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Re: Public Review Draft of the Monterey Compatible Use Study

Dear Ms. Harwayne:

I write on behalf of LandWatch Monterey County, a regional group working to address affordable housing and combat climate change through thoughtful land use, transportation and water policy. LandWatch offers the following comments on the Public Review Draft of the Monterey Compatible Use Study (CUS). The CUS describes concerns and challenges associated with compatibility of military and civilian land use in Monterey County and recommends various “strategies” to address “encroachment” of these uses on each other.

The obvious strategy for the well-funded military to provide housing for its personnel is to build more housing on military installations, e.g., the La Mesa Military Housing Complex, rather than to compete in the local housing markets, displacing local workers and driving up rents. The CUS does not consider this strategy.

Unfortunately, with regard to land use and housing the CUS focus is largely on the purported encroachment by civilian uses on military use and recruitment. Thus, the CUS strategies would inappropriately impose the burden of addressing these land use and housing problems on local jurisdictions, despite the facts that it takes two to be incompatible and that the military has substantial resources to solve these problems here or at alternative locations.

Local jurisdictions should reject the strategies that would inhibit critically needed urban housing development by limiting development proximate to military installations and imposing unnecessary military review of development proposals.

With regard to housing, there is no need for special military review of development proposals or military input to general plans and housing elements. The military can participate like any other organization through the public notice and comment provisions of the Planning and Zoning Law and CEQA. Local jurisdictions have no legal obligation to specially accommodate military housing needs. And, in any event, California’s mandatory update process for all local housing elements u

already requires that local jurisdictions identify and plan to accommodate their housing needs, which include military personnel.

Local jurisdictions should reject purported housing strategies that would actually aggravate the housing shortage by seeking to generate more employment of interest to the military in communities that already suffer a severe jobs/housing imbalance.

Our detailed comments follow.

A. Addressing the housing crisis must be the first planning priority of local jurisdictions, especially on the Monterey Peninsula.

The County faces a severe housing crisis. The state requires Monterey County jurisdictions to plan for and accommodate 20,295 new housing units in the 6th Cycle Regional Housing Needs Allocation (RHNA), about half of which must be affordable to lower income families. Many of these units must be planned for by the Peninsula communities that lack large areas of vacant land, e.g., 3,326 units in Monterey, 1,125 units in Pacific Grove, and 184 units in Del Rey Oaks.

The RHNA process allocated units to communities based in large part on the severity of their jobs/housing imbalances. For example, Monterey's allocation reflects the fact that it has 3 jobs for every housing unit, twice the regional average. As a result of this jobs/housing imbalance, many of the Peninsula's workers, and especially the low wage workers in its hospitality industry, must suffer long commutes from Salinas and other Valley cities, adding to GHG emissions and traffic congestion.

The Peninsula hosts large, relatively well-paid military communities that compete for the available local housing, aggravating the local housing shortage. Indeed, the CUS acknowledges that the military provides its personnel living off base with housing resources that exceed local rental rates.

In comparing the BAH and rental costs for the region, the lowest BAH rate is \$2,001 for E1-E4 personnel without dependents; however, most personnel who are likely to live off base are ranked E5 or higher. The BAH rate for E5s without dependents is \$2,310. *Overall, this BAH rate is significantly higher than both the median gross rent and the current average rent for smaller homes in the cities listed.*

(CUS, p. 6-27, emphasis added.) In short, the growth in jobs and well-funded local housing demand for military personnel can effectively displace others from market rate housing. And the loss of these market rate units *also* directly reduces the availability of *affordable* housing through the "filter effect," whereby availability of additional market rate units effectively adds lower income units through migration of tenants and vice versa.¹

¹ Evan Mast, The Effect of New Market-Rate Housing Construction on the Low-Income Housing Market, Upjohn Institute Working Paper 19-307, https://research.upjohn.org/cgi/viewcontent.cgi?article=1325&context=up_workingpapers

In short, with today's limited housing supply, the Peninsula needs more housing, not more jobs. As discussed below, a number of CUS land use and housing strategies would add more military-related jobs to the Peninsula and impose constraints on housing development. These strategies would tend to *aggravate* the serious regional housing shortage.

B. Local jurisdictions are not required to provide special accommodations for military uses or expansion.

SB 1468 directed the Office of Planning and Research to prepare *guidelines* for addressing conflicts between military and civilian uses in local agency planning, in part by amending Government Code Section 65040.2(a)(e). However, in its discussion of land use, the CUS implies incorrectly that the local jurisdictions have a mandate to accommodate military activities, arguing that "Section 65040.2 of the California Government Code *requires* that general plans consider the impact of civilian growth on readiness activities at military bases, installations, and training areas within the land use element." (CUS, p. 6-42, emphasis added.) In fact, as the CUS admits elsewhere, "[l]ocal governments are *not* currently required by law, however, to incorporate the SB 1468 military compatibility guidance in their general plans." (CUS, p. 5-19.)

In short, the Legislature directed OPR to advise local agencies how they could assess and address incompatibilities in uses, but neither the Legislature nor OPR's guidance require local agencies to follow that guidance much less to take steps to facilitate growth in military-related uses and populations.

C. The proposed CUS land use strategies would inhibit critically needed urban housing by limiting development near military installations and imposing unnecessary military review of development proposals.

The CUS defines "encroachment" as an "increase in incompatible use or development that affects or is affected by military operations." (CUS, p. 1-1.) As the CUS admits, encroachment is a reciprocal phenomenon:

Compatibility findings include community-generated issues that may hinder or otherwise adversely affect the military mission(s). By the same token, *compatibility issues may result from unintended adverse effects of military installations on nearby communities.*

(CUS, p. 6-3, emphasis added.)

Thus, the strategies in the CUS should not be predicated on the assumption that local jurisdictions should make concessions in their plans for non-military development, particularly housing, simply to accommodate military concerns about incompatible uses. It takes two to be incompatible.

In particular, local jurisdictions should not assume an uncompensated burden to limit needed housing development near military installations. For example, limiting the allowable density of housing in the undefined "Military Influence Areas" or "Military Compatibility Areas" would effectively transfer land value from the control of local jurisdictions to the military. (See CUS

Figures 4.1, 6.5, 6.6, 6.7 and strategies COM-2A and LU-1B [illustrating and referencing Military Influence Areas and Military Compatibility Areas].) Upzoning land to permit higher density is a critical tool for local jurisdictions to meet housing needs by creating a place for development and by creating land value that will incent private housing production. Local jurisdictions cannot afford to abandon this tool by giving the military control over development intensity near military installations.

Indeed, the military has substantial federal resources to address land use incompatibilities. For example, the Army Compatible Use Buffer Program allows the Army to fund acquisition of buffers around critical facilities. A number of other federal funding sources are available for buffering military installations. (CUS, pp. 5-2 to 5-3.) The military has, and is responsible to implement, standards for its buildings and bases to prevent terrorism. (CUS, p. 5-4.) It would be unfair to impose on local jurisdictions the burden of providing uncompensated buffers for military installations in already developed urban areas.

Unfortunately, the CUS defines the relevant land-use challenges and concerns as if the primary compatibility issue is civilian “encroachment” on military areas, implying that the solution is to limit civilian development in urbanized areas to accommodate military needs:

LU-1: There is potential for future growth in surrounding communities to encroach on the boundaries of POM, NSA Monterey, and DMDC. Encroachment is generally understood as ground-level horizontal development and use of land near military facilities; however, *encroachment can also take a more vertical form with the development of taller buildings near military installations and access control points.* This potential is particularly evident around the Presidio and Naval Postgraduate School.

...

Land use is generally appropriate around the military installations on the Peninsula. Of concern, however, is *the potential for mid- to high-rise, mixed use development* along the boundaries of POM and NSA Monterey facilities. *Both vertical orientation and mixed uses can increase use densities and activity volumes around these facilities, creating force protection and security concerns, as well as exacerbating existing traffic congestion near military access control points.*

...

In addition to land use, it is important that current and planned land uses around the military installations on the Peninsula are compatible in terms of form to prevent impacts on residents in nearby communities and *to ensure that the military mission is not constrained by nearby development, particularly by more intense development along the installation boundaries.*

(CUS, p. 6-42, emphasis added.)

Similarly, the CUS defines anti-terrorism concerns as if the problem is caused by decisions to locate development proximate to military areas rather than by decisions to locate sensitive military uses without adequate security in areas that have long been used for housing:

AT-1: Future development around NSA Monterey, POM, and DMDC may be an ATRP concern if new development occurs adjacent to the installation perimeter. This type of development should be coordinated with DMDC to assess potential impacts.

...

The controlled perimeters for NSA Monterey, POM, and DMDC are located within an urbanized area of the Monterey Peninsula. The facilities are located near existing higher-intensity development, as shown in Figures 6.5, 6.6 and 6.7. Due to this, *existing and any new development* surrounding NSA Monterey, POM and DMDC *can create security concerns. Tall structures built near base security fences* can obscure clear zones and provide increased opportunities for unauthorized surveillance, intentional or unintentional trespassing, and other force protection concerns related to other surreptitious activities. Land uses surrounding military installations are the responsibility of the jurisdictions in which they are located. Regional and local jurisdictions' general or comprehensive plans and zoning ordinances, including those specific to building form and setbacks, can be effective tools for preventing or resolving land use compatibility issues.

(CUS, p. 6-14.)

Thus, it is clear that the CUS assumes that local jurisdictions should act to restrict the density and height of development on private land proximate to military installations, treating future development of these already urbanized areas as an "encroachment" on the military. As a result of this biased presentation of the compatibility issue, the CUS land use strategies are based on the assumption that local jurisdictions should limit civilian development on privately owned land proximate to military installations.

For example, Strategy LU-1B proposes that general plans incorporate large buffer zones around military installations through "MCA overlays:"

LU-1B: Update community planning documents with relevant Military Compatibility Areas (MCAs). Communities should consider including the MCAs overlays that are identified in the Monterey Regional CUS in community planning documents to identify areas of military activities to bring awareness of military activities to developers. The MCAs will only include information that it pertinent to compatibility planning and will not include military sensitive information.

The CUS document does not define the so-called "Military Compatibility Areas" or "MCAs overlays." It is possible that these are the same areas the CUS labels elsewhere as "Military Influence Areas," a *one quarter mile buffer around every military installation*. (CUS Figures 4.1, 6.5, 6.6, 6.7.) Nor does the CUS explain the purpose of bringing "awareness of military activities to developers," but the implication is that it is to warn developers that local jurisdictions will somehow limit development in these areas. If so, it is an inappropriate limitation on housing development and an inappropriate limitation on land value creation through upzoning.

Strategy LU-1C proposes to further burden development approvals, including housing approvals, by creating an unnecessary process for military review and comment:

LU-1C: Prepare and execute formal Memoranda of Agreement for development proposal review. Communities should consider developing and adopting a memorandum of agreement (MOA) with PoM and NSAM that establishes and formalizes the review process for certain types of development proposals, rezoning applications, and other land use policies or regulatory changes that may impact the military mission at military facilities. The MOA should define an effective communication and coordination process. Timelines for review should conform to existing community processes for review and comment processes. The MOA may include:

- Definitions of projects that require review
- Definitions of projects that require military participation at pre-application meetings
- Points of contact necessary for coordinating reviews
- A formal procedure for requesting and receiving comments from military installations
- A mechanism for military installations to present comments and relevant information as needed
- A standard timeline for responses, with consideration for mandated review time periods as specified by state law and/or local procedures
- Mandated notice to PoM and NSAM regarding all public hearings for projects that require review.

The MOA should also state that PoM and NSAM may provide technical information on development proposals, but may not directly vote to approve, conditionally approve, or deny a rezoning, project, or development application/proposal.

There is no justification for privileging the military with a special review process in the already complex process of development review and approval. There is no reason that this special process is even *needed* for the military to articulate its concerns. The military can simply avail itself of the existing notice and comment opportunities in the Planning and Zoning Law and CEQA, including the right to request and receive advance notice of agency actions, the Public Records Act, and review of agency agendas. (See Government Code, §§ 65585(b)(1), 65353(a), 65355, and 6250 et seq.; Public Resources Code, §§ 21080.4(a), 21092, 21152(a), 21152(b).) Strategy LU-1C is inappropriate.

Strategy AT-1A also proposes an unnecessary special military review of proposed development “within an agreed-upon distance from the DMDC and Ord Military Community fence line.”

AT-1A: Include DMDC in development review discussions between PoM and surrounding communities. Surrounding communities should send DMDC a formal notice when development applications are submitted within an agreed-upon distance from the DMDC and Ord Military Community fence line. PoM should provide surrounding communities with comments that document impacts related to anti-terrorism/force protection. PoM and the surrounding communities should consider developing an MOU to document this process and/or utilizing the CEQA and NEPA process to provide timely review and comments.

Again, the military can avail itself of the same tools the public uses to review and comment on development proposals. And again, the military has the resources to address terrorism threats through its own development standards and its decisions about how to develop and use its facilities. It is not clear what authority the CUS is assuming the military might have to restrict local development decisions. The strategy is inappropriate.

Strategy LU-1E proposes a policy that would *directly restrict future development proximate to military installations*:

LU-1E: Add a "Military Element" to general plans to *include policies promoting form-based compatible development around all military installations*. Communities should consider developing a "Military Element" as an update to General Plans. This element should include a description of PoM, NSAM, and its facilities, the military activities that occur there, the relationship between the community and the military, and establish policies for coordinating with the military and *promoting form-based compatible development around PoM, NSAM, and its facilities*. Information about military facilities and operations should be vetted by the respective military branches prior to public distribution.

(Emphasis added.) The CUS does not define "form-based compatible development" but it is clear that this is intended to address the concerns about density and height of development articulated in the concerns identified as LU-1 and AT-1 quoted above. In effect, this strategy seeks to impose uncompensated development restrictions on private properties proximate to military installations for the benefit of the military. Again, this strategy would inhibit needed housing development and deny local jurisdictions the opportunity to create land value by upzoning substantial areas of existing urbanization. The strategy is inappropriate.

D. Housing strategies are inappropriate.

The CUS defines the concerns and challenges related to housing as if the primary problem is the lack of housing for military personnel who chose to live off base. For example,

HA-2 Regional housing rental and sales prices continue to increase in the project Study Area. Increasing housing rents and prices could present challenges for military personnel and other community members when looking for housing

Ha-3 While there are some military installations that provide housing on military property, there is not enough on-base housing to support all personnel stationed on the peninsula. Many personnel must or chose to live off base. There is concern that the housing stock that is both available and affordable for military personnel is inadequate.

Somewhat defensively, the very first concern the CUS identifies related to housing, HA-1, is a "perception in the community that the military base housing allowance impacts the local housing market." (CUS, p. 6-25.) As discussed above, the CUS *admits* that the military housing allowances for typical off base personnel exceed the market rental rates and that off base personnel are most

likely to compete for housing in the rental market rather than buying homes. (CUS, p. 6-27.) The housing allowance cannot but affect the local rental market by adding many more renters prepared to pay above market rates.

Ironically, the CUS then complains that the need for some military personnel to commute to the Peninsula from Salinas impacts their “quality of life.” (CUS, p. 6-32.) The CUS does not acknowledge impacts to the quality of life for thousands of low-wage workers forced to commute to the Peninsula from Salinas and other Valley cities due to the lack of housing on the Peninsula, a problem that is exacerbated by displacement of the local workforce by better funded military personnel.

Rather than acknowledging that the military should be responsible for providing its own housing, the CUS housing strategies place the burden of planning and providing military housing on local jurisdictions:

HA-3A: Include military housing information in general plans. Monterey Regional CUS partner communities should communicate military housing needs, including rental housing, in updates to their respective general plans. PoM, as the Housing Authority for military housing on the peninsula, should provide jurisdictions with current and accurate information on housing demands, amount of housing provided by the installation, generalized income by rank, of personnel living off-base, and current distribution data on off-base personnel by zip code.

HA-2A: Communicate military rental housing needs. Military Housing Offices should continue to communicate rental housing needs to surrounding cities, real estate associations, and landlords. This information should include where military personnel desire to rent, and timeframes and quantities for known incoming military personnel. Surrounding communities should work with the Military Housing Office to address housing needs.

First, with regard to HA-3A, local jurisdictions *already* prepare and routinely update Housing Elements as part of their General Plan process, and they do not need to be reminded to identify their housing needs. Second, with regard to HA-2A, the military *already* “communicates” its housing needs in the rental market through the most powerful method there is: the price signals sent by military personnel using their by above-market housing allowances. And HA-2A is vacuous: the CUS does not explain *how* surrounding communities should “work with the Military Housing Office to address housing needs.”

The other CUS housing affordability strategies would aggravate the local jobs/housing imbalance and thus *worsen* the housing shortage by asking local jurisdictions to focus on additional employment generation of interest to the military:

HA-2C: Work to attract compatible industries. Local chambers of commerce and economic development agencies should consider working together to identify opportunities for

attracting industries that would support or be compatible with the military missions as well as provide employment opportunities for military family members and veterans.

HA-2D: Identify opportunities for tech-industry and other related industry partnerships. Local economic development agencies and chambers of commerce should identify opportunities for partnerships with the tech industry and other industries that are compatible and complement the missions at military installations, for retention and recruitment support of technical professionals as well as qualified technicians.

These strategies, as desirable as they may be for military recruitment and expansion, should not be identified as solutions to *housing* problems, especially on the Peninsula. Adding more jobs to a community that already lacks sufficient housing for its workforce is not a housing solution.

E. Parking strategies should not encourage automobile use.

The CUS complains in RC-3 that “[e]fficient parking near key facilities on POM is limited, which can impact transportation choices for those commuting to POM. This could also impact parking conditions outside of the POM fence line as well as congestion in and outside of POM.”

The proposed strategy, RC-3A, is to “[p]erform a parking study. The POM should work with surrounding communities to conduct a parking study for the area around PoM and propose a new parking plan . . .”

The strategy should be clarified to provide that the military can and should mitigate its own parking problems. In addition to transportation demand management that focuses on alternative transportation modes, an obvious strategy for the military would be to build needed parking structures within its own facilities.

Outside the military areas, local jurisdictions are increasingly committed to smart growth principles that focus on dense, infill development that is not auto-dependent, and that does not privilege auto-based transportation modes by dedicating urban areas to parking. Accommodating automobile use by relieving congestion and providing parking is counter-productive to smart growth. Thus, the Legislature through SB 743 barred the use of congestion metrics as a basis for determining transportation-related impacts under CEQA. Instead, the Legislature requires use of the VMT metric. Lowering VMT may in fact entail an increase in the level of congestion that must be tolerated and a decrease in the amount of parking that should be provided. The CUS strategies should not seek to reverse these commitments to smart growth.

Regards,



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Executive Director

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