

6th Cycle Housing Element Update (2023-2031)

**Public Comment Period:
May 5, 2021 to June 4, 2021**

City of Sand City

February 9, 2024



Prepared by
EMC Planning Group

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1.0 Introduction

1.1 Initial Draft Housing Element

Pursuant to AB215, the Housing Element must undergo a draft process subject to a 30-day public comment period, and if comments are received, an additional minimum 10-day consideration and revision period prior to Housing and Community Development (HCD) submittal.

The following document outlines all public comments received during the 30-day public comment period as well as responses and revisions to the Draft Housing Element.

1.2 Purpose of Public Draft Housing Element Public Comment Period

As required by HCD, the Public Draft Housing Element was available for 30-days of public review from May 5, 2023 to June 5, 2023. The Public Draft Housing Element was posted on the City of Sand City website and the dedicated Housing Element website and two public comments were received. Additionally, a City Council meeting was held on May 16, 2023 to accept public comment on the Public Draft Housing Element and City staff held a booth at a City event on May 5, 2023 where a number of public comments were received as well. Multiple verbal comments, two written comments, and seven stakeholder surveys were received on the public review draft.

Government Code 65585(b)(1) indicates that the purpose of the public review process includes the following:

- Disclosing agency analysis;
- Discovering public concerns; and
- Incorporating public comments.

1.3 HCD Draft Housing Element Report

This Public Comment Report for the Initial HCD Draft Housing Element review has been prepared to address comments received during the public comment period and, together with the Initial HCD Draft Housing Element, constitutes the complete City of Sand City 6th Cycle 2023-2031 Housing Element. This Comment Report for the Initial HCD Draft Housing Element is organized according to the method by which comments were received.

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Public Comment on the Draft Housing Element

2.1 Written Draft Housing Element Comment Letters

The following written correspondence was received via email during the 30-day public comment period:

1. Jose Torres, email dated May 16, 2023; and
2. Michael DeLapa, email dated May 26, 2023.

2.2 Verbal Draft Housing Element Comments

On May 5, 2023, EMC Planning staffed an outreach booth at Sand City's popular Night Market located in the Sand City Art Park. The Night Market is a free outdoor event that brings the community together for a variety of dinner options, treats, beer and wine, a rotating cast of local artist and makers, live music and interactive art experiences. The outreach booth included large Site Inventory Maps, copies of the Draft Housing Element, postcards with a QR code that directs people to the Housing Element website that includes a survey, and a sign-up sheet. Fair Housing information was also available. EMC staff spoke with over 20 people who stopped by the booth. Many people expressed verbal support for the draft plan and the need for housing in the area that is affordable.

A Sand City Council meeting was held on May 16, 2023 during the public draft comment period. Councilmember comments on the draft plan included the following:

- The South of Tioga planning area will accommodate over 350 units, many of which will be affordable and puts the City in good position to accommodate the required housing;
- Regional agency and district fees are extremely high and impact costs;
- High construction costs and regional agency fees impact the ability to produce housing over the entire affordability spectrum;
- Look at streamlining the city processes;
- The city welcomes diversifying and including a broader spectrum of residents;

- The existing Salvation Army day center provides critical services and the city participates in Joint Agreement to donate to other service providers;
- The city has no school or libraries or residential amenities. A new park is being constructed to meet ADA requirements; and
- The city started planning over 30 years ago for a wider variety of mixed use, including residential.

General public comments included the following:

- We are all in the ballgame together and the County is also required to build affordable housing including in Carmel Valley.

2.3 Public Draft Housing Element Comments and Responses

Written comments on the Public Draft Housing Element and responses to those comments are presented on the following pages. The following comments were submitted by email to the City and/or the Housing Consultant at wahl@emcplanning.com.

All comments are included as an attachment to this document labeled: [Attachment A – Public Draft Housing Element Comments](#). Responses to comments, including revisions to the Public Draft Housing Element are organized below in [Table 2-1, Response to Public Draft Housing Element Comments](#).

Table 2-1 Response to Public Draft Housing Element Comments

Comment	Response	Reference in Document
<p>Comment #1</p> <p>1) Has any other jurisdiction that you know use the sand city strategy of density bonus (250% in MUP), to achieve their Rhena goals?</p> <p>2) What is the current capacity of Sand City for new housing, that is, if they did nothing how many of the RHNA numbers could they accommodate?</p>	<p>No revisions were made to address this comment.</p> <p>1) Many communities use their City density bonus to supplement what is available with the State Density Bonus. The 250% bonus is already part of Sand City's regulations. It is currently part of a sliding scale, intended to incentivize lot consolidation. We propose to make this bonus available to small sites that do not wish to consolidate their property with contiguous sites. It's often smaller sites that benefit more directly from higher density, which also has the potential to support more "missing middle" opportunities (Townhouses, "plex" units, etc.).</p> <p>No jurisdictions are allowed to use the density bonus towards their RHNA.</p> <p>2) If Sand City did nothing to increase density, the capacity for new homes within the City still exceeds the minimum RHNA amount. The 6th cycle housing element is responsive to development needs by addressing governmental constraints to building housing in Sand City.</p>	<p><i>No revisions were made to address this comment.</i></p>
<p>Comment #2</p> <p>LandWatch has reviewed Sand City's Public Review Draft Housing Element. We support its goals to eliminate constraints and make it easier to build housing consistent with Regional Housing Needs Assessment (RHNA). Specifically, we support the recommended program, 1.1.B Mixed-Use and Planned (MU-P) Unit Development - PRO, which extends a</p>	<p>Comment noted.</p>	<p><i>No revisions were made to address this comment.</i></p>

Comment	Response	Reference in Document
<p>250% density bonus as long as 15% of the units are affordable to lower income households. We believe that this may offer a model to other local jurisdictions grappling with a solution to meet their allocation numbers and to create realistic incentives for creation of affordable units.</p>		
<p>Comment #3 By relying on objective standards and ministerial review and by eliminating the need for discretionary permits, residential project permitting can be greatly streamlined. Discretionary review could be provided for projects seeking a variance from objective standards. Ministerial permitting of residential projects in infill areas like Sand City is appropriate because CEQA review should be accomplished at the program rather than the project level. That is, CEQA review should take place when the City amends its General Plan or zoning code, not when a developer comes to the City with a conforming project.</p> <p>If necessary, the City could continue to require discretionary review of projects on specified sites that are environmentally sensitive, e.g., habitat for endangered, rare or threatened species; farmland of statewide and local importance; wetlands; earthquake/seismic hazard zones; federal, state, and local preserved lands, NCCP and HCP plan areas, and conservation easements; riparian areas; Department of Toxic Substances Control (DTSC) facilities and sites; landslide hazard, flood plains and, floodways; and wildfire hazard as determined by the Department of Forestry and Fire Protection. (See Gov. Code</p>	<p>Comment noted. The Housing Element includes a program to update the General Plan. CEQA review will be completed at that time.</p>	<p>See page 2-9, Program 1.E</p>

Comment	Response	Reference in Document
<p>65913.4(6)(B) through (K) [sites excluded from ministerial permitting in SB 35].) Concerns for gentrification and historic resources could be addressed by continuing to require discretionary review for projects on existing affordable housing, mobile home sites, or historic resources. (See Gov. Code 65913.4(a)(7), (10) [SB 35].)</p>		
<p>Comment #4 We recommend continuing the trajectory towards higher density mixed use. Why not consider rezoning the C-4 (Regional Commercial) to MU-P? This change would expand the opportunity for housing by unlocking the full potential of the area, ripe for Transit-Oriented Development.</p>	<p>Comment noted. The City will consider this suggestion in future Housing Element cycles.</p>	<p><i>No revisions were made to address this comment.</i></p>
<p>Comment #5 The City should provide a smaller local density bonus for projects that provide a smaller percent of affordable units, e.g., 150% bonus for projects providing 8% affordable units. We also recommend extending the density bonus program to R3 districts, not just MU-P districts.</p>	<p>This would result in fewer affordable units and may inadvertently act as a disincentive to construct to the full potential at housing opportunity sites. Developers don't have to use the whole 250%, it is just available if they want it. Keeping the threshold at 15% of affordable units is a good idea to ensure adequate #'s of affordable units are built. State law requires any site that is being reused from the 5th Cycle to require 20% affordable (Government Code section 65583(f) and Government Code section 65583.2(h)). The majority of the sites proposed for the Affordable Housing Overlay have been used in the 5th Cycle.</p> <p>The Affordable Housing Overlay will have a minimum density of 23 dwelling units per acre, with a maximum of 81</p>	<p><i>No revisions were made to address this comment.</i></p>

Comment	Response	Reference in Document
	<p>dwelling units per acre. An Inclusionary Housing Ordinance will require at least 15% affordable units.</p> <p>The Draft Housing Element will not extend density bonus to R3 district, as that zoning district is entirely located in Environmentally Sensitive Habitat Area (ESHA). Incentives to promote high density residential will be kept as infill, or within already developed areas. Parcels in the R3 zoning district will be taken out of sites inventory/6th cycle.</p>	
<p>Comment #6</p> <p>The City should implement its proposal for “expedited permit processing” in Program 1.1.B and its proposal to “clarify permit processing” in Program 1.4.B by providing by-right, ministerial permitting for any 100% residential unit project in the R3 and MU-P zones using mandatory language (“shall”). Thus, Implementing Programs 1.1.B and 1.4.B should be revised to provide for the following:</p> <ol style="list-style-type: none"> 1. Site plan review for residential projects in R3 and MU-P districts shall be ministerial, based entirely on objective standards, e.g., the lot size, density, setback, and height standards set out in Housing Element Table B-4; 2. Design permit issuance for residential projects in R3 and MU-P districts shall be ministerial, based entirely on objective standards; 3. 100% residential projects shall be permitted in MU-P districts; 	<p>Language to allow for By Right, ministerial review will be added to the programs for 5th Cycle sites that are included within the West End Housing Diversity Overlay. Objective Design and Development Standards will be applied as well as the 15% Inclusionary requirements.</p> <p>The percentage of required affordable housing with the Inclusionary Ordinance is less than the state requirement for sites that were included in the 5th Cycle Housing Element Update.</p> <p>According to AB 1505 (2017, Bloom), a feasibility analysis is required for Inclusionary that exceeds 15%.</p> <ol style="list-style-type: none"> 1. Objective design standards will apply for all residential projects within the West End Housing Diversity Overlay. Site plan review will be still be required for these developments, however, no discretionary permits such as, CUP or PUD permits will be required. 	<p><i>See Page 2-7, Program 1.C</i></p> <p><i>See Page 2-10, Program 1.G</i></p>

Comment	Response	Reference in Document
<p>4. 100% residential projects in MU-P districts shall not require a PUD permit; and</p> <p>5. 100% residential projects in R3 and MU-P districts consistent with objective site plan and design standards shall not require any form of discretionary permit."</p>	<p>2. Discretionary permits such as, CUP or PUD permits will not be required for multi-family residential development. However, site plan review will be still be required for these developments.</p> <p>3. Program 1.C details intended development uses in the West End Housing Diversity Overlay, which include both residential and mixed uses (see Chapter 2).</p> <p>4. Residential is an allowed use that will not require a CUP or PUD permit for all sites within the West End Housing Diversity Overlay.</p> <p>5. Any project consistent with objective site plan and design standards shall not require any form of discretionary permit within the West End Housing Diversity Overlay, which includes sites within the MU-P District.</p>	
<p>Comment #7 "CEQA review should be accomplished at the program rather than the project level. That is, CEQA review should take place when the City amends its General Plan or zoning code, not when a developer comes to the City with a conforming project."</p>	<p>Once the sites inventory list is stable, the CEQA path will be solidified.</p>	
<p>Comment #8 Why not consider rezoning the C-4 (Regional Commercial) to MU-P.</p>	<p>Current leases won't allow this to happen within 6th cycle; Staff has reached out to property owners who have not indicated a likelihood that residential development would occur in this zone within the next 8 years; re-zoning these sites is not necessary to make up a RHNA shortfall.</p>	<p><i>No revisions were made to address this comment.</i></p>

SOURCE: EMC Planning Group

2.4 Online Survey Results

An online Stakeholder Survey was posted on May 5, 2023 and will remain open through September 30, 2023 or the entire the HCD Initial draft comment period, whichever is longer. The goal of the survey is to better understand community members housing needs and desires, and to solicit community members input on how to achieve the RHNA. The survey responses represent a mix of age groups, income levels, homeowners and renters.

The Stakeholder Survey also helped inform local knowledge of factors contributing to housing inequities in Sand City. In general, contributing factors to housing inequities in Sand City include:

- Limited supply of housing
- Lack of affordability
- Lack of mental health facilities
- Lack of rehabilitation
- Increased rents and housing shortages
- Limited variety of housing options

To see the survey results and an in-depth discussion of the results, see [Appendix F, Stakeholder Survey](#).

Public Comments

A

ATTACHMENT

From: [Ande Flower](#)
To: "Jose Torres"
Cc: [Anastazia Aziz](#); ["Vibeke Norgaard"](#); [Esme Wahl](#)
Subject: RE: Sand City Draft HE Questions
Date: Friday, May 19, 2023 9:22:50 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)

Hi Jose,

Thank you for taking the time to read our Public Draft Housing Element update for Sand City; and for your comment, edit, and questions.

1) Has any other jurisdiction that you know use the sand city strategy of density bonus (250% in MU-P), to achieve their RHNA goals?

Many communities use their City density bonus to supplement what is available with the State Density Bonus. The 250% bonus is already part of Sand City's regulations. It is currently part of a sliding scale, intended to incentivize lot consolidation. We propose to make this bonus available to small sites that do not wish to consolidate their property with contiguous sites. It's often smaller sites that benefit more directly from higher density, which also has the potential to support more "missing middle" opportunities (Townhouses, "plex" units, etc.).

2) What is the current capacity of Sand City for new housing, that is, if they did nothing how many of the RHNA numbers could they accommodate?

My understanding is that if Sand City did nothing, the capacity would be similar to what we demonstrate, which far exceeds the minimum RHNA amount. Our plan intends to be responsive to development needs. We want to overcome any governmental constraints to building housing in Sand City through our program (and non-governmental, when possible).

Please do stay in touch with reply all with any future correspondence. We want Land Watch to have their comments published in our letter to HCD and to answer any questions you may have throughout our process of developing this policy update.

Please note for future emails:

- Vibeke appreciates being part of the discussion with Land Watch.
- Anastazia will be leading this effort and I will remain as a supportive team-member from here through certification.
- Esme is leading our comment gathering during open public comment periods.

Thanks again!

Ande

Ande Flower
Principal Planner



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From: Jose Torres <housingadvocate@landwatch.org>

Sent: Tuesday, May 16, 2023 3:59 PM

To: Ande Flower <flower@emcplanning.com>

Subject: Sand City Draft HE Questions

Hi Ande,

I'm just about done going through the draft document, great work!

There was one typographic error, a missing APN number on page 200, Appendix-C under the listing for Map E: 600 Ortiz (the last APN in the list).

I was wondering if you might be able to answer a couple of questions that came up:

1) Has any other jurisdiction that you know use the sand city strategy of density bonus (250% in MU-P), to achieve their Rhenal goals?

2) What is the current capacity of Sand City for new housing, that is, if they did nothing how many of the RHNA numbers could they accommodate?

Thank you!

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Jose M. Torres

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May 25, 2023

City of Sand City
1 Pendergrass Way
Sand City, CA 93955

RE: [Sand City Public Review Draft Housing Element](#)

EMC Planning Team:

LandWatch has reviewed [Sand City's Public Review Draft Housing Element](#). We support its goals to eliminate constraints and make it easier to build housing consistent with Regional Housing Needs Assessment (RHNA). Specifically, we support the recommended program, *1.1.B Mixed-Use and Planned (MU-P) Unit Development - PRO*, which extends a 250% density bonus as long as 15% of the units are affordable to lower income households. We believe that this may offer a model to other local jurisdictions grappling with a solution to meet their allocation numbers and to create realistic incentives for creation of affordable units.

LandWatch suggests two additions to the City's proposed local density bonus provision. First, the City should provide a smaller local density bonus for projects that provide a smaller percent of affordable units, e.g., 150% bonus for projects providing 8% affordable units. We also recommend extending the density bonus program to R3 districts, not just MU-P districts.

We support the call for streamlining regulations and increasing regulatory certainty. However, the implementing programs should make clear commitments to ministerial review of qualifying projects. The City should implement its proposal for "expedited permit processing" in Program 1.1.B and its proposal to "clarify permit processing" in Program 1.4.B by providing by-right, ministerial permitting for any 100% residential unit project in the R3 and MU-P zones using mandatory language ("shall"). Thus, Implementing Programs 1.1.B and 1.4.B should be revised to provide for the following:

- Site plan review for residential projects in R3 and MU-P districts shall be ministerial, based entirely on objective standards, e.g., the lot size, density, setback, and height standards set out in Housing Element Table B-4;
- Design permit issuance for residential projects in R3 and MU-P districts shall be ministerial, based entirely on objective standards;
- 100% residential projects shall be permitted in MU-P districts;
- 100% residential projects in MU-P districts shall not require a PUD permit; and
- 100% residential projects in R3 and MU-P districts consistent with objective site plan and design standards shall not require any form of discretionary permit.

By relying on objective standards and ministerial review and by eliminating the need for discretionary permits, residential project permitting can be greatly streamlined. Discretionary review could be provided for projects seeking a variance from objective standards.

Ministerial permitting of residential projects in infill areas like Sand City is appropriate because CEQA review should be accomplished at the program rather than the project level. That is, CEQA review should take place when the City amends its General Plan or zoning code, not when a developer comes to the City with a conforming project.

If necessary, the City could continue to require discretionary review of projects on specified sites that are environmentally sensitive, e.g., habitat for endangered, rare or threatened species; farmland of statewide and local importance; wetlands; earthquake/seismic hazard zones; federal, state, and local preserved lands, NCCP and HCP plan areas, and conservation easements; riparian areas; Department of Toxic Substances Control (DTSC) facilities and sites; landslide hazard, flood plains and, floodways; and wildfire hazard as determined by the Department of Forestry and Fire Protection. (See Gov. Code 65913.4(6)(B) through (K) [sites excluded from ministerial permitting in SB 35].) Concerns for gentrification and historic resources could be addressed by continuing to require discretionary review for projects on existing affordable housing, mobile home sites, or historic resources. (See Gov. Code 65913.4(a)(7), (10) [SB 35].)

We recommend continuing the trajectory towards higher density mixed use. Why not consider rezoning the C-4 (Regional Commercial) to MU-P? This change would expand the opportunity for housing by unlocking the full potential of the area, ripe for Transit-Oriented Development.

Thank you for this opportunity to comment.

Regards,

Michael DeLapa
Executive Director