

Primary 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 make the property available through the Surplus Land Act process, develop a project

“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

description, and establish an RFP process to solicit developers as well as community input. The City intends to target an Exclusive Negotiating Agreement by Fall 2025 and land use entitlements issuance by Winter 2026.

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](#)).

As previously discussed, the City will follow the requirements of the Surplus Land Act to lease the land to facilitate the development of affordable residential units. 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.