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April 16, 2003

Mayor Jerry Smith and Council Members [Sent by FAX: 831-899-6227]
Seaside City Council
Seaside City Hall
440 Harcourt Avenue
Seaside, CA 93955-0810

RE: Fort Ord Reuse Authority Affordable and Workforce Housing Study City Council Meeting of April 17, 2003 – Agenda Item #17

Dear Mayor Smith and Council Members:

This letter is to comment on Agenda Item #17. The staff is recommending that your Council authorize and direct a letter to the Fort Ord Reuse Authority, making five specific comments on an Affordable and Workforce Housing Study recently presented to FORA.

LandWatch urges the City of Seaside to direct that the following statement be included as the very first point in any letter sent to the Fort Ord Reuse Authority:

"The City of Seaside encourages FORA, working with all of the jurisdictions who are represented on the FORA Board of Directors, to do whatever it can to maximize the production of housing that will be affordable to families and individuals who currently live and work on the Monterey Peninsula. While Seaside recognizes that there are many difficulties and obstacles to the production of truly affordable housing on Fort Ord (some of which we outline in this letter) we believe that maximizing the amount of affordable housing on Fort Ord—and maintaining that affordability on a permanent basis—is vital for the future economic and social health of Monterey County, and for the City of Seaside specifically."

In short, LandWatch believes that Seaside (and the other FORA jurisdictions) should "accentuate the positive," and seek to "eliminate the negative" where affordable housing is concerned. That's from an old song, and it ought to be the theme song of Seaside and every other jurisdiction facing the implications of the current and future housing market on the Monterey Peninsula.

Simply put, unless their local governments do something about it, housing that average and below income families can afford will just disappear. That is already happening—and it's happening in Seaside, which has traditionally thought of itself as a community that "provides affordable housing opportunities" for families and individuals wanting to live in Monterey County, and on the Monterey Peninsula.

<u>Seaside doesn't provide any affordable housing opportunities anymore!</u> The Draft City of Seaside 2002-2007 Housing Element, dated October 2002, and prepared by Cotton/Bridges/Associates, includes a table, on Page HE-App-20, that tells the truth.

The <u>maximum price</u> that is affordable for a large, moderate income family is \$229,225 for an <u>ownership unit</u>. If a house sells for more than \$229,225, then even a large family, with an income equal to 120% of the median income, cannot afford that house.

The KB Homes Project—approved by an earlier City Council—set aside NO homes as affordable units. The lowest price for a home in this new development is \$475,000.

What's worse, when homes are sold in Seaside, they are virtually never sold at \$229,225 or less. In other words, every time a home is sold in Seaside, one more affordable housing unit becomes unaffordable. Over time, absent some successful action by the City, there will be NO affordable housing in Seaside. Currently, there are NO affordable housing "opportunities," because "opportunities" is a word that talks about the future. There is "affordable" housing in Seaside, but it's all the result of earlier purchases, when prices were truly affordable. They aren't any more, and every time a house sells, a lower income family or individual is replaced by someone with an above-average income (often out of town investors).

This is (regrettably) the fact. In view of that fact, we hope that the City of Seaside will try to do everything it can (and will urge FORA to do everything it can) to make truly affordable housing available.

If we, as a community, can't succeed in that effort—and particularly if we don't even try, just pointing out all the reasons it's hard to do—then working families will be forced out of the Monterey Peninsula cities, including Seaside, and our community will be very much the worse for it.

Thank you for taking our suggestion seriously. Recognizing the difficulties (they're real), we hope that Seaside will urge FORA to do everything it can to help produce truly affordable housing on the former Fort Ord. Please "accentuate the positive," and send the message we're recommending.

Very truly yours,

Gary A Patton, Executive Director LandWatch Monterey County