October 24, 2001

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

RE: "Preferred Alternative" For Salinas General Plan Update

Dear Mayor Caballero and Council Members:

On October 25<sup>th</sup>, your Council is expected to establish a "preferred alternative" for the Land Use and Circulation elements of the Salinas General Plan. This "preferred alternative" will guide preparation of the draft General Plan Update for the City of Salinas.

We think the "preferred alternative" for the General Plan Update should outline a future that the City Council truly "prefers." While there will certainly be future environmental review and public comment, and an opportunity to make changes in response to that review and comment, the designation of a "preferred alternative" by the Council on October 25<sup>th</sup> will establish the Council's basic vision for the future of Salinas. Deciding upon a "preferred alternative" is the second most important decision you will make in the entire General Plan Update process. The *most important decision*, of course, will be your final decision, sometime next year.

LandWatch deeply appreciates your willingness to hold a public hearing before deciding how to frame the "preferred alternative." In this letter, we attempt to outline a positive approach, and to highlight a number of key issues. We summarize our specific recommendations at the end of this letter. Thank you very much for taking our views into consideration.

- 1. The Power of Policy: State law requires virtually every planning and zoning decision made by the City to be "consistent" with the City's General Plan. That is why the General Plan is called the "Constitution" for land use in the city. If the General Plan contains a strong, clear, and unambiguous statement of policy, then that policy will have to be followed in subsequent City Council decisions. We hope that the City Council will direct its staff to include a number of strong and specific policies in the "preferred alternative," so that future growth will conform to the real preferences of the Council and the community.
- 2. Rancho San Juan: In the past, members of the City Council have stated their individual opposition to the proposed Rancho San Juan development, and the City of Salinas has officially opposed this development. If the City believes that the Rancho San Juan development is not the kind of development that would benefit Salinas, then the City of Salinas should not adopt a plan that would permit it to go forward.

Presumably, the only reason for the City to plan for a development that it doesn't want is because the Council believes that the development is "inevitable," and the City's efforts might, in some way, result in a "better" development than the County of Monterey would otherwise approve. However, Rancho San Juan is far from "inevitable." If Salinas indicates in its new General Plan that it is proposing development on Rancho San Juan, then this will tell the County that development is "alright" from the City's point of view. If the City of Salinas doesn't want development on Rancho San Juan, it needs to state that clearly—and to let the County know its position. Taking the position that the development is "ok" if done by the City will be an argument in favor of the Rancho San Juan development.

As City Council Members know, the County is redoing its own General Plan. While the County's current General Plan would permit the development of Rancho San Juan, the official General Plan objectives for the new General Plan actively discourage developments like Rancho San Juan. A specific designation of Rancho San Juan as an "Area of Development Concentration" was removed from the statement of objectives adopted by the County Board of Supervisors—and the Board's decision was unanimous.

There is no reason to believe that the Board of Supervisors is committed to building Rancho San Juan. It is true that the Board of Supervisors is under a court order to consider a Specific Plan that would allow the Rancho San Juan development, but while the Board has to "consider" that plan, it doesn't have to approve it. If Salinas indicates that the development of Rancho San Juan is "ok"—by planning for the development within the City's General Plan—then that will be an argument used at the Board of Supervisors in support of the Rancho San Juan development.

LandWatch supports the Planning Commission's recommendation to the City Council, with respect to Rancho San Juan. If the City of Salinas doesn't think that the development of Rancho San Juan is a good idea, then that development should be removed from the City's "preferred alternative."

- 3. Housing For The Essential Workers of Salinas: LandWatch believes that new housing should serve local working families. Tying new housing developments to new jobs created in Salinas is one way to make that happen. Two other policy requirements can also help. We urge the City Council to direct its staff to include a "Housing For Salinas" policy in its "preferred alternative," to include affirmative provisions to ensure that new housing developed in the City will be directed to the needs of local working families. Both of the following provisions should be considered for inclusion in this "Housing For Salinas" policy:
  - Any annexation of land to the City of Salinas for residential development will only be pursued by the City if an enforceable agreement has first been entered into between the City and the land owner, committing the land owner (or any successor in interest) to develop housing on the land that is enforceably restricted and permanently protected for sale or rental to persons who have

incomes that reflect the range of incomes of the residents of Salinas at the time the annexation is proposed.

Any residential housing development constructed in the City of Salinas shall provide that at least 25% of the new housing built shall be enforceably restricted and permanently protected for sale or rental to families who have family incomes equal to or lower than the median family income in Salinas at the time that the housing development is approved. No "in lieu" payments should be permitted, and actual construction of the housing, included within the new development, shall be required.

Policy requirements contained in a General Plan do have "power." They are requirements that must be followed. The two suggested policies, above, have been implemented by other jurisdictions—and they do work! If the City of Salinas "prefers" that new housing in Salinas actually meet the needs of local working families, then the General Plan should reflect that preference as a policy requirement. Otherwise, the City will continually confront proposals for housing developments that will provide the greatest profit to developers and landowners—instead of meeting the community's urgent housing needs.

Housing sold to the "market" is housing sold in a market that includes the entirety of the Silicon Valley. Absent some action by the City, persons with incomes generated outside of Monterey County will be able to "outbid" local working families for new housing constructed here. <u>Unless the City of Salinas "prefers" to build bedrooms for out of county workers</u>, the new General Plan should contain a set of "Housing For Salinas" policies, like those outlined above.

4. Schools and Infrastructure: Past residential growth has overwhelmed local schools, and has overtaxed other aspects of the infrastructure needed to service new growth. The City's "Land Use Plan" is not only a "map." It's a statement of policies, too—and depending on how those policies are written, the Land Use Element of the City's General Plan can provide great protection to current and future residents, making certain that new growth doesn't overwhelm the services that such new growth requires.

LandWatch urges the City Council to direct its staff to include a "Schools and Infrastructure Policy" in the "preferred alternative" for the General Plan Update. This "Schools and Infrastructure Policy" would consist of a clear and unambiguous requirement that new development provide necessary school capacity, and other necessary infrastructure and services, *before* development can proceed.

5. New Lands To Be Annexed, Population Growth, and Density: The consultants and city staff recommend that the "preferred alternative" for the General Plan Update include a proposal to annex and develop over 4,000 acres of land now located outside the City of Salinas. Most of the land proposed for annexation and development is commercially productive agricultural land.

LandWatch believes that the acreage currently proposed for annexation and development is excessive. The correct planning figure should be based on all of the following: (1) a commitment to minimize the conversion of commercially productive agricultural land; (2) population projections that are consistent with the official population projections for the region; and (3) a commitment to require development densities that use land efficiently. Our thoughts are more fully outlined below, and we provide a specific recommendation for Council adoption at the end of our letter.

6. Minimize the Conversion of Commercially Productive Agricultural Land:

If someone proposed converting existing factory and manufacturing facilities in the Silicon Valley to shopping centers and residential subdivisions, people would think they were "crazy." Those facilities are both "job-producing" and "wealth-producing." Exactly the same thing is true with respect to the agricultural lands surrounding the City of Salinas. These fields are both "job producing" and "wealth producing" for the local economy. Each acre of agricultural land brings an average of \$10,000 into the local economy each year—and with very few public costs. Converting these lands to other uses eliminates this income, and increases public costs.

LandWatch believes that the City Council should state as a matter of basic General Plan policy that the annexation and conversion of commercially productive agricultural land should be minimized.

- 7. Make Sure Annexations Benefit the Community: As Council Members know, residential developments—even "upscale" developments—usually don't pay for themselves. They end up costing the community, not benefiting it. That is one reason that new residential housing developments should be tied to new job growth. It is also a reason to approach annexations with great caution. To ensure that the annexation and development of areas outside the current city limits don't end up imposing new burdens upon city residents and taxpayers, the City should insist that new annexations demonstrate, through a cost benefit study, that they will advance the interests of the community.
- **8.** Responsible Population Projections: The amount of land needed for annexation and development will depend, in significant part, on how much new growth is accommodated in Salinas. We urge the City Council to direct its consultants and staff to develop a new General Plan Update that will accommodate the population growth that the Association of Monterey Bay Area Governments (AMBAG) has projected for Salinas over the next twenty years. AMBAG is the regional agency officially charged with the responsibility for making population projections for this region, and AMBAG says that Salinas should expect 39,863 new residents between the year 2000 and 2020 (not 90,000, as the consultants and city staff are currently recommending).

"Natural growth" in Salinas (births over deaths) is projected at 29,000 from 2000 to 2020. If the City of Salinas adopts a land use plan that will accommodate 90,000 new residents (when only 29,000 new residents will be added by "natural growth"), then Salinas is saying that it wants to bring 61,000 new residents into Salinas from other places. This

means that Salinas will be planning to be a "bedroom community" serving the Silicon Valley.

Again, the City of Salinas should plan for what it wants. If the City wants to become a bedroom community for people who move in from elsewhere, then the 90,000 figure suggested by the consultants and staff makes sense. But if that is not what Salinas wants, it needs to plan accordingly.

Typically, residential growth does not pay for itself. It brings major community impacts, and lots of community costs. That is why jurisdictions in the Silicon Valley try to "spin off" their residential growth to outlying areas (like Salinas). For every seven new jobs created in the Silicon Valley, only one new house is built. People attracted by Silicon Valley jobs are coming to Salinas, looking for the homes that cities in the Silicon Valley aren't providing. If Salinas adopts a land use plan that provides the houses to accommodate the workers whose jobs are in the Silicon Valley, then Salinas will be agreeing to take the costs of residential growth, without the benefits of the jobs. Is this really your "preferred" alternative?

Another way to approach this issue is to designate land for residential development only for the AMBAG projections (39,863 instead of 90,000), but to incorporate policies in the General Plan that directly tie the approval of new housing to the creation of new jobs in Salinas. If the jobs come, then that would justify going beyond the 39,863 figure. New housing would be allowed *only* if the jobs came at the same time. The Council should plan only for the housing needed to go along with jobs actually created in Salinas.

9. Require Appropriate Densities For Annexed Lands: The consultants and staff are recommending that the expansion of the City take place at very low densities. Their version of the "preferred alternative" recommends that out of a total of 21,933 new housing units to be built on lands outside the current city limits (in Future Growth Areas 9-15), 12,163 units would be build on "residential low density" lands. That's 55%. Only 2,759 units are proposed for "residential high density" lands. That's 13%. Only 6,626 are being proposed on "residential medium density" lands—or 30%.

Naturally, building at lower densities uses more land. It also makes the housing constructed less affordable, because it raises housing costs.

The "preferred alternative" presented to the City Council is an alternative that will result in 55% of the new growth in Salinas over the next 20 years being comprised of single-family subdivisions much like Harden Ranch, Williams Ranch, and Creekbridge. This is a sure fire way to provide "bedrooms" for those whose jobs are elsewhere. It is exactly the opposite of what the City should do if it would like to use prime farmland efficiently, and provide housing for the essential workers of Salinas.

Instead of using up more than 4,000 acres of land trying to accommodate 90,000 people at low densities, the City Council could—and should—demand that the new General Plan use land efficiently, at higher but still moderate densities. If they did so, the Council

could easily accommodate the 40,000 new people projected by AMBAG on 1,000 acres, instead of 4,000—and substantially fewer than 1,000 acres would be needed, if an effective infill strategy were pursued.

Density	Du/Acre	Acres	Number	People Per	Population	Percent
Range			of	Dwelling		Distribution
			Dwelling	Unit		
			Units			
Residential	6.5	503	3270	3.67	12,000	30%
Low Density						
Residential	11.7	419	4905	3.67	18,000	45%
Medium						
Density						
Residential	16.8	162	2725	3.67	10,000	25%
High Density						
Totals		1,084	10,900		40,000	

The table above, for illustrative purposes only, overstates the need for new land. No infill is shown, and the densities are very moderate. Also, the percentage of land allocated to "residential high density" is relatively small—25%. This chart shows that there is no need for the City of Salinas to develop a General Plan that calls for the annexation and development of over 4,000 acres of agricultural and open space land.

10. <u>Urban Growth Boundary</u>: Based on an analysis of where the best farmland is, most people agree that new growth in Salinas should generally be directed to the East and North, away from the most productive agricultural lands. LandWatch urges the City Council to establish a strong "boundary" to protect those agricultural lands that should not be converted for development.

## **Conclusion:**

The "preferred alternative" for the General Plan Update should actually be something that the City of Salinas "prefers." The ability of the City to shape its future through strong and focused General Plan policies is real—but the kind of future the City prefers won't happen automatically:

• If the City wants infill, and compact, city-centered growth (which LandWatch strongly supports) then the policies of the General Plan need to insist that the future growth of Salinas conform to these standards.

- If the City wants to preserve the commercially productive agricultural lands that surround the City, then the City needs to provide long-term protection for those agricultural lands that are not specifically designated for development.
- If the City wants to make sure that new growth doesn't overwhelm our infrastructure, and result in continued and further school overcrowding, then the City needs to put policies in place that will prevent that result.
- If the City wants new housing to serve the working families of Salinas, and wants that housing to relate to job growth here—not somewhere else—then the City needs to specify that this is the type of housing it will approve—and not housing does not meet these critical community needs.

## **Specific Recommendation:**

LandWatch recommends that the Salinas City Council adopt a motion that directs City staff and consultants to develop a draft General Plan Update based on the staff proposal, with the following changes and additions:

- 1. Staff and consultants should be directed to remove Rancho San Juan from the planning area, and the Salinas General Plan Update should not project the development of Rancho San Juan during the next twenty years.
- 2. The staff and consultants should be further directed to analyze the proposed development of Rancho San Juan within the EIR, to provide information and analysis that can be used by the City in connection with any proposals considered by the County of Monterey.
- 3. The staff and consultants should be directed to include "Housing For Salinas" policies within the draft General Plan Update, and specifically including the following policies:
  - New housing development within the City of Salinas should be directly related to local job growth.
  - Any annexation of land to the City of Salinas for residential development will only be pursued by the City if an enforceable agreement has first been entered into between the City and the land owner, committing the land owner (or any successor in interest) to develop housing on the land that is enforceably restricted and permanently protected for sale or rental to persons who have incomes that reflect the range of incomes of the residents of Salinas at the time the annexation is proposed.
  - Any residential housing development constructed in the City of Salinas shall provide that at least 25% of the new housing built shall be enforceably restricted and permanently protected for sale or rental to

families who have family incomes equal to or lower than the median family income in Salinas at the time that the housing development is approved. No "in lieu" payments should be permitted, and actual construction of the housing, included within the new development, shall be required.

- 4. The staff and consultants should be directed to include a set of "Schools and Infrastructure" policies within the draft General Plan Update that will ensure that new developments provide necessary school capacity, and other necessary infrastructure and services, before the development can proceed.
- 5. The staff and consultants should be directed to include a specific statement within the draft General Plan Update, committing the City of Salinas to a policy of minimizing the conversion of commercially productive agricultural land, as growth and development proceed.
- 6. The staff and consultants should be directed to include a policy within the draft General Plan Update that will require that proposals for the annexation and development of areas outside the current city limits demonstrate, through a cost benefit analysis, that it will provide significant benefits to the community.
- 7. The staff and consultants should be directed to base proposals in the draft General Plan Update that would allow for the annexation of lands outside the current city limits on the population projections published by the Association of Monterey Bay Area Governments (AMBAG), coupled with density calculations that will require any lands annexed to be developed within the following broad density ranges: (1) Residential Low Density—30% of the area annexed, and (2) Residential Medium or High Density –70% of the area annexed. The staff and consultants should be further directed to include policies that tie any residential development intended to serve growth beyond those projections to the population growth demonstrably associated with jobs created within the local area.
- 8. The staff and consultants should be directed to incorporate policies within the draft General Plan Update that establish a "growth boundary" for those areas on the edge of Salinas where agricultural lands should be preserved, where future annexations are not projected, and where development is not desired.

Very truly yours,

Gary A. Patton, Executive Director LandWatch Monterey County

cc: Members, Planning Commission Planning Director City Manager