

March 7, 2025

Supervisor Chris Lopez Chair, Monterey County Board of Supervisors 168 W. Alisal St. Salinas, CA 93901

SUBJECT: Proposed Revisions to the Draft County Housing Element

Dear Chair Lopez and Members of the Board of Supervisors:

I write on behalf of LandWatch Monterey County ("LandWatch") with regard to the Draft Housing Element ("Draft"). In offering comments, LandWatch's goals are twofold. First, we support Monterey County complying with state housing law as quickly as possible in order to meet the County's Regional Housing Needs Allocations obligations and avoid haphazard Builder's Remedy projects. Second, we advocate a housing element that is consistent with Monterey County's General Plan policies for equitable, climate-friendly urban infill that prioritizes the needs of local working families.

In furtherance of these goals, as discussed below, LandWatch recommends the following changes to the Draft:

- 1. Remove sites 1, 2, 40, 48 and 52; keep the assumed 53% affordable units in Site 24 (it is a designated Affordable Housing Overlay);
- 2. Designate Site 53 instead of Site 7 for University housing; and
- 3. Include the Olmsted Road site with the smaller development footprint and higher percentage of affordable units as proposed by the developer.

Removal of Resource-Rich, High-Risk Sites Lacking Infrastructure (Sites 1, 2, 40, 48 and 52)

LandWatch advocates the removal of the following sites that are rich in natural and agricultural resources, at higher risk of flood or fire, and/ or lacking the necessary infrastructure and infrastructure plan required by law:

Sites 1 and 2

Sites 1 and 2 are located north of Salinas and are denoted on the Department of Conservation website as Prime Farmland. This is the most valuable of the farmland classifications. Additionally, the City of Salinas is planning several major subdivisions on the north side of town, approved in the West Area and Central Area Specific Plans, which will add over 8,000 housing units, rendering additional nearby development superfluous. Finally, Sites 1 and 2 do not have adequate infrastructure to accommodate potential development, nor is there a plan in place to realistically provide such infrastructure. As required by state law, the County should remove these sites from the site inventory.

Specifically, Gov. Code Section 65583.2(b)(5)(B) requires that "parcels included in the inventory, including any parcels identified for rezoning, have sufficient water, sewer, and dry utilities available and accessible to support housing development." Alternatively, the sites may be "included in an existing general plan program or other mandatory program or plan, including a program or plan of a public or private entity to secure sufficient water, sewer, and dry utilities supply to support housing development on the site in time to make housing development realistic during the planning period."

The County commits to providing services to unincorporated areas under the County Service Area Law, Government Code Sections 25210 et seq. Sites 1 and 2 are located outside of any of the County Service Areas ("CSAs"). Thus, the County has no program or plan to provide urban services to this area.

While Sites 1 and 2 may be within the service area in the Urban Water Management Plan for California Water Service, development of these sites for housing was not assumed in that urban water management plan, which was based on the location and intensity of development consistent with the then current general plans of local land use agencies.² Development of Sites 1 and 2 for housing was inconsistent with the County's General Plan when Cal Water prepared its UWMP in 2020.

Regardless of a potential water supply, because Sites 1 and 2 are outside any existing CSA, there is clearly no plan or program to provide other services. While extension of dry utilities may be possible, provision of infrastructure and treatment capacity for sewage requires substantial

¹ See LAFCO of Monterey County, County Service Areas (CSAs) & County Sanitation Districts, available at: https://www.countyofmonterey.gov/home/showpublisheddocument/72934/636851480782430000.

² See California Water Services 2020 Urban Water Management Plan, Table 3.1, pp. 30, 35, available at: SLN_2020_UWMP_FINAL.pdf.

resources and planning. There is simply no evidence of a mandatory plan or program to provide sewer service to Sites 1 and 2.

LandWatch is dismayed to see staff's recommendation to <u>double</u> the developable acreage of Site 1 and <u>reduce</u> the number of affordable units to the 20% required by the Inclusionary Housing Ordinance. If the Board chooses to keep Site 1 on the list, we urge the Board to keep the original development footprint at 45 acres.

Site 24

LandWatch is likewise dismayed to see staff's recommendation to abandon the Affordable Housing Overlay on Site 24. If the site is to be developed, it should be developed consistent with the 2010 General Plan. The developer's preference to develop the property with only 20% affordable units is not sufficient to override the General Plan's designation of the site for affordable housing.

Site 40

Site 40 is a heavily forested site on Aquajito Road in Monterey. The Cal Fire hazards map places this site in a Very High fire hazard zone, putting any residential development at risk of a fire, and also at risk of being uninsurable. Its development would also involve extensive removal of Monterey Pine trees.

Site 48

Site 48 is in Las Lomas and was formerly considered for the Rancho Los Robles subdivision. Entitlements for that subdivision have already been litigated based on environmental issues and denied by the Sixth District Court of Appeal. (*Friends, Artists and Neighbors of Elkhorn Slough vs. California Coastal Commission* (2021) 72 Cal.App.5th 666.) **Furthermore,** the site is located outside of a CSA, and, thus, there is no County plan or program to provide municipal services.

Site 52

Site 52 is located on the outskirts of Pajaro next to the Pajaro River. It is currently being farmed and it is denoted on the Department of Conservation website as Prime Farmland. It is also in the 100-year flood plain. While there are flood control projects underway, those projects have not been completed, and building in a flood plain creates flood risk and insurance problems for those future residential units.

Not only do the above sites lack a mandatory plan or program to provide municipal services, the County's General Plan policies governing provision of infrastructure for development aim to discourage the sprawl development represented by these sites. Policies PS 1.1 to 1.6 mandate a showing of Adequate Public Facilities and Services ("APFS") before a development permit is issued. Policy PS 1.1 states that the goal of these policies is to "[e]courage development in infill areas where APFS are available." PS 1.2 provides that the "County shall develop and adopt Capital Improvement and Financing Plans (CIFPs) and implementing ordinances" that define benefit areas, identify the improvements required to attain APFS, estimate costs, identify funding, and schedule the improvements. Sites 1, 2, 40, 48 and 52 are not included in a Capital Improvement and Financing Plan that would provide APFS.

Designate Site 53 Instead of Site 7 for UC Housing

Site 7 is owned by the University of California and near the Marina airport. The City of Marina has offered an alternative site, Site 53, within City limits to help the County satisfy its low-income RHNA housing requirements. The City has objected to the inclusion of Site 7 due to its potential impact on airport operations, and the County's Airport Land Use Commission has found sections of the Site unsuitable for housing due to regulatory requirements on buildings near the airport. Additionally, County staff are now saying that they do not believe they can assume more than 300-400 affordable units on Site 7, which reduces its value in creating affordable units.

The staff's list of obstacles for Site 53 is easily dispensed with; an agreement can be executed with the City of Marina to count the units towards the County Housing Element, the site is closer to many parts of the University than Site 7 and therefore more convenient for the staff and faculty for whom the housing is proposed to be built, and the groundwater issues are irrelevant as the site would presumably be connected to the City's central water system. In sum, LandWatch supports removal of this site in exchange for Site 53 within City limits.

Inclusion of Olmsted Road Site

The County received a letter of intent from the owner and potential developer of several parcels on Olmsted Road in Monterey. The site was given an Affordable Housing Overlay in the 2010 General Plan and, as such, it is designated for development. The site is also subject to a current Builder's Remedy application, which would allow 80 single-family homes and 20 affordable units. In other words, development on these parcels is inevitable. But there is an opportunity to make this development much better through increased density on a smaller footprint and with a mix of housing types that are affordable to an array of homebuyers. By adding it to the Housing Element, the County can take credit for the housing that will be built. Clearly, 700 plus units is more helpful in meeting the County's RHNA obligation than a mere 100 units now planned.

Because the parcel is currently undeveloped open space, there is understandably opposition from neighbors who wish to keep it that way., Nevertheless, as noted above, the Builder's Remedy application virtually guarantees development on the parcel, and under RHNA the County must to identify enough sites to meet state housing requirements. Priority is given to sites within or near high resource areas, e.g., the Monterey Peninsula.. With its proximity to the City of Monterey, Highway 1, and other amenities and resources, the Olmsted site is significantly closer to high resource areas than other sites the County has identified in the Draft. Moreover, the entire site is identified in the Monterey County 2010 General Plan as an Affordable Housing Overlay, so the County has already designated it as appropriate for housing development.

The developer has agreed to develop 350 apartments and 375 multifamily units that, by design, will be much more affordable to local working families. He has also agreed to a smaller footprint, which will protect the wildlife corridor, avoid impacts to vernal pools and protected species, and protect the viewshed. Lastly, the developer has agreed to dedicate a significant amount of the parcel to permanent conservation.

The County has an opportunity to steer the development in a positive direction. Given that development is inevitable, the County should include the higher density alternative in the Housing Element and take credit for the units that will be built, allowing the County to remove less suitable sites from the site inventory.

Conclusion

Given the County's RHNA obligations, the opportunity to include a high density development in the Olmsted Road. site, and the unsuitability of the above mentioned sites currently included in the draft Housing Element, LandWatch requests that the County modify the draft as requested in this letter. In arriving at these recommendations, LandWatch seeks to balance many factors: state mandates requiring provisions for new housing, the County's General Plan policies, infrastructure limitations, and protection of natural resources, among others. LandWatch understands the challenge presented to County staff and the Board of Supervisors in crafting a satisfactory Housing Element, and we appreciate the opportunity to comment.

Sincerely,

Michael DeLapa Executive Director