

# 6th Cycle 2023-2031 Housing Element Adoption Hearing

City Council Meeting Tuesday, June 4, 2024 City Hall Council Chamber, 5:30pm

# Agenda

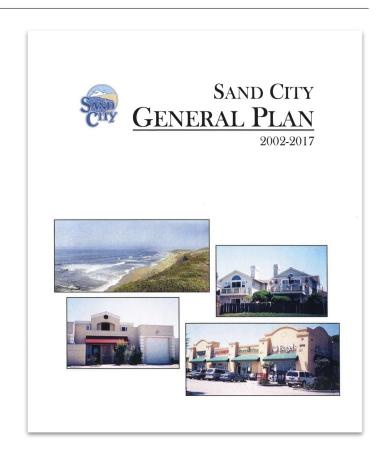
- 1. General Plan Update and Housing Element Overview
- 2. Regional Housing Needs Allocation (RHNA)
- 3. Housing Opportunities in Sand City
- 4. Key Implementation Programs
- 5. Community Engagement Meetings
- 6. Collaboration with HCD
- 7. Environmental Review
- 8. Next Steps
- 9. Implementation Progress
- 10. Grant Funding
- 11. Recommendation



## General Plan Update

The Housing Element is part of the General Plan, adopted in 2002.

- 1. Introduction
- Land Use Element\*
- 3. Circulation\* and Public Facilities
- 4. Housing Element\*
- Conservation\* and Open Space\*
- 6. Public Safety\* and Noise\*



Sand City General Plan

<sup>\*</sup>State mandated elements (7)

## Response to Housing Crisis

- 2.5 million homes needed statewide
- Monterey County is located within the Association of Monterey Bay Area Governments (AMBAG) region
- The State allocated 33,274 housing units to the AMBAG region, which includes two counties (Santa Cruz, Monterey, and San Benito) and 18 cities
- Sand City has been allocated 260 housing units for the 6th cycle planning period (2023-2031)



## Housing Opportunities

- Eight housing opportunity sites and three pipeline projects to accommodate:
  - Lower-income: 117 units
  - Moderate-income: 56 units
  - Above moderate-income: 332 units

Total: 505 units (94% buffer)

### **Sand City RHNA:**

98 low-income units

49 moderate-income units

113 above moderate-income units

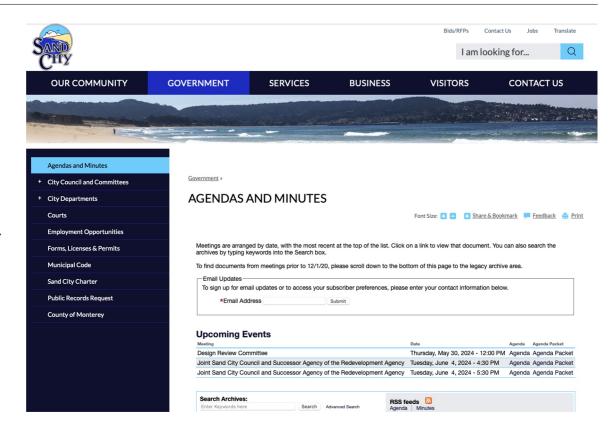
Total: 260 units

# Key Implementation Programs

- Program 1A: Develop the South of Tioga Area with Multi-Family Residential
- Program 1C: West End Housing Diversity Overlay
- Program 1E: Update the General Plan
- Program 1G: Objective Design and Development Standards adopted
- Program 1J: Reduce Minimum Parking Standards
- Program 1K: Accessory Dwelling Unit and Junior Accessory Dwelling Unit
- Program 10: Update Permit Database in progress
- Program 1S: Changes to the Zoning Code
- Program 3D: Emergency Shelters
- Program 3I: Surplus Local Land for Affordable Housing
- Program 5A: Fair Housing Services and Information

# Community Engagement Meetings

- February 21, 2023: City Council Meeting -Project Kick-off
- May 16, 2023: City Council Meeting -Review Public Draft Housing Element
- August 15, 2023: City Council Meeting -Council Guidance for HCD Initial Draft Housing Element
- September 5, 2023: City Council Meeting -Discussion of Objective Design and Development Standards (ODDS)
- November 7, 2023: City Council Meeting -Council Approval of Prohousing Designation
- June 4, 2024: City Council Meeting -Adoption hearing



City Council Agendas and Minutes

# Community Engagement: Communication

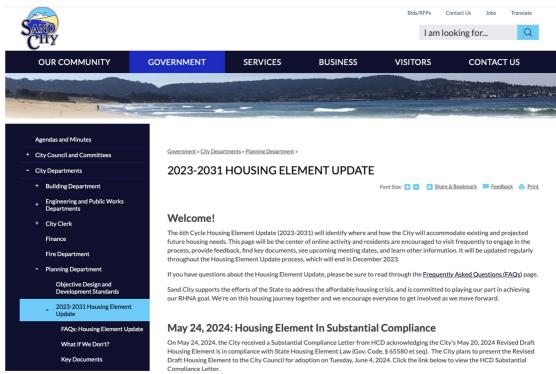
Dedicated project webpage:

2023-2031 Housing Element Update

Official City Website

https://www.sandcity.org/government/agendas-and-minutes

- Herald Notifications
- Monterey Weekly Notifications
- Informational brochures



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#### KNOW A PROPERTY OWNER INTERESTED IN HOUSING DEVELOPMENT?

Property owners can actively participate in the 6th Cycle Housing Element by adding an Accessory Dwelling Unit (ADU) or undergoing an SB 9 lot split to make way for new housing.

If you're interested, fill out the Property Owner Interest form online via the QR code below



#### STAY CONNECTED

The Initial Public Draft Housing Element is available for 30 days of public comment through Monday, June 5.

Scan the QR code to access the draft!





## WHY DOES MY PARTICIPATION MATTER?

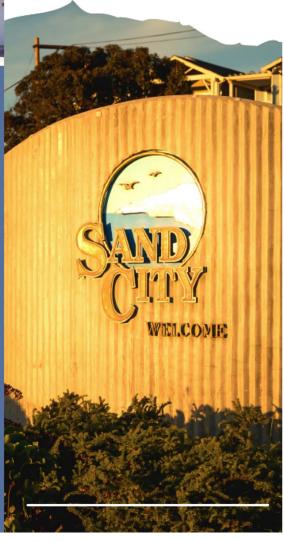
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The State of California has declared a 'housing supply crisis' and holds all local communities accountable for a portion of the housing need, regardless of available land capacity. Your participation is essential to creating a plan that represents Sand City's core values while meeting regional and state-mandated housing goals. Local power resides in discovering how Sand City will meet these state requirements.

As part of the Housing Element Update, we are asking the community to provide input regarding housing priorities and challenges. Participation from our residents is vital to ensure our community's values are identified and articulated in the Housing Element and the City's approach provides the best fit.

2023-2031 Housing Element

### SAND CITY





## KEY PHASES OF THE HOUSING ELEMENT

- State forecasts regional housing needs considering jobs, costs to buy/rent, and overcrowding.
- AMBAG (Association of Monterey Bay Area Governments) allocates housing for each jurisdiction, known as the Regional Housing Needs Allocation (RHNA).
- Local governments develop new policies, programs, and land uses to address current and future housing needs.
- Local governments draft a housing plan, known as the housing element, to meet the assigned RHNA.



#### STAKEHOLDER SURVEY

Help the City gain a better understanding of the community and any possible barriers to residing in Sand City. Take a quick survey to inform the process! Scan the QR code.





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## WHAT IS A HOUSING ELEMENT?

A Housing Element is a local plan for creating new homes and meeting the housing needs for all members of a community. Housing Elements lay the foundation for housing policies for the next decade to ensure every Californian has a place to call home.

Without a Housing Element that is compliant with State law, cities are at risk of legal repercussion, losing funding opportunities, and forfeiting control of where new housing is developed.

## HOW MANY UNITS DO WE NEED?

Sand City is responsible for 260 new housing units for the 6th Cycle.



#### AFFIRMATIVELY FURTHERING FAIR HOUSING

Per AB 686, all jurisdictions are required to affirmatively further fair housing through the implementation of programs and policies, including a Fair Housing Assessment within the housing element.

Housing plans must protect people against discrimination for housing opportunities and ensure that new homes are being located fairly so all residents have access to good schools, jobs, and transportation opportunities.

Community participation is integral to this process of finding an inclusive path forward



## Collaboration with HCD

- September 26, 2023: Submitted first draft of the housing element to HCD for 90-day review
- November 23, 2023: Received preliminary review comments from HCD
- December 21, 2023: Received formal 90-day review findings letter from HCD
- February 9-16, 2024: Revised draft posted for seven day public comment period
- February 28, 2024: <u>Submitted revised</u> draft to HCD for 60-day review
- April 12, 2024: Received mid-review comments from HCD
- April 16-23, 2024: Revised draft posted for seven day public comment period
- April 24, 2024: Received additional comments from HCD
- May 10-17, 2024: Revised draft posted for seven day public comment period
- May 20, 2024: <u>Submitted revised</u> draft to HCD
- May 24, 2024: Received letter of substantial compliance from HCD
- June 4, 2024: Adoption hearings with City Council
- June 7, 2024: Submit Adopted Housing Element to HCD
- June 10-14, 2024: Receive formal certification of Housing Element from HCD

## Environmental Review (CEQA)

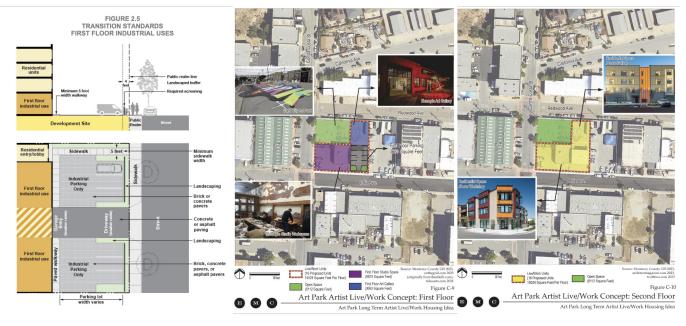
- The City has undertaken environmental review for the proposed 6th Cycle 2023-2031 Housing Element Update.
- The Housing Element qualifies for a categorical exemption under Article 19, Section 15332 of the California Environmental Quality Act.
  - The Housing Element meets the criteria for Class 32, which is characterized by infill development projects:
    - The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations;
    - The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses;
    - The project site has no value as habitat for endangered, rare or threatened species;
    - Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality; and
    - The site can be adequate served by all required utilities and public services.
- If approved by the Council, the City will file a NOE with the County Clerk to memorialize the categorical exemption.

## Next Steps

- Submit an adopted Housing Element to HCD for formal certification
- Receive formal certification letter from HCD
- Housing Element Implementation
  - Amendments to Zoning Code

# Implementation Progress

- Objective Design and Development Standards (ODDS) adopted May 21, 2024
- City is in escrow for privatelyowned parcel adjacent to Art Park
- Zoning Code Amendment Contract approved on April 16, 2024
- Amendments to parking standards have begun
- Initiated iWorq Database to track development permits



# Grant Funding Available Upon Adoption

- Permanent Local Housing Allocation (PLHA) (2023-2030) received
- Affordable Housing and Sustainable Communities (AHSC)
- SB 1 Planning Grants
- CalHOME Program
- Infill Infrastructure Grants (IIG)
- Prohousing Designation Program received
- Local Housing Trust Fund Program (LHTF)
- Regional Transportation Funding

## Recommendation

Staff recommends that the City Council:

- 1. Adopt a Resolution 2024-XX adopting a CEQA Exemption for the 2023-2031 Housing Element of the General Plan; and
- 2. Adopt Resolution 2024-XX approving a General Plan Amendment to repeal the 2015-2023 Housing Element and adopt the 2023-2031 Housing Element of the General Plan in compliance with State housing element law.