

December 19, 2025

City Manager Megan Hunter and
Miramonte Affordable Housing Advisory Subcommittee
City of Soledad
248 Main Street
Soledad, CA 93926

RE: Miramonte Affordable Housing Subcommittee Meeting, December 15, 2025

Dear Staff and Committee Members:

Thank you again for creating the opportunity for public participation in the negotiation of affordable housing terms with the Miramonte developer. The first committee meeting involved important discussions about the purpose and scope of the committee's work. We hope to reiterate some points that were made during the meeting.

1. An Affordable Housing Agreement is a mandatory part of the Development Agreement.

The City must honor its obligations under the General Plan, the Specific Plan, and the Vesting Tentative Map by entering into a Development Agreement that includes an Affordable Housing Agreement ("Agreement"). A comprehensive Affordable Housing Agreement must precede any discussion of phase by phase development, and it must specifically address how the City will comply with various mandates, including concurrency, rental percentages, and integration of a mix of housing types.

2. Thirty percent (30%) of units in each neighborhood must be designed to accommodate rental units.

The Specific Plan and Vesting Tentative Map require that 30 percent of units in each neighborhood shall be designed to accommodate rental households, including medium and higher density housing and second dwelling units. (Res. 5436, Exh. B, Standard Condition

25; Specific Plan, App. A, p. 2). As such, the Agreement must explain how 30% of the units will meet the rental mandate.

3. The Affordable Housing Agreement must include analysis of various fees that impact affordability.

For both rental and for sale units, the Affordable Housing Agreement must take into account the impact of Community Services Fees, Community Facilities Fees, and any other special taxation districts that the developer is proposing to create to shift the cost of infrastructure from the developer to future residents.

4. The Affordable Housing Agreement must describe how the developer will meet the concurrency mandates under the Vesting Tentative Map and Specific Plan.

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. The Agreement 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. (2009 Housing Element Program 2.1.2, quoted by Specific Plan at p. 2-22).

5. The Affordable Housing Agreement must address integration of housing types in order to avoid clustering and segregation of affordable housing.

The Agreement must meaningfully meet Housing Element Policy 2.1, which provides that the City "facilitate an integrated mix of housing types and affordability levels" based on the current RHNA percentages, which require 23% affordable to lower income households and 25% be affordable to moderate income households. Policy 2.1 further explains that the City "will achieve its housing allocation by facilitating a variety of unit sizes, locations, and configurations of both ownership and rental housing to meet a variety of housing needs."

The City would be well served to retain an attorney with expertise in negotiating and drafting development agreements. Without such expertise, the City runs the risk of being outmaneuvered by an experienced developer – something that happens on a regular basis in Monterey County. The impact of a poorly drafted and inadequately negotiated agreement was put on full display this past fall when the developer for Miravele Parcel E was allowed to shirk affordability requirements. The City and the Community lost a public benefit, and the developer received a windfall.

It is in the developer's interest to minimize costs and maximize early profits. On the other hand, it is in the City's interest to focus on the project in its entirety and ensure full satisfaction of developer

obligations and other necessities of the overall project, including adequate infrastructure and reasonable fees.

The City needs to get things right the first time around and up front. An ounce of prevention in the form of a well drafted and comprehensive agreement is worth a pound of cure in the form of losses to the community and a potential referendum or litigation.

In sum, the City has an opportunity and obligation to craft an agreement that fulfills legal obligations and is consistent with the housing needs of the community.

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", with a stylized flourish at the end.

Michael DeLapa
Executive Director