

County of Monterey

County of Monterey Government Center
1441 Schilling Place
Salinas, CA 93901



Meeting Agenda - Final

Wednesday, March 12, 2025

6:00 PM

1441 Schilling Place, 2nd Floor, Salinas, CA 93901

Thyme Room

Housing Advisory Committee

IMPORTANT NOTICE REGARDING PARTICIPATION IN THE HOUSING ADVISORY COMMITTEE MEETING

The Recommended Action indicates the staff recommendation at the time the agenda was prepared. That recommendation does not limit the County of Monterey Housing Advisory Committee alternative actions on any matter before it.

In addition to attending in person, public participation will be available by ZOOM and/or telephonic means:

PLEASE NOTE: IF ALL HAC MEMBERS ARE PRESENT IN PERSON, PUBLIC PARTICIPATION BY ZOOM IS FOR CONVENIENCE ONLY AND IS NOT REQUIRED BY LAW. IF THE ZOOM FEED IS LOST FOR ANY REASON, THE MEETING MAY BE PAUSED WHILE A FIX IS ATTEMPTED BUT THE MEETING MAY CONTINUE AT THE DISCRETION OF THE CHAIRPERSON.

You may participate through ZOOM. For ZOOM participation please join by computer audio at: <https://montereycty.zoom.us/j/97330144042?pwd=Zrt9YrXw75uSGuatJXgbBCI81Ca1Hw.1>

OR to participate by phone call any of these numbers below:

- + 1 669 900 6833 US (San Jose)
- + 1 346 248 7799 US (Houston)
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- + 1 253 215 8782 US
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Enter this Meeting ID number 97330144042 when prompted.

PUBLIC COMMENT: Please submit your comment (limited to 250 or less) to the HAC Clerk at HAChearingcomments@countyofmonterey.gov. In an effort to assist the Clerk in identifying the agenda item relating to your public comment please indicate in the Subject Line, the meeting body (i.e. Housing Advisory Committee Agenda) and item number (i.e. Item No. 10). Your comment will be placed into the record at the Housing Advisory Committee meeting.

Public Comments received by 5:00 p.m. on the Tuesday prior to the HAC meeting will be distributed to the HAC via email.

Public Comment submitted during the meeting can be submitted at any time and every effort will be made to read your comment into the record, but some comments may not be read due to time limitations. Comments received after the agenda item will be made part of the record if received prior to the end of the meeting.

ALTERNATIVE FORMATS: If requested, the agenda shall be made available in appropriate

alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC Sec. 12132) and the federal rules and regulations adopted in implementation thereof. For information regarding how, to whom and when a person with a disability who requires a modification or accommodation in order to participate in the public meeting may make a request for disability-related modification or accommodation including auxiliary aids or services or if you have any questions about any of the items listed on this agenda, please call the Monterey County Housing and Community Development at (831) 755-5390.

INTERPRETATION SERVICE POLICY: The Monterey County Housing Advisory Committee invites and encourages the participation of Monterey County residents at its meetings. If you require the assistance of an interpreter, please contact the Monterey County Housing and Community Development Department located in the Monterey County Government Center, 1441 Schilling Place, 2nd Floor South, Salinas - or by phone at (831) 755-5390. The Clerk will make every effort to accommodate requests for interpreter assistance. Requests should be made as soon as possible, and at a minimum 24 hours in advance of any meeting of the Housing Advisory Committee

La medida recomendada indica la recomendación del personal en el momento en que se preparó la agenda. Dicha recomendación no limita las acciones alternativas del Comité de Asesor de Vivienda del Condado de Monterey sobre cualquier asunto que se le haya sometido.

Además de asistir en persona, la participación del público estará disponible por ZOOM y/o medios telefónicos:

TENGA EN CUENTA: SI TODOS LOS MIEMBROS DEL COMITÉ DE ASESOR DE VIVIENDA ESTÁN PRESENTES EN PERSONA, LA PARTICIPACIÓN PÚBLICA DE ZOOM ES SOLO POR CONVENIENCIA Y NO ES REQUERIDA POR LA LEY. SI LA TRANSMISIÓN DE ZOOM SE PIERDE POR CUALQUIER MOTIVO, LA REUNIÓN PUEDE PAUSARSE MIENTRAS SE INTENTA UNA SOLUCIÓN, PERO LA REUNIÓN PUEDE CONTINUAR A DISCRECIÓN DEL PRESIDENTE DE LA REUNIÓN.

Puede participar a través de ZOOM. Para la participación de ZOOM, únase por computadora en: <https://montereycty.zoom.us/j/97330144042?pwd=Zrt9YrXw75uSGuatJXgbBCI81Ca1Hw.1>

O para participar por teléfono, llame a cualquiera de estos números a continuación:

- + 1 669 900 6833 US (San Jose)
- + 1 346 248 7799 US (Houston)
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- + 1 929 205 6099 US (New York)
- + 1 253 215 8782 US
- + 1 301 715 8592 US

Presione el código de acceso de reunión: 97330144042 cuando se le solicite.

COMENTARIO PÚBLICO: Por favor envíe su comentario (limitado a 250 palabras o menos) al personal del Comité de Asesor de Vivienda del Condado de Monterey al correo electrónico:

HAChearingcomments@countyofmonterey.gov. En un esfuerzo por ayudar al personal, indique en la línea de asunto, la audiencia de la reunión (por ejemplo, la agenda del Comité de Asesor de Vivienda del Condado de Monterey) y el número de punto (por ejemplo, el No. de agenda 10). Su comentario se incluirá en el registro de la audiencia del Comité de Asesor de Vivienda del Condado de Monterey

Los comentarios públicos recibidos antes de las 5:00 p.m. del martes anterior a la reunión del Comité de Asesor de Vivienda del Condado de Monterey se distribuirán al Comité de Asesor de Vivienda por correo electrónico.

El comentario público enviado durante la reunión se puede enviar en cualquier momento y se hará todo lo posible para leer su comentario en el registro, pero algunos comentarios pueden no leerse debido a limitaciones de tiempo. Los comentarios recibidos después del tema de la agenda se incluirán en el registro si se reciben antes de que finalice la junta.

FORMATOS ALTERNATIVOS: Si se solicita, la agenda se pondrá a disposición de las personas con discapacidad en formatos alternativos apropiados, según lo exige la Sección 202 de la Ley de Estadounidenses con Discapacidades de 1990 (42 USC Sec. 12132) y las reglas y regulaciones federales adoptadas en implementación de la misma. Para obtener información sobre cómo, a quién y cuándo una persona con una discapacidad que requiere una modificación o adaptación para participar en la reunión pública puede hacer una solicitud de modificación o adaptación relacionada con la discapacidad, incluidas las ayudas o servicios auxiliares, o si tiene alguna pregunta sobre cualquiera de los temas enumerados en esta agenda, llame al Departamento de Vivienda y Desarrollo Comunitario del Condado de Monterey al (831) 755-5390.

POLÍZA DE SERVICIO DE INTERPRETACIÓN: Los miembros del Comité de Asesor de Vivienda del Condado de Monterey invita y apoya la participación de los residentes del Condado de Monterey en sus reuniones. Si usted requiere la asistencia de un interprete, por favor comuníquese con el Departamento de Vivienda y Desarrollo Comunitario localizado en el Centro de Gobierno del Condado de Monterey, (County of Monterey Government Center), 1441 Schilling Place, segundo piso sur, Salinas – o por teléfono al (831) 755-5390. La asistente hará el esfuerzo para acomodar los pedidos de asistencia de un interprete. Los pedidos se deberán hacer lo más pronto posible, y a lo mínimo 24 horas de anticipo para cualquier reunión del Comité de Asesor de Vivienda del Condado de Monterey.

The Recommended Action indicates the staff recommendation at the time the agenda was prepared. That recommendation does not limit the Housing Advisory Committee’s alternative actions on any matter before it.

NOTE: All agenda titles related to numbered items are live web links. Click on the title to be directed to corresponding Staff Report

Participate via Zoom Meeting Link:

<https://montereycty.zoom.us/j/97330144042?pwd=Zrt9YrXw75uSGuatJXgbBCI81Ca1Hw.1>

Participate via Phone: 1-669-900-6833

Meeting ID Access Code: 97330144042

Password (if required): 978761

6:00 P.M. - CALL TO ORDER**ROLL CALL**

Gilbert Ramos - District 1
Sandi Austin - District 2
Robert Chacanaca - District 2
Braulio J. Fabian Zamudio - District 3
Cary Swensen - District 4
Peter Said - District 4
Mitch Winick - District 5

PUBLIC COMMENT

The Housing Advisory Committee (HAC) will receive public comment on non-agenda items within the purview of the HAC. The Chair may limit the length of individual presentations.

AGENDA ADDITIONS, DELETIONS AND CORRECTIONS

The Committee Clerk will announce agenda corrections, deletion and proposed additions, which may be acted on by the Housing Advisory Committee as provided in Section 54954.2 of the California Government Code.

APPROVAL OF CONSENT AGENDA

1. Approve February 19, 2025 Draft Action Minutes [25-165](#)

Attachments: [Staff Report](#)
[Draft HAC Special Meeting Minutes - 2.19.25](#)

2. Receive a presentation on the 2025-26 Community Development Block Grant (CDBG) funding allocations. [25-177](#)

Attachments: [Staff Report](#)
[Attachment 1 - CDBG Funding Allocation](#)

SCHEDULED MATTERS

3. Receive a presentation on the Draft 2024 Annual Housing Report and provide feedback to staff. [25-178](#)

Attachments: [Staff Report](#)
[Attachment 1 - Draft 2024 Annual Housing Report](#)

4. Conduct a workshop on the Housing Office and Housing Advisory Committee's 2025 [25-179](#)

Work Plan and provide direction to staff.

Attachments: [Staff Report](#)
 [Attachment 1 - Draft Housing Office Strategic Plan](#)
 [Attachment 2 - 2024 Work Plan](#)
 [Attachment 3 - 2025 HAC Recommendations for Future Work Plan](#)
 [Attachment 4 - Draft 6th Cycle Housing Element - Housing Plan](#)

OTHER MATTERS

COMMITTEE COMMENTS, REQUEST AND REFERRALS

This is a time set aside for the members of HAC to comment, request, or refer a matter that is on or not on the agenda. At this time, members may also request that an item be added to a future HAC agenda.

DEPARTMENT UPDATE

NEXT SCHEDULED MEETING

Wednesday, May 14, 2025 at 6PM

ADJOURNMENT



County of Monterey

Item No.1

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: 25-165

February 12, 2025

Introduced: 2/28/2025

Version: 1

Current Status: Agenda Ready

Matter Type: General Agenda Item

Approve February 19, 2025 Draft Action Minutes



County of Monterey

Item No.2

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: 25-165

February 12, 2025

Introduced: 2/28/2025

Version: 1

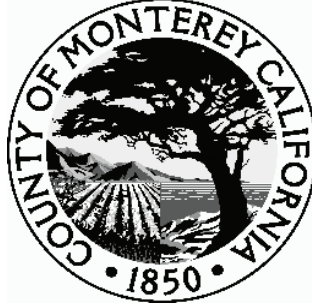
Current Status: Agenda Ready

Matter Type: General Agenda Item

Approve February 19, 2025 Draft Action Minutes

County of Monterey

County of Monterey Government Center
1441 Schilling Place
Salinas, CA 93901
Thyme Room



Meeting Minutes - Draft

SPECIAL MEETING

Wednesday, February 19, 2025

6:00 PM

1441 Schilling Place, 2nd Floor, Salinas, CA 93901

Housing Advisory Committee

6:00 P.M. - CALL TO ORDER

There was no Chair, therefore, Darby Marshall Program Manager called the meeting to order at 6:00 p.m.

ROLL CALL

Members Present: Braulio J. Fabian Zamudio, Gilbert Ramos, Cary Swensen, Peter Said

Members Absent: Sandi Austin, Robert Chacanaca, Mitch Winick

Staff Present: Rosa Camacho-Chavez (Zoom), Reed Gallogly (Zoom), Darby Marshall, Anita Nachor, Dawn Yonemitsu

PUBLIC COMMENT

There was no Chair, therefore, Darby Marshall Program Manager called the meeting to order at 6:00 p.m.

AGENDA ADDITIONS, DELETIONS AND CORRECTIONS

There were no agenda addition, deletions and corrections to the agenda.

APPROVAL OF CONSENT AGENDA

1. Approve April 10, 2024 Draft Action Minutes

2. Approve 2025 Meeting Schedule

Action: A motion was made by Committee Member Said to accept the April 10, 2024 Draft Action Minutes. Committee Member Swensen seconded the motion.

Action: A motion was made by Committee Member Said to change the time of the Housing Advisory Committee meeting to 6:00 p.m. Committee Member Ramos seconded the motion.

AYES: Fabian Mendoza, Ramos, Swensen, Said

NAYES:

ABSENT:

ABSTAINED:

Motion Passed – 4-0

Public Comment: None

SCHEDULED MATTERS

- 3. Nomination & Appointment of HAC Members for 2025

Darby Marshall requested that item 3 be the first item discussed on the agenda.

Action: A motion was made by Committee Member Swensen to nominate Committee Member Said for Chair. Committee Member Fabian Zamudio seconded the motion.

Action: A motion was made by Committee Member Swensen to nominate Committee Member Fabian Zamudio for Vice-Chair. Committee Member Swensen seconded the motion.

AYES: Fabian Mendoza, Ramos, Swensen, Said

NAYES:

ABSENT:

ABSTAINED:

Motion Passed – 4-0

Public Comment: None

- 4. Conduct a public meeting to disseminate information about the Community Development Block Grant (CDBG) program and discuss housing and community development needs.

No motion required. The Committee received and discussed the report on the Community Development Block Grand (CDBG) program.

- 5. Receive a report on the County’s 2025 Legislative Platform and 2025 Strategic Grant Program and provide direction to staff.

No motion required. The Committee received and discussed the report on the County’s 2025 Legislative Platform and 2025 Strategic Grant Program

OTHER MATTERS

COMMITTEE COMMENTS, REQUEST AND REFERRALS

Committee Member Said recommended the following requests on the March 12, 2025 agenda.

- 1. Determine whether we should change our Housing Advisory Committee to monthly meetings or continue meeting every other month.
- 2. Discussion on updating the Bylaws
- 3. Address the worplan and discuss the ratings in February 2026 or when Staff is able

What objective do we want to achieve for the tentative dates for the Housing Advisory Committee Meetings?

4. Breakdown of the annual Community Development Block Grant (CDBG) program funding and percentage allocation. What is being allocated this year? What was allocated last year?

5. Discussion of the roles and responsibilities of the Housing Advisory Committee in effectively supporting the Board of Supervisors and staff.

DEPARTMENT UPDATE

Darby Marshall provided an update on turning surplus publicly owned property into affordable housing.

NEXT SCHEDULED MEETING:

March 12, 2025 at 6:00 p.m.

ADJOURNMENT

Chair Said moved to adjourn. The meeting was adjourned at 7:34 p.m.



County of Monterey

Item No.2

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: 25-177

March 12, 2025

Introduced: 3/5/2025

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

Receive a presentation on the 2025-26 Community Development Block Grant (CDBG) funding allocations.

RECOMMENDATION:

It is recommended that the Housing Advisory Committee receive a presentation on the 2025-26 Community Development Block Grant (CDBG) funding allocations.

SUMMARY/DISCUSSION:

The HAC received a report on the Urban County CDBG program during its February 19, 2025, meeting. During the meeting staff was asked to return with additional information on how CDBG funds were allocated between the County and participating cities.

The allocation process used was:

1. U.S. Department of Housing and Urban Development provided current year estimates of CDBG funding for each city in the County as if they were entitlement communities.
2. One-year estimate multiplied by three to get estimated contribution to Urban County over three-year Joint Powers Agreement period.
3. 15% of three-year total taken off to fund public services.
4. 20% of County's three-year total taken off to fund general administration.
5. 10% of participating cities three-year total taken to fund general administration.
6. 2.5% of participating cities, except Sand City, available three-year total added to Sand City total.
7. 2% of County available three-year total added to Sand City total.

The resulting funding is shown in Attachment 1: CDBG Funding Allocation.

Prepared by: Darby Marshall, Housing Program Manager, (831) 755-5391



County of Monterey

Item No.2

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

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March 12, 2025

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The allocation process used was:

1. U.S. Department of Housing and Urban Development provided current year estimates of CDBG funding for each city in the County as if they were entitlement communities.
2. One-year estimate multiplied by three to get estimated contribution to Urban County over three-year Joint Powers Agreement period.
3. 15% of three-year total taken off to fund public services.
4. 20% of County's three-year total taken off to fund general administration.
5. 10% of participating cities three-year total taken to fund general administration.
6. 2.5% of participating cities, except Sand City, available three-year total added to Sand City total.
7. 2% of County available three-year total added to Sand City total.

The resulting funding is shown in Attachment 1: CDBG Funding Allocation.

Prepared by: Darby Marshall, Housing Program Manager, (831) 755-5391

Attachment 1

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**Sources & Uses
Planned Vs. Actual**

Planned Funding	FY 2026	FY 2027	FY 2028	3-Year Total
Sources				
Grant	\$1,426,390	\$1,426,390	\$1,426,390	\$4,279,170
Program Income (City)				\$0
Program Income (County)	\$10,000	\$10,000	\$10,000	\$30,000
Total Sources	<u>\$1,436,390</u>	<u>\$1,436,390</u>	<u>\$1,436,390</u>	<u>\$4,309,170</u>

Uses - As Approved

Aff. Housing,/Comm. Facilities/Infrastructure				
City of Gonzales	\$58,522	\$58,522	\$58,522	\$175,566
City of Greenfield	\$182,433	\$182,433	\$182,433	\$547,299
City of Marina	\$150,899	\$150,899	\$150,899	\$452,696
City of Sand City	\$24,692	\$24,692	\$24,692	\$74,075
County of Monterey	\$520,608	\$520,608	\$520,608	\$1,561,824
General Administration	\$285,278	\$285,278	\$285,278	\$855,834
Public Services	\$213,959	\$213,959	\$213,959	\$641,876
Total Uses	<u>\$1,436,390</u>	<u>\$1,436,390</u>	<u>\$1,436,390</u>	<u>\$4,309,170</u>

Uses - Recommended Consolidation

Aff. Housing,/Comm. Facilities/Infrastructure				
City of Gonzales	\$175,566	\$0	\$0	\$175,566
City of Greenfield	\$0	\$0	\$547,299	\$547,299
City of Marina	\$0	\$452,696	\$0	\$452,696
City of Sand City	\$0	\$74,075	\$0	\$74,075
County of Monterey	\$761,587	\$410,382	\$389,854	\$1,561,823
General Administration	\$285,278	\$285,278	\$285,278	\$855,834
Public Services	\$213,959	\$213,959	\$213,959	\$641,876
Total Uses	<u>\$1,436,390</u>	<u>\$1,436,390</u>	<u>\$1,436,390</u>	<u>\$4,309,169</u>

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County of Monterey

Item No.3

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: 25-178

March 12, 2025

Introduced: 3/5/2025

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

Receive a presentation on the Draft 2024 Annual Housing Report and provide feedback to staff.

RECOMMENDATION:

It is recommended that the Housing Advisory Committee receive a presentation on the Draft 2024 Annual Housing Report and provide feedback to staff.

SUMMARY/DISCUSSION:

The Housing Advisory Committee's By-Laws require quarterly reports to the Board of Supervisors. These reports are to include information on meeting minutes of all actions and business conducted by the Committee. The HAC is also charged with advising the Board of Supervisors on matters related to the Community Development Block Grant (CDBG) Program, HOME Investment Partnership Act (HOME) Program, and redevelopment housing set-aside funds. The last Housing Report to the Board of Supervisors was in 2012.

A Draft 2024 Annual Housing Report is attached. This report offers a comprehensive overview of the programs that are managed by the Housing Office. Because this is the first report in more than 10-years and because of the broad range of activities the Office is involved in, this report also provides a more in-depth review of the activities of the Office over a longer period. Additionally, housing is not an issue limited only to the unincorporated areas of the County. To provide a more complete picture of housing activities countywide, the report includes information on a broad array of affordable housing projects and housing types.

This report is currently in Draft form and the HAC is being asked to provide editorial comments and identify data points that are missing or need additional clarification.

Prepared by: Darby Marshall, Housing Program Manager, (831) 755-5391

Attachment 1 - Draft 2024 Annual Housing Report



County of Monterey

Item No.3

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: 25-178

March 12, 2025

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This report is currently in Draft form and the HAC is being asked to provide editorial comments and identify data points that are missing or need additional clarification.

Prepared by: Darby Marshall, Housing Program Manager, (831) 755-5391

Attachment 1 - Draft 2024 Annual Housing Report

Attachment 1

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2024 Housing Report

DRAFT

Housing Advisory Committee

Review March 12, 2025

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DRAFT

Highlights

Grant and Loan Activity Since 1980

- 247 grants valued at more than \$27,770,000 for affordable housing, public facilities and public services that primarily benefit lower-income individuals and households throughout Monterey County.
- 222 loans valued at more than \$28,900,000 for affordable housing and public facilities a primarily benefiting lower-income individuals and households throughout Monterey County.
- 244 homeowners assisted with down payment assistance loans, housing rehabilitation loans, or energy efficiency improvement grants.
- 1,011 affordable rental units constructed, rehabilitated, or acquired to ensure ongoing affordability.

Inclusionary Housing Ordinance Impacts Since 1980

- 290 affordable owner workforce housing units constructed to comply with the Inclusionary Housing Ordinance.
- 515 affordable rental units constructed to comply with the Inclusionary Housing Ordinance.
- Construction or rehabilitation of 178 supportive and special needs units supported with in-lieu fees collected because of the Inclusionary Housing Ordinance.

Affordable Owner Workforce Housing

- Approximately 640 deed restricted affordable units built countywide over the last 30-years.
- Approximately 700 affordable self-help units constructed countywide over the last 30-years.

Multifamily Affordable Housing

- 81 tax credit projects countywide since 1990, that created 6,200 lower-income units.
- More than \$1.623 billion invested in these projects.
- Local government-controlled funds accounted for 5.5% of these investments.

Executive Summary

This is the first Housing Annual Report since 2012. Because of the interval between reports, this report will provide information on accomplishments and activities during Fiscal Year 2023/24 and a broader picture of affordable housing throughout Monterey County.

The Housing Office, within the County's Housing and Community Development Department, is responsible for managing a variety of programs that support affordable housing and community development in unincorporated Monterey County. For FY 2023/24, the Housing Office had a budget of \$7,986,926. Funding for Housing Office activities are budgeted in five funds and six organizational units as summarized in Appendix _.

The Housing Office manages several programs including the Community Development Block Grant Urban County (CDBG), County Inclusionary Housing Program, and the Monterey County Local Housing Trust Fund. Under these programs, the Housing Office manages the County's interest in affordable housing units, developing funding streams to support development of additional affordable housing, and providing funds for public services and public facility, infrastructure, and affordable housing projects.

Community Development Block Grant – Urban County

Prior to 2013, the County applied for Community Development Block Grants (CDBG) through the State's Program. Under the State Program, HUD awards CDBG dollars to the State of California for non-entitlement jurisdictions to apply for on a project specific basis. The County used these funds for a variety of projects including down payment assistance and owner-occupied housing rehabilitation loans, public facilities, and utility planning studies.

In 2013, the County was designated as an Urban County for the CDBG Program. Designation as an Urban County allows the County to receive an annual entitlement CDBG award directly from HUD without having to compete for funding. Since then, the Urban County has invested more than \$16.11 million dollars of CDBG funding to assist approximately 134,349 people, 14 households, 106 housing units, and create 11 jobs.

Inclusionary Housing Program

Affordable Housing Initiatives

Greenfield Commons I – EAH Housing

EAH Housing broke ground on Greenfield Commons I. This project in the City of Greenfield will provide 100 units of multi-family apartments targeted for farmworker households. This \$83,882,641 project required five different sources of state and local funding. Monterey County support for this project included a \$350,000 Community Development Block Grant (CDBG) loan for off-site improvements required by the city and a \$1,929,046 loan from the MCLHTF. The project is expected to be complete in 2025. For more information: <https://www.eahhousing.org/greenfield-commons-1/>

Hayes Circle Duplex – Veterans Transition Center

The Veterans Transition Center began work on rehabilitating a duplex on Hayes Circle. When complete, the duplex will provide additional transitional supportive housing for homeless veterans. The project is partially funded with a 2020/2021 CDBG award of \$80,500.

Lightfighter Village – EAH Housing

EAH Housing broke ground on Lightfighter Village. This project on the former Fort Ord will provide 71-units for homeless and low-income veterans and their families. The project will cost \$52,242,061 and includes a capitalized operating service reserve that ensures supportive services will continue to be available to the tenants. Project funding came from seven different federal, state, and local sources, including a \$500,115 loan from the Monterey County Local Housing Trust Fund (MCLHTF). Construction is expected to be complete in December 2024. More information: <https://www.eahhousing.org/lightfighter-village/>

Kents Court

In February 2023, the Housing Office executed an agreement with Public Works, Facilities, and Parks to modernize the 19-units of affordable, manufactured housing, owned by the County on Kents Court in the unincorporated community of Pajaro. The modernization project addressed approximately 20-years of deferred maintenance and cost \$1,324,722. The modernization project addressed all the issues identified in the 2019 Facilities Assessment and included gutting the units, replacing all flooring materials, appliances, cabinets, and repairing/replacing damaged floors and sills. During the approximately four months the project was expected to take, the County was obligated to provide temporary relocation benefits to the tenants. The final cost for the modernization project, including relocation benefits, was \$2,010,055 and included a General Fund contribution of \$1,044,110.

On March 11, 2023, as the contractor was mobilizing to modernize Kents Court, Pajaro was flooded, and all residents were forced to leave the community. The living areas of the Kents Court units were unaffected by the flood waters. The flood did damage common areas of the development, including environmental contamination of soils and gravel, heating ducts beneath the units, and perimeter fencing.

Coordinating flood recovery and modernization work resulted in tenants being out of their homes from March 11, 2023, until October 13, 2023. The County is continuing to work with its insurance carrier to recover business losses from rental income not paid while the tenants were out of their units.

Sun Rose Housing – Interim, Inc.

Interim, Inc. completed their Sun Rose Housing project in the City of Salinas in September 2023. Sun Rose Housing includes eight permanent supportive housing units, eight transitional supportive housing units and a live-in manager's unit. The project targets serving very low-income individuals with disabilities who are homeless or at-risk of homelessness. This \$8.8 million dollar project allowed Interim, Inc. to replace an outdated eight-unit supportive housing facility and replace it with nine units of permanent supportive housing and eight units of transitional supportive housing and provided additional space to provide supportive services on-site. The County supported the project with CDBG, Inclusionary, and MCLHTF grants totaling \$2,016,984.

Community Development Programs

Historically the Housing Office has managed a wide variety of state and federal grants that support community development activities. Most of these grants are competitively awarded to the County and the available funding is limited to annual appropriations, typically 1 or 2 funding cycles. These grants are more fully described in Appendix 1 – Glossary.

In 2013, the County was designated an Urban County for purposes of the Community Development Block Grant (CDBG) program. This designation allows the County to receive an annual CDBG entitlement grant directly from the U.S. Department of Housing and Urban Development (HUD). To qualify as an Urban County, the County is required to invite all cities in the County to join the Urban County at least once every three years. The Urban County will include the cities of Gonzales, Greenfield, and Sand City for fiscal years 2025-2027. In return for participating in the Urban County, these cities will receive a minimum amount of CDBG funding for eligible projects that they identify.

At least once every five years the Urban County is required to prepare a Consolidated Plan. The Consolidated Plan identifies key projects and services that communities need to improve the economic and social mobility of low- and moderate-income households and individuals. These activities are identified at a high-level, such as removing architectural barriers to public facilities, but not specific projects or services to address these issues.

The Urban County is also required to prepare an Annual Plan that describes the specific projects and services that will be funded using CDBG funding. The Annual Plan allocates funding to specific projects and activities to address the issues identified in the Consolidated Plan. As part of the Annual Plan process the County issues a Notice of Funding Availability (NOFA) inviting non-profits and community-based organizations to propose projects that address the community development needs identified in the Consolidated Plan.

Income Limits and Affordable Housing Costs

The programs that the County uses to fund affordable housing, community development, and public services through the Housing Office define income limits in different ways. The following table illustrates the various ways that affordability levels are defined along with information on the maximum purchase prices and affordable rents for a 4-person household occupying a 3-bedroom unit

Income and Affordable Housing Costs

Affordability Definition	% of AMI	Annual Income	Maximum Purchase Price	Maximum Monthly Rental	Programs
Extremely Low-Income	30%	\$39,700	\$136,091	\$1,032	BR, DB, RHNA
Very Low-Income	50%	\$66,200	\$226,932	\$1,721	BR, DB, HOME, PLHA, RHNA
Low-Lower-Income	70%	\$92,700	\$31,772	\$2,410	Inclusionary
Low-Income	80%	\$105,950	\$363,193	\$2,755	HOME, PLHA, RHNA
Moderate-Income	80%	\$105,950	\$363,193	\$2,755	CDBG
Lower-Income	80%	\$105,950	\$363,193	\$2,755	BR, DB
Median-Income	100%	\$103,200	\$412,730	\$3,442	
Moderate-Income	110%	\$113,550	\$454,124	\$3,444	Inclusionary
Moderate-Income	120%	\$123,850	\$495,315	\$3,757	PLHA
Above Moderate-Income	120%	\$123,850	\$495,315	\$3,757	RHNA
Moderate-Income	150%	\$154,800	\$619,095	\$1,696	PLHA - High-Cost Areas
Workforce 1-Income	150%	\$154,800	\$619,095	\$1,696	Inclusionary
Workforce 2-Income	180%	\$185,800	\$743,074	\$5,636	Inclusionary

When determining the affordable housing cost, the California Health and Safety Code, Section 50052.5(h) uses the following assumptions when there are no applicable federal statutes applicable to a project or program. . . adjust for family size appropriate to the unit shall mean for a household of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two bedroom unit, four persons in the case of a three bedroom unit, and five persons in the case of a four bedroom unit.

The base affordable rent is 30% of a very low- and low-income households' annual income and between 28% and 35% of a moderate-income households' annual income. Affordable rent is further defined by the California Health and Safety Code, Section 50053(b) as . . .including a reasonable utility allowance. The County uses the Housing Authority of the County of Monterey's Allowances for Tenant-Purchased Utilities and Other Services to set the reasonable utility allowance.

For purposes of establishing the appropriate household occupancy standards, the County relies on the "safe harbor" definition of two people per bedroom plus one.

The HUD methodology for performing low-income limit calculations considers factors beyond just median income. These include the statutory intent and high-cost housing areas. Because of these considerations, it is possible for the annual low-income figure to exceed the median-income.

Housing Programs

Overview

Since 1990, at least 110 affordable multifamily developments throughout Monterey County that have received some type of public financial assistance or to comply with local inclusionary housing requirements. These projects have created approximately 6,200 affordable units. Construction of these units has injected approximately \$1.623 billion into the Monterey County economy. Of these units, approximately 770 are in the unincorporated areas of the County.

Over the same period, there have been at approximately 50 projects that have constructed approximately 1,230 homes for Affordable Owner Workforce Housing (AOWH). Twenty-eight projects, resulting in 297 units, were built comply with the County’s Inclusionary Housing Ordinance. The largest single source of affordable homeownership opportunities were the 20-self-help projects that resulted in 698 homes.

Monterey County Local Housing Trust Fund (MCLHTF)

The MCLHTF was established by the Board of Supervisors in May 2022, with the mission of supporting affordable housing development. The MCLHTF is essentially an umbrella organization for the nine different funding sources managed by the County to promote different types of affordable housing development. These funding sources and the types of housing they can support are show in Table _. **Table _** shows the original MCLHTF capital.

Table _							
	Active Program	AOWH - Downpayment Assistance	AOWH - Housing Rehabilitation	Multifamily Rental - New Construction	Multifamily Rental - Rehabilitation	Infrastructure Public Facilities	Public Services
Building Equity and Growth in Neighborhoods Program (BEGIN)	N	X	X				
CIRP	N		X				
Community Development Block Grant (CDBG)	Y	X	X		X	X	X
HOME Investment Partnership Act	Y	X	X	X	X		
Housing Enabled by Local Partnership (HELP)	N	X					
Inclusionary Housing Fund	Y	X	X	X	X		
Monterey County Local Housing Trust Fund	Y	X	X	X	X		
Permanent Local Housing Allocation (PLHA)	Y	X	X	X	X	X	
Redevelopment Housing Successor Agency	N	X	X	X	X		

In May 2022, as part of an application for a state Local Housing Trust (LHT) fund matching grant, the Board dedicated future loan repayments to the Inclusionary Housing Fund, Redevelopment Housing Successor Agency, and various housing grant programs to provide an ongoing source of capital for the MCLHTF. The Board also dedicated future PLHA Activity 3 (Housing Trust Funds)

to the MCLHTF. Local funds, including inclusionary in-lieu fees, general fund contributions, and County property used for affordable housing are eligible to match the state LHT grant. Funding from programs already restricted to affordable housing, except for PLHA, cannot be used to match the LHT grant application. The County has unsuccessfully applied for the LHT Matching grant in 2020, 2022, and 2023.

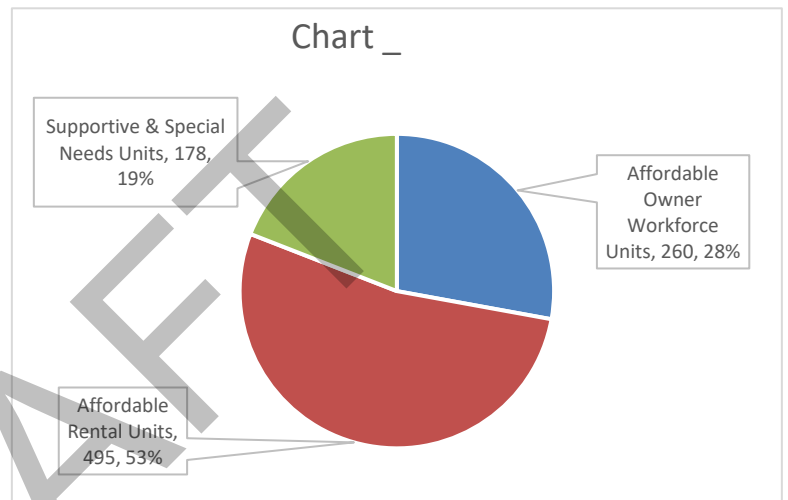
Portfolio Overview

Since 1982, the County has used grants, in-lieu fees, and tax increment to fund at least 221 loans valued at \$28,843,005, which now falls under the umbrella of the MCLHTF. The MCLHTF currently has a loan portfolio with 111 outstanding loans, with outstanding principal of \$19,573,690.

The MCLHTF is composed of three primary portfolios: Affordable Owner Workforce Housing (AOWH)¹; Multifamily Rental, and Supportive or Special Needs Housing.

Affordable Owner Workforce Housing

AOWH assistance comes in three forms: 1) inclusionary owner-occupied units that are built by private developers to comply with the County’s Inclusionary Housing Ordinance; 2) downpayment assistance loans to income qualified home buyers; and 3) housing rehabilitation loans. During the late 1990’s and early 2000’s the County was very successful matching purchasers of inclusionary homes with down payment assistance loans because the income levels and purchase prices aligned with state grant requirements and the Las Palmas Ranch, Oak Tree Views, and Pasadera subdivisions brought many inclusionary units to market in a short period of time.



Most AOWH loans are deferred for 30-years and earn 3% interest. Repayment of these loans returns an average of \$163,500 in principal and \$56,800 in interest payments annually. Generally, most funding programs require that repaid principal be used to fund new loans for eligible activities. A portion of the interest and fee income may be used to pay for operation of the program.

Self-Help or Sweat Equity Housing – These projects are typically subdivisions built by affordable housing developers such as CHISPA and People’s Self-Help Housing. Under these programs, project sponsor obtains grants and loans to cover the cost of land and building materials. The sponsor also provides a licensed general contractor that oversees the construction of the homes. To qualify for the program, homebuyers are required provide a minimum number of labor hours constructing their home. Owner-builders are typically required to work on their home a minimum of 16-hours per week and cover 40-hours of work per week by recruiting other volunteer builders. This sweat equity is used as the downpayment to purchase the home. As part of arranging project financing, the sponsor also works with the homebuyer to get an affordable mortgage. There are

¹ AOWH is defined by the state’s PLHA program as households earning up to 120% of AMI, except in high-cost areas (including Monterey County) where the limit is increased to 150%. Because of RHNA requirements capping moderate-income households at 120% of AMI, the County has elected to use the lower limit to receive credit for RHNA.

minimal out of pocket costs for the homebuyer. Most state and federal programs require households earn no more than 80% of AMI. These programs can be challenging because of potentially high carrying costs if the sponsor purchases unimproved land and must construct infrastructure before home construction can begin and holding land while doing the fundraising.

Affordable Multifamily Rental Housing

Most multifamily loans are repaid out of residual receipts, with payments first applied to accrued interest. Interest and fee income may be used for lending or operating the program. Principal repayments from this portfolio have averaged \$125,000 and generated interest income of \$25,000 annually.

Supportive or Special Needs Housing

Supportive or special needs housing is housing for specific populations that face challenges in finding or maintaining an independent housing. These populations include the disabled, those with dual diagnosis psychiatric and addition disorders, and the unhoused. Providing this type of housing comes with added challenges of financing the construction and maintenance of the units but also finance the ongoing counseling and support that clients need to live independently. This type of housing may be traditional apartments, shared living (each client has a lockable bedroom and shared living room, kitchen and bathrooms), or congregate space (e.g., a homeless shelter).

Inclusionary & Workforce Housing

The Monterey County Board of Supervisors first adopted an Inclusionary Housing Ordinance on October 28, 1980². The first Ordinance required all projects to provide inclusionary housing on a sliding scale of between 2% and 15% based on the number of lots or units that would be created. This requirement remained in place until September 1985, when the Ordinance was only applied to projects resulting in 7 or more lots or units. The affordability level was either low- or moderate-income and the applicant's choice. The 15% inclusionary contribution remained in place until June 2000. In June 2000, the County adopted the current 6% very low-, 6% low-, and 8% moderate income inclusionary requirement and applied it to all projects with 3 or more new units or lots. These income categories all correspond to the Regional Housing Needs Allocation (RHNA) income categories.

One of the Board of Supervisors objectives when it adopted the Ordinance was to incorporate affordable housing integrated into market rate housing developments.

Over the last 44-years, the term of affordability and resale requirements have undergone several changes. The original Ordinance required units to remain affordable for 59-years. Beginning in 1981, the Ordinance adopted a 20-year term of affordability for owner-occupied units and perpetual affordability for rental units. Between 1981 and May 1994, the Ordinance required owners who sold or refinanced to pay the County 10% of the appreciated value. The affordability term for owner occupied units was changed to 30-years in May 1994. Inland General Plan Land Use Policy LU-2.11 also adopted a bifurcated term of affordability for owner-occupied units. Units located within

² Reconstructing an accurate history of the Inclusionary Housing program is challenging. In the early years of the program, it was administered by the Housing Authority for the County of Monterey. HACM records indicate that at least 70 projects were subject to the Ordinance under their stewardship. Unfortunately, the HACM records were destroyed, and it is not possible to reconstruct the exact affordability levels or which planning files the projects were associated with.

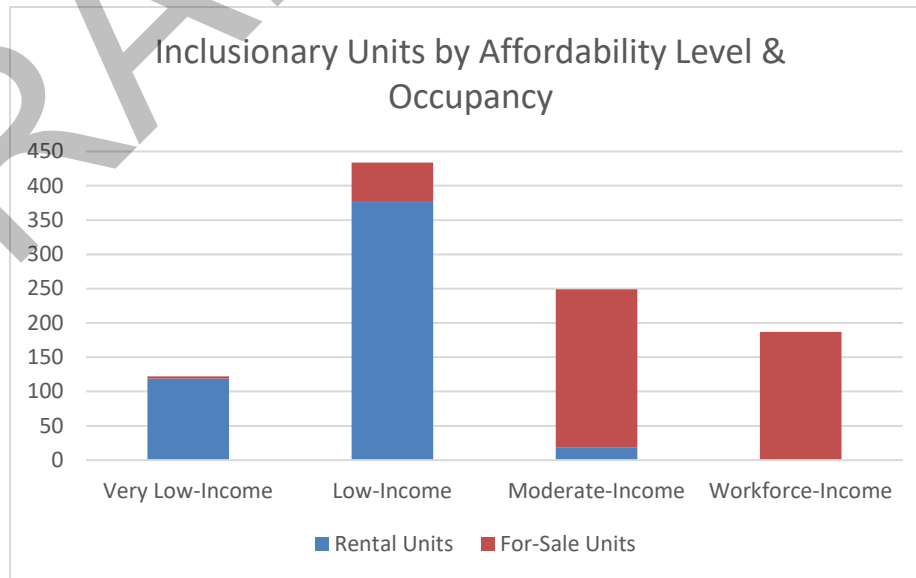
Redevelopment Project Areas had a 45-year term of affordability, in other areas of the County the term was 30-years.

Inland General Plan Land Use Policy LU-2.11, adopted in October 2010, added a 5% workforce-income requirement. The workforce income category corresponds to the RHNA Above Moderate-income category, which the County has consistently met. Prior to formal adoption in 2010, several projects had voluntarily included workforce units in their projects. Sale of these units has been challenging because, depending on the market cycle, they can be priced very close to market rate and purchasers are put off by restrictions on things like finish upgrades or the resale restrictions. These challenges caused the Board of Supervisors to release the first workforce units, at the Commons at Rogge Road, before any could be sold because the developer could not sell them with the income and upgrade restrictions. The East Garrison workforce units required significant seller concessions and only required a one-year term of affordability. The short term of affordability created a lot of staff work to income qualify households, prepare the required documents, and then release the County's interest for comparatively little return.

Since the County adopted the first Inclusionary Ordinance, approximately 400 projects have been analyzed to see if they were subject to its requirements. These projects, if constructed, would have created approximately 8,700 new lots with approximately 12,000 housing units. If the current Ordinance and General Plan requirements applied to all these projects, the average project would result in 1 very low-, 2 low-, 2 moderate-, 2 workforce-income, and 22 market rate units and pay a fractional in-lieu fee of approximately \$47,580.

In practice, the Ordinance has resulted in private construction of 992 deed restricted affordable units.

Approximately 52% of the units are rental and the balance are for-sale. Projects with rental units typically have deeper levels of affordability than for-sale units. Overall, the Ordinance has created 122 very low-, 434 low, 249 moderate-, and 187 workforce-income units since 1980.



The County has released 300 units from the inclusionary or workforce affordability requirements. Most releases occur when the term of affordability ends (52%) or units are foreclosed upon by senior lenders. In very rare cases, the Board of Supervisors has also released units for hardship reasons. In 2008, due to market factors, the Board released 123 workforce-income units at the Commons at Rogge Road that the developer was unable to sell with resale restrictions and restrictions of upgrades purchasers could include in the unit.

The Inclusionary Housing Ordinance has always allowed developers to comply in ways other than constructing units on-site. Developers have taken advantage of these provisions to pay approximately \$5.6 million in in-lieu fees and, in two instances, land donations that were

subsequently developed with deed restricted multifamily rental units. These in-lieu fees have supported the creation of 232 very low-income units, 169 low-income units and 6 emergency shelter beds for unhoused women. With an average of 17-units, these projects are less competitive for traditional sources of affordable housing financing and local funding sources, like Inclusionary In-Lieu Fees, are essential to making them possible.

Housing Development Patterns

A review of County records dating back to 1985 indicates that approximately 400 applications have been evaluated for compliance with the Inclusionary Housing Ordinance. These projects proposed creation of approximately 8,700 new residential lots and 12,00 residential units. A review of these records indicates:

- 66% of applications are for projects with less than 19 new units, representing only 11% of units proposed. which means projects have a small number of units to share the cost of affordable housing and any infrastructure that is required.
- Approximately 23% of the units proposed have been withdrawn from consideration or the applicant allowed the entitlements to expire, including the 1,077-unit Rancho San Juan/Butterfly Village.
- Most projects in the County result in subdivisions with ready to build lots and shared infrastructure, e.g. Pasadera, Santa Lucia Preserve, September Ranch, and Tehama. Financing construction of an unbuilt affordable units by a low- or moderate-income purchaser can be almost impossible without significant public financial support.
- Projects take a long time to progress from approval of entitlements to construction of residential units.
 - One Carmel/September Ranch was entitled in 2007 and horizontal construction did not begin until 2023.
 - East Garrison was entitled in 2006 and construction of final 405-units is not expected to begin before 2026.

Most projects subject to the Inclusionary Housing Ordinance that create home ownership opportunities, do so for moderate-income households. The exceptions are projects developed in existing communities to create “Inclusionary Credits” that could be used to offset Inclusionary requirements for projects in more rural areas. The two most prominent examples are Chapin Village and the Tankersley subdivisions in Castroville. Of the 21-units built, 15 were sold to low-income households. The off-site Oak Tree Views subdivision created moderate-income home ownership opportunities long before all residential lots in Carmel Woods, Monterra Ranch, and Tehama have been sold. Because these projects are bringing more than one or two affordable units to market at once, the County was also able to apply for grant funding to provide downpayment assistance to income qualified purchasers, in some cases making deeper affordability beyond what the Ordinance required possible.

Century Community Partners, developers of East Garrison, have not constructed any of the required very low- and low-income inclusionary units at their cost. They sold land to CHISPA and Mid-Peninsula Housing to develop these units on their behalf with the non-profits using traditional affordable housing finance programs and Redevelopment Housing-Set Aside funds to build the units.

Kents Court

The County owns 19 manufactured housing units in the unincorporated community of Pajaro. These units were initially developed as temporary housing for residents displaced by South County

Housing's Salinas Road project (Nuevo Amanacer). The County assumed ownership of the units in 2010 when South County Housing defaulted on a loan from the Redevelopment Agency that was used to acquire the units and make site improvements. This default was anticipated when the loan was made, and the County planned to continue using the units as temporary housing for tenants in North Monterey County displaced by code enforcement activities. The code enforcement program never took root, and the units transitioned into the permanent housing stock. South County Housing continued to manage the units for the County with staff based at Nuevo Amanacer until 2012, when they withdrew their services.

The units, but not the underlying land, are restricted to occupancy by lower-income households. Unlike most 100% affordable housing project, Kents Court does not receive project based rental subsidies through United States Department of Housing and Urban Development (HUD) Housing Choice Voucher or the United States Department of Agriculture (USDA) Multifamily Housing Rental Assistance program. The County will apply for project-based Housing Choice Vouchers when the Housing Authority of the County of Monterey issues a request for proposals. These vouchers, if awarded, will provide additional financial stability for the property.

In addition to working to secure project-based vouchers, the County is exploring other options for continuing ownership of this project. Options include looking for a new affordable housing provider to take ownership of the property and establishing a cooperative to take ownership of the underlying land and selling the units to income qualified households, primarily existing tenants. To undertake either of these options, the County needs to capitalize a replacement and repair reserve and possibly a downpayment assistance fund. This will ensure that the property is transferred with sufficient financial capacity to make the transition to new ownership.

Types of Financing Offered

The Housing Office enters into grant and loan agreements, depending on the source, ultimate use of the funding, the recipient's financing needs, and ability to repay debt. During the last fiscal year, the County issued 14 grants totaling \$2,063,475 and made one loan valued at \$500,115.

Affordable Owner Workforce Housing Financing

Loans for AOWH down payment assistance and housing rehabilitation generally have 30-years terms. During the term of the loan, repayment is not required. By deferring these loans, the borrower's monthly debt-to-income ratios are lowered making it easier for them to service their first mortgage loan. The downside to this deferral is that the interest accrued over 30-years can take a significant chunk of equity when the borrower pays the loan off. The County charges three percent simple interest on these loans with no origination or documentation costs. The County typically funds these loans with state or federal grants and payments on outstanding loans.

Affordable Owner Workforce Housing (AOWH) is a term defined by the state's Permanent Local Housing Allocation (PLHA) program. PLHA requires 20% of funds statewide be used to support AOWH opportunities. PLHA defines AOWH as up to 120% AMI or 150% AMI in high-cost areas such as Monterey County.

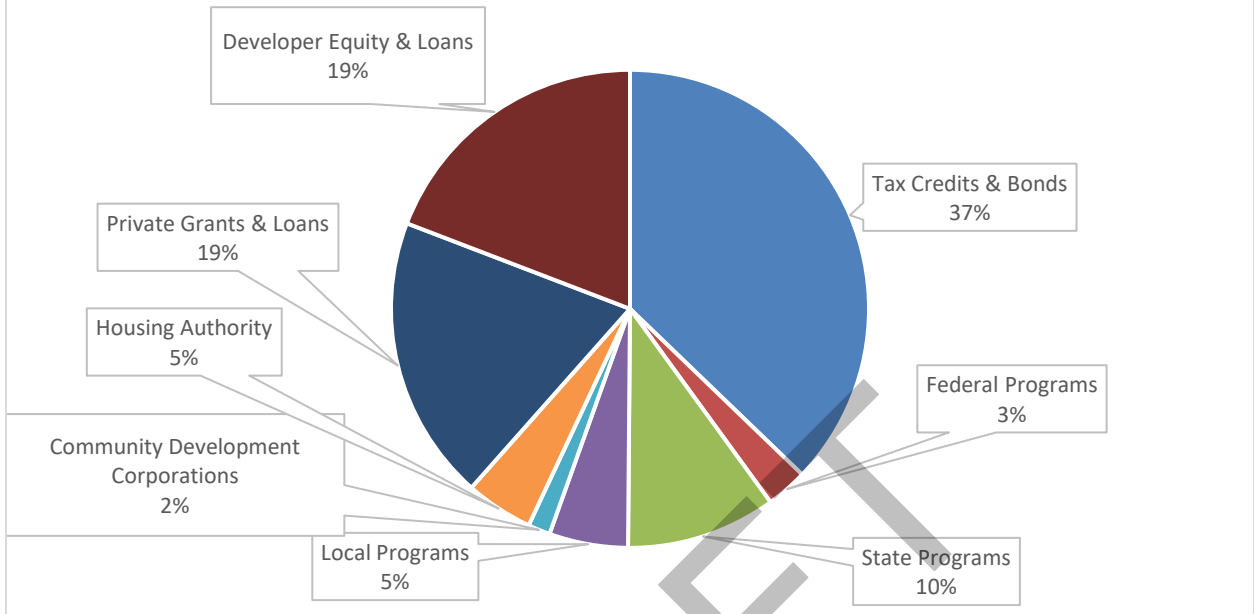
These programs can be challenging to administer for several reasons. These programs are funded with grants or program income³, which are unpredictable revenue streams. Because these revenue streams are inconsistent, it makes it challenging to continuously operate a lending program. Additionally, because there can be long periods when there is no lending activity, it can be challenging to hire and retain staff with the right qualifications to underwrite and document these loans. The funding programs themselves may also have requirements that make finding eligible homes and purchasers challenging. For example, 2024 HOME Program guidelines, expect a 4-person low-income household (annual income of \$105,950) to be able to find and purchase a home in Monterey County for less than \$626,000. For these reasons, the County is not currently marketing these programs.

Affordable Multifamily Rental Housing

County financial assistance is not usually the only source of financing for multifamily rental projects, it is part of a larger financing ecosystem. The largest source of funding is the tax credit program. Since the first tax credit project was approved in 1990, affordable housing developers have used at least 75 different sources of funding with an estimated value of at least \$1.758 billion to create 5,900 affordable units. Putting together the financing required for these projects requires matching affordability requirements, tenant eligibility/targeting, geographic targeting, with the available financing programs. The average project has required 6.3 different sources, but some have required as many as 15 different sources, and generally takes at least 3-years to put the entire finance package together. Between 2020 and 2023, there were nine tax credit or California Housing Accelerator projects in Monterey County. These projects cumulatively cost \$414 million, created 737 affordable units at an average per unit cost of \$525,131. Chart _ provides a breakdown on the different sources of financing used since 1990 to put together tax credit and California Housing Accelerator projects. While local funding accounts for only 5% of the total, it is important because these investments demonstrate local community support for the project.

³ Program Income is defined slightly differently from program to program, but generally it includes all fee and interest income on loans. Principal repayments may either be considered program income or restricted to only being used to fund new, eligible, loans.

Chart _
Multifamily Development Finance Pie



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Other Types of Housing

Employer Sponsored Housing

The Housing Office does not have a formal role in developing or managing Employer Sponsored Housing (ESH). Most ESH projects are exempt from the Inclusionary Ordinance because they provide housing for farmworkers. There has been one multifamily rental project subject to the Inclusionary Ordinance that is also subject to ESH regulations. The project is the Pebble Beach Company's Morse Place Apartments. These units provide housing for families where at least one household member is an employee of the Pebble Beach Company. Developers of other inclusionary projects have expressed an interest in building family apartments and leasing them to businesses for use as ESH units. This allows the developer to help increase the income generated on income-restricted units by having the business effectively provide a rental subsidy on the units.

ESH is housing made available to employees as a condition of employment. ESH is regulated by the California Employee Housing Act (Health and Safety Code, Division 13, Part 1, Section 17000 through 17062), the federal Occupational Safety and Health Act (29 CFR, Part 1910.142), and the Migrant and Seasonal Agricultural Worker Protection Act (29 CFR, Part 500). There are three agencies that issue ESH permits and perform the required annual inspections in Monterey County. They are:

- California Department of Housing and Community Development – projects not located in Gonzales or unincorporated areas of the County.
- City of Gonzales – projects within the city limits of Gonzales.
- County of Monterey, Health Department, Environmental Health Bureau (EHB) – projects in the unincorporated areas of the County.

ESH is typically some type of shared housing with differing levels of amenities. The key regulatory elements relate to the amount of space available per employee and the health and safety requirements for the facilities. ESH facilities are not required to have cooking facilities or mess halls but must provide some meals if these facilities are not available on-site. ESH does not automatically mean that the units will be occupied by H-2A visa holders (temporary agricultural workers). Employers are required to provide housing for H-2A workers but must make the employment opportunity available to people in the United States legally on the same terms and conditions as H-2A workers before the visas will be issued. Anecdotally, the County understands that some of the purpose built ESH have been occupied by agricultural workers who previously would not work in Monterey County due to housing issues.

As of February 2024, these agencies issued permits for 353 active ESH facilities. These facilities have the capacity to house approximately 14,000 employees. Most of these facilities are for seasonal agricultural employees, but there are a few employers in Big Sur that provide housing for seasonal hospitality workers. There are also four projects that provide year-round housing ESH for families. These include two projects in the Greater Monterey Peninsula Planning Area that are tied to specific employers. There are also affordable housing projects in the Central Salinas Valley Planning Area and Pajaro that are permitted by EHB as ESH but not tied to specific employers. These two projects are the County's Kents Court development and Eden Housing's Camphora Highland Apartments. The permits were held over from prior owners and the properties have not been released by EHB.

Approximately 70% of the ESH facilities are in incorporated cities with the balance in unincorporated Monterey County. More than half of the employee beds are in 1,805 hotel rooms.

An additional 77 single family homes and 115 apartments have been permitted for use as ESH, removing them from the market. Over the last 10-years, private developers and agricultural employers have been constructing what are essentially two-bedroom apartments that meet the space requirements to house up to eight, unrelated, people. There are 15 such projects in the County, with 484 apartments, capable of housing up to 2,777 people.

Appendix **Y** shows the communities where employer sponsored housing is located, the number of employees housed, and the types of housing units used for this purpose.

Housing Cooperatives & Community Land Trusts

- Cooperative Las Tres Palmas – 21-unit manufactured home community in Pajaro registered as a 501(c) to “lessen the burden of government by assisting in the provision of housing to low-income households”. The County provided a loan from the Inclusionary Housing Fund to construct a small community center in the community.
- San Jerardo – 67-unit, low-income farmworker community 7-miles outside of Salinas. In 2006, when the community water system essentially failed, the County used a \$1,000,000 CDBG grant and approximately \$2,394,800 in other state and local funding to replace it.
- Una Nueva Esperanza – A community land trust that owns 11-residential lots in Boronda with a 99-year affordability restriction. The lots are leased to income qualified homeowners who own and maintain their units. The County provided a combination of funding from CDBG, Inclusionary Housing Fund, and Redevelopment Low-Moderate Income Housing Trust Fund to construct the shared infrastructure that made the project possible. The County also provided downpayment assistance loans to some of the purchasers of the new homes.

Affordable Housing Challenges & Opportunities

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5th Cycle Housing Element – Housing Production

Every eight years every land use jurisdiction in the state is required to adopt a Housing Element. The purpose of this document is to examine the current state of residential development, consider what local programs and policies maybe impeding residential development, what policies and programs could be adopted to encourage development, and ensure that the jurisdiction has zoned sufficient land to meet the jurisdictions Regional Housing Needs Allocation (RHNA).

The 5th Cycle Housing Element ran from 2015 through 2023. Countywide, the 12 cities and the County were required to plan for 7,386 new housing units during this eight-year period. Of these units, 4,290 (58%) were to be affordable to very low-, low-, and moderate-income households. The County was required to plan for 1,551 units, of which 900 were supposed to be affordable.

The following tables and charts cover the years 2018-2023⁴ and are based on information available through the California Department of Housing and Community Development’s Housing Element Implementation and APR Dashboard website (<https://www.hcd.ca.gov/planning-and-community-development/housing-element-implementation-and-apr-dashboard>). Because this data is not available for all eight years of the 5th HE Cycle, it is an incomplete picture of the actual housing production for the period.

During the six-year period, the County and 12 cities issued 5,499 building permits. Of these permits, 1,199 were for units affordable to very low-, low-, or moderate-income households. Countywide, building permits were issued for 48% of the RHNA and 47% of the affordable unit goal. Building activity in unincorporated areas accounted for 1,181 of the building permits and 303 of the affordable units. Table _ provides additional detail on the County’s RHNA affordability and building permits. Appendix _ provides this information for all cities within the County.

	Table _		
	RHNA	BP Issued	RHNA Performance
Very Low-Income	374	7	2%
Low-Income	244	284	116%
Moderate-Income	282	12	4%
Above Moderate-Income	651	878	135%
Total	1,551	1,181	

Unincorporated Area Trends

- 41% of all single-family building permits were in projects approved in the 3rd or 4th housing element cycles.
- 9% of single-family building permits did not result in new units but were issued for tear down remodels or to replace homes destroyed by disasters.
- 75% of multi-unit building permits were for employer sponsored housing and the remaining 25% were at East Garrison.
- Without employer sponsored housing built by agricultural employers, the County would not have met its RHNA target low-income housing units.

Countywide Trends

⁴ In 2018, year three of the 5th Housing Element (HE) cycle, the State Department of Housing and Community Development implemented a new annual report. The new reporting format provides more transparency in understanding housing development patterns. The new report captures when residential permit applications are received, when entitlements are approved, when building permits are issued, and when a certificate of occupancy is issued. State HCD counts housing units created for the RHNA when the building permit is issued.

- 48% building permits are associated with subdivisions approved more than 5-years ago, and in some cases dating back to projects approved in the early to mid-1990's.
- 25% of building permits issued, were associated with projects located on the former Fort Ord.
- 37% of building permits countywide were for rental housing compared to only 22% in the unincorporated areas.
- 85% of ADUs were permitted after 2021, when SB9 took effect and made it easier to build these types of units.
- Permits for single family units (attached and detached) decreased from a high of 513 in 2018 to 121 in 2022 before recovering to 242 permits issued in 2023.
- Greenfield was the only jurisdiction in the County to plan for and issue building permits to meet its 5th Cycle RHNA targets for very low-, low-, and moderate-income, and did so in only six years.

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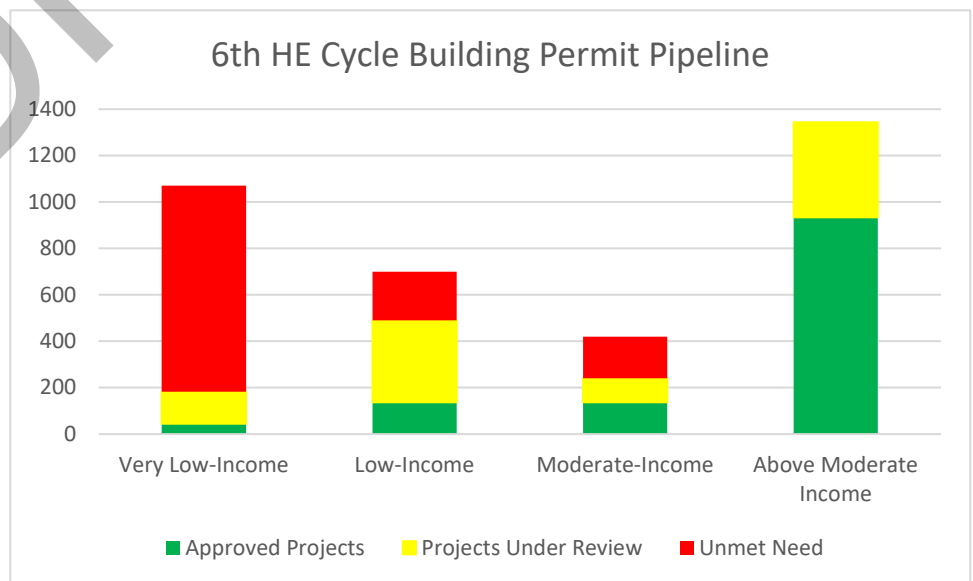
6th Cycle Housing Element

During the 6th Cycle Housing Element, the County and 12 cities are required to plan for 20,295 new residential units. This is a 275% increase over the requirement for the 5th Cycle. The unincorporated areas are expected to accommodate 3,326 of these units. The unincorporated areas of the County are expected to accommodate 24% of the very low-, and 24% of the low-income units allocated countywide.

6th Cycle RHNA Allocations

	Very Low- Income	Low- Income	Moderate- Income	Above Moderate- Income	Total by Jurisdiction
Carmel-by-the-Sea	113	74	44	118	349
Del Rey Oaks	60	38	24	62	184
Gonzales	173	115	321	657	1,266
Greenfield	101	66	184	379	730
King City	97	63	178	364	702
Marina	94	62	173	356	685
Monterey	1,177	769	462	1,246	3,654
Monterey County	1,070	700	420	1,136	3,326
Pacific Grove	362	237	142	384	1,125
Salinas	920	600	1,692	3,462	6,674
Sand City	59	39	49	113	260
Seaside	86	55	156	319	616
Soledad	100	65	183	376	724
Total by Affordability	4,412	2,883	4,028	8,972	20,295

As of February 2024, the County had 19 approved projects in the housing pipeline. These projects, at buildout, will result in 45 very low-, 137 low-, 137 moderate-, and 934 above moderate-income units. There were an additional 15 projects undergoing planning review. These projects propose constructing 138 very low-, 353 low-, 104 moderate-, and 410 above moderate-income units.



2025 Work Plan
6th Cycle Housing Element Implementation

Community Development Block Grant Urban County
Completion of new 5-Year Consolidated Plan

Monterey County Local Housing Trust Fund
Scope of MCLHTF – funding only, community land trust for acquisition, entitlement, and leasing of land for owner-occupied housing, purchase of water rights,

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Appendix 1 – Glossary

- 1) Acronyms and Definitions
 - a) AMI – Area Median Income is defined as the midpoint of a specific area's income distribution and is calculated on an annual basis by the Department of Housing and Urban Development (HUD). HUD refers to the figure as median family income (MFI), based on a four-person household.
 - b) AOWH – Affordable Owner Workforce Housing, a state mandated income group covering households with incomes between 80% and 120% of Area Median Income but can include households of up to 150% of AMI in state defined High-Cost areas (Monterey County is a High-Cost area). Statewide, 20% of all Permanent Local Housing Allocation funding must be used to benefit this income category.
 - c) Low-Income -
 - d) Lower-Income -
 - e) Moderate-Income -
 - f) PI – Program Income is income earned on loans and includes fees and loan interest paid. It does NOT include principal paid. The County can generally use a specified percentage of PI for administering the program (CDBG=20% and HOME=10%). The County has not typically budgeted CDBG PI for administrative costs and directed them towards affordable housing, infrastructure, or public facility projects.
 - g) Very Low-Income -
- 2) Federal Grant Programs
 - a) CDBG - Community Development Block Grant
 - b) NSP3 – Neighborhood Stabilization Program 3, a federal funded program to primarily purchase, rehabilitate, and sell foreclosed homes to income qualified households or to create housing opportunities for income qualified households.
- 3) State Grant Programs
 - a) HELP – Housing Enabled by Local Partnership
 - b) HOME – HOME Investment Partnership Act, federally funded program administered by the state to support affordable housing. The County is not currently a HOME Participating Jurisdiction and does not receive an annual formula allocation and must complete for HOME grants through the State HOME program.
 - c) LEAP – Local Early Action Planning Grant
 - d) NSP1 – Neighborhood Stabilization Program 1, a federally funded, state administered program to purchase, rehabilitate and sell foreclosed homes to income qualified households following the 2002 housing bubble. The County used grant funds to purchase ___ homes and proceeds from sale of those homes to purchase additional homes. The County also used NSP1 funds to provide downpayment assistance loans to the homebuyers. The loans were forgivable if the purchaser lived in the home for a specified period. If the loans were repaid, funds were initially returned to the state. Now loan repayments are deposited to the CDBG program.
 - e) PLHA – Permanent Local Housing Allocation, a state funded program. PLHA is funded through statewide recording fees on certain times of real estate documents. The fees are collected by County Clerk-Recorders and forwarded to state HCD. Most of the PLHA funds are allocated to CDBG entitlement communities based on their proportional share of CDBG entitlement funds received by the jurisdiction. A portion of the funds are reserved for non-entitlement communities and distributed competitively to non-CDBG entitlement communities. PLHA was established to replace the redevelopment Low-Moderate Income

Housing Trust Fund that received 20% of the annual tax increment received by redevelopment agencies.

More information on the PLHA program can be found at

<https://www.hcd.ca.gov/grants-and-funding/programs-active/permanent-local-housing-allocation>.

The County's PLHA Annual Reports can be found at

<https://www.countyofmonterey.gov/government/departments-a-h/housing-community-development/planning-services/community-development-project-program-financing/permanent-local-housing-allocation-plha>

- f) REAP
- g) SB2 – Senate Bill 2
- 4) Federal Grant Programs
 - a) CDBG – Community
 - b) NSP3 – Neighborhood Stabilization Program 3

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Appendix 2 – Community Development & Housing Programs Financial Organization

					FY2024/25 Recommended Budget Book Page
<u>Fund</u>	<u>Org. Unit</u>	<u>Name</u>	<u>Funding Sources</u>	<u>Grants Included</u>	
009	8544	Inclusionary Housing	Inclusionary In-Lieu Fees, fees for services, loan principal & interest payments		466
013	8545	Community Development Reuse	State Grants, fees for services, loan principal & interest payments	CHRP - AOWH Housing Rehabilitation HELP - AOWH Acquisition HOME - All Housing LEAP - Planning PLHA - MCLHTF Capital, Homeless Services REAP - Planning SB2 - Planning	467
013	8546	Community Development Grant	Federal Grants, fees for services, loan principal & interest payments	CDBG - Affordable Housing, Infrastructure, Public Facilities, Public Services CDBG payments are not placed in an affordable housing revolving loan fund and are not included as ongoing revenue for the MCLHTF.	468
175	8547	Castroville / Pajaro Housing Successor Agency	Fees for services, loan principal & interest payments	None, with dissolution of redevelopment in 2012, there is no new source of capital for this fund.	469
176	8548	Boronda Housing Successor Agency	Fees for services, loan principal & interest payments	None, with dissolution of redevelopment in 2012, there is no new source of capital for this fund.	

Fund 009 – Inclusionary Housing

This Fund was established in 1981, to ensure that in-lieu fees a collected by the County pursuant to its Inclusionary Housing Ordinance were kept segregated from the County General Fund and remained available for affordable housing projects. In-lieu fees are used to make grants and loans to support additional affordable housing construction. Loan repayments are relent for the same purpose.

Income for the Inclusionary Housing Fund comes from a variety of fees and loan repayments. The largest source of income is In-Lieu Fees paid by developers instead of building affordable units as part of their project. In-lieu fees have accounted for 39% of the funds deposited into the fund between fiscal years 2010 and 2024. Loan repayments accounted for an additional 28% of the revenue received by the fund. Beginning in 2011, the County began assessing fees to income qualify tenants and process refinancing/resale transactions and one-

The Housing Authority of the County of Monterey managed the Inclusionary Housing Program financial assets and provided income verification services for households interested in owning or renting inclusionary units between 1980 and approximately 1990.

The HACM files related to the management of the Inclusionary Program were destroyed in a flood, resulting in an incomplete documentary record of the program.

time loan origination and annual monitoring fees for multifamily loans. These fees account for an additional 18% of revenue. All loan origination and monitoring fees are deposited in the Inclusionary Housing Fund regardless of the funding source. Income for this fund has been highly variable over the last 15-years, ranging from \$22,483 in total revenue in 2024 to \$249,087 in 2016. The annual average and median revenues over this period have been \$137,228 and \$134,820.

Fund 013 – Community Development

This Fund was established prior to 1997 and included with two organizational units. The organizational units were to provide lifecycle management of state and federal grant funds and subsequent program income earned from the initial grant activities. Generally, grant regulations require that the recipient be able to track and account for the funds separate from the recipient's general fund.

Organizational Unit 8545 was initially used to track all payments made on loans funded with grants and ensure that these payments were reused for eligible activities. This Organizational Unit has been used since at least 1995. Each grant source had an associated revolving loan account within the Organizational Unit. Since 2021, the County has used Organizational Unit 8545 to budget state grants and program income received from those original activities.

Organizational Unit 8546 was established to manage grant funds when they were initially awarded and used as intended. If the intended use was to capitalize a revolving loan fund, the subsequent repayment and relending of program income was done through Organizational Unit 8545. Since 2021, the County has used Organizational Unit 8546 exclusively for funds related to the Community Development Block Grant (CDBG) program.

Funds 175 and 176 – Low-Moderate-Income Housing Trust Fund

These funds were established for each of the County's redevelopment project areas. Fund 175 for the Castroville-Pajaro project area and Fund 176 for the Boronda project area. Between 1985 and 2012, these funds received 20% of the annual tax increment generated by the redevelopment project area. A separate fund was created for the Fort Ord redevelopment project area when it was established. This fund was dedicated specifically to affordable housing in East Garrison and there is no, unallocated, residual income.

Use of RDA Housing Trust Funds was restricted to supporting the creation and retention of affordable housing within the redevelopment project area. The Redevelopment Agency Board of Directors could make specific findings that a project met the intent of creating and retaining affordable housing while preventing gentrification and use these funds outside the redevelopment project area. The County Redevelopment Agency did this in funding a loan to Eden Housing for the Camphora Highlands project.

Appendix 3 – MCLHTF Capital Overview

When the Board of Supervisors established the Monterey County Local Housing Trust Fund in May 2022, it did so with capital found in Funds 009, 013/8545, 175, and 176. Because these funds were established to track funds independently for legal or grant requirement reasons, the Monterey County Auditor-Controller’s Office has not created a separate fund for the MCLHTF within the County’s financial system.

The following table shows how the County’s resolutions pledging the various sources of funds to the MCLHTF fit into the larger picture of the restricted uses of different funds and how they can be used as match funds for the California Local Housing Trust grant application. The figures are as of June 30, 2024, and only includes grant funds awarded since 2020.

	5/22/23 Capital & Assets	6/30/24 Capital & Assets	Ongoing Annual Deposits
Not Qualified LHT Match	\$3,349,740	\$3,349,740	
Affordable Owner Workforce Housing	\$1,136,930	\$1,136,930	
20-PLHA-15630	\$535,872	\$535,872	
22-PLHA-17671	\$105,287	\$105,287	
22-PLHA-17673	\$156,576	\$156,576	
22-PLHA-17674	\$181,645	\$181,645	
BEGIN PI	\$88,560	\$88,560	
CalHOME PI	\$68,990	\$68,990	
Portfolio Not Specified	\$2,212,810	\$2,212,810	
HOME PI	\$2,212,810	\$2,212,810	
Qualified LHT Match	\$6,690,043	\$3,881,387	\$100,000
Multifamily	\$6,287,416	\$3,878,973	\$80,000
20-PLHA-15630	\$1,138,925	\$554,970	
22-PLHA-17671	\$184,352	\$62,518	
22-PLHA-17673	\$274,179	\$274,179	
22-PLHA-17674	\$318,130	\$123,706	
855 E. Laurel Dr. Land Donation	\$2,613,600	\$2,613,600	
General Fund	\$370,000		
General Fund - ARPA	\$1,000,000		
Inclusionary In-Lieu Fees	\$15,000	\$15,000	\$20,000
Inclusionary PI	\$235,000	\$235,000	\$50,000
RDA PI - Boronda	\$13,230		
RDA PI - C-P	\$125,000		\$10,000
Portfolio Not Specified			\$20,000
HOME PI			\$20,000
Permanent Supportive	\$402,627	\$2,414	
20-PLHA-15630	\$402,627	\$2,414	
Grand Total	\$10,039,783	\$7,231,128	\$100,000

The following table uses the same base information but shows how the various contributions to the MCLHTF been used to fund specific affordable housing projects as June 30, 2024.

	Eden Housing - 855 E. Laurel Dr.	Greenfield Commons	Lightfighter Village	Sun Rose Gardens
Activity 3	-\$2,613,600	\$1,908,328	-\$500,115	
AOWH				
Multifamily	-\$2,613,600	\$1,908,328	-\$500,115	
Qualified LHT Match	-\$2,613,600	\$1,908,328	-\$500,115	
20-PLHA-15630		-\$583,955		
22-PLHA-17671		-\$121,834		
22-PLHA-17673				
22-PLHA-17674		-\$194,424		
855 E. Laurel Dr. Land Donation	-\$2,613,600			
General Fund		-\$370,000		
Inclusionary In-Lieu Fees				
Inclusionary PI				
RDA PI - Boronda		-\$13,230		
RDA PI - C-P		-\$125,000		
General Fund - ARPA		-\$499,885	-\$500,115	
Not Specified				
Activity 6				\$400,213
Case Mgmt				
Navigation Ctr				
Permanent Supportive				\$400,213
Qualified LHT Match				\$400,213
20-PLHA-15630				\$400,213
Grand Total	-\$2,613,600	-\$1,908,328	-\$500,115	-\$400,213

The Board's established the MCLHTF to create a source of local matching funds for the California Local Housing Trust Fund (CA LHT) grant program. The CA LHT program is a competitive grant that provides dollar for dollar matching grants for local housing trusts. The CA LHT program limits what funds can be used to leverage the grant. Except for PLHA funding, funds already restricted for affordable housing cannot leverage LHTF grant applications. This includes programs such as the HOME Investment Partnership Act and former redevelopment tax increment low-moderate-income housing set-aside trust funds. The County's 2023, LHTF application also omitted AOWH funding from the match calculation because the affordability levels required would not support downpayment assistance programs.

As of June 30, 2024, the MCLHTF had assets and cash of \$3,881,388 that qualify for use as matching funds for the California Local Housing Trust Fund grant program. The MCLHTF also has estimated annual deposits of \$100,000 that qualify as LHT match.

Appendix 4 – Loan Repayment Status

	Outstanding Loans @ 6/30/2024	Loan Amount	Principal Balance	Loans Forgiven @ 6/30/2024	Amount Forgiven	Loans Written-Off @ 6/30/25024	Amount Written- Off
Economic Development		\$400,000		2	\$400,000		
Direct Financial Assistance to For-Profit Business		\$400,000		2	\$400,000		
Housing - Affordable Owner Workforce	85	\$11,174,593	\$3,686,752	6	\$105,031	3	\$108,119
Acquisition for Rehabilitation Construction of Housing	1	\$4,219,313 \$327,770	\$327,770				
Homeownership Assistance	68	\$4,353,618	\$2,439,332	3	\$59,588	2	\$98,350
Neighborhood Facilities	1	\$140,000	\$38,274				
Rehabilitation: Single-Unit Residential	15	\$2,133,893	\$881,376	3	\$45,443	1	\$9,769
Housing - Affordable Rental	22	\$17,043,412	\$15,759,419	2	\$50,500		
Acquisition for Rehabilitation Construction of Housing	4 7	\$4,945,060 \$8,654,518	\$4,818,661 \$8,076,921		\$50,500		
Facilities for Persons with Disabilities	6	\$1,105,000	\$834,064				
Rehabilitation: Multi-Unit Residential	5	\$2,338,834	\$2,029,774				
Infrastructure & Public Facilities	2	\$225,000	\$127,519				
Homeless Facilities	2	\$225,000	\$127,519				
Grand Total	109	\$28,843,005	\$19,573,690	10	\$555,531	3	\$108,119

Appendix 5 – Portfolio Overview

Portfolio Matrix Code Name	Number of Grants Made	Value of Grants Made	Number of Loans Made	Value of Loans Originated	Principal Balance @ 6/30/2024
Economic Development			4	\$400,000	
Direct Financial Assistance to For-Profit Business			4	\$400,000	
Housing - Affordable Owner Workforce	57	\$1,413,044	191	\$11,174,593	\$3,756,690
Acquisition for Rehabilitation			21	\$4,219,313	
Construction of Housing			1	\$327,770	\$327,770
Energy Efficiency Improvements	53	\$266,306			
Homeownership Assistance			126	\$4,353,618	\$2,440,332
Neighborhood Facilities			1	\$140,000	\$38,274
Planning	1	\$25,000			
Rehabilitation: Single-Unit Residential			42	\$2,133,893	\$950,314
Water/Sewer Improvements	3	\$1,121,738			
Housing - Affordable Rental	18	\$11,316,550	25	\$15,039,366	\$13,940,631
Acquisition for Rehabilitation	2	\$445,241	4	\$4,578,377	\$4,562,236
Acquisition of Real Property	1	\$2,000,000			
Construction of Housing	2	\$5,723,927	9	\$6,725,472	\$6,147,875
Facilities for Persons with Disabilities	9	\$1,351,768	6	\$1,105,000	\$834,064
Health Facilities	1	\$500,000			
Rehabilitation: Multi-Unit Residential	2	\$251,503	6	\$2,630,516	\$2,396,456
Rehabilitation: Single-Unit Residential	1	\$1,044,110			
Infrastructure & Public Facilities	41	\$9,220,893	2	\$225,000	\$127,519
Childcare Centers	2	\$50,506			
Fire Stations/Equipment	2	\$1,599,750			
Health Facilities	1	\$9,890			
Homeless Facilities	2	\$180,500	2	\$225,000	\$127,519
Neighborhood Facilities	6	\$1,238,172			
Other Public Improvements	5	\$393,582			
Parks, Recreational Facilities	12	\$2,345,787			
Sidewalks	8	\$1,779,659			
Street Improvements	2	\$1,423,518			
Water/Sewer Improvements	1	\$199,529			
Public Services	129	\$5,436,579			
Abused and Neglected Children Services	1	\$42,000			
Childcare Services	10	\$178,796			
Employment Training	1	\$10,000			
Fair Housing Services	24	\$378,859			
Food Banks	7	\$1,092,541			
Homeless Services	18	\$2,531,338			
Housing Counseling Supporting Downpayment Assistance	1	\$13,588			
Mental Health Services	6	\$214,254			
Other Public Services	3	\$43,006			
Senior Services	18	\$470,070			
Services for Persons with Disabilities	4	\$56,899			
Subsistence Payments	12	\$9,757			
Substance Abuse Treatment	1	\$3,793			
Youth Services	23	\$391,678			
Grand Total	245	\$27,387,065	220	\$26,838,959	\$17,824,840

Appendix 6 – Portfolio by Supervisorial District

District Where Project Funded Portfolio Matrix Code Name	Number of Grants Made	Value of Grants	Number of Loans Originated	Value of Loans Originated	Principal Balance @ 6/30/2024
Countywide	55	\$2,783,103			
Infrastructure & Public Facilities	1	\$100,000			
Homeless Facilities	1	\$100,000			
Public Services	54	\$2,683,103			
Abused and Neglected Children Services	1	\$42,000			
Fair Housing Services	24	\$378,859			
Food Banks	1	\$982,541			
Homeless Services	13	\$938,162			
Housing Counseling Supporting Downpayment Assistance	1	\$13,588			
Mental Health Services	6	\$214,254			
Other Public Services	3	\$43,006			
Senior Services	1	\$13,794			
Services for Persons with Disabilities	4	\$56,899			
District 1	11	\$2,785,456	2	\$580,000	\$562,305
Housing - Affordable Rental	5	\$1,191,769	1	\$530,000	\$529,999
Facilities for Persons with Disabilities	5	\$1,191,769	1	\$530,000	\$529,999
Rehabilitation: Multi-Unit Residential					
Infrastructure & Public Facilities			1	\$50,000	\$32,306
Homeless Facilities			1	\$50,000	\$32,306
Public Services	6	\$1,593,687			
Homeless Services	5	\$1,593,176			
Subsistence Payments	1	\$511			
District 2	57	\$6,040,485	141	\$15,973,454	\$12,632,238
Housing - Affordable Owner Workforce	8	\$140,223	128	\$5,495,157	\$2,965,598
Acquisition for Rehabilitation			2	\$506,231	
Construction of Housing			1	\$327,770	\$327,770
Energy Efficiency Improvements	6	\$18,485			
Homeownership Assistance			90	\$2,584,330	\$1,769,109
Neighborhood Facilities			1	\$140,000	\$38,274
Rehabilitation: Single-Unit Residential			34	\$1,936,826	\$830,445
Water/Sewer Improvements	2	\$121,738			
Housing - Affordable Rental	2	\$1,205,613	13	\$10,478,298	\$9,666,640
Acquisition for Rehabilitation			2	\$3,510,258	\$3,510,258
Construction of Housing			8	\$6,225,357	\$5,647,760
Rehabilitation: Multi-Unit Residential	1	\$161,503	3	\$742,682	\$508,622
Rehabilitation: Single-Unit Residential	1	\$1,044,110			
Infrastructure & Public Facilities	14	\$4,270,501			
Fire Stations/Equipment	1	\$842,229			
Neighborhood Facilities	3	\$863,169			
Parks, Recreational Facilities	6	\$891,585			
Sidewalks	3	\$425,000			
Street Improvements	1	\$1,248,518			
Public Services	33	\$424,147			
Childcare Services	10	\$178,796			
Food Banks	6	\$110,000			
Subsistence Payments	7	\$6,577			

District Where Project Funded Portfolio Matrix Code Name	Number of Grants Made	Value of Grants	Number of Loans Originated	Value of Loans Originated	Principal Balance @ 6/30/2024
Youth Services	9	\$118,774			
Employment Training	1	\$10,000			
District 3	91	\$8,618,773	53	\$6,138,275	\$1,695,700
Economic Development			4	\$400,000	
Direct Financial Assistance to For-Profit Business			4	\$400,000	
Housing - Affordable Owner Workforce	49	\$1,272,821	49	\$4,670,156	\$643,722
Acquisition for Rehabilitation			18	\$3,430,110	
Energy Efficiency Improvements	47	\$247,821			
Homeownership Assistance			26	\$1,097,143	\$545,723
Planning	1	\$25,000			
Rehabilitation: Single-Unit Residential			5	\$142,903	\$97,999
Water/Sewer Improvements	1	\$1,000,000			
Housing - Affordable Rental	3	\$2,445,241	2	\$1,068,119	\$1,051,978
Acquisition for Rehabilitation	2	\$445,241	2	\$1,068,119	\$1,051,978
Acquisition of Real Property	1	\$2,000,000			
Infrastructure & Public Facilities	21	\$4,614,694			
Childcare Centers	2	\$50,506			
Fire Stations/Equipment	1	\$757,521			
Health Facilities	1	\$9,890			
Neighborhood Facilities	3	\$375,003			
Other Public Improvements	1	\$238,384			
Parks, Recreational Facilities	6	\$1,454,201			
Sidewalks	5	\$1,354,659			
Street Improvements	1	\$175,000			
Water/Sewer Improvements	1	\$199,529			
Public Services	18	\$286,017			
Senior Services	4	\$75,206			
Subsistence Payments	3	\$1,591			
Youth Services	11	\$209,220			
District 4	10	\$5,749,502	6	\$1,198,587	\$777,543
Housing - Affordable Owner Workforce			2	\$323,472	\$40,500
Acquisition for Rehabilitation			1	\$282,972	
Homeownership Assistance			1	\$40,500	\$40,500
Housing - Affordable Rental	5	\$5,609,374	3	\$700,115	\$641,831
Construction of Housing	1	\$4,964,375	1	\$500,115	\$500,115
Facilities for Persons with Disabilities	2	\$54,999	2	\$200,000	\$141,716
Health Facilities	1	\$500,000			
Rehabilitation: Multi-Unit Residential	1	\$90,000			
Infrastructure & Public Facilities	4	\$136,335	1	\$175,000	\$95,212
Homeless Facilities	1	\$80,500	1	\$175,000	\$95,212
Other Public Improvements	3	\$55,835			
Public Services	1	\$3,793			
Substance Abuse Treatment	1	\$3,793			
District 5	6	\$969,232	15	\$2,865,150	\$2,135,183
Housing - Affordable Owner Workforce			9	\$602,316	\$85,000
Homeownership Assistance			8	\$590,007	\$85,000
Rehabilitation: Single-Unit Residential			1	\$12,309	
Housing - Affordable Rental	3	\$864,552	6	\$2,262,834	\$2,050,183

District Where Project Funded Portfolio Matrix Code Name	Number of Grants Made	Value of Grants	Number of Loans Originated	Value of Loans Originated	Principal Balance @ 6/30/2024
Construction of Housing	1	\$759,552			
Facilities for Persons with Disabilities Rehabilitation: Multi-Unit Residential	2	\$105,000	3	\$375,000	\$162,349
			3	\$1,887,834	\$1,887,834
Infrastructure & Public Facilities	1	\$99,362			
Other Public Improvements	1	\$99,362			
Public Services	2	\$5,317			
Senior Services	1	\$4,239			
Subsistence Payments	1	\$1,078			
Districts 2 & 3	13	\$393,666			
Public Services	13	\$393,666			
Senior Services	10	\$329,982			
Youth Services	3	\$63,684			
Districts 4 & 5	2	\$46,848			
Public Services	2	\$46,848			
Senior Services	2	\$46,848			
Unknown – Requires Additional Research			3	\$83,493	\$21,870
Housing - Affordable Owner Workforce			3	\$83,493	\$21,870
Homeownership Assistance			1	\$41,638	
Rehabilitation: Single-Unit Residential			2	\$41,855	\$21,870
Grand Total	245	\$27,387,065	220	\$26,838,959	\$17,824,840

DRAFT

Appendix 7 – Portfolio Funding Sources

Funding Program	Number of Grants Made	Value of Grants	Number of Loans	Value of Loans	Principal Balance
Building Equity and Growth in Neighborhoods Program			19	\$480,000	\$306,000
CIRP			6	\$111,969	\$14,792
Community Development Block Grant	220	\$17,548,980	65	\$8,571,207	\$3,277,909
HOME Investment Partnership Act			104	\$9,863,659	\$7,203,442
Housing Enabled by Local Partnership			4	\$158,500	\$58,500
Housing Related Parks Program	3	\$716,600			
Inclusionary Housing	12	\$1,117,215	9	\$1,232,919	\$772,130
Monterey County Local Housing Trust Fund	1	\$1,044,110	1	\$1,929,046	\$1,929,046
Permanent Local Housing Allocation	10	\$2,383,451	1	\$500,115	\$500,115
Redevelopment	2	\$5,034,375	12	\$6,011,000	\$5,581,756
Grand Total	247	\$27,774,731	222	\$28,913,005	\$19,643,690

Appendix 8 – Funding Source Activities

Funding Source Portfolio Matrix Code Name	Number of Grants Made	Value of Grants Made	Number of Loans Originated	Value of Loans Originated	Principal Balance @ 6/30/2024
Building Equity and Growth in Neighborhoods Program (BEGIN)			19	\$474,000	\$306,000
Housing - Affordable Owner Workforce			19	\$474,000	\$306,000
Homeownership Assistance			19	\$474,000	\$306,000
CIRP			6	\$102,559	\$35,753
Housing - Affordable Owner Workforce			6	\$102,559	\$35,753
Rehabilitation: Single-Unit Residential			6	\$102,559	\$35,753
Community Development Block Grant	219	\$17,198,980	65	\$8,571,207	\$3,399,998
Economic Development			4	\$400,000	
Direct Financial Assistance to For-Profit Business			4	\$400,000	
Housing - Affordable Owner Workforce	56	\$1,388,044	56	\$5,798,869	\$1,157,905
Acquisition for Rehabilitation			21	\$4,219,313	
Construction of Housing			1	\$327,770	\$327,770
Energy Efficiency Improvements	53	\$266,306			
Homeownership Assistance			22	\$825,698	\$605,697
Rehabilitation: Single-Unit Residential			12	\$426,089	\$224,438
Water/Sewer Improvements	3	\$1,121,738			
Housing - Affordable Rental	7	\$4,263,516	6	\$2,197,338	\$2,146,881
Acquisition for Rehabilitation	2	\$445,241	2	\$1,069,838	\$1,069,838
Facilities for Persons with Disabilities	1	\$1,066,771	2	\$630,000	\$609,293
Health Facilities	1	\$500,000			
Rehabilitation: Multi-Unit Residential	2	\$251,503	2	\$497,500	\$467,750
Acquisition of Real Property	1	\$2,000,000			
Infrastructure & Public Facilities	38	\$8,504,293	1	\$175,000	\$95,212
Childcare Centers	2	\$50,506			
Fire Stations/Equipment	2	\$1,599,750			
Health Facilities	1	\$9,890			
Homeless Facilities	2	\$180,500	1	\$175,000	\$95,212
Neighborhood Facilities	6	\$1,238,172			
Other Public Improvements	5	\$393,582			
Parks, Recreational Facilities	9	\$1,629,187			
Sidewalks	8	\$1,779,659			
Street Improvements	2	\$1,423,518			
Water/Sewer Improvements	1	\$199,529			
Public Services	118	\$3,043,128			
Abused and Neglected Children Services	1	\$42,000			
Childcare Services	10	\$178,796			
Fair Housing Services	24	\$378,859			
Food Banks	7	\$1,092,541			
Homeless Services	8	\$147,887			
Housing Counseling Supporting Downpayment Assistance	1	\$13,588			
Mental Health Services	6	\$214,254			
Other Public Services	3	\$43,006			
Senior Services	18	\$470,070			

Funding Source Portfolio Matrix Code Name	Number of Grants Made	Value of Grants Made	Number of Loans Originated	Value of Loans Originated	Principal Balance @ 6/30/2024
Services for Persons with Disabilities	4	\$56,899			
Subsistence Payments	12	\$9,757			
Substance Abuse Treatment	1	\$3,793			
Youth Services	23	\$391,678			
HOME Investment Partnership Act			105	\$9,863,659	\$7,204,442
Housing - Affordable Owner Workforce			98	\$3,714,651	\$1,557,244
Homeownership Assistance			82	\$2,569,540	\$1,044,255
Rehabilitation: Single-Unit Residential			16	\$1,145,111	\$512,989
Housing - Affordable Rental			7	\$6,149,008	\$5,647,198
Acquisition for Rehabilitation			1	\$3,400,000	\$3,400,000
Construction of Housing			3	\$982,674	\$685,174
Rehabilitation: Multi-Unit Residential			3	\$1,766,334	\$1,562,024
Housing Enabled by Local Partnership (HELP)			4	\$158,500	\$58,500
Housing - Affordable Owner Workforce			4	\$158,500	\$58,500
Rehabilitation: Single-Unit Residential			4	\$158,500	\$58,500
Housing Related Parks Program	3	\$716,600			
Infrastructure & Public Facilities	3	\$716,600			
Parks, Recreational Facilities	3	\$716,600			
Inclusionary Housing	11	\$1,079,549	8	\$1,157,919	\$772,130
Housing - Affordable Owner Workforce	1	\$25,000	2	\$524,380	\$422,654
Homeownership Assistance			1	\$384,380	\$384,380
Neighborhood Facilities			1	\$140,000	\$38,274
Planning	1	\$25,000			
Housing - Affordable Rental	9	\$1,044,549	5	\$583,539	\$317,169
Acquisition for Rehabilitation			1	\$108,539	\$92,398
Construction of Housing	1	\$759,552			
Facilities for Persons with Disabilities	8	\$284,997	4	\$475,000	\$224,771
Infrastructure & Public Facilities			1	\$50,000	\$32,306
Homeless Facilities			1	\$50,000	\$32,306
Public Services	1	\$10,000			
Employment Training	1	\$10,000			
Monterey County Local Housing Trust Fund	1	\$1,044,110			
Housing - Affordable Rental	1	\$1,044,110			
Rehabilitation: Single-Unit Residential	1	\$1,044,110			
Permanent Local Housing Allocation	10	\$2,383,451	1	\$500,115	\$500,115
Housing - Affordable Rental			1	\$500,115	\$500,115
Construction of Housing			1	\$500,115	\$500,115
Public Services	10	\$2,383,451			
Homeless Services	10	\$2,383,451			
Redevelopment	1	\$4,964,375	12	\$6,011,000	\$5,547,902
Housing - Affordable Owner Workforce			6	\$401,634	\$218,634
Homeownership Assistance			2	\$100,000	\$100,000
Rehabilitation: Single-Unit Residential			4	\$301,634	\$118,634
Housing - Affordable Rental	1	\$4,964,375	6	\$5,609,366	\$5,329,268
Construction of Housing	1	\$4,964,375	5	\$5,242,683	\$4,962,586
Rehabilitation: Multi-Unit Residential			1	\$366,682	\$366,682
Grand Total	245	\$27,387,065	220	\$26,838,959	\$17,824,840

Appendix 10 – Affordable Housing Projects

This appendix shows the number of affordable multi-family projects and units by County Planning Area and community. The last column indicates the average date the last building in projects within the geographic area were placed in services or last rehabilitated. As a reference point, TCAC requires units remain affordable for 55-years from this date. Most of the projects in this table are tax credit projects.

County Planning Area Community	Number of Properties	Total Affordable Units	Average Year Last Building PIS
Carmel Valley Master Plan	3	288	2004
Carmel Valley	3	288	2004
Castroville Community Plan	5	261	2007
Castroville	5	261	2007
Central Salinas Valley	34	1,465	2005
Gonzales	10	180	2007
Greenfield	13	659	2007
King City	2	107	2005
Soledad	9	519	2004
Fort Ord	2	131	2013
East Garrison	2	131	2013
Greater Monterey Peninsula	20	1,331	2006
Marina	8	750	2005
Monterey	7	50	1995
Pacific Grove	1	49	2006
Seaside	3	458	
Pebble Beach	1	24	2019
Greater Salinas	56	3,298	2004
Boronda	2	2	2000
Salinas	54	3,296	2005
North County	1	63	2006
Pajaro	1	63	2006
Grand Total	121	6,837	2005

The next table in this appendix breaks down the affordability levels of units using the TCAC Housing Type by the various County Planning Areas. The table includes TCAC, inclusionary, and projects funded with inclusionary in-lieu fees that did not also receive TCAC funding.

Row Labels	Units at or below 30% AMI	Units at 35% AMI	Units at 40% AMI	Units at 45% AMI	Units at 50% AMI	Units at 55% AMI	Units at 60% AMI	Units at 70% AMI	Sum of Units at 80% AMI
Large Family	125	88	145	116	960	163	984		16
Carmel Valley Master Plan					4	5			
Castroville Community Plan	14	8	27	41	124	27	6		
Central Salinas Valley	69	46	31	44	524	91	323		
Fort Ord	7				36		71		16
Greater Monterey Peninsula	11		48		48				
Greater Salinas	24	34	31	31	183	40	571		
North County			8		41		13		
Non-Targeted	61	2	13		698		727	293	96
Carmel Valley								5	
Castroville		2			4			2	
Central Salinas Valley	28							71	
Greater Monterey Peninsula	33		13		292		409	155	46
Greater Salinas (blank)					402		318	58	50
								2	
Seniors	128	18	37	48	477	21	640		
Carmel Valley									
Carmel Valley Master Plan					80		196		
Central Salinas Valley	8		4		100	11	8		
Greater Monterey Peninsula	43	18	10		60		44		
Greater Salinas	77		23	48	237	10	392		
Single Room Occupancy	76		50		50		23		
Greater Salinas	76		50		50		23		
Special Needs		2	6	2					19
Greater Monterey Peninsula			6						
Greater Salinas		2		2				15	
North County								4	
Veterans	41				10				
Greater Monterey Peninsula	41				10				
Grand Total	431	110	251	166	2,195	184	2,374	312	112

Appendix 14 – Employer Sponsored Housing by Jurisdiction

Employer Sponsored Housing is permitted by three Local Enforcement Agencies (LEAs) in Monterey County.

- City of Gonzales for projects wholly within the city limits and reported through the HCD website.
- County of Monterey, Health Department, Environmental Health Bureau (EHB).
- California Housing and Community Development, Building Standards Division.

Data in this Appendix is compiled from:

- California Housing and Community Development’s website
<https://cahcd.my.site.com/s/searchehparks>
- Monterey County EHB

Data provided by the state and County are not in the same format or cover the same types of information. County staff has made a good faith effort to identify the types of housing unit based on descriptions, addresses, and knowledge of County planning approvals.

“**Active - Pending**”, “**Inactive – Canceled**”, “**Inactive – Not Occupied**”, “**Inactive – Reason not Reported**”, and “**Inactive – Sold**” are used by the California Department of Housing and Community Development and County staff has not found definitions for them.

Apartment – Market indicates an apartment in an otherwise market-rate development permitted for use as employer sponsored housing.

Apartment – Purpose Built indicates an apartment complex specifically built as employer sponsored housing. These units are typically two-bedroom with shared kitchens, baths, and living space. The complexes generally offer shared recreational amenities. These complexes, with minor tenant improvements could be converted to market-rate apartments if the employer sponsored housing requirements were eliminated.

	Employees to be Housed	SFD - Market	Apartment - Market	Apartment - Purpose Built	Dormitories	Hotel / Motel Rooms	Mobile Homes
Active	13,997	77	221	409	29	1,805	45
Agriculture	13,684	72	190	272	22	1,805	39
City of Gonzales	96					17	
City of Greenfield	2,124	11				345	
City of King City	2,450					300	
City of Marina	354					140	
City of Monterey	100					25	
City of Salinas	3,799	3	35			894	
City of Seaside	172					47	
City of Soledad	523		2			19	
Unincorporated - Aromas	28	3					
Unincorporated - Carmel Valley	12	4		8			
Unincorporated - Castroville	397	2	9		2	18	3
Unincorporated - Chualar	82	11	24	5			12
Unincorporated - Gonzales	78	10		19			15
Unincorporated - Greenfield	42			5	1		3

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	Employees to be Housed	SFD - Market	Apartment - Market	Apartment - Purpose Built	Dormitories	Hotel / Motel Rooms	Mobile Homes
Unincorporated - King City	375	4			5		
Unincorporated - Moss Landing	29				2		
Unincorporated - Prunedale	28						
Unincorporated - Royal Oaks	75	1		10			6
Unincorporated - Salinas	2,189	12	91	150	9		
Unincorporated - San Ardo	28	2	3				
Unincorporated - Soledad	84	9	24		3		
Unincorporated - Pajaro	19		2				
Unincorporated - Spreckels	600			75			
Hospitality	313	5	31	137	7		6
Unincorporated - Big Sur	273	5	31	113	5		6
Unincorporated - Gorda	16				2		
Unincorporated - Pebble Beach	24			24			
Active - Family Housing	63		44				19
Agriculture	63		44				
Unincorporated - Pajaro	19						19
Unincorporated - Soledad	44		44				
Active - Pending	85		2				
Agriculture	85		2				
Unincorporated - Salinas	85		2				
Inactive - Canceled	158						
Agriculture	158						
City of Greenfield	158						
Inactive - Not Occupied	260					255	
Agriculture	260					255	
City of Greenfield						38	
City of Salinas						152	
City of Soledad	260					65	
Inactive - Reason not Reported							
Inactive - Sold	39		43			13	
Agriculture	39		43			13	
City of King City	39					13	
City of Salinas			43				
Grand Total	14,602	77	310	409	29	2,073	45

Appendix 15 – CDBG Accomplishments

	Funded Amount	Persons Assisted	Households Assisted	Housing Units Assisted	Jobs Created
Economic Development	\$400,000				11
ED Direct Financial Assistance to For-Profits (18A)	\$400,000				11
General Administration & Planning	\$1,606,977	195			
Fair Housing Activities (subject to 20% Admin Cap) (21D)	\$155,923	195			
General Program Administration (21A)	\$1,445,358				
Public Information (21C)	\$5,696				
Housing	\$430,353			69	
Energy Efficiency Improvements (14F)	\$268,850			58	
Rehab; Multi-Unit Residential (14B)	\$161,503			11	
Public Facilities & Improvements	\$10,731,103	96,231	2	37	
Childcare Centers (03M)	\$50,506	36			
Cleanup of Contaminated Sites (04A)	\$87,136				
Energy Efficiency Improvements (14F)	\$42,629				
Fire Station/Equipment (03O)	\$1,599,750	17,840			
Health Facilities (03P)	\$509,890	6,537		22	
Homeless Facilities (not operating costs) (03C)	\$1,247,271	6		15	
Neighborhood Facilities (03E)	\$1,310,977				
Other Public Improvements Not Listed in 03A-03S (03Z)	\$661,597	66,992			
Parks, Recreational Facilities (03F)	\$1,850,187	211			
Rehab; Multi-Unit Residential (14B)	\$90,000	6			
Sidewalks (03L)	\$2,076,109	1,948			
Streets (03K)	\$883,783				
Water/Sewer Improvements (03J)	\$321,267	2,655	2		
Public Services	\$2,950,120	37,923	12		
Abused and Neglected Children (05N)	\$42,000	116			
Child Care Services (05L)	\$178,546	1,354			
Fair Housing Activities (subject to 15% cap) (05J)	\$252,884	5,914			
Food Banks (05W)	\$1,092,541	7,579			
Housing Counseling only, under 24 CFR 5.100 (05U)	\$13,588	41			
Mental Health Services (05O)	\$213,065	638			
Operating Costs of Homeless/AIDS Patients Programs (03T)	\$147,887	59			
Other Public Services Not Listed (05Z)	\$43,006	7,237			
Senior Services (05A)	\$489,976	9,090			
Services for Persons with Disabilities (05B)	\$56,899	99			
Subsistence Payments (05Q)	\$9,757	36	12		
Substance Abuse Services (05F)	\$3,793	65			
Youth Services (05D)	\$406,178	5,695			
Grand Total	\$16,118,554	134,349	14	106	11

Appendix 16 – CDBG Project Beneficiaries & Partners

Economic Development

City of Gonzales
City of Greenfield

General Administration & Planning

Eden Council for Hope & Opportunity

Housing

GRID Alternatives
Mid-Peninsula Housing, Inc.

Public Facilities & Improvements

Aromas Water District
Chualar Union School District
City of Del Rey Oaks
City of Gonzales
City of Greenfield
City of Sand City
County Library
County Parks
County Public Works
EAH Housing, Inc.
Interim, Inc.
Monterey-Salinas Transit
North County Recreation & Park District
North Monterey County Fire District
Pajaro Community Services District
Rancho Cielo Youth Campus
Veterans Transition Center

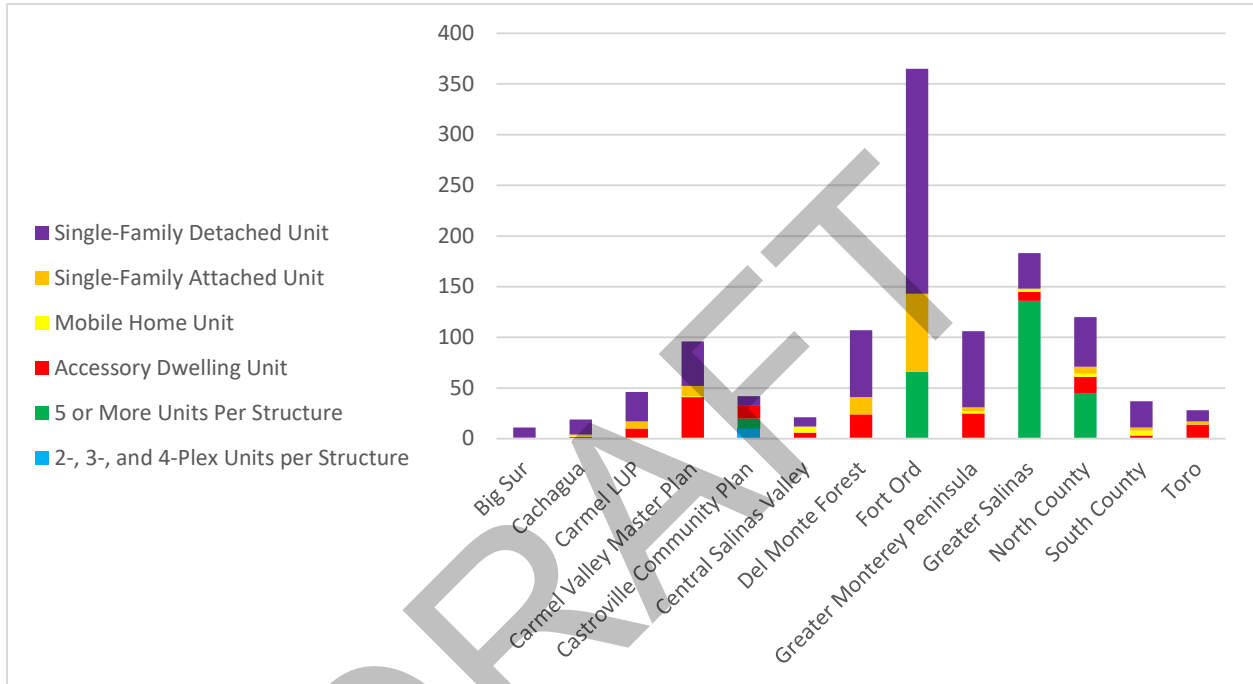
Public Services

Alliance on Aging
Boys & Girls Clubs of Monterey County
Central Coast Center for Independent Living
Central Coast YMCA
City of Gonzales
Covia Foundation
Food Bank for Monterey County
Girls, Inc.
Housing Authority of the County of Monterey
Housing Resource Center
Interim, Inc.
Legal Services for Seniors
Meals on Wheels of the Monterey Peninsula
Meals on Wheels of the Salinas Valley
North County Recreation & Park District
Project Sentinel
Rancho Cielo Youth Campus
Shelter Outreach Plus – Community Human Services
United Way of Monterey County
Veterans Transition Center

Appendix _ - 5th Cycle Housing Element Housing Production

The 5th Housing Element Cycle ran between 2015 and 2023. In 2018, state HCD implementing new reporting requirements and began making data available through their website. The following tables and charts are derived from Housing Element Annual Progress Reports submitted between 2018 and 2023. They do not reflect building permit activity for the full eight years of the 5th HE Cycle.

Housing Types Permitted by County Planning Area



Overall, jurisdictions within Monterey County were required to plan for 7,386 new housing units during the 5th Housing Element Cycle. Countywide, 4,289 building permits were issued, 58% of the total required. Building permits for above moderate-income was the only affordability level where the required number of building permits were issued. Countywide, building permits were issued for only 28% of the affordable units required.

5th Cycle RHNA Building Permits Issued

	Very Low- Income	Low- Income	Moderate- Income	Above Moderate- Income	Jurisdiction Total
Carmel-by-the-Sea					
RHNA	7	5	6	13	31
BP Issued				68	68
Del Rey Oaks					
RHNA	7	4	5	11	27
BP Issued		13	1		14
Gonzales					
RHNA	71	46	53	123	293
BP Issued				37	37
Greenfield					
RHNA	87	57	66	153	363
BP Issued	139	121	70	112	442
King City					
RHNA	43	28	33	76	180
BP Issued		55		269	324
Marina					
RHNA	315	206	239	548	1,308
BP Issued	35	35	1	984	1,055
Monterey					
RHNA	157	102	119	272	650
BP Issued		4	4	363	371
Monterey County					
RHNA	374	244	282	651	1,551
BP Issued	7	284	12	878	1,181
Pacific Grove					
RHNA	28	18	21	48	115
BP Issued	15	84	83	35	217
Salinas					
RHNA	537	351	407	934	2,229
BP Issued	134	64		950	1,148
Sand City					
RHNA	13	9	10	23	55
BP Issued				40	40
Seaside					
RHNA	95	62	72	164	393
BP Issued				210	210
Soledad					
RHNA	46	30	35	80	191
BP Issued			32	354	386
Countywide					
RHNA	1,780	1,162	1,348	3,096	7,386
BP Issued	330	660	203	4,300	5,493

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County of Monterey

Item No.4

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: 25-179

March 12, 2025

Introduced: 3/5/2025

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

Conduct a workshop on the Housing Office and Housing Advisory Committee's 2025 Work Plan and provide direction to staff.

RECOMMENDATION:

It is recommended that the Housing Advisory Committee hold a workshop to discuss the Housing Office's 2025/26 Work Plan.

SUMMARY/DISCUSSION:

The Housing Advisory Committee is being asked to hold a workshop as the first step in preparing a Work Plan for 2025. The 2024 Work Plan contained nine elements, of which only one was completed. Other elements, such as a developing a strategy to use County owned property for housing development, are on hold pending completion of work beyond the County Housing Office's control.

The following documents are attached to this staff report to provide context and resources that should be considered during the HAC's workshop.

- Draft Housing Office Strategic Plan. This document is staff's proposal to develop and implement an Affordable Housing Strategy.
- 2024 Work Plan. This document is the adopted 2024 Work Plan with annotations indicating the status of each element.
- 2025 HAC Recommendations for Future Work Plans. This document is a list of suggestions that the HAC came up with when considering the 2024 Work Plan.
- Draft 6th Cycle Housing Element - Housing Plan, this document is Chapter 8 of the draft Housing Element and contains the Goals and Programs that the County as proposed to implement. These programs are intended to support the County's efforts to meet its Regional Housing Needs Allocation (RHNA) by issuing building permits for almost 2,200 affordable and 1,100 above moderate-income units by 2032.

Prepared by: Darby Marshall, Housing Program Manager, (831) 755-5391

Attachment 1 - Draft Housing Office Strategic Plan

Attachment 2 - 2024 Work Plan

Attachment 3 - 2025 HAC Recommendations for Future Work Plans

Attachment 4 - Draft 6th Cycle Housing Element - Housing Plan



County of Monterey

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Attachment 2 - 2024 Work Plan

Attachment 3 - 2025 HAC Recommendations for Future Work Plans

Attachment 4 - Draft 6th Cycle Housing Element - Housing Plan

Attachment 1

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Housing Office Strategic Plan

Affordable Housing Plan

Vision: To create a viable plan for increasing the production of affordable housing throughout Monterey County and understanding where the County's Inclusionary Housing Ordinance and Monterey County Local Housing Trust Fund (MCLHTF) fits into that plan.

- Request for proposal (RFP) to identify and select consulting firm/team to prepare plan.
 - Existing Conditions
 - Macro and microeconomic factors of housing development
 - How local conditions influence the macro and microeconomic factors and project viability
 - Identification of similar counties and how they address affordable housing and analysis of why their affordable housing strategies succeeded or failed.
 - Study will result in policy and program recommendations to stimulate private and public development across all affordability levels.
- Monterey County eligible for state and federal Pro Housing designation and grant programs

Monterey County Local Housing Trust Fund

Vision: MCLHTF as financial and physical resource fund to support affordable owner-occupied workforce housing and multifamily projects in a timely manner.

- Regional approach to maximize funding & project pipeline
 - How to approach cities to get buy-in to regional approach
 - Shared staffing resources to manage down payment assistance and housing rehabilitation programs
- Community Land Trust
 - Acquire property and lease to affordable housing owners, i.e. Una Nueva Esperanza model
 - Acquire natural resources, e.g. water rights, for use stimulating affordable housing production
- Ongoing recapitalization
- Implementation Steps
 - Governance
 - County of Monterey
 - Joint Powers Authority
 - Other non-profit board
 - Drafting program policies and procedures
 - Drafting program documentation
 - Program implementation

Inclusionary Housing Ordinance

Vision: Continue implementing the Inclusionary Housing Ordinance as is resulting in very few affordable units and some in-lieu fee revenue to capitalize the MCLHTF pending completion of Affordable Housing Plan

- Update in-lieu fees with existing Ordinance
- Update Administrative Manual to reflect experience over last 20-years
- Drafting Inclusionary Developer Agreements & agreements for density bonus and SB330/Builder's Remedy affordable units

Housing Office Strategic Plan

Kents Court

Vision: To maintain the property as a safe and stable place to live until the County disposes of the property.

- Property Manager RFP
- Short-term property management issues
 - Eugene Burger not responsive to returning rent proceeds or submitting invoices
 - Need on-site presence to collect rent and handle tenant work orders
 - Preventive Maintenance (PM) Schedule and implementation
 - Facilities is working on preparing this Schedule
 - May need to use Facilities/JOC contractors to perform PM
- Long-term property plans
 - Maintain as County owned
 - Transfer land to Community Land Trust, lease space to residents for \$1/year and sell units to residents with affordability restrictions on who can lease space.
 - Transfer to affordable housing developer to continue managing as affordable housing
 - Resident owned co-op manufactured home park
 - Relocate tenants & redevelop/sell property

Housing Program Development & Housing Element 6 Implementation Support

Vision: _____

- Strength, Weakness, Opportunity & Threat (SWOT) Analysis of policies (must identify specific elements of County Code and policies, not general statements), programs to identify specific areas that need to be addressed. The following are proposed main topic divisions for SWOT analysis.
 - Finance
 - Land Use Policies
 - Resources
- Water Allocation Policy Development
 - Leverage water credits to construct affordable units and market rate, what is appropriate “pricing” ratio?
 - Transfer of State Parks “unneeded” water allocation to MCLHTF for affordable housing in Monterey Peninsula Water Management District service area

Administration & Staff Management

Vision: _____

- Improve asset and grant management by implementing new software solutions (possible joint RFP/Qs with Monterey, Salinas, and Seaside):
 - Loan Servicing
 - Grant Management
 - Portfolio Management
- Develop written policies and procedures for the following operational areas:
 - Inclusionary Housing Developer Relations
 - Inclusionary Housing Owner Occupied Relations
 - Affordable Housing Monitoring
 - Community Development Block Grant (CDBG) application processing, review, recommendations, subrecipient management, and grant management.

Housing Office Strategic Plan

- Streamline preparation of affordable housing documents through preparation of new master templates and templates for program specific attachments, i.e., HOME or Permanent Local Housing Allocation funding.
 - Goldfarb Lipman is on retainer, and this included in contract scope of work.
 - May need additional, non-housing, funds to complete effort.

Reporting Activities

Vision of Housing Office as repository of housing production information and ability to analyze data to inform policy and program development

- Annual Housing Report
 - What is purpose of report?
 - Data dump to bring Board and community up to speed on what Housing has done
 - Data on affordable housing countywide
- 2025 Work Plan
- Portfolio management & reporting - Loan servicing software needed (working w/finance to select and have on-line 7/1/25)
- Annual Housing Element Annual Progress Report – Acella support
- Annual Department of Finance Housing Permit Report – Acella Support
- Current Data Collections
 - Affordable Housing Inventory – Multifamily
 - Affordable Housing Inventory – Owner Occupied
 - Housing Element APR Table A2 2018-2023 for all Monterey County Jurisdictions
 - Inclusionary Historic Data
 - Grant and Loan Master Lists
 - Housing Pipeline

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Attachment 2

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Housing Advisory Committee 2024 Work Plan

Date Requested	Subject	Status	Target HAC Meeting
7/24/2018	Recommend Amendments to Inclusionary Housing Ordinance & Administrative Manual & Recommendations to Align with 2010 General Plan	Incomplete In addition to the Administrative Manual & Ordinance, staff is preparing a report on the historic impacts of the Ordinance and how in-lieu fees have been used. - Included with Draft Annual Housing Report. 3/5/25 - BoS considering updating only In-Lieu Fee schedule and minor amendments to Ordinance to reconcile with 2010 Inland General Plan, otherwise Ordinance is status quo.	5/8/2024
7/14/2021	Strategy for developing Permanent Supportive Housing on County Owned Property	Incomplete. On hold pending completion of Countywide Facilities Master Plan to identify surplus property that could be used for housing.	
1/10/2024	Receive 2023 HE APR	Complete	2/21/2024
1/10/2024	6th Cycle Housing Element Programs & Policy Review and Comment	Incomplete. State HCD has not certified the County's 6th Cycle Housing Element. Review will include policy areas such as the ADU Ordinance, SB9 Lot Split Policy, and how to encourage development of sponsored housing.	5/8/2024
1/10/2024	Recommend Guidelines for Establishment of Monterey County Local Housing Trust Fund, including Rating & Ranking Criteria for funding requests.	Incomplete. Included as part of Housing Office Strategic Plan. To be an effective tool to encourage affordable housing construction, the MCLHTF needs to include most cities within the County.	5/8/2024
1/10/2024	Annual Housing Report, including Financial Reports	Incomplete Draft presented to the HAC on 3/12/25 with goal of presenting to Board of Supervisors in late April.	11/13/2024
1/10/2024	Recommend Amendments / Updates to HAC By-Laws	Incomplete. Carry over to 2025.	2/21/2024 & 3/13/24

Date Requested	Subject	Status	Target HAC Meeting
1/10/2024	Review & Provide Recommendations to make County Code Title 21.65 Density Bonus conform with state law.	Incomplete. Sample Ordinance adopted by Marina in 2023 to be evaluated as starting point.	7/10/2024
1/10/2024	Review & provide guidance on developing a new County Ordinance to facilitate educational staff housing on school district property consistent with state law.	Incomplete. Sample Ordinance adopted by Marina in 2023 to be evaluated as starting point.	7/10/2024

Attachment 3

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Housing Advisory Committee 2025 Work Plan Suggested Items

Source	Work Plan	Suggested Work Plan	Example
6th HE	24/25	Identify new sources of local revenue and grants. 82% of HE Programs require new sources of funding or General Fund augmentations as a prerequisite to implementation.	
6th HE	24/25	Identify surplus County property for affordable housing.	https://www.dgs.ca.gov/RES/Projects/Page-Content/Projects-List-Folder/Executive-Order-N-06-19-Affordable-Housing-Development
P. Said	24/25	Study - How to support self-help housing through bulk material purchases by County or MCLHTF.	
P.Said	24/25	Study - How to enhance local bank participation in affordable housing through Community Reinvestment Act.	Cuyahoga County, OH Linked Deposits?
P.Said	24/25	Study - How to make housing more affordable through alternatives to construction of traditional infrastructure (e.g. water and wastewater systems)	
Staff	24/25	Study - Innovative Housing Strategies for Unincorporated Areas	City of Paso Robles 6th H.E. document

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Attachment 4

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2023–2031 Housing Element

Chapter 8. Housing Plan

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
<p>Goal H-1: Assure the quality, safety, and habitability of existing housing, promote the continued high quality of residential neighborhoods, preserve all types of affordable housing developments, and conserve energy.</p>		
<p>H-1.A. Preservation and Monitoring of Existing and Future Affordable Units The County remains committed to preserving the affordability of all publicly assisted housing units through ongoing monitoring and proactive measures. Key actions include:</p> <ul style="list-style-type: none"> • Developer Outreach: The County will provide ongoing engagement with developers whose deed restrictions are nearing expiration to explore options for extending affordability. <u>Schedule of Action:</u> Ongoing, conducted as deemed appropriate. • Funding Applications: Provide support to nonprofit organizations seeking funding opportunities to acquire at-risk housing units and maintain affordability. <u>Schedule of Action:</u> Ongoing, in alignment with funding cycles. • Funding Pursuit: Pursue funding opportunities on an annual basis to bolster resources available for housing preservation initiatives. <u>Schedule of Action:</u> Annually by December 31. • Preservation Strategy Development: Collaborate with nonprofits to formulate a proactive preservation strategy, ensuring readiness to respond promptly to any notices of conversion to market-rate usage. <u>Schedule of Action:</u> By the end of FY 2026. • Monitoring: Regularly monitor assisted housing units to ensure tenants receive adequate notifications, education, and support regarding their housing rights and options. <u>Schedule of Action:</u> Annually by December 31. <p><u>Objectives:</u> These actions will safeguard the affordability of publicly assisted housing units and uphold the County's commitment to providing stable and affordable housing options for its residents.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>
<p>H-1.B. Replacement Housing Stock To guarantee the preservation of affordable housing stock, the County will implement a rigorous process for replacing lower-income units that are demolished. This initiative involves a comprehensive assessment of property data, outreach to current tenants to ascertain income levels, and a calculation of the number of units occupied by lower-income households.</p> <p>The County will collaborate closely with developers to ensure that proposed projects include an adequate number of affordable units to replace those demolished. This effort aligns with the mandates outlined in California Government Code section 65915, which stipulates the replacement of affordable housing units.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development</p>

2023–2031 Housing Element

Chapter 8. Housing Plan

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
<p>Goal H-1: Assure the quality, safety, and habitability of existing housing, promote the continued high quality of residential neighborhoods, preserve all types of affordable housing developments, and conserve energy.</p>		
<p>As development projects are proposed, the County will promptly initiate the replacement housing process, with the exact timing contingent upon the engagement of the development community and project timelines. Furthermore, in compliance with state regulations, the County will amend Monterey County Code Titles 20 and 21 (Zoning Code) by the conclusion of 2027. This amendment will mandate the replacement of units affordable to the same or lower income level as a prerequisite for any development on nonvacant sites, consistent with the provisions of the State Density Bonus Law.</p> <p><u>Schedule of Action:</u> Initiate replacement housing process for proposed projects (timing dependent on development community engagement); Amend the Zoning Code by the end of 2027 to require replacement of affordable units in accordance with state law.</p>		
<p>H-1.C. Energy Efficiency and Conservation</p> <p>Monterey County is committed to promoting energy conservation and reducing greenhouse gas emissions in alignment with AB 32. The County’s efforts include:</p> <ul style="list-style-type: none"> • <u>Compliance Beyond State Standards:</u> Adhere to California Building Standards Code (Title 24 of California Regulations) to ensure energy efficiency in residential construction projects and develop local ordinances that improve energy efficiency and reduce air pollution and greenhouse gas emissions. • <u>Community Climate Action Plan:</u> Pursue the development and support the implementation of the County’s Community Climate Action and Adaptation Plan (CCAAP), Municipal Climate Action Plan (MCAP), and participate in regional studies on reducing emissions from the built environment to address climate challenges comprehensively. • <u>Integration of Green Practices:</u> Continue to require and support the integration of green building practices in future housing developments and existing building stock to promote sustainability. • <u>Review of Proposed Developments:</u> Continue to evaluate proposed developments for distributed energy resources, such as solar and battery storage, site design techniques, and landscaping to enhance energy efficiency, mitigate greenhouse gas emissions, reduce costs, and improve resiliency. • <u>Information Dissemination:</u> Provide access to energy conservation information and financial incentives through various public channels, including the County’s website, public libraries, and community centers. 	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p> <p>County Administrative Office, Sustainability Program</p>

2023–2031 Housing Element

Chapter 8. Housing Plan

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
<p>Goal H-1: Assure the quality, safety, and habitability of existing housing, promote the continued high quality of residential neighborhoods, preserve all types of affordable housing developments, and conserve energy.</p>		
<ul style="list-style-type: none"> • <u>Support for energy projects</u>: Develop projects to support energy efficiency, appliance, and electrical upgrades, and distribute energy resource deployment in lower-income homes to reduce energy costs, improve health outcomes, and resiliency. • <u>Weatherization Initiatives</u>: Encourage weatherization of existing buildings to improve energy efficiency and reduce greenhouse gas emissions. • <u>Promotion of Mixed-Use Development</u>: Promote transit-oriented, including active transportation, and mixed-use development in Community Areas and Rural Centers near activity centers and transit routes to minimize vehicle trips and transportation energy consumption. <p>The Board of Supervisors has established the Committee on Alternative Energy and Environment with two Supervisors to oversee and discuss these endeavors before sending an item for consideration by the full Board. The Committee addresses issues of environmental concern, including compliance with AB 32, exploring alternative energy sources, reducing emissions in transportation, and enhancing environmental resources in Monterey County. Through collaborative efforts, the County will continue to strive to achieve long-term environmental sustainability and mitigate the impacts of climate change.</p> <p><u>Schedule of Action</u>: Ongoing</p>		
<p>H-1.D. Foreclosure and Credit Counseling</p> <p>The County is aware of the adverse effects of poor economic conditions and predatory lending on foreclosures, leading to neighborhood destabilization. Historically, the County has offered foreclosure and credit counseling services to affected households using CDBG and NSP funds, though the NSP program has ended and CDBG funds are limited. The County will continue to seek alternative funding sources to revive this program. Additionally, the County will provide links to foreclosure and credit counseling resources such as the Housing Resource Center of Monterey County on its website to aid residents in need of assistance.</p> <p><u>Schedule of Action</u>: Ongoing with resource links updated to the County website within six months of Housing Element Certification.</p>	CDBG	Housing and Community Development Department

2023–2031 Housing Element

Chapter 8. Housing Plan

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-1: Assure the quality, safety, and habitability of existing housing, promote the continued high quality of residential neighborhoods, preserve all types of affordable housing developments, and conserve energy.		
<p>H-1.E. Reduce Exposure to Environmental Pollution</p> <p>The County is undergoing preparation of a new Environmental Justice Element for the General Plan in the inland and coastal portions of Monterey County. Upon completion, the County will implement the objectives and goals identified in the element, which will include reduction of pollution exposure and improvement of air quality. The County will ensure the alignment of housing development with best practices for the reduction of pollution exposure as identified in the Environmental Justice Element.</p> <p><u>Schedule of Action:</u> Ongoing after adoption of the Housing Element.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p> <p>County Administrative Office, Sustainability Program</p>
<p>H-1.F. Limit Conversion of Residential Housing for Transient or Vacation Uses</p> <p>The County is updating its regulations related to the use of residential units for vacation (or short-term, transient) rental to provide opportunities for visitors to access public areas of Monterey County while preserving the County’s housing supply.</p> <p><u>Schedule of Action:</u> By December 31, 2024, adopt Vacation Rental Ordinances and submit coastal ordinances to California Coastal Commission for certification.</p> <p>The vacancy rate in unincorporated areas of Monterey County is approximately 13%, with higher residential vacancy rates in high-resource areas. The County will study the feasibility of a vacant home tax as a possible strategy to discourage unoccupied housing units and increase revenue for affordable housing.</p> <p><u>Schedule of Action:</u> By December 2028.</p>	<p>Permit Fees, once adopted.</p> <p>General Fund, Transient Occupancy Tax revenues, or other sources.</p>	<p>Housing and Community Development Department</p> <p>County Administrative Office, Intergovernmental and Legislative Affairs</p>

2023–2031 Housing Element

Chapter 8. Housing Plan

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Assist in the provision of housing that meets the needs of all socioeconomic segments of the County.		
<p>H-2.A. Encourage, Incentivize, and Monitor Accessory Dwelling Units (ADUs) Assembly Bill (AB) 671 (2019) amended Government Code section 65583, requiring local agencies' Housing Elements to incorporate a strategy encouraging and facilitating ADU development to provide affordable housing options for very low-, low-, or moderate-income households. The County will implement the following measures:</p> <ul style="list-style-type: none"> Continuing promotion of preapproved ADU site/floor plans, accessible to the public free of charge. <u>Schedule of Action</u>: Ongoing. Encouraging ADU construction through educational materials outlining standards, permitting procedures, and ADU benefits. Disseminate these materials at the Planning Counter, on the County's website, and in newsletters, with regular updates. <u>Schedule of Action</u>: Updates as needed. Establishing an ADU Monitoring Program to collect data for improved tracking, including occupancy status and rental rates. Utilize this data to understand income demographics served, guide outreach efforts, and assess production and affordability against Sites Inventory estimates in the Mid-Cycle Review (Program H-2.E). <u>Schedule of Action</u>: By the end of 2027. If Sites Inventory assumptions are not met, implement alternative actions based on ADU Monitoring Program findings (e.g., outreach, technical assistance, modifications, incentives, and rezoning). <u>Schedule of Action</u>: Updates as needed. Amending Monterey County Code Titles 20 and 21 (Zoning Code) by December 2027 to align with recent state law changes on ADUs (e.g., AB 587, AB 671, AB 68, SB 13). Monitor ongoing state law updates and adjust the Zoning Code accordingly. <u>Schedule of Action</u>: By December 2027, then as needed. Offering incentives beyond state law, such as potentially waiving building permit fees, onsite wastewater fees, development impact fees, traffic impact fees, and drainage fees. <u>Schedule of Action</u>: Ongoing Monitoring for planning, constructing, and operating affordable ADUs, with actions to be completed by the end of the 6th Cycle Planning Period. <u>Schedule of Action</u>: By the end of the 6th Cycle Planning Period. <p><u>Objectives</u>: – 270 units, including 9 designated for lower-income households.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>
<p>H-2.B. AB 1486 Implementation for Surplus County Land To adhere to Assembly Bill 1486 (AB 1486, 2019) and proactively execute its provisions concerning surplus public land, ensuring effective land use planning for affordable housing development. Through</p>	<p>Augmentation from General Funds</p>	<p>Economic Development Department</p>

2023–2031 Housing Element

Chapter 8. Housing Plan

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Assist in the provision of housing that meets the needs of all socioeconomic segments of the County.		
<p>this program, the jurisdiction aims to maximize the utilization of surplus public land, including Entitled/Proposed site 63, for affordable housing, aligning with AB 1486 objectives. Specific actions include:</p> <ul style="list-style-type: none"> • Pursue a Facilities Master Plan for County operations, with a priority focus on the Laurel/Natividad campuses and Administration campus in downtown Salinas, and identify surplus County-owned land, identifying suitable parcels for affordable housing development based on AB 1486 criteria. Maintain a publicly accessible list of County-owned surplus land, regularly updated to reflect changes in availability. • Once suitable County-owned surplus land is identified, establish preferences and priorities for affordable housing on the surplus land, ensuring alignment with local housing needs and priorities as per AB 1486 guidelines. • Develop guidelines and criteria for affordable housing development on the surplus land through collaboration with stakeholders, including developers and community members, to address local housing needs effectively. • Implement a transparent and competitive process for surplus land disposal, prioritizing affordable housing proposals in accordance with AB 1486 requirements. • Engage with the community to gather input on the surplus land use for affordable housing, conducting outreach and public hearings to ensure transparency and incorporate community preferences. • Establish a monitoring system to track the progress and outcomes of affordable housing development on the surplus land, regularly reporting to relevant authorities and the public on initiative status and impact. • Provide technical assistance to potential developers interested in affordable housing projects on the surplus land, facilitating partnerships between developers and public entities to streamline the development process. <p><u>Schedule of Action:</u> Ongoing</p>	<p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Public Works, Facilities and Parks Department</p> <p>Housing and Community Development Department</p>
<p>H-2.C. Maintain/Update the Sites Inventory To meet the 6th Cycle Regional Housing Needs Allocation (RHNA) of 3,326 units (1,070 very low-, 700 low-, 420 moderate-, and 1,136 above moderate-income units), the County will implement the following strategies:</p>	<p>Augmentation from General Funds</p>	<p>Housing and Community Development Department</p>

2023–2031 Housing Element

Chapter 8. Housing Plan

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Assist in the provision of housing that meets the needs of all socioeconomic segments of the County.		
<ul style="list-style-type: none"> • Inventory Maintenance: Regularly update and manage a residential site inventory to align with RHNA requirements, ensuring it reflects the identified housing needs. <u>Schedule of Action:</u> Annual updates through the HCD Annual Progress Report. • Addressing Shortfalls: Promptly resolve any County shortfalls resulting from development approvals by identifying additional sites to meet the remaining need for lower-income households. <u>Schedule of Action:</u> As necessary should the County reach the RHNA buffer threshold. • Transparency and Ease of Access: Provide the site inventory map via publication on the County’s Housing and Community Development webpage, integration into the County’s GIS, and/or provide the Site Inventory list to interested developers or the public upon request, with reproduction costs applied. <u>Schedule of Action:</u> Upon request. • Exploring RHNA Alternatives and Funding Opportunities: Explore alternative options for RHNA fulfillment, such as preservation, legislative changes, and regional collaboration. Actively pursue available funding opportunities and support applications for the acquisition/rehabilitation of affordable housing projects and the preservation of at-risk housing. <u>Schedule of Action:</u> Annually during the HCD Annual Progress Report and in response to state and federal funding announcements. 	<p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	
<p>H-2.D. By-Right Approval on Reuse of Prior Housing Opportunity Sites The County will permit residential developments by right, as per Government Code section 65583.2(i), with 20% or more of the units designated as affordable to lower-income households on Sites 11, 26, and 30 listed in the Site Inventory Table in Appendix C of this Housing Element, used to fulfill the 6th Cycle RHNA, representing reuse of sites identified in previous Housing Element cycles.</p> <p><u>Schedule of Action:</u> Ongoing.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>
<p>H-2.E. Mid-Cycle Review Program The County commits to maintaining a comprehensive inventory of residential sites to meet RHNA commitments for the 2023-2031 planning period, as required by law. Continuous monitoring of development trends and site utilization will ensure compliance with RHNA goals. Implementation actions include:</p> <ul style="list-style-type: none"> • Monitoring opportunity sites and housing production pipelines to track unit distribution, particularly for lower-income populations, and assess progress toward RHNA goals. 	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p>	<p>Housing and Community Development Department</p>

2023–2031 Housing Element

Chapter 8. Housing Plan

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Assist in the provision of housing that meets the needs of all socioeconomic segments of the County.		
<ul style="list-style-type: none"> Assessing trends in ADU development to identify areas needing enhanced promotion of ADU projects, especially in high-resource zones. Monitoring RHNA progress, remaining sites, and No Net Loss provisions. Submittal of the Housing Element Annual Progress Report (APR) to the California Department of Housing and Community Development (HCD) and the Office of Planning and Research (OPR) annually by April 1. <p>If assumptions in the Housing Element Sites Inventory are not met, the County will implement alternative actions based on review findings, such as outreach, technical assistance, development standard modifications, incentives, funding, and rezoning.</p> <p><u>Schedule of Action:</u> Annual monitoring with the APR due by April 1 each year. Conduct a mid-cycle review by December 2028.</p> <p><u>Objectives:</u> Transparent housing production data, enhanced ADU development, RHNA compliance, timely reporting of housing development efforts, and data-driven decision-making for housing production.</p>	Identify new sources of local revenue and grants	
<p>H-2.F. Annual Review with County Supervisors</p> <p>The County will coordinate an annual meeting with each County Supervisor to review and assess housing development progress and challenges within each district of the County. This initiative will foster ongoing dialogue and coordination to effectively address housing needs. The program entails the following specific actions:</p> <ul style="list-style-type: none"> <u>Annual Review Meetings:</u> Conduct annual review meetings with County Supervisors to evaluate housing development progress, assess challenges, and identify improvement opportunities. <u>Data Sharing and Analysis:</u> Share housing-related data and analysis with the Supervisors. This includes sharing data on housing production, affordability metrics, demographic trends, and regulatory barriers to inform decision-making and policy development. <u>Policy Recommendations:</u> Encourage district supervisors to propose policy recommendations and initiatives aimed at addressing housing affordability, homelessness, and other housing-related challenges identified during the annual review process. <p><u>Schedule of Action:</u> Annually, beginning 2026.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	Housing and Community Development Department

2023–2031 Housing Element

Chapter 8. Housing Plan

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Assist in the provision of housing that meets the needs of all socioeconomic segments of the County.		
<p>Objectives: Through these actions, seek to foster a collaborative approach to address housing needs in the County, ensuring that housing development progresses effectively and meets the diverse needs of the community.</p>		
<p>H-2.G. Comprehensive Incentives/Concessions Program for Developers The County will develop a comprehensive incentives and concessions program for housing development that scale and stack based on development density, and level/duration of affordable units provided. In addition to policies/programs described elsewhere in this chapter, actions will include:</p> <ul style="list-style-type: none"> • Update Monterey County Code: The County will establish density bonus policies that exceed state density bonus law, including additional incentives/concessions for: <ul style="list-style-type: none"> ○ Development Standards: <ul style="list-style-type: none"> • Affordability - Development with higher percentages of affordable units and/or deeper levels of affordability, and if feasible, considering development standard concessions for developments with demonstrated financial burden of necessity to achieve additional density and affordability. • Location – Transit Oriented Development of affordable housing near transit hubs and along transit corridors and developing consistent definition/interpretation of high-quality transit (state, local) for TOD incentives. Development of housing on infill sites with access to sewer, in high-resource areas allowed by-right subject to objective standards and criteria eligible for additional incentives/concessions. ○ Fees: <ul style="list-style-type: none"> • County permit fees- Automatically waive the County permit fees for 100% affordable housing projects and housing development on infill sites with access to sewer in high-resource areas. Permit fee deferrals until certificates of occupancy for projects that include at least 20% lower-income affordable units or 100% moderate-income units. • County development impact fees – Consider a program to reduce or waive County impact fees for development on Housing Element opportunity sites and 2010 General Plan growth areas, scaled to the level and duration of affordability provided. Consider updating the County impact fees based on square footage or other methodology that incentivizes smaller units and denser development. 	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>

2023–2031 Housing Element

Chapter 8. Housing Plan

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Assist in the provision of housing that meets the needs of all socioeconomic segments of the County.		
<ul style="list-style-type: none"> • Technical Assistance: The county will develop and publish an overview of available incentives and concessions for developers on the County’s website, updating the information annually. • Monitoring and Evaluations: The County will gather information, including feedback from the annual meeting proposed in Program H-2.J of this Housing Element, on available incentives and concessions for developers. <p>Schedule of Action: Within 2 years of Housing Element certification. Subsequently, annually post by December 31.</p> <p>Objectives: This program will streamline development approval timelines and provide incentives that reduce costs for housing projects that meet the County’s RHNA and the needs of its residents and workers, thereby enhancing the financial feasibility of affordable housing initiatives.</p>		
<p>H-2.H. By-Right Approval for Affordable Housing Development</p> <p>The County will streamline and expedite the approval process for affordable housing developments, including allowing “by right” approval for affordable housing on Housing Element identified Opportunity Sites, 2010 General Plan designated growth areas (Community Plan Areas, Affordable Housing Overlay zones, Rural Centers and Community Areas), and on lands owned by religious organizations and nonprofit colleges and universities in alignment with Senate Bill 4 (2023), thereby meeting the needs of lower-income residents in the community. Actions will include:</p> <ul style="list-style-type: none"> • Update Monterey County Code: The County will establish the following affordable housing development as an allowed (“by right”) use, in zoning districts where housing is allowed and subject to objective standards and criteria: <ul style="list-style-type: none"> • 100% affordable housing developments on sites identified as opportunity sites in this Housing Element; • 100% affordable housing developments on properties within a 2010 General Plan identified Community Plan Area, Rural Center and Community Area, or Affordable Housing Overlay; and • Housing development on land owned by religious organizations and nonprofit colleges that meets the provisions of Senate Bill 4. • Guidelines and Procedures: Develop comprehensive guidelines and procedures delineating the by-right approval process. This includes defining eligibility criteria, specifying application requirements, and establishing clear timelines for review and decision-making. 	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>

2023–2031 Housing Element

Chapter 8. Housing Plan

Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Assist in the provision of housing that meets the needs of all socioeconomic segments of the County.		
<ul style="list-style-type: none"> • Technical Assistance: Provide technical assistance and permit processing support to faith groups, nonprofit colleges, and affordable housing developers. This assistance will aid them in navigating the by-right approval process efficiently and effectively. • Monitoring and Evaluation: Periodically monitor and evaluate the effectiveness of the program. This assessment will include tracking the number of affordable housing units produced, evaluating the efficiency of the approval process, and assessing the program's impact on addressing housing affordability challenges within the community. Adjust policies and procedures as needed to optimize outcomes and ensure alignment with broader housing goals and objectives. <p><u>Schedule of Action:</u> Approval process implemented by the end of 2026.</p> <p><u>Objectives:</u> Through these concerted efforts, the County will streamline the approval process for affordable housing development and expedite the provision of housing units for low-income residents, contributing to the overall well-being of residents.</p>		
<p>H-2.I. Annual Housing Element Reporting</p> <p>The County will conduct an annual review and report on the implementation of Housing Element programs, evaluating the County's effectiveness in achieving program objectives for the preceding calendar year. This review will encompass various aspects of housing development and affordability initiatives undertaken by the County.</p> <p>The annual report will be submitted by April 1 annually to the California Department of Housing and Community Development (HCD) to fulfill state legal requirements and ensure compliance with housing mandates.</p> <p><u>Schedule of Action:</u> Conduct annual review and prepare report by April 1 each year; Present the annual report to the County Supervisors at a public hearing; and submit the report to the California HCD in accordance with state requirements.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>
<p>H-2.J. Technical Assistance to Developers</p> <p>The County will provide guidance to developers on maximizing density bonuses and/or pursuing waivers and concessions in accordance with state density bonus regulations. The County will offer pre-application meetings upon request to advise developers. Additionally, County staff will conduct one annual outreach meeting with housing developers each year, starting in 2026. The purpose of these meetings is to discuss available sites identified in the Housing Element Sites Inventory, density bonus opportunities, and other incentives.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p>	<p>Housing and Community Development Department</p>

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Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Assist in the provision of housing that meets the needs of all socioeconomic segments of the County.		
<p><u>Schedule of Action:</u> Conduct annually after Housing Element certification, by December 31 each year.</p>	<p>Identify new sources of local revenue and grants</p>	
<p>H-2.K. Assist with the Development of Affordable Housing The County is committed to exploring innovative approaches to streamline the approval process for multifamily housing projects and create incentives for affordable developments. To support the development of housing for low-income households on larger sites, the County will adjust the fee collection process for land divisions and lot line adjustments, facilitating the creation of multifamily developments for lower-income households and those with special needs. The County will identify potential property owners and nonprofit developers and collaborate with them annually to help facilitate development on suitable sites.</p> <p><u>Schedule of Action:</u> Identify owners and developers by December 31, 2026, and collaborate with them annually.</p> <p>In addition, the County will offer the following incentives to encourage affordable housing development:</p> <ul style="list-style-type: none"> • Streamline and expedite the approval process for land divisions in projects incorporating not less than 20% lower-income or 100% moderate-income affordable housing units. • Fee reduction where available to alleviate financial barriers that may hinder the feasibility of affordable housing developments. • Provide ongoing technical assistance to developers during funding application processes. <p><u>Schedule of Action:</u> Implement fee reduction analysis within two years of Housing Element certification. Offer technical assistance continuously as projects are proposed, with specific timing tailored to developer needs.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>
<p>H-2.L. Collaboration with Water Resources Agencies The availability of water is a significant factor restricting residential development. The County will work to bolster water availability for residential development in Monterey County through collaborative efforts with water resource agencies. In Monterey County, water resources in unincorporated areas are overseen by four main agencies: Monterey County Water Resources Agency (MCWRA); Monterey Peninsula Water Management District (MPWMD); Pajaro Valley Water Management Agency (PVWMA); and Marina Coast Water District (MCWD). Other agencies, including groundwater sustainability agencies, manage local groundwater basins. Special districts like Aromas</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p>	<p>Housing and Community Development Department</p> <p>County of Monterey Health Department,</p>

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<p>Water District, Castroville Community Services District, Monterey One Water (M1W), and others provide water services to specific communities. The County regulates water well construction and systems through its Health Department and handles permits and planning functions through its Housing and Community Development Department. Measures aimed at bolstering initiatives to achieve long-term sustainable water supply, enhance the current residential water system, and increase its capacity include:</p> <ul style="list-style-type: none"> • Partnership Establishment: Forge partnerships with local water resource agencies to assess current water availability, devise strategies, and provide support to address shortages for residential development. • Groundwater Sustainability Plans: Coordinate with groundwater sustainability agencies to align future affordable housing developments with the provisions of groundwater sustainability plans. • Water Conservation Programs: Develop water conservation programs in conjunction with water resource agencies to encourage efficient water utilization among residents and developers. • Identification of Alternative Sources: Support water agencies to identify alternative water sources like recycled water, metered water efficiency, and stormwater harvesting in collaboration with water resource agencies to supplement residential development supply. • Preservation Measures: Support water agencies to implement measures to safeguard existing water sources, including groundwater recharge areas and surface water bodies. • Monitoring and Assessment: Support water agency efforts to conduct regular monitoring and assessment of water availability and usage to encourage sustainable management practices. • Stakeholder Engagement: Coordinate with water agencies to organize periodic meetings and workshops involving water resource agencies, developers, and stakeholders to discuss water management strategies for residential development. • Regulatory Measures: Adhere to Monterey County Code Chapter 16.63 Water and Energy Efficient Landscape Ordinance (WEELO) and update land use regulations as appropriate to encourage water-efficient development practices and standards. • Monitoring and Evaluation: Monitor and evaluate the effectiveness of collaborative water management efforts through regular reporting and feedback mechanisms with water resource agencies. <p>Schedule of Action: Initial meeting by December 2026 with subsequent meetings to happen as needed.</p>	<p>Identify new sources of local revenue and grants</p>	<p>Environmental Health Bureau County Administrative Office, Sustainability Program</p>

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Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Assist in the provision of housing that meets the needs of all socioeconomic segments of the County.		
<p><u>Objectives:</u> Through these concerted actions, enhance water availability for residential development while promoting sustainable water management practices in Monterey County.</p>		
<p>H-2.M. Pursue State and Federal Funding for Affordable Housing The County will annually access information from state, federal, and regional sources to identify grant opportunities for affordable housing. When grant opportunities arise, the County will reach out to affordable developer stakeholders to identify projects and/or opportunities for inclusion on grant applications. The County will work diligently to secure funding, aiming to apply for or support a minimum of one grant application per year.</p> <p><u>Schedule of Action:</u> When affordable housing projects eligible for funding are proposed, the County will endeavor to apply for or support a minimum of two grant applications in that year.</p> <p><u>Objectives:</u> The objective of this program is to increase the availability of funding for affordable housing projects. Please note that the completion of tasks mentioned in this program is subject to the availability of local, state, and federal funding sources.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>
<p>H-2.N. Codify Senate Bill 9 The County is committed to maximizing the potential of Senate Bill 9 (SB 9) to enhance housing affordability and diversity within the County. To achieve this, the County will adopt an ordinance to codify SB 9 and consider provisions that surpass state requirements.</p> <p>Under this ordinance, if adopted, homeowners will have the opportunity to develop up to four housing units within the lot area typically designated for a single-family home, exceeding the mandates of SB 9. Moreover, the County will consider additional allowances such as permitting larger square foot SB 9 dwelling units and allowing homeowners to develop both an Accessory Dwelling Unit (ADU) and Junior Accessory Dwelling Unit (JADU) in SB 9 lot splits, provided that affordability provisions are recorded in a deed restriction for a duration of 55 years.</p> <p><u>Schedule of Action:</u> Commence adoption of the permanent SB 9 ordinance by December 2026, followed by ongoing monitoring and adjustments to the program.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>

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Goal H-2: Assist in the provision of housing that meets the needs of all socioeconomic segments of the County.		
<p>H-2.O. Additional Density Bonus Incentives</p> <p>The County will encourage the provision of more affordable housing units at deeper levels of affordability through density bonuses. Pending approval by the Board of Supervisors, these incentives will be designed to boost the construction of affordable units throughout the County, thereby expanding housing opportunities and promoting socioeconomic mobility.</p> <p><u>Schedule of Action:</u> Develop a comprehensive package of density bonus incentives in the Inclusionary Housing Ordinance and present it to the Board of Supervisors by December 2026. If approved, implement the incentives by the end of December 2027.</p> <p><u>Objectives:</u> Through the implementation of these incentives, the County aims to stimulate the construction of affordable housing units across various income levels, addressing the housing needs of diverse communities and fostering equitable access to housing options.</p>	<p>General Fund Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>
<p>H-2.P. Advertise Available Resources</p> <p>The County will actively promote affordable housing funding opportunities for developers through various channels to ensure widespread awareness and participation. Specifically, the following actions will be taken:</p> <ul style="list-style-type: none"> • <u>Website Publication:</u> The County will publish information about available affordable housing funding opportunities on its official website. This will include comprehensive details about eligibility criteria, application procedures, and deadlines. • <u>Targeted Email Notifications:</u> The County will disseminate notifications about affordable housing funding opportunities via targeted email lists. These emails will be sent to developers, housing advocates, nonprofits, and other relevant stakeholders to ensure broad outreach. • <u>Social Media Promotion:</u> The County will utilize social media accounts when appropriate to post information about affordable housing funding opportunities. Regular updates and reminders will be shared across platforms to maximize visibility and engagement. • <u>Inclusive Advertisements:</u> Advertisements will highlight funding opportunities and include the availability of sites with significant development potential and owner interest. This will provide developers with comprehensive information to facilitate their decision-making process. <p><u>Schedule of Action:</u> An annual update will be conducted by December 31 to ensure that the information remains current and accessible to interested parties.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>

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Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Assist in the provision of housing that meets the needs of all socioeconomic segments of the County.		
<p><u>Objectives:</u> The County will enhance awareness and participation in affordable housing funding opportunities, ultimately contributing to the expansion of affordable housing options within the community.</p>		
<p>H-2.Q. Ensure Sufficient Water and Sewer Resources for New Housing Development The County supports the water and sewer providers in ensuring sufficient capacity for new housing development. Key actions include:</p> <ul style="list-style-type: none"> • <u>Dissemination of Housing Element:</u> Upon the Housing Element's adoption, distribute copies to California American Water Company (Cal-Am), California Water Service, Monterey County Water Resources Agency, Monterey Peninsula Water Management District, and other local and state water agencies involved in the management of water for County residents, to enhance awareness of affordable housing priorities and foster collaboration, as mandated by SB 1087. • <u>Water Credits and Allocations:</u> Conduct a County needs assessment for County-held water credits and allocations, develop a plan that prioritizes credits/allocations in excess of County needs for affordable housing projects, develop a feasibility study on increasing the supply of the County's water credits through water efficiency measures. Initiate collaboration with state entities that may have water credits or allocations that could be made available for affordable housing. • <u>Support for Water Supply Expansion:</u> Assist Cal-Am and California Water Service in expanding their water supplies by exploring new water sources and implementing water efficiency and conservation measures to offset increased demand from new development projects. Support Cal-Am's efforts to pursue expanded water supplies in order to remove the cease-and-desist order. Support the San Lucas County Water District in collaboration with the state, to identify and secure funding to implement a long-term water supply replacement project to serve the community of San Lucas. • <u>Prioritization of Water Allocation:</u> In accordance with SB 1087 and Program H-2.M, collaborate with Cal-Am, California Water Service, Monterey County Water Resources Agency, Monterey Peninsula Water Management District, and other local and state water agencies to establish a procedure for prioritizing water allocation to developments that include units designated as affordable housing for lower-income households. This includes affordable housing within mixed-use developments and larger residential subdivisions. • <u>Priority Sewer Service Procedure:</u> Develop a written procedure for granting priority sewer service to developments offering units affordable to lower-income households. 	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p> <p>County Administrative Office, Sustainability Program</p>

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Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-2: Assist in the provision of housing that meets the needs of all socioeconomic segments of the County.		
<p><u>Schedule of Action:</u> Engagement will begin upon certification of the Housing Element and remain ongoing as needed.</p> <ul style="list-style-type: none"> <u>Priority Community Plans:</u> Develop Community Plans for Chualar and Pajaro that provide for water and sewer infrastructure and service solutions for each community. <p><u>Schedule of Action:</u> Chualar Community Plan will commence by December 31, 202, pending funding. The Pajaro Community Plan will commence within 1 year of having a certified housing element and adopted environmental justice plan, pending funding.</p> <p><u>Objectives:</u> The County aims to ensure adequate water and sewer capacity for new housing developments while prioritizing affordability and sustainable water management practices.</p>		
<p>H-2.R. Funding, Incentives, and Concessions for Extremely Low-Income Developments During the planning period, the County will undertake the following actions to support and facilitate affordable housing development:</p> <ul style="list-style-type: none"> <u>Annual Housing Development Meetings:</u> The County will convene annual Housing Development Meetings, established under Program H-2.G to engage with developers and discuss available funding sources, potential development sites, developer needs, and opportunities for affordable housing projects. Outreach efforts will target experienced developers with recent projects catering to extremely low-income households and special needs populations. In years when the Annual Housing Development Meeting does not occur, the County will conduct annual outreach to developers on its contact list to solicit feedback. <u>Schedule of Action:</u> Commencing within a year of certification, annual outreach for additional feedback by December 31 each year. <u>Assistance to Developers - Funding and Concessions:</u> The County will prioritize funding for housing developments targeting extremely low-income households and explore feasible financial incentives and regulatory concessions to stimulate the development of various housing types, including multifamily and single-room occupancy projects. Following the Annual Housing Development Meeting, the County will follow up with attendees and provide detailed documentation on available assistance for affordable housing development. <u>Schedule of Action:</u> Conducted annually during the Annual Housing Development Meeting and as requested, with follow-up within 30 days of the meeting. <u>Technical Assistance to Developers:</u> The County will offer technical assistance to developers regarding lower-income sites, funding opportunities, and zoning incentives, including mixed-use zoning and density bonus provisions. Information about the availability of technical 	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>County Administrative Office Homeless Services</p> <p>Department of Social Services</p> <p>Health Department</p> <p>Housing and Community Development Department</p>

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Goal H-2: Assist in the provision of housing that meets the needs of all socioeconomic segments of the County.		
<p>assistance will be communicated to developers during the Annual Housing Development Meeting. Following the meeting, the County will follow up with attendees, providing documentation on the process for accessing technical support. <u>Schedule of Action:</u> Conducted annually during the Annual Housing Development Meeting and as requested, with follow-up within 30 days of the meeting.</p> <ul style="list-style-type: none"> • <u>Funding Alerts:</u> County staff will subscribe to receive regular alerts and communications regarding State and federal funding opportunities for affordable housing development, particularly those targeting extremely low-income households. <u>Schedule of Action:</u> Ongoing and as available. • <u>Grant Applications:</u> County staff will submit or support a minimum of one grant application per year for affordable housing projects, as opportunities arise. Currently, available grants for jurisdictions are limited, with most requiring developers to apply directly. <u>Schedule of Action:</u> Submit one application per year, as opportunities arise. <p><u>Objectives:</u> The overarching goal of this program is to provide comprehensive support, including concessions, technical assistance, and funding, to housing projects incorporating lower-income units, thereby enhancing their financial viability, and enabling successful implementation. It is important to note that the provided information is subject to change and completion of these tasks is contingent upon the availability of local, State, and federal funding sources.</p>		

8.1.1 Goal H-3: Provide Adequate Sites for a Variety of Housing Types

Provide suitable sites for housing development that can accommodate a range of housing by type, size, location, price, and tenure that achieves an optimal jobs/housing balance, conserves resources, and promotes efficient use of public services and infrastructure.

Policies and Programs

- H-3.1 Ensure that there is sufficient developable land at appropriate densities with adequate infrastructure to accommodate the remaining RHNA of 236 new very low-, and 210 new moderate-income units from the period 2015- 2023.
- H-3.2 Place first priority on planning for residential growth in Community Areas near existing or planned infrastructure to ensure conservation of the County’s agricultural and natural resources.
- H-3.3 Require that new housing units are planned using densities and housing prototypes that will assure that each area has a mixture of housing prices. Specifically, new residential units shall be developed with a minimum density of seven units. The County shall incentivize development of new residential units that have an average density of 10 units to the acre or higher and a mix of housing types. Such requirements shall be consistently carried forth into development standards and conditions of project approval.
- H-3.4 Provide a diverse mix of price levels and unit types.
- H-3.5 Facilitate construction of affordable units through implementation of Community and Specific Plans.
- H-3.6 Consider the needs of the whole community when preparing Community and Specific Plans and ensure that infrastructure is phased with housing production.
- H-3.7 Work to achieve balanced housing production proportional to the job-based housing demand in each region of the unincorporated areas.
- H-3.8 Continue to explore collaboration with the cities to prepare growth strategies encouraging the development of a range of housing types within and adjacent to cities and near jobs and transit in order to assure that housing will be available for all segments of the population.
- H-3.9 Encourage future regional fair share allocation processes to take into account the location of jobs and the need for housing unit distribution that reflects the wages being paid within each area.

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- H-3.10 Ensure that any future development adjacent to or near the railroad/light rail right of way is planned with the safety of the rail corridor in mind.

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<p>Goal H-3: Provide suitable sites for housing development that can accommodate a range of housing by type, size, location, price, and tenure that achieves an optimal jobs/housing balance, conserves resources, and promotes efficient use of public services and infrastructure.</p>		
<p>H-3.A. Rezoning for Higher-Density Residential Development Above and beyond the site inventory, the County will look for opportunities for rezoning beyond the planning period for other sites to use for mixed-use based on developer interest and progress towards climate goals.</p> <p>For identified opportunity sites listed in the site inventory that are currently not zoned for residential development (ex. sites 26, 30, and sites in the Castroville Community Plan) at the planned densities, the County will conduct evaluations and initiate rezoning processes through ordinances. These sites will be rezoned from their current zoning designation (ex. Farmlands (F/40), commercial, etc.) to a high-density residential zone allowing for 20 dwelling units per acre (HDR/20) for sites with an on-site wastewater system or mixed-use zone allowing for 30 dwelling units per acre and a mix of housing types for sites able to connect to sewer, as per the County Code.</p> <p><u>Schedule of Action:</u> The County will complete the rezoning process within one year of the compliance deadline for Housing Element certification, December 31, 2024, or upon certification of the Housing Element, whichever is later.</p> <p><u>Objectives:</u> Increased housing density and enhanced land use optimization in targeted areas.</p>	<p>FY2024-25 Proposed Budget</p>	<p>Housing and Community Development Department</p>
<p>H-3.B. Promote Optimal Utilization of Sites Permitting High-Density Residential Development, Small Lot Sites, and Sites Subject to Subdivision This program will streamline the development of affordable housing on parcels designated for high-density residential use (including those sites identified in the Site Inventory with a planned rezone to HDR/20), small lots under 0.5 acres and those over 10 acres in size. The County will promote affordable housing development of these sites by:</p> <ul style="list-style-type: none"> • Aiding affordable housing developers in recognizing consolidation prospects through the County’s GIS system and property database. • Maintaining an accelerated process for lot consolidations conducted simultaneously with planning entitlements. • Offering a graduated density bonus for lower-income housing on consolidated small lots within a single building site, calculated according to a specified formula. • Facilitating pre-application meetings. 	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>

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<p>Goal H-3: Provide suitable sites for housing development that can accommodate a range of housing by type, size, location, price, and tenure that achieves an optimal jobs/housing balance, conserves resources, and promotes efficient use of public services and infrastructure.</p>		
<ul style="list-style-type: none"> • Implementing incentives in accordance with the Density Bonus law. • Adjusting property development standards (e.g., setbacks, parking standards) for small developments below the Density Bonus law threshold when affordable units for the elderly or persons with disabilities are provided. • Permitting deferral or waiver of necessary County fees to enhance project cost-effectiveness. • Streamlining permit processing to enable developers to capitalize on funding opportunities. • Accelerating permit processing through concurrent reviews in the planning and building processes. • Showcasing programs on the County’s website and at the Planning Counter and notifying affordable housing developers of the County’s housing incentives biennially. <p><u>Schedule of Action:</u> By the end of 2025, promote the lot consolidation incentives through the County’s website, at the Planning counter, and via notifications to affordable housing providers. Additionally, reach out to developers annually to relay information about County incentives aimed at facilitating affordable housing development.</p>		
<p>H-3.C. Zoning Ordinance Amendments for Opportunity Sites</p> <p>The County will adopt revised ordinances for Monterey County Code Titles 20 and 21 to streamline development on sites identified in the Sites Inventory for the 6th Cycle RHNA. The amendments will focus on establishing minimum densities for housing developments on opportunity sites, aiming to achieve an average development density of 80% of the maximum allowable density. Specifically, the amendments will set minimum densities at 80% of the maximum allowable densities to promote efficient land use and maximize housing potential.</p> <p><u>Schedule of Action:</u> Concurrent with the Housing Element adoption.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>
<p>H-3.D. Coordination with Public Entities for Development of Non-County, Publicly Owned Land</p> <p>Our objective is to foster collaborative partnerships between the County of Monterey and other public entities to effectively utilize publicly owned land for addressing housing needs and advancing community goals. Key actions include:</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and</p>	<p>Housing and Community Development Department</p>

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<p>Goal H-3: Provide suitable sites for housing development that can accommodate a range of housing by type, size, location, price, and tenure that achieves an optimal jobs/housing balance, conserves resources, and promotes efficient use of public services and infrastructure.</p>		
<ul style="list-style-type: none"> • <u>Inventory of Publicly Owned Land</u>: Conduct a comprehensive inventory of non-County, publicly owned land within reasonable proximity to public services and suitable for housing development. This will encompass parcels owned by cities, special districts, state agencies, educational institutions, and other public entities. • <u>Coordination Framework</u>: Establish a coordination framework to facilitate seamless communication and collaboration between the County and relevant public entities. This framework will delineate roles, responsibilities, and decision-making processes to streamline project planning and implementation. • <u>Agreement with City of Marina</u>: Establish a written agreement with the City of Marina to ensure property owned by the University of California within the City’s jurisdiction can be used to accommodate Regional Housing Needs Allocation for the County of Monterey. • <u>Joint Development Agreements</u>: Promote the negotiation and execution of joint development agreements between the County and public entities for housing development on publicly owned land. These agreements will encompass various aspects such as land use approvals, funding mechanisms, infrastructure enhancements, and affordable housing provisions. • <u>Priority Access for Affordable Housing</u>: Emphasize the utilization of publicly owned land for affordable housing projects to address pressing housing needs within the community. Ensure that affordable housing components are integrated into joint development projects through mechanisms like inclusionary zoning, density bonuses, or other incentive structures. <p><u>Schedule of Action</u>: Upon certification of the Housing Element, develop an inventory of publicly owned land to be completed by the end of December 2026 and negotiate an agreement with the City of Marina.</p> <p><u>Objectives</u>: Through these concerted efforts, the County will maximize the efficient and effective utilization of publicly owned land for housing development, thereby contributing to the fulfillment of housing needs and the enhancement of community well-being.</p>	<p>Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Public Works, Facilities, and Parks</p> <p>Economic Development Department</p>

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<p>Goal H-3: Provide suitable sites for housing development that can accommodate a range of housing by type, size, location, price, and tenure that achieves an optimal jobs/housing balance, conserves resources, and promotes efficient use of public services and infrastructure.</p>		
<p>H-3.E. Engage Property Owners Listed in Sites Inventory through Outreach</p> <p>The County will engage property owners listed in the Sites Inventory to assess their interest in redevelopment or construction of additional housing. Key actions include:</p> <ul style="list-style-type: none"> • Initial Outreach: Within two years of certification of the Housing Element, conduct targeted outreach to property owners listed in the Sites Inventory. Provide comprehensive information on the County's development process, associated fees, and timelines for housing applications. • Ongoing Engagement: Maintain continuous outreach efforts throughout the housing cycle, ensuring consistent communication with property owners to gauge their interest and provide support as needed. <p><u>Schedule of Action:</u> Ongoing with initial outreach to property owners to be completed within two years of Housing Element certification.</p> <p><u>Objectives:</u> Through this proactive approach, the County will encourage property owners to explore opportunities for housing development, contributing to the overall housing supply within the County.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>
<p>H-3.F. Community and Specific Plans</p> <p>Continue to pursue update and adoption of the Castroville Community Plan within this Housing Element planning period. Continue to work with the developers of East Garrison to implement Specific Plans through the planning period. Pursue the development of Community Plans for the Pajaro, Chualar, and Moss Landing Community Areas.</p> <p><u>Schedule of Action:</u> Ongoing</p>	<p>Augmentation from General Funds</p>	<p>Housing and Community Development Department</p>

8.1.2 Goal H-4: Remove Governmental Constraints

Reduce or remove government constraints to housing production and opportunity when feasible and legally permissible.

Policies and Programs

- H-4.1 Periodically review the County's ordinances policies, and procedures to ensure they do not unduly constrain the production, maintenance, and improvement of housing; revise as appropriate.
- H-4.2 Balance the need to protect and preserve the natural environment, agricultural resources, conserve existing neighborhoods and communities, and maintain high-quality public services with the need to provide additional housing and employment opportunities.
- H-4.3 Offer regulatory incentives and concessions for affordable housing, such as relief from development standards, density bonuses, or fee waivers, when deemed appropriate.
- H-4.4 Provide streamlined, timely, and coordinated processing of residential projects to minimize holding costs and encourage housing production.
- H-4.5 Accommodate the housing needs of people with disabilities through flexibility in rules, regulations, and design standards that can enhance accessibility.

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Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-4: Reduce or remove government constraints to housing production and opportunity when feasible and legally permissible.		
<p>H-4.A. Adopt SB 35 Streamlining Written Procedures The County will establish clear and accessible procedures for the SB35 Streamlined Ministerial Approval process (Government Code section 65913.4). These procedures will be documented in written form to ensure transparency and easy access to information for the general public.</p> <p><u>Schedule of Action:</u> By the end of 2026, the County will finalize and adopt written procedures for the SB35 Streamlined Ministerial Approval process.</p>	Augmentation from General Funds General Plan Updates and Implementation Fund Identify new sources of local revenue and grants	Housing and Community Development Department
<p>H-4.B. Update Zoning to Accommodate Employee Housing The County will conduct a comprehensive review and update of Monterey County Code Titles 20 and 21 (Zoning Code) and relevant policies concerning employee housing to provide and promote opportunities for employers to sponsor and construct housing on or near the place of employment and ensure compliance with state regulations outlined in the California Employee Housing Act (HSC section 1700).</p> <ul style="list-style-type: none"> • <u>Aligning definitions and allowances:</u> Support employee housing with the requirements stipulated in the law, including HSC Section 17021.6. Specifically, the revisions will permit employee housing for six or fewer individuals, including farmworkers, to be treated as standard residential use. This entails subjecting such housing units to the same regulations and standards applicable to single-family dwellings. • <u>Commercial Zoning:</u> Adapt commercial zoning regulations to allow employee housing as a standard residential use. • <u>Zoning Ordinances:</u> Review for opportunities to adjust policies for streamlined processes that accommodate employee housing development. Remove standards that trigger discretionary permits and provide for ministerial criteria where possible. <p><u>Schedule of Action:</u> Review and update of Monterey County Code Titles 20 and 21 and related policies pertaining to employee housing within two years of Housing Element certification.</p>	Augmentation from General Funds General Plan Updates and Implementation Fund Identify new sources of local revenue and grants	Housing and Community Development Department

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Goal H-4: Reduce or remove government constraints to housing production and opportunity when feasible and legally permissible.		
<p>H-4.C. Impediments to Fair Housing</p> <p>The County remains dedicated to implementing the recommendations outlined in the County’s Analysis of Impediments to Fair Housing Choice (AIFHC). The 2019 AIFHC highlighted the insufficient funding for fair housing organizations and residents in the County. To advance the objectives set forth in the AIFHC, the County will take the following steps:</p> <ul style="list-style-type: none"> • <u>Review and Implement Recommendations</u>: Review the recommendations outlined in the AIFHC and take concrete steps to implement them within the specified timeframe. <u>Schedule of Action</u>: By the end of 2028. • <u>Address Funding Shortfalls</u>: Work collaboratively with relevant stakeholders to identify and secure additional funding sources to support fair housing organizations serving Unincorporated Monterey County residents. <u>Schedule of Action</u>: By the end of 2028. • <u>Support Fair Housing Initiatives</u>: Provide ongoing support to fair housing organizations and initiatives aimed at promoting equal housing opportunities and combating discrimination in Unincorporated Monterey County. <u>Schedule of Action</u>: Ongoing. <p><u>Objectives</u>: By actively pursuing these actions, the County aims to enhance fair housing opportunities and ensure equitable access to housing for all residents of Monterey County.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>
<p>H-4.D. Countywide Objective Residential Design Standards.</p> <p>In response to recent changes in state law (e.g., SB 35, Housing Accountability Act (HAA), SB 167, AB 678, and SB 330) mandating the use of objective design standards for residential development, the County will undertake initiatives to streamline the development and design review processes, thereby expediting residential development. Specifically, the Planning Division will collaborate with a planning and design firm to establish and formalize objective design standards applicable to single-family, multi-family, and mixed-use residential developments for the County’s planning areas.</p> <p>The primary objective of this endeavor is to create clear and objective architectural design standards that not only facilitate efficient development procedures but also respect and preserve the unique character and historical context of the community.</p> <p><u>Schedule of Action</u>: By the end of 2027.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>

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Goal H-4: Reduce or remove government constraints to housing production and opportunity when feasible and legally permissible.		
<p><u>Objective:</u> Through the establishment of comprehensive and objective design standards, the County aims to foster sustainable growth and development while maintaining the distinct identity and charm of its diverse neighborhoods.</p>		
<p>H-4.E. Streamline the Permit Processing and Approval Process for Residential Development This program will allocate dedicated staff members to expedite the processing and approval of residential development projects and identify regulatory constraints to be removed. The program will include the following components:</p> <ul style="list-style-type: none"> • <u>Staff Allocation:</u> The County will assign senior planning staff to expedite processing of and appoint a management-level contact assigned to prioritize facilitation of new residential development applications that include affordable, multifamily, and/or employee housing projects. These staff members will be specifically designated to support planners handling residential projects and will focus on expediting the review process to ensure timely approvals. The County will assign high priority for processing new housing development applications that include units at deeper levels of affordability for greater than 20% or than 10 units per acre, and a mix of housing types. • <u>Training and Capacity Building:</u> Provide specialized training and professional development opportunities to the current planning staff members to enhance their expertise in residential development processes, zoning regulations, environmental assessments, and other relevant areas, enabling them to efficiently navigate and streamline the approval process for housing projects. • <u>Process Improvement Initiatives:</u> Continue to implement process improvement initiatives and workflow enhancements to streamline the review and approval process for residential development projects. This may include leveraging technology, revising procedures, and adopting best practices to reduce administrative burdens and expedite decision-making. • <u>Performance Metrics and Accountability:</u> Establish clear performance metrics and benchmarks to measure the efficiency and effectiveness of the residential development processing and approval process. Regularly monitor and evaluate staff performance, processing times, and applicant satisfaction to ensure accountability and continuous improvement. 	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>

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Goal H-4: Reduce or remove government constraints to housing production and opportunity when feasible and legally permissible.		
<p><u>Schedule of Action</u>: Staff dedicated by end of 2026 and targeted staff training by end of 2027. Monitoring metrics for program efficiency will be ongoing.</p> <p><u>Objectives</u>: Through the development of this program, the County aims to streamline processes, improve ease of access, and deliver timely services to its constituents resulting in the increased development of housing.</p>		
<p>H-4.F. Monitor Legislative Changes The County will conduct regular monitoring of legislative changes to ensure alignment of County policies and regulations with state and federal laws.</p> <p><u>Schedule of Action</u>: This monitoring will take place annually, with updates completed by December 31 each year.</p>	General Fund	Housing and Community Development Department
<p>H-4.G. Zoning Ordinances and General Plan Efficiencies for Housing The County will update Monterey County Code Titles 20 and 21 (Zoning Code), and General Plan policies to incorporate changes in state law and streamline permitting for the housing, including:</p> <ul style="list-style-type: none"> • <u>Manufactured housing/Mobile Homes</u>- Modify the Zoning Code to specify that manufactured housing is processed with similar requirements to single-family residential, as required by California Code, Government Code - GOV § 65852.3. • <u>Employee housing</u> – Modify the Zoning Code to comply with the California Employee Housing Act (Section 17000 of the Health and Safety Code). • <u>Emergency Shelters</u> – Review and update the Zoning Code to comply with state legislation, particularly amendments made to AB 2339, removing requirements limiting Emergency Shelters to Commercial and Industrial Zones only and allow for them to be permitted by-right in zones where multifamily and mixed-use developments are permitted. • <u>Transitional/Supportive Housing</u> – Review and update the Zoning Code as needed to comply with state legislation, removing requirements limiting Transitional & Supportive Housing to Commercial and Industrial Zones only and allow for them to be permitted by-right in zones where multifamily and mixed-use developments are permitted. • <u>Accessory Dwelling Units (ADUs)</u> – Update Zoning Code for compliance with Government Code Section 65852.2. 	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	Housing and Community Development Department

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Goal H-4: Reduce or remove government constraints to housing production and opportunity when feasible and legally permissible.		
<ul style="list-style-type: none"> • <u>Low Barrier Navigation Center</u> – Review and update the Zoning code as needed to ensure consistency with AB 101, requiring jurisdictions to permit Low-Barrier Navigation Centers that meet specified requirements by right in mixed-use zones and other nonresidential zones permitting multi-family residential development. • <u>Zoning Ordinances</u>: Review for opportunities to adjust policies for streamlined processes that accommodate housing development. Remove standards that trigger discretionary permits and provide for ministerial criteria where possible, such as: <ul style="list-style-type: none"> ○ High Density Residential (Inland and Coastal)- Increase unit density to 10 dwelling units/acre as a Use Allowed and make projects at 10 dwelling units or more per acre as only requiring an Administrative Permit (no use permit). ○ Light, Heavy, Coastal General Commercial Zones (Inland and Coastal) - Modify or remove the limitation on all residential uses "provided that the gross square footage of the residential use does not exceed the gross square footage of the commercial use. ○ Visitor Serving/Professional Office (Inland) - Modify or remove the limitation on all residential uses "provided that the gross square footage of the residential use does not exceed the gross square footage of the commercial use." • <u>2010 General Plan, Chapter 9.B., Policy CV-1.6 (Carmel Valley Unit Cap)</u>: Modify the Carmel Valley residential unit cap to ensure compliance with recent changes to state law. <p><u>Schedule of Action</u>: Initiate processes by end of 2026 for completion in 2028 Mid-Cycle Review.</p>		
<p>H-4.H Update Density Bonus Ordinance</p> <p>The County shall update its local ordinance, consistent with State law. The County’s ordinance may offer a greater density bonus than allowed by the default state standards to encourage more housing development. Furthermore, the County shall continue applying the State density bonus standards until a local law is passed. Finally, the County shall continue to update the Density Bonus Ordinance as needed to remain compliant with state law.</p> <p><u>Schedule of Action</u>: Apply state density bonus standards on an ongoing basis, as needed. Adopt an updated local ordinance within one year of Housing Element Adoption and update as new state laws are adopted.</p>	None required	Housing and Community Development Department

8.1.3 Goal H-5: Promote Housing Opportunities for All Persons

Ensure that all households have equal access to housing without discrimination. Establish and maintain an efficient institutional framework to effectively provide housing services and implement the goals, policies, and programs outlined in this Housing Element.

Policies and Programs

- H-5.1 Promote and enforce fair housing and equal opportunity laws throughout the unincorporated areas.
- H-5.2 Support fair housing service providers in Monterey County to ensure that residents are aware of their rights and responsibilities regarding fair housing.
- H-5.3 Provide equal access to housing and supportive services to meet the special needs of seniors, people with disabilities (including developmental disabilities), single parents, large households, farmworkers, and persons experiencing homelessness.
- H-5.4 Encourage representatives from all economic and special needs segments of the community to participate in the planning process.

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Goal H-5: Ensure that all households have equal access to housing without discrimination. Establish and maintain an efficient institutional framework to effectively provide housing services and implement the goals, policies, and programs outlined in this Housing Element.		
<p>H-5.A. Prioritize Review and Expedite the Development of Affordable and Special Needs Projects The County will establish a formal policy for expediting the review and permitting process for affordable housing developments, including housing for special needs populations such as seniors, people experiencing homelessness, individuals living with disabilities, single female-headed households, large families, farmworkers, and households with extremely low, very low, low, and moderate incomes.</p> <p><u>Schedule of Action:</u> By the conclusion of FY 2028–29, the County will adopt the expedited review policy. Additionally, the County will annually promote the housing sites inventory to affordable housing developers.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>
<p>H-5.B. Housing Mobility The County will enhance housing mobility and foster increased housing options and affordability across lower-income levels by implementing a set of targeted actions in lower-density areas. These actions will involve outreach, allocation of resources, and other strategies, all aimed at the overarching objective of broadening affordable housing opportunities for extremely low, very low, low, and moderate-income households. Actions include:</p> <ul style="list-style-type: none"> • <u>Facilitate the provision of housing on sites affiliated with religious institutions or faith-based organizations:</u> The County will conduct annual outreach with religious institutions that own property in the County to provide information on SB 4 and the ability to develop housing by right. The County will also facilitate a specialized streamlined processing approach for housing applications that incorporate at least 50% affordable units, half of which are affordable to very low- or low-income households, on sites associated with religious institutions or faith-based organizations. In the event that no housing applications on a religious institution/faith-based site is received by December 2026, the County will enhance outreach efforts, providing information on available County resources for housing and human services initiatives. <u>Schedule of Action:</u> Mid-cycle progress check-in; annual outreach beginning in December 2025. • <u>SB 10:</u> Identify potential sites that meet the statutory requirements for transit-rich areas and urban infill site requirements for consideration pursuant to SB-10 in order to facilitate development applications in these areas. Amend development standards related to the 	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>

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<p>above action if necessary to facilitate maximum densities as part of housing mobility actions. <u>Schedule of Action</u>: December of 2030.</p> <ul style="list-style-type: none"> • <u>Encourage and Incentivize Accessory Dwelling Units (ADUs) and other “missing middle” housing</u>: Under Program H-2.A, the County will encourage the development of ADUs by providing pre-approved ADU designs and developing and distributing educational materials that inform property owners of the standards for ADU development, permitting procedures, and the importance of ADUs. County staff shall distribute these promotional materials and flyers by making them available at the Permit Center and publishing them on the County’s website. <u>Schedule of Action</u>: Establish the program and materials by the end of 2024; Distribute them on an ongoing basis and update them annually. • <u>Potential Infill Opportunity: ADU Ordinance</u> to allow up to 2 JADUs per single-family residence: To encourage additional infill development in single-family areas, the County will consider amending the ADU Ordinance to allow up to two JADUs in any single-family residence, where appropriate. <u>Schedule of Action</u>: Consider an amendment with the Mid-Cycle Review by the end of 2028. • <u>Missing-Middle Housing and Housing Mobility Education</u>: The County will generate virtual and printed materials to educate property owners in single-family residential areas of the County on the benefits of Accessory Dwelling Units, and SB 9 subdivisions. The County will also generate educational materials to landlords regarding SB 329 (2019). SB 329 classifies voucher income as a “source of income” under the California Fair Employment and Housing Act, which prohibits housing discrimination based on sources of income. <u>Schedule of Action</u>: December 2025. Following the creation of educational content and materials, the County will post information on its Housing Programs webpage. Additionally, the County will utilize alternative methods to further publicize the information. <u>Schedule of Action</u>: By December 2025 and ongoing thereafter. • <u>Additional Density Bonus Incentives</u>: The County will prepare incentives to enable additional allowances for density bonuses in exchange for more affordable units at deeper affordability levels, per Program H-2.O. Pending Board and Planning Commission approval, the package of incentives will increase the number of affordable units built across the County and, therefore, create more housing opportunities to support mobility. <u>Schedule of Action</u>: Initiate preparation of a package of incentives upon adoption and present it to the Board of Supervisors and implement (if approved) by the end of 2027. 		

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<ul style="list-style-type: none"> • Objective Design Standards: Per Program H-4.D. Countywide Objective Residential Design Standards, the County will work to develop and codify objective design standards for single-family, multi-family, and mixed-use residential development. <u>Schedule of Action:</u> Completion by the end of 2027. • Marketing Housing Resources and Opportunities: The County will market housing education programs and information through various channels, including the County's website, public venues, County publications, mailings, social media accounts, and collaborations with other organizations. The County will provide links on the County's Affordable Housing webpage to help provide residents with access to information and housing resources. <u>Schedule of Action:</u> Ongoing; update the County's webpage by December 2026. • Mid-Cycle Review for Program Efficacy: In addition to the annual review with the Board of Supervisors in preparation for the annual progress report to HCD, the County will conduct a mid-cycle review of program effectiveness and accomplishments in 2028. The County will consider alternative strategies and program enhancements to improve progress if performance is less than satisfactory. <u>Schedule of Action:</u> Mid-cycle review to be performed by December 2028. 		
<p>H-5.C. Facilitate Access to Affordable Housing for Residents</p> <p>The County will collaborate with affordable housing property managers and housing advocates to enhance the referral process for available affordable housing units. This collaboration will involve discussions on strategies to improve referrals, including outreach to regional nonprofits to reach a wider pool of potential residents. <u>Schedule of Action:</u> Enhancements completed by the end of 2027, with ongoing updates, as necessary.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>
<p>H-5.D. Support Counseling and Housing Services for Seniors, Low-Income Households, and Unhoused Individuals</p> <p>The County will continue to encourage and support the endeavors of local non-profit organizations offering direct housing aid to lower-income households and services to those experiencing homelessness in Monterey County. The County will continue to promote the availability of these</p>	<p>CDBG, General Fund</p>	<p>County Administrative Office Homeless Services</p>

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<p>programs through various channels, including written materials such as brochures, flyers, the County's website, and neighborhood and community centers.</p> <p><u>Schedule of Action:</u> Ongoing</p>		<p>Department of Social Services</p> <p>Housing and Community Development Department</p>
<p>H-5.E. Encourage Development of Housing for Persons with Disabilities</p> <p>The County is dedicated to facilitating the development of supportive housing for individuals with disabilities, including developmental disabilities. To achieve this, the County will take the following actions:</p> <ul style="list-style-type: none"> • <u>Compile Developer List:</u> By the end of 2026, the County will compile a comprehensive list of developers specializing in supportive housing. This list will be regularly updated and maintained. • <u>Annual Outreach:</u> Annually, by December 31, the County will reach out to developers on the compiled list to provide information on available sites, funding opportunities, and other concessions for supportive housing projects targeting persons with disabilities. This outreach aims to facilitate the development process and encourage the creation of more accessible housing options. • <u>Support for Funding Applications:</u> The County will actively support developers in their applications for County, State, and federal funding for supportive housing projects. Technical assistance will be provided upon request and as projects are proposed, ensuring developers have the necessary resources and guidance to navigate the funding process successfully. <p><u>Schedule of Action:</u> Compile the developer list by the end of 2026. Conduct annual outreach to developers by December 31 each year. Provide ongoing support for funding applications as projects are proposed.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>
<p>H-5.F. Housing Opportunities</p> <p>To expand housing opportunities for vulnerable populations, including persons with disabilities, seniors, individuals experiencing homelessness, veterans, and extremely low-income households, the County will implement the following initiatives:</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and</p>	<p>Housing and Community Development Department</p>

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<ul style="list-style-type: none"> • Zoning Code Amendments: The County will amend the Monterey County Code Titles 20 and 21 (Zoning Code) as needed to ensure compliance with Housing Element Law and AFFH requirements, including but not limited to, clarifying definitions of residential care facilities, reviewing permit requirements for simplified permitting processes based on the number of residents where appropriate, and the consideration of adopting objective design standards, aligning them with other residential uses in the same zone. • Supportive Rental Programs: The County will evaluate and pursue supportive rental programs tailored to targeted groups, including seniors, persons experiencing homelessness, veterans, extremely low-income households, and persons with disabilities. Annual or more frequent meetings will be held with community-based organizations serving these populations to discuss housing needs and proposed solutions. These meetings will foster cooperation between the County and service providers to address community housing challenges effectively. • Priority Processing for Special Needs Housing: Ongoing priority processing and expedited review will be provided for projects aimed at providing housing to special needs communities. This initiative will streamline the development process for projects targeting vulnerable populations. • Strengthened Partnership with Fair Housing Provider: The County will strengthen its relationship with the local fair housing provider, Eden Council for Hope and Opportunity (ECHO), exploring opportunities to expand services and secure additional funding for this purpose. Ongoing collaboration will ensure comprehensive support for fair housing practices. • Development Incentives: The County will consider financial and regulatory incentives to encourage the creation of affordable housing for special needs groups. Incentives may include reduced parking requirements for studio and one-bedroom units in affordable multifamily projects, waiver of covered or off-street parking requirements, and potential reductions in development impact fees for 100% affordable housing projects. <p>Schedule of Action: Ongoing, to commence within one year of Housing Element certification Zoning Code Amendments to be addressed concurrently with Housing Element Adoption.</p>	<p>Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>County Administrative Office Homeless Services</p> <p>Department of Social Services</p> <p>Health Department Public Health</p>
<p>H-5.G. Farmworker Housing Production</p> <p>During the 5th Housing Element Cycle, the County issued building permits for 398 employer-sponsored housing units. These units have the capacity to provide housing for 3,184 seasonal agricultural</p>	<p>Augmentation from General Funds</p>	<p>Housing and Community</p>

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<p>workers. The County will continue collaborating with non-profit developers and employers to devise innovative housing solutions tailored to agricultural employees and their families. Additionally, it will actively seek out and pursue all available funding sources while providing assistance to owners and developers in the application process for funding. The County will support the development of farmworker housing adjacent to the County during the 2023-2031 Housing Element Cycle, with the following specific actions:</p> <ul style="list-style-type: none"> • <u>Seek Federal and State Housing Finance Programs</u>: Continuously explore federal and state housing finance programs that are occupationally restricted or advantageous for farmworker housing, including the Joe Serna, Jr. Farmworker Housing Grant Program, USDA Section 514,516,521,523 grants. • <u>Facilitate Private Sector Development</u>: Encourage private sector development of farmworker housing characterized by funding sources without restrictions, to provide flexibility in housing provision regardless of documentation status. • <u>Engage Stakeholders</u>: Collaborate with farmworker stakeholders, housing proponents, and the nonprofit community to implement the Farmworker Housing Study and Action Plan for Salinas Valley and Pajaro Valley (April 2018).. • <u>Incentivize Growers</u>: Incentivize growers with marginal agricultural land surrounded by urban uses to dedicate, discount, or lease land for farmworker housing, including exploring no-cost release from Williamson Act Contracts. • <u>Intergenerational Housing</u>: Promote the development of intergenerational farmworker housing to cater to multiple generations of farmworkers, facilitating mutual self-reliance through amenities such as childcare and elder care facilities. • <u>Land Parcelation</u>: Consider developing a streamlined process for property owners with contiguous sites suitable for farmworker housing to parcelate the land or create new lot lines to accommodate larger, economically feasible projects. • <u>Streamline Approval Processes</u>: Streamline approval processes for farmworker housing projects whenever possible. • <u>Explore Off-Season Housing Utilization</u>: Investigate opportunities to utilize H2A and other farmworker housing that is vacant during the off-season for rapid rehousing or other short-term housing uses. <p><u>Schedule of Action</u>: Ongoing, to commence within one year of Housing Element certification</p>	<p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Development Department</p>

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<u>Objectives:</u> Support the development of farmworker housing, ensuring access to safe and affordable housing for this essential workforce in the region.		
<p>H-5.H. Displacement Prevention</p> <p>The County's primary focus in displacement prevention is the promotion and facilitation of affordable housing development within the community, as emphasized in the AFFH section. By fostering affordable housing initiatives, the County aims to mitigate the risk of displacement stemming from lack of available and affordable housing. In addition to these efforts, the County is committed to connecting residents facing displacement with resources aimed at minimizing such occurrences, particularly among households with lower incomes and special needs. This initiative aims to ensure that any necessary relocations are conducted equitably and with appropriate support.</p> <ul style="list-style-type: none"> • Outreach to Residents: To facilitate access to displacement prevention resources, the County will enhance its online presence by including information on its website. This information will serve to connect households in need with relevant organizations in the immediate area. Moreover, the County will proactively promote the utilization of Housing Choice Vouchers by expanding outreach and education efforts targeted at landlords. This includes raising awareness about the state's new laws introduced in 2020 (SB 329 and SB 222) that prohibit discrimination based on source of income, including Veterans Affairs Supportive Housing (VASH) vouchers. <p><u>Schedule of Action:</u> By the end of 2026, integrate displacement prevention information onto the County's website to empower residents with essential resources and knowledge.</p> <p><u>Objectives:</u> Engage new and existing landlords annually through targeted advertising campaigns and outreach events to promote awareness and participation in rental assistance programs.</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p> <p>County Administrative Office Homeless Services</p>
<p>H-5.I. Legal Assistance for Renters</p> <p>The County remains committed to its partnership with the Eden Council for Hope and Opportunity (ECHO) Housing, ensuring continued access to vital housing services for residents. Information on the array of housing services provided by ECHO Housing and other nonprofits will be readily accessible through various channels. To disseminate this information effectively, the County will employ multiple platforms, including its official website, social media channels, and targeted emails to community</p>	<p>Augmentation from General Funds</p> <p>General Plan Updates and</p>	<p>Housing and Community Development Department</p>

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Goal H-5: Ensure that all households have equal access to housing without discrimination. Establish and maintain an efficient institutional framework to effectively provide housing services and implement the goals, policies, and programs outlined in this Housing Element.		
<p>organizations catering to diverse populations. By utilizing these avenues, the County aims to reach a broad audience and ensure that residents are informed about available housing resources.</p> <p>This outreach effort will undergo regular evaluation and enhancement through an annual review process, ensuring its effectiveness and relevance to evolving community needs. Furthermore, the County will actively engage with ECHO Housing to assess funding requirements for fair housing services. By the conclusion of 2026, the County will convene with ECHO Housing to discuss and address any identified funding needs, reaffirming its commitment to promoting fair housing practices within the community.</p> <p><u>Schedule of Action</u>: Continuous outreach efforts with an annual review to gauge effectiveness. Additionally, meet with ECHO Housing by the end of 2026 to assess funding requirements for fair housing services.</p>	<p>Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	
<p>H-5.J. Fair Housing Education, Enforcement, Outreach, and Services</p> <p>The County is dedicated to fostering awareness and understanding of fair housing laws and tenant and landlord rights among County residents. To achieve this goal, comprehensive information and educational resources will be made readily accessible on the County's official website and through its social media platforms. Key resources provided will include direct links to ECHO Housing offering valuable information on fair housing laws, tenant and landlord rights, and mediation services. Additionally, residents will have access to Appendix B, which outlines the Affirmatively Furthering Fair Housing Analysis as part of this Housing Element, empowering residents with vital knowledge to promote fair housing practices.</p> <p>The County's Housing and Community Development Department, in collaboration with contracted fair housing and tenant-landlord legal organizations, will provide comprehensive fair housing education, outreach, mediation materials, and referral services. These services will be offered in English, Spanish, and/or other languages as needed to ensure accessibility and inclusivity.</p> <p>Key Components of the Program:</p> <ul style="list-style-type: none"> • <u>Fair Housing Services</u>: The County offers fair housing services to residents, property owners, and housing professionals. Efforts are underway to expand the network of service providers and develop robust in-house tenant-landlord services/programs. The County also collaborates with ECHO Housing to deliver fair housing-related services. Additionally, the 	<p>Augmentation from General Funds</p> <p>General Plan Updates and Implementation Fund</p> <p>Identify new sources of local revenue and grants</p>	<p>Housing and Community Development Department</p>

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Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-5: Ensure that all households have equal access to housing without discrimination. Establish and maintain an efficient institutional framework to effectively provide housing services and implement the goals, policies, and programs outlined in this Housing Element.		
<p>County will continue to refer fair housing complaints to the State Department of Fair Employment and Housing and HUD's Fair Housing and Equal Opportunity (FHEO) Office.</p> <ul style="list-style-type: none"> • Linguistic Isolation: The County will implement its Language Assistance Plan (LAP) to assist individuals with Limited English Proficiency (LEP) who may be linguistically isolated. Collaboration with community-based nonprofits will further enhance multilingual outreach materials and program services. • Fair Housing Outreach: Collaboration with local community-based organizations, landlord and real estate groups, and school districts to disseminate relevant information and raise awareness about fair housing programs. Distribution of informational materials to community organizations and gathering spots in areas with higher rates of protected groups. Continued support for fair housing service providers to educate institutional leaders, expanding training beyond landlord/tenant rights to include identification of fraud and potential dishonest schemes related to mortgages, lending, and foreclosures. <p>Furthermore, the County's website will provide links for resources to report suspected violations and obtain remedies related to fair housing issues. By consolidating these resources in one easily navigable online location, the County aims to empower residents to assert their rights and take action against discrimination. This initiative will be swiftly implemented within a year of Housing Element certification by HCD, ensuring timely access to crucial information and resources for all residents.</p> <p>Schedule of Action: Ongoing, to commence within one year of Housing Element certification.</p> <p>Objectives: Through these initiatives, the County aims to actively promote fair housing choice, combat discrimination, and ensure equal access to housing opportunities for all residents.</p>		
<p>H-5.K. Homebuyer Assistance Programs</p> <p>Recognizing the ongoing need for homebuyer assistance, the County will continue to operate a First Time Homebuyer Program utilizing HOME program income. Additionally, lower, and moderate-income households in unincorporated areas will continue to have access to homebuyer programs offered by the California Housing Finance Agency (CalHFA) and the Golden State Finance Authority (GSFA).</p> <p>The County has allocated 20% of its Permanent Local Housing Allocation (PLHA) towards capitalizing homeowner assistance programs, including downpayment assistance for moderate-income</p>	HOME, PLHA, CalHFA, GSFA Funding	Housing and Community Development Department

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Implementation Program/Schedule of Action	Potential Funding	Responsible Party
<p>Goal H-5: Ensure that all households have equal access to housing without discrimination. Establish and maintain an efficient institutional framework to effectively provide housing services and implement the goals, policies, and programs outlined in this Housing Element.</p>		
<p>households. The County will draft program guidelines as part of the Monterey County Local Housing Trust Fund (MCLHTF).</p> <p>CalHFA offers several programs, including:</p> <ul style="list-style-type: none"> • Mortgage Credit Certificates (MCC): Providing a federal tax credit to reduce income tax liability, potentially increasing monthly spendable income. • CalPLUS Conventional Program: Offering a fixed-rate mortgage insured through private mortgage insurance, combined with a CalHFA Zero Interest Program for down payment assistance. • California Homebuyer's Downpayment Assistance Program (CHDAP): Providing a deferred-payment subordinate loan for down payment and/or closing costs. <p>Residents can apply for CalHFA loans through trained local loan officers, and first-time homebuyers must attend homebuyer education courses offered online or in person.</p> <p>GSFA also offers two programs:</p> <ul style="list-style-type: none"> • GSFA Platinum Downpayment Assistance Program: Providing down payment and closing costs assistance to low and moderate-income households. • GSFA Mortgage Credit Certifications: Offering a federal tax credit to reduce income tax liability, similar to CalHFA's MCC program. <p>Both CalHFA and GSFA programs aim to support homebuyers, particularly first-time buyers, in achieving homeownership.</p> <p><u>Schedule of Action:</u> Ongoing</p> <p><u>Objectives:</u> Maintain the local first-time homebuyer initiative, while ensuring ongoing dissemination of information about alternative homebuyer assistance programs like those offered by CalHFA and GSFA through the County's website. Additionally, actively encourage engagement from the local real estate community in promoting participation in CalHFA and GSFA programs.</p>		

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Implementation Program/Schedule of Action	Potential Funding	Responsible Party
Goal H-5: Ensure that all households have equal access to housing without discrimination. Establish and maintain an efficient institutional framework to effectively provide housing services and implement the goals, policies, and programs outlined in this Housing Element.		
<p>H-5.L. Collaboration with Community-Based Organizations The County recognizes the importance of collaboration with local organizations to address housing needs effectively. To facilitate this collaboration and maximize the impact of affordable housing programs, the County will undertake the following actions:</p> <ul style="list-style-type: none"> • <u>Compile List of Local Organizations</u>: Identify and compile a comprehensive list of local organizations that are involved in housing-related initiatives or serve special needs groups within the community. <u>Schedule of Action</u>: Compile the list within six months of Housing Element certification by HCD. • <u>Annual Meeting with Local Organizations</u>: Organize and conduct an annual meeting with representatives from local organizations to provide updates on existing affordable housing legislation, programs, and resources. During this meeting, the County will also seek input from organizations regarding housing needs and potential opportunities to create additional affordable housing units. <u>Schedule of Action</u>: Hold the annual meeting starting in 2026 and continue annually thereafter. <p><u>Objectives</u>: By fostering ongoing dialogue and collaboration with local organizations, the County aims to leverage collective expertise and resources to address housing challenges and meet the diverse needs of its residents, including special needs groups.</p>	General Fund	Housing and Community Development Department
<p>H-5.M. Support for Linguistically Isolated Households This program aims to provide comprehensive support and assistance to Limited English Proficient (LEP) residents to navigate housing-related processes effectively. The program will include the following actions:</p> <ul style="list-style-type: none"> • <u>Multilingual Outreach</u>: Develop and distribute informational materials, brochures, and forms in multiple languages commonly spoken by LEP communities in Monterey County, including Spanish, Chinese, Tagalog, and others as identified through community outreach and needs assessments. • <u>Bilingual Staffing</u>: Train and designate bilingual staff members within housing agencies, community centers, and public offices to assist LEP residents with housing inquiries, applications, and other related services in their preferred language. 	Augmentation from General Funds	Housing and Community Development Department

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Implementation Program/Schedule of Action	Potential Funding	Responsible Party
<p>Goal H-5: Ensure that all households have equal access to housing without discrimination. Establish and maintain an efficient institutional framework to effectively provide housing services and implement the goals, policies, and programs outlined in this Housing Element.</p>		
<ul style="list-style-type: none"> • <u>Language Assistance Hotline</u>: Establish a dedicated language assistance hotline staffed by trained interpreters to provide real-time support and guidance to LEP residents seeking housing information, resources, and assistance. • <u>Translation Services</u>: Partner with professional translation agencies or bilingual volunteers to translate essential housing documents, including lease agreements, eviction notices, and housing application forms, into multiple languages. • <u>Language Access Workshops</u>: Organize regular workshops and informational sessions conducted in various languages to educate LEP residents about their housing rights, fair housing laws, rental assistance programs, and other relevant topics. • <u>Culturally Competent Outreach</u>: Collaborate with local community organizations, cultural centers, and faith-based groups to conduct culturally sensitive outreach activities targeting LEP communities and addressing their unique housing needs and concerns. • <u>Language Access Plan Development</u>: Develop a comprehensive Language Access Plan outlining the County's commitment to providing language assistance services to LEP residents and ensuring compliance with federal and state language access laws and regulations. • <u>Continuous Evaluation and Improvement</u>: Regularly evaluate the effectiveness of language access services through feedback mechanisms, surveys, and community input. Adjust and improve the program based on identified needs and emerging trends in LEP housing access. <p><u>Schedule of Action</u>: Launch outreach efforts to identify language needs and preferences within LEP communities within one year of Housing Element certification; Language Access Plan development by end of 2026; Evaluation and improvement will be ongoing.</p>		

8.2 Summary of Quantified Objectives

California Government Code section 65583(b)(2), requires jurisdictions to identify the maximum number of housing units by income category (including very low-income) that can be constructed, rehabilitated, and preserved over an 8-year time period. The County has two sets of numerical housing goals:

- Monterey County’s portion of the Association of Monterey Bay Area Governments Regional Housing Needs Allocation (RHNA) goals; and
- Quantified objectives for affordable housing production.

State law recognizes that housing needs may (and do) exceed available resources and, therefore, does not require that the County's quantified objectives be identical to the identified housing needs (or RHNA). More specifically, the California Government Code section 65583(b)(2), states the following:

It is recognized that the total housing needs . . . may exceed available resources and the community’s ability to satisfy this need within the content of the general plan requirements...Under these circumstances, the quantified objectives need not be identical to the total housing needs. The quantified objectives shall establish the maximum number of housing units by income category, including extremely low-income that can be constructed, rehabilitated, and conserved.

The acknowledgment of the funding limitations is extremely important—cities and counties are required to prepare Housing Elements every 8 years to identify needs and actions to provide for housing at all income levels and for all populations despite a severe shortage in local, state, and federal funding that makes many of the actions needed and planned financially infeasible. It is important to recognize that State law requires cities to plan for housing, but almost all housing is developed by the private sector.

Although cities and counties must establish quantified objectives for the actual creation of affordable housing opportunities and provision of other housing assistance (based on realistic assumptions), these objectives need not be identical to the total housing needs (i.e., RHNA). The quantified objectives, or number of affordable units that will realistically be created, as shown in **Table 8.1. Summary of Quantified Objectives for Monterey County Housing Programs (2023–2031)**, provide a projection for the entire 8-year 6th Cycle Housing Element planning period.

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Table 8-1. Summary of Quantified Objectives for Monterey County Housing Programs (2023–2031)

Program/Activity/Action	Extremely Low	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation						
ADU	0		9	0	261	270
New Construction	400		70	250	450	1,170
Entitled/Approved	198		91	205	116	610
Rehabilitation	0		5	0	0	5
Preservation	0		3	0	0	3
Total	598		178	455	827	2,058

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