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**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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June 10, 2024

Chair Glenn Church
Vice Chair Chris Lopez
Supervisors Wendy Root Askew, Mary Adams, and Luis Alejo
County of Monterey, Board of Supervisors
168 West Alisal Street, 3rd Floor
Salinas, CA 93901

Dear Chair Glenn Church, Vice Chair Chris Lopez, and
Supervisors Wendy Root Askew, Mary Adams, and Luis Alejo:

**RE: County of Monterey – 124 Gonda Street Project – Letter of Support and
Technical Assistance**

The California Department of Housing and Community Development (HCD) received a request for technical assistance regarding the agricultural employee housing project to be located at 124 Gonda Street (Project). HCD understands the County of Monterey (County) Board of Supervisors will be considering the Project on July 9, 2024. The purpose of this letter is to express HCD's support of the Project and to assist the County with its decision-making by providing technical assistance related to the Housing Accountability Act¹.

Background

HCD understands that Anthony Nicola, Inc. (Applicant) is seeking approval of a Combined Development Permit consisting of an Administrative Permit, Use Permit, and Variance with a density bonus under the State Density Bonus Law (SDBL)². The Project includes a total of 35 units, including one manager's suite, three deed-restricted very low-income inclusionary housing units, and 31 two-bedroom units for agricultural employees. The 1.3-acre site is zoned High Density Residential, with a maximum of 20 units per acre (HDR/20). In providing 11 percent of the units for very low-income housing, the project qualifies for two incentives under SDBL in addition to a 35-percent increase in density.³

On February 14, 2024 the Planning Commission considered the Project and continued the item to their April 10, 2024 hearing. At the April 10, 2024 hearing, the Commission's vote resulted in an "unbreakable tie to neither approve or deny" the Project. The

¹ Gov. Code, § 65589.5.

² Gov. Code, § 65915 et seq.

³ Gov. Code, § 65915, subds. (d)(2) and (f)(2).

Planning Commission's decision was formalized and approved at their May 8, 2024, hearing in Resolution No. 24-011. The Applicant subsequently appealed the Planning Commission's decision to the Board of Supervisors on May 22, 2024.

Housing Accountability Act

The County should be aware that the Project meets the definition of a "housing development project" under the Housing Accountability Act (HAA)⁴, which limits the local government's ability to disapprove or reduce the density of development projects that are consistent with objective local development standards except those lawfully modified by an SDBL concession and/or waiver.⁵ Subjective standards such as "negative impacts to quality of life" cannot be the basis for disapproving or reducing the density of a housing development project under the HAA.

Further, the HAA prohibits the County from disapproving a qualifying housing development project without written findings supported by a preponderance of the evidence on the record that there is a specific, adverse impact upon public health or safety, and mitigation of the adverse impacts is not possible.⁶ Note, the "specific, adverse impact" must have existed on the date the application was deemed complete and must be quantifiable, objective, and identified in written public health or safety standards, policies, or conditions.

Conclusion

Notably, the County's Housing Element must contain an analysis of any special housing needs, including agricultural employee housing (farmworker housing).⁷ The County currently does not comply with Housing Element Law, including the required analysis of agricultural employee housing, and HCD issued the County a Letter of Inquiry dated May 13, 2024, requesting a response by Thursday, June 13, 2024. The County's 6th Cycle Housing Element update was due on December 15, 2023, and as of the date of this letter, HCD has not received a draft housing element submittal from the County.

HCD urges the Board of Supervisors to be mindful of its obligations under the HAA and strongly supports the approval of the Project in light of the current housing crisis. HCD may review local government actions and inactions to determine consistency with these laws and may notify the California Office of the Attorney General if a local government is

⁴ Gov. Code, § 65589.5, subd. (h)(2).

⁵ Gov. Code, § 65589.5, subd. (j)(3).

⁶ Gov. Code, § 65589.5, subd. (j)(1).

⁷ Gov. Code, § 65583, subd. (a)(7).

in violation of state law.⁸ If you have any questions or need additional information, please contact Grace Wu at grace.wu@hcd.ca.gov.

Sincerely,

A handwritten signature in black ink that reads "Shannan West". The signature is written in a cursive, flowing style.

Shannan West
Housing Accountability Unit Chief

⁸ Gov. Code, § 65585, subd. (j).

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