

Central Coast Housing Working Group

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April 24, 2020

Minutes

1. CALL TO ORDER

The meeting was called to order by Chair Mike LeBarre, Mayor, King City at 1:00 p.m.

2. ROLL CALL/INTRODUCTIONS

Jurisdiction	Representative	Present	Absent
Santa Cruz County	Francisco Estrada	X	
San Benito County	John Freeman	X	
San Benito County	Jim Gillio		X
Monterey County	Joe Gunter	X	
Santa Barbara County	Joan Hartmann	X	
San Luis Obispo County	Adam Hill		X
Santa Barbara County	Ariston Julian		X
Monterey County	Mike LeBarre	X	
Santa Cruz County	Bruce McPherson		X
Santa Barbara County	Alice Patino	X	
San Luis Obispo County	Jimmy Paulding	X	
Santa Cruz County	Kristen Petersen	X	
Monterey County	John Phillips		X
San Luis Obispo County	Fred Strong	X	
San Benito County	Ignacio Velazquez	X	

Others Present: Marjie Kirn, SBCAG; Peter Rodgers, SLOCOG; Mary Gilbert, SBCOG; Sara Sanders, SLOCOG; Michael Becker, SBCAG; Nicole Nix, County of San Luis Obispo; Carolyn Berg, County of San Luis Obispo; Joshua Roberts, County of San Luis Obispo; John Holder, City of Atascadero; Rachel Cohen, City of San Luis Obispo; Maura Twomey, Heather Adamson, Paul Hierling, Gina Schmidt, Miranda Taylor, and Ana Flores; AMBAG.

3. ORAL COMMUNICATIONS FROM THE PUBLIC ON ITEMS NOT ON THE AGENDA

None.

4. ORAL COMMUNICATIONS FROM THE WORKING GROUP ON ITEMS NOT ON THE AGENDA

Director Strong suggested that Zoom be used for the next CCHWG meeting.

Director LeBarre also agreed that staff should consider using Zoom for the next CCHWG meeting.

5. CONSENT CALENDAR

A. Draft Minutes from the January 31, 2020 Central Coast Housing Working Group Meeting

The draft minutes from the January 31, 2020 Central Coast Housing Working Group Meeting were approved.

Motion made by Director Strong, seconded by Director Paulding to approve the draft minutes from the January 31, 2020 Central Coast Housing Working Group Meeting.

Motion passed unanimously.

6. REGULAR AGENDA

A. Approach for Allocation of Central Coast Regional Early Action Planning (REAP) Funding

Heather Adamson, Director of Planning, Association of Monterey Bay Area Governments (AMBAG) gave a presentation on the Approach for Allocation of Central Coast Regional Early Action Planning (REAP) Funding. Ms. Adamson reported that at the January 31, 2020 Central Coast Housing Working Group (CCHWG) Meeting, AMBAG presented a draft Regional Early Action Planning (REAP) fund suballocation approach in cooperation with regional COG partners. The CCHWG directed AMBAG to proceed with developing the funding approach. Ms. Adamson reported that at the January meeting, AMBAG was appointed as the fiscal agent, three percent of the funds would be allocated to the fiscal agent to administer the grant for the Central Coast from 2020 to 2024. This would include work on 1) the housing planning best practices toolkit; 2) outreach and education; 3) coordination and compliance with the Department of Housing and Community Development (HCD); 4) financial oversight and auditing; 5) invoicing and reporting; and 6) contract management. Ms. Adamson reported on the approach for allocating regional housing funding in which the remaining funding \$7,693,392 would be allocated to the four COGs. Ms. Adamson also reported that the amounts allocated are based on the each of the COGs population within the Central Coast megaregion to maintain geographic equity and the COGs may use some of the funds to develop an improved methodology for their 6th Cycle Regional Housing Needs Assessment (RHNA). The proposed allocation amounts to the COGs are as follows 1) AMBAG - \$3,651,526; 2) SBtCOG - \$315,813; 3) SLOCOG - \$1,421,468 and; 4) SBCAG - \$2,304,585. Ms. Adamson stated that the COGs would allocate the remaining funding to their local jurisdictions for housing planning and that the COGs may also suballocate the funds to their jurisdictions using geographic equity or other processes at their discretion. Ms. Adamson reported that AMBAG's draft proposed approach would be to allocate \$3,300,000 to the local jurisdictions within Monterey and Santa Cruz Counties according to jurisdiction size which would be consistent with thresholds in HCD's Local Early Action Planning (LEAP) program. The remaining funds \$351,526 would be used to prepare the 1) 6th Cycle RHNA methodology; 2) allocation updates; and 3) other regional planning activities. The draft proposed approach was discussed with the Planning Directors and that there is support for this approach. The draft proposed approach is scheduled to go to the AMBAG Board of Directors later this spring.

Mary Gilbert, Executive Director, San Benito County Governments (SBtCOG) gave a report on the proposed approach for allocating regional housing funding for the SBtCOG region. Ms. Gilbert reported that SBtCOG had initial discussions with staff from the three local jurisdictions to identify the best approach for the allocating the funding. Ms. Gilbert also reported that SBtCOG is considering suballocating their REAP funding allocation via a grant program based on regional needs and would be done on project to project basis to meet the needs of the local jurisdictions. The funding would be used on the Regional Housing Needs Assessment (RHNA) cycle which would start later this year. Ms. Gilbert also reported that staff is scheduled to discuss this approach with the local jurisdictions before taking the proposed approach to their Board of Directors this spring/summer.

Sara Sanders, Transportation Planner, San Luis Obispo Council of Governments (SLOCOG) gave a report on the proposed approach for allocating regional housing funds for the SLOCOG region. Ms. Sanders reported that SLOCOG adopted their 6th Cycle Regional Housing Needs Assessment (RHNA) in October of 2019. The local jurisdictions and the SLOCOG Board approved a regional compact group to work together for housing and infrastructure goals. Ms. Sanders also reported that with the Regional Early Action Planning (REAP) funding the actions include 1) suballocating the REAP funds to local jurisdictions; and 2) setting aside funding for regional projects. Ms. Sanders stated that the methodology for suballocating the funds include 1) population size; 2) RHNA numbers; and 3) sub regions. Ms. Sanders reported that SLOCOG is continuing discussions with local jurisdictions and the suballocation approach is scheduled for approval from the SLOCOG Board of Directors in June 2020.

Michael Becker, Director of Planning, Santa Barbara Association of Governments (SBCAG) gave a report on the proposed approach for allocating regional housing funds for the SBCAG region. Mr. Becker reported that SBCAG staff developed six formulas for the local allocation of the funds to the local jurisdictions which is split based on 1) population; 2) jobs; and 3) the 5th Cycle Regional Housing Needs Assessment (RHNA). The remaining three formulas use the same factors but will first allocate \$100,000 to each of nine jurisdictions in the SBCAG region before applying the formula to the remaining funds. Mr. Becker reported that SBCAG will use \$230,000 of the regions allocation funding to 1) complete the 6th Cycle RHNA process; 2) for local oversight; and 3) administration of the subgrants. SBCAG is scheduled to take their REAP funding approach to the SBCAG Board of Directors in May 2020.

Heather Adamson, Director of Planning, AMBAG reported on the next steps for the Approach for Allocation of Central Coast Regional Early Action Planning (REAP) Funding. The next steps include 1) with the Central Coast Housing Working Group (CCHWG) approval, the COGs will finalize their funding approach through their local jurisdictions and boards; 2) AMBAG is currently working to execute and agreement for REAP funding with the Department of Housing and Community Development (HCD); 3) a draft REAP application is under development for suballocation to the local jurisdictions in the Central Coast region; and 4) funding is expected to be available in late spring/early summer. Brief discussion followed.

Director Strong commented on the formula on Attachment 1 stating that he compared the population figures to the amount of money that is to be allocated and his figures do not agree with the numbers. Director Strong also stated that AMBAG and SBCAG would be

allocated more money than their percentage with SBtCOG and SLOCOG receiving less than their percentage. Director Strong does not agree that the figures are correct.

Heather Adamson, Director of Planning, AMBAG referred to page 13 of the CCHWG agenda packet. AMBAG used the Department of Finance (DOF) population estimates, which is posted on the DOF's website as of January 2019. Ms. Adamson stated that staff would double check the population numbers and stated that the calculation formula was made by removing the fiscal agents 3 percent and applying the remaining funds of just under 7.7 million to the population percentages.

Director Strong commented that he followed the same formula and came up with the following percentages of the population of the area with 1) San Benito County with 4.2%; 2) Monterey County with 29%; 3) Santa Cruz County with 18.3%; 4) San Luis Obispo County with 18.8%; and 5) Santa Barbara with 29.7%.

Director LeBarre recommended that staff verify the numbers and bring them back to the Central Coast Housing Working Group (CCHWG) for further review.

Heather Adamson, Director of Planning, AMBAG commented that staff will verify the numbers prior to finalizing the agreement and suballocating the money to the COGs.

Motion made by Director Strong, seconded by Director Paulding to approve the Approach for Allocation of Central Coast Regional Early Action Planning (REAP) Funding. Motion passed unanimously.

B. Draft Outline for the Central Coast Housing Best Practices Toolkit

Paul Hierling, Senior Planner, Association of Monterey Bay Area Governments (AMBAG) gave a presentation on the Draft Outline of California Central Coast Housing Best Practices Toolkit. Mr. Hierling reported that as a condition to accepting Regional Early Action Planning (REAP) funding, it requires the grant recipients to identify housing best practices and strategies. As the fiscal agent, AMBAG will prepare the best practices toolkit for the Central Coast Region with input from jurisdictions and COGs. Mr. Hierling stated that the purpose of this presentation is to review the plan for the preparation of the best practices toolkit and receive input from the CCHWG members. Mr. Hierling reported on the draft plan for implementing the Housing Best Practices Toolkit which include 1) review of the Department of Housing and Community Development (HCD) Housing Best Practices; 2) review of other housing best practices studies developed by other jurisdictions; 3) gather input from COGs and jurisdictions; 4) select the housing best practices; 5) prepare the draft housing best practices toolkit for review; and 6) develop the final toolkits. The draft outline of the best practices toolkit chapters would be as follows 1) Introduction including AB 101 and REAP funding; 2) the California Housing Crisis and the Central Coast Megaregion; 3) Potential Housing Planning Strategies; and 4) Funding Sources for Housing Planning and Policy Updates. Mr. Hierling stated that the Draft Housing Planning Best Practices and Strategies list would include the following housing planning strategies 1) infill policies; 2) building code updates; 3) permit streamlining; 4) housing retention policies; 5) planning policies; 6) zoning updates; 7) financing strategies; 8) reduced parking requirements; 9) surplus lands policies; 10) infrastructure improvements; 11) development fee changes; and 12) incentive programs. Mr. Hierling stated that the full list of the potential housing

planning strategies is located on page 19 of the CCHWG agenda. The main funding sources that are available include 1) the Local Government Planning Support Program (LGPSGP) which includes both the Local Early Action Program (LEAP) and the Regional Early Action Program (REAP); 2) Permanent Local Housing Allocation (PLHA); 3) the Affordable Housing Sustainable Communities (AHSC) Program; 4) Transformative Climate Communities (TCC); 5) the Infill Incentive Grant (IIG) Program; 6) the Community Development Block Program (CDBG); and 7) the Multi-Family Housing Program (MHP). All the grants are managed by HCD with the exception of the Transformative Climate Communities (TCC) grant which is managed by the Strategic Growth Council. Lengthy discussion followed.

C. Update from CCHWG Members on Housing Activities

Director Strong gave an update on the Housing Activities for the City of Paso Robles. Director Strong stated that the City of Paso Robles is similar to Monterey County with 20% of the total income received is from tourism with over a million visitors a year. Director Strong reported that over 250 housing units are currently under construction with 224 of those units as assisted living units. The City of Paso Robles recently approved an additional 200 apartment units to be constructed as an infill project and that the City of Pascadero also had construction projects currently in progress. Director Strong reported that City of Paso Robles is making progress but due to COVID-19, it's currently a financial uncertain time.

7. NEXT MEETING

A. Suggested Dates: August 14, August 21, or August 28

Mike LeBarre, Chair, CCHWG reported there are three suggested meeting dates for the next CCHWG Meeting which are August 14th, August 21st or August 28th. Director LeBarre informed the CCHWG members that an email would be sent out to the members to coordinate the next CCHWG meeting date.

8. ADJOURNMENT

The Working Group meeting adjourned at 11:09 a.m.

CENTRAL COAST HOUSING WORKING GROUP MEETING ATTENDANCE & VOTING RECORD

MEETING DATE: April 24, 2020

Attendance (X= Present; AB= Absent) Voting (Y= Yes; N=No; A=Abstain)				
JURISDICTION	REPRESENTATIVE	Attendance	Item# 5.A	Item# 6.A
Santa Cruz County	Francisco Estrada	X	Y	Y
San Benito County	John Freeman	X	Y	Y
San Benito County	Jim Gillio	AB	N/A	N/A
Monterey County	Joe Gunter	X	Y	Y
Santa Barbara County	Joan Hartmann	X	Y	Y
San Luis Obispo County	Adam Hill	AB	N/A	N/A
Santa Barbara County	Ariston Julian	AB	N/A	N/A
Monterey County	Mike LeBarre	X	Y	Y
Santa Cruz County	Bruce McPherson	AB	N/A	N/A
Santa Barbara County	Alice Patino	X	Y	Y
San Luis Obispo County	Jimmy Paulding	X	Y	Y
Santa Cruz County	Kristen Petersen	X	Y	Y
Monterey County	John Phillips	AB	N/A	N/A
San Luis Obispo County	Fred Strong	X	Y	Y
San Benito County	Ignacio Velazquez	X	Y	Y

(* = Board Member(s) arrived late or left early, therefore, did not vote on the item. Please refer the minutes)