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Prepared October 29, 2021 for November 17, 2021 Hearing

To: Commissioners and Interested Persons

From: Stephanie Rexing, North Central Coast District Manager
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**Subject: City of Half Moon Bay LCP Amendment Number LCP-2-HMB-21-0068-1
(Accessory Dwelling Units)**

SUMMARY OF STAFF RECOMMENDATION

The City of Half Moon Bay proposes to amend its Local Coastal Program Implementation Plan (IP) to incorporate revised accessory dwelling unit (ADU) provisions designed to help bring them into compliance with State ADU law. Specifically, the proposed IP amendment provides for ADUs and Junior ADUs (JADU) in certain zoning districts where residential use is allowed, specifies the maximum numbers of ADUs/JADUs allowed per parcel, streamlines ADU/JADU review and permit processing, and provides ADU/JADU development standards (e.g., related to setbacks, parking, owner occupancy, etc.).

The proposed changes would generally update LCP ADU provisions consistent with recent changes in State ADU law, while simultaneously protecting important coastal resources, particularly as it relates to new development and protection of coastal resources. The changes proposed are mostly straightforward and should help to facilitate ADUs in the City, which is entirely within the coastal zone. In fact, a significant portion of the City's coastal zone where ADUs would be allowed per the amendment consists of already developed residential areas with available public services that lend themselves to appropriate ADU development, including where ADUs can be developed without any significant coastal resource concerns. Where there are potential coastal resource issues (e.g., related to the protection of sensitive habitat, shorelines and beaches, public views, etc.), existing LCP policies will still apply and are generally adequate to appropriately safeguard such resources.

However, some modifications are necessary in terms of ensuring that ADU development does not adversely impact on-street public parking availability in areas that are significant coastal visitor destinations in the City, generally at and near popular coastal accessways along the immediate shoreline. Toward this end, the City's proposed ADU provisions mirror the ADU regulations certified by the Commission in 2018 that identify areas where ADU projects would still be required to accommodate

their parking needs onsite (one parking space per ADU) as a means of ensuring that coastal access public parking in these critical public right-of-way areas is not adversely affected, similar to the ways that other local governments have carefully circumscribed such areas in other LCP amendment cases (over a half dozen amendments approved by the Commission in the past year along California's north central and central coast using a similar construct). However, the City here also proposes exceptions to such parking standards in this priority visitor parking area in certain circumstances, including where a new home is constructed in tandem with an ADU, when the ADU is proposed on a historic property, or when a parking exception has been granted pursuant to other general parking exceptions. Staff is not supportive of such exceptions in this key area, including as it is counterproductive to the objective of protecting public access parking in the specifically carved out access areas. In addition, the exceptions would require the City to evaluate any such exception request and make a discretionary decision to allow it or not, but ADUs in the City are required to be processed ministerially, and it is not clear how this assessment could even occur in these cases. Staff thus recommends modifications to eliminate such exceptions.

To be clear, despite the difference of opinion regarding such parking exceptions, staff collaborated closely with City staff as this matter was pending locally, and that collaboration has produced agreement otherwise. In addition, City staff consulted with the California Department of Housing and Community Development (HCD) on these issues, and HCD has not objected to this approach. With the suggested modifications, the LCP's ADU provisions will be appropriately tailored to protect coastal resources while also encouraging development of ADUs, thus helping to increase ADU stock in the City's coastal zone. At the same time, more specific parking requirements can avoid critical public access impacts, and specifically potential problems that could arise if ADU development were allowed to take over public recreational parking stock in a narrowly defined range of areas where on-street parking is critical for maintaining visitor access to the coast.¹ Thus, the proposed amendment, if modified as proposed, will not adversely affect coastal resources and is consistent with and adequate to carry out the certified LUP.

Therefore, staff recommends that the Commission approve the proposed amendment with the suggested modifications. The required motions and resolutions are found on pages **4-5** below.

Staff Note: LCP Amendment Action Deadline

¹ Where that area was previously certified by the Commission in the City's 2018 ADU regulations and occupies about 3.5% of the City's coastal zone, and thus where such provisions would not apply to some 96.5% of the City. On this point, while it has been generically noted that such a provision in other LCP amendment contexts might lead to less ADUs in such an area as a result, staff is not aware of any evidence that has been developed specific to the mapped area in the City of Half Moon Bay (nor to mapped areas in past LCP amendment cases decided by the Commission) that would suggest that this is a significant burden that will lead to any sort of significant reduction in ADUs that might be constructed. The effect of such a limited ADU parking requirement in such a limited area is expected to be negligible, while the effect of not protecting these public streets at and near important public accessways for public parking would be expected to be significant and adverse.

LCP-2-HMB-21-0068-1 (Accessory Dwelling Units)

This proposed LCP amendment was filed as complete on September 28, 2021. The proposed amendment affects the LCP's IP only, and the 60-working-day deadline for Commission action is December 24, 2021.

Therefore, if the Commission fails to take a final action in this case (e.g., if the Commission instead chooses to postpone/continue LCP amendment consideration), then staff recommends that, as part of such non-final action, the Commission extend the deadline for final Commission action on the proposed amendment by one year. To do so, staff recommends a YES vote on the motion below. Passage of the motion will result in a new deadline for final Commission action on the proposed LCP amendment. The motion passes only by an affirmative vote of a majority of the Commissioners present.

Motion: I move that the Commission extend the time limit to act on City of Half Moon Bay Local Coastal Program Amendment Number LCP-2-HMB-21-0068-1 to December 24, 2022, and I recommend a yes vote.

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EXHIBITS

Exhibit 1: Proposed IP Amendment

1. MOTIONS AND RESOLUTIONS

Staff recommends that the Commission, after public hearing, approve the proposed LCP amendment with suggested modifications. The Commission needs to make two motions on the LCP amendment in order to act on this recommendation. First, the IP amendment needs to be denied as submitted, and then needs to be approved as modified, to complete the staff recommendation.

A. Deny the IP Amendment as Submitted

Staff recommends a **YES** vote on the motion below. Passage of this motion will result in rejection of the IP amendment as submitted and the adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

Motion: *I move that the Commission reject LCP Implementation Plan Amendment LCP-2-HMB-21-0068-1 as submitted by the City of Half Moon Bay, and I recommend a yes vote.*

Resolution to Deny: *The Commission hereby denies certification of LCP Implementation Plan Amendment LCP-2-HMB-21-0068-1 as submitted by the City of Half Moon Bay and adopts the findings set forth below on grounds that the Amendment as submitted does not conform with, and is inadequate to carry out, the provisions of the certified LCP Land Use Plan. Certification of the Amendment would not meet the requirements of the California Environmental Quality Act as there are feasible alternatives and mitigation measures that would substantially lessen the significant adverse impacts on the environment that will result from certification of the Amendment as submitted.*

B. Certify the IP Amendment with Suggested Modifications

Staff recommends a **YES** vote on the motion below. Passage of this motion will result in certification of the IP amendment with suggested modifications and the adoption of the following resolution and findings. The motion to certify with suggested modifications passes only by an affirmative vote of a majority of the Commissioners present:

Motion: *I move that the Commission certify LCP Implementation Plan Amendment LCP-2-HMB-21-0068-1 as submitted by the City of Half Moon Bay if it is modified as suggested in this staff report, and I recommend a yes vote.*

Resolution to Certify: *The Commission hereby certifies LCP Implementation Plan Amendment LCP-2-HMB-21-0068-1, if modified as suggested, and adopts the findings set forth below on grounds that the Amendment with the suggested modifications conforms with, and is adequate to carry out, the provisions of the certified LCP Land Use Plan, as amended. Certification of the Amendment if modified as suggested complies with the California Environmental Quality Act, because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the Amendment on the environment, or 2) there are no further feasible alternatives*

and mitigation measures that would substantially lessen any significant adverse impacts on the environment.

2. SUGGESTED MODIFICATIONS

The Commission hereby suggests the following modifications to the proposed LCP Implementation Plan amendment, which are necessary to make the requisite Land Use Plan consistency findings. The City of Half Moon Bay has six months from the date of Commission action to accept the suggested modifications, by formal resolution of the City Council, and the modified amendment takes effect once the Executive Director determines that the local government action to accept the Commission's suggested modifications is legally adequate and reports that determination to the Commission at the next regularly scheduled public meeting. Where applicable, text in ~~single cross-out~~ and single underline format denotes proposed text to be deleted/added by the City. Text in ~~double cross-out~~ and double underline denotes text to be deleted/added by the Commission.

1. Modify IP Section 18.33.050(H)(2) as follows:

Notwithstanding Subsection (H)(1), a parking space shall not be required within the areas depicted in Figure 18.33-1~~;~~

~~a. For an accessory dwelling unit or junior accessory dwelling unit that is on the same lot as a historic property resource listed on or eligible for listing on either the National Register of Historic Places or the California Register of Historical Resources, if the applicant demonstrates that the required parking cannot be provided on-site without adversely impacting aspects of the resource that have made it eligible for such listing.~~

~~b. When a parking exception has been granted in accordance with Section 18.36.080.~~

2. Modify IP Section 18.33.090(B) as follows:

Parking. The covered parking requirement for the a proposed primary residence shall be limited to one covered parking space and one uncovered parking space if an accessory dwelling unit is also proposed provided, in areas outside of those designated in 18.33.050 and depicted in Figure 18.33-1.

3. FINDINGS AND DECLARATIONS

A. Description of Proposed LCP Amendment

The proposed City of Half Moon Bay LCP amendment would update accessory dwelling unit (ADU) provisions in the LCP's Implementation Plan (IP) to comply with recent changes to State housing law, including changes established by Assembly Bills 68 and 881, and Senate Bill 13, which all took effect on January 1, 2020 (referred to herein as "ADU laws"). As most recently updated in 2020, the ADU laws authorize local governments to establish ordinances regulating ADUs and to establish minimum requirements for local government ADU regulations that, in general, are designed to

streamline the process of review and approval of ADUs in order to help alleviate severe housing shortages throughout California.

The City recently replaced the LCP's then-second dwelling unit provisions² in 2018 with new ADU provisions consistent with ADU laws that were in place at the time (certified by the Commission through LCP amendment LCP-2-HMB-18-0080-1 that was certified on December 12, 2018). The City now proposes to update those ADU provisions to bring the LCP into compliance with the most recent ADU laws. The most significant proposed IP changes would identify updated development standards for ADUs (e.g., in terms of square footage, setbacks, building envelope, height, size, parking, owner occupancy, etc.); incorporate new Junior ADUs (JADU) provisions; allow ADUs on parcels with existing multi-family dwellings; clarify that an ADU "wholly within" a single-family residence may not require a CDP if it does not constitute "development" as defined in the Coastal Act; and identify where ADUs are allowed (i.e., in single-family zoning districts, commercial zoning districts that allow for residential use, PUD zoning districts where ADUs are permitted pursuant to a PUD Plan or Specific Plan, and only on developed lots in substantially undeveloped PUD zoning districts). In addition, the changes would require submittal of recent percolation tests if the ADU would be connected to an onsite water treatment system, submittal of a drainage and runoff control plan consistent with the requirements of LUP Policy 6-84 if the ADU involves construction of new floor area, and would allow ADUs to be connected to private sewage disposal systems. Finally, all ADUs would be required to obtain a CDP, except for ADUs wholly within or attached to existing single-family residences and that do not constitute development as defined by the Coastal Act and regulations, which do not require CDPs, consistent with state ADU laws.

In terms of parking, the proposed provisions would not require off-street parking for ADUs or JADUs. Further, when a garage, carport, or covered parking structure is demolished or converted as part of ADU development, those parking spaces would not be required to be replaced. The above parking provisions would not, however, apply in the area that the City identified and mapped through its certified 2018 Ordinance as critical for public visitor access on-street parking supply purposes, generally at or near important public accessways (and located in specific portions of the Miramar, Casa del Mar, Alsace Lorraine, and Arleta Park neighborhoods; see proposed Figure 18.33-1, in Exhibit 1). In those areas, ADU projects would need to account for their parking needs on-site and off-street, and the proposed provisions would require a minimum of one off-street parking space for each ADU, in addition to the spaces required for the primary dwelling. In these areas, when a garage, carport, or covered parking structure is demolished or converted as part of ADU development, those parking spaces would be required to be replaced. In all cases, the City proposes that additional parking would not be required for ADU projects on the same lot as a historic property (i.e., listed on or eligible for listing on either the National Register of Historic Places or the California Register of Historical Resources), or if the City grants a parking exception to any particular project in relation to brand new residential development along with an ADU.

² The LCP up to that time called out such units as second dwelling units, and not ADUs.

Finally, the proposed IP provisions maintain required ADU conformance with the certified LCP as a whole, including that any proposed ADU is required to avoid the need for shoreline armoring, and to avoid impacts to coastal resources otherwise (specifically, environmentally sensitive habitat areas or “ESHAs”, riparian corridors, wetlands, or riparian or wetland buffers; significant topographic features; significant public views; public access areas; archaeological resources; prime agricultural land or soil; etc.).

Please see **Exhibit 1** for the proposed IP amendment.

B. Evaluation of Proposed IP Amendment

1. Standard of Review

The proposed LCP amendment consists of changes to the certified Implementation Plan. For the proposed IP changes, the standard of review is whether the IP, as modified by the proposed amendment, would be in conformance with, and adequate to carry out, the provisions of the certified LUP.

2. Public Access and Recreation

Applicable LUP Provisions

The LCP LUP contains objectives, policies, and other provisions designed to protect and provide for maximum public access and recreational opportunities, as well as to encourage free and lower cost opportunities. These provisions require that existing public access and visitor-serving opportunities be protected and enhanced, that barriers to such opportunities be reduced, and that public access parking, including explicitly on-street parking spaces, be protected for public use. These LUP provisions include:

LUP Policy 5-1. Maximum Coastal Access and Recreational Opportunities. Provide maximum coastal access and recreational opportunities for all people consistent with public safety needs and the need to protect public rights, rights of property owners, and natural resource areas from overuse.

LUP Policy 5-3. Environmental Justice. Minimize barriers to public coastal access to the maximum extent feasible, including ensuring that public access and recreational opportunities account for the social, physical, and economic needs of all people.

LUP Policy 5-5. Distribution of Public Facilities. Continue to distribute public facilities, including parking areas, on both sides of Highway 1 so as to mitigate against the impacts of overcrowding or overuse by the public of any single area.

LUP Policy 5-11. Public Beach Parking Inventory. Maintain and enhance the existing public beach parking inventory by providing on-street public parking spaces, providing opportunities for alternative modes of transportation and beach shuttles, and, where feasible, providing new beach parking areas where there are no conflicts with adjacent land uses or environmentally sensitive habitat areas.

LUP Policy 5-21. Restrictions on Parking. Prohibit restrictions on public parking that would adversely affect public access to beaches, trails, or other recreational lands along the coast except where necessary to protect public safety and preserve neighborhoods for primarily residential use. Mitigation may be required for implementation of parking restrictions where adverse impacts to public access cannot be avoided, such as through provision of off-site parking or an in-lieu fee to support a public access project in the City.

LUP Policy 5-46. On-Street Public Parking. Protect and enhance the City's on-street public parking supply, including by requiring new development to provide sufficient off-street parking and frontage improvements or payment of in-lieu fees to support such improvements.

LUP Policy 5-68. No-Cost and Lower-Cost Visitor and Recreational Facilities. Protect no-cost and lower-cost public access, visitor-serving, and recreational facilities including overnight accommodations from removal, redevelopment, and/or environmental hazards including erosion. These include major, free recreational attractions such as the California Coastal Trail and numerous beaches; and low-cost facilities such as Half Moon Bay State Park and other camping and RV facilities.

Consistency Analysis

The LUP requires that coastal access be provided and protected, including specifically in terms of on-street public parking and lower-cost visitor opportunities. Specifically, LUP provisions speak to protecting on-street public parking, prohibiting restrictions on public parking that would adversely affect public access to beaches, trails, or other recreational lands, and minimizing barriers to public coastal access to the maximum extent feasible. In addition, the LUP explicitly requires that on-street public parking be protected (enhanced even) and requires that new development provide for its own parking needs off-street. As a result, any proposed IP provisions that do not do so would be inconsistent with the LUP.

As a general rule, residential development generates parking needs, including when existing garages, carports, or other designated parking locations are converted into livable space (which can actually increase site parking demand while simultaneously decreasing site parking supply). Where a site does not accommodate all of its parking demand on-site and off-street, such parking demand is pushed onto adjacent public streets and rights-of-way. That in turn reduces the availability of on-street parking for coastal visitors, including most importantly in areas of the coast at or near significant public accessways. Recent updates to the ADU laws restrict the circumstances when local governments can require that parking demand associated with ADU-generated residential needs be accommodated onsite, but these laws explicitly do not supersede the Coastal Act, and by extension the LUP that implements it locally, and is the standard of review here. The LUP is clear that public on-street coastal parking is a critical coastal resource in the City and doesn't allow it to be reduced in any way.

To address this issue, through its certified 2018 Ordinance the City undertook an effort to identify and to map the most critical of these on-street public parking areas in its coastal zone, and to identify proposed ADU provisions that require that ADU projects in these areas account for their parking needs on-site and off-street (see the map of this area in proposed Figure 18.33-1, in Exhibit 1). This area covers portions of four neighborhoods (the Miramar, Casa del Mar, Alsace Lorraine, and Arleta Park neighborhoods) that are densely developed and that are on top of popular beach and shoreline visitor destinations in the City. In that area, the City generally found there was potential for adverse impacts to the public's ability to access the beach if ADU projects did not properly account for their parking needs on-site, and thus the proposed provisions requiring that all parking demand be accommodated on-site with such projects. Conversely, no parking would be required for an ADU located outside of the mapped areas if it met state ADU law criteria (i.e., if the subject ADU is less than a half-mile from public transportation, is located within an architecturally and historically significant district, is part of the proposed or existing primary residence, when on-street permits are required but not offered to the ADU occupant, and/or when located within one block of a car share), even when a garage, carport, or covered parking structure was demolished or converted in conjunction with the construction of the ADU, since these exceptions pursuant to state law would encompass the majority of the remainder of the City's Coastal Zone. This approach in the mapped visitor parking sensitivity area is consistent with the LUP's public access policies because it ensures that such on-street public parking spaces are protected for public use, as the LUP requires.³

However, the proposed LCP amendment also includes some exceptions to such requirements in the mapped visitor area that could undermine its intent, and lead to adverse impacts to such public access parking that is prohibited by the LUP. First, parking would not be required for ADU projects on the same lot as a historic property (i.e., listed on or eligible for listing on either the National Register of Historic Places or the California Register of Historical Resources). The City indicates that there are only two such currently designated historic properties that could propose ADUs in the entire mapped parking required area and both of those parcels have sufficiently large areas to accommodate on-site parking regardless. While the impact of the exception to parking requirements on these types of currently historically designated lots may not seem to have much potential to impact public access on-street parking, **Suggested Modification 1** is required to assure that parking needs for ADUs proposed on all sites (for now and into the future) with designated historic resources can be accommodated

³ Outside of the mapped area, ADU-related parking needs would only have to be accounted for on-site in certain cases (where not located within a half-mile of transit or within one block of a car share, when not within an architecturally and historically significant district, when not proposed as part of the existing or proposed primary residence, and/or not in an area where on-street parking permits are required but not offered to the ADU occupant), and parking requirements applicable to all uses on a site would not have to be replaced when a garage or carport structure is repurposed as an ADU. Thus, outside of the mapped area, ADU-related parking needs would be expected to lead to a loss of on-street public parking. While such outcome is not consistent with LUP policies that don't allow for any reduction of on-street public parking, the City's proposal to address key visitor parking areas differently addresses the objective behind such policies in that it homes in on the critically important visitor parking areas and ensures that these are protected for public access parking use.

onsite where feasible. With this suggested modification, the provisions regarding exceptions to the parking requirements for historical resource-designated parcels in the mapped area, can be found consistent with the LUP's requirements to protect on street parking for public access.

Perhaps more problematic is the proposed exception that would apply the LCP's more general parking exception criteria⁴ to certain ADU projects⁵ in the mapped prime visitor area. It is inconsistent with LUP provisions regarding protection of public parking for the City to specifically identify the area of concern where on-street public parking would be adversely impacted by ADU project parking needs, but then to grant exceptions to parking requirements within that area of concern. The mapping exercise already identified the critical area where parking must be accommodated on-site, and it would only make sense to provide exceptions outside of that area, not within it. In other words, in place of an exception process, the City would need to identify that these properties did not have the potential to lead to adverse public access parking impacts should ADUs be proposed. Instead of this effort to identify whether or not this creates a potential to adversely impact public access parking, the City argues there are a limited number of cases where this exception may apply, including approximately 30 vacant properties with the potential for new primary single-family residential development accompanied by new ADUs. The City indicates that the exception is intended as an incentive to increase housing stock via in-filling vacant parcels. However, the exception policy does not specifically indicate that it only applies to vacant properties, and thus could also be applied to a case where a single-family dwelling is demolished and replaced, and the exception could then apply to the mapped area as a whole. In addition to this potential for broader policy applicability, such an exception would require the City to evaluate the exception request through a discretionary review, despite State requirements that ADUs must be processed ministerially. Thus, in order to find LUP consistency, this exception must be eliminated (see **Suggested Modification 1**).

In other words, these parking exceptions and additional incentives for reduced parking for single-family residences would apply to the coastal access areas where it is important to ensure some on-street parking is available to members of the public seeking to access popular coastal destinations. These areas specifically include the Miramar, Casa del Mar, Alsace Lorraine, and Arleta Park neighborhoods, because these areas are frequented by both local residents and visitors from the Bay Area and inland communities where on-street parking provides an important component of the public visitor parking supply, particularly free parking. It is likely that the additional

⁴ IP Section 18.36.080 allows exceptions to LCP parking requirements in cases where it is determined that there is a practical difficulty, unusual hardship, or exceptional circumstance; where it is further determined that allowing an exception would not adversely affect public health or safety, and it would be as close to conformance with the LCP as possible; and where it is further determined that not granting the exception would interfere with normal use or enjoyment of the property.

⁵ The exception would apply to circumstances where both a primary residence and an ADU were proposed at the same time, and such a project would only need to accommodate one covered parking space and one uncovered space onsite for such a project (when the LCP otherwise would require parking for the primary residence based on its size).

parking associated with ADU projects in cases in which the parking is not accommodated on-site will instead be pushed onto public streets which would reduce free and/or low-cost, on-street parking in areas that provide visitor-serving and public recreation opportunities, and thus adversely impact public access and, specifically, low-cost visitor serving amenities, especially for those not fortunate enough to live in Half Moon Bay. As a result, the public will be displaced from public on-street parking by residential ADU parking needs. This will have adverse impacts both on public access parking at those locations, but also cumulatively as ADU projects are developed in Half Moon Bay over time. It would also eliminate lower cost parking options, here free on-street parking, when the LUP requires that this resource be protected, including for those unable to afford other sorts of parking options.

In this case, the City's proposed ADU ordinance is largely consistent with the requirements of the City's certified LUP. However, the proposed IP amendment will adversely impact public access because it includes several exceptions to parking requirements that apply in the visitor parking-impacted areas of the coastal zone and could undermine the intent of the proposed LCP amendment to ensure the provision of adequate off-street parking for ADU projects in those important public access areas, as discussed above. In addition, while the Commission is generally supportive of reducing energy use and vehicle miles travelled, as well as facilitating multi-modal access to the coast, there is nothing concrete in the record to suggest that these types of alternatives, and particularly transit, would be meaningful alternatives to offset the lost on-street parking opportunities in these important coastal access areas that would occur absent the suggested parking modifications. Rather, it appears that coastal access visitors to the Half Moon Bay coastline predominantly arrive via personal vehicle, which is a function of the limitations associated with transit availability, the use of transit for such purposes (e.g., for bringing beach and surf equipment, etc.), as well as the distances involved. Thus, solutions to the public access problems associated with increased housing development near the coast appropriately focus on ensuring that visitors who are not fortunate enough to live near the coast have an equal opportunity to access it.

Therefore, **Suggested Modifications 1 and 2** are necessary to assure protection of coastal access in prime visitor parking areas of the Half Moon Bay coastal zone, as more specifically described and delineated in IP Section 18.33.050 and depicted in Figure 18.33-1. The amendment with the suggested modifications thus strikes an appropriate balance that will encourage and streamline review of ADUs in the coastal zone while protecting public access to the coast in the City's unique coastal zone context consistent with the City's certified LUP as it applies to this mapped area. Accordingly, the proposed IP amendment as modified is consistent with and adequate to carry out the LUP.

3. Other Coastal Resource Protection

Applicable LUP Provisions

In addition to protecting public recreational access opportunities, as described above, the LUP also includes a slew of provisions requiring the protection of other coastal

resources, including requiring that development be sited and designed in such a way as to avoid significant adverse impacts on such resources. These provisions include:

LUP Policy 2-2. Complete Policy Compliance. *Ensure that all new development as defined by the Coastal Act complies with the policies of the Land Use Plan. New development means any project for which a coastal development permit is required. Allow flexibility only when the Land Use Plan provides for an exception.*

LUP Policy 6-10. Protection and Enhancement of ESHA. *Protect and, where possible, enhance or restore environmentally sensitive habitat areas (ESHAs).*

LUP Policy 6-2. ESHA Policy Applicability. *The ESHA policies of this chapter apply to all categories of ESHA, except where modified by the more habitat-specific policies of the LCP (i.e., Policies 6-19 through 6-21 for the marine environment; Policies 6-22 and 6-23 for sea cliffs; Policies 6-24 through 6-28 for dunes; Policies 6-29 through 6-31 for coastal terrace prairie; Policies 6-32 through 6-35 for non-aquatic habitat for special status or unique species; Policies 6-36 through 6-45 for wetlands, and Policies 6-46 through 6-55 for watercourses).*

LUP Policy 9-1. Scenic Resource Protection. *New development shall be sited and designed to protect views to and along the ocean, to minimize the alteration of natural land form, to be visually compatible with the character of its setting, and, where feasible, to restore and enhance visual quality in visually degraded areas.*

LUP Policy 7-1. Hazard Avoidance. *All new development shall be sited, sized, and designed to minimize risks to life and property and protect coastal resources from geologic, flood, and fire hazard over the life of the development. Coastal resources to be protected may occur on- or off-site, upstream or downstream. Development standards shall anticipate that hazards may be compounded by climate change.*

In addition, the LUP looks to concentrate development where it can best be accommodated, including by prioritizing it in the City's Town Center area, and encourages a diversity of housing types, including specifically referring to ADUs. These provisions include:

LUP Policy 2-4. Sustainable Land Use Pattern. *Concentrate new development within the defined Urban Boundary by prioritizing development in the Town Center, allowing for infill development within established neighborhoods, and protecting the rural, open space, agricultural and habitat values of undeveloped areas.*

LUP Policy 2-72. Residential Land Use Compatibility. *Ensure that development, including a change in intensity of use, in residential land use designations avoids impacts on the residential living environment and the*

adjacent land uses, including proximate agricultural and agricultural compatible land uses, with respect to noise, lighting, parking, loading, and aesthetics. ...

LUP Policy 2-6. Housing Diversity and Affordability. *Encourage a diversity of housing types, including housing at a range of affordability levels, densities, sizes, and ownership types with equitable access to environmental benefits. Meet the needs of Half Moon Bay's diverse population, including young families, multi-generational families, students, young professionals, and seniors.*

LUP Policy 2-66. Residential Land Use Permitted Uses. *Permitted uses in Residential – Low Density, Residential – Medium Density, and Residential – High Density land use designations include but are not limited to residential development, accessory dwelling units, ...*

LUP Policy 2-74. Accessory Dwelling Units. *Update IP standards as necessary to ensure that the Accessory Dwelling Unit ordinance complies with State law, provides for objective design standards, and allows an administrative review process provided there is no potential for impacts to coastal resources.*

Consistency Analysis

Taken together, these LUP provisions generally direct new residential development to existing developed areas when such development will not significantly impact coastal resources, and the policies encourage a diverse range of housing opportunities (especially low- and moderate-income housing), including ADUs, as long as such development can be accommodated without adverse impacts on its surroundings. As applied in the ADU context in the City, such policies direct development away from the City's more undeveloped areas that are often rich in coastal resource value, and direct it toward the City's more developed areas, and specifically to its more densely developed residential neighborhoods. It is in this context that this proposed amendment must be understood.

The broader context in which it must also be understood is in terms of State goals and priorities. The State is experiencing an unprecedented affordable housing crisis that is particularly acute in the coastal zone, and the California Legislature recently enacted ADU laws are intended to encourage and streamline approval of ADUs in developed areas able to accommodate them as a means to alleviate affordable housing shortages throughout the State. And the same issues apply in the City of Half Moon Bay, where the median home price is currently inching towards \$2 million, pricing all but the most fortunate financially out of the market altogether, including service workers who are the engine of the City's tourist economy. While ADUs themselves are not likely to be enough to correct such imbalance, they can provide what is typically a more affordable housing option in the City than a single-family residence,⁶ and can at least provide some relief in terms of the availability of smaller housing stock.

⁶ To be clear, however, new smaller housing stock, like ADUs, in less affordable areas like Half Moon Bay may be less expensive than other housing options, but they are still quite expensive. For example, the current average rental cost for a one-bedroom unit in San Mateo County (where Half Moon Bay is

In that sense, the proposed amendment helps to implement LCP housing provisions, albeit related to diversification of housing stock and not so much to affordable housing. In addition, although the amendment provides for some relaxed ADU development standards consistent with state ADU laws (e.g., reduced setbacks, increased floor area ratio or FAR, and streamlined permitting for ADUs), ADUs are still subject to the same types of coastal resource constraints analyses as other development, and the LCP includes substantial coastal resource protection provisions that should be capable of protecting coastal resources otherwise (e.g., related to ESHA, wetlands, riparian corridors, public views, agriculture, natural landforms, coastal hazards, etc.). To make this even more clear, the proposed amendment includes language indicating that all ADUs shall conform to all such applicable LCP requirements (see proposed Section 18.33.070 in Exhibit 1). In short, ADUs proposed in areas that do have coastal resource constraints must be evaluated and appropriately sited and designed to protect such resources.⁷

The amendment also includes some language related to possible exceptions to LCP standards when ADU development is proposed on a substandard, severely substandard, and exceptional lots (see Section 18.06.050 in Exhibit 1). The language of that section is somewhat ambiguous, but the City has indicated that its intended meaning is to simply reiterate that development in that context can be afforded the same types of exceptions that might apply via the LCP for such development, as applicable, but that only exceptions that are consistent with the LCP, the Coastal Act, and the Commission's implementing regulations⁸ would be allowed. In other words, the language is not intended to be understood as allowing for other sorts of exceptions not explicitly accommodated in the LUP. The Commission has evaluated that language with that understanding, and has no suggested modifications directed to it as a result.

The proposed amendment therefore appropriately facilitates development of ADUs while protecting coastal resources, consistent with and adequate to carry out the relevant LUP policies.

5. IP Amendment Conclusion

In summary, the proposed IP amendment, as modified, would update the LCP's ADU provisions consistent with recent changes in statewide ADU law, while simultaneously

located) is the highest in the state (at nearly \$3,000 per month), and some two and a half times the state average (per RentData.org based on Department of Housing and Urban Development (HUD) data). Even other estimates specific to Half Moon Bay (as opposed to the broader County) show rents in the City to be some two times the state average. So, while ADUs are often seen as a proxy for 'affordable housing', they must be understood in terms of the actual market in which they are located, and they do not actually constitute affordable housing. Rather, they are probably better understood as additional housing stock that can help alleviate housing stock shortages overall, especially at the smaller unit side of the market, but, absent being required to be affordable, they will become market rate housing. And here in Half Moon Bay, like the rest of the greater Bay Area, the market rate is quite high.

⁷ Which is also consistent with the statement in Government Code Section 65852.2(l) that provisions related to ADUs do not supersede, alter, or lessen the intended effect or application of the Coastal Act.

⁸ Title 14, Division 5.5 of the California Code of Regulations.

protecting important coastal resources, particularly as it relates to public recreational access, consistent with the Coastal Act, the LCP's Land Use Plan, and the State's ADU laws. In other words, the ADU laws allow local governments to tailor their ADU provisions as necessary to protect coastal resources if required to be consistent with the Coastal Act (or a certified LCP). With the suggested modifications the LCP's ADU provisions will be appropriately tailored to protect coastal resources while also encouraging development of ADUs. Even though there remain some limited areas of disagreement, Commission staff worked closely with City staff as this proposed amendment was pending locally to accomplish this. In addition, the amendment as modified should help to increase ADU stock in the City's coastal zone, including in prime visitor parking areas where an ADU will need to accommodate a parking space on-site.⁹ Thus, the proposed amendment, as modified, will not adversely affect coastal resources and is consistent with and adequate to carry out the certified LUP.

6. California Environmental Quality Act (CEQA)

Section 21080.9 of the California Public Resources Code—within the California Environmental Quality Act (CEQA)—exempts local government from the requirement of preparing an environmental impact report (EIR) in connection with its activities and approvals necessary for the preparation and adoption of LCPs and LCP amendments. The Commission's LCP review and approval program has been found by the Secretary of the Natural Resources Agency to be functionally equivalent to the EIR process. Thus, under CEQA Section 21080.5, the Commission is relieved of the responsibility to prepare an EIR for each LCP or LCP amendment action.

Nevertheless, the Commission is required, in approving an LCP or LCP amendment submittal, to find that the approval of the proposed LCP, as amended, conforms with CEQA provisions, including the requirement in CEQA Section 21080.5(d)(2)(A) that the amended LCP will not be approved or adopted as proposed if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment (see California Code of Regulations Title 14 Sections 13540(f) and 13555(b)).

The City's LCP amendment consists of an IP amendment and the City Council exempted the amendment from CEQA requirements pursuant to Public Resources Code section 21080.17, as it implements state law, as it is considered a minor alteration to land use limitation (CEQA Guidelines 15305), and as a commonsense exemption (CEQA Guidelines 15061(b)(3)). As discussed above, the IP amendment as originally

⁹ On this point while it has been generically noted that such a provision in other LCP amendment contexts might lead to less ADUs in such an area as a result, the Commission is not aware of any evidence that has been developed specific to the mapped area in the City of Half Moon Bay (nor to mapped areas in past LCP amendment cases decided by the Commission) that would suggest that this is a significant burden that will lead to any sort of significant reduction in ADUs that might be constructed. In fact, the mapped area, certified by the Commission through the City's 2018 ADU Ordinance, in this case is about 3.5% of the City's coastal zone, where such provisions won't apply to some 96.5% of the City. Again, the effect of such a limited requirement in such a limited area on ADU development is expected to be negligible, while the effect of not protecting these public streets at and near important public accessways for public parking would be expected to be significant and adverse.

submitted does not conform with, and is not adequate to carry out, the policies of the LUP, as proposed to be amended. The Commission has, therefore, suggested modifications to the proposed IP to include all feasible measures to ensure that potentially significant environmental impacts of new development are minimized to the maximum extent feasible consistent with the requirements of the Coastal Act. These modifications represent the Commission's analysis and thoughtful consideration of all significant environmental issues raised in public comments received, including with regard to potential direct, indirect, and cumulative impacts of the proposed IP amendment, as well as potential alternatives to the proposed amendment. As discussed in the preceding sections, the Commission's suggested modifications represent the most environmentally protective alternative to bring the proposed IP amendment into conformity with the LUP consistent with the requirements of the Coastal Act.

Therefore, the Commission finds that there are no other feasible alternatives or mitigation measures under the meaning of CEQA which would further reduce the potential for significant adverse environmental impacts, either individually or cumulatively, and the proposed IP amendment, as modified, conforms with CEQA.

4. APPENDICES

A. Substantive File Documents¹⁰

- City of Half Moon Bay Adopted Ordinance No. C-2021-01
- City of Half Moon Bay Planning Commission Staff Reports
- City of Half Moon Bay Planning Commission Minutes
- City of Half Moon Bay City Council Staff Reports
- City of Half Moon Bay City Council Minutes

¹⁰ These documents are available for review from the Commission's North Central Coast District office.