



Monterey County

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

Board Report

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- a. Receive an update regarding the 2019 Monterey County Housing Program Goals; and
- b. Provide direction to staff.

RECOMMENDATION:

It is recommended that the Health, Housing and Human Services Committee of the Board of Supervisors:

- a. Receive an update regarding the 2019 Monterey County Housing Program Goals; and
- b. Provide direction to staff.

SUMMARY:

The Housing Program Manager's (Manager) duties are under general direction of the Assistant Director of the Assistant County Administrative Officer and within a framework of broad policies and procedures and established organizational values and processes. The Manager's role is to supervise and participate in the planning, development, coordination and implementation of the County's housing development and acquisition programs; provide Countywide leadership and coordination of housing policy issues; and perform related duties as required.

The Housing Manager is tasked to assess the structural organization of the Housing and Economic Development Division and determine if structural changes are needed that would benefit County goals. For example, Housing and Economic Development coordinates the Inclusionary Housing Program with the Planning and Building Departments within the County and the Manager will assess if organizational changes might assist with housing development and efficiency. In addition, the Manager is assessing program capacity and resource needs in the preparation for the FY 19-20 budget.

Housing

The following are the Housing Program Manager's housing Goals in priority order from highest to lowest:

- Housing Development of Units at all income levels;
- Inclusionary Housing Ordinance Update and Streamline of Process;
- Provide Resources and Housing Opportunities to House Extremely Low-Income Individuals and those Experiencing Homelessness;
- Employee and Farmworker Housing;

- Housing Element Regional Housing Needs Assessment (RHNA) numbers;
- Fair Housing Initiatives and Removing Barriers to Housing;
- Analyze State and Federal legislation as it pertains to housing and Monterey County;
- Identify Community Development needs to target the best use of federal programs such as CDBG and HOME funding with an emphasis on community; and
- Support and coordinate regional housing initiatives and partnerships such as with Monterey Bay Economic Partnership (MBEP).

Economic Development

Housing and Economic Development staff are strategizing with the Assistant CAO in determining next steps for Economic Development (ED) efforts in the County. On January 29, 2019, an ED Survey was sent to forty-three economic development partners requesting their input on determining the County's ED priorities/efforts and revisiting the role of the Economic Opportunity Community (EOC). Those participating in the survey included representatives from public agencies, non-profit organizations, business organizations, current and former Board EOC Members, agriculture, tourism, and film and arts industries. The County received fifteen responses. Overall, consensus was that a Business, Retention and Expansion Program should be the County's priority and attracting the right types of businesses.

In the coming year, staff will continue to revisit the concept of an EOC and implement changes that may be needed that define the purpose and role of the committee and the future of Economic Development partnerships in Monterey County.

The County will partner with private industry and local business organizations to accomplish ED goals, e.g. Monterey Bay Economic Partnership and the Monterey County Business Council (MCBC) and collaborate with cities on creation or refinement of an ED strategy and the Comprehensive Economic Development Strategy (CEDS).

DISCUSSION:

Housing Development of Units at All Income Levels

The State is releasing unprecedented funding for housing and homelessness programs, such as SB 2. The Housing Manager will connect with for-profit and non-profit housing developers to ready housing project opportunities with funding opportunities. The new Manager has initiated meetings with nonprofit housing developers such as CHISPA, MidPen, Eden Housing and Interim Inc. to identify opportunities for the County to participate and partner in upcoming developments. Non-profit developers typically utilize the Low-Income Housing Tax Credit (LIHTC) program and need County and City funds to leverage funding resources in order to be competitive for the LIHTC program.

The Manager is coordinating with the County Planning and Community Development Departments to identify priority projects to apply for SB 2 planning grant funds.

Timeframe: SB 2 Planning grants are due November 30, 2019; however funding is available on a first come, first serve basis and finalizing the grant application earlier is intended.

Inclusionary Housing Ordinance Update and Streamlining of Process

Analyze and review the existing Inclusionary Housing Ordinance (Ordinance) and complete the planned update in 2019 to ensure the Ordinance provides housing opportunities in Monterey County at different incomes in market rate developments. As directed by the Board of Supervisors on February 5, 2019, a stakeholder meeting was held on February 15, 2019 to review and discuss the draft feasibility study conducted by Keyser Marston Associates, ***Inclusionary Housing Ordinance, Financial Evaluation, February 1, 2019.***

The Manager will assess streamlining the implementation of the Ordinance by evaluating the County processes between the Building Department and Planning. Implementation of the Ordinance is staff-intensive and finding ways to streamline the process, such as working with a title company or other consultant that would free up staff time to focus on the development.

Timeframe: Final Ordinance by February, 2020 and review of processes ongoing

Provide Resources and Housing Opportunities to House Extremely Low-Income Individuals and those Experiencing Homelessness;

Homelessness is complex and requires coordination between County agencies, Cities, service provider organizations and Continuum's of Care (CoC). The Continuum of Care (CoC) Program is designated by the Department of Housing and Urban Development (HUD) to promote communitywide commitment to the goal of ending homelessness.

Understanding HUD programs and State resources allows for rental and housing development opportunities geared toward ending homelessness. The Housing Program Manager will be able to coordinate unprecedented, state funding for Homelessness and Housing between County Agencies that could apply for new housing resources.

The Manager serves on the Board of the Coalition of Homeless Service Providers (CHSP) as a Community Advisor and Monterey County is a member agency of the CoC for the Salinas/Monterey and San Benito County CoC. The CoC is the body that coordinates regional HUD and State homeless funding and conducts HUD's Point in Time (PIT) count that is conducted every other year to determine an estimate of the homeless population. Monterey County's most recent 2017 PIT Count identified 2,837 individuals experiencing homelessness in Monterey County. This represents an increase of 23% from 2015 and the largest number recorded in the past 10 years.

Shelter is a form of housing within a community that provides a resource for those who are of extremely low-income. Housing Staff is coordinating with the Department of Social Services and the City of Salinas on shelter opportunities that utilize HUD's best practices to provide wrap around services and rapid rehousing opportunities. The existing warming shelter operated by Community Homeless Solutions (CHS) under a contract through DSS is located at 111 W. Alisal Street in Salinas. County staff wrote and submitted an application to fund a regional emergency shelter to be located and 855 E. Laurel Drive in Salinas. This application is for State funds under the Homeless Emergency Aid Program (HEAP). The County Departments coordinating on the shelters and other homeless programs include: DSS, Health & Human Services, Housing and RMA.

County staff coordination is occurring on the update of a No Place Like Home (NPLH) compliant 10-Year Plan to End Homelessness. The 10-Year Plan to End Homelessness is a CoC document entitled: Lead Me Home, The Game Plan for Housing Homeless People in Monterey and San Benito Counties (10-Year Plan). The 10-Year Plan is a COC plan developed with the goal to end homelessness. The Plan's approach keeps a strong focus on housing, as it is central to providing resources to those experiencing homelessness to regain health and wellness and maximize self-sufficiency. Shelter services and rapid rehousing programs are a HUD best practice that reinforce residential stability and economic security. These vital coordinating efforts will facilitate the County to apply for newly created State resources that will aid in programs targeted toward housing production opportunities for those who are of extremely low-income (0-30%).

On July 1, 2016, Governor Brown signed landmark legislation enacting the No Place Like Home program to dedicate up to \$2 billion in bond proceeds to invest in the development of permanent supportive housing for persons who are in need of mental health services and are experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness. The bonds are repaid by funding from the Mental Health Services Act (MHSA).

Key features of the NPLH program include:

- Counties will be eligible applicants (either solely or with a housing development sponsor);
- Funding for permanent supportive housing must utilize low barrier tenant selection practices that prioritize vulnerable populations and offer flexible, voluntary, and individualized supportive services; and
- Counties must commit to provide mental health services and help coordinate access to other community-based supportive services.

Staff will write grants and identify future funding sources, both state and federal, to fund the shelter. Staff will also work to tie in State Whole Person Care (WPC) funding, CalWorks and CalFresh and other County programs to provide supportive services for shelter participants and other programs designed to end homelessness in Monterey County.

Timeframe: The 10-year Plan Update for a NPLH compliant plan will be completed by August 2019. Staff will work with the CHSP on a more comprehensive update within a year.

The County submitted an application to HEAP on April 1, 2019. Funding decisions will be made by CHSP by the end of June 2019. Construction of the shelter would begin directly should an award be made to the County. Staff will be ready to apply for State funding as it becomes available.

Employee and Farmworker Housing

County staff took part in the Regional Farmworker Housing Study and Forum that took place April 19, 2018. County staff is now part of the Action Plan Committee to implement the recommendations formulated as part of the study and partnering with the City of Salinas, MBEP and other stakeholders in a committee to map suitable sites within Monterey County for farmworker housing. Identified sites follow criteria such as being close to services such as sewer and water infrastructure, bus stops, and access to other services like grocery stores.

SB 2 State funds also include the Joe Serna Jr., Farmworker Housing Grant Program that will be made available to build additional employee and farmworker housing. Staff will coordinate with stakeholders, non-profit developers, RMA and Planning to ensure sites are identified and ready as funds become available. RMA, Community Development and Housing are working together to identify and prioritize housing ready sites through the SB 2 Planning Grant

Timeframe: Finalize Map within a year and apply for SB 2 Planning Grant by November 30, 2019.

Housing Element and RHNA numbers

Annually, the County revisits the progress in meeting the Regional Housing Needs Assessment (RHNA) numbers detailed in the County's General Plan, Housing Element. Staff will look for opportunities to partner with Cities for possible RHNA unit sharing.

Timeframe: Ongoing and updated annually in the Housing Element's Annual Progress Report to HCD.

Fair Housing Initiatives and Removing Barriers to Housing

Review and assess technical barriers to housing such as high impact fees, CEQA, water, Coastal Commission, etc. Determine how to overcome these challenges and find regional solutions to meet housing needs in every community in Monterey County. Every city, no matter how difficult, has a RHNA allocation requirement that requires meeting housing development requirements at different income levels. Continue to work with communities and stakeholders to turn "Not in My Back Yard" into "Yes in My Back Yard" when it comes to housing and shelter development.

Ensure Fair Housing mandates are carried through in Housing Programs. The County contracts with

Echo Housing for tenant landlord and fair housing mediation services.

Timeframe: Ongoing

Analyze State and Federal legislation as it pertains to housing and Monterey County.

The Manager will continue to stay current on federal and state housing legislation and collaborate with different County agencies to ensure housing funding resources are applied for in a timely manner. Housing development requires close collaboration with for-profit and non-profit housing developers who may be able to take limited housing funding resources and leverage funds with tax-credits funding to create viable housing opportunities.

Timeframe: Ongoing

Identify Community Development Needs to Target the Best use of federal funds such as CDBG and HOME funding with an emphasis on community

Review the allocation of CDBG and HOME funding programs and assess how funding is meeting County Goals such as Housing, Economic Development, Administration, Health and Human Services, Infrastructure, and Public Safety. Strategize funding resources for the greatest community impact.

Timeframe: Annually with HUD Action Plan submitted to HUD each May

Support and Coordinate Regional Housing Initiatives and Partnerships Such as with the Monterey Bay Economic Partnership (MBEP)

The Manager has reached out to MBEP to participate in MBEP's Housing Advisory Committee.

Timeframe: Annually with HUD Action Plan submitted to HUD each May

OTHER AGENCY INVOLVMENT

None

FINANCING:

Receiving this report creates no fiscal impact on the General Fund or on revenues.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The housing program priorities and objectives advance the Board of Supervisors Strategic Initiatives that promote the production of diverse, safe, healthy and affordable housing opportunities for all residents of Monterey County.

Mark a check to the related Board of Supervisors Strategic Initiatives

X Economic Development
 Administration
XHealth & Human Services
 Infrastructure
 Public Safety

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