



Board Report

File #: PAR 23-021, **Version:** 1

REF220020 - General Plan Housing Element Sixth Cycle Update

- a. Receive a response to Board Referral 2023.14 (Askew) - A presentation from the Monterey Bay Economic Partnership (MBEP) overviewing its June 2023 white paper “Practical Housing Policy: Increasing Supply and Affordability” to further support the Board of Supervisors preparation to approve the Housing Element Sixth Cycle update for the County of Monterey; and
- b. Consider and provide direction to staff concerning the Housing Element policies.

Project Location: Unincorporated County of Monterey

Proposed CEQA Action: Statutory Exemption pursuant to Section 15262 of the CEQA Guidelines

RECOMMENDATION:

Staff recommends the Board of Supervisors:

- a. Find that this presentation is statutorily exempt pursuant to Section 15262 of the CEQA Guidelines as an early discussion on possible future action that does not involve a commitment to a project;
- b. Receive a response to Board Referral 2023.14 (Askew) - A presentation from the Monterey Bay Economic Partnership (MBEP) overviewing its June 2023 white paper “Practical Housing Policy: Increasing Supply and Affordability” to further support the Board of Supervisors preparation to approve the Housing Element Sixth Cycle update for the County of Monterey; and
- c. Consider and provide direction to staff concerning the Housing Element policies.

SUMMARY:

Staff is providing a preliminary response to the Board Referral (2023.14, Askew) regarding Monterey Bay Economic Partnership’s (MBEP) white paper “Practical Housing Policy: Increasing Supply and Affordability” released in June 2023 to support the development of the Housing Element Sixth Cycle Update (HEU). The referral specifically requests the County Housing and Community Development Department (HCD) to coordinate a presentation by MBEP staff regarding the white paper. MBEP staff will provide an overview presentation accompanied by a HCD staff presentation outlining the progress on the HEU and a timeline for review and consideration of the draft HEU which will contain a Housing Plan for the County that includes goals, objectives, policies and actions.

This Referral is timely since staff at HCD is actively working on the Housing Element update with the housing consultants.

DISCUSSION:

Background

Since fall of 2022, the County has been working with its consultant to prepare the Sixth Cycle Update (2023-31) to the General Plan Housing Element (HEU) pursuant to Government Code section 65580, et seq. As part of the Sixth Cycle Update to the Housing Element, the County is required to identify sites and zoning designations that can accommodate a Regional Housing Needs Assessment (RHNA) of 3,326 housing units distributed across four income levels (1,070 Very Low, 700 Low, 420 Moderate, and 1,136 Above Moderate).

In concert with facilitating the County's RHNA, the update to the Housing Element must identify and analyze significant disparities in access to opportunity (AB 686 - Affirmatively Furthering Fair Housing (AFFH) Act) and promote inclusive communities and further housing choice through government programs, policies, and operations that recognize existing racial and economic disparities and remediate these disparities.

Progress Update - At the Board of Supervisor's meeting on June 27, 2023, HCD staff provided an update regarding HEU progress and timeline as part of its preliminary response to Board Referral 2023.11 related to guiding principals and status of the Housing Element. Since then, staff has been reviewing administrative draft HEU chapters, as well as integrating comments received related to the sites inventory to accommodate the County's RHNA. Staff anticipates finalizing the sites inventory in August so the consultant team can complete the remaining chapters of the draft HEU. Inclusive in the HEU will be the County's Housing Plan, which is the chapter that lays out the goals and objectives of the County's plan for housing for the planning period 2023-2031, and the policies and programs to be put in place to achieve its goals. Staff and its consultant team are developing the proposed policies and programs for HEU, and the release of MBEP's white paper, Practical Housing Policy: Increasing Supply and Affordability (Attachment A), is timely to better inform these efforts.

In coordination with the consultant team, County staff has refined the project schedule to accommodate extended outreach and feedback on the draft housing opportunity sites to ensure robust community engagement, thus lengthening the project timeline. The additional review time will help ensure a quality HEU that is highly responsive to local needs while meeting necessary state mandates.

In response to this current Board Referral 2023.14 (Askew), staff from MBEP will provide an overview of the white paper for the Board's consideration and discussion. HCD staff will provide a brief update to progress and timeline for HEU development.

ENVIRONMENTAL REVIEW

This presentation is statutorily exempt pursuant to Section 15262 of the CEQA Guidelines as an early discussion on possible future action that does not involve a commitment to a project. The General Plan amendments will require a CEQA determination prior to adoption.

OTHER AGENCY INVOLVEMENT

Multiple County departments are involved in the development of the Housing Element 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, Office of Community Engagement and Strategic Advocacy, and Office of Homeless Services; and the County Counsel's Office.

The County is a member of MBEP, and HCD staff participates in MBEP's Housing Advisory Committee. MBEP's Housing Advisory Committee provided review and feedback to MBEP on the draft white paper.

FINANCING

Staff time to support the Housing Elements Sixth Cycle Update is included in the FY2023-24 Adopted budget for HCD Unit 8543, Appropriation Unit HCD002. Funding for the consultant's work on the Housing Element is included in the FY2023-24 Adopted Budget for HCD General Fund, Unit 8543, Appropriation Unit HCD002 and Fund 13, Unit 8545, Appropriation Unit HCD004. FY2022-23 consultant expenditures for the HEU totaled \$354,473, of which \$300,131 is reimbursable with Regional Early Action Planning (REAP) grant funds (Fund 13) and \$59,764 was funded from the General Plan Update and Implementation Augmentation from the Cannabis Assignment (General Fund). Anticipated FY2023-24 HEU consultant expenditures total approximately \$384,000, of which \$270,906 will be funded from the General Fund approved augmentation

ARPA Funds with a remaining \$113,094 funded from savings in unfilled positions.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This project supports the Board of Supervisors' Strategic Initiatives with revision of the Housing Element for the 6th Cycle Update which will contribute to strengthening a diversified and healthy economy by removing barriers to potential housing development and promoting jobs/housing balance. The Housing Element Sixth Cycle Update would include strategies to ease the discretionary review process of potential housing development for the effective and efficient management of resources.

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

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

Approved by: Craig Spencer, Chief of Planning and Interim Director, 831-755-5233

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

Attachment 1 - MBEP Practical Housing Policy paper