



## Board Report

File #: 22-251, Version: 1

### **REF220014 - Monterey County General Plan Implementation and Housing Element Annual Progress Report**

- a. Consider and accept the 2021 Annual Progress Report for the Monterey County General Plan(s); and
- b. Consider and accept the 2021 Annual Progress Report for the 2015-2023 Housing Element;
- c. 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
- 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 2021 Annual Progress Report for the Monterey County General Plan(s) pursuant to Government Code Section 65400 (**Attachment A**);
- c. Accept the 2021 Annual Progress Report for the 2015-2023 Housing Element to comply with State Department of Housing and Community Development requirements (**Attachment A**);
- d. Authorize the County 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, as required; and
- e. Provide direction to staff on the Five-Year Long-Range Planning Work Program (**Attachments C, D, E**).

#### SUMMARY:

On April 1<sup>st</sup> of each year the County is required to submit an Annual Progress Report for the 2010 General Plan Implementation (GPI) and Housing Element Progress (**Attachment A**). In 2021, there were no amendments completed to the 2010 General Plan (Inland).

Amendments to the Local Coastal Program, which fall under the County's 1982 General Plan (Coastal), are in progress related to Cannabis Regulations and Accessory Dwelling Units. Progress was made on the following GPI activities: Salinas Valley Zone 2C - Salinas Valley Groundwater Basin Study (SVGB Study); Agricultural Land Mitigation/Conservation Program; Water Conservation and Energy Efficient Landscape Ordinance; and Community Climate Action Plan (**Attachment A-Exhibit 1**).

Progress was also made implementing the 2015 - 2023 Housing Element, including: 0 RHNA units added; 101 units entitled; 95 (above moderate-income) units issued building permits; 253 units receiving building permit finals (**Attachment A**).

In addition to the progress made on General Plan Implementation tasks, staff made progress on several Long-Range Planning (LRP) tasks that were identified as priorities for calendar year 2021 and other tasks that arose as priorities during 2021, including: Castroville Community Plan and Nexus Study; Sixth Cycle Housing Element (2024-2031); Inclusionary Housing Policies and Ordinance Revisions; Environmental Justice Element; Safety Element; Moss Landing Community Plan Update (MLCP); Fire Resistant Plant List; Vacation (aka Short

-Term) Rental Ordinances; Cannabis Regulations; Fort Ord Plans and Ordinances; Native American and Archaeological Resource Technical Advisory Panel; Telecommunications Ordinance; Desalination Ordinance; Noise Ordinance; Lot Merger Ordinance; Accessory Dwelling Units/Junior Accessory Dwelling Units Ordinances; Lower Carmel River Projects; Partners in Restoration Master Permit; Fire Fuel Management Public Works Program (Coastal); the Big Sur Land Use Plan update; and SB9 Housing Legislation Map (**Attachment C**).

Also included with this report is the draft Five-Year Long-Range Work Program for Fiscal Years 2022-23 through 2026-27 (Work Program) and Year One (Fiscal Year 2022-23) Budget. 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 HCD's Advanced Planning Team. The Work Program is summarized, including funding and task prioritization, in **Attachments C, D and E**. The HCD's Advanced Planning Team currently has 4 vacant planner positions that HCD is recruiting to fill. By the end of March, the Advanced Planning Team will have an fifth planner vacancy and a vacant management analyst position. 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) Board policy priorities; 2) State or federal legally mandated activities; 3) Tasks with awarded grant funds; 4) General Plan implementation priorities; and 5) other tasks time and resources allow.

Staff recommends the Board of Supervisors accept the 2021 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 laid out.

#### 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 9, 2022, staff is 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 consider recommending that the Board of Supervisors accept the plans. The Planning Commission recommended that the Board accept the 2021 Annual Progress Reports and authorize the HCD Director to submit the reports to the State. In addition, the Planning Commission include explicit mention of the 1982 General Plan (Coastal) to the Work Program.

FINANCING:

Between Fiscal Years (FY) 2011-12 through FY 2014-15, HCD (then Resource Management Agency) were allocated General Plan Implementation (GPI) funding annually. Of those GPI funds, approximately \$1,149,867 was expended through FY 2014-15. Beginning in FY 2015-16, staff submitted annual budget augmentation requests for General Fund funding to support specific GPI and other LRP Work Program activities. From FY 2015-16 through FY 2020-21 a total of \$2,405,008 approved General Fund augmentation funds were spent for consultant work on the following GPI and other LRP Work Program activities: 1) GPI Consultants; 2) SVGB Study; 3) GPI related to housing; and 4) Carmel Lagoon SRPS/EPB. **Attachment F** details these expenditures by project and fiscal year. For the current FY 2021-22, an augmentation of \$287,434 was approved for SVGB Study, and year-to-date expenditures are \$63,861.

Staff intends 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 or are anticipated this current and next two fiscal years and summarized as follows:

Awarded to the HCD

- SB2 Grant: \$200,000 for: 1) Castroville Development Impact Fee Nexus Study; and 2) Chualar Community Plan
- SALC Grant: \$182,366 for Sustainable Agricultural Lands Conservation Program  
\$175,000 for Community Climate Action Plan
- LEAP Grant: \$500,000 for: 1) Chualar Community Plan Year 2; 2) Castroville Community Plan Update; and 3) CEQA analysis for Affordable Housing Overlay Zones.
- 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

An approximately \$1,000,000 in reimbursable grant funds from the above referenced grant funds were budgeted to be spent during FY 2021-22 from all of the grant awards above to implement the FY 2021-22 Work Program with priority given to General Plan Implementation activities. Progress toward implementing the Work Program was slower than anticipated and actual grant reimbursable expenditures for FY 2021-22 is projected to be approximately \$60,000. HCD's Advanced Planning Team, whose primary charge is Work Program implementation, consists of a Principal Planner, two Senior Planners, four Associate/Assistant Planners, and two Management Analysts. Currently the team has four vacant planner positions and will have a fifth vacant planner position and one vacant analyst position at the end of March. Recruitments are underway to fill these vacancies to support Work Program implementation.

The proposed FY 2022-23 Work Program is estimated to cost, including staff and consultant time, a total \$3,397,250 comprised of: County staff (\$811,250); Water Resource Agency Staff (\$40,000); and Consultants (\$2,546,000). The Department's proposed budget for the Housing and Community Development Department for FY 2022-23 will include approximately \$1,203,000 in grant funds to be expended. Eleven FY 2022-23 Work Program tasks have unfunded consultant costs estimated to be \$1,283,000 for FY 2022-23. Of these, augmentation requests are being submitted for six of the tasks including: Housing/Environmental Justice/Safety Elements (\$560,000 by HCD); SVGB Study (\$96,000 by HCD); Fire Fuel Management Public Works Program

(\$32,000 by HCD); and Community Climate Action Plan (\$275,000 by CAO). For the five other tasks have unfunded consultant costs estimate to be \$320,000 that are not requesting augmentations at this time; additional information is needed to determine if, when and precisely how much additional funding may be needed. For example, staff is negotiating the contract for the Castroville Community Plan and Development Impact Fee Nexus Study, and proposed costs exceed HCD's grant funding so additional sources of funding are being explored including potential use of Castroville Area Traffic Mitigation Funds. Determination of the final Castroville Community Plan costs and funding sources will, in turn, determine how much grant funding may be available for the Chualar Community Plan.

In addition, the General Plan Implementation Fee is levied on all development and planning permits. This fee generated approximately \$534,687 in FY 2021 and FY 2021-22 fee revenue through February 2022 is \$470,765. **Attachment D** details the anticipated budget for the Long-Range Planning Work Program to be expended in FY 2022-2023 and **Attachment E** includes the project-specific budget information for FY 2022-23 through FY 2026-27.

Prepared by: Melanie Beretti, AICP, Principal Planner 831-755-5285

Approved by: Craig Spencer, Chief of Planning

Approved by: Erik V. Lundquist, AICP, Director Housing and Community Development

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 - Five-Year Long-Range Planning Work Program Overview

Attachment D - 2022-2023 Long-Range Planning Work Program Priority Task Funding Source

Attachment E - Five-Year Long-Range Planning Work Program (Years 1 and 2)

Attachment F - Long-Range Planning Work Program Expenditures FY2015 to FY20

cc: Front Counter Copy; Fenton & Keller (David C. Sweigert); 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 Kathleen Lee; 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 Donlan (County Counsel); Planning File No. REF220014.