



County of Monterey

Item No.13

Board Report

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

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REF220020 - GENERAL PLAN HOUSING ELEMENT SIXTH CYCLE UPDATE

Conduct a workshop on the draft Sixth Cycle Housing Element, including consideration of revisions to the Housing Element in response to findings from the California Department of Housing and Community Development, and provide direction to staff.

Project Location: Unincorporated County of Monterey

Proposed California Environmental Quality Act (“CEQA”) Action: This status report and workshop is statutory exempt from CEQA pursuant to Section 15262 of the CEQA Guidelines. A Programmatic Environmental Impact Report (“PEIR”) is being prepared for the Housing Element update and will be considered prior to taking any final action on the Housing Element.

RECOMMENDATION

It is recommended that the Board of Supervisors:

- a. Conduct a workshop on the draft Sixth Cycle Housing Element;
- b. Consider revisions to the draft Sixth Cycle Housing Element update proposed in response to findings from the California Department of Housing and Community Development; and
- c. Provide direction to staff.

SUMMARY

The County submitted a draft of the Housing Element Sixth Cycle (2023-2031) update (“HEU6”) to the California Department of Housing & Community Development (“CA HCD”) for the first 90-day review period mandated by the State on August 19, 2024. CA HCD reviewed the County’s initial draft and provided a response in a letter dated November 18, 2024. That letter was posted on the County’s website and sent to interested parties. The CA HCD letter indicates that the County’s draft HEU6 addresses many statutory requirements; however, revisions to the draft are necessary to substantially comply with State Housing Element Law (Gov. Code § 65580 *et seq.*).

County staff reviewed the November 18, 2024 letter from CA HCD, met with the reviewers of the County’s draft HEU6 on December 6, 2024, to clarify some of the recommended revisions, and researched and gathered information in response to the findings in the letter. On January 16, 2025, County staff submitted additional information to our reviewers at CA HCD seeking feedback on some updated analysis in response to the November letter. The County has not received a response to our submission to date. Absent the feedback from CA HCD, County staff have highlighted a few decision points where feedback from the Board and the public are requested. The decision points relate primarily to “environmental constraints,” “large sites,” and “suitability of nonvacant sites.” (All three of these topics are addressed on page 4 of the CA HCD November 18, 2024 letter - **Attachment B**).

In addition to preparing responsive edits to the draft HEU6, HCD staff have: a) begun the process of preparing a Program Environmental Impact Report (“PEIR”) for the draft HEU6 pursuant to CEQA; b) provided an update to and received direction from the Planning Commission (“Commission”) on the HEU6; and c) submitted the draft HEU6 sites inventory to the Airport Land Use Commission (“ALUC”) for review and a determination (**Attachments C and D**) of compatibility with Airport Land Use Compatibility plans .

Staff requests Board conduct a workshop on updates to the draft HEU6 and provide direction to staff on the following potential revisions to the Housing Element that impact Housing Opportunity Sites and the overall plan to accommodate the Regional Housing Allocation Needs plus the recommended buffer:

- Reallocation of unit assumptions on large opportunity sites.
- Removal of Sites 7 or 53 in/near the City of Marina.
- Response to the Airport Land Use Commission recommendations (Sites 46 and 47 - York School).
- Potential additions to Housing Opportunity sites.
- Any other changes or revisions desired before resubmitting for a second review by the CA HCD.

The discussion attached hereto as **Attachment A**, provides details on the topics listed above, in addition to other edits in response to the CA HCD letter and public comment, and recommendations from staff on each topic. The recommendations from staff in **Attachment A** make some assumptions, based on additional analysis and data gathering since the letter was received from the State, as to what staff believes is prudent and will be acceptable to CA HCD in the future. Staff is recommending a somewhat pragmatic approach to addressing the CA HCD’s comments in hopes of minimizing future changes and iterations. If desired, more minimal changes to the draft HEU6 could be considered and staff could resubmit an updated draft to the State with more justification in support of the current draft assumption. With this approach, any revisions that may still be required by the State would be made in a future iteration.

If the Board agrees with staff’s recommendations on Housing Opportunity sites, deletion of Sites 53, 46, and 27 and reallocation of unit assumptions on Sites 1, 7, and 24, the result will be reductions in the number of Very Low Income units that are planned for in the HEU6 to the extent that a new site, or sites, will need to be added to meet the Regional Housing Allocation (“RHNA”) numbers plus at least a 15% buffer. **Attachment A** provides more details and suggestions for additions of sites, if needed.

After receiving direction from the Board, HCD staff anticipates revising the draft HEU6 and submitting the revised draft to CA HCD for a mandated 60-day review period. Simultaneously, staff will complete a Draft PEIR for the draft HEU6.

Timing and Next Steps:

Timing and Next Steps

Staff are simultaneously working to amend the draft HEU6 and ensure the environmental document reflects any changes needed subsequent to the 90-day and 60-day reviews by CA HCD. Notice of Preparation of the draft Program Environmental Impact Report was available for a 30-day public review period from October 21st through November 20th, 2024. The

County held a noticed Public Scoping Meeting on November 7, 2024. The environmental document is required to circulate for public review and comment once completed. This is typically a 45-day public comment period. Staff will then review and respond to comments received during the public comment period. Once the environmental review is complete and the draft HEU6 has been updated to address CA HCD comments, the HEU6 will require review by the Planning Commission for recommendation to the Board of Supervisors to certify the Programmatic Environmental Impact Report (“PEIR”) and to adopt the HEU6. Once adopted by the Board, staff will transmit the final adopted HEU6 to CA HCD for certification.

The timeline, including the steps summarized above, is as follows:

- Winter 2024-2025
 - o March 2025 - Board of Supervisors workshop on updated draft HEU6
- Spring 2025
 - o April 2025 - County submit revised draft HEU6 to CA HCD for its 60-day review period to receive a status of substantial compliance with state housing law.
 - o May/June 2026 - Public draft PEIR 45-day review period
 - o June 2025 - Receive CA HCD’s 60-day review written findings.
- Summer 2025
 - o July/August 2025 - Update draft HEU6 in response to CA HCD’s 60-day review findings
 - o August 2025 - Response to comments and release Final PEIR for 10-day public review period.
 - o August/September 2025 - Present Final PEIR, Final HEU6 and zoning ordinance amendments to Planning Commission for recommendation to Board of Supervisors
- Fall 2025
 - o September 2025 - Present to Board of Supervisors Final PEIR for certification, Final HEU6 and zoning ordinance amendments for adoption
 - o September 2025 - Submit Board adopted HEU6 to CA HCD for certification.

DISCUSSION:

See **Attachment A** for a detailed discussion.

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 commitment to a project.

Programmatic Environmental Impact Report (PEIR)

Pursuant to Government Code section 65584(a)(2), the County has a mandate to remove governmental barriers to housing production. Preparation of a PEIR is a reasonable action to complement the suite of programs in Chapter 8 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 section 21083.3(b)).

OTHER AGENCY INVOLVEMENT:

Multiple County departments are involved in the development of the General Plan draft Sixth Cycle Housing Element 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; Agricultural Commissioner; Department of Emergency Management; Department of Economic Development; Department of Social Services; and the Public Works, Facilities and Parks Department, and the Office of County Counsel.

Staff have coordinated with CA HCD on numerous issues prior to the first submittal of the HEU6.

FINANCING:

Staff time to support the General Plan Elements Updates, including preparing the PEIR, is included in the FY2024-25 Adopted Budget for HCD Unit 8543, Appropriation Unit HCD002.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This project supports the Board of Supervisors’ Strategic Initiative with revision of the Housing Element for the Sixth Cycle Update which will contribute to strengthening a diversified and healthy community by removing barriers to potential housing development and promoting jobs/housing balance. Additionally, the Board’s Administration Strategic Initiative of 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.

The Board has discussed four guiding principles to consider in developing housing programs as follows:

1. Meet the housing needs of residents and workforce;
2. Combat housing discrimination;
3. Use land efficiently; and
4. Implement a meaningfully inclusive process.

The Sixth Cycle Housing Element will further these principles and potential revisions to the draft on the “sites inventory” are being contemplated that will balance the goal of meeting housing needs with the efficient use of land.

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Reviewed by: Melanie Beretti, AICP, Chief of Planning

Approved by: Craig W. Spencer, HCD Director

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

Attachment A - Detailed Discussion

Attachment B - CA HCD Letter

Attachment C - ALUC Recommendation - Site 7 and Monterey Regional Airport

Attachment D - ALUC Recommendation - Sites 46 and 47 and Marina Municipal Airport

Attachment E - RHNA Summary from August 19, 2024 Draft HEU6

Attachment F - RHNA Summary, staff recommended updates (not including added sites)

Attachment G - Map of Site 53 in the City of Marina - Army groundwater cleanup

Attachment H - Comment Letters

Attachment I - Large Sites Table

cc: County of Monterey CAO, Health Department's Environmental Health Bureau and its Planning, Evaluation and Policy Unit; Civil Rights Office; County Administrative Office's Sustainability Program, CAO-Homeless Services, and Office of Community Engagement and Strategic Advocacy; Agricultural Commissioner; Department of Emergency Management; Department of Economic Development; Department of Social Services; Public Works, Facilities and Parks Department, Distribution List of Interested Parties