

**SALINAS PLANNING COMMISSION
RESOLUTION NO. 2021-___**

**RESOLUTION RECOMMENDING THE CITY COUNCIL ADOPT AN ORDINANCE
AMENDING CHAPTER 37 OF THE SALINAS MUNICIPAL CODE (ZONING CODE)
MODIFYING EXTENDED STAY REGULATIONS FOR HOTEL/MOTELS
(ZCA 2021-003)**

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 the 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 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 the Zoning Code 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 DowntownCore 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 the Zoning Code 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 the Zoning Code 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 amending the Zoning Code: Ordinance Number 2623 related to Small and Medium Project Employee Housing in the Residential Low (RL) and Residential Medium (RM) Zoning

Districts, Ordinance Number 2624 allowing residential uses in the Public/Semipublic (PS) Zoning District subject to approval of a Conditional Use Permit, Ordinance Number 2625 allowing a Parcel Map Subdivision in the Future Growth Area (FGA) prior to Specific Plan Adoption, Ordinance Number 2626 allowing front yard setback replacement parking for Accessory Dwelling Units (ADU) pursuant to State of California Regulations, and Ordinance Number 2627 allowing driveway width expansion subject to approval of a Conditional Use Permit; and

WHEREAS, on June 23, 2020, the Salinas City Council adopted Ordinance Number 2635 which amended Section 37-30.310, Table 37-30.130 of the Zoning Code to allow the renting of vehicles including, but not limited to, Automobiles, Light Trucks, and Vans as an accessory use to Vehicle Sales and Services Uses in the Industrial General (IG) Zoning District; and

WHEREAS, on January 19, 2021, the Salinas City Council adopted Ordinance Number 2642 which amended Section 37-50.300 of the Zoning Code 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; and

WHEREAS, on June 8, 2021, the Salinas City Council adopted Ordinance Number ____, which amended Section 37-50.100 of Chapter 37 to eliminate the maximum number of Home Occupations allowed per dwelling unit; and

WHEREAS, on June 16, 2021, at a duly noticed public hearing, the Salinas Planning Commission recommended that the City Council introduce and adopt Zoning Code Amendment 2021-003, which amended Sections 37-30.200 (Commercial Districts), 37-30.240 (Mixed Use Districts), 37-30.430 (New Urbanism), and 37-50.300 (Temporary Use of Land Permits) of Chapter 37 of the Salinas Municipal Code (Zoning Code) and added Section 37-50.085 - Extended Stay for Hotel/Motel Use; and

WHEREAS, on June 16, 2021, the Salinas Planning Commission weighed the evidence presented at hearing, 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 finds the project to be categorically exempt from the California Environmental Quality Act (CEQA), as follows:

NOW, THEREFORE, BE IT RESOLVED by the Salinas Planning Commission that the Commission recommends that the City Council find the project to be categorically exempt from the California Environmental Quality Act and introduce and then adopt Zoning Code Amendment 2021-003; and

BE IT FURTHER RESOLVED that the Salinas Planning Commission adopts the following findings as the basis for its determination, and that the foregoing recitations are true and correct, and are included herein by reference as findings:

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 adoption of an ordinance allowing Hotel/Motel Extended Stay beyond 6 months in commercial and mixed-use districts with a Conditional Use Permit (CUP), does not have the potential for causing a significant effect on the environment.

Zoning Code Amendment 2021-003:

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 Extended Stay for Hotel/Motel uses would allow occupancy of up to ten (10) months with a Conditional Use Permit (CUP) to address residential housing shortages and assist with urgent housing needs for workers, displaced families due to natural disasters, or people experiencing homelessness.

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 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”. Although the Amendment is not specifically limited to agricultural workers, traditionally hotels/motels in the City have been used to accommodate this migrant workforce. Through this Amendment, the City would allow more flexibility in the Extended Stay provisions and permit occupancy up to 10 months instead of a maximum of 180 days thereby meeting 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 Extended Stays for Hotel/Motel uses for H-2A or other seasonal farmworkers”.

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 requires compliance with operational standards to ensure the Extended Stay for Hotel/Motel use does not have negative neighborhood impacts and is properly maintained.

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 considered 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. The Amendment advances Policy H-1.8: to “reduce municipal constraints to the production, maintenance, and development of decent, safe housing” by providing a flexible and safe residential resource for our workforce, especially farmworkers and residents experiencing displacement due to natural disaster or homelessness. Without the ability to use hotel/motels in this way, these populations would be forced into neighborhoods exacerbating overcrowding or forced onto the streets. 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 amended provisions for Extended Stay for Hotels/Motels with an occupancy term of 10 months 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 eliminate restrictions on Extended Stay for Hotels/Motels such as the 25% percentage limitation on number of rooms for this use and 180-day maximum stay. The amended provisions provide more flexibility to facilitate multiple housing and economic development provisions in the General Plan. Allowing existing, older hotels/motels, many of which are obsolete as tourist destinations, convert to Extended Stay will ensure our workforce has access to safe housing and encourage investment in these properties. This Amendment will also enable non-profit organizations to lease rooms to

provide safe temporary housing for those experiencing homelessness while permanent housing is secured. Currently, these organizations must consistently move their clients to avoid hotel/motel occupancy restrictions, which limit stays to 28-days. This Amendment would 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 standards to ensure compatibility with neighboring properties and promotes proper maintenance, reinforcing multiple General Plan policies.

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

The proposed Amendment to Chapter 37 of the Salinas Municipal Code (Zoning) to modify provisions related to Extended Stay for Hotels/Motels 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. The City has the capability to provide public utilities, roads, and services for any future Extended Stay for Hotel/Motel uses.

PASSED AND APPROVED this 16th day of June 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

THIS IS TO CERTIFY that the foregoing is a full, true, and correct copy of a Resolution of the Planning Commission of the City of Salinas, that said Resolution was passed and approved by the affirmative and majority vote of said Planning Commission at a meeting held on June 16, 2021, and that said Resolution has not been modified, amended, or rescinded, and is now in full force and effect.

SALINAS PLANNING COMMISSION

Date: _____

Courtney Grossman
Secretary