the extent that the City fails to provide City resources, Consultant will not be liable for any resulting delay in the Services or failure to meet the Project Schedule, but in no event will such delay or failure to provide City resources constitute a breach of this Agreement by the City, nor will Consultant be entitled to extra compensation for same. Consultant's sole remedy shall be an extension of time to complete the Scope of Services.

C. **Obligations of Consultant.** No reviews, approvals, or inspections carried out or supplied by the City will derogate from the duties and obligations of Consultant, and all responsibility related to performance of the Services will be and remain with Consultant.

9. OWNERSHIP AND USE OF MATERIALS

A. **Ownership of the Materials.** All data, studies, reports, calculations, field notes, sketches, designs, drawings, plans, specifications, cost estimates, manuals, correspondence, agendas, minutes, notes, audio-visual materials, photographs, models, software data, computer software (if purchased on the City's behalf) and other documents or products produced by Consultant under this Agreement (collectively, "the Materials") are and will remain the property of the City even though Consultant or another party may have physical possession of them or a portion thereof. Consultant hereby waives, in favor of the City, any moral rights Consultant, its employees, subconsultants, vendors, successors or assignees may have in the Materials.

B. **No Patent or Copyright Infringement.** Consultant guarantees that in its creation of the Materials produced under this Agreement, no federal or state patent or copyright laws were violated. Consultant agrees that all copyrights, which arise from creation of the work or Services pursuant to this Agreement, will be vested in the City and waives and relinquishes all claims to copyright or intellectual property rights in favor of the City. Consultant covenants that it will defend, indemnify and hold City harmless from any claim or legal action brought against the City for alleged infringement of any patent or copyright related to City's use of Materials produced by Consultant and its employees, agents and subconsultants under this Agreement.

C. **Delivery and Use of the Materials.** All Materials will be transferred and delivered by Consultant to the City without further compensation following the expiration or sooner termination of this

Agreement, provided that the City may, at any time prior to the expiration or earlier termination of this Agreement, give written notice to Consultant requesting delivery by Consultant to the City of all or any part of the Materials in which event Consultant must forthwith comply with such request. The Materials created electronically must be submitted in a format and medium acceptable to the City. The Materials may be used by the City in any manner for the intended purpose or as part of its operations associated with the Materials.

D. **Survival of Ownership and Use Provisions.** The provisions contained in Section 10, Ownership and Use of Materials survives the expiration or earlier termination of this Agreement, and that this Section is severable for such purpose.

E. **Additional Copies**. If the City requires additional copies of reports, or any other material that Consultant is required to furnish as part of the Services under this Agreement, Consultant must provide such additional copies, and the City will compensate Consultant for the actual costs related to the production of such copies by Consultant.

10. CONFIDENTIALITY

A. **No Disclosure.** Consultant must keep confidential and may not disclose, publish or release any information, data, or confidential information of the City to any person other than representatives of the City duly designated for that purpose in writing by the City. Consultant may not use for Consultant's own purposes, or for any purpose other than those of the City, any information, data, or confidential information Consultant may acquire as a result of the performance of the Services under this Agreement. Consultant must promptly transmit to the City any and all requests for disclosure of any such confidential information or records. The obligations under this Section will survive the expiration or earlier termination of this Agreement.

B. **California Public Records Act.** Consultant acknowledges that the City is subject to the California Public Records Act (Government Code Section 6250 et seq.), known as the "PRA," and agrees to any disclosure of information by the City as required by law. Consultant further acknowledges that it may have access to personal information as defined under the PRA, and Consultant will not use any such personal information for any purposes other than for the performance of Services under this Agreement without the advance written approval of the City.

All Scopes of Services and related documents received will be public records, with the exception of those elements, identified by the Consultant as business trade secrets and are plainly marked "Trade Secret," "Confidential," or "Proprietary." If disclosure is required under the PRA or otherwise by law, the City will not be liable or responsible for the disclosure of any such records and the Consultant will indemnify, defend, and hold the City harmless for any such disclosure.

11. CONFLICT OF INTEREST

Consultant covenants that neither Consultant, nor any officer, principal or employee of its firm, has or will acquire any interest, directly or indirectly, that would conflict in any manner with the interests of City relating to this Agreement or that would in any way hinder Consultant's performance of services under this Agreement. Consultant's attention is directed to the conflict of interest rules

applicable to governmental decision-making contained in the Political Reform Act (California Government Code Section 87100 and following) and its implementing regulations (California Code of Regulations, Title 2, Section 18700 et seq.), and California Government Code section 1090.

Consultant is required to file a Form 700 in compliance with the City's Conflict of Interest Code unless a written determination by the City Administrator is made modifying or eliminating said requirement, or unless otherwise exempted by law.

In addition, Consultant, Consultant's employees, and subconsultants agree as follows:

A. That they will conduct their duties related to this Agreement with impartiality, and must, if they exercise discretionary authority over others in the course of those duties, disqualify themselves from dealing with anyone with whom a relationship between them could bring the impartiality of Consultant or its employees into question;

B. May not influence, seek to influence, or otherwise take part in a decision of the City knowing that the decision may further their private interests;

C. May not accept any commission, discount, allowance, payment, gift, or other benefit connected, directly or indirectly, with the performance of Services related to this Agreement, that causes, or would appear to cause, a conflict of interest;

D. May have no financial interest in the business of a third party that causes, or would appear to cause, a conflict of interest in connection with the performance of the Services related to this Agreement, and if such financial interest is acquired during the term of this Agreement, Consultant must promptly declare it to the City, and;

E. May not, during the term of this Agreement, perform a service for, or provide advice to, any person, firm, or corporation, which gives rise to a conflict of interest between the obligations of Consultant under this Agreement and the obligations of Consultant to such other person, firm or corporation.

12. DISPUTE RESOLUTION

A. **Dispute Resolution Procedures.** The parties will make reasonable efforts to promptly resolve any dispute, claim, or controversy arising out of or related to this Agreement ("Dispute") using the Dispute Resolution Procedures set forth in this Section.

B. **Negotiations.** First, the City's Project Representative and Consultant's Project Manager will make reasonable efforts to resolve any Dispute by amicable negotiations and will provide frank, candid, and timely disclosure of all relevant facts, information, and documents to facilitate negotiations. Should these negotiations be unsuccessful in resolving the Dispute, the matter will be promptly referred to the City Administrator or designee, and the Consultant's Principal, who will meet and confer, in good faith, to resolve the Dispute to mutual satisfaction of the parties.

C. **Mediation.** If all or any portion of a Dispute cannot be resolved by good faith negotiations as set forth above within thirty (30) days of the date that the matter was referred to the City

Administrator pursuant to subsection B above, either party may, by notice to the other party, submit the Dispute for formal mediation to a mediator selected mutually by the parties from the Monterey Superior Court's Court-Directed Mediator Panel list. The duration of any such mediation may not exceed 2 hours unless otherwise agreed to by the parties. The cost of the mediation (including fees of mediators) will be borne equally by the parties, and each party will bear its own costs of participating in mediation. The mediation will take place within or in close proximity to the City of Carmel-by-the-Sea.

In any mediation conducted pursuant to this section, the provisions of California Evidence Code section 1152 will be applicable to limit the admissibility of evidence disclosed by the parties in the course of the mediation. In the event the parties are unsuccessful in resolving the dispute through the mediation process, then the parties agree that the dispute will be submitted to Binding Arbitration to a single Arbitrator in accordance with the existing Rules of Practice and Procedure of the Judicial Arbitration and Mediation Services, Inc. (JAMS) within thirty (30) days of the close of mediation as declared by the mediator.

D. **Arbitration.** The submission to Mediation and Arbitration in accordance with the requirements of this section of any and all agreements, differences, or controversies that may arise hereunder is made a condition precedent to the institution of any action or appeal at law or in equity with respect to the controversy involved. The award by the arbitrator will have the same force and effect and may be filed and entered, as a judgment of the Superior Court of the State of California and is subject to appellate review upon the same terms and conditions as the law permits for judgments of Superior Courts. A "Prevailing Party" will be determined in the Arbitration, and the prevailing party will be entitled to reasonable attorney's fees and costs incurred, and accrued interest on any unpaid balance that may be due. Costs will include the cost of any expert employed in the preparation or presentation of any evidence. All costs incurred and reasonable attorney fees will be considered costs recoverable in that proceeding, and be included in any award.

13. TERMINATION OF AGREEMENT

A. **Termination for Cause or Default.** The City reserves the right to immediately terminate this Agreement, in whole or in part, if Consultant or any subconsultant defaults or fails to deliver the Services in accordance with the terms and conditions of this Agreement. Such termination must be in writing, setting forth the effective date of termination, and will not result in any penalty or other charges to the City, and may be issued without any prior notice. Without limitation, Consultant is in default of its obligations contained in this Agreement if Consultant, or any subconsultant:

i. Fails to perform the required Services within the term and/or in the manner provided under this Agreement;

ii. Fails to supply sufficient, properly skilled workers or proper workmanship, products, material, tools and equipment to perform the Services;

iii. Fails to observe or comply with all laws, ordinances, including all requirements of governmental or quasi-governmental authorities, including federal, state, and local

government enactments, bylaws, and other regulations now or, following the date of this Agreement, in force that pertain to;

iv. Fails to observe or comply with the City's reasonable instructions;

v. Breaches the Conflict of Interest provisions of this Agreement; or

vi. Otherwise violates any provision of this Agreement.

B. **Termination for Convenience.** The City may, at its option and sole discretion, terminate this Agreement, in whole or in part, with or without cause, at any time during the Agreement Term for the convenience of the City, upon ten (10) days written notice to the Consultant.

C. **Steps after Termination:**

i. Upon termination of this Agreement by the City for any reason, the City will pay Consultant for satisfactorily performed Services and disbursements incurred by Consultant to the date of termination pursuant to this Agreement, less any amounts necessary to compensate the City for damages or costs incurred by the City arising from Consultant's default. Termination will be without prejudice to any other rights or remedies the City may have.

ii. Upon receipt of written notice of termination of this Agreement by the City for any reason, Consultant must:

a. Promptly cease all Services, including Services provided by any subconsultant, unless otherwise directed by the City; and

b. Deliver to the City all the Materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement. Such Materials are to be delivered to the City in completed form; however, notwithstanding the provisions of Section 10, Ownership and Use of Materials, herein, the City may condition payment for services rendered to the date of termination upon Consultant's delivery to the City of such Materials.

iii. If this Agreement is terminated by the City for any reason, the City is hereby expressly permitted to assume the projects and Services, and to complete them by any means including, but not limited to, an agreement with another party.

14. LEGAL ACTION / VENUE

A. Should either party to this Agreement bring legal action against the other, the validity, interpretation and performance of this Agreement will be controlled by and construed under the laws of the State of California, excluding California's choice of law rules.

B. Venue for any such action relating to this Agreement will be in Monterey County.

C. If any legal action or proceeding, including action for declaratory relief, is brought for the enforcement of this Agreement or because of an alleged dispute, breach, default or misrepresentation in connection with this Agreement, the prevailing party may recover reasonable attorneys' fees as may be determined by the Arbitrator, experts' fees, and other costs, in addition to any other relief to which the party may be entitled.

15. MISCELLANEOUS PROVISIONS

A. **Non-discrimination**. During the performance of this Agreement, Consultant, and its subconsultants, may not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age, or sexual orientation, either in Consultant's employment practices or in the furnishing of services to recipients. Consultant further acknowledges that harassment in the workplace is not permitted in any form, and will take all necessary actions to prevent such conduct.

B. **Acceptance of Services Not a Release**. Acceptance by the City of the Services to be performed under this Agreement does not operate as a release of Consultant from professional responsibility for the Services performed.

C. **Force Majeure**. Either party is absolved from its obligation under this Agreement when and to the extent that performance is delayed or prevented, and in the City's case, when and to the extent that its need for vehicles, materials, or Services to be supplied hereunder are reduced or eliminated by any course, except financial, for reasons beyond its control. Such reasons include, but are not limited to: earthquake, flood, epidemic, fire, explosion, war, civil disorder, act of God or of the public enemy, act of federal, state or local government, or delay in transportation to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

D. **Headings**. The headings do not govern, limit, modify, or in any manner affect the scope, meaning or intent of the provisions of this Agreement. The headings are for convenience only.

E. **Entire Agreement**. This Agreement, including the Exhibits attached hereto, constitutes the entire agreement between the parties hereto with respect to the terms, conditions, and Services and supersedes any and all prior proposals, understandings, communications, representations and agreements, whether oral or written, relating to the subject matter thereof pursuant to Section 1B, "Change Order of Services." Any Change Order to this Agreement will be effective only if it is in writing signed by both parties hereto and will prevail over any other provision of this Agreement in the event of inconsistency between them.

F. **Conflict between Agreement and Exhibits**. In the event of a conflict between a provision in this Agreement and a provision in an Exhibit attached to this Agreement, the provisions in this Agreement will take precedence.

G. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, and may be signed in counterparts, but all of which together will constitute one and the same Agreement.

H. **Multiple Copies of Agreement**. Multiple copies of this Agreement may be executed, but the parties agree that the Agreement on file in the office of the City's City Clerk is the version of the Agreement that governs should any difference exist among counterparts of this Agreement.

I. **Authority**. Any individual executing this Agreement on behalf of the City or Consultant represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

J. **Severability**. If any of the provisions contained in this Agreement are held illegal, invalid or unenforceable, the enforceability of the remaining provisions will not be impaired thereby. Limitations of liability and indemnities will survive termination of the Agreement for any cause. If a part of the Agreement is valid, all valid parts that are severable from the invalid part remain in effect. If a part of this Agreement is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

K. **Non-exclusive Agreement**. This Agreement is non-exclusive and both the City and Consultant expressly reserve the right to enter into agreements with other Consultants for the same or similar services, or may have its own employees perform the same or similar services.

L. **Assignment of Interest**. The duties under this Agreement are not assignable, delegable, or transferable without the prior written consent of the City. Any such purported assignment, delegation, or transfer constitutes a material breach of this Agreement upon which the City may terminate this Agreement and be entitled to damages.

M. **City Business License**. Prior to receiving a Notice to Proceed from the City, Consultant will obtain and maintain a valid City of Carmel-by-the-Sea Business License for the duration of the Agreement. Costs associated with the license are the responsibility of Consultant.

N. **Laws**. Consultant agrees that in the performance of this Agreement it will comply with all applicable federal, state and local laws and regulations. This Agreement will be governed by and construed in accordance with the laws of the State of California and the City of Carmel-by-the-Sea.

IN WITNESS WHEREOF, the parties enter into this Agreement hereto on the day and year first above written in Carmel-by-the-Sea, California.

CITY OF CARMEL-BY-THE-SEA

_____
City Administrator

_____
Printed Name Date

CONSULTANT

_____
Consultant Signature

_____
Printed Name Date

_____
Title

_____
Consultant Legal Company Name

APPROVED AS TO FORM:

By: _____ Date: _____
Brian Pierik, Esq., City Attorney

ATTEST:

By: _____ Date: _____
Nova Romero, MMC, City Clerk

2024-2033

Attachment 3

CARMEL RESTAURANT IMPROVEMENT DISTRICT
MANAGEMENT DISTRICT PLAN

Prepared pursuant to the Property and Business Improvement District Law of 1994, Streets and Highways Code section 36600 et seq.

July 11, 2023

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Prepared by
Civitas

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I. OVERVIEW

Developed by Visit Carmel (VC) and Carmel restaurant businesses, the Carmel Restaurant Improvement District (CRID) is an assessment district proposed to continue to provide specific benefits to payors, by funding marketing and sales promotion efforts for assessed businesses. This approach has been used successfully in other destination areas throughout the country to provide the benefit of increased restaurant food and drink sales and market assessed businesses in the CRID. The CRID was initially formed on January 1, 2019 for a five (5) year term. VC and Carmel restaurant businesses now wish to renew the CRID for a nine (9) year and six (6) months term.

Location: The CRID includes all full service restaurant businesses, existing and in the future, located within the City boundaries of the City of Carmel-by-the-Sea, as shown on the map in Section III.

Services: The CRID is designed to provide specific benefits directly to payors by increasing restaurant food and drink sales and revenue therefrom. Sales and marketing services will be provided to increase restaurant food and drink sales and market assessed businesses in the CRID.

Budget: The total CRID annual assessment budget for each full fiscal year (July 1 – June 30) of operations is anticipated to be approximately $240,000. The initial "year" of operations will be a partial year consisting of six (6) months, with an anticipated assessment budget of $96,000. A similar assessment budget is expected to apply to subsequent years, but this budget is expected to fluctuate as restaurant food and drink sales do, as businesses open and close, and if the assessment rate increases or decreases, as detailed in Section IV.

Cost: The annual assessment rate is one quarter of one percent (0.25%) of gross food and drink sales revenue. During the CRID's term, the assessment rate may be increased by the CRID Management Committee to a maximum rate of one percent (1%) of gross food and drink sales revenue for assessed businesses. The maximum increase or decrease in any year shall be one quarter of one percent (0.25%). If the assessment rate is increased, it may subsequently be decreased but shall not be decreased below a minimum of one quarter of one percent (0.25%) of gross food and drink sales revenue.

Collection: The City will be responsible for collecting the assessment on a quarterly basis (including any delinquencies, penalties and interest) from each assessed business located in the boundaries of the CRID. The City shall take all reasonable efforts to collect the assessments from each assessed business.

Duration: The CRID will have a nine (9) year and six (6) month life, beginning January 1, 2024 or as soon as possible thereafter, and ending on June 30, 2033. After nine (9) years and six (6) months, the CRID may be renewed pursuant to the 94 Law if business owners support continuing the CRID programs. Once per year, beginning on the anniversary of CRID renewal, there is a thirty (30) day period in which owners paying fifty percent (50%) or more of the assessment may protest and initiate a City Council hearing on CRID termination.

Management: Visit Carmel shall continue to serve as the CRID's Owners' Association. Visit Carmel Board has formed a CRID Management Committee, which is comprised of a minimum of three (3) business owners, or their representatives, paying the CRID assessment which will be responsible for implementing this Plan. The CRID Management Committee shall be responsible for managing funds and implementing programs in accordance with this Plan, and must provide annual reports to the City Council.

II. BACKGROUND

Business Improvement Districts (BIDs) utilize the efficiencies of private sector operation in the market-based promotion of business districts. BIDs allow business owners to organize their efforts to increase sales and promotional efforts. Business owners within the district fund a BID, and those funds are used to provide services that the businesses desire and benefit the businesses within the district.

Business Improvement District services may include, but are not limited to:

- Marketing of the District
- Business Promotion Activities
- Infrastructure Improvements

In California, BIDs are formed pursuant to the Property and Business Improvement District Law of 1994 (PBID Law). This law allows for the creation of special benefit assessment districts to raise funds within a specific geographic area. The key difference between BIDs and other special benefit assessment districts is that funds raised are managed by the private non-profit corporation governing the district.

There are many benefits to Business Improvement Districts:

- Funds cannot be diverted for other government programs;
- Services are customized to fit the needs of each district;
- They allow for a wide range of services, including those listed above;
- Business Improvement Districts are designed, created and governed by those who will pay the assessment; and
- They provide a stable funding source for business promotion.

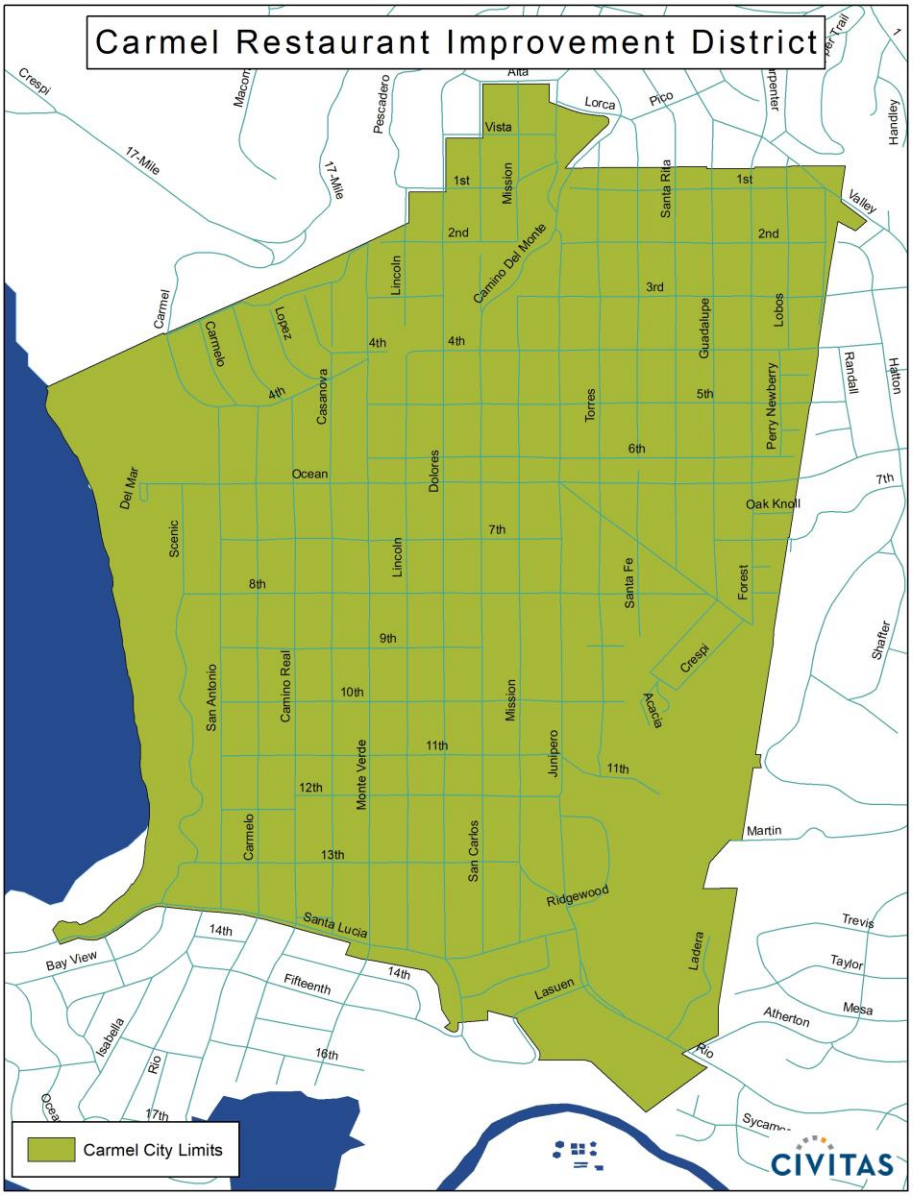
The PBID Law is provided in Appendix 1 of this document.

III. BOUNDARY

The CRID will include all full service restaurant businesses, existing and in the future, within the City boundaries of the City of Carmel-by-the-Sea, as shown in the map below.

As used herein, full service restaurant business means: a restaurant business providing a full line of prepared food and drinks using non-disposable plates, glasses, and utensils for immediate consumption on the site. Full line restaurant businesses provide table service to patrons who pay after eating. Full service restaurant businesses may provide takeout service. As used herein, restaurant business does not include coffee shops, bakeries, candy shops, or any business that sells food and/or drinks incidentally to its main business purpose.

A complete listing of assessed businesses within the CRID can be found in Appendix 2.

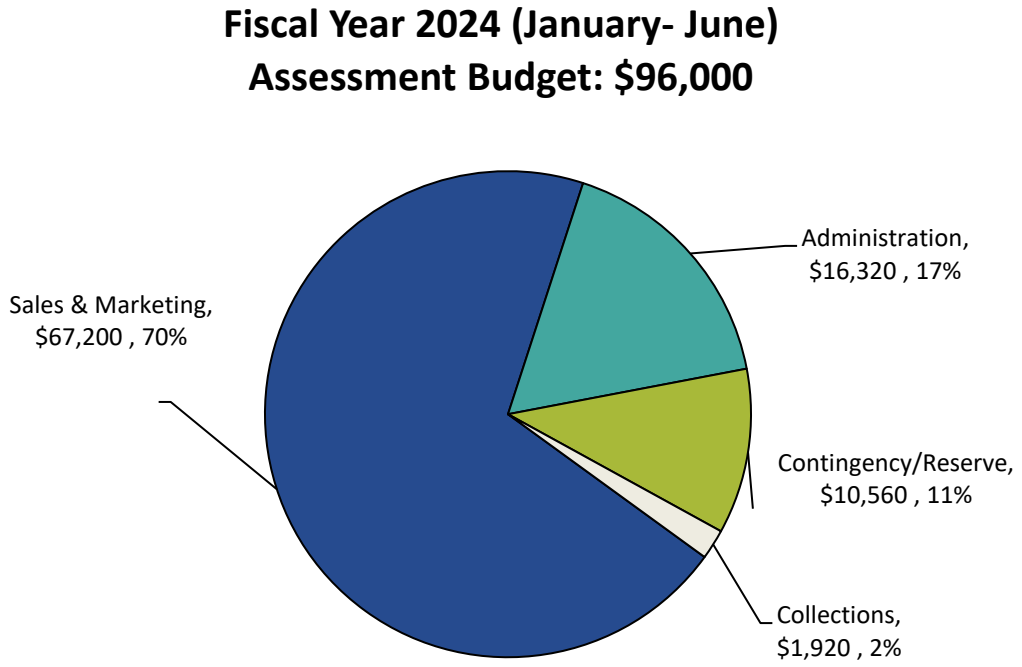


IV. ASSESSMENT BUDGET AND SERVICES

A. Annual Service Plan

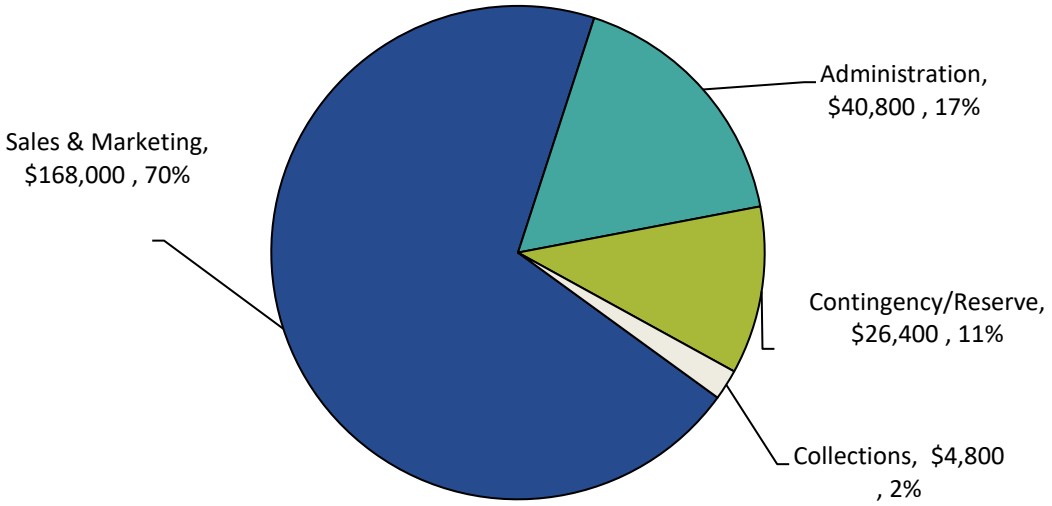
Assessment funds will be spent to provide specific benefits conferred or privileges granted directly to the payors that are not provided to those not charged, and which do not exceed the reasonable cost to the City of conferring the benefits or granting the privileges. The privileges and services provided with the CRID funds are activities and improvements designed to increase restaurant food and drink sales and revenue therefrom.

A service plan assessment budget has been developed to deliver services that benefit the assessed businesses. A detailed annual assessment budget will be developed and approved by the Owners' Association. The table below illustrates the annual assessment budget for fiscal year January 1, 2024- June 30, 2024, which covers the initial six (6) month period of the CRID.



Although actual revenues will fluctuate due to market conditions, the proportional allocations of the budget shall remain the same. The table below illustrates the annual assessment budget for fiscal year two (July 1, 2024- June 30, 2025). However, the VC board shall have the authority to adjust budget allocations between the categories by no more than fifteen percent (15%) of the total budget per year. A description of the proposed improvements and activities for the initial year of operation is below. The same activities are proposed for subsequent years. In the event of a legal challenge against the CRID, any and all assessment funds may be used for the costs of defending the CRID.

Fiscal Year 2024/2025 (July- June)
Assessment Budget: $240,000



Each budget category includes all costs related to providing that service. For example, the sales and marketing budget includes the cost of staff time dedicated to overseeing and implementing the sales and marketing program. Staff time dedicated purely to administrative tasks is allocated to the administrative portion of the budget. The costs of an individual staff member may be allocated to multiple budget categories. The staffing levels necessary to provide the services below will be determined by the VC on an as- needed basis.

Sales and Marketing
A sales and marketing program will promote assessed restaurant businesses. The sales and marketing program will have a central theme of promoting Carmel as a desirable place for culinary experiences. The program will have the goal of increasing customers and sales at assessed businesses and may include the following activities:

- Internet marketing efforts, including the use of digital ad programs and social media, to increase awareness and optimize internet presence to drive customers and sales to assessed businesses;
- Print and digital ads in magazines and newspapers, television/video ads, and radio/podcast ads targeted at potential visitors to drive customers and sales to assessed businesses;
- Public relations campaigns to increase awareness and brand image using earned media coverage;
- Direct to consumer e-mail and mail campaigns;
- Attendance at media events and/or trade shows to promote assessed businesses;
- Preparation and production of collateral promotional materials such as brochures, flyers and maps featuring assessed businesses;
- Attendance at professional industry conferences and affiliation events to promote assessed businesses;

- Creation of or participation in promotional culinary or dining events;
- Lead generation activities designed to attract customers to assessed businesses;
- Development and maintenance of a website designed to promote assessed businesses; and
- Creative asset and content creation including photo and video production.

Administration
The administration portion of the budget shall be utilized for administrative staffing costs, office costs, advocacy and other general administrative costs such as insurance, legal, and accounting fees.

Contingency/Reserve
The budget includes a contingency line item to account for uncollected assessments, if any. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program, administration or renewal costs at the discretion of the CRID Management Committee. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund shall be set by the CRID Management Committee. The reserve fund may be used for the costs of renewing the CRID.

Collections
The City shall retain a fee equal to two percent (2%) of the amount of assessment collected to cover its costs of collection and administration.

B. Annual Budget

The total CRID annual assessment budget for each full fiscal year (July 1 – June 30) of operations is anticipated to be approximately $240,000. The initial "year" of operations will be a partial year consisting of six (6) months, with an anticipated assessment budget of $96,000. A similar assessment budget is expected to apply to subsequent years, but this budget is expected to fluctuate as restaurant food and drink sales do, as businesses open and close, and if the assessment rate is increased or decreased pursuant to Section IV.

The annual assessment rate is one quarter of one percent (0.25%) of gross food and drink sales revenue. During the CRID's term, the assessment rate may be increased by the CRID Management Committee to a maximum rate of one percent (1%) of gross food and drink sales revenue for assessed businesses. The maximum increase or decrease in any year shall be one quarter of one percent (0.25%). The table below demonstrates the estimated maximum budget if the assessment rate is increased at the earliest opportunity each year, as it is a required disclosure, it is not the anticipated course of action. Alternate courses of action may be taken in regard to implementing the assessment rate increase other than what is demonstrated in the chart below, within the parameters of this Management District Plan.

Estimated Annual Budget if Maximum Assessment Rates are Adopted

Year	Sales & Marketing	Admin	Contingency/ Reserve	Collection	Total
Jan -Jun 2024	$67,200	$16,320	$10,560	$1,920	$96,000
2024/2025	$168,000	$40,800	$26,400	$4,800	$240,000
2025/2026	$252,000	$61,200	$39,600	$7,200	$360,000
2026/2027	$336,000	$81,600	$52,800	$9,600	$480,000
2027/2028	$336,000	$81,600	$52,800	$9,600	$480,000
2028/2029	$336,000	$81,600	$52,800	$9,600	$480,000
2029/2030	$336,000	$81,600	$52,800	$9,600	$480,000

2030/2031	$336,000	$81,600	$52,800	$9,600	$480,000
2031/2032	$336,000	$81,600	$52,800	$9,600	$480,000
2032/2033	$336,000	$81,600	$52,800	$9,600	$480,000
Total	**$2,839,200**	**$689,520**	**$446,160**	**$81,120**	**$4,056,000**

The table below demonstrates the annual improvement and service plan budget with the assumption that the rates will not be increased during the CRID's term.

Estimated Annual Budget if Maximum Assessment Rates Are Not Adopted

Year	Sales & Marketing	Admin	Contingency/ Reserve	Collection	Total
Jan - Jun 2024	$72,000	$16,320	$10,560	$1,920	$96,000
2024/2025	$180,000	$40,800	$26,400	$4,800	$240,000
2025/2026	$180,000	$40,800	$26,400	$4,800	$240,000
2026/2027	$180,000	$40,800	$26,400	$4,800	$240,000
2027/2028	$180,000	$40,800	$26,400	$4,800	$240,000
2028/2029	$180,000	$40,800	$26,400	$4,800	$240,000
2029/2030	$180,000	$40,800	$26,400	$4,800	$240,000
2030/2031	$180,000	$40,800	$26,400	$4,800	$240,000
2031/2032	$180,000	$40,800	$26,400	$4,800	$240,000
2032/2033	$180,000	$40,800	$26,400	$4,800	$240,000
Total	**$1,692,000**	**$383,520**	**$248,160**	**$45,120**	**$2,256,000**

C. California Constitutional Compliance

The CRID assessment is not a property-based assessment subject to the requirements of Proposition 218. Courts have found Proposition 218 limited the term 'assessments' to levies on real property.[1] Rather, the CRID assessment is a business-based assessment, and is subject to Proposition 26. Pursuant to Proposition 26 all levies are a tax unless they fit one of seven exceptions. Two of these exceptions apply to the CRID, a "specific benefit" and a "specific government service." Both require that the costs of benefits or services do not exceed the reasonable costs to the City of conferring the benefits or providing the services.

1. Specific Benefit

Proposition 26 requires that assessment funds be expended on, "a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege."[2] The services in this Plan are designed to provide targeted benefits directly to assessed businesses, and are intended only to provide benefits and services directly to those businesses paying the assessment. These services are tailored not to serve the general public, businesses in general, or parcels of land, but rather to serve the specific businesses within the CRID. The activities described in this Plan are specifically targeted to increase gross food and drink sales revenue for assessed businesses within the boundaries of the CRID, and are narrowly tailored. CRID funds will be used exclusively to provide the specific benefit of increased demand for food and drink sales directly to the assessees. Assessment funds shall not be used to feature non-assessed businesses in CRID programs, or to directly generate sales for non-assessed businesses. The activities paid for from assessment

[1] *Jarvis v. the City of San Diego* 72 Cal App. 4th 230
[2] Cal. Const. art XIII C § 1(e)(1)

revenues are business services constituting and providing specific benefits to the assessed businesses. Nothing in this Plan limits the ability of the Owners' Association to enter into private contracts with non-assessed businesses for the provision of services to those businesses.

The assessment imposed by this CRID is for a specific benefit conferred directly to the payors that is not provided to those not charged. The specific benefit conferred directly to the payors is an increase in gross food and drink sales revenue. The specific benefit of an increase in gross food and drink sales revenue for assessed businesses will be provided only to businesses paying the district assessment, with marketing and sales programs promoting businesses paying the CRID assessment. The marketing and sales programs will be designed to increase gross food and drink sales revenue at each assessed business. Because they are necessary to provide the marketing and sales programs that specifically benefit the assessed businesses, the administration and contingency and collections services also provide the specific benefit of increased gross food and drink sales revenue to the assessed businesses.

Although the CRID, in providing specific benefits to payors, may produce incidental benefits to non-paying businesses, the incidental benefit does not preclude the services from being considered a specific benefit. The legislature has found that, "A specific benefit is not excluded from classification as a 'specific benefit' merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific benefit to the payor."[3]

2. Specific Government Service

The assessment may also be utilized to provide, "a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product."[4] The legislature has recognized that marketing and promotions services like those to be provided by the CRID are government services within the meaning of Proposition 26[5]. Further, the legislature has determined that "a specific government service is not excluded from classification as a 'specific government service' merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific government service to the payor."[6]

3. Reasonable Cost

CRID activities and improvements will be implemented carefully to ensure they do not exceed the reasonable cost to the City of such activities and improvements. The full amount assessed will be used to provide the activities and improvements described herein. Funds will be managed by the CRID Management Committee, and reports submitted on an annual basis to the City. Only assessed restaurant businesses will directly benefit from other CRID-funded services. Non-assessed restaurant businesses will not directly receive these, nor any other, CRID-funded services and benefits.

The CRID-funded programs are all targeted directly at and feature only assessed businesses. It is, however, possible that there will be a spill over benefit to non-assessed businesses. If non-assessed restaurant businesses receive incremental gross food and drink revenue, that portion of the promotion or program generating that gross food and drink revenue shall be paid with non-CRID funds. CRID funds shall only be spent to benefit the assessed businesses, and shall not be spent on that portion of any program which directly generates incidental gross food and drink sales for non-assessed businesses.

[3] Government Code § 53758(a)
[4] Cal. Const. art XIII C § 1(e)(2)
[5] Government Code § 53758(b)
[6] Government Code § 53758(b)

D. Assessment

The annual assessment rate is one quarter of one percent (0.25%) of gross food and drink sales revenue. During the CRID's term, the assessment rate may be increased by the CRID Management Committee to a maximum rate of one percent (1%) of gross food and drink sales revenue for assessed businesses. The maximum increase or decrease in any year shall be one quarter of one percent (0.25%). If the assessment rate is increased, it may subsequently be decreased but shall not be decreased below a minimum of one quarter of one percent (0.25%) of gross food and drink sales revenue.

The assessment was calculated based on the total cost of the activities to be provided for the benefit of the businesses within the CRID with costs allocated based on the proportional benefit conferred to each business. Activities funded by the CRID are specifically targeted to increase food and drink sales revenue at assessed businesses. All food and drink sales do not represent the same benefit to the payors. For example, higher priced food and drink is of greater benefit than lower priced food and drink because the assesse derives greater revenue. To account for this benefit differential and to make sure the benefits are proportional, an assessment formula based on a percentage of revenue has been selected. The proposed formula accurately reflects greater benefit to assessed businesses with higher priced food and drink.

The term "gross food and drink sales revenue" as used herein means: the consideration charged whether or not received, for prepared food and drink items to be consumed on or off the businesses' premises valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits, and property and services of any kind or nature, without any deduction therefrom whatsoever.

Gross food and drink sales revenue shall not include, for purposes of the assessment: facility rental fees, off-site catered or ticketed events, nor revenue generated from retail products, such as branded promotional items (coffee mugs, t-shirts, hats, etc.), and similar items.

The assessment is levied upon and is a direct obligation of the assessed business. However, the restaurant business may, at its discretion, pass the assessment on to customers. The amount of assessment, if passed on to each customer, shall be disclosed in advance and separately stated from the amount of consideration charged and any other applicable taxes, and each customer shall receive a receipt for payment from the business. The assessment is imposed solely upon and is the sole obligation of the assessed restaurant business even if it is passed on to customers. The California Department of Tax and Fee Administration (CDTFA) issued a written opinion that state sales tax applies to the revenue generated from Business Improvement District (BID) assessments on items where state sales tax is levied. In light of CDTFA's opinion, businesses that pay both state sales tax and CRID assessments on sales are advised to collect sales tax on the assessment revenue.

Bonds shall not be issued.

E. Penalties and Interest

The City shall be responsible for collection of delinquent assessments. The City of Carmel-by-the-Sea shall retain any penalties or interest collected with unpaid assessments as its fee for collecting the delinquent assessments. Assessed businesses which are delinquent in paying the assessment shall be responsible for paying:

1. *Original Delinquency:* Any assessed business which fails to remit payment of assessments within fourteen (14) days of the due date shall pay a penalty of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment.

2. *Continued Delinquency:* If an assessed business fails to remit any delinquent remittance within sixty (60) days, the City may file a complaint against the assessed business. If the City determines than an assessed business is delinquent, the assessed business can be sent directly to collections without further review and the assessed business will be responsible for all late fees, interest, and collection fees.
3. *Fraud:* If it is determined that the nonpayment of any remittance due is due to fraud, a penalty of twenty-five percent (25%) of the amount of the assessment shall be added thereto in addition to the penalties stated above.
4. *Interest:* In addition to penalties imposed, any assessed business which fails to remit any assessment shall pay simple interest at the rate of six percent (6%) per year or fraction thereof on the amount of the assessment, exclusive of penalties, from the date on which the assessment first became delinquent until paid.
5. *Penalties Merged With Assessment:* Every penalty imposed and such interest as accrues under the provisions of this section shall become a part of the assessment required to be paid.

F. Time and Manner for Collecting Assessments

Visit Carmel shall be responsible for educating new and existing businesses in the CRID of its renewal. The City shall notify Visit Carmel when a business closes, opens or changes ownership within the CRID. The CRID assessment will be implemented beginning January 1, 2024 and will continue for nine (9) years and six (6) months through June 30, 2033. The City will be responsible for collecting the gross food and drink sales revenue assessment on a quarterly basis (including any delinquencies, penalties and interest) from each assessed business. The City shall take all reasonable efforts to collect the assessments from each assessed business. The City shall forward the assessments collected to Visit Carmel within thirty (30) days from collection.

V. GOVERNANCE

A. Owners' Association

The City Council, through adoption of this Management District Plan, has the right, pursuant to Streets and Highways Code §36651, to identify the body that shall implement the proposed program, which shall be the Owners' Association of the CRID as defined in Streets and Highways Code §36612. The City Council has determined that the Visit Carmel will continue to serve as the Owners' Association for the CRID. The CRID Management Committee, comprised of a minimum of three (3) business owners, or their representatives, paying the CRID assessment, will continue to be responsible for implementing this Plan. Visit Carmel shall continue to be responsible for managing funds and implementing programs in accordance with this Plan and by direction of the CRID Management Committee, and must provide annual reports to the City Council.

B. Brown Act and California Public Records Act Compliance

An Owners' Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. The Owners' Association is, however, subject to government regulations relating to transparency, namely the Ralph M. Brown Act and the California Public Records Act. These regulations are designed to promote public accountability. The Owners' Association acts as a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the Board and certain committees must be held in compliance with the public notice and other requirements of the Brown Act. Accordingly, the Owners' Association shall publicly report any action taken and the vote or abstention on that action of each member present for the action. The Owners' Association is also subject to the record keeping and disclosure requirements of the California Public Records Act.

C. Annual Report

The VC shall present an annual report at the end of each year of operation to the City Council pursuant to Streets and Highways Code §36650 (see Appendix 1). The annual report shall include:

- Any proposed changes in the boundaries of the improvement district or in any benefit zones or classification of businesses within the district.
- The improvements and activities to be provided for that fiscal year.
- An estimate of the cost of providing the improvements and the activities for that fiscal year.
- The method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for that fiscal year.
- The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

APPENDIX 1 – LAW

*** THIS DOCUMENT IS CURRENT THROUGH THE 2023 SUPPLEMENT ***
(ALL 2022 LEGISLATION)

STREETS AND HIGHWAYS CODE
DIVISION 18. PARKING
PART 7. PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994

CHAPTER 1. General Provisions

ARTICLE 1. Declarations

36600. Citation of part

This part shall be known and may be cited as the "Property and Business Improvement District Law of 1994."

36601. Legislative findings and declarations; Legislative guidance

The Legislature finds and declares all of the following:

(a) Businesses located and operating within business districts in some of this state's communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.

(b) It is in the public interest to promote the economic revitalization and physical maintenance of business districts in order to create jobs, attract new businesses, and prevent the erosion of the business districts.

(c) It is of particular local benefit to allow business districts to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that receive benefits from those improvements.

(d) Assessments levied for the purpose of conferring special benefit upon the real property or a specific benefit upon the businesses in a business district are not taxes for the general benefit of a city, even if property, businesses, or persons not assessed receive incidental or collateral effects that benefit them.

(e) Property and business improvement districts formed throughout this state have conferred special benefits upon properties and businesses within their districts and have made those properties and businesses more useful by providing the following benefits:

(1) Crime reduction. A study by the Rand Corporation has confirmed a 12-percent reduction in the incidence of robbery and an 8-percent reduction in the total incidence of violent crimes within the 30 districts studied.

(2) Job creation.

(3) Business attraction.

(4) Business retention.

(5) Economic growth.

(6) New investments.

(f) With the dissolution of redevelopment agencies throughout the state, property and business improvement districts have become even more important tools with which communities can combat blight, promote economic opportunities, and create a clean and safe environment.

(g) Since the enactment of this act, the people of California have adopted Proposition 218, which added Article XIII D to the Constitution in order to place certain requirements and restrictions on the formation of, and activities, expenditures, and assessments by property-based districts. Article XIII D of the Constitution provides that property-based districts may only levy assessments for special benefits.

(h) The act amending this section is intended to provide the Legislature's guidance with regard to this act, its interaction with the provisions of Article XIII D of the Constitution, and the determination of special benefits in property-based districts.

(1) The lack of legislative guidance has resulted in uncertainty and inconsistent application of this act, which discourages the use of assessments to fund needed improvements, maintenance, and activities in property-based districts, contributing to blight and other underutilization of property.

(2) Activities undertaken for the purpose of conferring special benefits upon property to be assessed inherently produce incidental or collateral effects that benefit property or persons not assessed.

Therefore, for special benefits to exist as a separate and distinct category from general benefits, the incidental or collateral effects of those special benefits are inherently part of those special benefits. The mere fact that special benefits produce incidental or collateral effects that benefit property or persons not assessed does not convert any portion of those special benefits or their incidental or collateral effects into general benefits.

(3) It is of the utmost importance that property-based districts created under this act have clarity regarding restrictions on assessments they may levy and the proper determination of special benefits. Legislative clarity with regard to this act will provide districts with clear instructions and courts with legislative intent regarding restrictions on property-based assessments, and the manner in which special benefits should be determined.

36602. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within property and business improvement districts, to ensure that those assessments conform to all constitutional requirements and are determined and assessed in accordance with the guidance set forth in this act. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

36603. Preemption of authority or charter city to adopt ordinances levying assessments

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

36603.5. Part prevails over conflicting provisions

Any provision of this part that conflicts with any other provision of law shall prevail over the other provision of law, as to districts created under this part.

36604. Severability

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

ARTICLE 2. Definitions

36606. "Activities"

"Activities" means, but is not limited to, all of the following that benefit businesses or real property in the district:

(a) Promotion of public events.

(b) Furnishing of music in any public place.

(c) Promotion of tourism within the district.

(d) Marketing and economic development, including retail retention and recruitment.

(e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.

(f) Other services provided for the purpose of conferring special benefit upon assessed real property or specific benefits upon assessed businesses located in the district.

36606.5. "Assessment"

"Assessment" means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and providing activities that will provide certain benefits to properties or businesses located within a property and business improvement district.

36607. "Business"

"Business" means all types of businesses and includes financial institutions and professions.

36608. "City"

"City" means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, the public member agencies of which includes only cities, counties, or a city and county, or the State of California.

36609. "City council"

"City council" means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

36609.4. "Clerk"

"Clerk" means the clerk of the legislative body.

36609.5. "General benefit"

"General benefit" means, for purposes of a property-based district, any benefit that is not a "special benefit" as defined in Section 36615.5.

36610. "Improvement"

"Improvement" means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

(a) Parking facilities.
(b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
(c) Trash receptacles and public restrooms.
(d) Lighting and heating facilities.
(e) Decorations.
(f) Parks.
(g) Fountains.
(h) Planting areas.
(i) Closing, opening, widening, or narrowing of existing streets.
(j) Facilities or equipment, or both, to enhance security of persons and property within the district.
(k) Ramps, sidewalks, plazas, and pedestrian malls.
(l) Rehabilitation or removal of existing structures.

36611. "Management district plan"; "Plan"

"Management district plan" or "plan" means a proposal as defined in Section 36622.

36612. "Owners' association"

"Owners' association" means a private nonprofit entity that is under contract with a city to administer or implement improvements, maintenance, and activities specified in the management district plan. An owners' association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners' association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners' association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), for all records relating to activities of the district.

36614. "Property"

"Property" means real property situated within a district.

36614.5. "Property and business improvement district"; "District"

"Property and business improvement district," or "district," means a property and business improvement district established pursuant to this part.

36614.6. "Property-based assessment"

"Property-based assessment" means any assessment made pursuant to this part upon real property.

36614.7. "Property-based district"

"Property-based district" means any district in which a city levies a property-based assessment.

36615. "Property owner"; "Business owner"; "Owner"

"Property owner" means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. "Business owner" means any person recognized by the city as the owner of the business. "Owner" means either a business owner or a property owner. The city council has no obligation to obtain other information as to the ownership of land or businesses, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this part requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient. Wherever this part requires the signature of the business owner, the signature of the authorized agent of the business owner shall be sufficient.

36615.5. "Special benefit"

(a) "Special benefit" means, for purposes of a property-based district, a particular and distinct benefit over and above general benefits conferred on real property located in a district or to the public at large. Special benefit includes incidental or collateral effects that arise from the improvements, maintenance, or activities of property-based districts even if those incidental or collateral effects benefit property or persons not assessed. Special benefit excludes general enhancement of property value.

(b) "Special benefit" also includes, for purposes of a property-based district, a particular and distinct benefit provided directly to each assessed parcel within the district. Merely because parcels throughout an assessment district share the same special benefits does not make the benefits general.

36616. "Tenant"

"Tenant" means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

ARTICLE 3. Prior Law

36617. Alternate method of financing certain improvements and activities; Effect on other provisions

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

CHAPTER 2. Establishment

36620. Establishment of property and business improvement district

A property and business improvement district may be established as provided in this chapter.

36620.5. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

36621. Initiation of proceedings; Petition of property or business owners in proposed district

(a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.

(b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:

(1) A map showing the boundaries of the district.

(2) Information specifying where the complete management district plan can be obtained.

(3) Information specifying that the complete management district plan shall be furnished upon request.

(c) The resolution of intention described in subdivision (a) shall contain all of the following:

(1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities, and the location and extent of the proposed district.

(2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

36622. Contents of management district plan

The management district plan shall include, but is not limited to, all of the following:

(a) If the assessment will be levied on property, a map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district. If the assessment will be levied on businesses, a map that identifies the district boundaries in sufficient detail to allow a business owner to reasonably determine whether a business is located within the district boundaries. If the assessment will be levied on property and businesses, a map of the district in sufficient detail to locate each parcel of property and to allow a business owner to reasonably determine whether a business is located within the district boundaries.

(b) The name of the proposed district.

(c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected property and businesses included, which may be made by reference to any plan or map that is on file with the clerk. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.

(d) The improvements, maintenance, and activities proposed for each year of operation of the district and the estimated cost thereof. If the improvements, maintenance, and activities proposed for each year of operation are the same, a description of the first year's proposed improvements, maintenance, and activities and a

statement that the same improvements, maintenance, and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.

(e) The total annual amount proposed to be expended for improvements, maintenance, or activities, and debt service in each year of operation of the district. If the assessment is levied on businesses, this amount may be estimated based upon the assessment rate. If the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subdivision.

(f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against their property or business. The plan also shall state whether bonds will be issued to finance improvements.

(g) The time and manner of collecting the assessments.

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.

(i) The proposed time for implementation and completion of the management district plan.

(j) Any proposed rules and regulations to be applicable to the district.

(k)

(1) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof.

(2) In a property-based district, the proportionate special benefit derived by each identified parcel shall be determined exclusively in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the activities. An assessment shall not be imposed on any parcel that exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and a property-based district shall separate the general benefits, if any, from the special benefits conferred on a parcel. Parcels within a property-based district that are owned or used by any city, public agency, the State of California, or the United States shall not be exempt from assessment unless the governmental entity can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit. The value of any incidental, secondary, or collateral effects that arise from the improvements, maintenance, or activities of a property-based district and that benefit property or persons not assessed shall not be deducted from the entirety of the cost of any special benefit or affect the proportionate special benefit derived by each identified parcel.

(3) In a property-based district, properties throughout the district may share the same special benefits. In a district with boundaries that define which parcels are to receive improvements, maintenance, or activities over and above those services provided by the city, the improvements, maintenance, or activities themselves may constitute a special benefit. The city may impose assessments that are less than the proportional special benefit conferred, but shall not impose assessments that exceed the reasonable costs of the proportional special benefit conferred. Because one or more parcels pay less than the special benefit conferred does not necessarily mean that other parcels are assessed more than the reasonable cost of their special benefit.

(l) In a property-based district, a detailed engineer's report prepared by a registered professional engineer certified by the State of California supporting all assessments contemplated by the management district plan.

(m) Any other item or matter required to be incorporated therein by the city council.

36623. Procedure to levy assessment

(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with Section 53753 of the Government Code.

(b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with Section 54954.6 of the Government Code, except that notice shall be mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the

public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed district that will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.

(c) If a city council proposes to conduct a single proceeding to levy both a new or increased property assessment and a new or increased business assessment, the notice and protest and hearing procedure for the property assessment shall comply with subdivision (a), and the notice and protest and hearing procedure for the business assessment shall comply with subdivision (b). If a majority protest is received from either the property or business owners, that respective portion of the assessment shall not be levied. The remaining portion of the assessment may be levied unless the improvement or other special benefit was proposed to be funded by assessing both property and business owners.

36624. Changes to proposed assessments

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements, maintenance, and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements, maintenance, and activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

36625. Resolution of formation

(a) If the city council, following the public hearing, decides to establish a proposed property and business improvement district, the city council shall adopt a resolution of formation that shall include, but is not limited to, all of the following:

(1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property, businesses, or both within the district, a statement on whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements need not be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.

(5) A statement that the properties, businesses, or properties and businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements, maintenance, and activities to be conferred on businesses and properties in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements, maintenance, or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district. Notwithstanding the foregoing, improvements and activities that must be provided outside the district boundaries to create a special or specific benefit to the assessed parcels or businesses may be provided, but shall be limited to marketing or signage pointing to the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements, maintenance, and activities funded by the proposed assessments, and, for a property-based district, that property within the district will receive a special benefit.

(8) In a property-based district, the total amount of all special benefits to be conferred on the properties within the property-based district.

(b) The adoption of the resolution of formation and, if required, recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

36627. Notice and assessment diagram

Following adoption of the resolution establishing district assessments on properties pursuant to Section 36625, the clerk shall record a notice and an assessment diagram pursuant to Section 3114. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

36628. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

36628.5. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements, maintenance, and activities, provided that any property-based assessment conforms with the requirements set forth in paragraph (2) of subdivision (k) of Section 36622.

36629. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a property and business improvement district.

36630. Expiration of district; Creation of new district

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and the district may be renewed pursuant to this part.

CHAPTER 3. Assessments

36631. Time and manner of collection of assessments; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution levying the assessment. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part may be charged interest and penalties.

36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

(a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.
(b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.
(c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

36633. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in an action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36625. An appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

36634. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

36635. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

36636. Modification of plan by resolution after public hearing; Adoption of resolution of intention

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623. Notice of all other public hearings pursuant to this section shall comply with both of the following:
(1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.
(2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.
(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

36637. Reflection of modification in notices recorded and maps

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

CHAPTER 3.5. Financing

36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

(a)The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.

(b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.

(c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

CHAPTER 4. Governance

36650. Report by owners' association; Approval or modification by city council

(a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements, maintenance, and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the property and business improvement district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

(1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.

(2) The improvements, maintenance, and activities to be provided for that fiscal year.

(3) An estimate of the cost of providing the improvements, maintenance, and activities for that fiscal year.

(4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.

(5) The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

(6) The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

(c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

36651. Designation of owners' association to provide improvements, maintenance, and activities

The management district plan may, but is not required to, state that an owners' association will provide the improvements, maintenance, and activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

CHAPTER 5. Renewal

36660. Renewal of district; Transfer or refund of remaining revenues; District term limit

(a) Any district previously established whose term has expired, or will expire, may be renewed by following the procedures for establishment as provided in this chapter.
(b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.
(c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

CHAPTER 6. Disestablishment

36670. Circumstances permitting disestablishment of district; Procedure

(a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:

(1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.
(2) During the operation of the district, there shall be a 30-day period each year in which assessees may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners or authorized representatives of real property or the owners or authorized representatives of businesses in the district who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.

(b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

36671. Refund of remaining revenues upon disestablishment or expiration without renewal of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

(a) Upon the disestablishment or expiration without renewal of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished or expires. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.
(b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

APPENDIX 2 – ASSESSED BUSINESSES

Akaoni
Alvarado Street Brewery
Anton & Michel Restaurant
Aubergine
AW Shucks
Basil
Barmel
Brophy's Tavern
Bud's at La Playa
Cantinetta Luca
Carmel Belle
Carmel Burger Bar
Carmel's Hidden Gem
Café Luna
Carmel's Bistro Giovanni
Casanova Restaurant
Catch
Chez Noir
Cottage Restaurant
Cultura Comida Y Bebida
Dametra Cafe
Edwin's Carmel
Enzo Ristorante Italiano
Flaherty's Seafood Grill & Oyster Bar
Flying Fish Grill
Foray
Forge in the Forest
Grasings Coastal Cuisine
Grill on Ocean Ave
Hogs Breath Inn
Il Fornaio
Il Tegamino
Katy's Place
L Escargot
La Balena
La Bicyclette
Le Souffle
Little Napoli & Bar Napoli
Little Swiss Cafe
Links Club
Mission Bistro
Mulligan Public House
Nicolás Cocina de Herencia
Pangaea Grill
Patisserie Boissiere
Portabella
Promesa
Rise + Roam
Seventh and Dolores
Stationaery
Sushi Heaven
Terrys Lounge
The Pocket
Tommys Wok
Toro Sushi
Tree House Cafe
Tuck Box
Vesuvio & Star Bar
Village Corner
Yafa

**List as of March 2023*

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

January 9, 2024
ORDERS OF BUSINESS

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Ashlee Wright, Director, Libraries & Community Activities
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Consideration of philosophy regarding ticketed events held in the public right-of-way during Car Week

RECOMMENDATION:

Receive the report and provide staff with direction

BACKGROUND/SUMMARY:

At its October meeting Council received an after action report on Car Week and provided staff with direction to continue to improve mitigation efforts for future Car Week impacts, as well as policy direction for future updates to Policy C16-01 regarding special events.

Since August staff has received applications for five (5) events for Car Week 2024. Four (4) of the applications are for returning events - those held during Car Week 2023, and one (1) new permit application. All applications are works in progress, as the event organizers work on their planning for Car Week 2024. For the four (4) returning events, no substantive changes are being proposed.

The new event is being proposed by Denny Levett and Richard Kreitman and is looking to present a similar style event as the Concours on the Avenue (COTA). The event will occupy the same footprint as the COTA event - which was Ocean Avenue from Junipero Street to Monte Verde Street and the side streets on the north side of Ocean to Sixth Avenue and the side streets on the south side of Ocean Avenue to Seventh Avenue. (Attachment 1).

However, this event is also proposed to be a ticketed event. The City has never permitted a ticketed event during Car Week due to concerns with the difficulties of the logistics of turning the heart of the downtown - where citizens work and live, into a locked down event venue. While cars will be visible from the sidewalks and intersections through event fencing only ticket holders will be able to get a 360 degree up close view of the vehicles.

Ticketed Events vs. Non-ticketed Events
COTA event organizer, Doug Freedman, had been working for a number of years on turning the COTA event into a ticketed event in order to help mitigate some of the costs of holding the event. In 2021 in order to meet the State's COVID protocols for large scale events Mr. Freedman did set-up check-points of entry to the event to check COVID vaccination status and issue masks. For the most part this did work and COTA was able to meet the state's requirements. Mr. Freedman did intend to approach the Council regarding turning COTA into a ticketed event for the following year.

During Car Week there are two different kinds of events throughout the peninsula broadly speaking - private ticketed events such as the Pebble Beach Concours d'Elegance or the many different auctions such as Bohnham's, Mecum, or Sotheby's to name a few, and non-ticketed events that are free and open to the public to attend such as the events that have been held in Carmel year after year, Concours de Lemons and the Exotics on Broadway in Seaside, or the Little Car Show in Pacific Grove.

In addition, these public events that are free and open to the public provide a unique opportunity to both residents and visitors to view vehicles that they would maybe not normally be able afford to see to admire the engineering, history, and artwork of such vehicles.

It has been proposed that having a ticketed event could Because this is not private property and the entire village would not be closed to the public except ticket holders, it is unclear how this

Non-Car Week Ticketed Events in Carmel
While the question at hand is regarding a ticketed event during Car Week on public property, for Council's reference, the City has permitted ticketed events on public property at other times during the year. The City has approved ticketed events that are not open to the general public such as the annual Monterey County Vintners Winemakers Celebration or the annual Carmel Art Festival which has a ticketed VIP event the first night of the festival, but is otherwise open to the public. The reason for these events being fenced off from the general public is to meet State and local regulations regarding the serving of alcohol. Anyone can purchase tickets for the events and both of these groups are 501 (c) 3 non-profit organizations. In addition, and somewhat related, the footprint of these events is significantly smaller than the footprint of COTA, with the Winemakers Celebration taking a block and a half on Dolores Street and Seventh Avenue and Carmel Art Festival occupies Devendorf Park.

Options
As mentioned previously, Car Week events in Carmel have always been free and open to the public. These public events provide an attraction for visitors, and also workers on their lunch breaks and residents avoiding leaving the village, as well as an amazing opportunity to see really cool cars.

Staff is looking for direction from Council regarding their philosophy around ticketed events during Car Week.

1. Direct staff to not allow ticketed events on public property during Car Week and to include that direction in future policy updates.
2. Direct staff to allow the event organizer to move forward with a ticketed event on public property.
3. Direct staff to work with the event organizer on a scaled version of a ticketed event on public

property.

This direction and information will help the event organizer, as they further develop their budget for this event and plan for logistics.

FISCAL IMPACT:

Car Week is a revenue generator for the entire peninsula. There is no anticipated fiscal impact with Council receiving this report and providing staff with direction.

PRIOR CITY COUNCIL ACTION:

Council receives regular reports on Car Week

ATTACHMENTS:

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

January 9, 2024
ORDERS OF BUSINESS

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Robert Harary, P.E, Director of Public Works
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Receive a presentation regarding Scout House Options and provide direction to staff

RECOMMENDATION:

Receive a presentation regarding Scout House Options and provide direction to staff.

BACKGROUND/SUMMARY:

Scout House Background

The Scout House sits on a small, relatively steep-sloped site on the northeast corner of Mission Street and Eighth Avenue in the Residential and Limited Commercial Zoning District. The building was constructed by Carmel Master Builder M.J. Murphy in 1931 for use by the Boy Scouts. The Scout House has a large gathering room, working fireplace, and kitchen, and is a completely contained unit; however, the building has been closed to the public for decades and has deteriorated to a point where it cannot be occupied and is not useful to house any activity in its current condition.

In 2000, Congleton Architect AIA prepared a Scout House Master Plan for the Community and Cultural Commission, who adopted the Master Plan and forwarded it to the City Council. Although the Master Plan contained valuable information, most of the proposed work was never accomplished, and many issues identified have since become outdated.

The site was added to the City's Historic Inventory in 2002 for the important contributions it made to the civic and social fabric of the community. In 2005, the City Council reconfirmed the historic inventory listing. Since the property is a historic resource, improvements are subject to the City's Historic Preservation Ordinance, Carmel Municipal Code (CMC) Chapter 17.32, and must comply with the California Environmental Quality Act (CEQA). Improvements will also require reviews by the City's Historic Resources Board and/or Planning Commission and comply with a Determination of Consistency with the Secretary's Standards for the Treatment of Historic Properties.

The Scout House does not meet the requirements of the Americans with Disabilities Act (ADA). In 2016, Boy Scout Troop 127 installed a parking space on the east side of the building to improve

accessibility. However, there is not adequate room to provide a full-width access aisle; therefore, the parking space is not in compliance with the ADA. In 2016, Council passed a resolution finding that an unreasonable hardship exists in providing accessibility to the building; however, the resolution did not specify what aspects of accessibility posed such hardship. Blanket findings of "unreasonable hardship" which propose to waive all accessibility requirements could leave the City vulnerable to challenges under the ADA record.

Building Condition

Regardless if the Scout House is ultimately renovated, relocated and renovated, or sold, the building requires extensive renovation to be occupied and/or made available for public events. Significant improvements are necessary to meet all building codes, and other upgrades would be prudent to restore the facility for beneficial use. Improvements are needed for the building interior, as well as exterior, as outlined below.

Key Interior Building Improvements

- The upstairs is suitable for use as Assembly A-3 occupancy if adequate and accessible means of egress and an appropriate number of fixtures are provided. However, there is currently no accessible route or path of exit travel for people with disabilities which is the primary reason that the building has been closed.
- ADA compliance: An elevator or lift may be required.
- Downstairs classrooms/storage areas do not have sufficient ceiling height to be used as habitable space; however, its continued use for storage could be allowed if a rated door is installed. Raising the ceiling height would allow for habitable space but would require costly structural renovations that may trigger seismic upgrade requirements.
- Installation of two upstairs restrooms would provide accessible restroom facilities while reconstruction of the downstairs restrooms would provide compliance with current restroom requirements for the numbers of water closets and lavatories.
- A dual position drinking fountain should be installed upstairs.
- The ground floor concrete slab and structural footings are assumed to be in good condition; however, they do not comply with current code requirements. A structural engineer must evaluate these structural elements during design, and structural modifications may be required.
- Hazardous materials (lead, asbestos, and mold) need to be remediated during the renovation.
- The electrical system needs to be substantially replaced.
- Lighting fixtures should be restored in-kind.
- The mechanical/HVAC system, gas water heater, and forced air unit need to be replaced. All electric appliances are encouraged.
- Plumbing systems need to be replaced.
- A fire sprinkler system may be required.
- All kitchen appliances and fixtures need to be replaced.
- Panic hardware on the exterior doors is required.
- Interior paint is needed throughout.
- The wood-burning fireplace and chimney need to be professionally cleaned.

Key Exterior/Site Improvements

- Spot repairs are needed throughout the exterior siding.
- Exterior paint is needed throughout.
- Masonry steps and railings fronting on Mission Street need to be replaced.
- Repairs are needed along the masonry retaining wall on Mission.

- The southeast wood steps may need to be replaced.
- A water leak downstream of the water meter on City property must be repaired.
- Sewer lateral must be inspected and repaired or replaced per CAWD standards.
- Non-compliant ADA ramp at the northeast corner of Mission and Eighth needs to be reconstructed.
- Curb, gutter, and sidewalk along Mission Street should be reconstructed.
- Driveway needs to be resurfaced or reconstructed.
- Drought-tolerant landscaping, an on-site rain garden or other infiltration system, and an irrigation system are needed.

Options for Future Use

In recent years, there has been growing attention focused on reopening the Scout House. One of the City Council's Strategic Priorities is to "*Explore Opportunities for the Scout House."* In 2022, Council directed staff to issue a Request for Proposals (RFP) to solicit proposals seeking interested community volunteers and contractors to renovate the Scout House at no cost to the City, and for the selected volunteers/contractors to subsequently operate and maintain the facility for a number of years thereafter. Unfortunately, no proposals were received. This approach is further outlined in Option 3 below.

At the April 4, 2023 meeting, Council conducted the first Public Hearing on this matter and requested staff to proceed with the RFP to determine community interest in submitting proposals to renovate, operate, and maintain the Scout House. At the June 6, 2023 meeting, Council conducted a second Public Hearing and adopted two resolutions as follows. Resolution 2023-040 authorized the City Administrator to issue a Request for Proposals seeking technical Proposals to enter into an Operations and Maintenance Agreement and Site Lease with the City for Renovation and subsequent Activities Programming, Operations, and Maintenance of the Scout House, and Resolution 2023-042 declared the Scout House Real Property Exempt Surplus Land.

Had there been proposals submitted pursuant to the RFP, the selected Contractor would have been expected to pay ongoing facility maintenance costs including: custodial, fire alarm monitoring, pest control, landscape maintenance, water, gas, and electric utilities, and minor building repairs. The City would continue to pay for trash/recycling and sewer service. Future capital improvements were intended to be potentially shared expenses.

In late 2023, meetings and correspondence with the California Department of Housing and Community Development (HCD), and HCD's review of the City's RFP, including the proposed Operations and Maintenance Agreement and Site Lease, resulted in HCD issuing the following determination letter:

> *"The City's preferred option (restoration with an operation and maintenance agreement) would not be considered a disposition under the Surplus Land Act (SLA) because no development or demolition would take place. In accordance with the SLA Guidelines (2021), section 102(h), the disposition of surplus land means the sale or lease of local agency-owned land formally declared surplus. But a" lease" does not include a lease of land on which no development or demolition will occur. Please accept this as our official determination that the site, as currently planned for restoration, is not subject to the SLA for the reasons noted above in our Guidelines."*

The Scout House remains an ongoing liability to the City without any beneficial use. Renovating the Scout House on site has major challenges: the cost of renovating the facility, meeting ADA and other building codes, renovating on a small, steeply-sloped lot, and conforming to historic restoration requirements. Selling the property would transfer these same challenges to a buyer. Relocating the facility requires an

acceptable site for its intended use, and the costs of relocation and renovation, although these costs would be offset by selling the existing site once vacated.

Based on community feedback and research to date, staff envisions the following five (5) Options for the Scout House as the most reasonable alternatives at this time. Each Option has distinct advantages and disadvantages. Some of these options have subsequent alternatives. Several Options would involve a cumbersome environmental review process under CEQA, and some Options would be conditioned under the Surplus Lands Act.

At the January 9, 2024 Council meeting, staff will review these Options and seek Council direction on the best Option, or Options, to further evaluate in 2024. Staff intends to return to Council with more specifics once an Option(s) is tentatively selected.

Option 1 – Renovate the Scout House as a Capital Improvement Project

This Option was previously considered during development of prior year Capital Improvement Programs, but not funded. This Option would be for the City to treat this project like any other Capital Improvement Project and take on the full planning, design, bidding, and construction for a complete renovation meeting all historic restoration and code requirements and the desired programs of the community.

Subsequent Option: Upon completion of the renovation, the property could be leased out to a third-party contractor, similar to Forest Theater or Sunset Center, with shared responsibility for maintenance, utilities, and future capital upgrades. Alternatively, the property could be sold after the renovation.

> **CEQA and SLA Issues:** Renovation of the historic resource by the City will likely be Categorically Exempt under CEQA since the building would be restored per the State Secretary's Standards for the Treatment of Historic Properties. This renovation would not be subject to the SLA.
>
> **Advantages:** Complete renovation meeting City and community needs for decades to come. The City controls the renovation schedule. Least challenging CEQA and SLA process for a renovation Option.
>
> **Disadvantages:** City pays full cost of renovation.

Option 2 – Sell the Property

The second Option is to sell the property to a private party. The sale would be subject to a Surplus Lands Act disposition process which requires that it is first prioritized for affordable housing development. This site was not included as an opportunity site for the City's Housing Element evaluation. The sale would likely be a public process, and the community may raise issues with the City's intent to divest itself of the property. Another potential barrier to selling the building is that it is listed on the City's Historic Inventory, which prohibits demolition and limits exterior modifications.

Thus, the buyer of the property may have limited options. The buyer may restore the exterior of the building to meet the historic preservation standards and renovate the interior of the building for residential or multi-family housing. The buyer may also convert it to certain retail uses in accordance with Residential and Limited Commercial Zoning per CMC Section 17.14.030, "Land Use Regulations," as prescribed in **Attachment #1**. Re-use options may be allowed per the Zoning Ordinance or may require a Use Permit. If rezoning is pursued, a General Plan Amendment would also be required. Depending on

the desired renovation and use, the CEQA process may entail an Initial Study, Categorical Exemption, and/or Mitigated Negative Declaration.

However, the buyer may desire to demolish the historic structure and rebuild a new facility. To do so, the buyer would need to demonstrate, via an Environmental Impact Report (EIR), that the significant impacts to the historic resource are unavoidable, and propose mitigation. Council would then need to find overriding considerations to certify such an EIR.

CEQA and SLA Issues: Selling the site would trigger the SLA disposition process. The CEQA review process would depend on the buyer's desired restoration or reuse of the site.

Advantages: Generates revenue and removes the property from City liability. Relatively shorter process than other Options.

Disadvantages: Potentially difficult disposition process. Becomes private property potentially without future public benefit.

Option 3 – Reissue the RFP for Contractors to Renovate, Lease, and Operate the Scout House

Pursuant to Government Code Section 52201, a City Council may lease real property to create an economic opportunity. In early 2023, Staff completed an RFP seeking technical Proposals to enter into an Operations and Maintenance (O&M) Agreement with the City for the renovation of the Scout House and subsequent activities programming, operations, management, and maintenance of the facility. The rough cost estimate required to renovate the Scout House was estimated at over $1,000,000. The Contractor was asked to bear the full costs of performing the renovation work as no City funding was proposed.

The selected Proposer/Contractor signing the O&M Agreement would also need to enter into a Site Lease to cover the duration of their occupation of the Scout House. Under the Site Lease, the Lessee would pay fair market rent for the use and enjoyment of the Scout House. While fair market rent must be paid per the terms of the Site Lease, the current fair market rent is lower than that of surrounding properties due to the condition of the Scout House, and cost of the renovation may be considered as a credit to offset the rent. The Site Lease would authorize the Contractor to undertake various fundraising activities, including, for example, the sale of naming rights of interior portions of the facility, and the use of the facility for commercial purposes consistent with existing zoning (Residential and Limited Commercial), including a potential sublease of the facility, if desired. This would allow the Lessee to generate revenue once the renovation work on the premises is complete.

Subsequent Option: The City could participate in the funding of the renovation with the selected Contractor. However, any City funding would trigger California Public Contracting regulations and the payment of prevailing wages, likely resulting in a more-costly overall project.

CEQA and SLA Issues: Renovation will likely be Categorically Exempt under CEQA since the building would be restored per the State Secretary's Standards for the Treatment of Historic Properties. As determined by the HCD, this renovation Option would not be subject to the SLA.

Advantages: The City maintains ownership. The renovation is completed at no cost (or reduced cost) to the City. Renovated facility meets City and community needs for decades to come.

Disadvantages: The RFP process was already implemented in 2023 without any proposals being submitted. Even with more extensive outreach to solicit more proposals, there is no guarantee that contractors would be interested in pursuing this renovation at their risk and

expense and operating the facility afterwards.

Option 4 – Relocate and Renovate the Building and Sell the Existing Property

It may be feasible to relocate the Scout House structure to another site, and, if so, the current site could be sold as a vacant parcel under the Surplus Lands Act disposition process. The concept behind this option would be to use the money generated from the land sale to offset the cost for relocating the building to a site in which costs and challenges to construct ADA-required improvements for the current site would be reduced.

If this Option is desired or short-listed by Council, staff would need to perform additional research on the feasibility and cost of a relocation, determine the value of the remnant parcel, and evaluate the site(s) for viability for receiving the building, as well as to determine impacts that the relocated building would have on the selected site, such as lost housing opportunities, emergency access, or parking. Until the Vista Lobos site is determined to be included, or not, as part of the Police Building project, other City-owned sites should be considered, such as one of the Sunset Center parking lots. However, having to purchase a new parcel to accommodate the relocated structure would likely render this Option as cost-prohibitive.

Subsequent considerations: Should the City relocate the building to another City-owned site, the City could then renovate the building as a Capital Improvement Project, as per Option 1 above, or sell the relocated building as per Option 2, or re-issue the RFP, as described in Option 3, requesting a Contractor to renovate the building, lease the property, and provide activities programming, operations, and maintenance of the facility for a period of time afterwards.

CEQA and SLA Issues: Relocating the Scout House and selling the site would trigger the SLA disposition process. Because of the many variables associated with this concept, the CEQA review process would depend on the selected site, and the extent of renovation. While this may be completed via an Initial Study and Mitigated Negative Declaration, until more specifics are identified, this Option may require an Environmental Impact Report.

Advantages: A significant advantage to Option 4 is the flexibility of subsequent options (i.e. renovate, sell, re-issue the RFP) following the relocation of the structure. Reconstruction of the building to a different site may reduce the renovation costs associated with providing ADA access. Sale of the vacant parcel would offset the cost of relocation and renovation. Subsequent flexibility to renovate the building by City or private contractor. Renovated facility meets City and community needs for decades to come.

Disadvantages: The key disadvantage of Option 4 at this time is the risks and unknowns. There will be a cost and structural difficulty to relocate the building, if feasible. Disposing the remnant parcel triggers the SLA, and the value and re-use of the existing site may be limited for potential buyers. There will also be impacts to the site selected for the relocated structure, or the City may need to acquire a new site which would render this option cost-prohibitive. Up front capital costs required until the existing parcel is sold.

Option 5 – Status Quo

This Option is to maintain the status quo by keeping the building closed to the public and performing ongoing maintenance to prevent further decay. With this option, the building provides no benefit to the public and essentially only serves as a liability to the City.

CEQA and SLA Issues: This Option would have no CEQA review requirements and is no

subject to the SLA.

Advantages: No capital investment needed at this time.

Disadvantages: Continued liability and maintenance expenditures with no useful benefit of the facility.

Environmental Impact:
The proposed actions do not constitute a "project" as defined by the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b). A project does not include organizational or administrative activities of governments that will not result in direct or indirect physical changes on the environment. However, prior to commencing renovations, relocating the facility, or selling the Scout House, the City will complete all necessary reviews pursuant to CEQA.

FISCAL IMPACT:

There is no cost for exploring the Options associated with the Scout House at this time.Ongoing maintenance of the facility is absorbed in the Public Works/Facilities Maintenance Division operating budget.
The fiscal impact of implementing an Option will need to be identified once Council narrows down the best Option(s), and staff evaluates the associated programming process and costs.

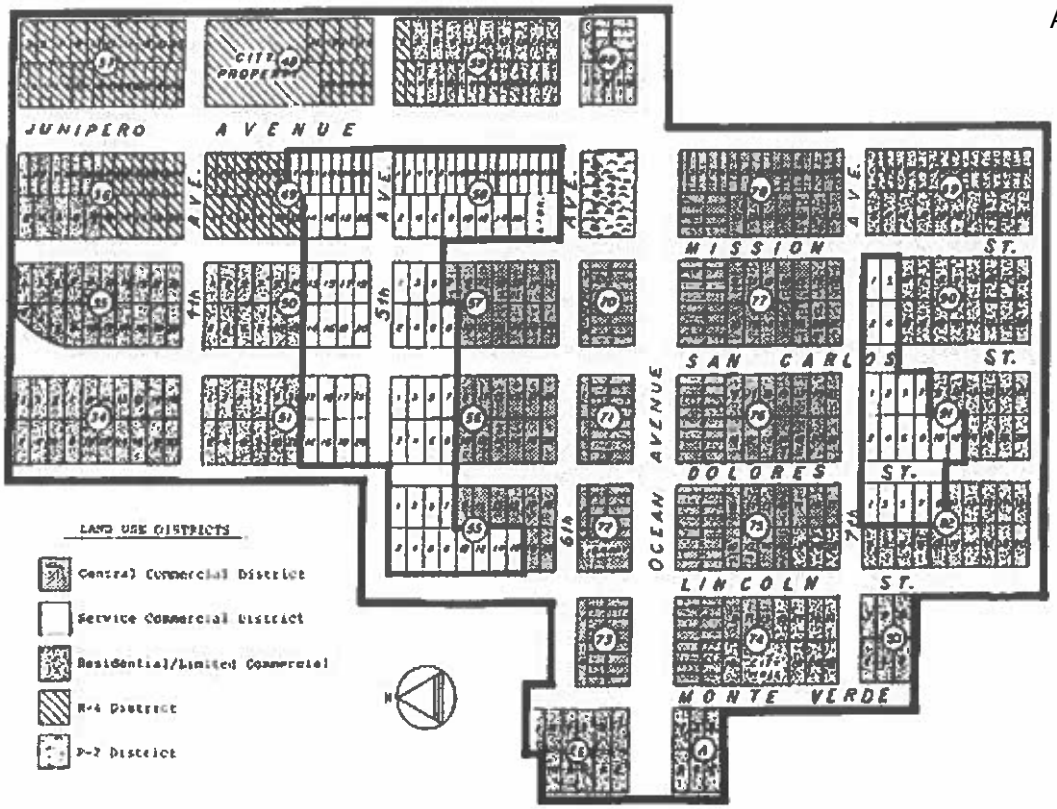
PRIOR CITY COUNCIL ACTION:

At the April 4, 2023 meeting, Council conducted the first Public Hearing on this matter and requested staff to proceed with the RFP to determine community interest in submitting proposals to renovate, operate and maintain the Scout House.
At the June 6, 2023 meeting, Council conducted a second Public Hearing and adopted two resolutions as follows. Resolution 2023-040 authorized the City Administrator to issue a Request for Proposals seeking technical Proposals to enter into an Operations and Maintenance Agreement and Site Lease with the City for Renovation and subsequent Activities Programming, Operations, and Maintenance of the Scout House, and Resolution 2023-042 declared the Scout House Real Property Exempt Surplus Land.

ATTACHMENTS:

Attachment 1) CMC Section 17.14.030, Land Use Regulations

Attachment 1



(Ord. 2004-02 § 1, 2004; Ord. 2004-01 § 1, 2004).

17.14.030 Land Use Regulations.

Schedule II-B prescribes the land use regulations for the commercial districts. The regulations for each district are established by letter designations as follows:

"P" designates permitted use classifications.

"L" designates use classifications that are permitted, subject to certain specific limitations noted by the number designations and listed at the end of Schedule II-B.

"C" designates use classifications permitted after review and approval of a conditional use permit by the Planning Commission. Conditions may apply to these uses, noted by the number designations and listed at the end of Schedule II-B.

These uses are subject to Division I, General Regulations, and may be subject to additional use regulations found in Division IV, Provisions Applying in All or Several Districts. Additional use regulations are also found in CMC 17.14.040, Additional Use Regulations, and are referenced in the schedule. Findings for specific uses may also be required and are found in Chapter 17.64 CMC, Findings Required for Permits and Approvals.

Use classifications are defined in Chapter 17.68 CMC, Use Classifications, and are based on the use classifications listed in the current edition of the North American Industry Classification System (NAICS). Questions as to the inclusion or exclusion of a particular proposed use in a particular category will be determined by the Director based on a NAICS Use Categories List, adopted by resolution by the City Council and held at the Department of Community Planning and Building counter. The Director shall make the decision according to the characteristics of the use, and upon the Director's interpretation of the land use code, the NAICS Use Categories List and the current edition of the NAICS. The determination by the Director may be appealed to the Planning Commission by anyone aggrieved by the decision following the procedures specified in Chapter 17.54 CMC, Appeals.

Schedule II-B: Commercial Districts – Use Regulations				
P = Permitted Use L = Limitations Apply C = Conditional Use Permit Required	Commercial Districts			Additional Regulations
	CC	SC	RC	
Retail				
Animal Sales and Services				
Animal Grooming	P	P	P	See CMC 17.14.040(C)
Animal Hospitals	–	C	–	See CMC 17.14.040(C)
Kennels	–	C	C	See CMC 17.14.040(C)
Automobile Sales and Services				See CMC 17.14.040(D)
Motorcycles, Mopeds and Parts	P	P	–	
Vehicle Repair	–	C	C	
Vehicle Service and Gasoline	–	C	C	See CMC 17.14.040(D)
Building Materials, Hardware and Garden Supplies	P	P	C	See CMC 17.14.040(G)
Eating and Drinking Establishments				See Chapter 17.56 CMC
Drinking Places	C	C	–	See CMC 17.14.040(I)
Restaurant, Full Line	C	C	–	See CMC 17.14.040(I)
Restaurant, Specialty	C	–	–	See CMC 17.14.040(I)
Food and Beverage Sales				See Chapter 17.56 CMC
Convenience Market	–	L-2	L-2	See CMC 17.14.040(D)(2) and (J)(2)

Attachment 1

Schedule II-B: Commercial Districts – Use Regulations				
P = Permitted Use L = Limitations Apply C = Conditional Use Permit Required	Commercial Districts			Additional Regulations
	CC	SC	RC	
Food Store – Full Line	C	C	C	See CMC 17.14.040(J)
Food Store – Specialty	C	C	–	See CMC 17.14.040(J)
Liquor	C	C	C	See CMC 17.14.040(J)
Wine Tasting Shop	C	C	–	
Retail Sales	P	P	–	See CMC 17.14.040(T)
Antique Shops	P	–	–	See CMC 17.14.040(T)
Art Galleries	P	–	–	See CMC 17.14.040(T)
Arts and Crafts	P	–	–	See CMC 17.14.040(T)
Jewelry Shops	P	–	–	See CMC 17.14.040(T)
Cosmetic Stores	C	C	–	
Sales by Public Outcry (Auction)	–	C	C	See CMC 17.14.040(U)
Specialty, Theme	P	P	–	See CMC 17.14.040(T)
Stationery	P	P	P	See CMC 17.14.040(T)
Thrift Shops	P	P	–	See CMC 17.14.040(T)
Vending Machines	C	C	C	See CMC 17.14.040(T)
Service/Office				
Banks and Other Financial Institutions	P	P	P	See CMC 17.14.040(F)
Automatic Teller Machines (ATM)	C	C	C	See CMC 17.14.040(E)
Business Services	P	P	L-1	
Commercial Recreation	P	–	–	See CMC 17.14.040(H)
Community Care Facility	P	P	P	
Computer Services	P	P	P	
Day Care Centers	–	C	C	
Emergency Medical Care	P	P	P	
Government Offices	P	P	P	

Attachment 1

Schedule II-B: Commercial Districts – Use Regulations				
P = Permitted Use L = Limitations Apply C = Conditional Use Permit Required	Commercial Districts			Additional Regulations
	CC	SC	RC	
Hotels and Motels	C	C	C	See Chapter 17.56 CMC, Restricted Commercial Uses, and CMC 17.14.040(M)
Hospitals and Clinics				
Hospitals		C	–	See CMC 17.14.040(L)
Clinics	P	P	P	See CMC 17.14.040(L)
Hospice Care, Limited	P	P	P	
Maintenance and Repair Services	L-3	L-3	L-3	
Office				
Business and Professional	P	P	P	
Medical and Dental	P	P	P	
Other	P	P	L-4	See CMC 17.14.040(O)
Parking Facilities, Commercial	–	C	C	See CMC 17.14.040(P) and Chapter 17.64 CMC, Findings Required for Permits and Approvals
Personal Improvement Services	C	C	–	See CMC 17.14.040(Q)
Personal Services	P	P	P	
Laundry and Dry Cleaning	C	C	C	See CMC 17.14.040(R)
Video Tape Rental	P	P	–	See CMC 17.14.040(R)
Research and Development Testing Services	P	P	P	See CMC 17.14.040(S)
Residential Care Facilities				
General	–	C	C	
Limited	L-6	L-6	L-6	
Senior	–	C	C	
Travel Services	P	P	P	See CMC 17.14.040(V)

Attachment 1

Schedule II-B: Commercial Districts – Use Regulations				
P = Permitted Use L = Limitations Apply C = Conditional Use Permit Required	Commercial Districts			Additional Regulations
	CC	SC	RC	
Residential/Public and Semipublic				
Colleges and Trade Schools	P	P	P	
Community Centers	C	C	C	
Conference Facilities, Small	C	C	C	
Community Social Service Facility	P	P	P	
Family Day Care				See CMC 17.08.050(B)
Small Family	–	–	P	
Large Family	–	C	C	
Libraries, Public	P	P	P	
Multifamily Dwellings				See CMC 17.14.040(N)
0 – 22 dwelling units/acre	P	P	P	
23 – 33 dwelling units/acre	C	C	C	
34 – 44 dwelling units/acre	C	C	C	Chapter 17.64 CMC, Findings Required for Permits and Approvals
45 – 88 dwelling units/acre	C	C	C	Chapter 17.64 CMC, Findings Required for Permits and Approvals
Transient Rental, Legal Nonconforming	L-7	L-7	L-7	Chapter 17.68 CMC, Use Classifications, See "Nonconforming Use" Definition
Transient Rental, Housing Incentive	L-8	L-8	L-8	See CMC 17.14.040(W)(2)(b).
Museums, Galleries, Gardens (Noncommercial)	P	P	P	
Park and Recreation Facilities				
Individual Recreation	C	C	–	
Organized Recreation	C	–	–	

Attachment 1

Schedule II-B: Commercial Districts – Use Regulations				
P = Permitted Use L = Limitations Apply C = Conditional Use Permit Required	Commercial Districts			Additional Regulations
	CC	SC	RC	
Parking Facilities, Noncommercial	–	C	C	See Chapter 17.64 CMC, Findings Required for Permits and Approvals
Public Safety Facility	P	P	P	
Religious Facilities	–	–	C	
Schools, Private	P	P	P	
Senior Citizen Housing	P	P	P	
Single-Family	L-5	C	C	See CMC 17.08.050(H)
Theater, Live Performance	C	C	C	
Theater, Motion Picture	C	C	–	
Industrial				
Handicraft/Custom Manufacturing	P	P	C	See CMC 17.14.040(K)
Industry, Limited	P	P	–	
Transportation, Communication and Utilities				
Communication Facilities	–	–	–	
Facilities Within Buildings	P	P	C	
Utilities, Major	P	P	C	
Utilities, Minor	P	P	C	
Agricultural				
Nurseries	P	P	P	
Other				
Accessory Use				See CMC 17.08.050(A)
Nonconforming				See Chapter 17.36 CMC, Nonconforming Uses and Buildings
Temporary				See CMC 17.52.100(I)

Attachment 1

Schedule II-B: Commercial Districts – Use Regulations				
P = Permitted Use L = Limitations Apply C = Conditional Use Permit Required	Commercial Districts			Additional Regulations
	CC	SC	RC	
Specific Limitations and Conditions: L-1: Limited to advertising, consumer credit reporting, secretarial court reporting, equipment maintenance and repair, personnel supply services, and nonretail computer services and repair. L-2: Allowed only as accessory use to gasoline stations and limited to a maximum of 300 square feet. No sales of alcohol are permitted. See CMC 17.14.040(D)(2) and (J)(2). L-3: Any establishments with activities generating noise, odors, deliveries by large vehicles, high traffic by customers, or requiring large storage needs are not permitted. L-4: Limited to offices for the following categories: operators of nonresidential buildings, apartment buildings, dwellings, real estate agents and managers, and title companies. L-5: Limited to sites that are already developed with a single-family dwelling, or that were originally developed as, or used as, a single-family dwelling but have since been converted to another use. Existing single-family dwellings can be maintained, altered, repaired and/or redeveloped. R-1 district floor area ratio standards shall apply to these sites. L-6: Subject to the same regulations as apply to other family residential dwellings in the same zone. L-7: Limited to permits approved prior to the adoption of Ordinance 2019-03. L-8: Limited to transient rental units approved through the issuance of a conditional use permit as an incentive for the creation of new housing units. See CMC 17.14.040(W)(2)(b).				

* All uses are subject to CMC 17.14.040(A) and (B).

(Ord. 2019-03 § 1 (Exh. A), 2020; Ord. 2017-01 § 1 (Exh. A), 2017; Ord. 2016-04 § 6, 2016; Ord. 2016-02 § 6, 2016; Ord. 2012-07 (Exh. A), 2012; Ord. 2012-01 (Exh. A), 2012; Ord. 2004-02 § 1, 2004; Ord. 2004-01 § 1, 2004).

17.14.040 Additional Use Regulations.

A. All Uses.

1. No new structure or modification to an existing structure shall be permitted nor shall any business license be issued that would allow the creation of publicly accessible retail space occupying fewer than 200 square feet or more than 5,000 square feet unless approved through a use permit and pursuant to the adoption of findings per CMC 17.64.200, Retail Space of Less Than 200 Square Feet or Greater Than 5,000 Square Feet.

2. No timeshare uses or fractional interest uses shall be established or permitted in any zone.

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

January 9, 2024
ORDERS OF BUSINESS

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Marnie R. Waffle, AICP, Principal Planner
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	6th Cycle Draft Housing Element (2023-2031), Response to HCD Comment Letter

RECOMMENDATION:

Receive the report and provide direction.

BACKGROUND/SUMMARY:

EXECUTIVE SUMMARY:

This report focuses on policy-level changes to the draft 6th cycle Housing Element based on comments received from the State of California Department of Housing and Community Development (HCD) on November 1, 2023. This review aims to obtain feedback from the City Council and the public on the proposed changes before resubmitting the Housing Element to HCD on January 24th. Revisions to the 6th cycle Housing Element are ongoing, and a revised draft will be posted online at www.HOMECarmelByTheSea.com on January 16th.

Background:

The City of Carmel-by-the-Sea last updated the General Plan Housing Element in 2015 for the 5th cycle planning period of 2015-2023. Under state law, the Housing Element must be updated every eight (8) years in a manner consistent with the Regional Housing Needs Allocation (RHNA). The 6th cycle planning period is 2023-2031, and the City's RHNA is 349 housing units. The Housing Element includes policies, programs, incentives, and objectives to achieve the City's housing goals, including planning for the creation of 349 new housing units, and must be adopted by the local jurisdiction and certified by the California Department of Housing and Community Development (HCD) by December 15, 2023. A 120-day grace period follows, ending on April 15, 2024.

In 2022, Mayor Potter appointed a Housing Ad-Hoc Committee consisting of Mayor Pro Tem Bobby Richards and Councilmember Karen Ferlito.

On February 7, 2023, the City entered into a Professional Services Agreement with EMC Planning Group to assist the City with preparing the 6th cycle Housing Element Update.

On June 6, 2023, the Public Review Draft of the 6th cycle Housing Element was released for a 30-day public comment period.

On August 2, 2023, the 6th cycle Housing Element was submitted to the State Department of Housing and Community Development (HCD) for a 90-day review period (Attachment 1).

On November 1, 2023, the City received HCD's comment letter on the draft Housing Element (Attachment 2).

Staff is working with our partners at EMC Planning Group to revise the 6th cycle Housing Element in response to HCD's comments. The revised Housing Element is scheduled to be resubmitted to the State on **January 24, 2024**. State law requires that the revised Housing element be made available for public review at least **seven (7) days** prior to resubmitting. The revised 6th cycle Housing Element will be posted online at www.HOMEcarmelbythesea.com on **January 16, 2024**.

The state has 60 days to review the revised 6th cycle Housing Element and provide a letter of substantial compliance with state law or additional comments. Assuming the former, the City Council would be asked to adopt the updated Housing Element at their regular meeting on **April 2, 2024**. The document would then be submitted back to the State in advance of the **April 15th deadline** for certification. Once certified, the 6th cycle Housing Element will be submitted to the California Coastal Commission for final approval as part of our Local Coastal Plan.

Summary of Revisions:

The HCD comment letter focuses on two categories of the draft 6th cycle Housing Element, "Housing Needs, Resources, and Constraints" and "Housing Programs." Many of the comments focus on providing additional analysis to address various topics. This analysis informs the 6th-cycle housing programs.

Affirmatively Furthering Fair Housing (AFFH). New state legislation for the 6th cycle Housing Element update requires a more robust analysis on affirmatively furthering fair housing. This includes explaining how the City proactively complies with fair housing and responds to fair housing complaints. The Housing Element must also analyze historic patterns of integration and segregation, disparities in access to transportation, and substandard housing. Based on these analyses, housing programs are developed to address any deficiencies. Additional analyses are being incorporated into the 6th cycle Housing Element.

Regional Housing Needs Allocation (RHNA). RHNA is an assignment of housing units to individual cities and counties based on the projected housing need within a region. Carmel is part of the Association of Monterey Bay Governments (AMBAG) region, which includes Monterey and Santa Cruz counties and the cities within each county. Carmel's share of the regional housing need is 349 new housing units. Units include single-family, multi-family, and accessory dwelling units, among other potential housing types. A portion of the 349 housing units (231 units) must be set aside as affordable to lower and moderate-income households.

To increase the local housing supply over the next eight years, the 6th cycle Housing Element proposes to amend the zoning code to require a minimum density of **33 dwelling units per acre** for all new construction projects in the CC, SC, RC, and R-4 zoning districts. The Carmel Municipal Code already requires that residential uses occupy all new second-floor construction, and that will continue to be implemented.

Current Progress in Meeting the RHNA – Pipeline Projects. Additional information has been included in the

6th cycle housing element regarding projects in review, approved, or under construction between July 1st and December 31st, 2023. Seventeen (17) new housing units have been approved (Ulrika Plaza, Scandia Lopez, & CRI on Carpenter), and an additional ten (10) new housing units are currently under review (JB Pastor & CRI on Carpenter). These **27 units** reduce the city's remaining RHNA commitment from 349 to 322 units.

Additionally, between July 1st and December 31st, 2023, four ADUs were issued certificates of occupancy, 13 ADUs remain under construction, and building permits were issued for five new ADUs. These additional 22 housing units further reduce the city's remaining RHNA commitment to 300.

The development community continues to show a strong interest in the construction of ADUs. The Building Safety Division is actively reviewing four building permit applications for new ADUs, which are expected to be completed during the Housing Element planning period (2023-2031). The city is six months into the planning period and has met over half of the projected ADU development for the next eight years.

On an annual basis, staff will report to the State the number of new housing units in review, approved, and/or under construction. This report is known as the Annual Progress Report and is due on April 1st each year.

Housing Priority Overlay Zone. The proposed Housing Priority Overlay Zone has been eliminated from the housing programs. Overlay Zones were challenged in a recent court case (Martinez vs City of Clovis), and HCD does not appear to support using Overlay Zones. Instead, the city will implement the provisions previously proposed under the Overlay Zone through other regulatory means (e.g., the adoption of policies, amendments to the Carmel Municipal Code, etc.), including:

- Prioritizing the distribution of the city's water resources to affordable housing.
- Evaluating further parking reductions and/or waivers for affordable housing.
- Evaluating permit fee reductions and/or waivers for affordable housing.
- Establishing a floor area ratio incentive program to encourage affordable housing.
- Establishing a minimum density of 33 dwelling units per acre in the CC, SC, RC, and R-4 Districts.

Next steps and Timeline:

The 6th cycle draft Housing Element will be posted on the city's website on January 16th and resubmitted to HCD for a 60-day review period on January 24, 2024. Staff will remain in close contact with HCD staff during the review process to answer any questions or provide clarification where needed.

On or before March 25, 2024, the city will receive a letter from HCD that either,

1) Finds the draft Housing Element substantially complies with state law, or

2) Requires further revisions and outlines what those revisions include.

If HCD finds the document in substantial compliance, the City Council can adopt the Housing Element and submit it back to HCD for certification. If revisions are required, City staff will review the comments, discuss any substantive changes with the City Council and the public, and resubmit the document for another 60-day review by HCD. This process continues until HCD finds the document to be in substantial compliance with state law.

The environmental review for the 6th cycle Housing Element update is underway. A draft Initial Study has been completed, and a Mitigated Negative Declaration has been prepared for the project. The environmental document will be posted for a 20-day public review period. The environmental document and

6th cycle Housing Element will be presented to the City Council concurrently for adoption.

Following the City Council's adoption of the 6th cycle Housing Element and HCD certification, staff will submit the document to the California Coastal Commission (CCC) as a Local Coastal Plan (LCP) Amendment. HCD does not require the City to obtain approval from the CCC before adopting or certifying the updated Housing Element.

FISCAL IMPACT:

Consultant fees for the project are $371,931. The cost will be paid with grant funding from SB2, LEAP, and REAP, as well as contract services from the Community Planning & Building Department fiscal year 2023/2024 budget. In 2019 and 2020, the City received three grant awards totaling $290,000 to assist with the cost of updating the Housing Element: SB2 ($160,000), LEAP ($65,000), and REAP ($65,000).

PRIOR CITY COUNCIL ACTION:

On February 7, 2023, the City Council adopted Resolution 2023-024, entering into a Professional Services Agreement with EMC Planning Group for the 6th cycle Housing Element update and General Plan Safety Element update at a cost of $239,145.

On July 11, 2023, the City Council adopted Resolution 2023-074, amending the Agreement to include additional work under the California Environmental Quality Act (CEQA) at an additional cost of $40,455.

On January 9, 2024, the City Council was presented with Resolution 2024-011, amending the Agreement to include additional work in response to the comment letter from the State Department of Housing and Community Development (HCD) for an additional cost of $92,331.

ATTACHMENTS:

Attachment 1) 6th cycle Draft Housing Element 08.03.23
Attachment 2) HCD 90 day Comment Letter 11.01.23
Attachment 3) Reader's Guide 01.09.24

Attachment 1

Housing and Community Development (HCD) Initial Draft

6th Cycle Housing Element Update (2023-2031)

CITY OF CARMEL-BY-THE-SEA

August 1, 2023

Prepared by

EMC Planning Group

HOUSING AND COMMUNITY DEVELOPMENT (HCD) INITIAL DRAFT

6TH CYCLE HOUSING ELEMENT UPDATE (2023-2031)

CITY OF CARMEL-BY-THE-SEA

PREPARED FOR

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August 1, 2023

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1.0 Introduction

1.1 Introduction

Carmel-by-the-Sea is a community with a high quality of life, a healthy environment, and renowned architecture. The long-term vitality of Carmel-by-the-Sea and the local economy depend upon the availability of various types of housing to satisfy the community's local housing needs while continuing to be a vacation destination for all. As Carmel-by-the-Sea looks towards the future, increasing the range and diversity of housing options is integral to the City's success. This Housing Element serves as a continuation of the City's commitment to ensuring new opportunities for residential development, as well as preserving and enhancing existing neighborhoods, and continuing to protect the natural environment.

Located on the Monterey Peninsula and incorporated in 1916, Carmel-by-the-Sea is a bijou coastal community boasting sweeping views of the Pacific Ocean, acclaimed architecture, and a strong residential character. The City has nearly 50 historic properties within the centralized commercial district, primarily dating to the turn of the 20th century and the 1920-1930s period. Residences throughout the one-square-mile village span a range of construction eras but are collectively appreciated for their architectural aesthetic. As a result of its beauty, the City is a popular tourism and second-home destination. Approximately 51 percent of housing units are for seasonal, recreational, or occasional use, creating high barriers of entry to the housing market for local renters.

This 2023-2031 Housing Element represents the City of Carmel-by-the-Sea's intent to plan for the housing needs of the community while meeting the State's housing goals as set forth in Article 10.6 of the California Government Code (Section 65580-65589.11). The California State Legislature has identified the attainment of a decent home and a suitable living environment for every Californian as the State's major housing goal. The Carmel-by-the-Sea 6th Cycle Housing Element represents a sincere and creative effort to meet State housing mandates within the constraints of an established and nearly built-out community with limited land availability, coastal hazards, and extraordinarily high costs of land and housing.

Pursuant to state law, the Housing Element must be updated periodically according to statutory deadlines. This 6th Cycle Housing Element covers the planning period 2023 through 2031 and replaces the City's 5th Cycle Housing Element that covered the period 2015 through 2023.

Per State Housing Element law, the document must be periodically updated to:

- Outline the community's housing production objectives consistent with State and regional growth projections;
- Describe goals, policies and implementation strategies to achieve local housing objectives;
- Examine the local need for housing with a focus on special needs populations;
- Identify adequate sites for the production of housing serving various income levels;
- Analyze potential constraints to new housing production;
- Evaluate the Housing Element for consistency with other General Plan elements; and
- Evaluate Affirmatively Furthering Fair Housing.

1.2 California's Housing Crisis

The 6th Cycle Housing Element update comes at a critical time because California is experiencing a housing crisis, and as is the case for all jurisdictions in California, Carmel-by-the-Sea is committed to playing its part in meeting the growing demand for housing. In the period 2020 through 2045, the AMBAG region is projected to add 36,544 jobs,[1] which represents a nine (9) percent increase. These changes will increase demand for housing across all income levels, and if the region can't identify ways to significantly increase housing production, it risks worsening the burden for existing lower-income households, many of whom do not have the luxury or skill set to move to a new job center but that are nonetheless faced with unsustainable increases in housing cost.

If the region becomes less competitive in attracting workers and increasingly unaffordable to lower-income workers and seniors, then social and economic segregation will worsen, only exacerbating historic patterns of housing discrimination, racial bias, and segregation. This potentiality has become so acute in recent years that the California Legislature addressed the issue with new legislation in 2018. Assembly Bill (AB) 686 requires all state and local agencies to explicitly address, combat, and relieve disparities resulting from past patterns of housing segregation to foster more inclusive communities. This is commonly referred to as Affirmative Furthering Fair Housing, or AFFH (more on this below).

"There's a movement in California now called 'Yes, In My Backyard,' and I'd love to see us join that."

May 24, 2023 Housing Ad Hoc Committee Community Meeting Attendee

[1] Source: AMBAG, November 18, 2022. "Final 2022 Regional Growth Forecast"

Carmel-by-the-Sea has had moderate success in meeting its housing needs. In the last Housing Element cycle (2015 to 2022 – 2023 pending[2]), for example, 18 housing units were constructed in the City, which represented 58 percent of its Regional Housing Needs Allocation (RHNA) of 31 new housing units. Of the units built, none were affordable to lower- and moderate-income households,[3] and 100 percent were affordable to above moderate-income households.

1.3 Regional Housing Needs Allocation

For the eight-year time frame covered by this Housing Element Update (2023-2031), the Department of Housing and Community Development (HCD) has identified the region's housing need as 33,274 units. The total number of housing units assigned by HCD is separated into four income categories that cover housing types for all income levels, from very low-income households to market rate housing.[4] This calculation is based on population projections produced by the California Department of Finance as well as adjustments that incorporate the region's existing housing need. Per Government Code Section 65583(a), the Housing Element must also provide quantification and analysis of projected housing needs for extremely low-income households. The number of units for the extremely low-income level is not assigned by HCD, but is left for quantification by the local jurisdiction. This calculation is based on the HCD approved methodology[5], assuming that 50 percent of very low-income households qualify as extremely low-income households.

Almost all jurisdictions in the Monterey Bay Area received a larger RHNA this cycle compared to the last cycle, primarily due to changes in state law that led to a considerably higher Regional Housing Needs Determination (RHND) compared to previous cycles.

On November 8, 2022, AMBAG's adopted RHNA Methodology was approved by HCD. For Carmel-by-the-Sea, the RHNA to be planned for this cycle is 349 units, a substantial increase from the last cycle. Table 1-1 Regional Housing Needs Allocation shows the RHNA for Carmel-by-the-Sea for the period 2023 through 2031.

[2] Source: November 8, 2022 HCD letter to AMBAG. Local governments may credit new units approved, permitted, and/or built beginning from the start date of the RHNA projection period, June 30, 2023, towards their RHNA
[3] Source: City of Carmel-by-the-Sea HCD Annual Reports and City staff.
[4] HCD divides the RHND into the following four income categories:
Very Low income: 0-50% of Area Median Income
Low income: 50-80% of Area Median Income
Moderate income: 80-120% of Area Median Income
Above Moderate income: 120% or more of Area Median Income
[5] https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/extremely-low-income-housing-needs

Table 1-1 Regional Housing Needs Allocation

Income Group	Percentage of Area Median Income (AMI)	Share
Extremely Low Income[6]	<30	57
Very Low Income	<50	56
Low Income	51-80	74
Moderate Income	81-120	44
Above Moderate Income	121 +	118
Total		349

SOURCE: AMBAG

1.4 Affirmatively Furthering Fair Housing

In 2018, Assembly Bill (AB) 686, established an independent state mandate to affirmatively further fair housing (AFFH). Assembly Bill (AB) 686 extends requirements for federal grantees and contractors to "affirmatively further fair housing," including requirements in the Federal Fair Housing Act, to public agencies in California. Affirmatively furthering fair housing is defined specifically as taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity by replacing segregated living patterns with truly integrated and balanced living patterns; transforming racially and ethnically concentrated areas of poverty into areas of opportunity; and fostering and maintaining compliance with civil rights and fair housing laws.

Assembly Bill (AB) 686 requires public agencies to:

- Administer their programs and activities relating to housing and community development in a manner to affirmatively further fair housing;
- Not take any action that is materially inconsistent with the obligation to affirmatively further fair housing;
- Ensure that the program and actions to achieve the goals and objectives of the Housing Element affirmatively further fair housing; and
- Include an assessment of fair housing in the Housing Element.

The requirement to Affirmatively Further Fair Housing (AFFH) is derived from The Fair Housing Act of 1968, which prohibited discrimination concerning the sale, rental, and financing of housing based on race, color, religion, national origin, or sex—and was later amended to include familial status and disability. The 2015 U.S. Department of Housing and Urban Development (HUD) Rule

[6] Extremely low-income RHNA is found as a subset within the very low-income category for all other tables in this document

to Affirmatively Further Fair Housing and California Assembly Bill (AB)686 (2018) mandate that each jurisdiction takes meaningful action to address significant disparities in housing needs and access to opportunity. AB 686 requires that jurisdictions incorporate AFFH into their Housing Elements, which includes inclusive community participation, an assessment of fair housing, a site inventory reflective of AFFH, and the development of goals, policies, and programs to meaningfully address local fair housing issues.

An AFFH analysis was prepared and is included as an Appendix to this Housing Element (see Appendix A).

Defining Segregation

Segregation is the separation of different demographic groups into different geographic locations or communities, meaning that groups are unevenly distributed across geographic space. This report examines two spatial forms of segregation: neighborhood-level segregation *within* a local jurisdiction and city-level segregation *between* jurisdictions in the Monterey Bay Area.

Neighborhood-level segregation (*within* a jurisdiction, or *intra-city*): Segregation of race and income groups can occur from neighborhood to neighborhood *within* a city. For example, if a local jurisdiction has a population that is 20 percent Latinx, but some neighborhoods are 80 percent Latinx while others have nearly no Latinx residents, that jurisdiction would have segregated neighborhoods.

City-level segregation (*between* jurisdictions in a region, or *inter-city*): Race and income divides also occur *between* jurisdictions in a region. A region could be very diverse with equal numbers of White, Asian, Black, and Latinx residents, but the region could also be highly segregated with each city comprised solely of one racial group.

There are many factors that have contributed to the generation and maintenance of segregation. Historically, racial segregation stemmed from explicit discrimination against people of color, such as restrictive covenants, redlining, and discrimination in mortgage lending. This history includes many overtly discriminatory policies made by federal, state, and local governments (Rothstein 2017). Segregation patterns are also affected by policies that appear race-neutral, such as land use decisions and the regulation of housing development.

Segregation has resulted in vastly unequal access to public goods such as quality schools, neighborhood services and amenities, parks and playgrounds, clean air and water, and public safety (Trounstine 2015). This generational lack of access for many communities, particularly people of color and lower income residents, has often resulted in poor life outcomes, including lower educational attainment, higher morbidity rates, and higher mortality rates (Chetty and Hendren 2018, Ananat 2011, Burch 2014, Cutler and Glaeser 1997, Sampson 2012, Sharkey 2013).

Segregation Patterns in the Monterey Bay Area

Across the Monterey Bay Area, Hispanic and Black residents are significantly more segregated from other racial and income groups. The highest levels of racial segregation occur between the Hispanic and Black populations. The analysis completed for this report indicates that the amount of racial segregation both *within* Monterey Bay Area cities and *across* jurisdictions in the region has slightly increased since the year 2010.

Segregation and Land Use

It is difficult to address segregation patterns without an analysis of both historical and existing land use policies that impact segregation patterns. Land use regulations influence what kind of housing is built in a city or neighborhood (Lens and Monkkonen 2016, Pendall 2000). These land use regulations in turn impact demographics: they can be used to affect the number of houses in a community, the number of people who live in the community, the wealth of the people who live in the community, and where within the community they reside (Trounstine 2018). Given disparities in wealth by race and ethnicity, the ability to afford housing in different neighborhoods, as influenced by land use regulations, is highly differentiated across racial and ethnic groups (Bayer, McMillan, and Reuben 2004).[7]

Segregation in the Carmel-by-the-Sea

The following are highlights of demographics as they apply to Carmel-by-the-Sea. For further information regarding the history of racial segregation, please refer to Appendix A.

- As of 2019, White residents are the most segregated compared to other racial groups as measured by the isolation index. White residents live in neighborhoods where they are less likely to come into contact with other racial groups;
- As of 2019, Non-Hispanic White individuals comprise 87 percent of Carmel-by-the-Sea's population followed by Hispanic or Latino (8 percent) and Asian populations (5 percent);
- The City has no populations identifying as American Indian, Alaska Native, Native Hawaiian or Other Pacific Islander; and
- Black or African American non-Hispanic individuals represent less than 1 percent of the City's population.

[7]For the source data, see U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B19013B, Table B19013D, B19013H, and B19013I.

Carmel-by-the-Sea's General Plan and Municipal Code historically emphasized single-family residential development patterns and consequently, the City offers a limited variety of housing types with 87 percent single family detached units. Historically, this type of development contributed to segregation patterns, including in Carmel-by-the-Sea, due to, among other factors, the higher purchase costs that accompany single-family homes. Financing for single-family properties favored educated higher income earners and as a result purchasing property in the City remained out of reach for many lower income households and led to the demographics seen in the City today. While Carmel-by-the-Sea's population demographics are not as diverse as other jurisdictions within Monterey County and restrictive covenants were not enacted specifically in the City, enacting policies and programs that promote AFFH and highlight the community's assets could attract individuals to the area, encourage those that work in the City to live there as well, and assist lower-income households that are currently living in the community. Currently, 28 percent of households within Carmel-by-the-Sea are considered lower-income.

"I urge you to enthusiastically embrace this opportunity to do exactly what you've come up with because Carmel really needs it, and it didn't happen that Carmel turned out to be a wealthy white exclusive community by accident. It was purposeful. "

May 24, 2023 Housing Ad Hoc Committee Community Meeting Attendee

Regional Segregation

The following are highlights of regional segregation metrics as they apply to Carmel-by-the-Sea:

- The City has a higher share of White residents than other jurisdictions in the Monterey Bay Area as a whole, a lower share of Latinx residents, a lower share of Black residents, and a lower share of Asian/Pacific Islander residents; and
- Regarding income groups, the City has a lower share of very low-income residents than other jurisdictions in the Monterey Bay Area as a whole, a lower share of low-income residents, a lower share of moderate-income residents, and a higher share of above moderate-income residents.

1.5 Overview of Planning Efforts

This section provides an overview of planning and legislative efforts that provide the context for development of the 6th Cycle Housing Element.

Effectiveness of Previous Housing Element

The 2015 Housing Element identified a Regional Housing Needs Allocation of 31 housing units in Carmel-by-the-Sea between 2015 and 2023. The RHNA was divided into the following income categories:

- 7 units affordable to extremely low- and very low-income households;
- 5 units affordable to low-income households;
- 6 units affordable to moderate-income households; and
- 13 units affordable to above moderate-income households.

During the 2015–2023 planning period, 18 new above moderate-income units were added to the City's housing stock, and no units were added in the moderate, low or very low-income categories[8]. This indicates that residential growth for extremely and very low-income households was slower than anticipated, which may be in part due to a lack of water resources, the COVID pandemic, the cost of land and construction, and the overall lack of interest to develop affordable housing in the community. As a result, housing costs continued to increase substantially due to low supply, and affordability became more elusive.

The goals, objectives, policies, and actions in the 2015 Housing Element complied with State Housing Law and provided proper guidance for housing development in the City. In the 2023 Housing Element update, objectives for each of the goals will be modified as appropriate to more specifically respond to the housing environment in Carmel-by-the-Sea from 2023-2031. Policies will also be modified as needed to respond to current Housing Element Law and existing and anticipated residential development conditions. See Appendix E for a complete review and analysis of Carmel-by-the-Sea's 5th Cycle Housing Element (2015-2023).

New State Laws Affecting Housing

While the City has taken steps throughout the 5th Cycle to increase housing production locally, the State passed numerous laws to address California's housing crisis during the same period. As the State passes new legislation in the remainder of the 5th Cycle and during the 6th Cycle, the City will continue to amend the Municipal Code; to monitor and evaluate policies and programs designed to meet State requirements; and to proactively implement new policies and programs to help increase housing production citywide.

In 2019, several bills were signed into law that include requirements for local density bonus programs, the Housing Element, surplus lands, accessory dwelling unit (ADU) streamlining, and removing local barriers to housing production. The City implemented changes required by state law, through amendments to the Municipal Code. The following is a summary of recent legislation and

[8] RHNA Progress Report - 5th Cycle RHNA Progress Report - California Open Data

proposed City activities that will further the City's efforts to increase housing production during the 6th Cycle. Please see the section above for a discussion of Assembly Bill (AB) 686 (Affirmatively Furthering Fair Housing).

Climate Change and RHNA Methodology

Per statute, Assembly Bill (AB) 1445 (2023) amends California Government Code Section 65584.04 and would require Councils of Governments to consider including the impacts of climate change as a factor when developing the methodology for allocating regional housing need. Regions would specifically need to consider emergency evacuation route capacity, wildfire risk, and sea level rise, but could also consider any other climate change-related factor. Although this does not apply to the current RHNA, it could affect the 7th Cycle allocation.

Incentives for Accessory Dwelling Units

In 2020, AB 686, AB 587, AB 671, AB 881, and SB 13 further incentivize the development of accessory dwelling units (ADUs) through streamlined permits, reduced setback requirements, increased allowable square footage, reduced parking requirements, and reduced fees. The City last amended the Municipal Code in 2017 to address ADUs and is currently following state law while preparing additional amendments to the Municipal Code.

ADUs and JADUs make economic sense for many of us and could account for scores of new units in the next 8 years.

November 17, 2022 Housing Ad Hoc Committee Community Meeting Attendee

In 2023, the City intends to further amend the standards for ADUs and JADUs, consistent with state Law, to encourage conversion of guest houses to ADUs and promote construction of new units. Further the City will develop pre-approved, standardized ADU plans to make construction more affordable and will continue to include the HD ADU handbook on the City's website.

Low-Barrier Navigation Centers

AB 101 (2019) requires jurisdictions to allow "low-barrier navigation centers" ByRight in areas zoned for mixed uses and in nonresidential zones permitting multifamily uses, if the center meets specified requirements. A low-barrier navigation center is a service-enriched shelter focused on moving unhoused people into permanent housing. The center provides temporary living facilities while case-managers connect individuals to public benefits, health services, and housing. The City's Municipal Code will be amended to comply with state law.

Surplus Public Land

AB 1255 and AB 1486 (2020) seek to identify and prioritize state and local surplus lands available for housing development affordable to lower-income households. City-owned land was considered through preparation of the adequate sites inventory of the 6th Cycle Housing Element. These sites may be developed over time or possibly leased for development.

In 2019, Governor Gavin Newsom signed an executive order to identify State owned sites to help address the California housing crisis.

Accelerated Housing Production

Assembly Bill (AB) 2162 (2018) and Senate Bill (SB) 2 (2019) address various methods and funding sources that jurisdictions may use to accelerate housing production.

Priority Processing

SB 330 (2019) enacts changes to local development policies, permitting, and processes that will be in effect through January 1, 2025. SB 330 places new criteria on the application requirements and processing times for housing developments; prevents localities from decreasing the housing capacity of any site, such as through downzoning or increasing open space requirements, if such a decrease would preclude the jurisdiction from meeting its RHNA housing targets; prevents localities from establishing non-objective standards; and requires that any proposed demolition of housing units be accompanied by a project that would replace or exceed the total number of units demolished. Additionally, any demolished units that were occupied by lower-income households must be replaced with new units affordable to households with those same income levels.

Housing and Public Safety

In response to SB 379 (2015) and other recent state legislation, local jurisdictions must update their safety element to comprehensively address climate adaptation and resilience (SB 379 and SB 1035, 2018) and identify evacuation routes (SB 99 and AB 747, both 2019). These updates are triggered by the 6th Cycle Housing Element update. This Housing Element will contain an evaluation of the existing safety element and programming actions to update the safety element to satisfy the new state requirements. Also, as sites are identified and analyzed for inclusion in the City's housing site inventory, special attention will be paid to the risk of wildfire and the need for evacuation routes. In this way, the City will coordinate updates between the elements, so that future development is directed into areas that avoid or reduce unreasonable risks while also providing needed housing and maintaining other community planning goals.

Disadvantaged Communities

In 2011, the Governor signed SB 244 which requires local governments to make determinations regarding "disadvantaged unincorporated communities," defined as a community with an annual median income that is less than 80 percent of the statewide annual median household income. The City has determined that there are no unincorporated islands or fringe or legacy communities that qualify as disadvantaged communities inside or near its boundaries.

Consistency with General Plan

The City of Carmel-by-the-Sea adopted a comprehensive update to its General Plan in 2003 in conjunction with the adoption of their Local Coastal Plan. Additional, element-specific, updates

were completed in 2009 and 2015. The General Plan is a long-range planning document that serves as the "blueprint" for development for local jurisdictions in California. All development-related decisions in the City must be consistent with the General Plan, and if a development proposal is not consistent with the plan, then it must be revised or the plan itself must be amended.

State law requires a community's General Plan to be internally consistent. This means that the Housing Element, although subject to special requirements and a different schedule of updates, must function as an integral part of the overall General Plan, with consistency between it and the other General Plan elements. From an overall standpoint, the development projected under this Housing Element is consistent with the other elements in the City's current General Plan.

Many housing needs can only be addressed on a comprehensive basis in concert with other community concerns such as infill development or mixed-use incentives, for example, which must consider land use, traffic, parking, design, and other concerns as well.

The City's Housing Element is being updated at this time in conformance with the 2023-2031 6th Cycle update for jurisdictions in the Association of Monterey Bay Area Governments (AMBAG) region. The Housing Element builds upon the other General Plan elements and contains policies to ensure that it is consistent with other elements of the General Plan. As portions of the General Plan are amended in the future, the plan (including the Housing Element) will be reviewed to ensure that internal consistency is maintained.

1.6 Public Participation

The primary purpose of this chapter is to describe the effort made by the City of Carmel-by-the Sea to engage all economic segments of the community (including residents and/or their representatives) in the development and update of the Housing Element. This public participation effort also includes formal consultation, pursuant to Government Code §65352.3, with representatives from the Tribal Nations that are present and active in Monterey County. It is also responsive to AB 686 (2018, Affirmatively Furthering Fair Housing), which requires local jurisdictions, as they update their Housing Elements, to conduct public outreach to equitably include all stakeholders in the Housing Element public participation program.

The mission of the Housing Ad Hoc Committee is to provide guidance as the City updates the Housing Element of its General Plan. The Committee will participate in public outreach and education; consider opportunities and incentives for the development of affordable housing; and explore creative, tailored solutions to meet the City's workforce and range of other housing needs while preserving the character of Carmel by-the-Sea.

Karen Ferlito and Bobby Richards,
Housing Ad Hoc Committee
Councilmembers

The 6th Cycle RHNA numbers are a monumental change for all California communities, and the success of the update process hinges in part on a community outreach and engagement program that was robust, inclusive, and meaningful. The City's community engagement program has included an initial presentation to the City Council, a series of Housing Ad Hoc Committee community meetings, stakeholder outreach, direct contact with interested residents and property owners, and online/virtual participation. Key components of the interactive engagement plan include: Housing Element website, http://www.HOMECarmelbytheSea.com where all updates are provided as well as community engagement opportunities.

H.O.M.E. Carmel-by-the-Sea website

Housing Opportunities Made Easier (HOME) at HOMECarmel (homecarmelbythesea.com) is a dedicated website that provides a portal to all of the housing -element-related public engagement activities that are available to members of the public. This includes information on housing element basics, community ideas board, property owner interest forms, site surveys, site selection details, and materials from community workshops.

- **Q&A.** Received questions in a managed space that accommodated messages throughout the iterative brainstorming process.
- **Ideas Board.** Promoted brainstorming among community members to suggest creative ways to achieve our RHNA goals.
- **Interactive Site Inventory Mapping.** Allowed community members an opportunity to examine proposed housing sites and suggest alternative solutions via an interactive online mapping tool. The site inventory mapping tool was advertised on the H.O.M.E. Carmel-by-the-Sea website in addition to other City communication outlets and made available through engage.emcplanning.com/homecarmelpotentialsitesinventory.
- **Surveys.** Encouraged community-members to voice their opinions in a convenient way that also helped City staff understand what areas of the City need more encouragement to participate. Aggregate data also helped the City understand generally who is participating with the outreach tools. All surveys were advertised on the H.O.M.E. Carmel-by-the-Sea website in addition to other City communication outlets. City staff also walked the City and handed out flyers to hospitality workers in an effort to increase the demographics of community members taking the Stakeholder Survey. The Stakeholder Survey was available in both English and Spanish.
    - **Stakeholder Survey.** Released for public engagement on May 24, 2023 to solicit input from Carmel-by-the-Sea residents, property owners, business owners, employees, community activists, and visitors. The stakeholder survey closed July 6. The Housing Element will contain updated policies and programs as guided by the public's perspective.

- **Property Owner Interest Form.** Released for public engagement on April 6, 2023 to develop a list of property owners interested in building an accessory dwelling unit (ADU) or junior accessory dwelling unit (JADU). A list of interested property owners will be added to Appendix C – Sites Inventory when the survey is closed July 6.

Community Meetings

The City hosted a series of community meetings to inform and educate the public on the 2023-2031 6th Cycle Housing Element Update planning process and collect community feedback. These meetings are ongoing and continue to guide the policies and programs to ensure Carmel-by-the-Sea's character and values are upheld.

- **November 17, 2022 Housing Ad Hoc Committee Community Meeting.** Hosted to introduce the 2023-2031 6th Cycle Housing Element Update to community residents.
- **February 7, 2023 City Council Meeting.** Presentation on preliminary housing feasibility report and Housing Element update status.
- **February 28, 2023 Housing Ad Hoc Committee Community Meeting.** Hosted to discuss development constraints and potential incentives.
- **April 6, 2023 Housing Ad Hoc Committee Community Meeting.** Hosted to discuss current 5th Cycle Housing Element policies and programs, HOMECarmel unveiling and walk through, and introduction to AFFH.
- **May 24, 2023 Housing Ad Hoc Committee Community Meeting.** Hosted to discuss housing needs, fair housing, sites inventory, and policies and programs to address the needs.

If you rewind the clock 30 years, we did have 4,000 or more full-time residents in this town so it's not like that's impossible. But the world is different now, the number of cars has increased, etc., so there will be interesting balances and challenges as we add people to our community, which is going to be a great thing.

November 17, 2022 Housing Ad Hoc Committee Community Meeting Attendee

- **June 15, 2023 Joint City Council/Planning Commission/Housing Ad Hoc Community Meeting.** Hosted to discuss the Public Draft Housing Element, the 30-day Public Comment Period, and next steps in the planning process.
- **July 11, 2023 City Council Meeting.** Update on the Housing Element Public Review Draft and discuss revision to the document after the 30-day comment period and review the City's response to public comments on the Public Draft.
- **August 1, 2023 City Council Meeting.** Update on the Housing Element planning process and review of full Initial Draft Housing Element prior to submittal to HCD for 90-day review.

Public Participation to Affirmatively Furthering Fair Housing

The Carmel-by-the-Sea public participation program was also responsive to AFFH, which requires local jurisdictions to conduct public outreach to equitably include all stakeholders in the Housing Element public participation program (see the discussion above for more complete information on AFFH).

The organizations listed in Appendix E were contacted initially with an invitation to further connect. There were more opportunities for deeper connection with some of the Community Based Organizations (CBOs) included with the list.

The City emphasized the power of public participation during the public draft 30-day review period. Community members were informed that their comments would be included in the public record that will be read by decision-makers and reviewed by HCD, with transparent obligation to be responsive to comments as part of the preliminary draft submittal to HCD.

Tribal Consultation

This public participation effort also includes formal consultation, pursuant to Government Code §65352.3, with representatives from the Esselen Nation that is present and active in Monterey County. Consultation is in process.

Public Review of Draft and Final Housing Element

Public Comment Review Period

As required by HCD, the Draft Housing Element was available for 30-days of public review from June 5, 2023 to July 6, 2023. The Draft Housing Element was posted on the City of Carmel website and the dedicated Housing Element website (homecarmelbythesea.com) and a number of public comments were received. Additionally, a joint City Council and Planning Commission Committee meeting was held on June 15, 2023 where verbal public comments were accepted on the Draft Housing Element.

Public comments received during the 30-day public review period can be found in the Public Comment Report, along with responses. The HCD Initial Draft has been updated as needed to reflect the comments received by the public.

Stakeholder Survey

The City of Carmel published a Stakeholder Survey to gather input from community members. The goal of the survey was to inform the City of Carmel-by-the-Sea what housing needs exist and to solicit community members input on how to achieve the RHNA. The survey was made available in English and Spanish and was posted on the dedicated Housing Element website (homecarmelbythesea.com). The Stakeholder survey was available from May 24, 2023 to July 6, 2023. 156 responses were received in English and 1 response was received in Spanish. See Appendix H for an in-depth discussion of the Stakeholder Survey results.

Overall, survey respondents indicated a need for more diverse housing types within the City (apartments, condominiums, ADUs and senior housing). Survey respondents encourage the use of second story buildings for housing within the Commercial District, especially for affordable units, and indicate a need for expanded City services to distribute information about affordable units. When asked if property owners would consider adding an ADU to their property, many responded that lots are too small, however, a number of property owners did indicate interest if the permitting was streamlined, fees were lowered, or financial assistance was provided.

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2.0 Goals, Policies, and Programs

2.1 Introduction

The City is responsible for enabling the production of housing by reducing regulatory barriers, providing incentives, and supporting programs that create or preserve housing, especially for vulnerable populations. To enable the construction of quality housing, the City has identified the following goals:

Goal HE-1 Facilitate Housing Construction

Goal HE-2 Protect Affordable Housing and Improve the Housing Stock

Goal HE-3 Provide Opportunities for New Affordable and Other Special Needs Housing

Goal HE-4 Exemplify Sustainable Development and Energy Conservation

Goal HE-5 Publicize Housing Needs and Resources

The City's demographic and housing needs assessment, including contributing factors to housing disparities, formed an integral part of program development. Highlights include: the predominant age group in 2019 was between 65 to 74 years of age; the population was comprised of over 85% White individuals; the unemployment rate was 0.1 percent; above-moderate households made up the majority of households at 62 percent; and 57 percent of total households were owner occupied and 43 percent renter occupied. Of note, 23 percent of household are cost burdened and 23 percent are severely cost burdened. Detailed information is provided in Appendix A.

Additionally, the majority of the sites identified in the Site Inventory were not identified in the 5th Cycle Housing Element. The Policies and Programs below are intended to reduce the regulatory barriers to redevelop of these sites and to demonstrate the City is taking measures to ensure construction of more units, in the 6th cycle.

2.2 What's New

This section provides an overview of significant new policy and program directions being taken by the City of Carmel-by-the-Sea to address housing issues in the community and the larger Monterey Bay Area.

Affirmatively Furthering Fair Housing

The new policy direction that the City will undergo during the 6th Cycle Housing Element Update involves addressing historic economic and racial segregation patterns. In 2018, the California Legislature established an independent state mandate to affirmatively further fair housing (AFFH). Affirmatively furthering fair housing is defined specifically as taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity by replacing segregated living patterns with truly integrated and balanced living patterns; transforming racially and ethnically concentrated areas of poverty into areas of opportunity; and fostering and maintaining compliance with civil rights and fair housing laws.

Contributing Factors

The following contributing factors that impact fair housing and affirmatively furthering fair housing (AFFH) within the City were identified and prioritized as follows:

High Priority

- Lack of affordable housing;
- Lack of adequate housing stock that meets the needs of residents;
- Lack of adequate affordable housing options;
- Jobs-worker imbalance;
- Lack of accessible units for individuals with disabilities;
- Lack of Transitional and Supportive Housing/Emergency Shelters;
- Since 2015, there have been eighteen (18) housing permits in the City of which all are for above moderate-income households;
- There is a lack of developable land, and the City is subject to additional coastal zone regulations;
- Lack of racial and ethnic diversity within the City; and
- Cost of land, materials, and labor which limit profitability of affordable housing.

Medium Priority

- Lack of access to information about fair housing rights; and
- Limited knowledge of fair housing by residents.

More detailed AFFH information is located in Appendix A. The City of Carmel-by-the-Sea is adopting new policies and programs through the update of this 6th Cycle Housing Element, to align with the state's new AFFH mandate. Policies and programs that support this alignment are identified with the letters "AFFH."

2.3 Program Overview and Quantified Objectives

Quantified Objectives estimate the number of units likely to be constructed, rehabilitated, or conserved/preserved by income level during the planning period. The Quantified Objectives do not represent a ceiling on development, but rather set a target goal for the jurisdiction to achieve, based on needs, resources, and constraints. These objectives will focus communication between the City and HCD with future Annual Progress Reports (APRs). HCD does not require that all objectives must be met, rather, it is a goal that enables objective assessments about program effectiveness so the City can make informed determinations to continue, modify, or delete programs with the next Housing Element update Cycle. Table 2-1, Quantified Objectives, provides an estimate of the number of units likely to be constructed, rehabilitated or conserved/preserved in Carmel-by-the-Sea in the 6th Cycle.

Table 2-1 Quantified Objectives Summary

Income Category	New Construction	Rehabilitation*	Conservation/ Preservation**
Extremely Low	57	0	0
Very Low	56	5	0
Low	74	5	50
Moderate	44	6	0
Above Moderate	118	400	0
Total	349	416	50

SOURCE: City of Carmel-by-the-Sea 2023

NOTES: *The City has approximately 3,800 residential units, 60 (or about one percent) of which are affordable units. Each year the City processes approximately 100 building permits for remodels, additions, and other construction, which rehabilitates the existing housing stock. For the lower-income categories rehabilitation goals, the City assumes that one percent of the total permits processed will be for affordable units. Under these assumptions, the City would rehabilitate two units of affordable housing a year or approximately 16 units throughout the 2023-2031 planning cycle. This represents approximately 30 percent of the City's existing affordable housing inventory.

**The City has no units at risk of converting to market rate during this planning cycle.

2.4 Goals, Policies and Programs

Community input has been and continues to be an integral part of the development of policies and programs for the 6th Cycle Housing Element. The purpose of this section is to set forth goals, policies, and programs to further the development of housing for all income levels in the community. The Implementation Programs listed below provide a workplan for programs to ensure timely implementation and tracking.

"... The land as it exists now, the way it's zoned, could support the 349 units, plus the buffer. So, the question then is how do we get people excited about developing some of those units?

That's where these programs and processes come into play and that's why we need to amend the Municipal Code, to codify those things..."

May 24, 2023 Housing Ad Hoc

GOAL H1 FACILITATE HOUSING CONSTRUCTION

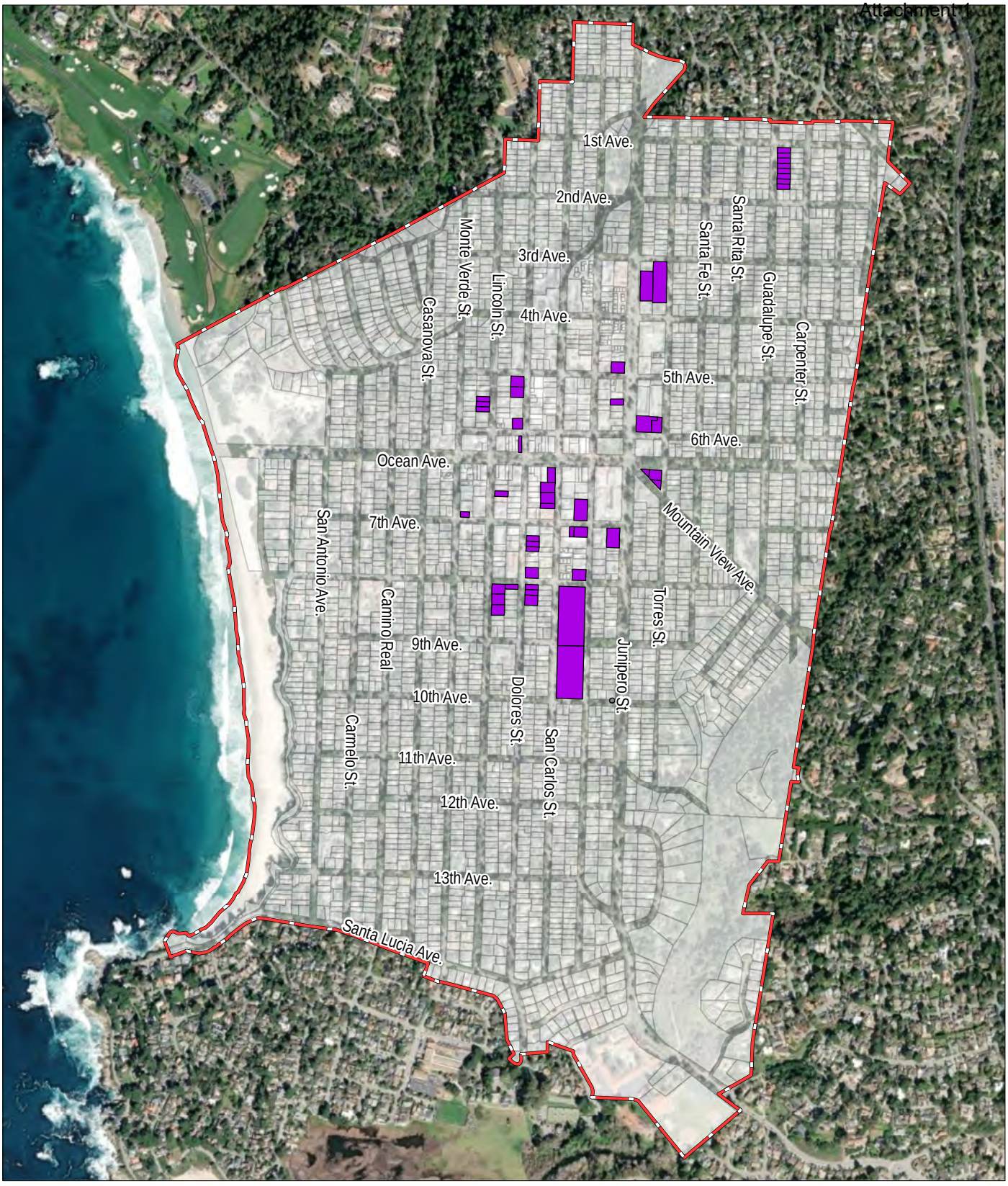
Policy 1.1: Ensure adequate sites are available to meet the City's projected housing growth needs.

Program 1.1.A: Adequate Sites

The City has a RHNA or growth need of 113 units affordable to Extremely Low- and Very Low-Income households. The City's General Plan and Municipal Code provide for housing types at appropriate densities to accommodate the RHNA. The City will encourage and facilitate the development of new units consistent with the RHNA by continuing to work with housing providers such as the Carmel Foundation and will actively find new organizations to partner with. The City also offers incentives and concessions outlined in Programs listed below including Program 3.1.G A Housing Priority Overlay District. See Figure 2-1 for Sites Inventory map, and further analysis in Appendix C.

Quantified Objective:	*57 Extremely Low, 56 Very Low, 74 Low, 44 Moderate and 118 Above Moderate-Income housing units*
Timeframe:	*Ensure adequate sites are maintained to meet RHNA through June 2031*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-3.1.a: Adequate Sites)



Source: Monterey County GIS 2023, Google Earth 2023

Figure 2-1

Sites Inventory

Carmel Housing & Safety Element Update

Program 1.1.B: Underutilized Sites - AFFH

Publicly owned sites represent an opportunity to partner with a non-profit or developer to build affordable units. The City may enter into an agreement with a development partner that makes construction of affordable units more financially feasible because the cost of the land is under City ownership. The City will actively investigate the feasibility of developing underutilized publicly owned sites for housing development and possible partnerships with housing providers to develop housing for lower-income households and/or senior housing on appropriate underutilized sites.

Quantified Objective:	*50 affordable units*
Timeframe:	*Complete investigations and potential partnerships by June 2031*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly 3-3.1.b: Surplus Sites)

Program 1.1.C: Development on Small Sites

Small sites can be difficult to develop particularly when development standards don't adequately take into account small lot dimensions. The City will continue to offer incentives and concessions that facilitate development on small sites in the commercial and multi-family districts, including density bonuses that allow for development up to 88 du/ac. Presently, Carmel Municipal Code Section 17.14.060 (Central Commercial (CC) District Regulations Applicable) waives off-street parking entirely for apartments in the CC district. In the Service Commercial (SC) District, the required parking for an affordable housing unit is ½ space per unit and for senior housing it is ⅓ space per unit. Senior housing also has a guest parking requirement of 1 space per 4 housing units. The City will further evaluate the residential parking requirements in the Service Commercial (SC) and Residential & Limited Commercial (RC) zoning districts to help facilitate market rate housing. Alternative parking programs such as bike and/or car share, or free or discounted bus passes, will be evaluated to offset reduced parking.

Quantified Objective:	*35 units*
Timeframe:	*Complete evaluations by December 2024*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly 3-3.1.c: Development on Small Sites)

Policy 1.2: Continue to monitor and work cooperatively with regional agencies to augment infrastructure in a manner that provides adequate capacity for existing and new housing needs while preserving and improving the unique visual character of the City.

Program 1.2.A: Water Distribution Prioritization for Affordable Housing – AFFH

Perhaps the greatest constraint to housing production in Carmel-by-the-Sea is the lack of water. Potable water is a fundamental infrastructure need for housing and is a limited resource in Carmel-by-the-Sea. Water is regulated by the State Water Resources Control Board (SWRCB) and the Monterey Peninsula Water Management District (MPWMD). Few developed sites have available water credits sufficient to accommodate construction of additional residential units, and the City's own water allocation is quite limited. Further, due to the current State imposed cease-and-desist order in Carmel, California American Water (Cal-Am) is not permitted to set new water meters at this time. The City will continue to work cooperatively with MPWMD to address water availability and infrastructure limitations that affect the ability to serve new housing development.

From its own modest water allocation, the City will grant water allocation priority to those projects that assist the City in meeting its share of the regional housing need for lower- and moderate-income households. A City policy to clearly reflect water allocation priority and incentives for Extremely Low, Very Low, Low and Moderate-Income households will be adopted.

Quantified Objective:	*187 units*
Timeframe:	*Adopt policy by June 2025*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-3.2: Address Infrastructure Constraints)

Program 1.2.B: Address Infrastructure Constraints

Ensuring the City's infrastructure is modernized and can accommodate future growth is a critical charge of local governments. Much of the City's infrastructure is nearing the end of its lifecycle and crafting Capital Improvement Programs that effectively manage infrastructure is imperative. Additionally, the City experienced significant power outages during the 2022-2023 winter season that negatively impacted the City at large. The City's Public Works Department continues to improve City infrastructure including road maintenance and storm drains, through the City's 5-Year Capital Improvement Plan process. The City will continue to work cooperatively with outside agencies, including the Pacific Gas and Electric Company (PG&E), the Carmel Area Wastewater District (CAWD), and California American Water (Cal-AM), to continue to maintain and upgrade the City's infrastructure.

Quantified Objective:	*N/A*
Timeframe:	*City's 5-Year Capital Improvement Process through June 2031*
Responsible Party:	*Public Works Department*
Funding Source:	*General Fund*

(Formerly Program 3-3.2: Address Infrastructure Constraints)

Policy 1.3: Reduce or eliminate governmental constraints on the provision of affordable housing. Direct public funding resources to the conservation of existing housing units in neighborhoods where continued residential use is appropriate.

Program 1.3.A: Condominium Conversions - AFFH

The City will continue to implement the condominium conversion ordinance, which restricts the conversion of apartments to condominiums to preserve the lower-cost rental housing options (i.e., apartments) within the City. Apartments cannot be converted to condominiums unless a new apartment is being created to offset the conversion.

Quantified Objective:	*Preserve rental units*
Timeframe:	*Continued ordinance implementation through June 2031*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-5.3.a: Condominium Conversions)

Program 1.3.B: Overnight Visitor Accommodation (Conversion) Development Transfer Rights - AFFH

Pursuant to Coastal Zone requirements, the City has recognized existing overnight visitor accommodations (hotels/motels, inns, bed and breakfasts and other various lodging options) as an important coastal visitor asset and economic base in the community. There are a number of older, overnight visitor accommodations s in the R-1, CC, RC, and SC zoning districts, including some that are non-conforming. Figure 2-2 shows existing overnight visitor accommodation locations, and the corresponding list can be found in Appendix C. Property owners of these establishments are encouraged to consider rehabilitating these sites as multi-family rental residences. These properties are distributed throughout the City and this policy would diversify the housing stock through more cost-effective means of rehabilitating and refurbishing existing buildings. The City will develop a program to incentivize both the transfer of development rights of overnight visitor accommodations to other sites within commercial zoning districts and conversion of existing overnight visitor

accommodation properties to multi-family residences that include 15 percent lower-income units. This program would retain the same number of overnight visitor accommodation rooms to serve coastal visitor access in the City while increasing the affordable multi-family housing rental stock.

Quantified Objective:	*33 units converted from overnight visitor accommodation rooms to housing units*
Timeframe:	*Program developed by June 2031*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-4.1.b Conversion of R-1 Motels)

Program 1.3.C: Accessory Dwelling Units - AFFH

The City's Accessory Dwelling Units (ADUs) and Junior ADUs (JADUs) ordinance is currently being updated to reflect state law. The City recognizes that ADUs provide affordable housing options for family members, seniors, students, in-home health care providers, and other small household types. ADUs can also be useful to generate additional rental income for the homeowner, making homeownership more financially feasible. It's also important to note that 80% percent of Carmel-by-the-Sea's vacant units are for seasonal, recreational, or occasional (second home) use. ADU and JADU development on properties used for occasional use adds to the permanent rental housing stock and provides on-site oversight for second home properties. The City includes the Housing and Community Development Department ADU Handbook on the Planning Department website to offer technical assistance to interested property owners.

Pre-approved, standardized plans can eliminate the costs of designing a custom ADU, and assures property owners the unit type and size is already approved by the City. Pre-approved plans can also make construction more affordable if the designs are using materials that are easily sourced and standard sized.

To further promote ADU development the City will implement to the following:

- Amend the Municipal Code to reflect current State ADU law in a timely manner as new relevant state laws are adopted during the planning cycle.

  Timeframe: *Program developed by June 2031*

- Develop pre-approved, standardized ADU plans available on the City's website to further incentive the construction of ADUs.

  Timeframe: *December 2028*
  Quantified Objective: *34 units*

Responsible Party: *Community Planning and Building Department*
Funding Source: *General Fund*

(Formerly Program 3-5.3.c: Subordinate Units)

Program 1.3.D – Overnight Visitor Accommodation - Employee Housing Program

The City has a number of overnight visitor accommodation (motels, hotels, inns) properties that would greatly benefit from incorporating affordable on-site employee housing. Figure 2-2 shows existing overnight visitor accommodation locations, and the corresponding list can be found in Appendix C. These units would alleviate the current lack of housing that many employees that work in overnight accommodations in Carmel face. As an incentive to commercial overnight visitor accommodation property owners to provide on-site affordable employee housing, the City will offer an additional overnight accommodation room for every onsite housing unit created. This incentive will serve to increase affordable rental housing, offset the loss of revenues for the business owners, and maintain visitor-serving coastal access. The City will amend the Municipal Code as follows:

- Allow at least one on-site affordable employee housing unit in conjunction with one new overnight visitor accommodation room per unit;

Timeframe: *December 2026*
Quantified Objective: *31 units*
Responsible Party: *Community Planning and Building Department*
Funding Source: *General Fund*

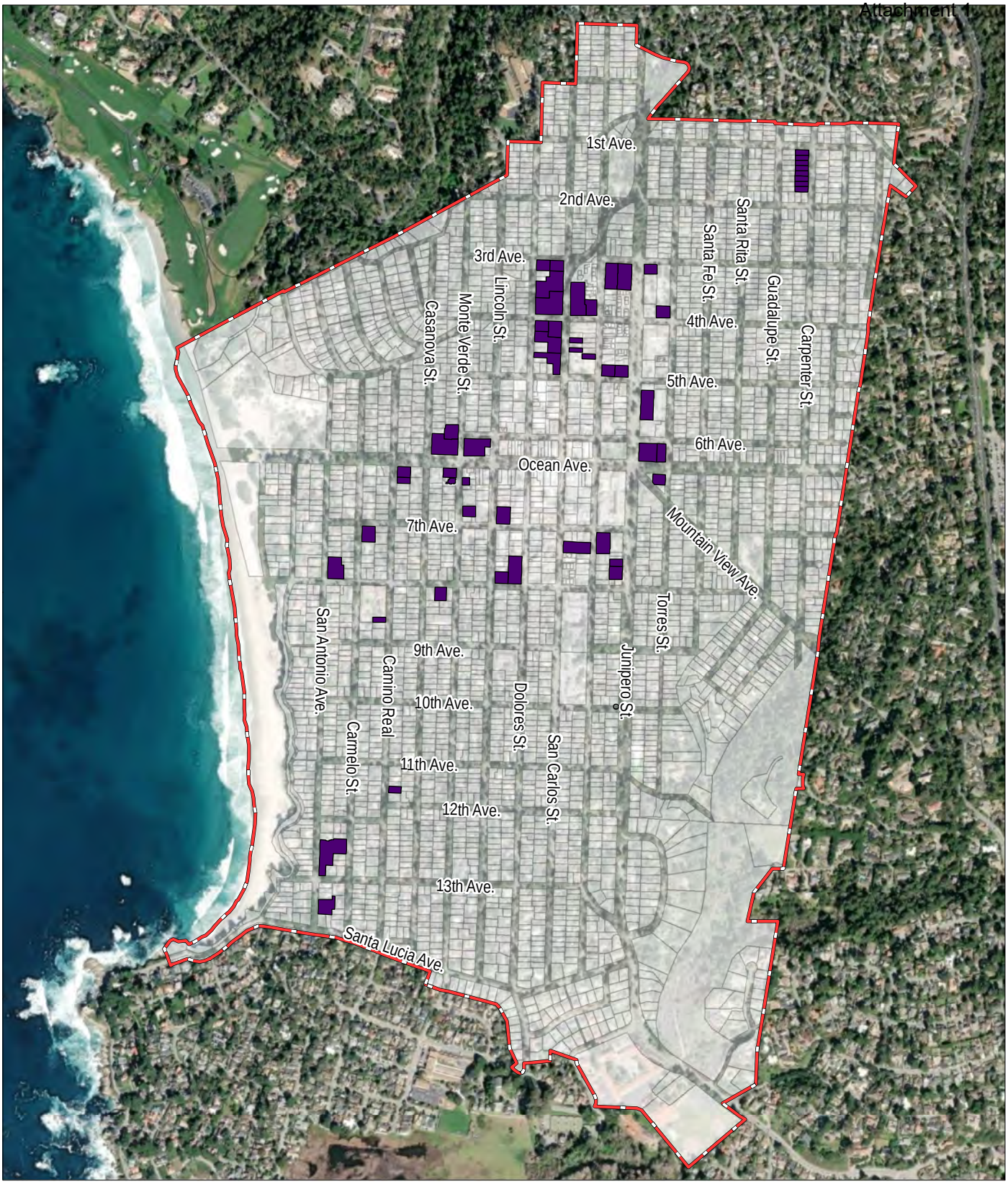
(Formerly Program 3-5.3.c: Subordinate Units)

Program 1.3.E: Amend the A-2 Zoning District - AFFH

The Community and Cultural Center Zoning District, A-2, allows senior housing (55+) as a permitted use in addition to uses that provide cultural and community activities associated with the arts, education and recreation; however, development standards are not specified for the A-2 district and design review is required. The lack of development and design standards adds uncertainty and can significantly lengthen the development process. Amending the A-2 zoning district with clear setbacks, height, and objective design standards will add clarity and remove a development constraint. The City will amend the Municipal Code to include clear development and design standards for the A-2 zoning district to encourage affordable senior housing.

Quantified Objective: *33 units*
Timeframe: *Adoption of Municipal Code amendments by December 2024*
Responsible Party: *Community Planning and Building Department*
Funding Source: *General Fund*

(NEW)



Source: Monterey County GIS 2023, Google Earth 2023

Figure 2-2

Existing Overnight Visitor Accommodation Map

Carmel Housing & Safety Element Update

Program 1.3.F: Manufactured Homes on a Foundation System

The City currently permits manufactured homes on a foundation system on lots zoned for conventional single-family residential dwellings pursuant to state law Government Code 65852.3. Manufactured homes represent an affordable and cost-effective form of housing. The City will amend the Municipal Code to include manufactured homes as a permitted use in the R-1 zoning district subject to the same development standards to which a conventional single-family residential dwelling on the same lot would be subject.

Quantified Objective:	*8 units*
Timeframe:	*Adoption of Municipal Code amendments by December 2024*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(NEW)

Program 1.3.G: Prepare Checklist and Procedures for SB35

Government Code section 65913.4 allows qualifying development projects with a specified proportion of affordable housing units to move more quickly through the local government review process and restricts the ability of local governments to reject these proposals. SB 35 does not apply within the Coastal Zone. Carmel-by-the-Sea is entirely within the Coastal Zone. If SB-35 becomes applicable to Coastal Zone areas, the City will create a SB35 checklist and written procedures for processing SB35 applications to ensure efficient and complete application processing.

Quantified Objective:	*N/A*
Timeframe:	*Within 6 months of any change to the law that would impact the City*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(NEW)

Program 1.3.H: Implement state law SB-10 Opportunities to Maximize Feasibility of Development in Strategic Locations.

SB10 encourages strategic density within neighborhoods. There are at least three larger sites zoned single-family (R-1) near the commercial core that could be developed with multi-family units with the implementation of SB-10. Figure 2-3 maps the three potential sites.

Quantified Objective:	*18 units*
Timeframe:	*Adoption of Municipal Code amendments by December 2024*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(NEW)

0 1050 feet

SB-10 Sites

City Limit

Source: Monterey County GIS 2023, Google Earth 2023

Figure 2-3

Potential SB-10 Opportunity Sites

Carmel Housing & Safety Element Update

Policy 1.4: Improve Development Review and Approval Processes

Program 1.4.A: Eliminate Unnecessary Use Permits - AFFH

Multi-family and duplex housing units constituted approximately 13 percent of Carmel's housing stock. The use permit (UP) (or conditional use permit (CUP)) requirement is implemented as an additional regulatory tool and adds extra regulations, review, and required findings, to a variety of development standards that affect multi-family development. Municipal Code Chapter 17.64 Findings Required for Permits and Approvals includes a broad list of applicable conditional uses and incentives. There are opportunities to reduce redundancies and facilitate residential construction while still enabling development to meet City regulations. For example, a use permit is required in:

- Municipal Code Section 17.64.190 Residential Construction at Densities Between 33 and 44 Units per Acre;
- Municipal Code Section 17.64.230 Affordable Housing – Residential Construction at Densities Between 45 and 88 Units Per Acre for developments the request a bonus density or a density bonus; and
- Municipal Code Section 17.14.150 Building Height requires a use permit for additional underground floors used for parking vehicles, storage and mechanical equipment. The additional use permit requirement can affect how much parking can be accommodated and limit the number of units.

The City will explore eliminating UP requirements to remove a constraint to the development of multi-family residential units in conjunction with Program 3.1.G A Housing Priority Overlay District.

Quantified Objective:	*50 units*
Timeframe:	*Adoption of Municipal Code amendments by December 2024*
Responsible Party:	*Community Development Department*
Funding Source:	*General Fund*

(Formerly Program 3-2.1.d: Multi-Family Residential Development Review)

Program 1.4.B: Objective Design Standards - AFFH

The City currently relies upon mostly subjective design guidelines for new single-family residences. In the commercial and multi-family districts, less detailed subjective design guidelines are in place. The City's residential and commercial design guidelines are being updated this year to provide clarity and more objectivity, however fully objective design standards are not currently being developed.

The lack of objective design guidelines creates a higher level of subjectivity for multi-family affordable projects.

The lack of Objective Design Standards poses a constraint to residential development. Guidelines that are subjective increase uncertainty and risk for housing developers. Objective Design Standards provide a measure of clarity that proposed developments will be measured against, and provide the community with assurance that developments will conform with measurable objective standards. The City will create Objective Design Standards for multi-family affordable developments.

Quantified Objective:	*50 units*
Timeframe:	*Adoption of Objective Design Guidelines by December 2025*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(NEW)

GOAL H2 PROTECT AFFORDABLE HOUSING AND IMPROVE THE HOUSING STOCK

Policy 2.1: Maintain and encourage expansion of permanent residential housing stock in the Residential and Commercial Districts.

Program 2.1.A: Incentives for Mixed-Use Development - AFFH

Providing additional development capacity of any type increases project feasibility. In order to better incentivize affordable residential development, the City will amend the Municipal Code to increase the floor area bonuses from 15 to up to 25 percent for projects that include housing for Moderate, Low or Very-Low-income households. The City will also distribute informational materials promoting the floor area bonus and other applicable incentives.

Quantified Objective:	*65 units*
Timeframe:	*Adoption of Municipal Code amendments by December 2024*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-2.1.a)

Program 2.1.B: Permanent Housing - AFFH

Short-term rentals can provide valuable coastal visitor-serving access; however, units used as short-term rentals preclude the establishment of permanent housing. The City also has a significant percentage of the housing stock that remains vacant for part of the year due to second home ownership. This creates a significant barrier for current and potential residents to enter the local housing market and further limits opportunities to correct the housing crisis, address diversity, and provide inclusive housing options.

The City's ordinance prohibiting short-term, transient rentals and timeshares of residential dwellings in the R-1 District and allowing a limited number of short-term rentals in the commercial areas has successfully limited the proliferation of these uses. The City will continue to implement these ordinances. In an effort to address the high rate of second home ownership, the City will promote Accessory Dwelling Units and Junior Accessory Dwelling Units (see Programs 1.3.C and 1.3.D) to add affordable rental units on properties that may otherwise lie vacant, and will establish an Affordable Housing Trust Fund (see Program 2.1.D).

Quantified Objective:	*Preservation of permanent housing and affordable units*
Timeframe:	*Continued ordinance implementation through June 2031*
Responsible Party:	*Community Planning and Building Department, and City Administrator*
Funding Source:	*General Fund*

(Formerly Program 3-4.1.a)

Program 2.1.C: Monitor Affordable Housing Stock - AFFH

The City will develop a City-managed Affordable Housing Oversight Program and continue to monitor affordable housing projects and work with the owners to preserve affordability through identification of funding sources and/or opportunities for partnerships with other housing providers. The program will formalize annual monitoring of the affordable housing stock throughout the city to ensure affordable housing is being protected and provided as required by Government Code Section 65590. The City will update its databases to better track data on new construction, demolition, conversion and replacement housing units for low- and moderate-income households including the following:

- The number of new housing units approved for construction;
- The number of low- and moderate-income housing units required to be provided in new housing developments;
- The number of existing residential dwelling units occupied by low- and moderate-income households that have been authorized to be demolished or converted; and

- The number of low- and moderate-income housing units required to be replaced (of those units being demolished or converted).

Quantified Objective:	*Monitor 60 housing units*
Timeframe:	*Develop program by June 2025*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-5.3.d: Monitor Affordable Housing Stock)

Program 2.1.D: Establish Affordable Housing Trust Fund - AFFH

The City currently relies on outside agencies and organizations to fund affordable housing projects. However, in an effort to establish a City-funded source dedicated to supporting the creation, maintenance, and rehabilitation of affordable units, the City will explore the creation of an Affordable Housing Trust Fund. Sources of funding could include increasing the existing Transit Occupancy Tax (TOT) or dedicating a portion of existing TOT to affordable housing, property transfer tax, sales tax, vacancy tax or other funding source.

"I believe a vacancy tax should be proposed to the voters, which can go toward funding affordable housing. The City needs to frame affordable housing in a positive way. I feel like people's aversion to affordable housing in their communities is just a public relations failure."

May 24, 2023 Housing Ad Hoc Committee Community Meeting Attendee

Quantified Objective:	*$1,000,000*
Timeframe:	*Establish Fund by June 2031*
Responsible Party:	*City Administrator*
Funding Source:	*General Fund*

(NEW)

Policy 2.2: Preserve and protect the scale of established neighborhoods while encouraging property improvement.

Program 2.2.A: Historic Preservation Educational Programs

Cities have unique characteristics that develop over time. Carmel-by-the-Sea has a distinctive building style and form that existing residents cherish and which serves to attract new residents and visitors. In an effort to continue to encourage improvements to the existing housing stock, the City will continue to promote education programs that improve public understanding of the City's rich

cultural and design heritage, and provide zoning flexibility and incentives to facilitate rehabilitation of historic resources. The City will continue to use the Historic Building Code to facilitate residential rehabilitation of historic residences.

Quantified Objective:	*50 rehabilitated historic units*
Timeframe:	*Continued education and ordinance implementation through June 2031*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-4.3.a: Neighborhood Preservation Educational Programs)

Policy 2.3: Preserve and expand affordable and rental housing opportunities to enable local employees to live in the community where they work.

Program 2.3.A: Preserve and Increase Upper Floor Residential Uses - AFFH

The retail and office landscape is shifting and the City continues to experience retail and office vacancies. This shift represents an opportunity to increase supply of housing as a preferred development form in all Commercial Districts. The City currently prohibits the conversion of existing second-floor residential units to commercial use and requires all newly constructed second-floor space to be used as residential units. Housing over first-floor commercial uses is a particularly suitable solution for underutilized second-floor space. Therefore, the City will proactively work with property owners to encourage conversion of vacant or underutilized upper floors to residential use.

Quantified Objective:	*20 units*
Timeframe:	*Proactive outreach through December 2031*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-2.1.b)

Policy 2.4: Preserve the existing housing stock

Program 2.4.A: Housing Rehabilitation and Maintenance Information - AFFH

In order to stay habitable and energy efficient, all buildings need maintenance. When buildings fall into an extreme state of disrepair, a more comprehensive housing rehabilitation procedure is needed. Over the past few years, inflation and building supply chain issues have dramatically increased the cost of building materials. Labor costs have also risen significantly due to a shortage of skilled construction workers and ongoing cost-of-living increases. This results in very costly rehabilitation

projects. In order to assist Low-income property owners, the City will distribute information on Inspection Services and Housing Rehabilitation programs and alternative ways of financing home repairs.

Quantified Objective:	*16 rehabilitated units*
Timeframe:	*Proactive outreach through June 3031*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Programs 3-1.1.a and 3-1.1.c Housing Rehabilitation and Housing Maintenance)

GOAL H3 PROVIDE OPPORTUNITIES FOR NEW AFFORDABLE AND OTHER SPECIAL NEEDS HOUSING

Policy 3.1: Incentivize affordable housing development, with an emphasis on affordable housing built to accommodate Extremely-Low and Low Income residents. Encourage the private sector to produce affordable housing.

Program 3.1.A: Mixed Use Affordable Housing - AFFH

The retail and office landscapes are shifting and this change represents an opportunity to encourage mixed-use developments (housing over first-floor commercial uses) as a preferred development form. The City will proactively work with property owners to incentivize upper-floor housing opportunities, including the potential of allowing a third-floor mezzanine for affordable housing. Such development would be subject to appropriate objective design standards, including the City's 30-foot height limit.

Quantified Objective:	*10 units*
Timeframe:	*Proactive outreach through June 2031*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly 3-2.1.c: Incentives for Mixed Use Affordable Housing)

Program 3.1.B: Housing for Extremely-Low Income Households - AFFH

"I'm pretty passionate about affordable housing and diversity. I think that's what makes a community, and we do lack it. I have kids that live in the community and go to Carmel High School, and I would like to see more of a social, economic, and age difference in our community, personally."

May 24, 2023 Housing Ad Hoc Committee Community Meeting

Providing housing units for Extremely-Low Income (ELI) Households earning 30 percent or less of the Area Median Income (AMI) for Monterey County has proved challenging for the City. The City will continue to place specific emphasis on the provision of multi-family housing and non-traditional housing types such as single-room-occupancy units and transitional housing. The City will encourage development of housing for ELI households through a variety of activities such as targeted outreach to for-profit and non-profit housing developers on at least an annual basis, providing in-kind technical assistance, fee deferrals, expedited/priority processing, identifying grant and funding opportunities, applying for or supporting applications for funding on an ongoing basis, reviewing and prioritizing local funding for developments that include housing for ELI households and/or offering additional incentives to supplement the density bonus provisions in state law.

The City also has a variety of programs to encourage the development ELI units including Accessory Dwelling Units, a portion of which are affordable by design to Extremely-Low Income Households and Employee Housing. The City has also funded a full-time permanent Associate Planner position through the General Fund to focus on long-range planning and housing needs.

Quantified Objective:	*57 units*
Timeframe:	*Fund Associate Planner through June 2031*
Responsible Party:	*Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-5.4.b)

Program 3.1.C: Density Bonus - AFFH

Density bonuses can provide a significant incentive to build affordable housing units. By increasing the number of units permitted to be built on a property, the financial investment required to bring the development to fruition has a higher likelihood of a return. Given the high cost of materials, labor and borrowing costs, increasing the number of units can make the housing project financially feasible. The City will further review and revise applicable density bonus and bonus density ordinances to clarify the regulations and increase certainty of applicability.

Quantified Objective:	*15 units*
Timeframe:	*Adoption of Municipal Code amendments by December 2024*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-5.4.a: Density Bonus)

Program 3.1.D: Reduced Entitlement and Development Fees - AFFH

Entitlement and development fees paid by project applicants assist in the City's ability to recover administrative and operating costs; however, these fees may have the unintended consequence of increasing the cost of housing. To encourage the development of affordable housing, the City will waive the parking in-lieu fees and reduce the planning and building permit fees by up to 25% for projects that provide affordable housing in commercial areas.

Quantified Objective:	*Reduced City fees by 25% for developments with affordable units*
Timeframe:	*Adopt Fee Schedule by July 2025*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-5.5.a: Reduced Entitlement and Development Fees)

Program 3.1.E: Reduced Parking Requirements - AFFH

Parking requirements increase costs to residential development and take up valuable space that can be used for housing. The City will continue to offer reduced parking requirements for affordable housing developments. Additionally, the City will waive the parking in-lieu fees for projects with affordable units, clarify the program requirements in the Central Commercial (CC) zoning district, and reduce parking requirements in the Multi-Family Residential (R-4), Residential & Limited Commercial (RC), and Service Commercial (SC) zoning districts.

Quantified Objective:	*Reduced parking for developments with affordable units*
Timeframe:	*Adoption of Municipal Code amendments by December 2024*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-5.5.b: Reduced Parking Requirements)

Program 3.1.F: Expedited Processing Procedures - AFFH

Faster permit processing times reduce overall project timelines and allow a project to get to the construction stage in a timely manner. Reducing overall project timelines is critical during this inflationary period where materials and labor costs continue to rise. Additionally, supply chains still have not recovered to pre-pandemic levels and delays in processing can also result in delays in placing orders and receiving materials and securing labor. The City will develop a policy to offer expedited review procedures for residential projects that include affordable housing units and will clarify and refine permit processing procedures.

Quantified Objective:	*Shorter processing times by 50% for developments with affordable units*
Timeframe:	*Adoption of Municipal Code amendments by December 2024*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

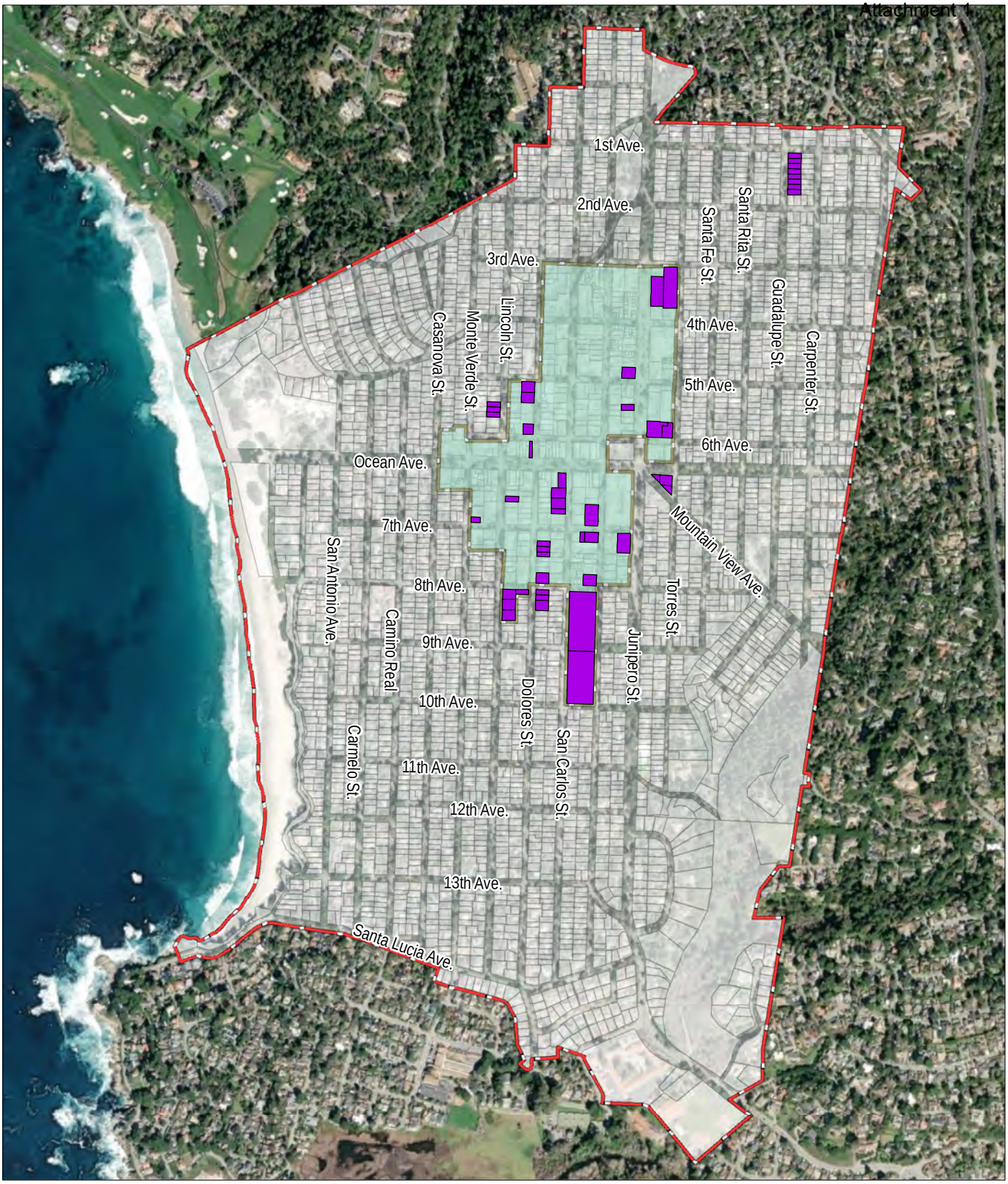
(Formerly Program 3-5.5.c: Expedited Processing Procedures)

Program 3.1.G: A Housing Priority Overlay Zoning District - AFFH

Overlay districts are zoning districts established by the City to carry out specific purposes. Overlay districts can be constraints to development, or they can be used as a tool to encourage certain types of development. Currently, the City does not have an overlay district to encourage housing in the commercial districts. An overlay that requires a minimum density of 33 du/ac in the Central Commercial (CC), Service Commercial (SC), Residential and Limited Commercial (RC) District, and R-4 District encourages a higher unit yield and improves the financial viability of the project by increasing the unit count. Minimum density is also a tool that works to ensure the limited available land in the City is used in an efficient manner and lower densities are avoided. See the Housing Priority Overlay location with Figure 2-4.

The City will revise and incorporate into this new overlay zoning district all Municipal Code sections addressing affordable housing, including but not limited to Municipal Code Sections 17.64.190 Residential Construction at Densities Between 33 and 44 Units Per Acre, 17.64.220 Affordable Housing – Residential Construction at Densities Between 45 and 88 Units Per Acre, 17.64.230 Single-Family Dwellings in the SC and RC Districts, 17.14.030 (Land Use Regulations), and 17.14.230 (Affordable Housing); and to include incentives found elsewhere within the Municipal Code and 6th Cycle Housing Element programs including:

- Water distribution priority (Program 1.2.A);
- Parking reduction/waiver (Program 3.1.E);
- Fee waiver/reductions (Program 3.1.D);



0 1050 feet

City Limit

Overlay District

Site Inventory Parcels

Source: Monterey County GIS 2023, Google Earth 2023

Figure 2-4

Housing Priority Overlay

Carmel Housing & Safety Element Update

- FAR incentive (Program 2.1.A); and
- Establish a minimum density of 33 du/ac.

Quantified Objective	*100 units*
Timeframe:	*Adoption of Municipal Code amendments by December 2024*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(NEW)

Policy 3.2: Recognize the special needs of persons with disabilities and the need to retain flexibility in the design review process to accommodate these needs.

Program 3.2.A: Reasonable Accommodation Procedures - AFFH

A reasonable accommodation is any change, exception or adjustment to a rule, policy, practice or service that allows a person with a disability to have an equal opportunity to participate. Information on reasonable accommodation procedures will continue to be provided at City Hall and on the City's website. The City will evaluate and revise Policy C11-01, which describes procedures to provide reasonable accommodation and will explore reduced or waived permit fees for persons with disabilities in compliance with the provisions of SB 520 (Year), in an effort to remove any additional barriers and encourage those with disabilities to apply.

Quantified Objective:	*8 applications*
Timeframe:	*Adoption of revised policy by June 2031*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-5.1: Reasonable Accommodation Procedures)

Policy 3.3: Facilitate the provision of transitional and supportive housing in appropriate districts in the community.

Program 3.3.A: Zoning for Transitional and Supportive Housing - AFFH

Senate Bill (SB) 2 (2007) revised Housing Element law requiring that transitional and supportive housing be permitted as a residential use, subject only to restrictions that apply to other residential dwellings of the same type in the same zone. In compliance with SB 2, the City will continue to allow transitional/supportive housing as a residential use, subject only to those requirements of other residential dwellings of the same type in the same zone. The City will also amend the

Municipal Code to clarify that transitional and supportive housing is a permitted use in zoning districts that allow residential uses.

Quantified Objective:	*N/A*
Timeframe:	*Adoption of Municipal Code amendments by December 2024*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-5.8: Zoning for Transitional and Supportive Housing)

Program 3.3.B: Low-Barrier Navigation Centers - AFFH

Assembly Bill (AB) 101 (2019) provides a pathway to permanent housing for people experiencing homelessness. A "Low Barrier Navigation Center" is a housing first, low-barrier, service-enriched shelter focused on moving people into permanent housing. The shelter provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. In order to comply with state law, the City will amend the Municipal Code to include the definition for "Low Barrier Navigation Center" and will develop By Right procedures for processing low barrier navigation centers.

Quantified Objective:	*N/A*
Timeframe:	*Adoption of Municipal Code amendments by December 2024*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(NEW)

GOAL H4 EXEMPLIFY SUSTAINABLE DEVELOPMENT AND ENERGY CONSERVATION

Policy 4.1: Support energy and water conservation programs to reduce the consumption of these resources in housing and to reduce housing costs.

Program 4.1.A: Water Conservation - AFFH

Potable water remains scarce and highly regulated in the City and continues to be a major limiting constraint to new development. In order to preserve the City's limited water allocation for new residential units, the City will continue to enforce the Water Management Program through the building permit process, establish the Water Distribution Policy, and provide information to the

community on water conservation retrofits and best practices. In addition, the City will provide information on and promote water conservation education through outreach and community engagement, and retrofit rebates provided by the Monterey Peninsula Water Management District.

Quantified Objective:	*Promote water conservation in 100 existing units*
Timeframe:	*Adoption of policy by June 2031*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly 3-5.6.b Water Conservation)

Program 4.1.B: Energy Conservation and Green Building

Conserving energy to reduce stress on the electrical grid and reduce the effects of climate change (i.e. wildfire and flooding) is increasingly critical. The City experienced significant power outages during the 2022-23 winter storms, adjacent areas were flooded, and the past few wildfire seasons have significantly impacted air quality and resulted in evacuations of neighboring communities. The City will continue to review applications for new construction and substantial alterations, taking into consideration solar orientation and access to sunlight. The City will also continue to require compliance with current state building standards for energy efficiency in all new homes. The City will further disseminate information by updating the website annually with related energy conservation and green building information. The City also participates in the Community Wildfire Protection Program and is committed to implementing Program recommendations.

Quantified Objective:	*Promote energy conservation in 100 existing units*
Timeframe:	*Continued education and compliance through June 2031*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-5.6.a: Energy Conservation and Green Building)

GOAL H5 PUBLICIZE HOUSING NEEDS AND RESOURCES

Policy 5.1: Support and enforce fair housing laws. Expand fair housing choice by promoting housing opportunities and removing impediments to fair housing.

Program 5.1.A: Fair Housing Services - AFFH

The Fair Housing Act protects people from discrimination when they are renting or buying a home, getting a mortgage, seeking housing assistance, or engaging in other housing-related activities. The

California Department of Fair Employment and Housing and the Conflict Resolution and Mediation Center of Monterey County provide fair housing services and information. These agencies advise persons in need of information on housing and employment, mediate landlord/tenant disputes and research complaints about discriminatory housing practices. The City shall coordinate with these agencies to provide printed information about fair housing services at City Hall, on the City's website, and in other public buildings such as the City's two libraries. The City shall also refer inquiries related to fair housing to these agencies and provide fair housing resources at outreach events.

Quantified Objective:	*25 referrals/materials distributed*
Timeframe:	*Proactive outreach through June 2031*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-5.7: Fair Housing Services)

Program 5.1.B: Housing Choice Voucher Program - AFFH

Created by the Housing and Community Development Act of 1978, the Housing Choice Voucher program, formerly known as Section 8, provides assistance to eligible Low- and Moderate-Income families to rent housing in the private market. Eligibility for this program is based on the family's gross annual income and family size. The Housing Choice Voucher rental assistance program is administered by the Housing Authority of Monterey County. The City will continue to facilitate use of the Housing Choice Voucher program in the community by distributing information for the program at City Hall and the Library and making referrals to the Housing Authority.

Quantified Objective:	*40 referrals/materials distributed*
Timeframe:	*Proactive outreach through June 2031*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-5.3.b Section 8 Rental Assistance)

Program 5.1.C: Shared Housing Information - AFFH

Shared housing is another important tool to provide affordable housing units. Shared housing is generally more affordable because a portion of a residence is rented as opposed to an entire unit. Shared housing can also financially help low-income individuals who own their homes and alleviate loneliness. Benefits to Low-Income individuals include provision of safe and secure affordable housing in a high-cost market. The City will continue to distribute informational materials from the

Monterey County Housing Authority and the Carmel Foundation, display information at City Hall and other public buildings and posted on the City's website. The City will also seek out other Shared Housing providers and resources to expand this housing option.

Quantified Objective:	*80 referrals/website visits*
Timeframe:	*Proactive outreach through June 2031*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-5.2: Shared Housing Information)

Policy 5.2: Promote public awareness and foster pride in the history of the village.

Program 5.2.A: Support Community Organizations - AFFH

Community organizations play a pivotal role to provide outreach and services to those facing housing issues. The City will continue to support neighborhood organizations that promote neighborhood involvement, safety and improvement, including but not limited to the Carmel Residents Association, the Carmel Foundation and the Carmel Heritage Society. The City will develop partnerships with these organizations to promote neighborhood enhancement programs, conduct and improve outreach and education, and solicit community input.

Quantified Objective:	*N/A*
Timeframe:	*Proactive outreach and partnerships through June 2031*
Responsible Party:	*Community Planning and Building Department*
Funding Source:	*General Fund*

(Formerly Program 3-4.2.b: Support Neighborhood Organizations)

Housing Needs & Fair Housing Report

A

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Appendix A
Housing Needs & Fair Housing Report

A.1 Introduction

The following report provides both the City of Carmel-by-the-Sea Housing Needs Assessment and Fair Housing Assessment. This analysis primarily utilizes U.S. Census Bureau American Community Survey (ACS) 5-Year Estimate data[1] and California Department of Housing and Community Development (HCD) data.

Housing Needs Assessment

The Housing Needs Assessment for the City of Carmel-by-the-Sea provides an in-depth analysis of the City's population, employment, economics, household, and housing stock conditions and characteristics. This assessment develops context for the City's goals, programs, and policies for the 6th Cycle Housing Element.

Fair Housing Assessment

In 2018, Governor Brown signed Assembly Bill (AB 686) which requires departments and agencies to administer programs relating to housing in a way that affirmatively furthers fair housing (AFFH) [2]. As of January 1, 2019, AB 686 extends the obligation to affirmatively further fair housing to all public agencies in the State of California. This affirmative duty is not limited to those agencies with relationships with the federal government and is to be broadly applied throughout agencies at the state and local level. Now, all public agencies must both (1) administer programs and activities relating to housing and community development in a manner that affirmatively furthers fair housing, and (2) take no action inconsistent with this obligation[3]. AB 686 also made changes to Housing Element Law, requiring Housing Elements and General Plans to incorporate AFFH requirements. Such requirements include an analysis of fair housing outreach and capacity, integration and segregation, access to opportunity, disparate housing needs, and current fair housing practices.

---

[1] The primary reason for using 2019 data is because this is the data that was primarily being used by HCD in their AFFH datasets for the majority of housing needs data, including data that is pulled from CHAS datasets which range from 2013-2019. Additionally, 2020-2021 Census data may not be representative due to the COVID-19 pandemic. Largely, the data is reported for 2019 as this aligns with the supplemental data HCD has provided and allows for consistent reporting.

[2] Public agencies receiving funding from the U.S. Department of Housing and Urban Development (HUD) are also required to demonstrate their commitment to AFFH. The federal obligation stems from the fair housing component of the federal Civil Rights Act mandating federal fund recipients to take "meaningful actions" to address segregation and related barriers to fair housing choice.

[3] California Department of Housing and Community Development Guidance, 2021, page 9.

Affirmatively Furthering Fair Housing

"Affirmatively furthering fair housing" means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a public agency's activities and programs relating to housing and community development. (Gov. Code, § 8899.50, subd. (a)(1).)"

SOURCE: California Department of Housing and Community Development Guidance, 2021, page 14.

History of segregation in the region

The United States' oldest cities have a history of mandating segregated living patterns. Exclusive zoning practices were common in the early 1900s -- courts struck down only the most discriminatory and allowed those that would be considered today to have a "disparate impact" on classes protected by the Fair Housing Act. For example, the 1926 case *Village of Euclid v. Amber Realty Co. (272 U.S. 365)* supported the segregation of residential, business, and industrial uses, justifying separation by characterizing apartment buildings as "mere parasite(s)" with the potential to "utterly destroy" the character and desirability of neighborhoods. At that time, multifamily apartments were the only housing options for people of color, including immigrants.

This history of segregation in the region is important not only to understand how residential settlement patterns came about—but, more importantly, to explain differences in housing opportunity among different residents.

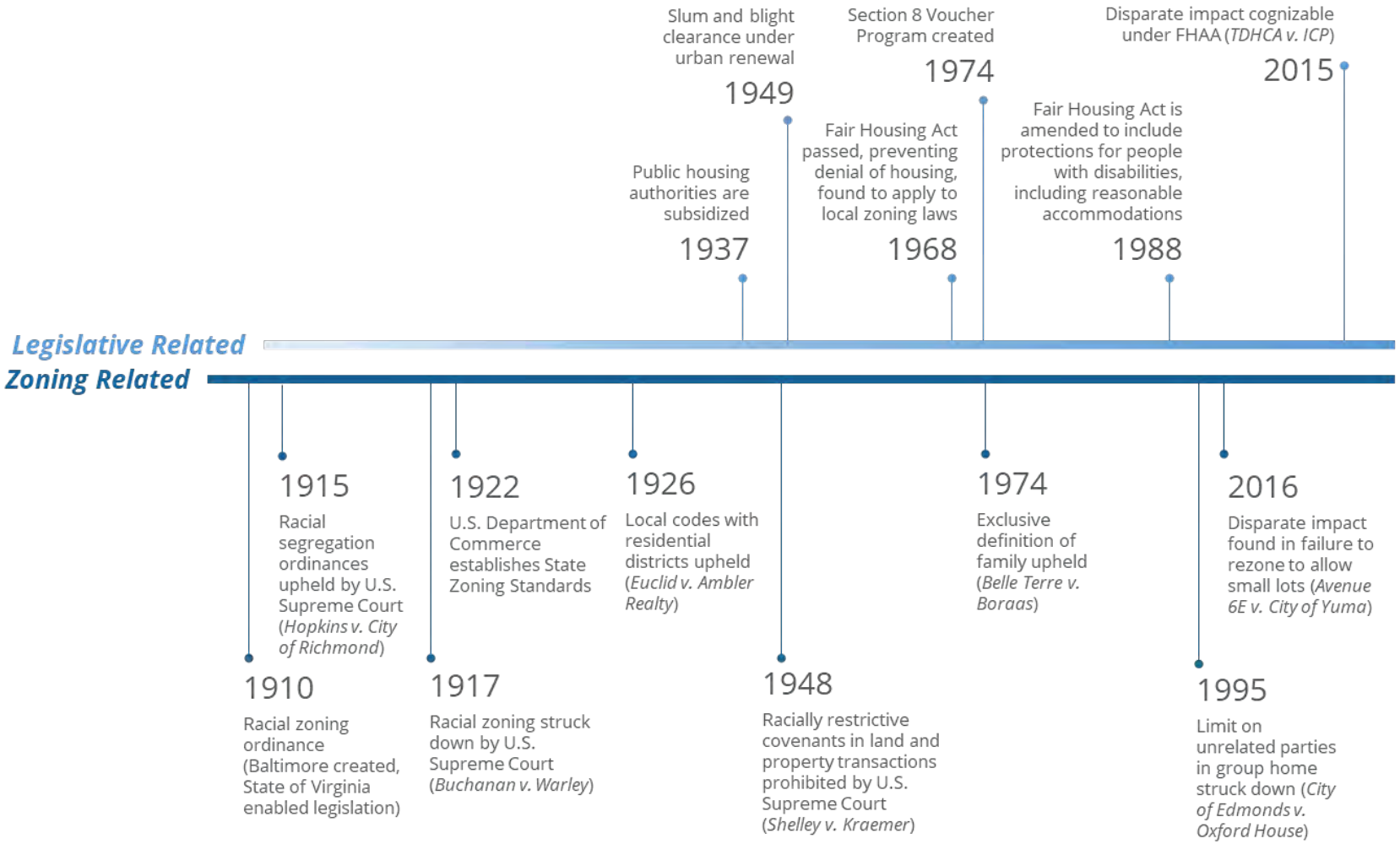
In sum, not all residents had equal ability to build housing wealth.

This historically unequal playing field in part determines structural inequities that persist today.

The Federal Fair Housing Act was not enacted until nearly 60 years after the first racial zoning ordinances appeared in U.S. cities. This coincided with a shift away from federal control over low-income housing toward locally-tailored approaches (block grants) and market-oriented choice (Section 8 subsidies, now called Housing Choice Vouchers)—the latter of which is only effective when adequate affordable rental units are available.

Figure A-1 on the following page provides a timeline of major legal and public actions that have influenced fair access to housing beginning in 1910.

Figure A-1 Major Public and Legal Actions that Influence Fair Access to Housing



SOURCE: Root Policy Research

Monterey County and the Monterey Bay region also have an interesting past, as far as the fight to end racial segregation is concerned. Some of the segregation in the Monterey Bay area can be attributed to historically discriminatory practices, such as racial covenants[4], redlining[5], and discriminatory mortgage approvals. While Carmel-by-the-Sea itself does not have a history of racial covenants, the City's racial characteristics do reflect persistent "structural inequities" in society, and "self-segregation" (i.e., preferences to live near similar people).

Kent Seavey's 2007 book *Carmel: A History in Architecture* details the history of Carmel-by-the-Sea, from its early settlement by Spanish explorers, to its marketing as a "seaside resort for Catholics" in the 1880s, to the development of the City's more contemporary history and architectural design. Similar to other jurisdictions within Monterey County, Carmel-by-the-Sea does not have a high level of diversity.

Harold and Ann Gilliam describe the history of Carmel in their 1996 book *Creating Carmel, The Enduring Vision*. Carmel started as an artist town, with notable writers, artists and poets Mary Austin, Sinclair Lewis, Jack London and Robinson Jeffers settling in Carmel-by the-Sea. They were drawn to Carmel-by-the-Sea for its natural beauty, a quiet town among Monterey pine forest, scenic, rocky coastline, and white sand beaches. The early small cottages of the early 1900's reflect these humble beginnings, and the evolution of Carmel's architecture, including, Comstock's notable fairy-tale style buildings, mirrors the community of artists who resided in Carmel-by-the-Sea. As Carmel-by-the-Sea grew and became a globally known tourist destination land prices began to increase. Gilliam writes, "[a]s expensive homes have replaced Carmel's traditional cottages, the town's demographics have changed. The artists and writers who carried on the Sterling tradition… and the low-to-middle-income residents in the old redwood cottages, have been gradually replaced by upscale business people and professionals able to afford the fantastically escalating prices of land". In addition to historical discriminatory practices that embedded segregated living patterns throughout the Monterey Bay area, it's also necessary to recognize the historical impacts of colonization and genocide on Indigenous populations and how the effects of those atrocities are still being felt today. Historically, the Monterey Peninsula has been home to indigenous populations for more than 10,000 years. The original inhabitants of present-day Monterey County were the Ohlone (Costanoan), Salinan, and Esselen tribes who have "…lived in communities related by language, family, and custom."[6] However, "[d]ue to the devastating policies and practices of a succession of explorers, missionaries, settlers, and various levels of government over the centuries since European expansion, these tribes have lost the vast majority of their population as well as their land."[7]

[4] Racial covenants are clauses that were inserted into property deeds to prevent people who were not White from buying or occupying land.
[5] Redlining is the practice of denying credit to individuals based on race, ethnicity, or other discriminatory practices.
[6] From *Racial Beachhead: Diversity and Democracy in a Military Town*, by Carol Lynn McKibben, 2012, Stanford University Press.
[7] From *Indigenous peoples of San Mateo County*. San Mateo County Office of Education.

The lasting influence of these policies and practices have contributed directly to the disparate housing and economic outcomes collectively experienced by Native populations today.[8]

The *Monterey County Weekly* news outlet highlights the past and present effects of restrictive covenants, along with other housing issues such as "the lack of affordable housing, generational wealth inequities and zoning issues," as potential contributing factors segregation within the County.[9] Though restrictive racial covenants were never enacted specifically in Carmel-by-the-Sea (unlike nearby Pebble Beach and Pacific Grove), the City's population demographics are less diverse than other jurisdictions within Monterey County. Carmel-by-the-Sea's General Plan and Zoning Ordinance have long emphasized single-family residential patterns and consequently, the City offers a limited variety of housing types with 87 percent single family detached units. Historically, this type of development contributed to segregation patterns in part due to higher purchase costs that accompany single-family homes. Because financing for single-family properties favored educated higher income earners, purchasing property in the City remained out of reach for many lower income households and likely contributed to the demographics seen in the City today.

Enacting policies and programs that promote AFFH and highlight the community's assets could attract a broader demographic to the area, and encourage those that work in the City to live here as well. As reflected by the 2021 Proclamation of the City Council of Carmel-by-the-Sea: Carmel-by-the-Sea has been and will continue to be enriched and enhanced in its cultural fabric, economic prosperity, and personal understanding of others by having a principled and respectful community standard towards all people.

Carmel-by-the-Sea has been and will continue to be enriched and enhanced in its cultural fabric, economic prosperity and personal understanding of others by having a principled and respectful community standard towards all people.

July 5, 2021
Proclamation of the City Council of
Carmel-By-The-Sea

[8] From *Systemic Inequality: Displacement, Exclusion, and Segregation,* by Danyelle Solomon, et al., 2019, Center for American Progress.
[9] From Ribakoff, S. (2022, November 24) A new group sets out to explore the history of racist housing covenants in Monterey County. *Monterey County Weekly.*

Overview of Carmel-by-the-Sea

Over the past 10 years, Carmel-by-the-Sea has experienced growth in both population and jobs[10], which means more housing of various types and sizes is needed to ensure that residents across all income levels, ages, and abilities have a place to call home. While the number of people drawn to the City has steadily increased, housing production has not kept pace with demand, contributing to the housing shortage in the City. The following Housing Needs and Fair Housing Assessment develops context for the goals, programs, and policies that Carmel-by-the-Sea will implement to address inequities in the 6th Cycle Housing Element.

The fear factor about 'housing projects' is very high in this community. Even the process of identifying housing sites is a red flag for this community. However, [more detached dwelling units and new residential apartments above commercial spaces] is a continuation of a tradition that is tried and true and proven all over the world and also is the tradition of this community.

February 28, 2023 Housing Ad Hoc Committee Community Meeting Attendee

Summary of Population, Employment, Household and Housing Stock Characteristics

The following provides a brief overview of population, employment, household, and housing stock characteristics in Carmel-by-the-Sea. These statistics help inform the existing housing needs in Carmel-by-the-Sea, as well as highlighting past trends and future forecasts to develop proactive policies and programs to address the needs of the community.

- Between 2010-2019, Carmel-by-the-Sea's population increased by 2.8 percent.[11]
- According to the Association of Monterey Bay Area Governments (AMBAG) 2022 Regional Growth Forecast, Carmel-by-the-Sea, the population is forecast to grow by approximately three (3) percent between 2015 to 2045.
- In 2019, the predominant age group was individuals between 65 to 74 years of age.
- In 2019, the population was comprised of the following racial and ethnic groups: non-Hispanic White individuals (86.5 percent), Hispanic or Latino (8.2 percent), Asian populations (5.2 percent), and Black or African American (0.1 percent).
- According to the AMBAG 2022 Regional Growth Forecast, Carmel-by-the-Sea is projected to experience an employment growth of 17 percent (562 new jobs) between 2015-2045.
- In 2019, the unemployment rate was 0.1 percent; approximately 5 percent less than the County.

[10] From AMBAG Regional Growth Forecast 2022; 2010 (population: 3,722); 2015 (population 3,854); 2020 (population: 3,949).
[11] From U.S. Census Bureau, ACS 5-Year Estimate, 2010-2019

- According to the AMBAG 2022 Regional Growth Forecast, Carmel-by-the-Sea is forecast to have a household growth of approximately one (1) percent by 2045 – an increase of 42 housing units.
- In 2019, the largest household type was married-couple family households (47 percent) single-person households (40 percent), female-headed households (6 percent), Other non-family households (5 percent), and male-headed households (2 percent).
- In 2019, above moderate-income households made up the majority of households in the City (62 percent) followed by lower-income households (28 percent), and moderate-income households (10 percent).
- In 2019, the housing stock was predominantly occupied by owner households (57 percent), compared to renter households (43 percent).
- In 2019, the majority of households (94 percent) do not experience overcrowding. Six (6) percent of households in Carmel-by-the-Sea are severely overcrowded and zero percent are moderately overcrowded.
- In 2019, 23 percent of households are cost burdened and 23 percent are severely cost burdened.
- The 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) data indicates there were approximately 310 extremely low- and very low-income households living in Carmel-by-the-Sea. There are approximately 140 extremely low-income households in Carmel-by-the-Sea, 100 of which are owner-occupied households and 40 extremely low-income renter-occupied households.
- In 2019, senior households makeup 43 percent of all households; 15 percent of seniors rent their homes.
- In 2019, 12 percent of people in Carmel-by-the-Sea have a disability of some kind.
- In 2019, Carmel-by-the-Sea had 70 large households, of which 57 percent are renter-occupied households. Renter-occupied households makeup the majority of all 3-5+ person households.
- In 2019, female-headed family households comprised 75 percent of single-parent households and male-headed households accounted for 25 percent. No single-parent households fell below the poverty level.
- The number of households experiencing homelessness has decreased between 2017 to 2022 from 16 persons to one (1), respectively.
- In 2019, Carmel-by-the-Sea had 3,832 housing units, an approximate 6 percent increase from the 3,606 units that existed in 2010.

- Between 2015 and 2022, 18 housing units were issued permits in Carmel-by-the-Sea which represents 58 percent of the RHNA number of 31 units assigned in the 5th Cycle Housing Element.
- In 2019, the housing stock included the following unit types: 87 percent of homes were single-family detached; 10 percent were multifamily; 2 percent were mobile homes; and 1 percent were single-family attached.
- From 2010 to 2019, the City has experienced a stable vacancy average of 51 percent as a result of tourism and second-home ownership.
- As of 2019, 80 percent of Carmel-by-the-Sea's vacant units were for seasonal, recreational, or occasional (second home) use.
- In 2022, the median home value was estimated to be $2,070,835. Home prices increased by 59 percent from 2019 to 2022. This reflects a 20 percent higher increase than the County, which is similar to nearby cities.[12]
- As of 2023, the average rent for an apartment in Carmel-by-the-Sea ranged from $2,200 (studio) to $5,459 (three bedrooms).[13]

A.2 Population, Employment, and Household Characteristics

Population characteristics impact current and future housing needs in a community. A city's population growth, age composition, and race and ethnicity composition help to determine the type and extent of housing needed. The following section provides analysis of population characteristics and local trends that affect housing demand in Carmel-by-the-Sea.

Population Growth

Table A-1 shows population projections through 2045 according to the Association of Monterey Bay Area Governments (AMBAG) 2022 Regional Growth Forecast. In Carmel-by-the-Sea, the population is forecast to grow approximately 3 percent between 2015 to 2045. This reflects 11 percent less than the County, 1 percent more than Pacific Grove, and 56 percent less than Del Rey Oaks[14]. Population growth forecasts provide critical insight to the future demands of communities in terms of housing needs, employment, and more.

[12] From Zillow Home Value Index, December 2019-2022
[13] From Zillow Rental Price Index, March 2023
[14] These two Cities have been chosen for comparison throughout the document based on having comparable population sizes to Carmel-by-the-Sea.

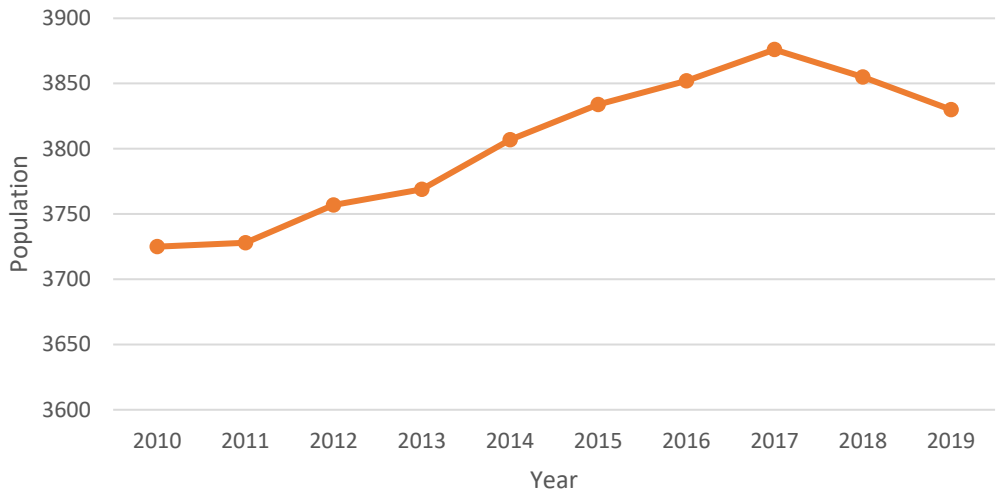
Table A-1 Population Growth Forecast by Jurisdiction, 2015-2045

Jurisdictions	Population							Change 2015-2045	
	2015	2020	2025*	2030*	2035*	2040*	2045*	Numeric	%
Monterey County	430,310	441,143	452,761	467,068	476,028	483,884	491,443	61,133	14%
Carmel-by-the-Sea	3,854	3,949	3,946	3,954	3,964	3,974	3,984	130	3%
Del Rey Oaks	1,663	1,662	1,693	1,734	1,859	2,330	2,650	987	59%
Pacific Grove	15,460	15,265	15,290	15,395	15,530	15,676	15,817	357	2%

SOURCE: AMBAG Regional Growth Forecast, 2022
NOTE: *Projected growth values

Figure A-2 illustrates population growth in Carmel-by-the-Sea between 2010-2019. Carmel-by-the-Sea's population increased by 2.8 percent from 2010 to 2019. The City's population steadily increased from 2010 to 2017 before experiencing a sharp decline through 2019.

Figure A-2 Population Growth, Carmel-by-the-Sea, 2010-2019



SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2010-2019

Age Characteristics

A community's housing needs are partly determined by preferences of age groups and household types (age, family/non-family, female-headed, etc.). When seeking housing, households may prioritize factors such as size, accessibility, and price. For instance, younger and middle-aged households may seek homes that can accommodate a growing household size, whereas older adults may seek to downsize to an apartment with assistive care services or a smaller, more affordable single-family home. Disabled persons may seek homes that are accessible and include universal

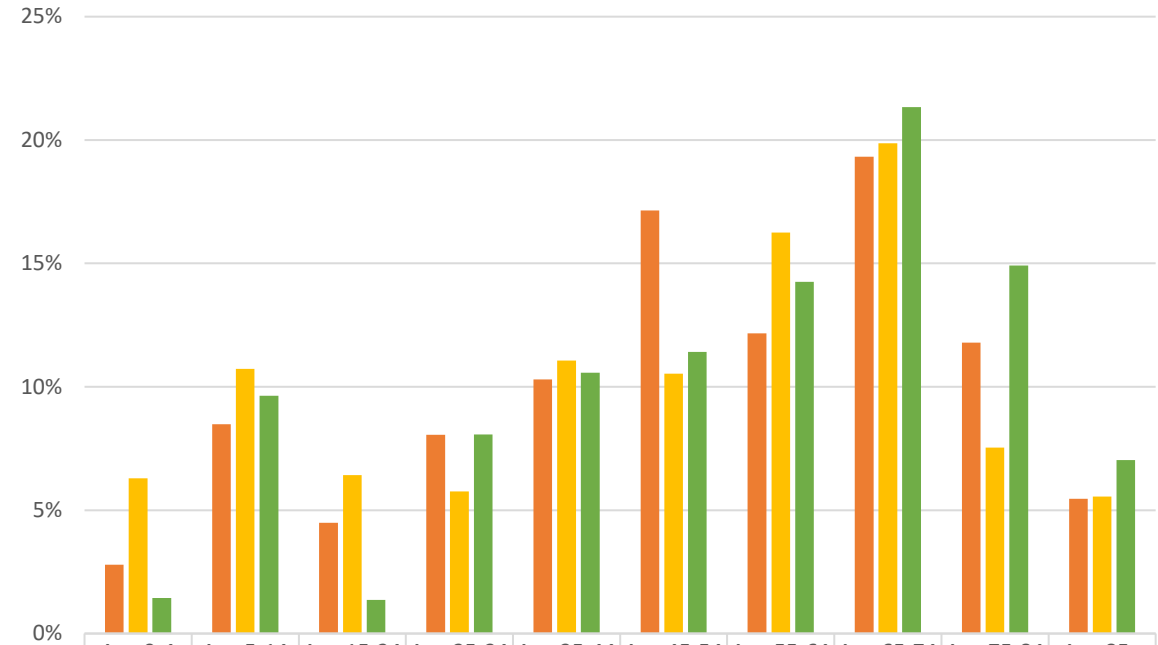
design or visitability features. Overall, the life stages of a population determine the housing stock that is needed in a community.

In 2010, Carmel-by-the-Sea's predominant age group was individuals between 65 and 74 years of age (19 percent). Figure A-3 shows that between 2010 and 2019, the general age of the population has been slowly increasing, with the most populous age groups in the City being individuals between 55 and 84 years of age. The City's median age has changed little since 2010, ranging from 56 in 2010, 54 in 2015, and 59 in 2019. Overall, the City's aging trend suggests a demand for housing geared toward middle-aged to senior groups.

"When I grew up, this was a town of children. All the property owners were parents. All the employees in the stores were parents. So, everything in this town was about children, and we don't have children anymore."

May 24, 2023 Housing Ad Hoc Committee Community Meeting Attendee

Figure A-3 Population Distribution by Age, Carmel-by-the-Sea, 2010-2019



	Age 0-4	Age 5-14	Age 15-24	Age 25-34	Age 35-44	Age 45-54	Age 55-64	Age 65-74	Age 75-84	Age 85+
2010	3%	8%	4%	8%	10%	17%	12%	19%	12%	5%
2015	6%	11%	6%	6%	11%	11%	16%	20%	8%	6%
2019	1%	10%	1%	8%	11%	11%	14%	21%	15%	7%

SOURCE: U.S. Census Bureau, ACS 5-Year Estimates, 2010, 2015, 2019

Table A-2 shows population age distribution revealing that Carmel-by-the-Sea's most populous age group in 2019 was individuals 65 to 74 years of age (21 percent). Compared to the County and nearby cities, Carmel-by-the-Sea has the largest 55 to 85+ age group (43 percent) followed by Pacific Grove (27 percent), Del Rey Oaks (23 percent), and the County (13 percent). Since 2010, Carmel-by-the-Sea's smallest age demographic are those aged 0-14.

Table A-2 Population Age Distribution by Jurisdiction, 2019

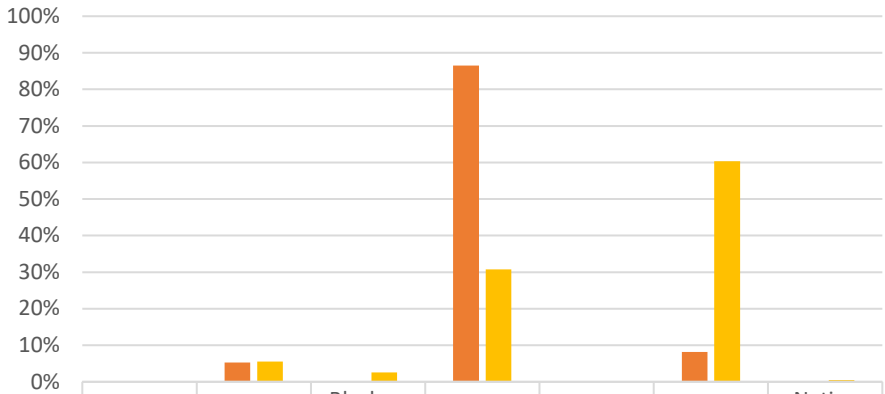
Jurisdiction	Population Age									
	0-4	5-14	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+
Monterey County	7.3%	14.8%	14.3%	14.4%	13.0%	11.8%	11.1%	7.7%	3.6%	1.9%
Carmel-by-the-Sea	1.4%	9.7%	1.4%	8.1%	10.6%	11.4%	14.3%	21.3%	14.9%	7%
Del Rey Oaks	5.7%	8.3%	5.7%	12.6%	12.5%	13%	18.9%	15.9%	4.4%	2.9%
Pacific Grove	3.5%	12.2%	8.5%	10.0%	10.4%	13.3%	14.7%	16.5%	6.6%	4.3%

SOURCE: U.S. Census Bureau, ACS 5-Year Estimates, 2019

Race and Ethnicity Characteristics

Understanding the racial and ethnic composition of a city is vital to ensuring equal opportunity to housing for all groups, inclusive of cultural norms and preferences. An in-depth analysis of race and ethnicity is provided in the Fair Housing Report in Appendix A. Figure A-4 illustrates the racial and ethnic composition of Carmel-by-the-Sea compared to the County.

Figure A-4 Population by Race Compared to the County, 2019



	American Indian or Alaska Native	Asian	Black or African American, Non-Hispanic	White, Non-Hispanic	Some other race	Hispanic or Latino	Native Hawaiian and Other Pacific Islander
Carmel-by-the-Sea	0.0%	5.2%	0.1%	86.5%	0.0%	8.2%	0.0%
Monterey County	0.2%	5.5%	2.5%	30.8%	0.1%	60.3%	0.5%

SOURCE: U.S. Census Bureau, ACS 5-Year Estimates, 2019

When comparing the City and the County, non-Hispanic White and Hispanic or Latino populations are the most represented; however, the County presents more diversity than Carmel-by-the-Sea. Non-Hispanic White individuals comprise 87 percent of Carmel-by-the-Sea's population followed by Hispanic or Latino (8 percent) and Asian populations (5 percent). In contrast, the County's largest population is Hispanic or Latino individuals (60 percent) followed by non-Hispanic White (31 percent). The City has no populations identifying as American Indian or Alaska Native or Native Hawaiian or Other Pacific Islander. Black or African American non-Hispanic individuals represent less than 1 percent of the City's population.

Table A-3 provides a comparison of racial and ethnic composition by jurisdiction. In 2019, Carmel-by-the-Sea (87 percent) and the neighboring City of Pacific Grove (83 percent) had the largest non-Hispanic White populations compared to Del Rey Oaks (75.5 percent) and the County (30.8 percent). Compared to surrounding cities and the County, Carmel-by-the-Sea had the lowest Asian population (5 percent). Overall, Carmel-by-the-Sea is one of the least diverse when compared to the County and the nearby cities of Del Rey Oaks and Pacific Grove.

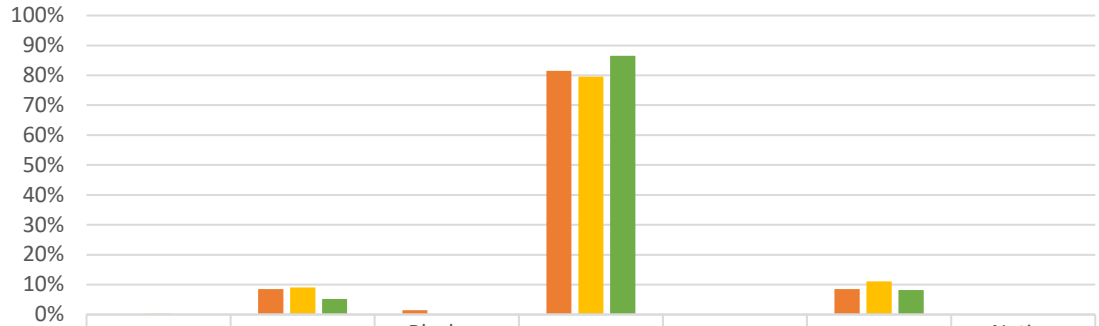
Table A-3 Population by Race by Jurisdiction, 2019

Jurisdiction	American Indian or Alaska Native	Asian, alone	Black or African American, Non-Hispanic	White, Non-Hispanic	Some Other Race	Hispanic or Latino	Native Hawaiian and Other Pacific Islander
Monterey County	0.2%	5.5%	2.5%	30.8%	0.1%	60.3%	0.5%
Carmel-by-the-Sea	0.0%	5.2%	0.1%	86.5%	0.0%	8.2%	0.0%
Del Rey Oaks	0.0%	7.1%	2.5%	75.5%	0.0%	13%	0.3%
Pacific Grove	0.2%	5.8%	1.0%	82.8%	0.0%	10.3%	0.1%

SOURCE: U.S. Census Bureau, ACS 5-Year Estimates, 2019

When analyzing race and ethnicity in a city, it's important to understand how demographics have changed over time. Figure A-5 illustrates changes in population by race between 2010-2019 in Carmel-by-the-Sea. During this time frame, Carmel-by-the-Sea's population composition experienced fluctuations in nearly all populations, and by 2019 saw a decline in each population except non-Hispanic White. In 2015, the non-Hispanic White population experienced a 2 percent decrease in size, while the Asian and Hispanic or Latino populations increased 2 percent and 3 percent, respectively. In 2019, Carmel-by-the-Sea experienced a 7 percent increase in the non-Hispanic White population, and a decline in both the Asian and Hispanic or Latino populations by 4 percent and 3 percent, respectively. Since 2015, population levels have remained less than 1 percent for Black or African American, American Indian or Alaska Native, Native Hawaiian, and Other Pacific Islander populations in Carmel-by-the-Sea.

Figure A-5 Population by Race, Carmel-by-the-Sea, 2010-2019



	American Indian or Alaska Native	Asian	Black or African American, Non-Hispanic	White, Non-Hispanic	Some other race	Hispanic or Latino	Native Hawaiian and Other Pacific Islander
2010	0.0%	8.6%	1.4%	81.5%	0.0%	8.5%	0.0%
2015	0.3%	9.0%	0.0%	79.6%	0.0%	11.1%	0.0%
2019	0.0%	5.2%	0.1%	86.5%	0.0%	8.2%	0.0%

SOURCE: U.S. Census Bureau, ACS 5-Year Estimates, 2010, 2015, 2019

Demographic characteristics such as the racial and ethnic composition of a city are necessary to inform the housing needs of a community inclusive of cultural norms and preferences.

Diversity Index

The Diversity Index measures the degree to which the five major ethnic populations (non-Hispanic White, non-Hispanic Black, Asian and Pacific Islander, Hispanic, and Two or more races) are evenly distributed across a geographic area. The index ranges from 0 to 1 – where 0 is low diversity, meaning only one group is present and 1 is high diversity, meaning an equal proportion of all five groups is present).

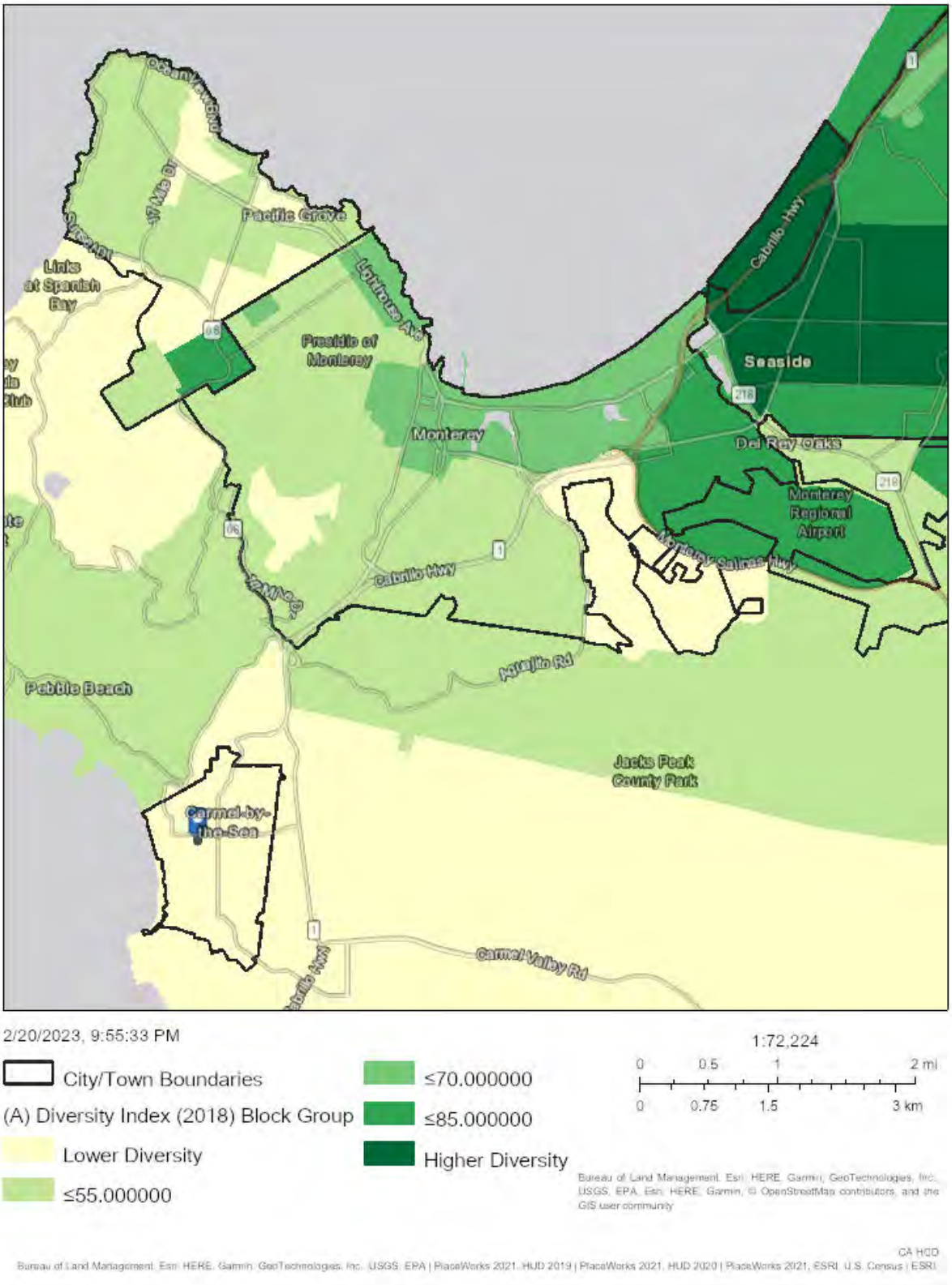
Integration and Segregation

"Integration generally means a condition in which there is not a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability when compared to a broader geographic area. **Segregation** generally means a condition in which there is a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a type of disability in a particular geographic area when compared to a broader geographic area."

SOURCE: California Department of Housing and Community Development Guidance, 2021, page 31.

Figure A-6 below depicts the level of diversity within the City. Carmel-by-the-Sea, along with neighboring jurisdictions have the lowest levels of diversity within the region. Carmel-by-the-Sea has a low level of diversity with 86.5 percent of the population identifying as non-Hispanic White.

Figure A-6 Diversity Index, Carmel-by-the-Sea, 2018



SOURCE: California Department of Housing and Community Development, AFFH Data Viewer

Racially or Ethnically Concentrated Areas of Poverty and Affluence

A Racially Concentrated Area of Poverty or an Ethnically Concentrated Area of Poverty (R/ECAP) and a Racially Concentrated Area of Affluence (RCAAs) represent opposing ends of the segregation spectrum from racially or ethnically segregated areas with high poverty rates to affluent predominantly White neighborhoods. Historically, HUD has paid particular attention to R/ECAPs as a focus of policy and obligations to AFFH. Recent research out of the University of Minnesota Humphrey School of Public Affairs argues for the inclusion of RCAAs to acknowledge current and past policies that created and perpetuate these areas of high opportunity and exclusion.[15]

R/ECAPs

HCD and HUD's definition of a Racially/Ethnically Concentrated Area of Poverty is: A census tract that has a non-White population of 50 percent or more (majority-minority) or, for non-urban areas, 20 percent, AND a poverty rate of 40 percent or more; OR A census tract that has a non-White population of 50 percent or more (majority-minority) AND the poverty rate is three times the average tract poverty rate for the County, whichever is lower.

SOURCE: California Department of Housing and Community Development Guidance, 2021.

It is important to note that R/ECAPs and RCAAs are not areas of focus because of racial and ethnic concentrations alone. This study recognizes that racial and ethnic clusters can be a part of fair housing choice if they occur in a non-discriminatory market. Rather, R/ECAPs are meant to identify areas where residents may have historically faced discrimination and continue to be challenged by limited economic opportunity, and conversely, RCAAs are meant to identify areas of particular advantage and exclusion.

RCAAs

HCD and HUD's definition of an RCAA is a census tract 1) with a percentage of its total White population that is 1.25 times higher than the average percentage of the COG region's White population; and 2) has a median income that is 2 times higher than the COG Area Median Income (AMI). Generally, these are understood to be neighborhoods in which there are both high concentrations of non-Hispanic White households and high household income rates.

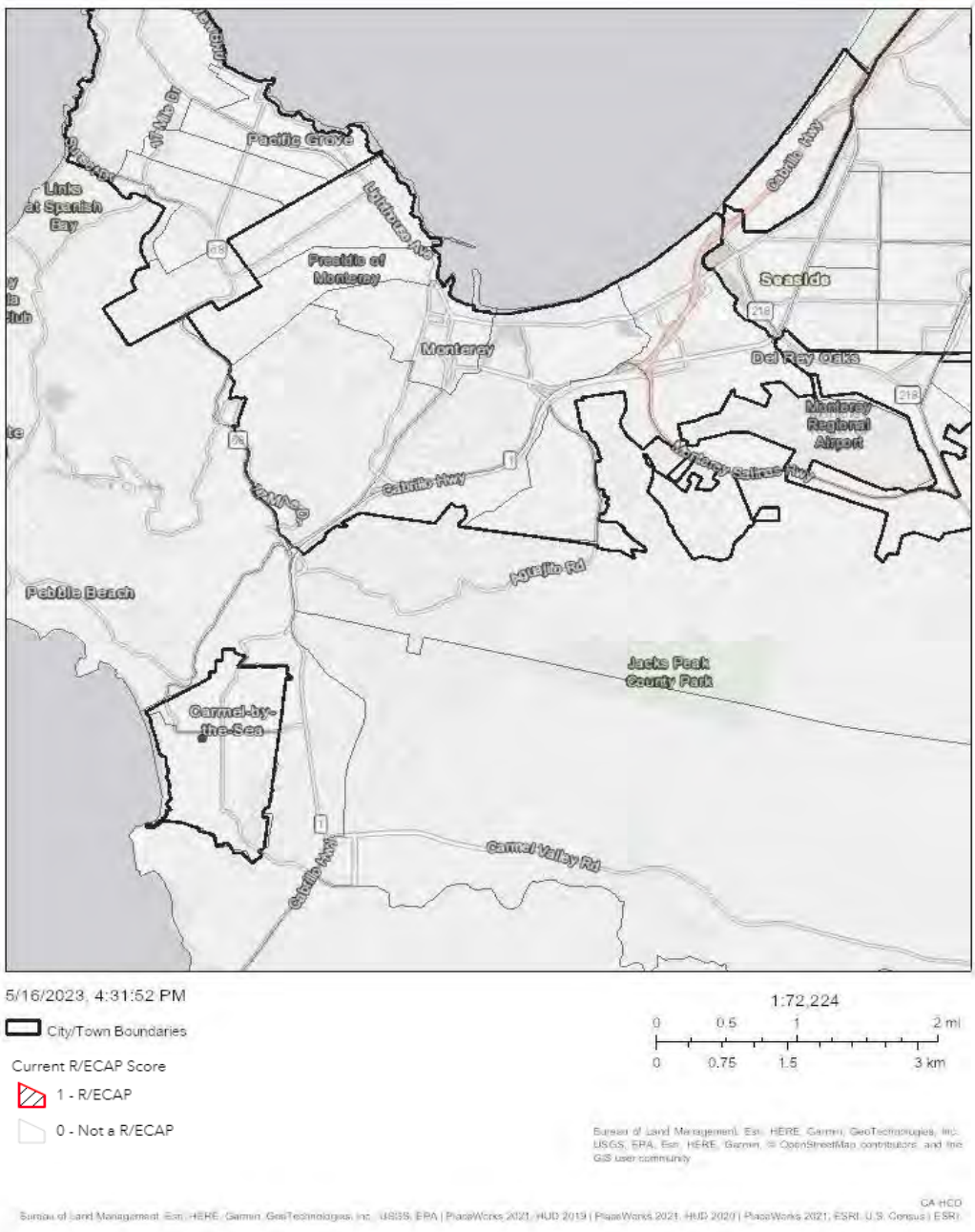
SOURCE: California Department of Housing and Community Development Guidance, 2023

As can be seen in the Figure A-7 and Figure A-8, the City of Carmel-by-the-Sea is not considered a R/ECAP; nor, is the City considered an RCAA. As highlighted previously, Carmel-by-the-Sea does not have a majority-minority population and thus cannot be labelled as a R/ECAP. Figure A-9

[15] From Goetz, E. G., Damiano, A., & Williams, R. A. (2019). Racially Concentrated Areas of Affluence: A Preliminary Investigation. Cityscape: A Journal of Policy Development and Research, 21(1), 99–124

shows that less than or equal to 20 percent of the City's population is non-White. Though Carmel-by-the-Sea's percentage of exclusively White population and AMI are higher than the County-wide average, the median income in the City is not high enough for the jurisdiction to be considered an RCAA[16].

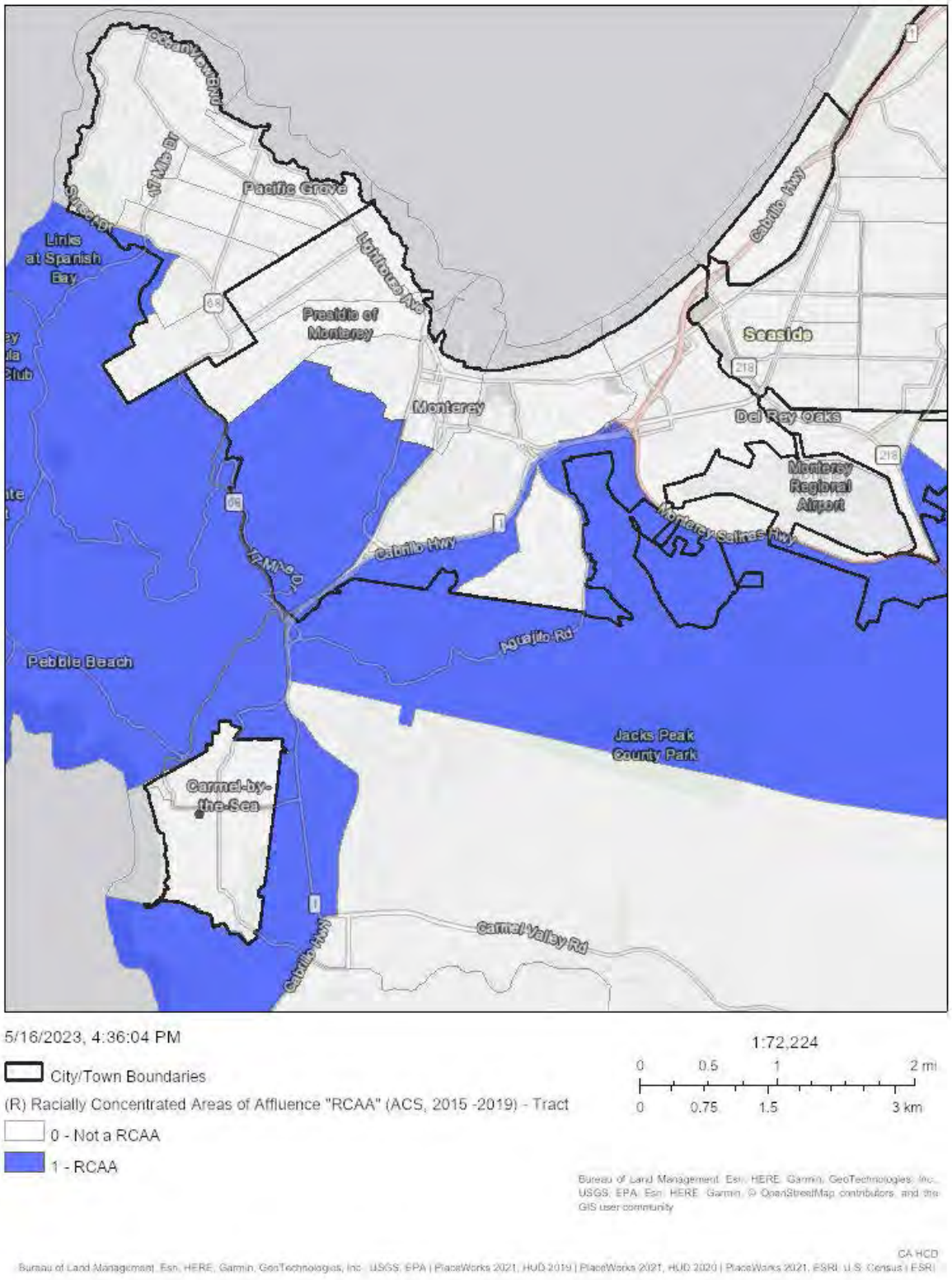
Figure A-7 R/ECAP by Census Tract, Carmel-by-the-Sea, 2009-2013



SOURCE: California Department of Housing and Community Development, AFFH Data Viewer

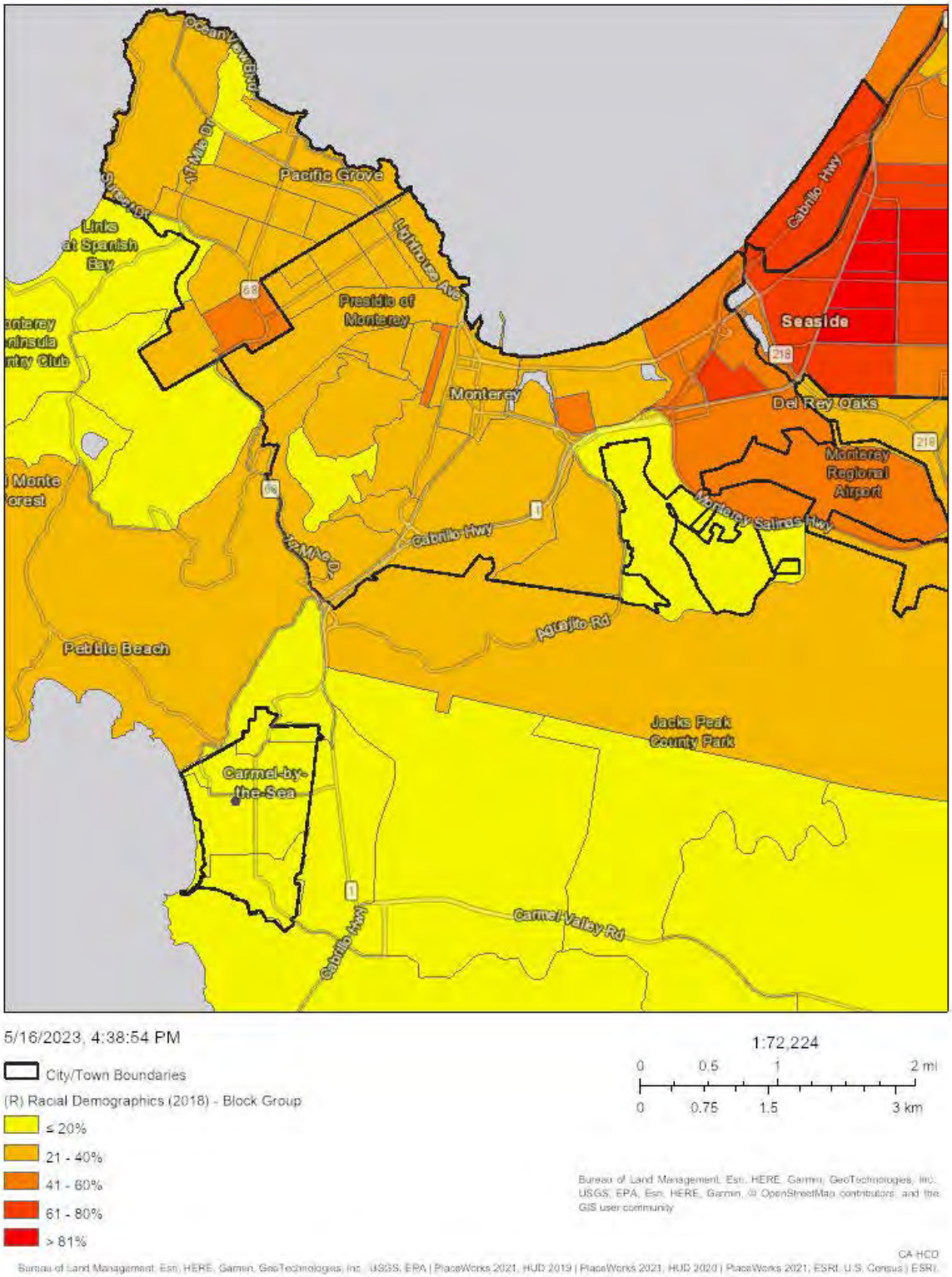
[16] To be considered an RCAA, census tracts must have a Location Quotient (LQ) of more than 1.25 and a median income 1.5 times higher than the COG AMI or 1.5 times higher than the State AMI, whichever is lower. In this case, Carmel's median income would need to be 1.5 times greater than the State AMI of $69,021.

Figure A-8 RCAAs by Census Tract, Carmel-by-the-Sea, 2015-2019



SOURCE: California Department of Housing and Community Development, AFFH Data Viewer

Figure A-9 Percent Non-White by Block Group, Carmel-by-the-Sea, 2018



SOURCE: California Department of Housing and Community Development, AFFH Data Viewer

Employment

Employment characteristics can significantly impact the housing needs and trends of a community from income and wage scale to job location and industry. Employment and income are determinates of a population's ability to purchase housing including the type of housing and size, both of which can induce negative effects such as overpayment and overcrowding. Table A-4 summarizes projected employment growth for Carmel-by-the-Sea, the County, and nearby cities from 2015-2045.

Table A-4 Employment Growth Forecast by Jurisdiction, 2015-2045

Jurisdictions	Population							Change 2015 - 2045	
	2015	2020	2025*	2030	2035*	2040*	2045*	Numeric	Percent
Monterey County	225,268	243,015	245,054	249,613	253,918	258,553	263,437	38,169	17%
Carmel-by-the-Sea	3,353	3,566	3,593	3,674	3,752	3,833	3,915	562	17%
Del Rey Oaks	705	748	753	774	794	815	834	129	18%
Pacific Grove	7,470	8,016	8,061	8,152	8,244	8,343	8,445	975	13%

SOURCE: AMBAG Regional Growth Forecast, 2022
NOTE: *Projected growth values

According to the AMBAG 2022 Regional Growth Forecast, Carmel-by-the-Sea was projected to experience an employment growth of 17 percent (562 new jobs) between 2015-2045. This projected employment growth mirrors the County (17 percent) and is 4 percent higher than Pacific Grove (13 percent), but reflects 1 percent lower than Del Rey Oaks (18 percent). This projected increase in job growth presents an opportunity for cities to construct additional housing options for the existing and future workforce.

Table A-5 shows 2010 and 2019 employment data for Carmel-by-the-Sea by sector. Key findings in employment data include the following:

- Education services, healthcare, and social assistance industries were the largest employers of Carmel-by-the-Sea (28 percent) in both 2010 and 2019, followed by arts, entertainment, recreation, accommodation, and food services (19 percent and 15 percent, respectively);
- Information industries experienced the greatest increase between 2010 and 2019 (585 percent), followed by construction (276 percent);
- Five sectors experienced drastic declines in employment between 2010 and 2019 including finance and insurance, real estate, and rental leasing (137 percent), professional, scientific, management, and administrative services (61 percent), public administration (54 percent), arts, entertainment, recreation, accommodation and food services (35 percent), and education services, healthcare, and social assistance (20 percent);

- Wholesale trade (2 percent) and agriculture, forestry, fishing and hunting, and mining (0 percent) industries experienced the least amount of growth; and
- Overall, there was a 19 percent decrease in employment for Carmel-by-the-Sea residents between 2010 and 2019.

Table A-5 Employment by Sector, Carmel-by-the-Sea, 2010 and 2019

Industry Sector	2010		2019		Percent Change 2010-2019
	People Employed	Percent of City Employment	People Employed	Percent of City Employed	
Agriculture, forestry, fishing and hunting, and mining	0	0%	0	0%	0%
Construction	25	1%	94	7%	276%
Manufacturing	40	2%	67	5%	68%
Wholesale Trade	0	0%	26	2%	2%
Retail Trade	247	14%	213	15%	14%
Transportation and warehousing, and utilities	63	4%	95	7%	51%
Information	14	1%	96	7%	585%
Finance and insurance, real estate, and rental leasing	172	10%	73	5%	-137%
Professional, scientific, management, and administrative services	273	15%	106	7%	-61%
Education services, healthcare, and social assistance	493	28%	394	28%	-20%
Arts, entertainment, recreation, accommodation, and food services	330	19%	216	15%	-35%
Public Administration	112	6%	52	4%	-54%
Total Employment	1,769	100%	1,432	100%	-19%

SOURCE: U.S. Census Bureau, ACS 5-Year Estimates, 2010, 2019

Balance of Jobs to Workers

A city houses employed residents who either work in the community where they live, or work elsewhere in the region. Conversely, a city may have job sites that employ residents from the same city but more often employ workers commuting from outside of it. One measure of local imbalance is the relationship between workers and jobs. A city with a surplus of workers, "exports" workers to other parts of the region, while a city with a surplus of jobs must conversely "import" them.

Smaller cities will typically have more employed residents than jobs and will export workers as a result, while larger cities tend to have a surplus of jobs and will import workers. To some extent, the

regional transportation system is set up for this flow of workers to the region's core job centers. At the same time, as the housing affordability crisis has illustrated, local imbalances may be severe, where local jobs and worker populations are out of sync at a sub-regional scale.

A community may offer employment for relatively low-income workers but have relatively few housing options for those workers. Conversely, it may house residents who are low-wage workers but offer few employment opportunities for them. Such relationships may cast extra light on potentially pent-up demand for housing in particular price categories. A relative surplus of jobs relative to residents in a given wage category suggests the need to import those workers, while conversely, surpluses of workers mean the community will export those workers to other jurisdictions. Such flows are not inherently bad, though over time, sub-regional imbalances may appear.

Figure A-10 illustrates earnings of workers in comparison to worker place of residence and place of work in Carmel-by-the-Sea. In 2019, Carmel-by-the-Sea had more low-wage jobs than low-wage residents (where low-wage refers to jobs paying less than $25,000). At the high end of the wage spectrum (i.e., wages over $75,000 per year), the City had more high-wage jobs than high-wage residents.[17] This indicates the City is a net-importer of workers for both low- and high-wage jobs. It should be noted that the minimum wage has increased since 2019, from $12 to $15.50, thus increasing the annual incomes of full-time workers as well.

Figure A-10 Worker Earnings by Place of Residence & Place of Work, Carmel-by-the-Sea, 2019

SOURCE: U.S. Census Bureau, ACS 5-Year Estimates, 2019

[17] The source table is top-coded at $75,000, precluding more fine-grained analysis at the higher end of the wage spectrum.

According to U.S. Census Bureau data reported in a Housing Feasibility Study for the City of Carmel-by-the-Sea by ECONorthwest,[18] a mere 2.6 percent of workers live and work in Carmel-by-the-Sea, while approximately half of all workers live within 10 miles of the City and 26 percent commute from more than 25 miles away.[19] Concentrations in hospitality and leisure services may create obstacles for local workers that earn lower-incomes and cannot afford to live in the community. Such imbalances of jobs to housing impacts an individual's ability to integrate into the community due to long distance travel, excessive costs of travel, and reduced personal time.

Unemployment rates[20] are essential to understanding the affordability needs of a community when determining housing options. Table A-6 provides a breakdown of unemployment rates for Carmel-by-the-Sea, the County, and nearby cities. Compared to the County and nearby cities, Carmel-by-the-Sea has the lowest unemployment rate with less than 1 percent of unemployed residents. This indicates an approximate 4.8 percent less than the County, 5 percent less than the Del Rey Oaks, and 3.8 percent less than Pacific Grove.

Table A-6 Unemployment Rate, Carmel-by-the-Sea, 2019

Jurisdictions	Unemployment Rate
Monterey County	4.9%
Carmel-by-the-Sea	0.1%
Del Rey Oaks	5.1%
Pacific Grove	3.9%

SOURCE: U.S. Census Bureau, ACS 5-Year Estimates, 2019

The Monterey Bay Area approved Regional Housing Needs Assessment (RHNA) Methodology is broken down into four income levels:

- Very Low Income (50 percent or less of the County's median income);
- Low Income (50-80 percent of the County's median income);
- Moderate Income (80-120 percent of the County's median income); and
- Above moderate Income (120 and above the County's median income).

Carmel-by-the-Sea's RHNA allocation is presented below in Table A-7.

[18] From ECONorthwest, Housing Feasibility Study, 2023
[19] From U.S. Census Bureau Longitudinal Employer-Household Dynamics Data
[20] The term unemployment refers to a person who is actively searching for employment but is not able to find work.

Table A-7 Regional Housing Needs Allocation

Income Group	Percentage of AMI	Share
Extremely Low-Income[21]	<30	57
Very Low-Income	<50	56
Low-Income	50-80	74
Moderate-Income	80-120	44
Above Moderate-Income	120+	118
Total		349

SOURCE: City of Carmel-by-the-Sea, 2023

In Monterey County, the median household income in 2019 was an estimated $71,015 compared to Carmel-by-the-Sea at $98,188. Table A-8 lists occupations by mean salary in Monterey County. According to Table A-8, the occupations that fall below 50 percent of the median income are Food Preparation and Serving-Related Occupations; Personal Care and Services Occupations; and Farming, Fishing, and Forestry Occupations. The majority of occupations in Monterey County have an average income that is low (50-80 percent AMI) or very low (<50 percent AMI). If applied to Carmel-by-the-Sea, it should be anticipated that affordable housing is needed to accommodate potential low- and very low-income households.

Household Characteristics

Characteristics of a household include household type and size, income, affordability, and special needs groups. According to HCD, a household is defined as "All persons who occupy a housing unit. The occupants may be a single family, on person living alone, two or more families living together, or any groups of related or unrelated persons who share living arrangements." Large families, single parent households, female-headed households, or extremely low- and low-income households may be classified as Special Needs groups. Special Needs groups are identified due to the unique nature of household characteristics and potential housing challenges faced. The following section examines household characteristics trends in Carmel-by-the-Sea and the region.

Table A-9 provides an overview of the projected housing units needed in Monterey County, Carmel-by-the-Sea, and nearby cities, Del Rey Oaks and Pacific Grove.[22] Carmel-by-the-Sea is forecast to have a household growth of approximately 1 percent by 2045 – an increase of 42 housing units. Compared to the County, this reflects 18 percent less projected growth and 2 percent less growth than Pacific Grove. Of the nearby cities, the City of Del Rey Oaks has the highest projected increase in housing unit growth at 61 percent.

[21] Extremely low-income RHNA is found as a subset within the very low-income category for all other tables in this document.
[22]From AMBAG Regional Growth Forecast, 2022

Table A-8 Occupations by Mean Salary, Monterey County, 2019

Occupation	Salary
Management Occupations	$117,738
Business and Financial Operations Occupations	$78,900
Computer and Mathematical Occupations	$96,980
Architecture and Engineering Occupations	$92,554
Life, Physical, and Social Science Occupations	$84,516
Community and Social Services Occupations	$59,549
Legal Occupations	$103,094
Education, Training, and Library Occupations	$69,296
Arts, Design, Entertainment, Sports, and Media Occupations	$56,599
Healthcare Practitioners and Technical Occupations	$115,486
Healthcare Support Occupations	$42,625
Protective Service Occupations	$70,161
Food Preparation and Serving-Related Occupations	$30,127
Building and Grounds Cleaning and Maintenance Occupations	$36,330
Personal Care and Service Occupations	$31,984
Sales and Related Occupations	$42,099
Office and Administrative Support Occupations	$44,239
Farming, Fishing, and Forestry Occupations	$29,901
Construction and Extraction Occupations	$60,870
Installation, Maintenance, and Repair Occupations	$54,180
Production Occupations	$41,905
Transportation and Material Moving Occupations	$37,144

SOURCE: California Employment Development Division, Occupational Wage data, 2019

Table A-9 Housing Forecast by Jurisdiction, 2015-2045

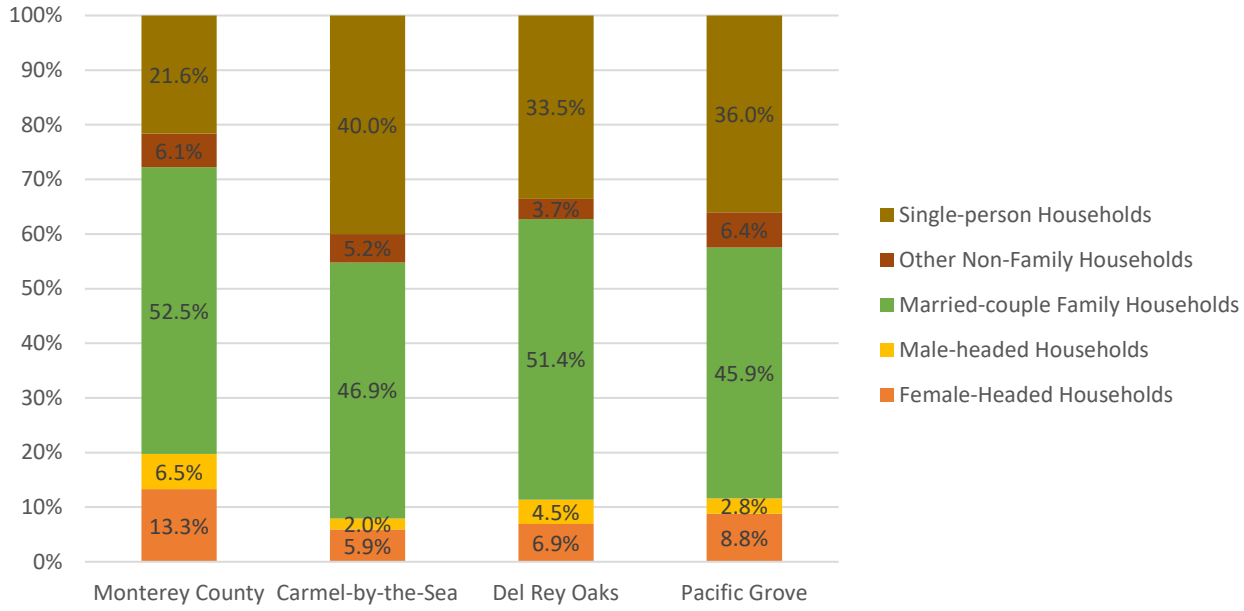
Jurisdictions	Population							Change 2015 - 2045	
	2015	2020	2025*	2030*	2035*	2040*	2045*	Numeric	Percent
Monterey County	139,177	141,764	146,716	153,852	159,100	162,612	165,328	26,151	19%
Carmel-by-the-Sea	3,417	3,437	3,437	3,442	3,450	3,453	3,459	42	1%
Del Rey Oaks	741	741	762	809	848	1,052	1,195	454	61%
Pacific Grove	8,184	8,201	8,214	8,267	8,336	8,400	8,463	279	3%

SOURCE: AMBAG Regional Growth Forecast, 2022
NOTE: *Projected growth values

Household Type and Size

Figure A-11 illustrates household characteristics by type in 2019 for Carmel-by-the-Sea, the County, and nearby cities, Del Rey Oaks and Pacific Grove. In Carmel-by-the-Sea, the largest household type was married-couple family households (47 percent) followed by single-person households (40 percent). This is consistent with the County and nearby cities. Carmel-by-the-Sea has the lowest percentage of female-headed households (6 percent) compared to the County (13 percent), Del Rey Oaks (7 percent), and Pacific Grove (9 percent).

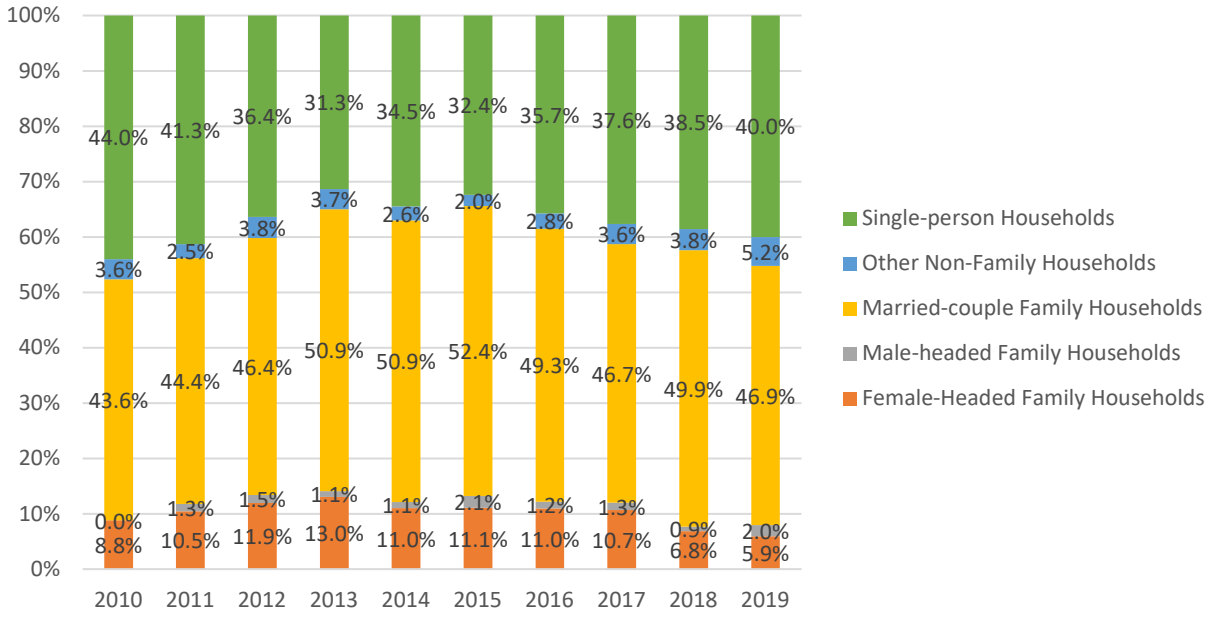
Figure A-11 Household by Type by Jurisdiction, 2019



SOURCE: U.S. Census Bureau, ACS 5-Year Estimates, 2019

Figure A-12 illustrates household changes between 2010-2019 in Carmel-by-the-Sea. Over the last decade, married-couple family households have remained the largest household type in the City followed by single-person households. Since 2015, married-couple family households have begun declining, while single-person households have increased. Female-headed households experienced the most fluctuation between 2010-2019, showing a steady increase between 2010-2013, then slowly decreasing through 2019 to 6 percent (7 percent decrease between 2013-2019). Male-headed households have slightly increased since 2010 from zero to 2 percent in 2019. These changes in household type over time indicate a need for housing options that appeal to both family-sized and smaller-sized households (keeping affordability in mind).

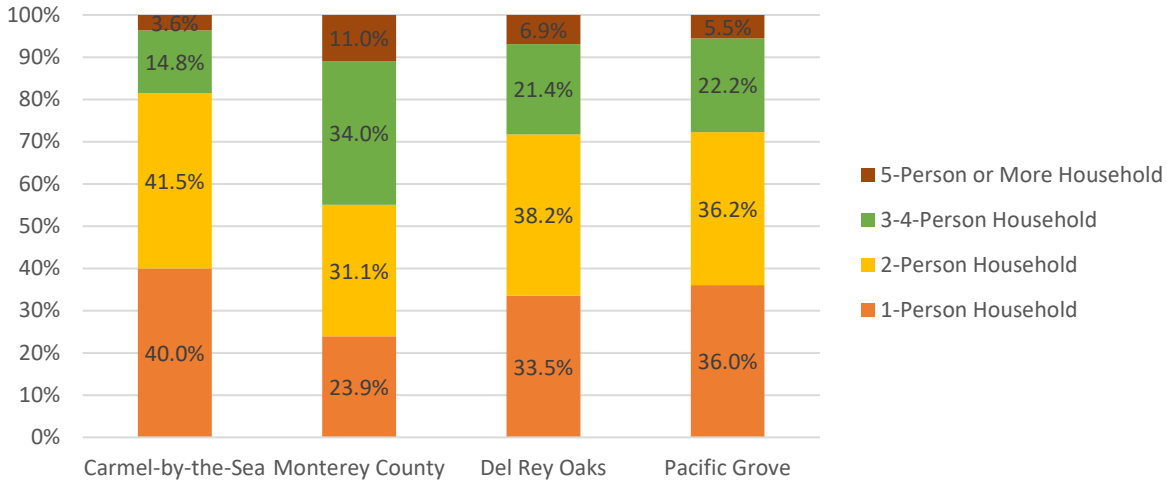
Figure A-12 Changes in Household Type, Carmel-by-the-Sea, 2010-2019



SOURCE: U.S. Census Bureau, ACS 5-Year Estimates, 2010-2019
NOTE: Non-family households include unrelated persons living in one housing unit.

Figure A-13 illustrates households by household size for Carmel-by-the-Sea, the County, and nearby cities. Carmel-by-the-Sea's largest household type according to size is 2-person households (42 percent) followed by 1-person households (40 percent). This is consistent with findings in Figure A-12, with married-couple family households remaining the largest household type since 2010 followed by single-person households. This reflects a demand for affordable housing units appealing to married-couple and single-person households.

Figure A-13 Households by Household Size by Jurisdiction, 2019



SOURCE: U.S. Census Bureau, ACS 5-Year Estimates, 2019

Household Income

Affordability is a key component in determining the housing needs of a community. Household income determines the ability of a household to purchase or rent a housing unit. However, fluctuating household incomes may result in the need to spend disproportionate amounts of income on housing costs, referred to as overpayment or cost burden. As a result, this may also lead to overcrowding and/or substandard living conditions.

The following are income categories based on area median income (AMI) according to HCD:

- Extremely low-income: households earning 0-30 percent of AMI;
- Very low-income: households earning 30-50 percent of AMI;
- Low-income: households earning 50-80 percent of AMI;
- Moderate-income: households earning 80-100 percent of AMI; and
- Above-moderate income: households earning 100-120 percent of AMI.

Government Code Section 65583(a) defines extremely low-income households as earning 30 percent or below area median income, and considers them as a subset of the very low-income category. The extremely low-, very low-, and low-income groups are referred to as lower-income. In Carmel-by-the-Sea 28 percent of households are considered lower-income.

Table A-10 summarizes households by income category in Carmel-by-the-Sea in 2019. Above moderate-income households make up the majority of households in the City (62 percent) followed by lower-income households (28 percent). Approximately 7 percent of households in Carmel-by-the-Sea identify as extremely low-income. This reflects a need for more affordable housing in the City, and in tandem with Figure A-12 and Figure A-13 findings, it is likely the demand for single-person households is accompanied by a need for affordable options.

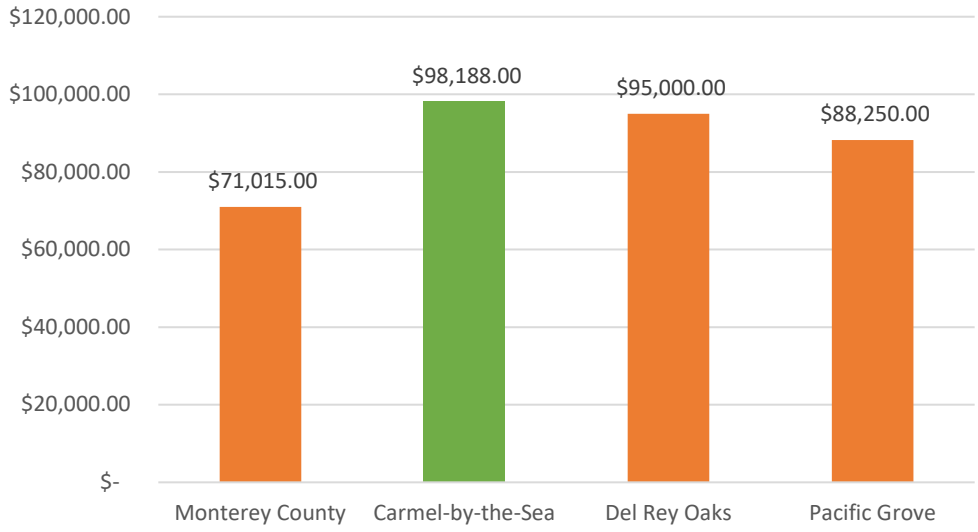
Table A-10 Households by Income Category, Carmel-by-the-Sea, 2019

Income Category (% of County MFI)	Households	Percent
Extremely Low-Income (30% MFI or less)	140	7%
Very Low-Income (30-50% MFI)	170	9%
Low-Income (50-80% MFI)	235	12%
Moderate-Income (80-100% MFI)	185	10%
Above Moderate-Income (>100% MFI)	1,200	62%
Total	1,930	100%

SOURCE: Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS), 2015-2019

Figure A-14 illustrates the median household income in Carmel-by-the-Sea, the County, and nearby cities in 2019. Carmel-by-the-Sea's median household income was $98,188 – approximately $27,173 higher than the County ($71,015). The City of Del Rey Oaks had the second highest median household income at $95,000 followed by Pacific Grove at $88,250. Understanding Carmel-by-the-Sea's median household income determines what income category households identify with and what affordability levels look like for the community.

Figure A-14 Median Household Income by Jurisdiction, 2019

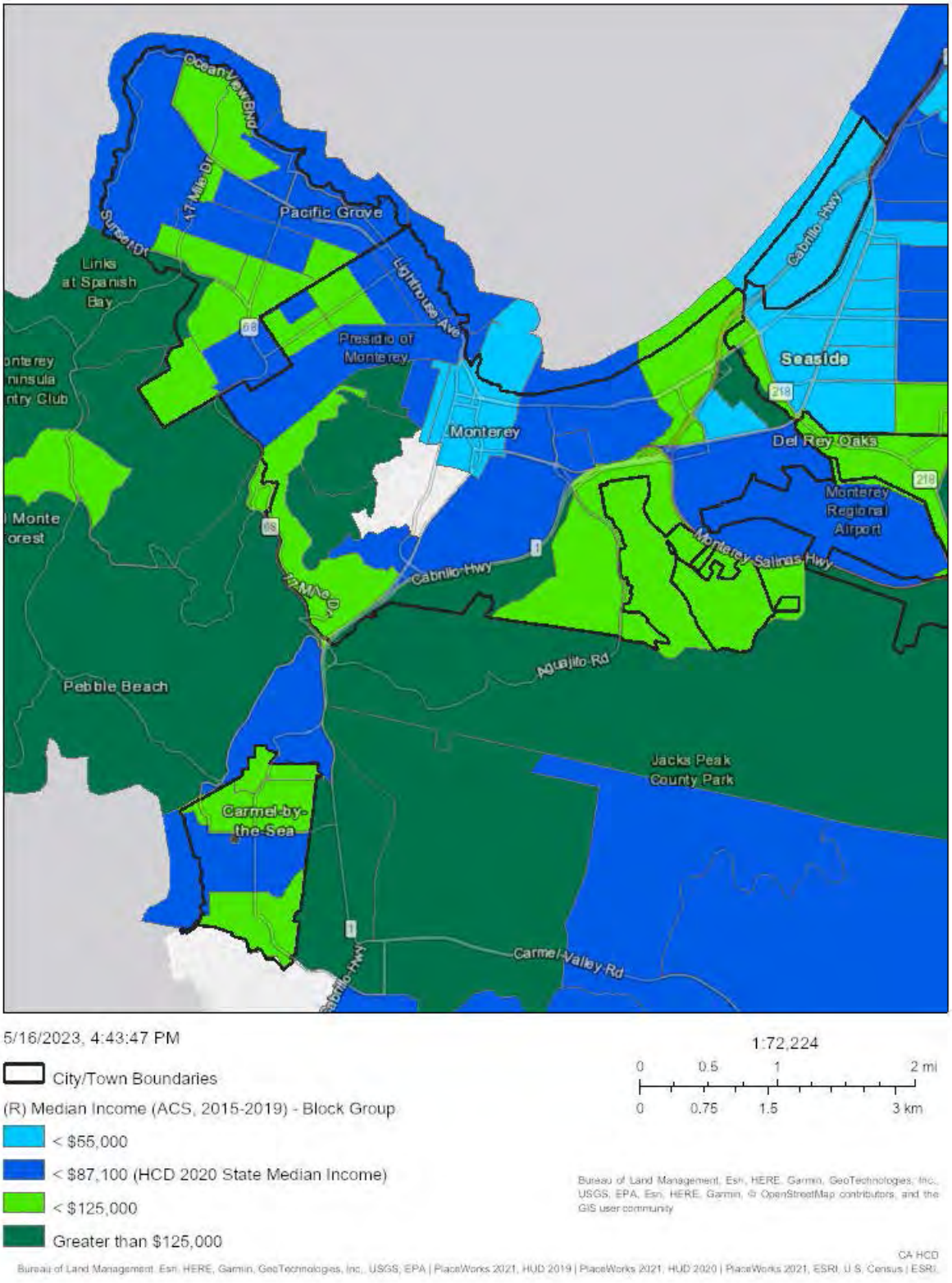


SOURCE: U.S. Census Bureau, ACS 5-Year Estimates, 2019

Figure A-15 illustrates median household income across Carmel-by-the-Sea. According to the HCD AFFH Data Viewer, Carmel-by-the-Sea households experience variation in median household income based on location. Households located in the center of the City reportedly earn less than the City's annual median income ($98,188) and households located in the north and south earn more (>$87,100 - <125,000).

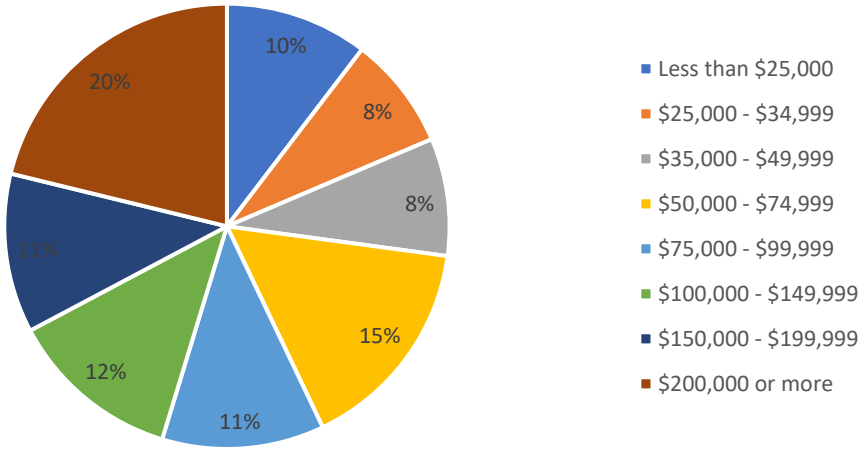
Figure A-16 provides a breakdown of 2019 incomes by category in Carmel-by-the-Sea. Approximately 43 percent of households are earning $100,000 or more (more than the City's annual median income). Conversely, 26 percent households earn an annual income less than $50,000 ($48,188 less than the City's annual median income). Approximately 41 percent of households are earning below the City's annual median income, of which 10 percent earn less than $25,000.

Figure A-15 Median Income by Block Group, Carmel-by-the-Sea, 2015-2019



SOURCE: California Department of Housing and Community Development, AFFH Data Viewer

Figure A-16 Income by Category, Carmel-by-the-Sea, 2019

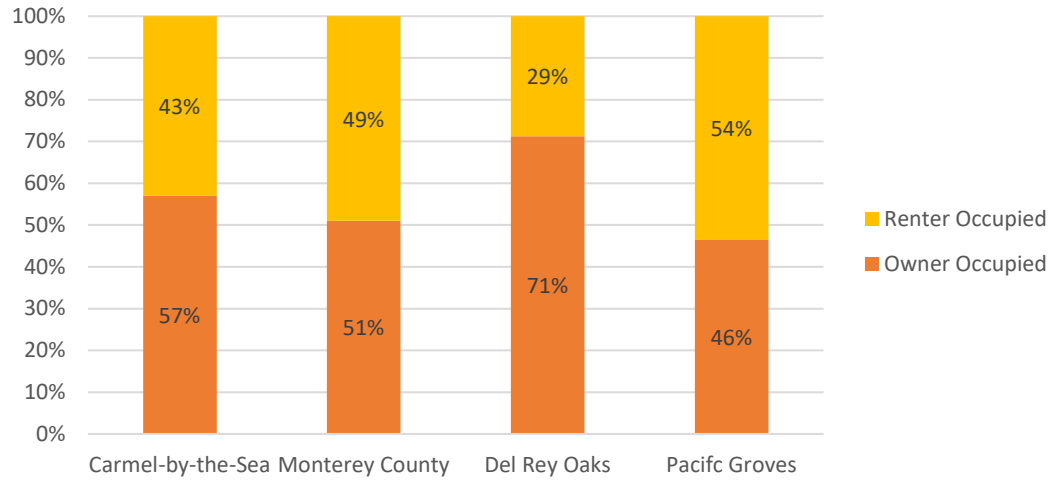


SOURCE: U.S. Census Bureau, ACS 5-Year Estimates, 2019

The household income characteristics in Carmel-by-the-Sea reveal a demand for the development of more affordable housing options that appeal to both lower-income and above-moderate households. Carmel-by-the-Sea is comprised primarily of above moderate-income households (62 percent), most of which identify as married-couple families (47 percent). Nonetheless, 28 percent of households are lower-income and 40 percent of households identify as single-persons. Affordable housing in Carmel-by-the-Sea must accommodate these households as well despite their non-majority makeup.

Figure A-17 illustrates housing by tenure in Carmel-by-the-Sea, the County, and nearby cities. Fifty-seven (57) percent of households in Carmel-by-the-Sea are owners and 43 percent are renters. This reflects an approximate 6 percent higher owner household population than the County (51 percent), 11 percent higher than Pacific Grove (46 percent), and 14 percent lower than Del Rey Oaks (71 percent).

Figure A-17 Housing Tenure by Jurisdiction, 2019



SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2019

A.3 Disproportionate Housing Needs

Housing Problems and Severe Housing Problems

The following section details housing problems and severe housing problems in Carmel-by-the-Sea according to the Census Bureau Comprehensive Housing Affordability Strategy (CHAS).

Disproportionate Housing Needs

"Disproportionate housing needs generally refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. For purposes of this definition, categories of housing need are based on such factors as cost burden and severe cost burden, overcrowding, homelessness, and substandard housing conditions."

SOURCE: California Department of Housing and Community Development Guidance, 2021, page 39.

The CHAS data set provides in-depth analysis on housing needs by income level according to types of households. According the CHAS, housing problems are defined as having one or more of the following variables:

- Incomplete kitchen facilities;
- Incomplete plumbing facilities;
- More than one person per room; and
- Cost burden greater than 30 percent.

Severe housing problems are defined as having one or more of the following variables:

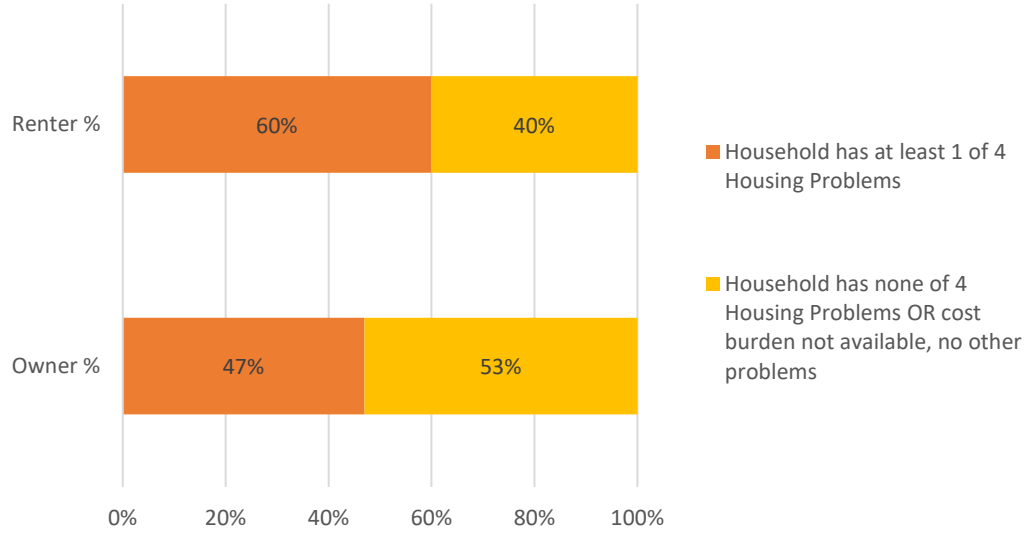
- Incomplete kitchen facilities;
- Incomplete plumbing facilities;
- More than 1.5 persons per room; and
- Cost burden greater than 50 percent.

Additionally, CHAS defines cost burden as the ratio of housing costs to household income. The following defines cost burden by renter and owner:

- Renter Cost Burden: gross rent (contract rent plus utilities); and
- Owner Cost Burden: select monthly owner costs including mortgage payment, utilities, association fees, insurance, and real estate taxes.

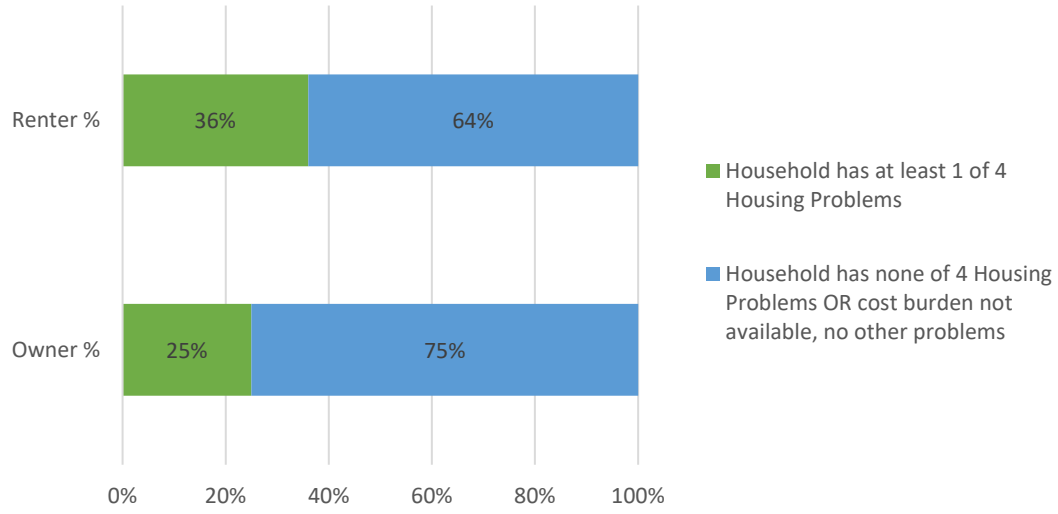
Figure A-18 and Figure A-19 illustrate housing problems by tenure and severe housing problems by tenure in Carmel-by-the-Sea during 2019. Approximately 60 percent of renter households have at least one of four housing problems and 36 percent have at least one of four severe housing problems. In contrast, 47 percent of owner households experience at least one housing problem and 25 percent have at least one severe housing problem.

Figure A-18 Housing Problems by Tenure, Carmel-by-the-Sea, 2015-2019



SOURCE: U.S. Census Bureau, CHAS Data, 2015-2019
NOTE: The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%.

Figure A-19 Severe Housing Problems by Tenure, Carmel-by-the-Sea, 2015-2019



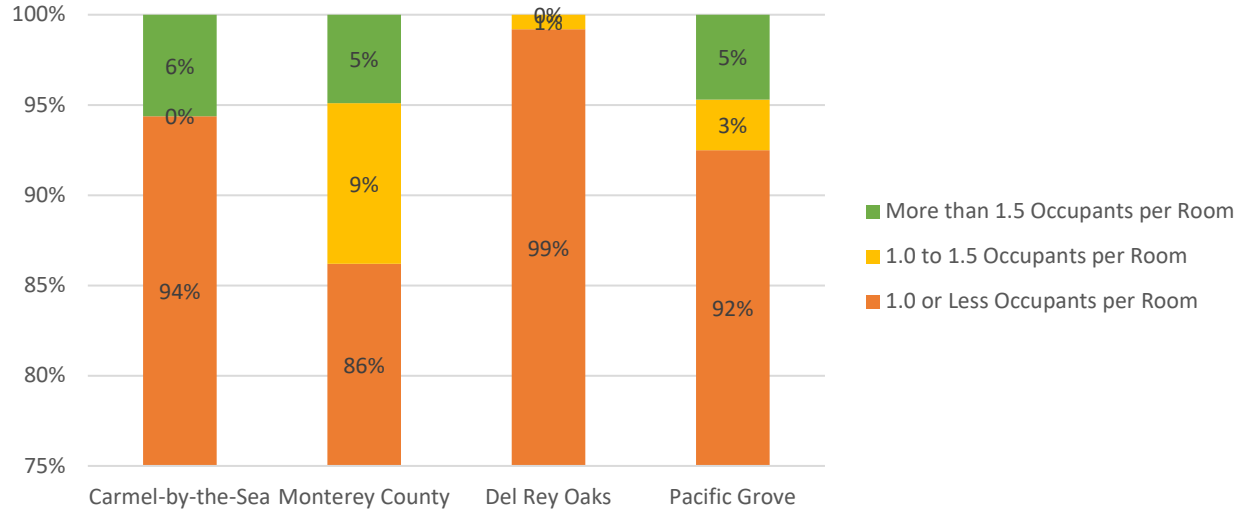
SOURCE: U.S. Census Bureau, CHAS Data, 2015-2019
NOTE: The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1.5 person per room, and cost burden greater than 50%.

Overcrowding

Understanding the prevalence of overcrowded households within a community helps determine the need for affordable and adequately sized housing units for the community. Overcrowding is defined as a household with more than one occupant per room excluding bathrooms and kitchens. Units with more than 1.5 persons per room are considered severely overcrowded. Overcrowding may occur due to a lack of available affordable and/or adequately sized housing units. Cultural norms and customs combined with low-income or lack of adequately size housing units can result in overcrowding too. For example, in Asian culture, households are often comprised of multi-generations. If this custom is also compounded by low-income or lack of adequately sized housing units overcrowding may occur.

Figure A-20 illustrates overcrowding by severity in Carmel-by-the-Sea, the County, and nearby cities in 2019. The City of Del Rey Oaks households experience the least amount of overcrowding (0.8 percent) and no severe overcrowding, compared to Carmel-by-the-Sea households that experience zero percent moderate overcrowding, but 6 percent severe overcrowding. Monterey County has a higher overall percentage of households that experience overcrowding (9 percent) and severe overcrowding (5 percent) compared to Carmel-by-the-Sea.

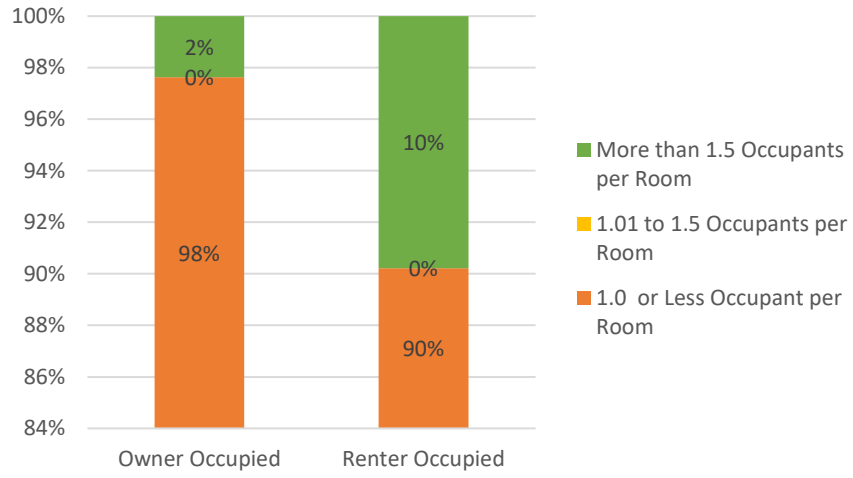
Figure A-20 Overcrowding by Severity by Jurisdiction, 2019



SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2019

Figure A-21 illustrates overcrowding by tenure and severity in Carmel-by-the-Sea during 2019. Renter households in Carmel-by-the-Sea experience 8 percent more overcrowding than owner households. While renter households do not experience overcrowding (more than 1-person per room), 10 percent experience severe overcrowding (more 1.5-persons per room). Similarly, owner households in Carmel-by-the-Sea do not experience overcrowding, but 2 percent do experience severe overcrowding.

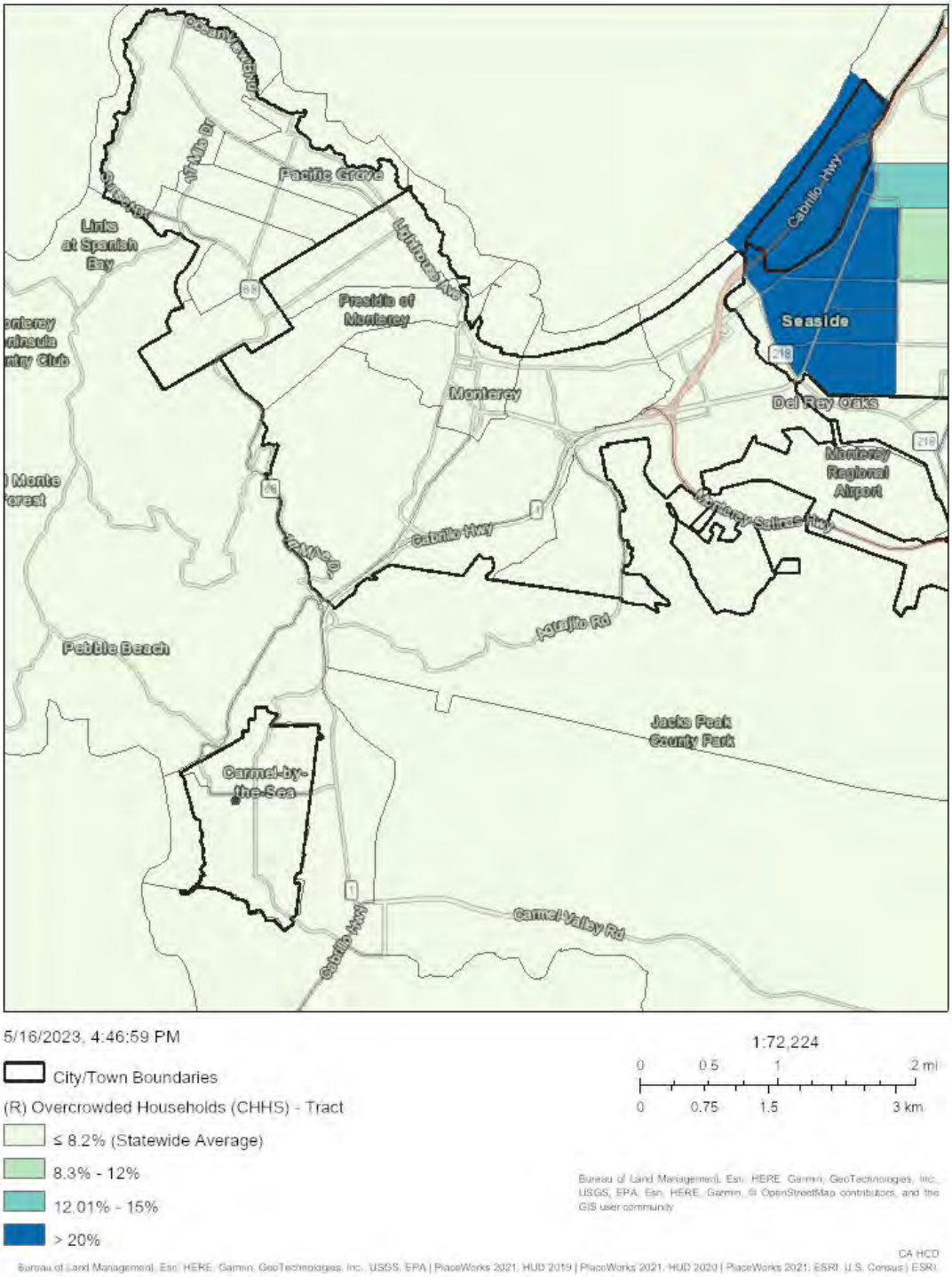
Figure A-21 Overcrowding by Tenure and Severity, Carmel-by-the-Sea, 2019



SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2019

Figure A-22 illustrates overcrowded households in Carmel-by-the-Sea. According to the HCD AFFH Data Viewer, Carmel-by-the-Sea households experience no variation in overcrowding based on location. In the City, overcrowding rates are less than 8.2 percent.

Figure A-22 Overcrowded Households, Carmel-by-the-Sea



SOURCE: California Department of Housing and Community Development, AFFH Data Viewer

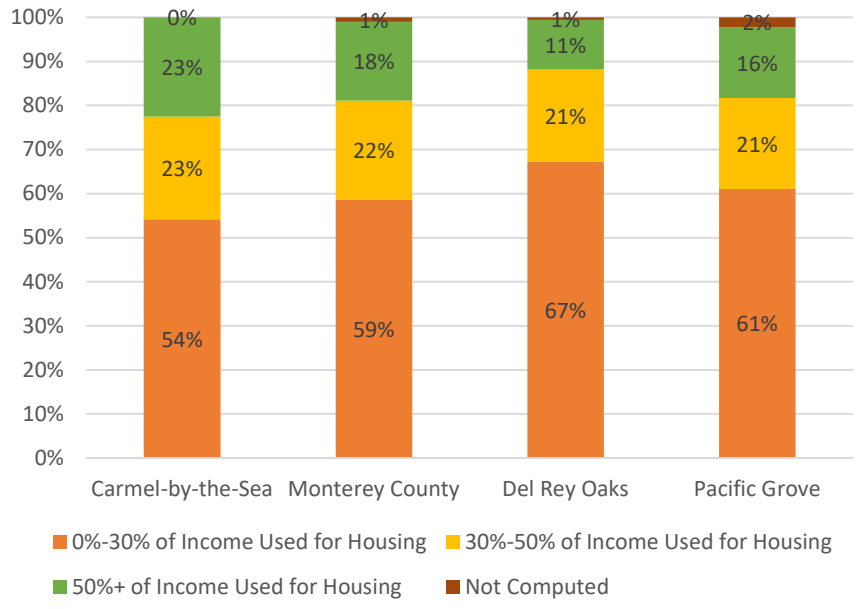
Cost Burden

According to HCD, overpayment or cost burden is measured as households spending more than 30 percent of their gross income including utilities for housing; severe overpayment or severe cost burden is measured as households spending 50 percent or more of their gross income for housing. For the duration of this report, overpayment will be referred to as cost burden.

The cost burden rates of owners and renters in a community provide insight to housing needs such as, the affordability of the local housing market and the availability of housing units that accommodate household needs like size and housing type. Additionally, federal and state agencies examine cost burden to determine a community's need for housing assistance.

Figure A-23 illustrates cost burden severity in Carmel-by-the-Sea, the County, and nearby cities. Carmel-by-the-Sea household cost burden rates are similar to the County. In Carmel-by-the-Sea, 46 percent of households experience some level of cost burdened, of which 23 percent are severely cost burdened, while the County has a cost burden rate of 22 percent and a severe cost burden rate of 18 percent. The cities of Del Rey Oaks and Pacific Grove have slightly lower rates of cost burden overall with 67 percent and 61 percent of households experiencing no cost burden, respectively. Overall, the City of Del Rey Oaks has the lowest percent of households experiencing any type of cost burden. It is important to relate Carmel-by-the-Sea's approximate 46 percent cost burden with its 10 percent population of overcrowded renter households, as these may be indicators of an unaffordable and homogenous local housing market.

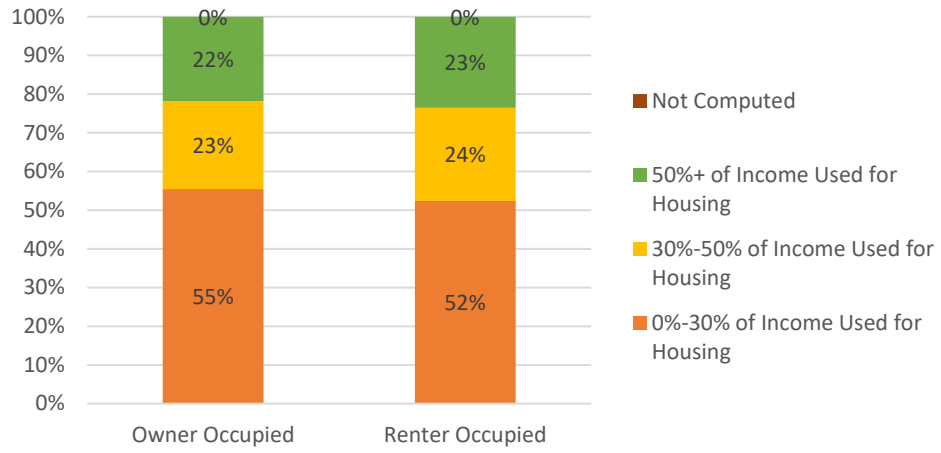
Figure A-23 Cost Burden Severity by Jurisdiction, 2015-2019



SOURCE: U.S. Census Bureau, CHAS Data, 2015-2019

Figure A-24 illustrates cost burden by tenure in Carmel-by-the-Sea. Renter and owner households experience similar levels of cost burden. Renter households experience 24 percent cost burden and 23 percent severe cost burden (47 percent total), whereas owner households experience 23 percent cost burden and 22 percent severe cost burden (45 percent total). This reflects a 1 percent difference between cost burden and severe cost burden for renter and owner households, respectively.

Figure A-24 Cost Burden by Tenure, Carmel-by-the-Sea, 2015-2019

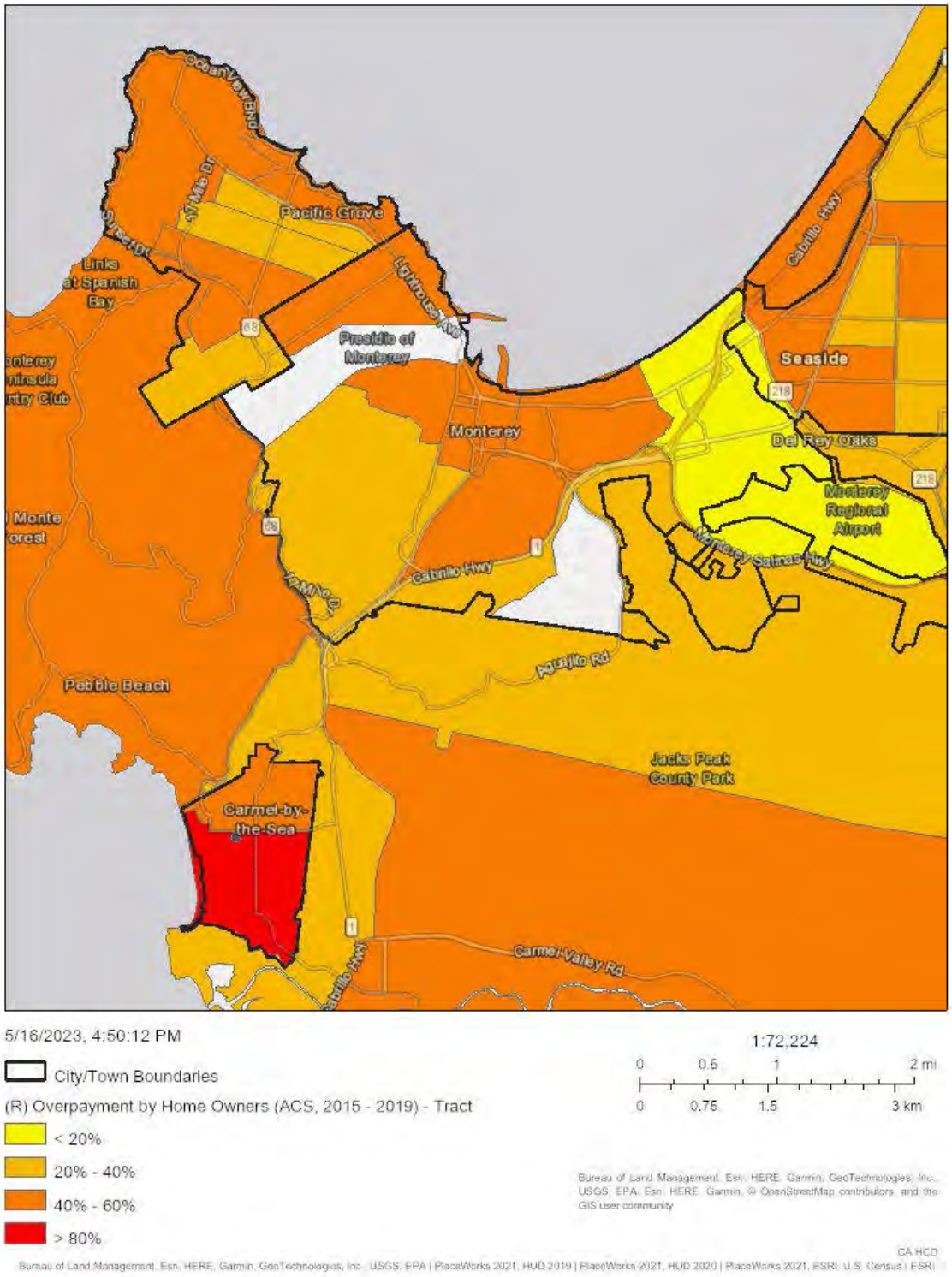


SOURCE: U.S. Census Bureau, CHAS Data, 2015-2019

Figure A-25 illustrates cost burden of home owners in Carmel-by-the-Sea. According to the HCD AFFH Data Viewer, the highest rates of cost burden among home owners in Carmel-by-the-Sea are concentrated in the central and southern regions of the City. In these regions, 80 percent of owner households experience cost burden. In the northern region of the City, 40-60 percent of owner households experience cost burden.

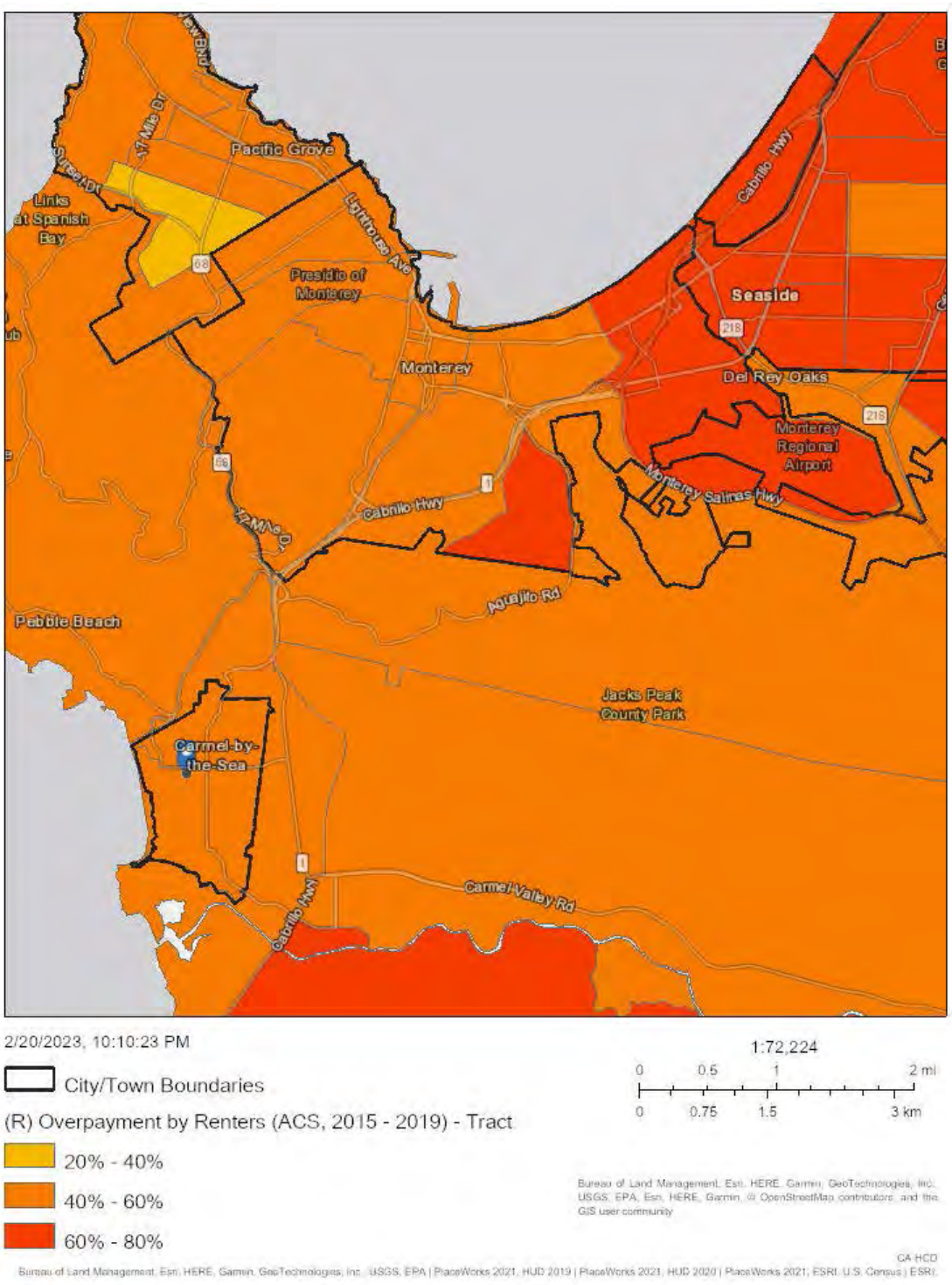
Figure A-26 illustrates cost burden of renters in Carmel-by-the-Sea. When analyzing concentrations of cost burden among renter-occupied households in Carmel-by-the-Sea, there is no variation based on location. Between 40-60 percent of renter-households experience cost burden across the City.

Figure A-25 Cost Burden by Home Owners, Carmel-by-the-Sea, 2015-2019



SOURCE: California Department of Housing and Community Development, AFFH Data Viewer

Figure A-26 Cost Burden by Renter Households, Carmel-by-the-Sea, 2015-2019



SOURCE: California Department of Housing and Community Development, AFFH Data Viewer

A.4 Special Needs Groups

Special needs groups are those that may face particular challenges in obtaining adequate housing due to inherent circumstances such as age, disabilities, household size, income level, age, and occupation. Large families, single parent households, female-headed households, or extremely low- and low-income households, and homeless persons may be classified as Special Needs groups. Special Needs groups are identified due to the unique nature of household characteristics and potential housing challenges faced. Table A-11 provides a summary of special needs groups in Carmel-by-the-Sea.

Table A-11 Overview of Special Needs Groups

Special Needs Groups	Count	Percent of Total Households	Percent of Total Population
Total population	3,830	--	100%
Total occupied units (households)	1,925	100%	--
Extremely Low-income (0-30% of HAMFI) households	140 households	7%	--
Total Senior Population	1,657 persons	--	43%
Senior Owner-Households	763 households	40%	--
Senior Renter-Households	283 households	15%	--
Persons with Disabilities[23]	406 persons	--	12%
Persons with Developmental Disabilities[1]	<70 persons	--	--
Large Households	70 households	4%	--
Single-Parent Households	153 households	8%	--
Single-Parent, Female Headed Households with Children (under 18) below poverty line	0 households	--	--
People Living in Poverty	111 persons	--	3%
Farmworkers[2]	26,929 persons	--	--
Migrant Farmworkers	4,972 persons	--	--
Seasonal Farmworkers	12,123 persons	--	--
Permanent Farmworkers	14,806 persons	--	--
Persons Experiencing Homelessness[3]	1 person	--	--

SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2019; U.S. Census Bureau CHAS 2015-2019 Data; USDA Statistics Services; California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type (2021).
NOTE: 1. Data provided by California Department of Developmental Services and taken at the ZIP code level.
2. Agriculture, forestry, fishing and hunting and mining industry. Farmworker data is taken of the population 16 years and older. Data provided by USDA Statistics Services and taken at the County level for 2017; includes permanent and seasonal farmworkers.
3. Total results from 2022 Monterey County Homeless County and Survey Comprehensive Report.

[23] This estimate uses U.S. Census Bureau ACS 5-Year Estimates for 2021.

Extremely Low-Income Households and Poverty Status

Extremely low-income (ELI) households are those that earn less than 30 percent of the median family income (MFI). Very low-income households are those that earn 50 percent of less of the MFI. Extremely low-income households typically face a combination of housing challenges related to income status, family size/type, disability status, access to housing opportunities, and other household characteristics. Additionally, ELI households are more likely to experience overcrowding, cost burden, and substandard housing conditions. Extremely low-income households are typically minimum-wage workers, disabled persons, farmworkers, and seniors on fixed incomes.

It seemed really scary when we first looked at the [RHNA numbers] and the idea of trying to squeeze more into this beautiful place that's so unique [but] I really like the idea of coming at this from a compassionate and creative perspective. I really resonate with that.

November 17, 2023 Housing Ad Hoc Committee Community Meeting Attendee

Table A-12 provides a breakdown of extremely low-income households in Carmel-by-the-Sea. The 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) data indicates there were approximately 140 ELI households (7 percent of total households) in Carmel-by-the-Sea. Of the extremely low-income households in Carmel-by-the-Sea, 29 percent are renter-occupied households and 71 percent are owner-occupied households, or 2 percent and 5 percent of all households, respectively.

When analyzing cost burden of ELI households, approximately 120 ELI households experience severe cost burden (paying more than 50 percent of median gross income on housing) and 140 experience moderate cost burden (paying more than 30 percent of median gross income on housing). Of the ELI households experiencing some form of cost burden, the majority are owner-occupied households.

Data for overcrowding by income level is not available for Carmel-by-the-Sea. However, because owner-occupied households represent the majority of ELI households and experience higher rates of cost burden, overcrowding, substandard housing issues it may be assumed that ELI households experience overcrowding.

The projected RHNA for ELI households was based on the assumption that 50 percent of very low-income households qualify as extremely low-income households. The very low-income housing need is 113 housing units, of which the City estimates 57 housing units will accommodate the extremely low-income housing need.

Table A-12 Extremely Low-Income Households, Carmel-by-the-Sea, 2015-2019

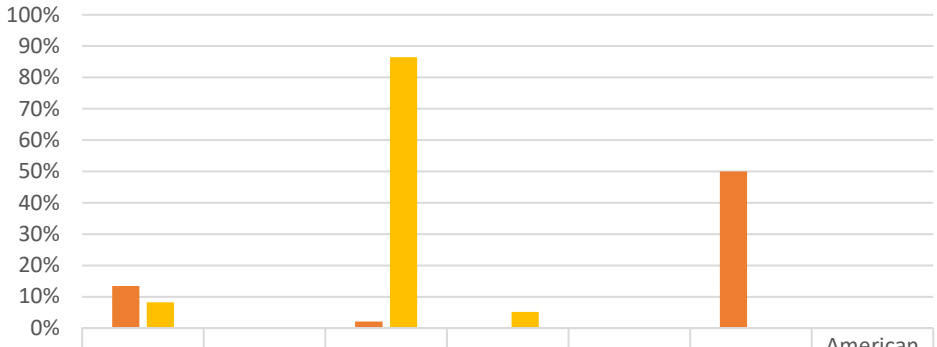
Households	Number	Percentage of Total Households
Total occupied units (households)	1,925	100%
Total Lower-income (0-80% of HAMFI) households	545	28%
Extremely Low-income (0-30% of HAMFI) households	140	7%
Extremely Low-income renters	40	2%
Extremely Low-income owners	100	5%
Lower-income households paying more than 50%	270	14%
Extremely Low-income paying more than 50%	120	6%
ELI Renter HH severely cost burdened	20	1%
ELI Owner HH severely cost burdened	100	5%
Lower-income households paying more than 30%	430	22%
Extremely Low-income paying more than 30%	140	7%
ELI Renter HH moderately cost burdened	40	2%
ELI Owner HH moderately cost burdened	100	5%
Lower-income households experiencing 1 of 4 Housing Problems	450	23%
Extremely Low-income households experiencing 1 of 4 Housing Problems	140	7%
ELI Renter HH experiencing 1 of 4 Housing Problems	40	2%
ELI Owner HH experiencing 1 of 4 Housing Problems	100	5%

SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) 2015-2019.
NOTE: MFI = HUD Median Family Income, this is the median family income calculated by HUD for each jurisdiction, to determine Fair Market Rents (FMRs) and income limits for HUD programs. MFI will not necessarily be the same as other calculations of median incomes (such as Census number), due to a series of adjustments that are made.
The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%.
***Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes.

In 2019, approximately 111 persons were identified as living below the poverty line.[24] Figure A-27 illustrates the percent of the population in Carmel-by-the-Sea living below the poverty line in 2019 by race and ethnicity. Despite being the smallest population in the City (comprising .1 percent of the population), the Black or African American population is estimated to have the highest rate of poverty (50 percent); however, the low sample size makes it difficult to draw conclusions about this population. In contrast, the non-Hispanic White population represents 87 percent of the total population and only 2 percent is living below the poverty line. The Hispanic or Latinx population experiences the second highest rate of poverty with 13 percent living below the poverty line.

[24] From U.S. Census Bureau ACS 5-Year Estimate, 2019, Table S1701

Figure A-27 Percent Living Below the Poverty Line by Race and Ethnicity, Carmel-by-the-Sea, 2019



	Hispanic or Latinx	Other Race or Multiple Races (Hispanic and Non-Hispanic)	White, Non-Hispanic	Asian alone	Native Hawaiian and Other Pacific Islander	Black or African American (Hispanic and Non-Hispanic)	American Indian or Alaska Native (Hispanic and Non-Hispanic)
Below Poverty Line	13.4%	0.0%	2.1%	0.0%	0.0%	50.0%	0.0%
Race/Ethnicity*	8.2%	0.0%	86.5%	5.2%	0.0%	0.1%	0.0%

SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2019
NOTE: Race/Ethnicity represents percentage of the total population*

To address the needs of ELI households, the City will adopt housing programs to facilitate the construction of affordable and supportive housing for ELI households. Policies that will directly impact ELI households in Carmel-by-the-Sea include:

- Policy 3.1: Incentivize affordable housing development, with an emphasis on affordable housing built to accommodate Extremely Low-Income residents. Encourage the private sector to produce affordable housing;
- Policy 4.1: Support energy and water conservation programs to reduce the consumption of these resources in housing and to reduce housing costs; and
- Policy 5.1: Support and enforce fair housing laws. Expand fair housing choice by promoting housing opportunities and removing impediments to fair housing.

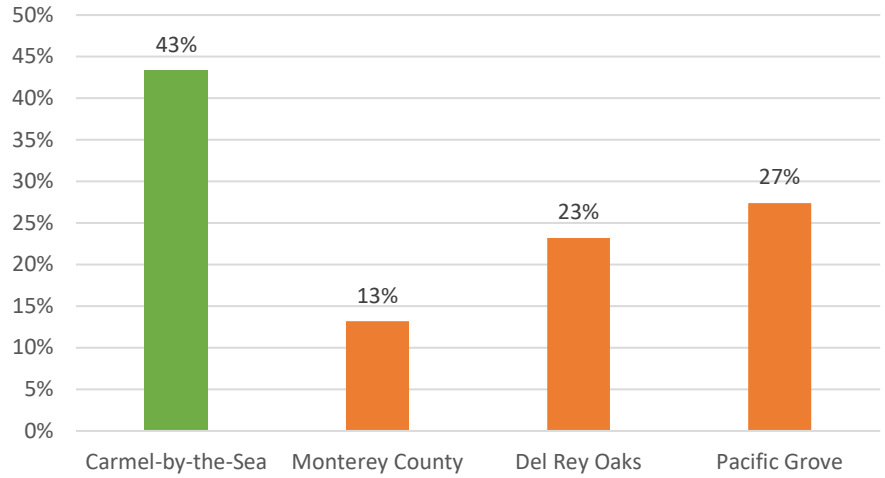
All housing policies and programs can be found in full detail in Chapter 2 of the Housing Element.

Seniors

Seniors are identified as individuals 65 years and older. Senior households often experience a combination of factors that can make accessing or keeping affordable housing a challenge. They often live on fixed incomes and are more likely to have disabilities, chronic health conditions, and/or reduced mobility. Seniors who rent may be at even greater risk for housing challenges than those who own, due to income differences between these groups.

Figure A-28 illustrates the senior population in Carmel-by-the-Sea, the County, and nearby cities. Compared to the County and nearby cities, Carmel-by-the-Sea has the highest senior population (43 percent), approximately 30 percent more than the County and 16 percent more than Pacific Grove.

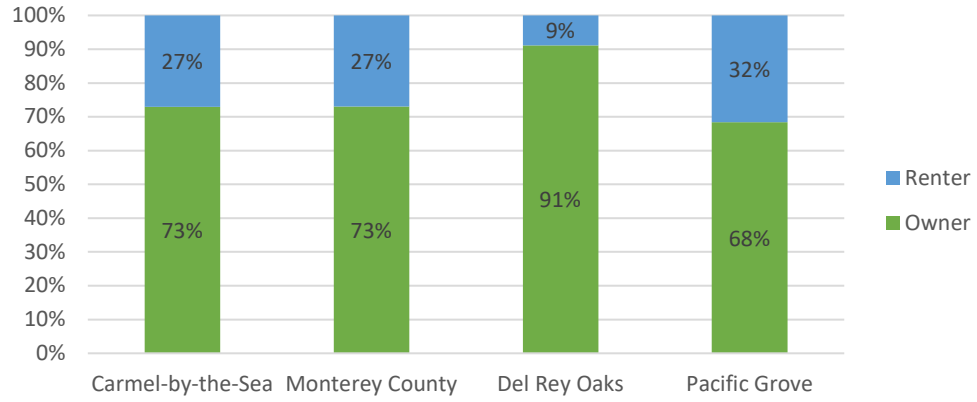
Figure A-28 Senior Population by Jurisdiction, 2019



SOURCE: U.S. Census Bureau, 2019
NOTE: Senior population is defined as persons 65 years and older.

Figure A-29 illustrates senior housing by tenure in Carmel-by-the-Sea during 2019. Senior households in Carmel-by-the-Sea are primarily owners (73 percent). Similarly, the senior households of the County (73 percent) and nearby cities of Del Rey Oaks (91 percent) and Pacific Grove (68 percent) are majority owners.

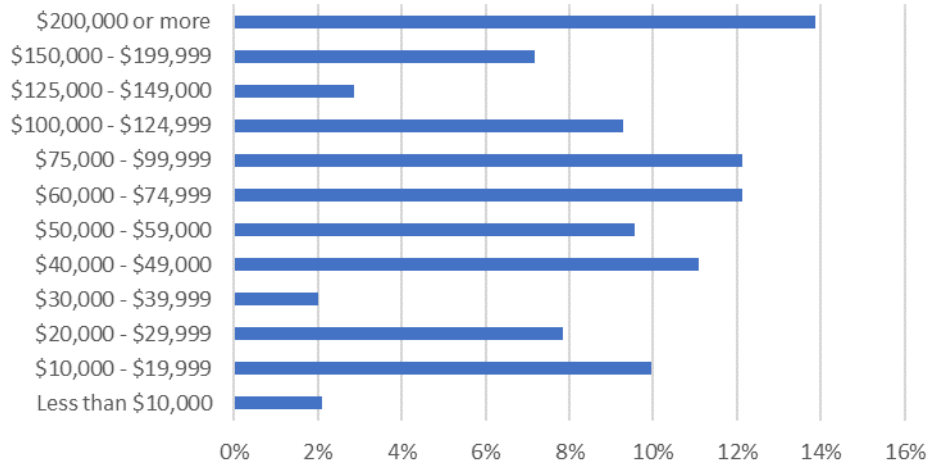
Figure A-29 Senior Housing by Tenure, Carmel-by-the-Sea, 2019



SOURCE: U.S. Census Bureau, 2019
NOTE: Senior population is identified as persons 65 years and older.

Figure A-30 illustrates senior households by their income. 14 percent of Carmel-by-the-Sea's senior households earn a yearly income of $200,000 or more). However, an estimated 61 percent of senior households earn less than the City's median household income ($98,188).

Figure A-30 Senior Households by Income, Carmel-by-the-Sea, 2019



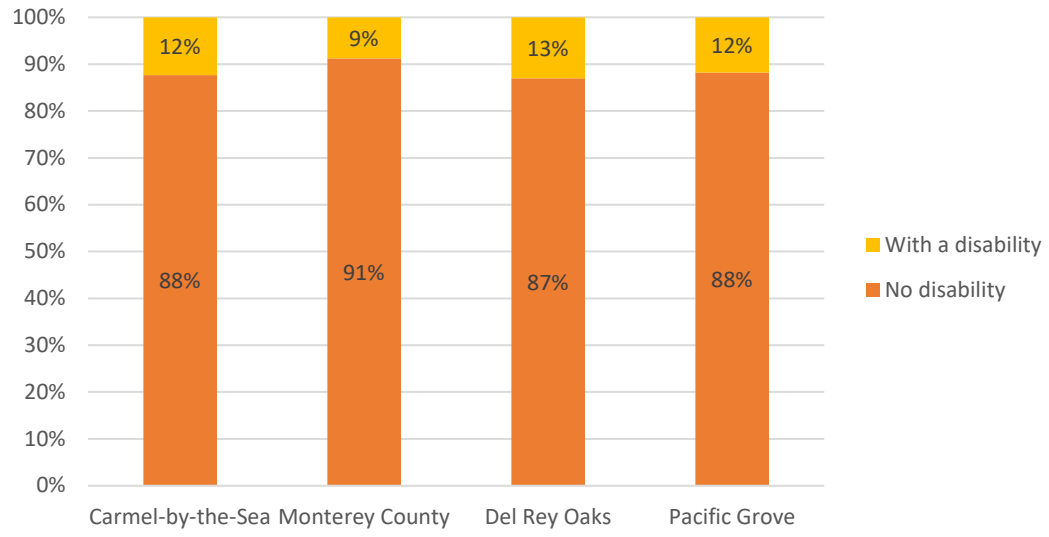
SOURCE: U.S. Census Bureau, 2019
NOTE: Senior population is identified as persons 65 years and older.

People with Disabilities

People with disabilities face additional housing challenges. Encompassing a broad group of individuals living with a variety of physical, cognitive and sensory impairments, many people with disabilities live on fixed incomes and are in need of specialized care, yet often rely on family members for assistance due to the high cost of care. When it comes to housing, people with disabilities are not only in need of affordable housing but accessibly designed housing, which offers greater mobility and opportunity for independence. Unfortunately, the need typically outweighs what is available, particularly in a housing market with such high demand. People with disabilities are at a high risk for housing insecurity, homelessness, and institutionalization, particularly when they lose aging caregivers.

Figure A-31 illustrates population by disability status in Carmel-by-the-Sea, the County, and nearby cities in 2021. Twelve (12) percent of the population in Carmel-by-the-Sea has some form of disability, which is on par with nearby cities. The cities of Del Rey Oaks and Pacific Grove each have a population of 13 percent and 12 percent, respectively, with a disability. The County has the lowest percentage of persons with a disability at 9 percent.

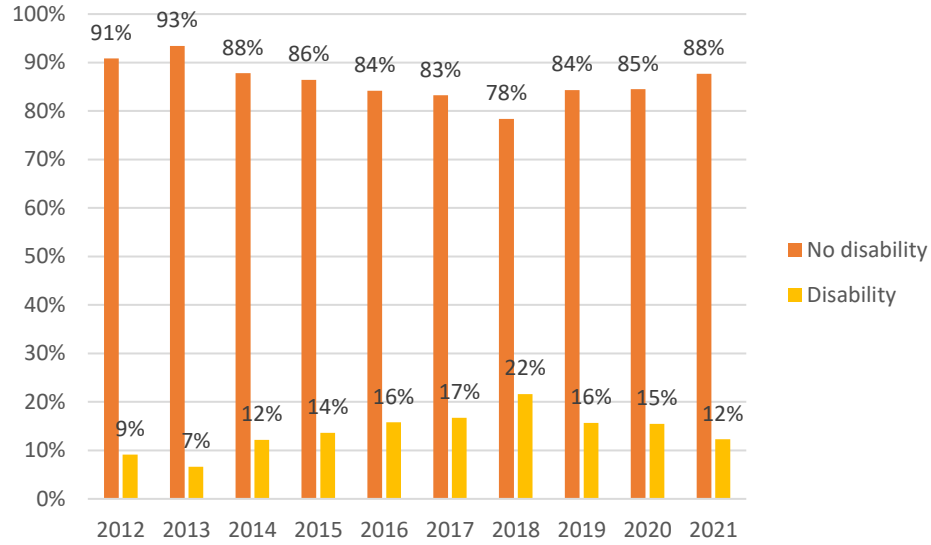
Figure A-31 Population by Disability Status by Jurisdiction, 2021



SOURCE: U.S. Census Bureau, 2021

Over the last decade, the population of persons with disabilities has increased in Carmel-by-the-Sea. Figure A-32 illustrates trends in persons with disabilities in Carmel-by-the-Sea between 2012-2021. In 2014, the population of persons with disabilities began to steadily increase from 12 percent to its highest point at 22 percent in 2018. In 2019, the upward trend in persons with disabilities began to decline reaching 16 percent, and eventually hitting 12 percent in 2021. Overall, the population of persons with disabilities has increased 3 percent since 2012.

Figure A-32 Trends in Persons with Disabilities, Carmel-by-the-Sea, 2012-2021



SOURCE: U.S. Census Bureau, 2012-2021

Table A-13 provides an overview of disability by type and age in Carmel-by-the-Sea during 2021. Hearing difficulty is the most widespread disability in Carmel-by-the-Sea (41 percent) with the highest concentration in persons 65 years of age and older. Self-care difficulty is the least common disability with 7 percent experiencing this in Carmel-by-the-Sea. Overall, seniors (persons aged 65+) makeup the largest demographic with a disability (50 percent).

Table A-13 Disability Status by Age, Carmel-by-the-Sea, 2021

Disability Type	Under 18	18-64	65 and Over	Total	Percent of Population with a Disability
Hearing Difficulty	20	0	305	325	41%
Vision Difficulty	20	0	50	70	9%
Cognitive Difficulty	0	29	46	75	9%
Ambulatory Difficulty	0	0	142	142	18%
Self-care Difficulty	0	0	56	56	7%
Independent Living Difficulty	0	0	130	130	16%
Total	40	29	729	798	100%

SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2021
NOTE: These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed.

State law also requires Housing Elements to examine the housing needs of people with developmental disabilities. Developmental disabilities are defined as severe, chronic, and attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down's Syndrome, autism, epilepsy, cerebral palsy, and mild to severe mental retardation. Some people with developmental disabilities are unable to work, rely on Supplemental Security Income, and live with family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them.

Table A-14 shows the population with developmental disabilities by age in Carmel-by-the-Sea. In Carmel-by-the-Sea, of the 798 persons with a disability, approximately less than 70 have a developmental disability. Of these, less than 31 are children/young adults (i.e., under the age of 18) and less than 36 are adults.

Table A-15 shows the population with developmental disabilities by residence in Carmel-by-the-Sea. The most common living arrangement for individuals with developmental disabilities in Carmel-by-the-Sea is the home of parent/family/guardian.

Table A-14 Population with Developmental Disabilities by Age, Carmel-by-the-Sea, 2021

Age Group	Number
Age Under 18	<31
Age 18+	<36

SOURCE: California Department of Developmental Services, Consumer Count by California ZIP Code and Age Group (2021).
NOTE: Universe: Population with developmental disabilities. Notes: The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were crosswalked to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

Table A-15 Population with Developmental Disabilities by Residence, Carmel-by-the-Sea, 2021

Residence Type	Number
Home of Parent/Family/Guardian	<38
Foster/Family Home	0
Independent/Supported Living	<11
Other	0
Community Care Facility	<11
Intermediate Care Facility	0

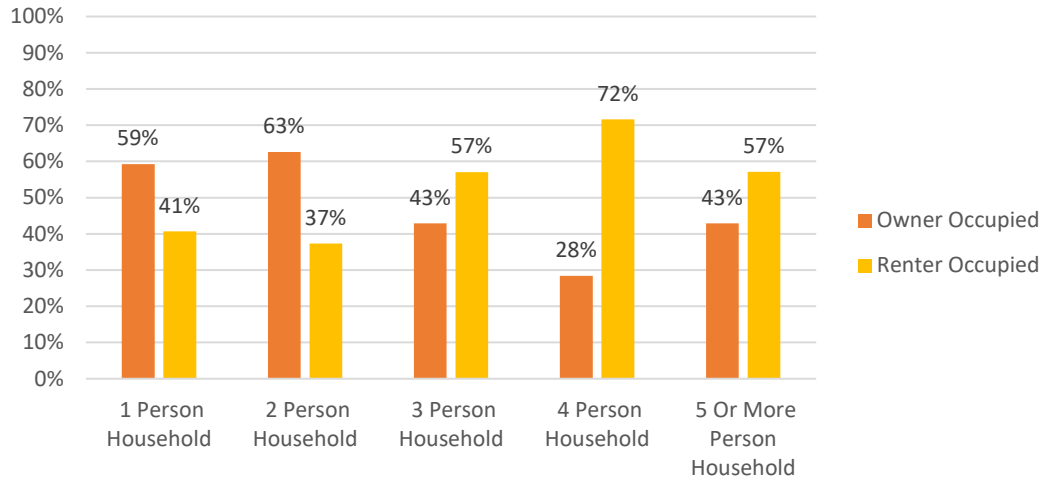
SOURCE: California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type (2021).
NOTE: Universe: Population with developmental disabilities. Notes: The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were crosswalked to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

Large Households

Large households are defined as households of five or more individuals. Large households often have different housing needs than smaller households. Household income and local housing markets can greatly impact a household's ability to afford adequately sized housing. If a city's rental housing stock does not include larger apartments, large households who rent could end up living in overcrowded conditions. Similarly, large households may experience overpayment as a result of a high housing market and limited availability.

Figure B-33 illustrates 2019 households by size and tenure in Carmel-by-the-Sea. The City has 70 large households, of which 57 percent are renter-occupied households. Owner-occupied households makeup the majority of 1-person and 2-person households, whereas renter-occupied households makeup the majority of all 3-5 person households. This combined with a total cost burden rate of 46 percent for renter households (Figure A-24), suggests it is likely that large households in Carmel-by-the-Sea may experience overcrowding and/or overpayment.

Figure A-33 Households by Size and Tenure, Carmel-by-the-Sea, 2019



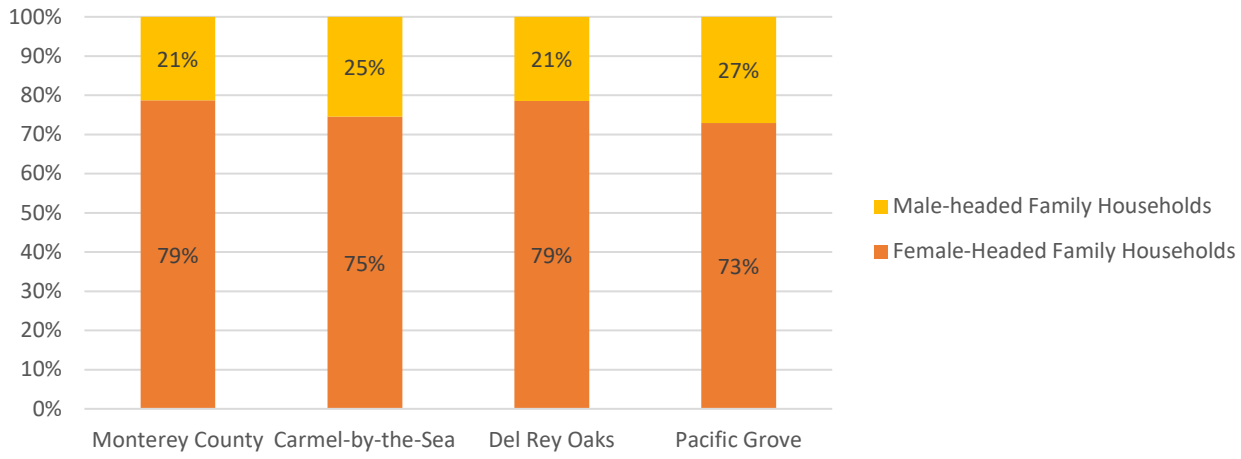
SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2019

Single-Parent Households

Households headed by one person are often at greater risk of housing insecurity, particularly female-headed households, who may be supporting children or a family with only one income.

In Carmel-by-the-Sea, the largest proportion of households are married-couple family households at 47 percent, while female-headed households make up 6 percent, and male-headed households make up 2 percent of all households (Figure A-11). Figure A-34 shows single-parent households in Carmel-by-the-Sea, the County, and nearby cities. Compared to the County and nearby cities, Carmel-by-the-Sea's ratio of single-parent households is on par. Carmel-by-the-Sea's single-parent households are predominantly female-headed family households (75 percent). Male-headed family households makeup 25 percent.

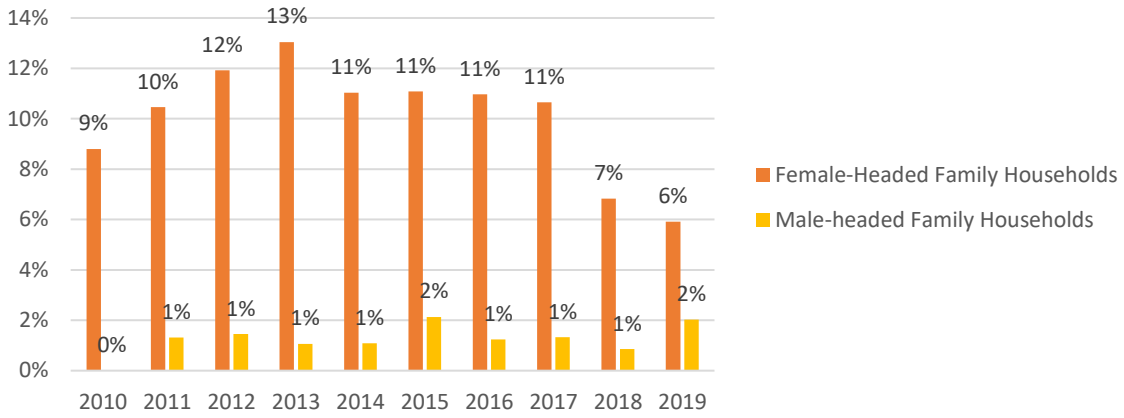
Figure A-34 Single-Parent Households by Jurisdiction, 2019



SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2019

Over the last decade, male-headed family households have slightly increased in Carmel-by-the-Sea, while female-headed family households have decreased. Figure A-35 illustrates trends in single-parent households in Carmel-by-the-Sea between 2010-2019.[25]

Figure A-35 Trends in Single-Parent Households, Carmel-by-the-Sea, 2010-2019



SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2010-2019
NOTE: This table reports female- and male-headed family households as a percentage of total households in Carmel-by-the-Sea.

During this period, male-headed households increased from zero percent in 2010 up to 2 percent by 2015. From 2016-2018, the male-headed family households remained at 1 percent until increasing to 2 percent by 2019. Comparatively, female-headed family households decreased a total of 3 percent between 2010-2019. From 2010-2013, female-headed family households steadily increased reaching its highest point at 13 percent in 2013. By 2014, the group experienced a 2 percent decrease and remained constant until 2018 when it began to decline, reaching 6 percent in 2019.

Female-headed households with children may face particular housing challenges, with pervasive gender inequality resulting in lower wages for women. Moreover, the added need for childcare can make finding a home that is affordable more challenging. In 2019, there were no single-parent households that fell in the Below Poverty Level category in Carmel-by-the-Sea.

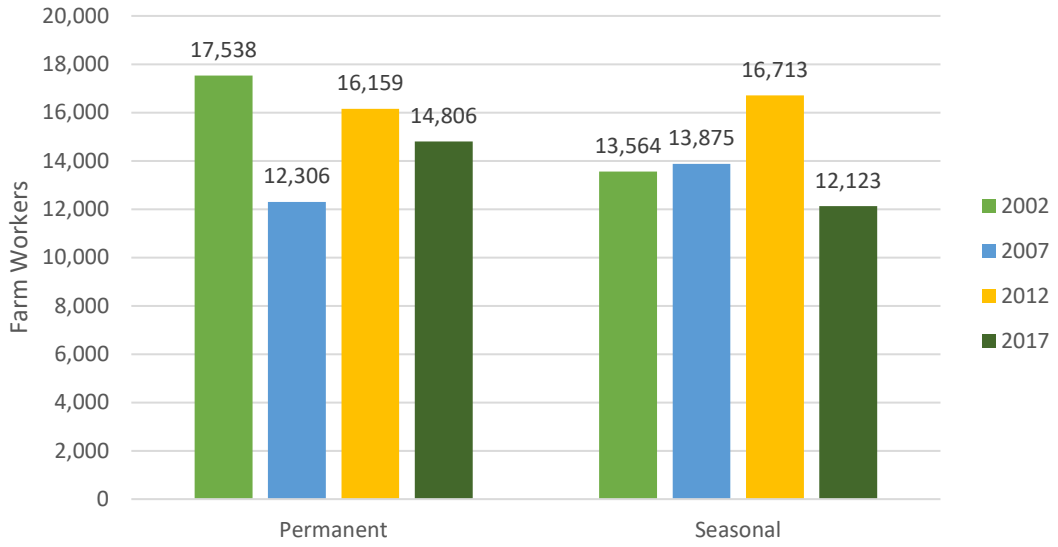
Farmworkers

Across the state, housing for farmworkers has been recognized as an important and unique concern. Farmworkers generally receive wages that are considerably lower than other jobs and may have temporary housing needs. Finding decent and affordable housing can be challenging, particularly in the current housing market.

[25] The data reports female- and male-headed family household as a percentage of total households in Carmel-by-the-Sea.

According to the U.S. Department of Agriculture Census of Farmworkers, the number of permanent farm workers in Monterey County has decreased since 2002, totaling 14,806 in 2017, and the number of seasonal farm workers has also decreased, totaling 12,123 in 2017. Figure A-36 shows hired farm labor in Monterey County between 2002-2017.

Figure A-36 Hired Farm Labor, Monterey County, 2002-2017



SOURCE: U.S. Department of Agriculture, Census of Farmworkers (2002, 2007, 2012, 2017), Table 7: Hired Farm Labor.
NOTES: Universe: Hired farm workers (including direct hires and agricultural service workers who are often hired through labor contractors). Farm workers are considered seasonal if they work on a farm less than 150 days in a year, while farm workers who work on a farm more than 150 days are considered to be permanent workers for that farm.

There are no agriculture uses within the City of Carmel-by-the-Sea. However, Carmel-by-the-Sea shares the responsibility for farmworker housing as farmworkers may work within 75 miles of agricultural land uses (including dairy, vineyards, and produce) and the City is within 75 miles of these uses.

Persons Experiencing Homelessness

Homelessness remains an urgent challenge in many communities across the state, reflecting a range of social, economic, and psychological factors. Rising housing costs result in increased risks of community members experiencing homelessness. Addressing the specific housing needs for the unhoused population remains a priority throughout the region, particularly since homelessness is disproportionately experienced by people of color, people with disabilities, those struggling with addiction and those dealing with traumatic life circumstances.

Table A-16 show changes in the homeless population between 2017-2022 in Carmel-by-the-Sea, the County and neighboring jurisdictions. According to the 2022 Monterey Homeless Count and Survey Comprehensive Report, Carmel-by-the-Sea has seen a decrease in homeless persons since 2017, totaling one person in 2022. Similarly, the Monterey Bay Area overall has seen a decrease in homeless populations with the exception of Seaside.

Table A-16 Homeless Population by Jurisdiction, 2017-2022

Jurisdiction	Unsheltered			Sheltered			Total			2019-2022 % Change
	2017	2019	2022	2017	2019	2022	2017	2019	2022	
Monterey (City)	292	167	74	46	37	27	338	204	101	-50%
Carmel-by-the-Sea	16	6	1	0	0	0	16	6	1	*
Del Rey Oaks	111	0	2	0	0	0	111	0	2	*
Seaside	40	126	90	58	56	62	98	182	152	-16%
Pacific Grove	35	14	29	0	0	0	35	14	29	*
Total	509	315	198	104	93	89	613	408	287	-66%

SOURCE: 2022 Monterey Homeless Count and Survey Comprehensive Report
NOTE: % change was not calculated when jurisdiction was below 25 individuals.

Table A-17, shows household type and shelter status in Monterey County in 2019. In Monterey County, the most common type of household experiencing homelessness are those without children in their care. Among households experiencing homelessness that do not have children, 83 percent are unsheltered. Similarly, the majority of homeless households with children are unsheltered (45 percent).

Table A-17 Homelessness by Household Type and Shelter Status, Monterey County, 2019

Jurisdiction	People in Households Composed Solely of Children Under 18		People in Households with Adults and Children		People in Households without Children Under 18		Total
	Count	Percent	Count	Percent	Count	Percent	
Sheltered – Emergency Shelter	0	0%	146	22%	218	11%	364
Sheltered – Transitional Housing	0	0%	218	33%	124	6%	342
Unsheltered	10	100%	303	45%	1,685	83%	2,340
Total	10	100%	667	100%	2,027	100%	2,704

SOURCE: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019). For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMELS-01.
NOTES: Universe: Population experiencing homelessness. This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area County is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness.

A.5 Access to Opportunity

This section discusses disparities in access to opportunity among protected classes including access to quality education, employment, transportation, and environment. The California Tax Credit Allocation Committee (TCAC) in collaboration with HCD developed a series of opportunity maps that help to identify areas of the community with good or poor access to opportunity for residents. These maps were developed to align funding allocations with the goal of improving outcomes for low-income residents—particularly children.

Access to Opportunity

"Access to opportunity is a concept to approximate place-based characteristics linked to critical life outcomes. Access to opportunity oftentimes means both improving the quality of life for residents of low-income communities, as well as supporting mobility and access to 'high resource' neighborhoods. This encompasses education, employment, economic development, safe and decent housing, low rates of violent crime, transportation, and other opportunities, including recreation, food and healthy environment (air, water, safe neighborhood, safety from environmental hazards, social services, and cultural institutions)."

SOURCE: California Department of Housing and Community Development Guidance, 2021, page 34.

The opportunity maps highlight areas of highest resource, high resource, moderate resource, moderate resource (rapidly changing), low resource, and high segregation and poverty. TCAC provides opportunity maps for access to opportunity in quality education, employment, transportation, and environment. Opportunity scores are presented on a scale from zero to one and the higher the number, the more positive the outcomes.

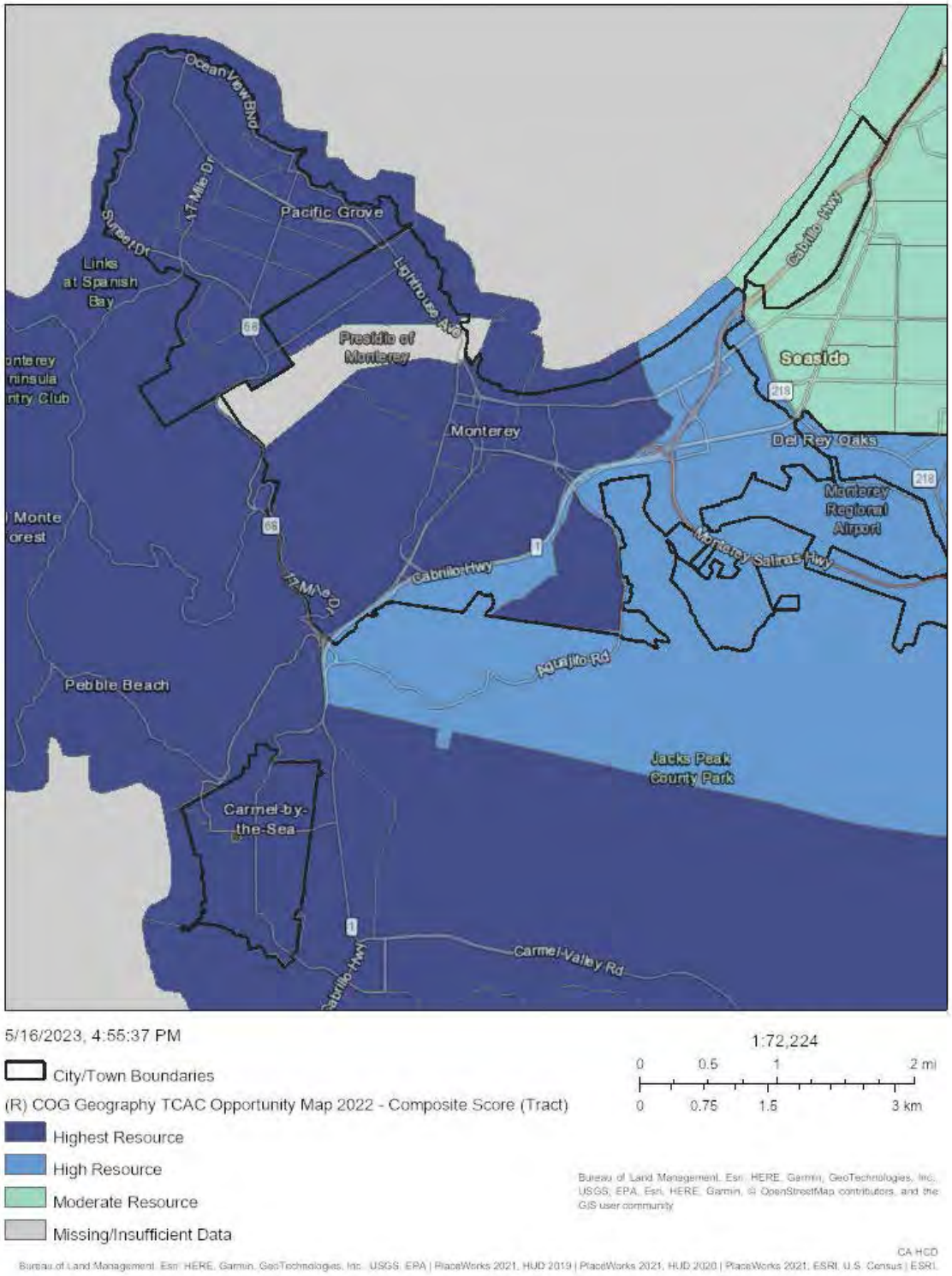
Disparities in Access to Opportunity

As can be seen in Figure A-37, TCAC Opportunity Composite Score, Carmel-by-the-Sea is considered a highest resource area as is much of western Monterey County. According to the HCD AFFH Data Viewer TCAC Opportunity Map, there are no areas of variation in access to opportunity across the City.

Economic

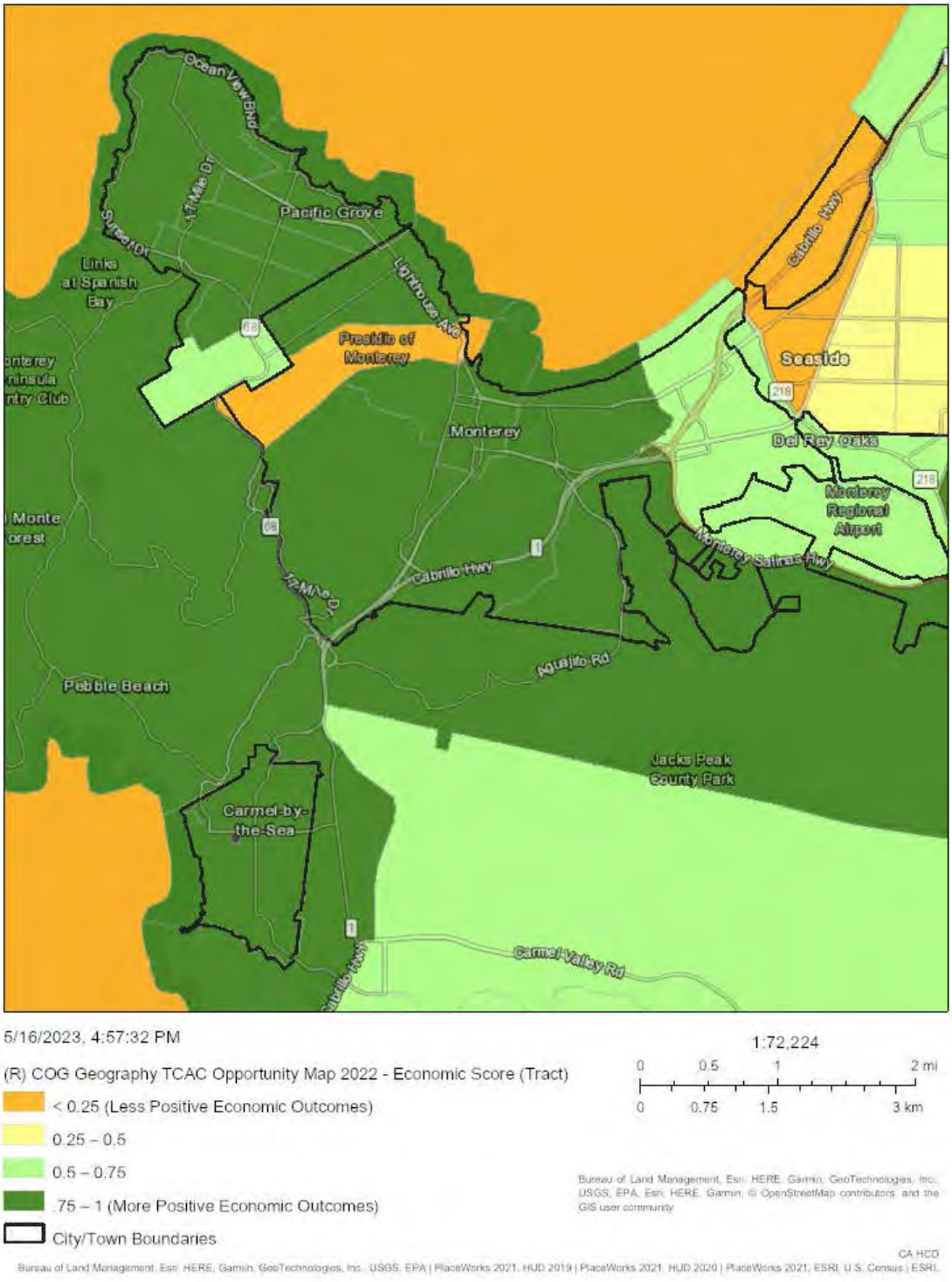
TCAC's economic opportunity score is comprised of poverty, adult educational attainment, employment, job proximity, and median home value. Figure A-38 shows concentrations of economic outcomes in Carmel-by-the-Sea. According the HCD AFFH Data Viewer TCAC Economic Opportunity Map, all areas of Carmel-by-the-Sea have a high economic opportunity score of 0.75-1.0. This reflects a high level of opportunity for economic advancement for residents in Carmel-by-the-Sea.

Figure A-37 TCAC Opportunity Composite Score, Carmel-by-the-Sea, 2022



SOURCE: California Department of Housing and Community Development AFFH Data Viewer

Figure A-38 TCAC Opportunity Economic Score, Carmel-by-the-Sea, 2022



SOURCE: California Department of Housing and Community Development AFFH Data Viewer

Education

TCAC's education score is based on math proficiency, reading proficiency, high school graduation rates, and the student poverty rate. Opportunity scores are presented on a scale from zero to one and the higher the number, the more positive the outcomes.

Figure A-39 shows the level of TCAC educational opportunity across Carmel-by-the-Sea. According to TCAC's Educational Opportunity Map, Carmel-by-the-Sea scores between 0.75-1.0 indicating a high level of positive educational outcomes for residents in Carmel-by-the-Sea.

Carmel-by-the-Sea is served by the Carmel Unified School District (CUSD), along with elementary, middle, and high schools within the City and school district. As of 2022, the State of California School Dashboard highlights a 97.9 percent graduation rate among all students enrolled in Carmel High School, which is higher than the statewide average (87.4 percent) and County average (88.5 percent).

When broken down by race/ethnicity, Hispanic and White students graduated at a high rate (97.4 percent for both groups). There is no performance data available for the graduation rates of African American, Asian, Filipino, and American Indian students at Carmel High.

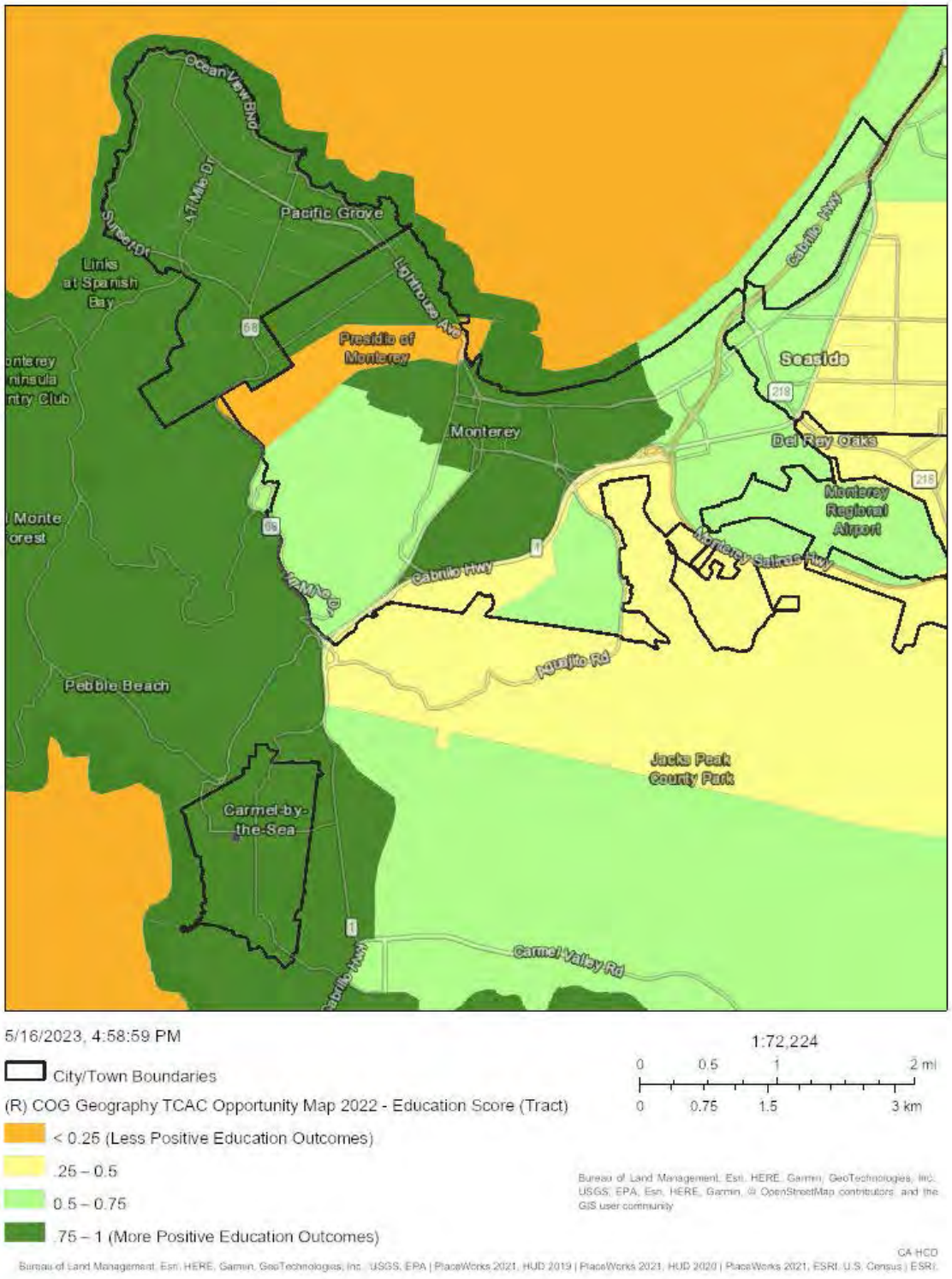
Additionally, there is no performance data available for the graduation rates of students with a disability within Carmel High.

Environment

TCAC's opportunity areas environmental scores are based on the CalEnviroScreen 4.0 indicators, which identify areas disproportionately vulnerable to pollution sources such as ozone, PM2.5, diesel PM, pesticides, toxic release, traffic, cleanup sites, groundwater threats, hazardous waste, impaired water bodies, and solid waste sites.

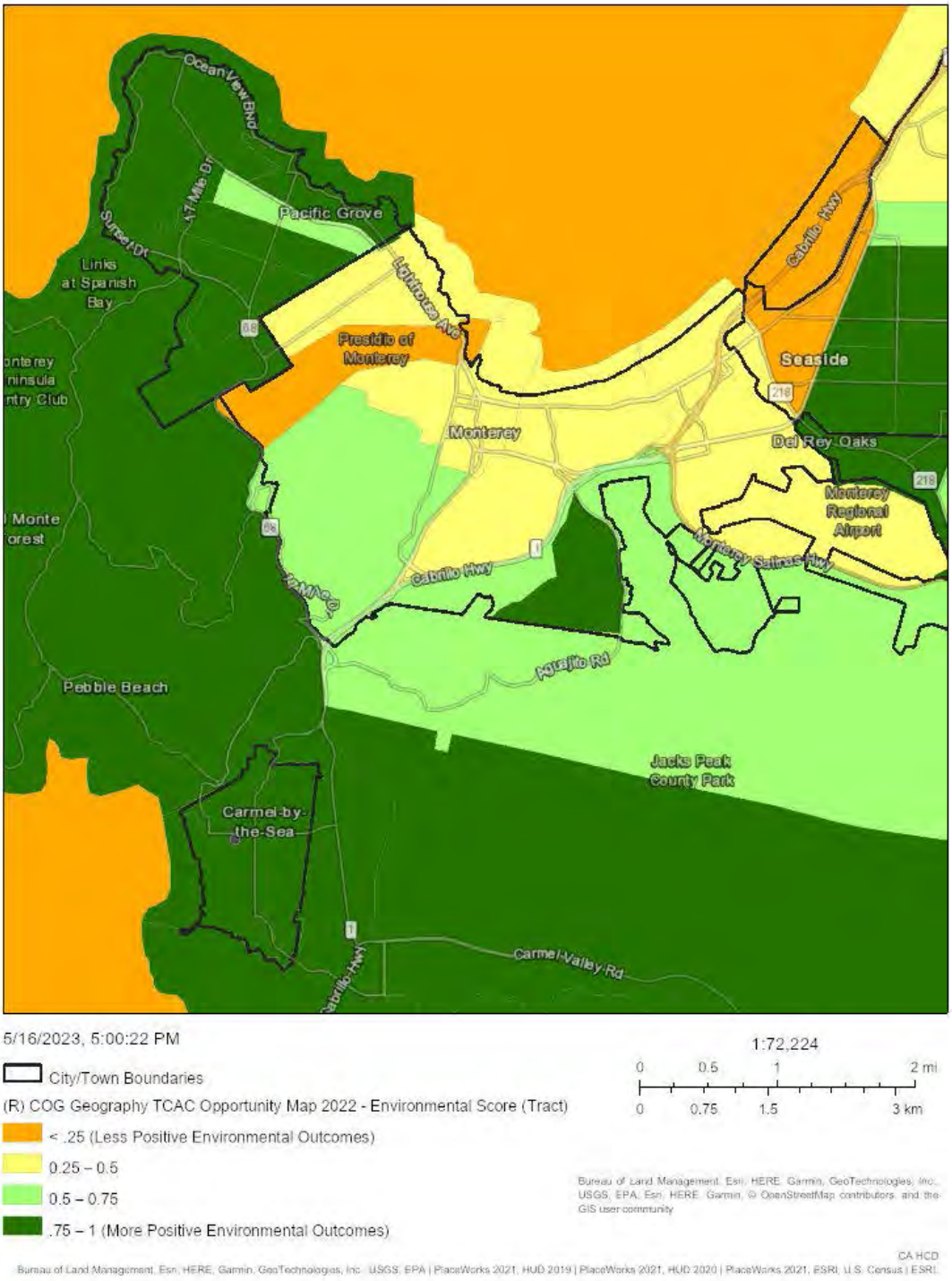
Figure A-40 shows TCAC environmental outcomes across Carmel-by-the-Sea. According to the HCD AFFH Data Viewer TCAC Environmental Opportunity Map, Carmel-by-the-Sea scores between 0.75-1.0 indicating a low level of environmental pollution burden and positive outcomes for residents in Carmel-by-the-Sea.

Figure A-39 TCAC Opportunity Education Score, Carmel-by-the-Sea, 2022



SOURCE: California Department of Housing and Community Development AFFH Data Viewer

Figure A-40 TCAC Opportunity Environmental Score, Carmel-by-the-Sea, 2022

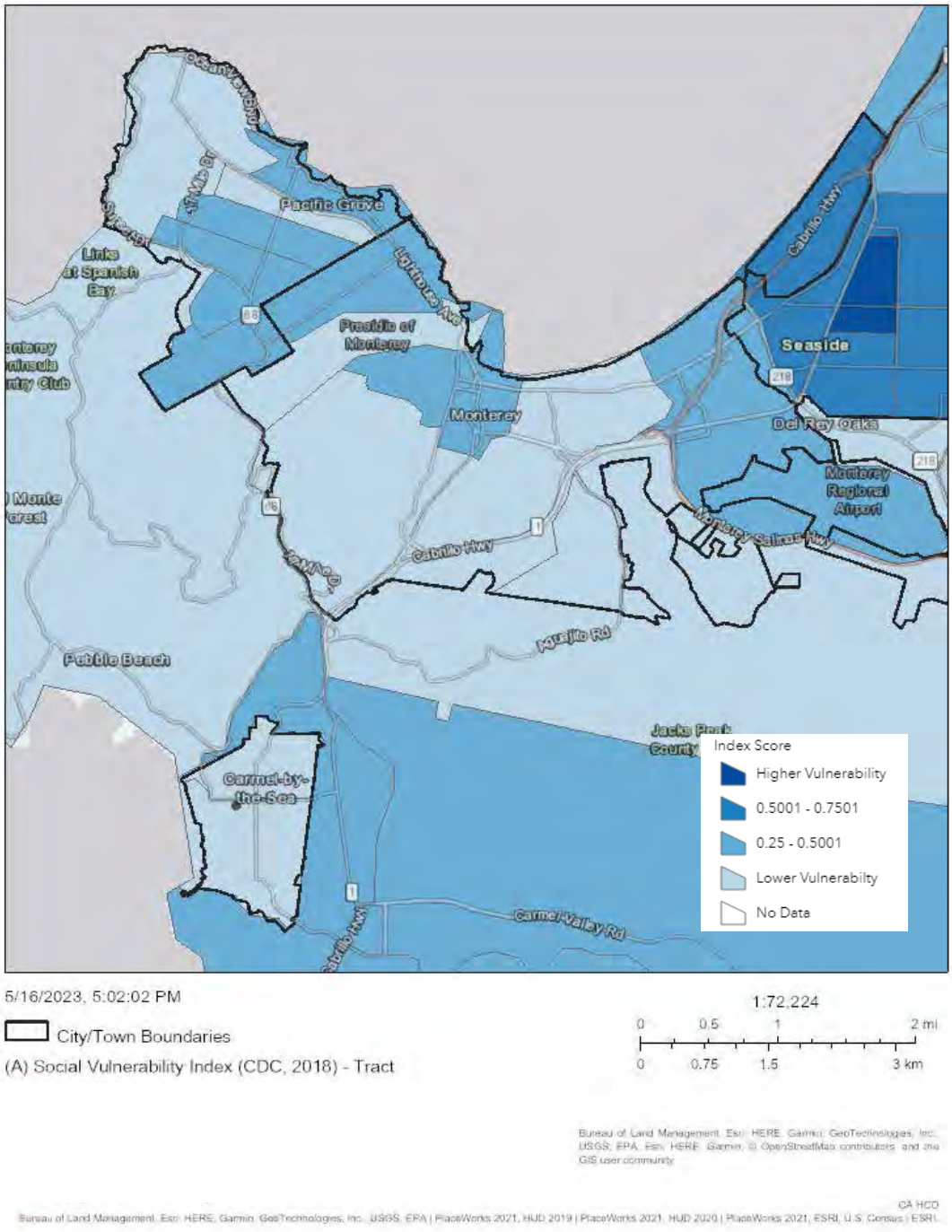


SOURCE: California Department of Housing and Community Development AFFH Data Viewer

The Social Vulnerability Index (SVI) provided by the Center for Disease Control (CDC)ranks census tracts based on their ability to respond to a disaster and includes four themes of socioeconomic status, household composition, race or ethnicity, and housing and transportation.

Figure A-41 shows SVI levels across Carmel-by-the-Sea. Carmel-by-the-Sea scores low on the SVI (less than 0.25) indicating that the City is slightly vulnerable to disasters, but highly equipped to respond to them. Just outside of the City's borders however, vulnerability levels increase to 0.25-0.5. This is likely due to a difference in jurisdictional resources.

Figure A-41 Social Vulnerability Index, Carmel-by-the-Sea, 2018



SOURCE: California Department of Housing and Community Development AFFH Data Viewer

Disparities Specific to the Population Living with a Disability

In Carmel-by-the-Sea, 12.3 percent of the population is living with at least one disability, compared to 8.8 percent in Monterey County. The most common disabilities in the City are: hearing difficulty (9.9 percent), ambulatory difficulty (4.4 percent), and independent living difficulty (4.3 percent). For the population 65 and over, the share of the population with hearing difficulties increases to 19.3 percent.

A.6 Housing Stock Characteristics

Carmel-by-the-Sea's housing stock is defined as all housing units within its jurisdiction. Characteristics of housing stock include housing type, age, condition, tenure, vacancy rates, costs, affordability, and growth. The following section provides an in-depth analysis of the housing stock in Carmel-by-the-Sea to determine how/if the current the housing stock meets the needs of existing and future residents.

Housing Growth

Table A-18 provides an overview of housing growth trends between 2010-2019 in Carmel-by-the-Sea, the County, and nearby cities. Between 2010-2019, Carmel-by-the-Sea housing unit estimates grew approximately 6 percent, more than the County and Del Rey Oaks, but 2 percent less than Pacific Grove. These estimates show the majority of housing growth in Carmel-by-the-Sea occurred between 2015-2019 (8 percent).

Table A-18 Housing Unit Growth Trends by Jurisdiction, 2010-2019

Jurisdiction	2010	2015	2019	Percent Change 2010-2015	Percent Change 2015-2019
Monterey County	138,833	139,794	141,820	1%	1%
Carmel-by-the-Sea	3,606	3,532	3,832	-2%	8%
Del Rey Oaks	752	733	745	-3%	2%
Pacific Grove	7,723	8,411	8,347	9%	-1%

SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2010-2019

Housing Type

Table A-19 provides a comparison of housing unit types in Carmel-by-the-Sea, the County, and nearby cities. In Carmel-by-the-Sea, single-family detached units are the most common housing type (87 percent). This aligns with the County (63 percent), Del Rey Oaks (76 percent), and Pacific Grove (60 percent) having majority single-family detached units. Overall, Carmel-by-the-Sea has the highest percentage of single-family detached units compared to the County and nearby cities, but the lowest percentage of multifamily housing units (10 percent).

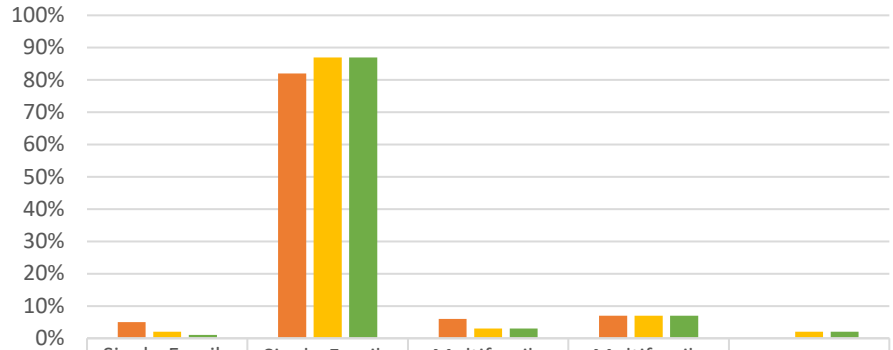
Table A-19 Housing Units by Type by Jurisdiction, 2019

Jurisdiction	Single-Family Detached		Single-Family Attached		Multifamily		Mobile Homes		Total Units
	Count	Percent	Count	Percent	Count	Percent	Count	Percent	
Monterey County	88,721	63%	8,796	6%	37,734	27%	6,529	5%	141,820
Carmel-by-the-Sea	3,319	87%	54	1%	367	10%	92	2%	3,832
Del Rey Oaks	567	76%	49	7%	118	16%	11	2%	745
Pacific Grove	5,023	60%	497	6%	2,668	32%	159	2%	8,347

SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2019
NOTE: Table indicates total housing units.

Figure A-42 illustrates housing type trends in Carmel-by-the-Sea between 2010-2019. In 2010, the majority of housing types were single-family detached homes (82 percent); this has since increased to 87 percent in 2019. Multifamily housing (2+ units) has decreased by 3 percent since 2010 accounting for only 10 percent of housing types in 2019. In 2010, mobile homes comprised the smallest percentage of housing type in Carmel-by-the-Sea, and have since slightly increased to 2 percent in 2019.

Figure A-42 Housing by Type in Carmel-by-the-Sea, 2010-2019



	Single-Family Home: Attached	Single-Family Home: Detached	Multifamily Housing: Two to Four Units	Multifamily Housing: Five-plus Units	Mobile Homes
2010	5%	82%	6%	7%	0%
2015	2%	87%	3%	7%	2%
2019	1%	87%	3%	7%	2%

SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2010-2019

Housing Availability and Tenure

Housing tenure refers to individuals who own or rent a housing unit. The number of residents who own their homes compared to those who rent their homes can help identify the level of housing insecurity (i.e., ability for individuals to stay in their homes) in a city and region. Generally, renters

may be displaced more quickly if prices increase. Additionally, housing tenure may be an indicator of housing affordability (i.e., if the local housing market has high barriers to entry, there may be more renter households than owner households).

In Carmel-by-the-Sea, the housing stock includes 828 renter-occupied housing units and 1,099 owner-occupied housing units (Table A-20). When analyzing housing unit type in tandem with tenure, the majority of all housing units are single-family detached (87 percent), of which 17 percent are renter-occupied and 32 percent are owner-occupied (Figure A-17; Table A-20).

Table A-20 Housing Units by Type and Tenure, Carmel-by-the-Sea, 2019

Tenure	Single-Family Detached		Single-Family Attached		Multifamily		Mobile Homes		Total Units
	Count	Percent	Count	Percent	Count	Percent	Count	Percent	
Renter-Occupied	568	69%	19	2%	221	27%	20	2%	828
Owner-Occupied	1,076	98%	0	0%	23	2%	0	0%	1,099

SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2019
NOTE: Table indicates total occupied housing units.

Table A-21 provides an overview of household size by tenure for Carmel-by-the-Sea, the County, and nearby cities. In Carmel-by-the-Sea, the average household size is 2.04, of which the majority of larger households are comprised of renter-occupied units (2.13 persons/unit). An average household size of 2.04 suggests a need for more small housing units. This aligns with 82 percent of Carmel-by-the-Sea's population being comprised of 1-2 person households (Figure A-13). Compared to the County and nearby cities, Carmel-by-the-Sea has the lowest average household size (2.04 persons/unit). The County has a high average household size of 3.27 suggesting a need for large housing units and even a need for smaller independent units such as ADUs/JADUs for extended family, etc.

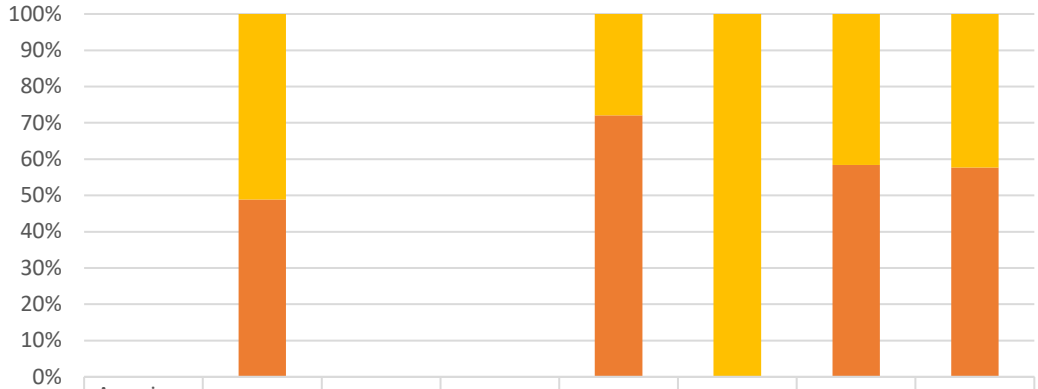
Table A-21 Household Size by Tenure by Jurisdiction, 2019

Jurisdiction	Owner-Occupied	Renter-Occupied	Average Household Size
Monterey County	3.13	3.41	3.27
Carmel-by-the-Sea	1.97	2.13	2.04
Del Rey Oaks	2.29	2.49	2.35
Pacific Grove	2.34	2.15	2.23

SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2019

Figure A-43 illustrates 2019 household tenure by race in Carmel-by-the-Sea. Tenure by race varies some in Carmel-by-the-Sea as the majority of all households are non-Hispanic White (87 percent), of which 58 percent are owner-households and 42 percent are renter-households (Figure A-4; Figure A-43). Hispanic or Latino households (8 percent) makeup the second largest population in Carmel-by-the-Sea, of which 72 percent are owner-households and 28 percent are renter-households. Less than 1 percent of Black or African American, Native Hawaiian or Other Pacific Islander, and American Indian or Alaska Native households are represented in the City's housing market.

Figure A-43 Household Tenure by Race, Carmel-by-the-Sea, 2019

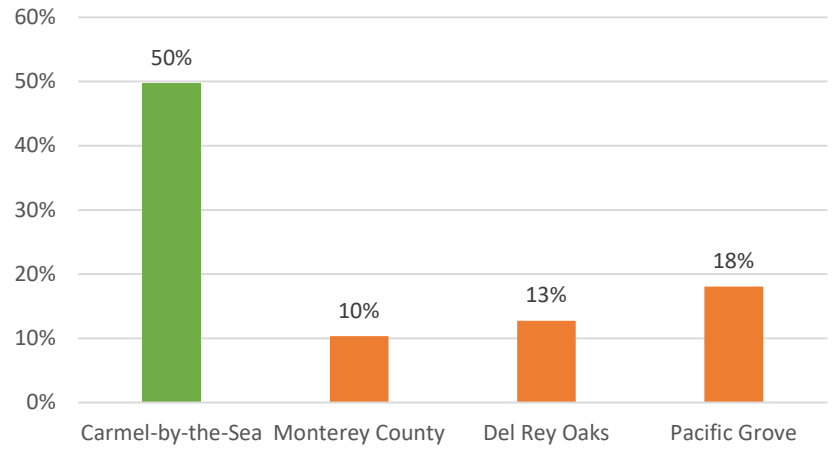


	American Indian or Alaska Native (Hispanic and Non-Hispanic)	Asian alone	Native Hawaian and Other Pacific Islander	Black or African American (Hispanic and Non-Hispanic)	Hispanic or Latinx	Some Other Race/Multiple Races	White (Hispanic and Non-Hispanic)	White, Non-Hispanic
Renter Occupied	0%	51%	0%	0%	28%	100%	42%	42%
Owner Occupied	0%	49%	0%	0%	72%	0%	58%	58%

SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2019

Figure A-44 illustrates vacancy rates in Carmel-by-the-Sea, the County, and nearby cities. Carmel-by-the-Sea has a vacancy rate of 50 percent. This reflects a 40 percent higher vacancy rate than the County (10 percent) and 32 percent higher than Pacific Grove (18 percent).

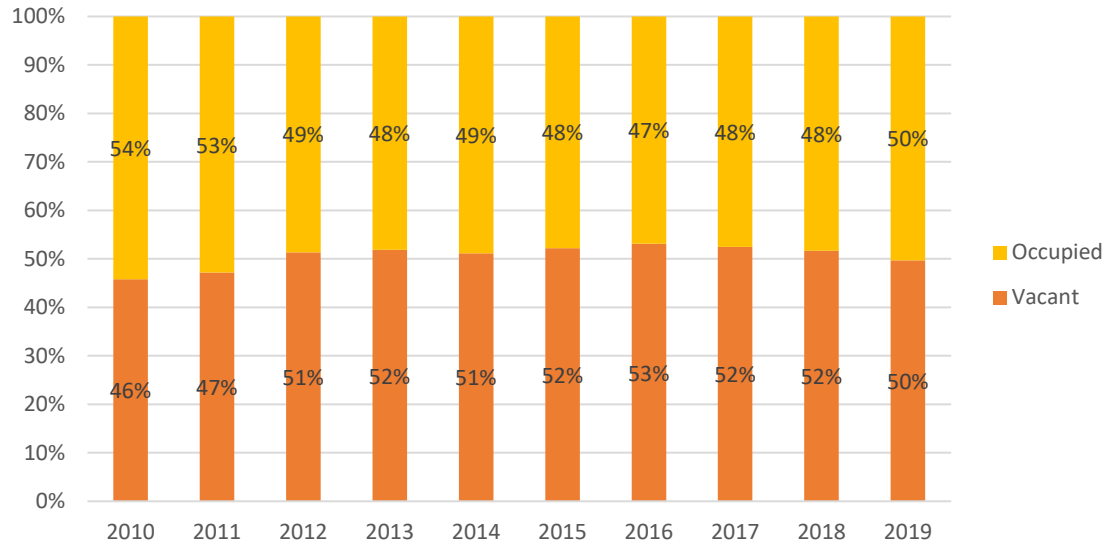
Figure A-44 Vacancy Rates by Jurisdiction, 2019



SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2019

Figure A-45 illustrates vacancy trends in Carmel-by-the-Sea from 2010-2019. Over the course of nearly a decade, the City has experienced a stable vacancy average of 51 percent. This is staggeringly high considering the current housing crisis. Additionally, this affects the accuracy of data reporting for the City, as the majority of homeowners do not live in Carmel-by-the-Sea full time, thus resulting in skewed data collection.

Figure A-45 Vacancy Trends, Carmel-by-the-Sea, 2010-2019



SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2019

Table A-22 shows vacant housing units by type, revealing 80 percent of Carmel-by-the-Sea's vacant units are for seasonal, recreational, or occasional use, aligning with the 51 percent average vacancy trends (Figure A-45). The high percentage of vacant housing units is largely impacted by tourism

and second-home ownership. This creates a significant barrier for current and potential residents to enter the local housing market and hinders opportunities to correct the housing crisis, address diversity, and provide inclusive housing options to promote a vibrant and active community.

Table A-22 Vacant Housing Units by Type, Carmel-by-the-Sea, 2019

Housing Unit Type	Estimate	Percentage
For rent	96	5%
Rented, not occupied	12	1%
For sale only	11	1%
Sold, not occupied	49	3%
For seasonal, recreational, or occasional use	1,522	80%
For migrant workers	0	0%
Other vacant	215	11%
Total	1,905	100%

SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2019

Table A-23 shows housing permits issued by the City of Carmel-by-the-Sea by income group. Between 2015 and 2022, 18 housing units were issued permits in Carmel-by-the-Sea which represents 58 percent of the RHNA number of 31 units assigned in the 5th Cycle Housing Element. Table 3-9 shows housing permits by income group in Carmel-by-the-Sea. Of the 18 housing units permitted, all were for above moderate-income.

Table A-23 Housing Permits by Income Group, Carmel-by-the-Sea, 2015-2021

Income Group	Number	Percent
Very Low-Income Permits	0	0.0%
Low-Income Permits	0	0.0%
Moderate-Income Permits	0	0.0%
Above Moderate-Income Permits	18	58.0%
Total	18	58.0%

SOURCE: California Department of Housing and Community Development (HCD), 5th Cycle Annual Progress Report Permit Summary (2022).
NOTE: Universe: Housing permits issued between 2015 and 2021. Notes: HCD uses the following definitions for the four income categories: Very Low Income: units affordable to households making less than 50 percent of the Area Median Income for the county in which the jurisdiction is located. Low Income: units affordable to households making between 50 percent and 80 percent of the Area Median Income for the county in which the jurisdiction is located. Moderate Income: units affordable to households making between 80 percent and 120 percent of the Area Median Income for the county in which the jurisdiction is located. Above Moderate Income: units affordable to households making above 120 percent of the Area Median Income for the county in which the jurisdiction is located.

Assisted Housing Developments At-Risk of Conversion

While there is an immense need to produce new affordable housing units, ensuring that the existing affordable housing stock remains affordable is equally important. Additionally, it is typically faster and less expensive to preserve currently affordable units that are at risk of converting to market-rate than it is to build new affordable housing.

The California Housing Partnership Preservation Database is the state's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing.[26] According to the database, there are no federal or state assisted units in Carmel-by-the-Sea.

A variety of affordable housing projects provided through an assortment of local programs serves the Carmel-by-the-Sea. Each of the following projects serves as an example of the methods and incentives used by the City to achieve production of affordable housing units.

Oliver White Building and Viejo Carmel

The mixed-use Oliver White building contains four residential units, one of which is a Moderate-Income unit in perpetuity. Originally this site was developed with a single-story commercial building. The owner and City worked together to achieve a second story of residential apartments at a density of 44 units per acre.

The Viejo Carmel project is a larger example of infill development that provides affordable housing. The 20,000 square-foot site was occupied by semi-industrial uses and offices. The site was razed and redeveloped with ten condominiums and ten apartments at a density of 44 units per acre. Without density bonuses, the site could only achieve 15 residential units. With density bonuses, an additional two Low-Income rental apartments in perpetuity were approved. Additionally, the parking requirement for the low-income units was reduced.

Norton Court Apartments

The Norton Court Apartments for seniors is operated by the Carmel Foundation. As part of this 24-unit project, the City entered into a 50-year agreement to lease the property for one dollar per year to the Carmel Foundation. This amounts to a substantial land subsidy provided by the City that offsets a large part of the cost of developing housing. The units are restricted as Low- and Moderate-Income. Rents are maintained as affordable to lower-income seniors strictly through private donations raised by the Carmel Foundation.

[26] This database does not include all deed-restricted affordable units in the state, so there may be at-risk assisted units in a jurisdiction that are not captured.

Trevett and Hazeltine Courts

Trevett and Hazeltine Courts were developed with funding from the Carmel Foundation. Rents for the 26 rental apartments are maintained as affordable to lower-income seniors with private donations raised by the Foundation.

San Carlos Lodge

This site was granted a major addition and allowed the conversion of some existing apartments to transient overnight visitor accommodation units. As a condition, the project retained two of the existing apartments as affordable housing for Moderate-Income households in perpetuity.

The City's inventory of affordable units is listed below in Table A-24.

Table A-24 Inventory of Assisted Rental Housing

Development Name	Total Units	Household Type	Provided By	Expiration of Affordability
Oliver White	1	Moderate	Density Bonus	In perpetuity
Viejo Carmel	2	Low	Density Bonus	In perpetuity
Norton Court	24	Senior Low	Lease Subsidy	Not defined
San Carlos Lodge	2	Moderate	Condition of Approval	In perpetuity
Trevett Court	14	Senior	Private non-profit	Not applicable
Hazeltine Court	12	Senior	Private non-profit	Not applicable
Hasegawa	1	Low	Inclusionary	In perpetuity
Carl	1	Senior	Inclusionary	2027
Mandurrago	2	Senior	Inclusionary	In perpetuity
Gonzales	1	Low	Inclusionary	In perpetuity
Ravel Corporation	1	Low	Inclusionary	In perpetuity
Trini Iye	1	Moderate	Inclusionary	In perpetuity
Total	62			

Source: City of Carmel-by-the-Sea Community Planning and Building Department, 2023

Potential Loss of Assisted Housing Units

Housing units developed with public subsidies are an important source of affordable housing to lower-income households. Preserving the long-term affordability of such housing units is the most cost-effective means for providing decent and affordable housing in a community. Recognized this important resource, State Housing Element law requires that a jurisdiction examine the potential loss of publicly subsidized multi-family rental housing for lower-income household due to expiration of deed restrictions, affordability covenants, and /or subsidy contracts.

Norton Court, Trevett Court, and Hazeltine Court are owned and operated by the Carmel Foundation, a non-profit organization which does not intend to convert the units to market rate housing within this Housing Element cycle. The Foundation currently has a 5-7 year wait list units on these properties. Trevett Court and Hazeltine Court did not receive any public assistance and have no deed restrictions or affordability covenants. While Norton Court receives a subsidized property lease, no restriction was ever placed on the property to maintain the units as affordable housing. Units in the Oliver White Building, Viejo Carmel, and Sand Carlos Lodge are restricted as affordable housing in perpetuity.

One unit in the Carl development is listed with an expiration date of 2027. City staff are further researching the terms of this affordable unit. To maintain the existing affordable housing stock, the City can either preserve the existing affordable units or facilitate the development of new units. Depending on the circumstances of at-risk projects, different options may be used to preserve or replace the units. Preservation options typically include: 1) construction of replacement units; 2) provision of rental assistance to tenants 3) transfer of the project to nonprofit ownership; and 4) purchase of affordability covenants. These options are described below and the City's focus is on construction of replacement units and rental assistance.

Construction of Replacement Units

The construction of new affordable housing units is a means of replacing the at-risk units should they be converted to market-rate units. The cost of developing housing depends on a variety of factors, including density, size of the units (i.e. square footage and number of bedrooms), location, labor, materials and land costs, and type of construction. The City is implementing a number of programs to encourage development of new affordable units to increase the City's affordable housing stock.

Rental Assistance

Rental subsidies using non-federal (state, local, or other) funding sources can be used to maintain affordability of at-risk units. These rent subsidies can be structured to mirror the federal Housing Choice Voucher (Section 8) program. Under Section 8, HUD pays the difference between what tenants can pay (defined as 30 percent of household income) and what HUD estimates as the fair market rent on the unit. The feasibility of this alternative is highly dependent on the availability of other funding sources necessary to make rent subsidies available and the willingness of property owners to accept rental vouchers if they can be provided. Housing Choice Vouchers are available through the Housing Authority of Monterey County.

Transfer of Ownership

Transferring ownership of an at-risk project to a nonprofit housing provider is generally one of the least costly ways to ensure that at-risk units remain affordable for the long term. By transferring property ownership to a nonprofit organization whose mission includes affordable housing, the risk of losing the low-income restrictions is minimized, and the project would become potentially eligible for a greater range of governments assistance.

Purchase of Affordability Covenants

Another option to preserve the affordability of at-risk projects is to provide an incentive package to the owners to maintain the projects as affordable housing. Incentives could include bringing down the interest rate on the remaining loan balance, providing loans for capital improvements, and/or supplementing subsidies. The feasibility of this option depends on whether the complex is too highly leveraged. By providing lump sum financial incentives or ongoing subsidies in the form of rents or reduced mortgage interest rates to the owner, the City can ensure that some of all of the units remain affordable.

Displacement

Because of increasing housing prices, displacement is a major concern in the Monterey Bay Area. Displacement has the most severe impacts on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they also lose their support network.

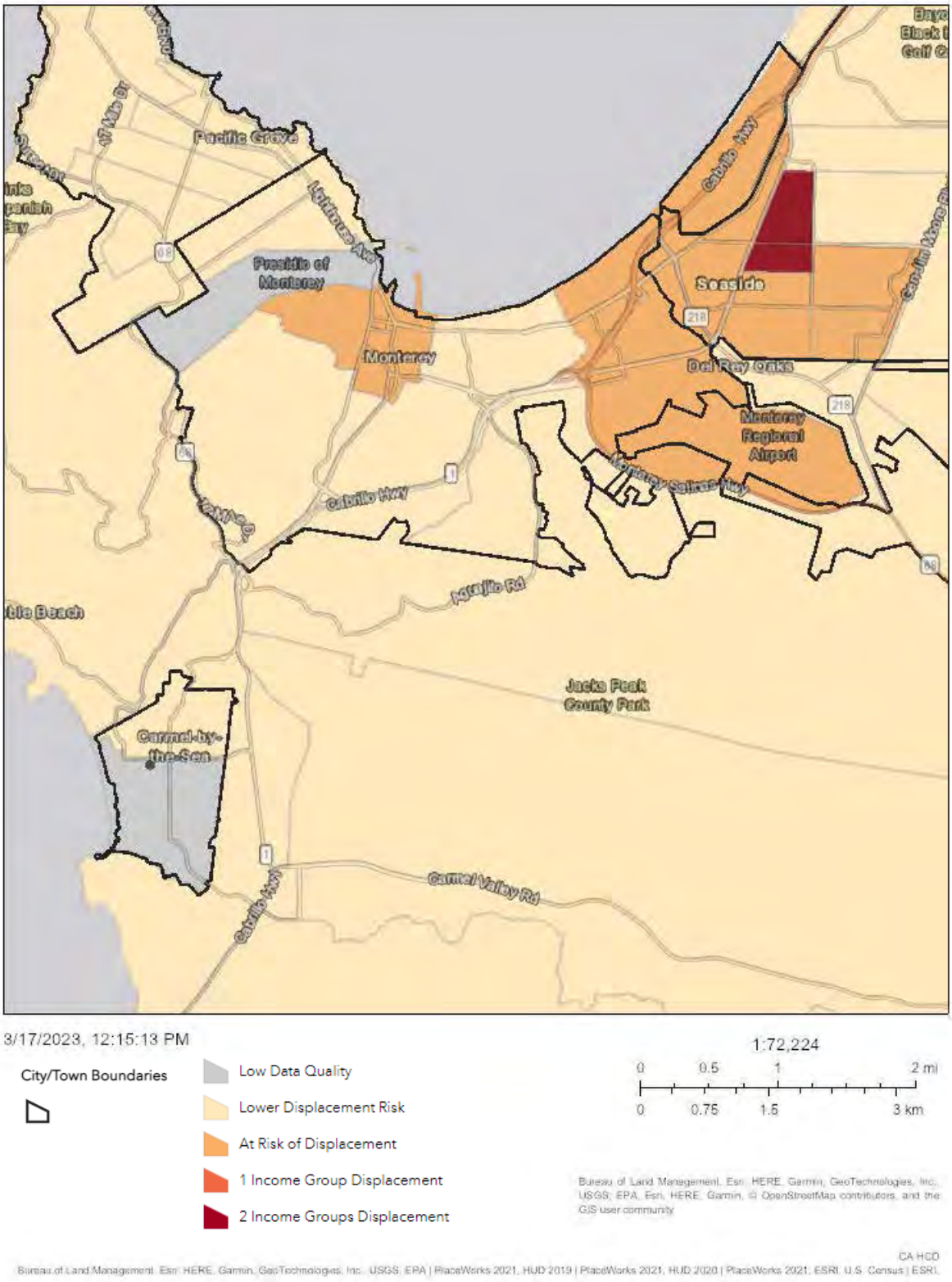
According to the California Department of Housing and Community Development (HCD) AFFH Data Viewer and the Urban Displacement Project 2022 estimates, Carmel-by-the-Sea renter-occupied households earning between 0-80 percent AMI are at low risk of potential displacement or gentrification in the northern region of the City. Mapping of the central and southern regions of the City show sufficient data was not captured to definitively report displacement risk. Figure A-46 illustrates displacement risk in Carmel-by-the-Sea.

Housing Age and Condition

Housing age and condition are factors considered in overall housing quality as they may affect the structural integrity and ability to adequately function for a household. Thus, the age and condition of a house may indicate the need for major repairs to the foundation, plumbing, or roof.

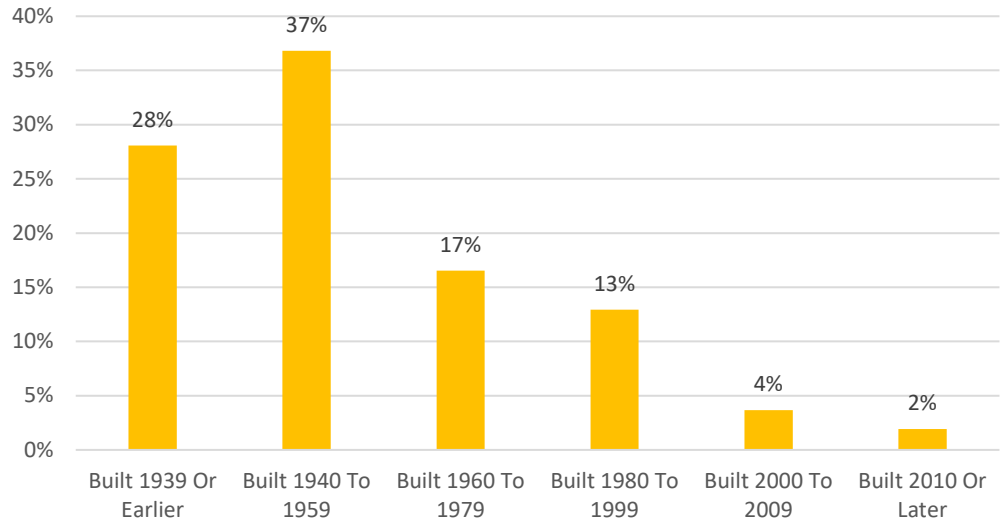
Figure A-47 illustrates housing stock by age in Carmel-by-the-Sea. In Carmel-by-the-Sea, 95 percent of the housing stock was built prior to 1999 and is over 20 years old. Thirty-seven (37) percent of the housing stock was built between 1940-1959 and 2 percent was built in 2010 or later.

Figure A-46 Displacement Risk, Carmel-by-the-Sea, 2022



SOURCE: California Department of Housing and Community Development AFFH Data Viewer

Figure A-47 Housing Stock by Age, Carmel-by-the-Sea, 2019



SOURCE: U.S. Census Bureau, ACS 5-Year Estimate, 2019

According to historical data from Carmel-by-the-Sea's Code Enforcement Office and Housing Authority, the City estimates that there are approximately five (5) units in need of rehabilitation. This 6th Cycle Housing Element proposes the following policies and programs to address and facilitate the rehabilitation of these units.

- Policy 2.1: Maintain and encourage expansion of permanent residential housing stock in the Commercial, R-1, and R-4 Districts;
- Policy 2.2: Preserve and protect the scale and character of established neighborhoods while encouraging property improvement;
- Policy 2.3: Preserve and expand affordable and rental housing opportunities to enable local employees to live in the community where they work; and
- Policy 2.4: Preserve the existing housing stock.

All programs and policies can be found in Chapter 2 of the Housing Element.

Housing Costs and Affordability

Identifying the cost of owning or renting a home in a city helps determine the affordability of housing at different income levels. Understanding housing affordability also informs what types and sizes of housing are needed by the community's households.

Home Prices and Rental Costs

Table A-25 show changes in median home values between 2019-2022 in Carmel-by-the-Sea, the County and nearby cities. According to Zillow Home Value Index data, the median home value in

Carmel-by-the-Sea was estimated at $1,299,387 in December 2019. By 2022, the median home value in Carmel-by-the-Sea increased approximately 59 percent due to market demand. By comparison, the median home value in the County was valued at $561,490 in December 2019 and experienced a 39 percent increase by 2022.

Table A-25 Median Home Value by Jurisdiction, 2019-2022

Jurisdiction	Median Home Value				Percent Change 2019-2022
	2019	2020	2021	2022	
Monterey County	$561,490	$632,834	$735,469	$778,164	39%
Carmel-by-the-Sea	$1,299,387	$1,450,127	$1,912,421	$2,070,835	59%
Del Rey Oaks	$630,204	$701,060	$779,099	$840,663	33%
Seaside	$550,015	$616,786	$690,126	$729,055	33%
Pacific Grove	$943,900	$1,032,675	$1,237,054	$1,294,881	37%

SOURCE: Zillow Home Value Index, 2019-2022
NOTE: Housing value estimates were taken from December for years 2019-2022.

Rental Affordability

Similar to home value prices, rental prices have also increased over the last decade. This significantly affects lower-income households as they are typically majority renters. High rental prices can exacerbate housing challenges such as overcrowding and cost burden if adequate rental stock is not available to suit household needs.

Table A-26 shows average rent estimates by unit size in Carmel-by-the-Sea based on 2023 Zillow rental market data. Included in the table is Housing and Urban Development's (HUD) Fair Market Rents (FMR) for 2023, which establishes rental subsidy limits for Section 8 housing voucher recipients.

Table A-26 Average Rent by Number of Bedrooms, Carmel-by-the-Sea, 2023

Unit Type	Average Rents	Fair Market Rents (HUD)
Studio	$2,200	$2,112
One bedroom	$2,500	$2,194
Two bedrooms	$4,000	$2,675
Three bedrooms	$5,459	$3,790
Four+ bedrooms	n/a	$4,144

SOURCE: Zillow, 2023; HUD, Fair Market Rent Documentation System, 2023
NOTES: Zillow rental value estimates were taken from March 2023. No rental units with four + bedrooms are listed as available within the Carmel-by-the-Sea City boundary. Fair Market Rent values are based on Salinas, CA MSA

Table A-27 reports the maximum monthly housing costs affordable to households according to income group in Monterey County. Income groups are based on the HCD 2022 State Income Limits Report, which considers housing affordable assuming a household can pay up to 30 percent of its monthly income toward housing. In Table A-27, maximum affordable sales prices are based on the following assumptions: 6.42 percent interest rate,[27] 30-year fixed loan, and a 5 percent down payment.

Table A-27 Housing Affordability, Carmel-by-the-Sea, 2022

Income Group	HCD Income Limits	Maximum Affordable Price	
		Monthly Rental	Ownership
Extremely Low (0-30% AMI)			
One Person	$23,900	$598	$100,340
Two Person	$27,300	$683	$114,614
Three Person	$30,700	$768	$128,889
Four Person	$34,100	$853	$143,163
Very Low (30-50% AMI)			
One Person	$39,800	$995	$167,093
Two Person	$45,500	$1,138	$191,024
Three Person	$51,200	$1,280	$214,954
Four Person	$56,850	$1,421	$238,675
Low (50-80% AMI)			
One Person	$63,700	$1,593	$267,433
Two Person	$72,800	$1,820	$305,638
Three Person	$81,900	$2,048	$343,843
Four Person	$91,000	$2,275	$382,048
Moderate (80-120% AMI)			
One Person	$75,650	$1,891	$317,603
Two Person	$86,500	$2,163	$363,155
Three Person	$97,300	$2,433	$408,497
Four Person	$108,100	$2,700	$453,839

SOURCE: California Department of Housing and Community Development, State Income Limits, 2022, Monterey County

As mentioned in Table A-24, the median home price in Carmel-by-the-Sea in December 2022 was $2,070,835 which is only affordable to above moderate-income households earning approximately $495,000 or more annually (62 percent of Carmel-by-the-Sea households are categorized as above moderate-income).

[27] Interest rate based on December 29, 2022 interest rate according to Freddie Mac Primary Mortgage Market Survey

A.7 Fair Housing Enforcement and Outreach Capacity

This section discusses fair housing legal cases and inquiries, fair housing protections and enforcement, and outreach capacity.

Fair Housing Legal Cases and Inquiries

California fair housing law extends beyond the protections in the Federal Fair Housing Act (FHA). In addition to the FHA protected classes—race, color, ancestry/national origin, religion, disability, sex, and familial status—California law offers protections for age, sexual orientation, gender identity or expression, genetic information, marital status, military or veteran status, and source of income (including federal housing assistance vouchers).

The California Department of Fair Employment in Housing (DFEH) was established in 1980 and is now the largest civil rights agency in the United States. According to their website, the DFEH's mission is, "to protect the people of California from unlawful discrimination in employment, housing and public accommodations (businesses), and from hate violence and human trafficking in accordance with the Fair Employment and Housing Act (FEHA), Unruh Civil Rights Act, Disabled Persons Act, and Ralph Civil Rights Act".[28]

DFEH receives, evaluates, and investigates fair housing complaints. DFEH plays a particularly significant role in investigating fair housing complaints against protected classes that are not included in federal legislation and therefore not investigated by HUD. DFEH's website provides detailed instructions for filing a complaint, the complaint process, appealing a decision, and other frequently asked questions.[29] Fair housing complaints can also be submitted to HUD for investigation.

Additionally, Monterey County has a number of local resource and enforcement organizations:

- **The Housing Authority of the County of Monterey**: A public agency that provides rental assistance and develops and manages affordable housing throughout Monterey County, California;
- **South County Housing:** A non-profit community development corporation. The organization's mission is to promote viable neighborhoods that enhance healthy, sustainable communities by collaboratively providing affordable housing and promoting neighborhood services;

[28] From State of California Civil Rights Department
[29] From State of California, Civil Rights Department Complaint Process

- **Public Interest Law Project:** a nonprofit support center for California legal services and other public interest law programs. The California Affordable Housing Law Project (CAHLP) is a project of the Public Interest Law Project. CAHLP concentrates primarily on the enforcement of California's Housing Element and redevelopment statutes and of state and federal relocation assistance and fair housing laws;
- **Coalition of Homeless Service Providers:** Advocate on the subject of homelessness with policy makers, public funders, and those with lived experience; and
- **California Rural Legal Assistance (CRLA):** a nonprofit legal service program created to help California's low-income individuals and communities. CRLA provides low-income rural Californians with free legal assistance and a variety of community education and outreach programs. Half of its resources are committed to multi-client cases that grapple with the root causes of poverty, with the goal of improving conditions for farmworkers, single parents, school children, the elderly, people with disabilities, and entire communities.

Between 2012 and 2017, 53 fair housing complaints in Monterey County had been filed with the California Department of Fair Employment and Housing (DFEH). Among the complaints countywide, most were related to physical disabilities (23 instances) and familial/marital status (ten instances). Discrimination based on race was also common (seven instances). A complaint may involve multiple acts of discrimination and vice versa. A total of 57 acts of discrimination were recorded in Monterey County. Refusal to rent (17 instances), discriminatory statements (12 instances), and denial of reasonable accommodation/modifications (12 instances) were the most common discriminatory acts in the County.[30]

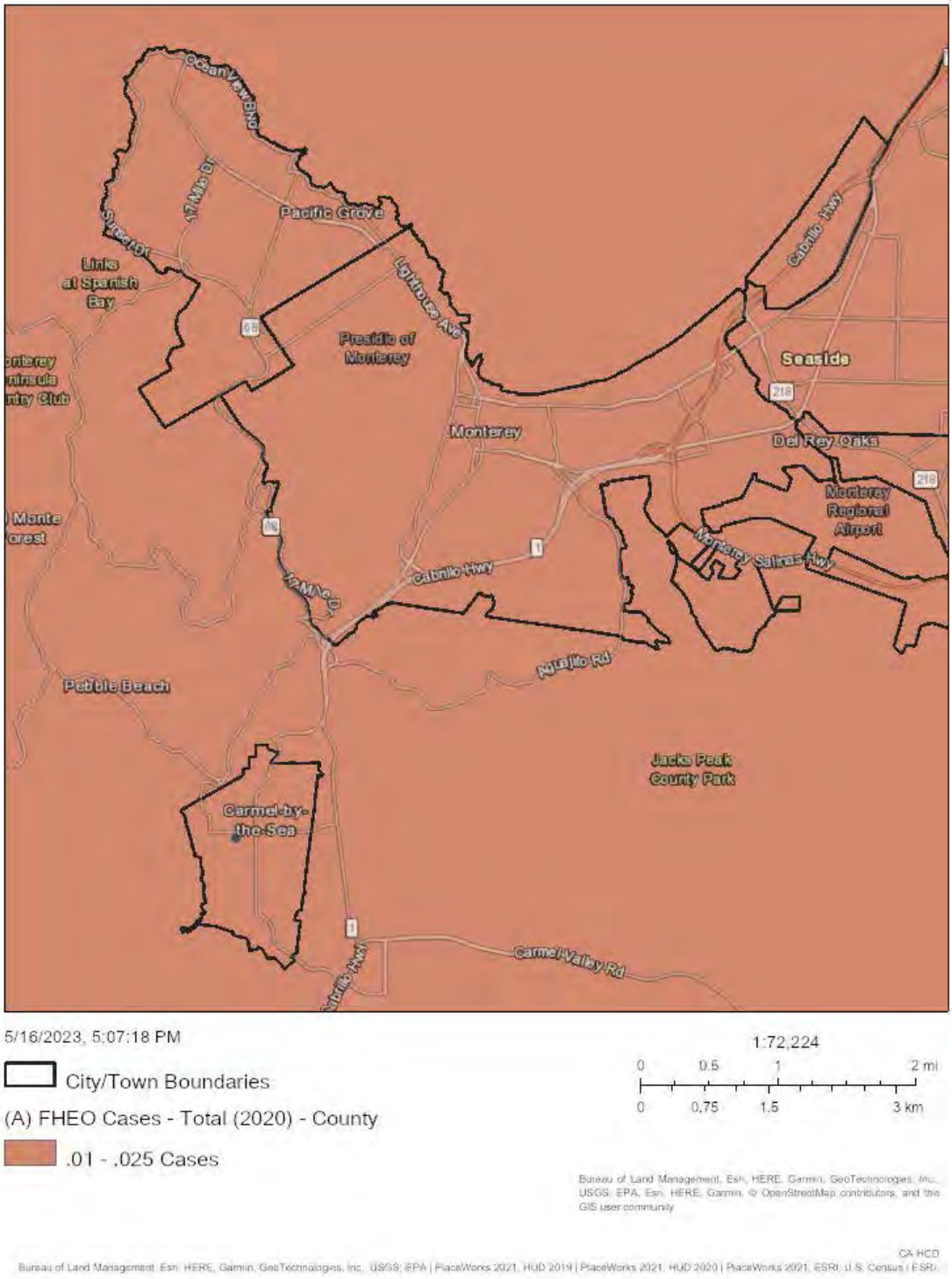
In 2020, a total of six (6) discrimination cases were found with the Office of Fair Housing and Equal Opportunity. Fifty percent of the cases were filed on the basis of disability bias. None of the complaints alleged racial bias. Figure A-48 illustrates that out of all of the FHEO cases filed in the state of California in 2020 (398), only between 1 and 2.5 percent of the cases were filed in Monterey County. None of the discrimination cases filed in Monterey County in 2020 took place in Carmel-by-the-Sea.[31]

A total of six discrimination complaints were filed within Monterey County during 2020. Of those cases, three of them alleged discrimination based on disability. Figure A-49 illustrates this statistic by showing that 40.01 to 65 percent of the cases filed in Monterey County during 2020 reflected disability bias. None of the FHEO complaints occurred in the City of Carmel-by-the-Sea.

[30] From California Department of Fair Employment & Housing, 2018; Monterey County Regional Analysis of Impediments to Fair Housing Choice, 2019

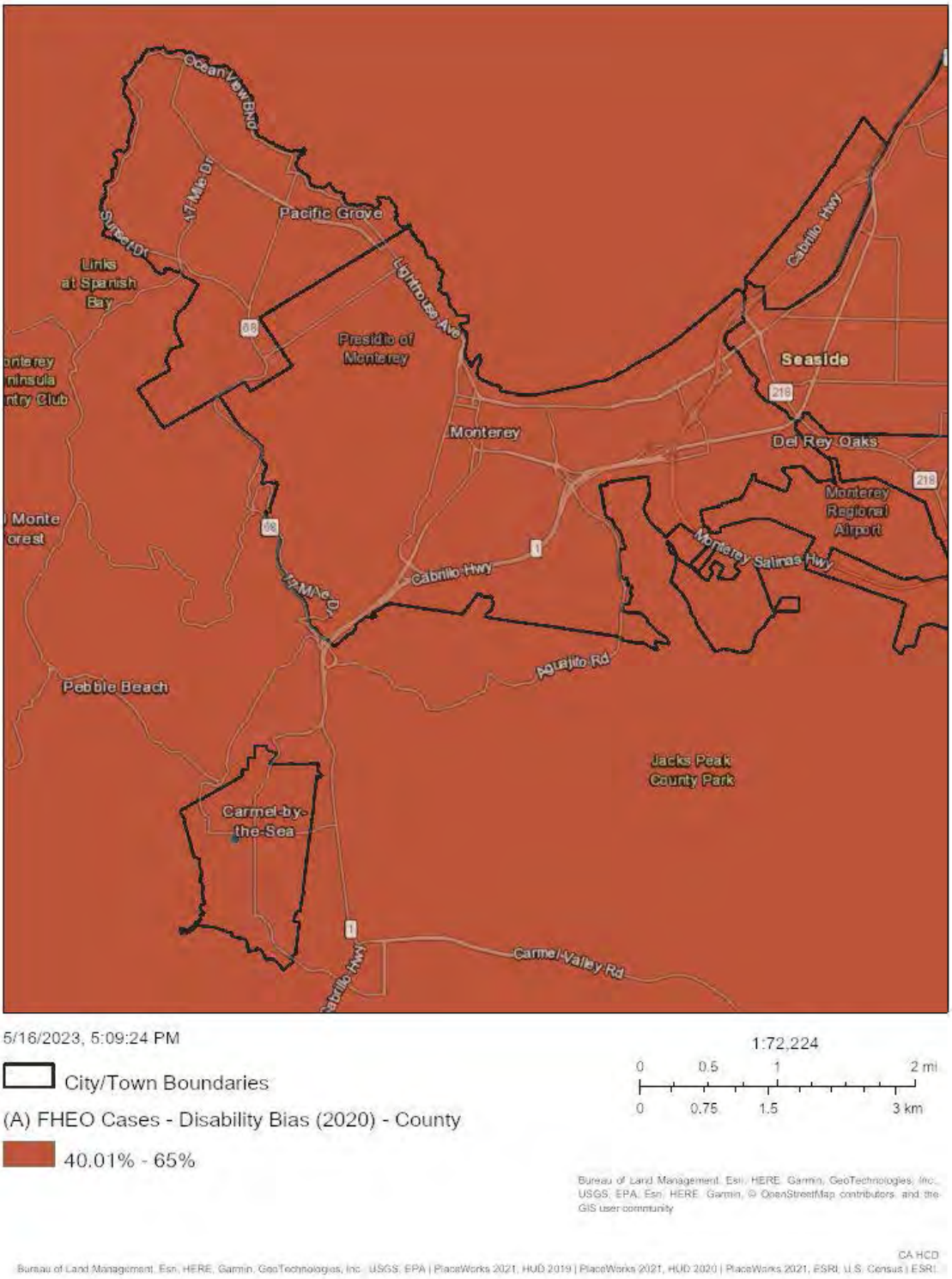
[31] City of Carmel-by-the-Sea, 2023

Figure A-48 FHEO Cases Total, Monterey County, 2020



SOURCE: California Department of Housing and Community Development AFFH Data Viewer

Figure A-49 FHEO Cases, Disability Bias, Monterey County, 2020



SOURCE: California Department of Housing and Community Development AFFH Data Viewer

NFHA identifies three significant trends in 2020 that are relevant for this AFFH:

- First, fair lending cases referred to the Department of Justice from federal banking regulators has been declining, indicating that state and local government entities may want to play a larger role in examining fair lending barriers to homeownership;
- Second, NFHA identified a significant increase in the number of complaints of harassment—1,071 complaints in 2020 compared to 761 in 2019; and
- Finally, NFHA found that 73 percent of all fair housing complaints in 2020 were processed by private fair housing organizations, rather than state, local, and federal government agencies—reinforcing the need for local, active fair housing organizations and increased funding for such organizations.[32]

Outreach and Capacity

Currently, Carmel-by-the-Sea's website contains information about local fair housing ordinances. The website describes the steps residents should take if they feel they have faced discrimination and are seeking information about filing complaints (e.g., link to HUD's and State of California fair housing pages). The site also references the organizations that provide fair housing services and assistance to City residents.

The following organizations offer fair housing services and assistance to the residents of Carmel-by-the-Sea:

- Conflict Resolution and Mediation Center;
- Legal Services for Seniors;
- California Rural Legal Assistance;
- ECHO Fair Housing Services
- HUD Housing Assistance;
- Central Coast Center for Independent Living; and
- Center for Community Advocacy.

Compliance with state law. Carmel-by-the-Sea is compliant with the following state laws that promote fair and affordable housing. The City has not been alleged or found in violation of the following:

- Housing Accountability Act (Gov. Code. Section 65589.5) requiring adoption of a Housing Element and compliance with RHNA allocations;

[32] From Gentry, A. (2021, September 4). Annual fair housing report shows increase in housing harassment. NFHA.

- No Net Loss Law (Gov. Code Section 65863) requiring that adequate sites be maintained to accommodate unmet RHNA allocations;
- Least Cost Zoning Law (Gov. Code. Section 65913.1);
- Excessive Subdivision Standards Law (Gov. Code. Section 65913.2); and
- Limits on Growth Controls Law (Gov. Code. Section 65302.8).

Housing Specific Policies Enacted Locally

The City of Carmel-by-the-Sea identified the following local policies that contribute to the regulatory environment for affordable housing development in the City:

Policy 1.1: Ensure adequate sites are available to meet the City's projected housing growth needs.

Policy 1.3: Reduce or eliminate governmental constraints on the provision of affordable housing. Direct public funding resources to the conservation of existing housing units in neighborhoods where continued residential use is appropriate.

Policy 2.3: Preserve and expand affordable and rental housing opportunities to enable local employees to live in the community where they work.

Policy 2.4: Preserve the existing housing stock.

Policy 3.2: Recognize the special needs of persons with disabilities and the need to retain flexibility in the design review process to accommodate these needs.

A.8 Fair Housing Recommendations

Contributing Factors and Fair Housing Action Plan

The disparities in housing choice and access to opportunity discussed above stem from historical actions, socioeconomic factors that limit employment and income growth, barriers to open housing choice, and until recently, very limited resources to respond to needs.

Local Knowledge of Contributing Factors to Fair Housing

In order to better inform this Housing Element to meet the needs of residents of Carmel-by-the-Sea, the City solicited the input of the public with prompted questions. All responses were taken into consideration for incorporation into the Housing Element to guide policies and programs that address the housing needs of existing and future residents.

Question: How can the supply of affordable housing be increased to meet the needs of our community?

Community members offered the following solutions:

- Encourage ADUs;
- Encourage second-story additions to single-story buildings downtown specifically for affordable housing;
- Change the zoning code to allow 3-story buildings downtown specifically for affordable housing;
- Set a maximum square footage limit on housing units in downtown to spur the creation of more small units rather than just a few large units;
- Create objective (yes/no checklist-style) design standards for new housing projects that include affordable units;
- Less short-term rental places, more long-term rental options;
- Build housing on the outskirts and empty parking lots;
- Annex land outside City for affordable housing; and
- Continue to ensure the built environment is subordinate to the natural environment.

Question: In your experience in Carmel-by-the-Sea, what has contributed to the fair housing issues? What solutions do you envision to address these issues?

- Information about affordable units.
- Down payment assistance.
- Tenant assistance resources.

Priority of Contributing Factors

The City of Carmel-by-the-Sea has prioritized the following contributing factors to the Fair Housing issues mentioned above. Table A-28 presents prioritized fair housing issues and contributing factors, as well as the City's programs to support a solution-oriented approach to affirmatively furthering fair housing.

Table A-28 Fair Housing Issues, Contributing Factors, and AFFH Programmatic Actions

Fair Housing Issue	Contributing Factor(s)	AFFH Programmatic Action	Priority
Household Characteristics Carmel-by-the-Sea has significantly lower proportions of racial and ethnic minorities compared to Monterey County and the AMBAG region. Lack of inclusionary housing may contribute to the lack of protected classes in the community.	▪ Lack of racial and ethnic diversity within the City; and ▪ Lack of adequate affordable housing options.	Program 1.1.B: Underutilized Sites Program 3.1.C: Density Bonus Program 3.1.D: Reduced Entitlement and Development Fees Program 1.3.D: Employee Housing Program Program 2.1.A: Incentives for Mixed-Use Development	High
Disproportionate Housing Needs Forty-six (46) percent of Carmel-by-the-Sea households are cost burdened households, of which 24 percent are renter-occupied households and 23 percent are owner-occupied.	▪ Lack of affordable housing; ▪ Lack of adequate housing stock that meets the needs of residents; and ▪ Jobs-worker imbalance.	Program 1.1.B: Underutilized Sites Program 1.3.D: Employee Housing Program Program 2.4.A: Housing Rehabilitation and Maintenance Information Program 3.1.B: Housing for Extremely-Low Income Households Program 3.1.C: Density Bonus Program 3.1.G: Affordable Housing Overlay District	High
Special Needs Groups In Carmel-by-the-Sea, extremely low-income and special needs groups	▪ Lack of affordable housing; ▪ Jobs-worker imbalance;	Program 1.3.E: Amend the A-2 Zoning District Program 3.1.B: Housing for Extremely-Low Income Households	High

Fair Housing Issue	Contributing Factor(s)	AFFH Programmatic Action	Priority
experience disproportionate impacts of poverty, increasing the challenge of obtaining adequate housing in the City.	▪ Lack of accessible units for individuals with disabilities; and ▪ Lack of Transitional and Supportive Housing/Emergency Shelters.	Program 3.2.A: Reasonable Accommodation Procedures Program 3.3.A: Zoning for Transitional and Supportive Housing Program 3.3.B: Low-Barrier Navigation Centers	
Housing Stock Carmel-by-the-Sea's lack of affordable housing production, limited variety of housing types, and increasing housing costs create barriers to enter the local housing market.	▪ Since 2015, there have been 18 housing permits in the City for only above moderate-income households; and ▪ Lack of developable land, and the City is subject to coastal zone ordinances.	Program 1.3.A: Condominium Conversions Program 1.3.B: Overnight Visitor Accommodation (Conversion) Development Transfer Rights Program 1.3.C: Accessory Dwelling Units Program 1.4.A: Remove Use Permit Requirement for Multi-Family Development Program 1.4.B: Objective Design Standards Program 2.1.B: Permanent Housing Program 2.3.A: Preserve and Increase Upper Floor Residential Uses Program 3.1.E: Reduced Parking Requirements Program 3.1.F: Expedited Processing Procedures	High
Access to Opportunity Low production of affordable housing in Carmel-by-the-Sea limits housing choices for low-income households, and has a disproportionate impact on Hispanic or Latino, Asian, and Black/African American households.	▪ Of the 18 housing permits issued in Carmel-by-the-Sea since 2015, zero were issued for lower-income households; and ▪ Costs of land, materials, and labor which limit profitability of affordable housing.	Program 1.2.A: Water Distribution Policy Program 1.3.A: Condominium Conversions Program 1.3.D: Employee Housing Program Program 2.1.D: Establish Affordable Housing Trust Fund Program 3.1.C: Density Bonus Program 4.1.A: Water Conservation	High

Fair Housing Issue	Contributing Factor(s)	AFFH Programmatic Action	Priority
Fair Housing Enforcement No residents filed fair housing complaints in Carmel-by-the-Sea, indicating a lack of cause for complaint, or, alternatively, a potential lack of awareness about fair housing rights.	▪ Lack of access to information about fair housing rights; and ▪ Limited knowledge of fair housing by residents.	Program 2.1.C: Monitor Affordable Housing Stock Program 5.1.A: Fair Housing Services Program 5.1.B: Housing Choice Voucher Program Program 5.1.C: Shared Housing Information Program 5.2.A: Support Community Organizations	Medium

SOURCE: City of Carmel-by-the-Sea; EMC Planning Group

A.9 Conclusion

To address the fair housing issues identified in this Housing Needs and Fair Housing report, the programs listed in the above section are included in Chapter 2 of this Housing Element.

Housing Constraints

APPENDIX B

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Appendix B
Housing Constraints

B.1 Introduction

Housing development is affected by public regulations and other forces. This chapter discusses both governmental and non-governmental constraints that affect housing in the City of Carmel-by-the-Sea. Governmental constraints consist of policies, requirements, or other actions imposed by various levels of government on land, housing ownership, and development. In addition to local standards, the City follows building and design requirements put forth by state laws, the California Building Code, Subdivision Map Act, energy conservation requirements, as well as other regulatory standards. However, Federal and State agency regulations that may constrain development are beyond the City's control and are therefore not addressed in this document. Non-governmental constraints are other conditions that impact housing development such as market factors, environmental setting, land availability, and construction costs.

B.2 Governmental Constraints

Governmental constraints are policies, standards, requirements, or actions imposed by the various levels of government upon land, housing ownership and development. Although Federal and State agencies play a role in the imposition of governmental constraints, these agencies are beyond the influence of local government and are therefore not addressed in this document. As appropriate, the City will monitor federal and state legislation that impacts housing. The City will update its Municipal Code, as needed to comply with any new housing related planning or zoning laws enacted by the State during the 6th Cycle Planning Period (2023-2031).

Infrastructure Constraints

Water Supply

The primary infrastructure constraint to the development of housing in Carmel is the lack of potable water. The lack of a reliable available water supply continues to limit growth in Carmel and throughout the Monterey Peninsula region.

Carmel is under the jurisdiction of the Monterey Peninsula Water Management District (MPWMD) and receives its water from the California-American Water Company (Cal-Am). The MPWMD has permit authority over the production and distribution of all water supplies within the Monterey Peninsula region, and allocates water supplies to cities and unincorporated County areas within its

jurisdiction. Water service by Cal-Am is constrained by State Water Resources Control Board (SWRCB) Order WR 95-10[1], which determined that in 1995 approximately 70 percent of Cal-Am supply was based on unlawful diversion from the Carmel River. Order 95-10 requires that any new water supply be used to reduce diversions from the Carmel River prior to allowing new users. Furthermore, SWRCB issued a Cease-and-Desist order to Cal-Am in 2008[2] to further restrict water use which limits the placement of new water meters to service new development.

According to the MPWMD June 1, 2023 Technical Memorandum – Summary of Water Supply Requirements for Housing, the City requires 40 acre feet (AF) to meet the City's RHNA (349 units). The City has approximately 2.661 acre-feet of available water[3] for general distribution which represents a water deficit of approximately 37.339AF. There is also Malpaso Water Company water entitled to certain limited properties whose owners were previously able to purchase water directly from the Water Company[4]. The Sites Inventory clearly identifies whether water is a constraint for each identified property. This is the only water available to the City until the District supplies increase and new allocations are made to each city in the District. Based on current supplies, sufficient water is not widely available to fully accommodate additional development commensurate with the City's total RHNA. The City will continue to work with local and regional agencies to explore options for additional water supplies during the 6th Cycle Housing Element planning period.

We have competing mandates. One of the mandates we have from the State of California is Order 95-10, which basically says we have no more water…the other mandate is the [RHNA units]…if we don't have water, we can't build them. It doesn't matter how you slice or dice it – no water, no construction.

April 6, 2023 Housing Ad Hoc Committee Community Meeting Attendee

The 6th Cycle Housing Element includes a program to work with local and regional agencies to pursue new water supplies and includes prioritizing allocation of the City's 2.661 acre-feet of water for affordable housing through the development of a water distribution policy.

[1] See Order No. WR 95-10, chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.waterboards.ca.gov/waterrights/board_decisions/adopted_orders/orders/1995/wro95-10.pdf

[2] See Order WR 2009-0060, chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.waterboards.ca.gov/waterrights/board_decisions/adopted_orders/orders/2009/wro2009_0060.pdf

[3] See June 2023 MPWMD Monthly Allocation Report chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.mpwmd.net/asd/board/boardpacket/2023/20230717/10/Item-10-Exh-10-A.pdf

[4] See June 2023 MPWMD Monthly Allocation Report – Entitlements - chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.mpwmd.net/asd/board/boardpacket/2023/20230717/10/Item-10-Exh-10-B.pdf

Wastewater

The Carmel Area Wastewater District (CAWD) collects and conveys wastewater from a business or residence to the wastewater treatment plant using underground pipes and lift stations. The CAWD collection system is comprised of approximately 81 miles of gravity sewers ranging in size from 6 inches to 27 inches in diameter together with nearly four (4) miles of force mains, seven (7) pump stations, and over 1,500 manholes.

Two trunk sewers serve the City of Carmel and the Hatton Fields areas. Within the City of Carmel-by-the-Sea pump stations are located at (1) the westerly terminus of 8th Avenue (at Scenic Drive), (2) the intersection of Monte Verde Street and Sixteenth Avenue, (3) west side of Scenic Road approximately 200 feet south of Ocean View Avenue All pump stations have been upgraded to allow remote monitoring and have capabilities for standby power and emergency bypass.

The District's permitted capacity is 3.0 million gallons per day (MGD) and their current average daily dry weather flow is approximately 1.2 to 1.3 MGD.

The City is required to plan for an additional 349 residential housing units in this planning cycle. Based on capacity and communication with the District, the CAWD has adequate treatment capacity to serve these units[5].

General Plan and Land Use Controls

Each city and county in California must prepare a comprehensive, long-term General Plan to guide its future. The Land Use Element of the General Plan establishes the basic land uses and density of development within each jurisdiction. Under state law, the General Plan elements must be internally consistent, and each jurisdiction's zoning must be consistent with its General Plan. Thus, the Land Use Element must provide suitable locations and densities to implement the policies of the Housing Element.

We are primarily, essentially, and predominantly a residential city. I want to see us preserve our residential character.

February 28, 2023
Housing Ad Hoc Committee Community Meeting Attendee

The City's development policies, standards and requirements were established with the intent of maintaining the long-term health, safety, and welfare of the community. To achieve this, the City has implemented a range of procedures, regulations and fees associated with all local development. Specific land use and development constraints, such as zoning regulations, governmental fees, building code standards, design review, and processing and permitting time can greatly influence the type and cost of construction that occurs.

[5] May 17, 2023 email correspondence with CAWD

The City of Carmel-by-the-Sea General Plan/Coastal Land Use Plan (General Plan) was adopted in 2003 and most recently amended in 2015. The General Plan Land Use Element identifies land use designations and development intensities for all land within City boundaries. Land Use designations include Core Commercial, Residential/Commercial, Multi-Family Residential, Single Family Residential, and Open Space/Recreation/Cultural. The Residential/Commercial land use designation encourages mixed use buildings and is intended to provide for a mix of residential dwellings and a limited range of office and service uses in scale with the character of the community. Table B-1, Residential Land Use Designations, identifies the residential land use designations and their maximum permitted densities.

Table B-1 Residential Land Use Designations

Designation	Maximum Density
Single-Family Residential	11 du/acre
Multi-Family Residential	33 du/acre, 44 du/acre (with affordable housing)
Commercial/Residential	33 du/acre
Core Commercial	33 du/acre

SOURCE: Carmel-by-the-Sea 2003 General Plan

The range of residential densities provided by Carmel-by-the-Sea's General Plan is sufficient to accommodate a range of housing types and affordability levels. It does not, therefore, pose an undue governmental constraint the development of housing for the community.

Local Coastal Program and Coastal Land Use Plan

The California Coastal Act was established to balance landowners' rights to develop and the public's right to enjoy the coastline. This resulted in an area defined as the Coastal Zone which is regulated to ensure orderly, long-range conservation, use, and management of the natural, scenic, cultural, recreational, and manmade resources of the coast. All of the Carmel-by-the-Sea is located within the Coastal Zone, which in this area extends from the coast of Carmel Bay east to California State Highway 1.

Carmel-by-the-Sea's Local Coastal Program (LCP) was certified by the Coastal Commission in 2004, enabling the City to issue Coastal Development Permits (CDPs). This gives the City authority over local development applications, with appeal oversight maintained by the Coastal Commission. The Commission also retains permanent coastal permit jurisdiction over development proposed on tidelands, submerged lands, and public trust lands.

The LCP includes the following General Plan Elements: Land Use, Circulation, Coastal Access and Recreation, and Coastal Resource Management; the Zoning Ordinance (Implementation Plan); and, Appendices A through I of the General Plan and Zoning Ordinance.

The presence of land use regulation via the LCP, in general, means that housing development in Carmel-by-the-Sea faces a high bar to succeed. Most of the recent remedies brought forward by the California legislature to facilitate housing development are either outright inapplicable in the Coastal Zone (SB 35) or are secondary to California Coastal Commission policies that protect habitat resources (SB 9).

Zoning Code

The City of Carmel-by-the-Sea Zoning Code (City Municipal Code Title 17, Chapter 17.08-Residential Zoning Districts) establishes regulatory standards that dictate the type, location, density, and scale of residential development within the City's boundaries. Below are the four primary zoning districts within the city that allow for residential uses:

- R-1 Single-Family Residential District; and
- R-4 Multifamily Residential District.

In addition, the following zoning district provides for some residential uses above commercial uses or on ground floor after review and approval of a conditional uses permit.

- SC Service Commercial;
- CC Central Commercial District; and
- RC Residential and Limited Commercial.

The following public and quasi-public zoning districts also permit limited residential uses:

- P-2 Improved Parklands (Park and Recreation District);
- A-2 Community and Cultural (Other Public District); and
- A-3 Senior Citizen Facility (Other Public District).

The City of Carmel-by-the-Sea Municipal Code (CMC) provides zoning regulations that are more specific than the General Plan Land Use designations. The R-1 (Single-Family Residential) district provides an appropriate land area for permanent single-family residential uses and structures and to enhance and maintain the residential character of the City. The R-4 (Multifamily Residential) district is intended to serve two purposes: 1) to provide an appropriate location for a mix of multifamily residential dwelling units convenient to the commercial area; and 2) to serve as a buffer or transitional zone between the commercial area and the single-family residential district.

Commercial zoning districts that permit residential uses include:

- The Central Commercial (CC) District, which is intended to provide an appropriate location for a broad range of retail, residential and service uses. Uses which generate high pedestrian traffic and which do not have large space requirements are appropriate in this district. Residential uses are appropriate on the second floor of structures.

- The Service Commercial (SC) District, which is intended to provide an appropriate location for services, offices, residential and limited retail activities that primarily serve local needs. This district is intended to provide a distinct transition between the more intense activities in the CC district and the less intense activities in the districts on its periphery. Mixed uses of commercial and residential activities are appropriate throughout this district.
- The Residential and Limited Commercial (RC) District seeks to provide an appropriate location for permanent and transient residential uses, service and office uses, and limited retail uses that do not adversely impact the residential neighborhood. This district is intended to provide a transition and buffer between the more intense activities in the CC and SC districts and the less intense activities in the R-1 and R-4 districts.

Certain public and quasi-public zoning districts also permit limited residential uses. The Park and Recreation (P-2) District permits single-family, senior citizen housing, and family day care uses which are limited to the use and maintenance of existing buildings for nonprofit organizations, governmental buildings and uses, and residential use. Sites located in the Community and Cultural Center (A-2) District and Senior Citizen Facility (A-3) District permit senior citizen housing outright.

Table B-2, Residential Uses Permitted by Zone, shows residential uses, the zoning districts in which they are permitted, and whether they are permitted by right (without discretionary action) or with a conditional use permit (CUP). The City's Municipal Code is available online: (https://www.codepublishing.com/CA/CarmelbytheSea/).

Use Permits

The use permit (UP) (or conditional use permit (CUP)) requirement is implemented as an additional regulatory tool and adds extra regulations, review, and required findings, to a variety of development standards that affect multi-family development. The UP requirement for residential developments greater than 22 du/ac is a multi-family residential and affordable housing constraint, particularly considering UP specific findings are applied to affordable developments. Municipal Code Sections 17.64.190 Residential Construction at Densities Between 33 and 44 Units per Acre and 17.64.230 Affordable Housing – Residential Construction at Densities Between 45 and 88 Units Per Acre outline criteria and findings for developments that request a bonus density (City program) or a density bonus. Municipal Code Section 17.14.150 Building Height requires a use permit for additional underground floors used for parking vehicles, storage and mechanical equipment. The additional use permit requirement can affect how much parking can be accommodated which limits the number of units, particularly for smaller projects, and affects the financial feasibility of the proposed development.

Table B-2 Residential Uses Permitted by Zone

Residential Use	Residential Zoning Districts		Commercial Zoning Districts			Public and Quasi-Public Districts (Park and Recreation & Other Public Districts)		
	R-1	R-4	CC	SC	RC	P-2	A-2	A-3
Single-Family	P	P	C-L-5	C	C	P-L-1	-	-
Accessory Dwelling Units								
Accessory Dwelling Unit (Interior)	P	P	-	-	-	-	-	-
Accessory Dwelling Unit (New Structure)	P	P	-	-	-	-	-	-
Class I Accessory Dwelling Unit	P	-	-	-	-	-	-	-
Class II Accessory Dwelling Unit	P	-	-	-	-	-	-	-
Studio	P	P	-	-	-	-	-	-
Guesthouse (Noncommercial)	C	-	-	-	-	-	-	-
Multifamily Dwellings								
0-22 dwelling units/acre	-	P	P	P	P	-	-	-
22 dwelling units/acre	-	C				-	-	-
23-33 dwelling units/acre	-	-	C	C	C	-	-	-
34-44 dwelling units/acre	-	-	C	C	C	-	-	-
45-88 dwelling units/acre	-	-	C	C	C	-	-	-
Senior Citizen Housing	R-L-5	P	P	P	P	P-L-1	P	P
Family Day Care								
Small Family	R-L-5	P	-		P	P-L-1	-	-
Large Family	-	C-4	-	C	C	P-L-1	-	-
Group Residential	-	C	-	-	-	-	-	-

Residential Use	Residential Zoning Districts		Commercial Zoning Districts			Public and Quasi-Public Districts (Park and Recreation & Other Public Districts)		
	R-1	R-4	CC	SC	RC	P-2	A-2	A-3
Transient Rental, Legal Nonconforming	-	R-L-6	C-L-7	C-L-7	C-L-7	-	-	-
Transient Rental, Housing Incentive	-	R-L-7	C-L-8	C-L-8	C-L-8	-	-	-

SOURCE: CMC Title 17 Zoning 2023

NOTE: Key:

(P) permitted use classifications.

(L) use classifications that are permitted, subject to certain specific limitations noted by the number designations and listed at the end of Schedule II-1 (CMC Section 17.08.040) and Schedule II-B (CMC Section 17.14.030).

(C) use classifications permitted after review and approval of a conditional use permit by the Planning Commission. Conditions or standards may apply to these uses, noted by the number designations and listed at the end of Schedule II-1.

(—) prohibited

Residential Districts Specific Limitations and Conditions

R-L-1. Limited to advertising, consumer credit reporting, secretarial and court reporting, equipment maintenance and repair, personnel supply services, and nonretail computer services and repair.

R-L-2. Allowed only on existing quasi-public use sites established prior to December 1, 1980, or added as an accessory use to such existing uses.

R-L-3. Limited to existing units established prior to January 1, 1967, and/or authorized by a use permit issued between 1967 and 1990. *Note: These provisions approved by voter referendum.

R-L-4. Limited to existing commercial spaces established prior to 1993 and occupied by commercial uses continuously since that time.

R-L-5. Limited to occupancy within a single-family residence.

R-L-6. Limited to permits approved prior to the adoption of Ordinance 2019-03.

R-L-7. Limited to transient rental units approved through the issuance of a conditional use permit as an incentive for the creation of new housing units. See CMC 17.14.040(W)(2)(b).

Commercial Districts Specific Limitations and Conditions

C-L-1. Limited to advertising, consumer credit reporting, secretarial court reporting, equipment maintenance and repair, personnel supply services, and nonretail computer services and repair.

C-L-2. Allowed only as accessory use to gasoline stations and limited to a maximum of 300 square feet. No sales of alcohol are permitted. See CMC 17.14.040(D)(2) and (J)(2).

C-L-3. Any establishments with activities generating noise, odors, deliveries by large vehicles, high traffic by customers, or requiring large storage needs are not permitted.

C-L-4. Limited to offices for the following categories: operators of nonresidential buildings, apartment buildings, dwellings, real estate agents and managers, and title companies.

C-L-5. Limited to sites that are already developed with a single-family dwelling, or that were originally developed as, or used as, a single-family dwelling but have since been converted to another use. Existing single-family dwellings can be maintained, altered, repaired and/or redeveloped. R-1 district floor area ratio standards shall apply to these sites.

C-L-6. Subject to the same regulations as apply to other family residential dwellings in the same zone.

C-L-7. Limited to permits approved prior to the adoption of Ordinance 2019-03.

C-L-8. Limited to transient rental units approved through the issuance of a conditional use permit as an incentive for the creation of new housing units. See CMC 17.14.040(W)(2)(b).

Public and Quasi-Public Districts Specific Limitations and Conditions

P-L-1: Limited to the use and maintenance of existing buildings for nonprofit organizations, governmental buildings and uses, and residential use.

P-L-2: Limited to facilities serving only park visitors and/or tenants of park buildings.

P-L-3: Limited to schools for theater arts.

P-L-4: Limited to workshops and classes connected with the arts.

P-L-5: Only as an accessory use, when in connection with any other authorized use.

There are opportunities to reduce redundancies and facilitate residential construction while still enabling development to meet City regulations. Taking an overall critical look at the application of use permits and removing this permit requirement where it does not add any necessary regulations related to safety and welfare will remove a regulatory constraint that adds to residential developer uncertainty, extends the permit entitlement process, and overall residential development costs. The 6th Cycle Housing Element includes a program to eliminate unnecessary use permits.

Commercial Overnight Visitor Accommodation

Pursuant to Coastal Zone requirements, the City has recognized existing overnight visitor accommodation (hotel/motel/inn) as an important coastal visitor asset and economic base in the community. There are a number of older (some non-conforming) hotels/motels/inns in the R-1, CC, RC, and SC zoning districts, located in key areas of the City. These commercial establishments can be targeted for transition and the existing buildings rehabilitated converted to permanent multi-family residences.

In an effort to maintain a strong residential component within the City, the Municipal Code Section 17.56.060 includes numerical limits on the total number of hotel/motel/inn units; however, the numerical limits increase the value of the existing commercial units and act as a disincentive for older establishments to be refurbished into multi-family units. The limit also acts as a disincentive to add on-site employee housing because scarce square footage is more valuable as an overnight visitor accommodation use rather than a residential use that serves lower-income employees.

Enabling older overnight visitor accommodation commercial uses to relocate to more appropriate commercial sites while allowing the establishments to retain the current number of hotel/motel/inn rooms, would facilitate continued overnight tourism while diversify the housing stock by requiring the refurbishment of existing buildings to permanent rental housing. In order to encourage these properties to transition into permanent multi-family residences, and to retain the same number of existing overnight visitor accommodation rooms for coastal visitor access (as desired by the California Coastal Commission), the City will develop program 1.3.B to incentivize both the transfer of development rights of overnight visitor accommodations to other appropriate commercial sites while requiring the conversion of existing overnight visitor accommodation properties to permanent rental multi-family residences.

Additionally, the City has a number of overnight visitor accommodation properties that would greatly benefit from incorporating affordable on-site employee housing. These new rental permanent residential units would alleviate the current lack of housing options that many lower income employees that work at hotels/motels/inns in Carmel face. As an incentive to commercial overnight visitor accommodation property owners to provide on-site affordable employee housing, the City will offer an additional overnight accommodation room for every onsite housing unit created. This incentive will serve to increase affordable rental housing, offset the loss of revenues for the business owners, and maintain visitor-serving coastal access.

Overlay Zoning Districts

Overlay districts are zoning districts established by the City to carry out specific purposes. They are governed by a set of regulations that address specific subjects such as archaeologically significant resources or environmentally sensitive habitat areas. The City currently has overlay districts that address the following:

- Archeological significance;
- Parks;
- Beach and Riparian areas;
- Environmentally Sensitive Habitats;
- Annexed County Lots; and
- Downtown Conservation District.

Overlay districts can be constraints to development, or they can be used as a tool to encourage certain types of development. Currently, the City does not have an overlay district to encourage affordable housing. The City will craft a housing priority overlay district that requires a minimum density of 33 du/ac in the Central Commercial (CC), Service Commercial (SC), and Residential and Limited Commercial (RC) District. This will encourage a higher unit yield and will thus improve the financial viability of projects by increasing the unit count.

Development Standards

With the exception of building heights, development standards in Carmel-by-the-Sea are typical for a small residential community. As for building heights, the City limits building heights to two stories above ground and 30 feet or less, which can render higher allowable densities (up to 44 du/ac with affordable housing) unachievable. The City has discussed the possibility of increasing height limits, but community resistance to increasing the height limit has been consistent and is primarily based on a desire to protect the historic character of the downtown. Some community members have suggested allowing mezzanines as a third interior story, if it could be accomplished without appearing as a three-story building. The Zoning Code permits multi-family dwellings in all commercial districts and existing underutilized commercial spaces can be repurposed for residential uses.

I would even venture to say – as an architect – if we protect the character of the village and if we do that well, we will actually be able to create a planning document that will more than cover the 349 number…that's my professional opinion on what the power of design can do without an iota of sacrifice of the character of this community. It's a hope, it's a belief, and we just need to work towards it together

November 17, 2022 Housing Ad Hoc Committee Community Meeting Attendee

The Community and Cultural Center District (A-2) allows senior citizen housing (55+) as a permitted use in addition to uses that provide cultural and community activities associated with the arts, education and recreation; however, development standards are not specified for the A-2 district and design review is required. The lack of development standards adds uncertainty to the development process. Amending the A-2 zoning district with clear setbacks, height, and landscaping requirements will add clarity and remove a development constraint. The City of Carmel-by-the-Sea has included a new program in this 6th Cycle Housing Element to amend the A-2 District to include clear development standards as a means to encourage affordable senior housing.

Table B-3, Residential Development Standards, summarizes residential development standards in Carmel-by-the-Sea.

Density Bonus

Floor area bonuses are available for projects in the commercial zones that include an intra-block walkway and/or a courtyard (see CMC 17.14.140.D.2). The same floor area bonus is available for projects that include affordable units. This indicates that the City equally values walkways or courtyards and affordable units. The City may consider making walkways and/or courtyards a requirement, and keep or increase the floor area bonus for affordable units.

Site Plan and Design Review

Architectural design is important in Carmel-by-the-Sea. The historic character of Carmel's built environment has been shaped by decades of careful and deliberative design review (referred to as "design study" in Carmel) that addresses such features as site design, architectural style, building materials, color palettes, fenestration, tree placement and landscaping. This attention to detail has resulted in a beautiful, forested village atmosphere that continues to capture the imagination of people from around the world who visit and even choose to make Carmel their home.

The same design review process that has contributed to Carmel becoming a world-famous destination, however, has also impacted its ability to provide housing for lower-income households and by extension housing for a less affluent and diverse population. In this way, Carmel has in some ways become a victim of its own success. Many of the actors, artists, and writers who made Carmel their home in the early 20th century came from modest beginnings and travelled to the area not to live in custom luxury homes, but to experience and become part of a "rich" artistic community. They came for inspiration, not exclusivity.

Part of the challenge, then, is for Carmel to find a way back to its roots—to provide space again for the next generation of the artistically gifted who have yet to make their mark on the world, a space that contains a full mix of incomes and backgrounds within which the artist can find meaning and inspiration.

Table B-3 Residential Development Standards

Zoning	Minimum Lot Area (sq ft)	Setbacks				Maximum Height[1,2,3]	Maximum Floor Area (sq ft)	Maximum Lot Coverage or Density (R-4)
		Front (in feet)	Minimum Side Yard (in feet)		Rear			
Residential Districts								
R-1	2,500[1] 4,000	15	Interior 3	Street Side 5	15	24 feet 2 stories	Less than 45 percent of the area of the building site[2] 2,400[3]	22% of the base floor area
R-4	4,000	No setback. 5 – if across from R-4, RC; 7.5 across from R-1	No setback[4, 5]	N/A	No setback. 10 – if abutting R-1 or R-4	26 feet 2 stories	N/A	33 units/acre 44 units/acre with density bonus
Commercial Districts								
CC	N/A	No setback. 5 – if across from R-4, RC; 7.5 across from R-1	No setback[4]	N/A	No setback 10 – if abutting R-1 or R-4	30 feet 2 stories	N/A1	One story – 95% of the site area Two story – 135% of the site area 150% with 15% bonus
SC	N/A	No setback. 5 – if across from R-4, RC; 7.5 across from R-1	No setback[4]	N/A	No setback 10 – if abutting R-1 or R-4	30 feet 2 stories	N/A	One story – 95% of the site area Two story – 135% of the site area 150% with 15% bonus
RC	N/A	No setback. 5 – if across from R-4, RC; 7.5 across from R-1	No setback[4]	N/A	No setback 10 – if abutting R-1 or R-4	26 feet 2 stories	N/A	One story – 70% of the site area Two story – 80% of the site area 95% with 15% bonus

SOURCE: CMC Title 17 2023

NOTE: 1. Lots of record in existence on February 4, 1948.
2. Applies to sites less than 4,000 square feet.
3. The maximum potential floor area on a site is the sum of the base floor area plus any bonus floor area. The City uses a sliding scale to determine maximum floor area and site coverage.
4. If abutting R-4 or RC district a side yard setback of at least 5 feet along at least 50% of each side property line. The remaining 50% requires no setback unless the faces a public street. Any site abutting R-1 district requires a setback of five feet along entire side yard.
5. Buildings shall not be less than six feet from any other buildings on the same site.

The following subsection provides a detailed description of Carmel's design review process.

Residential Design Review Process

The typical residential development review process for Carmel-by-the-Sea generally falls under two design study "tracks" Track 1 and Track 2.

Residential Track 1 Design Study

Track 1 Major Design Study Applications are projects that can be approved at the staff level and typically do not require a public hearing. "Track 1 Major" projects are projects involving additions of less than 10 percent of the existing floor area, or projects with multiple minor components (Track 1 Minor) that together add complexity and require a more detailed review.

The Track 1 Major review is also limited to projects that: 1) do not require significant cuts to the roots/limbs of any "significant" or "moderately significant" trees; 2) do not require the demolition or substantial alteration of any dwelling unit; and 3) are sited and designed to protect public views to and along the ocean and scenic coastal access.

The major steps involved with a Track 1 Design Study Application are as follows:

1. Submit a Design Study Application – This is the formal project application.
2. Staff Review and Decision – Staff will review the application for completeness and consistency with the Zoning Code and the Residential Design Guidelines. If the application is incomplete or inconsistent with the Zoning Code or the Design Guidelines, staff will notify the project applicant of the changes that are required. If the application is complete and approvable, staff will notify the applicant that the application has been approved. If approved, an approval packet is completed and issued. The approval packet consists of (1) an Approval Letter, (2) Conditions of Approval, (3) a Notice of Approval, (4) an Affidavit of Posting of the Notice of Approval, and (5) stamped approved plans. The Approval Letter will inform the applicant if a Building Permit or Notice of Authorized Work is required.
3. Noticing/Appeal Period - The Notice of Approval is required to be posted on-site by the applicant for a 10-calendar day appeal period. For Track 1 Major projects, the approval notice is also mailed by the City to neighbors within 100 feet of the property.
4. Building Permit/Notice of Authorized Work – Following the end of the appeal period, and assuming no appeals are filed, the applicant may apply for either a Building Permit or, if not applicable, will receive a Notice of Authorized Work.

Residential Track 2 Design Study

Track 2 Design Study Applications are for new residential construction, large additions and substantial alterations that require Planning Commission approval. The purpose of the Track 2 Design Study is to promote orderly development, to ensure high quality neighborhood design that is

harmonious with its surroundings, to implement the General Plan, and to preserve and promote the visual character of the City. The major steps involved with a Track 2 Design Study Application are as follows:

1. Submit a Preliminary Site Assessment Application – This is required for all Track 2 Projects. After the assessment is completed by Planning and Forestry staff, the applicant will move on to submitting their project application.
2. Submit a Design Study Application – This is the formal project application. Planning staff will review it for completeness and provide early feedback.
3. Participate in a Forest and Beach Commission Hearing (if tree removal is proposed): A request to remove or prune a significant tree must be approved by the Forest and Beach Commission (FBC) prior to determining completeness of the application. The removal or pruning of any tree will require a separate tree removal application be submitted (Permit Type: Tree with Construction).
4. Install Staking and Flagging (story poles) – "Story poles" provide a visual representation of the proposed project for the public and the Planning Commission. Story poles must be installed and heights certified by a California licensed surveyor or civil engineer at least 10 days prior to the scheduled Concept Hearing. To avoid having to relocate or reposition the story poles, it is recommended story poles be installed after the application has been deemed complete.
5. Participate in a Historic Resource Board Hearing (properties located on the City's Inventory of Historic Resources) – Projects on historic sites are subject to additional review from a city-retained historical consultant and review by the Historic Resources Board (HRB) prior to consideration by the Planning Commission. The historic status of a property will be determined during the Preliminary Site Assessment, if not already documented.
6. Participate in a Concept Hearing – The Concept Review phase by the Planning Commission (PC) will address site planning, access, building massing and neighborhood design issues, such as privacy and view impacts. Projects are evaluated using both the development standards in the Zoning Code and the *Residential Design Guidelines – Introduction and Design Concept Review*.
7. Obtain a Volume Study – Each site is permitted a certain amount of exterior volume. Volume is defined as the total space occupied by all structures located above average grade. Following Concept acceptance by the Planning Commission, staff will send the architectural design plans to a City-retained architect/engineer to calculate the volume. A deposit will be collected at the time of application submittal and the unused balance will be returned to the applicant.
8. Participate in a Final Details Hearing – In this review by the Planning Commission (PC), the project is reviewed for compliance with the City's *Residential Design Guidelines – Final Details Review*. Issues such as landscaping, architectural character, and exterior materials are evaluated.

9. Final Approval and Appeal Period – The Planning Commission's approval is subject to a 10-working day appeal period. Story poles must remain in place until the appeal period has expired. At the conclusion of the appeal period, and assuming no appeals are filed, the applicant may proceed with submitting an application for a Building Permit. If an appeal is filed, the appeal will be considered by the City Council at the next available council meeting.
10. Decisions of the City Council are final unless the project is located within the Coastal Commission appeal jurisdiction. In such cases, the decision of the City Council can be appealed to the Coastal Commission.

Commercial Design Review Process

The City has established two tracks for design review of projects proposing new construction, alterations, rebuilds, additions, demolitions, and other exterior design changes in the central commercial (CC), service commercial (SC) and residential and limited commercial (RC) districts and the multifamily residential (R-4) district. Commercial development is subject to the City's *Commercial Design Guidelines* (2000) and *Carmel Plaza Storefront Design Guidelines* (2001) as applicable.

Commercial Track One Design Review

The Director may approve Track One applications for design changes in all commercial zoning districts and the R-4 district based on a determination that such projects comply with the Zoning Code and all applicable commercial design guidelines.

Commercial Track Two Design Review

The Planning Commission reviews and approves Track Two applications. This is a discretionary process for reviewing substantial design changes in commercial zoning districts and the R-4 district and involves at least one public hearing.

Historic Resources

Upon submittal of a design study, building permit or other application for alteration of a property, the City shall determine if the subject property contains historic resources and is therefore eligible for the Carmel Inventory of Historic Resources (updated annually). If it is determined that the property contains historic resources, the applicant shall be required to obtain a determination of consistency with the Secretary of the Interior's Standards for the Treatment of Historic Properties as part of the project review process, as required by CEQA and state law.

I want to keep the village feel of the town.

November 17, 2022
Housing Ad Hoc
Committee Community
Meeting Attendee

Minor Alterations

Determinations of consistency for minor alterations shall be reviewed by City staff for compliance with the Secretary of the Interior's Standards for the Treatment of Historic Properties. Minor alterations that are found not to comply with the Secretary's Standards shall be considered and processed as major alterations requiring an evaluation by a qualified professional and final action by the Historic Resources Board. Decisions of the Board are appealable to the City Council.

Major Alterations

Determinations of consistency for major alterations shall require an evaluation by a qualified professional and shall be reviewed and approved by the Historic Resources Board. Decisions of the Board are appealable to the City Council.

The City's current approach to conserving historic resources does not present a constraint to constructing new residential units.

Building and Fire Code

Building and safety codes are adopted to preserve public health and safety, and ensure the construction of safe and decent housing. These codes and standards also have the potential to increase the cost of housing construction or maintenance. The City's Building Code is currently based on the latest, 2022 version of the California Building Code, along with all required updates (City Ordinance No. 2022-004). The City has not made any amendments to the Code that might diminish the ability to accommodate persons with disabilities or other special-needs groups.

The 2022 California Fire Code as adopted by the City and effective January 1, 2023 (found in Chapter 15.55 of the CMC), prescribes the issuance of Fire Code Operational Permits for operations, processes, and/or activities that present higher levels of risk to life and property. Operational permits allow the City to better track specific hazards and to assure that safeguards for hazardous operations, processes, and activities are maintained in accordance with local, State and Federal Regulations.

Carmel Municipal Code Title 8.32.100, Section 102.1(5) requires new structures, or existing structures to which additions, alterations or repairs are made that involve the addition, removal or replacement of fifty percent or greater of the linear length of the walls of the existing building (exterior plus interior) within a five-year period, are required to be outfitted with an automatic fire sprinkler system. Fire sprinklers shall be addressed as part of the building permit review. It is recognized that the costs of an automatic fire sprinkler system can vary considerably based on various factors including water service capabilities, whether a new meter is required, and the type of fire suppression system required for the application in question. However, it is generally recognized by City staff that installing fire sprinklers can be expensive and can present challenges from a water flow standpoint. Parts of Carmel have low water pressure affecting the ability to install sprinklers, which in-turn significantly increases construction costs if additional on-site infrastructure is needed (water holding tanks, pumps, etc.) to serve the sprinkler system.

Additionally, vehicular access within the community is affected by steep, hilly terrain and many secondary ridge lines. Many streets are narrow and winding, restricting the speed at which a fire apparatus may safely respond and also increasing the time lapse between fire detection and apparatus arrival, during which a household will face the fire or other emergency on their own.

The State Fire Marshal's Office, and the City of Carmel-by-the-Sea, have adopted regulations for protection of structures built in areas susceptible to wildland fires under California Building Code Chapter 7A (2019 edition). Exterior wildfire exposure protection within the City of Carmel-by-the-Sea is prescribed in Municipal Code Title 15, Buildings and Construction. Protective features include such active measures as combustible vegetation management and sprinkler systems; and passive protection features such as fire resistive roofing and building opening protection. The extent of protection is determined by the location of the property. The currently adopted (October 2008) California Department of Forestry and Fire Protection (CAL FIRE) *Very High Fire Hazard Severity Zones in Local Responsibility Areas* (LRA) map for Carmel-by-the-Sea, identifies a large area encompassing northern and eastern portions of the City as a "Very High Fire Hazard Severity Zone." It should be noted that all LRA maps across the state of California are undergoing updates and according to CAL FIRE are anticipated to be released sometime in 2024. Within the areas identified in the "Very High Fire Hazard Severity Zone," additional construction features are mandated. These typically include ignition resistant materials, spark protection for ventilation openings, and exterior window and door protection. Detailed requirements are contained in Chapter 7A of the California Building Code and in Carmel Municipal Code Titles 8 and 15.

The City finds that the adopted Building Code and Zoning Code enforcement activities are not constraints to the development, maintenance or preservation of housing.

Special Housing Topics

This section discusses several special housing topics that have been the subject of recent attention in the California Legislature.

Accessory Dwelling Units (ADUs)

An accessory dwelling unit (or ADU) is defined as an attached or detached residential dwelling which provides complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation, which is located on the same parcel as a single-family dwelling (CMC 17.68.030). Based on their relatively small size, and because they do not require paying for land or major new infrastructure, ADUs and Junior ADUs (JADU) are considered affordable by design. ADUs can provide affordable housing options for family members, seniors, students, in-home health care providers, and other small household types. ADUs can also be useful to generate additional rental income for the homeowner, making homeownership more financially feasible. Additionally, the City has a high rate of second home (vacation) ownership. Encouraging ADUs and JADUs may be appealing to second home owners because ADUs will

provide a higher level of security to the property if there is a full-time resident, and will add an income stream to a property that lies vacant for a high proportion of the year. Most importantly, ADUs and JADUs can provide much-needed affordable smaller housing units.

The City's ADU ordinance was last updated in 2017 (Ord. 2017-10 § 1 (Exh. A), 2017). Carmel-by-the-Sea is following the requirement of the state law. The City is in the process of updating its ADU Ordinance to incorporate state laws that have expanded since 2017, and to clarify the ADU permitting process for property owners.

In recent years, the California Legislature has passed a series of bills aimed at encouraging single-family homeowners to add ADUs to their property by requiring local jurisdictions to adopt regulations to facilitate their production and streamline their approval. The State passed legislation in 2017, 2019, 2020, and 2021 to further assist and support the development of ADUs, including By Right approval for units less than 800 square feet. ADUs are also permitted in commercial structures per state law.

The City permits one guesthouse on sites of 6,000 square feet or greater upon approval of a use permit. Guesthouses shall contain no food preparation facilities of any kind, but are permitted to have a bathroom with a toilet, sink and bathing facility. A guesthouse on any building site may be converted to an accessory dwelling unit, generally requiring the permitting of kitchen sink and facilities. Converting existing guesthouses to fully functional ADUs, or JADUs, represents a cost-effective method to increase the City's housing stock, requiring only a building permit. These opportunities could be strong candidates for prioritization of the City's limited water distribution.

The City is also exploring the development of standardized pre-approved ADU plans. Standardized plans can eliminate the costs of designing a custom ADU, and assures property owners the unit type and size is already approved by the City. Pre-approved plans can also make construction more affordable if the designs are using materials that are easily sourced and standard-sized.

The City of Carmel-by-the-Sea has included a new program in this 6th Cycle Housing Element to revise its Municipal Code to be consistent with ADU and JADU state law, and develop standardized ADU plans.

Manufactured Housing / Mobile Homes

There are no mobile home parks located in Carmel-by-the-Sea. The City permits mobile homes on a permanent foundation as a single-family residential use, subject only to the design review requirements as any other single-family residential use in the same zone pursuant to state law California Government Code 65852.3. Such housing is subject to the same development standards and design review criteria as traditional forms of housing construction. A new program to amend the Municipal Code to clarify this type of housing as a permitted use in the R-1 zoning district is included in the Housing Element.

Multi-Family Rental Housing

Multi-family and duplex housing units constitute approximately 13 percent of Carmel's housing stock. Multi-family housing up to 22 du/ac is a permitted use in the R-4, CC, SC, and RC Districts. Multi-family housing greater than 22 du/ac is a conditionally allowed use in all those same districts. Senior housing is allowed in all districts.

The conditional use permit (CUP) for residential developments greater than 22 du/ac is a development constraint to higher density development. Site design review is required for multi-family projects and the CUP process adds very limited value to the review process for projects of this size and scale. In order to lessen this regulatory constraint, the City will amend the Code to eliminate unnecessary use permits.

Objective Design and Development Standards

The City currently lacks a strictly objective set of design guidelines. Detailed design guidelines for R-1 and high-level design guidelines for commercial zones are presently in place; however, the current design guidelines include a mix of objective and subjective criteria. While the City's existing design guidelines are being updated this year, the City is not developing a set of strictly objective standards for multi-family affordable projects.

The lack of "Objective Design Standards" currently poses a constraint to residential development. Guidelines that are subjective, or zoning districts that lack clear development standards, increase uncertainty and risk for housing developers. Objective Design Standards will provide a measure of clarity that proposed developments will be measured against and will provide the community with assurance that developments will conform with measurable objective standards. Amending the A-2 zoning district with clear setbacks, height, and objective design standards will add clarity and remove a development constraint.

Community Care Facilities

To maintain compliance with the Lanterman Developmental Disabilities Services Act (Lanterman Act), the City currently permits small residential or community care facilities serving six or fewer individuals in all residential zoning districts By Right and facilities serving seven or more individuals in all residential zoning districts with approval of a Conditional Use Permit (CUP). Larger community care facilities (greater than six (6) persons) may be required to meet certain conditions, including restrictions on hours of operation, security, loading requirements, and management. These conditions are comparable to all similar uses within the designated zoning district and would not impose constraints to the development of care facilities.

Transitional and Supportive Housing

Transitional housing is generally defined as a facility that provides shelter for homeless individuals, and generally involves integration with other social services and counseling programs to assist in the transition of self-sufficiency through the acquisition of permanent income and housing. Transitional

housing is temporary housing (generally six months to two years) for a homeless individual or family who is transitioning to permanent housing. This housing can take several forms, including group housing or multi-family units, and often includes a supportive services component to allow individuals to gain necessary life skills in support of independent living. There are no known transitional housing facilities in the City.

Supportive housing is generally defined as permanent, affordable housing with on-site services that help residents transition into stable, more productive lives. Services may include childcare, after-school tutoring, career counseling, etc.

The City's Municipal Code permits transitional and supportive housing By Right in all residential zoning districts, regardless of the number of persons the facility serves compliant with SB 2 passed in 2007. The 6th Cycle Housing Element includes a program to update the Municipal Code to further clarify transitional and supportive housing in the R-1 and R-4 zoning district as permitted uses.

Emergency Shelters

Emergency shelters are generally defined as a facility which provides immediate short-term housing for homeless individuals.

Emergency shelters for the homeless is defined as a residential facility, lodging house, or dwelling, where no rent is paid, that provides temporary accommodation to homeless persons and/or families. Pursuant to state law (Senate Bill (SB) 2), jurisdictions with an unmet need for emergency shelters are required to identify a zone(s) where emergency shelters will be allowed as a permitted use without a conditional use permit or other discretionary permit. The identified zone must have sufficient capacity to accommodate the shelter need, and at a minimum provide capacity for at least one year-round shelter. Permit processing, development and management standards for emergency shelters must be objective and facilitate the development of, or conversion to, emergency shelters.

As described in Appendix A – Housing Needs & Fair Housing Report, the 2022 *Monterey Homeless Count and Survey Comprehensive Report* prepared by Applied Survey Research estimated there was only one transient resident in the City as of 2022. There are no emergency shelters located in the City. However, the Zoning Code allows siting of emergency shelters as community social service facilities, which are defined as "Any noncommercial housing facility, such as homeless shelters or emergency shelters, which may also provide meals, showers, and/or laundry facilities. Specialized programs and services related to the needs of the residents may also be provided. This classification excludes transitional housing facilities that provide long-term living accommodations." Community social service facilities are permitted By Right in the CC, SC, and RC districts as well as with a CUP in the R-1 and R-4 districts. In addition, shelters for families and single women with children are permitted at all churches in the community as a part of their social outreach functions. Religious facilities are conditionally permitted in the R-1 district (only on existing quasi-public use sites established prior to December 1, 1980, or added as an accessory use to such existing uses) and allowed with a conditional use permit (CUP) in the RC district.

Low Barrier Navigation Centers

Assembly Bill (AB) 101, adopted in 2019, requires approval "by right" of low barrier navigation centers that meet the requirements of state law. A "Low Barrier Navigation Center" is a housing first, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. If the City receives applications for these uses, it will process them as required by state law. A program has been included in the element to develop By Right procedures for processing low-barrier navigation centers.

Senior Housing

As previously noted, several zoning districts within the City already permit and accommodate for senior housing. The A-2 zoning district (Cultural and Community District, i.e., the Sunset Center) and the A-3 zoning district (Senior Citizen Facility District) permits By Right housing for seniors. A program is included to address the lack of development standards in the A-2 zone in order to provide greater clarity and certainty to guide and future development design.

Constraints for People with Disabilities

Both the Federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (i.e., modifications or exceptions) in their zoning and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to allow covered ramps in the setbacks of properties that have already been developed to accommodate residents with mobility impairments. The City adopted a reasonable accommodation policy (City Council Policy C11-01) in July 2011. This policy provides a reasonable accommodation in the land use and zoning context to ensure equal access to housing and facilitate the development of housing for individuals with disabilities. The policy provides individuals with disabilities or developers of housing for people with disabilities flexibility in the application of land use, zoning and building regulations, policies, practices and procedures.

Community Care Facilities

The City currently permits community care facilities in several zoning districts. Community care facilities refers to facilities providing non-medical care and supervision under license from the California Department of Social Services. This classification excludes hospitals, residential care facilities, family day care homes, day care centers, and transitional housing. Community care facilities are permitted in the CC, SC, and RC districts as well as by conditional use permit in the R-4 district.

Residential Care Facilities

The City also permits residential care facilities within certain zoning districts. Residential care facilities include facilities that are licensed by the State of California to provide living

accommodations and 24-hour, primarily non-medical care and supervision for persons in need of personal services, supervision, protection, or assistance. Living accommodations are shared living quarters with or without separate kitchens or bathrooms for each room or unit. This classification includes facilities that are operated for profit as well as those operated by public or nonprofit institutions.

Group Homes

The Zoning Code defines group residential as "Shared living quarters without separate kitchens or bathrooms for each room or unit, including boardinghouses, dormitories, and private residential clubs, but excluding guesthouses." As described above, state-licensed group homes are permitted under the regulations for Community Care Facilities and Residential Care Facilities. Unlicensed group homes are not currently identified as a permitted use in any zoning district.

The City has not identified any zoning or other land-use regulations that could discriminate against persons with disabilities or impede the availability of such housing for these individuals. Examples of the ways in which the City facilitates housing for persons with disabilities through its regulatory and permitting procedures are:

- As discussed above, the City Zoning Code allows residential care facilities for six or fewer persons subject to the same standards and procedures as apply to other residential dwellings of the same type in the same zone.
- The City has also adopted reduced parking requirements (0.33-space per unit or bed) for Senior Housing, Cooperative Housing, Group Care Facilities, Nursing Homes and Other Residential Care Facilities. Retrofitting of dwellings to meet the needs of persons with disabilities is also an eligible activity under the City's Housing Rehabilitation Program. Construction and rehabilitation activities are also subject to the Federal Americans with Disabilities Act requirements and the City is active in promoting ADA compliance.
- The City defines family as "an individual or two or more persons living together as a single nonprofit housekeeping unit and sharing common living, sleeping, cooking, and eating facilities," which is consistent with state law.

Single-Room Occupancy (SRO)

Single room occupancy (SRO) hotels are one-room units intended for occupancy by a single individual. It is distinct from a studio or efficiency unit, in that a studio is a one-room unit that must contain a kitchen and bathroom. Although SRO units are not required to have a kitchen or bathroom, many SROs have one or the other. The City's Zoning Code does not explicitly define single room occupancy housing, although CMC 17.08.050(F) allows guesthouses, studios, and multi-family units as small as 400 square feet. The Code also requires that all multi-family projects of three or more units include a mix of unit sizes, and at least 25 percent of all units are required to be 400 to 650 square feet in size.

Short-Term Rentals

In order to preserve Carmel-by-the-Sea's residential character, no home or accessory dwelling unit may be rented for less than 30 consecutive days in a residential zoning district. This current restriction is intended to ensure that residential units are available for full-time residential use. The City has a high number of motels and hotels to service the tourism industry and transient guests.

Community Planning and Building Fees

The City charges fees and assessments to cover the costs of processing permits. Processing fees are commensurate with the fees for the rest of the County of Monterey. Compared to the high costs of undeveloped, unimproved land and high site development costs in the City, processing and connection fees are negligible and, therefore, do not present a constraint to development. However, the partial waiving of such fees would help reduce the cost of any proposed affordable housing. The City's current fee schedule is shown below in Table B-4, Summary of Community Planning & Building Fees (2022-2023).

Table B-4 Summary of Community Planning & Building Fees (2022-2023)

Application/Permit Type	Fee
Design Study and Review	
Track 1 Design Review/Study - Minor	$448 per application
Track 1 Design Review/Study - Major	$813 per application
Track 1 Design Rev/Study-Streamline	$203 per application
Track 1 Design Rev/Study - Referral to Planning Commission	$1,120 per application in addition to the base Track 1 fee
Track 1 Design Rev/Study-Referral to Historic Resources Board	$1,120 per application in addition to the base Track 1 fee
Track 2 Design Review - Minor	$2,360 per application
Track 2 Design Review - Major	$5,392 per application
Track 2 Design Rev - Major New Commercial Building	$2,438 per application plus a deposit determined by staff with charges at the fully allocated hourly rates for Project Planner
Preliminary Site Assessment	$1,183 per application
Volumetric Analysis	$135 per application plus $1,500 deposit with charges at the fully allocated hourly rates plus any outside costs.
Use Permit and Other Services	
Use Permit	$2,730 per application
Use Permit Amendment	$1,818 per application
Temporary Use Permit	$365 per application
Restricted Comm Use Transfer Request	$521 per application
Water Credit Transfer Request	$3,663 per application
Variance	$2,235 per application

Application/Permit Type	Fee
Pre-Application Review - Staff	$1,683 per application with 50% of this fee credited towards future planning fees for this project.
Preliminary Review - Planning Commission	$3,485 per application with 50% of this fee credited towards future planning fees for this project.
Coastal Dev. Permit - Development	$135 per application - Added to other Planning fees
Coastal Dev. Permit - Event	$1,417 per application
Tobacco Retail License	Current fee as adopted by the Monterey County Board of Supervisors
Amendments, Annexations, and Agreements	
Specific Plan/Specific Plan Amendment General Plan Amendment Sphere Of Influence Amendment Zoning Code Amendment	$5,210 deposit with charges at the fully allocated hourly rates plus outside costs
Annexation Development Agreement	$10,420 deposit with charges at the fully allocated hourly rates plus outside costs
Environmental Review, Maps, and Lot Lines	
Environmental Review (IS/ND/EIR)	Contract cost plus 10%
Environmental Notice of Exemption	$156 per application plus County fees
Mitigation Monitoring	$3,126 deposit with charges at the fully allocated hourly rates plus outside costs.
Tentative/Final Map	$4,168 deposit with charges at the fully allocated hourly rates plus any outside costs.
Amended Final Map	$1,042 deposit with charges at the fully allocated hourly rates plus any outside costs.
Certificate Of Compliance	$610 per application plus actual contract cost
Lot Line Adjustment/Subdivision - Planning Commission	$542 per application plus actual contract cost
Lot Merger - Staff Review	$938 per application plus actual contract cost
Historic Evaluation	
Prelim (Phase 1) Historical Evaluation - Staff	$474 per application
Phase 1 Historic Evaluation - Qualified Professional	$271 per application plus actual cost for Historian review with $1,500 deposit
Phase 2 Historic Evaluation-Historic Resources Board Review	$1,579 per application plus actual cost for Historian review with $1,500 deposit
Appeal To Historic Resources Board	$2,120 per application plus actual cost for Historian review with $1,500 deposit
Mills Act Contract Processing	$3,584 per application
Determinations, Extensions, and Appeals	
Planning Commission Code Determination	$1,214 per application
Zoning Compliance Determination	$573 per application
Time Extension - Staff	$313 per application
Time Extension - Planning Commission	$907 per application

Application/Permit Type	Fee
Time Extension - City Council	$1,099 per application
Public Hearing Continuance - Planning Commission	$886 per continuance
Public Hearing Continuance - Council	$938 per continuance
Appeal To Planning Commission	$2,084 per appeal - Appeal in the Coastal Zone
Appeal To City Council	$2,084 per appeal - Appeal in the Coastal Zone
Building Services	
Building Relocation	$1,938 per application
Large Family Day Care (Residential)	$761 per application
General Plan Update	3.5% of all Building & Safety permits
Planning Technical Assistance	Charge the fully allocated hourly rate for all personnel involved after 15 minutes.
Building Plan Check	Based on Building and Safety Construction Valuation
Building Inspection	Based on Building and Safety Construction Valuation
Building Re-Inspection	$146 per re-inspection
Permit Application Extension	$94 per extension (maximum of 4)
Permit Extension	$146 per extension (maximum of 2)
Building Permit Pre-Applic. Confer.	$318 per application
Building Single Trade Permit	$167 per permit
On-Site Driveway Permit	$271 per permit
Solar Plan Check/Inspection Permit	Plan Check - $318 Inspection - $135
Re-Roof Permit	$255 per permit
Building Board Appeal	$1,052 per appeal
Duplicate Inspection Card	$63 per card
Building Technical Assistance	Charge the fully allocated hourly rate for all personnel involved after 15 minutes.
Stop Work Investigation	$568 per investigation plus double the permit fee
Temporary Certificate Of Occupancy	$224 per application
Alternate Materials/Methods Review	$214 per application plus actual cost of City Staff for all time over one hour.
Building Phased Work Request	$302 per application
Landscape Plan Check/Inspection	$281 per plan/inspection
Building Technology Surcharge	$8 per permit
Encroachment Permit	
Temporary Encroachment Permit	$219 per permit
Permanent Encroachment Permit	Street Excavation - $766 per permit and $4.25/lineal foot

Application/Permit Type	Fee
	Other - $432 per permit and $4.25/lineal foot or $432 per permit and $2.13/lineal foot (aerial installation) Plus cost of damage to public right-of-way or street as determined by the Public Works Director.
Traffic control plan review/inspection	$370 per review plus $210 per each additional review
Use of credit card/ debit card	2.5% of charged amount

SOURCE: City of Carmel-by-the-Sea Fee Schedule Effective July 3, 2022 – June 30, 2023

In comparison with other jurisdictions in the County of Monterey, the fees in Carmel-by-the-Sea for new residential projects – both single-family and multi-family units – are generally in line. Table B-5, provides a comparison between the cities of Carmel-by-the-Sea and Pacific Grove, which are geographically, socioeconomically and demographically similar in size and types of residential development.

Table B-5 Comparison of the City of Carmel-by-the-Sea and the City of Pacific Grove Average Design Review Fees

Application Type(s)	Carmel-by-the-Sea	Pacific Grove
Staff Level Design/Counter Review	$448[1]/$813[2]	$230[3]/932[4]
Design Review/Architectural Permit – Single Family & Multi-Family	$2,360[5]/5,392[6]	$3,318[7]/$4,060[8]
Planning Commission/Historic Resources Board Referral or Appeal	$1,120 in addition to the base Track 1 fee	25 percent of base permit fee or $1,136 (whichever is greater)

SOURCE: City of Carmel-by-the-Sea Fee Schedule Effective July 3, 2022 – June 30, 2023; City of Pacific Grove Master Fee Schedule Fiscal Year 2022-23
NOTE:
1. Track 1 Design Review/Study - Minor
2. Track 1 Design Review/Study – Major
3. Counter Review & Determination – no new square footage
4. Counter Review & Determination - new square footage
5. Track 2 Design Review – Minor
6. Track 2 Design Review - Minor
7. Architectural Permit – Single Family
8. Architectural Permit – Multifamily four units or less
6. Architectural Permit – Single Family

The City is not a full-service municipality; several agencies and special districts levy fees on new development for the provision of basic urban services. These agencies and special districts include the following:

- California American Water (Cal-Am);
- Monterey Peninsula Water Management District;
- Carmel Unified School District;

- Carmel Area Wastewater District;
- Carmel Fire Department (service provided by contract with Monterey Fire Department; and
- Transportation Agency for Monterey County (TAMC).

Special district fees add to development costs in the City. Carmel is under the jurisdiction of the Monterey Peninsula Water Management District (water district) and receives its water from the California-American Water Company (Cal-Am).

Cal-Am charges non-refundable Connection Fees as determined by CPUC guidelines. The fee is based on the meter size which is as follows:

1. 5/8" Meter - $3,000 (single-family)
2. 1" Meter - $5,000 (small multi-family)
3. 1-1/2" Meter - $10,000 (large multi-family
4. 2" Meter - $16,000 (large volume requirement ex. hotel.)

The MPWMD has permit authority over the production and distribution of all water supplies within the Monterey Peninsula region, and allocates water supplies to cities and County areas within its jurisdiction. According to the water district, the City, as of June 2023, has a total available water allocation of 2.661-acre feet, which represents only three (3) percent of the water district's total available allocation across the district, which includes all of the Monterey Peninsula south to Carmel Valley and portions of the Santa Lucia Range. The current MPWMD permit fees are governed by the Fees and Charges Table (effective August 16, 2021) and start at $1,800 plus $90 per hour for more than 20 hours.

The Carmel Unified School District requires the payment of an impact fee of $0.49 per square foot for new residential construction. The school district does not offer any discounts for the payment of impact fees.

The Carmel Area Wastewater District charges a new residential connection fee of $8,242.66 and charges an annual rate of $1,005.94 for residential uses.

TAMC established a Regional Impact Fee (RDIF) program to address required mitigation for traffic impacts. Accessory Dwelling Units under 750 square feet are exempt from impact fees. Carmel-by-the-Sea is located with Zone 3: Peninsula/South Coast benefit zone and also subject to additional infill fee. Impact fees are calculated using an online spreadsheet and fees range from $4,599.04 for an Above Moderate single-family home, to $9,313.70 for a 5-unit Low-Income apartment to $28,161 for a 10-unit Above-Moderate condo or townhome. Impact fee discounts are applied to affordable units and are dependent on the affordability level.

Fees charged by these outside agencies vary according to project types and size and increase development costs. The City does not control fees for outside agencies; but outside agency fees are a constraint and add to the overall cost of development. See Table B-6, Estimates of Total Development Fees Imposed, below.

Table B-6 Estimate of Total Development Fees Imposed

	Single-Family*	Multi-Family (10 units)**
Planning permit fee (incl. CEQA)	$2,808	$6,205
Building Permit fee	$4,872	$9,872
Subtotal	$7,680	$16,077
MPWMD	$225	$2,250
CUSD	$980	$9,800
Cal-Am	$3,000	$5,000
CAWD	$8,242	$82,426
TAMC	$4,036	$283,425
Regional Fees Subtotal	$16,483	$382,901
Total Fees	$24,163	$398,978

*assumed $350K valuation and 2,000 sq. ft.
**assumed $5,000,000 valuation and 20,000 sq. ft.

City fees generally comprise approximately 30 percent of the cost of development of a single-family home and four (4) percent of the cost of a small multi-family development. Fees from other districts comprise the bulk of the costs for muti-family development. As part of the 6th Cycle Housing Element the City includes program 3.1.D Reduced Entitlement and Development Fees to lower costs for projects with affordable units.

Processing and Permit Procedures

The processing time needed to obtain development permits and required approvals varies depending on the scope of the project. The size of projects in Carmel-by-the-Sea is typically limited to the remodeling or construction of a single-family home, a minor commercial modification, or the construction of an accessory dwelling unit. The City strives to keep its permit procedures streamlined and processing times short. The Planning Division is the lead agency in processing residential development applications and coordinates the processing of those applications with other City departments such as the Building Safety Division and Public Works Department and other outside agencies as deemed appropriate, such as the fire and water districts.

Carmel-by-the-Sea has traditionally encouraged high architectural standards for new development. City zoning regulations require design review approval for any proposed additions to or the

construction of new single-family homes, duplexes or multi-family developments. However, accessory dwelling units are exempt from design review by state law and must only meet the location and development standards outlined by state law (Government Code section 65852.2).

Permit applications are generally processed in as an efficient manner as practical in Carmel-by-the-Sea. Although the Historic Resources Board, the Planning Commission, and the City Council only meet once a month, determination on a project is usually reached in one or two meetings (if the City Council is required to hear the matter). However, for Track 2 Design Study applications, the City does require applicants to take part in a Forest and Beach Commission if tree removal is proposed, as well as a separate Concept hearing and Final Details hearing with the Planning Commission prior to formal approval. There is no separate Design Review Board in Carmel, with the Planning Commission conducting design review. The typical processing time for Track 2 discretionary review is four to six months, depending on, whether tree removal or replacement is proposed, whether the property is deemed historic or eligible for historic listing, whether the property falls within the "Beach and Riparian Overlay" (Coastal Commission Appeal Jurisdiction), and whether the project requires a volume study or any other technical study be conducted. While this review procedure assists in achieving project acceptability and allows for neighborhood participation through multiple public hearings, the overall scale and level of complexity of review does provide a barrier to applicants without the financial resources and time to see a residential project through to completion.

However, the City does have a practice of moving projects with affordable housing ahead of other projects in the development processing queue when setting development review agendas. Due to Permit Streamlining law, this incentive is less powerful than it once was. However, it may reduce review time by as much as a month. Even this minor benefit attracts developer attention during pre-application meetings. Projects that include affordable housing are also expedited through the plan check process.

Carmel-by-the-Sea's development process can be summarized in the following nine steps. All of these steps may not be necessary depending on the nature of a project:

1. **Application Submittal** - The planning application submittal process begins when a developer, architect, property owner, or other applicant authorized by the property owner (Project Applicant) submits a development application, required fees, and application materials. Often times the developer will have met informally with the Planning Division to review the project and receive preliminary feedback on the proposal in advance of the formal project submittal.
2. **Plan Review** - After the application is received, it is routed to the relevant City Departments, including the Planning Division, Building Safety Division, Fire Prevention, and Public Works. A planner is assigned to serve as the liaison to the Project Applicant, helping to expedite the permit

process and coordinating the department reviews. During a 30-day review period for completeness, individual departments assess the completeness of the application, work with the Project Applicant to correct any project deficiencies, and prepare preliminary Conditions of Approval.

3. **Application Assessment** - The application is assessed for its compliance with the standards of the Zoning Code (Title 17 of the municipal code) as well as the City's Residential or Commercial Design Guidelines.
4. **Environmental Review** - A review of the environmental issues associated with the proposed project (as required by the California Environmental Quality Act) will also be completed during the Plan Review stage of the process.
5. **Forest and Beach Commission/Historic Resources Board** – If a project proposes to remove a significant tree(s), it will require review by the Forest and Beach Commission. If the property is a listed historic resource or has potential eligibility for listing as a historic resource, the project is required to be reviewed by the Historic Resources Board.
6. **Planning Commission/City Council Approval** - If a project is determined to require discretionary action, it will be scheduled for review by the Planning Commission. A Public Notice will be provided and all property owners within 300 feet of the project site will be notified by mail. After projects receive approval by the Planning Commission there is a ten-working-day appeal period during which the project may be appealed to the City Council. The City Council decision is final, unless the project is located within the Coastal Commission appeal jurisdiction. There are different levels of planning review/approval depending on the scope of work proposed.
7. **Plan Check** - After the project receives all required approvals, construction plans may be submitted to the Building Safety Division for a plan check for building permits. The plans will be routed to the City's Planning Division and Public Works Department. The project planner will review the plans for conformance with the Zoning Code, any required Conditions of Approval, and with plans approved by the Planning Commission or City Council. The Building Safety Division will verify that all building, fire, mechanical, plumbing and electrical code requirements are fulfilled in compliance with the California Code and other State requirements.
8. **Building Permit** - After the construction plans receive approval from the relevant departments, the Building Safety Division issues a building permit. Construction can begin after this point. Regular inspections are required throughout the construction process. The final inspection requires clearance from all relevant City departments and the Carmel Fire Department.
9. **Occupancy Permit** - Once the final inspection is complete, the developer needs to secure a certificate of occupancy. New buildings or structures cannot be used or occupied until the Building Official has issued a certificate of occupancy.

Table B-7 shows the typical processing time for a residential development application.

Table B-7 Review/Approval Requirements and Processing Times

Zoning District	Design Study	Use Permit	CDP[1]	Typical Processing Time[2]
R-1 Single-Family Residential District				
Single family residence	Yes	No	Yes	6-9 months
ADU (Subordinate Unit)	Yes	No	Yes	4-6 months
Guest house	Yes	Yes	Yes	4-6 months
Building sites exceeding 30 percent slope	Yes	Yes	Yes	6-9 months
R-4 Multi-Family Residential District				
Single family residences	Yes		Yes	6-9 months
Multi-family residences 0-22 units/acre	Yes		Yes	8-10 months
Multi-family residences 23-44 units/acre	Yes	Yes	Yes	8-10 months
Commercial Districts				
Multi-family residences 0-22 units/acre	Yes		Yes	8-10 months
Multi-family residences 23-44 units/acre	Yes	Yes	Yes	8-10 months
Public and Quasi-Public Districts (A-2 and A-3)				
Senior Citizen Housing	Yes	Yes	Yes	8-10 months

SOURCE: City of Carmel-by-the-Sea Community Planning and Building Department 2023
NOTE:
1. CDP – Coastal Development Permit – required for all projects that increase the height and/or floor area on an existing structure by 10 percent or more.
2. Includes time for building plan check

Single-family homes, duplexes and multi-family projects go through the same zoning compliance and design review process. The review and approval of multi-family projects typically takes longer due to the complexity of a more intense development and the myriad issues that need to be considered including adequate site servicing, design review, potential tentative map review, and the more active involvement of other departments and agencies outside of Planning. Although there is a high level of public input on some planning applications, Carmel-by-the-Sea's zoning standards and design review ordinance are fairly detailed. There is a level of certainty on behalf of the project applicants that if the project meets the standards and goals of the ordinances, the project will receive City support.

SB 35 Streamlining

Government Code section 65913.4 allows qualifying development projects with a specified proportion of affordable housing units to move more quickly through the local government review

process and restricts the ability of local governments to reject these proposals. The bill creates a streamlined approval process for qualifying infill developments in localities that have failed to meet their RHNA, requiring a ministerial approval process, removing the requirement for CEQA analysis, and removing the requirement for discretionary entitlements. Since the adoption of this section of the Government Code, the City has not received an application under these provisions.

As previously noted, the entire City is located within the California Coastal Zone and is therefore not subject to SB 35 (see Government Code Section 65913.4(6)). The City has included a program in the 6th Cycle Housing Element to address SB-35 if the law becomes applicable to Coastal Zone areas. The City will create a SB35 checklist and written procedures for processing SB35 applications to ensure efficient and complete application processing.

SB 10 Building Opportunities for All

SB 10 makes it easier for cities to zone for smaller, lower-cost housing developments of up to 10 units to address California's housing crisis. SB 10 provides tools for local governments to zone for up to ten homes per parcel in transit-rich areas, or urban infill sites. SB 10 maintains local control, as a local legislative body must pass a resolution to adopt the plan. The City has included a program in the 6th Cycle Housing Element to address SB-10 and encourage urban infill on large properties zoned single-family (R-1).

SB 9 California Housing Opportunity and More Efficiency (HOME) Act

SB 9, also known as the California Housing Opportunity and More Efficiency (HOME) Act, is a state bill that requires cities to allow one additional residential unit on parcels zoned for single-dwelling units. The City has not received any inquiries of interest for SB 9 lot splits and is not currently processing any SB 9 application.

On and Off-Site Improvement Standards

Since the City is largely built-out, all infrastructure, including curbs, gutters, sidewalks, streets and utilities are in place. Development of residential units involves hooking up to the existing utilities, which already exist in the right-of-way. All electrical distribution lines, telephone, cable television, and similar service wires or cables, which provide services to new development, are to be installed underground. Typical infrastructure costs in the CC, SC, RC, and R-4 districts are limited to sidewalk, curb, and gutter improvements, undergrounding of utility wires, stormwater drainage improvements, and landscaping. The City's Municipal Code does not contain requirements for subdivision off-site improvements. However, the Code includes a chapter on requirements related to streets, sidewalks, and public places.

Sidewalks

Construction of sidewalks is not required in residential areas of the City. If sidewalk construction is proposed, a permit is required. The proposal must show that the construction of the sidewalk or

walkway will preserve public safety, health or welfare, resolve a serious drainage problem, or that it would otherwise benefit the general public. The construction of the sidewalk or walkway must follow the natural contours of the land, and 50 percent or more of the sidewalk area in front of any building site must be retained in planting. It shall continue to be the policy of the City to avoid formal sidewalks in favor of meandering and unpaved footpaths where possible.

Driveways

Construction of a driveway requires a permit from the Department of Community Planning and Building in conjunction with the Director of Public Works and the Director of Forest, Parks and Beach.

Landscaping

Sidewalk street trees are encouraged by the City, with the City Forester determining the number of trees, species, and exact location. Sidewalk street trees should be located near the head of, and adjacent to, parallel parking spaces with the trunk of the tree located 4.5 feet back from the head of the parking space. For trees at the curb line there should be at least four feet between the trunk and the facing building or planters in front of the building. All tree planters are encouraged to be as large as possible so that additional landscaping can be incorporated into the planters.

The City also encourages including "mini-parks", which is a park that protrudes into the street from the curb line or is in the street. The design of mini-parks must be consistent with the standards in the Forest and Beach Management Plan.

Streets

The improved portion of residential streets in Carmel are narrow in width, 26 to 34 feet, with no gutters or sidewalks. This lack of formal development of streets throughout Carmel's residential neighborhoods has been a conscious effort on the part of residents to maintain a "village in a forest" atmosphere. As Carmel is a built-out city and new development will occur as infill or redevelopment on parcels within the established street grid, construction of new streets is not anticipated. Therefore, street standards will have no impact on the cost and supply of housing.

Parking Requirements

The City's parking requirements are generally in line with typical parking requirements. In the R-1 District, one (1) on-site parking space per dwelling must be provided on sites of 8,000 square feet or less in area and two (2) on-site parking spaces per dwelling on sites larger than 8,000 square feet in area. One (1) parking space must also be provided for each guesthouse. (CMC 17.10.030(F)(1)). R-1 zone sites with Class II accessory dwelling units (accessory dwelling units that are legal nonconforming units that were established prior to April 5, 1988) are required provide a minimum of one (1) parking space on-site at the time of approval. Upon enlargement or improvement of a Class II unit, one (1) parking space each for the primary dwelling on the site and for the accessory

dwelling unit are required. Improvements to accessory dwelling units are allowed even if one or both parking spaces encroaches into a setback. Accessory dwelling units built after 1988, or that were improved, are required to provide one parking space behind all setbacks for the accessory dwelling unit and are required to comply with all parking requirements established in Chapter 17.38 CMC, Off-Street Parking Requirements, for other development on the site. These parking standards are low enough to avoid posing a constraint to development. To the degree that these standards conflict with new state law regarding accessory dwelling units, they will be corrected as the City brings its ADU regulations into line with the most recent changes in state law (see the discussion above under the heading "Special Housing Topics").

Table B-8, summarizes off-street parking requirements as shown in Table A of 17.38.020, for all uses, projects, developments and redevelopments. New projects or developments shall only be allowed when meeting all parking requirements of this chapter and the requirements of any conditional use permit, subdivision approval or specific plan applicable to the property. Proposed uses within existing buildings may replace existing uses as long as any existing parking deficiencies on the property are not increased by the replacement. Proposed additions of floor area, new shops or dwelling units, or other similar changes in land use resulting in a net increase in parking requirements, as set forth in this chapter, shall provide all required parking generated by the new activities on the site.

Table B-8 Minimum Off-Street Parking Requirements

Land Use	Basis for Requirement	Land Use District Parking Factors			
		CC	SC	RC	R4
Permanent Residential Use	Spaces per Unit	1	1	1.5	1.5
Affordable Housing for Moderate-, Low- or Very Low-Income	Spaces per Dwelling Unit	½	½	½	½
Senior Housing, Cooperative Housing or Group Care Facilities	Spaces per Dwelling Unit	1/3	1/3	1/3	1/3
	Guest Spaces per Each Four Full Units	1	1	1	1
Nursing Home or Other Resident Care Facility	Spaces per Patient or Resident	N/A	1/3	1/3	1/3
Commercial Retail or Service Uses Not Otherwise Specified in This Table	Spaces per 600 Square Feet of Commercial Floor Area or per Business/Shop Space, whichever is Greater	1	1	1	1
SIC 701: Hotels and Motels	Spaces per Rental Unit, Including Manager's Unit	1	1	1	1

SOURCE: CMC 17.38.020(C) Table A: Minimum Parking Requirements

The City has adopted a reduced parking requirement from one space to one-half space per dwelling unit for developments that include affordable housing. Parking costs contribute significantly to the cost of development in Carmel-by-the-Sea and this flexibility often makes affordable housing more feasible.

Summary of Governmental Constraints

The governmental constraints to the development of affordable housing in Carmel-by-the-Sea are summarized below.

Lack of Water Resources

The primary infrastructure constraint to the development of housing in Carmel is the lack of potable water. The lack of a reliable available water supply continues to limit growth in Carmel and throughout the Monterey Peninsula region.

Location in the Coastal Zone

Carmel-by-the-Sea is located in the California Coastal Zone and is therefore subject to a host of regulations that are not present in communities outside the Coastal Zone. The presence of additional land use regulation via the Local Coastal Program, in general, means that housing development in Carmel-by-the-Sea faces a high bar to succeed. The additional hurdles presented by Coastal Zone regulations represent an additional layer of complexity to the City's already time-consuming review process.

City Design Review and Permit Processing

Architectural design is important in Carmel-by-the-Sea. The historic character of Carmel's built environment has been shaped by decades of careful and deliberative design review (referred to as "design study" in Carmel) that addresses such features as site design, architectural style, building materials, color palettes, fenestration, tree placement and landscaping. This attention to detail has resulted in a beautiful, forested village atmosphere that continues to capture the imagination of people from around the world who visit and even choose to make Carmel their home. The same design review process that has contributed to Carmel becoming a world-famous destination, however, has also impacted its ability to provide housing for lower-income households.

The City's design review (design study) process may be lengthy for projects involving significant trees, historic resources, and/or underdeveloped plans. The following are governmental bodies responsible for decision-making through the course of development review:

- Forest and Beach Commission if removal of a significant tree is proposed (one hearing);
- Historic Resources Board for historic properties and also for non-historic properties in the Conservation District (one hearing to ensure development is compatible with neighborhood context);

- Planning Commission: One hearing, minimum, for commercial and multi-family residential projects. Preliminary hearing/review for commercial/multi-family is optional but encouraged. Two hearings, minimum (one Concept hearing, one Final hearing) for single-family projects;
- City Council review on appeal; and
- Coastal Commission review on appeal (Coastal Zone Appeal jurisdiction only).

In addition, the City's permit process, which includes a use permit above 22 du /acre and includes both objective and subjective standards, could also pose as a constraint to developers, especially of multi-family affordable housing projects.

City Fees

The City's design review process may be financially prohibitive for lower income households and likely most affordable housing projects.

Parking Requirements

Parking is limited within Carmel-by-the-Sea. Off-street parking requirements can be prohibitive to building multi-family and affordable housing.

Commercial Overnight Visitor Accommodation

The Municipal Code Section 17.56.060 limits the total number of overnight visitor accommodations (hotel/motel/inn) units which increases the value of the use and acts as a disincentive to redevelop existing older non-conforming overnight visitor accommodations to refurbished permanent multi-family residences. The limit also acts as a disincentive to add on-site employee housing because scarce square footage is more valuable as an overnight visitor accommodation use rather than a residential use that serves lower-income employees.

The City will explore the development of a program to allow the transfer of development rights of overnight visitor accommodation located in key areas of the City and, the City will develop an Employee Housing Program.

Accessory Dwelling Units

The City of Carmel-by-the-Sea last updated it ADU ordinance in 2017, and therefore the City's regulations addressing ADUs are out of date. The City has included a new program in this 6th Cycle Housing Element to revise its Municipal Code to be consistent with ADU and JADU state law, and develop standardized ADU plans. The City is currently updating their ADU Ordinance to comply with recent changes to state law.

Manufactured Homes and Mobile Homes

A new program to amend the Municipal Code to clarify that manufactured homes and mobile homes are allowed as a permitted use in the R-1 zoning district is included in the Housing Element.

Use Permits

There are opportunities to reduce redundancies and facilitate residential construction while still enabling development to meet City regulations. Taking an overall critical look at the application of use permits, including application to increased densities for affordable multi-family residential projects, and removing this permit requirement where it does not add any necessary regulations will remove a regulatory constraint that adds to residential developer uncertainty, extends the permit entitlement process, and overall residential development costs. The 6th Cycle Housing Element includes a program to eliminate unnecessary use permits.

Transitional and Supportive Housing

The 6th Cycle Housing Element includes a program to update the Municipal Code to further clarify that transitional and supportive housing in the R-1 and R-4 zoning district are permitted uses.

Low Barrier Navigation Centers

A program has been included in the element to develop by-right procedures for processing low-barrier navigation centers.

Development Standards for Senior Housing

A program is included to address the lack of development standards in the A-2 zone in order to provide greater clarity and certainty to guide and future development design.

The primary governmental constraints and the 6th Cycle Housing Element programs to address them, are shown in Table B-9 on the following page.

The City's development regulations are consistent with California housing law, and the Zoning Code enables development of affordable housing. However, because housing production has been limited in Carmel-by-the-Sea, primarily due to lack of potable water, the Housing Element Update includes programs to further incentivize development activity. Depending on site-specific conditions - such as the presence of significant trees or historic resources and degree of incompleteness of submitted plans, some applicants may find the City's design review process to be lengthy. The City's review fees, while comparable with those of surrounding jurisdictions, can pose a barrier for applicants without sufficient financial resources.

Table B-9 Summary of Governmental Constraints

Governmental Constraint	Programmatic Action
Lack of Water Resources The primary infrastructure constraint to the development of housing in Carmel is the lack of potable water.	Program 1.2.A: Water Distribution Program 4.1.A: Water Conservation
Location in the Coastal Zone Carmel-by-the-Sea is located in the California Coastal Zone and is therefore subject to a host of regulations that are not present in communities outside the Coastal Zone.	Program 3.1.G: Housing Priority Overlay Zoning District
City Design Review and Permit Processing The historic character of Carmel's built environment has been shaped by decades of careful and deliberative design review (referred to as "design study" in Carmel) that addresses such features as site design, architectural style, building materials, color palettes, fenestration, tree placement and landscaping. The City's design review (design study) process can be lengthy, impacting the City's ability to provide housing for lower-income households.	Program 3.1.F: Expedited Processing Procedures Program 1.3.E: Amend A-2 Zoning District. Program 1.4.B: Objective Design Standards Program 2.2.A: Historic Preservation Educational Program Program 3.1.G: Housing Priority Overlay Zoning District Program 1.4.A: Eliminate Unnecessary Use Permits Program 1.3.C: Accessory Dwelling Units Program 1.3.F: Manufactured Homes on a Foundation System Program 3.1.B: Housing for Extremely-Low Income Households Program 3.3.B: Low-Barrier Navigation Centers
City Fees The City's design review and permitting process may be financially prohibitive for lower income households and likely most affordable housing projects.	Program 3.1.D: Reduced Entitlement and Development Fees Program 3.1.E: Reduced Parking Requirements
Parking Requirements Parking is limited within Carmel-by-the-Sea. Off-street parking requirements can be prohibitive to building multi-family and affordable housing.	Program 3.1.E: Reduced Parking Requirements
Commercial Overnight Visitor Accommodation	Program 1.3.B: Overnight Visitor Accommodation (Conversion) Development Transfer Rights Program 1.2.D: Overnight Visitor Accommodation – Employee Housing Program

B.3 Non-Governmental Constraints

State law (Government Code Section 65583(a)(6)) requires an analysis of potential and actual governmental and non-governmental constraints to the maintenance, improvement, and development of housing for all income levels. The Housing Element must identify ways, if any, to reduce or overcome these constraints in order to meet the City's housing needs.

Land Availability and Cost

Three primary factors contribute to high land costs on the Monterey Peninsula, and in Carmel-by-the-Sea in particular: 1) the area is considered a desirable place to live, 2) available land is in short supply and 3) land costs vary both between and within jurisdictions based on factors such as the

desirability of the location and the permitted density. According to the real estate website, Zillow, the typical land value for a single-family home is between $800,000 and $1.2 million in the city of Monterey, but between $1.5 million and $5 million in Carmel-by-the-Sea.

Due to the fact that land availability is limited within Carmel-by-the Sea and the City is largely built out, a number of programs have been created to creatively increase density and affordable housing potential within the City.

Construction Costs

Construction costs associated with housing development are generally comprised of both soft and hard costs. Soft costs for housing development include the cost of architectural, engineering, accounting, legal and other professional services, as well as the cost of obtaining permits and paying government-imposed fees. Carrying costs and the cost of construction financing can also be considered soft costs. Hard costs include the costs of labor and materials and can also include costs accumulated through permitting delays.

We're going to have to tell market-rate builders they're going to have to provide more money for our affordable housing quotient…we have got to subsidize it…take the people paying market rate and say, I'm sorry, if you want to live here you got to pay to play, and we put that money towards our affordable housing quotient and build something that makes sense

November 17, 2022 Housing Ad Hoc Committee Community Meeting Attendee

Hard costs are very high in Carmel-by-the-Sea, and both the high cost of labor and the high cost of materials could be considered constraints on housing development. Hard construction costs can vary significantly based on the varied and unique geographic conditions throughout the City. Hard costs can be higher than average in Carmel-by-the-Sea compared to Monterey County.

Hard and soft costs contribute significantly to the overall cost of developing new housing. High hard costs are difficult for an individual jurisdiction to mitigate.

Availability of Financing

As a stable and affluent community, private housing mortgage financing is readily available in Carmel-by-the-Sea. There are no mortgage-deficient areas in the City and no identifiable underserved groups in need of financing assistance. At the time this Housing Element was drafted, interest rates for homebuyers were increasing from a low of 2.75 percent in 2020 to almost 7 percent in 2023 for a fixed rate, 30-year mortgage. The current economic climate is uncertain and still affected by increasing inflation, the possibility of a recession, geopolitical tensions, businesses rebounding and responding to changes brought on by the COVID-19 pandemic, and ongoing supply chain disruptions; however, there are a number of ways to finance residential development in the City, some of which are outlined below.

Banks, Community Development Financial Institutions Fund (CDFIs), and state housing agencies

Banks, Community Development Financial Institutions Fund (CDFIs), and state housing agencies all play a role in providing affordable housing.

- **Banks** are regulated by the Community Reinvestment Act (CRA), which requires them to provide lending and services to all segments of their communities, including low-and moderate-income borrowers. Banks can meet their CRA requirements through a variety of activities, including making loans to affordable housing developers, providing grants to community development organizations, and investing in CDFIs.
- **CDFIs** are specialized financial institutions that provide loans, investments, and other financial services to low-income communities and individuals. CDFIs are often more flexible than traditional banks, and they can provide loans to borrowers who may not be able to qualify for financing from other sources.
- **State housing agencies**(SHAs) are government agencies that provide financial assistance for affordable housing development. SHAs can provide loans, grants, and tax credits to developers, and they can also help to promote affordable housing through public education and outreach programs.

Together, banks, CDFIs, and SHAs play a vital role in providing affordable housing. These organizations work to ensure that everyone has access to safe, decent, and affordable housing, regardless of their income. The California Housing Finance Agency (CalHFA) is a SHA that provides financing for affordable housing development in California. These organizations are essential partners in the fight to ensure that everyone has access to safe, decent, and affordable housing.

Housing Credits

Federal

The 4% and 9% LIHTC (Low-Income Housing Tax Credit) are federal tax credits that can be used to finance the construction or rehabilitation of affordable housing. The 4% credit is for the acquisition of existing buildings for rehabilitation and new construction financed by tax-exempt bonds. The 9% credit is generally for new construction and substantial rehabilitation with no federal subsidies. The amount of the credit is equal to 4% or 9% of the project's qualified basis, and it can be used to offset federal income taxes. The credit is claimed over a 10-year period.

The 9% LIHTC is more valuable than the 4% LIHTC, so it is typically used for larger projects. The 9% LIHTC is also more competitive, as there is a limited amount of 9% credits available each year. Both the 4% and 9% LIHTCs are important tools for financing affordable housing. They have helped to create millions of affordable housing units across the country.

State

State housing credit is a state-level program that provides tax credits to developers who build or rehabilitate affordable housing. The credits are similar to the federal Low Income Housing Tax Credit (LIHTC), but they are administered by state housing finance agencies (HFAs).

State HFAs allocate tax credits to developers through a competitive process. The credits are then sold to investors, who use them to offset their state income tax liability. The proceeds from the sale of the credits are used to finance the construction or rehabilitation of affordable housing.

State housing credit benefits both developers and low-income households. For developers, the credits provide a valuable source of financing that can help them make affordable housing projects financially feasible. For low-income households, the credits help to keep rents affordable.

Federal Home Loan Bank System

The Federal Home Loan Banks (FHLBs) are 11 regional banks that provide funding to financial institutions in all 50 states and U.S. territories. They were created by Congress in 1932 to help revitalize the housing market during the Great Depression.

FHLBs are cooperatively owned by their member institutions, which include community banks, credit unions, commercial banks, savings institutions, and insurance companies. These member institutions can borrow money from FHLBs at a discounted rate, which helps them to offer lower interest rates on mortgages and other loans to their customers.

In addition to providing funding, FHLBs also offer a variety of other services to their members, such as:

- Technical assistance on housing and community development
- Affordable housing programs
- Letters of credit
- Mortgage purchase programs

FHLBs play an important role in the U.S. housing market. They help to ensure that there is a steady supply of affordable mortgage credit available to borrowers, and they also support community development efforts.

Federal Home Loan Bank and Affordable Housing Program

The Federal Home Loan Bank (FHLB) Affordable Housing Program (AHP) is a grant program that provides funding for the creation and preservation of affordable housing. The AHP is funded by a 10% contribution from each FHLB's earnings.

The AHP can be used to finance the following types of affordable housing projects:

- **Owner-occupied housing:** The AHP can be used to finance the purchase, construction, or rehabilitation of owner-occupied housing for low-or moderate-income households.
- **Rental housing:** The AHP can be used to finance the purchase, construction, or rehabilitation of rental housing where at least 20% of the units are affordable for and occupied by very low-income households.
- **Mixed-income housing:** The AHP can be used to finance the purchase, construction, or rehabilitation of mixed-income housing where a portion of the units are affordable for low- or moderate-income households.

The AHP is a competitive program, and applications are typically reviewed on a quarterly basis. To be eligible for an AHP grant, a project must meet the following criteria:

- The project must be located in a low-or moderate-income census tract.
- The project must be affordable to low-or moderate-income households.
- The project must be developed by a qualified project sponsor.

The AHP is a valuable resource for developers of affordable housing. The program provides much-needed funding for the creation and preservation of affordable housing, and it helps to ensure that low-and moderate-income households have access to safe and affordable housing.

Housing First

Supportive housing is a type of housing that provides permanent, affordable housing with on-site supportive services to help people who are homeless or at risk of homelessness. The supportive services can vary depending on the needs of the individual or family, but they may include case management, mental health services, substance abuse treatment, job training, and education.

There are a variety of supportive housing subsidy programs available in the United States. Some of the most common programs include:

- **Housing Choice Vouchers (HCVs):** HCVs are a federal program that provides rental assistance to low-income households. HCVs can be used to rent apartments on the private market, and they can also be used to pay for supportive housing.
- **Veterans Affairs Supportive Housing (VASH):** VASH is a federal program that provides rental assistance and case management services to homeless veterans.
- **Rapid Re-housing:** Rapid Re-housing is a short-term program that provides rental assistance and case management services to help people who are homeless quickly find and maintain housing.

The Housing First approach to homelessness is a philosophy that emphasizes providing permanent housing to people who are homeless, regardless of their other needs. The Housing First approach has been shown to be effective in reducing homelessness and improving the lives of people who are homeless.

The supportive housing subsidy system in the United States is a complex system, but it is an important part of the Housing First approach to homelessness. The subsidy programs help to make supportive housing affordable for people who are homeless, and they help to ensure that people who are homeless have access to the supportive services they need to succeed.

Requests to Develop at Densities Below Those Permitted

New State Housing Element law now requires the non-governmental constraints analysis to evaluate developer requests to build at densities below the density identified in the Housing Element sites inventory. Carmel-by-the-Sea does not receive requests to develop below densities and this is not a constraint to development.

Small Lots and Large Units

Property within Carmel-by-the-Sea is typically smaller than a half-acre, which can be a constraint for housing production. Lot consolidation incentives may be a solution. Large multi-family units have become commonplace with recent housing proposals. Large units reduce the number of multi-family units overall, which decreases the housing variety available, and increases the number of expensive luxury housing options. A minimum density requirement is being proposed within the Housing Priority Overlay Zoning District for sites in the Central Commercial (CC), Service Commercial (SC), Residential and Limited Commercial (RC), and R-4 District.

Seasonal Vacancies

Carmel-by-the-Sea has a 50% vacancy rate of which 80% is attributed to seasonal vacancies, given the community's strong tourism industry. Second homeowners seeking seasonal homes skews the demand for housing, driving up rents and home prices and making it challenging for those working in Carmel-by-the-Sea to find available housing. Rising housing prices decrease the stock of housing affordable to those living or working in and around Carmel-by-the-Sea, further spurring the statewide housing shortage. Programs to address this issue are incorporated in the 6th cycle Housing Element and include encouraging Accessory Dwelling Units and establishing of an Affordable Housing Trust Fund which could be funded in part by a vacancy tax.

Length of Time between Application Approval and Building Permit Issuance

New Housing Element law now also requires an examination of the length of time between receiving approval for a housing development and submittal of an application for building permits. The time between application approval and building permit issuance is influenced by a number of

factors, none of which are directly impacted by the City. Factors that may impact the timing of building permit issuance include: required technical or engineering studies; completion of construction drawings and detailed site and landscape design; securing construction and permanent financing; and retention of a building contractor and subcontractors. Generally, building permits are submitted in a timely manner after planning entitlements; however larger projects have experienced longer timeframes given supply chain issues and labor shortages, neither of which the City controls.

Environmental Justice Element Requirement

An Environmental Justice Element or equivalent is not required for Carmel-by-the-Sea because no disadvantaged communities exist within the city's boundaries (as defined in Gov. Code, § 65302, (h)(4)(A)). "Disadvantaged communities" means an area identified by the California Environmental Protection Agency pursuant to Section 39711 of the Health and Safety Code or a low-income area that is disproportionately affected by environmental pollution and other hazards that can lead to negative health effects, exposure, or environmental degradation.

Environmental Constraints

Environmental constraints affecting housing include geologic and seismic conditions and fire hazards, which are a threat to the built environment. These constraints are discussed in detail below. However, the primary environmental constraint to the development of housing in Carmel-by-the-Sea is the limited water supply, as already discussed.

Fire Hazards

Carmel-by-the-Sea is often referred to as a "Village in the Forest," due to its extensive urban forest. The high density of structures within the Carmel residential areas and business district among numerous trees increases the fire hazard. In addition, the Pescadero Canyon, Del Monte Forest, and Mission Trails Nature Preserve, located adjacent to the City, introduce the possibility of a wildland fire. The currently adopted (October 2008) California Department of Forestry and Fire Protection (CAL FIRE) *Very High Fire Hazard Severity Zones in Local Responsibility Areas* (LRA) map for Carmel-by-the-Sea identifies a large area encompassing northern and eastern portions of the City as a Very High Fire Hazard Severity Zone. In such zones, roofs and exterior walls of new buildings must be made of noncombustible materials. It should be noted that all LRA maps across the state of California are undergoing updates and according to CAL FIRE are anticipated to be released sometime in 2024.

Obtaining insurance for structures is increasingly difficult given the Very High Fire Hazard Severity Zone, posing a constraint to residential development.

The City of Carmel-by-the-Sea is part of a regional coordination effort with other Monterey County cities, including Pacific Grove and Monterey. These neighboring agencies provide aid to each other on an as-needed basis. Fire protection for the City is provided by the City of Monterey Fire Department based out of the Carmel Fire Station located on 6th Avenue.

Emergency and Evacuation Planning

Emergency response is provided through coordinated efforts by the cities of Monterey, Pacific Grove, and Carmel. Emergency planning and evacuation pose many challenges for the City due to the precarious topography and narrow City roads. The General Plan Safety Element (both the currently adopted version and the updated Safety Element being prepared in conjunction with the 6th Cycle Housing Element) provides an in-depth analysis of emergency and evacuation planning and protocols, as well as scenario mapping and evacuation route mapping. City staff generally note that particularly in Carmel, where small lots make meeting egress requirements difficult at higher densities, incentivizing lot mergers in the commercial district will help address concerns and challenges associated with emergency and evacuation planning across the City.

Seismic

The entire California Coast and Coast Range area is prone to earthquakes. Based on history, the probability of a moderate or high magnitude earthquake occurring in the greater Monterey region in the next few decades is quite likely. Faults that could present hazards to Carmel-by-the-Sea during an earthquake event include the following active or potentially active faults: San Andreas, San Gregorio-Palo Colorado, Chupines, Navy, and Cypress Point. The San Andreas and San Gregorio faults are two dominant faults within the Monterey County region that are considered active with evidence of historic or recent movement.

While the seismic hazards cannot be eliminated, there are a number of regulations that reduce the impact of these hazards. The Alquist-Priolo Earthquake Fault Zoning Act was passed in 1972 to mitigate the hazard of surface faulting to structures for human occupancy, by preventing the construction of buildings used for human occupancy on the surface trace of active faults. The California Building Code includes provisions associated with engineering design and building requirements that address seismic hazards. In addition, the City of Carmel-by-the-Sea General Plan includes policies addressing hazards from seismic activity.

Tsunami

The City would be minimally affected by a moderate to extreme tsunami event. This can be accredited to coastal topography along Carmel's western boundary. The steep cliff, or a step-down in elevation between the Scenic Road and the beach, acts as a protective boundary during a tsunami event. However, low lying portions of Carmel-by-the-Sea are susceptible to inundation from tsunami, known as waves produced from a seismic event. Only the southern-most portion of the City and the low-lying Carmel Lagoon neighborhood (within unincorporated Monterey County) could be impacted if a 21-foot-high tsunami wave were to enter the Carmel River lagoon. Impacts from tsunami could include damage to improvements from wave inundation and from wave-carried debris.

Tsunami is a potential safety hazard as well as a hazard to property. The actual areas that will be impacted from a tsunami will vary depending on factors such as the size of the tsunami wave, tide level at the time of the tsunami, the wave source location and the wave direction. In general, areas adjacent to the shoreline that are below an elevation of approximately 15 to 20 feet above mean sea level appear to have a higher level of risk.

Flooding

Carmel is located on a sloping terrain that offers good storm water runoff into both the Pacific Ocean and the Carmel River. Only a small portion of the City's southern tip is designated as a FEMA 100- year Flood Zone. Carmel Beach is subject to flooding during high tide and beach sand is lost yearly during winter storms. The beach is clearly separated from adjacent roads and houses by a moderately steep hill. Due to that topographical feature, the coastal flooding rarely extends past the beach. There are several areas of the City, which have been identified in the City's general plan as being prone to localized flooding. The main area subject to localized flooding is located within the Mission Trail Nature Preserve. The Mission Trail site is owned by the City and used as a park, and the City recently approved a CDP to correct flooding issues within Mission Trails Nature Preserve. This use mitigates some of the damage that would normally result from the retention of water on the site and the City recently approved a Coastal Development permit to correct some flooding issues in this area.

The City's General Plan includes a Safety Element with policies and programs which address flooding (see policies P8-27 through P8-31). The Safety Element Update will also include and update where necessary the City's policies and programs related to flooding. The City's Municipal Code (Chapter 15.56 Community Floodplain) further addresses flood risks and hazards found in the City as well as identifying methods for reducing flood losses. In order to accomplish its purposes, this chapter of the municipal code includes regulations to:

1) Restrict or prohibit uses which are dangerous to health, safety, and property due to water or erosion hazards, or which result in damaging increases in erosion or flood heights or velocities;

2) Require that uses vulnerable to floods, including facilities which serve such uses, be protected against flood damage at the time of initial construction;

3) Control the alteration of natural floodplains, stream channels, and natural protective barriers, which help accommodate or channel floodwaters;

4) Control filling, grading, dredging, and other development which may increase flood damage; and

5) Prevent or regulate the construction of flood barriers which will unnaturally divert floodwaters or which may increase flood hazards in other areas. (Ord. 2018-03 § 1 (Exh. A § 4), 2018).

Coastal Erosion and Landslides

Erosion on sloped inland areas and at the shoreline (beach) has been a problem for much of Monterey County, including Carmel. The hazards due to erosion are difficult to separate from those due to flooding and landsliding. In some cases, erosion is a result of flood and landslide conditions; in others, rapid water runoff and landsliding can occur in areas subject to prolonged erosion. The preventive costs of erosion are generally included within flood control measures and the overall costs of hillside development. Adoption of the present state of the art procedures for erosion prevention in hillside areas will, in most cases, eliminate losses.

Losses due to coastal erosion can be reduced most economically by avoiding construction in areas subject to severe erosion. Erosion of the beach bluffs is addressed in the City's Shoreline Management and Emergency Operations plans.

Summary of Non-Governmental Constraints

In summary, while Carmel-by-the-Sea is subject to the environmental constraints described above, the City's General Plan sets forth a series of actions to minimize these constraints. Carmel-by-the-Sea incorporates this information into its land use planning and development review processes. In an effort to continue to reduce constraints to housing development, the Housing Element Update includes specific policies and programs in Chapter 2 to reduce or eliminate non-governmental constraints to the extent feasible and practical.

The primary non-governmental constraints and the 6th Cycle Housing Element programs to address them are shown in Table B-10 below:

Table B-10 Summary of Non-Governmental Constraints

Non-Governmental Constraint	Programmatic Action
Land Availability and Cost Carmel-by-the-Sea's limited availability of land coupled with its desirable coastal location and world-renowned architecture has resulted in high cost of land and a lack of affordable housing. Some of the primary factors that have contributed to high land costs in Carmel-by-the-Sea are its, and limited availably of land.	Program 3.1.A: Mixed Use Affordable Housing Program 3.1.B: Overnight Visitor Accommodation (Conversion) Transfer of Development Rights. Program 1.1.C: Development on Small Sites Program 3.1.C: Density Bonus
Construction Costs Costs of labor and materials are very high in Carmel-by-the-Sea and could be considered constraints on housing development.	Program 3.1.C: Density Bonus
Availability of Financing	Program 2.1.D: Establish Affordable Housing Trust Fund Program 5.1.C: Shared Housing Information Program 5.1.B: Housing Choice Voucher Program Program 5.2.A: Support Community Organizations
Small Lots and Large Units	Program 3.1.G: Housing Priority Overlay Zoning District
Seasonal Vacancies	Program 2.1.D: Establish Affordable Housing Trust Fund

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Vacant and Available Sites

C

APPENDIX

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Appendix C
Housing Sites Inventory Analysis

C.1 Introduction

The Association of Monterey Bay Area Governments (AMBAG) forecasts that the two-county (Monterey and Santa Cruz) Monterey Bay Area will add 32,867 new households between 2020 and 2045[1]. For the eight-year time frame covered by this 6th Cycle Housing Element Update, the State Department of Housing and Community Development (HCD) has identified the region's housing need as 33,274 units. The total number of housing units assigned by HCD is separated into four income categories that cover housing types for all income levels, from very low-income households to above-moderate (market rate) housing. This calculation, known as the Regional Housing Needs Allocation (RHNA), is based on population projections produced by the California Department of Finance (DOF) as well as adjustments that incorporate the region's existing housing need. The adjustments result from recent legislation requiring HCD to apply additional adjustment factors to the baseline growth projection from the California Department of Finance, in order for the regions to get closer to healthy housing markets. To this end, adjustments focus on the region's vacancy rate, level of overcrowding and the share of cost burdened households, and seek to bring the region more in line with comparable ones. These new laws governing the methodology for how HCD calculates the RHNA resulted in a significantly higher number of housing units for which the Monterey Bay Area must plan compared to previous cycles.

C.2 Regional Housing Needs Allocation

AMBAG adopted its *Final 6th Cycle Regional Housing Needs Allocation Plan 2023-2031* on October 12, 2022. The plan was approved by HCD on November 8, 2022. For Carmel-by-the-Sea, the RHNA to be planned for this cycle is 349 units. Details are provided below.

RHNA Summary

Carmel-by-the-Sea's share of the regional housing need for the eight-year period from 2023 to 2031 is 349 units, which is a 1,125 percent increase over the 31 units required by the 2014 to 2023 RHNA. The housing need is divided into the four income categories of housing affordability. Table C-1 shows Carmel-by-the-Sea's RHNA for the planning period 2023 – 2031.

[1] Final 2022 Regional Growth Forecast, AMBAG, November 18, 2020

Table C-1 Carmel-by-the-Sea's Regional Housing Needs Allocation – 2023–2031

Income Group	Carmel-by-the-Sea Units	Percent	Monterey County Units	Percent	Monterey Bay Area Units	Percent
Extremely Low Income (<30% of AMI)	57	16.3%	2,206	10.9%	3,934	11.8%
Very Low Income (30% - 50% of AMI)	56	16.0%	2,206	10.9%	3,934	11.8%
Low Income (50%-80% of AMI)	74	21.2%	2,883	14.2%	5,146	15.5%
Moderate Income (80%-120% of AMI)	44	12.6%	4,028	19.8%	6,167	18.5%
Above Moderate Income (>120% of AMI)	118	33.9%	8,972	44.2%	14,093	42.4%
Total	349	100.0%	20,295	100.0%	33,274	100.0%

SOURCE: AMBAG 2021

NOTE: The Association of Monterey Bay Area Governments (AMBAG) Executive Board adopted the 2023-2031 Regional Housing Needs Allocation Plan (RHNA) on October 12, 2022 (Resolution No. 2022-24). The plan was approved by the California Housing and Community Development on November 8, 2022.

Progress to Date

The RHNA planning period for the 2023-2031 Housing Element (6th Cycle) is June 30, 2023 through December 15, 2031. The statutory adoption date for the 6th Cycle Housing Element is December 15, 2023—a full six months after the beginning of the planning period. To account for this discrepancy, the City of Carmel-by-the-Sea must account for the number of housing units permitted prior to adoption of the 6th Cycle Housing Element and apply these to the 2023-2031 RHNA. Accordingly, the units permitted in this period count toward the 2023-2031 planning period RHNA and are subtracted from the 6th Cycle RHNA. Table C-2 shows the City of Carmel-by-the-Sea's adjusted RHNA, which accounts for progress made prior to the adoption of the updated Housing Element document.

Table C-2 Carmel-by-the-Sea's Adjusted RHNA

	Very Low-Income Units	Low-Income Units	Moderate-Income Units	Above Moderate-Income Units	Total Units
2023–2031 RHNA	113	74	44	118	349
Units permitted between June 30, 2023 and December 31, 2023	TBD	TBD	TBD	TBD	TBD
Remaining RHNA					

SOURCE: City of Carmel-by-the-Sea, Community Planning & Building Department

C.3 Sites Inventory

The purpose of the sites inventory is to identify and analyze specific sites that are available and suitable for residential development in order to accommodate Carmel-by-the-Sea's assigned 349 housing units. The City isn't responsible for building the housing but creates the programs and policies to plan for where it should go and how many units could be on potential sites.

Figure C-1 shows an overview of the Sites Inventory Map that has been developed for Carmel-by-the-Sea's 6th Cycle Housing Element Update.

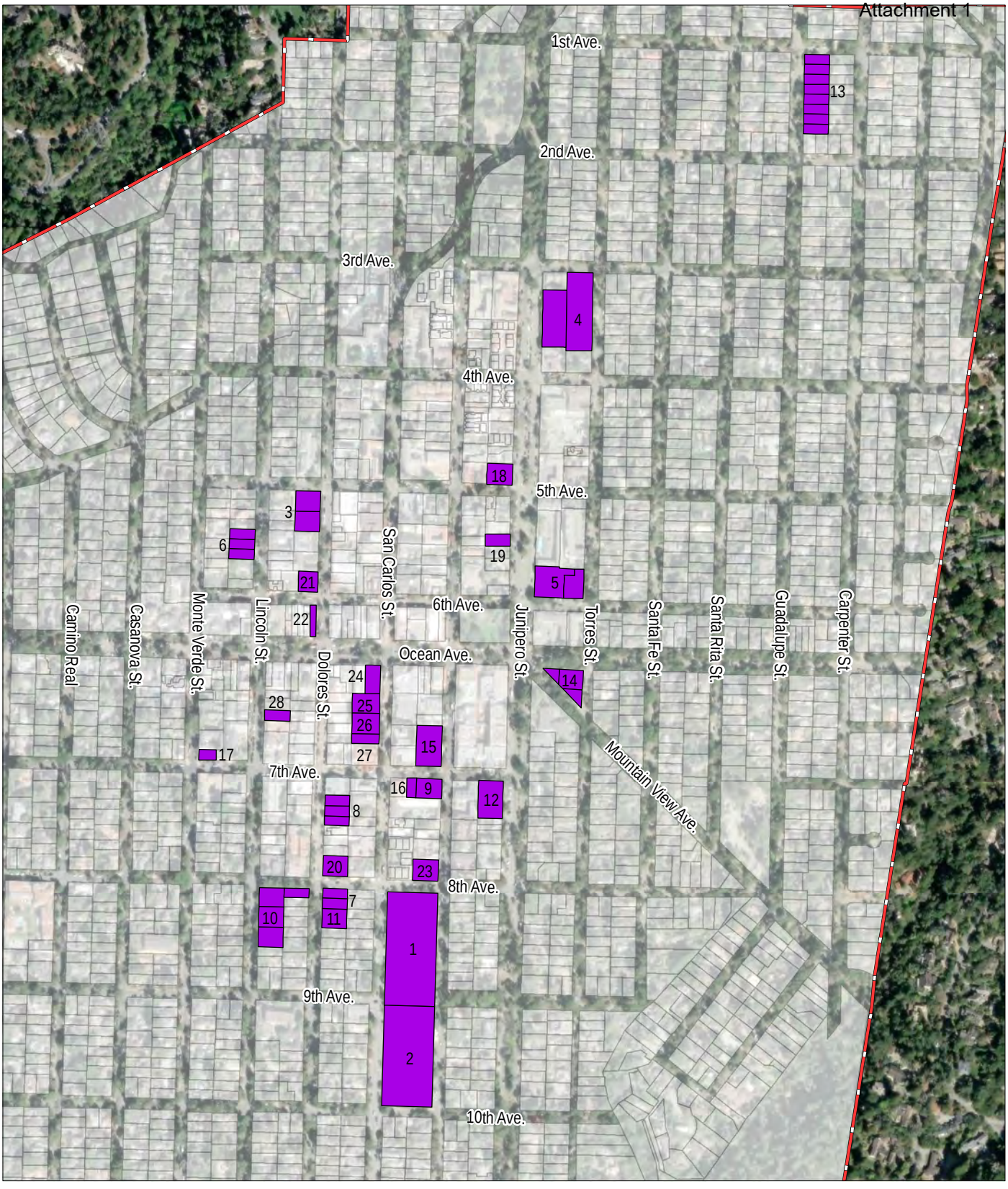
Key Housing Opportunities

This section provides details on vacant and underutilized sites that are available for housing development in the city. The City has identified 35 sites capable of accommodating 283 housing units. In addition, the City has developed a program of new incentives for 31 hotel owners in the community to provide on-site housing for lower-income hospitality employees. Finally, the City has an active accessory dwelling unit program capable of providing additional lower-income housing. Altogether, these housing resources have the potential to accommodate approximately 115 percent of Carmel's RHNA. Each of these opportunities is discussed in more detail below.

The City's estimate of the number of housing units that can realistically be developed on key housing opportunity sites is considered conservative. Beyond what is included with this list are 43 vacant single-family sites, zoned R-1 capable of accommodating 43 market-rate housing units, all of which were previously identified in Carmel's 5th Cycle Housing Element. These sites will act as an additional buffer of potential housing unit capacity.

Primary Underutilized Sites

The City has identified 21 underutilized sites capable of accommodating 248 lower-income and market-rate housing units. Eight of the total 21 primary underutilized sites were identified in the 5th Cycle Housing Element, all of which were identified at the time as having the highest probability of developing should adequate water resources become available during the planning period. Achieving this level of construction on the sites identified as primary underutilized sites would be dependent on a number of factors, including an adequate water supply, market conditions, construction costs, etc. The City has recognized that certain factors are beyond its control, however the permit review process can be improved. Therefore, new programs have been included in this 6th Cycle Housing Element update to permit redevelopment of all of underutilized sites identified herein. Examples include removing the need for a conditional use permit and establishing a minimum density for multi-family housing.



Source: ESRI 2023, Google Earth 2023

Figure C-1

Site Inventory Map

Carmel Housing & Safety Element Update

The capacity estimate for these primary underutilized sites is supported, in part, by a 2023 housing feasibility study undertaken by the City in preparation for the City's 6th Cycle Housing Element update.[2] This study provided an in-depth analysis of the redevelopment potential for the first 16 primary underutilized sites (the January 2023 feasibility study is attached in its entirety as Appendix F).

A one-page description of each primary underutilized site, including a photograph of the site, is presented in the following section. The information provided for sites 1 through 16 has been excerpted directly from the 2023 feasibility study.

[2] ECO Northwest, January 27, 2023. "Housing Element Analysis for the City of Carmel by-the-Sea."

Site #1: Sunset Center North & South Lots Site

Location: East Side of San Carlos between 8th & 10th Avenues (APN: 010-143-001)

Number of Housing Units: 33

Description: The north lot at Sunset Center is a large (1.02 acre) parking lot with no improvements other than paving. The south lot is 1.84 acres. Both sites are City-owned. The City has expressed interest in redevelopment of the parking lots so long as parking needs for Sunset Center could be accommodated in the development program. A design competition could be one way to entice local architects to partner with non-profit affordable housing developers.

Figure C-2 shows a photograph of the north parking lot at the Sunset Center.

"I live near the Sunset Center. I would love to see that made into a usable space, and will completely support your efforts to do that. So, go for it. Have courage and get this work done."

May 24, 2023 Housing Ad Hoc Committee Community Meeting Attendee

Figure C-2 Sunset Center Lots Site (Site #1)

Site #2: Sunset Center South Lot Site

Location: East Side of San Carlos between 8th & 10th Avenues (APN: 010-143-001)

Number of Housing Units: 33

Description: The north lot at Sunset Center is a large (1.02 acre) parking lot with no improvements other than paving. The south lot is 1.84 acres. Both sites are City-owned. The City has expressed interest in redevelopment of the parking lots so long as parking needs for Sunset Center could be accommodated in the development program. A design competition could be one way to entice local architects to partner with non-profit affordable housing developers.

Figure C-2 shows a photograph of the north parking lot at the Sunset Center.

Figure C-3 Sunset Center South Lot (Site #2)

Site #3: Ulrika Plaza Site

Location: Southwest Corner of Dolores Street & 5th Avenue (APN: 010-138-003, -021)

Number of Housing Units: 12

Description: The 0.37-acre Ulrika Plaza site, was previously entitled as a mixed-use building. The initial developer lost the project for financial reasons and it was acquired by another developer. This developer is in the process of obtaining entitlements for a new mixed-use development program that includes 12 market-rate apartment units. The site is a case study of a development not building to maximum density, and not including affordable units.

Figure C-4 Ulrika Plaza Site (Site #3)

Site #4: City Public Works (Vista Lobos) Site

Location: West Side of Torres Street between 4th & 5th Avenues (APN: 010-104-001, -004)

Number of Housing Units: 42

Description: This is a City-owned site totaling 1.28 acres at the northeast end of the commercial district. The site is a large parking lot with low value improvement used for public parking. The City has expressed interest in using the site for housing if feasible. Potential height restrictions due to a protected viewshed to Point Lobos (see CMC 17.12.050) could limit achievable density and feasibility, though opportunities exist to cut into the slope at street grade.

Figure C-5 City Public Works (Vista Lobos) Site (Site #4)

Site #5: Bruno's Market Site

Location: North Side of 6th Avenue between Junipero Avenue and Torres Street (APN: 010-095-012, -013)

Number of Housing Units: 17

Description: This site is two adjacent parcels totaling over 0.53 acres under the same ownership. The site includes a parking lot that leads to low lot coverage. It also scores in the top tier for land-to-improvement ratio.

Figure C-6 Bruno's Market Site (Site #5)

Site #6: First Church of Christ Parking Lot Site

Location: Lincoln Street 2 Northwest of 6th Avenue (APN: 010-212-026, -027, -004)

Number of Housing Units: 9

Description: This site is a parking lot used by the First Church of Christ. It is three separate parcels totaling 0.28 acres. In 2020, the State of California passed AB 1851. This bill makes it easier for religious institutions to convert excess parking to affordable housing by prohibiting a local agency from requiring the replacement of religious-use parking spaces that a developer of a religious institution affiliated housing development project proposes to eliminate as part of that housing development project. Because the current owner is a mission-driven organization, it's possible they may subsidize affordable housing construction and management. The City intends to implement SB-10 for this site (see Program 1.3.I in Chapter 2).

Figure C-7 First Church of Christ Parking Lot Site (Site #6)

Site #7: Red Cross Site

Location: Southeast Corner of Dolores Street & 8th Avenue (APN: 010-144-015, -016)

Number of Housing Units: 6

Description: This site includes two adjacent parcels owned and used by the American Red Cross. Collectively the site is 0.18 acres. Because the site is owned by a nonprofit organization it does not have Assessor's values to calculate redevelopment metrics. However, site inspection confirms a low intensity use. It's possible that this site could be combined with the American Legion site (#11) to yield a larger affordable housing project. Because the current owner is a mission-driven organization, it's possible they may be a willing partner if they can find an alternative for their current operations. The City intends to implement SB-10 for this site (see Program 1.3.I in Chapter 2).

Figure C-8 Red Cross Site (Site #7)

Site #8: JB Pastor Building

Location: Southeast Corner of Dolores Street & 8th Avenue (APN: 010-145-012, -023, -024)

Number of Housing Units: 8

Description: This site includes three adjacent parcels in single-ownership (Esperanza Carmel). Collectively the site is 0.27 acres. Esperanza has presented a development proposal on the site for eight (8) market-rate apartment units.

Figure C-9 JB Pastor Site (Site #8)

Site #9: Girl Boy Girl

Location: Southwest Corner of Mission & 7th Avenue (APN: 010-420-010)

Number of Housing Units: 5

Description: This 0.18-acre site currently accommodates a clothing boutique in a single-story commercial building. Half of the site is comprised of a parking lot, which leads to low lot coverage and a land-to-improvement ratio above 1.5. The property owner has indicated interest in developing housing to replace the underutilized parking lot and to retain existing mixed-use brick building.

Figure C-10 Girl Boy Girl Site (Site #9)

Site #10: Carmel Foundation Site

Location: Northeast corner Lincoln & 8th (APN: 010-149-001, -010, -011, -012)

Number of Housing Units: 20

Description: The Carmel Foundation is the primary provider of affordable housing in Carmel. Their administrative offices/campus headquarters include four parcels totaling 0.62 acres. This site does not score high on land-to-improvement ratio but scores in the top tier of value per-square-foot. This site is being considered as a candidate because the Carmel Foundation is a mission-driven organization and interviews with leadership indicate that if they can accommodate their administrative functions and programming off-site, they would consider redeveloping their property for affordable housing. Senior housing is a permitted use in this zone. The City may otherwise implement SB-10 for this site (see Program 1.3.I in Chapter 2).

Figure C-11 Carmel Foundation Site (Site #10)

Site #11: American Legion Site

Location: Dolores Street 2 Southeast of 8th Avenue (APN: 010-144-014)

Number of Housing Units: 5

Description: This American Legion site is approximately 0.18 acres that is immediately south of and adjacent to the Red Cross Site (Site #7). This site was not included in the RHNA 5 inventory. City staff have identified this site because it is underutilized and owned by a quasi-public organization. The mission driven organization has indicated an interest in developing affordable veteran's housing. It's possible that this site could be combined with the Red Cross site to yield a larger affordable housing project. The City intends to implement SB-10 for this site (see Program 1.3.I in Chapter 2).

Figure C-12 American Legion Site (Site #11)

Site #12: AT&T Building

Location: Southwest corner of Junipero & 7th (APN: 010-087-012)

Number of Housing Units: 11

Description: This site is approximately 0.35 acres and consists of a single building. The existing owner is AT&T, and the use is unknown. The site was not included in the RHNA 5 inventory. This R-C zoned site could be fully redeveloped to accommodate at least 11 housing units with a minimum density of 33 dwelling units per acre, within the housing overlay zone (see Program 3.1.G in Chapter 2).

Figure C-13 AT&T Building Site (Site #12)

Site #13: Carmel Resort Inn Site

Location: East Side of Guadalupe Street between 1st & 2nd Avenues (APN: 010-021-014, -013, -012, -011, -030, -031, -032, -033)

Number of Housing Units: 8

Description: This site is approximately 0.74 acres and consists of 8 single-family lots of record. The existing use is the Carmel Resort Inn. The site was not included in the RHNA 5 inventory. The current ownership has expressed interest to the City in reducing the footprint of this R-1 District hotel to accommodate the construction of 8 new single-family homes. Two of the eight homes were recently entitled and two additional homes are currently under review.

Figure C-14 Carmel Resort Inn Site (Site #13)

Site #14: Forest Cottages Specific Plan

Location: Northeast corner of Ocean & Mountain View (APN: 010-085-003, -004, -005)

Number of Housing Units: 6

Description: This site is approximately 0.30 acres and has an adopted Specific Plan to enable a total of 6 units within this R-1 zone, which includes two low-income units.

Figure C-15 Forest Cottages Specific Plan (Site #14)

Site #15: NW Corner Mission & 7th Site

Location: Northwest Corner of Mission Street & 7th Avenue (APN: 010-141-003)

Number of Housing Units: 12

Description: This site is approximately 0.37 acres. The existing uses include multi-tenant retail shops and a restaurant across multiple single-story commercial buildings. The site was included in the RHNA 5 inventory. The property owner has expressed interest to add second-story residential uses to the site. Inclusion with the housing overlay zone (see Program 3.1.G in Chapter 2) would support twelve (12) units at this site. The site was previously used in the RHNA 5 inventory. Lower-income units are not assumed for this site because it is less than a half-acre in size.

Figure C-16 NW Corner Mission & 7th Site (Site #15)

Site #16: First American Title Site

Location: 7th Avenue 2 Southwest of Mission Street (APN: 010-142-013)

Number of Housing Units: 2

Description: This small site is approximately 0.07 acres, currently underdeveloped with a small commercial building. A second-story addition with a minimum of two (2) units could be built at 33 dwelling units per acre, as supported with the housing overlay zone (see Program 3.1.G in Chapter 2). The site was previously used in the RHNA 5 inventory. Lower-income units are not assumed for this site because it is less than a half-acre in size.

Figure C-17 7th 2 SW of Mission Site (Site #16)

Site #17: NE Corner Monte Verde & 7th Site

Location: Northeast Corner of Monte Verde Street & 7th Avenue (APN: 010-191-004)

Number of Housing Units: 2

Description: This small site is approximately 0.07 acres. The property is currently significantly underdeveloped. The building is currently used as office space. A second-story addition or full redevelopment could result in a minimum of two (2) units at 33 dwelling units per acre, as supported with the housing overlay zone (see Program 3.1.G in Chapter 2). The site is in a transition zone from Central Commercial to Single-Family Residential with a hotel to the north (that was originally constructed as apartments) and an apartment complex to the south. The site was previously used in the RHNA 5 inventory. Lower-income units are not assumed for this site because it is less than a half-acre in size.

Figure C-18 NE Corner Monte Verde & 7th Site (Site #17)

Site #18: Yafa Building Site

Location: Northwest Corner of Junipero & 5th Avenues (APN: 010-097-007)

Number of Housing Units: 5

Description: This is a corner lot site totaling 0.18 acres. The existing use is a parking lot and single-story commercial building. A second-floor addition or full redevelopment could yield five (5) units at 33 dwelling units per acre, as supported with the housing overlay zone (see Program 3.1.G in Chapter 2). The site was included in the RHNA 5 inventory. Lower-income units are not assumed for this site because it is less than a half-acre in size.

Figure C-19 Yafa Building Site (Site #18)

Site #19: Three Garages Site

Location: Southwest of Junipero between 5th & 6th (APN: 010-098-004)

Number of Housing Units: 3

Description: This site equals 0.11 acres and was previously used in the RHNA 5 inventory. The site is currently used for parking, including three attached garages. Neighboring structures are multi-story. A minimum of 3 units could be built at 33 dwelling units per acre, as supported with the housing overlay zone (see Program 3.1.G in Chapter 2). Lower-income units are not assumed for this site because it is less than a half-acre in size.

Figure C-20 Three Garages Site (Site #19)

Site #20: Carmel Realty Office Site

Location: Northeast Corner of Dolores Street & 8th Avenue (APN: 010-145-008)

Number of Housing Units: 6

Description: This site is a 0.18-acre corner-lot parcel that is currently owned and used for office space by Carmel Realty. It is a single-story structure with low lot coverage and is surrounded by two-story structures to the north and east. Six (6) units could be built at 33 dwelling units per acre, as supported with the housing overlay zone (see Program 3.1.G in Chapter 2). The site was previously used in the RHNA 5 inventory. Lower-income units are not assumed for this site because it is less than a half-acre in size.

Figure C-21 Carmel Realty Office Site (Site #20)

Site #21: Parashis Building

Location: NW Corner Dolores & 6th (APN: 010-138-006)

Number of Housing Units: 4

Description: This site is a 0.13-acre parcel that the property owner has indicated an intention to fully redevelop. It is a single-story structure that neighbors a two-story structure to the west. Four (4) units could be built at 33 dwelling units per acre, as supported with the housing overlay zone (see Program 3.1.G in Chapter 2). The site was previously used in the RHNA 5 inventory. Lower-income units are not assumed for this site because it is less than a half-acre in size.

Figure C-22 Parashis Building Site (Site #21)

Site #22: The Agency Site

Location: NW Corner Ocean & Dolores (APN: 010-139-001)

Number of Housing Units: 2

Description: This site is a 0.09-acre corner-lot parcel that is currently used as retail space by the property owner. It has low lot coverage and is a single-story structure that is surrounded by two-story structures to the west, and across the street to the east. The site was previously used in the RHNA 5 inventory. Lower-income units are not assumed for this site because it is less than a half-acre in size.

Figure C-23 The Agency Site (Site #22)

Site #23: Sunset Terrace Site

Location: NW Corner Mission & 8th (APN: 010-142-006)

Number of Housing Units: 6

Description: This site is a 0.19-acre corner-lot parcel and the property owner has indicated an intention to convert the existing office space into housing units. The site includes both a single-story and a two-story structure. A minimum of six (6) units could be built at 33 dwelling units per acre, as supported with the housing overlay zone (see Program 3.1.G in Chapter 2). The site was previously used in the RHNA 5 inventory. Lower-income units are not assumed for this site because it is less than a half-acre in size.

Figure C-24 Sunset Terrace Site (Site #23)

Site #24: Enzo's Site

Location: San Carlos 2 SW of Ocean (APN: 010-146-001)

Number of Housing Units: 4

Description: This site is a 0.15-acre corner-lot parcel adjacent to the Doud Arcade site (#25) and includes frontage on Ocean. It is a single-story structure that could either be fully redeveloped or receive a second-floor addition. Four (4) units could be built at 33 dwelling units per acre, as supported with the housing overlay zone (see Program 3.1.G in Chapter 2). The site was previously used in the RHNA 5 inventory. Lower-income units are not assumed for this site because it is less than a half-acre in size.

Figure C-25 Enzo's Site (Site #24)

Site #25: Doud Arcade Site

Location: San Carlos 2 SW of Ocean (APN: 010-146-002)

Number of Housing Units: 5

Description: This site is a 0.13-acre mid-block parcel that the property owner has indicated an intention to construct housing as a second-story addition to the site. The Doud Arcade is a single-story structure. A minimum of five (5) units could be built at 33 dwelling units per acre, as supported with the housing overlay zone (see Program 3.1.G in Chapter 2). The existing building would likely remain on the site. The site was previously used in the RHNA 5 inventory. Lower-income units are not assumed for this site because it is less than a half-acre in size.

Figure C-26 Doud Arcade Site (Site #25)

Site #26: Paseo San Carlos Square Site 1

Location: San Carlos 2 NW of 7th Ave (APN: 010-146-003)

Number of Housing Units: 5

Description: This site is a 0.18-acre It has low lot coverage and is a single-story structure that is surrounded on by two-story structures to the west, and across the street to the east. The existing building would likely remain on the site. A minimum of five (5) units could be built at 33 dwelling units per acre, as supported with the housing overlay zone (see Program 3.1.G in Chapter 2). The site was previously used in the RHNA 5 inventory. Lower-income units are not assumed for this site because it is less than a half-acre in size.

Figure C-27 Paseo San Carlos Square Site (Site #26)

Site #27: Paseo San Carlos Square Site 2

Location: San Carlos 2 NW of 7th Ave (APN: 010-146-004)

Number of Housing Units: 2

Description: This site is a 0.09-acre mid-block narrow site with a single-story structure. The existing building could remain with a second-story addition, or full redevelopment may occur. A minimum of two (2) units could be built at 33 dwelling units per acre, as supported with the housing overlay zone (see Program 3.1.G in Chapter 2). The site was previously used in the RHNA 5 inventory. Lower-income units are not assumed for this site because it is less than a half-acre in size.

Figure C-28 Paseo San Carlos Square Site 2 (Site #27)

Site #28: Carmel Office Supply & Business Center

Location: Lincoln SE of Ocean (APN: 010-147-010)

Number of Housing Units: 2

Description: This site is a 0.09-acre parcel that the property owner has indicated an intention to add a second story. It is a single-story structure that neighbors a two-structure to the south. A minimum of two (2) units could be built at 33 dwelling units per acre, as supported with the housing overlay zone (see Program 3.1.G in Chapter 2). The site was previously used in the RHNA 5 inventory. Lower-income units are not assumed for this site because it is less than a half-acre in size.

Figure C-29 Carmel Office Supply & Business Center (Site #28)

Housing Variety

In compliance with Government Code Section 65583 and 65583.2, which require the Housing Element to provide for a variety of housing types including multifamily rental housing, factory-built housing, mobile homes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing, the City has expanded possible options for property owners to develop housing units.

For instance, the following approaches will enable a variety of housing to be constructed, rehabilitated, converted, or added to an existing single-story structure:

- Zoning changes included with programs in Chapter 2 incentivizes existing overnight visitor accommodation sites to be converted into multi-family housing units.
- City property, which has the highest likelihood of including lower-income units, will provide additional multi-family opportunities.
- By exercising Senate Bill (SB) 10, the City will enable multi-family units within otherwise single-family zoned neighborhoods. Figure C-30 demonstrates a variety of housing typologies anticipated with the narrative description of the Sites Inventory described in Section C-3.

Employee Housing at Local Hotels

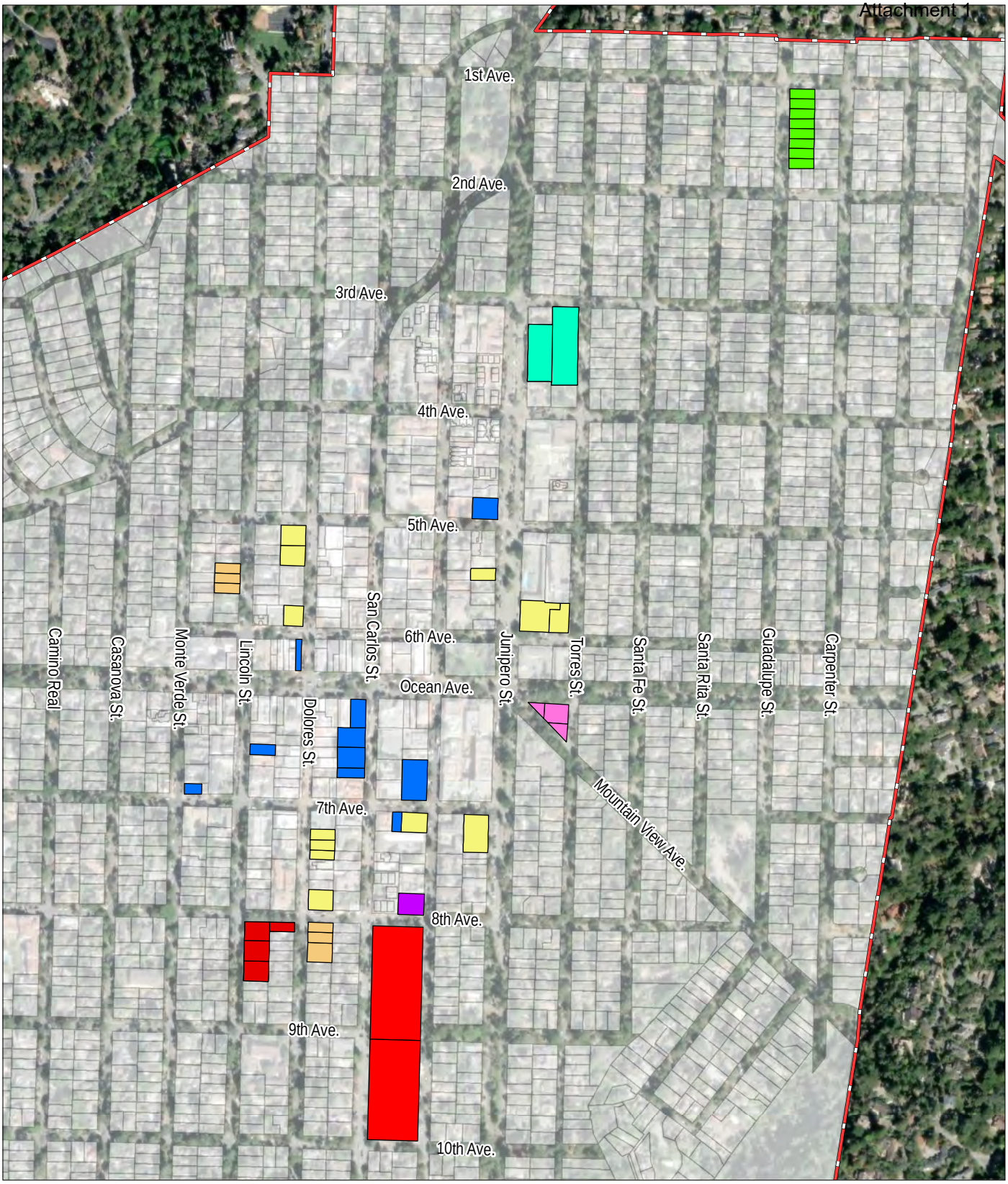
As mentioned above, the City of Carmel-by-the-Sea has included a new program in this 6th Cycle Housing Element update to incentivize hotels to provide on-site affordable housing for hospitality employees in exchange for an additional hotel unit. As there are 46 hotels in the City, this program has the potential to add at least 31 moderate- and lower-income units to the City's housing stock.

Accessory Dwelling Units (ADUs and Junior ADUs)

Based on HCD's Annual Progress Report Dashboard, between 2018 and 2022, Carmel received 33 permit applications for new ADUs, approved/entitled 30 applications, issued building permits for 13 ADUs, and finaled 1 ADU. However, the Community Planning & Building Department reports that over the 5.5-year period between 2017 and June 2023, 7 permit applications for ADUs are actively in review, 11 permits have been approved but have not yet started construction, and 33 ADUs are currently under construction. Since 2017, 24 ADUs have completed construction. Based on the number of ADUs approved and under construction (44 total) plus the number that have completed construction (24), the City has averaged 12 ADUs per year over the last 5.5 years. Using the 30 ADU number of units permitted between 2018 and 2022, extrapolated to the eight-year planning period for the 6th Cycle Housing Element update, this equates to 48 units.

Additionally, property owners with existing ADUs constructed between the 1920s and 1980s have received building permits for remodeling of their ADUs, bringing them up to current building code standards. The City is also seeing new ADUs combined with new home construction.

Lastly, the Community Planning & Building Department actively encourages property owners with existing guest houses to convert them into ADUs by adding a kitchen.



Source: Monterey County GIS 2023, Google Earth 2023

Figure C-30

Housing Types and Affordability

Carmel Housing & Safety Element Update

Based on the City's permit history and active support for ADUs, as well as the continued interest by property owners in rehabilitating existing ADUs and constructing new ADUs, it is reasonable to estimate a potential capacity of 34 ADUs over the 8 year Planning period. Following the rule of thumb recommended by HCD, these 34 units have been distributed to very low-, low-, moderate-, and above moderate-income households as follows: 30 percent, 30 percent, 30 percent, 10 percent, respectively.

Table of Housing Resources

This section provides the formal inventory table of sites that the City of Carmel-by-the-Sea will rely on in the 6th Housing Element planning cycle. Per state law and Housing Program 3.3 (see Chapter 2 of this 6th Cycle Housing Element), the City is required to maintain "no net loss" of the housing capacity represented by this list of parcels and the sites they comprise. To facilitate this, the inventory presented below has been designed with 33 percent buffer, not including opportunities for Overnight Visitor Accommodation sites and vacant single-family sites. This allows some degree of flexibility in decision making for individual development projects as they come forward for approval by the Planning Commission.

In short, with some limited flexibility, the City is committed to permitting housing on each of the parcels listed in the table below, and in doing so, ensuring that the number of units listed for each parcel in the table--"planned capacity"—is achieved. Should the City approve development that is below the parcel's planned capacity, it is then required as part of that approval to:

- Find, based on quantitative evidence, that the remaining inventory of housing sites is still sufficient to meet the City's 6th Cycle RHNA; or
- Identify one or more available sites with the realistic development capacity to replace the housing that would have otherwise been developed had consistency with planned capacity been achieved.

Table C-3, Housing Sites Inventory, provides details and capacity estimates for each of the parcels that comprise the 33 housing sites identified in the sections above. Figure C-31, Housing Priority Overlay and Zoning shows the diversity of the Housing Sites' source zoning that has been assembled into the Overlay. Regulations included with the Overlay supersede the underlying zoning.

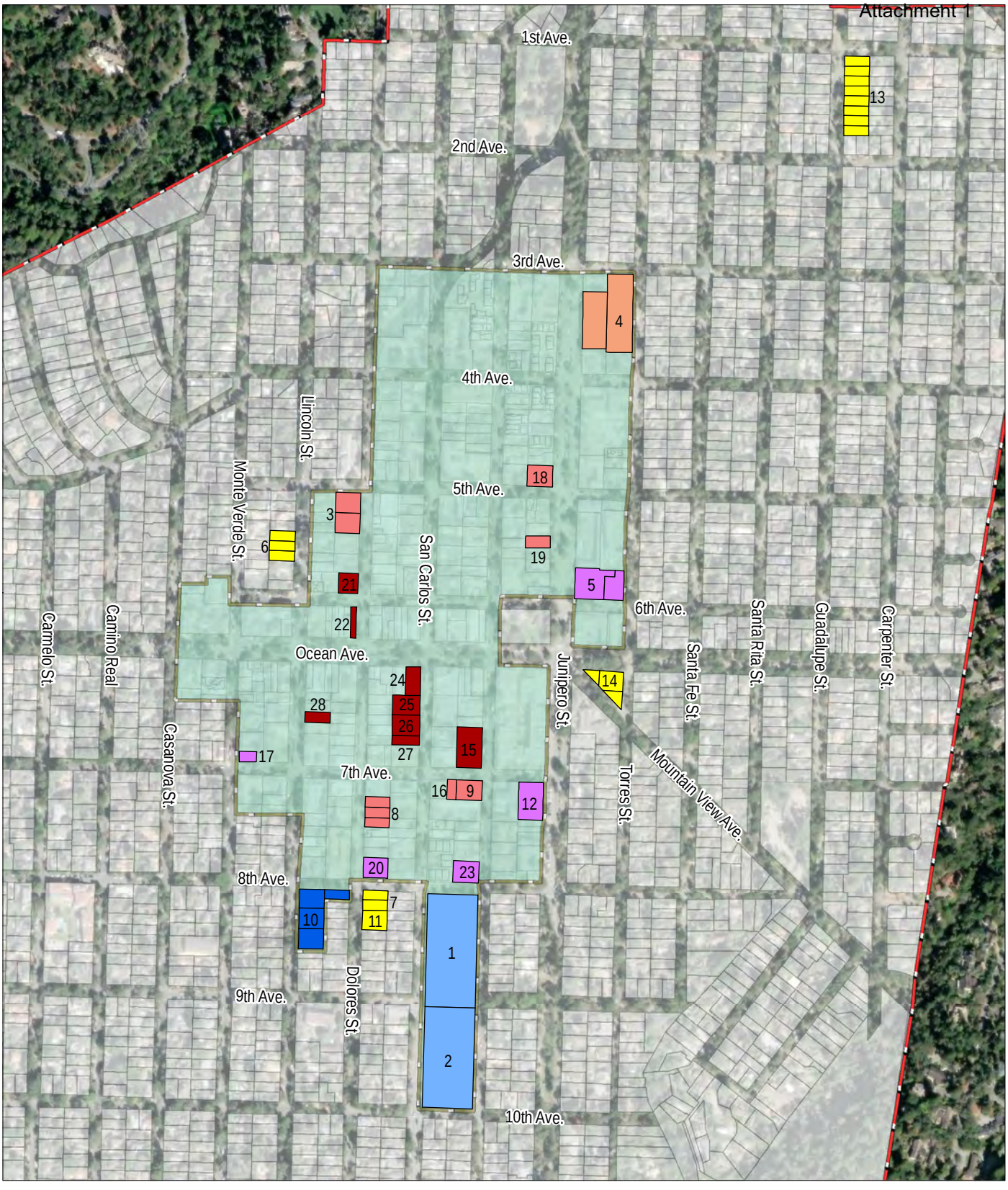
Table C-3 Housing Sites Inventory

Site #	Location (Reference to ECO NW Study)	APN	Zoning	General Plan	Acreage	Applied Density (DU/AC)	Total Realistic Capacity	Very Low	Low	Moderate	Above Moderate
Primary Underutilized Sites											
1	Sunset Center Lots Site (#1), NE Corner of San Carlos & 8th	010143001000	A-2	OS/ Rec Cultural	1.02	33	33	--	17	16	--
2	Sunset Center Lots Site (#1), NE Corner of San Carlos & 8th	010143001000	A-2	OS/ Rec Cultural	1.02	33	33	--	17	16	--
3	Ulrika Plaza Site (#2), SW Corner of Dolores & 5th	010138003000 010138021000	SC	CC	0.37	33	12	--	--	--	12
4	City Public Works Site (Vista Lobos) (#3), W/S Torres between 3rd & 4th, and E/S Junipero between 3rd & 4th	010104001000 010104004000	R-4	MFR	1.28	33	42	35	--	--	7
5	Bruno's Market Site (#6) NE Corner of Junipero & 6th, and NW Corner of Torres & 6th	010095013000 010095012000	RC	RC	0.53	33	17	12	5	--	--
6	First Church of Christ Parking Lot (#8), Lincoln 2-4 NW of 6th	010212027000 010212004000 010212026000	SB-10	SFR	0.28	33	9	--	9	--	--
7	Red Cross Site (#9), SE Corner of Dolores & 8th	010144015000 010144016000	SB-10	SFR	0.18	33	5	--	--	--	5
8	JB Pastor Building, Dolores 2-4 SE of 7th (#12)	010145012000 010145024000 010145023000	SC	CC	0.46	33	11	--	--	--	11
9	Girl Boy Girl, SW Corner of Mission & 7th (#13)	010142001000	SC	CC	0.18	33	5	--	--	--	5
10	Carmel Foundation Site (#14), NE Corner of Lincoln & 8th	010149012000 010149010000 010149011000 010149001000	A-3	SFR	0.62	33	20	10	10	--	--

Site #	Location (Reference to ECO NW Study)	APN	Zoning	General Plan	Acreage	Applied Density (DU/AC)	Total Realistic Capacity	Very Low	Low	Moderate	Above Moderate
11	American Legion Site, Dolores 2 SE 8th	010144014000	SB-10	SFR	0.18	33	5	--	--	--	5
12	AT&T Building SW Corner of Junipero & 7th	010087012000	RC	RC	0.35	33	11	--	--	--	11
13	Carmel Resort Inn, SE Corner of Guadalupe & 1st, Guadalupe 2-8 SE of 1st	010021014000 010021013000 010021012000 010021011000 010021030000 010021031000 010021032000 010021033000	R-1	SFR	0.74	20	8	--	--	--	8
14	Forest Cottages Specific Plan, NE Corner of Ocean & Mountain View	010085004000 010085005000 010085003000	R-1	SFR	0.30	20	6		2		4
Subtotal Primary Underutilized Sites					8.16		242	98	54	16	74
Sites Recycled from 5th Cycle											
15	Court of the Fountains NW Corner Mission & 7th	010141003000	CC	CC	0.37	33	12	--	--	--	12
16	First American Title 7th 2 SW of Mission	010142013000	SC	CC	0.07	33	2	--	--	--	2
17	Office building NE Corner Monte Verde & 7th	010191004000	RC	RC	0.07	33	2	--	--	--	2
18	Yafa NW Corner Junipero & 5th	010097007000	SC	CC	0.18	33	5	--	--	--	5
19	Three Garages Site (#7)	010098004000	SC	CC	0.33	33	3	--	--	--	3

Site #	Location (Reference to ECO NW Study)	APN	Zoning	General Plan	Acreage	Applied Density (DU/AC)	Total Realistic Capacity	Very Low	Low	Moderate	Above Moderate
20	Carmel Realty Office Site (#4) NE Corner 8th & Delores	010145008000	RC	RC	0.19	33	6	--	--	--	6
21	Parashis Building NW Corner Dolores & 6th	010138006000	CC	CC	0.13	33	4	--	--	--	4
22	The Agency NW Corner Ocean & Dolores	010139001000	CC	CC	0.09	33	2	--	--	--	2
23	Sunset Terrace NW Corner Mission & 8th	010142006000	RC	RC	0.19	33	6	--	--	--	6
24	Enzo's San Carlos 2 SW of Ocean	010146001000	CC	CC	0.15	33	4	--	--	--	4
25	Doud Arcade San Carlos 2 SW of Ocean	010146002000	CC	CC	0.18	33	5	--	--	--	5
26	Paseo San Carlos Square San Carlos 2 NW of 7th Ave	010146003000	CC	CC	0.18	33	5	--	--	--	5
27	Paseo San Carlos Square San Carlos 2 NW of 7th Ave	010146004000	CC	CC	0.09	33	2	--	--	--	2
28	Carmel Office Supply & Business Center Lincoln SE of Ocean	010147010000	CC	CC	0.09	33	2	--	--	--	2
Subtotal Recycled Sites							60				60
TOTAL							302	98	54	16	134
Hospitality Employee Housing							31	8	12	11	0
Overnight Visitor Accommodation Transfer of Development							33	8	0	0	25
ADUs							34	11	11	11	3
Subtotal Other							82	19	23	22	20
GRAND TOTAL							400	117	92	68	182
RHNA							349	113	74	44	118
Difference							51	15	18	24	64
Difference (Percent)							115%	113%	124%	154%	154%

SOURCE: City of Carmel-by-the-Sea; EMC Planning Group Inc.



0 550 feet

- Service Commercial (SC)
- Residential and Limited Commercial (RC)
- Central Commercial (CC)
- Multi-Family Residential (R-4)
- Single-Family Residential (R-1)
- Senior Citizen Facility District (A-3)
- Community and Cultural District (A-2)
- City Limit
- Overlay District

Source: Monterey County GIS 2023, Google Earth 2023

Figure C-31

Housing Priority Overlay and Zoning

Carmel Housing & Safety Element Update

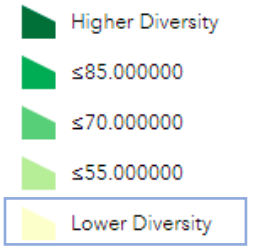
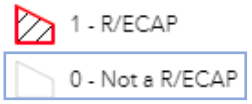
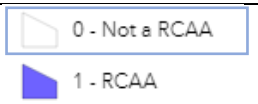
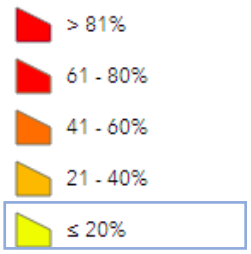
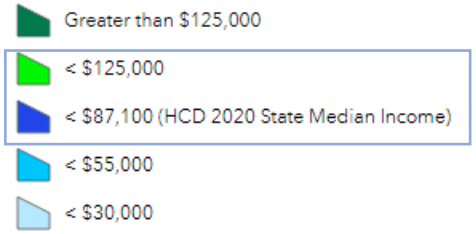
C.4 AFFH Sites Analysis

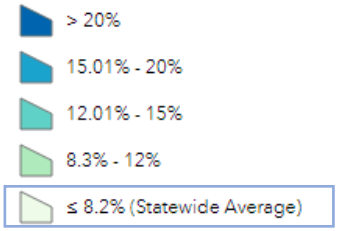
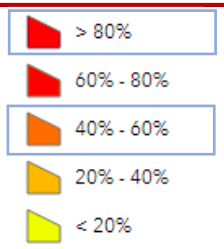
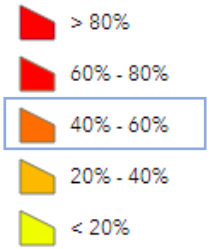
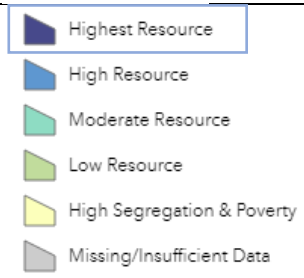
Per AB 686, Housing Elements are required to analyze the location of lower-income sites in relation to high opportunity areas. This comes as a result of the inextricable link between the location of housing and access to resources and opportunities such as employment, schools, basic needs suppliers, etc. Disparities in housing needs and access to opportunities is most common among lower-income households. In an effort to affirmatively further fair housing in Carmel-by-the-Sea, the sites inventory has been analyzed in relation to access to resources, overcrowding, cost burden, environmental pollution burden, social vulnerability, displacement risk, and fair housing and equal opportunity cases.

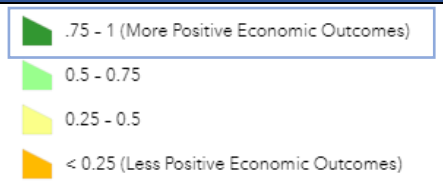
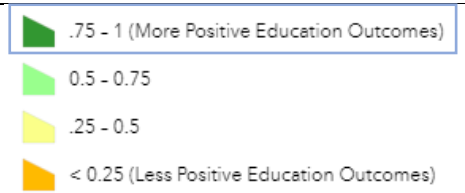
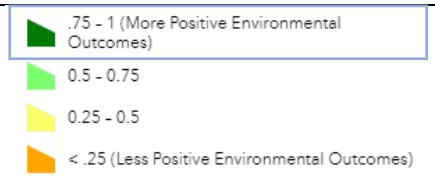
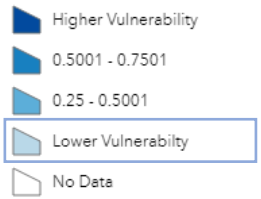
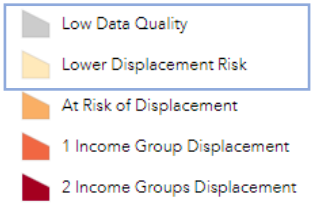
According to the HCD AFFH Data Viewer,[3] Carmel-by-the-Sea is largely homogeneous when analyzing levels of diversity, access to opportunity, overcrowding, cost burden, environmental pollution burden, social vulnerability, displacement risk, and fair housing and equal opportunity cases. However, the AFFH Data Viewer reveals two areas of analysis, cost burden by home owners and median income, which show geographic concentrations in particular areas of the City. Table C-4 provides an overview of the AFFH indicators described above, as they relate to Carmel-by-the-Sea, and Figures 32 and 33 express how the Sites Inventory correlate with the two AFFH indicators that exhibit variable information across the city.

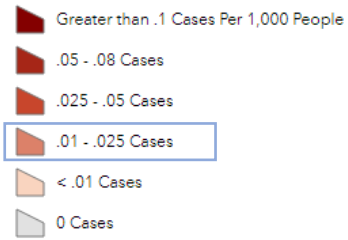
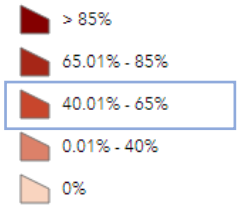
[3] https://affh-data-and-mapping-resources-v-2-0-cahcd.hub.arcgis.com/

Table C-4 AFFH Indicators Analysis Overview

AFFH Category	Legend Category	Surrounding Area Analysis
Fig. A-6 Diversity Index, 2018		Carmel-by-the-Sea has a low level of diversity with no geographic variation across the City. To the north of Carmel-by-the-Sea, diversity levels are higher ranging from 55-<85. Del Rey Oaks, Seaside, and Sand City have the highest diversity levels in the surrounding region.
Fig. A-7 R/ECAP, 2009-2013		Carmel-by-the-Sea has no R/ECAPs in the City. There are no R/ECAPs in the surrounding region.
Fig. A-8 RCAA, 2015-2019		Carmel-by-the-Sea has no RCAAs in the City. The majority of surrounding areas have at least one RCAA. This may be due to a decade long high vacancy trend as a result of being a second home destination.
Fig. A-9 Percent Non-White Population, 2018		Carmel-by-the-Sea has a non-White population of less than or equal to 20% with no geographic variation across the City. The majority of the surrounding region falls between ≤20-40% non-White. Pacific Grove and Monterey show small concentrations of higher diversity, but Del Rey Oaks, Seaside, and Sand City have the highest diversity in the region (41-80%).
Fig. A-15 Median Income, 2015-2019		Carmel-by-the-Sea has a concentration of households earning less than $87,100 in the central region of the City, while the northern and southern regions show concentrations of households earning between $87,100-$125,000. Nearby cities also show geographic variation in median income. Monterey, Seaside, and Sand City show the greatest concentrations of households earning less than $55,000.

AFFH Category	Legend Category	Surrounding Area Analysis
Fig. A-22 Overcrowded Households		Carmel-by-the-Sea and the majority of the surrounding region have less than 8.2% overcrowded households. However, to the northeast, Seaside and Sand City have overcrowding rates of more than 20%.
Fig. A-25 Cost Burden by Home Owners, 2015-2019		Carmel-by-the-Sea shows geographic variations in cost burden rates by home owners. 40-60% of owner households northern region of the City experience cost burden and more than 80% of owner households in the southern region. The majority of the surrounding region fall within 20-60% concentrations of cost burdened owner households. To the north, Del Rey Oaks shows the lowest concentration of cost burdened owner households (<20%).
Fig. A-26 Cost Burden by Renters, 2015-2019		40-60% of Carmel-by-the-Sea renter households experience cost burden with no geographic variation. Much of the surrounding area has similar rates of cost burden among renters. However, regions to the south of Carmel-by-the-Sea have higher rates of cost burden by renters at 60-80% of households. To the north, Seaside and Del Rey Oaks also show higher levels of cost burden (60-80%). Pacific Grove shows geographic variation in cost burden rates among renters with a 20-40% concentration in the southern region of the City.
Fig. A-35 TCAC Opportunity Composite Score, 2022		Carmel-by-the-Sea is a highest resource area with no geographic variation. The majority of surrounding regions to the north of Carmel-by-the-Sea are also highest resource areas with the exception of Seaside and Del Rey Oaks. Seaside is a moderate resource area and Del Rey Oaks is a high resource area.

AFFH Category	Legend Category	Surrounding Area Analysis
Fig. A-36 TCAC Opportunity Economic Score, 2022		Carmel-by-the-Sea scores high (0.75-1.0) on economic outcomes. Surrounding regions mostly score high with the exception of Seaside and Del Rey Oaks. Seaside shows concentrations of <0.25 in the western portion of the City and concentrations of 0.25-0.5 in the eastern portion.
Fig. A-37 TCAC Opportunity Education Score, 2022		Carmel-by-the-Sea scores high (0.75-1.0) on positive education outcomes. Surrounding regions show lower education outcomes ranging from 0.5-<0.25.
Fig. A-38 TCAC Opportunity Environmental Score, 2022		Carmel-by-the-Sea scores high (0.75-1.0) on positive environmental outcomes. Surrounding regions to the north of Carmel-by-the-Sea show more geographic variation in environmental outcomes. Monterey and Del Rey Oaks score low on environmental outcomes (0.25-0.5). Seaside scores lowest with a score of less than 0.25.
Fig. A-39 Social Vulnerability Index, 2018		Carmel-by-the-Sea households are at a lower vulnerability level than surrounding regions. To the south of Carmel-by-the-Sea, households are at a 0.25-0.5001 level of vulnerability. Similarly, in Pacific Grove, Monterey, Del Rey Oaks, Seaside, and Sand City also fall into this vulnerability category. Seaside has concentrations of higher vulnerability in the northeastern region of the City.
Fig. A-44 Displacement Risk, 2022		Majority of surrounding region households are at lower displacement risk, including the northern region of Carmel-by-the-Sea. The Southern region of the City reports low data quality. The Cities of Monterey, Del Rey Oaks, Seaside, and Sand City show higher levels of displacement risk with geographic variation. Displacement risk in Seaside specifically, is highest among two (2) income groups with concentrations in the northeastern region of the City.

AFFH Category	Legend Category	Surrounding Area Analysis
Fig. A-46 FHEO Cases Total, Monterey County, 2020		Surrounding Monterey County region shows no variation in total fair housing cases. Carmel-by-the-Sea and region falls within 0.01-0.025 cases.
Fig. A-47 FHEO Cases, Disability Bias, Monterey County, 2020		Surrounding Monterey County region shows no variation in disability bias cases; Carmel-by-the-Sea and region falls within 40.01%-65%.

SOURCE: California Department of Housing and Urban Development, AFFH Data Viewer
NOTES: Blue boxes in "Legend Category" column indicate which category Carmel-by-the-Sea falls within.
Red box outlining all three columns indicate geographic variation or concentrations present.

Figure C-32 illustrates geographic concentrations of cost burden by home owners in Carmel-by-the-Sea, in addition to the sites inventory. In the northern region of the City, approximately 40 to 60 percent of home owner households experience cost burden. However, in the southern region of the City, more than 80 percent of owner households experience cost burden. Comparatively, the majority of surrounding regions fall within the 20 to 60 percent range of home owners experiencing cost burden.

Figure C-32 AFFH Sites Analysis: Cost Burdened Home Owners

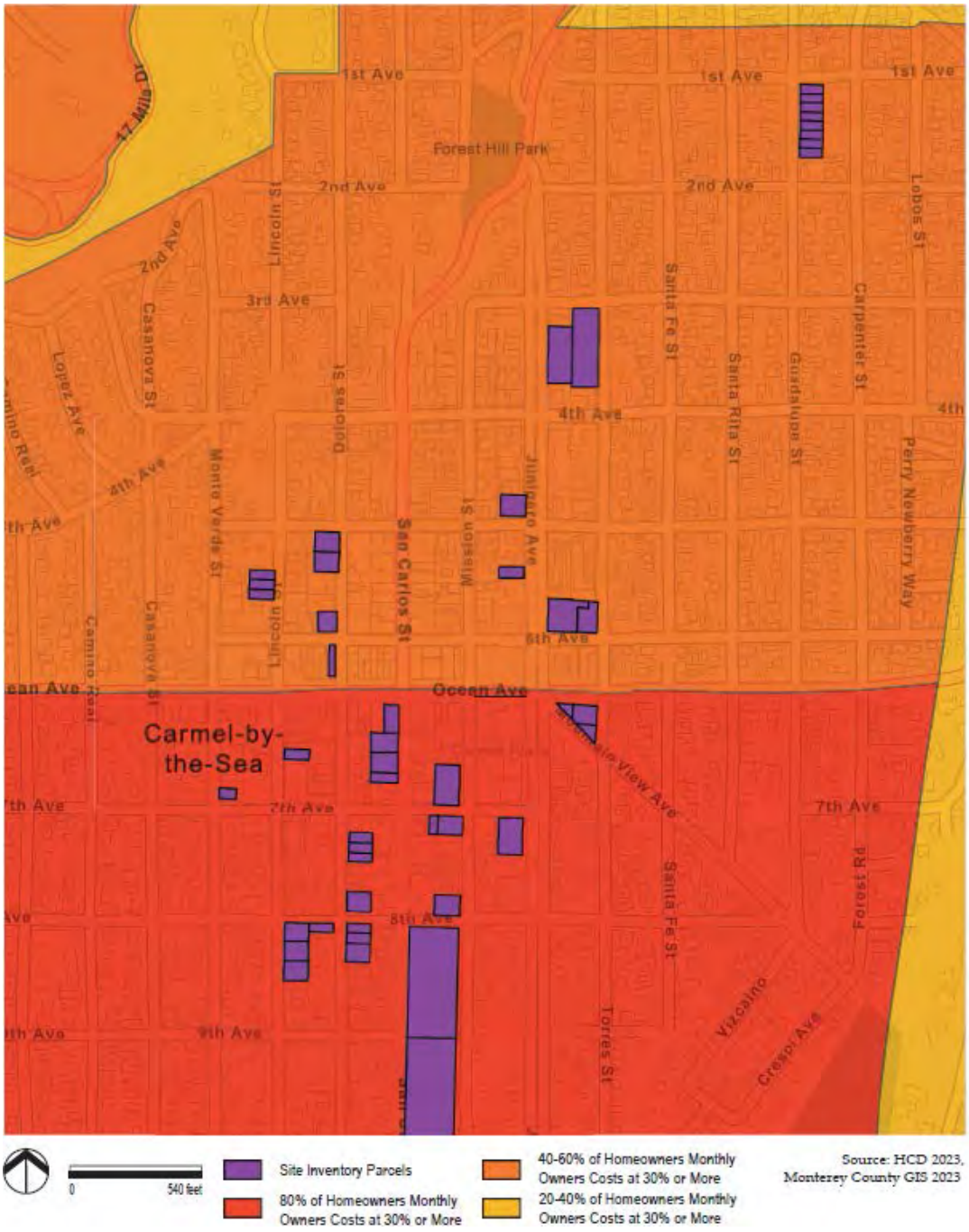
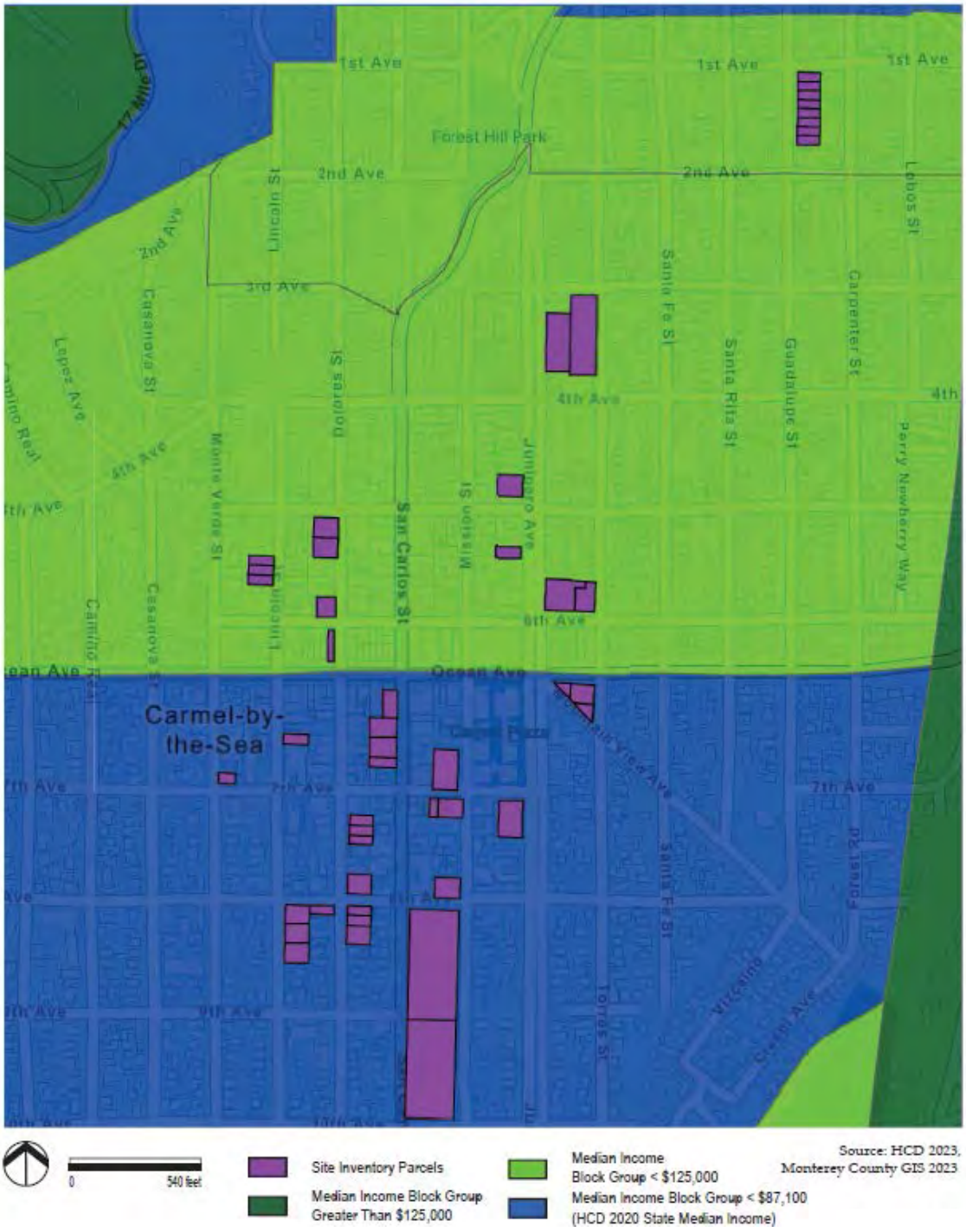


Figure C-33 illustrates geographic variation in median income in Carmel-by-the-Sea, in addition to the sites inventory. In the central region of the City, there is a concentration of households earning less than $87,100, while in the northern and southern regions there are concentrations of households earning between $87,100 and $125,000. Comparatively, the majority of surrounding regions also show some degree of geographic variation in median income.

Figure C-33 Sites and Carmel-by-the-Sea Median Income



C.5 Conclusion

The vacant and underutilized sites, on-site hospitality employee housing, and accessory dwelling units identified in this report are sufficient to accommodate approximately 115 percent of the City of Carmel-by-the-Sea's Regional Housing Needs Allocation for the 6th Cycle planning period. This 15 percent "buffer" is highly recommended because of the state's no-net-loss policy, which precludes jurisdictions from approving development that results in an overall housing site deficit. The "buffer" essentially provides a degree of flexibility for policy makers as they make development decisions. Many of the sites identified in this report have existing uses that would need to be temporarily relocated, remodeled, or replaced before new housing could be constructed.

Carmel-by-the-Sea has successfully produced the variety of housing types projected to meet RHNA with this 6th Cycle Housing Element update. Examples can be found with Figure C-34, Example Development Map. Further, the incumbent staff, Marnie Waffle, has led four out of the five example projects shared with this image.

Nonetheless, for communities like Carmel-by-the-Sea that are largely built out and surrounded on all sides by other communities, redevelopment and densification is the only practical solution to providing its share of housing for the Monterey Bay Area RHNA. By its nature, such redevelopment is more costly and more time consuming than building new units on vacant land. To offset these constraints, a Housing Priority Overlay Zoning District will be established to facilitate redevelopment and/or intensification of uses on sites included in the City's housing sites inventory (see Program 3.1.G in Chapter 2). This overlay zone implements a minimum density and clarifies permitting and incentives for affordable housing within the Municipal Code.

Der Ling Apartment -
Conversion of commercial to residential use.

Clark Apartments -
New residential construction and demolition of prior commercial use.

Fink Condominium -
New residential addition to existing commercial use.

Brosche Apartments -
Conversion of office to residential use.

Brigantino Apartments -
Rehabilitation of existing residential units.

Source: Monterey County GIS 2023

Figure C-34

Example Development Map

Carmel Housing & Safety Element Update

C.6 Overnight Visitor Accommodation Reference List

Two programs incentivize consideration of housing production by the Overnight Visitor Accommodation property owners. Program 1.3.B initiates a transfer of development rights and Program 1.3.D encourages employee housing to be constructed within existing sites for Overnight Visitor Accommodations. Table C-5 includes known properties that fit the Overnight Visitor Accommodation and would therefore be candidates for these incentive programs.

Table C-5 Existing Overnight Visitor Accommodation Locations

APN	Address	Overnight Visitor Accommodation Establishment Name
010148015000	Dolores & 8th	Adobe Inn
010095010000	Junipero between 5th & 6th	Best Western Carmel Bay View Inn
010136023000	5th & San Carlos	BestWestern Carmel's Townhouse Lodge
010131011000	San Carlos between 4th & 5th	Briarwood Inn
010131013000	E/S San Carlos between 4th & 5th	Briarwood Inn II/Holland Court Inn
010136022000	San Carlos between 4th & 5th	Candle Light Inn
010268008000	San Antonio & 8th	Carmel Cottage Inn LLC
010124009000	SE Dolores & 3rd	Carmel Country Inn LLC
010136021000	San Carlos @ 4th	Carmel Fireplace Inn
010104002000	4th & Torres	Carmel Garden Inn
010195501500	7th & Casanova	Carmel Green Lantern Inn
010097007000	Junipero & 5th	Carmel Inn & Suites
010131025000	San Carlos at 5th	Carmel Lodge
010097018000	Mission & 5th	Carmel Oaks
010021024000 010021025000 010021002000 010021003000 010021026000 010021027000 010021028000 010021029000	Carpenter between 1st & 2nd	Carmel Resort Inn
010094002000	Ocean & Junipero	Carmel Village Inn
010123005000	4th @ Mission Street	Carmel Wayfarer Inn
010087002000	Junipero between 7th & 8th	Carriage House Inn
010142002000	San Carlos @ 7th	Coachman's Inn
010286015000	San Antonio & 13th	Colonial Terrace
010094001000	Torres & Ocean Ave	Comfort Inn Carmel by the Sea
010147008000	7th & Lincoln Ave	Cypress Inn
010287008000	San Antonio, 4 SE of 13th	Edgemere Cottages

APN	Address	Overnight Visitor Accommodation Establishment Name
010085005000	SW Ocean/Torres	Forest Lodge
010124001000 010124014000	2 NW of 4th on San Carlos	Hofsas House
010109015000	SWC 3rd & Junipero	Horizon Inn
010123014000	4th & San Carlos	Hotel Carmel
010264006000	8th & Camino Real	La Playa Hotel
010261014000	SE Camino Real & Ocean	Lamplighter Inn
010191005000	Monte Verde @ 7th	L'Auberge Carmel
010214032000	Ocean @ Monte Verde	Lobos Lodge
010196027000	Monte Verde & 7th	Monte Verde Inn
010201013000	Monte Verde @ 7th	Monte Verde Inn East
010019061000	Ocean & Monte Verde	Normandy Inn
010104005000	SEC 3rd & Junipero	Ocean View Lodge
010273014000	Camino Real between 11th & 12th	Sea View Inn
010194018000	SS 8th between Monte Verde & Casanova	Stonehouse Inn c/o Carmel Realty
010261015000	Camino Real 2 SE of Ocean	Sunset House
010124012000	4th & San Carlos	Svensgaard's Inn
010214029000	Monte Verde & 6th	Tally-Ho Inn
010087003000	Junipero between 7th & 8th	The Hideaway
010148007000	NE Corner Lincoln & 8th	The Homestead
010213003000	Ocean between Lincoln/Monte Verde	The Pine Inn
010109016000	Mission @ 3rd Ave	Tradewinds Carmel
010136016000	Dolores & 7th	Vagabond House
010087013000	7th & Mission	Wayside Inn

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Review of Previous Housing Element

D

APPENDIX

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Appendix D
Review of Previous Housing Element

D.1 Introduction

In order to effectively plan for the future, it is important to reflect back on the goals of the previous Housing Element and to identify those areas where progress was made and those areas where continued effort is needed. State Housing Element guidelines require communities to evaluate their previous Housing Element according to the following criteria:

- Effectiveness of the Element;
- Progress in Implementation; and
- Appropriateness in Goals, Objectives and Policies.

D.2 Effectiveness of the Element

The City's 2015 Housing Element identified the following goals:

Goal G3-1 Preserve the existing housing stock;

Goal G3-2 Preserve existing residential units and encourage the development of new multi-family housing in the Commercial and R-4 Districts;

Goal G3-3 Provide adequate sites for the development of a wide range of housing types for all citizens;

Goal G3-4 Protect the stability of residential neighborhoods by promoting year-round occupancy and neighborhood enhancement; and

Goal G3-5 Preserve and increase the supply of housing for lower- and moderate-income households, senior citizens and other special needs groups. Prohibit discrimination in the sale or rental of housing.

In order to achieve these goals, the 2015 Housing Element listed a series of policies and actions. The policies covered a range of actions, including (but not limited to): development of mixed-use projects with high-density housing; preserving existing second-floor housing over first-floor commercial uses; converting R-1 hotels to housing; enforcing the City's prohibition on short-term rentals; reviewing requirements for conditional use permits on multi-family developments with

densities greater than 22 du/ac; using City-owned surplus sites for affordable housing; and granting water priority to affordable housing projects. The 2015 policies and programs complied with State Housing Law guidelines in effect at the time.

D.3 Progress in Implementation

To assess the City's progress in implementing the 2015 Housing Element, the following key areas were reviewed:

- Adopted Programs;
- Production of Housing;
- Preservation of "At Risk" Units; and
- Rehabilitation of Existing Units.

Each of these areas is discussed in detail below.

Overview of Adopted Programs

Table D-1, Overview of Adopted Programs, identifies all of the actions the City committed to in the 2015 Housing Element. The table also includes a description of the progress that was made during the 2015–2023 planning period.

Production of Housing

The 2015 Housing Element identified a Regional Housing Needs Allocation of 31 housing units in the City of Carmel-by-the-Sea between January 1, 2015 and June 30, 2023. The RHNA was divided into the following income categories:

- 7 units affordable to extremely low- and very low-income households;
- 5 units affordable to low-income households;
- 6 units affordable to moderate-income households; and
- 13 units affordable to above moderate-income households.

Table D-1 Overview of Adopted Programs

Program Number	Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element]	Achievements/Effectiveness	Continue/ Modify/ Delete in 6th Cycle
Goal G3-1: Preserve the existing housing stock.			
Program 3-1.1.a	Housing Rehabilitation Information. Distribute information on the Inspection Services and Housing Rehabilitation programs available through Monterey County, and alternative ways of financing home repairs.	During the planning period, the City provided information on rehabilitation programs, inspection services, and home repair financing at City Hall and on the City's website. During the Planning period, the City's website was redesigned with new features that make navigation easier. Dissemination of information at City Hall and on the City's website is a passive activity that can effectively educate and inform the public.	Modify to improve effectiveness by taking a more active role in disseminating information at established venues such as the Farmer's Market, Library programming and local service organizations.
Program 3-1.1.b	Residential Inspection Services. Inspect residences in the community for structural deficiencies and repair needs at the request of the property owner.	Throughout the Planning period, the City provided residential inspection services to residents as part of Code Enforcement complaints and during the building permit process. However, the City is not staffed to provide inspections outside of the building permit process and does not maintain the required certifications to identify structural deficiencies.	Delete
Program 3-1.1.c	Housing Maintenance Information. Disseminate informational materials identifying techniques used to upgrade property consistent with health and safety standards. The informational materials will continue to be disseminated at public buildings, through the City's website, and in conjunction with Program 3-1.1.a.	During the planning period, the City provided housing maintenance information at City Hall and on the City website to facilitate the preservation of the existing housing stock. During the Planning period, the City's website was redesigned with new features that make navigation easier. Dissemination of information at City Hall and on the City's website is a passive activity that can effectively educate and inform the public. To improve program effectiveness, capture a broader audience, and take a more active role in disseminating information, the City will take advantage of established venues such as the Farmer's Market, Library programming, and local service organizations to promote available resources.	Modify and Combine with 3-1.1.a.

Program Number	Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element]	Achievements/Effectiveness	Continue/ Modify/ Delete in 6th Cycle
Goal G3-2: Preserve existing residential units and encourage the development of new multi-family housing in the Commercial and R-4 Districts.			
Program 3-2.1.a	Incentives for Mixed-Use Development. Provide floor area bonuses of up to 15 percent for projects that include housing for Moderate-, Low- and Very-Low-income households. Distribute informational materials outlining the floor area and other applicable incentives.	The City continues to encourage affordable housing in mixed-use development. No development participated in this program and it was not effective in generating additional new units.	Modify to improve the incentive
Program 3-2.1.b	Preserve and Increase Second Floor Residential Uses. Prohibit the conversion of existing second-floor residential floor space to commercial use. Require newly constructed floor space at the second floor to be used as residential units.	The City continues to preserve existing second floor residential uses and encourages the conversion of second floor commercial space to residential use. This was a successful program that resulted in protection of existing units and construction of new units.	Continue.
Program 3-2.1.c	Incentives for Mixed Use Affordable Housing. Explore options to further incentivize upper-story housing opportunities, such as the potential of allowing a third story when devoted to affordable housing subject to appropriate design standards, including the City's 30-foot height limit.	The City continues to look for ways to increase affordable housing opportunities. The City approved the Del Dono I and Del Dono II projects which included Moderate income units and a 3rd floor mezzanine.	Modify to specify 3rd floor mezzanine.
Program 3-2.1.d	Multi-Family Residential Development Review. Monitor multi-family residential development applications to assess whether the CUP requirement (CUP for MFDs at densities 22 du/ac +) is posing an unreasonable development constraint. If it is determined that the CUP requirement is negatively affecting the cost and supply of housing, the City will initiate Zoning Code and LCP amendments to revise permit requirements for residential projects with densities greater than 22 du/ac to ensure permits are granted based on objective criteria.	The City monitored the review process for multi-family residential development and found that the Use Permit requirement for multi-family projects at densities between 23 and 33 dwelling units per acre was not a deterrent to development. The primary constraint to increased density remains a lack of water resources. However, the City remains open to eliminating the Use Permit requirement for all densities greater than 22 dwelling units per acre. While the monitoring of multi-family residential development applications did not reveal an unreasonable development constraint, the elimination of the Use Permit requirement would result in cost savings for applicants who would no longer have to pay the Use Permit application fee. Additionally, the application processing time would be reduced by eliminating one of the permit entitlements.	Modify to remove the CUP requirement for densities up to 33 du/ac.

Program Number	Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element]	Achievements/Effectiveness	Continue/ Modify/ Delete in 6th Cycle
Goal G3-3: Provide adequate sites for the development of a wide range of housing types for all citizens.			
Program 3-3.1.a	Adequate Sites. The City will encourage and facilitate the development of new dwelling units consistent with the RHNA need by continuing to work with housing providers such as the Carmel Foundation. The City will also encourage development of new affordable units through incentives and concessions outlined in Programs 3-5.4.a, 3-5.4.b, 3-5.5.a, 3-5.5.b, and 3-5.5.c of this Housing Element.	The City encouraged the construction of new dwelling units to meet the City's RHNA requirements and promoted incentives and concessions to facilitate new construction. A lack of water resources continues to be the largest constraint to developing high-density housing. The Carmel Foundation manages 50 affordable senior housing units in Carmel. While the City has a long-standing relationship with the Foundation, they do not accept government funding, and the operating costs of the housing units result in an annual deficit. Identification of additional funding sources and housing providers should be considered while maintaining a strong relationship with the Foundation. City staff regularly promotes the incentives available for developing new affordable units when meeting with prospective developers and processing new development applications. The primary constraint to increased density remains a lack of water resources.	Modify. The City will craft a policy requiring minimum densities.
Program 3-3.1.b	Surplus Sites. Investigate the feasibility of utilizing surplus sites for housing development and partnering with housing providers to develop housing for lower-income households and/or senior housing on appropriate surplus sites.	The City continues to evaluate the feasibility of constructing new housing on surplus land, specifically the Sunset Center parking lots (north and south). No development partners emerged during this Housing Element cycle; however, discussions remain ongoing.	Modify to identify underutilized City-owned sites including Flanders Mansion, Sunset Center parking lots, Post Office parking lot and Vista Lobos.
Program 3-3.1.c	Development on Small Sites. The City will continue incentives and provisions that facilitate development on small sites including reduced parking requirements for affordable housing projects (0.5 parking spaces per unit), density bonuses that allow for development up to 88 du/ac, flexible or in some cases no required	During the planning period, the City maintained reduced parking requirements for affordable housing projects and the density bonus provisions allowing high-density housing development of up to 88 dwelling units per acre. A lack of water resources continues to be the largest constraint to developing high-density housing.	Modify to continue lot merger approval by Director, simplify parking requirement reductions,

Program Number	Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element]	Achievements/Effectiveness	Continue/ Modify/ Delete in 6th Cycle
	setbacks in the R-4 zone, and lot mergers. The City will review its Lot Merger Program to determine if any refinements should be made, including a requirement that mergers be approved by the Planning Commission rather than the Director. The City may also consider incentives for commercial lot mergers when lower-income units are provided, and eliminating any provisions of this program that have the unintended effect of restricting housing opportunities.	The City continued to promote incentives associated with lot mergers in the single-family district, including additional floor area for the primary dwelling and accessory dwelling units, additional site coverage, and an additional accessory structure. Lot merger applications continue to be approved by the Community Planning & Building Director. No development participated in the density bonus or setback incentive in the commercial or multi-family districts. The City did not pursue a lot merger incentive program for the commercial districts. Density bonus regulations continue to provide the greatest incentive. Most lot merger applications were for single building sites comprised of multiple legal lots of record. Merging these sites did result in the granting of incentives	reevaluate the density bonus and setback incentives.
Program 3-3.2	Address Infrastructure Constraints. Work cooperatively with the Monterey Peninsula Water Management District (MPWMD) and other regional agencies to address infrastructure limitations (e.g. sewer, water, roads) that affect the ability to serve new housing development. Grant water allocation priority to those projects that assist the City in meeting its share of the regional housing need for lower- and moderate-income households.	During the planning period, the City continued to work with regional agencies such as the Monterey Peninsula Water Management District (MPWMD) and the Carmel Area Wastewater District (CAWD) to ensure adequate infrastructure is in place to accommodate new housing and maintenance of existing residential units. Additionally, the City focused on stormwater drainage improvements to reduce flooding. The City's Public Works Department continues to improve City infrastructure related to road maintenance and storm drains. The City continued prioritizing water allocation for lower-income units; however, no development applications were received for lower-income housing. Lack of water resources continues to be a significant constraint to housing development. The City will establish a formal policy to prioritize water allocations to affordable housing projects.	Modify to further prioritize water allocation for lower income units by developing a new City policy.

Program Number	Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element]	Achievements/Effectiveness	Continue/ Modify/ Delete in 6th Cycle
Goal G3-4: Protect the stability of residential neighborhoods by promoting year-round occupancy and neighborhood enhancement.			
Program 3-4.1.a	Permanent Housing. Continue to implement the ordinance adopted in 1988 prohibiting short-term, transient rentals and timeshares of residential dwellings in the R-1 District.	The City continued to enforce the prohibition of short-term rentals in the single-family residential district. The City continues to use Host Compliance as part of the ongoing enforcement. On average, 27 violation letters were mailed annually during the planning period. A significant percentage of single-family homes continue to remain vacant for part of the year due to second home ownership. During the planning period, the City enforced the provisions of the Timeshare Ordinance and made minor updates to the Ordinance to increase clarity. One enforcement action was taken against a timeshare company during the planning period.	Modify to explore methods to raise funds including establishing an Affordable Housing Trust Fund, , property tax reduction or ADU incentive program.
Program 3-4.1.b	Conversion of R-1 Motels. Continue to allow conversion of R-1 motel units into permanent residences with the transfer of vacated rooms to the commercial district.	During the planning period, the City allowed the conversion of R-1 motels to permanent residences. Specifically, the Happy Landing Inn was converted to a permanent residence during the planning period. Additionally, a change in ownership of the Carmel Resort Inn resulted in a development application to downsize the footprint of the hotel property and construct 8 new single-family dwellings. Two of the 8 homes have been approved by the Planning Commission.	Modify to better incentivize the program to encourage MFD.
Program 3-4.2.a	Neighborhood Compatibility. Continue to enforce height, coverage and floor area standards to ensure that new construction and remodels do not present excess visual mass or bulk to public view or to adjoining properties. Continue to enforce design standards which ensure that buildings relate to a human scale and that they avoid use of oversize design elements that make them appear dominating or monumental. Continue to require that projects not meeting adopted design guidelines be reviewed by the Planning Commission.	The City continues to review new construction for compatibility with the existing neighborhood. In 2021, the City received 26 new Track 2 Design Study planning applications for single-family units which required Planning Commission hearings.	Delete.

Program Number	Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element]	Achievements/Effectiveness	Continue/ Modify/ Delete in 6th Cycle
Program 3-4.2.b	Support Community Organizations. Continue to support neighborhood organizations that promote neighborhood involvement, safety and improvement. When appropriate, develop partnerships with these organizations to promote neighborhood enhancement programs, conduct outreach, and solicit community input.	The City continues to support and partner with neighborhood organizations such as the Carmel Residents Association and the Carmel Foundation and the more recently formed Carmel Cares. These community organizations are an effective means to provide a wide variety of services to residents including meal programs, mobility equipment loans, caregiver support and general information and resources to help navigate the complex world of services and resources.	Modify to further support outreach and education.
Program 3-4.3.a	Neighborhood Preservation Educational Programs. Continue to use education programs to improve public understanding of the City's rich cultural and design heritage as a means of encouraging compatible housing design within existing neighborhoods, and provide zoning flexibility and incentives to facilitate rehabilitation of historic resources.	The City continues to implement the Historic Preservation Ordinance and the review of properties for historical significance upon submittal of a planning application. In 2021, the City reviewed 75 residential properties for historical significance and property improvements. The City uses the Historic Building Code to facilitate residential rehabilitation.	Continue.
Goal G3-5: Preserve and increase the supply of housing for lower- and moderate-income households, senior citizens and other special needs groups. Prohibit discrimination in the sale or rental of housing.			
Program 3-5.1	Reasonable Accommodation Procedures. Continue to implement Policy C11-01, which describes procedures to provide reasonable accommodation for persons with disabilities in compliance with the provisions of SB 520. Information on reasonable accommodation procedures shall be provided at City Hall and on the City's website.	The City continues to promote the reasonable accommodation process to residents on a project specific basis. A number of inquiries were received throughout the planning period; however, few applications were received. All applications were approved. The City is currently evaluating the application fee to ensure it does not discourage the use of the policy.	Modify to reduce permit fee.
Program 3-5.2	Shared Housing Information. Distribute informational materials from the Monterey County Housing Authority to the Carmel Foundation and display information at City Hall and other public buildings and posted on the City's website.	The City continues to provide information related to shared housing information at City Hall and on the City's website. This program has generally been effective and the Carmel Foundation has over 2,600 members, many of whom live in Carmel and the surrounding region.	Modify to clarify intent and enhance education and outreach.

Program Number	Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element]	Achievements/Effectiveness	Continue/ Modify/ Delete in 6th Cycle
Program 3-5.3a	Condominium Conversions. Continue to implement condominium conversion policy, which restricts the conversion of apartments to condominiums to preserve the lower-cost rental housing options, typical of apartments, within the City. Apartments cannot be converted to condominiums unless a new apartment is being created to offset the conversion.	The City continues to implement the Condominium Conversion Ordinance to actively preserve and protect existing apartments. No formal applications for condominium conversions were submitted during the planning period and the Ordinance appears to be effective in halting conversions.	Continue.
Program 3-5.3.b	Section 8 Rental Assistance. Continue to facilitate use of the Section 8 program in the community by distributing information for the program at City Hall and the Library.	The City continues to provide information regarding Housing Choice Voucher (Section 8) rental assistance at City Hall, on the City's website, and through the library.	Continue.
Program 3-5.3.c	Subordinate Units. The City's Municipal Code allows construction of new subordinate units as a permitted use on lots of 8,000 square feet or greater to provide additional rental housing in the R-1 District to lower-income households. To further encourage the creation of subordinate units, the City will investigate potential amendments such as permitting subordinate units on smaller lots. In addition, the City will implement incentives which may include waiver/reduction of certain fees, priority processing, and reduced parking and setback requirements. The City will provide informational materials on incentives and technical assistance to property owners. The informational materials will be available at City Hall and on the City's website.	The City has a long history of permitting Subordinate Units (now called Accessory Dwelling Units). The City reviewed the subordinate unit regulations during the planning period and adopted updated regulations to facilitate new dwelling units. The amended regulations were approved by the California Coastal Commission and incorporated into the City's Local Coastal Plan. The City is currently working on additional amendments to the regulations in accordance with State law. During the planning period 36 applications (in 2021, the City received 18 new applications) for Accessory Dwelling Units (ADUs) were received and continues to issue building permits for ADUs. This program was effective and will be modified to further encourage ADUs and Junior ADUs.	Modify to reflect State Laws governing ADUs and combine regulations for Subordinate Units and Guest Houses to clarify regulations. Allow the use of ADUs at existing hotels as a means of employee housing.
Program 3-5.3.d	Monitor Affordable Housing Stock. Continue to monitor affordable housing projects and work with the owners to preserve affordability through identification of funding sources and/or opportunities for partnerships with other housing providers. Annually monitor the affordable housing stock in the coastal zone to ensure the affordable housing within the coastal zone is being protected and provided as required by Government Code Section 65590. The City will track data on the new construction, demolition, conversion and replacements housing units for low- and moderate-income households within the coastal zone including the following:	The City continued to monitor the existing affordable housing stock in partnership with the Carmel Foundation. Other than the defunct Del Dono I and II projects, no new affordable housing units were approved in the Coastal Zone during the planning period. Additionally, no existing affordable units were demolished or converted.	Modify to update the City database to better track affordable housing and facilitate monitoring.

Program Number	Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element]	Achievements/Effectiveness	Continue/ Modify/ Delete in 6th Cycle
	• The number of new housing units approved for construction within the coastal zone; • The number of housing units for persons and families of low- and moderate-income required to be provided in new housing developments either within or within three miles of the coastal zone; • The number of existing residential dwelling units occupied by low- and moderate-income households required either within or three miles of the coastal zone that have been authorized to be demolished or converted; and, • The number of residential dwelling units for low- and moderate-income persons and families that have been required for replacement (of those units being demolished or converted) within or three miles of the coastal zone.		
Program 3-5.4.a	Density Bonus. Review and revise applicable density bonus ordinances to comply with State law.	The City adopted a new density bonus ordinance in conformance with State requirements. No development took advantage of the density bonus ordinance during the planning period possibly because the regulations are confusing and difficult to apply.	Modify to clarify regulations.
Program 3-5.4.b	Housing for Extremely-Low Income Households. Encourage the development of housing units for households earning 30 percent or less of the Median Family Income (MFI) for Monterey County. Specific emphasis shall be placed on the provision of family housing and non-traditional housing types such as single-room-occupancy units and transitional housing. Encourage development of housing for extremely-low-income households through a variety of activities such as targeted outreach to for-profit and non-profit housing developers on at least an annual basis, providing in-kind technical assistance, fee deferrals, expedited/priority processing, identifying grant and funding opportunities, applying for or supporting applications for funding on an ongoing basis, reviewing and prioritizing local funding for developments that include housing for ELI households and/or	The City continued to work with developers and promote the construction of affordable housing. Projects that included affordable housing units received expedited review. These included Del Dono I and Del Dono II. However, no applications for lower-income households were submitted during the planning period. During the planning period, the construction of Accessory Dwelling Units (ADUs) provided housing opportunities for extremely low-income households. Group Residential facilities are permitted with the approval of a Use Permit in the R-4 district. Group Residential is defined as *Shared living quarters without separate kitchens or bathrooms for each room or unit, including boarding houses, dormitories, and private residential clubs, but excluding guesthouses*.	Continue.

Program Number	Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element]	Achievements/Effectiveness	Continue/ Modify/ Delete in 6th Cycle
	offering additional incentives to supplement the density bonus provisions in State law.		
Program 3-5.5.a	Reduced Entitlement and Development Fees. Continue to reduce the amount of fees required for projects that provide affordable housing to the extent feasible.	The City continued to waive parking requirements for apartments in the Central Commercial (CC) District. The City also provides reduced parking in-lieu fees for constructing new residential units in other commercial zones. Fee studies are conducted every 3 years. Fees are based on staff processing time. Other than the parking in-lieu fee (which has not been collected in years), the City does not impose impact fees.	Modify to reduce fees for affordable residential projects.
Program 3-5.5.b	Reduced Parking Requirements. Continue to offer reduced parking requirements for affordable housing developments. In addition, investigate the feasibility and effectiveness of further reducing existing in-lieu fees and amending the existing shared parking program to include housing units in affordable housing projects.	The City continued to offer reduced parking standards for affordable housing and senior housing units. The City also waived on-site parking requirements and payment of parking in-lieu fees for new apartments in the Central Commercial (CC) zoning district. Additionally, the City passed an Ordinance fixing the parking in-lieu fee at the 2003 rate until further notice. The regulations can be confusing and the City will work to better clarify the program.	Modify.
Program 3-5.5.c	Expedited Processing Procedures. Continue to offer expedited review procedures for residential projects that include affordable housing units.	The City continues to expedite the review of projects that include an affordable housing component. Specifically, the City expedited the review of two housing projects, Del Dono I and Del Dono II, which included 16 residential units with 2 deed-restricted moderate-income units. Unfortunately, a lack of construction funding halted the project's construction, and the properties are now under new ownership. A revised housing proposal that includes 12 apartments is under review and does not currently include any affordable housing and therefore does not qualify for expedited processing. The expedited regulations can be confusing and the City will work to better clarify the program.	Modify to clarify and refine expedited processing procedures.
Program 3-5.6.a	Energy Conservation and Green Building. Continue to review applications for new construction and substantial alterations taking into consideration solar orientation and access to sunlight. Additionally, continue to require compliance with current state building standards for energy efficiency in all new homes.	The City continues to promote energy conservation through the building plan check review process. The City will continue to implement the energy conservation requirements set forth in the Building Code and look for opportunities to promote energy conservation at City Hall and on the City website.	Modify to enhance outreach efforts.

Program Number	Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element]	Achievements/Effectiveness	Continue/ Modify/ Delete in 6th Cycle
Program 3-5.6.b	Water Conservation. Enforce the Water Management Program and provide information to the community on water conservation retrofits and best practices. In addition, provide information on and promote water conservation education and retrofit rebates provided by the Monterey Peninsula Water Management District.	The City continues to promote water conservation in coordination with the Monterey Peninsula Water Management District. The City will continue these efforts and look for opportunities to further promote water conservation measures.	Modify to enhance outreach efforts.
Program 3-5.7	Fair Housing Services. The California Department of Fair Employment and Housing and the Conflict Resolution and Mediation Center of Monterey County provide fair housing services and information. These agencies advise persons in need of information on housing and employment, mediate landlord/tenant disputes and research complaints about discriminatory housing practices. The City shall coordinate with these agencies to provide printed information about fair housing services at City Hall, on the City's website, and in other public buildings. The City shall also refer inquiries related to fair housing to these agencies.	The City provides fair housing information to the public at City Hall and on the City website and will continue to maintain and update the information. The City will continue to maintain, update and look for opportunities to expand the information available to the public.	Modify to enhance outreach efforts.
Program 3-5.8	Zoning for Transitional and Supportive Housing. In compliance with SB 2, the City will continue to allow transitional/supportive housing as a residential use, subject only to those requirements of other residential dwellings of the same type in the same zone.	The City did not receive any inquiries regarding transitional or supportive housing during this planning period.	Continue and update the Municipal Code.

SOURCE: City of Carmel-by-the-Sea

Table D-2 provides a summary of housing units produced in the city from 2015-2023. During the 2015–2023 planning period, 18 new units were added to the City's housing stock, achieving approximately 58 percent of the City's RHNA. This indicates that residential growth was slower than anticipated, likely due to the lack of available water, the COVID pandemic, the cost of land, and the overall lack of support for new housing development in the community. All 18 units produced were affordable to households with above-moderate incomes.

Table D-2 Housing Units Produced, 2015-2023

Affordability	New Construction Need	Housing Units Produced	Percent Achieved
Very Low	7	0	0.0%
Low	5	0	0.0%
Moderate	6	0	0.0%
Above Moderate	13	18	100.0%
Total	31	18	58%

SOURCE: HCD Annual Progress Report Dashboard (as of May 19, 2023).
NOTE: This table should be updated prior to finalization to account for units through January 1, 2024.

Preservation of "At Risk" Units

The California Housing Partnership Preservation Database is the state's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing.[1] According to the database, there are no federal or state assisted units in Carmel-by-the-Sea. Currently, there are no affordable housing units at risk of conversion to market rate.

Rehabilitation of Existing Units

The 2015 Housing Element identified an objective of rehabilitating a total of 16 affordable units and 784 above-moderate-income units in the 2015–2023 planning period. The City issued over 250 building permits on average each year that permitted re-roofs, water heater upgrades and replacement, electrical upgrades, window repairs and replacements, and remodels.

D.4 Summary

Like many communities, the City of City of Carmel-by-the-Sea experienced strong development of single-family homes, Accessory Dwelling Units and conversion of second-floor commercial space to residential units during the 2015–2023 planning period. Of the 31 units identified in the City's

[1] This database does not include all deed-restricted affordable units in the state, so there may be at-risk assisted units in a jurisdiction that are not captured.

RHNA, the City permitted 18 units (approximately 58 percent of the total), all of them for above moderate-income households; however, some of these units are ADUs which represent housing opportunities for lower-income housing.

The goals, objectives, and policies identified in the 2015 Housing Element were appropriate for the 2015-2023 timeframe because they complied with the program requirements mandated by State law at the time. The 6th Cycle Housing Element will be revised to address new state mandates and to put the City of Carmel-by-the-Sea on track to fully meet its housing obligations.

List of Contacted Organizations

APPENDIX E

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Appendix E
List of Contacted Organizations

E.1 Introduction

This Appendix provides the names of organizations, tribal units, and other stakeholders that were contacted during the preparation of Carmel-by-the-Sea's 6th Cycle Housing Element. In addition to these contacts, the City created a dedicated website called: "HOME Carmel-by-the-Sea" which can be found at https://homecarmelbythesea.com. This website provides a portal to all of the Housing Element-related community engagement activities that were available to members of the public during the update process. This includes information on Housing Element basics, site surveys, stakeholder surveys, and materials from community workshops.

E.2 List of Contacted Organizations

This section provides contact information for organizations and agencies in the Monterey Bay Area, stakeholder property owners, and interested parties that were contacted during the Housing Element preparation.

Organizations and Agencies

Association of Monterey Bay Area Governments
24580 Silver Cloud Court
Monterey, CA 93940
T: (831) 883-3750
Heather Adamson
Association of Monterey Bay Area Governments (ambag.org)

Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940
T: (831) 658-5601
Stephanie Locke
Monterey Peninsula Water Management District (mpwmd.net)

Carmel Area Wastewater District
3945 Rio Rd.
Carmel, CA 93922
T: (831) 624-1248
Carmel Area WasteWater District (cawd.org)

Carmel Chamber of Commerce
Ocean Ave. between Junipero and Mission
Inside Carmel Plaza 3rd Floor
Carmel, CA 93921
(831) 624-3877
Carmel Chamber of Commerce

Carmel Foundation
SE Corner of 8th Ave. and Lincoln St.
Carmel, CA 93923
T: (831) 624-1588
Holly Zoller
www.carmelfoundation.org

Landwatch Monterey County
306 Capitol Street #101
Salinas, CA 93901
T: (831) 759-2824
Jose Torres
Monterey County - LandWatch

Stakeholder Property Owners

- Esperanza Carmel, Christopher Mitchell;
- Carmel Realty, Bill Mitchell;
- Pine Inn, Richard Gunner & Dave Tipton;
- Bruno's, Thomas Sweeney;
- 3 Garages, Judie Profeta;
- First Church of Christ, Kent Wadsworth;
- Café Carmel, Greg Kraft and Kim Marie Archer;
- Wells Fargo, Brian Buhowsky;
- GBG, Montag Ivestor;
- Carmel Presbyterian, Bob Spencer;
- Yafa Property, Sandy Freschi;
- Levett Properties, Denny Levett & Jeanne Cox Levett;
- Doud Arcade, John Plastini; and
- Linggi Building / Flaherty's, Alan Buchwald.

Interested Parties

- Eric Miller Architects, Eric Miller;
- Silverie Properties, Dan Silverie III;
- Silcon Constructors, Dan Silverie IV;
- Winter & Co, Nore Winter;
- Carmel Plaza, Kristin Torrice;
- Carmel Residents Association, Nancy Twomey;
- Carmel Preservation Association;
- Carmel Heritage Society;
- Monterey Bay AIA, Executive Director;
- Builders Exchange, Sandy Steele;
- Christ Tescher Construction, Chris Tescher;
- Carmel Boutique Inns/Vagabond House Inn, Amanda Levett;
- Jody LeTout;
- Walker and Reed, Jim Heisinger;
- American Legion, Gerry Paratore;
- Cal-Clark Farms, Stu Clark;
- Bennett Sculpture Carmel, Ashley Stoddard;
- Sue McCloud;
- Su Vecino, Shari Polovneff;
- Vesuvio, Little Napoli, Carmel Bakery, Rich Pepe;
- Luca/L'auberge/Carmel Beach Hotel, David Fink;
- Hakim, Jack Hakim;
- Mandurrago & Associates, John Mandurrago;
- Forge in the Forest, Greg Profeta;
- Classic Hotels, Mary Crowe;
- Carmel Lodge, Mark Stilwell;
- Dyar Architects, Erik Dyar;
- Thomas Bateman Hood Architects, Thomas Hood;

- Justin Pauly Architects, Justin Pauly;
- Cushman Wakefield Properties, Michael Schoeder;
- Fred Kern;
- Lewis Builders, Scott Julian;
- Beesley Realty, Ben Beesley;
- Visit Carmel, Amy Herzog;
- Jeanne Cox Levett;
- Gerard Rose;
- Franklin Williams; and
- Catherine and John Compango.

E.3 City Contact List

This section provides contact information for City officials that were involved with Housing Element preparation.

Elected and Appointed Officials

City Council

- Dave Potter, Mayor;
- Payor ProTem/Housing Ad Hoc Member, Bobby Richards;
- City Councilmember/Housing Ad Hoc Member, Karen Ferlito;
- City Councilmember Jeff Baron; and
- City Councilmember, Alissandra Dramov.

Planning Commission

- Michael LePage;
- Stephanie Locke;
- Chris Bolton;
- Robert Delves; and
- Erin Allen.

Historic Resources Board

- Eric Dyar;
- Karyl Hall;
- Jordan Chroman;
- Kathy Pomeroy; and
- Esther Goodhue.

City Staff

- Brandon Swanson, Director of Community Planning & Building;
- Marnie Waffle, AICP, Principal Planner;
- Katherine Wallace, AICP, Associate Planner;
- Chip Rerig, City Administrator;
- Robert Harary, Public Works Director;
- Gaudenz Panholzer, Fire Chief; and
- Ashlee Wright, Library and Community Activities Director.

E.4 Tribal Consultation

This section provides contact information for all tribal consultation during Housing Element preparation.

Irene Zwierlein, Chairperson
Amah Mutsun Tribal Band of Mission San Juan Bautista
3030 Soda Bay Road
Lakeport, CA, 95453

Valentin Lopez, Chairperson
Amah Mutsun Tribal Band
P.O. Box 5272
Galt, CA 95632

Tony Cerda, Chairperson
Costanoan Rumsen Carmel Tribe
244 E. 1st Street
Pomona, CA, 91766

Rudolph Rosales (Ulax Huchumas)
Indigenous Peoples Consultant
Esselen Nation
P.O. Box 647
Monterey, CA 93942

Susan Morley, Cultural Resources
Esselen Tribe of Monterey County
3059 Bostick Avenue
Marina, CA 93933

Tom Little Bear Nason, Chairman
Esselen Tribe of Monterey County
P. O. Box 95
Carmel Valley, CA, 93924

Ann Marie Sayers, Chairperson
Indian Canyon Mutsun Band of Costanoan
P.O. Box 28
Hollister, CA, 95024

Kanyon Sayers-Roods, MLD Contact
Indian Canyon Mutsun Band of Costanoan
1615 Pearson Court
San Jose, CA, 95122

Isaac Bojorquez, Chairman
Kakoon Ta Ruk Band of Ohlone-Costanoan Indians of the Big Sur Rancheria
PO Box 8355
Woodland, CA, 95776

Christanne Arias, Vice Chairperson
Ohlone/Costanoan-Esselen Nation
519 Viejo Gabriel
Soledad, CA, 93960

Louise Miranda-Ramirez, Chairperson
Ohlone/Costanoan-Esselen Nation
P.O. Box 1301
Monterey, CA, 93942

Dee Dee Ybarra, Chairperson
Rumsen Am:a Tur:ataj Ohlone
14671 Farmington Street
Hesperia, CA, 92345

Kenneth Woodrow, Chairperson
Wuksache Indian Tribe/Eshom Valley Band
1179 Rock Haven Ct.
Salinas, CA, 93906

E.5 Service Organizations

Housing Authority of the County of Monterey
123 Rico Street
Salinas, CA 93907
(831) 775-5000

Monterey County Department of Social Services
1000 South Main Street
Salinas, CA 93901
(831) 755-4448

Catholic Charities Dioceses of Monterey
922 Hilby Avenue, Suite C.
Seaside, CA 93955
Monterey Peninsula (831) 393-3110
Salinas Valley (831) 422-0602

United Way Monterey County
232 Monterey Street
Suite 200
Salinas, CA 93901
(831) 372-8026

CHISPA, Inc.
295 Main St. #100
Salinas, CA 93901
(831) 757-6251

Mid-Peninsula Housing Coalition
303 Vintage Park Drive
Suite 250
Foster City, CA 94404
(650) 356-2900
info@midpen-housing.org

Habitat for Humanity Monterey Bay
108 Magnolia Street
Santa Cruz, CA 95062
(831) 469-4663
www.habitatmontereybay.com

ECHO Fair Housing Services
580 Pacific Street
Monterey, CA 93940
(831) 566-0824
https://www.echofairhousing.org/fair-housing-services.html

Central Coast Center for Independent Living
318 Cayuga Street
Suite 208
Salinas, CA 93901
(831) 757-2968
https://www.cccil.org/

Center for Community Advocacy
22 West Gabilan Street
Salinas, CA 93901
(831) 753-2324
https://cca-viva.org/

The Salvation Army Good Samaritan Center
1491 Contra Costa
Seaside, CA 93955
(831) 899-4911
https://montereypeninsula.salvationarmy.org/

Hope Services
1144 Fremont Blvd.,
Suite D
Seaside, CA 93955
(831) 393-1575
https://www.hopeservices.org/

Coalition of Homeless Service Providers
1942 Fremont Boulevard
Seaside, CA 93955
(831) 883-3080
https://chsp.org/

Monterey County Stand Down for Homeless Veterans
https://www.montereystanddown.org/

Diocese of Monterey
425 Church Street
Monterey, CA 93940
(831) 373-4345
https://dioceseofmonterey.org/

E.6 Additional Outreach

- Website: "Housing Opportunities Made Easier (H.O.M.E.) Carmel-by-the-Sea" (homecarmelbythesea.com) launched April 5, 2023. The website is presented in English with surveys in English and in Spanish. Information continues to be posted on this website;
- Housing Element Website Information Published: April 2023, May 2023, June 2023;
- April, 2023 – ongoing: E-Notification informing the public to, "Visit our Dedicated Housing Element Website" was sent in April 2023 and included in subsequent "City Administrator Friday Letter" e-notifications on a near-weekly basis;
- November 17, 2022: Housing Ad Hoc Committee Community Meeting provided a Housing Element Introduction and Overview;
- February 7, 2023: City Council meeting to review the Housing Feasibility Study by ECONorthwest and enter into contract with EMC Planning Group for Housing and Safety Element updates;
- March 28, 2023: Housing Ad Hoc Committee Community Meeting provided an overview of the housing feasibility study authored by ECONorthwest and constraints that limit housing production;
- April 6, 2023: Housing Ad Hoc Committee Community Meeting addressed 5th Cycle accomplishments and goals, programs, and policies;
- May 24, 2023: Housing Ad Hoc Committee Community Meeting discussed the importance of equity, housing needs assessment information, and potential 6th Cycle programs, and provided some strategies for sites and ways to provide feedback throughout this process;
- June 15, 2023: Joint City Council and Planning Commission Special Meeting hosted by the Housing Ad Hoc Committee was held to discuss the draft Housing Element and the 30-day public comment period and to provide an opportunity for the public to give verbal feedback/comments on the draft Housing Element;
- July 11, 2023: City Council to provide strategic direction related to public comment received;
- August 1, 2023: City Council to review revised draft Housing Element before submittal to HCD;
- Advance (10-day minimum) public notice of all scheduled Housing Ad Hoc and Council meetings published in the local newspaper, *The Carmel Pine Cone*;
- City staff have notified all property owners of identified sites via U.S. mail and - where e-mail addresses were known - have e-mailed property owners to encourage potential redevelopment of private property; and

- The City has implemented varied methods of involvement for community members, including: the HOME Carmel-by-the-Sea website, the Carmel-by-the-Sea City website/Long-Range Planning page, "Housing" email Listserv, "City Council" email listserv, announcements published in the City Administrator's "Friday Letter" and vlog, public notices in *The Carmel Pine Cone*, a staffed table at the local Farmer's Market; a Community Housing Stakeholder Survey made available in both English and Spanish, and seven (5) community meetings specific to the Housing Element topic and three (3) regular City Council meetings with an agendized Housing Element topic completed prior to submission of the Draft Housing Element to HCD.

ECONorthwest Feasibility Study

F

APPENDIX

ECONorthwest Study Background

On May 20, 2022, the City of Carmel-by-the-Sea entered into a professional services agreement with ECONorthwest to prepare a housing feasibility study. The study informs the analysis required as part of the 6th Cycle Housing Element update. The feasibility study evaluated current market conditions, the City's development standards related to housing, and potential opportunities for housing development. The study was not meant to be exhaustive. Instead, it starts the conversation about development opportunities and constraints within the City of Carmel-by-the-Sea.

DATE: January 27, 2023
TO: Brandon Swanson, City of Carmel-by-the-Sea
FROM: Chris Blakney, ECONorthwest
SUBJECT: Housing Element Analysis for the City of Carmel-by-the-Sea

Introduction

In the State of California, local jurisdictions maintain a General Plan that serves as a blueprint for its long-term vision. Among the required "elements" of a general plan is the Housing Element. The Housing Element is the only element that state law requires be updated on a periodic cycle. The California Department of Housing and Community Development (HCD) is responsible for overseeing Housing Element updates. Every eight years, HCD allocates a share of projected statewide housing need to regions across the state. This is called the Regional Housing Need Allocation (RHNA). The state is currently in the sixth of these cycles. The sixth cycle will cover the June 30, 2023 to December 15, 2031 planning period for the City of Carmel-by-the-Sea [Carmel].

The City is a part of the Association of Monterey Bay Area Governments (AMBAG). AMBAG is responsible for developing a methodology for allocating its regional share of housing need to its individual jurisdictions. The Final Sixth Cycle (2023-2031) Regional Housing Needs Allocation plan, completed in October 2022, determined that Carmel's share of regional housing need is 349 units; 187 of these units must be suitable to accommodate lower income households. It is important to note that RHNA targets reflect zoned capacity, not a construction quota.

Figure 1: Regional Housing Needs Allocation, Fifth and Sixth Cycle
Source: California Department of Housing and Community Development[1]

Cycle	Income Level				Total
	Very Low	Low	Moderate	Above Mod.	
RHNA5 (2015-2023)	11	5	6	13	31
RHNA6 (2023-2031)	113	74	44	118	349
Sixth Cycle Income and Rent Ranges (County of Monterey)					
Income Levels	*$0 - $45,050*	*$45,050 - $72,080*	*$72,080 - $108,120*	*$108,120 +*	
Rent Level/mo	*$0 - $1,126*	*$1,126 - $1,802*	*$1,802 - $2,703*	*$2,703 +*	

While the City satisfied its Fifth Cycle RHNA planning target and received a certification for the 2015-2023 planning period, the market did not produce all 31 planned units. This underscores a considerable hurdle for the City in the Sixth Cycle which represents a 1,000% increase in its housing target for the cycle. This capacity is particularly challenging because Carmel does not have a deep supply of vacant land and presently lacks water resources to accommodate significant growth. This is further complicated by a parcelization pattern that includes many

[1] https://www.hcd.ca.gov/docs/grants-and-funding/inc2k22.pdf

small taxlots and market conditions that support high values for existing structures, making redevelopment improbable.

Executive Summary

As City officials begin to prepare for the Housing Element Update, they want to better understand some of the challenges to development and opportunities for adding housing capacity. This analysis summarizes our work exploring market conditions, observations in the City's zoning code, and sites/locations that are most likely to have development potential. While this report does not constitute a site alternatives analysis suitable for the City's Housing Element Update, it may provide insights into the development challenges, opportunities, and candidate sites for meeting the City's RHNA obligation in the Sixth Cycle.

Although renovation and replacement construction is common in Carmel, the City has had very limited net-new residential development during the Fifth Cycle (2015-2023) RHNA planning period[2]. This has been in part a function of barriers in the current zoning code, access to water rights, market conditions, and the existing development pattern in the City's commercial core. In this work, we have found that existing development standards, such as a two-story heigh limit, effectively prohibit achieving maximum allowed residential densities. Another challenge is a parcelization pattern of smaller lots with existing moderate scale commercial development with well-performing tenants. Despite these challenges, our analysis identified 17 sites in or adjacent to the commercial core that could be viable candidates for redevelopment or densification. To be sure, for development to occur on these sites—specifically development serving lower income households—the City will need to take action to remove barriers and identify resources to support financial feasibility. Actions recommended for consideration include financial subsidies, disposition of City-owned land, targeted rezoning of specific sites adjacent to the existing commercial zones, and amendments to development standards to remove development constraints.

Local Context

Carmel-by-the-Sea is a small coastal community located on the Monterey Peninsula. Incorporated in 1916, the City is among the most affluent communities in California. The City has a strong residential character and a centralized business district. Carmel's architecture in its business district has a distinct character, having been built out during the 1920s and 1930s. Over 45 properties in the commercial district are considered historical resources.

Carmel is also a popular coastal tourism and second home destination. There are over three dozen hotels in Carmel and roughly 40 percent of all housing units are for seasonal, recreational, or occasional use—a rate ten times the national average.[3] This dynamic has created a housing market that severely lacks affordability. Forty-seven percent of all households that

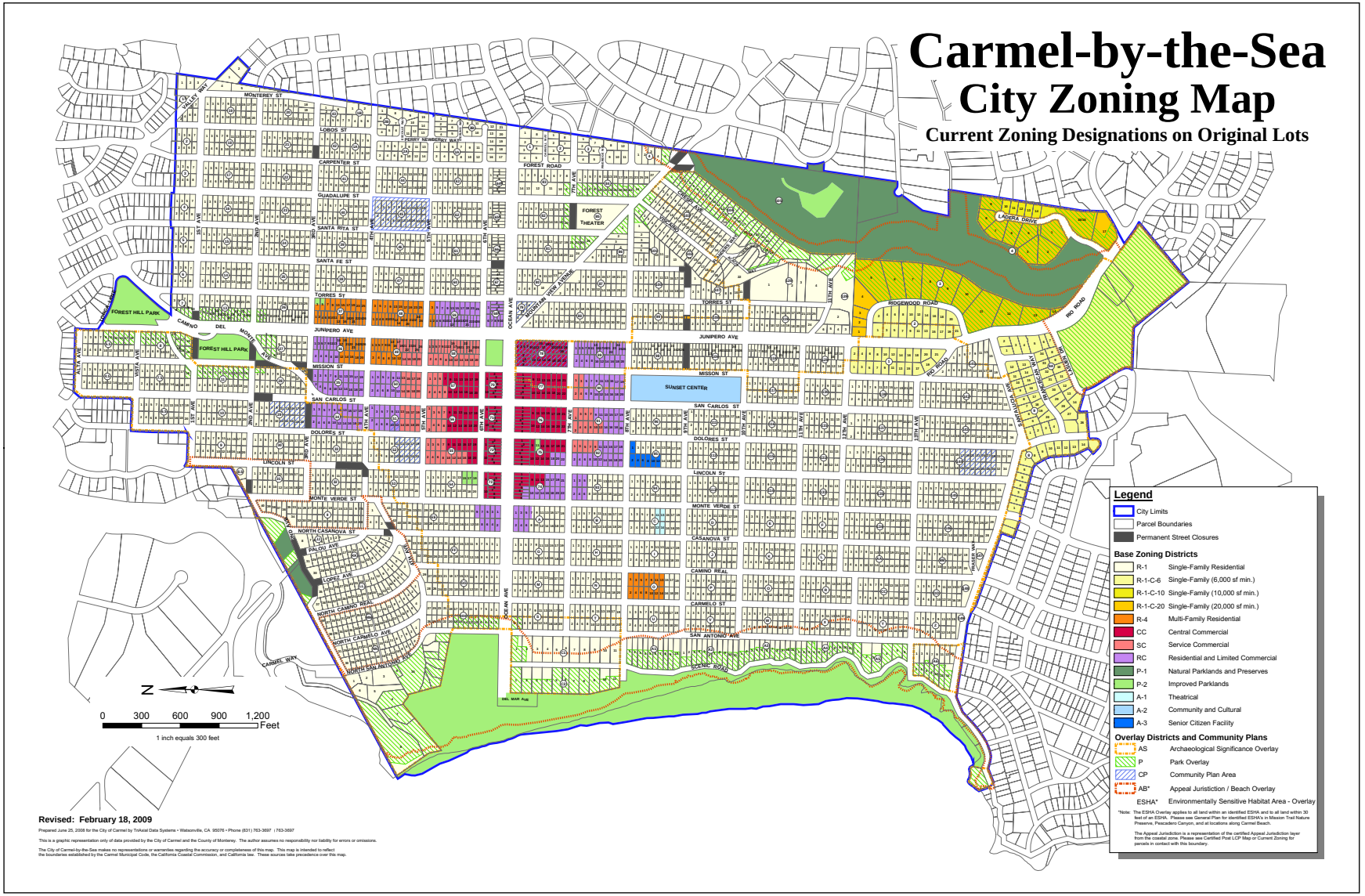
[2] According to Carmel's most recent Annual Progress Report to HCD.

[3] U.S. Census Bureau. American Community Survey 5-Year Estimates (2016-2020); Table B2004. (See https://data.census.gov/)

rent (vs. own) their homes in Carmel are cost burdened, spending greater than 20 percent of their income on housing. Among these, a full 25 percent of renter households are severely cost burdened, spending 50 percent or more of their income on housing. 2,102 individuals work in Carmel, of whom only 2.6 percent live in Carmel.[4]

[4] U.S. Census Bureau Longitudinal Employer-Household Dynamics Data (See https://lehd.ces.census.gov/)

Figure 2: Carmel-by-the-Sea Zoning Map on Original Plat
Source: City of Carmel-by-the-Sea (see https://planningsites.org/CarmelPlanning/)



Site Visit

In June 2022, City staff hosted a walking tour of the village. The purpose of this exercise was to observe the characteristics of the built environment and evaluate the potential of City-owned sites to accommodate development of housing. Key themes from this visit include:

Height. The City's current code has a two-story height limit. However, there are many older structures throughout the commercial core that are taller than two stories and are adjacent to single- or two-story buildings.

Interior Courtyards. One of the unique characteristics of Carmel's built environment is the network of interior courtyards and intra-block passageways that connect businesses. Residents and visitors are encouraged to explore these interior areas behind business frontages and facades.

City-Owned Sites. The City owns several sites across the village. In addition to larger and potentially underutilized sites in the downtown core, it owns a series of sites that are unimproved street rights-of-way.

Sunset Center North and South Lots. If on-site parking could be accommodated, the north lot of the Sunset Center could be a redevelopment candidate. The South Lot may also be explored for development potential.

Topography. Some areas within and on the periphery of the commercial district have steep slopes. These areas could be opportunities for development with tuck-under parking.

Low density retail in commercial district

Example of interior courtyard

Ulrika Plaza at 5th and Dolores

Example of City-owned ROW site

Sunset Center North Lot

Example of underutilized parking

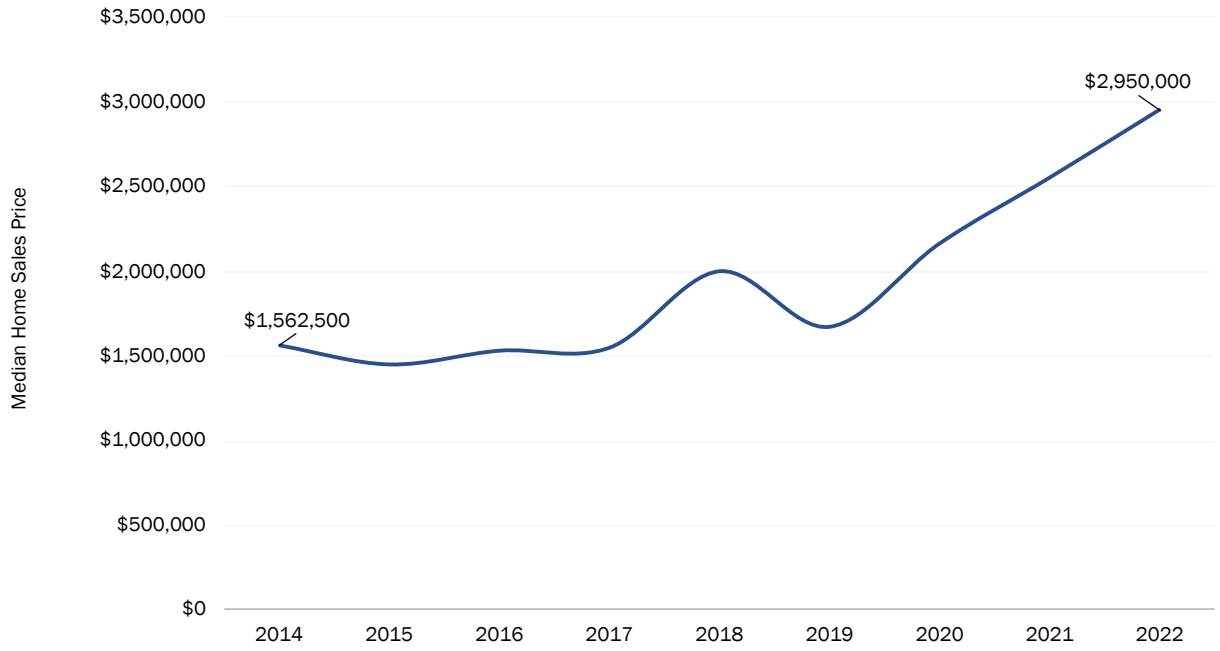
Market Overview

The ability of the market to deliver housing production in the future is largely a function of existing market conditions. An observation of socioeconomic conditions also informs housing need in the community.

For-Sale Market

Following several years of relative stability, the price of homeownership in Carmel has accelerated rapidly in recent years. Since 2019, the median home price in Carmel has jumped from $1.6 million to $2.95 million, an increase of 84 percent.[5] Price increases are being driven by demand-side forces.

Figure 3: Median Home Price
Source: Property Radar[6]



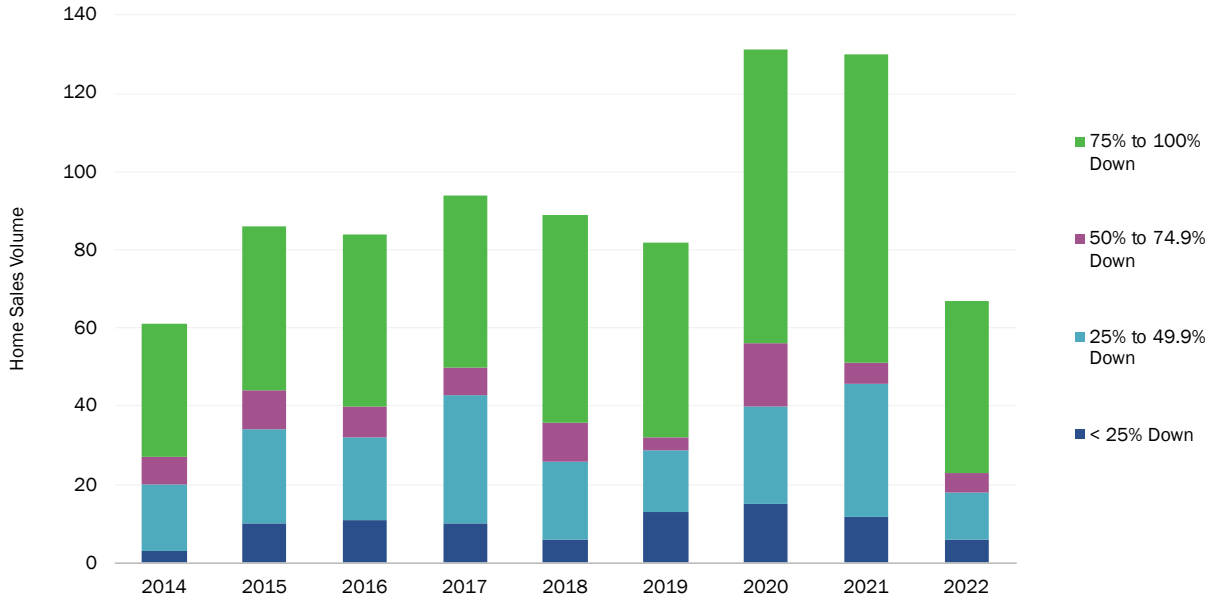
Over this same period, there has been an acceleration of both sales volume and the share of homes that are purchased all cash or with mostly cash. For example, in 2020 and 2021 sales volumes were 50 percent higher than the previous five-year average. Moreover, the percentage of home sales with 75 percent to 100 percent cash down increased from 53 percent to 61 percent through the first half of 2022. This is indicative of a market that is attracting outside capital from other high-value markets. In the context of observed migration patterns in Northern California because of the COVID-19 pandemic, we suspect that much of the movement in the market is being driven by migration of high-net-worth households out of the Bay Area. This is observed

[5] Property Radar. (See https://www.propertyradar.com/) Data reported through most recent period available

[6] Property Radar. (See https://www.propertyradar.com/) Data reported through most recent period available

in migration data from the U.S. Postal Service that shows that since March 2020 Carmel has seen a migration-driven increase of 552 households.[7]

Figure 4: Sales Volume and Percent of Purchase Price in Cash
Source: Property Radar[8]



Second-Home Market

Tourism and the impacts of second homes and long-term rentals are also having an observed impact on affordability in Carmel.[9] Data from the U.S. Census Bureau shows that nearly 40 percent of all housing units are used for seasonal, recreational, or occasional use. This rate is ten times the national average.

Figure 5: Share of Housing Units that are Second Homes
Source: U.S. Census American Community Survey (2016-2020 estimates); Table B25004[10]

	Nation	Carmel
Total housing units	138,432,751	3,731
For seasonal, recreational, or occasional use	5,303,302	1,479
Share of housing units that are second homes	3.8%	39.6%

[7] USPS Change-of-Address Migration Data
https://www.arcgis.com/apps/dashboards/951428e32723456c879d0966af4baa8a

[8] Property Radar. (See https://www.propertyradar.com/)

[9] Short-term rentals are not permissible as per CMC 17.08.060 and CMC 17.14.040. (See https://www.codepublishing.com/CA/CarmelbytheSea/html/Carmel17/Carmel1708.html)

[10] U.S. Census American Community Survey (2016-2020 estimates); Table B25004. (See https://data.census.gov/)

Renter Market

Reliable real-time market data on the local rental market is challenging to obtain because the majority of the rental market is organized through individual transactions, small property management firms, and in some cases informal agreements. Figure 6 below demonstrates that tenure split (owner vs. renter-occupied) in Carmel is roughly equal. However, a full 78 percent of the rental market is being met by single-family housing units (rather than apartment buildings), typically rented out by individuals as opposed to large property management firms.

Figure 6: Tenure (Rent vs. Own) by Units in Structure in Structure
Source: U.S. Census American Community Survey (ACS) (2016-2020 estimates)[11]
Note: Tenure refers to whether a unit is occupied by someone who owns the unit (owner-occupied) or rents the unit (renter-occupied).

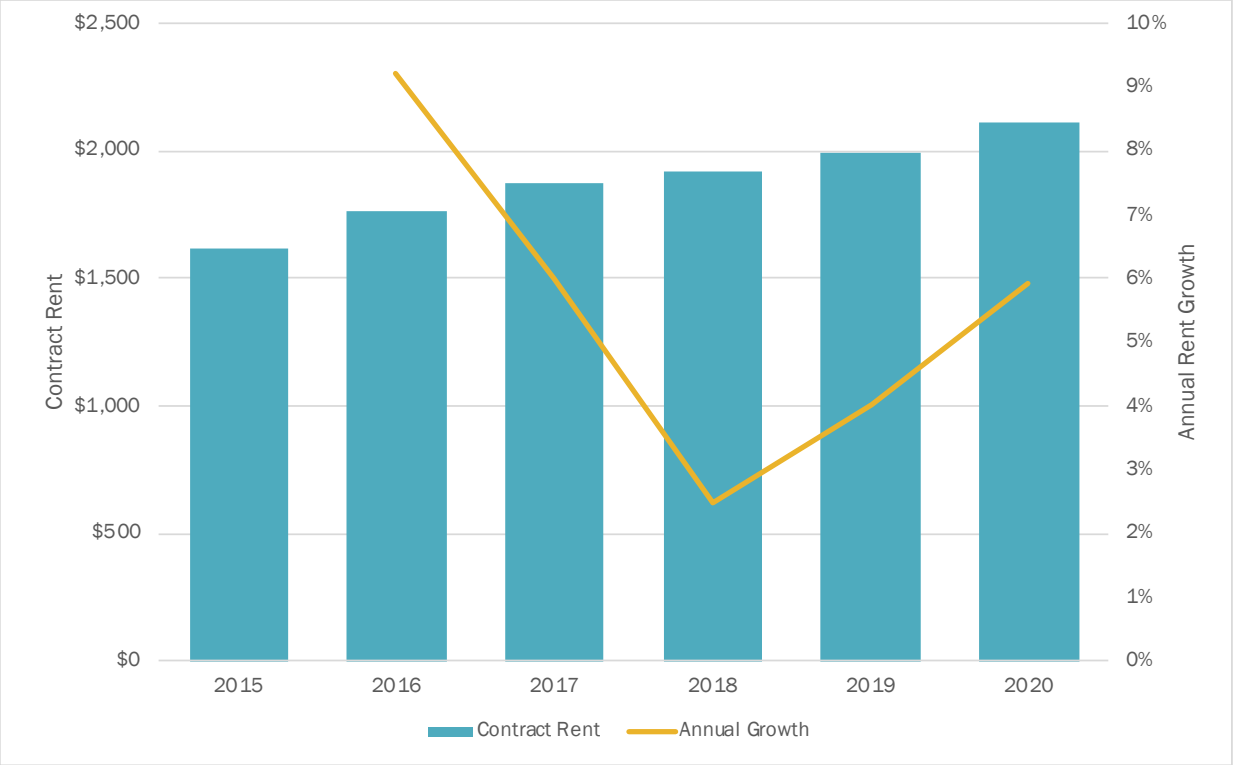
Unit Type	Owner-Occupied	Renter-Occupied	Total
Single-family Detached	993	694	1,687
Single-family Attached	0	19	19
Duplex	0	0	0
Triplex/Quadplex	0	22	22
Small Multifamily (5-19 units)	0	162	162
Large Multifamily (20+ units)	0	0	0
Mobile Homes[12]	0	19	19
Total	**993**	**916**	**1,909**
Tenure Split	*52.0%*	*48.0%*	

In Figure 7 below, we report annual contract rent reported for the market by the U.S. Census Bureau's American Community Survey. We consider "average" rent levels reported in the survey to be considerably lower than where rental properties transact at in the market based on observations of current rent levels. However, this data is showing the expected trend of accelerated rent growth over the last two observation years.

[11] U.S. Census American Community Survey (2016-2020 estimates). (See https://data.census.gov/)

[12] The U.S. Census uses survey data across a five-year period to produce estimates across a broad range of demographic and socioeconomic variables in the American Community Survey (ACS). Because the ACS uses survey data to develop estimates, results can be unintuitive and have larger margins of error in smaller geographies. See https://www.census.gov/programs-surveys/acs/methodology.html for a review of the Census Bureau's methodology for the ACS.

Figure 7: Annual Contract Rent
Source: U.S. Census American Community Survey (5-year estimates from 2015-2020)[13]



Cost Burden

State and federal standards specify that households spending more than 30% of gross annual income on housing experience a housing cost burden. Housing cost burdens occur when housing costs increase faster than household income. When a household spends more than 30% of its income on housing costs, it has less disposable income for other necessities, including health care, food, education, and clothing. In the event of unexpected circumstances such as the loss of employment or serious health problems, lower-income households with a burdensome housing cost are more likely to become homeless or be forced to double-up with other households. Homeowners with a housing cost burden have the option of selling their homes and becoming renters. Renters, on the other hand, are vulnerable and subject to constant changes in the housing market.

In Carmel, 47 percent of all households that rent their homes are cost burdened, spending greater than 30 percent of their income on housing. Among these, a full 25 percent of renter households are severely cost burdened, spending 50 percent or more of their income on housing.

Figure 8: Percent of Income Spent on Rent, City of Carmel-by-the-Sea (2020)
Source: American Community Survey 2016-2020 Five-Year Estimate (Table B25070)[14]

Income on Rent	Households	Share

[13] U.S. Census American Community Survey (5-year estimates from 2015-2020). (See https://data.census.gov/)

[14] American Community Survey 2016-2020 Five-Year Estimate (Table B25070). (See https://data.census.gov/)

Less than 10.0 percent	153	16.7%
10.0 to 14.9 percent	49	5.3%
15.0 to 19.9 percent	182	19.9%
20.0 to 24.9 percent	63	6.9%
25.0 to 29.9 percent	39	4.3%
30.0 to 34.9 percent	61	6.7%
35.0 to 39.9 percent	70	7.6%
40.0 to 49.9 percent	70	7.6%
50.0 percent or more	229	25.0%
Total:	916	100.0%

Commute Patterns

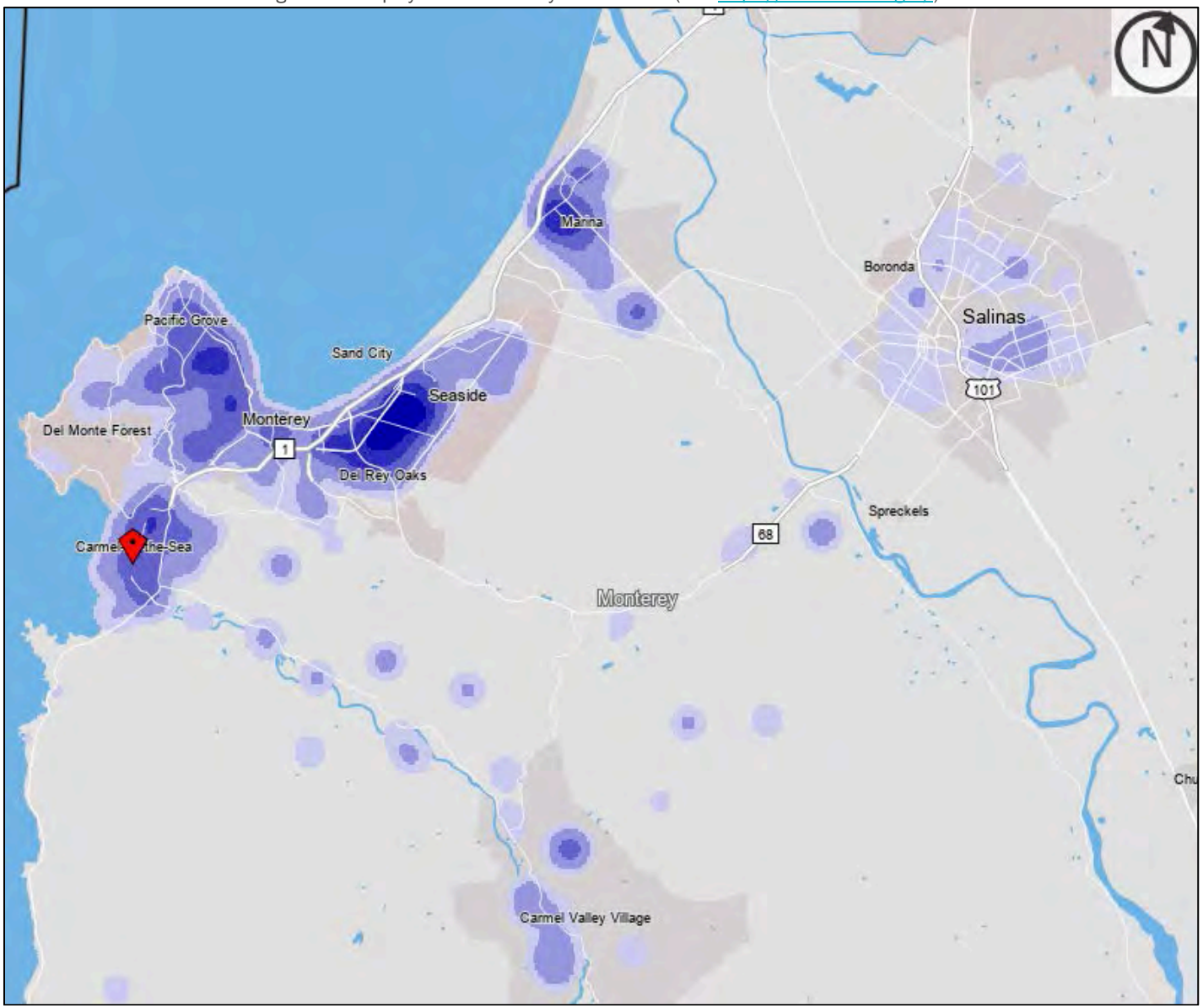
It is hypothesized that Carmel's concentration of jobs in the leisure and hospitality sector creates challenges for local workers who do not have sufficient incomes to afford housing in the community. This imbalance of jobs to housing impacts quality of life including how far workers must travel for work, increasing transportation costs, and reducing individual productivity. In general, a good balance of jobs to housing would occur where the jobs available in a community match the labor force skills, and where housing is available at prices, sizes, and locations suited to workers who wish to live in the area.

In Carmel, roughly half of all workers live within 10 miles of the city. Primary areas where workers live include Seaside, Monterey, Salinas, and Pacific Grove. A full 26 percent of workers commute from greater than 25 miles away. Only 2.6 percent of workers live and work in Carmel.[15]

[15] U.S. Census Bureau Longitudinal Employer-Household Dynamics Data (See https://lehd.ces.census.gov/)

Figure 9: Commute Patterns, Where Employees in Carmel Live (2019)

Source: U.S. Census Bureau Longitudinal Employer-Household Dynamics Data. (See https://data.census.gov/)



Code Review

As part of our scope, we conducted a code review to identify potential issues and barriers that could limit housing production in the Multifamily Residential (R-4) district and the commercial zones; Residential and Limited Commercial (RC) Central Commercial (CC), and Service Commercial (SC).

General Notes

- The pattern of existing development is small lot (3,800-6,000), detached single-family. Most new development will be infill.
- Multifamily is defined as any development with two of more units on the same lot.

Building Height in All Zones

Building height throughout the city is limited to two stories, with maximum heights established for each zone. CMC 17.14.150.B-C establishes maximum building heights for the R-4[16], RC, SC, and CC zones. Structures in R-4 and RC zones are limited to 26 feet and structures in the CC and SC zones are limited to 30 feet. Building sites which face, abut or adjoin any property in the R-1 district are limited to a height of 24 feet. Building height may also be determined by compatibility with nearby structures facing the same street or intersection and within the same pedestrian field of view (i.e., generally, within 100 feet to either side of, or across the street from the proposed structure).

Given the existing small lot sizes observed throughout the city and off-street parking requirements (discussed in more detail below for the R-4 zone), a two-story maximum height will likely prohibit many multifamily projects from achieving base density allowances in the R-4 zone. Building height limitations, maximum building coverage, and floor area ratio (F.A.R) limitations (discussed in more detail below) will even more severely limit multifamily projects from achieving base density allowances in commercial zones, even if parking requirements are lower than in residential zones.

R-4 Development Standards

Density

CMC 17.12.020.B establishes a maximum base density of 33 du/ac, and CMC 17.12.020.C offers a density bonus of 44 du/ac in exchange for affordable units. While these density thresholds are relatively high, they are difficult to achieve given the City's inventory of small lots between roughly 3,800-6000 square feet, with lot widths around 50-60 feet and two-story building height maximum. Off-street parking requirements will further limit the ability to achieve base density.

Given the site constraints and a need for many developments to achieve base density for financial reasons, it is unlikely developers will be able to take advantage of the density bonus

[16] Underground parking does not count as a story in the R-4 zone.

since their ability to achieve the *base* density is already constrained. If the density bonus was offered in another story, rather than du/ac, it could help reduce barriers and allow more housing production on smaller sites.

Parking

CMC 17.38.020 requires 1.5 parking spaces per residential dwelling unit and offers reduced parking standards for affordable units (0.5 spaces per unit) in the R-4 zone. CMC 17.12.020.F.1 prohibits parking requirements in the R-4 zone to be met on-street or through a fee-in-lieu.

Providing parking onsite while achieving the allowed density will be a challenge for many development sites given that many of the existing lots in the city are only 50-60 feet wide. While underground parking is allowed and does not count against the maximum building height, underground parking is far more expensive to construct. Reducing parking standards for certain areas (i.e. areas with access to transit or walkable to commercial districts) or for unit types (i.e. studios and one-bedrooms) may help developments achieve base densities.

Unit Distribution

CMC 17.12.020 requires that on sites larger than 4,000 sf, 50 percent of all units must be provided as rental apartments.

CMC 17.08.050.F. requires at least 25 percent of all units in a multifamily project containing more than two units be between 400-650 square feet. While this provision on its own is not necessarily a barrier to housing development, parking standards for these small units are the same as a single-family home. Reducing the parking standard for smaller multifamily units will help developments to achieve density more easily.

Commercial Zone Development Standards

Building Coverage

CMC 17.14.130.A. limits building coverage to 80 percent in the CC and SC zones.[17] The existing pattern of development in these two zones appears to exceed 80 percent building coverage on many parcels. Additionally, the code prohibits the removal of existing courtyard or intra-block walkways, which will further limit the amount of allowable building coverage on some sites.

Since the land costs in Carmel-by-the-Sea are exceptionally high, these maximum building coverage requirements will likely act as a development barrier. This becomes even more of a challenge in the context of redevelopment where the existing structure exceeds 80 percent building coverage. New developments may be required to build a smaller building than previously existed.

[17] Exceptions are granted up to 95 percent.

Floor Area Ratio

CMC 17.14.140.A-B establish F.A.R limits for the commercial zones. One-story buildings in the CC and SC zones are allowed to achieve an F.A.R equal to 95 percent of the site area. However, this contradicts the allowed building coverage discussed above (80 percent), excluding the exceptions. Two-story buildings can obtain an F.A.R equal to 135 percent of the site area, which further limits the allowed square footage outside of the building coverage maximums, as either the first or second story would need to be smaller than the other to meet this F.A.R. For example:

- A 5,000 square foot lot is allowed a maximum of 4,000 square feet in building coverage, which could translate to about an 8,000 square foot building if the two stories were of equal size. However, two-story buildings are limited to 135 percent of the total site area.
  - 135 percent of the total site area is 6,750 square feet. The F.A.R requirements reduces the potential square footage by approximately 1,250. This lost square footage could translate into roughly two additional apartment units.
  - However, if using a density bonus the limit would be 150% of the total site area, reducing the amount of lost square footage for project utilizing a density bonus.

The restriction is even more severe in the RC zone adjacent to the Single Family Residential (R-1) zone, where F.A.R requirements limit two-story buildings to 80 percent of the total site area. For example:

- A 5,000 square foot lot could result in a maximum building coverage of 3,500 (70 percent), so two stories of the same size could render a 7,000 square foot building.
  - With F.A.R. limited to 80 percent of the total site area for two-story structures, this limits the building to 4,000 square feet. This represents a loss of about 3,000 square feet.
  - Like the example above, the loss of square footage is reduced if a project can capitalize on a bonus.

F.A.R. bonuses are available for projects that include affordable housing, courtyards, and/or intra-block walkways.

Review Processes and Additional Studies

The City should be mindful of how additional procedures and studies can add time and cost to projects that are facing unprecedented cost escalations in the current economic environment. For example, CMC 17.08.050.F.1 requires all multifamily projects to prepare an acoustical analysis and the implementation of acoustical design treatments to meet noise standards contained in Title 25 of the California Government Code. While this is not a barrier to development on its own, it does require a small amount of time and cost to the development process. Cumulatively, review processes can add up to be a significant barrier to development and the City should endeavor to streamline review and approvals wherever possible.

The City also requires conditional use permits for certain residential developments in all zones (i.e. developments over 22 du/ac). The City's standard practice is to process approvals concurrently where possible; but removing this additional process could reduce extra steps and cost in the development process for both City staff and applicants, while eliminating the additional cost of preparing a conditional use application.

High-Level Sites Analysis

In its forthcoming update to the Housing Element of the General Plan, the City will be required to identify physical sites that have the zoned capacity to accommodate its share of regional housing need (349 units). The State agency (Housing and Community Development "HCD") responsible for oversight and certification of the Housing Element has specific requirements for this analysis. It is beyond the scope of this project to conduct a full HCD compliant alternative sites analysis. And the sites included in this review is unlikely to be an exhaustive list of candidates. It likely also includes candidates that future study my find less viable. However, as a precursor to the Housing Element Update, we provide a high-level overview of potential candidate sites. In our methodology we combine anecdotal context through conversations with local developers and property owners alongside a range of variables that are theoretically indicative of redevelopment potential. These include:

- Historic resources
- Sites with adjacent ownerships
- Sites identified in RHNA5
- Land-to-improvement ratio
- Total value per-square-foot
- Sites with high value uses
- Discussions with developers
- Site visit and spot checking

Defining a Study Area

Housing redevelopment generally requires scale to be financially feasible because the value of the new use must be measurably higher than the existing use. Scale is a function of site size and allowed density. Under the existing zoning code, only the R-4 and commercial zones allow multifamily development. For this reason, the focus of this work is on the commercial core, defined in Figure 11.

Conservation District

The purpose of the Conservation District (codified in 2004) is to "recognize that Ocean Avenue and the commercial properties that surround this corridor contain some of the most memorable and important commercial buildings in Carmel".[18] The district includes special procedures that influence the development and design context for properties in the district. While we did not consider all properties in the district to be infeasible, the additional development and design standards add an additional layer of complexity to redevelopment potential.

[18] Carmel Municipal Code § 17.20.260. (See https://www.codepublishing.com/CA/CarmelbytheSea/html/Carmel17/Carmel1720.html)

Figure 10: Zoning Map; Carmel-by-the-Sea

Source: City of Carmel-by-the-Sea

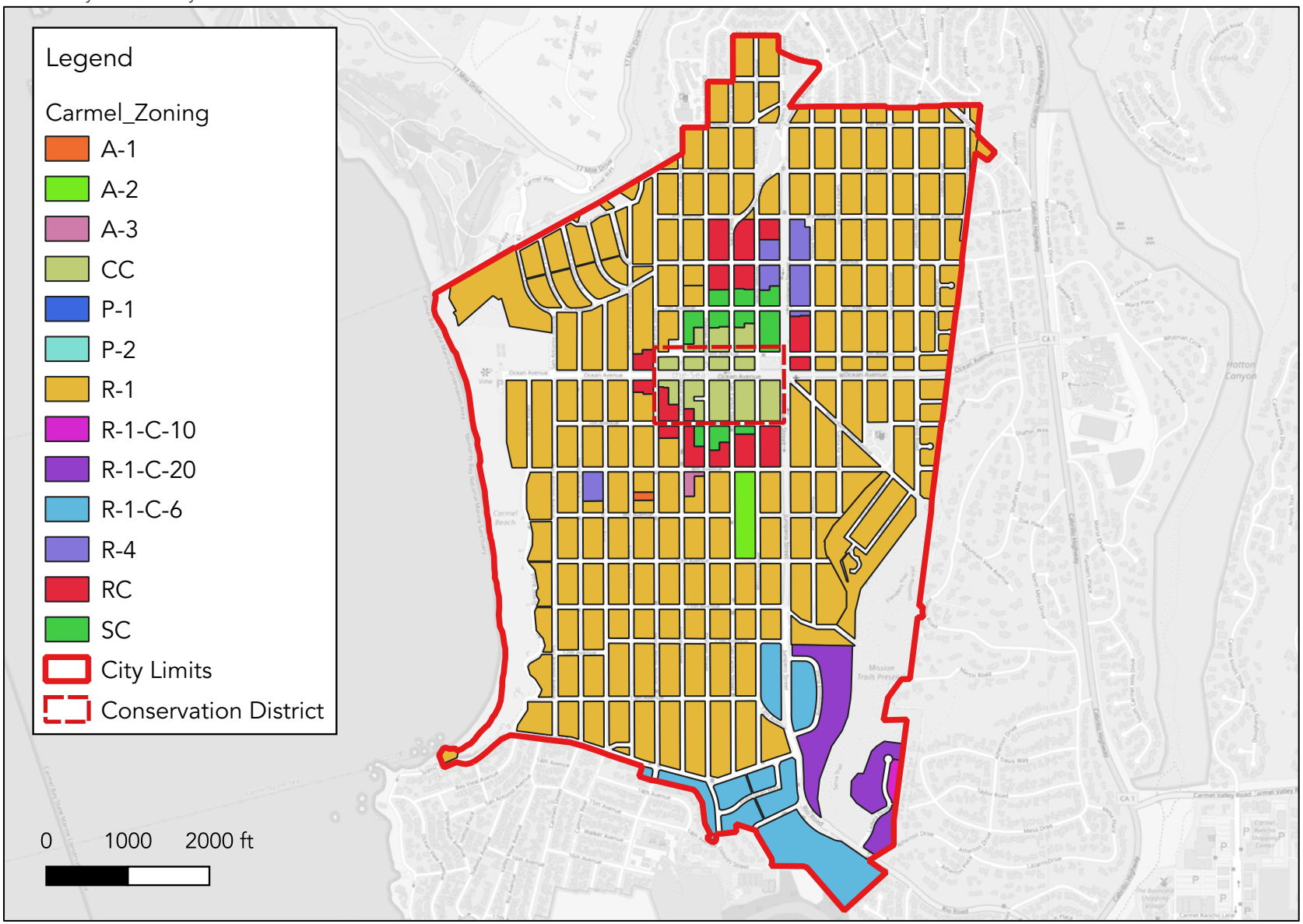
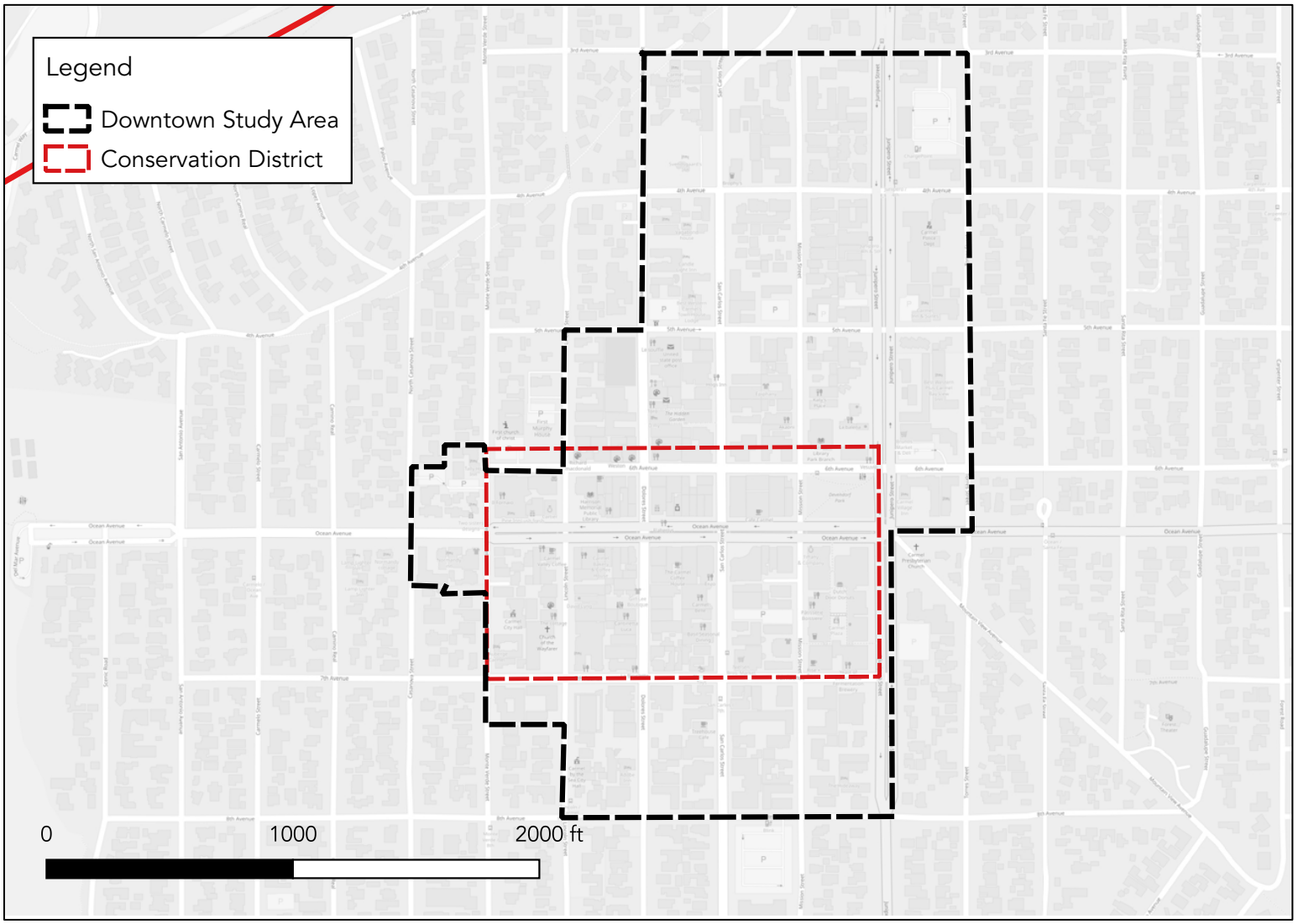


Figure 11: Commercial Core Study Area Definition

Source: ECONorthwest



Historic Resource Properties

The project study area includes 45 properties that are identified as historic. All but seven of these are in the Conservation District (see Figure 12). While we did not omit historic resource sites from being considered redevelopment candidates outright, redevelopment or renovation of historic resource sites will have an additional layer of complexity, as projects will need to meet the Secretary of the Interior's Standards for Rehabilitation.[19]

Properties Omitted Due to Existing Use

In this step we removed properties from consideration that have clear uses that would be a barrier to redevelopment, regardless of the redevelopment economics of the physical sites (see Figure 13). This included a removal of civic and institutional uses such as City Hall, libraries, parks, and open space. It also removed all attached ownership sites (such as condominiums) because assembling ownerships of these properties is nearly impossible. Lastly, we removed sites with businesses where the likely income generating potential of the use was high relative to the real estate asset (such as hotel properties). Due to Carmel's tourism draw, even a 2-star hotel commands room rates well above average for the class. Conversations with City staff and local developers further suggested that it would be highly unlikely that any hotel property in the commercial core would fully redevelop or reposition to permanent housing. However, there is opportunity to add workforce housing capacity through programs that convert a single hotel room to an on-site managers uint.

Fifth Cycle (RHNA5) Housing Element Sites

Carmel's Fifth Cycle Housing Element was adopted in 2015. This document includes an inventory of sites that were identified at the time as the most likely to accommodate future housing need (see Figure 14). The analytical process to identify these sites is established and findings certified by the State Department of Housing and Community Development (HCD).

Adjacent Ownerships

Sites that can obtain scale through size and density generally have a higher likelihood of redevelopment. Larger sites offer greater flexibility and fewer barriers. Often, two or more sites adjacent to each other that are both underutilized can be combined to make more feasible development site. However, assemblage of multiple ownerships can be a barrier. In this step we used ownership data in Assessor's records to identify properties that are adjacent to each other but have the same owner (see Figure 15). If they meet other redevelopment criteria, these sites are more likely to redevelop.

[19] Secretary of the Interior's Standards for Rehabilitation. (See https://www.nps.gov/subjects/taxincentives/secretarys-standards-rehabilitation.htm)

Figure 12: Historic Resource Properties

Source: City of Carmel-by-the-Sea.

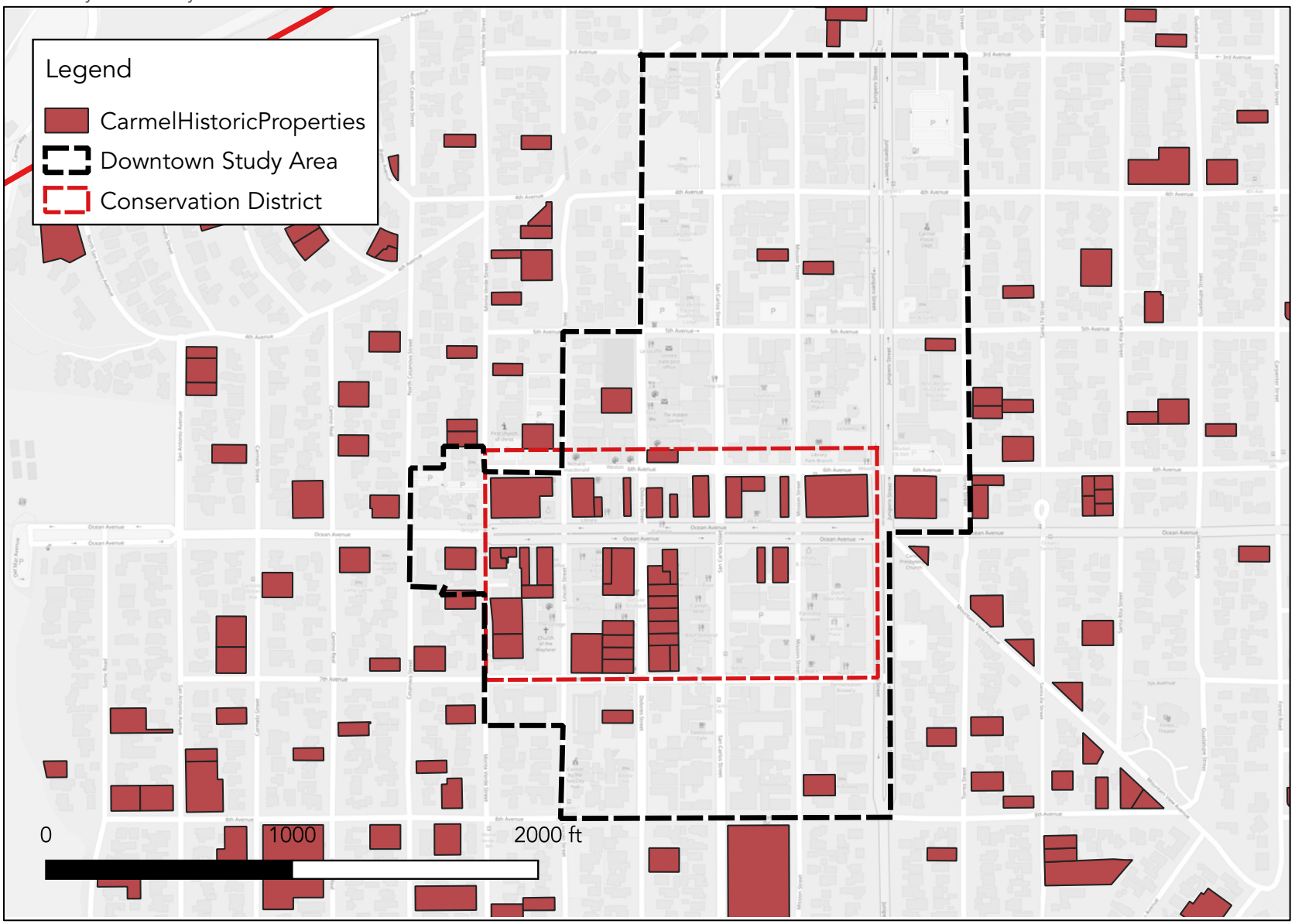


Figure 13: Omitted Properties do to Existing Use

Source: ECONorthwest

Figure 14: RHNA5 Sites in the Commercial Core

Source: Carmel-by-the-Sea Fifth Cycle Housing Element, Digitized by ECONorthwest

Figure 15: Sites with Adjacent Ownerships

Source: ECONorthwest

Land-to-Improvement Ratio

Land-to-Improvement ratio is a metric that compares the value of an improvement on a property to the value of the land using data from the Monterey County Assessor's Office. Theoretically, the more valuable land is compared to improvements on a site, the more likely the site is to redevelop (see Figure 16).

Data Limitations

The land-to-improvement metric and the value per-square-foot metric (below) use assessed value as reported by the Assessor. Assessor's data can deviate broadly from real market value in California due to Proposition 13 which limits the annual increase in assessed value to 2 percent until a property transacts. While the ratio of improvement and land value should be more stable, properties that have not transacted for a long time could provide misleading results. For this reason, we consider these metrics alongside all other variables and in conjunction with site/spot checks.

Total Value Per-Square-Foot

In development economics the term "residual land value" is defined as the maximum value that a developer can pay for a site for a given development program. It is influenced by a range of factors including construction costs, development form, market conditions, and the developer's threshold for rate of return, among other factors. It was beyond the scope of this work to do feasibility testing that would calculate actual residual land values. However, we know that the more expensive it is to acquire sites, the less likely development is to be feasible. Therefore, identifying sites in the study area with the lowest combined value (land plus improvements) relative to the size of the site can be an indicator of redevelopment potential (see Figure 17).

Candidate Site List

We combined the analysis above with an in-person site visit, visual assessment using aerial and streetscape photography, and conversations with local representative to develop an inventory of candidate sites that could have redevelopment potential. In addition to properties within the study area, we also evaluated sites adjacent to the commercial core that could be candidates for future rezoning to allow more housing density. Each site is briefly discussed below Figure 18.[20]

[20] Sites are not listed in any particular order of prioritization

Figure 16: Land-to-Improvement Ratio

Source: ECONorthwest using Monterey County Assessor's Data

Figure 17: Total Value Per-Square-Foot

Source: ECONorthwest using Monterey County Assessor's Data

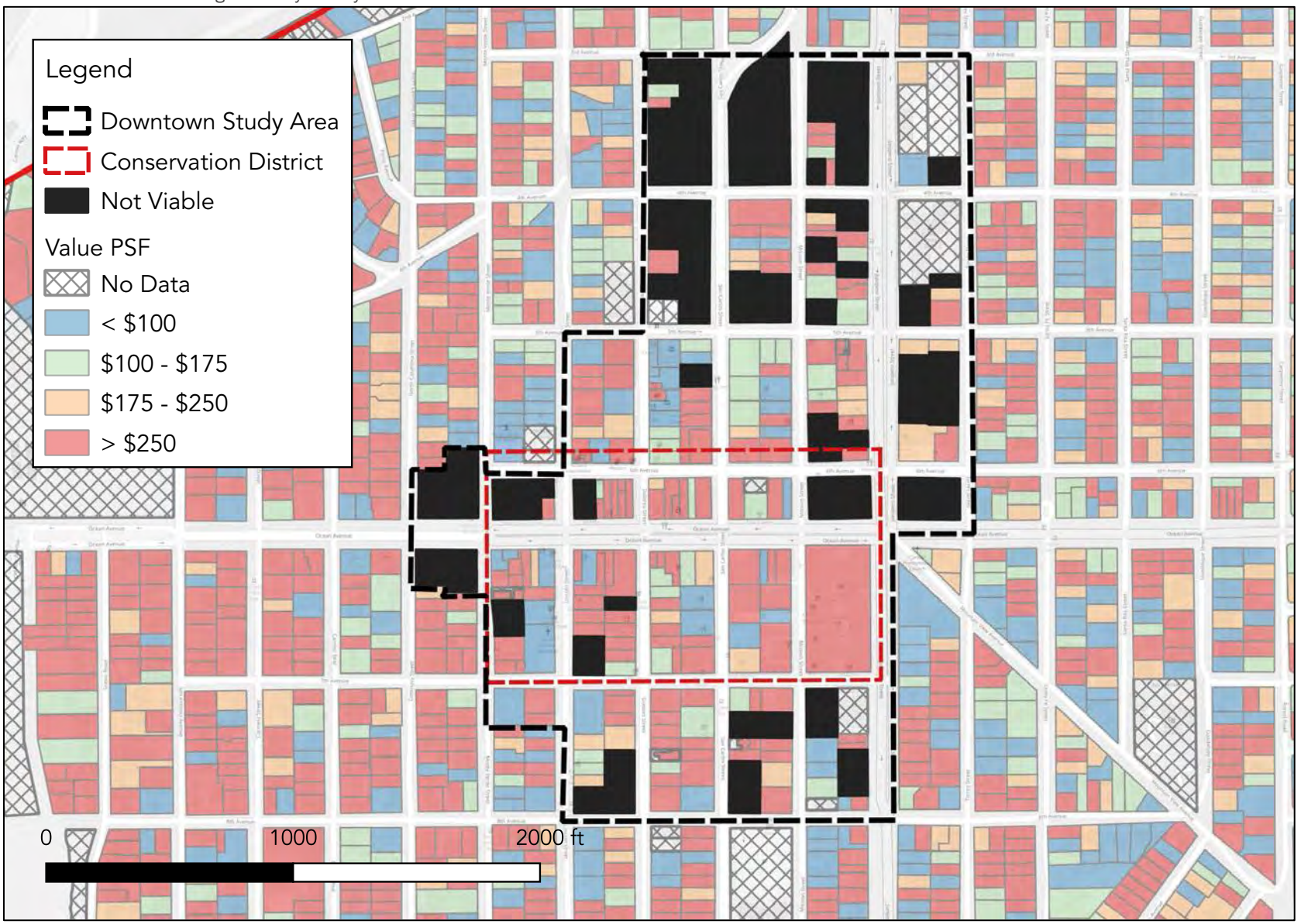


Figure 18: Candidate Site List

Source: ECONorthwest

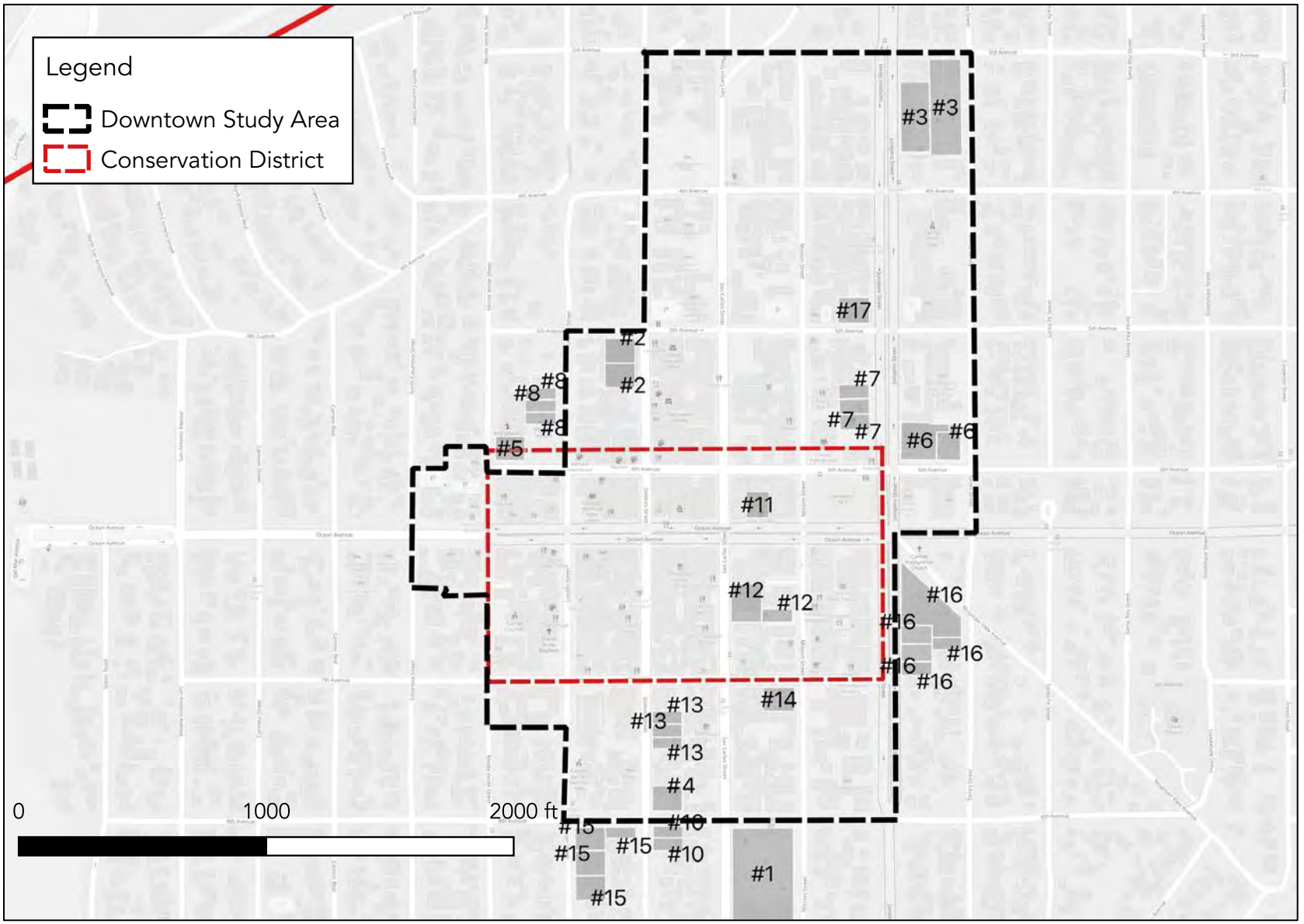


Figure 19: Data Table of Candidate Sites

Source: City of Carmel-by-the Sea Planning Department

Site ID	APN	Zoning	Lot Size	Acres	Max units @ 22 DUA[21]	Max Units @ 44 DUA[22]	Max Units @ 88 DUA[23]
#1	10143001000	A-2	90,084	1.02	22	45	90
#2	10138003000	SC	7,913	0.37	8	17	33
	10138021000	SC	7,949				
#3	10104001000	R-4	32,136	1.28	28	57	113
	10104004000	R-4	21,576				
#4	10145008000	RC	7,878	0.18	3	8	16
#5	10212010000	R-1	7,637	0.18	3	8	16
#6	10095013000	RC	15,313	0.53	11	24	47
	10095012000	RC	8,027				
#7	10098005000	SC	4,871	0.33	7	15	30
	10098004000	SC	4,676				
	10098006000	SC	4,901				
#8	10212027000	R-1	4,014	0.28	6	13	25
	10212004000	R-1	4,004				
	10212026000	R-1	3,994				
#10	10144015000	R-1	4,155	0.18	3	8	16
	10144016000	R-1	3,738				
#11	10133004000 (Example)	CC	6,398	0.14	3	7	13
#12	10141006000	CC	12,520	0.38	8	17	34
	10141011000	CC	4,377				
#13	10145012000	SC	3,632	0.30	6	14	27
	10145024000	SC	4,030				
	10145023000	SC	4,118				
#14	10142001000	SC	8,009	0.18	3	8	16
#15	10149012000	A-3	7,435	0.62	13	28	55
	10149010000	A-3	7,964				
	10149011000	A-3	7,985				
	10149001000	A-3	3,615				
#16	10084030000	R-1	26,874	1.10	24	49	97
	10084023000	R-1	5,822				
	10084024000	R-1	6,016				
	10084022000	R-1	4,496				
	10084003000	R-1	3,856				
#17	10097007000		8,534	.020	4	9	18
			TOTAL:	**7.27 acres**	**152 units**	**327 units**	**646 units**

[21] Permitted by-right. No affordable requirements

[22] 20% of units must be for low-income households OR 10% must be for very low-income households OR 50% must be for seniors. All units must be deed restricted for a minimum of 30 years.

[23] All units must be deed restricted affordable for a minimum of 30 years.

Site 1: Sunset Center Lots Site

The north lot at Sunset Center is a large (1.02 acre) parking lot with no improvements other than paving. It is a City-owned site. The City has expressed interest in redeveloping the site for housing so long as parking needs for Sunset Center could be accommodated in the development program. A zone change from Theatrical District (A-2) to Multifamily Residential (R-4) would be required to facilitate development of the site. The south lot could also be viable, but larger scale development may not be as compatible with existing residential development scale this far removed from the commercial core.

Site 2: Ulrika Plaza Site

The 0.37-acre Ulrika Plaza site previously entitled as a mixed-use building. The initial developer lost the project for financial reasons, and it was acquired by another developer. This developer has been working to get a development program for 12 market-rate apartment units approved on the site for several years. The site is a case study of a development not building to maximum density.

Site 3: City Public Works (Vista Lobos) Site

This is a City-owned site totaling 1.28 acres at the north end of the study area. The site is a large parking lot with low value improvement used for public parking. The City has expressed interest in using the site for housing if feasible. Potential height restrictions due to a protected viewshed to Point Lobos (see CMC 17.12.050) could limit achievable density and feasibility.

Site 4: Carmel Realty Office Site

This site is a 0.18-acre corner-lot parcel that is currently owned and used for office space by Carmel Realty. It has low lot coverage and scores well with a land-to-improvement ratio. It is a single-story structure that is surrounded on all sides by structures that are at least two stories tall. The site was previously used in the RHNA5 inventory.

Site 5: Pine Inn Parking Lot

This 0.18-acre site is the parking lot for the Pine Inn. The site is not attached or adjacent to the inn, it is a separate parcel across the street. As driving patterns and parking needs change, this site could be a future candidate for redevelopment.

Site 6: Bruno's Market Site

This site is two adjacent parcels totaling over 0.53 acres under the same ownership. The site includes a parking lot that leads to low lot coverage. It also scores in the top tier for land-to-improvement ratio. It could be a potential redevelopment candidate.

Site 7: Three Garages Site

This site would be an assemblage of three equal sized parcels totaling 0.33 acres. Two of the parcels are under the same ownership, and one was previously used in the RHNA5 inventory. Existing uses include a site with parking and three attached garages, and a commercial building used for real estate sales. Combined the site scores in the top tier for land-to-improvement ratio and in the mid-tier for value per-square-foot.

Site 8: First Church of Christ Parking Lot

This site is a parking lot used by the First Church of Christ. It is three separate taxlots totaling 0.28 acres. Assessor's records have missing values for ownership on the two southern parcels but given its existing use we assume that all three parcels are owned by the Church. In 2020, the State of California passed AB1851[24], commonly referred to as the "yes in God's backyard" bill. This bill makes it easier for religious institutions to convert excess parking to affordable housing by prohibiting a local agency from requiring the replacement of religious-use parking spaces that a developer of a religious institution affiliated housing development project proposes to eliminate as part of that housing development project. Redevelopment of the site would require a zone change.

Site 9: Misc. City-Owned Sites (Not Mapped)

The City owns a series of miscellaneous small vacant sites in the R-1 zone. These sites are legacy right-of-way that were not developed for streets. Some of these sites may have development potential. However, our site visit identified that barriers were common, including mature trees, topography, and use for primary access for existing homes.

[24] California Assembly Bill. 2020. "Religious institution affiliated housing development projects: parking requirements." 2019-2020 Regular Session. AB 1851. (See https://openstates.org/ca/bills/20192020/AB1851/)

Site 10: Red Cross Site

This site is two adjacent parcels owned and used by the American Red Cross. Collectively the site is 0.18 acres. Because the site is owned by a non-profit organization it does not have Assessor's values to calculate redevelopment metrics. However, site inspection confirms a low intensity use. Because the owner is a mission-driven organization, it's possible they may be a willing partner if they can find an alternative for their current operations.

Site 11: Café Carmel Site (Representing ALL single-story downtown buildings)

All single-story downtown buildings can be explored as opportunities for densification. Site orientation, existing and surrounding uses, and access are contributing factors to feasibility. The Café Carmel site pictured is one example of a single-story commercial property with two-story building on either side. The Café Carmel site specifically scores in the top tier for land-to-improvement ratio and has a land value around $100 per-square-foot. The site was previously used in the RHNA5 inventory.

Site 12: Wells Fargo Site

This site is two adjacent parcels comprised of the existing Wells Fargo building and associated parking lot. Combined the site is 0.38 acres. The site was identified as a candidate site in the RHNA5 Housing Element inventory. It scores in the top tier for land-to-improvement ratio. It is owned by an institutional entity (Wells Fargo). However, conversations with City staff indicate that it could be a candidate for inclusion as a historic property which would complicate redevelopment.

Site 13: Esperanza 7th and Dolores Site

This site is three adjacent parcels owned by Esperanza Carmel. The site totals roughly 0.30 acres. Esperanza has a development proposal on the site for eight market rate apartment units.

Site 14: 7th and Mission Site

This 0.18-acre site currently accommodates a clothing boutique in a single-story commercial building. Half of the site is comprised of a parking lot, which leads to low lot coverage and a land-to-improvement ratio above 1.5. However, it's value per-square-foot is high at nearly $500 per-square-foot, making acquisition of the property less likely.

Site 15: Carmel Foundation Site

The Carmel Foundation is the only provider of deed-restricted affordable housing in Carmel. Their administrative offices include four parcels totaling 0.62 acres. This site does not score high on land-to-improvement ratio but scores in the top tier of value per-square-foot. This site is being considered as a candidate because the Carmel Foundation is a mission-driven organization and interviews with leadership indicated that if they can accommodate their administrative functions off-site, they would consider redeveloping their property for affordable housing. Redeveloping this site would require rezoning.

Site 16: Carmel Presbyterian Site

This site is five adjacent parcels totaling almost 1.1 acres. Over a third of the site is a parking lot. See previous comments about AB1851. The site is outside of the commercial core and would require a zone change to facilitate redevelopment.

Site 17: 5th and Junipero Site

This is a corner lot site totaling just under 0.20 acres. The existing use is a parking lot and single-story commercial building. The site was included in the RHNA5 inventory. It scores in the mid-tier for both redevelopment metrics.

Housing Capacity Opportunities

Based on our review of market conditions, the character of existing development, and potential needs in the community, we see opportunities to add housing capacity in the following ways:

Promote Accessory Dwelling Units

Accessory dwelling units are commonly built as additional structures on lots with an existing home or are created through garage conversions. Lots that are conducive to accommodating ADUs have common characteristics including larger lot sizes, detached garages, and low lot coverage ratios. In Carmel over 87 percent of parcels are zoned for single-family residential uses (R-1), totaling nearly 2,900 lots. Carmel has also had growing interest in ADU development, receiving 13 applications for ADUs in 2021, up from 8 in 2020.

Infill Capacity

There are several sites, including City-owned properties, where infill could be possible. Development of these sites would require careful consideration of existing adjacent uses. Depending on the scale of the site, this redevelopment could be small-scale plex (duplex, triplex, quadplex) infill or relatively large-scale development. The City should consider amendments to development standards and design guidelines to facilitate achieving the maximum allowed densities. This would result in a greater likelihood of development feasibility for low-to-mid-rise multifamily development forms ranging from three to four stories.

Encourage adding residential units above commercial uses

Carmel's business district has many properties that are single-story low-intensity commercial uses. Some of these properties may be candidates to add an additional story of housing above the existing commercial. There is existing and recent development precedent that this densification is feasible, even for historic properties. The best candidates would be properties where the scale of adjacent properties is two-stories or greater.

Full Redevelopment

There may be opportunities in the commercial district where the value of housing may be higher than the existing commercial use. These sites would be candidates for razing the existing structure and building maximum feasible density. To be feasible the scale of development would have to maximize the development potential of the site through larger massing and maximum height.

Recommended Actions and Potential Incentives

Based on the preceding analysis, we offer the following recommendations for further consideration as the City progresses to an update of its Housing Element.

Explore changes to development standards. Our review of Carmel's zoning code found that overly restrictive development standards, such as the two-story heigh limit are not likely to facilitate maximum allowed densities. The City should explore options to remove these barriers consistent with the findings above.

Adopt objective design standards. Local developers indicate that the review and approval process in Carmel is overly restrictive. Senate Bill 35 and the Housing Accountability Act also require the use of objective standards. The City's code currently includes subjective standards. The City should analyze its current code language and develop recommendations for objective criteria and opportunities for a streamlined review process.

Create an accessory dwelling unit program. An accessory dwelling unit program could range broadly from creating promotional materials and informational outreach to an aggressive program that could project subsidies, development of pre-approved plans, assisting with allocating water credits (for deed-restricted units only), and technical assistance with planning and building staff navigating the planning and permitting process for property owners.

Create a preservation and monitoring program. The City should take action to understand its inventory of existing deed-restricted units and understand the risk of them converting to market rate.

Consider expanding the R-C and/or R-4 zone. Our analysis identified areas south and west of the commercial core that have opportunity sites and/or concentrations of parcels that could be candidates for redevelopment based on common metrics. The City should explore rezoning opportunities in these areas.

Inventory and incentivize properties with opportunities for densification. The City should consider at a minimum creating an inventory of single-story commercial properties with opportunities for densification and conducting property owner outreach. Other alternatives would be to establish flexible development standards like parking waivers and height limit adjustments, or to assist with water credits.

Explore solutions to water credit barriers to development. The water supply conditions on the Monterey Peninsula are a significant barrier to development. To add units to an existing structure or develop/redevelop a property, a developer must obtain water credits to accommodate the net change in fixtures. However, there are a finite number of credits available and no secondary market for transfer. To accommodate future development, the City should play an active role in regional efforts to improve access to water resources and water credits and facilitate prioritizing water credits for affordable housing.

Energy Conservation and Reduction of Greenhouse Gas Emissions

G

APPENDIX

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Appendix G
Energy Conservation and Reduction of Greenhouse Gas Emissions

G.1 Introduction

This chapter summarizes opportunities for energy conservation and the reduction of greenhouse gas emissions in the construction of housing in the City of Carmel-by-the-Sea.

G.2 Opportunities for Energy Conservation and Reducing Greenhouse Gas Emissions

The city adopted a Climate Adaption Plan (CAP) and Climate Action Plan on August 2, 2022. The documents identify goals, policies, and actions that seek to increase resilience to climate change in Carmel. The CAP policy to minimize health impacts of climate change includes the following actions that address energy conservation and reduction of greenhouse gases:

- **Invest in Improving Resilience in Critical Facilities**. Invest in sustainable backup power sources to provide redundancy and continued services for critical facilities, including City Hall, Carmel Police Department, Carmel Fire Department, the Libraries, and assisted living facilities in the event of a power outage.
- **Conduct a Feasibility Study for Existing Building Electrification and Back-up Power.** Perform an electrification feasibility study/existing building analysis in order to understand the potential for, and associated costs of, electrification retrofitting. Needs may include new heat pumps, on-site energy generation, and battery storage to provide more resilient back-up power supply. Establish a plan for reducing or eliminating natural gas from existing buildings, potentially through a reach code, and building resilience to potential electrical grid shutoffs.
- **Improve Resilience in Existing Building Stock.** Develop a program for identifying funding and incentives to weatherize residential and commercial buildings. The program will address severe weather protection, energy efficiency, indoor air quality improvements, and other housing improvements. Include an outreach campaign as part of this program to advertise the benefits of weatherizing and electrifying buildings.

- **Promote Funding Opportunities**. Work with partners like 3CE and PG&E to identify and promote potential resilience opportunities and accessible funding and financing mechanisms to pay for building electrification, weatherization, and battery backups.

State Regulations

The City requires compliance with Title 24 of the California Code of Regulations on the use of energy efficient appliances and insulation. Through compliance with Title 24, new residential development has reduced energy demand particularly when contrasted with older building stock.

Providing energy conservation opportunities to residents who reside in less energy efficient residential units can ultimately lead to a reduction in utility-related housing costs for many households. The City processes in excess of 500 building permits per year for remodels, additions and other construction which rehabilitates the existing housing stock, increases energy efficiencies, and improves water conservation.

Central Coast Community Energy

Central Coast Community Energy (3CE) is the community electricity provider for 33 Central Coast communities in Monterey, San Benito, Santa Cruz, San Luis Obispo, and Santa Barbara counties and is governed by local elected officials serving on the Board of Directors. 3CE was formed with the mission to reduce dependence on fossil fuels by providing carbon-free, affordable, and reliable electricity, and innovative programs within the community. 3CE is on a path to sourcing 100 percent clean and renewable energy by 2030. In collaboration with regional and statewide partners, 3CE provides customers with access to energy program rebates and incentives to electrify the region's transportation, buildings, and agricultural sector. Carmel-by-the-Sea is a member of 3CE.

Pacific Gas & Electric

Pacific Gas and Electric Company (PG&E), which provides energy efficiency services in Carmel-by-the-Sea, offers public information and technical assistance to homeowners regarding energy conservation. PG&E also provides numerous incentives for energy efficiency in new construction and home remodeling. For example, remodeling rebates exist for projects installing three or more upgrades from a flexible menu of options that earn points towards incentives and rebates. This program's incentives range between $1,000 and $4,500.

Additionally, PG&E provides residents with information regarding energy saving measures including various incentives and programs available to developers and residential property owners. Table G-1, PG&E Programs and Incentives for Residential Properties, includes a description of the various types of financial and energy-related assistance that PG&E offers low-income customers.

Table G-1 PG&E Programs and Incentives for Residential Properties

Program	Description
Energy Savings Assistance Program	PG&E's Energy Savings Assistance program offers free weatherization measures and energy-efficient appliances to qualified low-income households. PG&E determines qualified households through the same sliding income scale used for CARE. The program includes measures such as attic insulation, weather stripping, caulking, and minor home repairs. Some customers qualify for replacement of appliances including refrigerators, air conditioners, and evaporative coolers.
Energy Efficiency for Multifamily Properties	The Energy Efficiency for Multi-Family Properties program is available to owners and managers of existing multi-family residential dwellings containing five or more units.
Multifamily Properties	The Energy Efficiency for Multifamily Properties program is available to owners and managers of existing multifamily residential dwellings containing five or more units. The program encourages energy efficiency by providing rebates for the installation of certain energy-saving products.
California Alternate Rates for Energy (Care)	PG&E offers this rate reduction program for low-income households. PG&E determines qualified households by a sliding income scale based on the number of household members. The CARE program provides a discount of 20 percent or more on monthly energy bills.
Reach (Relief for Energy Assistance Through Community Help)	The REACH program is sponsored by PG&E and administered through a non-profit organization. PG&E customers can enroll to give monthly donations to the REACH program. Qualified low-income customers who have experienced uncontrollable or unforeseen hardships, which prohibit them from paying their utility bills may receive an energy credit. Eligibility is determined by a sliding income scale based on the number of household members. To qualify for the program, the applicant's income cannot exceed 200 percent of the Federal poverty guidelines.
Medical Baseline Allowance	The Medical Baseline Allowance program is available to households with certain disabilities or medical needs. The program allows customers to get additional quantities of energy at the lowest or baseline price for residential customers.

SOURCE: PG&E, 2022.

Monterey Peninsula Water Management District (MPWMD)

The Monterey Peninsula Water Management District (MPWMD) was formed on June 6, 1978 under the enabling legislation found in West's Annotated California Water Code. District functions include:

- Augmenting the water supply through integrated management of ground and surface water;
- Promoting water conservation;
- Promoting water reuse and reclamation of storm and wastewater; and
- Fostering the scenic values, environmental qualities, native vegetation, fish and wildlife, and recreation on the Monterey Peninsula and in the Carmel River Basin.

The Water Management District serves approximately 105,911 people within the cities of Carmel-by-the-Sea, Del Rey Oaks, Monterey, Pacific Grove, Seaside, Sand City, Monterey Peninsula Airport District, and portions of unincorporated Monterey County including Pebble Beach, Carmel Highlands, and Carmel Valley. The District has established five main goals:

1. Increase the water supply to meet community and environmental needs;
2. Assist California American (Cal-Am) Water in developing a legal water supply;
3. Protect the quality of surface and groundwater resources and continue the restoration of the Carmel River environment;
4. Instill public trust and confidence; and
5. Manage and allocate available water supplies and promote water conservation.

Rebates are available for water saving fixtures and appliances for homes and businesses. California American Water (Cal-Am), Seaside Municipal Water District, and other system customers within the District are eligible for a rebate when purchasing and installing water saving devices. Residential rebates are available for purchase of Qualifying Devices when funding is available. The following are residential rebates:

- High Efficiency Toilet — $75;
- Ultra High Efficiency Toilet — $125;
- Toilet Flapper — $15;
- Pint Urinal — $250;
- High Efficiency Residential Dishwasher (Maximum of 3.5 gallons per cycle and has Energy Star certification) — $125;
- High Efficiency Residential Clothes Washer (Water Factor of 4.3 and Energy Star Certification) — $500;
- A second or subsequent rebate for replacing a High Efficiency Clothes Washer is available after 8 years;
- Instant-Access Hot Water System — $200 per Qualifying Property;
- On-demand pump or point-of source water heater as part of an Instant-Access Hot Water System — $100 per component, to a maximum of two components per Qualifying Property;
- Multi-Family Dwelling Meter Split — $100/dwelling unit;
- Smart Irrigation Controller — $100 with four stations. Additional $10 available per station up to twenty (20) stations;

- One or more Soil Moisture Sensor(s) on a conventional automatic Irrigation System — $25 per sensor;
- Cistern water tanks — $50 per 100 gallons of water storage capacity (up to 500 gallons) in a Cistern, then $25 per 100 gallons of water storage capacity up to a maximum storage capacity of 25,000 gallons per Qualifying Property. Sites must have sufficient roof area to fill Cistern and may require an inspection;
- Lawn removal and replacement with low water use plants or permeable surfaces — $1.00 per square-foot to a maximum of 2,500 square-feet per Qualifying Property. Pre-qualification, inspections and deed restrictions are required;
- Rotating Sprinkler Nozzles (minimum purchase and installation of ten) — $4.00 per nozzle;
- Graywater Irrigation System supplied by one Clothes Washer for irrigation — $100. A site inspection is required by Building Inspector and/or MPWMD; and
- Graywater Irrigation System supplied by one or more Bathrooms that have a Bathtub/Shower connected to a Graywater Irrigation System — $100 per Bathroom. (Residential limit: 4) A site inspection is required by Building Inspector and/or MPWMD.

As part of the 6th Cycle Housing Element Update process, the City of Carmel-by-the-Sea will continue to implement a Water Conservation program that supports the MPWMD and also provides information to the community on water conservation retrofits and best practices.

Federal and State Programs

The Low-Income Home Energy Assistance Program (LIHEAP) is a federally funded program to assist low-income households that pay a high portion of their income on energy needs. LIHEAP is funded by the U.S. Department of Health and Human Services, Administration for Children and Families, Office of Community Services.

- The Home Energy Assistance Program (HEAP) provides one-time financial assistance to help balance an eligible household's utility bill;
- The Energy Crisis Intervention Program (ECIP) provides assistance to low-income households that are in a crisis situation. Such an example would be a household receiving a 24-48 hour disconnect notice or service termination by their utility company. Another example would be a household facing an energy-related crisis that could be deemed potentially life-threatening in the household, such as a combustible appliance;
- LIHEAP Weatherization provides free energy efficiency upgrades to low-income households to lower their monthly utility bills while also improving the health and safety of the household's occupants;

- Education on basic energy efficiency practices and instruction on the proper use and maintenance of installed weatherization measures; and
- Energy budget counseling.

The Inflation Reduction Act (IRA) has provided significant federal funding to support electrification of new construction, renovations, and existing buildings over the next ten years. Enhanced amounts are provided for income-qualified residents. Support provided by IRA includes:

New Home Construction Tax Credits (single family or multi-unit)

- Up to $2,500 tax credit if meets Energy Star certification requirements;
- Up to $5,000 tax credit if meets Zero Energy Ready Homes certification requirements; and
- Tax credit is "per unit" for multifamily developments; maximum tax credit requires conformance with prevailing wage requirements.

Home Improvement Tax Credits (for households with tax liability)

- 30 percent of project cost, capped at $2,000 for heat pump installation and $1,200 for other energy efficiency appliances and improvements; and
- Available January 2023 through 2032; tax credits can be claimed on a per year basis.

Home Improvement Tax Rebates (for low and moderate-income households)

- Rebates up to $14,000 depending on income for heat pumps, induction and electric ranges, and other energy efficient improvements; and
- Available Fall 2023 through 2032.

Home Renewable Power Tax Credits

- 30 percent of project cost for installation of solar panels, battery storage, and any other renewable power source on property;
- Example: $19,000 to install rooftop solar panels generates $5,700 tax credit; and
- Retroactive to 2022, full credit sunsets in 2032; then 22 percent credit expires in 2035.

The Property Assessed Clean Energy (PACE) Financing program enables property owners to secure upfront funding for energy efficiency, water efficiency, renewable energy, and seismic improvement projects. These improvements are repaid through an up to 20-year special line item on their property taxes instead of traditional consumer credit.

The City includes programs in the 6th Cycle Housing Element to promote energy conservation and green building and to actively disseminate information about State and Federal programs.

Energy and Resource Conservation Need	Programmatic Action
Energy Efficiency	Program 2.4.A: Housing Rehabilitation and Maintenance Information Program 4.1.B: Energy Conservation and Green Building
Water Conservation	Program 4.1.A: Water Conservation

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Stakeholder Survey

APPENDIX H

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Appendix H
Stakeholder Survey

H.1 Stakeholder Survey

The Housing Element Stakeholder Survey was conducted from May 24, 2023 to July 6, 2023 to provide residents, business owners, visitors, and people working in Carmel-by-the-Sea with an opportunity to share input on what housing needs exist in Carmel-by-the-Sea and to share ideas on how the City can achieve its Regional Housing Needs Allocation (RHNA). The survey consisted of 21 questions designed to inform the City of what demographics exist in the City, what the affordable housing needs are, and how the 6th Cycle Housing Element can best meet these affordable housing needs. The survey was conducted in both English and Spanish. The survey was available online at the Carmel-by-the-Sea Housing Element page (homecarmelbythesea.com).

City of Carmel-by-the-Sea staff shared information about how to take the survey during the June 15, 2023 joint City Council and Planning Commission meeting. The survey was also distributed throughout town to local businesses in an effort to reach groups who are not typically represented, including people who work in Carmel-by-the-Sea. A total of 156 survey responses were received in English and 1 response was received in Spanish.

The survey responses discussed below represent responses from an uncontrolled sample size of self-selected community members who are considered to be motivated and interested in the 6th Cycle Housing Element. This can make it difficult to draw conclusions based on the responses received. The following serves as a brief summary of the responses received.

Online Survey Results

Respondent Demographics

The City collected a total of 157 responses to the survey. As shown in **Figure 1** below, survey respondent ages range from 18 to 75 years and older. The fewest survey responses were collected from respondents ages 18-34 (3 percent) and the majority of the survey responses collected were from respondents ages 55-74 (87 percent). This indicates an underrepresentation of younger community members in the survey results, and indicates a need for additional future outreach to target these groups.

Of the respondents, 74 percent identified as non-Hispanic White and 50 percent of the respondents identified as earning above $100,000. Thirty-one percent of survey respondents preferred not to disclose their annual income. In general, the majority of survey respondents are between the ages of 55-74, are non-Hispanic White, and earn over $100,000.

Figure 1: "How old are you?"

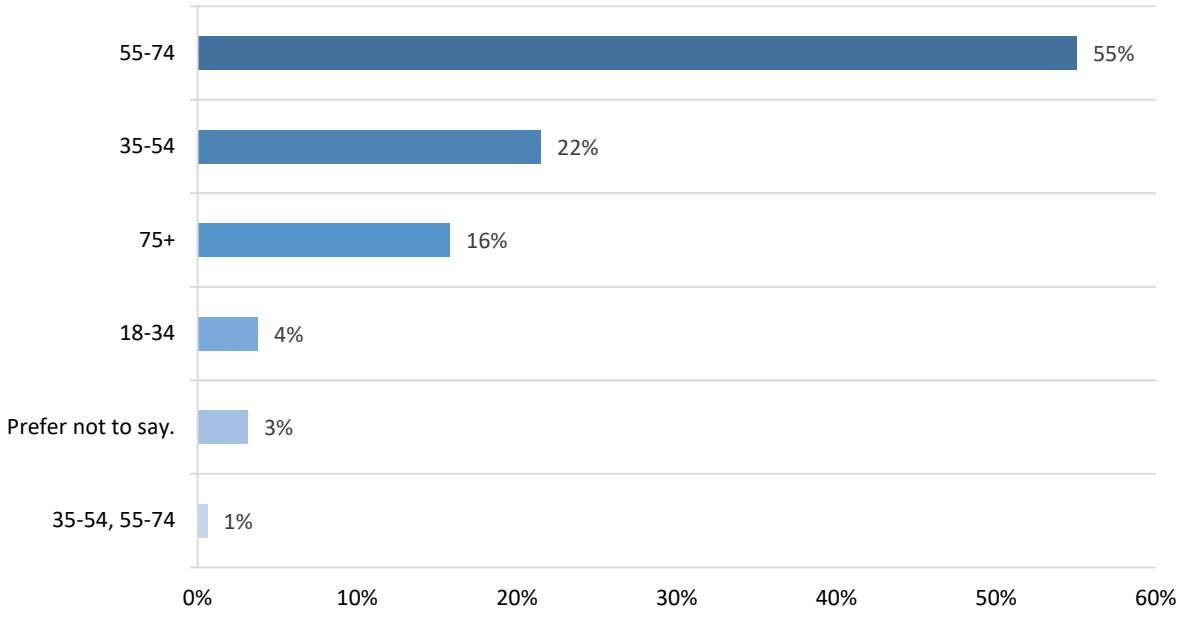
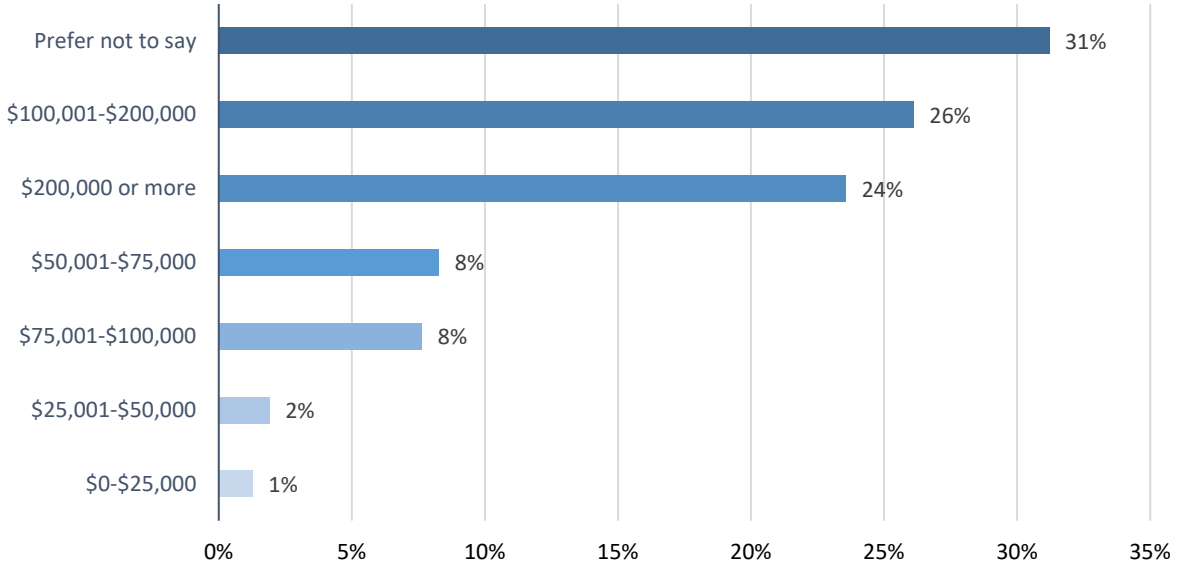


Figure 2: "What is your annual household income?"



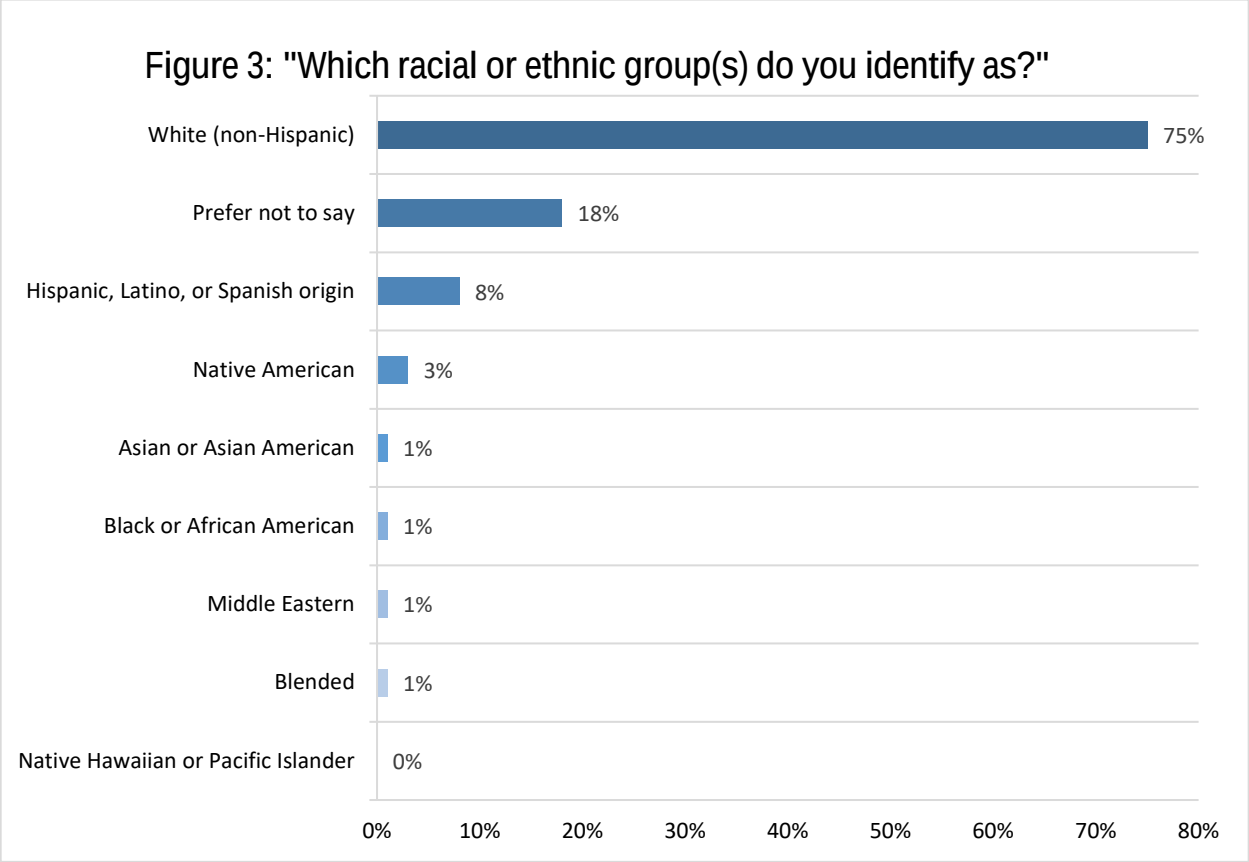


Figure 4 below demonstrates the majority of respondents identified themselves as Carmel residents owning their home (61 percent) compared to 14 percent of survey respondents indicating they rent their homes. Twenty-two percent of respondents identified as working in Carmel-by-the-Sea, 8 percent identified as business owners in Carmel-by-the-Sea, and one respondent identified as being unhoused or lacking permanent housing.

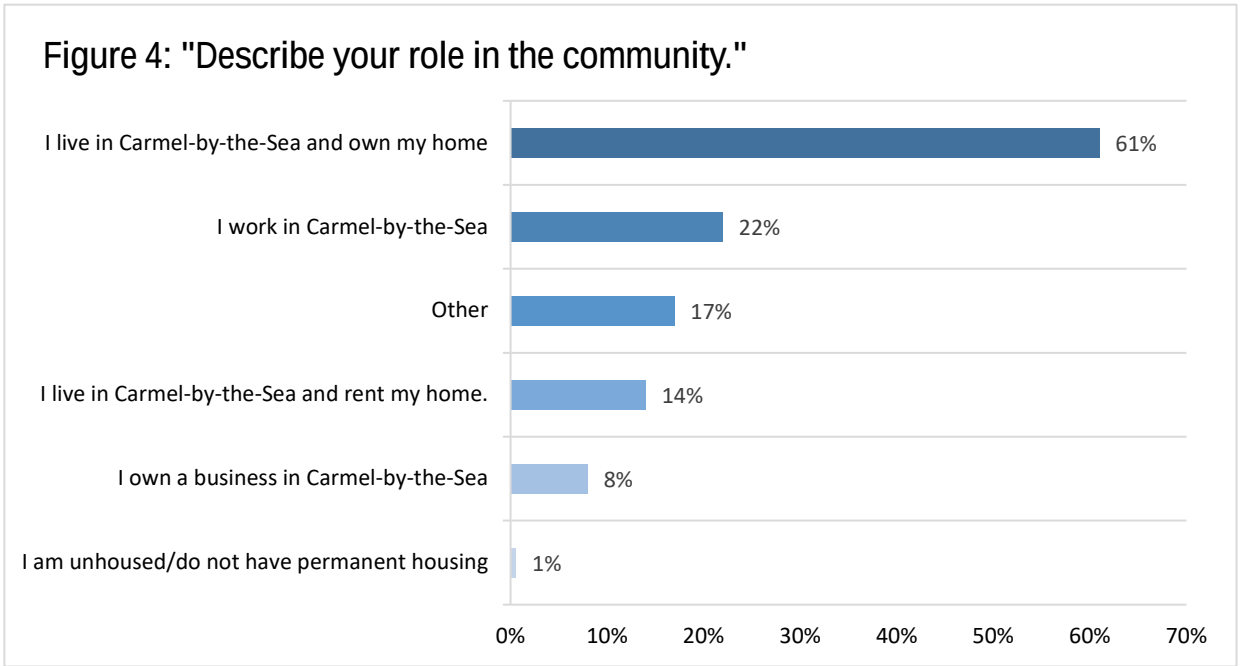
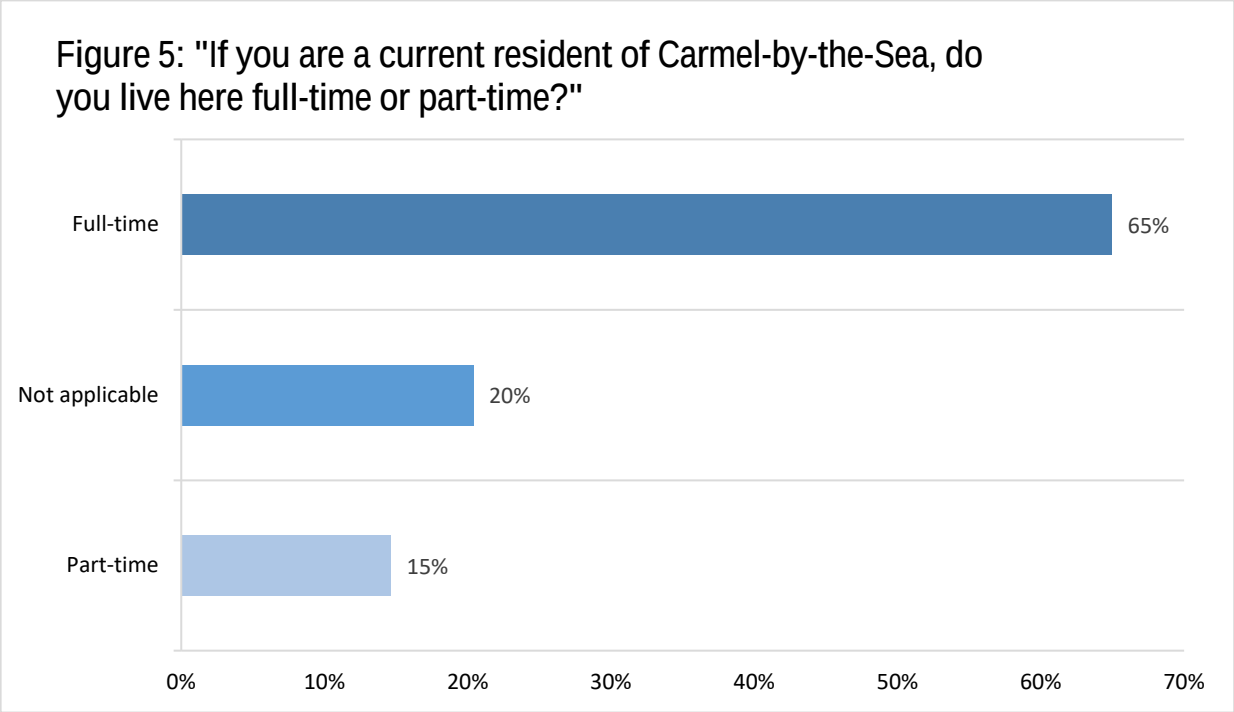
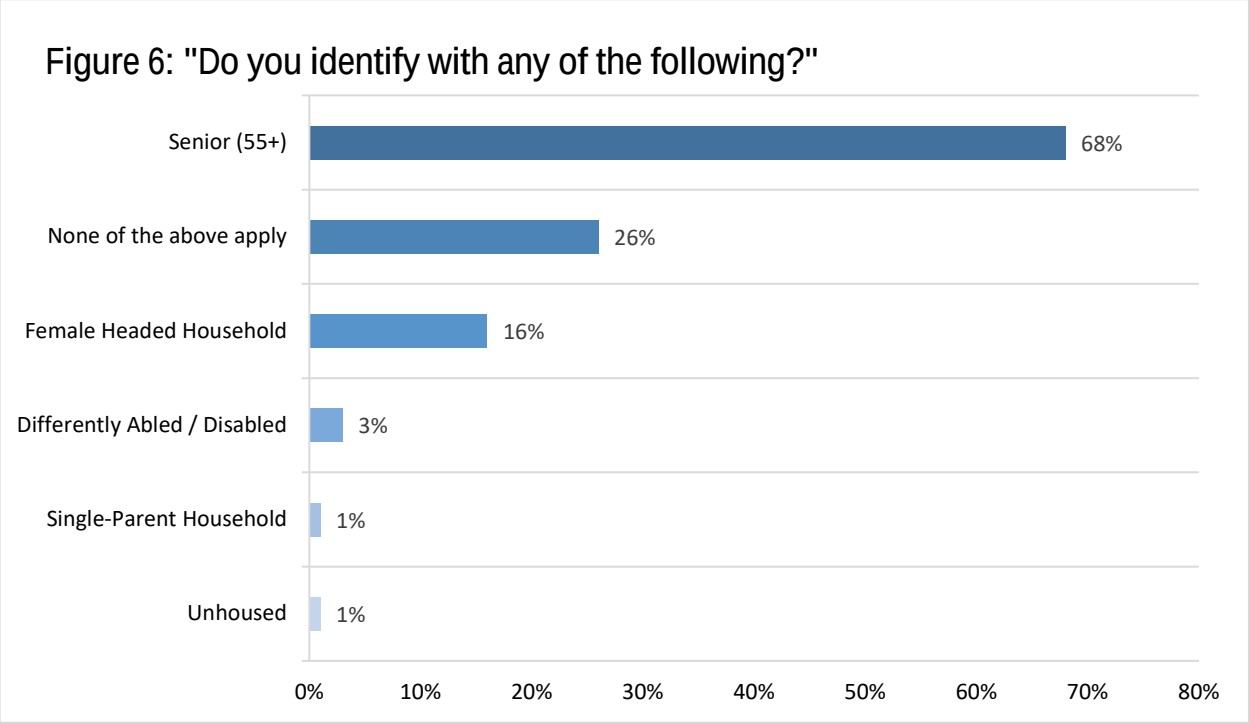


Figure 5 below demonstrates that the majority of survey respondents live in Carmel-by-the-Sea full-time, and **Figure 6** below demonstrates that 68 percent of survey respondents are 55 years or older followed by 16 percent being female-headed households. This demographic data suggests that respondents are likely more established community members in the City.

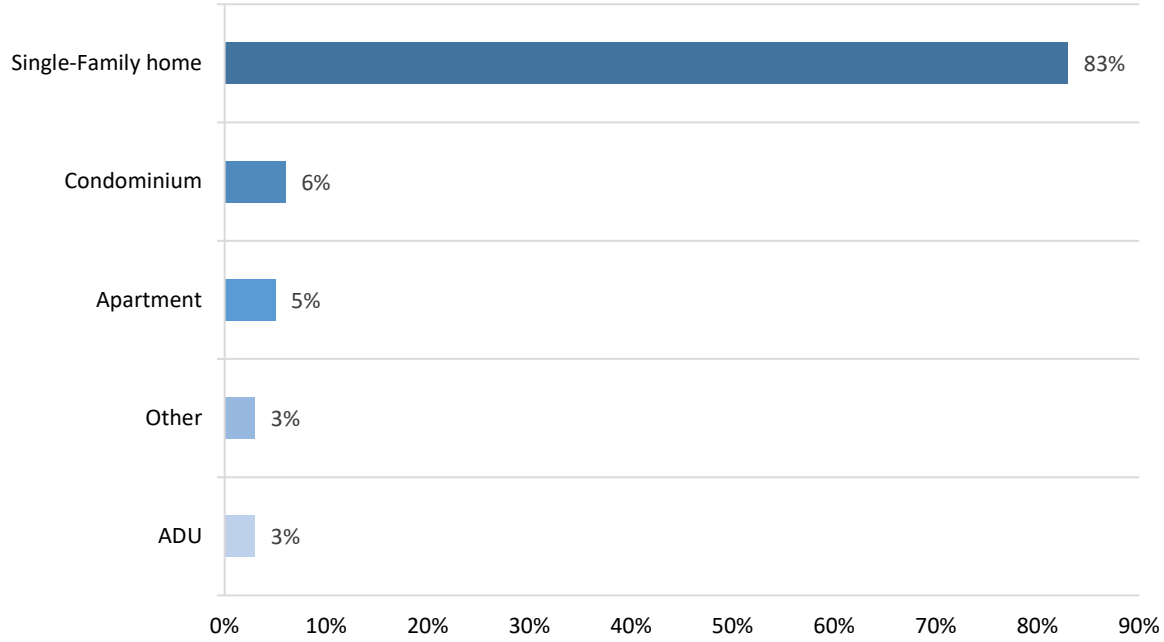




Desired Housing Types

Survey respondents were asked to identify which housing types they would prefer to live in, of which approximately 83 percent identified single-family homes, followed by 6 percent identifying condominiums, 5 percent identifying apartments, and 3 percent identifying ADUs (**Figure 7)**.

Figure 7: "In which of these housing types would/do you prefer to live in?"



Note: See Attachment B for a full list of "other" responses received.

Respondents were asked to explain why they would prefer to live in ADUs. The following 5 responses were received:

- Privacy;
- Aesthetic (assuming newer prefabricated ADU), privacy and affordability;
- Privacy & more quiet than apartment;
- I only need space for a single bed, table & chair, toilet sink, shower. I work 7 days a week. I just need 800 square feet; and
- Affordable housing.

Respondents were asked to explain why they would prefer to live in an Apartment. The following 7 responses were received:

- I have little time for motivation for the upkeep of a whole house;

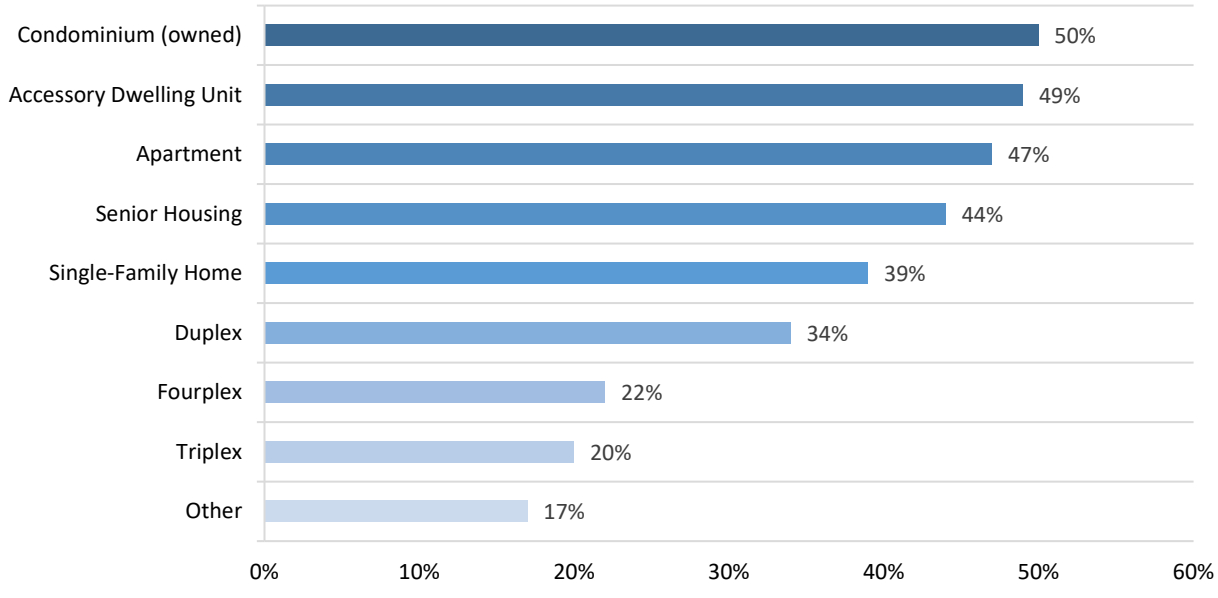
- I am at the stage in my life where I am seeking to maximize my financial solvency through steady accrual of work skills/experience and high willingness to relocate for greater chances of quality employment. I will not seek any living place requiring greater commitment until I have found the community most suited to sustaining both my professional growth and my standard of living;
- Affordability and community living opportunities. Apartments are like little families. Single family homes are like balkanized islands, with little communion;
- Affordable and give the freedom to move quickly;
- Most affordable option;
- Convenience; and
- Single; No maintenance; Safety/Security.

Respondents were asked to explain why they would prefer to live in a Condominium. The following 10 responses were received:

- It's the right amount of space I'd need and likely more affordable and feasible than a single-family home;
- Pride of ownership, take better care of community and more involved;
- Makes better use of land without the problems associated with high density rental properties;
- Easy maintenance;
- Maintenance lower;
- Less maintenance;
- Less expensive alternative to single-family housing;
- Amenities;
- Would rather own than rent; and
- No maintenance

In the next survey question, respondents were asked to identify the types of housing they would like to see constructed in Carmel-by-the-Sea. A list of options was provided and respondents were asked to select all that applied (they could select more than one choice). **Figure 8** below demonstrates the most common housing types respondents would like to see built are: Condominiums (50 percent); ADUs (49 percent); Apartment rentals (47 percent); and Senior Housing (44 percent). Seventeen percent of respondents shared their own ideas, which are captured as "other" in **Figure 8**, and can be found under Question #10 in Attachment B where all "free responses" are listed.

Figure 8: "What type of housing would you like to see constructed in Carmel-by-the-Sea?"



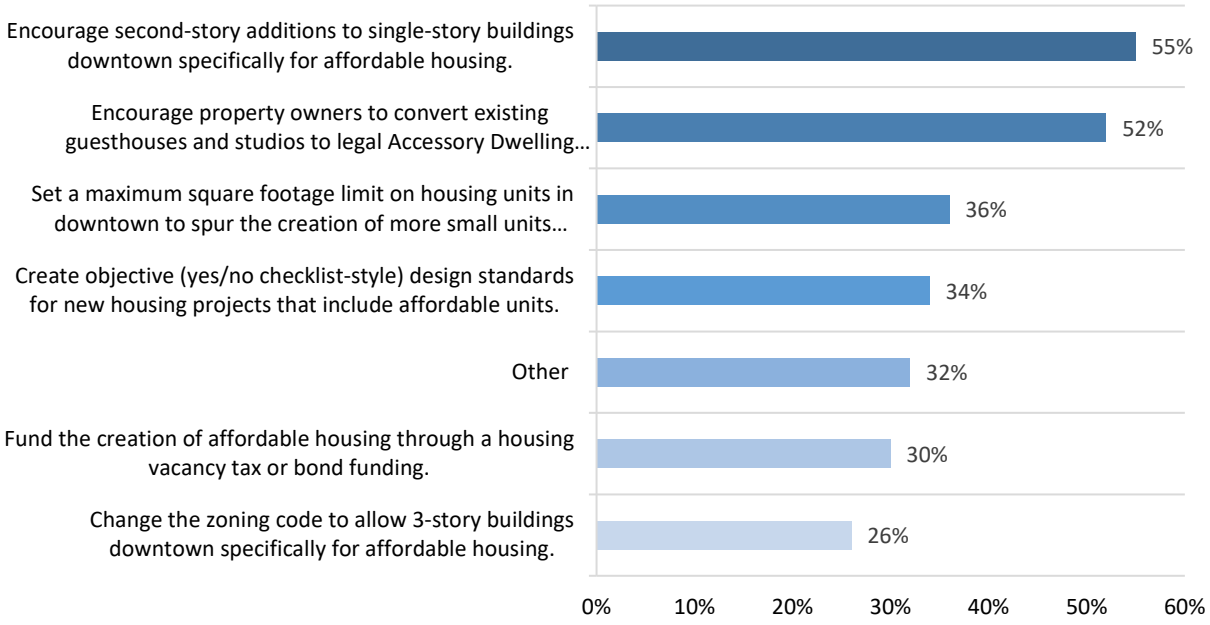
Note: See Attachment B for a full list of "other" responses received.

Affordable Housing in Carmel-by-the-Sea

Survey respondents were asked how the supply of affordable housing could be increased to meet the needs of the community. A list of options was provided and respondents were asked to select all that applied, with many respondents selecting more than one choice.

The majority of respondents (55 percent) selected "second-story additions to single story buildings could provide affordable housing downtown," followed by 52 percent of respondents selecting "guesthouses could be converted to Accessory Dwelling Units," and 36 percent selecting "set a maximum square footage limit on housing units downtown as a means to create more small units." Thirty-two percent of respondents shared their own ideas, which are captured as "other" in **Figure 9**, and can be found under Question #11 in Attachment B where all free responses are listed.

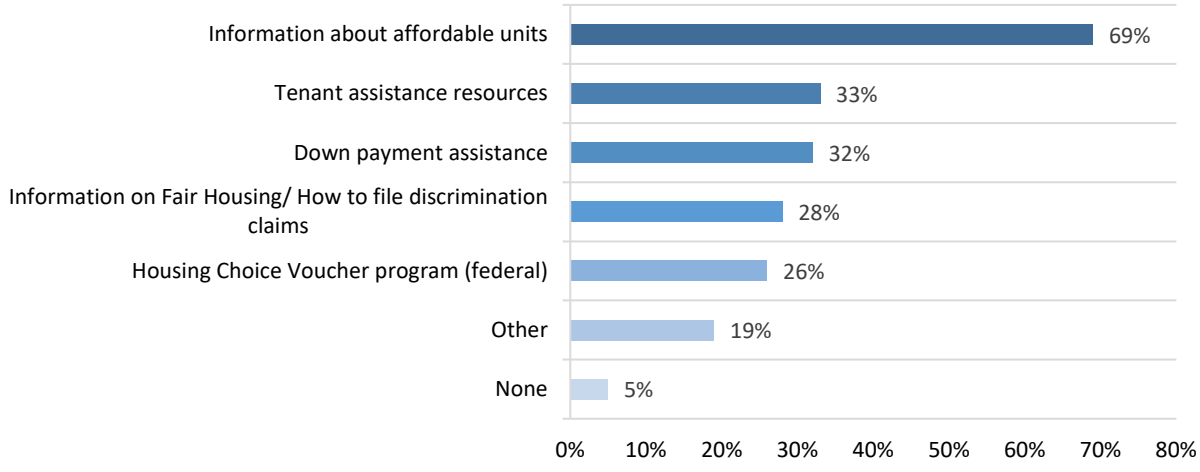
Figure 9: "How can the supply of affordable housing be increased to meet the needs of our community?"



Note: See Attachment B for a full list of the "other" responses received. The "other" responses are the open-ended responses that were received.

Respondents were asked what affordable housing resources should be provided in the City of Carmel-by-the-Sea (**Figure 10**). Out of 157 responses, the majority of respondents (69 percent) selected "information about affordable units," followed by 33 percent selecting "tenant assistance resources," and 32 percent of respondents selecting "down payment assistance." Nineteen percent of respondents shared their own ideas, which are captured as "other" in **Figure 10**, and can be found under Question #12 in Attachment B where all free responses received in the survey are listed.

Figure 10: "What affordable housing resources do you feel should be provided in Carmel-by-the-Sea?"

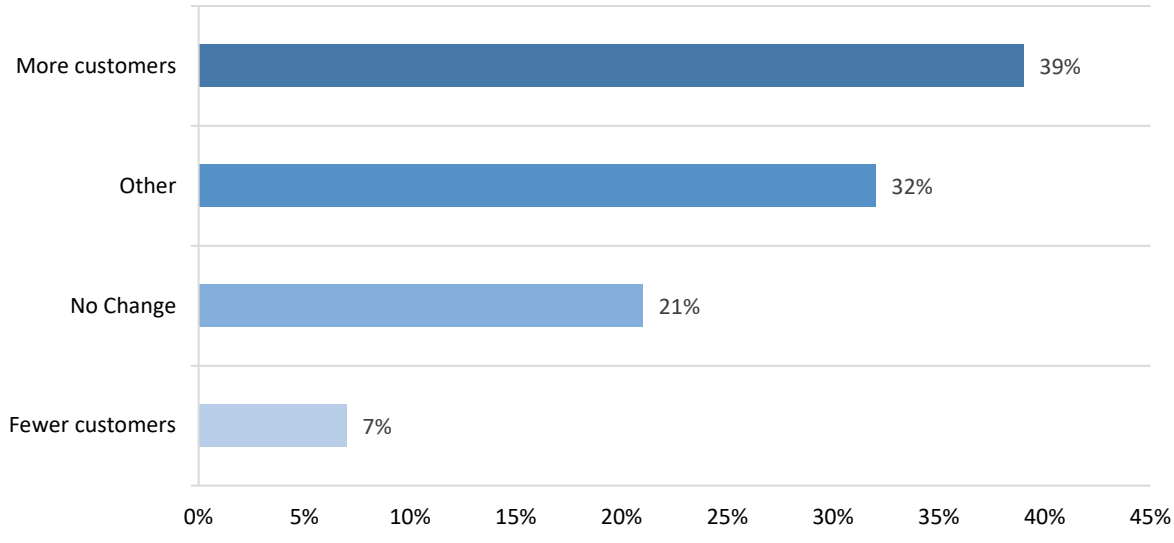


Note: See Attachment B for a full list of the "other" responses received. The "other" responses are the open-ended responses that were received.

Increased Housing and Local Businesses

Survey respondents were asked what effect providing more housing units would have on local businesses in Carmel-by-the-Sea, of which 39 percent indicated more customers, 21 percent indicated no change, and 7 percent indicated fewer customers. Thirty-two percent of respondents shared their own ideas, which are captured as "other" in **Figure 11**, and can be found under Question #15 in Attachment B where all free responses received in the survey are listed.

Figure 11: "What effect would providing more housing units in Carmel-by-the-Sea have on local businesses?"

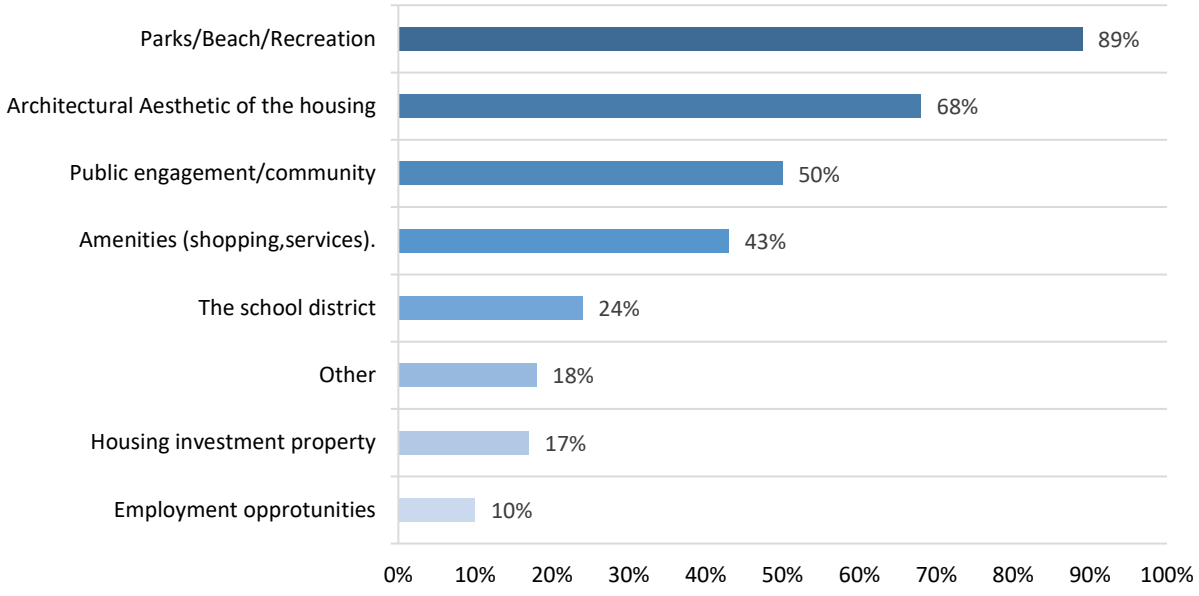


Note: See Attachment B for a full list of the "other" responses received. The "other" responses are the open-ended responses that were received.

Benefits of Living in Carmel

Survey respondents were asked what the most appealing elements about life in Carmel-by-the-Sea is. The most common response was Parks/Beach/Recreation (89 percent), followed by Architectural Aesthetic (67 percent), and Public Engagement/Community (50 percent). Eighteen percent of respondents shared their own ideas, which are captured as "other" in **Figure 12**, and can be found under Question #7 in Attachment B where all free responses are listed.

Figure 12: "What are the most appealing elements about life in Carmel-by-the-Sea?"



Note: See Attachment B for a full list of the "other" responses received. The "other" responses are the open-ended responses that were received.

Discussion of Results

The majority of respondents were between the ages of 55 and 75, earned more than $100,000 year, and owned homes in Carmel-by-the-Sea. This indicates responses from a group who is generally well established in the City and may not adequately capture community-wide ideas towards housing needs, for example from a younger renter or worker in the community.

Although respondents indicated their preferred housing type to live in is a single-family dwelling, many respondents indicated a need for more diverse housing types within the City, such as condominiums, apartments, and ADUs which could help to provide more affordable housing options in the City. The 6th Cycle Housing Element includes programs to increase these housing types. Program 1.3.C (Accessory Dwelling Units) will streamline ADU permitting, Program 1.4.A (Eliminate Unnecessary Use Permits) will incentive multi-family type housing by removing permitting barriers, and Program 3.1.G (A Housing Priority Overlay Zoning District) encourages a higher unit yield within the commercial and multi-family zoning districts.

A number of respondents did indicate a preference for constructing condominiums, apartments, and ADUs.

When asked how the supply of affordable housing could be increased within Carmel-by-the-Sea, the most common selected responses out of provided options were: 1) encourage second-story additions to single-story buildings downtown, 2) convert guesthouses to ADUs, and 3) set a maximum square footage limit on housing units downtown. Number one will be addressed via Program 2.3.A (Preserve and Increase Upper Floor Residential Uses), number two will be addressed via Program 1.3.C (Accessory Dwelling Units), and number three will be addressed via Program 3.1.G (A Housing Priority Overlay Zoning District). For this question, respondents were also given the opportunity to provide their own response. Themes from these free responses include: utilize empty or underutilized parking lots for housing, turn Flanders Mansion into housing, and sentiment that there is not enough space in Carmel for additional housing. Program 1.1.B (Underutilized Sites) addresses exploring underutilized sites, with the City committed to actively investigate underutilized publicly owned sites such as parking lots.

When asked what affordable housing resources should be provided in Carmel-by-the-Sea, the overwhelming majority of respondents selected "information about affordable units." The 6th Cycle Housing Element includes a Program 5.1.A in which the City will work with fair housing organizations and increase outreach efforts to connect community members to affordable housing opportunities.

Most property owners indicate they are not interested in re-developing their property to include more housing, such as ADUs. However, there were a handful of property owners that did indicate interest. Property owners indicated interest in building additional housing on their property if parking requirements were waived, permitting fees lowered, and water credits made available.

The last two survey questions focused on life in Carmel-by-the-Sea. The majority of respondents believe more housing would result in more customers for local businesses. A handful of respondents said that more housing would result in fewer customers, which appears to be an assumption based on the concern that more housing would result in less parking available for visitors. While the 6th Cycle Housing Element does allow for parking reductions for affordable housing projects, it also requires that all existing parking be integrated into the new housing development, if for example a parking lot is converted.

Finally, respondents were asked about the most appealing aspects about living in Carmel-by-the-Sea. The most popular response was "Parks/Beach/Recreation," followed by "Architectural Aesthetic of the Housing," followed by "Public Engagement/Community." It is clear that the architectural character and charm of Carmel-by-the-Sea is a major reason people choose to live in Carmel-by-the-Sea. It is evident that a number of community members fear that meeting the RHNA will disrupt this charm they love. Program 1.4.B (Objective Design Standards) will allow the City to retain their

design aesthetic while streamlining the permit process. Additionally, based on the survey results, community is also an important aspect of living in Carmel-by-the-Sea. With a current vacancy rate of 51 percent, more market rate and affordable units will result in more full-time community members, which will enrich the community of Carmel-by-the-Sea.

Stakeholder Survey Questions

A

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1. **How old are you?**

   <18
   18-34
   35-54
   55-74
   75+
   Prefer not to say

2. **Which racial or ethnic group(s) do you identify as?**

   Black or African American
   White (non-Hispanic)
   Asian or Asian American
   Hispanic, Latino, or Spanish Origin
   Native American
   Native Hawaiian or Pacific Islander
   Prefer not to say
   Other: _____

3. **Do you identify with any of the following? Select all that apply.**

   Senior (55+)
   Female-Headed Household
   Differently Abled/Disabled
   Unhoused
   Single-Parent Household
   None of the above apply

4. **What is your annual household income?**

   $0 - $25,000
   $25,001 - $50,000
   $50,001 - $75,000
   $75,001 - $100,000
   $100,001 - $200,000
   $200,000 or more
   Prefer not to say

5. **Describe your role in the Community. Select all that apply.**

   I live in Carmel-by-the-Sea and rent my home.
   I live in Carmel-by-the-Sea and own my home.
   I represent a community organization (please specify): _____
   I am unhoused/do not have permanent housing.
   I own a business in Carmel-by-the-Sea.
   I work in Carmel-by-the-Sea.
   I visit the City but live elsewhere (please specify): _____
   Other: _____

6. **If you are a current resident of Carmel-by-the-Sea, do you live here full-time or part-time?**

   Full-time.
   Part-time.
   Not applicable.

General Survey Questions

7. **Residents and non-residents, what are the most appealing elements about life in Carmel-by-the-Sea? Select all that apply.**

a. The school district.
b. Parks/Beach/Recreation.
c. Employment opportunities
d. Housing (please specify, i.e. “investment property” or “architectural aesthetic,” etc.): _____
e. Amenities (Shopping, Services).
f. Public engagement/community.
g. Other: _____

8. **When considering housing affordability and availability, what factors might influence your decision to reside in Carmel-by-the-Sea or outside of the City? Select all that apply.**

a. Limited supply/availability of housing.
b. High cost of housing.
c. Limited employment opportunities.
d. Limited variety of housing options (limited multi-family options, micro-unit options, etc).
e. Small lot sizes.
f. Lack of demographic diversity.
g. Other: _____

9. **In which of these housing types would/do you prefer to live, and why?**

a. Accessory Dwelling Unit, because:
b. Single-Family Home, because:
c. Apartment, because:
d. Condominium, because:
e. Other, because:

10. The State housing goal for Carmel-by-the-Sea is 349 new housing units (market rate and affordable) between 2023 and 2031. What type of housing would you like to see constructed in Carmel-by-the-Sea? Select all that apply.

a. Apartment (rental).
b. Condominium (owned).
c. Single-family home.
d. Duplex.
e. Triplex.
f. Fourplex.
g. Accessory Dwelling Unit (ADU)/Junior Accessory Dwelling Unit (JADU).
h. Senior Housing.
i. Other: _____

11. **How can the supply of affordable housing be increased to meet the needs of our community? Select all that apply.** ***Note: The following are examples and not the only options available. Use "Other" to suggest additional options.***

a. Encourage property owners to convert existing guesthouses and studios to legal Accessory Dwelling Units (ADUs) or construct new ADUs.
b. Encourage second-story additions to single-story buildings downtown specifically for affordable housing.
c. Change the zoning code to allow 3-story buildings downtown specifically for affordable housing.
d. Set a maximum square footage limit on housing units in downtown to spur the creation of more small units rather than just a few large units.
e. Create objective (yes/no checklist-style) design standards for new housing projects that include affordable units.
f. Fund the creation of affordable housing through a housing vacancy tax or bond funding.
g. Other: _____

12. What affordable housing resources do you feel should be provided in Carmel-by-the-Sea? Select all that apply.

a. Tenant assistance resources.
b. Information about affordable units.
c. Information on Fair Housing/how to file discrimination claims.
d. Down payment assistance.
e. Housing Choice Voucher Program (Federal).
f. Other: _____

13. If you own property, what would it take for you to consider adding a housing unit(s) on your property, such as an accessory dwelling unit?

a. Answer:
b. Not applicable because:

14. If you own property, would you consider redeveloping your property to include new housing? Examples include building an ADU/JADU, converting commercial office space to an apartment, or constructing a second-floor addition with apartments.

a. Yes, because:
b. No, because:
c. Not applicable because:

15. What effect would providing more housing units in Carmel-by-the-Sea have on local businesses?

a. More customers.
b. Fewer customers.
c. No change.
d. Other: _____

16. **How does, or how would, living in Carmel-by-the-Sea benefit you? (Quality of life question)**. Answer:

Open-ended Responses

B
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The following lists the open-ended responses received for survey questions 7, 10, 11, 12, 13, 14 ,15, and 16. These responses are indicated as "other" in the figures.

Question 7: "What are the most appealing elements about life in Carmel-by-the-Sea? Select all that apply." See corresponding **Figure 12**.

A forest with a village and a beach!
Our neighbors are kind and we help one another.
2 hour commute from home
The natural beauty of the setting on the California coastline.
Trees, scenic pathway, ocean views, sunsets, walking town, dog friendly
Volunteer opportunities
The natural beauty of the Forest and beach, etc.
The peninsula provides most big city benefits without the downside
beauty of our area and lack of traffic and homeless
garage bands
No streetlight, quiet, good air quality
Weather/climate
Mainly small unostentatious but unique homes on small lots in natural settings.
Serenity, beauty, simple life
Weather, mountains, beach

Question 10: "The State housing goal for Carmel-by-the-Sea is 349 new housing units (market rate and affordable) between 2023 and 2031. What type of housing would you like to see constructed in Carmel-by-the-Sea? Select all that apply." See corresponding **Figure 8**.

Condominium (owned), *Must say, unless you convert a hotel I don't know how you will nicely achieve this. I don't think anyone wants to see high rises.
Housing that naturally flows from a century of local control
I appreciate the efforts of the city to meet the State's dictates, but I do not believe adequate thought has been placed on the implications of additional housing on the natural setting of Carmel, as well as traffic, parking, services, etc. Once built, who will be responsible for maintenance? And who will fairly determine who is allowed to live in these 350 units? I also do not believe that the longer-term has been considered. If 350 units are added in this round will more units be required in the future? There are many more people who work in Carmel's low paying service sector than can ever be accommodated in the surrounding residential area, and the existing residential area should not be expected to serve Carmel's commercial sector. Also, if changes are made to accommodate development of affordable housing, won't some of these changes also be used by clever developers of luxury housing to build larger, more ostentatious housing?
I don't think it is feasible to build affordable housing given the value of the property and cost of building.

Less housing. Isn't 3,000 homes in one square mile enough? I'm not pro-densification. 4,000 square foot lots are already small. We already have small setbacks.
Minimally invasive to character of Carmel.
No additional housing
no more new housing
None
None — Carmel should determine what is right for its citizens not bow to government bureaucrats
None It is too crowded already. Parking is already a problem
None - this needs to be a local decision - not mandated by the state
None.
none. we have no space. how about building housing at fort ord area
None. Ridiculous amount of homes being required by the State. Will destroy Carmel by the Sea.
Resistance/Reduction of State housing goal
We should fight this ridiculous "mandate" from on high!
Would like to see use of second story condos over downtown business only. Against removing Sunset Center parking unless able to dig subterranean parking. Do not think there is space for 349 homes without razing the character of Carmel. Eastwood and others improved water availability and do not believe there is sustainable possibility here--instead, build up city portions in other portions of Monterey county. If would be more efficient and better for the environment

Question 11: How can the supply of affordable housing be increased to meet the needs of our community? Select all that apply. *Note: The following are examples and not the only options available. Use "Other" to suggest additional options.* See corresponding **Figure 9**.

"Affordable housing" is not a right. Supply and demand is the driver of market rates for housing and all other products and services. Work with builders and developers to find solutions and don't make everything so arduous and difficult and fee intensive. There is no "one size fits all solution". Each neighborhood, street and property presents its own problems and solutions.
Affordable housing directives aren't necessary.
Aggressively tax homes that are NOT primary residences. Anyone using Carmel as their vacation home is contributing to the housing problem. Let's make all of Carmel primary residences or full time rentals!
allow free market forces to guide the housing in the community
Annex land outside city for affordable housing
Build housing on the outskirts and empty parking lots
Carmel should not be forced to change its look, feel and style!
CBTS is nearly fully built out and highly desirable and therefor expensive. Adding housing will only ruin the quality of life in the city. Build the additional housing out in the Fort Ord area.
encourage landowners to build on empty lots, fast-track building permits

Fight back. There's no land here for development.
First define "our community." Whose needs are being met? Service workers in the business district? Teachers? Artists? Seniors? If racial/ethnic diversity is a goal, then make sure these people are included in the discussion. Then ask what sort of housing these people wish to have - do not dictate this for them. Keeping in mind that at this point only 350 units would be available, then do what it appears the planning office is recommending. Focus on areas in the central business district that could be enhanced by development and that will not encroach upon residential areas that are already built out with small homes on small lots. Prioritize opportunities for purchasing versus renting so people can benefit from investment and not simply pay rent to a landlord. Any building should require attention to parking availability, increased traffic, environmental impact, and potential increased commercial needs (grocery stores, etc.). I also believe that an argument can and should be made that areas beyond the tiny jurisdiction of Carmel by the Sea can do more to accommodate affordable housing needs, and provide people with larger dwellings and ownership opportunities. Senator Laird seems to be leaning this way.
Hospitality requires workers who aren't paid enough to live here. Hospitality should bear the cost of providing housing for their workers; it is not the responsibility of residents
I did not think that there is a good reason to change the town as we are too small and do not have the availability of land to do this
I do not believe CBTS should be required to provide "affordable housing". I believe in the free market factors.
It is absolutely ridiculous to plan affordable housing in a community the size of Carmel By-the-Sea.
Less short term rental places, more long term rental options
Limit the number of the short term vacation rentals of houses
MAKE CERTAIN THE NEED EXISTS. Ask those who work in Carmel if they & their families are willing to give up the square footage they now enjoy to live in Carmel in half the space.
N/A. How will you address the issue of water & parking?
Not everyone can live in the Carmel area. Not enough room! Small lots. Neighbors too close!
OPPOSE THE MANDATE
Press upon our representatives the lack of space in our tiny village and encourage housing in other parts of the county
Push back on State mandate
Reaching the state mandated goal will destroy the character and charm of Carmel
There is no space for this in Carmel - but our state is huge - build housing elsewhere. Anyone who thinks Carmel can accommodate "affordable" housing hasn't built here!
Utilize empty lots for single family housing.
Where is the Water going to come from for any of this?
work with our neighboring communities that have land/water available for housing

Question 12: "What affordable housing resources do you feel should be provided in Carmel-by-the-Sea? Select all that apply." See corresponding **Figure 10**.

A map of someplace else
affordability is the main factor. No gov. assistance should be involved
Affordable housing outside city limits.
I don't know.
I don't care for any of the choices
I'm not sure.
Limit to that which is currently available
N/A. The city is not obligated to provide affordable housing
None
None
None
None
NONE
None
none
NONE
None
None of the above
None. Carmel is NOT affordable for everyone. No one would want to help me if I wanted to live in the first arrondisement in Paris!
None. "Affordable housing" is a result of market demand.
Not for the City to get involved in.
Nothing.
Provide a gig economy type resource such as Airbnb or Neighborhood Storage to allow owners to rent out rooms
Rental agencies
Simplify the building code. Reduce the planning commission to 3,
There is smooch open ground within 1/2 hour of Carmel why would anyone in their right mind try to jam affordable housing in a community as small and as expensive as Carmel?
Unknown

Question 14: "If you own property, would you consider redeveloping your property to include new housing? Examples include building an ADU/JADU, converting commercial office space to an apartment, or constructing a second-floor addition with apartments."
Note: There is no corresponding figure for this question.

No
yes I would consider
No
More space
no
I would, if I had more space.
No
No
No way
No. don't be ridiculous
No
No
NOT
Our lot is too small and we're already right on top of our neighbors
No
ADU
No
I am not interested at this time to increase the density of my property
No
I would consider an ADU. CTBS is not an apartment community.
no
Absolutely not.
Not possible. No.
N/A, but no
No
The lots are too small
I would consider adding a second floor condo unit but not an apartment.
No
no
Yah, would like to build condominium to retain pride of ownership in community
No
No. My house is already two stories. A third story would destroy the character of the neighborhood. I value the forest-like nature of the neighborhood and am not willing to remove the trees on the property to make space for an ADU.
no
No

No
No
No
No, all the options above make a community a less desirable place to live.
No because the state is on the path to more rent control. How would I recoup my costs unless I sell.
No
n/a
Yes, converting second floor office space to apartments.
No
Yes
No
yes
No - My house location relative to the lot and steep hillside won't support an ADU. Otherwise I would explore this.
Yes an ADU.
No
No. ly have to pay more property taxes than I do now
no
NO
Yes
Not enough space
No…see above
No.
N/A see above
I cannot afford to "redevelop" my 4,000 sf residential lot.
if properly stimulated financially
We live in a modest 100 year old house. Altering it would be a travesty
No
no
Yes, if lot would permit addition
Absolutely NOT!!
We already have a second story. I suspect many homeowners have similar situations. You might do better filling vacant commercial properties as there are quite a few.
only a JDU is possible...but not of interest.
No, don't have the space or floorplan for an addition.
I believe that SFD zoning laws should be respected and followed; so I would not consider an ADU. ADU's as now allowed increase the density of our village without any other requirements to offset the impact: no parking, setbacks, no requirement to even rent at below market rate. Nothing gained and much loss to the community.
Heritage oak in the way.
No.

NA
Yes, all of the above
No
Only with some protection to me as an owner as mentioned above.
No
No
No
I could not afford to build anything. Fixed income senior
No
I would consider it, but we cannot afford to do this.
No
No, my property is too small.
Too small
No
Build ADUs not encourage STRs
no (see above)
Not a property owner
Yes
Yes
I already have a legal subordinate unit.
No, see above
No
No. Already 2 story.
Since I live in a quiet neighborhood, I believe the best option for us is to build an ADU/JADU. The city should evaluate the house size to lot size ratio. With that houses can go to a second level without restrictions.
NA
yes
All of the above.
Yes - I am currently considering this.
N/A
Not at this time.
Yes
Yes.
N/A
No.
No
No, it's a single family home that I plan to live in.
Not sure. It’s a complex question.
na

Yes, but the city makes the permitting very difficult and the county does not have the water.
Yes
No
No

Question 13: "If you own property, what would it take for you to consider adding a housing unit(s) on your property, such as an accessory dwelling unit?" *Note: There is no corresponding figure for this question.*

Extra housing on a 4000 sqft lot? No thanks
ability to pay for development and increased property taxes. ADUs appear the most realistic way approach to meet our 349 housing unit goals.
I wouldn't
More space
My property is historic.
More land, more financial resources. All other existing elements are acceptable.
Untenable request due to lot limitations
There isn't space on my property to add an ADU
Wouldn't happen
I would move out of the city if affordable housing continues to be forced on Carmel, and if it indeed comes to fruition
Guidelines to keep the charm and permit process loosened.
Never
I would NOT consider adding a unit to house somebody else
We have a tiny lot and there is no room
We are content with our property just the way it is
HIghly cooperative City regulations and water
No
It should be my choice and not mandated by the State
I would not build an ADU on a 40x100 lot. My poor neighbors!
Nothing
If CTBS changed the access to water and limits on lot coverage, many owners would build ADU's because they would like to have more space available. I would build an ADU and put a relative in it.
There isn't enough room and there isn't enough water
Absolutely not. The city won't even let me build a car port let alone another dwelling!
We do not have room so we could not consider it.
N/A, but if I owned, I would build an ADU for my aging parents
I wouldn't consider it.
More land
Less restrictions on adding units and off street parking.

No
I live on a 4000 sqft lot - cant imagine having additional people on the lot.
Upzoning to allow for condominiums
Nothing would convince me
Waive lot coverage limits to permit ADUs on small lots
My lot is fully built out. I would have to remove trees in order to add an ADU.
no
Not enough space to build an ADU
No room to do so. Nothing could convince me to build a unit
I would only consider housing unit for family members
How would we possibly fit an extra unit on our small lot and where is the water going to come from?????
Nothing would ever entice me to add an ADU to my Pebble Beach property.
Lower the cost of fees, lot coverage, water demand and red tape
No
own property in another county but purchase in Carmel not affordable
n/a
Waive or lower permit fees and improve the building permit process so it is quicker.
Not relevant
Change in Building Codes
Tax break
Not much as have considered.
The position of my house on the lot and the steepness of my backyard won't support an ADU
Currently have an ADU. Have rented it in the past.
I would not consider adding housing to my property. Parking is an issue as is noise and congestion.
a larger lot!
In 4,000 sq. ft and a 1600 sq. ft. hour, where would I put it and would the city allow my extra water rights?
more space
Would never do this the lots are already tiny and this would look horrible it would also eliminate trees which is no good
Significant tax credits
Not enough space
No room for an additional unit.
streamlined, affordable, planning and design services
No incentive would encourage me to add housing to my property.
there is not enough space on our property to add an ADU
I would be happy to convert my 250 sf garage to an ADU. It's on the lot line so the city will have to give on that, and it's my only off-street parking, so the city will have to give on that as well. Also, I'd need more water credits.

financial stimuli
Not possible. Lot already too small
Lot us too small
Nothing
nothing
Planning Commission objections to design elements they do not like. lower permit fees
Already have an ADU on the property.
I am not at all interested.
My house already occupies most of the lot.
No - There is no viable space on our corner lot
Don't have the space for separate structure but might consider roommate if had the space
A much bigger parcel of land so that the ADU structure did not impact my privacy or that of my neighbors. It would have to be in compliance with existing SFD zoning. It would have to have room for off street parking and room to create a lovely landscaped setting for the occupant.
Water available and space to put one. Tree in the way now.
My lot is too small to add an ADU
NA
Eliminate fees, fast track permitting, have the City maintain a renter registry so that recreation rentals are prohibited.
No space for anything
Make the permitting process easier. Fine citizens who weaponize archaic zoning laws for NIMBYism. Make being a NIMBY uncool.
Some way to positively prevent irresponsible people renting it. CA rental laws are so biased against the property owners it's nearly impossible to evict deadbeats or creeps.
Parking plan
Water allocation and change of building codes
N/A live outside of CBTS, but still in surrounding area.
Market rent
I don’t have room on my lot to add a unit
Not possible on our small lot
I would need financial assistance to do that.
Increase the size of the lot. Already built out to allowable size on lot.
Decreased red tape and incentives.
I wouldn’t do it. Too small.
Nothing
Reducing the county fees for permits and facilitate the programs to encourage ADUs. Essentially incentivize efforts to do ADUs.
would depend on what kitchen facilities would qualify (we have a guest house but no room for another structure)
Not a property owner
Financial assistance to build an ADU

Permit streamlining and financial assistance
I already have a legal subordinate unit. I may want to convert it to an ADU.
I wouldn't because I would have to build such a unit from scratch and the return of investment probably would be low, and the reduction in privacy and yard space.
Functional need arising internally
We would have to be allowed to cut down a large, healthy tree.
For the city to allow me to have different set backs, expedite approval process, maybe provide incentives for quick/economical building, and for the county to increase my water credits. I will be delighted to build an ADU in my property. Additionally, the city may consider making the size on the house bigger than the current 40% of the lot size. An option will be to expand to 50 or 60% of the lot.
Adding a kitchen to existing guest house (need water credits)
NA
I own property in another county, but funding would be the primary requirement.
Reduced/eliminated planning and building fees. Real property tax assessment deferral.
More clarity on rules.
N/A
Have not considered it..mmm
Help with water restrictions, subsidy, low interest loan, clear regulations, reasonable standards and explanations for license and permits and building codes and inspection
Low interest loan and property tax reduction incentive.
N/A
We would have no interest in doing this. Our home is already on a typical small lot. We have little to no backyard. There would be no parking for a tenant/tenants.
We have a gust house already
There is no room for that on my property.
Zoning changes, property tax breaks, neutral to positive cash flow model.
na
Easier building laws and permit allocations.
Limitations on allowed max size of ADU

Question 15: "What effect would providing more housing units in Carmel-by-the-Sea have on local businesses?" See corresponding **Figure 11**.

"Affordable Housing" would not affect the businesses, because if people need help with housing costs, they cannot afford to support the local business. These people who need financial help with housing will probably add burden to public services such as police, schools, fire, paramedics, and infrastructure such as water and electrical.
Adverse affect since Carmel businesses wants to attract affluent visitors not workers in their own stores/restaurants
Affordable housing would not improve local business revenue
Anything that hurts the livability here will hurt the businesses.
Carmel shops and restaurants are too expensive if on a low income

Crowds, parking, traffic, crime, pollution—air and noise
Depends on the disposable income of the new residents.
Depends on the type of shops .. overall could be more customers if service business and affordable goods
Destroy the look and feel of Carmel by the Sea.
Even more congestion , traffic, lack of parking. Remember- let's not kill our Golden Goose.
Fewer customers. It's already hard to get to places due to lack of parking. Hills make it hard to walk with seniors and disabled and losing more spots to younger people would discriminate against aged and disabled
I am not sure, but can offer some thoughts. Residents in affordable housing will likely not be frequenting the tourist venues: the proliferating wine tasting rooms, high end clothing shops, art galleries, restaurants, etc. They will likely need different options that are not available in town. So either these are added (which means even more commercial activity paying low wages), or more people will be travelling to shop/eat out, etc in the surrounding areas. This implies that there are either even more cars on the roads or that mass transit will need to be enhanced so people can travel beyond town. Ideally, the local businesses would feel responsibility for making affordable housing available to the lower wage workers they hire, wherever possible. The idea that hotels would provide living quarters is a good one. Thought should also be put into reducing the number of business licenses in Careml by the Sea. As businesses move or close, these spaces could be made into housing. More service businesses simply means more lower paid workers who are unable to afford housing.
If below market, it would assist with employee housing and retention.
increase in available workforce
Increased diversity; less traffic
It depends if the businesses provide some reasonably priced options
It will be a traffic/parking nightmare. You can't add 300+ Apartments and assume all those people are going to take the bus? The city spent more time actually keeping the city clean (and not rely on Carmel Cares) I think more people would frequent downtown CBTS.
It will compound the parking issues. PACT as now proposed: no time limit on parking and residents park free.
It would bring in more traffic and make the parking situation worse. This would drive away the tourists who are willing and able to spend money in the shops and restaurants here.
It would make parking even worse than it already is.
It would probably change the character of the town to some degree
Less parking for visitors. Congestion
less tourists, less income
Like a lot of locals, other than Safeway, they wouldn't shop at local business
Locals do not shop downtown, well except for the cheese shop.
Loss of parking spaces
loss of prestige and distinction -Carmel would no long be a worldwide magnet once the character and charm is destroyed by over development
Low income people will not shop in Carmel
maybe new residents but could they afford the shops and restaurant prices in Carmel?

More clients
More congestion and less parking
More crowded, less appealing to shop
More customers, as long as the units are for permanent renters and not visitors.
More employees/employers and City employees living in Carmel will increase demand for services of local businesses. It will also allow city employees to engage with the community and be part of local activities at their backyards.
More housing likely means more illegal short term rentals and vacation rentals - so I suppose business would go up.
More potential employees.
More traffic and no place to park!
More traffic. Less parking.
More workers that could live near their work.
Most would become vacation units of some kind.
Of course more people theoretically would would help local business I doubt that the high end stores will see any increase from the new medium and low income residences. I doubt that many of the high end shops in town will see any increase in buisness from the new medium and low income
Offer housing opportunities of housing for people that also work in Carmel!
Only more customers, if the new residents could afford to shop locally.
Overcrowding and more traffic.
Overcrowding of parking spaces for shoppers.
Parking would be important. More housing comes with more cars.
Simply more congestion
They would probably recognize a need to carry more generally affordable options for lower-paid residents
This will cause a detrimental impact on the desirability just look at San Francisco fewer customers
Traffic congestion. If this town was 100% occupied our neighborhoods and roads could not manage the modern day traffic with most owning 2-3 cars.
Ugly buildings. No parking. Loss of charm of Carmel
Very little as parking is already a problem.

Question 16: "How does, or how would, living in Carmel-by-the-Sea benefit you? (Quality of life question)" *Note: There is no corresponding figure for this question.*

How does, or how would, living in Carmel-by-the-Sea benefit you? (Quality of life question)
Financially and also scholastically.
Pretty incredible year round weather and ease of access to shops / services / restsurants. Less traffic congestion would be a plus
394 units in this small area is ridiculous as the traffic and infrastructure not to mention water supply can't handle it
Fresh air.
The physical benefits of walking the scenic pathway ir ti tien to town, scenic vistas, the architecture and trees are what we like best. We hope we can continue to live here. The expense is a huge sacrifice.
It's a peaceful oasis from the busyness of our "regular" lives threatened by poorly designed and ridiculous government policies. The state owns most of the land in the state. They can and should be building affordable housing in less populous, not necessarily remote, locations of our state
Peace and quiet provided that the city doesn't get more crowded.
Like the small scale community and peacefulness
N/A
Sense of community, cultural and out door events
Living in Carmel is a positive experience for the soul, whether to live or visit. Most people are fantastic. Nature, fresh air, and fairy tale esthetics are refreshing and inspiring. This is not a thriving metropolis by design and I appreciate that. There are different times for different places.
We live here and, once again, appreciate the small, unostentatious homes on small lots embedded in natural surroundings. Nature supersedes housing in Carmel. We appreciate our neighbors. We appreciate living on a street that does not have a lot of traffic, although this has increased. We appreciate being able to hike from our home in most directions and experience beauty.
Access to nature. Walkable town.
Carmel is my haven
Incredible schools, safe, beautiful place to raise my family
What a beautiful place to live. I benefit by being so close to nature, knowing that there is a good school district. Glad I live near cities with more ex and social diversity and would like to see more here in Carmel.
We walk 'into town' everyday to support the local coffee shops and eat at least once a month at one of the restaurants. We rarely drive i to town unless we have an oversized package at the PO. I can tell you having lived here 25+ years we have watched it 'slide' like much of the rest of CA which was/is not only preventable, but sad.
Does not apply since I already live in Carmel-by-the-Sea. I am concerned that there is no work in Carmel requirement for those potential occupants of the new housing. Aren't we trying to eliminate the commute and the environmental impact of such traffic?
I already live in Carmel-by-the-Sea and love it. If we add 349 units of affordable housing, there will be more traffic and overcrowding, which will diminish my property value. Please

reject the state's misguided demands. Instead of wasting tax dollars to come up with a plan, we should be fighting the state with a lawsuit.
It's a great little community with a very low crime rate.
We have worked hard to be able to afford to live in this gem of a place. It is perfect the way it is. Affordable housing outside our tiny city would be my preference.
Beach walks and biking encourages my soul. Love the quiet. Value the Safety.
greatly
Our current quality of life is excellent.
I live in Carmel because I can handle the weather, walking to town, close by groceries and medical facilities. I am old and cannot take care of too much anymore. I would hate to see town broken up by little ADU buildings where there used to be a pretty little flower gardens. This town is already crowded. Whoever decided to break up town into 4000 square feet lots was not thinking.
Charming atmosphere… Beautiful views
In an earlier question, you asked what is attractive about living in Carmel - beauty of the landscape, the architecture and the urban forest - destroy that and you've destroyed Carmel
Safe, clean, cool weather, golf, mountains, beach
love being able to walk most everywhere I go and not step over homeless on the sidewalks and have to deal with bay area type traffic
It's a peaceful city with a lot to do
We already live in Carmel-by-the-Sea and enjoy a nice quality of life just the way it is.
It is a tranquil, unique place to spend time. Cramming more housing into limited space will make it less appealing.
Living in downtown Carmel allows me to be a pedestrian, which increases my personal traffic through town. I am more likely to buy something when it catches my eye in the window. Also, walking like a pedestrian decreases my carbon foot print.
I already live here! Our quality of life is good -- walk daily, enjoy restaurants and events, and have developed a very nice community of friends. We like to live here and plan to do so for many years to come. We would have loved to keep the parklets at all the restaurants since that made the city more friendly, encouraged walkability, and community. It gave the city a sense of vibrancy, excitement and camaraderie.
Already do - it is wonderful.
This has been my home for 23 years. I don't want to have to leave.
I enjoy and treasure every moment of living in Carmel. Adding more housing is going to increase traffic, parking problems and congestion which are BIG negatives to the current quality of life here in Carmel. I suggest that a survey with the target audience be done to see who would be interested in living these proposed changes and could they even afford those!
It's a safe place.
There is abundant opportunity to enjoy the beach and MTNP.

Walkable life and friendly people with nice weather.
It is a beautiful town the way it is. Don't over develop it. If you cant afford to live in CBTS then you can always visit it. I am 100% against the changes proposed!
Walk to work, walk to eat, walk to beach! It's obvious a quality of life issue.
Social activities, restaurants, clean air, beautiful nature, lovely architecture, walkable community, less stress.
It would be more crowded.
Reduce my quality. If moving into town from Carmel Woods with larger lots, ocean and forest views, space between houses, wildlife and a large garden and small house, I would feel cramped. When I grew up in Carmel, our house was small, but there were undeveloped lots between houses, so we had places to play and our neighbors weren't right next to us.
I live here now.
Dog friendly
Being close to Carmel Foundation for services allowing us to walk most places, & to shop, bank, eat out, go to the Sunset Center, the theatre etc.
The addition of so many units will be detrimental to the desirability of Carmel…..
I live here full time-adding additional housing is only going to decrease my quality of life as this village is not made for big city congestion.
Encouragement to walk to the beach and into town
Simple answer; I can live anywhere in the world I want to live and I choose Carmel for a myriad of reasons of which affordable housing is certainly not one!
Carmel-by-the-Sea is special and it shouldn't be forced to provide affordable housing, it's a short commute to nearby towns that are more equipped to add housing.
Small town feel/friendliness; less worry about crime, drugs, vagrancy; strong pride in cleanliness, safety, livability of community; wonderful shops and eateries.
I would not live in a City that cratered to ridiculous demands from State government. If 349 units even begin to be sandwiched in Carmel- I move
CTBS is a very special place and it is no business of the government to change our community in any way. Our community is our decision, not up to the "State". We are not yet a communist county.
I like small town living.
If Carmel-by-the-Sea is required to build all these affordable units, the residential density will lower the quality of life and make it a much less desirable city for residents and tourists.
Safety
I like be able to walk everywhere, limited amount of noise pollution, access to events at the Sunset Center - and parking there for patrons.
Wonderful retreat. I appreciate the need to make it affordable for people who work there but do not ruin the charm of Carmel. Can these units be outside of the golden rectangle and be by the crossroads or somewhere else where there is space
Negative.
Sense of community.
It is relatively peaceful, but every holiday and weekend and special event bring hundreds or thousands of visitors. We don't need to Manhattanize Carmel
Great place to retire.

Because every restaurant and business is within walking distance, we are active and healthy. Walking around also results in more friends and that makes a better community.
Love it! Need more more condominiums
Presently living in Carmel offers a unique experience with a peaceful, healthy way of life.
I would be able to live closer to work and in the CUSD school district for my kids
No commuting so more time spent with family.
More active neighborhoods. It would likely result in more traffic, noise and possibly a slight uptick in crime. However, the town has lost ~20% of it's full time population in the 20+ years I've liked here. It can grow by 1000 residents without much pain.
Great weather, small community, friendly residents.
I love the small town feel, clean air, and quiet.
I live in Carmel now
I lke living here.
The same as now, as many homes empty.
I live here and value every aspect of it's beauty, people, nature, charm etc.
Actively involved community
Enjoy hiking in the community and visiting the beach.
Excellent walking and running without having to drive. Quiet forested neighborhoods. Good stuff.
Best Quality of Life experience, lived here 70 years.
High quality of retired lifestyle
I love living here...the beauty of the beach and forest is incredible, and I love the small-town feel of the village and the fact that I can walk everywhere.
Lifestyle
I love easy access to forest, beach, Sunset Center, downtown
Small town life, running into people I know, clean air, pretty surroundings, peace and quiet, community engagement activities.
Low stress environment, nature, low crime
Active lifestyle, great school district, amenities, etc.
Diversity of every kind is good for everyone
I live here full time. I love the quiet atmosphere outside of the downtown district and the charming homes.
I love the way Carmel by the Sea integrates city living with the natural environment.
Living in Carmel by the Sea is a wonderful experience. I chose to live here so i can walk the streets and get to know my neighbors. I wish there were more apartments in the village center and less parking lots. I would recommend having tourist parking at cross roads and provide free electric shuttles to Ocean Avenue and the beaches to cut down on single car traffic.
It would be able to walk or bike to work. I would also be an integral part of the community I serve.
I love living in Carmel. I am incredibly blessed to have a home here and there are wonderful benefits. Strong community connections, peaceful and tranquil lifestyle, safety and security, opportunities for leadership, close to downtown where I can walk, and much more. Great presentation, great work and thank you!

I live and work in Carmel-by-the-Sea, so I rarely drive my car during the week. I feel safe where I live; it is a quiet street. I have access to multiple great restaurants and other small businesses, and I can walk to the beach. My family and friends can stay with me when they come to visit, and we can all enjoy the City together.
Would enjoy greater diversity
Great school district for my kids, the beauty and charm of the area makes me happy
Proximity to outdoor activities.
for affordable housing it would allow a senior artist like myself to create art here and sell it in the shops instead of having to live outside of town.
Living in Carmel would reduce my daily commute time by three hours
Living in Carmel immerses me in natural beauty and allows me to walk rather than take my car for many errands and services. I wish we had a few more of these services in the village these days.
Daily walks to beach, fresh air, minimal traffic; do not see any congestion.
Access to natural resources is incredible.
closer proximity to ocean/beach
Dream location.
peaceful, clean, healthy living, quiet during the non-touristy times of the year.
Peaceful. Friendly. Beautiful.
We have built our lives here, and are deeply involved in the community.
Quality of life
I would live where I work and drive less or not need to drive at all
Shorter commute, and being part of the community I work in.
Easy lifestyle
Allowing my family to be fully emersed with the community that they go to school in and work in. Currently having to commute from another city to be able to attend work and school doesn't allow for a well-rounded lifestyle. Providing housing in Carmel for the people who teach and support Carmel students/children, should be a big factor in this decision.
I grew up here, but without changes to the local real estate market I cannot foresee ever owning a home here. Being able to support my aging parents in the area and maintain my ties to the community mean a great deal to me.
would love to be closer to my job at Library and walk everywhere.
I lose two hours a day of my life to drive here, from Salinas, which is also barely affordable
Closer to work
The daily way of life here has been greatly improved for me and my dogs. The ability to walk every where, rarely drive, and have a more active life while feeling safe is a dream.
Would be closer to work.
I would be closer to work and the Carmel community.
Living close to beautiful natural resources of ocean and forest- soul-sustaining. Opportunities for outdoor exercise.
Breathable air
More engagement with the community that sustains my employment, extremely high standard of living.

Surrounded by my current age group and scenic beauty; Monterey Salinas Transit Bus #5 to my place of employment in Carmel by the Sea.
We could absorb these additional homes with no change of quality of life.
Quality would deteriorate if you cram extra housing into our limited space
People are happy here. Happiness is good!
Clean air, low crime
FEWER PEOPLE ARE BETTER FOR THE ENVIRONMENT
Small town
It's safe
I like it as it it. If you start stuffing hundreds of extra units into this town I might actually sell and leave.
We love it here and want to preserve it in its current state before it gets over built
Bonding with community and nature
Great Quiet lifestyle
Quiet Lifestyle
I love living in a safe and small village that is easy to walk where ever I want to go. I rarely need to use my car here. Carmel is quiet and has a high quality of life, unlike Texas where I moved here from almost twenty years ago. I am very much against state control and unfunded mandates. Local control is where we need to concentrate our efforts. There is plenty of land a short drive from Carmel by-the-Sea that can easily accommodate the houses the state is mandating. I do not think it is fair that those who bought houses here under certain conditions such as view shed or single family ownership should have to now live where they would not have bought had they known of the development required by the state.
beautiful surroundings
I live here - not looking forward to have this housing mandate from the state impacting our quality of life
It's a nice, sleepy little town and I like the weather. I don't patronize many local businesses because I don't buy the sorts of things they sell. I do patronize some local restaurants, but my go-to places for dining out are mostly in PG and Monterey as they are more reasonably priced. It's hard to compete with all the tourists who have deep pockets.
Can walk most places
I've traveled the world and can live anywhere. I choose here for its unique culture, weather and natural beauty. I would welcome more residents to share it with.
Fulfills a decades long dream to have a home in one of our favorite places
Peace and quiet, proximity to beauty of the area
Access to CUSD, access to more open/transparent government, access to outdoor opportunities.
I enjoy the beautiful environment and community engagement.
Enjoy current QofL in Carmel
Vastly improved over city living. Very happy to be here full time. Do not lose the charm that is Carmel.
No change to current benefits.
Too expensive for what you get

Carmel is safe and close to my work.
Safety and being in a small community.
CBTS is a small and safe community with lots of culture and entertainment options.
Lower commute times, using less gas, less crime.
Tranquil, beautiful setting, safety and quiet
The feel of being safe. And being able to walk everywhere
Peace of mind from safety
Clean air, can walk to the beach and to town. Local events and outings. Carmelites care about each other. Feel safe, not as safe as before.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
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November 1, 2023

Brandon Swanson, Planning Director
Community Planning and Building Department
City of Carmel
P.O Box CC
Carmel-by-the-Sea, CA 93921

Dear Brandon Swanson:

RE: City of Carmel-by-the-Sea's 6th Cycle (2023-2031) Draft Housing Element

Thank you for submitting the City of Carmel-by-the-Sea's draft housing element received for review on August 3, 2023, along with revisions that were received on October 17, 2023. Our review was facilitated by a conversation on October 10, 2023 with Marnie Waffle and Katherine Wallace. In addition, the California Department of Housing and Community Development (HCD) considered comments from David Kellogg and Brian Wilke, pursuant to Government Code section 65585, subdivision (c). Pursuant to Government Code section 65585, HCD is reporting the results of its review.

The draft element addresses many statutory requirements; however, revisions will be necessary to substantially comply with State Housing Element Law (Gov. Code, § 65580 et seq). The enclosed Appendix describes the revisions needed to comply with State Housing Element Law.

Public participation in the development, adoption, and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate. Please be aware, any revisions to the element must be posted on the local government's website and to email a link to all individuals and organizations that have previously requested notices relating to the local government's housing element at least seven days before submitting to HCD.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), if a local government fails to adopt a compliant housing element within 120 days of the statutory deadline (December 15, 2023), then any rezoning to make prior identified sites available or accommodate the regional housing needs allocation (RHNA) shall be completed no later than one year from the statutory deadline pursuant to Government

Code sections 65583, subdivision (c) and 65583.2, subdivision (c). Please be aware, if the City fails to adopt a compliant housing element within one year from the statutory deadline, the element cannot be found in substantial compliance until all necessary rezones are completed.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant, the Affordable Housing and Sustainable Communities program, and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City will meet housing element requirements for these and other funding sources.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at: https://www.opr.ca.gov/planning/general-plan/guidelines.html.

HCD appreciates the cooperation and effort the City's housing element team provided during the housing element update and review. We are committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Pierce Abrahamson, of our staff, at pierce.abrahamson@hcd.ca.gov.

Sincerely,

Paul McDougall
Senior Program Manager

Enclosure

APPENDIX
CITY OF CARMEL

The following changes are necessary to bring the City's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on HCD's website at https://www.hcd.ca.gov/planning-and-community-development/hcd-memos. Among other resources, the housing element section contains HCD's latest technical assistance tool, *Building Blocks for Effective Housing Elements (Building Blocks),* available at https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks and includes the Government Code addressing State Housing Element Law and other resources.

A. Housing Needs, Resources, and Constraints

1. *Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2…shall include an assessment of fair housing in the jurisdiction (Gov. Code, § 65583, subd. (c)(10)(A)).*

   Fair Housing Enforcement and Outreach: While the element describes the City as having not been found in violation of fair housing laws, it should also describe how the City proactively complies with existing fair housing laws and regulations. For additional information, please see pages 28-30 on HCD's Affirmatively Furthering Fair Housing (AFFH) Guidance Memo at https://www.hcd.ca.gov/community-development/affh/docs/AFFH_Document_Final_4-27-2021.pdf.

   Integration and Segregation: The element reports some data on income at the regional (City compared to Region) and local level (areas within the City compared to each other) but should also analyze the data for patterns and trends over time, particularly at the regional level. An analysis should address trends over time, coincidences with other components of the assessment of fair housing and incorporate local data and knowledge and other relevant factors. Examples of local data and knowledge include service providers, nonprofit developers, local foundations and city officials. Other relevant factors include zoning and land use; state and federal investments including transportation; lack of applying for state and federal resources and demographics and market conditions.

   Disparities in Access to Opportunity: While the element reports data on disparities in access to education, economic, and environmental opportunities, it should also address disparities in access to transportation opportunities, including accessibility and combined transportation and housing costs experienced by protected groups. Please refer to page 35 of the AFFH guidebook (link: https://www.hcd.ca.gov/community-development/affh/docs/AFFH_Document_Final_4-27-2021.pdf).

Disproportionate Housing Needs (Substandard Housing Conditions): While the element included some data regarding housing conditions, it must also identify any concentrations of substandard housing units or concentrations of older units in need of rehabilitation at the local level.

Identified Sites and AFFH: While the element provides some analysis regarding how sites affirmatively further fair housing, it should quantify the number of units by income category and location such as the northern and southern portions of the City. Then, the element should evaluate the impacts of identified sites on existing patterns, including addressing any isolation of the regional housing need allocation (RHNA) by income group, lack of identified sites by income groups in any areas of the City and whether the identification of sites improves or exacerbates existing patterns of socio-economic characteristics.

Contributing Factors to Fair Housing Issues: Upon a complete analysis of AFFH, the element should re-assess and prioritize contributing factors to fair housing issues.

2. *Analyze any special housing needs such as elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter. (Gov. Code, § 65583, subd. (a)(7).)*

   Special Needs Households: The element reports data and includes a generic discussion of housing challenges faced by special needs households. However, the element must analyze the housing needs of special needs households for each special need group including seniors, farmworkers, large households, persons with disabilities including developmental disabilities and persons experiencing homelessness. An analysis should address household characteristics, trends, local knowledge such as service providers, existing resources and strategies and the magnitude of the gap in addressing those housing needs.

   In addition, for farmworkers, the analysis may utilize past farmworker housing studies and other studies generally applicable to their special housing needs. For example, the element could utilize a recent study conducted by the University of California at Merced that is available at https://clc.ucmerced.edu/sites/clc.ucmerced.edu/files/page/documents/fwhs_report_2.2.2383.pdf. Based on the outcomes of the analysis, the element should add or modify programs to address this special housing need in the region.

3. *An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites. (Gov. Code, § 65583, subd. (a)(3).)*

   Progress in Meeting the RHNA: Table C-2 (p. C-2) currently has a placeholder for "Units permitted between June 30, 2023 and December 31, 2023". While jurisdictions in the AMBAG region may credit units permitted, entitled, approved, or built (pipeline) since June 30, 2023, the element must demonstrate the affordability and availability of pipeline units in the planning period. Affordability should be demonstrated based on anticipated or actual rents, sales prices, or other mechanisms ensuring affordability

(e.g., deed restrictions). Availability or likelihood of pipeline units being built in the planning period should address status, remaining steps, and any known barriers to development in the planning period, including other relevant factors such as the likelihood of an application or entitlement discontinuing toward development.

Realistic Capacity: The element must calculate the realistic residential capacity on identified sites and, generally, account for land use controls, site improvements and typically built densities and affordability. However, the element may utilize minimum densities. The element appears to utilize minimum densities based on Program 3.1.G (Housing Priority Overlay Zoning). However, Program 3.1.G should be revised to clearly commit to establishing minimum densities and apply for all identified sites utilizing minimum densities. For example, several sites appear to utilize minimum densities but are not proposed with the overlay zone. Otherwise, the element provides a list of sites of approved projects from the 5th cycle planning period with relevant information such as total units built, density calculations, and affordability. However, the average density of completed developments is lower than 33 du/ac, and none of the projects included units affordable to lower- and moderate-income households. As a result, the element should either provide additional supporting information that accounts for land use controls and site improvements (e.g., heights, floor area ratio (FAR), lot coverages, parking, interior courtyard) or rescale assumptions to better align with recent trends.

In addition, given the City is utilizing an overlay and several sites appear with zoning that allow 100 percent nonresidential uses, the calculations of residential capacity should account for the likelihood that sites will utilize the overlay and include a residential component. For example, to demonstrate the likelihood of utilizing the overlay, the element could discuss interest from property owners or developers. To demonstrate the likelihood of a residential component, the element could examine all development in the relevant zones and how often a residential component occurs.

Suitability of Nonvacant Sites: The element identifies nonvacant sites to accommodate the RHNA and includes a site-by-site description. However, in many cases, the element only briefly mentions existing conditions such as what could be built, structure type and the improvement to land value tier. In addition, except for sites where owner interest in residential development in the planning period is expressed, the element should evaluate the extent existing uses impede additional development. For example, the evaluation should address (a) any existing leases or other contracts or conditions that would perpetuate the existing use or prevent redevelopment of the site for additional residential development; (b) existing regulatory framework, including incentives and potential barriers such as heights, FARs and interior courtyard requirements; (c) existing versus allowable floor area; (d) indicators of turnover such as vacancy, for sale or frequent changes in use; (3) the viability of the existing use and impacts of relocation or continuing the use and (4) any other relevant factors that may preclude or promote redevelopment.

In addition, for your information, the element relies on nonvacant sites to accommodate 50 percent or more of the housing needs for lower-income households, which triggers requirements to make findings based on substantial evidence that the existing use is not an impediment and will likely discontinue in the planning period. Absent findings (e.g.,

adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the RHNA.

City-Owned Sites: The element identifies City-Owned sites to accommodate the RHNA but also appears to indicate that redevelopment may not be likely. Specifically, the element mentions for Sites 1 (Sunrise Center North) and 2 (Sunrise Center South) that the City is only interested if the parking needs can be met and for Site 4 (City Public Works) the element discusses the City's interest if housing is feasible. The element should address the status of each of the City-Owned sites, necessary steps for entitlement and issuing building permits and any known barriers to development in the planning period. For example, the element should discuss the potential for meeting the parking needs of Sites 1 and 2 and the feasibility of Site 4. Based on the outcomes of this analysis, the element should either remove the sites or add or modify programs (See Finding B2 below)

Alternative Adequate Sites: The element may utilize a variety of methods to identify adequate sites and utilizes two methods (Hospitality Employee Housing and Overnight Visitor Accommodation). While the element lists several properties that could utilize the incentive programs, it should also discuss the potential for utilizing the program, recent development trends, interest or other relevant factors supporting assumptions or rescale assumptions in the planning period. For example, the element may utilize a method similar to accessory dwelling units (ADU) based on past trends. Furthermore, the element should list potential receiving sites for the transfer of development rights and analyze their suitability for development or redevelopment in the planning period. Finally, the element should include a program to evaluate the effectiveness of these programs, including progress aligned with assumptions in the inventory, and, if development is not occurring as assumed, take alternative action by a specified date to maintain adequate sites, including but not limited to additional incentives and rezoning additional sites with appropriate zoning.

Zoning for Lower-Income Households: The element must demonstrate adopted densities appropriate to accommodate housing for lower income households. For communities with densities that meet specific standards (at least 20 units per acre for Carmel), no analysis is required (Default Density). (Gov. Code, § 65583.2, subd. (c)(3).) Otherwise, an analysis must demonstrate appropriate densities based on factors such as market demand, financial feasibility, and development experience within identified zones. To address this requirement, the element should clearly identify which zones and allowable densities are being utilized to accommodate the lower-income RHNA. If utilizing existing zoning, the element should either meet the Default Density standard or demonstrate the appropriate densities based on the factors noted above. If utilizing planned zoning, (e.g., City-owned sites, Housing Priority Overlay, SB 10), the element must include a program(s) rezoning sites to meet all by-right requirements pursuant to Government Code section 65583.2, subdivisions (h) and (i). This rezoning should not be limited to senior housing (e.g., Site 10 – Carmel Foundation).

In addition, please be aware, that the recent California appellate decision in Martinez v. City of Clovis found that while overlays can be used in a rezone, when the base zone allows residential development, both the base zone and the overlay zone must comply

with the minimum density requirements of Government Code section 65583.2, subdivision (h). The City may need to adjust its rezoning strategy if the underlying zoning for sites that will be rezoned allows minimum densities less than 20 dwelling units per acre. *Martinez v. City of Clovis (2023) 90 Cal.App.5th 193, 307 Cal.Rptr.3d 64.*

Environmental Constraints: While the element discusses environmental constraints, it should also address any other conditions that could preclude development in the planning period. Examples of other conditions include shape, access, contamination, relocation, title conditions, historic preservation and easements.

Infrastructure: The element describes infrastructure limitations in the City. However, it must also demonstrate sufficient total dry utility capacity (existing and planned) to accommodate the City's RHNA for the planning period. (Gov. Code, § 65583.2, subd. (b).)

In addition, while the element includes Programs 1.2.A (Water Distribution Prioritization for Affordable Housing) and 1.2.B (Address Infrastructure Constraints) to maintain and augment the existing water supply, the program should be revised to include discrete timelines for implementation throughout the planning period.

Electronic Sites Inventory: For your information, pursuant to Government Code section 65583.3, the City must submit an electronic sites inventory with its adopted housing element. The City must utilize standards, forms, and definitions adopted by HCD. Please see HCD's housing element webpage at https://www.hcd.ca.gov/community-development/housing-element/index.shtml#element for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.

Zoning for a Variety of Housing Types:

- *Emergency Shelters*: While the element provides general information on emergency shelters, it must also describe how it complies with the requirements of Assembly Bill 2339 (2022). Among other changes, this amendment to Government Code section 65583, subdivision (a)(4) expands the definition of "emergency shelters," specifying the type of zoning designations that must be identified to allow emergency shelters as a permitted use without a conditional use or discretionary permit and demonstrate the appropriateness of sites to accommodate emergency shelters, including analyzing proximity to transportation and services. The element must add a program committing to compliance with these requirements within one year of adoption.

- *Employee Housing*: The element indicates the City does not have agriculturally designated land and therefore is not required to identify any zones to provide farmworker housing. The Employee Housing Act (Health and Safety Code § 17000 et seq.), specifically, sections 17021.5 and 17021.6. Section 17021.5 requires employee housing for six or fewer employees to be treated as a single-family structure and permitted in the same manner as other dwellings of the same type in the same zone. Section 17021.6 requires employee housing consisting of no more than 12 units or 36 beds to be permitted in the same manner as other agricultural uses in the same zone.

The element must either demonstrate consistency with these requirements or include programs to amend zoning as appropriate. For additional information and sample analysis, see the Building Blocks at https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/farmworkers.

- *Permanent Supportive Housing*: Supportive housing shall be a use by-right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses pursuant to Government Code section 65651. The element must demonstrate compliance with this requirement and include programs as appropriate.

4. *An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures... (Gov. Code, § 65583, subd. (a)(5).)*

   Land Use Controls: The element must identify and analyze all relevant land use controls impacts as potential constraints on a variety of housing types (e.g., multifamily rental housing). The analysis must also evaluate the cumulative impacts of land use controls on the cost and supply of housing, feasibility, and ability to achieve minimum. The analysis should specifically address heights, FARs, lot coverage and other standards such as interior courtyards and based on the outcomes of a complete analysis, the element should include programs to address or remove the identified constraints.

   Fees and Exaction: While the element describes required fees for single-family and multifamily housing development, it must analyze their impact as potential constraints on housing supply and affordability. Specifically, the element must analyze the total per unit fee cost for multifamily housing units being higher than that of total fees for single family homes as a constraint and should include programs to reduce fees for multifamily housing. For additional information and a sample analysis, see the Building Blocks at https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/fees-and-exactions.

   Local Processing and Permit Procedures: The element describes some typical permitting tracks under the City's processes, including design review and conditional use permits (CUP) but should also analyze the impacts on housing cost, timing and approval certainty. The analysis should specifically address approval findings for typical development that are consistent with zoning, Forest and Beach Commission hearing and story pole requirements. The element should include programs to address or remove the identified constraints.

   In addition, while the element discusses compliance with the Permit Streamlining Act, it should also discuss intersections with the California Environmental Quality Act and timing requirements, including streamlining determinations and add or modify programs as appropriate.

Constraints on Housing for Persons with Disabilities:

- *Reasonable Accommodation*: While the element lists the required findings to approve a reasonable accommodation request, it should analyze the finding that approving the accommodation "will not result in a significant and unavoidable negative impact on adjacent uses or structures." The element must analyze how this is applied and include a program to remove subjectivity, as appropriate. In addition, the element should analyze any appeals processes, including the final decision-making body and parties who can request an appeal hearing of a reasonable accommodation request.

- *Conditional Use Permit:* While the element commits to removing use permits for certain types of housing, the element must also fully describe the CUP approval findings for potential constraints on the development of licensed residential care facilities of seven or more persons.

B. Housing Programs

1. *Include a program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element... (Gov. Code, § 65583, subd. (c).)*

   To achieve a beneficial impact during the planning period, programs should include, where appropriate, specific commitment toward housing outcomes and discrete timing (e.g., at least annually). Programs should be revised as follows:

   - *Program 3.1A (Mixed Use Affordable Housing)*: This Program commits to meeting with developers and soliciting input and feedback on the City's design guidelines and approval process. However, the Program should commit to taking actions resulting from the feedback provided by the development community. For example, the Program could commit to revising the guidelines/approval process if any constraints are identified as part of the feedback received. This Program should also be modified to include a timeline or frequency for those actions.

   - *Program 3.1F (Expedited Processing Procedures)*: This Program commits to developing a policy that will shorten processing times by 50 percent for affordable housing projects by offering expedited review procedures for residential projects that will clarify and refine permit processing procedures for affordable housing to shorten processing procedures. However, the Program doesn't describe specific actions to substantiate the quantified objective. This Program should consist of specific commitments, including but not limited to, the removal of the story pole requirement and the Forest and Beach Commission hearing requirement for affordable projects that would allow the City to reasonably achieve a 50 percent reduction in processing times.

- *Program 3.3D (Single-Room Occupancy (SRO) Units)*: While the element now commits to codifying SROs as a housing type, it should provide an implementation timeframe for this action.

2. *Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory completed pursuant to paragraph (3) of subdivision (a) without rezoning, and to comply with the requirements of Government Code section 65584.09. Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. (*Gov. Code, § *65583, subd. (c)(1).)*

   As noted in Finding A3, the element does not include a complete site analysis; therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis; the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types. In addition, the element should be revised as follows:

   Shortfall of Sites to Accommodate the Lower-Income RHNA: As noted in Finding A3, if rezoning is necessary, including appropriate densities, to accommodate the lower-income RHNA, programs should specifically commit to acreage, allowable densities and anticipated units. In addition, the program should specifically commit to rezoning that meets all by-right requirements pursuant to Government Code section 65583.2, subdivisions (h) and (i). Examples of by-right requirements include permitting all multifamily (not limited to senior housing) developments without discretionary action in which at least 20 percent of the units are affordable to lower-income households, 16 units per site, minimum densities and residential only performance standards. Based on the information in the element, these by-right and other program requirements should at least apply to City-Owned sites, some Housing Priority Overlay sites and SB 10 sites and Site 10 (Carmel Foundation).

   - *Minimum Densities*: As noted in Finding A3, the element appears to be utilizing minimum densities to calculate residential capacity on identified sites. If so, Program 3.1.G (Housing Priority Overlay Zone) should specifically commit to establish minimum densities. Currently, the Program appears to commit to minimum densities as part of a menu of incentives. Further, the Program or another program should commit to establishing minimum densities aligned with assumptions in the inventory for all relevant zones.

   - *City-Owned Sites*: In addition to meeting various requirements described above, Program 1.1.B (Underutilized Sites) should commit to numerical objectives consistent with assumptions in the sites inventory and a specific commitment to a

schedule of actions to facilitate development in the planning period, including alternative actions completed by a specified date (e.g., by 2028) if the sites will likely not develop in the planning period. Actions should include discrete timing for outreach with developers, issuing requests for proposals, incentives, assisting with funding and entitlement and issuing building permits.

3. *Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities. (Gov. Code, § 65583, subd. (c)(3).)*

   As noted in Finding A4, the element requires a complete analysis of potential governmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints.

4. *Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, disability, and other characteristics... (Gov. Code, § 65583, subd. (c)(5).)*

   As noted in Finding A1, the element must be revised to add or modify goals and actions based on the outcomes of a complete analysis. Goals and actions must specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. Actions must have specific commitment, metrics, and milestones as appropriate and must address housing mobility enhancement, new housing choices and affordability in high-opportunity areas, place-based strategies for community preservation and revitalization, and displacement protection.

   In addition, promoting housing mobility removes barriers to higher opportunity areas and strategically enhances access to housing choices and affordability to promote more inclusive neighborhoods, cities and regions. Among other factors, the City is wholly the highest resource community in contrast to the rest of the region. As a result, the element should include significant and robust actions with numerical targets (not limited to the RHNA) to promote housing mobility and increase housing choices and affordability throughout the City. Examples include promoting more housing choices and affordability in lower density areas, religious institutional sites and enhancing ADUs and junior accessory dwelling units (JADU) and home sharing strategies.

Attachment 3

6th Cycle 2023-2031 Housing Element Update

HCD 90-day Response to Comments

Reader's Guide

January 9, 2024

The City is progressing with its Housing Element update project, with a Draft 6th Cycle 2023-2031 Housing Element submitted to the State Department of Housing and Community Development (HCD) on August 3, 2023. On November 2, 2023, HCD provided the city with a comment letter. Below are key project dates and a high-level overview of the city's response to HCD.

Key Project Dates

Aug. 3, 2023:	Submitted Draft Housing Element to the State Department of Housing and Community Development (HCD) for a 90-day review period
Nov. 2, 2023:	90-day review letter received from HCD
Jan. 16, 2024:	Revised Housing Element posted online at www.HOMECarmelByTheSea.com for 7-day public review
Jan. 24, 2024:	Revised Housing Element submitted to HCD

Overview of the revised 6th Cycle 2023-2031 Housing Element

Chapter 1: Introduction

Chapter 2: Goals, Policies, and Programs

- Commit to soliciting developers for the Sunset Center parking lot sites by Fall 2024 and approve land use entitlements by Winter 2026
- Invest $2.065 million in drainage improvements and $6.7 million in street improvements by December 2026
- Require onsite housing for hotel employees if the voluntary program is not successful
- Added Program 1.3.F Employee Housing – Farmworker Housing to define employee housing, regulate it as a single-family use, and provide education on resources available to farmworkers
- Added Program 1.3.J Emergency Shelters to define emergency shelters and establish clear regulations for permitting them
- Replaced the Housing Priority Overlay Zone with implementation procedures and monitoring of minimum 33 du/acre density.
- Added mid-cycle objectives for the Overnight Visitor Accommodation sites and alternatives should there be a lack of interest in the program.
- Programs added to meet state requirements for employee housing, transitional/supportive housing, and emergency shelter requirements.
- Program added to eliminate CUP for multi-family housing and community care facilities.

Appendix A: Housing Needs and Fair Housing Report

- Expanded analysis of special needs households to include employee and farmworker housing.

Appendix B: Housing Constraints

- Revised to address transitional/supportive housing.

6th Cycle 2023-2031 Housing Element Update
HCD 90-day Response to Comments
Reader's Guide
January 9, 2024

- Revised to address the suitability of emergency shelters in the city.
- More robust analysis of reasonable accommodation procedures.

Appendix C: Vacant and Available Sites

- Housing units permitted between June 30, 2023, and December 31, 2023, were added. An additional six new ADUs were also permitted during this time period. These pipeline projects contribute 23 new housing units towards the city's RHNA of 349 units.
- A more robust analysis of proposed future housing sites has been completed.
- Additional information regarding sites that developed with housing units during the 5th cycle has also been included to show that redevelopment is realistic.

Appendix D: Review of Previous Housing Element – No Changes

Appendix E: List of Contacted Organizations - No Changes

Appendix F: ECONorthwest Feasibility Study - No Changes

Appendix G: Energy and Resource Conservation - No Changes

Appendix H: Stakeholder Survey - No Changes