



September 30, 2019

Pacific Grove Mayor Peake and City Councilmembers
via email

Subject: 301 Grand Avenue

Dear Mayor Peake and City Councilmembers:

LandWatch urges approval of the proposed mixed-use project at 301 Grand Avenue, including the maximum number of affordable housing units as allowed by water – presumably only three -- with deed restrictions in perpetuity on the units. We offer two further recommendations:

- To reduce building costs and encourage affordability-by-design, the City should approve the project without further conditions.
- To address neighborhood concerns about parking, the City should encourage the project applicant to work with Monterey-Salinas Transit and the Transportation Agency of Monterey County to coordinate programs or planning that encourage building residents to forgo cars and use public transportation or bicycles.

The project achieves an important goal of the City: to increase affordable housing. It helps the City meet its fair share housing allocation mandated by the State; reduce the City's jobs/housing imbalance; and reduce greenhouse gas emissions. And it is also the right thing to do for the vast majority of Pacific Grove's residents and workforce.

Background

The project site is located at 301 Grand Avenue, Pacific Grove, 93950 APNs 006-287-006, -012 (property). The project site has a designation of Commercial on the adopted City of Pacific Grove (City) General Plan Land Use Map. The project site is located in the C- D zoning district. The project site is 7,470 square feet (sf) in size. The project site was developed with a 6,179-sf mixed use building with 2 retail units and 5 residential units which were demolished under a Notice to Vacate and Demolish issued by the City in December 2017.

An Architectural Permit (AP 16-0121) for the development of a new, two-story mixed-use building with eight (8) residential units was approved by the Architectural Review Board (ARB) in July 2016. This building is currently under construction. The subject site is within the Area of Special Biological Significance, but it is not on the Historic Resources Inventory, not in the Coastal zone, nor in an archaeologically sensitive area.

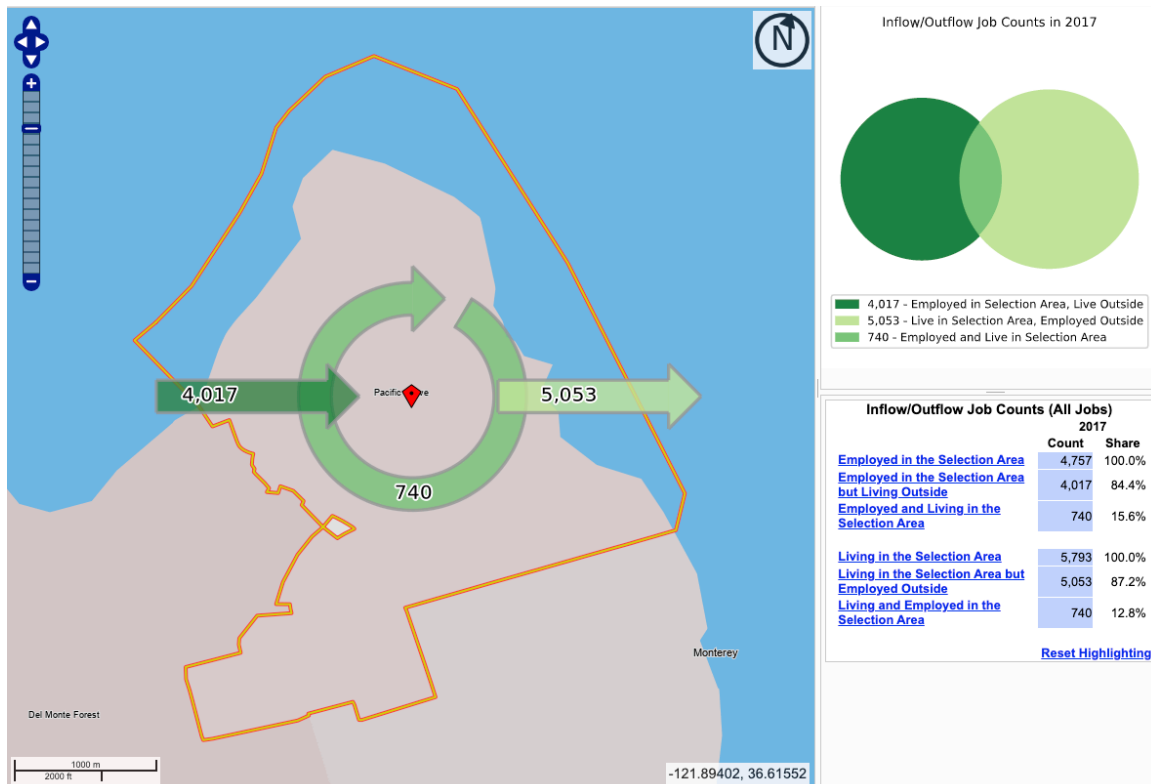
The current project seeks to utilize the City's Density Bonus provisions in PGMC Chapter 23.79 to exceed the allowed density (5 units) by six (6) units for a total of eleven (11) units in exchange for the dedication of the three (3) proposed units as low income-qualified units regulated through a deed restriction and administered by the City's Housing Division for a 50-year term.

LandWatch Support for 301 Grand Avenue

The project will help the City meet its fair share allocation of 115 units in the [Regional Housing Needs Analysis \(RHNA\)](#) and begin to address the critical shortage of affordable housing within the City. As the City's housing element notes:

The limited supply of vacant land as well as the City's desirable location, physical beauty, and unique character have contributed to steady demand and housing sales prices that are consistently among the highest in the state. High home prices, the number of second homes, and investment properties contribute to the high percentage of renter-occupied units, which was estimated at 53% according to recent Census reports

The project will also reduce the City's jobs/housing imbalance. Census data shows that more than 4,000 workers commute each day into Pacific Grove, many of them for low wage jobs in hospitality. Presumably the affordable units will be available to people who work in Pacific Grove but are unable to afford to live there.



The project is consistent with the five fundamental principles that guide LandWatch's work, including the first "to provide affordable housing for local working families, located within mixed-income neighborhoods." As an infill project in close proximity to retail shops, services and jobs and with easy access to transit and bicycle routes and a welcoming pedestrian environment, this is the ideal climate-friendly, smart growth development.

Elsewhere on the Peninsula, LandWatch has supported important and meaningful housing projects and policies, including:

- [Pebble Beach's workforce housing project](#) that includes 24 inclusionary housing units
- [Garden Road Zoning Amendment](#) to allow mixed uses (residential and commercial) and multi-family residential uses in certain properties in Monterey
- [Mixed use project at 2200 North Fremont Street](#) that includes 40 new residential units (including eight affordable units) and 6,000 square feet of commercial space
- [Monterey's policy of allocating limited water supplies](#) to mixed use housing and commercial projects, not to commercial projects solely.

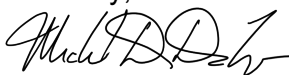
In virtually every instance, there is resistance to change generally and affordable housing specifically. Concerns about parking and "neighborhood character" – sometimes legitimate, sometimes not – distract local decision-makers from the more critical issues facing our community: equity and climate change. If Pacific Grove doesn't provide more affordable housing for its workers, where will they live? And if Pacific Groves doesn't evolve to be more compact, affordable, and climate-friendly, how will we reduce commuter traffic and greenhouse gas emissions, and mitigate climate change?

The single most important action the City of Pacific Grove can take to address climate change is to approve infill housing such as 301 Grand Avenue that reduces the jobs/housing imbalance.

The City's approval of this project will also demonstrate the kind of leadership that will ensure a better future for Pacific Grove residents – not just the immediate neighbors, but the next generation of residents, their children, and future generations. As Seattle Mayor Mike McGinn said, "It is an uncomfortable truth that we need to make a dramatic transition away from driving and toward walking, biking and electrified transit. That requires far more than personal choice, it will take sustained system change - which requires elected leaders to lead."

LandWatch urges Pacific Grove to lead by approving as much affordable housing as possible at 301 Grand Avenue.

Sincerely,



Michael DeLapa
Executive Director