

**Minutes**

City of Soledad  
City Council  
Special Meeting

**July 18, 2018**

**CALL TO ORDER**

Mayor Ledesma called the City Council Meeting to order at 6:00 p.m.

**ROLL CALL**

The Following Councilmembers were present when the meeting was called to order:

Mayor	Fred Ledesma
Mayor Pro Tem	Alejandro Chavez
Councilmember	Christopher Bourke
Councilmember	Anna Velazquez
Councilmember	Carla Stewart

The Following Councilmembers were absent:

- None

**ADDITIONS/MODIFICATIONS TO THE AGENDA**

- None

**PLEDGE OF ALLEGIANCE** was led by Fred Ledesma

**PEACEBUILDERS' PLEDGE** was led by Brent Slama

**PUBLIC COMMENT**

- None

**BUSINESS**

B-1 Resolution No. 5426, A Resolution of the City Council of the City of Soledad Approving a Agreement for the Purchase of Real Estate at 390 East Street (Assessor's Parcel Number: 022-141-017 and Authorizing the City Manager to Execute the same.

Community and Economic Development Director Brent Slama presented the staff report.

**Council Action:** To Adopt Resolution No. 5426

**Motion:** Motion made to adopt resolution 5426 by Mayor Pro Tem Chavez, seconded by Councilmember Bourke and carried by the unanimous vote:

Ayes: Chavez, Bourke, Stewart, Velazquez and Ledesma  
Noes: None  
Abstain: None  
Absent: None

B-2 Informational Presentation: Miramonte Specific Plan and Vesting Tentative Map Project (Formerly Miravale III Specific Plan).

Community and Economic Development Director Brent Slama presented the staff report. EMC Principal Planner Sally Rideout and EMC Senior Principal Michael Groves presented a PowerPoint presentation. Both were available for to answer questions.

Mr. Groves pointed out two points: 1. The traffic triggers & 2. The core commercial. He pointed out on a map where the core commercial would be. He said that the applicant would like to have more mixed use and have more commercial use and revenue. There is a mixed use component in the plans and he would like to suggest adding language to state that mixed use is allowed in the core area. Mr. Groves introduced Mr. Doug Swanson from Applied Development Economics.

Applied Development Economics representative Doug Swanson said he would be doing an overview on the fiscal impact analyses of the project. The fiscal analysis primarily deals with ongoing operations, city revenues and costs that are funded down into the general fund. He will also be overviewing the capital costs that will be going into the project. Part of the recommendation is to do a detailed financing plan so that there is a better idea of the actual costs of the improvements required and the phasing of the development. A few items that are important are residential development, populations, jobs here in Soledad, Police and Fire, parks and recreation and street maintenance.

Councilmember Bourke said the idea of the funding of the retail centers is expected to come from half of the new residents and the other half to come from the other side of town and isn't that just like taking it from one hand and putting it in the other hand? He said there are very specific services being sold in the new center, but no increase in sales tax.

Mr. Swanson said that is a problem. The idea would be to provide shopping options that don't currently exist in Soledad. There needs to be a money marketing analyses to point those things out. The items needed in Soledad need to be identified. The Community Facilities District can add additional property taxes early in the project to help fund the initial costs.

Councilmember Bourke said that the sales tax pays for current services but the report is saying that it anticipates by 2021 coming up with the first 100 units and the rest of the building being 2044, but police and fire need to be there when the first homes go up in 2021, how will that be paid for?

Mr. Swanson said that a Community Facilities District could add additional property taxes early in the project to help fund the additional cost until the other property tax and sales tax builds up.

Councilmember Bourke said that in the Fiscal Analysis there was no cost of infrastructure of public facilities yet, no capital cost improvements to build the police and fire station and "single-family residents has generated enough property and sales tax to pay for services, not only for the residents but also for the multi-family with \$238,000 surplus per year in 2044", yet he was always told in the past that single-family residences do not pay for their services.

Mr. Swanson said that it varies and changes over time. There is a break-even point and as you get higher property values, then you get to a point where residences do pay for themselves. Some additional revenue sources that the City has voted in, like Measure Y which added sales tax that helps with that. Also the vehicle license tax helps with that. The fact that the city imposes Maintenance Assessment Districts on developments; this also helps mitigate the impact.

Councilmember Bourke said there was something mentioned in the Fiscal Analysis that the cost of infrastructure upon facilities to plan have not been estimated and it is not clear if the potential bond which is \$45 million bonding capacity combined with development impact fees \$46.5 million dollars will be sufficient to fund the cost and this does not include the costs of the Gabilan Drive/101 interchange which would cost about \$35 million.

Mr. Swanson said that this is a question that remains and will need to be addressed in more detail when we know all the costs. These costs are not included in the report.

Councilmember Bourke said that the report also said that the City will float bonds to pay for improvements such as on-going maintenance costs like street lights, street repair and park maintenance. He said he always thought that you do not use one-time bond money to pay for on-going maintenance expenses.

Mr. Swanson said that Mr. Bourke is correct. He said if that is what the report says then the language needs to be adjusted regarding that. Maintenance assessments and bonds would be used for capital improvements.

Councilmember Bourke asked who will pay for Gabilan Drive. His concern is that other developments should help pay their share because Gabilan Drive will benefit the entire City, and that the whole cost should not just be on the developer. Developers are supposed to build two lanes until Gabilan Plaza is build and then Gabilan Plaza will build the other two lanes. He noted there will be a city traffic impact fee increase, but was concerned that would tax the entire city to pay for one particular project.

Mr. Swanson said that existing residents would not pay that tax, only new residents.

Councilmember Bourke asked if 11,000 new residents go into the new Miramonte Project and they only need to build two lanes of Gabilan Drive, why is it that the shopping center has to build two other lanes of Gabilan Drive and also the two lanes of San Vicente. He asked why is it that the one shopping center will be responsible for multiple road projects when the developer is only responsible for two lanes.

Ms. Rideout said the volume of traffic generated by this project only requires two lane roads; however the General Plan calls for a four lane road to accommodate all the growth of the expansion areas. The project developer will be responsible for a portion of the new area. There is no nexus to require the whole thing; however it is up to City Council if they would like to do that. The future growth in the newer areas already engineered part of it.

Councilmember Bourke said that in the addendum in the EIR it says that Gabilan Drive will be built by the developer. It does not say two lanes or four lanes and it does not mention the interchange.

Ms. Rideout said the project developer could not possibly be held responsible for the interchange. It is not within the jurisdiction of the City. Their impact of the interchange is mitigated by the payment of the regional traffic impact fee and their responsibility is done. However, Gabilan Drive is in the City and the City could require the developer to construct the whole thing.

Councilmember Bourke said the interchange will cost \$35 million dollars.

Ms. Rideout said yes, if that is what is needed to serve the development. EMC is suggesting in the Mitigation Monitoring Program is that the developer be responsible in a number of ways for major studies and perhaps helping the City acquire the right-of-way needed to put in the extension.

Councilmember Bourke said the traffic study mentioned seven major intersections; they all seem to be mitigated by extending Gabilan Drive out to the freeway. Some of the mitigation levels are very large and involve major construction. He asked if it was easier for a developer to develop all that is mentioned in the report or is it easier for a developer to develop a four lane Gabilan Drive.

Ms. Rideout said that this is something that will need to be developed as part of the Master Circulation Program prior to acceptance of the final map. and that the project will not proceed unless the milestones are reached.

Councilmember Bourke said his concern is that we would be putting all of our money on the Gabilan Drive extension and then have no money left to have the interchange built.

Ms. Rideout said that the intersection would have to be connected.

Councilmember Velazquez said that it is important to look at the character of this project and the quality of life that the City is going to be offering residents and new residents. She stated her concerns are in the housing portion of it. The Specific Plan calls for 314 farmworker housing units which is the Farmworker Village, these units will be similar to what T & A has developed as part of their housing in the Speckles area. She sees this as H2A housing which is not family housing, but is for individuals over the age of 18 and it's a very different component than to other types of housing. She expressed her concern that the City already has had issues with displacement with residents with H2A housing and the City needs to look at what kind of housing it really wants there. She said she does understand the need for labor because there is a labor shortage and it is critical, but in the long term vision should the City be constructing housing for a specific type and does the City want that in the long run. She asked how will this housing be converted when there no longer is that shortage. She also stated she is aware that developers are building the low-density units but questioned if the existing population could afford these units. She said that many of the single-family homes are being acquired by people in the Bay Area because they can afford the homes and that these buyers are not staying in our community, they are commuting, and they are not here and not investing their time into this community. She said the city wants to have about 11,000 new residents, but staff needs to look at the commercial piece and the economic development. The report says that the commercial part of this will provide 218 jobs but the City needs to look at how to provide more than 218 jobs for our residents so future residents don't have such long commutes.

Councilmember Stewart was concerned about why the Superintendent of the Soledad Unified School district only requested two elementary schools, and asked if he did provide data on why.

Mayor Fred Ledesma said he understands the need for the developer to develop specific types of housing like the H2A and feels like it is ironic that this type of housing would need to be developed. Soledad lacks people that have spendable income. The Mayor stated that the H2A worker sends 70 to 80 percent of their money to Mexico and is living on 20 or 30 percent. They spend zero dollars in their community. He said he does not know the answer to the dilemma of Gabilan, but he sees the need and said that he believes the way housing comes in the future has to change dramatically. He said he appreciates the Planning Commission wanting to big bigger lots, but the idea may not be practical anymore. The new wave is how to build housing on smaller lots and he said he also likes the idea of building housing in commercial lots. He stated that there are 1,500 people that work in the Soledad Corrections but only 300 live in Soledad that is 1,200 people that make between 80 and \$200,000 dollars that don't live in the community, but are employed two miles away. He stated that the smart strategy is to build housing to attract those people here and that Soledad needs a gym, a theater and shopping. The key is to figure ways to convince those people to live in the city.

Councilmember Bourke pointed out that documentation said that the City needs more fresh water, two new wells, 1-1.2 million dollar tank and supplementary pumps for housing above the contour line. The document said that the developer was ok with the two wells, but he asked about the tank and the pumps.

Ms. Rideout said that some type of storage will be necessary and the zone that the two existing Ag wells are in is not capable of supporting any more wells. A new zone will be required for new wells and storage would need to be up above the contour line, but that is something the developer would have to pay for and that is a part of the infrastructure planning.

Councilmember Bourke said that the Fiscal Analysis, page 11 says that the Specific Plan states that the project sponsor will be responsible for those cost and impact fees associated with public improvements needed for the project, and it says later on that the developer may be required to fund the construction of a police and fire station.

The Developer Mr. Agha said that he is willing to donate the land but it is against the law to provide land for city facilities and then have the city require the developer to build the facility and that land use procedure does not allow that. The building of facilities will be provided by impact fees.

Ms. Rideout stated she agreed with the developer. She said that if the new facilities are required then that will be a part of the capital improvements that will be analyzed in the Comprehensive Financing Plan.

Councilmember Bourke said that the school has an ag farm; both the City and school would like that area to be somewhere else. Instead of taking money for the mitigation of the loss of Ag land, can we take the money and move the school farm and put it at one of the edges of the project where it would not bother anybody.

Ms. Rideout said that she will look into it, but it will need to be consistent with the MOU.

Mayor Pro Tem Chavez asked if there is a possibility of changing tax sharing revenue once the properties are built.

Mr. Swanson said that he will look into it.

Mr. Groves suggested that staff go sit down with the County and talk about revenue sharing. He said that the other big issue is the idea of phasing; and that the project really needs to have the whole thing financed to the end. LAFCO may suggest phasing, but that is not the right perspective.

Mayor Ledesma said he would like to know more about the communities where projects like this have worked and also the communities where it has not worked.

Mr. Groves said that they will develop a list for Council.

Councilmember Bourke asked if EMC would be developing a number of comprehensive plans such as the Comprehensive Financing Plans, Master Parks and Recreation Plans.

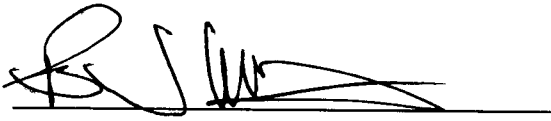
Mr. Groves said that EMC said that these are requirements and the applicant will be developing these plans.

Councilmember Velazquez thanked Mr. Agha for talking further about the retail and commercial that would be looked forward to if these plans are approved. She said she would like to have future parks designed as inclusive parks for special needs children. She also stated she would also stress the importance of looking at the different ways to make sure we are looking at being more energy efficient.

**ADJOURNMENT**

Mayor Ledesma adjourned the meeting at 7:54 p.m.

Minutes Approved: October 3, 2018



FRED J. LEDESMA, Mayor/Chairman



MICHAEL MCHATTEN, City Clerk/Agency Secretary

