

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

LOCAL AGENCY FORMATION COMMISSION

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Kate McKenna, AICP Executive Officer

MEMORANDUM

DATE: November 30, 2022

TO: Chair and Members of the Formation Commission

FROM: Kate McKenna, Executive Officer, AICP

SUBJECT: Supplemental memorandum #1 transmitting additional correspondence received

regarding December 5, 2022 LAFCO Meeting Agenda Item No. 14 - City of Soledad

Miramonte proposal (LAFCO File #20-01)

After finalizing the agenda packet for the December 5, 2022 LAFCO meeting, our office received a letter and two emails from members of the public commenting on Agenda Item No. 14. This additional correspondence is attached to this memorandum. If we receive further correspondence, staff will continue to forward it on a rolling basis.

Mike Novo Post Office Box 778 Greenfield, CA 93927

November 30, 2022

Dear LAFCO Commissioners:

While I work for many agencies and organizations, these comments are my personal comments. Good planning and preserving the agricultural economy are a passion of mine. I listened to the June 2021 study session and have the following comments on Soledad's request for annexation.

We need affordable housing and it is appropriate for the cities to provide it. I support housing for Soledad's needs and to provide housing for nearby jobs. However, we need the right types of housing in the right locations. By having the Salinas Valley cities provide all the housing needs for the region, we are doing ourselves a disservice to our quality of life and to achieving state and local goals to reduce vehicle miles travelled and greenhouse gas emissions.

Jobs/Housing Balance

In reviewing AMBAG's 2022 Regional Growth Forecast, it is clear that the jobs/housing balance is out of balance within our County. There is not enough housing on the Monterey Peninsula for the jobs and the Salinas Valley cities are short of employment opportunities. That is already the case. It does not stop at the County border. The projections in AMBAG's study show that imbalance will get worse as we move toward 2045. Soledad is projected to have 11% job growth but a 38% housing growth. Salinas projections also demonstrate an increased imbalance going forward (17% v 24%). Gonzales is projected to have 20% job growth, but 133% of housing growth.

We can see this imbalance with our own eyes. A study just tells us what we already experience on a daily basis. Traffic congestion occurs on roads between the job rich areas and the Salinas Valley because there is not enough housing in those areas. Salinas Valley cities should be providing housing for their own needs, not the region's needs. Exacerbating this existing situation will require substantial infrastructure upgrades, or a decrease in quality of life. Commuters use Highway 101, River Road, Highway 68 and roads through Fort Ord to get from their homes in the Salinas Valley to their jobs. There are no plans or funds available to expand the capacity of these corridors sufficient to accommodate the growth proposed in the Salinas Valley. The other cities of the county and region need to help solve this jobs/housing imbalance, not just the Salinas Valley cities.

Converting agricultural land to housing is a trade-off of jobs for housing. We need to be careful to do that in a smart way so that we don't incrementally dismantle, or at least damage, our county's leading economic engine to provide housing for other areas. That includes ensuring that agricultural preservation actions are effective and implemented correctly.

2021 Study Session

If other parts of the county and region do not provide sufficient housing, we will be working against our own interests and goals. At the study session in 2021, I heard Commissioner comments that would exacerbate our jobs/housing imbalance. One said you can get larger houses and property by purchasing down the Salinas Valley. Several said the housing crisis is big and we need to do things differently. The consensus of the Commissioners seemed to be that large annexations were the solution so that infrastructure needs could be funded. The only example of infrastructure discussed was freeway interchanges, but there would have to be substantial investment in other regional infrastructure to accommodate the growth envisioned in the Salinas Valley. None of those infrastructure projects are planned, let alone funded.

I agree that something needs to be done differently, but large annexations are not the answer. Using Commissioner Gourley's numbers from the study session, the cost per unit just for interchange improvements would be over \$40,000 per unit in Soledad. Just for the interchanges! Other funding sources need to be identified for that infrastructure work. You cannot provide affordable housing with a cost burden like that put on housing construction. In addition, when the housing production cycle drops, as Commissioner Gourley correctly stated, the local jurisdiction would have to find a way to pay for that debt. Another cost that does not need to be passed on to the eventual home purchaser is agricultural mitigation. That should be done up front so that it is part of the negotiation between the property owner and the developer.

As also pointed out during the study session, the housing shortage is big, and big ideas are needed to overcome it. Commissioners stated they wanted to meet the needs of the community. We all do, but building more large single family dwellings on large lots will not provide the housing mix needed to address the Commissioner's comments. For single family detached units, local residents will simply get outbid from other areas that have higher paying employment opportunities. That also sets up overcrowding situations where families band together to be able to afford to compete with those outside bids. The pattern will look much like it does now. One Commissioner pointed out that the schools are overcrowded and lacking. I am not sure how large annexations versus phased annexations fix that.

This is the time to change our behavior. I want to be clear; this is a problem of other areas not providing needed housing, not a problem created by the Salinas Valley cities. It is time for the cities in the region to "grow up." That certainly goes for the job rich areas that don't have enough housing.

Housing Location and Type

The MSR prepared for this annexation shows that about 1300 housing units are needed by 2045. This request is for almost twice that much, which means this would accommodate growth to around 2065. Even using the more aggressive RHNA numbers, 90 units per year would be constructed meaning the buildout for this project would be 2050, assuming no other infill opportunities are constructed within the city. All those numbers are based on continuing, if not exacerbating, a jobs/housing imbalance. Dumping the majority of housing construction on

the Salinas Valley cities works against state and local goals to reduce Vehicle Miles Travelled and to reduce our contribution to greenhouse gas emissions. The pattern we are seeing with the growth occurring in the Salinas Valley, and projected to get worse, will work against achieving these goals.

I would suggest that we get away from the large lot, large house being the predominant model if we truly want to provide affordable housing. There needs to be a much wider range of housing types. That supports LAFCO law's intent of "discouraging urban sprawl, preserving open space and prime agricultural land, and efficiently extending government services." We need residents who have the time and energy to participate in making Soledad a community, not spending time commuting.

Conclusion

I support your staff's recommendation to include the area into the sphere of influence and work with the City on phasing the annexation. Good planning and LAFCO law supports this approach. Annexation should occur to accommodate the needs of the community, including a significant need to reduce overcrowding, as well as to accommodate job growth in the vicinity. The infrastructure costs needed to accommodate the jobs/housing imbalance projected by AMBAG, and exacerbated by the Salinas Valley cities providing the majority of the region's housing, is beyond our capacity to absorb, especially while trying to provide affordable housing for our residents.

I encourage the LAFCO Commissioners to put aside their "day job" hats and follow the LAFCO policies and regulations. LAFCO law states that "members appointed on behalf of local governments shall represent the interests of the public as a whole and not solely the interests of the appointing authority." Cortese-Knox-Hertzberg regulations seek an efficient balance of orderly growth versus containing sprawl and preserving agricultural land. It is your role as a Commission to help get us to that balance through your annexation actions. The local jurisdictions also must plan for a wider array of housing types. Lastly, the job rich areas need to provide the right type and amount of housing, not make bedroom communities out of the Salinas Valley cities. These actions will reduce the need for expensive, regional infrastructure as well as meet state and local goals.

You have good policies adopted by your Commission that provides guidance on this annexation request. Please don't exacerbate a clear housing imbalance in this county. Please follow your staff's professional, and well thought out, recommendations.

Sincerely,

Mike Novo

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cc: City of Soledad (Brent Slama)

From: <u>Ida Nishimura</u>

To: McBain, Darren J. x5302; landwatch@landwatch.org
Subject: Comments on Miramonte Specific Plan Annexation
Date: Tuesday, November 29, 2022 12:55:40 PM

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe.]

Dear Local Agency Formation Commission (LAFCO) of Monterey County,

As a recipient of an inclusionary home in Salinas, I know the importance of affordable homes. The lack of such homes is dire in Monterey County. I join LandWatch in urging you to oppose Soledad's annexation of the Miramonte Specific Plan area as currently proposed. The Plan's failure to provide sufficient, integrated, and concurrent affordable housing is inconsistent with the Soledad General Plan, its Housing Element, and state policies.

Few Soledad families can afford the \$600,000+ single family homes that make up the majority of the project. More problematically, these are the only kinds of units that will be produced in the first four phases of the project, which will build 636 low-density single family units.

Please ask Soledad and the Miramonte Specific Plan developer to revise its application to address the issues Soledad residents and LandWatch have raised.

Sincerely,

Ida Nishimura Salinas From: <u>shelley wilkinson</u>

To: McBain, Darren J. x5302; landwatch@landwatch.org
Subject: Comments on Miramonte Specific Plan Annexation
Date: Tuesday, November 29, 2022 3:17:52 PM

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe.]

Dear Local Agency Formation Commission (LAFCO) of Monterey County,

I join LandWatch in urging you to oppose Soledad's annexation of the Miramonte Specific Plan area as currently proposed. The Plan's failure to provide sufficient, integrated, and concurrent affordable housing is inconsistent with the Soledad General Plan, its Housing Element, and state policies.

Few Soledad families can afford the \$600,000+ single family homes that make up the majority of the project. More problematically, these are the only kinds of units that will be produced in the first four phases of the project, which will build 636 low-density single family units.

Please ask Soledad and the Miramonte Specific Plan developer to revise its application to address the issues Soledad residents and LandWatch have raised.

Sincerely,

Shelley Wilkinson Seaside, CA

Sent from my iPhone