

Vacant and Available Sites

C
APPENDIX

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Appendix C

Housing Sites Inventory Analysis

C.1 Introduction

The Association of Monterey Bay Area Governments (AMBAG) forecasts that the two-county (Monterey and Santa Cruz) Monterey Bay Area will add 32,867 new households between 2020 and 2045¹. For the eight-year time frame covered by this 6th Cycle Housing Element Update, the State Department of Housing and Community Development (HCD) has identified the region's housing need as 33,274 units. The total number of housing units assigned by HCD is separated into four income categories that cover housing types for all income levels, from very low-income households to above-moderate (market rate) housing. This calculation, known as the Regional Housing Needs Allocation (RHNA), is based on population projections produced by the California Department of Finance (DOF) as well as adjustments that incorporate the region's existing housing need. The adjustments result from recent legislation requiring HCD to apply additional adjustment factors to the baseline growth projection from the California Department of Finance, in order for the regions to get closer to healthy housing markets. To this end, adjustments focus on the region's vacancy rate, level of overcrowding and the share of cost burdened households, and seek to bring the region more in line with comparable ones. These new laws governing the methodology for how HCD calculates the 6th cycle RHNA resulted in a significantly higher number of housing units for which the Monterey Bay Area must plan compared to previous Housing Element cycles.

C.2 Regional Housing Needs Allocation

AMBAG adopted its *Final 6th Cycle Regional Housing Needs Allocation Plan 2023-2031* on October 12, 2022. The plan was approved by HCD on November 8, 2022. For Carmel-by-the-Sea, the RHNA to plan for this cycle is 349 units. Details are provided below.

RHNA Summary

Carmel-by-the-Sea's share of the regional housing need for the eight-year period from 2023 to 2031 is 349 units, which is a 1,125 percent increase over the 31 units required during the 2014 to 2023 RHNA cycle. The housing need is divided into the four income categories of housing affordability. [Table C-1](#) shows Carmel-by-the-Sea's RHNA for the planning period 2023 – 2031.

¹ Final 2022 Regional Growth Forecast, AMBAG, November 18, 2020

Table C-1 Carmel-by-the-Sea's Regional Housing Needs Allocation – 2023–2031

Income Group	Carmel-by-the-Sea Units	Percent	Monterey County Units	Percent	Monterey Bay Area Units	Percent
Extremely Low Income (<30% of AMI)	57	16.3%	2,206	10.9%	3,934	11.8%
Very Low Income (30% - 50% of AMI)	56	16.0%	2,206	10.9%	3,934	11.8%
Low Income (50%-80% of AMI)	74	21.2%	2,883	14.2%	5,146	15.5%
Moderate Income (80%-120% of AMI)	44	12.6%	4,028	19.8%	6,167	18.5%
Above Moderate Income (>120% of AMI)	118	33.9%	8,972	44.2%	14,093	42.4%
Total	349	100.0%	20,295	100.0%	33,274	100.0%

SOURCE: AMBAG 2021

NOTE: The Association of Monterey Bay Area Governments (AMBAG) Executive Board adopted the 2023-2031 Regional Housing Needs Allocation Plan (RHNA) on October 12, 2022 (Resolution No. 2022-24). The plan was approved by the California Housing and Community Development on November 8, 2022.

Progress to Date

The RHNA planning period for the 2023-2031 Housing Element (6th Cycle) is June 30, 2023 through December 15, 2031. The statutory adoption date for the 6th Cycle Housing Element is December 15, 2023—a full six months after the beginning of the planning period. To account for this discrepancy, the City of Carmel-by-the-Sea must account for the number of housing units permitted prior to adoption of the 6th Cycle Housing Element and apply these to the 2023-2031 RHNA. Accordingly, the units permitted in this period count toward the 2023-2031 planning period RHNA and are subtracted from the 6th Cycle RHNA. [Table C-2](#) shows the City of Carmel-by-the-Sea's adjusted RHNA, which accounts for progress made prior to the adoption of the updated Housing Element document.

Table C-2 Carmel-by-the-Sea's Adjusted RHNA

	Very Low-Income Units	Low-Income Units	Moderate-Income Units	Above Moderate-Income Units	Total Units
2023–2031 RHNA	113	74	44	118	349
Units permitted between June 30, 2023 and December 31, 2023	7	7	7	36	57
Remaining RHNA	106	67	37	82	292

SOURCE: City of Carmel-by-the-Sea, Community Planning & Building Department

C.3 Overview of Sites Inventory

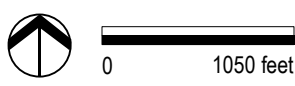
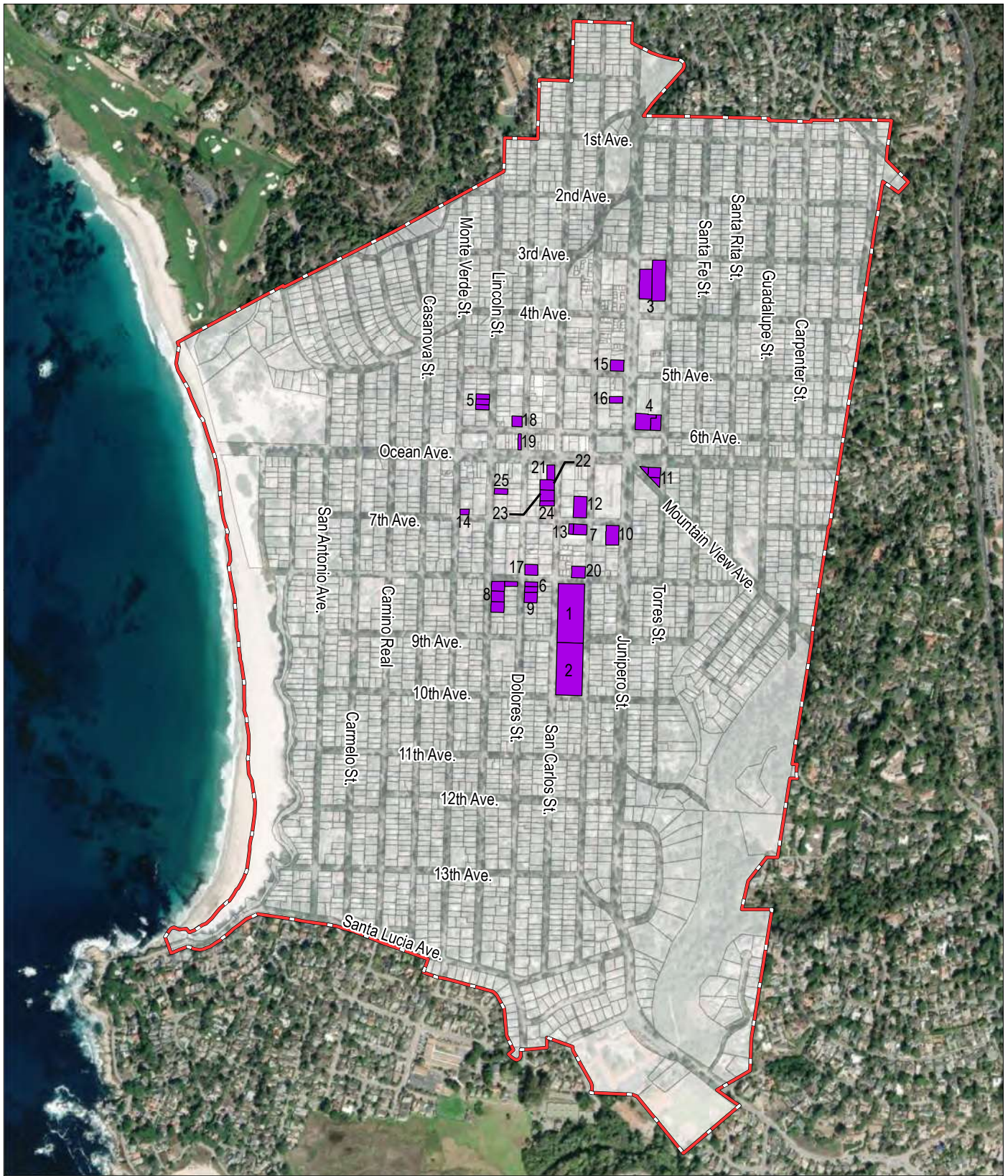
The purpose of the sites inventory is to identify and analyze specific sites that are available and suitable for residential development in order to accommodate Carmel-by-the-Sea’s assigned 349 housing units. The City isn’t responsible for building the housing but creates the programs and policies to plan for where it should go and how many units could be accommodated on potential sites.

Per state law and Housing Program 1.1.A (see Chapter 2 of this 6th Cycle Housing Element), the City is required to maintain “no net loss” of the housing capacity represented by this list of parcels and the sites they comprise. To facilitate this, the inventory presented below includes a 17 percent buffer. This allows some degree of flexibility in decision making for individual development projects as they come forward for approval by the Planning Commission.

In short, with some limited flexibility, the City is committed to permitting housing on each of the parcels listed in the table below, and in doing so, ensuring that the number of units listed for each parcel in the table--“planned capacity”—is achieved. Should the City approve development that is below the parcel’s planned capacity, it is then required as part of that approval to:

- Find, based on quantitative evidence, that the remaining inventory of housing sites is still sufficient to meet the City’s 6th Cycle RHNA; or
- Identify one or more available sites with the realistic development capacity to replace the housing that would have otherwise been developed had consistency with planned capacity been achieved.

Figure C-1, [Housing Sites Inventory](#), shows an overview of the Sites Inventory Map that has been developed for Carmel-by-the-Sea’s 6th Cycle Housing Element Update. [Table C-3, Housing Sites Inventory](#), provides details and capacity estimates for each of the parcels that comprise the 25 housing sites.



- Site Inventory Parcels
- City Limit

Source: Monterey County GIS 2023, Google Earth 2023

Figure C-1

Sites Inventory



Note: The following sites have been identified as potential housing sites. Site numbers are for identification purposes only and correspond to the map in Figure C-1. Site numbers have no bearing on priority.

Table C-3 Housing Sites Inventory

Site #	Location (Reference to ECO NW Study)	APN	Zoning	General Plan	Acreage	Applied Density (DU/AC)	Minimum Capacity	Very Low	Low	Moderate	Above Moderate
Primary Underutilized Sites											
1	Sunset Center North Lot Site (#1), East Side of San Carlos between 8 th & 10 th Avenues	010143001000	A-2	OS/ Rec Cultural	1.02	33	33	20	10	3	--
2	Sunset Center South Lot Site, East Side of San Carlos between 8 th & 10 th Avenues	010151001000	A-2	OS/ Rec Cultural	1.84	33	60	30	25	5	--
3	City Public Works Site (Vista Lobos) (#3), W/S Torres between 3rd & 4 th , and E/S Junipero between 3rd & 4th	010104001000 010104004000	R-4	MFR	1.28	44	56	28	11	17	--
4	Bruno's Market Site (#6) NE Corner of Junipero & 6 th , and NW Corner of Torres & 6th	010095013000 010095012000	RC	RC	0.53	33	17	--	--	5	12
5	First Church of Christ Parking Lot (#8), Lincoln 2-4 NW of 6th	010212027000 010212004000 010212026000	SB 10	SB 10	0.28	33	9	--	--	--	9
6	Red Cross Site (#10), SE Corner of Dolores & 8th	010144015000 010144016000	SB 10	SB 10	0.18	33	5	--	--	--	5
7	Girl Boy Girl, SW Corner of Mission & 7 th (#14)	010142001000	SC	CC	0.18	33	5	--	--	--	5
8	Carmel Foundation Site (#15), NE Corner of Lincoln & 8th	010149012000 010149010000 010149011000 010149001000	A-3	SFR	0.62	33	21	11	10	--	--
9	American Legion Site, Dolores 2 SE 8th	010144014000	SB 10	SB 10	0.18	33	5	--	--	--	5

Site #	Location (Reference to ECO NW Study)	APN	Zoning	General Plan	Acreage	Applied Density (DU/AC)	Minimum Capacity	Very Low	Low	Moderate	Above Moderate
10	AT&T Building SW Corner of Junipero & 7th	010087012000	RC	RC	0.35	33	11	--	--	--	11
11	Forest Cottages Specific Plan, NE Corner of Ocean & Mountain View	010085004000	R-1	SFR	0.30	20	6	--	2	--	4
		010085005000									
		010085003000									
Subtotal Primary Underutilized Sites					6.78		228	89	58	30	51
Sites Recycled from 5 th Cycle											
12	Court of the Fountains NW Corner Mission & 7th	010141003000	CC	CC	0.37	33	12	--	--	--	12
13	First American Title 7th 2 SW of Mission	010142013000	SC	CC	0.07	33	2	--	--	--	2
14	Office building NE Corner Monte Verde & 7th	010191004000	RC	RC	0.07	33	2	--	--	--	2
15	Yafa NW Corner Junipero & 5th	010097007000	SC	CC	0.18	33	5	--	--	--	5
16	Three Garages Site (#7)	010098004000	SC	CC	0.11	33	3	--	--	--	3
17	Carmel Realty Office Site (#4) NE Corner 8 th & Dolores	010145008000	RC	RC	0.19	33	6	--	--	--	6
18	(Parashis) Millard Building NW Corner Dolores & 6th	010138006000	CC	CC	0.13	33	4	--	--	--	4
19	The Agency NW Corner Ocean & Dolores	010139001000	CC	CC	0.09	33	2	--	--	--	2
20	Sunset Terrace NW Corner Mission & 8th	010142006000	RC	RC	0.19	33	6	--	--	--	6
21	Enzo's San Carlos 2 SW of Ocean	010146001000	CC	CC	0.15	33	4	--	--	--	4
22	Doud Arcade San Carlos 2 SW of Ocean	010146002000	CC	CC	0.18	33	5	--	--	--	5
23	Paseo San Carlos Square San Carlos 2 NW of 7th Ave	010146003000	CC	CC	0.18	33	5	--	--	--	5

Site #	Location (Reference to ECO NW Study)	APN	Zoning	General Plan	Acreage	Applied Density (DU/AC)	Minimum Capacity	Very Low	Low	Moderate	Above Moderate
24	Paseo San Carlos Square San Carlos 2 NW of 7th Ave	010146004000	CC	CC	0.09	33	2	--	--	--	2
25	Carmel Office Supply & Business Center Lincoln SE of Ocean	010147010000	CC	CC	0.09	33	2	--	--	--	2
Subtotal Recycled Sites					2.09		60	0	0	0	60
TOTAL							288	89	58	30	111
Hospitality Employee Housing							31	8	12	11	0
Anticipated ADUs							34	10	10	10	4
Pipeline Projects (including 26 ADUs; see Table C-4)							57	7	7	7	36
Subtotal Other							122	25	29	28	40
GRAND TOTAL							410	114	87	58	151
RHNA							349	113	74	44	118
Difference							61	1	13	14	33
Difference (Percent)							117%	101%	118%	132%	128%

SOURCE: City of Carmel-by-the-Sea

Sites to Accommodate Lower-Income RHNA

Sites Used in Previous Planning Periods Housing Elements

Government Code Section 65583.2(c)

Each site includes information about whether it was used in a prior housing element planning period, if it is currently vacant, and the number of anticipated housing units according to income category.

Appropriate Zoning

Government Code Section 65583.2(c)(3)

For suburban jurisdictions such as Carmel-by-the-Sea, sites allowing at least 20 units per acre are appropriate to accommodate lower-income housing. The density range for all parcels that anticipate housing units to meet the lower-income RHNA include the default density. The General Plan designation that meets this prerequisite is Multi-Family Residential (and/or zoning at R-4), with a maximum density of up to 33 dwelling units per acre or 44 dwelling units per acre, when affordable units are provided.

The City is implementing Program 3.1.G to establish a minimum density of 33 dwelling units per acre in the Commercial (SC, RC, and CC) Districts and the Multi-Family Residential (R-4) District, to enable a higher yield of residential units, rather than larger units at a lower yield. Increased unit yield is likely to result in increased **financial** feasibility for the development of affordable units. In compliance with Government Code 65583.2(h)(i), Program 3.1.G also establishes a by-right approval process for sites identified in the site inventory utilizing the planned zoning density of 33 dwelling units per acre to accommodate the lower-income RHNA category.

The City intends to utilize SB 10 to maximize development on one (1) faith-based organization site and two (2) nonprofit mission-oriented sites. All three sites have expressed property owner interest in developing affordable housing. Additionally, the City has included three (3) city-owned sites for the development of affordable housing, which will be noticed and leased in compliance with the Surplus Land Act.

Site Size

Government Code Section 65583.2(c)(2)(A), (B), and (C)

Several factors outside of the City's control impact the availability and developability of land in the City including, the significant acreage that is within the coastal zone and the City's built-out nature. Additionally, the original subdivision maps for the City (1888 and 1902) established commercial parcels between 2,500 square feet (0.057 acres) and 3,000 square feet (0.068 acres), and residential parcels at 4,000 square feet (0.091 acres), many of which remain this size today. As a result, approximately 78 percent of sites included in the housing site inventory are less than 0.5 acres. The

sites included in the site inventory have been chosen by the City upon supportive evidence to be the most developable for new housing in the eight-year planning cycle. Several of the sites have property owner interest and the anticipated developments are supported by the City.

No Net Loss

Government Code Section 65863

Through the eight-year planning period of the 6th Cycle Housing Element, pursuant to the No Net Loss Law, City staff is required to identify an alternative site(s) if a site is developed at a lesser ratio of lower-income units than anticipated with this Sites Inventory. Program 1.1.A will regulate this requirement of No Net Loss for the 6th cycle (see [Chapter 2](#)).

Reliance on Nonvacant Sites to Accommodate More than 50 Percent of the RHNA for Lower-Income Units

Government Code Section 65583.2(g)(2)

More than 50 percent of the sites intended to accommodate the RHNA for lower-income households are projected to be developed at nonvacant sites.

As part of the resolution adopting the housing elements, findings stating the uses on nonvacant sites identified in the inventory to accommodate the RHNA for lower-income are likely to be discontinued during the planning period and the factors used to make that determination. The City will include this either in the body or in the recital section of the resolution.

Findings and a description of the substantial evidence can be found within the subsections for each area. The “substantial evidence” indicates that the existing use will not impede further residential development or that the existing use will be discontinued during the planning period.

City-Owned Sites and Surplus Land Act

The Surplus Land Act (SLA) is a “right of first refusal” law that requires all local agencies to offer surplus land for sale or lease to affordable home developers and certain other entities before selling or leasing the land to any other individual or entity (Government Code Sections 54220-54234). Any time a local agency disposes of land, it must follow the SLA unless the land qualifies as exempt surplus land. Dispositions include both sales and leases (unless the lease is less than five years or where no demolition or development will occur during the term of the lease).

The City plans to pursue four (4) underutilized parcels (Sites #1-3) over the next five years for the potential development of 149 units (124 affordable to lower-income households and 25 for moderate-income households). These sites would remain in City ownership and are anticipated to be made available for development through long-term leases. These sites would be made available for affordable housing consistent with the requirements of the Surplus Land Act.

Specific planned actions by the City include the establishment of development standards (for the Sunset Center site, specifically), development of a project description, publication of an RFP, selection of a development partner, entering into an Exclusive Negotiation Agreement, processing land use entitlements and development agreements, building permit issuance, and construction. Council approval is required and public participation will take place for each step in this process. The City has included Program 1.1.B to establish and monitor the City's anticipated timeline and actions for entering into the SLA process.

Vacant and Underutilized Sites

Nonvacant Site Analysis Methodology

Government Code Section 65583.2(g)(2)

Existing Uses

Each site included in the Site Inventory has been selected by the City based on its perceived developability and/or expressed interest by a property owner. Twenty (20) percent of the sites in the Site Inventory are zoned residential including the R-1 and R-4 districts. However, all zoning districts within the city allow residential uses.

Many sites included in the Sites Inventory are zoned commercial. This is in part, a result of the City's Municipal Code requirement that all newly constructed second-story floor area, including area in new buildings, remodeled buildings and replacement, rebuilt or reconstructed buildings, to be occupied by residential dwellings only and shall not be used for any commercial land use (CMC 17.14.050F). Currently, the Commercial District has a number of vacant space in need of remodeling and building code updates. Timing is ripe for redevelopment and/or second story additions to accommodate residential units, as remodels and repairs are currently being undertaken and are expected to continue.

These residential unit requirements have not been an impediment to development in the commercial district, and have successfully resulted in two-story structures that support residential development on the second floor and commercial on the ground floor. The City has not received applications or requests for single-story developments in the commercial district. This is in part due to land value and the cost of construction, which does not support the development of single-story commercial buildings in Carmel-by-the-Sea. The City's effort to support mixed-use development has been a strategy to encourage the development of housing, despite its built-out nature. Many commercial property owners have expressed interest in converting underutilized second floor office space to residential use or constructing a second story to accommodate residential units.

A goal in selecting sites has been to minimize displacement. For many sites, intentions for future housing include property owner interest in adding a second story to existing commercial structures to develop residential units. Conversion of motel units is another strategy the City is employing to develop residential units, as well as converting office space, and parking lots.

While the City does not anticipate the displacement of low- or very low-income households, the City is prepared to comply with the requirements of Government Code section 65915, subdivision (c)(3). Program 2.1.C in [Chapter 2](#) will be in effect to require replacement housing units subject to the requirements of the Government Code. Additionally, CMC 17.14.050.A prohibits the conversion or demolition of an existing residential unit unless replacement housing is provided subject to the findings in 17.64.070.

Development Trends

Historically, residential development in Carmel-by-the-Sea has been most feasible using densities ranging between 22-33 dwelling units per acre. Development trends in the City reveal successful residential development in the commercial district primarily through office conversion and second-story additions for residential units. In the last 10 years, the City has not had any one-story commercial developments. All new construction in the commercial district has consisted of two-story buildings with second-floor residential use (as required in CMC Section 17.14.050.F).

This has been a successful strategy utilized by the City to enable the development of residential units within the constraints of limited developable land. The following projects are examples of 5th cycle residential development in Carmel-by-the-Sea, which have been considered in determining the realistic capacity of sites identified in the Site Inventory.

Del Dono I: In 2016 the Planning Commission approved the demolition of an 11,000-square-foot two-story commercial building in the Service Commercial (SC) District for the construction of a 11,800-square foot two-story mixed-use building with four (4) condominiums (1,450 square feet to 1,550 square feet) and four (4) low/moderate-income apartments (500 square feet each). The property is 8,000 square feet (0.18 acres). The residential density on this parcel is 44 du/acre.

Del Dono II: In 2018 the Planning Commission approved the demolition of a 3,650-square-foot single-story commercial building in the Service Commercial (SC) District for the construction of a 11,800-square-foot two-story mixed-use building with four (4) condominiums and four (4) apartments. The property is 8,000 square feet (0.18 acres). The residential density on this parcel is 44 du/acre.

Both the Del Dono I and II projects received land use entitlements and building permits. While in the process of constructing the underground parking structure, the developer became financially insolvent and ultimately sold the property. In 2023, the new owner obtained approval from the Planning Commission for a new mixed-use project with 12 market rate apartments. The residential density for the new project is 33 dwelling units/acre.

Fink Condominium: In 2017 the Planning Commission approved the Fink Condominium on November 8, 2017. The 4,000-square-foot site contains a 3,800-square-foot one-story commercial building with two tenants, a full-service restaurant, and a delicatessen. The project consisted of a

second-floor addition for a 1,570-square-foot condominium. The ground-floor commercial spaces remained open during construction, experiencing limited closures due to construction activity. The project density is 11 dwelling units per acre. The development consists of one (1) condominium unit for ownership and one commercial unit.

This project is an example of a second-floor addition to an existing one-story commercial building in the Central Commercial (CC) District where existing tenants were not displaced. It is also an example of a missed opportunity for more housing if a minimum density existed. No appeals of the project were filed. The project has been constructed and received final occupancy.

Lincoln Lane: In 2018, the Planning Commission approved an extensive remodel and additions to a commercial property. The 8,000-square-foot site contained a 6,700-square-foot multi-tenant commercial building with a central courtyard. The project consisted of extensive remodeling and additions to convert a portion of the commercial square footage into two rental apartment units. The building was previously occupied by retail and office uses. The project density is 11 dwelling units per acre.

This project is an example of revitalizing an underutilized commercial property with residential uses while preserving the central courtyard in the Service Commercial (SC) District. The project is also an example of a missed opportunity for more housing if a minimum density existed. No appeals of the project were filed. Construction on the project has been completed and received final occupancy.

Marliz Estate: In 2018 the Community Planning & Building Director approved minor exterior modifications to a mixed-use building in the Central Commercial (CC) District to facilitate the rehabilitation of a 1,000-square-foot apartment. The property is 2,750 square feet (0.06 acres). The residential density on this mixed-use parcel is 17 du/acre.

Brigantino: In 2018 the Community Planning & Building Director approve an interior and exterior remodel of a duplex in the Residential & Limited Commercial (RC) District. The property is 3,500-square-feet (0.08 acres). The residential density on this two-unit parcel is 25 du/acre.

MDC Real Estate: In 2018 a building permit was approved to convert a second-floor office in a two-story commercial building in the Central Commercial (CC) District to an apartment. The property is 4,000 square feet (0.09 acres). The residential density on this mixed-use parcel is 11 du/acre.

Brosche Building: In 2019, an extensive remodel of the historic Brosche Building was approved by the Community Planning & Building Director. The 3,470-square-foot site contains a two-story, 8,450-square-foot commercial building with ground-floor retail and second-floor offices. The project included converting the second-floor office space into two residential rental units. The project density is 28 dwelling units per acre.

This project is an example of a second-floor conversion of office space to residential in the Central Commercial (CC) District. The ground-floor retail tenant temporarily relocated to a nearby community and has since returned to a new commercial space within the village. The project is also an example of a missed opportunity for more housing if a minimum density existed. The project has been constructed and received final occupancy.

Flint-Herman Residence: In 2019 the Community Planning & Building Director approved an extensive interior and exterior remodel of a 900-square-foot commercial building including a 150-square-foot addition in the Residential & Limited Commercial (RC) District for the conversion of commercial space to a residential unit. The property is 3,500 square feet (0.08 acres). The residential density on this two-unit parcel is 25 dwelling units per acre.

Der Ling Building: In 2019, the Community Planning & Building Director approved the conversion of the second-floor retail and storage space to a residential unit. The 3,000-square-foot site contains the historic Der Ling building. The two-story building was previously occupied by commercial uses, with a portion of the second floor utilized as storage space. The entire 1,300-square-foot second floor has been converted into a residential rental unit. The project density is 16 dwelling units per acre.

This project is an example of a second-floor conversion of retail and storage space in a historic commercial building to residential use in the Central Commercial (CC) District. The remodeling of the building was completed without displacing the ground-floor retail tenant. The project is also an example of a missed opportunity for more housing if a minimum density existed. The project has been constructed and received final occupancy.

Great Valley Holdings/Clark Apartments: In 2020, the Planning Commission approved the construction of a new two-story mixed-use building. The 3,600-square-foot site contained a 2,200-square-foot two-story commercial building with surface parking. The project consisted of demolishing the existing building and constructing a new 3,500-square-foot two-story mixed-use building for a ground-floor restaurant and two second-floor rental apartment units. The building was previously occupied on both floors by a restaurant and had been vacant for a few years. The project density is 25 dwelling units per acre.

This project is an example of redeveloping an underutilized site with a new two-story mixed-use building in the Service Commercial (SC) District. No appeals of the project were filed. The project has been constructed and received final occupancy.

Schultz: In 2020 the Community Planning & Building Director approved an interior and exterior remodel of a commercial space in a 4,500-square-foot multi-tenant two-story mixed-use building in the Service Commercial (SC) District for the conversion of second-floor commercial space to a 1,160-square-foot apartment. The property is 4,000 square feet (0.09 acres). The residential density on this mixed-use parcel is 22 du/acre.

Parashis: In 2020 the Community Planning & Building Director approved minor exterior alterations to a 6,700-square-foot two-story commercial building in the Central Commercial (CC) District to facilitate the conversion of second-floor office space to a 2,118-square-foot apartment. The property is 6,400 square feet (0.15 acres). The residential density on this mixed-use parcel is 7 du/acre.

While many of the projects listed above utilized densities between 22-33 dwelling units per acre, some developed at 44 dwelling units per acre (Del Dono I and Del Dono II) and a few developed below 20 dwelling units per acre (Fink Condominium; Lincoln Lane; MDC Real Estate; Marliz Estate; Der Ling Building; and Parashis). Additionally, all but one of the projects listed above are less than 0.5 acres. These factors were taken into consideration when determining appropriate densities to apply to the Sites Inventory, and supports the City's decision to amend the base zoning for the commercial zoning districts (SC, RC, and CC) and the multi-family residential district (R-4) to establish a minimum density of 33 dwelling units per acre. The intention of this zoning code amendment is to facilitate the development of residential units at a higher yield, rather than enabling the development of larger units at a lower yield.

Considerations for Capacity Analysis

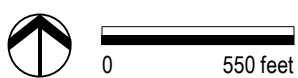
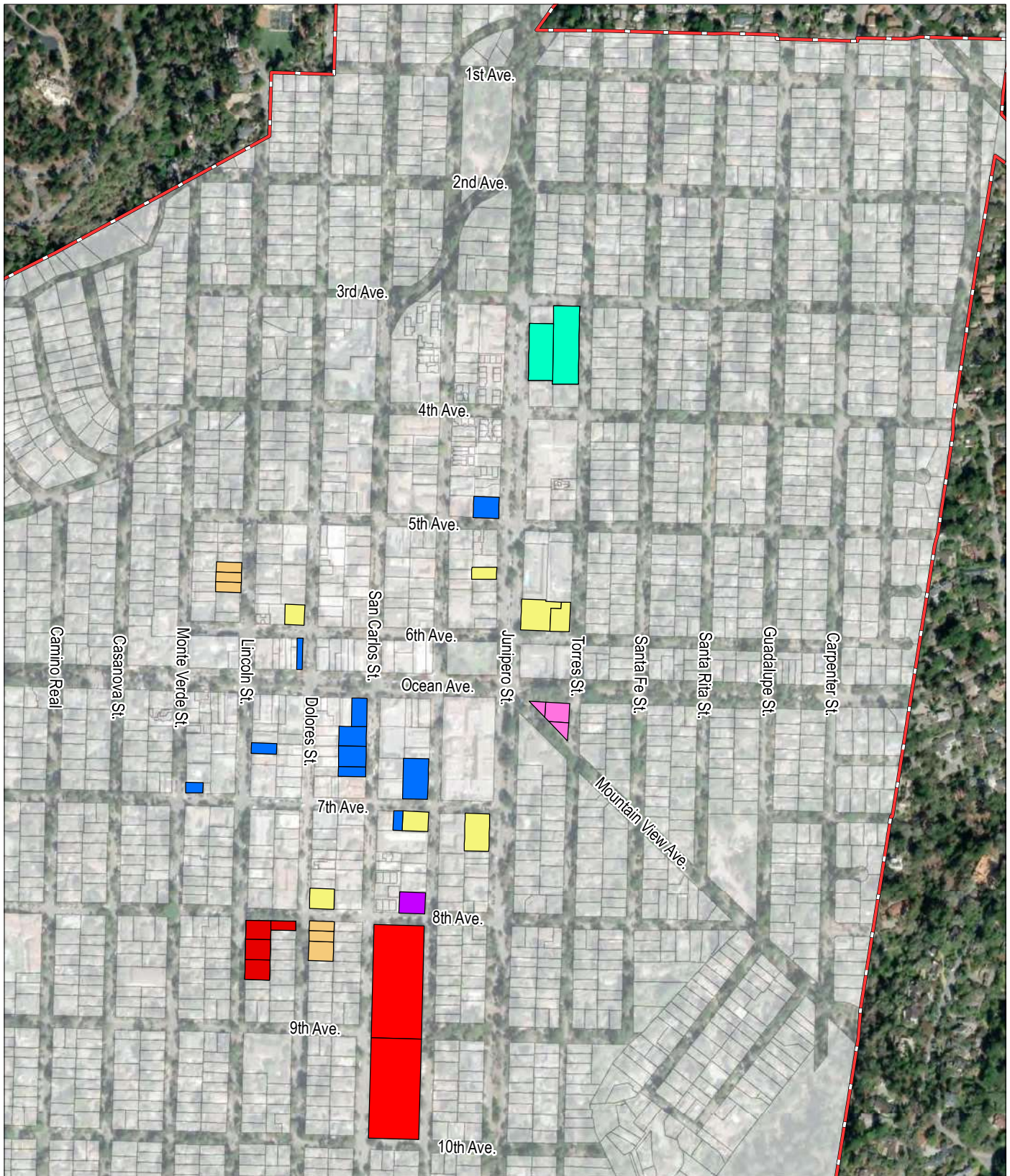
Dry Utilities and Water Capacity

Current or planned availability and accessibility of sufficient water, sewer, and dry utilities has also been considered and reported for each site. All sites have sufficient dry utilities. Program 1.2.A has been included to grant priority water and sewer services to proposed developments that include units affordable to lower-income households (see [Chapter 2](#)).

Site Typology

Government Code Section 65583.2 (c)

This housing plan and Site Inventory provides capacity for a variety of housing types; including multi-family rental housing, factory-built housing, mobile homes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. The Zoning Ordinance and General Plan for the sites allow the housing types listed above. [Figure C-2](#) illustrates the anticipated housing development types included in this site inventory.



- | | |
|--|---|
| ■ Affordable multi-family for seniors | ■ Second floor addition or full redevelopment of commercial sites |
| ■ NGO sites, SB-10 multi-family new construction | ■ Office conversion |
| ■ Mixed-income multi-family | ■ Affordable multi-family |
| ■ Adopted specific plan, cottages | |

Source: Monterey County GIS 2023, Google Earth 2023

Figure C-2

Anticipated Housing Development Types

Carmel Housing & Safety Element Update

To enable the development of a variety of housing types, the City has expanded possible options for property owners to construct, rehabilitate, convert, or add to an existing single-story structure including:

- Zoning changes included with programs in [Chapter 2](#) that incentivize existing overnight visitor accommodation sites to be converted into multi-family housing units;
- Development of City property, which has the highest likelihood of including lower-income units and provide additional multi-family opportunities; and
- By exercising Senate Bill (SB) 10, the City will enable multi-family units within otherwise single-family zoned neighborhoods.

Adjustment Factors for Realistic Capacity

Government Code Section 65583.2(c)(2)

Land use controls and site improvement requirements have been analyzed for constraints within [Appendix B – Housing Constraints](#), and necessary changes to the review process are included as programs within [Chapter 2 – Goals, Policies and Programs](#). Additionally, the City will amend the Municipal Code base zoning for the commercial zoning districts (SC, RC, and CC) and the multi-family residential (R-4) zoning district to establish a minimum density of 33 dwelling units per acre, to increase the potential yield of residential units. The realistic development capacity for the sites begins with assuming those process changes to be in place by or prior to December 2024. Generally, the following adjustment factors have been considered for determining realistic capacity of the sites:

- Site geometry, on-site improvements, and utility easements;
- Current market demand for medium-density housing types, current cost of construction, and property owner interest in development; and
- Small lot sizes, limited developable sites, and high demand for new units.

These factors may slightly differ based on a site-by-site analysis. Typical densities of existing or approved residential developments at similar site sizes in Carmel-by-the-Sea have been considered to discover a yield percentage of the minimum density used for the pipeline projects in [Table C-4](#).

Recent projects, including three of the four pipeline projects, utilize a minimum of 33 dwelling units per acre to develop residential units within the commercial district. More details for the pipeline projects are provided in the section below.

Pipeline Projects

Pipeline projects include entitled, permitted, or constructed projects. [Table C-4](#) exhibits four (4) current housing projects and 26 ADUs that have earned approval for entitlements and/or permits and will begin construction during the 6th Cycle Housing Element certification. [Table C-4](#) also includes two (2) pending housing project that are currently in the planning review process.

Table C-4 Pipeline Projects, 2022-23

APN	Project Name	Zoning	General Plan	Area	Min. Density (du/ac)	VLI	LI	MI	AM	Tenure	Entitlement Status
010138003000	Ulrika Plaza	SC	Core Commercial	0.37	33	--	--	--	12	Rental	Approved
010138021000											
010145012000	JB Pastor	SC	Core Commercial	0.27	33	--	--	--	8	Rental	Pending
010145024000											
010145023000											
010146010000	Scandia Lopez	CC	Core Commercial	0.09	33	--	--	--	3	Rental	Approved
010021014000	Carmel Resort Inn	R-1	Single-Family Residential	0.74	11	--	--	--	8	Ownership	Pending
010021013000											
010021012000											
010021011000											
010021030000											
010021031000											
010021032000											
010021033000											
Subtotal						0	0	0	31		
ADUs						7	7	7	5	Rental	Approved
Grand Total						7	7	7	36	57	

SOURCE: City of Carmel-by-the-Sea, 2023

NOTES: VLI = very low-income; LI = low-income; MI = moderate-income; AM = above moderate-income.

Ulrika Plaza

The Planning Commission approved the Ulrika Plaza project on August 9, 2023. The 16,000-square-foot (0.37 acres) project site includes a 22,400-square-foot mixed-use building with 9,000 square feet of ground-floor retail, 12 market-rate residential units, and 28 parking spaces in an underground garage. The project density is 33 dwelling units per acre.

The project was previously known as Del Dono and Del Dono II. The project resulted from merging two 8,000-square-foot lots to construct two (2) mixed-use buildings, each containing ground-floor commercial space and eight residential units (16 residential units total at a density of 44 dwelling units per acre). A two-story commercial building with underground parking was demolished on the north lot. A one-story commercial building with a surface parking lot was demolished on the south lot. The developer lost their funding during construction. The property was subsequently sold, and the project has been redesigned as Ulrika Plaza.

This project is an example of the redevelopment of underutilized commercial buildings and a surface parking lot in the Service Commercial (SC) District. All land use entitlements have been obtained. No appeals of the project were filed. The City is currently waiting for the submittal of a building permit application.

JB Pastor Building

The Planning Division is processing a new application to develop a 12,000-square-foot (0.27 acres) commercial lot. The site comprises three (3) lots of record and is currently developed with a two-story, historic community building, surface parking, one-story commercial building, and a two-story mixed building (office & residential). The developer proposes demolishing all existing site improvements, excluding the historic community room, and constructing a new 15,350-square-foot two-story mixed-use building with ground-floor commercial, eight (8) market-rate second-floor apartments, and 21 parking spaces in an underground garage. The proposed project density is 29 dwelling units per acre.

This project is an example of the redevelopment of underutilized commercial properties, including a surface parking lot in the Service Commercial (SC) District. The developer has requested that the Planning Commission conduct a preliminary review and provide feedback on the design before making a formal application.

Scandia Lopez/Hakim

The Planning Commission approved additions to the historic Percy Parkes Building for three (3) new residential units on July 13, 2022. The 4,000-square-foot (0.09 acres) project site includes a 2,750-square-foot one-story historic commercial building. The project consists of a second-floor addition to the existing commercial building and the construction of a two-story building in the courtyard behind the existing building. The project density is 33 dwelling units per acre.

This project is an example of additions to a one-story historic commercial building in the Central Commercial (CC) District to provide housing. The commercial tenant relocated to another retail space within the village prior to approval of the project. All land use entitlements have been obtained. No appeals of the project were filed. The City is currently waiting for the submittal of a building permit application.

Carmel Resort Inn Site

The Planning Commission approved the construction of a new single-family dwelling on Lot 2 on April 12, 2023. The 4,000-square-foot (0.091 acres) site includes a 1,971-square-foot two-story single-family dwelling inclusive of a 300-square-foot basement and 200-square-foot attached garage. The project density is 11 dwelling units per acre.

The Planning Commission approved the construction of a new single-family dwelling on Lot 4 on March 8, 2023. The 4,000-square-foot site includes a 1,995-square-foot two-story single-family dwelling inclusive of a 300-square-foot basement and 210-square-foot detached garage. The project density is 11 dwelling units per acre.

On August 1, 2023, an application was submitted to construct a new two-story single-family dwelling on Lot 10. The 4,000-square-foot site is proposed to contain a 1,900-square-foot single-family dwelling inclusive of a 100-square-foot basement and a 227-square-foot attached garage. The project density is 11 dwelling units per acre. The application is in review.

On August 1, 2023, an application was submitted to construct a new two-story single-family dwelling on Lot 12. The 4,000-square-foot site is proposed to contain a 1,900-square-foot single-family dwelling inclusive of a 100-square-foot basement and 243-square-foot attached garage. The project density is 11 dwelling units per acre. The application is in review.

Accessory Dwelling Units

Since July 1, 2023, the City has issued certificates of occupancy for four (4) new accessory dwelling units, and issued building permits for five (5) additional ADUs for a total of nine (9) ADUs. Furthermore, building permits issued prior to July 1, 2023 include 13 additional ADUs which are currently under construction and are expected to be completed during the 6th Cycle Housing Element planning period. An additional four (4) building permit applications for ADUs are currently in building plan check review and are also expected to be constructed during the planning period. In total, the City expects that at least 26 new ADUs will be completed during the planning period. The city continues to see a strong interest in ADUs and expects that number to be even higher by June 30, 2031. The following details ADUs that have a certificate of occupancy, building permit, or are under construction as of July 1, 2023.

Certificate of Occupancy Issued:

009-162-023	Sayre	Finaled: 10/31/2023
010-251-036	McLeod	Finaled: 11/22/2023
010-102-009	Lyons	Finaled: 12/6/2023
010-193-024	Altomare	Finaled: 12/20/2023

Building Permit Issued:

010-269-005	Witt	Issued: 12/18/2019
010-232-012	Westphal	Issued: 12/07/2020
009-382-019	Howley	Issued: 03/23/2021
010-037-003	Laney	Issued: 10/11/2021
010-284-003	Jung	Issued: 10/12/2021
010-103-015	Ardiaz	Issued: 01/13/2022
010-331-044	Reed	Issued: 06/09/2022
010-251-002	MacDonald	Issued: 08/25/2022
010-311-016	Soo	Issued: 10/10/2022
010-312-004	Paboojian	Issued: 10/13/2022
010-126-017	Bauer	Issued: 12/06/2022
010-164-015	Eaton	Issued: 12/22/2022
010-251-035	McLeod	Issued: 02/01/2023
010-031-021	Heyermann	Issued: 06/27/2023
010-076-014	Coria	Issued: 08/11/2023
010-043-005	Marazzo	Issued: 08/14/2023
010-174-024	Tilton	Issued: 09/27/2023
010-029-009	Mitchell-Bercham	Issued: 10/12/2023
009-352-016	Osborne	Issued: 10/19/2023
010-265-010	DeCaussin	Issued: 11/06/2023
010-211-004	Strimiatis	Issued: 11/20/2023
010-301-020	Libreri	Issued: 12/23/2023

C.4 Capacity Analysis of Sites

This section provides details on vacant and underutilized sites that are available for housing development in the city. There is sufficient capacity with existing zoning to accommodate the RHNA for the jurisdiction by income, per Government Code Section 65583(a)(3). [Table C-5, Capacity to Accommodate 2023-2031 RHNA](#), shows the City of Carmel-by-the-Sea's capacity to meet the RHNA.

Table C-5 Capacity to Accommodate 2023-2031 RHNA

Adjustment Factor	Very Low-Income Units	Low-Income Units	Moderate-Income Units	Above Moderate-Income Units	Total
2023–2031 RHNA	113	74	44	118	349
Pipeline Projects	7	7	7	36	57
Underutilized Sites	89	58	30	51	228
5 th Cycle Recycled Sites	0	0	0	60	60
Hospitality Employee Housing	8	12	11	0	31
ADUs	10	10	10	4	34
Total	121	93	61	135	410
Surplus at 117% of RHNA	101%	118%	132%	128%	

SOURCE: City of Carmel-by-the-Sea, 2023

The City has identified 25 housing opportunity sites and 57 pipeline housing projects (including 21 ADUs) capable of accommodating 345 housing units. In addition, the City has developed a suite of new incentives to enable housing including:

- Incentivizing 31 hotel owners in the community to provide on-site housing for lower-income hospitality employees; and
- Continuing to incentivize an existing accessory dwelling unit program capable of providing additional lower-income housing, through which the City anticipates at least 34 ADUs to be constructed in the planning cycle.

Altogether, these housing resources have the potential to accommodate 410 units, approximately 117 percent of Carmel-by-the-Sea’s RHNA. Each of these opportunities is discussed in more detail below. The City’s estimate of the number of housing units that can realistically be developed on housing opportunity sites is considered conservative.

The redevelopment potential for these underutilized sites is supported, in part, by a 2023 housing feasibility study undertaken by the City in partnership with ECONorthwest in preparation for the City’s 6th Cycle Housing Element update.² This study provided an in-depth analysis of the redevelopment potential for 11 underutilized sites (the January 2023 feasibility study is attached in its entirety as [Appendix F](#)).

A description of each underutilized site, including a photograph of the site, is presented in the following section.

² ECO Northwest, January 27, 2023. “Housing Element Analysis for the City of Carmel by-the-Sea.”

Underutilized Sites

Site #1: Sunset Center North Parking Lot Site

Site #1, the north lot at Sunset Center, is a large (1.02 acre) parking lot with no improvements other than paving. The site is City-owned and currently zoned A-2.

Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of 33 units to accommodate 20 very low-, 10 low, and three (3) moderate-income units.

When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of 28 units to accommodate 20 very low- and eight (8) low-income units (Tables C-6 and C-7). Based on recent developments, the City has determined 33 dwelling units per acre to be the most feasible density for development on this site and intends to achieve this density. The City's confidence in achieving 33 dwelling units per acre is supported by past projects, on-site improvements have already taken place, site geometry is not an obstacle, and the City's ownership of the parcel. Additionally, the City proposes a zoning code amendment requiring a minimum density of 33 dwelling units per acre ensuring that at least 33 units will be developed.

Currently, the A-2 zoning district allows senior housing (55+), however development standards are not in place. As a result, design review is required to develop, which lengthens the development process and may lend to subjectivity in the approval process. To enable the development of affordable senior housing, Program 1.3.E has been included in this housing element to amend the A-2 zoning district to define clear development and design standards (see Chapter 2). This amendment will remove potential regulatory constraints to the development of the site.

The City has successfully entered into lease agreements for the utilization of surplus land. For example, the Carmel Foundation is currently in a long-term lease agreement with the City to provide residential apartment units for senior citizens. Additionally, Flanders Mansion is currently in a lease agreement process with the City to utilize surplus land. To ensure the Sunset Center North Parking Lot site is developed for residential use, the City has included Program 1.1.B to establish and monitor processes for utilization of city-owned parcels to develop housing in the eight-year planning cycle (see Chapter 2). The City intends to establish and implement development standards for the site (including Site #2, the south parking lot). Following approved development standards, the City will follow the requirements of the Surplus Lands Act to lease the land to facilitate the development of affordable residential units. With community input, the City will develop a project description and establish an RFP process to solicit developers. The City intends to target an Exclusive Negotiating


"I live near the Sunset Center. I would love to see that made into a usable space, and will completely support your efforts to do that. So, go for it. Have courage and get this work done."

May 24, 2023 Housing Ad
Hoc Committee Community
Meeting Attendee

Agreement by December 2026 and land use entitlements issuance by December 2028. The City has included Program 1.1.B to establish and monitor the City’s anticipated timeline and actions for entering into the SLA process. Council approval is required for each step in this process.

The City’s intention for development of this site includes partnering with a non-profit affordable housing developer with a demonstrated track record of building affordable housing in California to enable the development of deed-restricted residential units over podium parking. The City’s existing in-lieu fee for parking will be used to fund, in part, the development of podium parking. The City currently provides reduced parking requirements for affordable housing at 0.5 spaces per unit and 0.3 spaces per unit for senior housing. To address the parking requirements, Program 3.1.E has been included in this housing element to reduce parking requirements for affordable housing developments and waive in-lieu fees for affordable units (see [Chapter 2](#)).

Table C-6 Site #1 Description

Site Description		Site Image & Capacity Calculation
Address	East Side of San Carlos between 8 th and 10 th Ave	
APN	010-143-001-000	
By-Right with 20% Affordable	No, not used in previous cycle.	
Size of Site	1.02 acres	
Zoning	A-2	
Allowable Density	Minimum 33 du/ac	
Applied RHNA Affordability	Very low-income: 20 units Low-income: 10 units Moderate-income: 3 units	
Existing Use	Non-Vacant; parking lot	
Infrastructure Availability	Yes, no constraints.	Realistic Capacity utilizing factors = $(1.02 \times 33) (.95)(.95) = 28 \text{ units}$ 84% of minimum density
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTE: *A-2 Zoning District does not have development standards in place. City is proposing a minimum of 33 dwelling units per acre for the zone see Program 1.3.E in Chapter 2 for full details.

Table C-7 Site #1 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	95%	For net acreage due to utility easement needs.
Realistic capacity of the site	100%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #2: Sunset Center South Parking Lot Site

Site #2, the south lot at Sunset Center, is a large (1.84 acres) parking lot adjacent to two of the former classroom buildings associated with the Sunset Center school. The two buildings are currently occupied by an office and a yoga studio. The site is City-owned and zoned A-2.

Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of 60 units to accommodate 30 very low-, 25 low-, and five (5) moderate-income units.

When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of 52 units to accommodate 23 very low- and 29 low-income units (Tables C-8 and C-9). Based on recent developments, the City has determined 33 dwelling units per acre to be the most feasible density for development on this site and intends to achieve this density. The City's confidence in achieving 33 dwelling units per acre is supported by past projects, on-site improvements have already taken place, site geometry is not an obstacle, and the City's ownership of the parcel. Additionally, the City proposes a zoning code amendment requiring a minimum density of 33 dwelling units per acre ensuring that at least 33 units will be developed.


As discussed with Site #1, the A-2 zoning district currently allows senior housing (55+), but does not have development standards in place, which can pose constraints to timely development. Program 1.3.E is included in the housing element to establish and monitor amendments to the A-2 zoning district, to define design and development standards (see Chapter 2). This amendment will remove potential regulatory constraints to the development of the site.

The City's long-term lease agreement with the Carmel Foundation speaks to the City's track record for utilizing efficient processes for noticing and contract development under the Surplus Land Act. To ensure the Sunset Center South Parking Lot site is developed for residential use, the City has included Program 1.1.B to establish and monitor processes for utilization of city-owned parcels to develop housing in the eight-year planning cycle (see [Chapter 2](#)). The City intends to establish and implement development standards for the site (including Site #1, the north parking lot). Following approved development standards, the City will follow the requirements of the Surplus Lands Act to lease the land to facilitate the development of affordable residential units. With community input, the City will develop a project description and establish an RFP process to solicit developers. The City intends to target an Exclusive Negotiating Agreement by Fall 2025 and land use entitlements issuance by Winter 2026.

Similar to Site #1, the City's intention for development of this site includes partnering with a non-profit affordable housing developer with a demonstrated track record of building affordable housing in California to enable the development of deed-restricted residential units over podium parking. The City's existing in-lieu fee for parking will be used to fund, in part, the development of podium parking. The City currently provides reduced parking requirements for affordable housing at .5 spaces per unit and .3 spaces per unit for senior housing. To address the parking requirements, Program 3.1.E has been included in this housing element to reduce parking requirements for affordable housing developments and waive in-lieu fees for affordable units (see [Chapter 2](#)).

The entitlement process for this site is the same as Site #1. The City will partner with a non-profit affordable housing developer with a demonstrated track record of building affordable housing in California to enable the development of deed-restricted residential units over podium parking. This process includes the establishment of development standards for the Sunset Center site, development of a project description, publication of an RFP within six months, selection of a development partner, two years to enter into an Exclusive Negotiation Agreement, two years for land use entitlements and development agreements, 6-12 months for building permit issuance, and 2-3 years for construction. Council approval is required for each step in this process. The City has included Program 1.1.B to establish and monitor the City's anticipated timeline and actions for entering into the SLA process.

Table C-8 Site #2 Description

Site Description		Site Image & Capacity Calculation
Address	East side of San Carlos between 8 th and 10 th Ave	
APN	010-151-001-000	
By-Right with 20% Affordable	No, not used in previous cycle.	
Size of Site	1.84 acres	
Zoning	A-2	
Allowable Density	Minimum 33 du/ac*	
Applied RHNA Affordability	Very Low-income: 30 units Low-income: 25 units Moderate-income: 5 units	
Existing Use	Non-vacant; parking lot	<p>Realistic Capacity utilizing factors =</p> <p>(1.84 X 33) (.95) (.95) (.95) = 52 units 86% of minimum density</p>
Infrastructure Availability	Yes, no constraints.	
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTE: *A-2 Zoning District does not have development standards in place. City is proposing a minimum of 33 dwelling units per acre for the zone see Program 1.3.E in Chapter 2 for full details.

Table C-9 Site #2 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	95%	For net acreage due to utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #3: City Public Works (Vista Lobos) Site

Site #3, Vista Lobos, is a City-owned site totaling 1.28 acres at the northeast end of the commercial district. The site is a large parking lot with low value improvement used for public parking. The site is currently zoned R-4.

This City-owned site is the only site zoned R-4 (multi-family residential) that presents feasible residential development potential in the R-4 zoning district. To maximize development potential, the City is utilizing a local Bonus Density, which allows a maximum of 44 dwelling units per acre in the R-4 zoning district when 20 percent affordable units are provided (CMC 17.12.020). Developed at 44 dwelling units per acre, the gross acreage of the site would allow a total of 56 units to accommodate 28 very low-, 11 low-, and 17 moderate-income units.


When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of 45 units to accommodate 28 very low-, one (1) low-, and 16 moderate-income units ([Tables C-10 and C-11](#)). Based on recent developments, the City has determined 44 dwelling units per acre to be the most feasible density for development on this site and intends to achieve this density. The City's confidence in achieving 44 dwelling units per acre is supported by past projects, site size, and the City's ownership of the parcels.

The City's long-term lease agreement with the Carmel Foundation speaks to the City's track record for utilizing efficient processes for noticing and contract development under the Surplus Land Act. To ensure the Vista Lobos site is developed for residential use, the City has included Program 1.1.B to establish and monitor processes for utilization of city-owned parcels to develop housing in the eight-year planning cycle ([see Chapter 2](#)). Following approved development standards, the City will follow the requirements of the Surplus Lands Act to lease the land to facilitate the development of affordable residential units. With community input, the City will develop a project description and establish an RFP process to solicit developers. The City intends to target an Exclusive Negotiating Agreement by Fall 2025 and land use entitlements issuance by Winter 2026.

Potential height restrictions due to a protected viewshed to Point Lobos ([see CMC 17.12.050](#)) could limit achievable density and feasibility, though opportunities exist to cut into the slope at street grade.

The entitlement process for this site is similar to that of Sites #1 and #2. The City will partner with a non-profit affordable housing developer with a demonstrated track record of building affordable housing in California to enable the development of deed-restricted residential units over podium parking. This process includes the development of a project description, publication of an RFP within six months, selection of a development partner, two years to enter into an Exclusive Negotiation Agreement, two years for land use entitlements and development agreements, 6-12 months for building permit issuance, and 2-3 years for construction. Council approval is required for each step in this process. The City has included Program 1.1.B to establish and monitor the City's anticipated timeline and actions for entering into the SLA process.

Table C-10 Site #3 Description

Site Description		Site Image & Capacity Calculation
Address	West side of Torres between 3 rd and 4 th Ave. E side of Junipero between 3 rd and 4 th Ave.	
APN	010-104-001-000 010-104-004-000	
By-Right with 20% Affordable	No, not used in previous cycle.	
Size of Site	1.28 acres	
Zoning	R-4	
Allowable Density	Maximum 33 du/ac * (up to 44 du/ac with affordable)	
Applied RHNA Affordability	Very Low-Income: 28 units Low-income: 11 unit Moderate-Income: 17 units	
Existing Use	Non-vacant; parking lot	
Infrastructure Availability	Yes, no constraints.	<p>Realistic Capacity utilizing factors =</p> $(1.28 \times 44) (.90) (.95) (.95) = 45 \text{ units}$ <p>80% of maximum density (44 du/ac)</p>
Environmental Constraints	None known	
Other Constraints	Potential height restrictions due to viewshed (CMC 17.12.050). Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

Table C-11 Site #3 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and current cost of construction. Potential height limitations due to Point Lobos viewshed.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #4: Bruno's Market Site

Site #4, Bruno's Market, includes two adjacent parcels totaling over 0.53 acres under the same ownership. Existing use on the site includes a parking lot that leads to low lot coverage. It also scores in the top tier for land-to-improvement ratio.


The site is zoned Residential and Limited Commercial (RC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.

Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of 17 units to accommodate five (5) moderate- and 12 above moderate-income units.

When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of 14 units to accommodate six (6) moderate- and eight (8) above moderate-income units ([Tables C-12 and C-13](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre to be the most feasible density for development on this site. The City intends to achieve a minimum density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Future redevelopment would replace existing commercial parking in a covered parking structure. To address parking requirements, Program 3.1.E has been included in this housing element to reduce parking requirements for affordable housing developments and waive in-lieu fees for affordable units (see [Chapter 2](#)).

Table C-12 Site #4 Description

Site Description		Site Image & Capacity Calculation
Address	North side of 6 th Ave between Junipero Ave and Torres Street	
APN	010-095-013-000 010-095-012-000	
By-Right with 20% Affordable	No, not used in previous cycle.	
Size of Site	0.53 acre	
Zoning	RC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Moderate-income: 5 units Above moderate-income: 12 units	
Existing Use	Non-vacant; parking lot	<p>Realistic Capacity utilizing factors =</p> <p>(0.53 X 33) (.90) (.95) (.95) = 14 units 82% of minimum density</p>
Infrastructure Availability	Yes, no constraints.	
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTE: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-13 Site #4 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #5: First Church of Christ Scientist Parking Lot Site

Site #5, is a parking lot used by the First Church of Christ Scientist. It includes three separate parcels totaling 0.28 acres.


In 2020, the State of California passed AB 1851. This bill makes it easier for religious institutions to convert excess parking to affordable housing by prohibiting a local agency from requiring the replacement of religious-use parking spaces, if eliminated to develop affordable housing.

In 2021, the State of California passed SB 10. This bill allows local agencies to adopt an ordinance to allow up to 10 dwelling units on any parcel that meets height and location requirements. The ordinance would not be subject to CEQA. The City intends to enable SB 10 through rezoning of the parcel to allow a minimum density of 33 dwelling units per acre. Program 1.3.I establishes and monitors implementation of SB 10 for these sites (see [Chapter 2](#)).

Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of nine (9) above moderate-income units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of seven (7) above moderate-income units ([Tables C-14 and C-15](#)). Based on recent developments, the City has determined 33 dwelling units per acre to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre, and therefore is utilizing the gross density to calculate anticipated units.

City staff met with representatives of the church in November 2022 and September 2023. They continue to express interest in consolidating their church campus and developing housing. Because the current owner is a mission-driven organization, it's possible they may subsidize affordable housing construction and management.

Table C-14 Site #5 Description

Site Description		Site Image & Capacity Calculation
Address	Lincoln 2 NW of 6 th Ave Lincoln 3 NW of 6 th Ave Lincoln 4 NW of 6 th Ave	
APN	010-212-027-000 010-212-004-000 010-212-026-000	
By-Right with 20% Affordable	No, not used in previous cycle.	
Size of Site	0.28 acre	
Zoning	R-1; to be rezoned to enable SB 10	
Allowable Density	2-11 du/ac**	
Applied RHNA Affordability	Above moderate-income: 9 units	
Existing Use	Non-vacant; parking lot	<p>Realistic Capacity utilizing factors =</p> $(0.28 \times 33) (.90) (.95) (.95) = 7 \text{ units}$ <p>77% of minimum density</p>
Infrastructure Availability	Yes, no constraints.	
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 2-11 du/ac in R-1 zone. Assumptions for site development use programmatic zoning amendment of 33 du/ac through SB 10 rezoning of parcel.

Table C-15 Site #5 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction. Mission driven property owner interest in development.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #6: American Red Cross Site

Site #6, the American Red Cross, includes two adjacent parcels owned and used by the American Red Cross. Existing uses on the site include a vacant office space and a parking lot. Collectively the site is 0.18 acres. Because the site is owned by a nonprofit organization it does not have Assessor's values to calculate redevelopment metrics. However, site inspection confirms a low intensity use. The Carmel Foundation recently purchased this property. The Foundation currently manages 50 affordable senior housing units in the village.


Similar to Site #5, the City intends to enable SB 10 through rezoning of the parcel to allow a minimum density of 33 dwelling units per acre. This bill enables the development of up to 10 residential units on a parcel through a rezone, which is facilitated through the adoption of an ordinance. The ordinance would not be subject to CEQA. Program 1.3.I establishes and monitors implementation of SB 10 for these sites (see [Chapter 2](#)).

Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of five (5) above moderate-income units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of four (4) above moderate-income units ([Tables C-16 and C-17](#)). Based on recent developments, the City has determined 33 dwelling units per acre to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre, and therefore is utilizing the gross density to calculate anticipated units.

The new property owner of the site, the Carmel Foundation, currently manages 50 affordable apartment units in the Village and has an established working relationship with the City. They currently have a long-term lease with the City to provide affordable residential units to senior citizens (55+). The Foundation is a member organization for seniors aged 55-years of age and older, which provides a myriad of services in addition to affordable apartment units. The Foundation has expressed interest in expanding the number of residential units it manages. While the site is less than 0.5 acres, the property owner has expressed interest in developing affordable senior housing, increasing the likelihood of developing affordable units.

Intentions for this site include possible redevelopment of the site to maximize development potential.

Table C-16 Site #6 Description

Site Description		Site Image & Capacity Calculation
Address	Southeast corner of Dolores Street and 8 th Ave	
APN	010-144-015-000 010-144-016-000	
By-Right with 20% Affordable	No, not used in previous cycle.	
Size of Site	0.18 acre	
Zoning	R-1; to be rezoned to enable SB 10	
Allowable Density	2-11 du/ac**	
Applied RHNA Affordability	Above moderate-income: 5 units	
Existing Use	Non-vacant; vacant office space and parking lot	
Infrastructure Availability	Yes, no constraints.	Realistic Capacity utilizing factors = (0.18 X 33) (.90) (.95) (.95) = 4 units 80% of minimum density
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 2-11 du/ac in R-1 zone. Assumptions for site development use programmatic zoning amendment of 33 du/ac through SB 10 rezoning of parcel.

Table C-17 Site #6 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #7: Girl Boy Girl

Site #7, Girl Boy Girl, is a 0.18-acre mixed-use site, which currently accommodates a clothing boutique on the ground floor and two apartments on the second floor. Half of the site is comprised of a parking lot, which leads to low lot coverage and a land-to-improvement ratio above 1.5.

The site is zoned Service Commercial (SC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.

Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of five (5) above moderate-income units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of four (4) units to accommodate four (4) above moderate-income units ([Tables C-18 and C-19](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

The property owner has indicated interest in developing housing to replace the underutilized parking lot and to retain the existing mixed-use brick building.

Table C-18 Site #7 Description

Site Description		Site Image & Capacity Calculation
Address	Southwest corner of Mission and 7 th Ave	
APN	010-142-001-000	
By-Right with 20% Affordable	No, not used in previous cycle.	
Size of Site	0.18 acre	
Zoning	SC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 5 units	
Existing Use	Non-Vacant; commercial space and parking lot	
Infrastructure Availability	Yes, no constraints.	Realistic Capacity utilizing factors = (0.18 X 33) (.90) (.95) (.95) = 4 units 80% of minimum density
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-19 Site #7 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #8: Carmel Foundation Site

Site #8, the Carmel Foundation, is the primary provider of affordable housing in Carmel-by-the-Sea. Their administrative offices/campus headquarters include four parcels totaling 0.64 acres. Existing uses on the site include office spaces and a parking lot. The site is currently zoned A-3, Senior Citizen Facility District, which permits senior housing.


This site does not score high on land-to-improvement ratio but scores in the top tier of value per-square-foot. This site is being considered as a candidate because the Carmel Foundation is a mission-driven organization, and interviews with leadership indicate that if they can accommodate their administrative functions and programming off-site, they would consider redeveloping their property for affordable housing. A letter of interest in developing affordable residential units is presented on the following page.

Recently, the Foundation has experienced a change in leadership, which may result in an increased focus on developing new affordable housing to meet the community's need. The Carmel Foundation currently manages a total of 50 affordable senior housing units in the Village including Norton Court, Trevett Court and Haseltine Court. Norton Court is operated on City-owned land through a long-term lease. The Foundation has a proven track record for developing affordable housing at densities higher than typical developments. For example, during the 5th cycle, the Foundation developed Trevett Court in the RC District on 0.18 acres at 76 dwelling units per acre to accommodate 14 affordable residential units.

Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of 21 units to accommodate 11 very low- and 10 low-income units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of 17 units to accommodate 11 very low- and six (6) low-income units (Tables C-20 and C-21). Based on recent developments and the Carmel Foundation's track record for developing at high densities, the City has determined 33 dwelling units per acre to be the most feasible minimum density for development on this site. The City intends to achieve a density of at least 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

To determine the site's potential for redevelopment, the existing structures underwent a historic evaluation to determine potential historical value/designation. However, the evaluation found the structures were not historic, increasing the likelihood for redevelopment to accommodate affordable residential units. While the Foundation has not indicated a timeline for redevelopment of the site, the City has a long-standing relationship with the Foundation, and is committed to meeting annually with the Foundation to identify funding sources to support redevelopment and to provide guidance on the types of residential development that is needed to meet the housing needs of the community. As a proactive measure, the City has developed Program 1.2.C, which outlines actions the City will take at mid-cycle if the identified residential units to meet the RHNA for this site are not likely to develop in partnership with the Foundation (see Chapter 2).

Table C-20 Site #8 Description

Site Description		Site Image & Capacity Calculation
Address	Northeast corner of Lincoln and 8 th Ave	
APN	010-149-001-000 010-149-010-000 010-149-011-000 010-149-012-000	
By-Right with 20% Affordable	No, not used in previous cycle.	
Size of Site	0.64 acre	
Zoning	A-3	
Allowable Density	Minimum 33 du/ac	
Applied RHNA Affordability	Very Low-Income: 11 units Low-Income: 10 units	
Existing Use	Non-Vacant	
Infrastructure Availability	Yes, no constraints.	<p>Realistic Capacity utilizing factors =</p> $(0.64 \times 33) (.90) (.95) (.95) = 17 \text{ units}$ <p>80% of minimum density</p>
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

Table C-21 Site #8 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #9: American Legion Site


Site #9, the American Legion, is approximately 0.18 acres located immediately south of and adjacent to the Red Cross Site (Site #6). Existing uses on the site include office space and a meeting hall.

Similar to Sites #5 and #6, the City intends to enable SB 10 through rezoning of the parcel to allow a minimum density of 33 dwelling units per acre. This bill enables the development of up to 10 residential units on a parcel through a rezone, which is facilitated through the adoption of a zoning ordinance. The ordinance would not be subject to CEQA. Program 1.3.I establishes and monitors implementation of SB 10 for these sites (see [Chapter 2](#)).

Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of five (5) above moderate-income units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of four (4) above moderate-income units [Tables C-22 and C-23](#)). Based on recent developments, such as the Scandia Lopez/Hakim project, the City has determined 33 dwelling units per acre to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

City staff have identified this site because it is underutilized and owned by a quasi-public organization. City staff met with representatives of the American Legion in July 2022, April 2023, and August 2023 to discuss potential development. Representatives of the American Legion continue to express interest in affordable veteran housing and possibly partnering with the Carmel Foundation. While the site is less than 0.5 acres, the property owner has expressed interest in developing affordable housing for veterans, increasing the likelihood of developing affordable units.

Table C-22 Site #9 Description

Site Description		Site Image & Capacity Calculation
Address	Dolores Street 2 SE of 8 th Ave	
APN	010-144-014-000	
By-Right with 20% Affordable	No, not used in previous cycle.	
Size of Site	0.18 acre	
Zoning	R-1; to be rezoned to enable SB 10	
Allowable Density	2-11 du/ac**	
Applied RHNA Affordability	Above moderate-income: 5 units	
Existing Use	Non-Vacant; office space and meeting hall	<p>Realistic Capacity utilizing factors =</p> <p>(0.18 X 33) (.90) (.95) (.95) = 4 units</p> <p>80% of minimum density</p>
Infrastructure Availability	Yes, no constraints.	
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 2-11 du/ac in R-1 zone. Assumptions for site development use programmatic zoning amendment of 33 du/ac through SB 10 rezoning of parcel.

Table C-23 Site #9 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction. SB 10.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #10: AT&T Building

Site #10, the AT&T Building, is approximately 0.35 acres and consists of a single building. The existing owner is AT&T, and the use is unknown.

The site is zoned Residential and Limited Commercial (RC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.


Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of 11 above moderate-income units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of nine (9) above moderate-income units ([Tables C-24 and C-25](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre including adjustments, to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

To maximize potential, the site would undergo full redevelopment to accommodate new housing units.

Table C-24 Site #10 Description

Site Description		Site Image & Capacity Calculation
Address	Southwest corner of Junipero and 7 th Ave	
APN	010-087-012-000	
By-Right with 20% Affordable	No, not used in previous cycle.	
Size of Site	0.35 acre	
Zoning	RC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 11 units	
Existing Use	Non-Vacant	
Infrastructure Availability	Yes, no constraints.	Realistic Capacity utilizing factors = (0.35 X 33) (.90) (.95) (.95) = 9 units 81% of minimum density
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-25 Site #10 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #11: Forest Cottages Specific Plan


Site #11, Forest Cottages, is approximately 0.30 acres and is located within a Specific Plan area. The Forest Cottages Specific Plan was adopted by the City Council in 2006 and amended in 2008. Existing use on the site includes a hotel/motel.

The Specific Plan allows a total of six (6) units to accommodate four (4) single-family residential units, and contains an affordable housing requirement of two (2) multi-family residential units permanently dedicated and used to provide housing for low-income or very low-income households as defined by State statutes. The Specific Plan requires that a deed restriction be recorded establishing this requirement prior to issuance of the first building permit within the Specific Plan.

Developed at 20 dwelling units per acre, the site would allow a total of six (6) units to accommodate two (2) low-income units and four (4) above-moderate income units ([Table C-26](#)). This density calculation does not account for adjustments since the site is part of a Specific Plan, which has approved densities, anticipated unit counts according to income category, and existing site improvements.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. The Specific Plan affordable housing requirement discussed above, satisfies the “interest” intention to develop affordable housing on the site.

Table C-26 Site #11 Description

Site Description		Site Image & Capacity Calculation
Address	Northeast corner of Ocean and Mountain View	
APN	010-085-004-000 010-085-005-000 010-085-003-000	
By-Right with 20% Affordable	No, not used in previous cycle.	
Size of Site	0.30 acre	
Zoning	R-1	
Allowable Density	20 du/ac	
RHNA Affordability	Low-Income: 2 units Above Moderate-Income: 4 units	
Existing Use	Non-vacant; hotel/motel	
Infrastructure Availability	Yes, no constraints.	<p>Realistic Capacity =</p> <p>(0.30 X 20) = 6 units</p> <p>Specific Plan Approved Density</p>
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

Site #12: Court of the Fountains

Site #12, Court of the Fountains, is approximately 0.37 acres. The existing uses include multi-tenant retail shops and a restaurant across multiple single-story commercial buildings. The site was included in the 5th Cycle inventory.

The site is zoned Central Commercial (CC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.

Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of 12 above moderate-income units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of


the site would yield a total of nine (9) above moderate-income units (Tables C-27 and C-28). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre including adjustments, to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

The property owner has expressed interest to add second-story residential uses to the site.

Table C-27 Site #12 Description

Site Description		Site Image & Capacity Calculation
Address	Northwest corner of Mission Street and 7 th Ave	
APN	010-141-003-000	
By-Right with 20% Affordable	No, used in 4 th and 5 th cycles, but nonvacant and market rate.	
Size of Site	0.37 acre	
Zoning	CC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 12 units	
Existing Use	Non-vacant	
Infrastructure Availability	Yes, no constraints.	Realistic Capacity utilizing factors = (0.37 X 38) (.90) (.95) (.95) = 9 units 75% of minimum density
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-28 Site #12 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #13: First American Title Site

Site #13, First American Title, is a small site comprised of approximately 0.07 acres, currently underdeveloped with a small commercial building.

The site is zoned Service Commercial (SC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.

Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of two (2) above moderate-income units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of one (1) above moderate-income units ([Tables C-29 and C-30](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre including adjustments, to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, single-family, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

Intentions for the site include a second flood addition to accommodate residential uses.

Table C-29 Site #13 Description

Site Description		Site Image & Capacity Calculation
Address	7 th Ave 2 Southwest of Mission Street	
APN	010-142-013-000	
By-Right with 20% Affordable	No, used in 4 th and 5 th cycles, but nonvacant.	
Size of Site	0.07 acre	
Zoning	SC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 2 units	
Existing Use	Non-vacant	
Infrastructure Availability	Yes, no constraints.	Realistic Capacity utilizing factors = (0.07 X 33) (.90) (.95) (.95) = 1 unit 50% of minimum density
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-30 Site #13 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #14: NE Corner Monte Verde & 7th Site

Site #14 is a small site comprised of approximately 0.07 acres. The property is currently significantly underdeveloped. Existing use on the site includes a building currently used as office space. The site is in a transition zone from the Residential & Limited Commercial (RC) District to Single-Family Residential (R-1) District with a hotel to the north (that was originally constructed as apartments), an apartment complex to the south, and a duplex to the west.

The site is zoned Residential and Limited Commercial (RC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.


Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of two (2) above moderate-income units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of one (1) above moderate-income units ([Tables C-31 and C-32](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre including adjustments, to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, single-family, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

Intentions for the site may include full redevelopment or a second flood addition to accommodate residential uses.

Table C-31 Site #14 Description

Site Description		Site Image & Capacity Calculation
Address	Northeast corner of Monte Verde Street and 7 th Ave	
APN	010-191-004-000	
By-Right with 20% Affordable	No, used in 4 th and 5 th cycles, but nonvacant.	
Size of Site	0.07 acre	
Zoning	RC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 2 units	
Existing Use	Non-vacant; office space	
Infrastructure Availability	Yes, no constraints.	Realistic Capacity utilizing factors = (0.07 X 33) (.90) (.95) (.95) = 1 unit 50% of minimum density
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-32 Site #14 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #15: Yafa Building Site

Site #15, Yafa Building, is a corner lot site totaling 0.18 acres. The existing use is a parking lot and single-story commercial building.

The site is zoned Service Commercial (SC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.


Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of five (5) above moderate-income units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of four (4) above moderate-income units ([Tables C-33 and C-34](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre including adjustments, to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, single-family, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

Intentions for the site may include full redevelopment or a second flood addition to accommodate residential uses.

Table C-33 Site #15 Description

Site Description		Site Image & Capacity Calculation
Address	Northwest corner of Junipero and 5 th Ave	
APN	010-097-007-000	
By-Right with 20% Affordable	No, used in 4 th and 5 th cycles, but nonvacant.	
Size of Site	0.18 acre	
Zoning	SC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 5 units	
Existing Use	Non-vacant; commercial space and parking lot	
Infrastructure Availability	Yes, no constraints.	Realistic Capacity utilizing factors = (0.18 X 33) (.90) (.95) (.95) = 4 units 80% of minimum density
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-34 Site #15 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #16: Three Garages Site

Site #16, includes three attached garages equaling 0.11 acres. Neighboring structures are multi-story.

The site is zoned Service Commercial (SC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.


Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of three (3) above moderate units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of two (2) above moderate-income units ([Tables C-35 and C-36](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre including adjustments, to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, single-family, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

Intentions for the site include full redevelopment to accommodate residential uses.

Table C-35 Site #16 Description

Site Description		Site Image & Capacity Calculation
Address	Southwest of Junipero between 5 th and 6 th Ave	
APN	010-098-004-000	
By-Right with 20% Affordable	No, used in 4 th and 5 th cycles, but nonvacant.	
Size of Site	0.11 acre	
Zoning	SC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 3 units	
Existing Use	Non-vacant; attached garages	
Infrastructure Availability	Yes, no constraints.	Realistic Capacity utilizing factors = (0.11 X 33) (.90) (.95) (.95) = 2 units 66% of minimum density
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-36 Site #16 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #17: Carmel Realty Office Site

Site #17, Carmel Realty Office, is a 0.19-acre corner-lot parcel that is currently owned and used for office space by Carmel Realty. It is a single-story structure with low lot coverage and is surrounded by two-story structures to the north and east.

The site is zoned Residential and Limited Commercial (RC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.


Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of six (6) above moderate-income units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of five (5) above moderate-income units ([Tables C-37 and C-38](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre including adjustments, to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, single-family, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

Intentions for the site include full redevelopment to accommodate residential uses.

Table C-37 Site #17 Description

Site Description		Site Image & Capacity Calculation
Address	Northeast corner of Dolores Street and 8 th Ave	
APN	010-145-008-000	
By-Right with 20% Affordable	No, used in 4 th and 5 th cycles, but nonvacant.	
Size of Site	0.19 acre	
Zoning	RC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 6 units	
Existing Use	Non-vacant; office space	
Infrastructure Availability	Yes, no constraints.	Realistic Capacity utilizing factors = (0.19 X 33) (.90) (.95) (.95) = 5 units 83% of minimum density
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-38 Site #17 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #18: (Parashis) Millard Building

Site #18, Parashis Building, is a 0.13-acre mixed-use parcel that includes one- and two-story buildings.

The site is zoned Central Commercial (CC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.


Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of four (4) above moderate-income units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of three (3) above moderate-income units ([Tables C-39 and C-40](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre including adjustments, to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, single-family, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

City staff met with the new property owner in June 2022. They are interested in redeveloping the site with a new mixed-use building (similar to the MacDonald Gallery building one block west).

Table C-39 Site #18 Description

Site Description		Site Image & Capacity Calculation
Address	Northwest corner of Dolores Street and 6 th Ave	
APN	010-138-006-000	
By-Right with 20% Affordable	No, used in 4 th and 5 th cycles, but nonvacant.	
Size of Site	0.13 acre	
Zoning	CC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 4 units	
Existing Use	Non-vacant; commercial space	<p>Realistic Capacity utilizing factors =</p> <p>(0.13 X 33) (.90) (.95) (.95) = 3 units</p> <p>75% of minimum density</p>
Infrastructure Availability	Yes, no constraints.	
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-40 Site #18 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #19: The Agency Site

Site #19, The Agency, is a 0.09-acre corner-lot parcel that is currently used as retail space by the property owner. It has low lot coverage and is a single-story structure that is surrounded by two-story structures to the west, and across the street to the east.

The site is zoned Central Commercial (CC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.


Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of two (2) above moderate-income units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield also yield a total of two (2) above moderate-income units ([Tables C-41 and C-42](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre including adjustments, to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, single-family, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

Intentions for the site include a second-floor addition to accommodate residential uses.

Table C-41 Site #19 Description

Site Description		Site Image & Capacity Calculation
Address	Northwest corner of Ocean and Dolores	
APN	010-139-001-000	
By-Right with 20% Affordable	No, used in 4 th and 5 th cycles, but nonvacant.	
Size of Site	0.09 acre	
Zoning	CC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 2 units	
Existing Use	Non-vacant; retail space	
Infrastructure Availability	Yes, no constraints.	Realistic Capacity utilizing factors = (0.09 X 33) (.90) (.95) (.95) = 2 units 100% of minimum density
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-42 Site #19 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #20: Sunset Terrace Site

Site #20, Sunset Terrace, is a 0.19-acre corner-lot parcel that includes both a single-story and a two-story structure.

The site is zoned Residential and Limited Commercial (RC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.


Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of six (6) above moderate-income units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of six (6) above moderate-income units ([Tables C-43 and C-44](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre including adjustments, to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, single-family, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

City staff met with the property owner in June 2020. They expressed interest in converting offices to residential if sufficient water is available.

Table C-43 Site #20 Description

Site Description		Site Image & Capacity Calculation
Address	Northwest corner of Mission and 8 th Ave	
APN	010-142-006-000	
By-Right with 20% Affordable	No, used in 4 th and 5 th cycles, but nonvacant.	
Size of Site	0.19 acre	
Zoning	RC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 6 units	
Existing Use	Non-vacant; commercial space	<p>Realistic Capacity utilizing factors =</p> <p>(0.19 X 33) (.90) (.95) (.95) = 5 units</p> <p>83% of minimum density</p>
Infrastructure Availability	Yes, no constraints.	
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-44 Site #20 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #21: Enzo's Site

Site #20, Enzo's, is a 0.15-acre corner-lot parcel adjacent to the Doud Arcade (Site #22) and includes frontage on Ocean. It is a single-story structure that could either be fully redeveloped or receive a second-floor addition.

The site is zoned Central Commercial (CC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.


Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of four (4) above moderate-income units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would also yield a total of four (4) above moderate-income units ([Tables C-45 and C-46](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre including adjustments, to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, single-family, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

Intentions for the site may include full redevelopment or a second-floor addition to accommodate residential uses.

Table C-45 Site #21 Description

Site Description		Site Image & Capacity Calculation
Address	San Carlos 2 Southwest of Ocean	
APN	010-146-001-000	
By-Right with 20% Affordable	No, used in 4 th and 5 th cycles, but nonvacant.	
Size of Site	0.15 acre	
Zoning	CC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 4 units	
Existing Use	Non-vacant; commercial	
Infrastructure Availability	Yes, no constraints.	Realistic Capacity utilizing factors = (0.15 X 33) (.90) (.95) (.95) = 4 units 100% of minimum density
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-46 Site #21 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #22: Doud Arcade Site

Site #22, Doud Arcade, is comprised of a 0.18-acre mid-block parcel that includes a single-story structure.

The site is zoned Central Commercial (CC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.


Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of five (5) above moderate units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of four (4) above moderate-income units ([Tables C-47 and C-48](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre including adjustments, to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, single-family, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

The property owner has indicated an intention to construct housing as a second-story addition to the site. The existing building would likely remain on the site.

Table C-47 Site #22 Description

Site Description		Site Image & Capacity Calculation
Address	San Carlos 2 Southwest of Ocean	
APN	010-146-002-000	
By-Right with 20% Affordable	No, used in 4 th and 5 th cycles, but nonvacant.	
Size of Site	0.18 acre	
Zoning	CC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 5 units	
Existing Use	Non-vacant; commercial space	
Infrastructure Availability	Yes, no constraints.	<p>Realistic Capacity utilizing factors =</p> <p>$(0.18 \times 33) (.90) (.95) (.95) = 4 \text{ units}$</p> <p>80% of minimum density</p>
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-48 Site #22 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #23: Paseo San Carlos Square Site 1

Site #23, Paseo San Carlos Square (parcel 1), is a 0.18-acre parcel. It has low lot coverage and is a single-story structure that is surrounded on by two-story structures to the west, and across the street to the east.

The site is zoned Central Commercial (CC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.


Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of five (5) above moderate units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would yield a total of four (4) above moderate-income units ([Tables C-49 and C-50](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre including adjustments, to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, single-family, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

Intentions for the site include a second-floor addition to accommodate residential uses. The existing building would likely remain on the site.

Table C-49 Site #23 Description

Site Description		Site Image & Capacity Calculation
Address	San Carlos 2 Northwest of 7 th Ave	
APN	010-146-003-000	
By-Right with 20% Affordable	No, used in 4 th and 5 th cycles, but nonvacant.	
Size of Site	0.18 acre	
Zoning	CC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 5 units	
Existing Use	Non-vacant; commercial space	
Infrastructure Availability	Yes, no constraints.	Realistic Capacity utilizing factors = (0.18 X 33) (.90) (.95) (.95) = 4 units 80% of minimum density
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-50 Site #23 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #24: Paseo San Carlos Square Site 2

Site #24, Paseo San Carlos Square (parcel 2), is a 0.09-acre mid-block narrow site with a single-story structure.

The site is zoned Central Commercial (CC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.


Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of two (2) above moderate units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would also yield a total of two (2) above moderate-income units ([Tables C-51 and C-52](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre including adjustments, to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, single-family, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

The property owner met with City staff in December 2023 and expressed interest in providing three (3) residential units. Intentions for the site may include full redevelopment or a second-floor addition to accommodate residential uses. The existing building would likely remain on the site.

Table C-51 Site #24 Description

Site Description		Site Image & Capacity Calculation
Address	San Carlos 2 Northwest of 7 th Ave	
APN	010-146-004-000	
By-Right with 20% Affordable	No, used in 4 th and 5 th cycles, but nonvacant.	
Size of Site	0.09 acre	
Zoning	CC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 2 units	
Existing Use	Non-vacant	
Infrastructure Availability	Yes, no constraints.	Realistic Capacity utilizing factors = (0.09 X 33) (.90) (.95) (.95) = 2 units 100% of max density
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-52 Site #24 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

Site #25: Carmel Office Supply & Business Center

Site #25, Carmel Office Supply & Business Center, is a 0.09-acre parcel that includes a single-story structure that neighbors a two-structure to the south.

The site is zoned Central Commercial (CC), which currently allows residential densities up to a maximum of 22 dwelling units per acre by-right, 33 dwelling units per acre with approval of a conditional use permit, 44 dwelling units per acre under Density Bonus law, and up to 88 dwelling units per acre if the project is 100 percent affordable. However, Program 3.1.G has been included in this housing element to establish a minimum of 33 dwelling units per acre for residential development (see [Chapter 2](#)). The intention is to yield a higher number of residential units, rather than enabling the development of larger units at a lower yield.


Developed at a minimum of 33 dwelling units per acre, the gross acreage of the site would allow a minimum of two (2) above moderate units. When factoring in adjustments for potential land use controls and site improvements, realistic capacity of the site, and typical densities, the net acreage of the site would also yield a total of two (2) above moderate-income units ([Tables C-53 and C-54](#)). Based on recent developments, such as Ulrika Plaza and Scandia Lopez/Hakim, both of which are located in the commercial district, the City has determined 33 dwelling units per acre including adjustments, to be the most feasible density for development on this site. The City intends to achieve a density of 33 dwelling units per acre through a zoning code amendment, and therefore is utilizing the gross density to calculate anticipated units.

Due to the size of the site, less than 0.5 acres, the assumed affordability will be limited to above moderate units. Based on the feasibility to construct high-end townhomes, condos, single-family, etc., the site is expected to develop despite its small size.

Generally, parcels that are less than 0.5 acres are considered inadequate to accommodate housing affordable to lower-income households unless there is developer or property owner interest in constructing affordable units. Without property owner interest in developing affordable housing on the site, it is unrealistic to assume otherwise. Should the property owner express interest in developing affordable units, the site will be reconsidered for feasibility in developing affordable units.

The property owner has indicated an intention to add a second story to accommodate new residential units.

Table C-53 Site #25 Description

Site Description		Site Image & Capacity Calculation
Address	Lincoln Southeast of Ocean	
APN	010-147-010-000	
By-Right with 20% Affordable	No, used in 4 th and 5 th cycles, but nonvacant.	
Size of Site	0.09 acre	
Zoning	CC	
Allowable Density	0-22 du/ac**	
Applied RHNA Affordability	Above Moderate-Income: 2 units	
Existing Use	Non-vacant; commercial space	
Infrastructure Availability	Yes, no constraints.	Realistic Capacity utilizing factors = (0.09 X 33) (.90) (.95) (.95) = 2 units 100% of minimum density
Environmental Constraints	None known	
Other Constraints	Shape: None Access: None Title Conditions: None Historic Preservation: None Easement: None	

SOURCE: City of Carmel-by-the-Sea

NOTES: ** Existing zoning code permits 0-22 du/ac in commercial zones (SC, RC, CC). Program 3.1.G establishes a minimum density of 33 du/ac for commercial zones. Assumptions for site development use programmatic zoning amendment of minimum 33 du/ac.

Table C-54 Site #25 Capacity Assumptions

Site Description	Adjustment	Reasoning
Land use controls and site improvements	90%	For net acreage due to challenging site geometry, on-site improvements, and utility easement needs.
Realistic capacity of the site	95%	Based on market demand for medium-density housing types such as condominiums, apartments, townhomes, and single-family and current cost of construction.
Typical densities	95%	Future medium-density projects in Carmel-by-the-Sea are more likely to be built out close to maximum density due to lot sizes, limited developable sites, and very high demand for new units.
Infrastructure availability	No adjustment	Not applicable, no constraints
Environmental Constraints	No adjustment	No known site constraint

SOURCE: City of Carmel-by-the-Sea

C.5 Additional Opportunities for Residential Development and Affordable Housing

Employee Housing at Local Hotels

The City has many hotels in need of renovation and many are actively applying for building permits to begin the process of refurbishing their properties. As part of the refurbishment process, the City has begun to reach out to hotel owners to discuss including at least one (1) affordable unit on-site for a current employee. To incentivize the development of on-site employee housing within existing sites for overnight visitor accommodations, the City has developed Program 1.3.D, which amends the Municipal Code to allow at least one on-site affordable employee housing unit in conjunction with one new overnight visitor accommodation room (see [Chapter 2](#)). Initially, the program would be voluntary. However, at the mid-cycle mark, if the program has not gained interest, it would become mandatory.

The City is currently piloting the development of on-site employee housing in existing hotels with two establishments, the Hofsas House and the Pine Inn. Both establishments anticipate undergoing remodeling within the next two years and are in the preliminary planning stages with plans showing on-site employee housing. Both property owners have been tracking the housing element update, and have been in discussion with City staff regarding potential incentives for providing on-site employee housing. The City plans to codify actions in an ordinance for these sites based on the outcome of the projects by December 2026.

The City intends to conduct more extensive outreach with overnight visitor accommodation property owners to better discern the viability of the incentive program by December 2024.

Table C-55 includes known properties that fit the Overnight Visitor Accommodation and would therefore be candidates for incentive Program 1.3.D (see Chapter 2). As there are 46 hotels in the City, this program has the potential to add at least 31 moderate- and lower-income units to the City's housing stock.

Table C-55 Existing Overnight Visitor Accommodation Locations

APN	Address	Overnight Visitor Accommodation Establishment Name
010148015000	Dolores & 8th	Adobe Inn
010095010000	Junipero between 5th & 6th	Best Western Carmel Bay View Inn
010136023000	5th & San Carlos	Best Western Carmel's Townhouse Lodge
010131011000	San Carlos between 4th & 5th	Briarwood Inn
010131013000	E/S San Carlos between 4th & 5th	Briarwood Inn II/Holland Court Inn
010136022000	San Carlos between 4th & 5th	Candle Light Inn
010268008000	San Antonio & 8th	Carmel Cottage Inn LLC
010124009000	SE Dolores & 3rd	Carmel Country Inn LLC
010136021000	San Carlos @ 4th	Carmel Fireplace Inn
010104002000	4th & Torres	Carmel Garden Inn
010195501500	7th & Casanova	Carmel Green Lantern Inn
010097007000	Junipero & 5th	Carmel Inn & Suites
010131025000	San Carlos at 5th	Carmel Lodge
010097018000	Mission & 5th	Carmel Oaks
010021024000 010021025000 010021002000 010021003000 010021026000 010021027000 010021028000 010021029000	Carpenter between 1st & 2nd	Carmel Resort Inn
010094002000	Ocean & Junipero	Carmel Village Inn
010123005000	4th @ Mission Street	Carmel Wayfarer Inn
010087002000	Junipero between 7th & 8th	Carriage House Inn
010142002000	San Carlos @ 7th	Coachman's Inn
010286015000	San Antonio & 13th	Colonial Terrace
010094001000	Torres & Ocean Ave	Comfort Inn Carmel by the Sea
010147008000	7th & Lincoln Ave	Cypress Inn
010287008000	San Antonio, 4 SE of 13th	Edgemere Cottages
010085005000	SW Ocean/Torres	Forest Lodge
010124001000 010124014000	2 NW of 4th on San Carlos	Hofsas House

APN	Address	Overnight Visitor Accommodation Establishment Name
010109015000	SWC 3rd & Junipero	Horizon Inn
010123014000	4th & San Carlos	Hotel Carmel
010264006000	8th & Camino Real	La Playa Hotel
010261014000	SE Camino Real & Ocean	Lamplighter Inn
010191005000	Monte Verde @ 7th	L'Auberge Carmel
010214032000	Ocean @ Monte Verde	Lobos Lodge
010196027000	Monte Verde & 7th	Monte Verde Inn
010201013000	Monte Verde @ 7th	Monte Verde Inn East
010019061000	Ocean & Monte Verde	Normandy Inn
010104005000	SEC 3rd & Junipero	Ocean View Lodge
010273014000	Camino Real between 11th & 12th	Sea View Inn
010194018000	SS 8th between Monte Verde & Casanova	Stonehouse Inn c/o Carmel Realty
010261015000	Camino Real 2 SE of Ocean	Sunset House
010124012000	4th & San Carlos	Svensgaard's Inn
010214029000	Monte Verde & 6th	Tally-Ho Inn
010087003000	Junipero between 7th & 8th	The Hideaway
010148007000	NE Corner Lincoln & 8th	The Homestead
010213003000	Ocean between Lincoln/Monte Verde	The Pine Inn
010109016000	Mission @ 3rd Ave	Tradewinds Carmel
010136016000	Dolores & 7th	Vagabond House
010087013000	7th & Mission	Wayside Inn

SOURCE: City of Carmel-by-the-Sea

Additionally, the City has developed Program 1.3.B (see [Chapter 2](#)), which encourages property owners to consider rehabilitating their sites as multi-family rental residences through a transfer of development rights.

[Table C-56](#) lists Overnight Visitor Accommodation properties that meet the eligibility criteria to be considered for transfer of development rights to rehabilitate as multi-family rental residences. Eligibility criteria include the site being zoned for commercial or multi-family residential development and being at least 0.5 acres in size. Of the 46 Overnight Visitor Accommodation sites listed in [Table C-55](#), five (5) meet the eligibility criteria for transfer of development rights to rehabilitate as multi-family residential. Each of these sites are located in the City's Commercial District and are greater than 0.5 acres in size. The City will develop an incentive program for property owners to encourage the transfer of development rights. Program 1.3.B will monitor the implementation of the incentive program (see [Chapter 2](#)).

Table C-56 Eligible Sites for Transfer of Development Rights

APN	Address	Overnight Visitor Accommodation Establishment Name	Size (Acres)	Zoning
010124001000 010124014000	2 NW of 4th on San Carlos	Hofsas House	0.84	RC
010123014000	4th & San Carlos	Hotel Carmel	0.60	RC
010214032000	Ocean @ Monte Verde	Lobos Lodge	0.62	RC
010124012000	4th & San Carlos	Svensgaard's Inn	0.67	RC
010213003000	Ocean between Lincoln/Monte Verde	The Pine Inn	0.52	CC

SOURCE: City of Carmel-by-the-Sea

Accessory Dwelling Units (ADUs and Junior ADUs)

Based on HCD's Annual Progress Report Dashboard, between 2018 and 2022, Carmel received 33 permit applications for new ADUs, approved/entitled 30 applications, issued building permits for 13 ADUs, and finalized one (1) ADU. However, the Community Planning & Building Department reports that over the 5.5-year period between 2017 and June 2023, 7 permit applications for ADUs are actively in review, 11 permits have been approved but have not yet started construction, and 33 ADUs are currently under construction. Since 2017, 24 ADUs have completed construction. Based on the number of ADUs approved and under construction (44 total) plus the number that have completed construction (24), the City has averaged 12 ADUs per year over the last 5.5 years. Using the more conservative number of 30 ADUs permitted between 2018 and 2022, extrapolated to the eight-year planning period for the 6th Cycle Housing Element update, this equates to 48 units.

Additionally, property owners with existing ADUs constructed between the 1920s and 1980s have received building permits for remodeling of their ADUs, bringing them up to current building code standards. The City is also seeing new ADUs combined with new home construction.

Lastly, the Community Planning & Building Department actively encourages property owners with existing guest houses to convert them into ADUs by adding a kitchen.

Based on the City's permit history and active support for ADUs, as well as the continued interest by property owners in rehabilitating existing ADUs and constructing new ADUs, it is reasonable to estimate a minimum of 34 ADUs over the eight-year planning period, although City staff expects to exceed this number. Following the rule of thumb recommended by HCD, these 34 units have been distributed to very low-, low-, moderate-, and above moderate-income households as follows: 30 percent, 30 percent, 30 percent, 10 percent, respectively.

C.6 AFFH Analysis of Sites

Per Assembly Bill (AB) 686, housing elements must analyze the location of lower-income sites in relation to areas of high opportunity, and in instances where lower-income sites are located in lower resource areas and/or segregated concentrated areas of poverty, cities must incorporate policies and programs to remediate those conditions. For example, implementing place-based strategies to create opportunity in areas of disinvestment such as, investments in enhanced infrastructure, services, schools, jobs, and other community needs. The following serves as a complete AFFH analysis of potential sites for new housing developments for the next eight-year planning cycle.

Tables C-57 through C-65 and Figures C-3 through C-13 show the distribution of projected units by income category of the following indicators compared to citywide patterns to understand how the projected locations of units will affirmatively further fair housing: median income, predominant population, female headed households, poverty rates, TCAC/HCD opportunity areas, disability rates, cost burden rates, overcrowding, substandard housing, and median contract rent. The following sites inventory discussion includes an analysis of the number of projected units by income category, total RHNA capacity, and city acreage by income category to further assess the potential impacts of the sites inventory to affirmatively further fair housing.

The City has a total RHNA of 349 units for the 2023-2031 period. Carmel-by-the-Sea has adequate sites to accommodate housing development at 117 percent of the RHNA. The site inventory provides a total capacity for 410 units and opportunities for the development of a variety of housing types suitable for a range of households and income levels. Of this, 345 units are to be accommodated through underutilized sites, 5th cycle recycled sites, and pipeline projects. In accordance with State law, all of the sites in the inventory are considered to be zoned appropriately to facilitate housing affordable to lower-income households.

Please note: several of the City's sites in the inventory list are comprised of multiple parcels (referred to as APNs (Assessor's Parcel Numbers)). Each APN is shown with a separate dot symbol on Figures C-3 through C-13.

Table C-57 AFFH Indicators Table

Assessment of Fair Housing Indicators																
			Realistic Capacity				Segregation/Integration					Access to Opportunity		Disproportionate Housing Needs		
Site #	Census Tract	APN	VLI	LI	MI	AM	Household Median Income ¹	Predominant Race ²	Diversity Index ³	Female Headed HH ⁴	Disabled Population ⁵	Poverty Level ⁶	TCAC/HUD Opportunity Area ⁷	Cost Burdened Renters ⁸	Overcrowding ⁹	
Primary Underutilized Sites																
1	118.02	010143001000	20	10	3		\$98,839	Non-Hispanic White	24.6	4.60%	7.7%	0.40%	Highest Resource	61.8%	0%	
2		010151001000	30	25	5											
3	118.01	010104001000 010104004000	28	11	17		\$101,042		37.8	2.70%	17.1%	1.90%		52%	3.30%	
4		010095013000 010095012000			5	12										
5		010212027000 010212004000 010212026000	2	1	3	3										
6	118.02	010144015000 010144016000	3	2			\$98,839		24.6	4.60%	7.7%	0.40%		61.80%	0%	
7		010142001000				5										
8		010149012000 010149010000 010149011000 010149001000	11	10												
9		010144014000	2	3												
10		010087012000				11										
11		010085004000 010085005000 010085003000		2		4										
		Subtotal	96	64	33	35										
5th Cycle Recycled Sites																
12	118.02	010141003000				12	\$98,839	Non-Hispanic White	24.6	4.60%	7.7%	0.40%	Highest Resource	61.80%	0%	
13		010142013000				2										
14		010191004000				2										
15	118.01	010097007000				5	\$101,042		37.8	2.70%	17.1%	1.90%		52%	3.30%	
16		010098004000				3										
17	118.02	010145008000				6	\$98,839		24.6	4.60%	7.7%	0.40%		61.80%	0%	

Assessment of Fair Housing Indicators															
			Realistic Capacity				Segregation/Integration					Access to Opportunity		Disproportionate Housing Needs	
Site #	Census Tract	APN	VLI	LI	MI	AM	Household Median Income ¹	Predominant Race ²	Diversity Index ³	Female Headed HH ⁴	Disabled Population ⁵	Poverty Level ⁶	TCAC/HUD Opportunity Area ⁷	Cost Burdened Renters ⁸	Overcrowding ⁹
18	118.01	010138006000				4	\$101,042		37.8	2.70%	17.1%	1.90%		52%	3.30%
19		010139001000				2									
20	118.02	010142006000				6	\$98,839		24.6	4.60%	7.7%	0.40%		61.80%	0%
21		010146001000				4									
22		010146002000				5									
23		010146003000				5									
24		010146004000				2									
25		010147010000				2									
		Subtotal	0	0	0	60									
Pipeline Projects															
26	118.01	010138003000 010138021000				12	\$101,042	Non-Hispanic White	37.8	2.70%	17.1%	1.90%	Highest Resource	52%	3.30%
27	118.02	010145012000 010145024000 010145023000				8	\$98,839		24.6	4.60%	7.7%	0.40%		61.80%	0%
28	118.01	010021014000 010021013000 010021012000 010021011000 010021030000 010021031000 010021032000 010021033000				8	\$101,042		37.8	2.70%	17.1%	1.90%		52%	3.30%
29	118.02	010146010000				3	\$98,839		24.6	4.60%	7.7%	0.40%		61.80%	0%
30	118.01	009-162-023				1	\$101,042		37.8	2.70%	17.1%	1.90%		52%	3.30%
31		010-251-036				1									
32		010-102-009				1									
33	118.02	010-193-024				1	\$98,839		24.6	4.60%	7.7%	0.40%		61.80%	0%
34		010-043-005				1									
35		010-174-024				1									
36	118.01	010-029-009				1	\$101,042		37.8	2.70%	17.1%	1.90%		52%	3.30%
37	118.02	009-352-016				1	\$98,839		24.6	4.60%	7.7%	0.40%		61.80%	0%

Assessment of Fair Housing Indicators															
			Realistic Capacity				Segregation/Integration					Access to Opportunity		Disproportionate Housing Needs	
Site #	Census Tract	APN	VLI	LI	MI	AM	Household Median Income ¹	Predominant Race ²	Diversity Index ³	Female Headed HH ⁴	Disabled Population ⁵	Poverty Level ⁶	TCAC/HUD Opportunity Area ⁷	Cost Burdened Renters ⁸	Overcrowding ⁹
38	118.01	010-211-004				1	\$101,042		37.8	2.70%	17.1%	1.90%		52%	3.30%
39	118.02	010-269-005				1	\$98,839		24.6	4.60%	7.7%	0.40%		61.80%	0%
40		009-382-019				1									
41		010-284-003				1									
42	118.01	010-103-015				1	\$101,042		37.8	2.70%	17.1%	1.90%		52%	3.3
43		010-037-003				1									
44		010-232-012				1									
45	118.02	010-311-016				1	\$98,839		24.6	4.60%	7.7%	0.40%		61.80%	0%
46		010-331-044				1									
47		010-312-004				1									
48	118.01	010-126-017				1	\$101,042		37.8	2.70%	17.1%	1.90%		52%	3.30%
49	118.02	010-164-015				1	\$98,839		24.6	4.60%	7.7%	0.40%		61.80%	0%
50	118.01	010-251-035				1	\$101,042		37.8	2.70%	17.1%	1.90%		52%	3.30%
51		010-251-002				1									
52	118.02	010-076-014				1	\$98,839		24.6	4.60%	7.7%	0.40%		61.80%	0%
53	118.01	010-031-021				1	\$101,042		37.8	2.70%	17.1%	1.90%		52%	3.30%
54	118.02	010-265-010				1	\$98,839		24.6	4.60%	7.7%	0.40%		61.80%	0%
55		010-301-020				1									
		Subtotal	0	0	0	57									
		Total	96	64	33	152	345								

SOURCE: City of Carmel-by-the-Sea; US Census ACS 5-Year Estimates; HCD AFFH Data Viewer; CTCAC/HCD Opportunity Area Maps

NOTES: VLI = very low-income; LI = low-income; MI = moderate-income; AM = above moderate-income; HH = household

1 US Census ACS 5-Year Estimate, 2021, Table DP03; census tract level

2 US Census ACS 5-Year Estimate, 2021, Table B03002; census tract level

3 HCD AFFH Data Viewer, Diversity Index, 2023; census tract level

4 US Census ACS 5-Year Estimate, 2021, Table B11001; census tract level

5 US Census ACS 5-Year Estimate, 2021, Table S1810; census tract level

6 US Census ACS 5-Year Estimate, 2021, Table S1701; census tract level

7 CTCAC/HCD Opportunity Area Maps, 2023; census tract level

8 HCD AFFH Data Viewer, Overpayment by Renter Households, 2021; census tract level

9 HCD AFFH Data Viewer, Overcrowding, 2021; census tract level

Potential Effect on Access to Opportunity

TCAC/HCD Opportunity Areas

The TCAC/HCD Opportunity Areas are categorized by census tracts into high, moderate, or low-resource areas based on a composite score of economic, education, and environmental factors that have the ability to perpetuate poverty and segregation. These factors include: school proficiency, median income, median housing prices, and environmental pollution.

Table C-58 reports the census tracts for which housing opportunity sites are located and the associated TCAC/HCD opportunity area domain scores. As shown in Table C-58, Carmel-by-the-Sea is comprised of only highest resource areas. Census Tract 118.01 shows an insignificant difference of 0.01 for the economic domain and a difference of 0.02 for the environmental domain compared to Census Tract 118.02.

Table C-58 Census Tracts by TCAC/HCD Opportunity Area Domains, 2023

Census Tract	Economic Domain	Environmental Domain	Education Domain	Composite Index	Opportunity Designation
118.01	0.99	0.94	0.94	5.0	Highest Resource
118.02	1.0	0.96	0.94	5.0	Highest Resource

SOURCE: TCAC/HCD Opportunity Map, 2023; City of Carmel-by-the-Sea

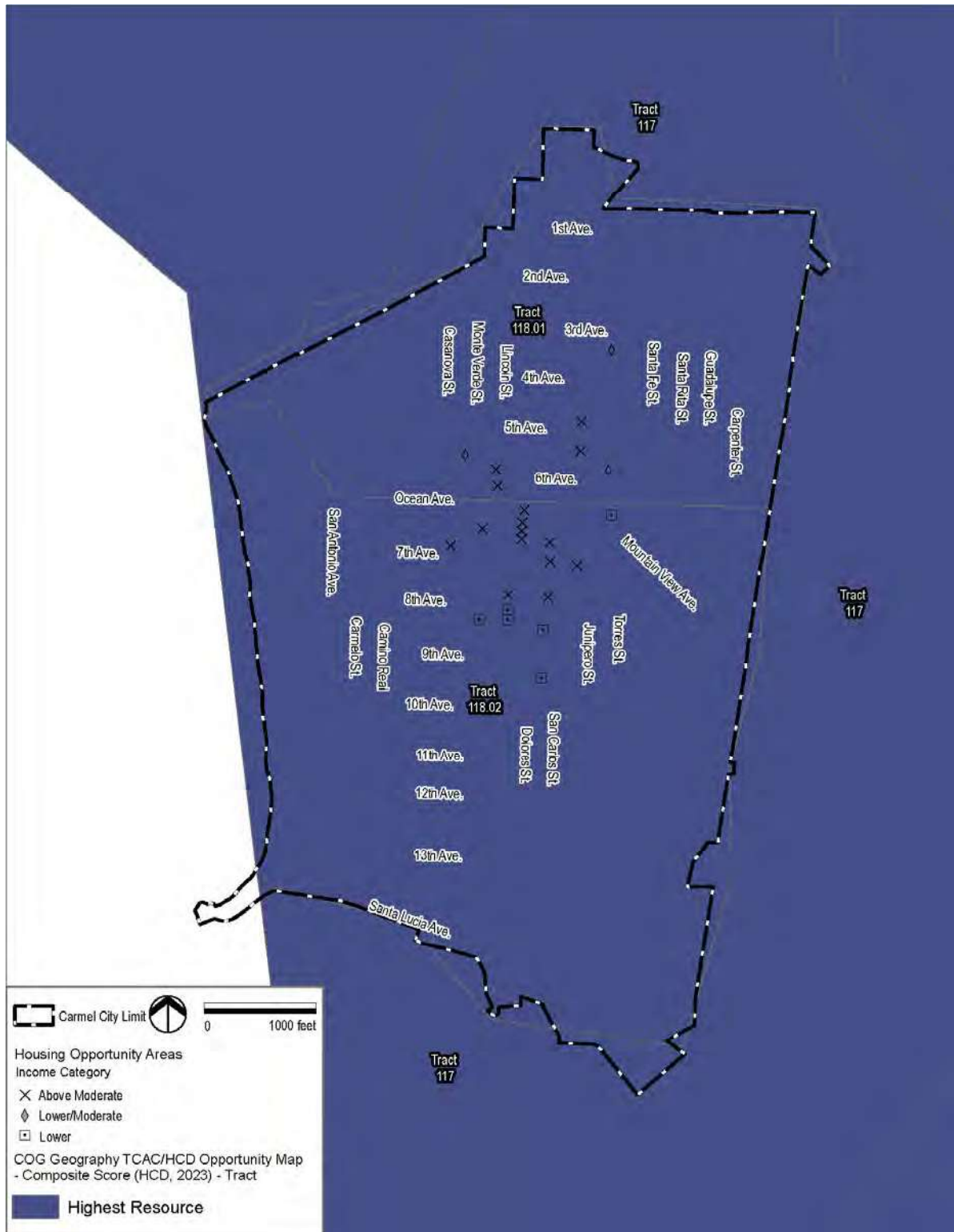
Table C-59 and Figure C-3 show the distribution of housing opportunity units at each income level according to their designated resource area. All anticipated housing opportunity units are planned to be accommodated in highest resource areas with adequate access to economic and educational opportunities, and in areas with positive environmental outcomes (low levels of pollution burden).

Table C-59 Site Inventory Unit Count by TCAC/HCD Opportunity Area, 2023

Income Group	Highest Resource	Percent
Very Low-Income	96	27.8%
Low Income	64	18.5%
Moderate-Income	33	9.5%
Above Moderate-Income	152	44.0%
Total	345	100%

SOURCE: TCAC/HCD Opportunity Areas Map, 2023; City of Carmel-by-the-Sea

Figure C-3 Sites Inventory Analysis by TCAC/HCD Opportunity Areas, 2023



SOURCE: HCD AFFH Data Viewer; City of Carmel-by-the-Sea

Educational Opportunities, Economic Mobility, and Environmental Health

As discussed at length in [Appendix A](#), all census tracts across Carmel-by-the-Sea score high in the educational, economic, and environmental domains that comprise TCAC/HCD opportunity area designations.

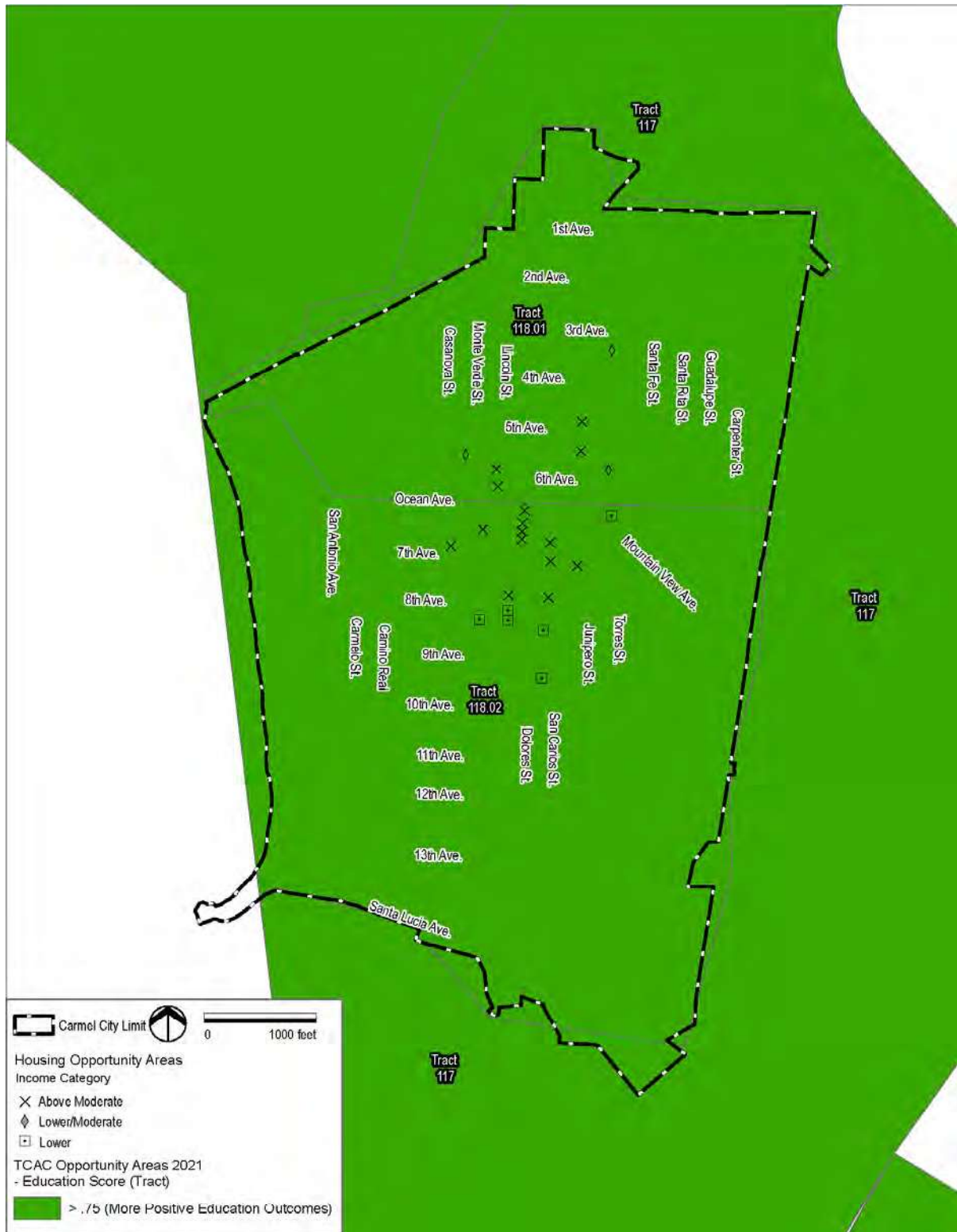
The TCAC/HCD Opportunity Area Education score is based on math proficiency, reading proficiency, high school graduation rates, and the student poverty rate. As shown in [Figure C-4](#), all census tracts across the city received positive scores for the education domain, indicating that households city-wide have adequate access to educational institutions and poverty rates are low (also supported in [Figure C-10](#)).

The TCAC/HCD Opportunity Area Economic score is based on poverty, adult education, employment, proximity to jobs, and median home value. As shown in [Figure C-5](#), all census tracts across the city received positive scores for the economic domain, indicating that households city-wide have adequate access to public resources, education, employment, live in close proximity to jobs, median home values reflect low crime rates, and good overall neighborhood characteristics.

As shown in [Figure C-6](#), Carmel-by-the-Sea is within the 0-20 range, indicating residents are less likely to have health problems resulting from poor environmental conditions. The City has demonstrated commitment to reducing negative environmental conditions through its 2021 adopted Climate Action Plan (CAP), which is further prioritized through policies and programs developed through the Housing Element that align with the City's mission to reduce greenhouse gas emissions.

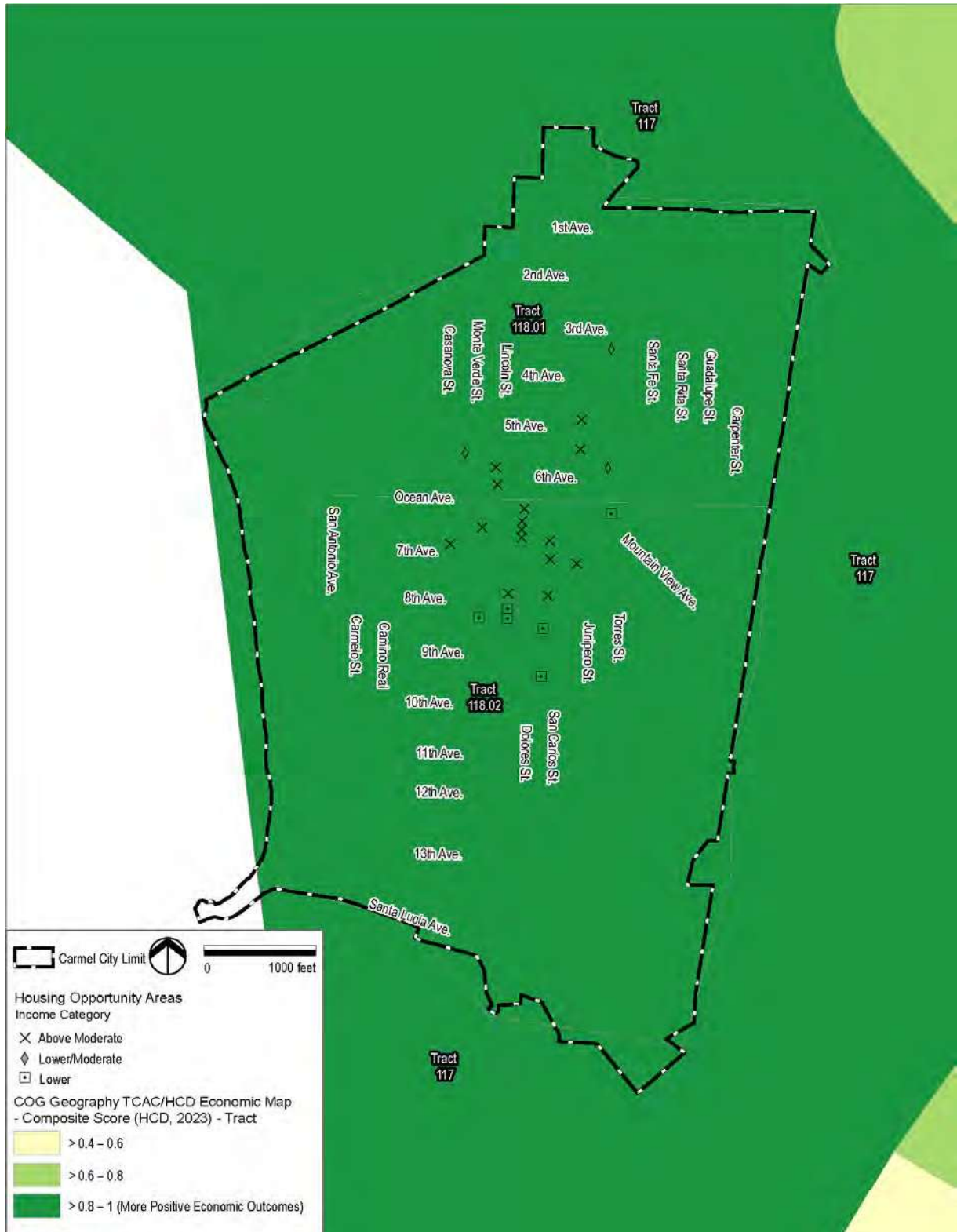
Overall, residents across the city experience similar access to educational opportunities, economic mobility, and low levels of pollution burden. Therefore, the distribution of housing opportunity sites and units at each affordability level will not create a discrepancy in access or perpetuate existing barriers to access. Rather, the increase in housing supply is intended to create more balanced living patterns in Carmel-by-the-Sea.

Figure C-4 Sites Inventory Analysis by TCAC/HCD Education Domain, 2021



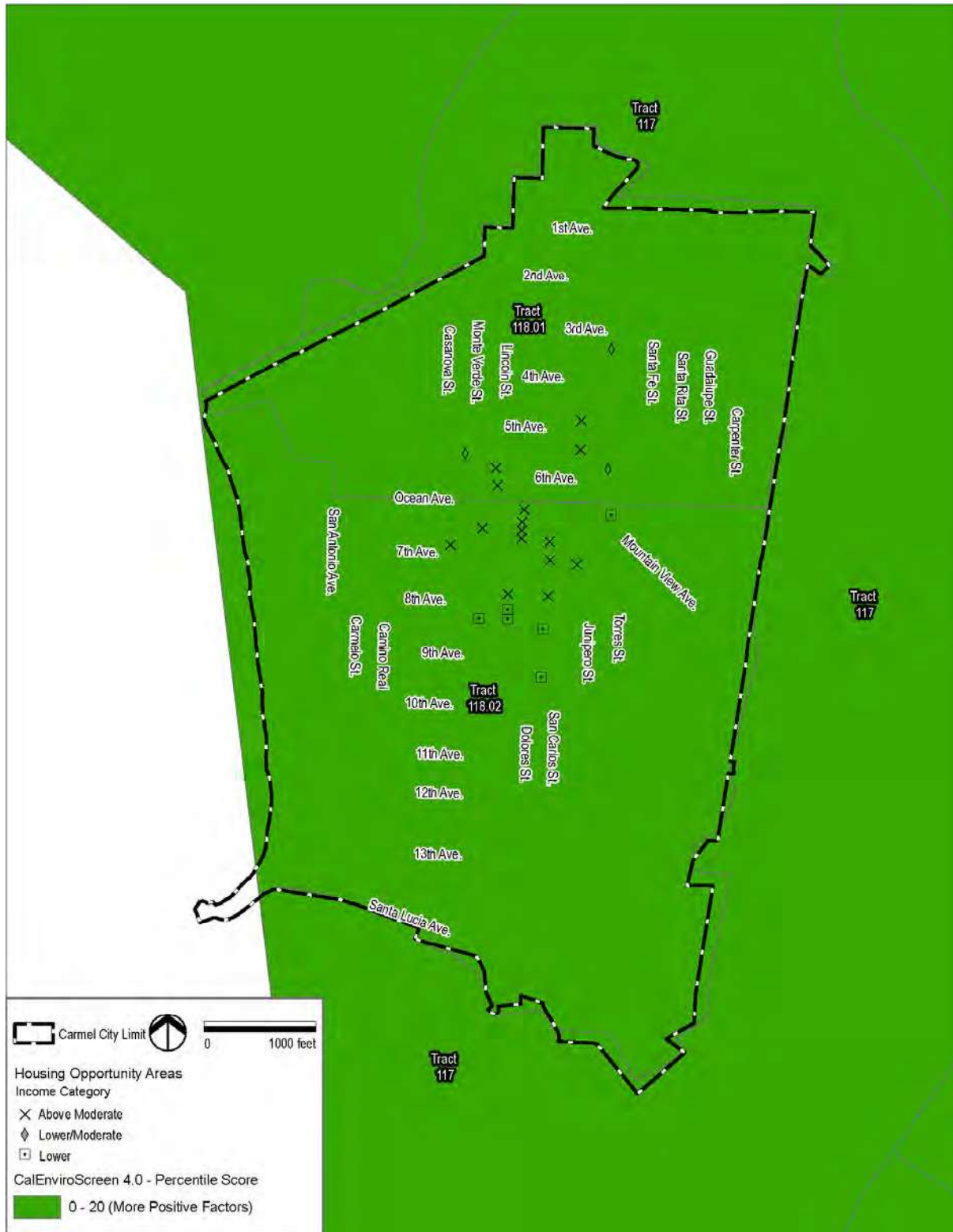
SOURCE: HCD AFFH Data Viewer; City of Carmel-by-the-Sea

Figure C-5 Sites Inventory Analysis by TCAC/HCD Economic Domain, 2023



SOURCE: HCD AFFH Data Viewer; City of Carmel-by-the-Sea

Figure C-6 Sites Inventory Analysis by CalEnviroScreen 4.0, 2021



SOURCE: HCD AFFH Data Viewer; City of Carmel-by-the-Sea

Potential Effect on Patterns of Integration and Segregation

Diversity

As discussed in the Housing Needs and Fair Housing Report ([Appendix A](#)), non-Hispanic White residents comprise the largest racial group in Carmel-by-the-Sea (86.5 percent of population), followed by Hispanic/Latino (8.2 percent), Asian/Pacific Islander (5.2 percent), and Black or African American populations (less than 1 percent). [Figure C-7](#) shows the distribution of anticipated housing opportunity units at each income level according to predominant populations. When analyzing predominant populations in Carmel-by-the-Sea, there is no geographic variation at the census tract or block group level, non-Hispanic White residents makeup the majority across the city.

[Table C-60](#) reports the distribution of units at each income level by the Diversity Index score developed by ESRI in 2023, and the percent of non-Hispanic White population present according to census tract. The Diversity Index represents the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups.

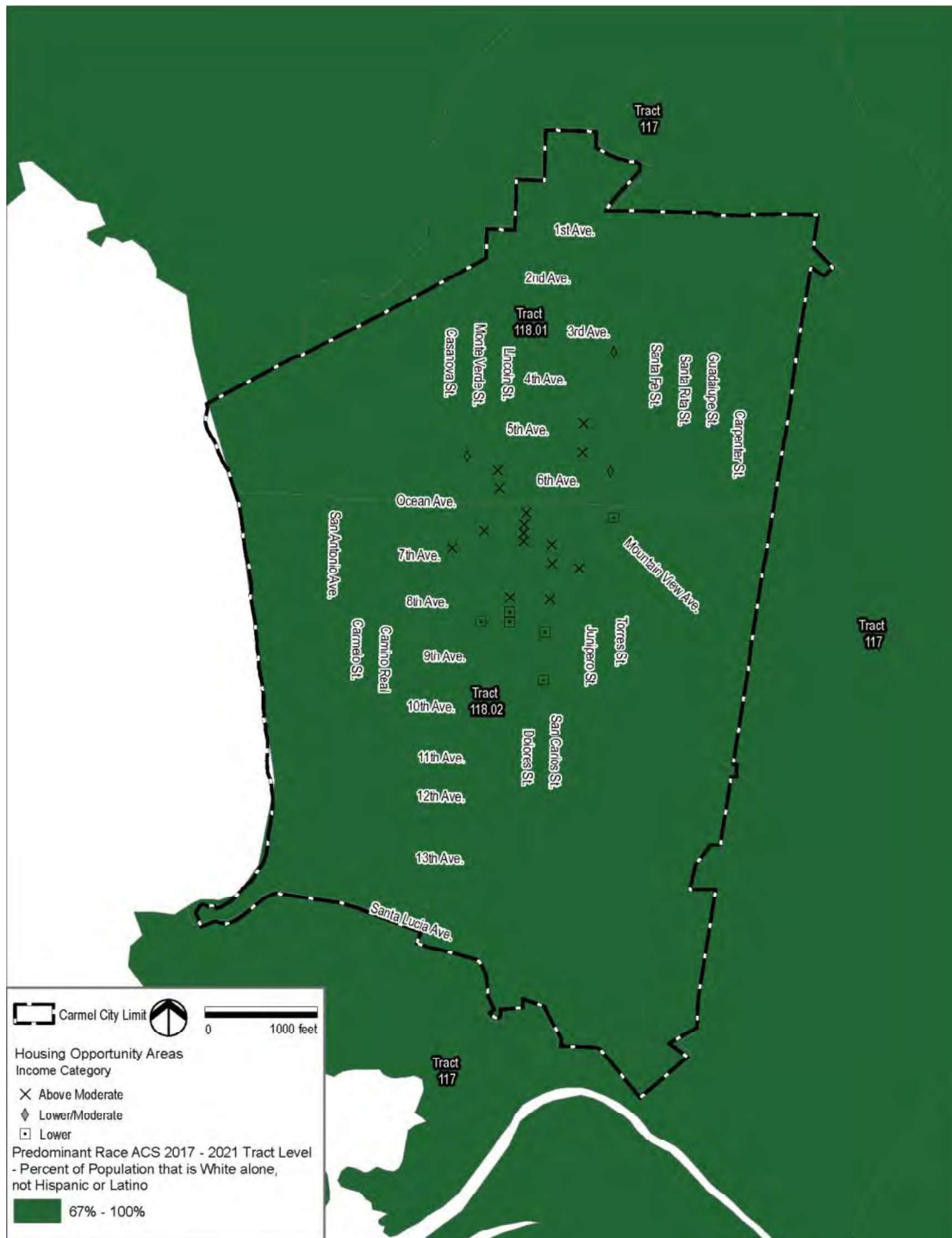
Overall, diversity in Carmel-by-the-Sea is low and only slightly varies according to census tract. As shown in [Table C-60](#), Census Tract 118.01, located north of Ocean Avenue, has a slightly lower proportion of non-Hispanic White residents (86.5 percent), compared to Census Tract 118.02, located south of Ocean Avenue (96.7 percent non-Hispanic White). This aligns with the City's Diversity Index for each census tract. Census Tract 118.01 has a diversity score of 37.8, whereas Census Tract 118.02 has a diversity score of 24.6, indicating that in both census tracts, there is a probability of approximately 38 percent of 25 percent, respectively, that two people randomly chosen from Carmel-by-the-Sea would belong to different race or ethnic groups.

Table C-60 Site Inventory Unit Count by Diversity Index, 2023

Income Group	Census Tract 118.01 (37.8 Diversity Score and 86.5% Non-Hispanic White Population)	Percent	Census Tract 118.02 (24.6 Diversity Score and 96.7% Non-Hispanic White Population)	Percent
Very Low-Income	30	23%	66	30%
Low Income	12	9%	52	24%
Moderate-Income	25	20%	8	4%
Above Moderate-Income	61	48%	91	42%
Total	128	100%	217	100%

SOURCE: HCD AFFH Data Viewer, 2023; U.S. Census Bureau, ACS 5-Year Estimate 2021, Table B03002, Census Tract level

Figure C-7 Sites Inventory Analysis by Predominant Population, 2021



SOURCE: HCD AFFH Data Viewer; City of Carmel-by-the-Sea; EMC Planning Group

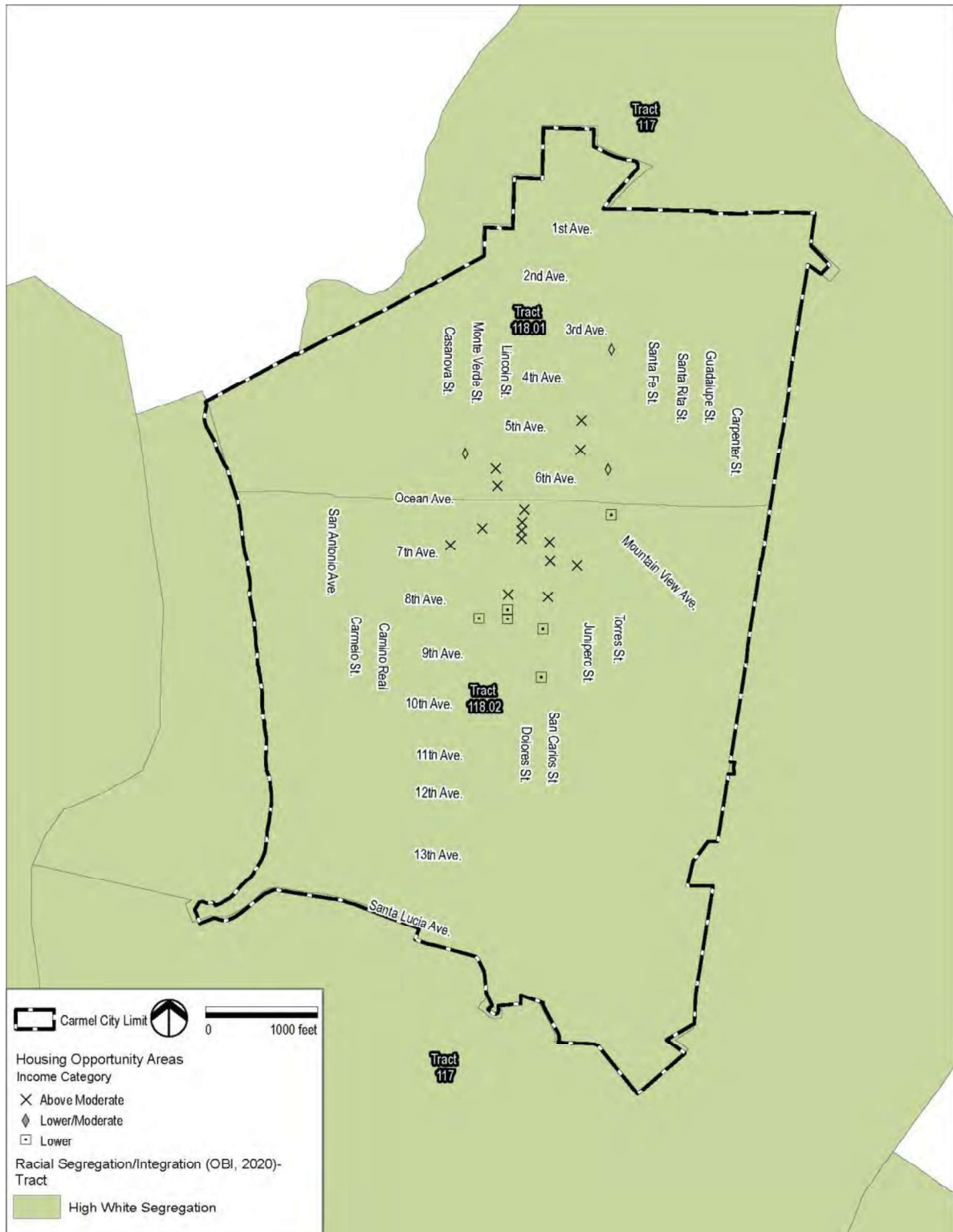
As shown in [Table C-60](#), Census Tract 118.01 is anticipated to accommodate 128 housing opportunity units, of which approximately 33 percent are lower-income. Census Tract 118.02 is anticipated to accommodate 217 housing opportunity units, of which approximately 54 percent are lower-income. This distribution of units is intended to increase the level of diversity in the area. Increasing the supply of housing affordable to a range of income categories is intended to mitigate further segregation between racial and ethnic groups, while also providing an opportunity for lower-income households with economic connections to the area to obtain adequate and affordable housing.

To support households in need of assistance, the City has partnered with several service organizations in the region to connect residents with the appropriate assistance (I.e., housing, employment, in-home care, etc.) The City's demographic makeup includes a large senior population. The Carmel Foundation provides a myriad of services for senior citizens including affordable housing, in-home support, meal delivery, and daily activities to cultivate community. Additionally, the City coordinates with the County and State to provide fair housing resources to ensure that all residents are aware of the processes to file a complaint, receive counseling on housing and employment, and mediate landlord/tenant disputes. These efforts to affirmatively further fair housing for all ages, races, and ethnicities are rooted in enabling a range of households to secure housing in Carmel-by-the-Sea.

[Figure C-8](#) shows the distribution of anticipated housing opportunity units at each income level according to racial segregation. As shown, the City of Carmel-by-the-Sea has a high level of White segregation. This aligns with data reported for the Diversity Index and predominant populations in Carmel-by-the-Sea. Despite the City's small size of one-square-mile, there is little racial and ethnic integration.

The City's historic land use and zoning has primarily enabled the development of single-family homes, which coupled with high land values, construction costs, and tedious design and review processes can pose financial barriers for lower income households attempting to move into the City. This may have been a contributing factor to the lack of racial and ethnic integration within the City. In reviewing potential governmental constraints to development, the City has acknowledged that current design review and permitting processes should be updated to provide a more expedient and objective review process. A suite of programs has been established to monitor the implementation of improving the development review and approval process, including Program 1.4.A – Eliminate Unnecessary Use Permits; Program 1.4.B – Objective Design and Development Standards; and Program 3.1.F – Expedited Processing Procedures (see [Chapter 2](#)). Additionally, the City is committed to enabling employee housing through the use of transfer of development rights for hotel/motels in the City, as well as incentivizing hotel/motel owners to provide on-site affordable employee housing. These incentives are established and monitored by Program 1.3.B and Program 1.3.D (see [Chapter 2](#)). Through the use of these programs, the City intends to facilitate the development of new affordable residential units available to lower-income households.

Figure C-8 Site Inventory Analysis by Racial Segregation, 2020



SOURCE: HCD AFFH Data Viewer; City of Carmel-by-the-Sea; EMC Planning Group

Median Household Income

Figure C-9 and Figure C-10 illustrate the distribution of anticipated housing opportunity units at each income level according to median household income and poverty status, respectively.

As shown in Figure C-9 and Figure C-10, according to census tract, the median household income in Carmel-by-the-Sea ranges from less than \$90,100 to \$120,000 and coincides with a low rate of poverty (less than 10 percent). Census Tract 118.01 has the highest median household income with households earning approximately \$101,042. Whereas, households located in Census Tract 118.02 earn a slightly lower median household income of \$98,849.

Table C-61 reports the distribution of housing opportunity sites by income category according to median income and poverty status. All anticipated housing units are located in census tracts that have a poverty rate of less than 5 percent and earn more than the Monterey County median household income of \$81,600.³ Approximately 74 percent of anticipated lower-income sites are located in Census Tract 118.02, which has a median income of \$98,839 and approximately 26 percent are located in Census Tract 118.01, which has a median income of \$101,042. The distribution of units is intended to prevent segregated living patterns based on income, while also alleviating existing affordability pressures for lower-income households.

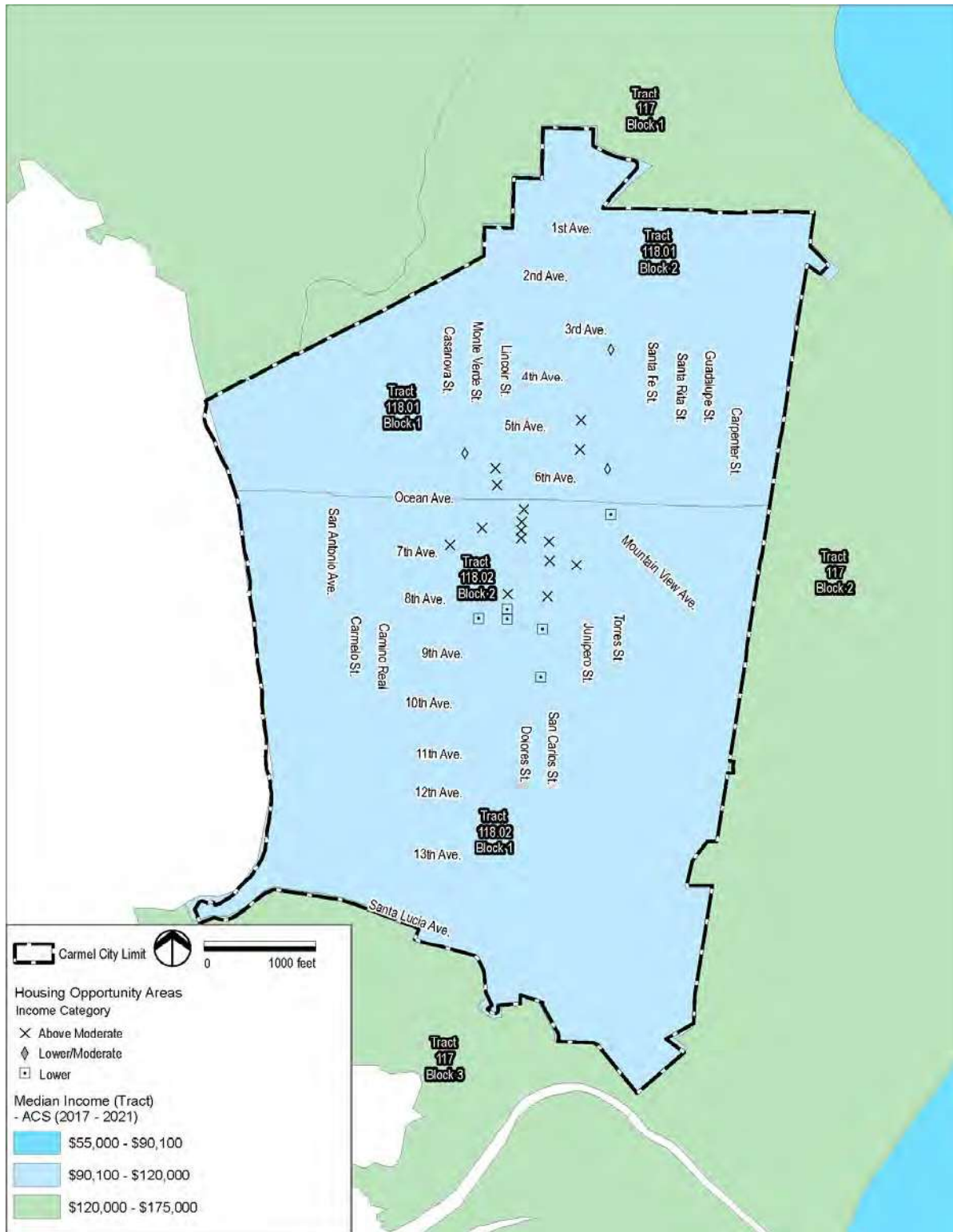
Table C-61 Site Inventory Unit Count by Median Income and Poverty Status, 2021

Income Group	Poverty Level Less Than 5%			
	Census Tract 118.01 \$101,042		Census Tract 118.02 \$98,839	
Very Low-Income	30	23%	66	30%
Low Income	12	9%	52	24%
Moderate-Income	25	20%	8	4%
Above Moderate-Income	61	48%	91	42%
Total	128	100%	217	100%

SOURCE: U.S. Census Bureau ACS 5-Year Estimate, 2021, Table S1701; City of Carmel-by-the-Sea

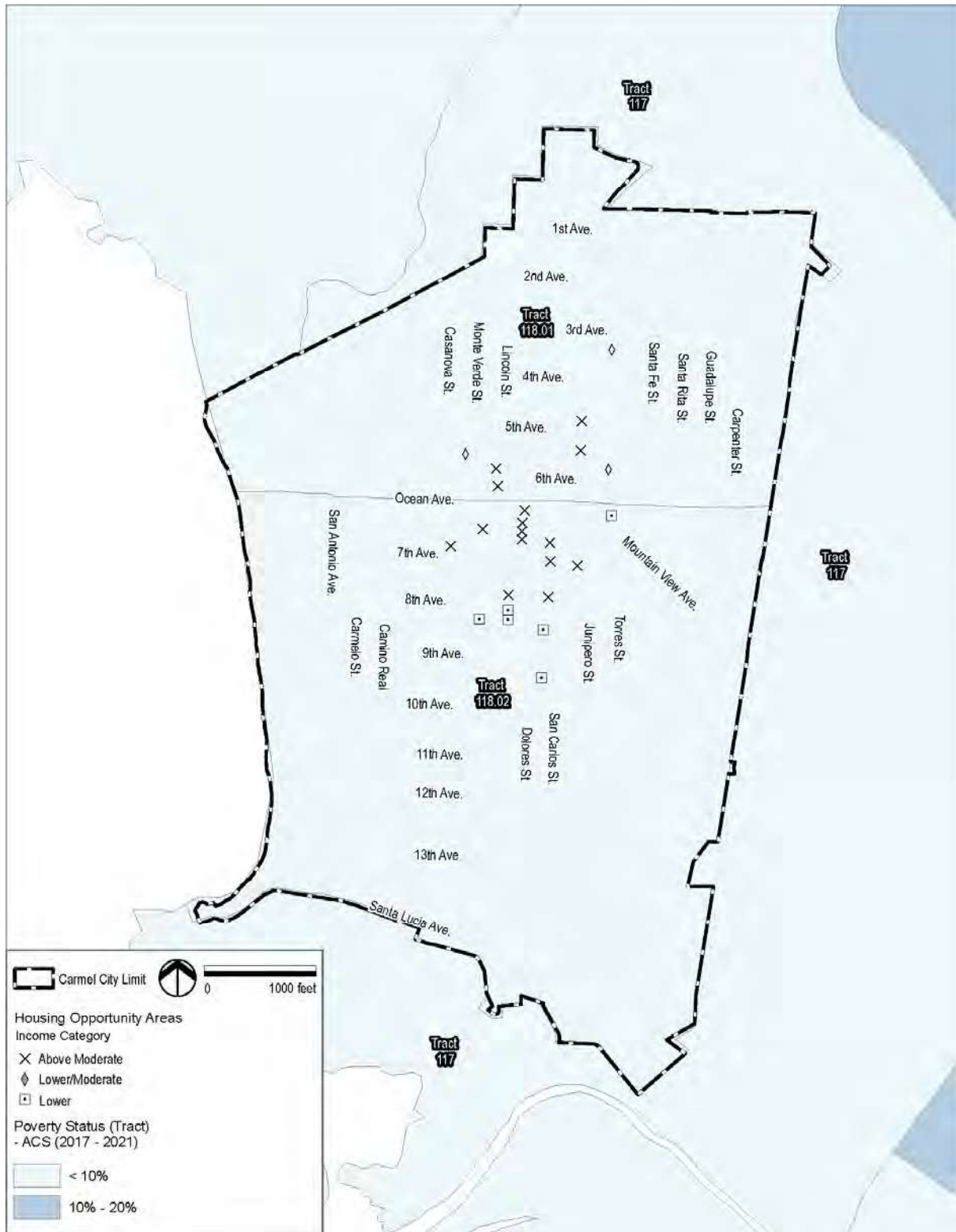
³ California Revised State Income Limits December 31, 2021.

Figure C-9 Sites Inventory Analysis by Median Income, 2021



SOURCE: HCD AFFH Data Viewer; City of Carmel-by-the-Sea

Figure C-10 Sites Inventory Analysis by Poverty Status, 2021



SOURCE: HCD AFFH Data Viewer; City of Carmel-by-the-Sea

The slight geographical variation in median household income by census tract may be linked to the affordability of housing types in the City. Census Tract 118.02, Block Group 2, encompasses the portion of the City located south of Ocean Avenue and north of 11th Avenue. This includes part of the City's downtown Commercial District, which allows medium density residential uses. All newly constructed second story floor area, including area in new buildings, remodeled buildings and replacement, rebuilt or reconstructed buildings, must be occupied by residential dwellings only and cannot not be used for any commercial land use (CMC 17.14.050F). While this has enabled the development of more dense residential uses in the largely built-out community, it may have also contributed to the isolation of lower-income households.

To mitigate existing and future segregated living patterns, the City identified housing opportunity sites that are dispersed throughout the city. However, due to the small size of the city, being less than one-square-mile, and it's built out nature, most units are located in the central region of the City where higher densities and mixed uses are allowed. In the last five years, the City has seen several remodeling and redevelopment projects within the Commercial District, and has engaged in discussions with several property owners who are interested in developing residential units. Based on recent projects and property owner interest, the City believes the most developable sites for housing are located within the City's Commercial District.

To facilitate the development of residential units, the City has committed to amending its Municipal Code to enable higher residential densities (establishing a minimum density for the base zoning of 33 dwelling units per acre) in the Commercial Districts (SC, CC, RC) and Multi-Family Residential District (R-4) (Program 3.1.G); requires residential uses for any new second story floor area in the Commercial District (CMC 17.14.050F); and is incentivizing hotel/motel owners to provide on-site affordable employee housing (Program 1.3.D) and/or to engage in a transfer of development rights process to convert existing accommodations to provide affordable multi-family residential units (Program 1.3.B). All programs are listed in full in [Chapter 2](#).

Female-Headed, Single-Parent Households

According to 2021 ACS data, female-headed households comprise 3.6 percent of all households in Carmel-by-the-Sea. [Table C-62](#) reports the distribution of anticipated housing opportunity units at each income level according to the concentrations of single-parent families with a female-headed householder.

As shown in [Table C-62](#), all anticipated housing opportunity units are located in census tracts where female-headed households makeup less than 5 percent of all households. Census Tract 118.01 has a slightly lower percentage of female-headed households (2.7 percent) compared to Census Tract 118.02 (4.6 percent). Census Tract 118.01 is anticipated to accommodate approximately 128 units ranging from very low- to above moderate-income. Census Tract 118.02 is anticipated to accommodate approximately 217 units ranging from very low- to above moderate-income.

Table C-62 Sites Inventory Unit Count by Female-Headed Households, 2021

Income Group	Census Tract 118.01	Percent	Census Tract 118.02	Percent
	Female-Headed Households 2.7%		Female-Headed Households 4.6%	
Very Low-Income	30	23%	66	30%
Low Income	12	9%	52	24%
Moderate-Income	25	20%	8	4%
Above Moderate-Income	61	48%	91	42%
Total	128	100%	217	100%

SOURCE: U.S. Census Bureau ACS 5-Year Estimate, 2021, Table B11001; City of Carmel-by-the-Sea

Both census tracts coincide with low rates of poverty (less than 2 percent) and are designated highest resource areas with adequate access to public goods, services, transportation, educational institutions, and economic opportunities. The distribution of lower-income units in areas with lower concentrations of female-headed households is intended to mitigate current and future concentrations of female-headed households. Additionally, increasing housing supply across the city is expected to mitigate the overpayment, housing scarcity, and displacement that lower-income persons and single-parent households are susceptible to. Increasing housing supply will be coupled with programs to incentivize the development of affordable housing for lower-income and special needs households (Programs 3.1.B, 5.1.A, 5.1.B, 5.1.C, see [Chapter 2](#)).

Due to a lack of available mapping data, a map illustrating female-headed households across Carmel-by-the-Sea is not provided.

Population with a Disability

According to 2021 ACS data, approximately 12.3 percent of Carmel-by-the-Sea's population live with at least one disability. [Table C-63](#) and [Figure C-11](#) show the distribution of anticipated housing opportunity units at each income level according to the population with a disability.

As shown in [Figure C-11](#), less than 10 percent of residents located in Census Tract 118.02 live with a disability. Whereas, approximately 17 percent of residents located in Census Tract 118.01 live with a disability.

As shown in [Table C-63](#), approximately 63 percent of the anticipated housing opportunity units are located in census tracts where approximately 8 percent of the population live with a disability, and 37 percent of the units are located in census tracts where approximately 17 percent of the population live with a disability. Census Tract 118.01 has a higher proportion of residents living with a disability (17 percent) compared to Census Tract 118.02 (7.7 percent). There is no correlation

between disability rates and resource areas in Carmel-by-the-Sea, as both census tracts are highest resource areas, coinciding with low poverty rates (less than 2 percent), and median incomes greater than Monterey County.

As previously mentioned, Carmel-by-the-Sea houses a large proportion of senior citizens, likely contributing to the percentage of residents living with a disability. The Carmel Foundation is located in Census Tract 118.02, south of Ocean Avenue. The Foundation provides 50 affordable residential units for seniors aged 55 and older. In addition to providing affordable housing, the Foundation offers a myriad of services to seniors from meal delivery to daily social activities.

Table C-63 Sites Inventory Unit Count by Population with a Disability, 2021

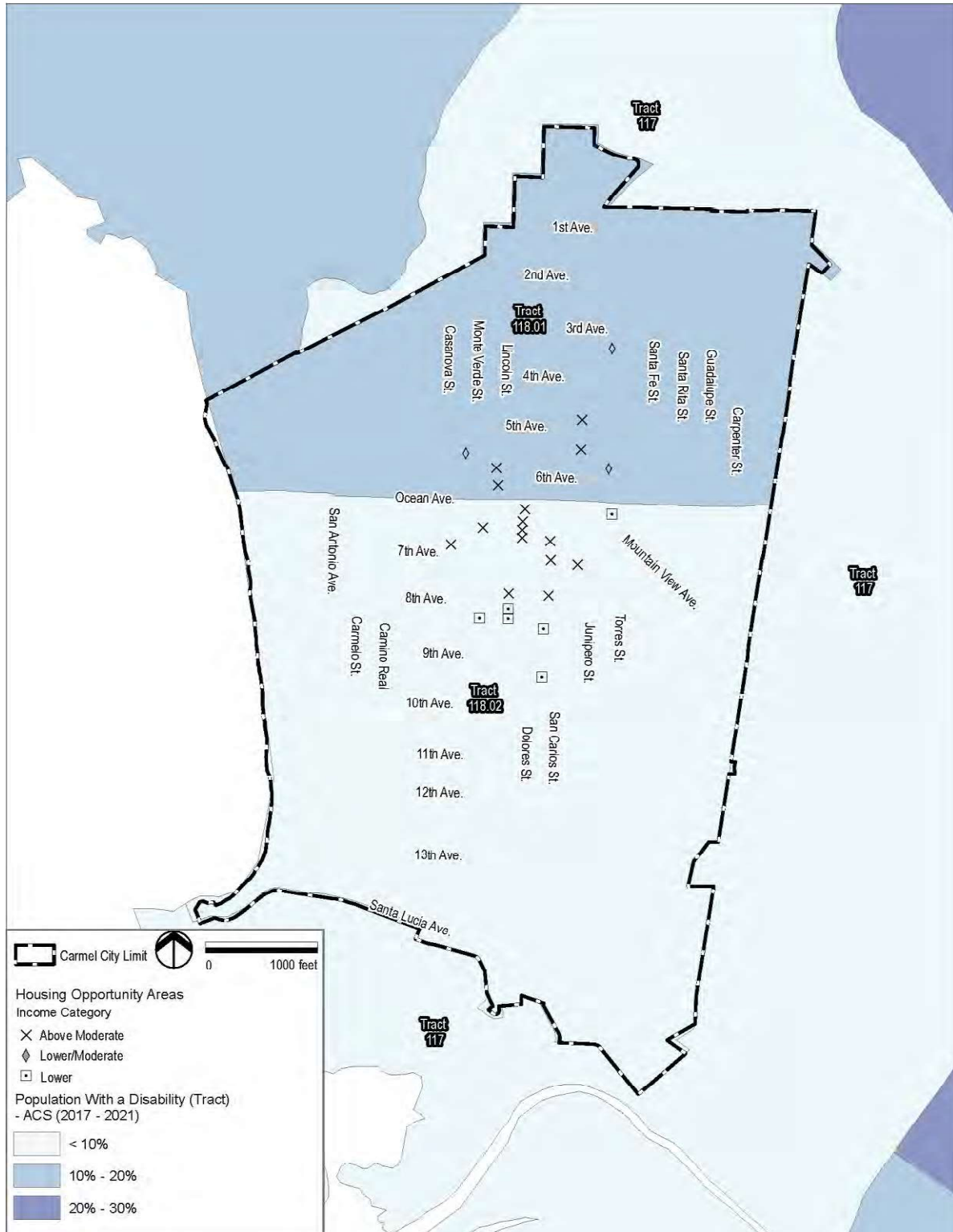
Income Group	Census Tract 118.02	Percent	Census Tract 118.01	Percent
	Population with a Disability 7.7%		Population with a Disability 17.1%	
Very Low-Income	66	30%	30	23%
Low Income	52	24%	12	9%
Moderate-Income	8	4%	25	20%
Above Moderate-Income	91	42%	61	48%
Total	217	100%	128	100%

SOURCE: U.S. Census Bureau ACS 5-Year Estimate, 2021, Table S1810; City of Carmel-by-the-Sea

Census Tract 118.02 is anticipated to accommodate 217 units ranging from very low- to above moderate-income. Of the 217 units, approximately 54 percent are lower-income. Census Tract 118.01 is anticipated to accommodate 128 units ranging from very low- to above moderate-income. Of the 128 units, approximately 33 percent are lower-income. The distribution of units is intended to meet existing housing needs, while also mitigating concentrations of residents living with a disability. Increasing the housing supply throughout the city is expected to mitigate the overpayment, housing scarcity, and displacement that lower-income persons with disabilities are susceptible to.

To address barriers to obtaining accessible and affordable housing for residents/households living with a disability, the City has included Program 3.2.A, which commits the City to revising procedures for reasonable accommodation, as well as reducing and/or waiving permit fees for persons with a disability (see [Chapter 2](#)).

Figure C-11 Sites Inventory Analysis by Population with a Disability, 2021



SOURCE: HCD AFFH Data Viewer; City of Carmel-by-the-Sea

Potential Effect on Disproportionate Housing Needs & Displacement Risk

Overcrowding

Overcrowding is defined as a household with more than one occupant per room excluding bathrooms and kitchens. Units with more than 1.5 persons per room are considered severely overcrowded. According to 2021 ACS data, approximately 1.6 percent of households in Carmel-by-the-Sea experience some level of overcrowded living conditions. [Table C-64](#) and [Figure C-12](#) show the distribution of housing opportunity units at each income level according to overcrowding.

As shown in [Table C-64](#), approximately 63 percent of anticipated housing opportunity units are located in Census Tract 118.02 where no households experience overcrowding. In Census Tract 118.01, approximately 3 percent of households experience overcrowding. Census Tract 118.01 is anticipated to accommodate 128 units ranging from very low- to above moderate-income. As discussed in [Appendix A – Housing Needs and Fair Housing Report](#), the level of overcrowding in Carmel-by-the-Sea is lower than Monterey County and nearby jurisdictions, ranging from 1 to 14 percent.

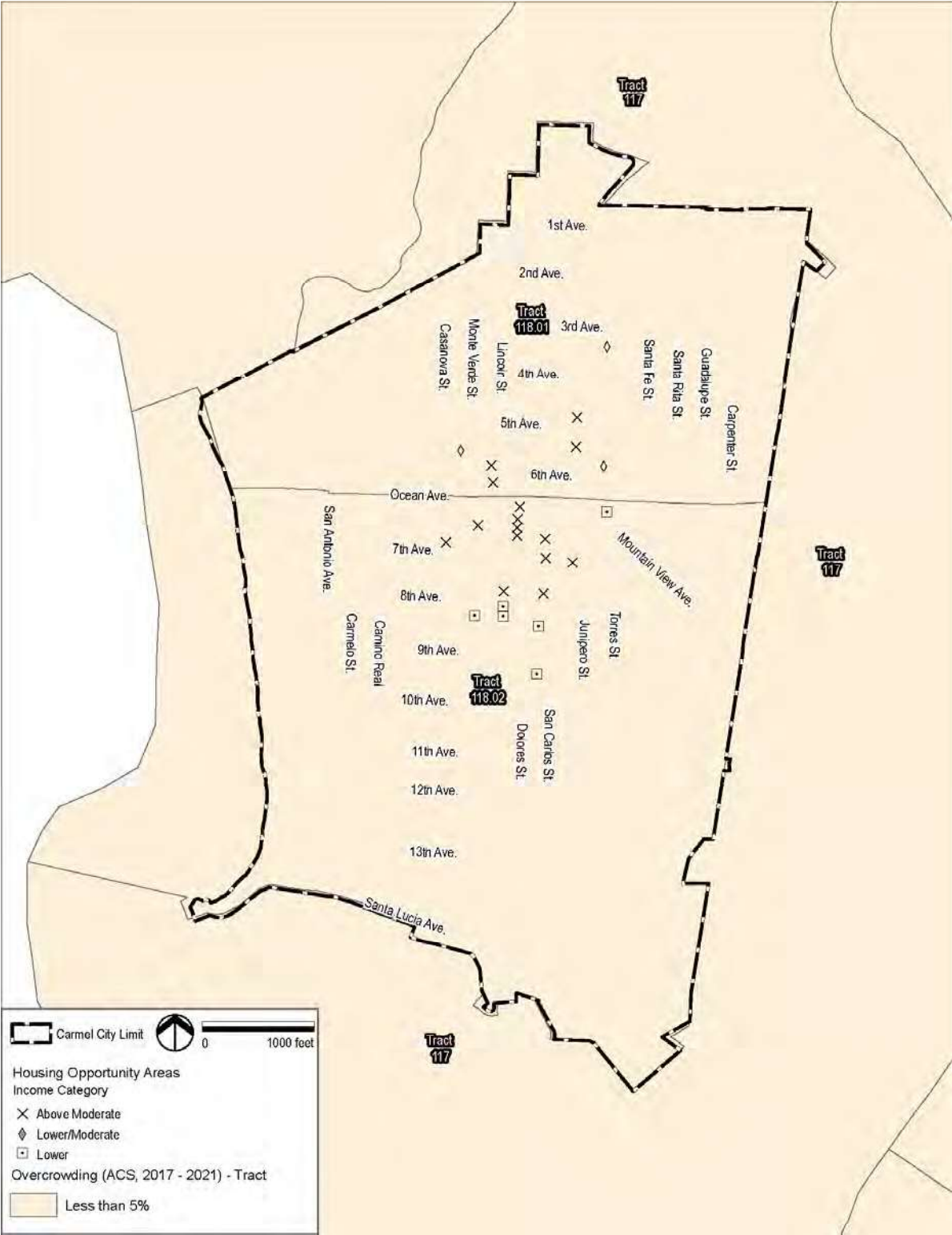
The distribution of housing opportunity units is anticipated to reduce overcrowding by increasing housing supplying throughout the city. A total of 42 lower-income units are anticipated in Census Tract 118.01 to meet the existing need for affordable residential units and mitigate future concentrations. The City has developed a suite of programs to facilitate the development of a variety of housing types for all income levels (Programs 1.3.A, 1.3.C, 1.3.D, 1.3.F, 1.3.G, 1.3.J, 3.3.A, 3.3.B, 3.3.C, 3.3.D, see [Chapter 2](#)).

Table C-64 Sites Inventory Unit Count by Overcrowding, 2021

Income Group	Census Tract 118.02 Household Overcrowding 0%	Percent	Census Tract 118.01 Household Overcrowding 3.3%	Percent
Very Low-Income	66	30%	30	23%
Low Income	52	24%	12	9%
Moderate-Income	8	4%	25	20%
Above Moderate-Income	91	42%	61	48%
Total	217	100%	128	100%

SOURCE: HCD AFFH Data Viewer, 2017-2021; City of Carmel-by-the-Sea

Figure C-12 Sites Inventory Analysis by Overcrowding, 2021



SOURCE: HCD AFFH Data Viewer; City of Carmel-by-the-Sea

Cost Burden & Displacement Risk

Cost burden is measured as households spending more than 30 percent of their gross income including utilities for housing. Consistent with the region, households throughout Carmel-by-the-Sea are overpaying for housing due to rapidly increasing market conditions that outpace wage increases. [Table C-65](#) and [Figure C-13](#) show the distribution of housing opportunity units at each income level according to the percentage of cost burdened renter households.

As shown in [Figure C-13](#), between 40 to 80 percent of households experience cost burden in Carmel-by-the-Sea. In Census Tract 118.01, located north of Ocean Avenue, approximately 52 percent of renter households experience cost burden. Whereas, in Census Tract 118.02, located south of Ocean Avenue, approximately 62 percent of renter households experience cost burden.

As shown in [Table C-65](#), approximately 63 percent of the anticipated housing opportunity units are located in Census Tract 118.02, where approximately 62 percent of renter households experience cost burden. Thirty-seven (37) percent of anticipated housing opportunity units are located in Census Tract 118.01, where approximately 52 percent of renter households experience cost burden. There is no correlation between cost burden rates and resource areas in Carmel-by-the-Sea, as all census tracts are designated highest resource areas, coinciding with low poverty rates (less than 2 percent), and median incomes greater than Monterey County.

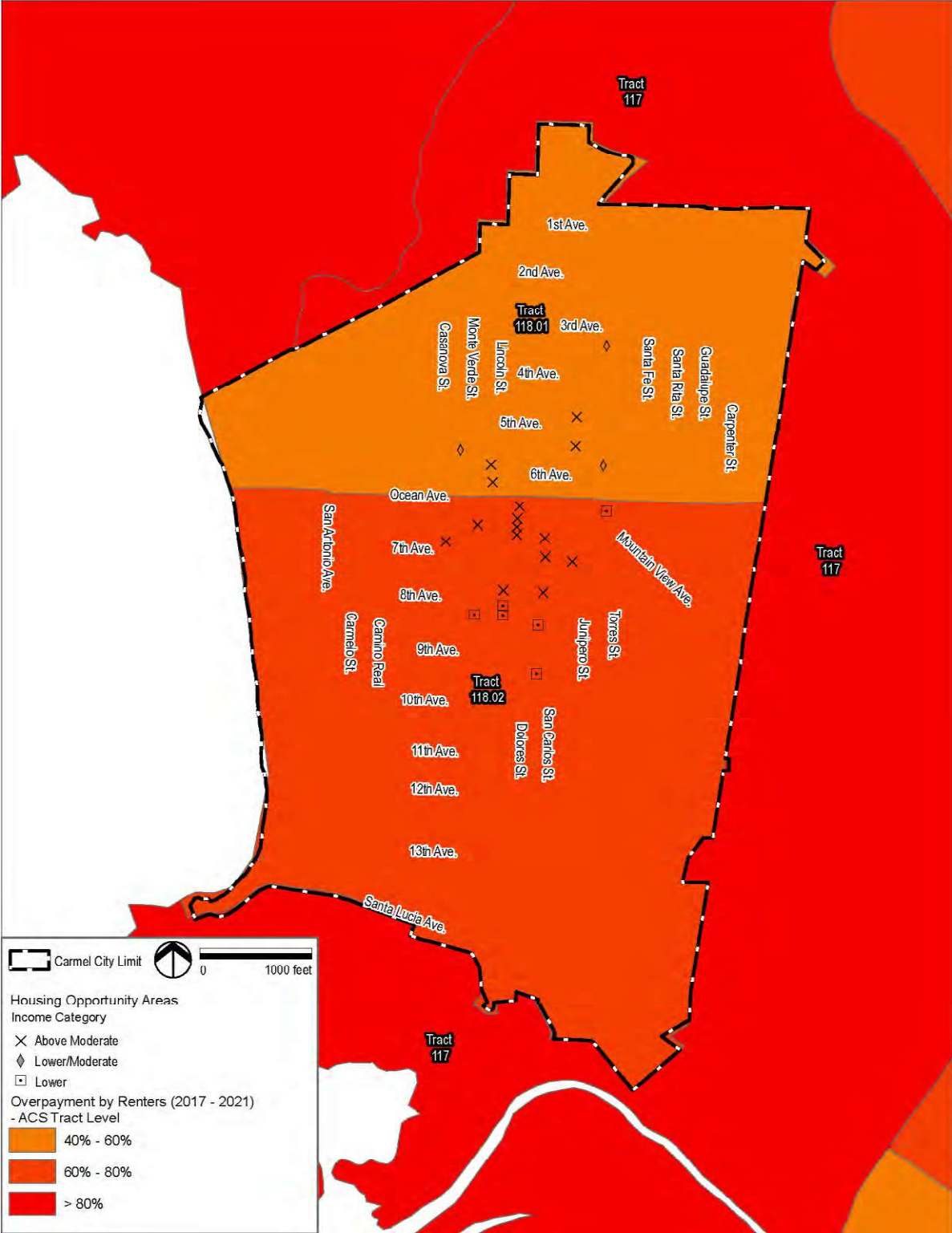
Table C-65 Site Inventory Unit Count by Cost Burdened Renter Households, 2021

Income Group	Census Tract 118.01 Household Overcrowding 52%	Percent	Census Tract 118.02 Household Overcrowding 62%	Percent
Very Low-Income	30	23%	66	30%
Low Income	12	9%	52	24%
Moderate-Income	25	20%	8	4%
Above Moderate-Income	61	48%	91	42%
Total	128	100%	217	100%

SOURCE: HCD AFFH Data Viewer, 2021; City of Carmel-by-the-Sea

Census Tract 118.02 is anticipated to accommodate approximately 74 percent of the City's anticipated lower-income units, and Census Tract 118.01 is anticipated to accommodate approximately 26 percent. The distribution of housing units is intended to alleviate existing conditions of cost burden among renter households by increasing the supply of affordable housing in areas where it is needed most, while also acting as a mitigation measure against segregated living patterns based on income. The City intends the housing site inventory distribution to encourage a balanced environment for future housing development.

Figure C-13 Sites Inventory Analysis by Cost Burdened Renter Households, 2021



SOURCE: HCD AFFH Data Viewer; City of Carmel-by-the-Sea

To address barriers to obtaining affordable housing for lower-income and special needs households, the City has developed a suite of programs to facilitate the construction of housing affordable to lower-income households and support lower-income households through continued education (Programs 1.4.A, 3.1.B, 3.1.C, 3.1.D, 3.1.E, 3.1.F, 5.1.A, 5.1.B, 5.1.C, see [Chapter 2](#)).

Summary of AFFH Analysis of Sites

Generally, Carmel-by-the-Sea is designated a highest resource area with a low level of diversity, low levels of poverty, and predominantly comprised of non-Hispanic White households. The household median income varies slightly according to census tract, ranging from \$90,100 to \$120,000 annually. Household overcrowding also slightly varies according to census tract, ranging from 0 to 5 percent across the city. Additionally, cost burden among renter households varies according to census tract, ranging from 52 to 62 percent of renter households. Residents living with a disability vary according to census tract, ranging from 7 to 17 percent. Lastly, female headed-households comprise a total of 3.6 percent of all households in Carmel-by-the-Sea.

The selected sites for the housing opportunity sites inventory are distributed throughout the city and are anticipated to mitigate segregated patterns of development and increase opportunities through the integration of all affordability levels for housing units. The City has developed a suite of programs to facilitate the construction of housing affordable to lower-income and special needs households, and to support lower-income households. For a comprehensive discussion of the City's goals, policies, and programs to support the development of affordable housing, see [Chapter 2](#).

C.7 Conclusion

The underutilized sites, on-site hospitality employee housing, accessory dwelling units, and pipeline projects identified in this report are sufficient to accommodate approximately 117 percent of the City of Carmel-by-the-Sea's Regional Housing Needs Allocation for the 6th Cycle planning period. Many of the sites identified in this report have existing uses that would need to be temporarily relocated, remodeled, or replaced before new housing could be constructed. Several sites have property owner interest.

Carmel-by-the-Sea has successfully produced the variety of housing types projected to meet RHNA with this 6th Cycle Housing Element update. Examples can be found with [Figure C-14, Example Development Map](#). Further, the incumbent staff, Marnie Waffle, has led four out of the five example projects shared with this image.

Nonetheless, for communities like Carmel-by-the-Sea that are largely built out and surrounded on all sides by natural resources and other communities, redevelopment and densification is the only practical solution to providing its share of housing for the Monterey Bay Area RHNA. By its nature, such redevelopment is more costly and more time consuming than building new units on vacant land.

Figure C-14 Example Development Map



Source: Monterey County GIS 2023



Example Development Map

Carmel Housing & Safety Element Update