



County of Monterey

Item No.

Board Report

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

Legistar File Number: 23-286

April 25, 2023

Introduced: 4/4/2023

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

REF230003 - Monterey County General Plan Implementation and Housing Element Annual Progress Report

- a. Consider and accept 2022 Annual Progress Report for the Monterey County General Plan(s);
- b. Consider and accept 2022 Annual Progress Report for the 2015-2023 Housing Element;
- c. Consider authorizing the Housing and Community Development Department Director to submit the final progress reports to the State Office of Planning and Research and State Department of Housing and Community Development; and
- d. Consider and provide direction regarding the Five-Year Long-Range Planning Work Program.

Proposed CEQA Action: Not a project per Sections 15060(c)(1) and 15378(b)(4) of the CEQA Guidelines.

RECOMMENDATIONS:

It is recommended that the Board of Supervisors:

- a. Find that submitting these annual reports is not a project subject to CEQA per Section 15060(c)(1) and 15378(b)(4) of the CEQA Guidelines;
- b. Accept the 2022 Annual Progress Report for the Monterey County General Plan(s) pursuant to Government Code Section 65400 (**Attachment A**);
- c. Accept the 2022 Annual Progress Report for the 2015-2023 Housing Element to comply with State Department of Housing and Community Development requirements (**Attachment A**); and
- d. Authorize the Housing and Community Development Department Director to submit the final progress reports to the State Office of Planning and Research and State Department of Housing and Community Development; and
- e. Provide direction to staff on the Five-Year Long-Range Planning Work Program (**Attachments C, D**).

SUMMARY:

Pursuant to California Government Code Section 65400, after the Board of Supervisors has adopted all or part of a General Plan, the planning agency [in this case the Housing & Community Development Department for Monterey County] shall do both of the following:

- 1) Investigate and make recommendations to the legislative body regarding reasonable and practical means for implementing the general plan or element of the general plan, so that it will serve as an effective guide for orderly growth and development, preservation and conservation of open-space land and natural resources, and the efficient expenditure of public funds relating to the subjects addressed in the general plan; and

- 2) Provide by April 1 of each year an annual report to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development that includes [Summarized]:
 - a. The status of the plan and progress in its implementation
 - b. Progress toward meeting the Regional Housing Needs Allocation (RHNA);
 - c. Applications for housing in the prior year, the number of units applied for, and the number of units approved or disapproved.
 - d. Revisions and Rezones
 - e. Progress toward consultation with Native American Tribes
 - f. Information about density bonuses and incentives granted in the prior year

Monterey County HCD staff maintains a list of projects known as the Long-Range Planning Work Program that contains general plan implementation measures, revisions required pursuant to law, and responses to referrals from the Board of Supervisors and other appointed bodies to serve effective and orderly growth and development in the County. The Long-Range Planning Work Program (LRPWP) is attached as **Attachments C and D** to this report.

General Plan Annual Progress Report

Annually, Monterey County HCD prepares a combined Annual Progress Report on status of the General Plan and progress toward meeting Housing Element policies including RHNA. **Attachment A** to this report contains the Annual Progress Report for the 2010 General Plan Implementation and the Housing Element Progress (2022 APR). In 2022, there was one amendment to the 2010 General Plan: Resolution No. 21-303 to amend the text of the Carmel Valley Master Plan Policy CV-1.27 related to the Rancho Canada Village Specific Plan policy. There was also one amendment to the Local Coastal Program, which falls under the County's 1982 General Plan (Coastal): Amendment to the North County Land Use Plan to allow for construction of an interchange project at State Highway 156 and Castroville Boulevard (LCP-3-MCO-22-0062-2).

For the reporting period from April 1, 2022, through March 31, 2023, progress was made on the following additional LRPWP activities included in the County's 2022 General Plan and Housing Element Annual Progress Report: Agricultural Land Mitigation/Conservation Program; Community Climate Action Plan; Salinas Valley Zone 2C - Salinas Valley Groundwater Basin Study (SVGB Study); Sixth Cycle Housing Element Update (2023-2031); Environmental Justice Element; Safety Element; Water and Energy Efficient Landscaping Ordinance (Complete); and Zoning Ordinance and Map Updates.

In addition to the progress made on GPI tasks reported in the County's Annual Progress Report, staff made progress on several LRPWP tasks that were identified as priorities for calendar year 2022 but were not directly related to General Plan Implementation. These tasks include: Castroville Community Plan and Nexus Study; Inclusionary Housing Policies and Ordinance Revisions; Moss Landing Community Plan Update (MLCP); Fire Resistant Plant List (Complete); Vacation (aka Short-Term) Rental Ordinances; Fort Ord Habitat Resource Management Plan; ; Accessory Dwelling Units/Junior Accessory Dwelling Units Ordinances and Implementation; Carmel Area Land Use Plan Updates for Accessory Dwelling Units (Coastal); Lower Carmel River/Lagoon Projects; Fire Safety Regulations;

Big Sur Land Use Plan update; Senate Bill 9, The California Home Act, Map (Complete); East Garrison Development Project (former Redevelopment); State Mandated Reporting; and Policy Revisions to Improve Permit Process Efficiencies. (**Attachment C**).

Housing Element Annual Progress Report

Progress was made implementing the 2015 - 2023 Housing Element, including: 5 units entitled; 186 units issued building permits; 57 units receiving building permit finals and were added to the RHNA unit count. Additionally, updates to the Housing Element for the 6th cycle are underway. Housing Element updates will likely include new policies and programs aimed at accommodating RHNA numbers.

Long-Range Work Program

Included with this report is the draft Five-Year Long-Range Work Program for Fiscal Years 2023-24 through 2027-28 (LRPWP or Work Program). This Work Program lays out a path forward to implement all the remaining tasks, studies and ordinances required to realize the policies of the 2010 General Plan as well as other priority policies, plans and major projects managed by or with substantial collaboration of the Housing and Community Development Department (HCD). The Work Program is summarized, including task prioritization, in **Attachment C**.

For the reporting period from April 1, 2022, through March 31, 2023, substantial progress was made on 35 Long-Range Planning Work Program (Work Program) tasks, 10 of which were completed including:

1. Water Conservation and Energy Efficient Landscape Ordinance;
2. Native American and Archaeological Resource Technical Advisory Panel;
3. Desalination Ordinance;
4. Noise Ordinance;
5. Forest Health and Fire Resilience Public Works Program (Coastal);
6. Fire Resistant Plans and Defensible Space Outreach Materials;
7. Senate Bill 9, The California HOME Act, Mapping;
- 8, 9 & 10. Outdoor Commercial Cannabis Cultivation Pilot Program and Activities.

Since adoption of the 2010 General Plan, a total of 66 LRP Work Program tasks have been completed. The HCD's Advanced Planning Team currently has 6 of the 9 assigned positions filled and seeks to fill the 3 vacant planner positions in 2023. Staff proposes to continue to advance priority tasks as outlined in the Five-Year Program and as resources allow in the following general prioritization: 1) State or federal legally mandated activities; 2) Board policy priorities; 3) Tasks with awarded grant funds; 4) General Plan implementation priorities; and 5) other tasks time and resources allow.

Staff recommends the accept the 2022 General Plan Implementation and Housing Element Annual Progress Report and authorize the HCD Director to submit as required to the state. Staff also requests direction regarding the Five-Year Long-Range Planning Work Program and priorities.

DISCUSSION:

See **Attachment B** -Discussion

ENVIRONMENTAL REVIEW:

Staff finds that progress reports are not a project as defined by the California Environmental Quality Act (CEQA), Guidelines Sections 15060(c)(3) and 15378. These reports are an administrative activity that will not result in direct or indirect physical changes to the environment. They are for information purposes only. Activities identified in these reports implement policies of the 1982/2010 General Plans and the 2015 Housing Element, which were subject to CEQA review. In addition, CEQA will be addressed, as appropriate, with each task as it is completed.

OTHER AGENCY INVOLVEMENT:

Implementation of the 2010 General Plan (Non-Coastal) and the 1982 General Plan (Coastal) involves close coordination between all the land use departments/agencies (Planning, Building, Housing, Engineering/Public Works, Environmental Services, Environmental Health, Fire Districts, and Water Resources Agency). Implementation of the Housing Element relates to activities being undertaken by Housing and Community Development Department. In addition, County Counsel's office actively participates in the legal review of ordinances and plans prepared as part of GPI and other needed updates.

On March 8, 2023, staff presented the draft Annual Progress Reports and Five-Year Long-Range Planning Work Program to the Planning Commission to consider if they implement the goals and strategies of the 2010 General Plan and 1982 General Plan and to provide input regarding the LRP Work Program.

FINANCING:

Between Fiscal Year (FY) 2015-16 through FY 2021-2 a total of \$2,580,292 approved General Fund (including Cannabis Tax Assignment) augmentation funds were spent for consultant work on GPI and other LRP Work Program activities. See **Attachment E** for details these expenditures by project and fiscal year. For the current FY 2022-23, \$96,000 was carried forward from the FY 2021-22 augmentation of \$287,434 approved for SVGB Study, and the full \$96,000 is anticipated to be spent this FY. An augmentation of \$32,000 was approved for Forest Health and Fire Resilience work by the Resources Conservation District of Monterey County, and \$27,000 is anticipated to be spent. A \$560,000 augmentation was approved to fund General Plan updates of the Housing Element, Safety Element, and new Environmental Justice Element, with an estimated \$210,172 to be spent this FY.

Staff continues to perform as much of the implementation work as possible and has been successful securing some outside funds to pay for consultant costs and limited staff costs including grant awards from: Local Early Action Planning Program (LEAP); Regional Early Action Planning Program (REAP); Building Homes and Jobs Act (SB2); and the Sustainable Agricultural Lands Conservation Program (SALC). A total of approximately \$1,580,000 in state grant funds have been awarded for work during FY 2021-22 into next FY 2023-24 and next two fiscal years and summarized as follows:

Awarded to the HCD

- SB2 Grant: \$200,000 for Castroville Development Impact Fee Nexus Study, Accessory Dwelling Unit pre-plan approved designs. No funds are available as planned for the Chualar Community Plan)
- SALC Grant: \$182,366 for Sustainable Agricultural Lands Conservation Program
- LEAP Grant: \$500,000 for the Castroville Community Plan Update, CEQA analysis for Affordable Housing Overlay Zones. No funds are available for the Chualar Community as planned.
- REAP Grant: \$530,000 for: 1) Update to Housing Element; and 2) Inclusionary Housing Ordinance.

Awarded to the County Administrative Office's Sustainability Program

- SALC Grant: \$175,000 for Community Climate Action Plan

All grant awarded funds are on anticipated to be fully expended in FY 2023-24 with the exception of the HCD's SALC grant. Staff has made substantial progress on the Agricultural Conservation and Mitigation Program utilizing the SALC funds awarded to HCD to pay for staff time, however, staff recently learned those funds may not be extended beyond the current June 14, 2023, expiration date. No consultant work is planned for this project and on-going staff time for Agricultural Conservation and Mitigation Program development will be part of HCD's requested baseline budget for FY 2023-24.

The proposed FY 2023-24 Work Program is estimated to cost, including staff and consultant time, a total \$2,101,830 comprised of: HCD staff (\$677,427); Other Department/Agency staff (\$244,600); and Consultants (\$1,179,803). The Department's proposed budget for the Housing and Community Development Department for FY 2023-24 will include approximately \$106,715 in remaining grant funds to be expended. CAO Sustainability program's proposed budget includes approximately \$135,000 in remaining grant funds to be expended. In next FY 2023-24, Association of Monterey Bay Area Governments (AMBAG) proposes to award \$125,000 to each of its member jurisdictions through a REAP 2.0 Local Suballocation (non-competitive) Grant Program. REAP 2.0 funds are aimed to fund programs (not construction) that will lead to more affordable housing during the award timeframe, and staff will work with AMBAG to secure and program those funds, once available.

The FY 2023-24 Work Program have unfunded consultant costs estimated to be \$584,556 for which augmentation requests are being submitted for the following: Housing/Environmental Justice/Safety Elements (\$270,906); Vacation Rental Ordinances CEQA (\$123,650); Chualar Community Plan (\$50,000); and Community Climate Action Plan (\$135,000 by CAO).

In addition, the General Plan Implementation Fee is levied on all development and planning permits. This fee generated approximately \$742,364 in FY 21-2022 and FY 2022-23 fee revenue through February 2022 is \$624,021. **Attachment D** details the anticipated budget for each Long-Range Planning Work Program task with planned activity in FY 2023-24 to be expended in FY 2023-2024 through FY 2027-28.

BOARD OF SUPERVISORS' STRATEGIC INITIATIVES:

Implementing County's General Plan and the LRP Work Program supports the Board of Supervisors' Strategic Initiatives for Economic Development, Health & Human Services, and Infrastructure by providing the necessary policies, regulations and plans to ensure reasonable and safe development, plan for the future needs of the County, manage infrastructure and County facilities, and protect natural resources.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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Approved by: Craig Spencer, AICP, Acting HCD Director 

The following Attachments are on file with the Clerk of the Board:

Attachment A - Annual Progress Report for 2010 General Plan & Housing Element Progress

Attachment B - Discussion

Attachment C - Draft Five-Year Long-Range Planning Work Program Overview

Attachment D - Draft Five-Year Long-Range Planning Work Program (Years 1)

Attachment E - Long-Range Planning Work Program Expenditures FY2015 to FY22

cc: Front Counter Copy; Fenton & Keller); Brian Finegan Law Office (Michael Harrington); Grower-Shipper Association (Jim Bogart); Law Offices of Michael D. Cling (Michael Cling); Monterey County Farm Bureau (Norm Groot); Salinas Valley Water Coalition (Nancy Isakson); Prunedale Neighbors Group (Ed Mitchell); Anthony Lombardo and Associates (Dale Ellis); Horan Lloyd Law Firm (Pamela Silkwood); Big Sur Multi-Agency Advisory Council c/o Colleen Courtney; Highway 68 Coalition (Mike Weaver); Carmel Residents Association; Carmel Valley Association; Marjorie Kay; The Open Monterey Project (Molly Erickson); LandWatch (Michael DeLapa); Janet Brennan; John H. Farrow; Erik Lundquist (HCD); Craig Spencer (HCD); Ashley Paulsworth (CAO); Kelly Donlon (County Counsel); Planning File No. REF230003.