

**CITY OF MONTEREY**

AGENDA ITEM: 1

SERIES: 207-01

**TO:** City Manager

**FROM:** Senior Planner Cole

**DATE:** September 4, 2007

**SUBJECT:** Policy Direction on Regional Housing Needs Allocation Process.

**RECOMMENDATION**

The City Council direct staff to pursue a Regional Housing Needs Allocation of approximately 1,100 housing units consistent with the adopted City of Monterey General Plan (2005).

**POLICY IMPLICATIONS**

Cities are required by State Law to adopt General Plans to guide the location and density of development. General Plans have seven mandated elements (chapters) - Land Use, Housing, Circulation, Conservation, Open Space, Noise and Safety. General Plans typically have a 20-year planning horizon and create a vision on how the jurisdiction wants to evolve and grow. The City of Monterey adopted its General Plan in 2005, culminating three years of work and environmental review.

Housing Elements are updated more frequently (5 years). The Housing Element update begins with the State of California Housing and Community Development Department assigning a "regional fair share" allocation to the regional planning agency. These units are then distributed to individual jurisdictions. The General Plan Housing and Land Use Elements must identify adequate sites to accommodate its regional fair share of housing units.

**FISCAL IMPLICATIONS**

The City's General Plan establishes a vision that Monterey will grow in "mixed use neighborhoods" to enable the use of alternative forms of transportation and ease to resources. This development strategy ensures cost-effective expenditure of city funds on infrastructure improvements.

**ENVIRONMENTAL DETERMINATION**

Not applicable.

**ALTERNATIVES CONSIDERED**

1. Accept the rough draft RHNA allocation of 28 units for the City of Monterey.
2. Pursue an alternate RHNA allocation.

## DISCUSSION

The Association of the Monterey Bay Area Governments formed a working group of City planning staffs and has hosted regular working meetings to distribute 25,315 housing units to the various jurisdictions within the counties of Monterey and Santa Cruz. This allocation creates the basis for the next Housing Element planning period 2008-2013. By June 1, 2008, HCD requires that each jurisdiction submit for HCD certification an updated, adopted Housing Element that meets State housing element law. The Housing Element must show that the jurisdiction has adequate land to accommodate its allocation.

Monterey's current housing element was adopted on October 21, 2003. The City of Monterey was assigned an allocation of 1,302 units for the 2000-2007 planning period. To date, only 170 units have been constructed.

The RHNA working-group is currently refining AMBAG's rough draft of the 2008-2013 allocation. Proposed allocations include 1,152 for Gonzales, 1,556 for Greenfield, 955 for King City, 3,736 for Marina, 28 for Monterey, 9 for Pacific Grove, 8,194 units for Salinas, 523 for Seaside, 1,884 for Soledad, and 1,896 for unincorporated Monterey County. No housing units are proposed for Carmel, Del Rey Oaks and Sand City.

The RHNA working-group concludes that the rough draft allocation numbers appear disproportionate and do not address the regional jobs housing imbalance. For Monterey, the proposed 28-unit allocation falls dramatically short of the recently adopted General Plan goals. The General Plan establishes the following vision for Monterey:

Goal b. Direct future population growth into mixed use neighborhoods. The City's goal is to create and nurture mixed use neighborhoods that: 1) Reduce automobile trips; 2) Improve the quality of the pedestrian experience; 3) Create walkable neighborhoods; 4) Provide more ownership opportunities; 5) Increase the stock of housing affordable to Monterey's work force; 6) Require high quality design to complement Monterey's image; and 7) Improve neighborhood oriented services.

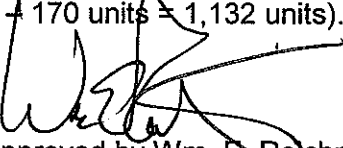
This strategy is consistent with several of the City Council's recent strategic planning efforts:

- Monterey is committed to being a model city for its quality of life driven by responsiveness of local government, historical and cultural preservation, mobility opportunities emphasizing pedestrians over vehicles, economic sustainability, a strong sense of place and good stewardship of the natural environment.
- Ensuring a level of economic vitality sufficient to support our quality of life and municipal infrastructure requirements (both physical and human).
- Providing the City of Monterey with multiple modes of transportation that are safe, efficient and effective.

The recently adopted Urban Environmental Accords encourage mixed-use development, a strategy already being pursued as a result of the 2005 General Plan adoption. Accord 8 recommends -- Adopt urban planning principles and practices that advance higher density, mixed use, walkable, bikeable and disabled accessible neighborhoods which coordinate land use and transportation with open space systems for recreation and ecological restoration.

Staff recommends that the City continue with its recently adopted General Plan strategy of mixed-use neighborhoods and pursue a Regional Housing Needs Allocation of approximately 1,100 units (1,302 RHNA allocation - 170 units = 1,132 units).

  
Kimberly Cole, AICP  
Senior Planner

  
Approved by Wm. E. Reichmuth, P.E.  
Director of Plans, Engineering and Environmental Compliance

KC:ja

Attachments:   1. AMBAG 2004 Housing Unit & Population Forecasts & HCD Housing Units  
                  2. Letter from City of Salinas to AMBAG  
                  3. Letter from City of Marina to AMBAG

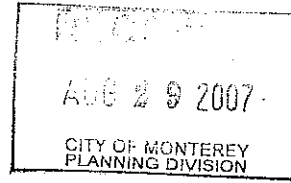
c: AMBAG, P.O. Box 809, Marina, CA 93933  
    Planning Commission

**\*SAMPLE\* AMBAG 2004 Housing Unit and Population Forecasts and HCD Housing Units distributed as % change over regional total**

CITY	2004 Housing Unit (HU) Forecast											HCD 06-13 HU	
	2006	2007	2008	2009	2010	2011	2012	2013	% chg.	% region			
<b>Monterey County</b>													
Carmel-by-the-Sea	3,342	3,342	3,342	3,342	3,342	3,342	3,342	3,342	3,342	0.0%	0.0%	-	-
Del Rey Oaks	680	680	680	680	680	680	680	680	680	0.0%	0.0%	-	-
Gonzales	2,255	2,419	2,583	2,747	2,911	3,009	3,106	3,204	3,204	42.1%	4.5%	1,152	1,152
Greenfield	3,491	3,700	3,909	4,118	4,327	4,476	4,624	4,773	4,773	36.7%	6.1%	1,536	1,536
King City	3,360	3,489	3,619	3,748	3,877	3,967	4,057	4,147	4,147	23.4%	3.8%	955	955
Marina	9,202	9,851	10,501	11,150	11,799	11,959	12,119	12,280	12,280	33.4%	14.8%	3,736	3,736
Monterey	13,522	13,528	13,533	13,539	13,545	13,545	13,545	13,545	13,545	0.2%	0.1%	28	28
Pacific Grove	8,060	8,061	8,063	8,064	8,066	8,066	8,067	8,067	8,067	0.1%	0.0%	9	9
Salinas	41,668	42,925	44,182	45,439	46,696	47,270	47,843	48,417	48,417	16.2%	32.4%	8,194	8,194
Sand City	136	136	136	136	136	136	136	136	136	0.0%	0.0%	-	-
Seaside	10,789	10,890	10,991	11,092	11,193	11,202	11,211	11,219	11,219	4.0%	2.1%	523	523
Soledad	4,620	4,853	5,087	5,320	5,554	5,760	5,966	6,171	6,171	33.6%	7.4%	1,884	1,884
Unicorp Monterey	39,948	39,891	39,833	39,776	39,718	40,315	40,912	41,510	41,510	3.9%	7.5%	1,896	1,896
<b>Monterey Co Total</b>	<b>141,073</b>	<b>143,766</b>	<b>146,458</b>	<b>149,151</b>	<b>151,844</b>	<b>153,726</b>	<b>155,608</b>	<b>157,491</b>	<b>157,491</b>	<b>11.6%</b>	<b>78.7%</b>	<b>19,934</b>	<b>19,934</b>
<b>Santa Cruz County</b>													
Capitola	5,928	5,959	5,991	6,022	6,054	6,061	6,068	6,074	6,074	2.5%	0.7%	178	178
Santa Cruz	22,925	23,024	23,123	23,222	23,321	23,440	23,559	23,678	23,678	3.3%	3.6%	914	914
Scotts Valley	5,336	5,376	5,415	5,455	5,494	5,510	5,526	5,543	5,543	3.9%	1.0%	250	250
Watsonville	14,112	14,319	14,525	14,732	14,939	15,218	15,497	15,777	15,777	11.8%	8.0%	2,021	2,021
Unicorp SC	55,726	55,942	56,157	56,373	56,589	56,855	57,121	57,387	57,387	3.0%	8.0%	2,017	2,017
<b>Santa Cruz Co Total</b>	<b>104,027</b>	<b>104,619</b>	<b>105,212</b>	<b>105,804</b>	<b>106,397</b>	<b>107,084</b>	<b>107,771</b>	<b>108,459</b>	<b>108,459</b>	<b>4.3%</b>	<b>21.3%</b>	<b>5,381</b>	<b>5,381</b>
<b>TOTAL</b>	<b>245,099</b>	<b>248,385</b>	<b>251,670</b>	<b>254,956</b>	<b>258,241</b>	<b>260,810</b>	<b>263,380</b>	<b>265,949</b>	<b>265,949</b>	<b>8.5%</b>	<b>100.0%</b>	<b>25,315</b>	<b>25,315</b>



# City of Salinas



OFFICE OF THE CITY MANAGER  
200 Lincoln Avenue Salinas, California 93901

(831) 758-7201 Fax (831) 758-7368

July 2, 2007

Nicolas Papadakis, Executive Director  
Association of Monterey Bay Area Governments  
P.O. Box 809  
Marina, CA 93933-0809

SUBJECT: REGIONAL HOUSING NEEDS DETERMINATION (RHND)

Dear Mr. Papadakis:

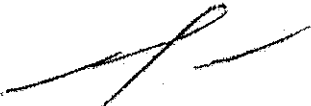
The purpose of this letter is to express the City of Salinas' concerns regarding the method of allocating a "fair share" distribution of housing units based on the percentage of change over the regional total.

Basing the RHND allocation on historic development will not address the jobs/housing imbalances that exist in many of the region's jurisdictions. It is the City's position that allocating over 8,000 housing units to Salinas for the 2006-2013 planning period while allocating no housing units to Carmel, Del Rey Oaks or Sand City and only a marginal number of units to Pacific Grove and Monterey, <sup>does not</sup> reflects the realistic housing needs within those jurisdictions. *Hand on 2004 forecast*

The regional allocation of housing units should be policy based through the consideration of the General Plan for each jurisdiction (either adopted or under consideration). AMBAG, through this regional allocation process must acknowledge that cities within the Salinas Valley can no longer be expected to house the workforce for the Monterey Peninsula.

The City of Salinas looks forward to continuing this discussion. Thank you for your consideration.

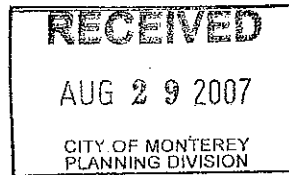
Respectfully submitted,

  
DAVE MORA  
City Manager

Cc: Mayor and City Council  
Vanessa Vallarta, City Attorney  
Robert C. Russell, PE Deputy City Manager/City Engineer

ATTACHMENT 2

*City of Marina*  
AT MONTEREY BAY



August 21, 2007

Nicolas Papadakis, Executive Director  
Association of Monterey Bay Area Governments  
P.O. Box 809  
Marina, CA 93933

Subject: Regional Housing Needs Determination

Dear Mr. Papadakis,

The City of Marina Community Development Department staff has been meeting regularly as a member of the Regional Housing Needs Allocation Subgroup (RHNA) led by Association of Monterey Bay Area Governments (AMBAG). The purpose of these meetings is to ensure a fair distribution of the State of California Housing and Community Development Department (HCD) Regional Housing Needs allocation of 25,315 units among jurisdictions within the counties of Monterey and Santa Cruz.

The RHNA subgroup is currently working on refining AMBAG's rough draft of the proposed 2008-13 allocations. As currently proposed, allocations include 8,194 units for Salinas, 3,736 units for Marina, 1,152 units for Gonzales, 523 for Seaside, 28 for Monterey, 9 for Pacific Grove and zero (0) units for Carmel-by-the-Sea, Del Rey Oaks, and Sand City. These numbers are based on AMBAG's 2004 population forecast.

The RHNA subgroup has acknowledged, and the City of Marina agrees, that the rough draft allocation numbers appear disproportionate and do not address the jobs/housing imbalance on a regional basis.

The subgroup recently agreed to analyze the acreage of land available for residential development within each jurisdiction using each jurisdiction's General Plan and weight the distribution of the allocation accordingly. The City of Marina agrees with this approach in that such basis for the allocation would be policy based through the consideration of the General Plan for each jurisdiction. Further, the City of Marina believes that achieving a regional jobs/housing balance would address regional environmental concerns relating to traffic congestion on Highway One.

One of the principal goals and prevailing theme of the Marina General Plan is the attainment of a jobs/housing balance through economic development that generates substantial high quality jobs. Other key General Plan provisions call for construction of a diverse mix of housing types to accommodate a broad range of life-styles and income levels, especially with respect to matching the needs of the City's current and projected future workforce (General Plan Policies

Nicolas Papadakis, Executive Director

August 21, 2007

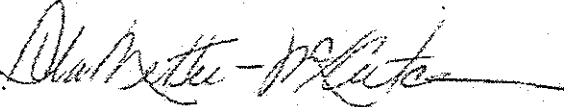
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2.4.6 and 2.31.1) and development of new housing at overall higher densities than those presently characterizing much of Marina (General Plan Policies 2.4.4 and 2.31.5). The City has been successfully implementing these goals and policies as new development and redevelopment occurs within the City.

The City encourages the adoption and implementation of similar policies by its neighboring jurisdictions. The RHNA process presents an opportunity for AMBAG and all Monterey County jurisdictions to address the jobs/housing imbalance within Monterey County.

Thank you for your consideration of the City of Marina's position in this important process.

Sincerely,



Ila Mettee-McCutchon, Mayor  
City of Marina