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2024 Housing Report



Health, Housing, Homelessness
& Human Services Committee

28 April 2025

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Highlights

Grant and Loan Activity Since 1980

- 261 grants valued at more than \$21,700,000 for affordable housing, public facilities and public services that primarily benefit lower-income individuals and households throughout Monterey County.
- 244 loans valued at more than \$37 million for affordable housing and public facilities primarily benefiting lower-income individuals and households throughout Monterey County.
- More than 300 homeowners assisted with down payment assistance loans, housing rehabilitation loans, or energy efficiency improvement grants.
- 1,011 affordable rental units constructed, rehabilitated, or acquired to ensure ongoing affordability.

Inclusionary Housing Ordinance Impacts Since 1980

- 290 affordable owner workforce housing units constructed to comply with the Inclusionary Housing Ordinance.
- 515 affordable rental units constructed to comply with the Inclusionary Housing Ordinance.
- Construction or rehabilitation of 178 supportive and special needs units supported with in-lieu fees collected because of the Inclusionary Housing Ordinance.

Affordable Owner Workforce Housing

- Approximately 640 deed restricted affordable units built countywide over the last 30-years.
- Approximately 700 affordable self-help units constructed countywide over the last 30-years.

Multifamily Affordable Housing

- 81 tax credit projects countywide since 1990, that created 6,200 lower-income units.
- More than \$1.623 billion invested in these projects.
- Local government-controlled funds accounted for 5.5% of these investments.

Executive Summary

This is the first Housing Annual Report since 2012. Because of the interval between reports, this report will provide information on accomplishments and activities during Fiscal Year 2023/24 and a broader picture of affordable housing throughout Monterey County.

The Housing Office, within the County's Housing and Community Development Department, is responsible for managing a variety of programs that support affordable housing and community development in unincorporated Monterey County. For FY 2023/24, the Housing Office had a budget of \$7,986,926. Funding for Housing Office activities are budgeted in five funds and six organizational units as summarized in Appendix _.

The Housing Office manages several programs including the Community Development Block Grant Urban County (CDBG), County Inclusionary Housing Program, and the Monterey County Local Housing Trust Fund. Under these programs, the Housing Office manages the County's interest in affordable housing units, developing funding streams to support development of additional affordable housing, and providing funds for public services and public facility, infrastructure, and affordable housing projects.

Community Development Block Grant – Urban County

Prior to 2013, the County applied for Community Development Block Grants (CDBG) through the State's Program. Under the State Program, HUD awards CDBG dollars to the State of California for non-entitlement jurisdictions to apply for on a project specific basis. The County used these funds for a variety of projects including down payment assistance and owner-occupied housing rehabilitation loans, public facilities, and utility planning studies.

In 2013, the County was designated as an Urban County for the CDBG Program. Designation as an Urban County allows the County to receive an annual entitlement CDBG award directly from HUD without having to compete for funding. The Urban County currently includes the cities of Gonzales, Greenfield, Marina, and Sand City. Since then, the Urban County has invested more than \$15.9 million dollars of CDBG funding to make grants and forgivable loans that have assisted 66 households with emergency rental assistance or to make energy efficiency improvements, construct or rehabilitate 126 housing units, and created 11 jobs. Public improvements to facilities and sidewalks and public services have improved access to the facilities and services for almost 88,000 people.

The CDBG program includes several legislative requirements that can make identifying eligible projects in the unincorporated area challenging. These include a requirement that 70% of the beneficiaries be low- or moderate-income individuals or households and a general prohibition on investing Urban County CDBG funds in projects located in another CDBG Entitlement Communities. In Monterey County, the cities of Monterey, Salinas, and Seaside are each separate entitlement communities.

Affordable Housing Initiatives

Working to create and retain affordable housing opportunities is a core function of the Housing Office. The County has numerous, but limited, financial resources to support affordable housing,

including grants, grant program income, and the Inclusionary Housing Ordinance. These projects represent the County's most recent efforts to support the construction and retention of affordable housing in the unincorporated areas.

Greenfield Commons I – EAH Housing

EAH Housing broke ground on Greenfield Commons I. This project, in the City of Greenfield, will provide 100 units of multi-family apartments targeted for farmworker households. This \$83,882,641 project required five different sources of state and local funding. Monterey County support for this project included a \$350,000 Community Development Block Grant (CDBG) loan for off-site improvements required by the city and a \$1,929,046 loan from the MCLHTF. The project is expected to be complete in 2025. For more information: <https://www.eahhousing.org/greenfield-commons-1/>

Hayes Circle Duplex – Veterans Transition Center

The Veterans Transition Center began work on rehabilitating a duplex on Hayes Circle, in the City of Marina. When complete, the duplex will provide additional transitional supportive housing for homeless veterans. The project is partially funded with a 2020/2021 CDBG award of \$80,500.

Lightfighter Village – EAH Housing

EAH Housing broke ground on Lightfighter Village in the City of Marina. This project on the former Fort Ord, will provide 71-units for homeless and low-income veterans and their families. The project will cost \$52,242,061 and includes a capitalized operating service reserve that ensures supportive services will continue to be available to the tenants. Project funding came from seven different federal, state, and local sources, including a \$500,115 loan from the Monterey County Local Housing Trust Fund (MCLHTF). Construction is expected to be complete in 2025. More information: <https://www.eahhousing.org/lightfighter-village/>

Kents Court

In February 2023, the Housing Office executed an agreement with Public Works, Facilities, and Parks to modernize the 19-units of affordable manufactured housing, owned by the County, on Kents Court in the unincorporated community of Pajaro. The modernization project addressed approximately 20-years of deferred maintenance and cost \$1,324,722. The modernization project addressed all the issues identified in the 2019 Facilities Assessment and included gutting the units, replacing all flooring materials, appliances, cabinets, and repairing/replacing damaged floors and sills. During the approximately four months the project was expected to take, the County was obligated to provide temporary relocation benefits to the tenants. The final cost for the modernization project, including relocation benefits, was \$2,010,055 and included a General Fund contribution of \$1,044,110.

On March 11, 2023, as the contractor was mobilizing to modernize Kents Court, Pajaro was flooded, and all residents were forced to leave the community. The living areas of the Kents Court units were unaffected by the flood waters. The flood did damage common areas of the development, including environmental contamination of soils and gravel, heating ducts beneath the units, and perimeter fencing.

Coordinating flood recovery and modernization work resulted in tenants being out of their homes from March 11, 2023, until October 13, 2023. The County is continuing to work with its insurance

carrier to recover business losses from rental income not paid while the tenants were out of their units.

Sun Rose Housing – Interim, Inc.

Interim, Inc. completed their Sun Rose Housing project in the City of Salinas in September 2023. Sun Rose Housing includes eight permanent supportive housing units, eight transitional supportive housing units and a live-in manager's unit. The project targets serving very low-income individuals with disabilities who are homeless or at-risk of homelessness. This \$8.8 million dollar project allowed Interim, Inc. to replace an outdated eight-unit supportive housing facility and replace it with nine units of permanent supportive housing and eight units of transitional supportive housing and provided additional space to provide supportive services on-site. The County supported the project with CDBG, Inclusionary, and MCLHTF grants totaling \$2,016,984.

Community Development Programs

Historically the Housing Office has managed a wide variety of state and federal grants that support community development activities. Most of these grants are competitively awarded to the County and the available funding is limited to annual appropriations, typically 1 or 2 funding cycles. These grants are more fully described in Appendix 1 – Glossary.

In 2013, the County was designated an Urban County for purposes of the Community Development Block Grant (CDBG) program. This designation allows the County to receive an annual CDBG entitlement grant directly from the U.S. Department of Housing and Urban Development (HUD). To qualify as an Urban County, the County is required to invite all cities in the County to join the Urban County at least once every three years. The Urban County will include the cities of Gonzales, Greenfield, and Sand City for fiscal years 2025-2027. In return for participating in the Urban County, these cities will receive a minimum amount of CDBG funding for eligible projects that they identify.

At least once every five years the Urban County is required to prepare a Consolidated Plan. The Consolidated Plan identifies key projects and services that communities need to improve the economic and social mobility of low- and moderate-income households and individuals. These activities are identified at a high-level, such as making public facilities ADA, but not specific projects or services to address these issues.

The Urban County is also required to prepare an Annual Plan that describes the specific projects and services that will be funded using CDBG funding. The Annual Plan allocates funding to specific projects and activities to address the issues identified in the Consolidated Plan. As part of the Annual Plan process the County issues a Notice of Funding Availability (NOFA) inviting non-profits and community-based organizations to propose projects that address the community development needs identified in the Consolidated Plan.

Income Limits and Affordable Housing Costs

The programs that the County uses to fund affordable housing, community development, and public services through the Housing Office define income limits in different ways. The following table illustrates the various ways that affordability levels are defined along with information on the maximum purchase prices and affordable rents for a 4-person household occupying a 3-bedroom unit

Income and Affordable Housing Costs

<u>Affordability Definition</u>	<u>% of AMI</u>	<u>Annual Income</u>	<u>Maximum Purchase Price</u>	<u>Maximum Monthly Rental</u>	<u>Programs</u>
Extremely Low-Income	30%	\$39,700	\$136,091	\$1,032	BR, DB, RHNA ⁱ
Very Low-Income	50%	\$66,200	\$226,932	\$1,721	BR, DB, HOME, PLHA, RHNA
Low-Lower-Income	70%	\$92,700	\$31,772	\$2,410	Inclusionary
Low-Income	80%	\$105,950	\$363,193	\$2,755	HOME, PLHA, RHNA
Moderate-Income	80%	\$105,950	\$363,193	\$2,755	CDBG
Lower-Income	80%	\$105,950	\$363,193	\$2,755	BR, DB
Median-Income	100%	\$103,200	\$412,730	\$3,442	
Moderate-Income	110%	\$113,550	\$454,124	\$3,444	Inclusionary
Moderate-Income	120%	\$123,850	\$495,315	\$3,757	PLHA
Above Moderate-Income	120%	\$123,850	\$495,315	\$3,757	RHNA
Workforce 1-Income	150%	\$154,800	\$619,095	\$1,696	Inclusionary & PLHA – High-Cost Areas
Workforce 2-Income	180%	\$185,800	\$743,074	\$5,636	Inclusionary

When determining the affordable housing cost, the California Health and Safety Code, Section 50052.5(h) uses the following assumptions when there are no applicable federal statutes applicable to a project or program...adjust for family size appropriate to the unit shall mean for a household of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two bedroom unit, four persons in the case of a three bedroom unit, and five persons in the case of a four bedroom unit.

The base affordable rent is 30% of a very low- and low-income households' annual income and between 28% and 35% of a moderate-income households' annual income. Affordable rent is further defined by the California Health and Safety Code, Section 50053(b) as ...including a reasonable utility allowance. The County uses the Housing Authority of the County of Monterey's Allowances for Tenant-Purchased Utilities and Other Services to set the reasonable utility allowance.

For purposes of establishing the appropriate household occupancy standards, the County relies on the "safe harbor" definition of two people per bedroom plus one.

The HUD methodology for performing low-income limit calculations considers factors beyond just median income. These include the statutory intent and high-cost housing areas. Because of these considerations, it is possible for the annual low-income figure to exceed the median-income.

Housing Programs

Overview

Countywide, since 1990, at least 110 affordable multifamily developments have been constructed or rehabilitated with some type of public financial assistance or to comply with local inclusionary housing requirements. These projects have created approximately 6,200 affordable units. Construction of these units has injected approximately \$1.623 billion into the Monterey County economy. The County provided financial assistance totaling \$35,013,054 to 27 of these developments. Of these units, approximately 770 are in the unincorporated areas of the County.

Over the same period, there have been at approximately 50 projects that have constructed approximately 1,230 homes for Affordable Owner Workforce Housing (AOWH). Twenty-eight projects, resulting in 297 units, were built comply with the County's Inclusionary Housing Ordinance. The largest single source of affordable homeownership opportunities were the 20-self-help projects that resulted in 698 homes.

Monterey County Local Housing Trust Fund (MCLHTF)

The MCLHTF was established by the Board of Supervisors in May 2022, with the mission of supporting affordable housing development. The MCLHTF is essentially an umbrella organization for the nine different funding sources managed by the County to promote different types of affordable housing development. These funding sources and the types of housing they can support are shown in Table 1. Appendix 3 provides an overview of MCLHTF capital.

Table 1							
	Active Program	AOWH - Downpayment Assistance	AOWH - Housing Rehabilitation	Multifamily Rental - New Construction	Multifamily Rental - Rehabilitation	Infrastructure Public Facilities	Public Services
Building Equity and Growth in Neighborhoods Program (BEGIN)	N	X	X				
CIRP	N		X				
Community Development Block Grant (CDBG)	Y	X	X		X	X	X
HOME Investment Partnership Act	Y	X	X	X	X		
Housing Enabled by Local Partnership (HELP)	N	X					
Inclusionary Housing Fund	Y	X	X	X	X		
Monterey County Local Housing Trust Fund	Y	X	X	X	X		
Permanent Local Housing Allocation (PLHA)	Y	X	X	X	X	X	
Redevelopment Housing Successor Agency	N	X	X	X	X		

In May 2022, as part of an application for a state Local Housing Trust (LHT) fund matching grant, the Board dedicated future loan repayments to the Inclusionary Housing Fund, Redevelopment Housing Successor Agency, and various housing grant programs to provide an ongoing source of

capital for the MCLHTF. The Board also dedicated future PLHA Activity 3 (Housing Trust Funds) to the MCLHTF. Local funds, including inclusionary in-lieu fees, general fund contributions, and County property used for affordable housing are eligible to match the state LHT grant. Funding from programs already restricted to affordable housing, except for PLHA, cannot be used to match the LHT grant application. The County applied for, but not been awarded, grants through the LHT Matching grant program in 2020, 2022, and 2023.

Portfolio Overview

Since 1982, the County has used grants, in-lieu fees, and tax increment to fund at least 220 loans with original principal loaned of more than \$36 million, which now falls under the umbrella of the MCLHTF. The MCLHTF currently has a loan portfolio with 111 outstanding loans, with outstanding principal of \$19,573,690.

The MCLHTF is composed of three primary portfolios: Affordable Owner Workforce Housing (AOWH)¹; Multifamily Rental, and Supportive or Special Needs Housing.

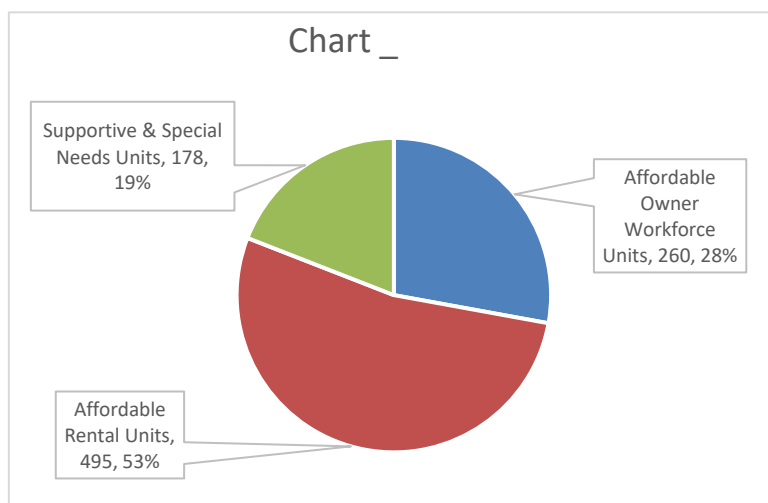
Affordable Owner Workforce Housing

AOWH assistance comes in three forms: 1) inclusionary owner-occupied units that are built by private developers to comply with the County's Inclusionary Housing Ordinance; 2) downpayment assistance loans to income qualified home buyers; and 3) housing rehabilitation loans. During the late 1990's and early 2000's the County was very

successful matching purchasers of inclusionary homes with down payment assistance loans because the income levels and purchase prices aligned with state grant requirements and the Las Palmas Ranch, Oak Tree Views, and Pasadera subdivisions brought many inclusionary units to market in a short period of time.

Most AOWH loans are deferred for 30-years and earn 3% interest. Repayment of these loans will return an average of \$163,500 in principal and \$56,800 in interest payments annually. Generally, most funding programs require that repaid principal be used to fund new loans for eligible activities. A portion of the interest and fee income may be used to pay for operation of the program.

Self-Help or Sweat Equity Housing – These projects are typically subdivisions built by affordable housing developers such as CHISPA and People's Self-Help Housing. Under these programs, project sponsor obtains grants and loans to cover the cost of land and building materials. The sponsor also provides technical assistance and controls with trade subcontractors used during construction of the homes. To qualify for the program, homebuyers are required provide a minimum number of labor hours constructing their home. Owner-builders are typically required to work on their home a minimum of 16-hours per week and cover 40-hours of work per week by



¹ AOWH is defined by the state's PLHA program as households earning up to 120% of AMI, except in high-cost areas (including Monterey County) where the limit is increased to 150%. Because of RHNA requirements capping moderate-income households at 120% of AMI, the County has elected to use the lower limit to receive credit for RHNA.

recruiting other volunteer builders. This sweat equity is used as the downpayment to purchase the home. As part of arranging project financing, the sponsor also works with the homebuyer to get an affordable mortgage. There are minimal out of pocket costs for the homebuyer. Most state and federal programs require households earn no more than 80% of AMI. These programs can be challenging because of potentially high carrying costs if the sponsor purchases unimproved land, obtain entitlements, and construct infrastructure before home construction can begin and holding land while doing the fundraising. Land with strong potential to support this type of housing is already zoned for single family development, a parcel or parcels suitable for at least 10 homes, and is in a rural area, as defined by the U.S. Department of Agriculture.

Affordable Multifamily Rental Housing

Most multifamily loans are repaid out of residual receipts, with payments first applied to accrued interest. Interest and fee income may be used for lending or operating the program. Principal repayments from this portfolio have averaged \$125,000 and generated interest income of \$25,000 annually.

Supportive & Special Needs Housing

Supportive or special needs housing is housing for specific populations that face challenges in finding or maintaining independent housing. These populations include the disabled, those with dual diagnosis psychiatric and addiction disorders, and the unhoused. Providing this type of housing comes with added challenges of financing the construction and maintenance of the units but also financing of the ongoing counseling and support that clients need to live independently. This type of housing may be traditional apartments, shared living (each client has a lockable bedroom and shared living room, kitchen and bathrooms), or congregate space (e.g., a homeless shelter).

Inclusionary & Workforce Housing

The Monterey County Board of Supervisors first adopted an Inclusionary Housing Ordinance on October 28, 1980². The first Ordinance required all projects to provide inclusionary housing on a sliding scale of between 2% and 15% based on the number of lots or units that would be created. This requirement remained in place until September 1985, when the Ordinance was only applied to projects resulting in 7 or more lots or units. The affordability level was either low- or moderate-income and the applicant's choice. The 15% inclusionary contribution remained in place until June 2000. In June 2000, the County adopted the current 6% very low-, 6% low-, and 8% moderate income inclusionary requirement and applied it to all projects with 3 or more new units or lots. These income categories all correspond to the Regional Housing Needs Allocation (RHNA) income categories.

Over the last 44-years, the term of affordability and resale requirements have undergone several changes. The original Ordinance required units to remain

One of the Board of Supervisors objectives when it adopted the Ordinance was to integrate affordable housing into market rate housing developments.

This is one area where inclusionary ordinances nationally have achieved some success versus traditional affordable housing developments.

² Reconstructing an accurate history of the Inclusionary Housing program is challenging. In the early years of the program, it was administered by the Housing Authority for the County of Monterey. HACM records indicate that at least 70 projects were subject to the Ordinance under their stewardship. Unfortunately, the HACM records were destroyed, and it is not possible to reconstruct the exact affordability levels or which planning files the projects were associated with.

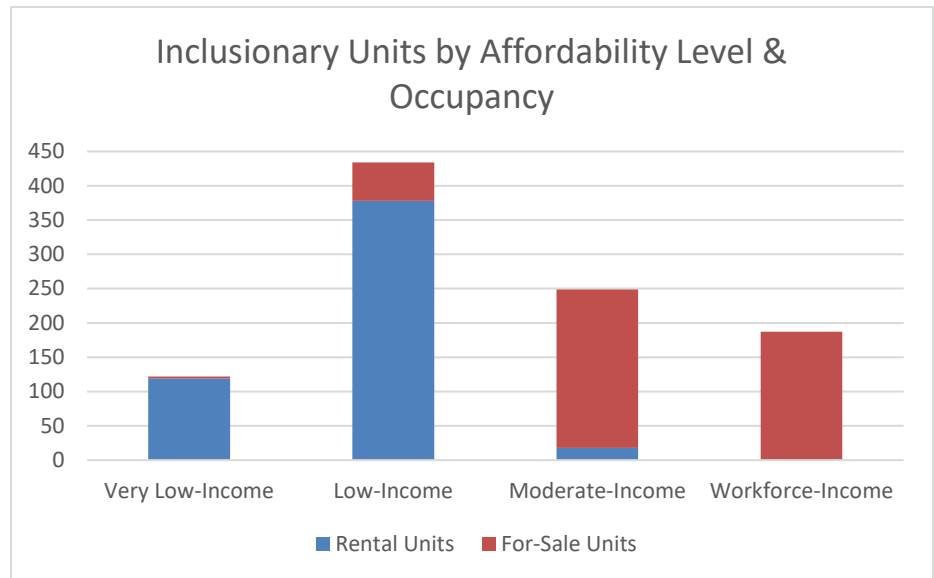
affordable for 59-years. Beginning in 1981, the Ordinance adopted a 20-year term of affordability for owner-occupied units and perpetual affordability for rental units. Between 1981 and May 1994, the Ordinance required owners who sold or refinanced to pay the County 10% of the appreciated value. The affordability term for owner occupied units was changed to 30-years in May 1994. Inland General Plan Land Use Policy LU-2.11 also adopted a bifurcated term of affordability for owner-occupied units. Units located within Redevelopment Project Areas had a 45-year term of affordability, in other areas of the County the term was 30-years.

Inland General Plan Land Use Policy LU-2.11, adopted in October 2010, added a 5% workforce-income requirement. The workforce income category corresponds to the RHNA Above Moderate-income category, which the County has consistently met. Prior to formal adoption in 2010, several projects had voluntarily included workforce units in their projects. Sale of these units has been challenging because, depending on the market cycle, they can be priced very close to market rate and purchasers are put off by restrictions on things like finish upgrades or the resale restrictions. These challenges caused the Board of Supervisors to release the first workforce units, at the Commons at Rogge Road, before any could be sold because the developer could not sell them with the income and upgrade restrictions. The East Garrison workforce units required significant seller concessions and only required a one-year term of affordability. The short term of affordability created a lot of staff work to income qualify households, prepare the required documents, and then release the County's interest for comparatively little return.

In December 2020, the County received a letter from the California Department of Housing and Community Development regarding the 2010 Inland General Plan Land Use Policy LU-1.19, the Development Evaluation System (DES). In the letter, HCD informed the County that LU-1.19, which imposed a 35% inclusionary requirement, that was not analyzed nor included in the County's adopted 5th Cycle Housing Element, created a constraint to the development of housing. Because LU2-11 imposes an additional affordability requirement above the inclusionary 20% and was not analyzed as a potential constraint to the development housing, the County could be challenged when implementing this requirement.

Since the County adopted the first Inclusionary Ordinance, approximately 400 projects have been analyzed to see if they were subject to its requirements. These projects, if constructed, would have created approximately 8,700 new lots with approximately 12,000 housing units. If the current Ordinance and General Plan requirements applied to all these projects, the average project would result in 1 very low-, 2 low-, 2 moderate, 2 workforce-income, and 22 market rate units and pay a fractional in-lieu fee of approximately \$47,580.

In practice, the Ordinance has resulted in private construction of 992 deed restricted affordable units. Approximately 52% of the units are rental and 48% are for-sale. Projects with rental units typically have deeper levels of affordability than for-sale units. Overall, the Ordinance has created 122 very low-, 434 low, 249 moderate-, and 187 workforce-income units since 1980.



The County has released 300 units from the inclusionary or workforce affordability requirements. Most releases occur when the term of affordability ends (52%) or units are foreclosed upon by senior lenders. In very rare cases, the Board of Supervisors has also released units for hardship reasons. In 2008, due to market factors, the Board released 123 workforce-income units at the Commons at Rogge Road that the developer was unable to sell with resale restrictions and restrictions of upgrades purchasers could include in the unit.

The Inclusionary Housing Ordinance has always allowed developers to comply in ways other than constructing units on-site. Developers have taken advantage of these provisions to pay approximately \$5.6 million in in-lieu fees and, in two instances, land donations that were subsequently developed with deed restricted multifamily rental units. These in-lieu fees have supported the creation of 232 very low-income units, 169 low-income units and 6 emergency shelter beds for unhoused women. With an average of 17-units per development, these projects are less competitive for traditional sources of affordable housing financing. Inclusionary In-Lieu Fees are essential to making them possible.

Housing Development Patterns

A review of County records dating back to 1985 indicates that approximately 400 applications have been evaluated for compliance with the Inclusionary Housing Ordinance. These projects proposed creation of approximately 8,700 new residential lots and 12,000 residential units. A review of these records indicates:

- 66% of applications are for projects with less than 19 new units, representing only 11% of units proposed. which means projects have a small number of units to share the cost of affordable housing and any infrastructure that is required.
 - Under the current Inclusionary Housing Ordinance, a 19-unit project would contribute 3.8 affordable units (1 very low-, 1 low- and 1-moderate-income unit and pay a 0.8 fractional unit in-lieu fee)
- Approximately 23% of the units proposed have been withdrawn from consideration or the applicant allowed the entitlements to expire, including the 1,077-unit Rancho San Juan/Butterfly Village.
- Most projects in the County result in subdivisions with ready to build lots and shared infrastructure, e.g. Pasadera, Santa Lucia Preserve, September Ranch, and Tehama.

Financing construction of unbuilt affordable units for a low- or moderate-income purchaser can be almost impossible without significant public financial support.

- Projects take a long time to progress from approval of entitlements to construction of residential units.
 - One Carmel/September Ranch was entitled in 2007 and horizontal construction did not begin until 2023.
 - East Garrison was entitled in 2006, and construction of the remaining 405-units is not expected to begin before 2026.

Most projects subject to the Inclusionary Housing Ordinance that create home ownership opportunities, do so for moderate-income households. The exceptions are projects developed in existing communities to create “Inclusionary Credits” that could be used to offset Inclusionary requirements for projects in more rural areas. The two most prominent examples are Chapin Village and the Tankersley subdivisions in Castroville. Of the 21-units built, 15 were sold to low-income households. The off-site Oak Tree Views subdivision created moderate-income home ownership opportunities long before all residential lots in Carmel Woods, Monterra Ranch, and Tehama were sold. Because these projects are bringing more than one or two affordable units to market at once, the County was also able to apply for grant funding to provide downpayment assistance to income qualified purchasers, in some cases making deeper affordability beyond what the Ordinance required.

Century Community Partners, developers of East Garrison, have not constructed any of the required very low- and low-income inclusionary units at their cost. They sold land to CHISPA and Mid-Peninsula Housing to develop these units on their behalf with the non-profits using traditional affordable housing finance programs and Redevelopment Housing-Set Aside funds to build the units.

Kents Court

The County owns 19 manufactured housing units in the unincorporated community of Pajaro. These units were initially developed as temporary housing for residents displaced by South County Housing’s Salinas Road project (Nuevo Amanacer). The County assumed ownership of the units in 2010 when South County Housing defaulted on a loan from the Redevelopment Agency that was used to acquire the units and make site improvements. This default was anticipated when the loan was made, and the County planned to continue using the units as temporary housing for tenants in North Monterey County displaced by code enforcement activities. The code enforcement program never took root, and the units transitioned into the permanent housing stock. South County Housing continued to manage the units for the County with staff based at Nuevo Amanacer until 2012, when they withdrew their services.

The units, but not the underlying land, are restricted to occupancy by lower-income households. Unlike most 100% affordable housing project, Kents Court does not receive project based rental subsidies through United States Department of Housing and Urban Development (HUD) Housing Choice Voucher or the United States Department of Agriculture (USDA) Multifamily Housing Rental Assistance program. The County will apply for project-based Housing Choice Vouchers when the Housing Authority of the County of Monterey issues a request for proposals. These vouchers, if awarded, will provide additional financial stability for the property.

In addition to working to secure project-based vouchers, the County is exploring other options for continuing ownership of this project. Options include looking for a new affordable housing provider to take ownership of the property or establishing a cooperative to take ownership of the underlying land and selling the units to income qualified households, primarily existing tenants. To undertake either of these options, the County needs to capitalize a replacement and repair reserve and/or a downpayment assistance fund. This will ensure that the property is transferred with sufficient financial capacity to make the transition to new ownership successful.

Types of Financing Offered

The Housing Office enters into grant and loan agreements, depending on the source, ultimate use of the funding, the recipient's financing needs, and ability to repay debt. During the last fiscal year, the County issued 14 grants totaling \$2,063,475 and made one loan valued at \$500,115.

Affordable Owner Workforce Housing Financing

Loans for AOWH down payment assistance and housing rehabilitation generally have 30-years terms. During the term of the loan, repayment is not required. By deferring these loans, the borrower's monthly debt-to-income ratios are lowered making it easier for them to service their first mortgage loan.

The downside to this deferral is that the interest accrued over 30-years can take a significant chunk of equity when the borrower pays the loan off. The

County charges three percent simple interest on these loans with no origination or documentation costs. The County typically funds these loans with state or federal grants and payments on outstanding loans.

Affordable Owner Workforce Housing (AOWH) is a term defined by the state's Permanent Local Housing Allocation (PLHA) program. PLHA requires 20% of funds statewide be used to support AOWH opportunities. PLHA defines AOWH as up to 120% AMI or 150% AMI in high-cost areas such as Monterey County.

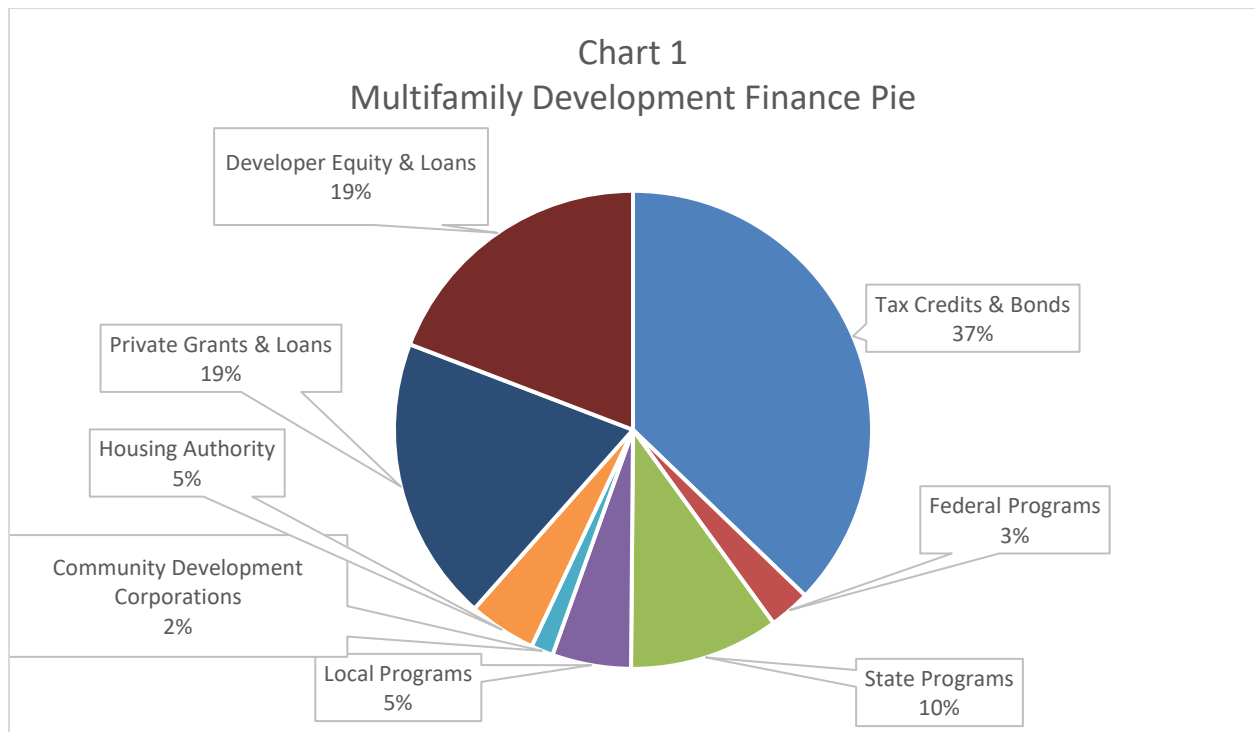
These programs can be challenging to administer for several reasons. These programs are funded with grants or program income³, which are unpredictable revenue streams. Because these revenue streams are inconsistent, it makes it challenging to continuously operate a lending program. Additionally, because there can be long periods when there is no lending activity, it can be challenging to hire and retain staff with the right qualifications to underwrite and document these loans. The funding programs themselves may also have requirements that make finding eligible homes and purchasers challenging. For example, 2024 HOME Program guidelines, expect a 4-person low-income household (annual income of \$105,950) to be able find and purchase a home in Monterey County for less than \$626,000. For these reasons, the County is not currently marketing these programs.

Affordable Multifamily Rental Housing

County financial assistance is not usually the only source of financing for multifamily rental projects, it is part of a larger financing ecosystem. The largest source of funding is the tax credit program. Since the first tax credit project was approved in 1990, affordable housing developers have used at least 75 different sources of funding with an estimated value of at least \$1.758 billion to create 5,900

³ Program Income is defined slightly differently from program to program, but generally it includes all fee and interest income on loans. Principal repayments may either be considered program income or restricted to only being used to fund new, eligible, loans.

affordable units. Putting together the financing required for these projects requires matching affordability requirements, tenant eligibility/targeting, geographic targeting, with the available financing programs. The average project has required 6.3 different sources, but some have required as many as 15 different sources, and generally takes at least 3-years to put the entire finance package together. Between 2020 and 2023, there were nine tax credit or California Housing Accelerator projects in Monterey County. These projects cumulatively cost \$414 million, created 737 affordable units at an average per unit cost of \$525,131. Chart 1 provides a breakdown on the different sources of financing used since 1990 to put together tax credit and California Housing Accelerator projects. While local funding accounts for only 5% of the total, it is important because these investments demonstrate local community support for the project.



Other Types of Housing

Employer Sponsored Housing

The Housing Office does not have a formal role in developing or managing Employer Sponsored Housing (ESH). Most ESH projects are exempt from the Inclusionary Ordinance because they provide housing for farmworkers. There has been one multifamily rental project subject to the Inclusionary Ordinance that is also subject to ESH regulations. The project is the Pebble Beach Company's Morse Place Apartments. These units provide housing for families where at least one household member is an employee of the Pebble Beach Company. Developers of other inclusionary projects have expressed an interest in building family apartments and leasing them to businesses for use as ESH units. This allows the developer to help increase the income generated on income-restricted units by having the business effectively provide a rental subsidy on the units.

ESH is housing made available to employees as a condition of employment. ESH is regulated by the California Employee Housing Act (Health and Safety Code, Division 13, Part 1, Section 17000 through 17062), the federal Occupational Safety and Health Act (29 CFR, Part 1910.142), and the Migrant and Seasonal Agricultural Worker Protection Act (29 CFR, Part 500). There are three agencies that issue ESH permits and perform the required annual inspections in Monterey County. They are:

- California Department of Housing and Community Development – projects not located in Gonzales or unincorporated areas of the County.
- City of Gonzales – projects within the city limits of Gonzales.
- County of Monterey, Health Department, Environmental Health Bureau (EHB) – projects in the unincorporated areas of the County.

ESH is typically some type of shared housing with differing levels of amenities. The key regulatory elements relate to the amount of space available per employee and the health and safety requirements for the facilities. ESH facilities are not required to have cooking facilities or mess halls but must provide some meals if these facilities are not available on-site. ESH does not automatically mean that the units will be occupied by H-2A visa holders (temporary agricultural workers). Employers are required to provide housing for H-2A workers but must make the employment opportunity available to people in the United States legally on the same terms and conditions as H-2A workers before the visas will be issued. Anecdotally, the County understands that some of the purpose built ESH have been occupied by agricultural workers who previously would not work in Monterey County due to housing issues.

As of February 2024, these agencies issued permits for 353 active ESH facilities. These facilities have the capacity to house approximately 14,000 employees. Most of these facilities are for seasonal agricultural employees, but there are a few employers in Big Sur that provide housing for seasonal hospitality workers. There are also four projects that provide year-round housing ESH for families. These include two projects in the Greater Monterey Peninsula Planning Area that are tied to specific employers. There are also affordable housing projects in the Central Salinas Valley Planning Area and Pajaro that are permitted by EHB as ESH but not tied to specific employers. These two projects are the County's Kents Court development and Eden Housing's Camphora Highland Apartments. The permits were held over from prior owners and the properties have not been released by EHB.

Approximately 70% of the ESH facilities are in incorporated cities with the balance in unincorporated Monterey County. More than half of the employee beds are in 1,805 hotel rooms.

An additional 77 single family homes and 115 apartments have been permitted for use as ESH, removing them from the market. Over the last 10-years, private developers and agricultural employers have been constructing what are essentially two-bedroom apartments that meet the space requirements to house up to eight, unrelated, people. There are 15 such projects in the County, with 484 apartments, capable of housing up to 2,777 people.

Appendix 14 shows the communities where employer sponsored housing is located, the number of employees housed, and the types of housing units used for this purpose.

Housing Cooperatives & Community Land Trusts

- Cooperative Las Tres Palmas – 21-unit manufactured home community in Pajaro registered as a 501(c) to “lessen the burden of government by assisting in the provision of housing to low-income households”. The County provided a loan from the Inclusionary Housing Fund to construct a small community center in the community.
- Opportunity Land Trust – formed in 2024, creates deed-restricted affordable housing in collaboration with local governments, nonprofits, and for-profit developers. OHT's initial focus is on creating accessible housing for the Monterey Peninsula and Big Sur Coastline workforce using high-efficiency housing construction and innovative financing models.
- San Jerardo – 67-unit, low-income farmworker community 7-miles outside of Salinas. In 2006, when the community water system essentially failed, the County used a \$1,000,000 CDBG grant and approximately \$2,394,800 in other state and local funding to replace it.
- Una Nueva Esperanza – A community land trust started in 1995. This CLT developed an 11-lot residential subdivision in Boronda. The lots are leased to income qualified homeowners for 99-years, who own and maintain their units. Units must be resold to income qualified households to qualify for the land lease. The County provided a combination of funding from CDBG, Inclusionary Housing Fund, and Redevelopment Low-Moderate Income Housing Trust Fund to construct the shared infrastructure that made the project possible. The County also provided downpayment assistance loans to some of the purchasers of the new homes.

5th Cycle Housing Element – Housing Production

Every eight years every land use jurisdiction in the state is required to adopt a Housing Element. The purpose of this document is to examine the current state of residential development, consider what local programs and policies maybe impeding residential development, what policies and programs could be adopted to encourage development, and ensure that the jurisdiction has zoned sufficient land to meet the jurisdictions Regional Housing Needs Allocation (RHNA).

The 5th Cycle Housing Element ran from 2015 through 2023. Countywide, the 12 cities and the County were required to plan for 7,386 new housing units during this eight-year period. Of these units, 4,290 (58%) were to be affordable to very low-, low-, and moderate-income households. The County was required to plan for 1,551 units, of which 900 were supposed to be affordable.

The following tables and charts cover the years 2018-2023⁴ and are based on information available through the California Department of Housing and Community Development’s Housing Element Implementation and APR Dashboard website (<https://www.hcd.ca.gov/planning-and-community-development/housing-element-implementation-and-apr-dashboard>). Because this data is not available for all eight years of the 5th HE Cycle, it is an incomplete picture of the actual housing production for the period.

During the six-year period, the County and 12 cities issued 5,499 building permits. Of these permits, 1,199 were for units affordable to very low-, low-, or moderate-income households. Countywide, building permits were issued for 48% of the RHNA and 47% of the affordable unit goal. Building activity in unincorporated areas accounted for 1,181 of the building permits and 303 of the affordable units. Table 1 provides additional detail on the County’s RHNA affordability and building permits. Appendix _ provides this information for all cities within the County.

	RHNA	BP Issued	RHNA Performance
Very Low-Income	374	7	2%
Low-Income	244	284	116%
Moderate-Income	282	12	4%
Above Moderate-Income	651	878	135%
Total	1,551	1,181	

Unincorporated Area Trends

- 41% of all single-family building permits were in projects approved in the 3rd or 4th housing element cycles.
- 9% of single-family building permits did not result in new units but were issued for tear down remodels or to replace homes destroyed by disasters.
- 75% of multi-unit building permits were for employer sponsored housing and the remaining 25% were at East Garrison.
- Without employer sponsored housing built by agricultural employers, the County would not have met its RHNA target low-income housing units.

⁴ In 2018, year three of the 5th Housing Element (HE) cycle, the State Department of Housing and Community Development implemented a new annual report. The new reporting format provides more transparency in understanding housing development patterns. The new report captures when residential permit applications are received, when entitlements are approved, when building permits are issued, and when a certificate of occupancy is issued. State HCD counts housing units created for the RHNA when the building permit is issued.

Countywide Trends

- 48% building permits are associated with subdivisions approved more than 5-years ago, and in some cases dating back to projects approved in the early to mid-1990's.
- 25% of building permits issued, were associated with projects located on the former Fort Ord.
- 37% of building permits countywide were for rental housing compared to only 22% in the unincorporated areas.
- 85% of ADUs were permitted after 2021, when SB9 took effect and made it easier to build these types of units.
- Permits for single family units (attached and detached) decreased from a high of 513 in 2018 to 121 in 2022 before recovering to 242 permits issued in 2023.
- Greenfield was the only jurisdiction in the County to plan for and issue building permits to meet its 5th Cycle RHNA targets for very low-, low-, and moderate-income, and did so in only six years.

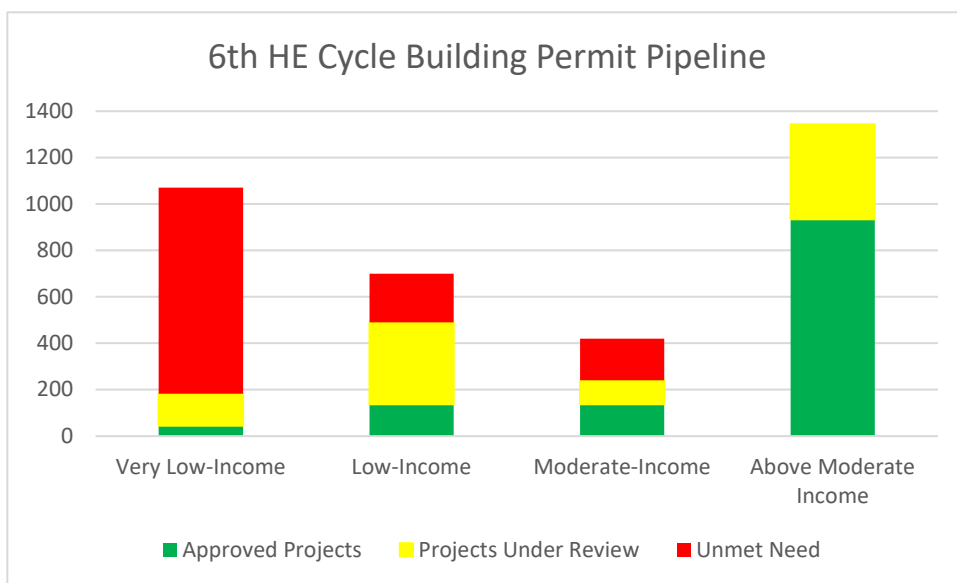
6th Cycle Housing Element

During the 6th Cycle Housing Element, the County and 12 cities are required to plan for 20,295 new residential units. This is a 275% increase over the requirement for the 5th Cycle. The unincorporated areas are expected to accommodate 3,326 of these units. The unincorporated areas of the County are expected to accommodate 24% of the very low-, and 24% of the low-income units allocated countywide.

6th Cycle RHNA Allocations

	Very Low- Income	Low- Income	Moderate- Income	Above Moderate- Income	Total by Jurisdiction
Carmel-by-the-Sea	113	74	44	118	349
Del Rey Oaks	60	38	24	62	184
Gonzales	173	115	321	657	1,266
Greenfield	101	66	184	379	730
King City	97	63	178	364	702
Marina	94	62	173	356	685
Monterey	1,177	769	462	1,246	3,654
Monterey County	1,070	700	420	1,136	3,326
Pacific Grove	362	237	142	384	1,125
Salinas	920	600	1,692	3,462	6,674
Sand City	59	39	49	113	260
Seaside	86	55	156	319	616
Soledad	100	65	183	376	724
Total by Affordability	4,412	2,883	4,028	8,972	20,295

As of February 2024, the County had 19 approved projects in the housing pipeline. These projects, at buildout, will result in 45 very low-, 137 low-, 137 moderate-, and 934 above moderate-income units. There were an additional 15 projects undergoing planning review. These projects propose constructing 138 very low-, 353 low-, 104 moderate-, and 410 above moderate-income units.



Housing Office Strategic Plan

In March 2025, the Housing Advisory Committee (HAC) considered a multi-year strategic plan for the Housing Office and its programs. The objective of the strategic plan is to establish a baseline understanding of specific local economic, environmental, financing, and policy considerations that impact the development of new, and retention of existing, affordable housing. Once that baseline has been established, the County can effectively design and implement appropriate financial and land use policies to encourage affordable housing. The Strategic Plan also provides a framework for creating annual work plans and goals to achieve the long-term goal of having a sustainable affordable housing inventory.

Affordable Housing Plan

Vision: To create a viable plan for increasing the production of affordable housing throughout Monterey County and understanding where the County's Inclusionary Housing Ordinance and Monterey County Local Housing Trust Fund (MCLHTF) fits into that plan.

- Request for proposal (RFP) to identify and select consulting firm/team to prepare plan that:
 - Explains the existing residential development conditions in unincorporated Monterey County and the 12 cities.
 - Examines the macro and microeconomic factors of housing development at the national, state, and local levels.
 - Identifies counties like Monterey County and how they address affordable housing and an analysis of why their affordable housing strategies succeeded or failed.
 - Identifies different financing models that could be used to capitalize the MCLHTF, i.e., state and federal grants, a documentary transfer tax, etc.
- The Affordable Housing Plan Study will result in policy and program recommendations to stimulate private and public development across all affordability levels and recommended strategies to increase city/county cooperation and how the County's Inclusionary Housing Ordinance fits into the overall strategy.
- Monterey County eligibility and competitiveness for state and federal Pro Housing designation and grant programs

Funding: Limited housing funding is available and will require a budget augmentation.

Timeline: Complete by December 31, 2026.

Monterey County Local Housing Trust Fund

Vision: MCLHTF as financial and physical resource fund to support affordable owner-occupied workforce housing and multifamily projects in a timely manner.

- Regional approach to maximize funding & project pipeline
 - How to approach cities to get buy-in to regional approach
 - Shared staffing resources to manage down payment assistance and housing rehabilitation programs
- Community Land Trust
 - Acquire property and lease to affordable housing owners, i.e. Una Nueva Esperanza model

- Acquire natural resources, e.g. water rights, for use stimulating affordable housing production
- Ongoing recapitalization
- Implementation Steps
 - Governance
 - County of Monterey
 - Joint Powers Authority
 - Other non-profit board
 - Drafting program policies and procedures
 - Drafting program documentation
 - Program implementation

Funding: Intent is for MCLHTF to be self-sustaining once funding mechanisms are in place. Program design and set-up will require a budget augmentation.

Timeline: Complete initial program design by June 30, 2027.

Inclusionary Housing Ordinance

Vision: Continue implementing the Inclusionary Housing Ordinance resulting in some affordable units and some in-lieu fee revenue to capitalize the MCLHTF pending completion of Affordable Housing Plan

- Update in-lieu fees with existing Ordinance
- Update Administrative Manual to reflect experience over last 20-years
- Drafting Inclusionary Developer Agreements & agreements for density bonus and SB330/Builder's Remedy affordable units

Funding: Currently funded through the Inclusionary Housing Fund.

Timeline: Complete by December 31, 2025.

Kents Court

Vision: To maintain the property as a safe and stable place to live until the County disposes of the property.

- Property Manager RFP
- Short-term property management issues
 - Eugene Burger not responsive to returning rent proceeds or submitting invoices
 - Need on-site presence to collect rent and handle tenant work orders
 - Preventive Maintenance (PM) Schedule and implementation
 - Facilities is working on preparing this Schedule
 - May need to use Facilities/JOC contractors to perform PM
- Long-term property plans
 - Maintain as County owned
 - Transfer land to Community Land Trust, lease space to residents for \$1/year and sell units to residents with affordability restrictions on who can lease space.
 - Transfer to affordable housing developer to continue managing as affordable housing
 - Resident owned co-op manufactured home park
 - Relocate tenants & redevelop/sell property

Funding: Kents Court is intended to be self-sustaining but may require budget augmentations if units are damaged beyond repair.

Timeline: Board direction on ultimate disposal plan adopted by December 31, 2025, with disposal complete by December 31, 2030.

Housing Element 6 Implementation Support

Vision: Ensure timely implementation of Housing Policies and Programs.

- Strength, Weakness, Opportunity & Threat (SWOT) Analysis of policies (must identify specific elements of County Code and policies, not general statements), programs to identify specific areas that need to be addressed. The following are proposed main topic divisions for SWOT analysis.
 - Finance
 - Land Use Policies
 - Resources
- Water Allocation Policy Development
 - Leverage water credits to construct affordable units and market rate, what is appropriate “pricing” ratio?
 - Transfer of State Parks “unneeded” water allocation to MCLHTF for affordable housing in Monterey Peninsula Water Management District service area

Funding: Unknown if additional funding is required currently.

Timeline: The HAC will review one policy or program every other month during calendar 2025 with staff during public meetings and development specific implementation steps.

Administration & Staff Management

Vision: To effectively manage the County’s affordable housing and community development activities by implementing technological solutions, standardizing policies and procedures, and developing updated document templates.

- Improve asset and grant management by implementing new software solutions (possible joint RFP/Qs with Monterey, Salinas, and Seaside):
 - Loan Servicing
 - Grant Management
 - Portfolio Management
- Develop written policies and procedures for the following operational areas:
 - Inclusionary Housing Developer Relations
 - Inclusionary Housing Owner Occupied Relations
 - Affordable Housing Monitoring
 - Community Development Block Grant (CDBG) application processing, review, recommendations, subrecipient management, and grant management.
- Streamline preparation of affordable housing documents through new master templates and templates for program specific attachments, i.e., HOME or Permanent Local Housing Allocation funding.
 - Goldfarb Lipman is on retainer, and this included in contract scope of work.
 - May need additional, non-housing, funds to complete effort.

Funding: Limited funding is available through grant allowances for general administrative activities, fees collected for services, and Inclusionary In-Lieu Fees. A budget augmentation may be required to fully implement all activities.

Timeline: December 31, 2025.

Reporting Activities

Vision of Housing Office as repository of housing production information and ability to analyze data to inform policy and program development

- Annual Housing Report
- Portfolio management & reporting - Loan servicing software needed (working w/ finance to select and have on-line 7/1/25)
- Annual Housing Element Annual Progress Report – Acella support
- Annual Department of Finance Housing Permit Report – Acella Support
- Current Data Collections
 - Affordable Housing Inventory – Multifamily
 - Affordable Housing Inventory – Owner Occupied
 - Housing Element APR Table A2 2018-2023 for all Monterey County Jurisdictions
 - Inclusionary Historic Data
 - Grant and Loan Master Lists
 - Housing Pipeline

Funding: Funding through current grants and General Fund augmentation for Housing and Community Development.

Timeline: Ongoing.

Appendix 1 – Glossary

1) Acronyms and Definitions

- a) AMI – Area Median Income is defined as the midpoint of a specific area's income distribution and is calculated on an annual basis by the Department of Housing and Urban Development (HUD). HUD refers to the figure as median family income (MFI), based on a four-person household.
- b) AOWH – Affordable Owner Workforce Housing, a state mandated income group covering households with incomes between 80% and 120% of Area Median Income but can include households of up to 150% of AMI in state defined High-Cost areas (Monterey County is a High-Cost area). Statewide, 20% of all Permanent Local Housing Allocation funding must be used to benefit this income category.
- c) PI – Program Income is income earned on loans and includes fees and loan interest paid. It does NOT include principal paid. The County can generally use a specified percentage of PI for administering the program (CDBG=20% and HOME=10%). The County has not typically budgeted CDBG PI for administrative costs and directed them towards affordable housing, infrastructure, or public facility projects.

2) Federal Grant Programs

- a) CDBG - The Community Development Block Grant (CDBG) Program supports community development activities to build stronger and more resilient communities. To support community development, activities are identified through an ongoing process. Activities may address needs such as infrastructure, economic development projects, public facilities installation, community centers, housing rehabilitation, public services, clearance/acquisition, microenterprise assistance, code enforcement, homeowner assistance, etc.
- b) NSP – Neighborhood Stabilization Program, a federally funded program to primarily purchase, rehabilitate, and sell foreclosed homes to income qualified households or to create housing opportunities for income qualified households. The County used Round 1 funding (received through the state) to purchase, rehabilitate and sell foreclosed homes to income qualified households following the 2002 housing bubble. The County used grant funds to purchase and rehabilitate homes and proceeds from sale of those homes to purchase additional homes. The County also used NSP1 funds to provide downpayment assistance loans to the homebuyers. The loans were forgivable if the purchaser lived in the home for a specified period. If the loans were repaid, funds were initially returned to the state. Now loan repayments are deposited to the CDBG program. The County used Round 3 funding received directly from HUD to support Interim, Inc.'s Rockrose Housing development and purchase two single family homes for HOPE Services, Inc. The NSP was established specifically to respond to the 2008 real estate collapse.

3) State Grant Programs

- a) HELP – Housing Enabled by Local Partnership
- b) HOME – The HOME Program is a federal formula grant program that provides annual allocations to states to increase and preserve the supply of decent, safe, and sanitary affordable housing specifically for serving low-income [at or below 80 percent (80%) of Area Median Income (AMI)] and very low-income [at or below 50 percent (50%) of AMI] households. The HOME program provides loans for multi-family rental new construction and rehabilitation projects with or without acquisition, first time home buyer projects (newly constructed homes sold to income eligible families) and grants to state recipients to operate

first-time home buyer down payment assistance, owner-occupied rehabilitation, and/or tenant-based rental assistance programs.

- c) LEAP – Local Early Action Planning Grant
- d) PLHA – Permanent Local Housing Allocation, a state funded program. PLHA is funded through statewide recording fees on certain times of real estate documents. The fees are collected by County Clerk-Recorders and forwarded to state HCD. Most of the PLHA funds are allocated to CDBG entitlement communities based on their proportional share of CDBG entitlement funds received by the jurisdiction. A portion of the funds are reserved for non-entitlement communities and distributed competitively to non-CDBG entitlement communities. PLHA was established to replace the redevelopment Low-Moderate Income Housing Trust Fund that received 20% of the annual tax increment received by redevelopment agencies.

More information on the PLHA program can be found at

<https://www.hcd.ca.gov/grants-and-funding/programs-active/permanent-local-housing-allocation>.

The County's PLHA Annual Reports can be found at

<https://www.countyofmonterey.gov/government/departments-a-h/housing-community-development/planning-services/community-development-project-program-financing/permanent-local-housing-allocation-plha>

- e) REAP – Regional Early Action Planning – Program to help jurisdictions “jumpstart” planning and implementation activities related to the 6th Cycle Housing Element.
- f) SB2 – Senate Bill 2 – The first round of PLHA funding generally supporting planning for and developing the County's 5-Year PLHA Plan.

Appendix 2 – Community Development & Housing Programs Financial Organization

					FY2024/25 Recommended Budget Book Page
<u>Fund</u>	<u>Org.</u> <u>Unit</u>	<u>Name</u>	<u>Funding Sources</u>	<u>Grants Included</u>	
009	8544	Inclusionary Housing	Inclusionary In-Lieu Fees, fees for services, loan principal & interest payments	General Fund contributions to capitalize the MCLHTF and estimated land value of 845 E. Laurel/Eden Housing property for match to state LHT grant program.	466
013	8545	Community Development Reuse	State Grants, fees for services, loan principal & interest payments	CHRP - AOWH Housing Rehabilitation HELP - AOWH Acquisition HOME - All Housing LEAP - Planning PLHA - MCLHTF Capital, Homeless Services REAP - Planning SB2 - Planning	467
013	8546	Community Development Grant	Federal Grants, fees for services, loan principal & interest payments	CDBG - Affordable Housing, Infrastructure, Public Facilities, Public Services CDBG payments are not placed in an affordable housing revolving loan fund and are not included as ongoing revenue for the MCLHTF.	468
175	8547	Castroville / Pajaro Housing Successor Agency	Fees for services, loan principal & interest payments Kents Court lease payments.	None, with dissolution of redevelopment in 2012, there is no new source of capital for this fund.	469
176	8548	Boronda Housing Successor Agency	Fees for services, loan principal & interest payments	None, with dissolution of redevelopment in 2012, there is no new source of capital for this fund.	

Fund 009 – Inclusionary Housing

This Fund was established in 1981, to ensure that in-lieu fees a collected by the County pursuant to its Inclusionary Housing Ordinance were kept segregated from the County General Fund and remained available for affordable housing projects. In-lieu fees are used to make grants and loans to support additional affordable housing construction. Loan repayments are relent for the same purpose.

Income for the Inclusionary Housing Fund comes from a variety of fees and loan repayments. The largest source of income is In-Lieu Fees paid by developers instead of building affordable units as part of their project. In-lieu fees have accounted for 39% of the funds deposited into the fund between fiscal years 2010 and 2024. Loan repayments accounted for an additional 28% of the

The Housing Authority of the County of Monterey managed the Inclusionary Housing Program financial assets and provided income verification services for households interested in owning or renting inclusionary units between 1980 and approximately 1990.

The HACM files related to the management of the Inclusionary Program were destroyed in a flood, resulting in an incomplete documentary record of the program.

revenue received by the fund. Beginning in 2011, the County began assessing fees to income qualify tenants and process refinancing/resale transactions and one-time loan origination and annual monitoring fees for multifamily loans. These fees account for an additional 18% of revenue. All loan origination and monitoring fees are deposited in the Inclusionary Housing Fund regardless of the funding source. Income for this fund has been highly variable over the last 15-years, ranging from \$22,483 in total revenue in 2024 to \$249,087 in 2016. The annual average and median revenues over this period have been \$137,228 and \$134,820.

Fund 013 – Community Development

This Fund was established prior to 1997 and included with two organizational units. The organizational units were to provide lifecycle management of state and federal grant funds and subsequent program income earned from the initial grant activities. Generally, grant regulations require that the recipient be able to track and account for the funds separate from the recipient's general fund.

Organizational Unit 8545 was initially used to track all payments made on loans funded with grants and ensure that these payments were reused for eligible activities. This Organizational Unit has been used since at least 1995. Each grant source had an associated revolving loan account within the Organizational Unit. Since 2021, the County has used Organizational Unit 8545 to budget state grants and program income received from those original activities.

Organizational Unit 8546 was established to manage grant funds when they were initially awarded and used as intended. If the intended use was to capitalize a revolving loan fund, the subsequent repayment and relending of program income was done through Organizational Unit 8545. Since 2021, the County has used Organizational Unit 8546 exclusively for funds related to the Community Development Block Grant (CDBG) program.

Funds 175 and 176 – Low-Moderate-Income Housing Trust Fund

These funds were established for each of the County's redevelopment project areas. Fund 175 for the Castroville-Pajaro project area and Fund 176 for the Boronda project area. Between 1985 and 2012, these funds received 20% of the annual tax increment generated by the redevelopment project area. A separate fund was created for the Fort Ord redevelopment project area when it was established. This fund was dedicated specifically to affordable housing in East Garrison and there is no, unallocated, residual income.

Use of RDA Housing Trust Funds was restricted to supporting the creation and retention of affordable housing within the redevelopment project area. The Redevelopment Agency Board of Directors could make specific findings that a project met the intent of creating and retaining affordable housing while preventing gentrification and use these funds outside the redevelopment project area. The County Redevelopment Agency did this in funding a loan to Eden Housing for the Camphora Highlands project.

Appendix 3 – MCLHTF Capital Overview

When the Board of Supervisors established the Monterey County Local Housing Trust Fund in May 2022, it did so with capital found in Funds 009, 013/8545, 175, and 176. Because these funds were established to track funds independently for legal or grant requirement reasons, the Monterey County Auditor-Controller's Office has not created a separate fund for the MCLHTF within the County's financial system.

The following table shows how the County's resolutions pledging the various sources of funds to the MCLHTF fit into the larger picture of the restricted uses of different funds and how they can be used as match funds for the California Local Housing Trust grant application. The figures are as of June 30, 2024, and only includes grant funds awarded since 2020.

	5/22/23 Capital & Assets	6/30/24 Capital & Assets	Ongoing Annual Deposits
Not Qualified LHT Match	\$3,349,740	\$3,349,740	
Affordable Owner Workforce Housing	\$1,136,930	\$1,136,930	
20-PLHA-15630	\$535,872	\$535,872	
22-PLHA-17671	\$105,287	\$105,287	
22-PLHA-17673	\$156,576	\$156,576	
22-PLHA-17674	\$181,645	\$181,645	
BEGIN PI	\$88,560	\$88,560	
CalHOME PI	\$68,990	\$68,990	
Portfolio Not Specified	\$2,212,810	\$2,212,810	
HOME PI	\$2,212,810	\$2,212,810	
Qualified LHT Match	\$6,690,043	\$3,881,387	\$100,000
Multifamily	\$6,287,416	\$3,878,973	\$80,000
20-PLHA-15630	\$1,138,925	\$554,970	
22-PLHA-17671	\$184,352	\$62,518	
22-PLHA-17673	\$274,179	\$274,179	
22-PLHA-17674	\$318,130	\$123,706	
855 E. Laurel Dr. Land Donation	\$2,613,600	\$2,613,600	
General Fund	\$370,000		
General Fund - ARPA	\$1,000,000		
Inclusionary In-Lieu Fees	\$15,000	\$15,000	\$20,000
Inclusionary PI	\$235,000	\$235,000	\$50,000
RDA PI - Boronda	\$13,230		
RDA PI - C-P	\$125,000		\$10,000
Portfolio Not Specified			\$20,000
HOME PI			\$20,000
Permanent Supportive	\$402,627	\$2,414	
20-PLHA-15630	\$402,627	\$2,414	
Grand Total	\$10,039,783	\$7,231,128	\$100,000

The following table uses the same base information but shows how the various contributions to the MCLHTF been used to fund specific affordable housing projects as June 30, 2024.

	Eden Housing - 855 E. Laurel Dr.	Greenfield Commons	Lightfighter Village	Sun Rose Gardens
Activity 3	-\$2,613,600	\$1,908,328	-\$500,115	
AOWH				
Multifamily	-\$2,613,600	\$1,908,328	-\$500,115	
Qualified LHT Match	-\$2,613,600	\$1,908,328	-\$500,115	
20-PLHA-15630		-\$583,955		
22-PLHA-17671		-\$121,834		
22-PLHA-17673				
22-PLHA-17674		-\$194,424		
855 E. Laurel Dr. Land Donation	-\$2,613,600			
General Fund		-\$370,000		
Inclusionary In-Lieu Fees				
Inclusionary PI				
RDA PI - Boronda		-\$13,230		
RDA PI - C-P		-\$125,000		
General Fund - ARPA		-\$499,885	-\$500,115	
Not Specified				
Activity 6				\$400,213
Case Mgmt.				
Navigation Ctr				
Permanent Supportive				\$400,213
Qualified LHT Match				\$400,213
20-PLHA-15630				\$400,213
Grand Total	-\$2,613,600	-\$1,908,328	-\$500,115	-\$400,213

The Board's established the MCLHTF to create a source of local matching funds for the California Local Housing Trust Fund (CA LHT) grant program. The CA LHT program is a competitive grant that provides dollar for dollar matching grants for local housing trusts. The CA LHT program limits what funds can be used to leverage the grant. Except for PLHA funding, funds already restricted for affordable housing cannot leverage LHTF grant applications. This includes programs such as the HOME Investment Partnership Act and former redevelopment tax increment low-moderate-income housing set-aside trust funds. The County's 2023, LHTF application also omitted AOWH funding from the match calculation because the affordability levels required would not support downpayment assistance programs.

As of June 30, 2024, the MCLHTF had assets and cash of \$3,881,388 that qualify for use as matching funds for the California Local Housing Trust Fund grant program. The MCLHTF also has estimated annual deposits of \$100,000 that qualify as LHT match.

Appendix 4 – Financial Assistance Overview

Financial assistance awards made by the County between July 1982 and July 1, 2025, that have been managed by the HCD Housing Office. The principal outstanding is as of June 30, 2025.

Portfolio Activity	Grants Made	Value of Grants	Loans Made	Value of Loans	Loan Principal Outstanding
Economic Development			4	\$400,000	
Direct Financial Assistance to For-Profit Business			4	\$400,000	
Housing - Affordable Owner Workforce	59	\$1,440,588	195	\$11,192,599	\$4,217,977
Acquisition for Rehabilitation			21	\$4,219,313	
Construction of Housing			1	\$327,770	\$327,770
Energy Efficiency Improvements	54	\$268,850			
Homeownership Assistance			126	\$4,402,955	\$2,911,143
Neighborhood Facilities			1	\$140,000	\$34,951
Planning	2	\$50,000			
Rehabilitation: Single-Unit Residential			45	\$2,056,470	\$944,113
Undetermined			1	\$46,091	
Water/Sewer Improvements	3	\$1,121,738			
Housing - Affordable Rental	19	\$4,112,823	43	\$25,280,054	\$21,787,115
Acquisition for Rehabilitation			9	\$6,535,499	\$6,314,639
Construction of Housing	3	\$1,359,552	17	\$13,906,825	\$11,551,400
Facilities for Persons with Disabilities	11	\$2,001,768	8	\$1,555,213	\$947,620
Health Facilities	1	\$500,000	1	\$325,000	\$325,000
Planning	2				
Rehabilitation: Multi-Unit Residential	2	\$251,503	7	\$2,607,516	\$2,298,456
Sidewalks			1	\$350,000	\$350,000
Infrastructure & Public Facilities	47	\$10,543,406	2	\$225,000	\$126,959
Child Care Centers	2	\$50,506			
Energy Efficiency Improvements	1	\$286,450			
Fire Stations/Equipment	2	\$1,599,750			
Health Facilities	1	\$9,890			
Homeless Facilities	5	\$546,501	2	\$225,000	\$126,959
Neighborhood Facilities	6	\$1,238,172			
Other Public Improvements	5	\$393,582			
Parks, Recreational Facilities	11	\$2,345,787			
Sidewalks	9	\$1,947,109			
Street Improvements	2	\$1,423,518			
Water/Sewer Improvements	3	\$702,141			
Public Services	136	\$5,605,709			
Abused and Neglected Children Services	1	\$42,000			
Child Care Services	11	\$203,796			
Fair Housing Services	24	\$378,859			
Food Banks	7	\$1,092,541			
Homeless Services	18	\$2,531,338			
Housing Counseling Supporting Downpayment Assistance	1	\$13,588			
Mental Health Services	7	\$239,254			
Other Public Services	3	\$43,006			

Portfolio Activity	Grants Made	Value of Grants	Loans Made	Value of Loans	Loan Principal Outstanding
Planning	1				
Senior Services	21	\$544,200			
Services for Persons with Disabilities	4	\$56,899			
Subsistence Payments	12	\$9,757			
Substance Abuse Treatment	1	\$3,793			
Youth Services	25	\$446,678			
Grand Total	261	\$21,702,526	244	\$37,097,652	\$26,132,051

Appendix 5 – Loan Status

Loan portfolio status as of June 30, 2025.

Row Labels	Loans Made	Value of Loans	Outstanding Loans	Loan Principal Outstanding	Principal Forgiven	Principal Written-Off
Economic Development	4	\$400,000			\$400,000	
Direct Financial Assistance to For-Profit Business	4	\$400,000			\$400,000	
Housing - Affordable Owner Workforce	195	\$11,192,599	112	\$4,217,977	\$112,764	\$110,552
Acquisition for Rehabilitation	21	\$4,219,313				
Construction of Housing	1	\$327,770	1	\$327,770		
Homeownership Assistance	126	\$4,402,955	91	\$2,911,143	\$59,588	\$100,783
Neighborhood Facilities	1	\$140,000	1	\$34,951		
Rehabilitation: Single-Unit Residential	45	\$2,056,470	19	\$944,113	\$53,176	\$9,769
Undetermined	1	\$46,091				
Housing - Affordable Rental	43	\$25,280,054	31	\$21,787,115		
Acquisition for Rehabilitation	9	\$6,535,499	7	\$6,314,639		
Construction of Housing	17	\$13,906,825	9	\$11,551,400		
Facilities for Persons with Disabilities	8	\$1,555,213	7	\$947,620		
Health Facilities	1	\$325,000	1	\$325,000		
Rehabilitation: Multi-Unit Residential	7	\$2,607,516	6	\$2,298,456		
Sidewalks	1	\$350,000	1	\$350,000		
Infrastructure & Public Facilities	2	\$225,000	2	\$126,959		
Homeless Facilities	2	\$225,000	2	\$126,959		
Grand Total	244	\$37,097,652	145	\$26,132,051	\$512,764	\$110,552

Loan Forgiveness – Loans may be forgiven for a variety of reasons including financial hardship and grant requirements. The four economic development loans were made during COVID and used to help business retention during a very challenging economic period. The CDBG program allowed the County to make forgivable economic development loans when businesses created or retained jobs for a specified period.

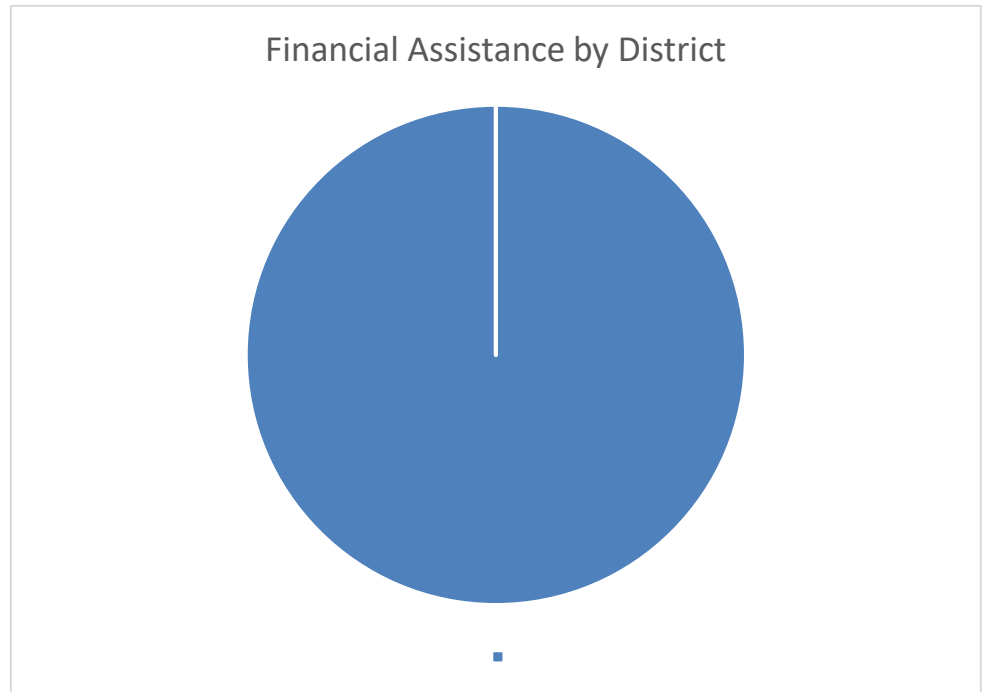
The Neighborhood Stabilization Program saw the County purchase and rehabilitated foreclosed homes in distressed communities. The homes were then sold to income qualified households with forgivable down payment assistance loans. The loans were forgivable if the qualified purchaser stayed in the home for a specified period based on the amount of the down payment assistance.

Appendix 6 – Financial Assistance by Supervisorial District

This appendix provides information on the amount of financial assistance the Housing Office by current Supervisorial District boundaries. The assistance is generally associated with the physical location of the sponsoring entity, but in the case of some public services, the provider is not reaching specific communities or maybe reaching specific communities in different Districts without tracking expenditures or beneficiaries at that level of detail.

Over the past 40-years, District 2 has accounted for 40% of the assistance provided by the Housing Office. This is because the County's two Redevelopment Project Areas, Boronda and Castroville-Pajaro, are both located in this District. Redevelopment offered a dedicated revenue stream to support affordable housing in these project areas. District 3

has accounted for 28% of the assistance provided by the Housing Office. This is mainly because the cities of Gonzales and Greenfield have been participating in the CDBG Urban County for 10-years and have received dedicated funding allocations for city sponsored projects.



Row Labels	Grants Made	Value of Grants	Loans Made	Value of Loans	Outstanding Loan Principal
Countywide Benefit	55	\$2,708,103			
Public Services	55	\$2,708,103			
Abused and Neglected Children Services	1	\$42,000			
Fair Housing Services	24	\$378,859			
Food Banks	1	\$982,541			
Homeless Services	13	\$938,162			
Housing Counseling Supporting Downpayment Assistance	1	\$13,588			
Mental Health Services	7	\$239,254			
Other Public Services	3	\$43,006			
Senior Services	1	\$13,794			
Services for Persons with Disabilities	4	\$56,899			
District 1	13	\$3,435,456	4	\$1,030,213	\$611,746
Housing - Affordable Rental	7	\$1,841,769	3	\$980,213	\$580,000
Facilities for Persons with Disabilities	7	\$1,841,769	3	\$980,213	\$580,000
Infrastructure & Public Facilities			1	\$50,000	\$31,746
Homeless Facilities			1	\$50,000	\$31,746

Row Labels	Grants Made	Value of Grants	Loans Made	Value of Loans	Outstanding Loan Principal
Public Services	6	\$1,593,687			
Homeless Services	5	\$1,593,176			
Subsistence Payments	1	\$511			
District 2	63	\$5,672,370	149	\$17,601,745	\$14,375,589
Housing - Affordable Owner Workforce	9	\$142,768	135	\$5,586,798	\$3,080,057
Acquisition for Rehabilitation			2	\$506,231	
Construction of Housing			1	\$327,770	\$327,770
Energy Efficiency Improvements	7	\$21,030			
Homeownership Assistance			91	\$2,696,221	\$1,908,743
Neighborhood Facilities			1	\$140,000	\$34,951
Rehabilitation: Single-Unit Residential			39	\$1,870,485	\$808,593
Undetermined			1	\$46,091	
Water/Sewer Improvements	2	\$121,738			
Housing - Affordable Rental	1	\$161,503	14	\$12,014,947	\$11,295,532
Acquisition for Rehabilitation			3	\$4,913,258	\$4,700,000
Construction of Housing			8	\$6,359,007	\$6,086,910
Rehabilitation: Multi-Unit Residential	1	\$161,503	3	\$742,682	\$508,622
Infrastructure & Public Facilities	19	\$4,903,952			
Fire Stations/Equipment	1	\$842,229			
Homeless Facilities	4	\$466,001			
Neighborhood Facilities	3	\$863,169			
Parks, Recreational Facilities	6	\$891,585			
Sidewalks	4	\$592,450			
Street Improvements	1	\$1,248,518			
Public Services	34	\$464,147			
Child Care Services	11	\$203,796			
Food Banks	6	\$110,000			
Subsistence Payments	7	\$6,577			
Youth Services	10	\$143,774			
District 2 & 3	4	\$98,684			
Public Services	4	\$98,684			
Senior Services	1	\$35,000			
Youth Services	3	\$63,684			
District 3	104	\$7,425,256	65	\$8,958,149	\$2,754,252
Economic Development			4	\$400,000	
Direct Financial Assistance to For-Profit Business			4	\$400,000	
Housing - Affordable Owner Workforce	50	\$1,297,821	49	\$4,677,580	\$789,613
Acquisition for Rehabilitation			18	\$3,430,110	
Energy Efficiency Improvements	47	\$247,821			
Homeownership Assistance			26	\$1,073,794	\$666,402
Planning	2	\$50,000			
Rehabilitation: Single-Unit Residential			5	\$173,676	\$123,211
Water/Sewer Improvements	1	\$1,000,000			
Housing - Affordable Rental	2	\$350,000	12	\$3,880,569	\$1,964,639
Acquisition for Rehabilitation			6	\$1,622,241	\$1,614,639
Construction of Housing	1	\$350,000	5	\$1,908,328	
Planning	1				

Row Labels	Grants Made	Value of Grants	Loans Made	Value of Loans	Outstanding Loan Principal
Sidewalks			1	\$350,000	\$350,000
Infrastructure & Public Facilities	22	\$5,117,306			
Child Care Centers	2	\$50,506			
Fire Stations/Equipment	1	\$757,521			
Health Facilities	1	\$9,890			
Neighborhood Facilities	3	\$375,003			
Other Public Improvements	1	\$238,384			
Parks, Recreational Facilities	5	\$1,454,201			
Sidewalks	5	\$1,354,659			
Street Improvements	1	\$175,000			
Water/Sewer Improvements	3	\$702,141			
Public Services	30	\$660,129			
Senior Services	15	\$419,318			
Subsistence Payments	3	\$1,591			
Youth Services	12	\$239,220			
District 4	10	\$1,071,577	10	\$6,637,962	\$6,064,649
Housing - Affordable Owner Workforce			2	\$323,472	\$40,500
Acquisition for Rehabilitation			1	\$282,972	
Homeownership Assistance			1	\$40,500	\$40,500
Housing - Affordable Rental	4	\$644,999	7	\$6,139,490	\$5,928,937
Construction of Housing			3	\$5,539,490	\$5,464,490
Facilities for Persons with Disabilities	2	\$54,999	2	\$200,000	\$139,447
Health Facilities	1	\$500,000	1	\$325,000	\$325,000
Rehabilitation: Multi-Unit Residential	1	\$90,000	1	\$75,000	
Infrastructure & Public Facilities	5	\$422,785	1	\$175,000	\$95,212
Energy Efficiency Improvements	1	\$286,450			
Homeless Facilities	1	\$80,500	1	\$175,000	\$95,212
Other Public Improvements	3	\$55,835			
Public Services	1	\$3,793			
Substance Abuse Treatment	1	\$3,793			
District 4 & 5	3	\$71,848			
Public Services	3	\$71,848			
Senior Services	3	\$71,848			
District 5	7	\$1,219,232	16	\$2,869,583	\$2,325,814
Housing - Affordable Owner Workforce			9	\$604,749	\$307,807
Homeownership Assistance			8	\$592,440	\$295,498
Rehabilitation: Single-Unit Residential			1	\$12,309	\$12,309
Housing - Affordable Rental	4	\$1,114,552	7	\$2,264,834	\$2,018,007
Construction of Housing	2	\$1,009,552	1	\$100,000	
Facilities for Persons with Disabilities	2	\$105,000	3	\$375,000	\$228,173
Rehabilitation: Multi-Unit Residential			3	\$1,789,834	\$1,789,834
Infrastructure & Public Facilities	1	\$99,362			
Other Public Improvements	1	\$99,362			
Public Services	2	\$5,317			
Senior Services	1	\$4,239			
Subsistence Payments	1	\$1,078			
Unknown	2				

Row Labels	Grants Made	Value of Grants	Loans Made	Value of Loans	Outstanding Loan Principal
Housing - Affordable Rental	1				
Planning	1				
Public Services	1				
Planning	1				
Grand Total	261	\$21,702,526	244	\$37,097,652	\$26,132,051

Appendix 7 – Financial Assistance by Source of Funds

	Grants Made	Value of Grants	Loans Made	Value of Loans	Loan Principal Outstanding
Building Equity and Growth in Neighborhoods Program			18	\$450,000	\$341,231
CIRP			6	\$133,332	\$28,422
Community Development Block Grant	229	\$16,516,261	75	\$9,491,550	\$4,068,590
HOME Investment Partnership Act			107	\$11,187,558	\$9,598,526
Housing Enabled by Local Partnership			4	\$200,000	\$150,000
Housing Related Parks Program	2	\$442,264			
Inclusionary	20	\$2,360,550	13	\$1,449,380	\$496,815
Monterey County Local Housing Trust Fund			2	\$1,370,000	\$500,115
Permanent Local Housing Allocation	10	\$2,383,451	4	\$1,300,426	
Redevelopment Low-Moderate Housing Trust Fund			15	\$11,515,405	\$10,948,353
Grand Total	261	\$21,702,526	244	\$37,097,652	\$26,132,051

Appendix 8 – Activities by Source of Funds

Row Labels	Grants Made	Value of Grants	Loans Made	Value of Loans	Outstanding Loan Principle
Building Equity and Growth in Neighborhoods Program			18	\$450,000	\$341,231
Housing - Affordable Owner Workforce			18	\$450,000	\$341,231
Homeownership Assistance			18	\$450,000	\$341,231
CIRP			6	\$133,332	\$28,422
Housing - Affordable Owner Workforce			6	\$133,332	\$28,422
Rehabilitation: Single-Unit Residential			6	\$133,332	\$28,422
Community Development Block Grant	229	\$16,516,261	75	\$9,491,550	\$4,068,590
Economic Development			4	\$400,000	
Direct Financial Assistance to For-Profit Business			4	\$400,000	
Housing - Affordable Owner Workforce	57	\$1,390,588	60	\$5,781,551	\$998,485
Acquisition for Rehabilitation			21	\$4,219,313	
Construction of Housing			1	\$327,770	\$327,770
Energy Efficiency Improvements	54	\$268,850			
Homeownership Assistance			22	\$825,698	\$507,207
Rehabilitation: Single-Unit Residential			16	\$408,771	\$163,508
Water/Sewer Improvements	3	\$1,121,738			
Housing - Affordable Rental	5	\$2,168,274	10	\$3,134,999	\$2,974,892
Acquisition for Rehabilitation			4	\$1,332,499	\$1,222,241
Construction of Housing	1	\$350,000			
Facilities for Persons with Disabilities	1	\$1,066,771	2	\$630,000	\$609,901
Health Facilities	1	\$500,000	1	\$325,000	\$325,000
Rehabilitation: Multi-Unit Residential	2	\$251,503	2	\$497,500	\$467,750
Sidewalks			1	\$350,000	\$350,000
Infrastructure & Public Facilities	42	\$9,735,141	1	\$175,000	\$95,212
Child Care Centers	2	\$50,506			
Energy Efficiency Improvements	1	\$286,450			
Fire Stations/Equipment	2	\$1,599,750			
Health Facilities	1	\$9,890			
Homeless Facilities	2	\$180,500	1	\$175,000	\$95,212
Neighborhood Facilities	6	\$1,238,172			
Other Public Improvements	5	\$393,582			
Parks, Recreational Facilities	9	\$1,903,523			
Sidewalks	9	\$1,947,109			
Street Improvements	2	\$1,423,518			
Water/Sewer Improvements	3	\$702,141			
Public Services	125	\$3,222,258			
Abused and Neglected Children Services	1	\$42,000			
Child Care Services	11	\$203,796			
Fair Housing Services	24	\$378,859			
Food Banks	7	\$1,092,541			
Homeless Services	8	\$147,887			
Housing Counseling Supporting Downpayment Assistance	1	\$13,588			
Mental Health Services	7	\$239,254			
Other Public Services	3	\$43,006			
Senior Services	21	\$544,200			

Row Labels	Grants Made	Value of Grants	Loans Made	Value of Loans	Outstanding Loan Principle
Services for Persons with Disabilities	4	\$56,899			
Subsistence Payments	12	\$9,757			
Substance Abuse Treatment	1	\$3,793			
Youth Services	25	\$446,678			
HOME Investment Partnership Act			107	\$11,187,558	\$9,598,526
Housing - Affordable Owner Workforce			99	\$3,733,550	\$2,493,829
Homeownership Assistance			83	\$2,642,877	\$1,962,706
Rehabilitation: Single-Unit Residential			15	\$1,044,582	\$531,123
Undetermined			1	\$46,091	
Housing - Affordable Rental			8	\$7,454,008	\$7,104,698
Acquisition for Rehabilitation			2	\$4,803,000	\$4,700,000
Construction of Housing			3	\$982,674	\$940,674
Rehabilitation: Multi-Unit Residential			3	\$1,668,334	\$1,464,024
Housing Enabled by Local Partnership			4	\$200,000	\$150,000
Housing - Affordable Owner Workforce			4	\$200,000	\$150,000
Rehabilitation: Single-Unit Residential			4	\$200,000	\$150,000
Housing Related Parks Program	2	\$442,264			
Infrastructure & Public Facilities	2	\$442,264			
Parks, Recreational Facilities	2	\$442,264			
Inclusionary	20	\$2,360,550	13	\$1,449,380	\$496,815
Housing - Affordable Owner Workforce	2	\$50,000	2	\$524,380	\$34,951
Homeownership Assistance			1	\$384,380	
Neighborhood Facilities			1	\$140,000	\$34,951
Planning	2	\$50,000			
Housing - Affordable Rental	14	\$1,944,549	10	\$875,000	\$430,117
Acquisition for Rehabilitation			2	\$100,000	\$92,398
Construction of Housing	2	\$1,009,552	2	\$175,000	
Facilities for Persons with Disabilities	10	\$934,997	5	\$525,000	\$337,719
Planning	2	\$0			
Rehabilitation: Multi-Unit Residential			1	\$75,000	
Infrastructure & Public Facilities	3	\$366,001	1	\$50,000	\$31,746
Homeless Facilities	3	\$366,001	1	\$50,000	\$31,746
Public Services	1	\$0			
Planning	1	\$0			
Monterey County Local Housing Trust Fund			2	\$1,370,000	\$500,115
Housing - Affordable Rental			2	\$1,370,000	\$500,115
Construction of Housing			2	\$1,370,000	\$500,115
Rehabilitation: Single-Unit Residential					
Permanent Local Housing Allocation	10	\$2,383,451	4	\$1,300,426	
Housing - Affordable Rental			4	\$1,300,426	
Construction of Housing			3	\$900,213	
Facilities for Persons with Disabilities			1	\$400,213	
Public Services	10	\$2,383,451			
Homeless Services	10	\$2,383,451			
Redevelopment			15	\$11,515,405	\$10,948,353
Housing - Affordable Owner Workforce			6	\$369,785	\$171,060
Construction of Housing					

Row Labels	Grants Made	Value of Grants	Loans Made	Value of Loans	Outstanding Loan Principle
Homeownership Assistance			2	\$100,000	\$100,000
Rehabilitation: Single-Unit Residential			4	\$269,785	\$71,060
Housing - Affordable Rental			9	\$11,145,620	\$10,777,293
Acquisition for Rehabilitation			1	\$300,000	\$300,000
Construction of Housing			7	\$10,478,938	\$10,110,611
Rehabilitation: Multi-Unit Residential			1	\$366,682	\$366,682
Grand Total	261	\$21,702,526	244	\$37,097,652	\$26,132,051

Appendix 9 – Financial Assistance Beneficiaries

Row Labels	Households & Housing Units	Jobs Created / Retained	Total Beneficiaries
Countywide Benefit	69		20,250
Public Services	69		20,250
Abused and Neglected Children Services	1		116
Fair Housing Services	24		6,325
Food Banks	1		2,055
Homeless Services	28		59
Housing Counseling Supporting Downpayment Assistance	1		41
Mental Health Services	6		638
Other Public Services	3		10,917
Senior Services	1		
Services for Persons with Disabilities	4		99
District 1	33		
Housing - Affordable Rental	11		
Facilities for Persons with Disabilities	10		
Rehabilitation: Multi-Unit Residential	1		
Infrastructure & Public Facilities	1		
Homeless Facilities	1		
Public Services	21		
Homeless Services	20		
Subsistence Payments	1		
District 2	252		40,916
Housing - Affordable Owner Workforce	180		
Acquisition for Rehabilitation			
Construction of Housing	1		
Energy Efficiency Improvements	6		
Homeownership Assistance	89		
Neighborhood Facilities	1		
Rehabilitation: Single-Unit Residential	39		
Undetermined	42		
Water/Sewer Improvements	2		
Housing - Affordable Rental	24		
Acquisition for Rehabilitation	3		
Construction of Housing	9		
Rehabilitation: Multi-Unit Residential	8		
Rehabilitation: Single-Unit Residential	4		
Infrastructure & Public Facilities	16		14,265
Fire Stations/Equipment	1		14,265
Homeless Facilities	4		
Neighborhood Facilities	3		
Parks, Recreational Facilities	4		
Sidewalks	3		
Street Improvements	1		
Public Services	32		26,651
Child Care Services	10		20,118
Food Banks	6		5,504

Row Labels	Households & Housing Units	Jobs Created / Retained	Total Beneficiaries
Subsistence Payments	7		
Youth Services	9		1,029
District 2 & 3	3		558
Public Services	3		558
Senior Services			
Youth Services	3		558
District 3	157	11	24,758
Economic Development	4	11	11
Direct Financial Assistance to For-Profit Business	4	11	11
Housing - Affordable Owner Workforce	98		
Acquisition for Rehabilitation			
Energy Efficiency Improvements	47		
Homeownership Assistance	40		
Planning	2		
Rehabilitation: Single-Unit Residential	6		
Undetermined	2		
Water/Sewer Improvements	1		
Housing - Affordable Rental	7		
Acquisition for Rehabilitation	4		
Construction of Housing	1		
Planning	1		
Sidewalks	1		
Infrastructure & Public Facilities	20		11,687
Child Care Centers	2		36
Fire Stations/Equipment	1		3,575
Health Facilities	1		6,537
Neighborhood Facilities	3		
Other Public Improvements	1		
Parks, Recreational Facilities	5		211
Sidewalks	5		1,328
Street Improvements	1		
Water/Sewer Improvements	1		
Public Services	28		13,060
Senior Services	14		8,882
Subsistence Payments	3		
Youth Services	11		4,178
District 4	19		302
Housing - Affordable Owner Workforce	1		
Acquisition for Rehabilitation			
Homeownership Assistance	1		
Housing - Affordable Rental	12		
Construction of Housing	3		
Facilities for Persons with Disabilities	5		
Health Facilities	2		
Rehabilitation: Multi-Unit Residential	2		
Infrastructure & Public Facilities	5		237
Energy Efficiency Improvements			

Row Labels	Households & Housing Units	Jobs Created / Retained	Total Beneficiaries
Homeless Facilities	2		
Other Public Improvements	3		237
Public Services	1		65
Substance Abuse Treatment	1		65
District 4 & 5	2		205
Public Services	2		205
Senior Services	2		205
District 5	23		780
Housing - Affordable Owner Workforce	10		
Homeownership Assistance	9		
Rehabilitation: Single-Unit Residential	1		
Housing - Affordable Rental	10		
Construction of Housing	3		
Facilities for Persons with Disabilities	5		
Rehabilitation: Multi-Unit Residential	2		
Infrastructure & Public Facilities	1		755
Other Public Improvements	1		755
Public Services	2		25
Senior Services	1		25
Subsistence Payments	1		
Unknown	3		
Housing - Affordable Owner Workforce	1		
Undetermined	1		
Housing - Affordable Rental	1		
Planning	1		
Public Services	1		
Planning	1		
Grand Total	561	11	87769

Appendix 10 – Affordable Housing Projects

This appendix shows the number of affordable multi-family projects and units by County Planning Area and community. The last column indicates the average date the last building in projects within the geographic area were placed in services or last rehabilitated. As a reference point, TCAC requires units remain affordable for 55-years from this date. Most of the projects in this table are tax credit projects.

County Planning Area Community	Number of Properties	Total Affordable Units	Average Year Last Building PIS
Carmel Valley Master Plan	3	288	2004
Carmel Valley	3	288	2004
Castroville Community Plan	5	261	2007
Castroville	5	261	2007
Central Salinas Valley	34	1,465	2005
Gonzales	10	180	2007
Greenfield	13	659	2007
King City	2	107	2005
Soledad	9	519	2004
Fort Ord	2	131	2013
East Garrison	2	131	2013
Greater Monterey Peninsula	20	1,331	2006
Marina	8	750	2005
Monterey	7	50	1995
Pacific Grove	1	49	2006
Seaside	3	458	
Pebble Beach	1	24	2019
Greater Salinas	56	3,298	2004
Boronda	2	2	2000
Salinas	54	3,296	2005
North County	1	63	2006
Pajaro	1	63	2006
Grand Total	121	6,837	2005

The next table in this appendix breaks down the affordability levels of units using the TCAC Housing Type by the various County Planning Areas. The table includes TCAC, inclusionary, and projects funded with inclusionary in-lieu fees that did not also receive TCAC funding.

	Units at or below 30% AMI	Units at 35% AMI	Units at 40% AMI	Units at 45% AMI	Units at 50% AMI	Units at 55% AMI	Units at 60% AMI	Units at 70% AMI	Sum of Units at 80% AMI
Large Family	125	88	145	116	960	163	984		16
Carmel Valley Master Plan					4	5			
Castroville Community Plan	14	8	27	41	124	27	6		
Central Salinas Valley	69	46	31	44	524	91	323		
Fort Ord	7				36		71		16
Greater Monterey Peninsula	11		48		48				
Greater Salinas	24	34	31	31	183	40	571		
North County			8		41		13		
Non-Targeted	61	2	13		698		727	293	96
Carmel Valley								5	
Castroville		2			4			2	
Central Salinas Valley	28							71	
Greater Monterey Peninsula	33		13		292		409	155	46
Greater Salinas					402		318	58	50
(blank)								2	
Seniors	128	18	37	48	477	21	640		
Carmel Valley									
Carmel Valley Master Plan					80		196		
Central Salinas Valley	8		4		100	11	8		
Greater Monterey Peninsula	43	18	10		60		44		
Greater Salinas	77		23	48	237	10	392		
Single Room Occupancy	76		50		50		23		
Greater Salinas	76		50		50		23		
Special Needs		2	6	2				19	
Greater Monterey Peninsula			6						
Greater Salinas		2		2				15	
North County								4	
Veterans	41				10				
Greater Monterey Peninsula	41				10				
Grand Total	431	110	251	166	2,195	184	2,374	312	112

Appendix 11 – Employer Sponsored Housing by Jurisdiction

Employer Sponsored Housing is permitted by three Local Enforcement Agencies (LEAs) in Monterey County.

- City of Gonzales for projects wholly within the city limits and reported through the HCD website.
- County of Monterey, Health Department, Environmental Health Bureau (EHB).
- California Housing and Community Development, Building Standards Division.

Data in this Appendix is compiled from:

- California Housing and Community Development’s website
<https://cahcd.my.site.com/s/searchehparks>
- Monterey County EHB

Data provided by the state and County are not in the same format or cover the same types of information. County staff has made a good faith effort to identify the types of housing unit based on descriptions, addresses, and knowledge of County planning approvals.

“**Active - Pending**”, **Inactive – Canceled**”, **Inactive – Not Occupied**”, “**Inactive – Reason not Reported**”, and “**Inactive – Sold**” are used by the California Department of Housing and Community Development and County staff has not found definitions for them.

Apartment – Market indicates an apartment in an otherwise market-rate development permitted for use as employer sponsored housing.

Apartment – Purpose Built indicates an apartment complex specifically built as employer sponsored housing. These units are typically two-bedroom with shared kitchens, baths, and living space. The complexes generally offer shared recreational amenities. These complexes, with minor tenant improvements could be converted to market-rate apartments if the employer sponsored housing requirements were eliminated.

	Employees to be Housed	SFD - Market	Apartment - Market	Apartment - Purpose Built	Dormitories	Hotel / Motel Rooms	Mobile Homes
Active	13,997	77	221	409	29	1,805	45
Agriculture	13,684	72	190	272	22	1,805	39
City of Gonzales	96					17	
City of Greenfield	2,124	11				345	
City of King City	2,450					300	
City of Marina	354					140	
City of Monterey	100					25	
City of Salinas	3,799	3	35			894	
City of Seaside	172					47	
City of Soledad	523		2			19	
Unincorporated - Aromas	28	3					
Unincorporated - Carmel Valley	12	4		8			
Unincorporated - Castroville	397	2	9		2	18	3
Unincorporated - Chualar	82	11	24	5			12
Unincorporated - Gonzales	78	10		19			15
Unincorporated - Greenfield	42			5	1		3
Unincorporated - King City	375	4			5		
Unincorporated - Moss Landing	29				2		
Unincorporated - Prunedale	28						
Unincorporated - Royal Oaks	75	1		10			6
Unincorporated - Salinas	2,189	12	91	150	9		
Unincorporated - San Ardo	28	2	3				
Unincorporated - Soledad	84	9	24		3		
Unincorporated - Pajaro	19		2				
Unincorporated - Spreckels	600			75			
Hospitality	313	5	31	137	7		6
Unincorporated - Big Sur	273	5	31	113	5		6
Unincorporated - Gorda	16				2		
Unincorporated - Pebble Beach	24			24			
Active - Family Housing	63		44				19
Agriculture	63		44				
Unincorporated - Pajaro	19						19
Unincorporated - Soledad	44		44				
Active - Pending	85		2				
Agriculture	85		2				
Unincorporated - Salinas	85		2				
Inactive - Canceled	158						
Agriculture	158						
City of Greenfield	158						
Inactive - Not Occupied	260					255	
Agriculture	260					255	
City of Greenfield						38	
City of Salinas						152	
City of Soledad	260					65	
Inactive - Reason not Reported							
Inactive - Sold	39		43			13	
Agriculture	39		43			13	

	Employees to be Housed	SFD - Market	Apartment - Market	Apartment - Purpose Built	Dormitories	Hotel / Motel Rooms	Mobile Homes
City of King City	39					13	
City of Salinas			43				
Grand Total	14,602	77	310	409	29	2,073	45

Appendix 12 – Community Partners

Economic Development

City of Gonzales

City of Greenfield

General Administration & Planning

Eden Council for Hope & Opportunity

Housing

CHISPA

Eden Housing, Inc.

GRID Alternatives

Mid-Peninsula Housing, Inc.

Public Facilities & Improvements

Aromas Water District

Chualar Union School District

City of Del Rey Oaks

City of Gonzales

City of Greenfield

City of Sand City

County Library

County Parks

County Public Works

EAH Housing, Inc.

Interim, Inc.

Monterey-Salinas Transit

North County Recreation & Park District

North Monterey County Fire District

Pajaro Community Services District

Rancho Cielo Youth Campus

Veterans Transition Center

Public Services

Alliance on Aging

Boys & Girls Clubs of Monterey County

Central Coast Center for Independent Living

Central Coast YMCA

City of Gonzales

Covia Foundation

Food Bank for Monterey County

Girls, Inc.

Housing Authority of the County of Monterey

Housing Resource Center

Interim, Inc.

Legal Services for Seniors

Meals on Wheels of the Monterey Peninsula

Meals on Wheels of the Salinas Valley

North County Recreation & Park District

Project Sentinel

Rancho Cielo Youth Campus

Shelter Outreach Plus – Community Human Services

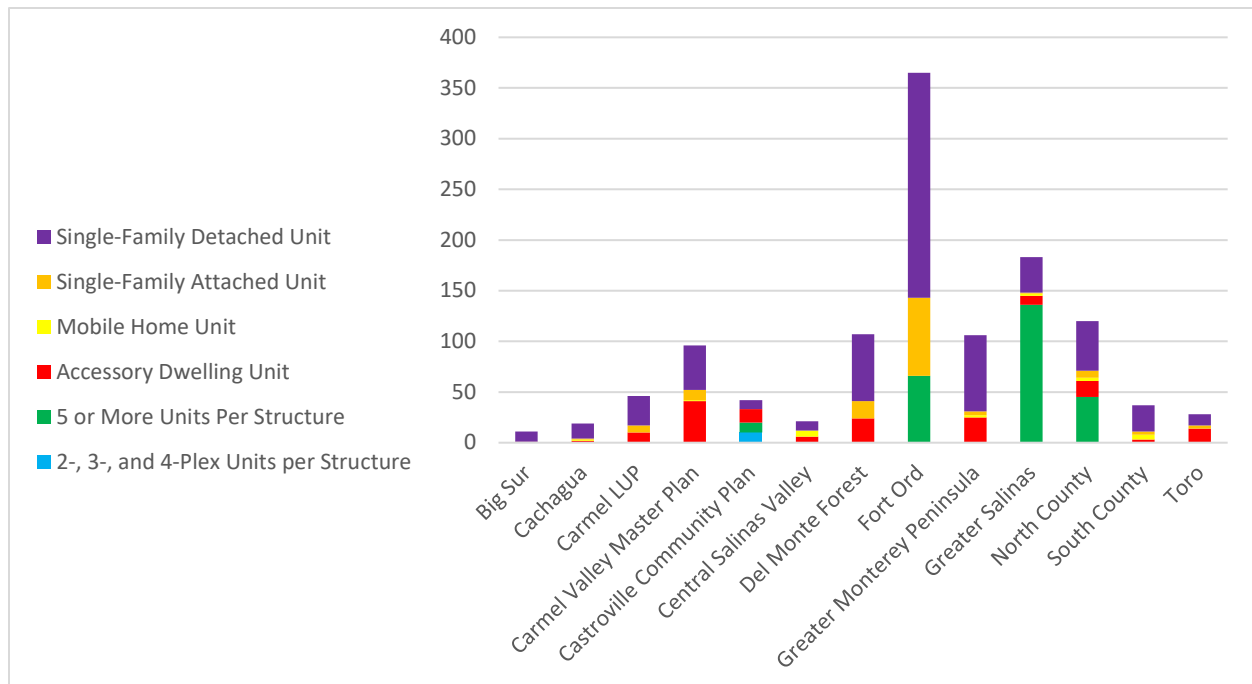
United Way of Monterey County

Veterans Transition Center

Appendix 13 - 5th Cycle Housing Element Housing Production

The 5th Housing Element Cycle ran between 2015 and 2023. In 2018, state HCD implementing new reporting requirements and began making data available through their website. The following tables and charts are derived from Housing Element Annual Progress Reports submitted between 2018 and 2023. They do not reflect building permit activity for the full eight years of the 5th HE Cycle.

Housing Types Permitted by County Planning Area



Overall, jurisdictions within Monterey County were required to plan for 7,386 new housing units during the 5th Housing Element Cycle. Countywide, 4,289 building permits were issued, 58% of the total required. Building permits for above moderate-income was the only affordability level where the required number of building permits were issued. Countywide, building permits were issued for only 28% of the affordable units required.

5th Cycle RHNA Building Permits Issued

	Very Low- Income	Low- Income	Moderate- Income	Above Moderate- Income	Jurisdiction Total
Carmel-by-the-Sea					
RHNA	7	5	6	13	31
BP Issued				68	68
Del Rey Oaks					
RHNA	7	4	5	11	27
BP Issued		13	1		14
Gonzales					
RHNA	71	46	53	123	293
BP Issued				37	37
Greenfield					
RHNA	87	57	66	153	363
BP Issued	139	121	70	112	442
King City					
RHNA	43	28	33	76	180
BP Issued		55		269	324
Marina					
RHNA	315	206	239	548	1,308
BP Issued	35	35	1	984	1,055
Monterey					
RHNA	157	102	119	272	650
BP Issued		4	4	363	371
Monterey County					
RHNA	374	244	282	651	1,551
BP Issued	7	284	12	878	1,181
Pacific Grove					
RHNA	28	18	21	48	115
BP Issued	15	84	83	35	217
Salinas					
RHNA	537	351	407	934	2,229
BP Issued	134	64		950	1,148
Sand City					
RHNA	13	9	10	23	55
BP Issued				40	40
Seaside					
RHNA	95	62	72	164	393
BP Issued				210	210
Soledad					
RHNA	46	30	35	80	191
BP Issued			32	354	386
Countywide					
RHNA	1,780	1,162	1,348	3,096	7,386
BP Issued	330	660	203	4,300	5,493

ⁱ Sources of Affordable Units:

BR - Builder's Remedy under SB330 or AB 1893

DB – Density Bonus under CA Gov. Code Section 69519 or County Code Section 21.62.060.C.1-3

PLHA – Permanent Local Housing Allocation grant program

RHNA – Regional Housing Needs Allocation

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