

ORDINANCE NO. _____ (N.C.S)

AN ORDINANCE AMENDING SECTION 37-50.300 (TEMPORARY USE OF LAND) OF CHAPTER 37 OF THE SALINAS MUNICIPAL CODE (ZONING) TO PERMIT ONE RENEWAL OF TEMPORARY USE OF LAND PERMITS FOR TEMPORARY EMPLOYEE AND INTERIM HOUSING IN EXISTING PROPERTIES DEVELOPED AS A HOTEL OR MOTEL (ZCA 2020-002)

WHEREAS, on November 7, 2006, the Salinas City Council, adopted Ordinance Number 2463 replacing the existing Zoning Code; and

WHEREAS, on May 18, 2010, the Salinas City Council adopted Ordinance Number 2507 which amended various provisions of Chapter 37 of the Salinas Municipal Code (“Zoning Code”) to allow for general changes, language clarification, and minor corrections; and

WHEREAS, on April 19, 2016, the Salinas City Council adopted Ordinance Number 2569 which amended various provisions of Chapter 37 of the Salinas Municipal Code (“Zoning Code”) to allow for general changes, language clarification, and minor corrections; and

WHEREAS, on December 6, 2016, the Salinas City Council adopted Ordinance Number 2581 which amended Zoning Code Sections 37-10.250, 37-10.280, and 37-10.430 to modify definitions related to accessory dwelling units; Sections 37-30.020, 37-30.060, 37-30.110, 37-30.160, and 37-30.430 to allow accessory dwelling units as permitted uses; and 37-50.250 to address conformance with state law regarding accessory dwelling units; and

WHEREAS, on April 18, 2017, the Salinas City Council adopted Ordinance Number 2592 which amended various provisions of Chapter 37 of the Zoning Code to remove the bedroom mix requirement for residential development in the Central City Overlay and correct typographical errors; and

WHEREAS, on July 3, 2018, the Salinas City Council adopted Ordinance Number 2605 which amended Sections 37-40.320(b) and 37-10.250 and added Section 37-50.015 of Chapter 37 to establish an adaptive reuse ordinance that would allow for the reuse of existing non-residential buildings for the production of housing when located in the Central City Overlay Downtown Core Zoning District and within a building at least fifty years old, or located within a historically significant building in the City; and

WHEREAS, on September 18, 2018, the Salinas City Council adopted Ordinance Number 2607 which amended Sections 37-40.320(b), 37-10.250, 37-50.015 of Chapter 37 of the Salinas Municipal Code (Zoning) to expand the adaptive reuse ordinance to include the Central City Overlay District; and

WHEREAS, on March 19, 2019, the Salinas City Council adopted Ordinance Number 2617 which amended section 37-50.300 of Chapter 37 of the Salinas Municipal Code (Zoning) to permit temporary employee and interim housing in existing properties developed as a hotel or motel; and

WHEREAS, on November 5, 2019, the Salinas City Council adopted the following ordinances: Ordinance Number 2623 which amends Chapter 37 of the Salinas Municipal Code

(Zoning) regarding Small and Medium Project Employee Housing in the Residential Low (RL) and Residential Medium (RM) Zoning Districts, Ordinance Number 2624 which amends Chapter 37 of the Salinas Municipal Code (Zoning) to allow residential uses in the Public/Semipublic (PS) Zoning District subject to approval of a Conditional Use Permit, Ordinance Number 2625 which amends Chapter 37 of the Salinas Municipal Code (Zoning) to allow a Parcel Map Subdivision in the Future Growth Area (FGA) prior to Specific Plan Adoption, Ordinance Number 2626 which amends Chapter 37 of the Salinas Municipal Code (Zoning) to allow front yard setback replacement parking for Accessory Dwelling Units (ADU) pursuant to State of California Regulations, and Ordinance Number 2627 which amends Chapter 37 of the Salinas Municipal Code (Zoning) to allow a driveway width expansion subject to approval of a Conditional Use Permit; and

WHEREAS, on January 6, 2021, at a duly noticed public hearing, the Salinas Planning Commission recommended that the City Council introduce and adopt Zoning Code Amendment 2020-002, which amended Section 37-50.300 of Chapter 37 to permit one renewal of a Temporary Use of Land Permit for temporary employee and interim housing in existing properties developed as a hotel or motel; and

WHEREAS, on January 19, 2021, at a duly noticed public hearing, the City Council weighed the evidence, including the Staff Report which is on file at the Community Development Department together with the record of environmental review and hereby finds that the following amendment will not have the effect of reversing policies of the Salinas General Plan or other plans and policies previously adopted by the City Council and the City Council finds the project to be categorically exempt from the California Environmental Quality Act (CEQA), as follows:

Categorical Exemption:

1. *The project has been found to be a Class 5 Categorical Exemption pursuant to Guidelines section 15305 of the Guidelines to the California Environmental Quality Act (CEQA);*

The proposed Zoning Code Amendment applying to various provisions of the Zoning Code is categorically exempt from further environmental analysis per CEQA Guidelines Section 15305 (Minor Alterations in Land Use Limitations). The proposed Zoning Code Amendment would not result in a significant environmental impact since it involves minor alterations to the Zoning Code.

2. *The project is also categorically exempt from CEQA pursuant to Guidelines section 15061(b)(3).*

This exemption is allowed when the activity, in this case the recommendation of adoption of the ordinance, does not have the potential for causing a significant effect on the environment. The proposed modification allows the temporary use of hotel or motels for employee or interim housing for up to one additional year and therefore, will not have a significant effect on the environment.

Zoning Code Amendment 2020-002:

- 1. The amendment is consistent with the Salinas General Plan and other plans and policies adopted by the Salinas City Council.*

Land Use Element (LU)

The proposed amendment would not result in uses inconsistent with any land use designation. The amendment would be consistent the Land Use Element of the General Plan including Policy LU1.1, which states “achieve a balance of land uses to provide for a range of housing, jobs, libraries, and educational and recreational facilities that allow residents to live, work, shop, learn, and play in the community.” The changes to provisions related to Temporary Use of Land would allow for the temporary conversion of underutilized commercial space for up to one additional year to provide for the urgent need for employee and interim housing that would promote a greater mixture of uses.

The amendment is further consistent with General Plan Policy LU-2.7 which encourages existing commercial and professional office developments to redevelop and reconfigure uses to incorporate new housing opportunities. The amendment would allow the City to continue a temporary mechanism to convert underutilized hotels/motels for critical housing. The City of Salinas is facing a housing crisis as documented in the 2019 Monterey County Point in Time Count, which identified 1,182 Salinas residents as homeless. The 2018 Farmworker Housing Study and Action Plan for the Salinas Valley and Pajaro Valley further underscores the housing need, determining that additional 45,560 units of farmworker housing are needed just to alleviate critical overcrowding in farmworker households.

More specifically this amendment helps foster Goal LU-3 which encourages “a diverse economy that allows for the continued economic success of the community, while not sacrificing its agricultural base” and Policy LU-3.8 which encourages “the production of housing that meets the needs of agricultural and other essential workers within the community.” Through this amendment the city can continue to permit temporary conversion of hotels/motels to meet the needs of our vital workforce without sacrificing the agricultural industry. Moreover, the need to allow for the conversion of hotels/motels is further expressed in the Farmworker Housing Study and Action Plan, which states “collaborate with other jurisdiction to develop a model ordinance for the temporary use of motels/hotels for H-2A or other seasonal farmworkers.”

The proposed amendment also contains provisions related to safe operations of the temporary use and regular inspections by the Fire Department and Code Enforcement. As a result, the amendment advances Policy LU-4.2 by improving “the enforcement of regulations, such as zoning code and building codes to ensure existing and new development is constructed, occupied, and maintained to minimize potential fire and other hazards.”

Community Design Element (CD)

Similar to LU-4.2, Policy CD-2.4 addresses enforcement and property maintenance. Policy CD-2.4 states, “use developer incentives, enforcement of property maintenance and building codes, public-private partnerships and city-sponsored programs to encourage continued maintenance and rehabilitation of residential, commercial, public, and industrial

properties.” The proposed amendment maintains the streamlined processes for the temporary conversion of hotels/motels, but also reduces the number of required inspections while ensuring proper maintenance, creating a balance between enforcement and incentives.

Housing Element (H)

The City and surrounding region face overcrowding as documented in the Housing Element, as approximately 17.5 percent of all households in Salinas are overcrowded and 5.1 percent are severely overcrowded. Not only is Salinas overcrowded, but much of the population is also considered cost burdened. About 25 percent of renters paid more than 50 percent of their income towards housing costs. Cost burden rates were also high among Salinas homeowners. Almost 49 percent of owner-households paid more than 30 percent of income towards housing costs, and 24 percent paid more than 50 percent of household income towards housing costs. This is why the Salinas metro area is one of seven in California that ranks in the top 10 of least affordable places in the United States, according to an analysis of 2016 census data by Harvard’s Joint Center for Housing Studies. By allowing for the continued temporary conversion of hotels/motels for employee and interim housing, which can include transitional housing for the homeless, the City can further Policy H-1.8, “reduce municipal constraints to the production, maintenance, and development of decent, safe housing.” The proposed amendment as outlined above would continue to allow for collaborative partnerships between hotel/motel operators and non-profits or employers to foster Policy H-3.8: “Support collaborative partnerships of nonprofit organizations, affordable housing developers, major employers and market-rate housing developers to expand affordable housing opportunities for those working in the City of Salinas and surrounding areas.”

Economic Development (ED)

Consistent with the Land Use Element, the Economic Development Element reiterates the importance of the agriculture industry to the Salinas economy as outlined in Goal ED-EBG-1, which states, “maintain and enhance Salinas and the Salinas Valley as the premier center of agricultural productivity and technological advancement in the fresh food/produce sector.”

The significance of this industry is additionally highlighted in the Farmworker Housing Study that found an “estimated number of unique individual agricultural workers employed in the region during 2016 was 91,433.” Furthermore, “during the past decade, measured by comparing three-year annual averages of farm cash receipts (inflation-adjusted 2016 dollars), production of crop and animal commodities increased by 14%, to \$5.2 billion” in the region. The need for labor to serve these industries is quite acute and unfortunately due to a decline in the permanent labor force, agriculture has had to increasingly rely on the H-2A visa program. By 2017, the number of H-2A working in the Salinas-Pajaro Laborshed was more than 4,300, up from just 636 three years earlier.

Because the H-2A Program requires that employers provide housing combined with Salinas’ severe housing shortage, employers often turn to hotels/motels to provide housing. Without the use of these hotels/motels for housing, the agricultural workforce would significantly decline, thereby substantially decreasing productivity and negatively impacting the city’s overall economic prosperity. Based upon the same rationale outlined above, the proposed amendment promotes Goal ED-EBG-2 by ensuring that “existing

businesses have access to the resources and services they need to prosper and expand in Salinas”. In this case, the critical resource is access to labor. This understanding is further expressed in Action NC-1.1.4, which calls for partnership with “universities, colleges, research institutions and public service agencies to facilitate innovative solutions for seasonal workforce housing.” The temporary use of hotels/motels is one such innovative solution for workforce housing.

2. *The amendment will not have the effect of reversing the policies of the Salinas General Plan, any applicable Specific Plan, and other plans and policies adopted by the Salinas City Council.*

The proposed amendment will not reverse existing policies, because the proposed changes would be consistent with the General Plan. The proposed amendment is in substantial conformance with the purposes, intent, and provisions of the General Plan. The amendment would allow for the continued temporary use of underutilized hotels/motels for employee and interim housing to facilitate multiple housing and economic development provisions in the General Plan. The temporary conversion of underperforming hotels/motels with high vacancy rates and minimal economic activity to temporary employee or interim housing has resulted in new investment along commercial corridors such as John and Main Streets. Because the provisions of this amendment include interim housing to address the needs of certain segments of the population that have difficulty accessing safe housing such as the homeless, the city can advance Policy H-3.5 by encouraging and supporting “the provision of housing and services for homeless individuals and families...through public-private partnerships, and through local collaborative efforts.” Finally, the proposed amendment includes operational provisions to ensure compatibility with neighboring properties and through inspections minimizes potential hazards and promotes proper maintenance, which reinforce multiple policies in the General Plan.

3. *The amendment would not create an isolated district unrelated to adjacent zoning districts.*

The proposed amendment to Section 37-50.300 (Temporary Use of Land) of Chapter 37 of the Salinas Municipal Code (Zoning) to allow one renewal of Temporary Use of Land Permits for temporary employee and interim housing in existing properties developed as a hotel or motel will not create any additional zoning districts.

4. *The City has the capability to provide public utilities, roads, and services to serve the uses allowed by the proposed amendment.*

Salinas is an urbanized area and public infrastructure is presently in place to serve most uses. The proposed amendment would not create the need for additional infrastructure as it involves a similar use of properties already developed as a motel or hotel.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF SALINAS AS FOLLOWS: (Revisions are shown in underline/~~strikethrough~~ text)

SECTION 1. Amend Zoning Code Section 37-50.300 to read as follows:

Sec. 37-50.300. -Temporary use of land.

(e) **Limitations—C, MU, NU (VC), PS, and I Districts.**

(4) iv. **Performance Standards.** Temporary employee and interim housing shall be subject to *Section 37-~~80~~50.180 Performance standards.*

xiv. **Inspections.** The city shall conduct a joint community development/fire inspection prior to issuance of the TULP and ~~two~~ one monitoring inspections ~~after four and eight months if extended beyond the initial six month period prior to approving an extension.~~

(g) **Duration.**

(15) Temporary hotel/motel conversion for employee and interim housing shall not exceed six (6) months unless extended for one additional six-month period subject to *Section (h) Extensions.* Continuation of the use is prohibited beyond 1 year. The TULP shall take effect on the 29th day of occupancy of the hotel/motel. One renewal may be granted, after a gap in use, and shall not exceed six (6) months unless extended for one additional six-month period subject to *Section (h) Extensions.*

SECTION 2. This ordinance shall take effect and be in force thirty days from and after its adoption.

SECTION 3. The Salinas City Clerk is hereby directed to cause the following summary of this ordinance to be published by one (1) insertion in The Monterey Herald, a newspaper of general circulation published and circulated in the City of Salinas and hereby designated for that purpose by the Salinas City Council:

An ordinance amending section 37-50.300 (temporary use of land) of chapter 37 of the Salinas Municipal Code (Zoning) to permit one renewal of temporary use of land permits for temporary employee and interim housing in existing properties developed as a hotel or motel (ZCA 2020-002)

SECTION 4. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The Salinas City Council hereby declares that it would have passed this ordinance, and each and every section, subsection, clause and phrase thereof not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

This ordinance was introduced and read on _____, 2021 and passed and adopted on _____, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED

Kimbley Craig, Mayor

ATTEST

Patricia Barajas, City Clerk

APPROVED AS TO FORM

Christopher A. Callihan, City Attorney