

December 5, 2022

#### <u>Via E-mail</u>

LAFCO of Monterey County 132 W. Gabilan Street # 102 Salinas, CA 93901

Re: Miramonte Specific Plan Area Sphere of Influence and Reorganization Application

Dear Commissioners:

On behalf of LandWatch Monterey County (LandWatch), I write to respond to the December 5, 2022 letter from attorney Paul Montcrief offered today on behalf of his client HMBY, LP, owner of the Miramonte Specific Plan site.

### 1. Affordable units are not in proportion to the RHNA affordability mix <u>as</u> required by the General Plan.

It is simply not true that the project meets the General Plan mandates for affordable units.

Mr. Montcrief argues that the project would be approximately 33.5% affordable units. However, the General Plan Policy H-3 and its implementing Program 4-2 mandate that at least 54% of housing be affordable: 15% very low, 14% low, and 25% moderate, as follows:

Policy H-3

The City of Soledad shall require new residential areas to contain a mix of housing types targeted to very low, low, moderate, and above moderate households in approximately the proportion that each of these income categories represent in the AMBAG Fair Share Housing Allocation.

Program 4-2

The City shall require that specific plans developed for areas annexed after July 1, 2003 and project plans for the Miravale II project area prescribe the proportion of very low, low, and moderate income housing to be built in the area. At a minimum, 15 percent of the housing in a specific plan area and in the Miravale II project area must be affordable to very low income households, 14 percent must be affordable to low income households, and 25 percent must be affordable to moderate income households. In all specific plan areas and the Miravale II project area, development must be organized into functioning

neighborhoods that contain very low, low, and moderate income housing that is fully integrated with marketrate single family housing.

Even if the City were to revise its General Plan to rely on the 6th Cycle RHNA affordability mix, it would still have to provide 48% affordable units.<sup>1</sup>

# 2. The site is not zoned at the densities <u>required by the General Plan</u> to support affordable housing.

Mr. Montcrief argues that "[d]ensity zoning is not the only method allowed for providing affordable housing." This mischaracterizes the General Plan. Density zoning may not be sufficient, but it is necessary under the General Plan.

Housing Element Program 2.1.1 is clear that the Specific Plan must be zoned at specified densities to attain affordability:

In drafting development or housing agreements per Program 1.2.1, **the City shall link housing affordability to housing type, design, and development density to ensure available housing for all income categories**. Housing affordable to very low- and low-income persons or families shall achieve a **minimum density of 20 dwelling units per net acre,** and housing types shall consist of multifamily, housing above commercial use, and single-room occupancy (SRO) units. For the moderate-income category, new development shall achieve, at minimum, a **density of 12 dwelling units per net acre**, and housing types shall be limited to small-lot single-family dwellings, attached single-family dwellings, detached second units, and multi-family dwellings such as townhouses.

There may be other factors that affect affordability, but the General Plan is clear that the project must in fact zone sufficient sites at specified densities to attain affordability.

### 3. The Phasing Plan does not ensure concurrent provision of affordable units.

Mr. Montcrief argues that the "Master Phasing Plan submitted to LAFCO reflects affordable units being built at a minimum in proportion with each phase." Not so.

In the phasing plan described in the most recent annexation submittal, only 134 of the first 771 units would be developed in areas zoned for affordable units. (Third Submittal, Figure 5-1 and Appendix I [134 senior units].) At the current absorption rate of 60 units per year, that means that only 17% of the units would be affordable in the first thirteen years of development. This is a far cry from providing the needed proportion

<sup>&</sup>lt;sup>1</sup> AMBAG, Final Regional Housing Needs Allocation Plan: 2023 – 2031, Oct. 2022, p. 29, available at <u>https://www.ambag.org/sites/default/files/2022-10/AMBAG\_RHNA\_2023-</u>

<sup>&</sup>lt;u>2031 Final%20Plan 091522 PDF-A.pdf</u>.) The 5th Cycle RHNA requires an even higher proportion of affordable units. (AMBAG, Regional Housing Needs Allocation Plan: 2014-2023, available at <a href="https://www.ambag.org/sites/default/files/2019-12/RHNP%202014-2023">https://www.ambag.org/sites/default/files/2019-12/RHNP%202014-2023</a> Final revised PDFA 2.pdf.)

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of affordable units from year to year, whether that is the 54% affordable required by the current General Plan or the 48% required by the 6<sup>th</sup> Cycle RHNA.

# 4. The Project does not integrate affordable units into "the majority of blocks" <u>as required by the General Plan</u>.

Mr. Montcrief argues that since the Specific Plan is "one neighborhood" it is acceptable to segregate the affordable units in three subareas. However, each of the 16 "subareas" is identified as a "neighborhood" in the City's submittals. (Third Submittal, Figure 3-2.) Furthermore, Housing Element Program 2.1.2 requires integration of affordable housing into the "majority of blocks:"

Program 2.1.2: The City will ensure that new residential developments provide for adequate housing diversity and affordability by requiring that an integrated mix of complementary but varied housing types be provided **within the majority of blocks**.

In effect, the Specific Plan would segregate the affordable units in separate neighborhoods.

# 5. The Specific Plan is inconsistent with the General Plan or the General Plan is internally inconsistent. Either way, future approval are at risk.

As LandWatch has pointed out, LAFCO is required to consider General Plan inconsistency in its annexation decision. (Gov. Code, § 56668(h).) Mr. Montcrief argues that since the General Plan was amended in 2018 to include the Specific Plan "there is no inconsistency." Not so.

A Specific Plan must be consistent with the General Plan. (Gov. Code, § 65454.) Since the Specific Plan directly conflicts with a number of General Plan policies and programs, it is not consistent with the General Plan. Treating the Specific Plan as part of the General Plan would not cure the problem because a General Plan must be internally consistent. (Gov. Code, § 65300.5.)

In light of these inconsistencies, future development approvals, including development agreements, are at risk, because each must be consistent with a valid, internally consistent General Plan. (Gov. Code, § 65866.)

### 6. Conclusion

Since 2020, LandWatch has repeatedly sought discussion with the City about the General Plan inconsistencies implicating affordable housing for the Miramonte Project. However, the City has chosen not to respond until the very day of the annexation hearing. And the response is inadequate because Mr. Montcrief's 11<sup>th</sup> hour letter simply fails to address the General Plan policies and programs with which the Miramonte project is inconsistent.

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Accordingly, LandWatch again urges the Commissioners to follow staff's recommendation to ask the applicant to revise the annexation proposal to address the General Plan provisions regarding the sufficiency, concurrency, and integration of affordable housing.

Most sincerely,

M. R. WOLFE & ASSOCIATES, P.C.

John Farrow

JHF:hs

cc: Kate McKenna Darren McBain Michael DeLapa