Agenda Report



MEETING DATE: Tuesday, December 3, 2024

TO: PLANNING COMMISSION

FROM: INTERIM COMMUNITY DEVELOPMENT DIRECTOR MEEK

INTERIM ASSISTANT COMMUNITY DEVELOPMENT DIRECTOR

ORBACH

SUBJECT: APPEAL (#PP2024-7954) OF ZONING ADMINISTRATOR APPROVAL

OF AN ADMINISTRATIVE REVIEW PERMIT FOR A LOW-BARRIER NAVIGATION CENTER (#PP2023-6297) LOCATED AT 118 1st

STREET, 5 CHERRY COURT, AND 120 1ST STREET (APN: 017-172-

32, 31, & 35)

RECOMMENDED ACTION:

Staff recommends Planning Commission deny the appeal (#PP2024-7954) and uphold the Zoning Administrator approval of an Administrative Review Permit for a low-barrier navigation center (#PP2023-6297) located at 118 1st Street (APN: 017-172-32, 31, & 35) and upholding approval by Zoning Administrator of Administrative Review Permit and finding the project exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15268.

SUMMARY:

The item before the Commission is the appeal of a Zoning Administrator determination approving a Low Barrier Navigation Center (LBNC) at 118 1st Street.

Under the applicable statutory provisions, a LBNC is a use by right in areas zoned for mixed use and nonresidential zones permitting multifamily uses and the City is required to permit a LBNC if it meets the following specified requirements:

- Access to permanent housing.
- Use of a coordinated entry system.
- Use of Housing First according to Welfare and Institutions Code section 8255.
- It has a system for entering information regarding client stays, client demographics, client income, and exit destination through the local Homeless Management Information System as defined by Section 578.3 of Title 24 of the Code of Federal Regulations.

(Government Code Section 65662.)

BACKGROUND:

In June 2023, the County of Monterey received a notice of award from the State of California for their Encampment Resolution Funding (ERF) grant application in the requested amount of \$7,986,354 to provide funding for the Recurso de Fuerza Village program. The program includes development of 34-individual, non-congregate, low barrier, service rich shelter beds and provision of housing navigation and supportive services to people living along the Pajaro River (Attachment 2).

On October 17, 2023, the County of Monterey, applicant, on behalf of Westview Presbyterian Church, property owner, submitted an application (#PP2023-6297) for a Zoning Clearance/Administrative Review Permit (ARP) for a housing navigation center located at 5 Cherry Court (Attachment 3).

On November 29, 2023, the City of Watsonville provided the applicant with a guidance letter outlining the additional information required for permit processing based on the understanding that the project was an emergency shelter that would be subject to Watsonville Municipal Code (WMC) Chapter 14-43 (Attachment 4).

Between December 2023 and July 2024, Principal Planner Matt Orbach and Building Official Joseph DeSante met with the applicant's design team to review interim plan designs/test fits and identify and discuss applicable building code and site and building design issues. Through these conversations, it was determined by City staff that the proposed project was not an 'emergency shelter' as defined in Government Code § 65582(d) and Health and Safety Code § 50801(e). Per those sections, an 'emergency shelter' means housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. The County of Monterey ERF grant application was for a "non-congregate" and "low barrier interim housing project" providing "housing resources navigation services." As such, the project fit under the definition of a low-barrier navigation center (LBNC) as defined in Government Code §65660(a). Per that section, a "low barrier navigation center" means 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.

On July 11, 2024, the County of Monterey resubmitted plans for ARP #PP2023-6297 that showed the proposed LBNC located on the parcel at 118 1st Street rather than 5 Cherry Court.

On July 26, 2024, the City of Watsonville provided the applicant with a response to the July 11 resubmittal requesting an amended Zoning Clearance/Administrative Review Permit application including an updated scope of work for the proposed project identifying the specific parcels where all project elements (LBNC, parking, fire access, etc.) would be located as well as a detailed description of the proposed use for each of the parcels and confirmation of whether the proposed project should be considered as an 'emergency shelter' as defined in WMC Section 14-18.331 (Attachment 5).

On August 23, 2024, the County of Monterey resubmitted project plans with an amended Zoning Clearance/Administrative Review Permit application and an amended memorandum (Attachments 6 & 7).

On September 4, 2024, the County of Monterey resubmitted an amended version of the memorandum that was submitted with the amended Zoning Clearance/Administrative Review Permit application on August 23, 2024. The amended memo removed a paragraph on page two stating that the project was "intended to be an 'emergency shelter" and replaced it with a paragraph stating that the project was "intended to be a low barrier navigation center that will provide unsheltered individuals living along the Pajaro River with low barrier access to temporary living facilities, housing navigation and supportive services as defined in California Government Code § 65660 (2023)" (Attachment 8).

On September 20, 2024, the Zoning Administrator determined that ARP #PP2023-6297 for a LBNC was complete and approved the permit (Attachment 9). The determination letter included comments and requests for additional information that should be included with the building permit application submittal.

On October 2, 2024, City staff received an appeal application (#PP2024-7954) for the Zoning Administrator approval of ARP #PP2023-6297 (Attachment 10).

STANDARD OF REVIEW

The decision on an appeal of a decision of a Zoning Administrator approval is an adjudicative or quasi-judicial decision. Adjudicative or quasi-judicial decisions apply already adopted policies or standards to individual cases. Adjudicative/quasi-judicial decisions are based on evidence and must always be supported by findings for approval or denial that are supported by substantial evidence.

PROCESS

Administrative Review Permit

The purpose of the Administrative Review Permit (ARP) is to assure, prior to the establishment of an otherwise principally permitted use within an existing facility or new construction not requiring Design Review, that the provision of the Watsonville Municipal Code and other appropriate State and local regulations are met (WMC § 14-12.300). An ARP can be approved over the counter where the Zoning Administrator is the final decision-maker.

APPEALS

Zoning Administrator

Appeals of the decisions of the Zoning Administrator, or any other administrative official or advisory body in taking any of the actions authorized by this title shall be made to the Planning Commission through its Secretary, pursuant to the process described in <a href="https://www.wmc.com/wm

Per <u>WMC § 14-10.1106(a)</u>, the Planning Commission, at the conclusion of the hearing, may sustain, modify, or overrule the action of the Zoning Administrator. The decision of the Planning Commission shall be final unless an appeal to the City Council is filed pursuant to <u>WMC § 14-10.1101</u>. Unless otherwise determined by the Planning Commission, the hearing shall not be "de novo" but shall be limited to the issues identified in the notice of appeal. Therefore, the Planning Commission is limited to consideration of the four criteria related to approval of low-

barrier navigation centers located in <u>Government Code § 65662</u>, which are described in the discussion section below.

Planning Commission

If the Planning Commission's decision is appealed, the City Council will consider whether the action taken by the Planning Commission was erroneously taken and may sustain, modify, or overrule Planning Commission's action. In order for the Planning Commission's decision to be overturned on appeal, the City Council must find that the action taken by the Planning Commission was erroneous and inconsistent with the intent of the Zoning District regulations that regulate the proposed action (WMC §14-10.1106).

DISCUSSION:

Existing Site

The project site includes three parcels:

1. 118 1st Street (APN: 017-172-32)

2. 5 Cherry Court (APN: 017-172-31)

3. 120 1st Street (APN: 017-172-35)

All three parcels are designated Downtown Central Core on the General Plan Land Use Map and are located within the Downtown Core zoning district. The Downtown Core zoning district is a mixed-use zone in which multifamily residential uses are principally permitted.

The main site location, 118 1st Street, is occupied by the Westview Presbyterian Church. The church is the property owner of all three parcels and the project applicant. The 5 Cherry Court parcel includes a large portion of the church parking lot, the ingress driveway from 1st Street, a single-family home, and the full length of Cherry Court. The 120 1st Street parcel includes only a small portion of the front of the parking lot and the egress driveway to CA-129. Cherry Court and the single-family residence are separated from the rest of the church parking lot by a chain link fence. The rear corner of the 5 Cherry Court parcel is unpaved and vacant.



FIGURE 2 Aerial view of the project site and surrounding area

Source: Santa Cruz County GIS, 2020

Proposed Project

The proposed project involves construction of a 34-bed low-barrier navigation center¹ to be developed by Dignity Moves and the Counties of Monterey and Santa Cruz, in partnership with the site property owner, Westview Presbyterian Church.

The project is designed to be a service-enriched shelter that helps persons experiencing homelessness connect with resources that lead to permanent housing. The project will consist of 26 single bed units, 2 double units (4 beds), and 2 separated Americans with Disabilities Act (ADA) units (4 beds), indoor and outdoor dining areas, office units, an intake area, a check-in unit, wet units for a multi-purpose room with one sink, laundry and hygiene facilities, trash and utility yard areas, a garden, a pet relief area, bike racks, and storage located within a gated and

¹ Per Government Code § 65660(a), a low-barrier navigation center is 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.

fenced facility with parking and utility/emergency vehicular access, to be built on three parcels owned by Westview Presbyterian Church.

The project plans are included as Attachment 1.

The project would offer services to connect people to permanent housing through a defined service plan that details services and staffing. The project incorporates low-barrier access features, including a "Housing First" approach, 24/7 on-site staff, provisions for pets, storage of personal belongings, and privacy. The Housing First requirements were adopted by the State of California and apply to programs receiving funding from ERF grants. Under the Lead Me Home Monterey and San Benito County Continuum of Care "Operational Standards for Emergency Shelters," the project is required to utilize the Homeless Management Information System (HMIS) for entering and storing information as to client stays, demographics, income, and exit destination, participate in the local Coordinated Entry System, and comply with Chapter 6.5 or Division 8 of the Welfare and Institutions Code.

Assembly Bill 101/Government Code § 65660-65668

Communities across California continue to confront ever-increasing challenges posed by a scarcity of housing, particularly affordable housing. The State Legislature has responded to the housing shortage by passing and amending laws, particularly in recent years, designed to facilitate, expedite, and reduce constraints on residential development, including laws that pertain to emergency shelters, transitional and supportive housing, and now low-barrier navigation centers.

Assembly Bill 101 (AB 101) was signed into law in 2019. According to the Senate Committee on Budget and Fiscal Review, it provided statutory changes necessary to enact the housing and homelessness-related provisions of the Budget Act of 2019, including streamlining the approval of low-barrier navigation centers.

AB 101 requires a Low Barrier Navigation Center (LBNC) to be a use by right in areas zoned for mixed use and nonresidential zones permitting multifamily uses if it meets specified requirements, including:

- Access to permanent housing.
- Use of a coordinated entry system (i.e., Homeless Management Information System).
- Use of Housing First according to <u>Welfare and Institutions Code</u> (WIC) <u>Section 8255</u> (Gov. Code § 65660).

Per Government Code § 65583.2(i), "use by right" means that the local government's review may not require a conditional use permit, planned unit development permit, or other discretionary

local government review or approval that would constitute a 'project' for purposes of the California Environmental Quality Act.

The provisions under AB 101 are in addition to current planning and zoning law regarding approval for emergency shelters and transitional and by right permanent supportive housing. AB 101 applies to all cities and counties, including charter cities and counties.

AB 101 added Article 12 – Low Barrier Navigation Centers, comprising section 65660-65668, to Chapter 3 of Division 1 of Title 7 of the Government Code. Government Code § 65660(a) defines a "Low Barrier Navigation Center" as 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.

Per <u>WIC § 8255(d)</u>, "Housing First" means the evidence-based model that uses housing as a tool, rather than a reward, for recovery and that centers on providing or connecting homeless people to permanent housing as quickly as possible. Housing First providers offer services as needed and requested on a voluntary basis and that do not make housing contingent on participation in services.

"Low Barrier" means practices that reduce barriers to entry, and may include, but are not limited to:

- 1. The presence of partners if it is not a population-specific site, such as for survivors of domestic violence or sexual assault, women, or youth.
- 2. Pets.
- 3. The storage of possessions.
- 4. Privacy, such as partitions around beds in a dormitory setting or in larger rooms containing mor than two beds, or private rooms (<u>Gov. Code § 65660</u>(a)).

Per <u>Government Code § 65662</u>, a LBNC development is a use by right in areas zoned for mixed use and nonresidential zones permitting multifamily uses if it meets the requirements of this section and a local jurisdiction shall permit a LBNC development if it meets the following requirements:

- a) It offers services to connect people to permanent housing through a services plan that identifies services staffing.
- b) It is linked to a coordinated entry system, so that staff in the interim facility or staff who co-locate in the facility may conduct assessments and provide services to connect people to permanent housing. "Coordinated entry system" means a centralized or coordinated assessment system developed pursuant to Section 576.400(d) or Section 578.7(a)(8), as applicable, of Title 24 of the Code of Federal Regulations, as those sections read on

- January 1, 2020, and any related requirements, designed to coordinate program participant intake, assessment, and referrals.
- c) It complies with Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.
- d) It has a system for entering information regarding client stays, client demographics, client income, and exit destination through the local Homeless Management Information System as defined by Section 578.3 of Title 24 of the Code of Federal Regulations.

Per <u>Government Code</u> § 65664, within 30 days of receipt of an application for a LBNC development, the local jurisdiction shall notify a developer whether the developer's application is complete pursuant to <u>Section 65943</u>. The public agency's review is limited to determining whether the application includes the information required by Government Code § 65662 above. If the application is incomplete, the lead agency shall provide the applicant with a written determination specifying those parts of the application which are incomplete and indicating the manner in which they can be made complete, including a list and thorough description of the specific information needed to complete the application. Within 60 days of receipt of a completed application for a LBNC development, the local jurisdiction shall act upon its review of the application.

Administrative Review Permit

Per WMC § 14-12.300, the purpose of the Administrative Review Permit is to assure, prior to establishment of an otherwise principally permitted use (i.e. use by right) within an existing facility or new construction not requiring Design Review, that the provisions of the zoning code and other appropriate State and local regulations are met. In this case, no provisions of the zoning code apply to the proposed LBNC project. However, because the project involves a LBNC and the site is zoned for mixed use, the project qualifies for and was reviewed for compliance with the requirements of Government Code § 65662. Analysis with supportive evidence is below.

- a) It offers services to connect people to permanent housing through a services plan that identifies services staffing.
 - <u>Supportive Evidence</u>: The project will comply with the County of Monterey shelter/navigation center operational standards as approved by the Monterey County Continuum of Care (CoC). Those standards include the Lead Me Home Monterey and San Benito County Continuum of Care "Operational Standards for Emergency Shelters" and the County of Monterey Homeless Services "Good Neighbor Protocol" (Attachments 13 & 14). Services staffing will be provided by several agencies, including CSUMB Community Health Engagement (CHE), HomeFirst, and Community Action Board (CAB) (Attachment 2).
- b) It is linked to a coordinated entry system, so that staff in the interim facility or staff who colocate in the facility may conduct assessments and provide services to connect people to permanent housing. "Coordinated entry system" means a centralized or coordinated assessment system developed pursuant to Section 576.400(d) or Section 578.7(a)(8), as applicable, of Title 24 of the Code of Federal Regulations, as those sections read on

January 1, 2020, and any related requirements, designed to coordinate program participant intake, assessment, and referrals.

<u>Supportive Evidence</u>: The LBNC will participate in the local Coordinated Entry System as required by the Lead Me Home Monterey and San Benito County Continuum of Care "Operational Standards for Emergency Shelters."

- c) It complies with Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code (WIC).
 - <u>Supportive Evidence</u>: Housing First requirements apply to all programs receiving Encampment Resolution Funding (ERF) grants. The project was awarded \$7,986,354 in ERF grant funding, so the LBNC will comply with Chapter 6.5 of Division 8 of the WIC. In addition, Housing First requirements are required by the Lead Me Home Monterey and San Benito County Continuum of Care "Operational Standards for Emergency Shelters."
- d) It has a system for entering information regarding client stays, client demographics, client income, and exit destination through the local Homeless Management Information System as defined by Section 578.3 of Title 24 of the Code of Federal Regulations.

<u>Supportive Evidence</u>: The Lead Me Home Monterey and San Benito County Continuum of Care "Operational Standards for Emergency Shelters" requires all emergency shelter programs, including LBNCs, to enter participant data into the Homeless Management Information System (HMIS) managed by the Coalition of Homeless Services Providers (CHSP). Programs must follow CHSP's HMIS policies and procedures. Program staff will enter complete and accurate information into HMIS in a timely manner for all participants. Participant information, including universal data elements and program-specific data elements, will be accurate, complete, and current.

On September 20, 2024, based on the supportive evidence above, the Zoning Administrator approved ARP #PP2024-7954 (Attachment 9).

APPEAL

On October 2, 2024, City staff received an appeal application (PP2024-7954) from Catalina Torres requesting that the Planning Commission overrule and rescind the Zoning Administrator's approval of ARP #PP2023-6297 (Attachment 10). The appellant contends that the approval was "defective and improper" and includes a list of fifteen reasons, which are listed below with staff analysis.

1. City Staff (Staff) improperly withheld critical information from certain City Council Members regarding collaboration by Staff with local county government officials as to siting the project at the Westview Presbyterian Church (Church) location.

<u>Staff Analysis</u>: This comment is not related to the entitlement review process and does not identify any actions erroneously taken by the Zoning Administrator. Therefore, this

is not grounds for modifying or overruling the Zoning Administrator's approval of ARP #2023-6297. Staff also disagrees with this characterization.

2. Staff improperly made false statements to the City Council and the public regarding predicating involvement by Staff with a state grant application for funding the project.

<u>Staff Analysis</u>: This comment is not related to the entitlement review process and does not identify any actions erroneously taken by the Zoning Administrator. Therefore, this is not grounds for modifying or overruling the Zoning Administrator's approval of ARP #2023-6297. Staff also disagrees with this characterization.

3. Staff improperly accepted the Application. This is because the Application was defective due to significant omission of important information.

<u>Staff Analysis</u>: City staff is required to accept entitlement applications, which are then reviewed for completeness. The project went through several rounds of review and received several 'incomplete letters' before the application was deemed complete and the project application was approved. This is common practice for entitlement applications, which are generally incomplete or require plan changes to comply with development standards and other regulations at the beginning of the review process.

4. Staff improperly approved the Application without examining and determining the existing uses and conditions on the project site and surrounding environment.

<u>Staff Analysis</u>: The project site is zoned Downtown Core, which is an area zoned for mixed-use. Therefore, the provisions of <u>Government Code § 65662</u> apply. <u>Government Code § 65662</u> does not include any requirements related to the project site or surrounding environment.

5. Staff improperly conducted defective informational meetings for adjacent residents and businesses by erratic and incompetent noticing and scheduling.

<u>Staff Analysis</u>: This comment is not related to the entitlement review process and does not identify any actions erroneously taken by the Zoning Administrator. Therefore, this is not grounds for modifying or overruling the Zoning Administrator's approval of ARP #2023-6297. Staff also disagrees with this characterization.

6. Staff improperly withheld critical public documents from the attorney representing the neighbors in the vicinity of the Church, violating the California Public Records Act (CPRA).

<u>Staff Analysis</u>: This comment is not related to the entitlement review process and does not identify any actions erroneously taken by the Zoning Administrator. Therefore, this is not grounds for modifying or overruling the Zoning Administrator's approval of ARP #2023-6297. Staff also disagrees with this characterization.

- 7. Staff improperly made false public statements alleging that the Application did not exist for the project, which led to public misdirection.
 - <u>Staff Analysis</u>: This comment is not related to the entitlement review process and does not identify any actions erroneously taken by the Zoning Administrator. Therefore, this is not grounds for modifying or overruling the Zoning Administrator's approval of ARP #2023-6297. Staff also disagrees with this characterization.
- 8. Staff improperly failed to guide the applicant to obtain, by necessity, a special use permit for the Church as a predicating step for the entitlement of the project.
 - Staff Analysis: The LBNC is a 'use by right.' Per Government Code § 65583.2(i), "use by right" means that that the local government's review may not require a conditional use permit, planned unit development permit, or other discretionary local government review or approval that would constitute a 'project' for purposes of the California Environmental Quality Act (CEQA). Therefore, no special use permit may be required by the City as a predicating step for entitlement of the project.
- 9. Staff improperly failed to respond to the legal analysis presented by the neighborhood attorney.
 - <u>Staff Analysis</u>: This comment is not related to the entitlement review process and does not identify any actions erroneously taken by the Zoning Administrator. Therefore, this is not grounds for modifying or overruling the Zoning Administrator's approval of ARP #2023-6297. Staff also disagrees with this characterization.
- 10. Staff improperly approved the Application without determining the size, location, capacity, and character of the project that would be used as an emergency shelter as defined and regulated in the Watsonville Zoning Code.
 - <u>Staff Analysis</u>: The LBNC is not regulated under the Watsonville Zoning Code because it is not an emergency shelter. The requirements of <u>Government Code § 65662</u> do not allow consideration of the size, location, capacity, or character of LBNCs. However, the size, location, capacity, and character of the project were clearly stated in the ARP application materials and reviewed by City staff prior to project approval.
- 11. Staff improperly failed to require that the applicant specify the entity responsible for managing the emergency shelter and provide the qualifications of said operator.
 - <u>Staff Analysis</u>: <u>Government Code § 65662(a)</u> only requires that the project have a services plan that identifies services staffing. The application materials identified the Community Action Board (CAB) as the provider of services staffing.
- 12. Staff improperly submitted a Building Permit Submission to Caltrans in July of 2024 prior to approving the Zoning Clearance Occupancy Permit Application.

<u>Staff Analysis</u>: As part of the application review, City staff reached out via email to Caltrans staff to inform them of the proposed work along CA-129 and inquire about whether they had any questions or concerns that could be addressed during the future building permit process because the project frontage is in the Caltrans right of way. Consultation with regional agencies is a normal part of the development review process.

13. Staff improperly failed to evaluate the animal policy of the emergency shelter, including the density of domestic animals and/or farm animals that will reside on the Church property. (Chapter 1 of Title 6 of Watsonville Municipal Code)

<u>Staff Analysis</u>: The animal policy of the emergency shelter cannot be considered under the review requirements in <u>Government Code § 65662</u>.

14. Staff improperly failed to require an adequate Good Neighbor Policy.

<u>Staff Analysis</u>: A good neighbor policy is not one of the review requirements in <u>Government Code § 65662</u>. However, the project is required to comply with the County of Monterey Homeless Services Good Neighbor Protocol, which was submitted as part of the ARP application documentation.

15. Staff improperly failed to consider issues pertaining to the Loaves & Fishes institutional operation at 150 Second Street, Watsonville, CA.

<u>Staff Analysis</u>: The Loaves & Fishes institutional operation at 150 Second Street is not a part of the project and cannot be considered under the review requirements in <u>Government Code</u> § 65662.

APPLICANT RESPONSE TO APPEAL

On October 10, 2024, City staff received a response to appeal application PP2024-7954 for ARP #PP2023-6297 from the County of Monterey Office of the County Counsel (Attachment 11). The Monterey County Counsel holds that the City lacks authority to entertain a discretionary appeal on this ministerial project because, as long as the statutory requirements for a LBNC are met, the City must approve the project.

The appeal was submitted properly, in compliance with all requirements listed in <u>WMC Chapter 14-10 Part 11: Appeals</u>. As such, the City is providing the applicant with their due process rights by accepting and considering the appeal.

HCD Letter of Support and Technical Assistance

On Tuesday, November 19, 2024, City staff received a letter of support and technical assistance from the California Department of Housing and Community Development (HCD) related to the appeal (#PP2024-7954) of ARP #PP2023-6297. HCD is the state agency charged with administering, interpreting, and enforcing state housing law in California. The letter includes an overview of applicable state housing laws and states that the City acted appropriately in approving the Project ministerially. The letter concludes by reminding the City that, pursuant to

Government Code § 65585(j), HCD may notify the Office of the Attorney General if HCD finds that any local government has taken an action in violation of state housing law, including but not limited to By-Right Low Barrier Navigation Center law (Gov. Code, § 65585, subd. (j)(9)) (Attachment 12).

CEQA:

Approval of the Administrative Review Permit is statutorily exempt as a ministerial use from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15268. Government Code § 65660 provides for Low Barrier Navigation Centers (LBNC) and specifies that an LBNC is a use by right, which has the same definition used in Government Code § Section 65583.2(i) that states local government review may not require a conditional use permit or other discretionary local government review or approval that would constitute a "project" for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code.

ALTERNATIVE ACTION:

If the Planning Commission makes findings that the Zoning Administrator's approval of ARP #2023-6297 was erroneous and inconsistent with the intent of Government Code § 65662, the Planning Commission could uphold Appeal #PP2024-7954 and direct staff to return with a resolution upholding the appeal. This action could be appealed to the City Council.

ATTACHMENTS:

- 1. 118 1st Street Final Plan Set
- 2. County of Monterey ERF Grant Application
- 3. ARP Application #PP2023-6297 10.17.2023
- 4. Guidance Letter for ARP #PP2023-6297 11.29.2023
- 5. City Response to Memo Regarding Guidance Letter 07.26.2024
- 6. Amended ARP Application #PP2023-6297 08.23.2024
- 7. Amended ARP Application Memo 08.23.2024
- 8. Updated Amended ARP Application Memo 09.04.2024
- 9. Zoning Administrator Determination Letter 09.20.2024
- 10. Appeal Application #PP2024-7954 10.02.2024
- 11. Monterey County Counsel Response to Appeal #PP2024-7954 10.10.2024
- 12. HCD Letter of Support and Technical Assistance 11.19.2024
- 13. Lead Me Home Monterey and San Benito County Continuum of Care Operational Standards for Emergency Shelters
- 14. County of Monterey Homeless Services Good Neighbor Protocol

RESOLUTION NO. _____ - 24 (PC)

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WATSONVILLE, CALIFORNIA, DENYING AN APPEAL (PP2024-7954) OF ZONING ADMINISTRATOR APPROVAL OF AN ADMINISTRATIVE REVIEW PERMIT FOR A LOW-BARRIER NAVIGATION CENTER (#PP2023-6297) LOCATED AT 118 1st STREET, 5 CHERRY COURT, AND 120 1ST STREET (APNS: 017-172-32, 31, & 35) AND UPHOLDING APPROVAL BY ZONING ADMINISTRATOR OF ADMINISTRATIVE REVIEW PERMIT AND FINDING PROJECT EXEMPT FROM REVIEW UNDER CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO CEQA GUIDELINES SECTION 15268

WHEREAS, the subject parcels are located at 118 1st Street (APN: 017-172-32), 5 Cherry Court (APN: 017-172-31), and 120 1st Street (APN: 017-172-35) (the "Project Site"); and

WHEREAS, the main site location, 118 1st Street, is occupied by the Westview Presbyterian Church, which owns all three subject parcels; and

WHEREAS, the Project Site is designated Downtown Central Core on the General Plan Land Use Map and is located within the Downtown Core zoning district; and

WHEREAS, the Downtown Core zoning district is a mixed-use zone in which multifamily residential uses are principally permitted; and

WHEREAS, in June 2023, the County of Monterey received a notice of award from the State of California for their Encampment Resolution Funding (ERF) grant application in the requested amount of \$7,986,354 to provide funding for the Recurso de Fuerza Village program which includes development of 34-individual, non-congregate, low barrier, service rich shelter beds and provision of housing navigation and supportive services to people living along the Pajaro River; and

WHEREAS, on October 17, 2023, the County of Monterey, applicant, on behalf of Westview Presbyterian Church, property owner, submitted an application (#PP2023-

6297) for a Zoning Clearance/Administrative Review Permit (ARP) for a housing navigation center located at 5 Cherry Court; and

WHEREAS, on November 29, 2023, the City of Watsonville provided the applicant with a guidance letter outlining the additional information required for permit processing based on the understanding that the project was an emergency shelter that would be subject to Watsonville Municipal Code (WMC) Chapter 14-43; and

WHEREAS, on July 11, 2024, the County of Monterey resubmitted plans for ARP #PP2023-6297 that showed the proposed low barrier navigation center (LBNC) located on the parcel at 118 1st Street rather than 5 Cherry Court; and

WHEREAS, on July 26, 2024, the City of Watsonville provided the applicant with a response to the July 11 resubmittal requesting an amended ARP application including an updated scope of work for the proposed project identifying the specific parcels where all project elements (LBNC, parking, fire access, etc.) would be located as well as a detailed description of the proposed use for each of the parcels and confirmation of whether the proposed project should be considered as an 'emergency shelter' as defined in WMC Section 14-18.331; and

WHEREAS, on August 23, 2024, the County of Monterey resubmitted project plans with an amended ARP application and an amended memorandum; and

WHEREAS, on September 4, 2024, the County of Monterey resubmitted an amended version of the memorandum that was submitted with the amended ARP application on August 23, 2024. The amended memo removed a paragraph on page two stating that the project was "intended to be an 'emergency shelter" and replaced it with a paragraph stating that the project was "intended to be a low barrier navigation center that will provide unsheltered individuals living along the Pajaro River with low barrier access

to temporary living facilities, housing navigation and supportive services as defined in California Government Code § 65660 (2023)"; and

WHEREAS, on September 20, 2024, the Zoning Administrator determined that ARP #PP2023-6297 for a LBNC was complete and approved the permit (Attachment 9). The determination letter included comments and requests for additional information that should be included with the building permit application submittal; and

WHEREAS, on October 2, 2024, City staff received an appeal application (#PP2024-7954) for the Zoning Administrator approval of ARP #PP2023-6297; and

WHEREAS, notice of time and place of the hearing to consider Appeal #PP2024-7954 was given at the time and in the manner prescribed by the WMC; and

WHEREAS, the Planning Commission has considered all written and verbal evidence regarding Appeal #PP2024-7954 of Zoning Administrator approval of an ARP for a low-barrier navigation center (#PP2023-6297) located at 118 1st Street, 5 Cherry Court, and 120 1st Street (APNs: 017-172-32, 31, & 35) and has made the finding that the Zoning Administrator approval of ARP #PP2023-6297 was correct because the project complies with the requirements of Government Code Section 65662 related to low-barrier navigation centers.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of Watsonville, California, as follows:

Section 1. The foregoing recitals are true and correct and are incorporated into this resolution as findings of the Planning Commission.

Section 2. Approval of #PP2023-6297 is statutorily exempt as a ministerial use from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15268. Government Code § 65660 provides for Low Barrier Navigation Centers (LBNC) and specifies that an LBNC is a use by right, which has the

same definition used in Government Code § Section 65583.2(i) that states local

government review may not require a conditional use permit or other discretionary local

government review or approval that would constitute a "project" for purposes of Division

13 (commencing with Section 21000) of the Public Resources Code.

Section 3. The Planning Commission of the City of Watsonville does hereby deny

Appeal #PP2024-7954 of Zoning Administrator approval of an Administrative Review

Permit for a low-barrier navigation center (#PP2023-6297) located at 118 1st Street (APN:

017-172-32, 31, & 35) on the basis that the project meets the requirements of Government

Code Section 65662 and uphold the Zoning Administrator's approval of the Administrative

Review Permit.

I HEREBY CERTIFY that the foregoing Resolution was introduced at a

regular meeting of the Planning Commission of the City of Watsonville, California, held

on the 3rd day of December 2024, by Commissioner_____, who moved

its adoption, which motion being duly seconded by Commissioner,

was upon roll call, carried and the resolution adopted by the following vote:

Ayes:

Commissioners:

Noes:

Commissioners:

Absent:

Commissioners:

Justin Meek, Secretary

Planning Commission

Ed Acosta, Chairperson Planning Commission

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