



April 24, 2026

City Manager Megan Hunter and
Miramonte Affordable Housing Advisory Subcommittee
City of Soledad
248 Main Street
Soledad, CA 93926
Via email mhunter@cityofsoledad.gov

RE: Miramonte Affordable Housing Subcommittee Meeting, April 28, 2026

Dear Staff and Committee Members:

Thank you for the opportunity to comment on the negotiation of affordable housing terms with the Miramonte developer.

LandWatch continues to have concerns around the negotiations and the drafting of the Miramonte Developer Agreement (DA) and Affordable Housing Plan (AHP). The Affordable Housing Subcommittee and the public play key roles in crafting agreements that will serve the community; they need to be included in the process.

An important component for facilitating public participation is transparency. If the public and the Subcommittee are in the dark about the process, it's impossible for them to weigh in meaningfully. Because of our commitment to public oversight, and in order to inform LandWatch's and the public's participation, we have asked for a draft of the DA and AHP and for information about improvement costs and financing through PRAs. The draft plan that the City provided in 2023 was inadequate, for reasons explained more fully below.

Affordable Housing Plan

The City previously provided LandWatch with a 2023 draft Affordable Housing Plan (2023 AHP). The Staff Report for the April 28, 2026 meeting refers to an affordable housing plan. However, the only document provided by the City is an Inclusionary Housing Ordinance phasing plan ("Inclusionary Housing Distribution by Phase"). This phasing plan constitutes one component of an affordable housing plan, but it is not a plan in and of itself. We are not aware of a more recent version of the AHP since 2023. If there is a more current draft, we request that the City provide us with a copy. Meanwhile, we offer the comments below on the proposed 2023 AHP and the 2026 phasing plan.

I. All units counted toward the IHO must be permanently affordable

The 2023 AHP includes ADUs without rental restrictions in its counts of “inclusionary housing” units. It is unclear from the phasing plan whether the IHO will still be met using ADUs, and, if so, how these IHO ADU units are identified in the phasing plan.

SMC 17.41.160 mandates that the IHO rental units must be affordable in perpetuity, which effectively requires a covenant or deed restriction. It is not sufficient to argue, as the 2023 AHP does, that the rental rates projected now for these ADU units are “clearly lower than” the current Moderate Income rental rate so that they are “affordable by density.” These ADU units will be rented by homeowners for whatever they can get from year to year under housing and economic conditions that cannot be predicted now.

Units counted toward the 20% IHO mandate must be deed restricted to ensure affordability in perpetuity. Therefore, unless deed restricted, the Plan should not count ADUs toward its inclusionary housing requirements.

It is also unclear from the phasing plan whether moderate income duet units will be deed restricted. Like ADUs, unless deed restricted, the duet units should not count toward the inclusionary housing requirement.

II. Affordable by Density Housing is required and the AHP must identify ADH units

The 2023 AHP includes a category called “Affordable by Density Housing,” which apparently represents affordable units in addition to the 20% IHO units. The 2023 AHP claims “there is not a required number of Affordable by Density units.” Not so. Both the 2005 General Plan and the operative 2009 Housing Element mandate a specific minimum number of Affordable by Density (ABD) units.¹

- The 2005 General Plan Policy H-3 and implementing programs 4-2, 4-3, and 4-4 require that 29% of all units be at densities affordable to lower income families and 25% at densities affordable to moderate income families.
- The 2009 Housing Element, in effect when the VTM vested and more stringent than the 2005 General Plan, and therefore controlling, requires 39% of units be at densities affordable to lower income families and 19% of units be at densities affordable to moderate income families.

The ABD units mandated by the 2005 General Plan and the 2009 Housing Element units are in addition to the 12% lower income IHO units and 8% IHO moderate income units. For example, the affordability by design provisions of the 2009 Housing Element requires that, in addition to the 12% IHO units for lower income families, another 27% be affordable by design to lower income families (39% affordable density to lower income households minus the 12% IHO units, which will

¹ For the details of this and other affordable housing requirements for the Miramonte projects, see John Farrow, letter to J. Edward Tewes, Affordable Housing for Miramonte Specific Plan Feb. 7, 2023, available at <https://landwatch.org/pages-new/salinas-valley/soledad/020723-LWLetter-Soledad-MiramonteSP-Annexation.pdf>.

presumably be at affordable densities). And the 2009 Housing Element requires that in addition to the 8% moderate income IHO units another 11% be affordable by density to moderate income families (19% affordable density to moderate income households minus the 8% IHO moderate income units, which will presumably be at moderate income density).

As the units are currently planned and zoned, the Specific Plan's land use plan does not meet the 58% affordable housing density mandate (39% lower income density plus 19% moderate income density = 58% affordable densities). The only zoning that attains the specified densities is the MMSP-R-V zoning in subareas 6, 8, 9, and 13. These subareas are planned for a total of 1,074 units, which is only 45% of the total of 2,392 units. To meet the 58% ABD target, 13% more units must be developed at the specified densities to support more affordable units. Development at higher densities to meet this General Plan ABD mandate requires either rezoning or the use of density bonuses.

Furthermore, the phasing plan doesn't reflect the obligation to construct these ABD units or the location of these ABD units.

III. The City should continue to prioritize concurrency requirements

The AHP says IHO units shall be at least 20% of total planned units. The Vesting Tentative Map Resolution 5436 and the Specific Plan Policy LU-C require that Miramonte's Inclusionary Housing Ordinance units be constructed concurrently, on-site, and in each development phase.² We are encouraged that the City, in response to concerns raised by the Subcommittee at the December meeting, has provided a phasing plan that will meet concurrency requirements.

That said, it is important that the concurrency requirements be included as part of the actual AHP. First, the language permitting the developer to combine phases or to subdivide phases depending on market conditions should be revised to provide that any combined or subdivided phase must be developed to ensure continued attainment of at least a 20% total cumulative IHO unit count.

Second, as set out in the 2023 AHP, subsequent phases would attain a cumulative total of 20% inclusionary units only if the City treats ADU units as inclusionary. However, as explained above, the City cannot count ADU units toward IHO inclusionary units unless these units are deed restricted. If they are not, then the 2023 AHP fails to meet the concurrency mandate. We seek clarification as to whether the duets are intended to replace ADUs toward meeting this requirement, and, if so, whether the duets will be deed restricted as affordable.

IV. The City needs to provide for a range of housing types

The AHP also needs to provide for how the developer will meet the Specific Plan mandate that 20% of all of the units be duplexes, triplexes, fourplexes and smaller multi-family housing (townhomes, apartments, etc.) throughout the Specific Plan area, not just in phases one and two. (See 2009 Housing Element Program 2.1.2, quoted by Specific Plan at p. 2-22). The phasing plan does not

² See John Farrow, letter to J. Edward Tewes, Affordable Housing for Miramonte Specific Plan Feb. 7, 2023.

explain if and how the developer will accomplish this.

Infrastructure Costs and Financing

It is also in the community's interest that the cost of infrastructure be allocated in a way that does not saddle renters and homebuyers with the costs, rendering housing unaffordable. The public and the Affordable Housing Subcommittee need to know whether substantial fees or taxes will be imposed to pay for infrastructure. LandWatch has asked for infrastructure costs and financing plans. The City has responded that there are no such plans other than a developer proposal that the City rejected out of hand. If this work has not progressed, the City should say so. If it has, the City should inform the Affordable Housing Subcommittee and the public of the status.

As we've noted previously, the developer is financially incentivized to minimize costs and maximize early profits. On the other hand, it is in the City's interest to focus on any project in its entirety and to ensure full satisfaction of developer obligations.

Thank you for your work on this issue and for the opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael DeLapa". The signature is stylized and cursive.

Michael DeLapa
Executive Director