



Board Report

File #: 24-404, **Version:** 1

REF220020 - General Plan Housing Element Sixth Cycle Update

Receive a presentation of and conduct a public workshop to review and receive public input regarding the Draft Housing Element Sixth Cycle Update.

Project Location: Unincorporated County of Monterey

Proposed CEQA Action: Statutory Exemption pursuant to Section 15262 of the California Environmental Quality Act (CEQA) Guidelines

STAFF RECOMMENDATION

Staff recommends that the Housing Advisory Committee and the Health, Housing, and Human Services Committee:

- a. Receive a presentation on the Draft Housing Element Sixth Cycle Update;
- b. Conduct a public workshop to review and receive public input regarding the Draft Housing Element Sixth Cycle Update; and
- c. Provide direction to staff.

SUMMARY

State law requires that all local governments (cities and counties) adequately plan to meet the housing needs of everyone in the community. Local governments are required to meet this obligation by adopting housing plans as part of the General Plan. Monterey County is currently working on the 6th Cycle Update to the Housing Element of the General Plan (HEU6). The HEU6 covers a period of 8 years (June 30, 2023 - December 15, 2031). A Housing Element must address a variety of topics related to housing and homelessness including identification of sites that are capable of meeting the Regional Housing Needs Allocation (RHNA), at a minimum. The RHNA for the County of Monterey in the 6th Cycle is:

Extremely Low/Very Low:	1,070 units
Low:	700 units
Moderate:	420 units
Above Moderate (Market)	1,136 units
Total:	3,326 units

In addition to the RHNA numbers, California Housing and Community Development (CA HCD) guidance is that each jurisdiction create a buffer of 15 to 30 percent more than required by the RHNA, particularly in the lower income RHNA categories, to ensure sufficient capacity exists in the housing element throughout the planning period. The HEU6 provides a 24 percent buffer on the very low income category which translates into the opportunity for 1,324 very low income units.

State Law requires, and the County is pleased to provide, a 30-day public review and comment period on the Draft HEU6. During this 30-day period, the County seeks feedback and comment on the draft plan. After the 30-day comment period, the County must submit the draft plan to the CA HCD for their initial review and comment. The public review and comment period is from May 6, 2024 through June 6, 2024. During the public review period, the Planning commission conducted a public workshop on May 15, 2024 and, the Board of

Supervisors will conduct a public workshop on June 4, 2024. The Planning Commission continued the Workshop to a date certain, June 5, 2024, with direction to staff for a revised approach to identifying sites to satisfy the RHNA. Additionally, and in collaboration with each Supervisorial District, staff is conducting targeted community outreach (in English and Spanish) via the Monterey County Free Libraries, local town hall meetings and pop-up events throughout the County.

All comments submitted to the County will be considered following the CA HCD review period on this draft. Staff requests that the Housing Advisory Committee and the Health, Housing, and Human Services Committee conduct a public workshop to review, solicit public input, and provide direction to staff regarding the Draft HEU6.

DISCUSSION

The California legislature has declared that housing is of “statewide importance” and that the “attainment of decent housing and a suitable living environment for every Californian...is a priority of the highest order”. The Housing Element is a planning tool that documents how jurisdictions have created opportunities that meet the housing needs. The County has prepared the Draft HEU6 pursuant to state law and state guidance.

The County’s HEU6 contains 8 Chapters and 3 Appendices that address all of the required provisions of state law. Content of each of these Chapters has been developed following guidance from CA HCD and current planning principles. Staff will cover the various components of the Draft HEU6 in the presentation at the workshop.

Discussion in this report is focused on the following: Chapter 7. Adequate Sites Inventory Analysis and Methodology, Chapter 8. Housing Plan (Goals, Programs and Policies), and the Appendices A. Community Engagement and B. Affirmatively Furthering Fair Housing (AFFH).

Chapter 7. Adequate Sites Inventory Analysis and Methodology

This Chapter contains an inventory of land that is: 1) suitable for residential development; 2) could be developed within the 8-year planning period, and 3) are sufficient to provide for the County’s RHNA obligations at all income levels (California Gov. Code Section 65583.2). The County’s draft plan identifies 79 sites (some sites comprise more than one parcel) in the inventory of land in the unincorporated area that are appropriately zoned and designated to accommodate housing development. Six of the sites in the inventory are projects that have been approved by the County and are expected to be built within the planning period (sometimes called “pipeline projects”). The remaining 73 sites (or “opportunity sites”) are assigned an estimated “realistic capacity,” which is an estimation of the number of units that can be built on the parcel in each income category. Collectively the pipeline projects and the realistic capacity assumptions add up to accommodate the RHNA plus a buffer. As proposed, the Draft HEU6 would accommodate the development of: 1,217 Very Low, 1,023 Low, 869 Moderate, and 6,359 Above Moderate for a total of 9,468 units, not including pipeline projects.

Opportunity Sites identified in the inventory are required to be rezoned no later than one year from the statutory deadline pursuant to California Gov. Code sections 65583(c) and 65583.2(c) to be found in compliance with State Housing Element Law. The capacity assumptions for each opportunity site recognizes the increased density potential but is also adjusted based on realistic criteria for the potential for each parcel to be developed with affordable housing, among other factors.

The County is currently out of compliance due to missing the CA HCD certification deadline of December 31, 2023; therefore, the necessary rezone must be completed concurrently with the Draft HEU6 by December 31,

2024.

Appendix B. Affirmatively Furthering Fair Housing

Along with facilitating the County's RHNA, the update to the Housing Element must Affirmatively Furthering Fair Housing (AFFH). Affirmatively Furthering Fair Housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. CA HCD guidance on AFFH outlines 4 parts:

- Outreach - Diligent efforts to include all stakeholders in the housing element update process;
- Assessment of Fair Housing - An analysis of fair housing issues facing Monterey County including segregation and exclusion, along with trends in current fair housing practices;
- Site Analysis - An analysis of how housing opportunity sites will meet the needs of households at all income levels and will AFFH by replacing segregated living patterns with truly integrated living patterns transforming racially and ethnically concentrated areas of poverty into areas of opportunity; and
- Priorities, Goals, and Actions - Identify barriers to fair housing and adopt programs that address these barriers and that AFFH

County manifests AFFH by taking actions to reach as many people as possible in the Housing Element process, acknowledging past discriminatory land use practices, ensuring those practices are not continued, and reversing past practices that have resulted in racially and ethnically concentrated areas of poverty. In practice, this means that housing opportunity sites are spread equitably throughout the County and affordable housing opportunities are provided in areas of affluence.

The AFFH discussion includes the collaboration between California Tax Credit Allocation Committee (TCAC) and CA HCD that resulted in a state-wide mapping tool that identifies areas of higher and lower resources to evaluate access to opportunity. The tool maps areas of highest resource, high resource, moderate resource, moderate resource (rapidly changing), low resource and high segregation and poverty. The tool identifies areas of high and low resources and is available at: <https://www.treasurer.ca.gov/ctcac/opportunity.asp>

The TCAC/CA HCD Opportunity Maps can help to identify areas within the community that provide high quality access to opportunity for residents or, conversely, provide low quality access to opportunity. The information from the opportunity mapping can help to highlight the need for housing element policies and programs that could remediate conditions in low resource areas and areas of high segregation and poverty.

Chapter 8. Housing Plan

HEU6 must contain a program that sets forth a schedule of actions the County is undertaking or intends to undertake during the planning period to achieve the goals of the Housing Element. Chapter 8 of HEU6 contains Goals, Policies, and Programs that have been developed to assist in meeting housing needs (see Chapter 2), improve existing housing conditions and protect at risk affordable units (see Chapters 2 and 6), address constraints to housing development (see Chapter 3 of HEU6), AFFH (Appendix B), and other housing related conditions. These Goals, Policies and Programs have been developed following the guidance of CA HCD.

There are 5 broad goals identified in HEU6 including:

- 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.

- H-2: Assist in the provision of housing that meets the needs of all socioeconomic segments of the County.
- 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.
- H-4: Reduce or remove government constraints to housing production and opportunity when feasible and legally permissible.
- 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.

Policies and programs, including implementation measures and a schedule of actions that support the goals are included. Program implementation requires varied levels of County staff time, effort, and resources throughout the Sixth Cycle planning period to remove structural and financial barriers to housing development throughout County communities.

Additionally, the Board has discussed four guiding principles to consider in developing housing programs. They are:

1. Meeting the housing needs of residents and workforce;
2. Combating housing discrimination;
3. Efficient use of land
4. Implementing a meaningfully inclusive process

Appendix A. Community Engagement

Housing issues affect the entire County and the Housing Element process is an opportunity to engage the community in defining the problem and creating solutions. State Law requires the County to make a diligent effort to achieve participation from all economic segments of the community and to describe our efforts in the Housing Element (Government Code 65583(c)(9)).

Throughout the process of developing the Draft HEU6, Community Engagement has been implemented with workshops consisting of citizens and residents, efforts to promote participation from underrepresented segments of the community, stakeholder focus groups, and a community survey. Postings of informational messaging were distributed at libraries, business owner windows, and community boards at churches and educational institutions. The County provided Spanish language translation at public meetings and seeks to identify need for translation in additional community-specific languages. Staff augmented consultant efforts for Community Engagement with boots-on-the-ground outreach efforts to community-based organizations and targeted pop-ups at strategic locations within areas of the community identified as hubs for those unable to participate in conventional forms of civic engagement and the policymaking process. Documentation and outcomes of Community Engagement efforts are provided as Appendix A in the HEU6.

Outreach efforts have provided opportunities to confirm both commonly shared housing issues throughout the County, as well as community-specific experiences with housing issues. The County's multipronged approach to community engagement provides empirical data that complements statistical and demographic data which informs goals, policies, and programs provided in Chapter 8. Housing Plan. Another aspect of the community outreach process has been a comprehensive examination of proposed opportunity sites (Chapter 7). Housing

needs expressed in the HEU6 chapters align with community feedback on issues of affordability, overcrowding, expensive and time-consuming permitting processes, seasonal employment housing, lack of safe and sanitary rental housing, housing that accommodates large families, unavailable or contaminated residential water, shortage of small starter homes, and the profound need for more transitional housing and shelters for persons and families experiencing or at risk of homelessness.

The County is now in the process of the official 30day public review and comment period on the Draft HEU6 and is seeking input from as many people in our community as we can reach. Staff has maintained a list of interested parties who, upon request, are notified of engagement opportunities and public meetings. Written comments and questions about the HEU6 effort continue to be accepted. Requests for notice or any comments and questions have been directed to GeneralPlanUpdates@co.monterey.ca.us [<mailto:GeneralPlanUpdates@countyofmonterey.gov>](mailto:GeneralPlanUpdates@countyofmonterey.gov) which is monitored by several County staff, and to Jaime Guthrie at GuthrieJS@countyofmonterey.gov [<mailto:GuthrieJS@countyofmonterey.gov>](mailto:GuthrieJS@countyofmonterey.gov) or by phone at (831) 796-6414.

Next Steps

After reviewing public comment, staff had expected to submit the Draft HEU6 for the initial CA HCD review. Staff has received substantial feedback calling for a fundamentally different approach to the identification of housing opportunity sites in the plan. The changes suggest an approach that would substantially reduce the number of housing opportunity sites while still meeting RHNA obligations. Additional comments have focused on specific sites in the plan. The Planning Commission heard these comments and has suggested that the County pause the submittal to the state until some revisions can be explored. If submittal to the state is delayed the timeline below may change. Staff is still exploring this option and the impacts on the timeline.

- May/early June 2024 - HEU6 Workshops with Health, Housing, Human Services Committee, Housing Advisory Committee, Planning Commission, and Board of Supervisors
- June 2024
 - Submit Draft HEU6 to CA HCD for 90-day review period
 - Begin preparation of Draft Programmatic Environmental Impact Report (PEIR)
- July 2024 - Present HEU6 to Airport Land Use Commission (ALUC) for consideration as to consistency with the Airport Land Use Compatibility Plan (ALUCP)
- Fall 2024 - Receive from CA HCD findings for compliance with Housing Element Law
- Fall/Winter 2024-25
 - Submit Revised Draft HEU6 to CA HCD for 60-day review period
 - Draft PEIR available for 45-day public review period

Final steps will include a Planning Commission recommendation to the Board of Supervisors followed by Board of Supervisors consideration of the Final PEIR and adoption of HEU6, and culminating in submittal to and certification by CA HCD.

ENVIRONMENTAL REVIEW

Proposed Statutory Exemption

Pursuant to Section 15262 of the CEQA Guidelines, this presentation and workshop are statutorily exempt as early discussion on possible future actions that do not involve a commitment to a project.

Programmatic Environmental Impact Report

Pursuant to California Government Code section 65584(a)(2), the County has a mandate to remove governmental barriers to housing production. Preparation of a Programmatic Environmental Impact Report (PEIR) is a reasonable action to complement the suite of programs in the Housing Plan chapter designed to

simplify the process for development of housing through the planning period 2023-2031. Opportunity sites within the HEU6 will be analyzed in the PEIR for potential environmental impacts under CEQA. Environmental analysis in the PEIR will contemplate the potential effects of the HEU6 on County resources at a programmatic level.

Future project-specific environmental review for sites analyzed as part of the PEIR “shall be limited to effects on the environment which are peculiar to the parcel or to the project and which were not addressed as significant effects in the prior environmental impact report, or which substantial new information shows will be more significant than described in the prior environmental impact report.” (Public Resources Code (PRC) section 21083.3(b)).

OTHER AGENCY INVOLVEMENT

Multiple County departments are involved in the development of the General Plan Housing Element Sixth Cycle Update including the Health Department’s Environmental Health Bureau and its Planning, Evaluation and Policy Unit; Civil Rights Office; County Administrative Office’s Sustainability Program, Homeless Services, and Office of Community Engagement and Strategic Advocacy; Department of Emergency Management; Department of Social Services; and the Public Works, Facilities and Parks Department.

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The following attachments are on file with HCD:

Exhibit 1 - [County of Monterey Draft Housing Element Sixth Cycle Update \(2023-2031\)](#)

[<https://comry.us/HEU6>](https://comry.us/HEU6)

Exhibit 2 - Public Notice of 30-day Review Period