

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) FOR TEMPORARY
EMPLOYEE AND INTERIM HOUSING IN EXISTING PROPERTIES DEVELOPED
AS A HOTEL OR MOTEL (ZCA 2019-001)**

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 6, 2019 at a duly noticed public hearing, the Salinas Planning Commission recommended that the City Council introduce and adopt Zoning Code Amendment

2019-001, 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 March 19, 2019 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 and therefore, will not have a significant effect on the environment.

WHEREAS, the Salinas City Council adopts the following findings, as set forth in Zoning Code Section 37-60.1120, as the basis for its introduction and adoption of the proposed Zoning Code amendment:

Zoning Code Amendment 2019-001:

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 to provide an urgent need for employee and interim housing that would promote a greater mixture of uses.

The amendment is further consistent 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 create a temporary mechanism to convert underutilized hotels/motels for critical housing. The City of Salinas is facing a housing crisis as documented in the 2017 Monterey County Point in Time Count, which identified 1,367 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 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 streamlines the temporary conversion of hotels/motels in a way that ensures proper maintenance, but through a simpler administrative approval process 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 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 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 temporary use of underutilized hotels/motels for employee and interim housing to facilitate multiple housing and economic development provisions in the General Plan. For example, formerly underperforming hotels/motels with high vacancy rates and minimal economic activity have been used in the past for employee or interim housing. When hotels/motels have been used for this purpose, it has resulted in new investment along commercial corridors such as John and Main Streets. Consequently, the temporary use for these buildings has facilitated Goal ED-CA-1 by “coordinating public and private investment along disinvested commercial corridors”. By extending the provisions of this amendment for 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 in addition to individuals experiencing mental illness through the use of state and federal programs and 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) 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.

- (a) **Purpose.** The purpose of a temporary use of land permit is to ensure that any land use activity conducted ~~on an intermittent basis~~ for a specific and finite time period does not become permanent.
- (b) **General.** Any use conducted on an intermittent or temporary basis or for a specific and finite period of time, not intended to become permanent, shall not necessarily be listed as a use within a zoning district in which it is located.
- (c) **Limitations—C, MU, NU (VC), PS, and I Districts.**

(4) Temporary use includes the conversion of a hotel or motel for Employee or Interim Housing as defined in Article I. – General Provisions, under Division 2. – Definitions. Employee housing for the purposes of Section 37-50.300 can also include agricultural workers. This temporary use shall be for a limited duration and as conditioned below:

- i. **Master Leasing.** The hotel/motel operator should master lease the entire hotel/motel for a single purpose use such as employee housing for agricultural workers. If the hotel/motel operator only leases a portion of the hotel/motel for such a use, the management plan shall include a security plan approved by the Police Department to ensure the compatibility of uses. The hotel/motel operator shall also register those rooms that will be subject to the transient occupancy tax (TOT) with the City. The lessor (hotel/motel property owner or operator) shall be responsible for compliance with the conditions outlined in Section (e)(4).
- ii. **Compatibility.** Temporary employee and interim housing shall be operated in a manner that will not adversely affect adjoining properties or be detrimental to properties or improvements in the vicinity or to the general welfare of the city.
- iii. **Outdoor Activity.** For the purpose of neighborhood compatibility, on-site outdoor activities except food and transportation services shall be conducted between the hours of 7:00 a.m. and 10:00 p.m. Outdoor activity may include recreational games and activities, musical performances, and such other similar activities as deemed appropriate by the city planner. The city planner may approve a management plan that allows for the loading and unloading of transportation and provision of food services beyond the hours of 7:00 am to 10:00 pm.

- iv. **Performance Standards.** Temporary employee and interim housing shall be subject to *Section 37-80.180 Performance standards.*
- v. **Property Management.** On-site, 24 hours per day property management shall be provided by the hotel/motel operator.
- vi. **Emergency Contact.** Emergency contact information shall be posted on the exterior of the facility adjacent to the main entrance. Street address numbers shall be legibly posted on each building comprising the facility.
- vii. **Parking.** Existing parking spaces shall be retained; Buses, trailers, and portable toilets shall not be parked overnight on site. Passenger vans may be parked overnight.
- viii. **Temporary Storage and Structures.** Temporary storage and structures shall be prohibited unless otherwise approved through a separate Temporary Use of Land Permit (TULP).
- ix. **Food Service.** One catering vehicle, not to exceed 50 feet, shall be permitted for the purposes of providing food service to those living onsite for a 90 minute, no more than three times per day. The catering vehicle shall be licensed with the Health Department. The city planner may approve a larger catering vehicle if a designated space can be provided on site that does not impede traffic and circulation, emergency access, pedestrian pathways and sidewalks, and/or ADA access.
- x. **Transportation.** Buses, vans and similar vehicles shall be permitted to load and unload passengers on site with approval of the transportation plan, part of the overall management plan. A passenger loading area shall be included in the management plan and shall occur in an area that does not impede traffic and circulation, emergency access, pedestrian pathways and sidewalks, and/or ADA access.
- xi. **Alcohol.** Consumption of alcohol shall be permitted indoors. Outdoor consumption of alcohol shall be prohibited.
- xii. **Trash.** Trash and recycling cans shall be provided on site and emptied daily by the hotel/motel operator. Trash cans shall have adequate lids or other devices to prevent airborne trash. The operator also shall provide documentation that regular commercial trash service is being provided on site pursuant to city regulations.
- xiii. **Maintenance.** The site shall be maintained and kept free of weeds, litter, and debris. All landscaped areas shall be maintained free of weeds, trash, and debris, and all plant material shall be continuously maintained in a healthy, growing condition. All exterior building and wall surfaces shall

be regularly maintained, and any damage caused by weathering, vandalism, or other factors shall be repaired.

xiv. **Inspections.** The City shall conduct a joint Community Development/Fire inspection prior to issuance of the TULP and two monitoring inspections after four (4) and (8) months if extended beyond the initial six (6) month period.

xv. **Application.** In addition to the Temporary Use of Land Permit Application, the applicant shall submit:

aa) any California Housing and Community Development (HCD) approvals pursuant to the California Health & Safety Code § 17008 Health and Safety Code

bb) emergency contact information

cc) contact for property maintenance

dd) a written management plan including a transportation plan, security plan, emergency evacuation plan, and neighborhood outreach plan

ee) any leases excluding any financial information such as rental rates

ff) a security plan if required pursuant to Section (e) (4) (i)

xvi. **Application Fee.** The city shall charge a base application fee for processing a Temporary Use of Land Permit (TULP). If the City Planner review time exceeds established for typical TULP processing, the applicant shall pay an additional fee based upon the hourly rate for actual time spent per the city's adopted fee schedule.

xvii. **Revocation of Permit.** The city planner shall reserve the right to revoke permits authorized by this section if the city planner determines that the permit holder has violated any of the provisions in this section. Revocations shall be conducted in accordance with *Section 37-60.1330: Revocation of permits.*

xviii. **Termination of Use.** The operator shall remove all evidence of the temporary use within two weeks after termination.

(g) **Duration.**

(14) Temporary hotel/motel conversion for employee and interim housing shall not exceed six (6) months unless extended for one additional six-month period. Continuation of the use is prohibited beyond 1 year. The TULP shall take effect on the 29th day of occupancy of the hotel/motel.

(h) **Extensions.** If the city planner makes a finding of special circumstances to warrant the extension, the city planner may consider the extension of a temporary use for one additional increment of time. Temporary hotel/motel conversion for employee and interim housing

may be extended by one additional 6-month period if the hotel/motel operator has complied with all conditions outlined in Section (e) (4).

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