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September 9, 2002

Mayor and Council Members Chair and Members, City Planning Commission City of Salinas, Salinas City Hall 200 Lincoln Avenue Salinas, CA 93901

RE: The Salinas General Plan Update – A Time For Extraordinary Actions

Dear Mayor Caballero and Council Members:

LandWatch has previously provided comprehensive comments on the Draft Environmental Impact Report prepared on the June 2002 Draft Salinas General Plan. This letter is to comment on the Draft General Plan itself, and to outline changes that LandWatch believes would strengthen the June 2002 Draft.

We hope that the Council will seriously consider the suggestions we make in this letter, which we will present to you officially at your September 16, 2002 public hearing. LandWatch also hopes that the City Council will take the time necessary to make changes to the June 2002 Draft General Plan, so that the General Plan as finally adopted will be a stronger and better document.

The Draft General Plan that will come before you on September 16th has many positive features. As outlined below, however, we believe that the Draft General Plan can be—and should be—significantly strengthened and improved. The General Plan that you adopt this year will have a profound impact on what happens in the City of Salinas over the next twenty years. Almost certainly, Salinas will experience unprecedented growth pressures during this time. The General Plan you adopt should include measures that will help Salinas "defend itself" from these growth pressures.

Strong General Plan policies on housing, school construction, agricultural land preservation, infrastructure and city finance can help ensure that the future growth and development of Salinas will result in positive, and not negative, impacts on its economy, environment, and on social equity. Absent the kind of strong General Plan policies outlined in this letter, it is all too likely that future growth will result in:

- Higher housing costs, resulting in housing that is ever less "affordable" to persons who live in or work in Salinas.
- Increasingly overcrowded and substandard schools.

- An accelerated loss of agricultural land, with dramatically negative impacts on the local economy.
- More traffic, more noise, and a decline in the quality of life now available to Salinas residents.
- Significant new costs to the city and its residents, with resulting cutbacks in the level of services currently available.
- All the negative social impacts that go along with a community that fails to meet the basic housing and educational needs of the majority of its residents.

Salinas is in an unusual and extraordinary position, which is why it needs to take extraordinary measures in its General Plan. The Silicon Valley is 30-40 miles away. That means that it is also about 30-40 minutes away, in terms of commute times. The Silicon Valley is one of the most dynamic centers of business expansion in the entire world. The "market" in which Salinas finds itself includes the Silicon Valley. This means that whatever is offered for sale in Salinas is offered to a market that includes over a million people who have an average income almost double the average income of a Salinas resident.

If the City of Salinas allows residential developments that are just like what is offered in the Silicon Valley—but that cost less—the people with the most money will buy the houses that Salinas allows to be built. That is what a "market economy" is all about. Some people call it the "Golden Rule." Those who have the gold make the rules.

The General Plan policies recommended in this letter are an exercise in <u>realism</u>. The "geopolitical" reality is that private developers will attempt to build for the "market," and the market includes the Silicon Valley. In fact, the Silicon Valley will dominate the market in which Salinas finds itself, and ever more so as time goes on. The Salinas City Council needs to do something, in its General Plan, that recognizes the real situation, and that attempts to protect the interests of its residents. We think the following policies are worthy of adoption. If the Council prefers some other approach, we again urge the Council to <u>take the time necessary to strengthen</u> the General Plan, to avoid all the negative impacts that are otherwise so clearly predictable.

Here are the areas where LandWatch thinks changes are needed:

1. Housing

As we note above, unless some extraordinary or unusual efforts are made, the normal housing "market" will not produce housing that can be afforded by an average income or below average income person who resides in or works in Salinas. We are urging the City to take "affirmative action" to make certain that future residential development will result in better housing opportunities for local residents and workers. We recommend a number of different "strategies," to help achieve that objective. Specific policies are provided at the end of this letter. In brief, we recommend policies that will:

- Make a strong "inclusionary" requirement part of the General Plan.
- In Future Growth Areas, increase the amount of medium and higher density housing, relative to low-density housing, to make sure that new houses will be more affordable to local residents and workers.

- Provide a mechanism to ensure that new housing is offered to local residents and workers first.
- Ensure that medium and high-density housing is well designed, and meets community needs, to avoid a duplication of the kind of poorly designed "high density" housing currently found in East Salinas.
- Require commercial and office developments to become "mixed use," to maximize housing opportunities.
- Encourage the "reuse" and "private redevelopment" of underutilized lands within the existing city, to increase the amount of affordable rental housing.

Inclusionary Housing – As you will see from the specific recommendations at the end of this letter, we believe that the City should establish a 40% inclusionary requirement for any new housing built on lands that are not now inside the city. We recommend this figure, rather than the 50% or 60% figure that would certainly be justified by the demographics of the city, because CHISPA, the County's most successful nonprofit developer of affordable housing, has stated that the 40% inclusionary requirement is achievable (with 10% set aside for very low income persons, 15% for low income persons, and 15% set aside for "moderate" income persons). We think the Council should trust CHISPA, and set the inclusionary figure at 40%.

If the Council doesn't want to impose a 40% requirement, we urge it to impose the highest percentage (up to 40%) that it decides is appropriate. We note that the County of Monterey has recently decided on a 20% inclusionary figure. Salinas deserves great commendation for its strong history of requiring inclusionary housing. However, the current 12% inclusionary percentage should be increased, in view of the housing crisis confronting the community.

It is particularly important that the City increase the inclusionary requirement at this time, before lands are annexed. The value of land outside the city limits is much less than the value of the same land once it is added to the city. The increase in value is truly dramatic. Agricultural land may sell for something like \$20,000 per acre. The value of the same land, when zoned for urban development, can be \$200,000 per acre. A significant inclusionary requirement, in fact, is the way that the residents of the city can benefit from the increased land value that is caused by the residents accepting responsibility for the land annexed.

Whatever inclusionary percentage is ultimately determined to be appropriate (even if it is only the current 12%), we urge the Council to<u>include that inclusionary percentage, as a minimum, in the General Plan.</u> Placing policies in the General Plan helps ensure that they will not be "waived" in the future.

Increase The Amount of High and Medium Density Housing – The June 2002 Draft General Plan says that most of the new housing will be built at low density residential standards. That means, as a practical matter, that most of the new housing called for in the Draft General Plan will not be affordable to the average income person who lives in or works in Salinas. The following Charts outline the general situation:

Density Type Acres Percentage of Housing Type Percentage of Specified In Allocated in Total Acres Affordable By General Plan General Plan Allocated Population of Salinas in Income Category

Residential Low Density	1042	61% of Total Acreage	Above Median Income	21% of Population is Above Median Income
Residential Medium Density	515	30% of Total Acreage	Median Income (Median Income For Salinas is \$43,720)	22% of Population is Median Income (Actually Less. This is a generous estimate)
Residential High Density	160	9% of Total Acreage	Below Median Income	57% of Population is Below Median Income

LandWatch urges the Council to "rearrange" the amounts of land set aside for the different density ranges, to allocate <u>more land for densities that will result in housing that median and below median income persons can afford.</u> The current plan allocates only 9% of the acreage for housing that 57% of the population of Salinas can afford. It allocates 61% of the acreage for housing that only 21% of the population can afford. Looking at it from the perspective of the number of housing units, instead of the number of acres, the disproportion, while less, is still extreme. The Draft General Plan projects only 17% of the housing units to be built will be affordable by 57% of the current population.

In addition, <u>LandWatch urges the Council to establish minimum densities for all of its residential land use designations</u>, to make sure that developers don't "under develop" lands that are being counted upon to provide housing for lower income persons.

Give Local Residents and Workers The "First" Opportunity For Housing – The policies we advocate, contained at the end of this letter, would require the City to set up an administrative mechanism to ensure that residents of and workers in Salinas get a maximum opportunity to participate in the review of proposed new housing developments, and that local residents and workers will get the "first opportunity" to rent or purchase all new housing constructed. This is an extraordinary policy recommendation—but Salinas is in an extraordinary situation. Genuine "affirmative action" on behalf of local workers and residents is needed. Otherwise, they will simply be "outbid" by people who have higher incomes, earned elsewhere.

Insure Good Housing Design – The kind of "high density" housing that has been built in the past leads to significant social and community problems. The policies we recommend would make sure that high and medium density housing built in the future will provide residents with the type of community facilities and amenities that will make these higher density developments attractive and livable.

LandWatch also recommends policies to make more certain that parks and libraries are made available, as needed, as new growth occurs. Our specific suggestions strengthen the policies of the June 2002 Draft

Require "Mixed Use" Developments To Maximize Housing Opportunities – The policies we recommend go beyond "allowing" developers to utilize "mixed use" techniques to increase housing opportunities. They require such development, as a general principle. Again, this may seem like an extraordinary policy. It's a policy that could have extraordinary and very positive results.

2. Schools

State law makes it very difficult (almost impossible) for the City to turn down a development that it knows will overcrowd local schools. In fact, the City is directly prohibited from denying a development on that ground. You can turn down a development because it will overload the sewer system, or the storm drainage system, but you can't deny a project because it will overload the school system.

Given that current state law, the policies we recommend would give the City the maximum leverage possible, to make sure that new developments don't overwhelm the local school districts.

3. Agricultural Land Preservation

LandWatch believes that the City of Salinas should modify its Land Use Map, and that it should significantly reduce the amount of land it proposes to annex and develop over the next twenty years.

That said, the policies we recommend would not result in any such change. Our recommended policies on agricultural land preservation are intended simply to make sure that the lands that the Draft General Plan says are agricultural will actually remain agricultural, over the twenty-year life of the General Plan.

Protecting commercially viable agricultural land for agricultural use is an economic issue, not an environmental issue. The policies we recommend are truly "modest," but that is not to say that they would be ineffective. They would make a real difference. We urge the Council to provide the maximum protection possible for the lands that the Draft General Plan indicates should remain in agricultural use.

4. Traffic, Noise, and Water

The Draft Environmental Impact Report indicates that Salinas will experience increased traffic congestion, noise, and diminished water resources if various planned infrastructure improvements are not in fact built as forecast.

We recommend policies to insure that if infrastructure starts falling behind, new growth will be suspended, until the necessary infrastructure is in fact made available. The current Draft General Plan doesn't have this kind of "circuit breaker" policy. It needs such a policy, to protect the city's quality of life, and to tailor future growth to the infrastructures and services needed to support it.

5. City Finance

We recommend policies to help make sure that the City's finances are not undermined, as new development occurs. "Bigger" is not (automatically) "better." The opposite may be the case. The most common result in fast-growing California cities is for new development to benefit the developers, and to lead to a genuine economic crisis for the local community, with increased debt, and a diminished level of services. We hope the City will strengthen the policies in its Draft General Plan, to address this very "real life" concern.

6. Other Issues

The LandWatch / Creekbridge Design Principles – We believe that these principles should be incorporated into the final General Plan. They are in addition to, and not a substitute for, the other policies we recommend.

No Roads In Carr Lake – We strongly urge the City Council to remove the new roadways shown on the Land Use Map, cutting through the center of Carr Lake. We believe these roadways are inconsistent with other provisions of the Draft General Plan, and are ill advised.

No "Eastern Bypass" — We urge the Council to remove the so-called "Eastern Bypass," not only because of its conflict with the Airport (which is not an inconsiderable problem), but because it would have growth-inducing and traffic generating effects that would injure, not assist, with traffic problems in the City. The City should use land use planning techniques to reduce the need for this kind of new roadway.

Thank you for taking our comments into consideration. As noted above, our specific policy recommendations are outlined on the following pages.

Very truly yours,

Gary A Patton, Executive Director LandWatch Monterey County

cc: City Manager

City of Salinas Planning Staff
Salinas Planning Commission
Salinas Library Commission
Salinas School Districts
Monterey County Board of
Supervisors
CHISPA
Latino Issues Forum
Líderes Comunitarios de Salinas
Citizens For Responsible Growth
CSUMB Watershed Institute
Housing Advocates
Interested Persons
LandWatch Website
(www.landwatch.org)

Specific Policy Recommendations

LandWatch Monterey County urges the Salinas City Council to include the following policies in the final version of the Salinas General Plan. Each numbered policy contains the specific language we recommend:

Housing -

- 1. A Policy Commitment To Affordable Housing The lack of adequate affordable housing within the community is causing extremely serious economic, public safety, social, and environmental problems. These problems constitute a community crisis, and absent the policies established within this General Plan, new commercial and residential developments within the community will make these problems worse. It is critically important for the public health, safety, and welfare that all new developments within the community help provide additional housing opportunities for persons who live and work in the community, and particularly for those persons with very low, low, or moderate incomes.
- **2.** "Affordable Housing" Defined "Affordable housing" for persons and families with "very low incomes" shall be defined as housing that is capable of purchase or rental by persons or families with incomes at or below 50% of the median income in this community, with the understanding that a person or family with a very low income should not be required to use more than 30% of that income to meet housing needs.
 - "Affordable housing" for persons and families with "low incomes" shall be defined as housing that is capable of purchase or rental by persons or families with incomes from 50% to 80% of the median income in this community, with the understanding that a person or family with a low income should not be required to use more than 30% of that income to meet housing needs.
 - "Affordable housing" for persons and families with "moderate" incomes shall be defined as housing that is capable of purchase or rental by persons or families with incomes from 80% to 120% of the median income in this community, with the understanding that a person or family with a moderate income should not be required to use more than 30% of that income to meet housing needs.

In all cases, when housing is constructed within the community as "affordable housing," such housing will be capable of purchase or rental by persons of very low, low, or moderate incomes, and will be permanently protected for sale or rental to persons and families with very low, low, or moderate incomes, through deed restrictions or other equivalent and effective methods.

3. An "Inclusionary" Requirement For New Residential Developments – When lands are annexed to the City for the construction of residential housing, an affordable housing requirement shall be imposed as a condition of project approval: 10% of the housing units constructed shall be capable of purchase or rental by persons or families with very low incomes; 15% of the housing units constructed shall be capable of purchase or rental by persons or families with low incomes; and 15% of the housing units constructed shall be capable of purchase or rental by persons or families with moderate incomes. All such housing shall truly be "inclusionary," and shall be constructed within each individual development. No offsite transfer of such inclusionary units shall be permitted. All

inclusionary affordable housing shall be built either prior to or concurrently with the market-rate housing built within the residential subdivision or residential housing development, and all such inclusionary housing shall be permanently protected for sale or rental to persons and families with very low, low, or moderate incomes, through deed restrictions or other equivalent and effective methods.

- **4. New Jobs And New Housing Go Together** When newly constructed professional office, industrial, or commercial facilities create 50 or more new jobs, the employers utilizing these new facilities shall be required to help provide, directly or indirectly, new, permanently affordable living quarters, to help meet the housing demand generated by the new jobs.
- 5. Establish Minimum Density Requirements The Land Use Classification System established within the General Plan shall provide for minimum as well as maximum densities within each of the Residential Land Use Designations. The minimum density for the Residential Low Density Land Use Designation shall be 6.5 DU/Net Acre. The minimum density for the Residential Medium Density Land Use Designation shall be 11.75 DU/Net Acre. The minimum density for the Residential High Density Land Use Designation shall be 16.75 DU/Net Acre.
- **6. More Land For Medium and Higher Density Development** Of all those lands designated for residential development within the community:
 - No more than 40% shall be designated for low-density residential development.
 - 40% or more shall be designated for medium-density development; and
 - 20% or more shall be designated for high-density residential development.

The Land Use Map included within the General Plan shall reflect these designations.

- 7. Ensure A Range of Housing Types New residential developments shall include a mix of low-density, medium density, and high-density units.
- 8. "Mixed Use" Developments To Increase Housing Opportunities New commercial and professional office developments within the City shall incorporate residential housing opportunities on site. Existing commercial and professional office developments shall be encouraged to redevelop and reconfigure uses to incorporate new residential housing opportunities. Notwithstanding this general rule, the City may make a finding that it would be inappropriate to require on site residential housing in a proposed new commercial or professional office development, and in that case shall require equivalent residential housing to be constructed at an offsite location.
- **9. Design Housing To Meet Community Needs** Every new residential development constructed at either Medium or High Density shall incorporate all of the following design features:
 - B On site recreational facilities, appropriately sized to serve the needs of the residents of the development.
 - ß On site childcare facilities, or the provision within the development of one or more units specifically designed to accommodate family day care, including necessary outdoor space, and appropriately sized to serve the needs of the residents of the development.
 - ß Indoor space, including simple kitchen and restroom facilities, to accommodate

educational, social service, and similar programs, and appropriately sized to serve the needs of the residents of the development.

10. First Right To Rent or Purchase – The City shall establish, maintain, and administer a list of persons who live in or who work in the community, and who are interested in renting or purchasing new housing to be constructed in the community. The government shall give written notice to everyone on this list whenever a new housing development of five or more units is proposed, and is set for public hearing.

When residential housing developments are approved within the City, or within any area proposed to be annexed to the City, it shall be a condition of approval that the new residential units constructed shall first be offered for rental or sale to individuals who currently live in or work in the community, and who have indicated their interest in renting or purchasing new housing constructed in the community by having their names placed upon the list maintained by the City.

- 11. Parkland To Be Provided Developments within Future Growth Areas shall be conditioned to provide all the land and improvements required to achieve the parkland standard of three acres of developed public parkland per 1,000 residents, and to construct and provide the facilities necessary to meet existing and future park acreage needs, as referenced in Table COS-5. All new parks constructed within the City shall meet, at a minimum, the park standards established in Table COS-2.
- **12. Libraries To Be Provided** New developments shall be conditioned to provide the funding necessary for the City to achieve the recommended standard of 0.5 square feet of library space per capita.

Schools -

- 13. Notice To School Districts When Developments Proposed When any person submits an application to the City for the development of fifty or more residential units on property either in the City, or proposed for annexation into the City, a full copy of that application will promptly be furnished to each school district in which such property is located. Each affected school district will be formally invited to submit a report to the City, documenting any impacts that the school district believes might be caused by approval of the application. Upon request, City staff will consult with and assist each affected school district in submitting such a report. A full copy of the report submitted by a school district, pursuant to this policy, will be furnished to the Planning Commission and the City Council, at the time that the Planning Commission and the City Council considers the project application.
- 14. School District Consultation Prior to Project Approval Prior to the approval of any application for the development of fifty or more residential units, the City shall consult with each school district in which the property proposed to be developed is located. If a school district submits a report documenting that the proposed development, if approved, could have negative impacts upon existing school facilities, and requests that some or all of the property proposed for development be reserved as a school site, the City Council shall take action to amend the City General Plan to designate an appropriate and adequate portion of the property as a school site, pursuant to the authority provided by Government Code Section 65998.
- **15. Recognition of School Overcrowding** If, pursuant to Government Code Section 65971, the governing body of a school district which operates an elementary or high school has notified the City Council that conditions of overcrowding exist in one or more attendance

areas within the district, and that these conditions of overcrowding will impair the normal functioning of educational programs, and if the City Council has concurred in the findings submitted by the district, then the City Council, basing its authority on Government Code Sections 65996(a)(2) and 65997(a)(7), and Government Code Section 65972, shall not approve an ordinance rezoning property to a residential use, grant a discretionary permit for residential use, or approve a tentative subdivision map for residential purposes within such areas, unless the City Council makes a finding that there are specific overriding fiscal, economic, social, or environmental factors which justify the approval of a residential development.

Agricultural Land Preservation –

- **16. Protection of Lands Designated "Agriculture"** Land designated as "Agriculture" on the Land Use and Circulation Policy Map (Figure LU-3) shall be protected and preserved for agricultural use.
- **17. No Utilities on Agricultural Lands** The City shall not extend sewer or water services into or across any lands designated as "Agriculture" on the Land Use and Circulation Policy Map (Figure LU-3).
- 18. Agricultural Land Protection Boundary An Agricultural Land Protection Boundary is hereby established. All of the areas located within the Agricultural Land Protection Boundary may be developed, consistent with the provisions of this General Plan. The following lands designated on the Land Use and Circulation Policy Map (Figure LU-3) are hereby determined to be within the Agricultural Land Protection Boundary, and are therefore potentially developable according to this policy: Residential, Retail, Arterial Frontage, Office, Business Park, Mixed Use, General Commercial/Light Industrial, General Industrial, Parks, Public/Semipublic, and Open Space. All areas designated for Agriculture on Figure LU-3 are hereby determined to be outside the Agricultural Land Protection Boundary. Until December 31, 2025, no new development other than public parks and open space uses (including agricultural uses) shall be permitted outside the Agricultural Land Protection Boundary. For the purpose of this policy, open space uses are those uses defined in Government Code Section 65560, as that section of law exists on September 1, 2002.

Traffic, Noise, and Water -

19. Adequate Infrastructure – The City shall regularly monitor the adequacy of the City's infrastructure to support new development, as new development proceeds under the provisions of this General Plan.

Before approving any new residential or other development, the City Council shall require that adequate water and wastewater facilities, roads, parks, libraries, public safety services, and all necessary infrastructure improvements will be provided prior to or concurrent with actual construction of the new development.

Impact fees shall be imposed, or other arrangements shall be made as a condition of any project approval, to insure that required infrastructure, public facilities, and public services will be provided in accordance with this policy and the other requirements of the General Plan, and consistent with the Environmental Impact Report prepared in connection with the adoption of this General Plan.

Residential and other developments not located within Future Growth Areas shall be conditioned to provide the funding necessary to carry out infrastructure repairs and to make

the improvements needed to eliminate the deficiencies in the City's current facilities, as identified in Table COS-3.

City Finance -

Cost-Benefit Analysis – A cost-benefit analysis or fiscal impact report shall be prepared prior to the consideration or approval of new residential subdivision project of six or more housing units, to determine the impacts that additional residential units will have on existing Salinas neighborhoods and on the community as a whole. The cost-benefit analysis or fiscal impact report shall include an examination of the fiscal and service impacts of the proposed project on roads, water, sewer, storm water runoff, fire, police, schools, libraries and other community facilities. Such cost benefit analysis or fiscal impact report shall identify any impact fees necessary to offset the public costs that would be caused by the proposed project.