

CARMEL-BY-THE-SEA PLANNING COMMISSION

SPECIAL MEETING MINUTES

Monday, October 20, 2025

CALL TO ORDER AND ROLL CALL

The following Commission members were present: Mel Ahlborn, Erin Allen, Stefan Karapetkov, and Michael LePage

The following Commission members were absent: Stephanie Locke

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. If a member of the public attending the meeting remotely violates the Brown Act by failing to comply with these requirements of the Brown Act, then that speaker will be muted.

The following members of the public appeared before the Commission: None

ANNOUNCEMENTS

None

ORDERS OF BUSINESS

- 1) 6th Cycle Housing Element Amendment:** The Planning Commission will review and receive public comment on draft amendments to the City's adopted 6th-cycle Housing Element, and provide comments for the City Council's consideration. The draft amendments are concentrated in Chapter 2 and Appendix C of the 6th cycle Housing Element and include modifications to various programs and strategies that align with the Regional Housing Needs Allocation (RHNA), including a more robust hotel-to-residential transfer of development rights program, accessory dwelling units program, religious facilities program, live/work program, and mixed-income incentive program. These strategies aim to redistribute the City's regional share of affordable housing throughout the village rather than concentrating the majority of the units on city-owned sites at Sunset Center and Vista Lobos. Following review by the Planning Commission and the City Council, the draft amendments would be submitted to the State Department of Housing and Community Development (HCD) for a formal review.

Brandon Swanson, Assistant City Administrator, introduced the item, noting that the purpose of the meeting was to fulfill the City Council's request to amend the Housing Element to remove the two city-owned sites and identify alternative housing solutions that spread housing throughout the City. By removing the city-owned sites from the Housing Element, the City gains more control over their utilization, including community input, a mix of affordability, timelines, and options for arts, parks, or commercial uses.

The current draft is largely similar to the one reviewed in May 2025, but with more detail. Staff received positive feedback from the State Department of Housing and Community Development (HCD) on the amendment.

Assistant City Administrator Swanson provided an implementation status update, stating that the Reasonable Accommodation Policy update is complete, while the Water Allocation Policy update and Accessory Dwelling Unit (ADU) Ordinance are currently being worked on. The zoning and municipal code amendments needed for the programs are not yet completed.

Marnie Waffle, Principal Planner, spoke on Carmel's Regional Housing Needs Allocation (RHNA) of 349 units total, of which 231 need to be affordable. The adopted Housing Element identified 25 sites for a total of 410 units, including the city-owned sites. In the proposed amendment, staff, in collaboration with the AHA (Affordable Housing Alternatives) citizen group, identified a potential capacity for 439 units, dispersed throughout the village. This capacity provides a buffer of about 26%.

Principal Planner Waffle presented the five strategies for housing dispersion: the Hotel to Residential Conversion Program, the Downtown Mixed Income Incentive Program, the Downtown Live Work Program, Accessory Dwelling Units (ADUs), and Religious Facilities. The Employee Housing Program was retained in the Housing Element but no longer contributes towards RHNA credit because staff was uncomfortable with a deadline that might force rezoning if the program did not perform. Staff reiterated that adoption of the revised Housing Element is the policy stage; implementation requires additional work, community outreach, and subsequent zoning code amendments to establish the details and activate the programs.

Public Comment:

Andi Carr
Fred Kern
Anonymous
Adam Jeselnick
Victoria Beach
Peter Prows
Tim Twomey

Assistant City Administrator Swanson clarified that the City's HCD representative assured them that missing the December deadline for the RFPs is not cause for the desertion of the existing Housing Element. Staff also explained that the preparation of CEQA (California Environmental Quality Act) documentation occurs when a project is approved, and since the amendment is still receiving feedback and thus is not a static project, CEQA will not be addressed until the adoption phase.

Commissioner Karapetkov identified the main constraints as water, parking, and construction costs. He calculated that due to high construction costs, the return on investment for subsidized rent could take up to 50 years. He noted that converting an

entire underperforming hotel property is the biggest opportunity. He was less optimistic about ADUs due to construction costs, unless pre-fabricated ADUs were permitted. He supported leveraging the City's unique hotel density.

Commissioner Allen praised the AHA group and staff for the "creative and realistic" five-part strategy. She said that the plan is very doable and expects immediate traction with the live-work and religious facilities programs.

Commissioner Ahlborn highlighted that the proposed amendment introduces well over 150 bedroom units into the core commercial district with no off-street parking. She recommended that the Commission support the amendment, but also recommend to City Council that they immediately begin a Parking Management Plan with an accelerated deadline. She also suggested that the Council consider an Impact Report on the RHNA impact on basic tenant needs.

Chair Leage emphasized that the amendment's strength is its diversification, which provides a better opportunity to meet the RHNA requirement than the previous concentration of housing on City sites. He supported Commissioner Ahlborn's suggestion that the City should launch RFPs for the city-owned sites to discover the "highest and best use" and address community needs in the moment.

Staff confirmed that the Planning Commission was providing feedback, and no resolution or formal recommendation was required at this meeting. Staff will synthesize all feedback and carry it forward in a staff report to the City Council.

PUBLIC HEARINGS

None

DIRECTOR'S REPORT

None

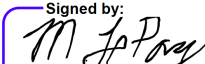
FUTURE AGENDA ITEMS

- 2) Next Regular Meeting: November 12, 2025

ADJOURNMENT

5:29 PM

APPROVED:

Signed by:


Michael LePage, Chair

ATTEST:

Signed by:


Shelby Gorman, Commission Clerk