

AMBAG & HCD – Introduction to 6th Cycle Housing Elements Webinar
March 29, 2022
Transcription

Heather Adamson 1:46

Good afternoon, everyone. Welcome to, uh, AMBAG and the California State Department of Housing and Community Development, uh, webinar. Uh, we're going to do an introduction to six Cycle housing elements, uh, today. Um, my name is Heather Adamson. I am the Planning Director and we have a number of AMBAG staff here today. And we also looks like we have a number of participants on, um, let's give them, uh, one more moment to join. I just wanted to talk about the format of today's webinar. We are recording this webinar. Uh, we hope to have it available online later this week or early next week, for those who weren't able to join us today. we're hoping this is the first of a handful of webinars. This will be a high level overview for both elected officials and local jurisdictions who will be developing this six cycle housing housing element in both, uh, the Monterey bay area region, uh, the counties of San Benito, Santa Cruz and Monterrey. Um, so, uh, <inaudible> um, the summer and this fall, we may have some more technical workshops partnering with HCD on talking about the various components, um, uh, some know detailed guidance to various components of the housing elements cycle and maybe some of those new components. Um, so first we're gonna start off with a few poll questions just to see who we have here in the audience. Um, so we'll, can you get started with the first question? Um, we just want to know, um, uh, we just want to know, uh, what is your position? Um, are you an Alexa pausing, planning, housing staff from a local jurisdiction or other, um, we'll give you a moment to respond to that.

Heather Adamson 3:46

So waiting for a few more responses based on registered participants.

Heather Adamson 3:58

Okay. Um, let's go hold an in that poll and we'll bring up the next question.

Heather Adamson 4:09

Okay. Uh, next question. Uh, what type of locality do you work for? Are you working for the county and city or other?

Heather Adamson 4:31

It looks like we're mostly having a city staff

Heather Adamson 4:37

waiting for a few more respondents based on how many are participating. Let's go ahead and end the poll. And we'll, I forgot to ask you this last time, but if you can Hear was the old,

Heather Adamson 4:57

Okay. So about two thirds, almost two third city, um, with about 20% from county and other. Okay. Uh, we'll move on to our next question.

Heather Adamson 5:12

Uh, we want to know, uh, where is your jurisdiction or where do you work in Monterey county? Uh, San Benito county or Santa Cruz county.

Heather Adamson 5:36

I'm waiting for a few more participants.

Heather Adamson 5:45

Okay. Let's go ahead and close that.

Heather Adamson 5:49

Um, so, uh, predominantly Monterey county makes sense. There's more direct sections located there. Um, it looks like we have one from San Benito county and the rest are from Santa Cruz county. Okay. Sorry, final question. Before we get into the webinar

Heather Adamson 6:08

is what is your experience with housing element? Um, have you developed or approved either as a staff member or a city council member board of supervisor member a previous cycle has an element like the fifth cycle, or will this be your first time working as a staff member for a local jurisdiction and, or an elected official approving your housing element?

Heather Adamson 6:42

Okay. Waiting for a couple more respondents.

Heather Adamson 6:48

Okay. Let's go ahead and close that.

Heather Adamson 6:53

And sheriff, so roughly, um, 30, 70 split. Um, so we do have quite a number of new folks here. And so this is good information for both AMBAG as well as HCD stuff that we'll be presenting. Um, so thank you all for your participation. Um, and then we'll, if you can close that. Okay. So as I mentioned the format today, um, we have a hot mic, uh, me hood here from, uh, the California department of, uh, housing and community development or HCD. And, um, she will be giving a overview presentation introductory to six, six cycle housing elements. Um, we'll go through the presentation and then we'll have a good amount of time for questions and answers and comments. And so we ask that you hold your comments, uh, to the end, um, or you can, if you would rather, um, uh, put them, write them in the chat and send them to the host, we can read those at your behalf at the end as well. If you are, I guess I should have mentioned this at the beginning. If you are having technical difficulties, you can contact us or AMBAG staff, um, uh, 8 3 1 8 8 3 3 7 5 0. Um, and they can help you with, um, with that. Or you can send us a message through the chat as well, if you're having some audio issues, um, with that, I am going to turn it over to HCD so hob, and she will start her presentation. And then we'll go into questions and answers and comments, um, from all of you, um, following her presentation. So welcome to hop. You are muted by the way.

Sohab Mehmood 8:44

Oh, thank you. Um, let me just set up.

Sohab Mehmood 8:52

Okay. Um, thank you, Heather. Thank you AMBAG for having me, uh, just to give you a brief overview of who I am. My name is Sohab Mehmood mood I'm with the California department of housing, community development, also known as HCD. Um, I'm a senior housing policy specialist. I help oversee our housing elements. I do second reviews or final reviews on, um, uh, housing elements as well. Um, I provide TA on housing, all beds. I also oversee and help with a lot of other efforts, including pro-housing and planning grants. Um, so I might goal today is kind of give you a very high level overview of what a housing element is, why it's important, what should, again, very high level, what should be in it kind of touching on some like key changes, uh, from the fifth cycle and the sixth cycle, although it seems like most of us are pretty new to it, so it may not make too much of a difference if I touched on that. Um, and then also talking about just what are you look, you know, what is their toe? What, what are you CA what should you be expecting as you develop your housing element as you interact with HCD, especially when they review some carrots and sticks that we have regarding housing elements. So the first thing I want to do is just give a very high level overview of what a housing element is. I'm doing this slide, because I think sometimes there are kind of misconceptions about what it is and what it's meant to do, you know, on some, in, you know, we hear comments like it's not really going to do anything. It's just a piece of paper. Um, on other ends, we hear things like, well, you know, does this mean we have to build and what it is, it's, it's a required element of your general plan. Um, so if it is not valid or if it's not compliant, it does have impacts on your entire general plan. That's the first thing, second thing is the housing element really can set the foundation for where the housing will occur because of the sites and inventory that, you know, the identified sites you'll be doing in your housing element, how it can occur based on programs and incentives, you'll be likely including in your housing element and when it will occur, you know, based on how you're going to be implementing programs, maybe some rezoning, um, it'll kind of dictate when and how, and warehousing will occur for all income levels with of course, a special focus on affordability,

Sohab Mehmood 11:14

um, to kind of give you a brief overview, you know, what are the key components of the housing element? So this is a very large summary of what is a housing what's academically in a housing element. Each of these kind of buckets are actual sections that are in a housing element, public outreach, as you can see is kind of an overarching theme. It should happen before you start drafting it, it should happen while you're drafting it. It should it's um, actually, and I'll get, I'll get into this a little bit, but it, it should be happening while you're getting your housing elements for viewed with HCD. And, um, it should happen all the way through adoption. So public outreach is kind of an overarching theme that not only are you doing outreach, but you're implementing comments, feedback, we're, propriate into different sections of the housing element. Um, so the first section is the housing needs. This is really looking at all the demographics of your jurisdiction, looking at key characteristics, who, who are you serving, who is in your city, what's going on related to housing and really getting a good assessment of who's in your city and who, um, what different types of special needs populations do you need to serve? Then you'll kind of get into what are the land and financial resources you have available to serve those demographics. And I'll say, you know, this is

where, um, the sites inventory comes into play. That is part of what's available land, but also, I would also say your site strategy. So like, it may not just be your sites, but it may be other, um, other development opportunities. You're looking at like projects that you might currently have in the pipeline, uh, ADU use other just creative things that might be going on in your jurisdiction, that you may be able to count both internally as a government organization, as a city and externally as well with the market. What are things at play internally and externally that may impact when and how, and warehousing will get built throughout this planning period, eight year planning period that you're planning for right now. Um, so it's, it's a, it's a big document. It's an important document. And it's, you know, of course it could always be revised and change, but the idea that you are looking out for the next eight years to see what you can do to really encourage housing, this is a new, um, assessment of fair housing. Some of you may be familiar if you've done it as part of comm plans with HUD, it is a new state laws while for the sixth cycle housing almonds is I will, um, I will not sugarcoat it. It is a, um, it's a larger piece of the section in your housing element. There are quite a few specific requirements, but it's a very important part of the housing element and your housing element compliance to really assess at a level of, from, uh, assessing different components of fair housing, seeing how the city is doing and seeing what kind of programs and actions and efforts the city can take to really affirmatively further fair housing. Um, again, I'm going to go into all of these sections briefly though. I can spend an entire, um, I could spend an one hour probably on each of these sections, so I will go through it briefly. Um, but just to kind of give you an idea of the different sections you'll be working on in your housing, all my, then you'll get to get into evaluating your past programs. So that's this right here. This is what we call the overview and provide section sometimes where you look at your fit programs and you assess to see, you know, where they successful, what didn't work, what did work, what you might want to continue forward, what you might want to revise, or like keep the program, but make modifications and where you just want to propose new strategies based on the results you've seen in the fifth cycle. And then lastly, you're going to have a, sometimes what we call an action plan, which is action programs that will one have to hit on different statutory objectives and to hit on, you know, you're, you're doing all this analysis and depending on what comes out of this analysis, you may need to have programs to really directly address that analysis. You know, for example, you've identified that we have, um, constraints in the permit process. Uh, you know, it takes two years to process entitlements at a project. You really think, um, that might be identified as a constraint to development. So you include a program to find ways to streamline that process. That's just an example of taking the analysis, for example, in the development barriers and that including a program to address that analysis.

Sohab Mehmood 15:54

So getting into, so right here, you know, I kind of mentioned public outreach as overarching theme as well, as well as its own section, um, separate section. So getting into really, um, high level again, public participation. So what we, the two biggest points we're looking at is one, did you make diligent efforts to achieve public participation for all economic segments during the development of the adoption of the housing element? So people often ask what does diligent efforts mean? Um, I will say, you know, we do have some guidance and some

fact sheets and can kind of help, um, help you through understanding what that might look like for your jurisdiction, but generally what you want to make sure you're doing is you're engaging your community through a variety of methods to, um, to connect to, to reach a variety of stakeholders and community members, right? So you're looking at various avenues, such as workshops, flyers, hearings, pop-up events, et cetera. And then you're also making sure you're hitting your you're reaching a variety of economic status segments. So special needs populations, persons with disabilities, maybe those living in assisted housing developments, people, um, seniors, uh, maybe communities like farm workers. You're looking at all of your income levels, all of your different populations, and hopefully somewhat tailoring your outreach strategy to really reach those populations. So, for example, if you're trying to reach sometimes, um, uh, populations where English is not a primary language or English as their second language, you may have a different type of strategy to reach those populations, to gather feedback. You might be translating surveys into Spanish. Um, if that's the common language for your jurisdiction, you might be engaging stakeholders who represent those populations, um, together as a representation to gather feedback from those stakeholders on what that population in that community may want to see may need. As part of the housing element update. I want to flag two really important, um, changes, updates to housing elements that I think are going to directly affect you guys right now. I think, uh, men, um, Heather was mentioning that, uh, some of some jurisdictions have already started at least looking into updating their housing element, the procurement process. And so I want to flag two things. So one new law that was taking effect this year was that the initial draft of the housing element, once you've come up with your draft, you're saying, okay, I'm ready to submit to HCD before you submit, you must have it available to the public for 30 days before submittal. This is really important. We cannot review the draft, that initial draft until it's been available to the public for 30 days, it will get kicked back. If it wasn't made available to the public for 30 days. Additionally, to that, a caveat with that is if you did receive any comments in that 30 day period, you should take 10 business days. You must take 10 business days to consider and were appropriate. Incorporate those public document of public comments. Then secondly, any subsequent revisions made to the draft or the adopted. So let's say you get HDDs feedback after your review and you have to make some changes. Uh, that's very common by the way, that is almost a standard practice that you have to make changes to your housing elements as part of HDS review, um, any changes you have to make, they must be available to the public for seven days before HDDs review. And you must email a link to all individuals and organizations that have requested, um, requested the access to the housing element or provided public commitments. So making sure that you're hitting these two points, because then it will limit our ability to review your housing element. Um, if those things aren't done.

Sohab Mehmood 20:01

So I, again, I know I went very high level. I do want to flag, we do have quite a bit of TA on public participation. The first thing is we have it just like the new laws that I discussed. We have that all laid out on our building blocks on our HCD website. Um, I am going to work with <inaudible> to make sure that these slides are available so you can access these links. We also do have other tools available on our housing hub site, which is like our TA website,

including a checklist to kind of see if you're hitting all the parts of diligent, um, outreach and educational video, and a toolkit on public engagement.

Sohab Mehmood 20:38

So the second piece, now we're going to go into review and revise. That's that section I was talking about, where you can kind of look at your plus programs and see what happened, what worked, what results did you get and what do you want to change moving forward? Um, the review of revised section, they have a couple of things, a couple of key parts you're going to want to hit. You want to evaluate the effectiveness of lost housing element programs. Most jurisdictions will be doing this on a program by program basis. Um, there's kind of a standard table that most jurisdictions use where they just put all their programs in this table. They put out a column for evaluation, you know, was where they had results from a program. They can quantify it. Then they have a column that says progress and implementation. For example, if they committed to updating an ordinance, did it happen? Do they fully update that ordinance or adopt that ordinance, or were they not successful in doing that? And that's something. And then the reviews, revise section, they're going to talk about if they want to continue that forward, is it still appropriate? Is it still relevant? Um, that particular action in that program, or they can kind of drop that program and then a new part, a new chain or a new law from the six cycle is that you also, it's kind of think of it as like a special cutout that you're doing, where you're going to specifically evaluate the cumulative effectiveness of any house, previous housing element programs related to special needs populations. So think about if you have in your fifth cycle housing programs related to emergency shelters and extremely low income households and persons with disabilities and seniors, you want to take those programs and cumulatively discuss what the results were and how effective that a group of programs were in addressing those populations.

Sohab Mehmood 22:33

So now the third thing, um, this has been, we're kind of doing a assessment of your jurisdiction and who's living there and what are their needs. Uh, this is the demographic section. Also I do want to flag, we have, I think it's called like a a hundred point checklist on our website, which again, I'll make all those links available where it's going to spell out, especially in this section, every single, um, demographic or data data point you need in this, um, in this section. So here, you'll see that you're going to generally talk about, or generally have data on these different data points to topic areas. I do want to flag something that's really important here when you're doing this part of the section. It's not that you're just including data and saying, well, we got, you know, um, 50% of our community is of Asian. My majority, for example, it's not that you're just saying that or including the data, you're also analyzing it. So especially in the special needs, housing needs analysis that, um, fourth bullet point, you're looking at that data and then you're analyzing, okay, so this is the population. These are the and programs we have or had to address this population. This is a success in those programs. This is where we still have gaps and addressing, helping address the needs of these populations. And here's what we're considering or proposing to do moving forward for this planning period. So make sure that your data includes an analysis and it's not just slapping data into the section.

Sohab Mehmood 24:11

Um, and so kind of like what I was gonna, um, what I was getting at is your housing needs data section that we just talked about. It's gonna feed into different parts of the housing element. It's going to feed into your programs because you're going to have some kind of assessment of somewhat of the needs of different, special needs populations. And you may need to add programs or revise programs to address those populations. It can feed into your public outreach strategy because you have a better understanding of who is in your community based on race, based on, um, certain care protected characteristics based on language access. So you can crack your public outreach strategy in a way that's tailored to the people who actually live in your city and it can feed into AFFH, um, which is affirmatively furthering fair housing, which is what the assessment of fair housing is. And I'll kind of get into that in the next slide.

Sohab Mehmood 25:04

Um, so for the assessment of fair housing, it's a, it's a good portion. It's a big section of the housing element. Uh, there's a lot of, there's a lot of words on this slide. Um, and I promise you, I could probably do an hour and a half just on AFFH assessment of fair housing, but I will give you a high level overview of what needs to be in there. Um, the assessment of fair housing, AFFH, it will include an analysis of both local and regional patterns and trends for various fair housing components or topics, including segregation, integration of different protected classes. Do you have any racially or ethnically concentrated areas of poverty also, by the way, you're probably wondering where are we even going to get all that data I will get into where you could find most of this data you're looking at? Um, are there disparities in access to opportunity? You know, do you have parts of your city that are considered lower opportunity based on T CAC designations or higher opportunity? Um, so you're going to do all that analysis component by component, both on a local and a regional level and on the regional level, you're really just going to compare to see here's my local city. Here's how we kind of compare on the regional level. Um, and here are some of the differences then you're going to go into, you've kind of done this assessment and you're going to conclude with, well, based on this assessment, it looks like we have X, Y, and Z fair housing issues. Then you're going to kind of touch on what might have contributed to those fair housing issues. They could be historic land use decisions. They could be certain migration patterns they could be started. Um, maybe it was just a community opposition to affordable housing. That's led to, um, cost-burdened households in a part of the city. And so you really going to assess like, and this could be part of your outreach, I recommend that this be part of your outreach, trying to survey and trying to understand, um, what are some of the experiences that people are facing in your jurisdiction related to these topics. Um, and we can work with you on trying to, if you don't have a consultant, maybe trying to find ways to come up with survey questions, to understand this information. Um, and so you can take all that information. You're going to see what may have contributed to these issues. And then you're going to come up with programs, actions to directly address these issues that are a result of the assessment. Um, couple of things on the meaningful actions slash programs, one, you, they need to directly respond to the fair housing issues as a result of this assessment. And two, they generally need to hit four program areas. The four program areas include enhancing mobility,

increasing housing choices and areas of high opportunity place-based strategies. Especially if you have areas of concentrated poverty and displacement risk. One thing I will flag, I know you guys are pretty way off. You've still got some time to go. Um, programs and actions must have quantifiable metrics that can, where you can measure the progress on these actions throughout the planning period. The idea is that you, you know, you've identified these fair housing issues. You've identified these programs to address the fair housing issues, but how do you know if you're actually addressing them throughout the planning period? How do you know these programs are actually being effective in doing what you're hoping they will do you do that by adding metrics? So you can have something to measure against throughout the planning period. It is very, I want to just flag this. It's very important that these metrics are included, um, for those or for any consultants that are working, you know, in different parts of the state. That is a big point. Um, in the housing element reviews we've been doing, for example, with Southern California, that elements, the programs must to have metrics, must have metrics, um, in their actions to, to really affirmatively further fair housing.

Sohab Mehmood 29:09

So some resources, one, we have a website dedicated to affirmatively furthering fair housing, both related, um, where it has specific content for the housing element. There's a lot of good stuff on there. Um, we have a very specific guidance. It's a guide book, has some examples has, um, it kinda goes into great detail on every single section that needs to be included. We have that available on our website and we do have, for the most part, almost all of the data you need and mapping, um, for your local government for, uh, the key components that are required for each, uh, for the fair housing section. So again, I'll make these slides available so you can access these blinks. Okay. So the fifth section, um, you may know, you may not know this can be sometimes the most contentious or difficult part of the housing element. Um, there's just a lot of information in here, uh, and there's a lot we're looking for and a lot that's required. So I'm going to try to go slowly on this, but also I think I'm running out of time. Um, so of course, like I said, we can always do a follow-up webinar just on this topic alone. It is your site's inventory and your, sometimes I just call it your site strategy. It is the, what is the strategy? What are the sites? What are the things you are doing to accommodate your arena that you've been assigned for the six cycle? So to go into the first piece of it, you're going to have a site inventory. This is quite literally an inventory, a spreadsheet, et cetera, with all of the sites that you've identified throughout your jurisdiction to address your marina. Um, these are a list. These are bullet points of different new laws that you need to have included as part of your sites inventory, but that's the first piece is you want to have that inventory.

Sohab Mehmood 31:02

The second part is, uh, including realistic, kind of see, this is also, um, this was a robot. This piece of legislation was revised a little bit for the six cycle. And basically what it's saying is that when you're establishing how many units, you're assuming that's going to go on each site, you're making realistic assumptions. So for example, sometimes jurisdictions will just take their maximum allowable density, uh, that per acre, multiply it by the eight, the size of the site and say, this is the number of units we're assuming, but in realistically, sometimes sites don't develop to the maximum allowable density. They may, but they don't, it doesn't always happen. And so the idea is that, what do you realistically assume that site will develop

that are you discounting for site controls, development standards, other type of factors, you know, past projects, you know, what do you typically develop that? Is it usually 80% of your maximum density? Um, are you accounting for all these things, including infrastructure when coming up with a very realistic capacity assumption on a per site basis of how many units can go on that site again, very high level. Um, I can go into a whole presentation just on this topic alone, but just keep in mind when you're making assumptions on what, how many number of units are going to go on each site. You want to make sure it's realistic. And it's really considering all the pieces here that you see, um, all these bullet points that you see here.

Sohab Mehmood 32:40

Now, you kind of go into, what is your, how are you identifying what, what's your strategy to accommodate your Rita? Um, yes, you will be identifying sites sometimes most of the time. Um, but there are a lot of other strategies. And most of the time in my experience, most jurisdictions are combining multiple strategy. So do you have projects in the pipeline that could be counted towards the sixth cycle, for example, projects that are pending or pending entitlements or approved, or, you know, not haven't broke ground yet, but those units will be available for the sixth cycle. You can count your pipeline projects against your arena, um, different zoning strategies as part of the sites, uh, too, that you could use to, to identify sites, right. Do you have minimum densities for certain residential sites? Do you, are you, are you, are, do you, um, are you going to upsold, um, allowing mixed use or residential in specific areas that don't already allow residential? Are you implementing overlay zones or is that something you're interested in doing, um, to identify sites you can use publicly owned sites? You can definitely use 80 use, um, probably a whole presentation I can do on that as well. You could identify church sites. If there are certain types of information that kind of lend you to believe as a jurisdiction, that church sites do have the potential to be developed. Maybe your jurisdiction has been really successful in redeveloping, on church sites, um, and partnering with, uh, faith-based organizations. Uh, and you can identify sites that have existing structures or uses that may still be suitable for residential, either additional residential or that existing use or structure maybe dilapidated or blighted. Um, and you kind of are assuming that there'll be some redevelopment happening in that part of the city of those sites. So that includes hotels, motels, adaptive, reuse. So thinking about old office buildings, shopping centers, uh, there's a lot of ideas that we could run through care, but this is just kind of going through that most jurisdictions will use a combination of a lot of different strategies to meet their RHNA.

Sohab Mehmood 35:02

So, um, when you're identifying sites specifically, a couple of things I just want to call out. These are a lot of the, most of this is, um, new to the sick cycle. Uh, so the first thing is if, when you're identifying sites for lower income, if these parcels of these sites are less than 0.5 acres or larger than 10 acres, it is going to require additional analysis, demonstrating that these sites are feasible for affordable development. Um, if you're using non vacant sites, there is a higher level of analysis required. Um, and if you're using it for more than 50% of your lower income RHNA, then you do need to provide some type of substantial evidence that the existing used will not be an impediment to additional residential development. I know this, I just gave you my whole like statutory, um, reference to this particular finding. Uh,

I, like I said, this is a particular topic that we could probably do in a whole nother, uh, presentation, but the idea is that yes, there is more squinty on certain types of sites, especially non vacant and smaller and larger sites for lower-income. If you're reusing sites from the past planning period that you've already identified, let's say in your fourth or fifth cycle housing element, you are required to put in a Bi-Rite program for projects that will have 20% or more affordability. Lastly, uh, you do need to analyze your sites against fair housing issues to make sure that where the location of your sites are not exacerbating existing fair housing conditions.

Sohab Mehmood 36:42

So part of the site analysis, this kind of gets bunched up in this section. Um, you could consider it maybe a separate subsection, it's called zoning for a variety of housing apes. So the different housing types are listed here. And you're going to in describe in your housing element, how you zone four and how you comply with certain, certain, um, certain laws that dictate how you should be zoning for these belting plates. So emergency shelters, um, that was the SB two emergency shelter zoning, where you have to have at least, uh, a part, you know, a parcel or part of your city that allows emergency shelters, uh, with a Bi-Rite approval process or non-discretionary, um, there's also a new law that's AB 139. You want to make sure discussing compliance with that. If you're not, you add a program committing to being in compliance, um, transitional housing, supportive housing, farm workers, also, um, kind of going into the employee housing act, manufactured, housing multi-family housing and ADU is also considering, do you have a compliant ADU ordinance in addition to how you zone for eighties? So in this section, you're going to likely break up, you know, how you zone and how you allow for these different types of uses and how it's compliant with state law.

Sohab Mehmood 38:05

Okay. So next section, um, you've done your sites, you've done your assessment of fair housing. You've looked at, uh, the demographics of your jurisdiction. Now you're kind of going into, what is it internally in, you know, in my office, in my agency and externally with the market that will play into how, when and where housing gets developed. So in this section, you're going to look at a lot of different pieces and you're going to really analyze for any type of barriers for developing housing. You're going to look at your development standards, um, your building codes, uh, permit and processing procedures for multifamily and single family. Um, you're going to look at different pieces for, uh, of your regulatory framework for housing, for persons with disabilities. How are you going for group homes? How do you allow for reasonable accommodation? And you're going to look at all these things and kind of cumulatively and independently analyze it and see, do any of things, do any of these things, or could any of them act as a barrier towards, um, for housing to occur, or you may also look at it as a way of, I want to continue to facilitate and encourage housing. So where can I work? Can I, um, include programs that maybe dress, maybe they're not a constraint, but maybe they may become a constraint. Uh, so again, I gave you an example of, you know, maybe you validate, evaluate your permit process procedures, and you kind of in this evaluation and assessment, you notice that it's taking two years to process entitlements for a multifamily development. Not that that's too abnormal, but just that, you know, you may want to streamline that process. Um, you may consider it as a constraint. Maybe you've

consulted with the development community as well as part of this section and ask them what type of, what processes they may see as a constraint. And you've kind of identified that you want to address that. So you would include a program committing to some kind of maybe streamlining or reducing the time it takes to permit, to process, um, entitlements for multifamily. Uh, again, this is just really another part. This is another section of the housing element where you're, where it can really influence, um, how quickly or if housing even can get built in your jurisdiction. And it really kind of just gets at, um, what are the, what are your local requirements and how it may impact the costs and supply of housing

Sohab Mehmood 40:37

key changes to this section? Um, you're going to also look at non-governmental constraints. So yes. Constraints that are potentially out of your control. Like how long is it taking to after you've approved project? How long does it take that developer to request a building permit? Um, our developers applicants develop, um, requesting to develop that densities that are below what identified in your inventory. Um, and are there any local efforts you have to address some of these market constraints? Um, more discussion on, you know, do you make your zoning development standards and fees available on your website? Um, do you have any locally adopted ordinances that need to be analyzed? So that's often short-term rentals and inclusionary ordinances

Sohab Mehmood 41:26

and lastly of your housing element, um, it's actually, they'll probably be a couple other pieces in there that I mentioned, but the big points, the last section is your housing programs also sometimes referred to as your housing action plan, you've done the analysis, you've done the assessments, you know, you've identified where you want to encourage more housing, where you might have some constraints, and this is where you're going to put in all your programs really clearly detailing what you're doing, how you're going to do it when you're going to do it. Um, and if, you know, sometimes with fair housing where you're going to do it, you know, what part of the city is this program really going to be targeted to not a requirement, but sometimes, um, when you're implementing place-based strategies, part of fair housing that you do want to kind of indicate where, but here listed these stars are statutory requirements. These are, uh, you do have to have a program to address each of these statutory requirements. Of course, in addition to other, um, other constraints that you've identified in the housing element, um, I will say, you know, the key here is that one of the things that we've been seeing in a lot of housing elements in the sixth cycle is sometimes it's very vague on what they're doing and when they're doing it, you know, um, a jurisdiction, may something say something like conduct outreach with developers. And then when you think about it, when you're thinking about it, eight year planning period, um, it's unclear about when is outreach can be conducted with the developer. How often are you going to do it? Is it an annual thing? And how are you going to conduct outreach? Are you going to maybe facilitate round table meetings on an annual basis with developers? So you really want to get into more detail on what you're doing and how you're going to do it.

Sohab Mehmood 43:27

Okay. So now I'm going to get into the review process. Um, so what happens, you've

developed this document, you've worked on it. Um, it's a lot, you know, you've been working with the community. How does this work with HCD? So the first thing you want to do, of course, like I mentioned in the beginning, make that draft available for public comment for 30 days before submitting to HCD, we cannot review that element until it's been made available for 30 days. And if you received comments taking that additional 10 business days to incorporate and consider those comments, then you're going to submit that draft. When you're ready to go to HCD for review that initial draft, the first document we will take up to 90 days for the review. This is another new piece of legislation. We hope that in these 90 days, we can, um, do a preliminary review, have a call with the city, identify where there may be some deficiencies than a document in those 90 days, maybe facilitate some revisions to that document before you get that final 90 day review letter. What you'll get at the end of each review period is a findings letter or HTD review letter that clearly list out where there are deficiencies sometimes how you can kind of address those deficiencies. Um, and basically what is the pathway to compliant to a compliant housing element? These call, uh, these letters are almost always followed up with phone calls from your reviewer. You will have an assigned reviewer from HTD who can follow it up with phone calls, going into greater detail, asking questions, maybe even thinking through some strategies on how to address the findings, et cetera. Let's say you go ahead, you get your draft in. You get the 90 days, you have some D you know, you have some findings, you need to make provisions. So you want us, you know, you made those revisions. Now you're going to submit a revised draft for review. So any subsequent drafts are not subject to 90 day reviews. There'll be a 60 day review. So you go ahead, you, you know, number three is where you receive our findings. It's optional for you to resubmit multiple drafts. Um, most people do, realistically. I will tell you, we are getting multiple drafts submitted before a jurisdiction is found in compliance. Um, so you may submit multiple drafts to address HCD findings, or hopefully not multiple, hopefully just one or two, but all realistically what we've seen in the six cycles, it is requiring multiple iterations to get that compliance. Um, then, you know, in the timeframe you go ahead and adopt, and if you already were founded, if that draft was found in compliance already, and you went ahead and adopted the adopted, as long as there were no changes made, the adopted will likely be found in compliance. If, for example, your draft was found out of compliance, you went ahead and adopted an out of compliance draft. Maybe you try to make some changes to best address HCD's finding it is possible. Um, if those changes did not address HCD's findings, that that adopted would be found out of compliance, and then you're looking at potentially readopting. Um, but definitely having to make changes to that doctored, to, um, be found eventually, hopefully in compliance this review. I mean, it's not as cut like this timeline I'm showing is not as cut and dry as, as you can tell, like there's a lot of, um, caveats throughout these different steps. It, depending on the jurisdiction and the timeline they're on how many times they may want us to resubmit a draft document. If they want to go ahead and adopt a housing element and then see if that might be in compliance, if not readopt to address the findings, there's a lot of, um, there's a lot of different sub steps in here that can be taken based on, uh, jurisdictions timeline.

Sohab Mehmood 47:27

But this is really key to that jurisdiction timeline. Um, AB 1398, which was part of new

legislation, clearly states that if the housing element is not adopted and found in compliance. So what I'm saying right there is that the, the housing element must be adopted ending compliance within 120 days of your due date. You have to complete any required rezoning efforts within one year of your statutory due date. So let me give you an example of how this might play out. Let's say your jurisdiction and you've identified a shortfall. So that is you don't have enough sites to accommodate your Rina based on your current strategy. So you're going to go ahead and rezone sites during the planning period to address that shortfall. Typically you will get three years to complete that required rezoning. If though you found, you're not found in compliance within this hundred and 20 day time period, you will, you won't have that. Three-year, um, you won't be able to have those three years to complete those rezonings. You would only get one year. Um, and so if you really want to make sure you have those three years to really complete all the required rezonings, you want to make sure your adopted is, first of all, you've adopted an incompliant document within that 120 days of the deadline.

Sohab Mehmood 48:56

Again, just going back to, like, what are the consequences, if your housing element is not in compliance? I mean, the first thing is that your general plan would be technically considered invalid because you have, um, a housing element that's not in compliance. So it could jeopardize the validity of your general plan. Um, there have been court challenges that have been brought forward, um, on behalf of HCD regarding the validity of a general plan. When the housing element is not in compliance, there are a lot of different funding sources now that require housing element compliance, um, and it ranges from transportation and housing sources. So it's not just making sure you get your housing money or your housing funding sources. It's making sure that you can access your transportation funding. Um, so making sure you have that compliance so that you can access your funding sources, um, HCD does have enforcement authority. Now, if you haven't heard of it, um, where we do have the ability to, uh, continue to take corrective actions, to make sure you get that housing element and compliance, but also if needed pull compliance, if you are, um, if you are not implementing what you said you were going to do in the housing element,

Sohab Mehmood 50:17

I know I just put a gray, gray cloud on a presentation that was trying to keep positive, but I do just want you guys to be aware of that. Um, compliance is very important for housing elements. It is important that you get it, it's hopefully, you know, it's, it should be a priority that you get it on time within that 120 day timeframe. Otherwise there are a host of consequences that, um, can really jeopardize how you're accessing funding and other things as a local government.

Sohab Mehmood 50:46

So what to expect, um, this is really for those who are really going to be deep in the weeds of developing, writing, submitting your housing elements for reviews. Um, this is what to expect based on what we've seen so far. So far for the six cycle. We started off with the San Diego region and the Southern California region. So that's considered SANDAG and SCAG. Um, our review times have been longer than usual, and we do complete our reviews within our

statutory requirements that 60, 90 day review times. But, um, typically we need now the entire 60 to 90 days to do our reviews because the six cycles much more complex than the fit cycle. Um, another thing is the number of letters. So also known as sometimes the number of reviews, uh, for some jurisdictions, I am now reviewing their second, third or fourth iteration or draft of their housing element. Um, so it is taking more to get jurisdictions to a place where we can find them in compliance.

Sohab Mehmood 51:52

So housing element tips, um, hopefully this helps, you know, move my gray cloud. Uh, the first thing is you can start early. I heard from Heather that you guys already, some of you are starting. That is great. Start early, get it going, start moving some of these pieces. So you have plenty of time when needed, if needed to work with ACD. So you don't get to a point where you don't have compliance within that 120 day due date. And you're in that situ that gray cloud situation that I just brought up. So you can start working on your housing element. Now start engaging the public, sending out surveys, getting some feedback. We have an educational video on housing elements that we are making available for free for all planners staff, um, jurisdictions to use with the public, to educate them as part of their public participation strategy. You can start looking and working on your assessment of fair housing. You know, all of that data is available right now on our website. Um, so you can start kind of doing some analysis and evaluating some patterns and trends. You can definitely look at your constraints sections, right? Those are all those things that we discussed that might, um, act as a barrier to, to development. You can start reviewing those and doing an analysis on that. And you can certainly start looking at your completing your review and revise section, which is looking at your CrossFit cycle program and seeing what type of success you've seen with those programs and where you might want to improve them. We do have on our website, a completeness checklist, this is for the most part, every single statutory requirement that is needed to, um, find a housing only compliant is listed on that checklist for the most part. Um, we also have TA available from 80 staff. Uh, one thing we will be doing is assigning a point of contact for each of the counties. So Monterey San Benito and Santa Cruz county, uh, point of contact, maybe to eight city staff members where you can directly contact, like, Hey, I'm working on this part of that housing element. I had some questions. Can we go through them? You can set up calls, you can do emails. Um, we're always open to site visits where we can do tours with you of your city. Um, you can physically show us some sites you're thinking about, but you weren't quite sure. And you wanted our feedback. Um, so we are available for TA and, you know, like Heather said, we're definitely open to do more presentations. If you found that this is useful and I can kind of dive into some of these other topics. I think with that, I will stop talking. I will hand it off to Heather if I didn't make all of you fall asleep yet maybe to facilitate some Q and A.

Heather Adamson 54:38

Yes. Thank you. So this is very informative. Um, so we'll keep having, I just have your slides up just in case we need to go back to a slide, but we do have some questions that have come into the questions tab. So I'll start with those, but in the meantime, for those of you who have a question that you would like to ask yourself, please go ahead and raise your hand and we'll go through a few of these, um, questions and answers in the tab. And then, uh, call start

calling on participants who would like to ask the question. So this is, uh, how different is the fair housing assessment from an analysis of impediments to fair housing choice.

Sohab Mehmood 55:16

I can only give you kind of a high level, um, answer because there are kind of some key technical differences. I will say from my understanding is that one of the biggest differences of the programs addressing the programs, um, as a result of your assessment in your program, section of the housing element, where we are, you know, for state law, there's a lot more detailed as required metrics that are required, um, timelines. So I would say the biggest difference that I've personally seen in my experience is bad. Um, I, I would say that I, I found that the data tends to be more localized in the state, the, the set, the fair housing assessment that you're going to do for Alto element versus the federal one you've done. But I think the biggest difference that I've seen is the, um, is the programs, metrics, milestones, timelines that you will do in your program section for to address fair housing.

Heather Adamson 56:20

Okay. Next question. Um, okay. Is there any flexibility with fair housing to balance providing more units in lower cost areas with fewer units in high land cost areas or areas with higher income levels, but other state-mandated resource constraints like water availability?

Sohab Mehmood 56:43

Yeah. I mean, you know, the idea of fair housing is creating balance and integrated communities, um, and not, but, but you know, part of doing that is if there are more procreate areas in your jurisdiction that are conducive to providing housing, then you should certainly make that analysis that that's doable, but I want to flag that. Um, and I'm not quite sure if your question was going to get into this, but I do want to flag. I'll give you an example of how this sometimes plans out is, um, cities will identify, let's say a majority of their lower income sites and a part of the part of the city where it is lower costs like you mentioned, but maybe they also, it's a concentrated area of poverty, um, concentrated area of minorities in comparison to the rest of the city, concentrated area of overpayment is happening there. And so then you identified your lowering concise there. And then the question comes into play. Are you exacerbating those conditions by, by or creating more maybe segregation by continuing to put lower income units, lower income families in an area that already lacks potentially lacks opportunities. So you want to look at, and you could follow that up with saying, you know, maybe yes, this is the most appropriate area in our city. And we will follow that up with very firm clear actions on revitalizing that part of the community. So you can pair some of your strategies with programs that when put together really do kind of revitalize and bring up the community, um, and address those fair housing issues. So it's, it's, I don't want to S so I want to make sure you understand, like, yes, it's, it's definitely doable. We are not prescribing that. You have to put your sites in this, all these areas we're simply prescribing that you want to make sure your sites are equitably, equitably distributed. And if they are distributed in areas of concentrated areas of fair housing, where there are areas of concentrated fair housing issues that you have programs and actions to address that, um, I could go into a lot of detail on how to do it and, and this, this particular situation, but hopefully that gives you kind of a high-level answer.

Heather Adamson 58:59

Okay. Um, another similar question, uh, does ACD, how many guidance available in regards to affirmatively furthering fair housing within jurisdictions that do not have any high opportunity areas?

Sohab Mehmood 59:13

Um, we would, we could probably work with you directly for this jurisdiction. If you want to reach out to us, we can kind of see what's going on in a jurisdiction and suggest some ideas, right? The idea, I will just say high level generally what your strategy is going to be in that case is, um, if you're a generally lower opportunity city, um, your goals and your actions and programs are going to want to seek to create, uh, a higher opportunity environment or, or create opportunities, higher opportunities for your jurisdiction. So I think a lot of that will be place-based strategies, mobility strategies, um, to really kind of, again, revitalize the city. But again, um, we should probably talk offline and we can talk through strategies. Um, but we have dealt with that in other places of the state.

Heather Adamson 1:00:07

Okay. Still not seeing any hands raised. So I'll continue to go with the written questions that we received through the questions tab. Um, are jurisdictions required to submit a draft prior to adopting a housing element. Can they skip the draft step if they don't have time to do both the draft and a new adopted housing element prior to the deadline,

Sohab Mehmood 1:00:28

You know, um, previous law previous. Yeah. So before this, one of the 139 law passed this year, previous law did state that you submit a draft to HCD, you receive our findings, consider them, and then you can go with kind of the jobs. Um, but I have to actually follow up with you to see if the new law may have modified those requirements. I'm not positive actually at all. Um, so let me, I can definitely follow up and then maybe follow up with an bag and give you guys an answer.

Heather Adamson 1:01:03

Okay. Thank you on that one. Okay. Uh, can we include estimates for SB 9 and ADUs in our RHNA units?

Sohab Mehmood 1:01:13

Yes, but there needs to be analysis with that is, um, both for SB 9 ADUs uh, SB 9 is very new. We've only seen it done once and it still, we still, the jurisdiction did get a finding on how exactly they need to do it. So we are for 80 years, we do have very specific, um, strategies on how exactly you do that. And we can kind of talk offline about it. Usually it's you kind of look at the last three years of your ADU building permits, um, take that number and projected forward for eight years and pair that with programs and policies. Um, so that's kind of a general methodology for ADU as benign is a little different. Um, I can send Heather and Ann bag a finding that we made for a jurisdiction on how to count SB 9 to kind of give you some more direction on how to do it. If I go into right now, we'll be here forever.

Heather Adamson 1:02:10

Okay. So we have a couple of questions related to AMBAG's methodology, RHNA methodology. I'll give a quick update on that. Um, so at the January 12th, 2022 board meeting and bag approved a draft methodology and directed staff to submit that draft methodology for the required 60 day HCD re HCD review. Uh, we submitted that on January 21st and we heard back from HCD last week, um, on our review, they accepted the review and confirmed that it did further, um, all of the factors and statutory requirements. Uh, we will be, uh, I am drafting a staff report now, uh, we will be taking this to the April, um, uh, 13th AMBAG board meeting. Uh holding a public hearing and asking the board a couple of actions, one to hold the public hearing, receive comments on what is we're now calling the final methodology. Uh, having them approve the final methodology and direct staff to issue the draft Rena plan, um, which will include the draft allocations officially for each jurisdiction. Uh, then that opened up once that RHNA drafting the plan is released later in April, it opens up the required forty-five day, uh, potential appeal period for the local jurisdictions within the <inaudible> region, as well as HCD to appeal the allocation. So that's just a quick update on that. If you are more interested in the marina methodology, um, the AMBAG board of directors meeting, uh, agenda for the April 13th meeting will be posted late next week. Um, and you're welcome to all attend the April 13th meeting, which is April 13th, Wednesday, April 13th at 6:00 PM. And it will be, uh, the cool, okay, next question. Still no hands coming through. And most of the questions coming through the written, um,

Heather Adamson 1:04:01

we had a question about, uh, general questions about, uh, HCD contact people for each of the counties. Um, as of right now, HCD has not done staff assignments for the housing elements for each jurisdiction. Um, those will be forthcoming, uh, in the meantime. Um, so hub can be the point of contact right now for folks who have questions about your six cycle housing element. Um, when we post the slides and send out follow up, I'll make sure to send out our email contact information. Um, but the idea is, is that we will have, um, either through her team staff assigned for each jurisdiction, that they can be the point of contact. We will also list as point of contacts once they've been assigned on an bags website, uh, related to the housing planning page. And so folks can see who that is in case they forget. Okay. Um, let's see. Have a, we have a question. Has the housing assignment number has been audited? How did they virtually triple?

Heather Adamson 1:05:08

Um, I guess I can set that up and then pass it off to her. So hop related to the recent audit. Um, but, uh, HCD did a presentation back at our September, 2021 board meeting, uh, to HCD uh, two and by board of directors presenting how they came up with the methodology, um, excuse me, the allocation of the 13,000 plus units for the Santa Cruz and Monterey county jurisdictions. Um, so all that documentation and the calculations that went into that number is on our website, um, as well as in the September, 2021 board report packet. Um, so that information is there. Um, and then I'll let, uh, with respond to, uh, the recent audit issues.

Sohab Mehmood 1:05:55

Yeah. I don't know if I can, that is going to be with our RHNA team. Um, and I, I wouldn't be able to respond. Um, I would recommend if you want to get kind of an idea of where that's

at, uh, to reach out to the Rena team.

Heather Adamson 1:06:16

Okay. So that comment was, or that question was, um, person, honestly, but if you would like to follow up with me, uh, just send me an email and I can put you in touch with the appropriate, uh, RHNA HCD staff, if you would like to talk about that more. Okay. So next question is, looks like the best case scenario is 120 plus days from initial release until cities can start the local approval process, which can often take at least a couple months between commissions and council. This is roughly six months of approval from initial public draft. Who adoption now, is this accurate or is it possible for the process to go more quickly?

Sohab Mehmood 1:06:58

Um, I mean the 120 days is how is from your due date? You have 120 days to have your adopted founding compliance. There is nothing that states that you can't submit your housing element well before your due date to get that review going. So if you have a draft ready to go, um, before your due date, uh, and I do recommend if you can to do that, you can submit your draft and we can start doing the review well, before we hit this 120 days. So you have enough time to get our feedback. Um, and if you would like, and if you need to do multiple reviews, go ahead and adopt and then get your adopted review. So, yes, I don't recommend that you submit your housing elements the day of your due date. I do recommend that you try to submit much earlier than your due dates. So we have plenty of times before that 120 days hits to hopefully find you income, find your adopted in compliance.

Heather Adamson 1:08:05

Okay. And I just want to add on, um, just a reminder for all jurisdictions within Monterey, Santa Cruz and San Benito county, your six cycle housing element due date is December, 2023. This is why we're having our introduction to six cycle housing elements 20 months before they're due. If you haven't already thought about starting, you should start, um, or at least plan your process out because like SOCOM said, it looks like six cycles. We're multiple rounds of review. You should be having, um, you know, with the draft allocation or RHNA allocation plan going out next month. Um, depending on appeals, you know, we can finalize it in summer and fall. Um, you'll have a good idea of what your remaining number is. You know, you don't, you shouldn't wait till next spring next summer to start your housing element. You shouldn't start as soon as you possibly can. Okay. Next question. Are jurisdictions required to include a 15% buffer within their site inventory?

Sohab Mehmood 1:09:07

No, it is not required. It's recommended. Um, but that is totally up to you if this is kind of getting to know net loss law, which basically states that. So let's say you only included, um, a number of sites that will just, you know, just address your arena and not that buffer, what ends up happening is during the planning period, if you end up getting, if any of those sites end up getting reeds, uh, developed at, um, not at the income level that you anticipated in your inventory, um, and you ended up potentially having a shortfall of site, then you would have to find a site within 180 days and rezone it to, um, meet no net loss requirements. So

the buffer that 15% buffer is almost like a bank where you can pull sites from approved sites from in the event, if in the event that, um, one of your arena sites get developed as something that you didn't anticipate in your inventory.

Heather Adamson 1:10:09

Okay. Um, I guess our participants are being shy today and don't want to ask themselves, so I do appreciate all the comments, but we feed you have a hand raise. We will call on you to, I, we did have something come in through the chat, a couple of questions. Uh, thanks for organizing this session. Two general questions are the RHNA needs assessment at a county level, assuming. So how has the city-wise breakup determined? Um, I'll answer the first part of this question, and then I'll turn the second question. Part of the question over the so-called. So that, that first part is, um, we am is a council of governments, uh, for Santa Cruz and Monterey counties. So we receive one Rena allocation, or what's called Sabrina determination for those two counties. We then go through a methodology development process, which we spent most of last year doing and into this year to allocate that one number across the jurisdictions and unincorporated areas and Monterey and Santa Cruz county that was approved as a draft methodology at our January 12th board meeting, um, said CD for their review. They review was accepted and confirmed, and we will be bringing it back as a final methodology for approval at the April 13th board meeting. Um, hope that answers your question. Um, the second part of the question is unmet RHNA numbers. Are they carried forward to the next cycle or is there a grace period? Okay.

Sohab Mehmood 1:11:37

So I would want to clarify what you mean by unmet Rena numbers. If you're saying like, Hey, in my fifth cycle, Rina, I had this Rena and I didn't build up to my RHNA. Um, so I, I, if you're feeling like you didn't meet that RHNA um, are they carried over to the next cycle? No, but if you're saying which, what does happen, where in your fifth cycle, you did not zone for the entirety of your arena, and you had a shortfall that you were supposed to complete in your fifth cycle to zone for the entirety of your arena. And you did not complete that rezoning is that carried over into the sixth cycle. And the rezoning is that, that rezoning shortfall, if it wasn't completed is carried over into the six cycle. So there's two differences I just called out. One is like, did you build here, read a numbers? Um, yeah. Did you build to your reading the numbers or did you have zoning to meet your arena numbers? And I got at, if you didn't have the proper zoning to meet your arena numbers and that wasn't completed in the fifth cycle, that is going to end up being carried over to the six cycle and we likely made very specific findings in your fifth cycle letter, addressing that

Heather Adamson 1:12:54

We do have a couple of hands raised. I do want to go to that. Will, can you announce our first speaker and, um, allow them to speak?

Speaker 3 1:13:01

Yes.

Heather Adamson 1:13:06

Okay. Uh, Darby Marshall, you have been un-muted and should be,

Heather Adamson 1:13:19

Well, we can come back to you if you remember it, just go ahead and raise your hand again next time.

Heather Adamson 1:13:25

Okay.

Heather Adamson 1:13:28

Next hand raise is

Heather Adamson 1:13:38

Thank you.

Speaker 4 1:13:40

Great. Thanks. I was actually the person that raised that RHNA number question. First of all, I appreciate the session. This is very informative. I look forward to seeing the webinar and the slides being posted, uh, the, the question around the unmet dream and numbers. Uh, obviously there's a, in our jurisdiction, uh, really it's a challenge to build houses, uh, primarily because of the water issue. So my question is really two twofold here. Uh, we, we're certainly having a challenge building low-income housing units. Uh, it's very low-income meeting those numbers. And so now that we're on this ELA, the cycle where we're, we don't know if we're going to meet it or not. Uh, and there are circumstances like the water challenge for instance, which is forcing us to, uh, uh, explore options, which we have not undertaken before. How are all these elements really factored into determining whether we've made a, we've actually made some progress towards meeting those numbers or not, and will there be some grace afforded to the city to carry these, uh, items forward to the next cycle?

Sohab Mehmood 1:14:50

Um, so I kind of get that, what you're asking. I mean, you know, you will be evaluating in your sixth cycle element, the progress you are able to make, or even lack thereof, um, in meeting, not just your RHNA numbers, but also, um, also meeting kind of the programs that you included in your housing element. It's not that we're sitting here saying, did you, did you build all of your RHNA right? Like, that's great if you did, but that's not a core part of the housing element. It's did you plan for, did you make attempts to try and to meet that a number and to build at that level? Um, so I mean, you'll make that evaluation as part of the housing element and you'll kind of decide, you know, just like you said, you're looking into certain situations right now on how to build housing that you haven't done before related to infrastructure. Um, I didn't really mention it, but there isn't infrastructure analysis piece required when you're identifying sites in your housing inventory. So you we'll touch on that, the infrastructure constraints, the needs, the strategies to address those issues as part of your housing element. Um, again, back to the idea of like, how are these things being carried over? I do just want to emphasize your Rena numbers from the fifth cycle are not carried over into the sixth cycle. You have new RHNA numbers. Um, any zoning that was not completed will be carried on into the six cycle.

Speaker 4 1:16:21

And, and so maybe just a up question, thank you for that information too. Uh, so let's at the end that we do not meet our cycle RHNA numbers for, and we've shown some progress to say we've been doing some, let's say the, the numbers are 25. We've met, say five there's 20 left over, uh, we've made some progress through the cycle to get those 20, uh, uh, basically done, but it's not moving forward. And the fifth cycle ends, we still haven't met 20 units. What happens next?

Sohab Mehmood 1:16:52

Well, are you saying that you haven't built those 20 units or you haven't zoned for them?

Speaker 4 1:16:57

The neither let's just say it's neither.

Sohab Mehmood 1:17:01

I mean, again, like I said, there is nothing that says that because you haven't built your arena, you have consequences in the sixth cycle. It's simply that if you did properly zone in the fifth cycle, which we would have called out in your housing element into your letters, um, those that zoning. So let's say in the fifth cycle, you, um, had to zone for 20 Reno units and that wasn't completed. And so you will, we would have required you to commit to a rezone program and to complete that in the fifth cycle, I think within three years, that was in completed that 20 units that you haven't completed, the reasoning for will get added and included into the sixth cycle. But again, there is nothing around you. Haven't built your arena in the fifth cycle. Now you have to build it, or we're going to add it, tack it on in the sixth cycle. It's more focused on, have you zoned, adequately?

Speaker 4 1:17:57

Sorry, I should, should've clarified this. This is more of a, what are the repercussions rather? Not, not that I want to dig those units to the next cycle, et cetera, but what are the repercussions that any city can face in order for, uh, if they don't meet these numbers

Speaker 4 1:18:15

and maybe this is, this is part off your slide. I think I, maybe I just haven't,

Sohab Mehmood 1:18:19

Again, it's repercussions. If you didn't zone to meet those numbers or build to meet those numbers.

Speaker 4 1:18:26

Okay. So let's do this. Let's just take it offline because I think I have some detailed questions, but thank you for answering.

Heather Adamson 1:18:36

Okay. It looks like we don't have any more hands raised right now. So we'll go back to our written questions. Um, our city has less than a dozen vacant lot. So redevelopment, I believe you mentioned including 50% of the development potential is not correct. And if so, please explain.

Sohab Mehmood 1:18:56

Sorry, let me read that one. Um,

Sohab Mehmood 1:19:01

uh, I think what you're getting at, you might be getting a little confused, so I'll, I'll give you a quick overview again. So, um, I think what you're saying is, you know, we have less than a dozen lot, so you're probably going to be relying on non vacant, lots to accommodate your arena. And what I had said is that if 50% of your lower income RHNA is on den identified on non vacant sites, then there's a statutory requirement that states that the jurisdiction, the housing element needs to provide substantial evidence that the existing use will not impede residential development. So this is all to say that you're going to have a higher bar of analysis and data and information to count those sites, um, to address your remark. And that's really when you have, um, you do need an analysis for any non vacant sites, but this is really where if you're doing 50% or more of non, um, 50% of more of your lowering careers on non-vegan sites, then there is, um, a higher bar and more of a requirements on those sites, which is really getting into what are they existing uses and how that's going to impact the potential or likelihood for redevelopment tapping on those non vacant sites.

Heather Adamson 1:20:21

Okay. W we do have a hand raise, let's go to the Darby Marshall.

Speaker 5 1:20:29

Okay. So, um, you know, one of the, we have a couple of challenges here. One is just the sheer time it takes to get stuff built, even after entitlements have been done. So most of our RHNA units, this, this cycle were all approved in 2005 and you had 2008. Uh, and then it's just, you know, it's taken that long to get, go from the bare dirt to actually putting units up. So is there any consideration for that? We also have large developments where they have sunk a lot of money into doing the environmental analysis and getting to an approved project where they're just not moving it. So when you have, do you have strategies that you could suggest for us to, to maybe encourage those developments or, uh, how would we go, how do we, how do we start building for this stuff if the market's not doing it, even if it's zoned and approved?

Sohab Mehmood 1:21:33

Yeah, I'm a wee kid. I mean, specific to the housing element again, you know, it's, we it's the FA it's focused on zoning and setting up the framework for development to happen, but then there are issues. If there are issues in the market, there are things that programs, actions, and strategies that jurisdiction may be able to take to try to incentivize development or kind of get that moving. I wouldn't be able to say right now, to be honest, it might be very specific to those developers and what issues that they're running into and seeing how the city could play a role in it. Um, I, it would be something we would probably want to talk offline on what kind of strategies might be helpful for this specific situation?

Speaker 5 1:22:14

Well, and I'm with Monterey county and, you know, we're 3,300 square miles, and we have a lot of different micro regions that make it challenging to locate the, the, not just housing, but affordable housing in particular, in, in the right areas. And we have some, you know, either,

uh, legal constraints or state imposed infrastructure, uh, resource constraints that are gonna make it very difficult to do some of the, uh, affirmatively fair housing housing stuff in, in some of these high opportunity areas. And then in the low opportunity areas, is there, has there thought being given to how we can develop the infrastructure so that the projects are actually affordable because that's, that's another thing that we're finding is we lack the infrastructure in some of these areas to, to support affordable housing. And if you try to pass the cost off onto those developments, they can't do it. They can't financially carry it. So I'm just looking to see it has thought being given to how the state could support us with those areas.

Sohab Mehmood 1:23:23

Yeah. I mean, um, the state does have a lot of programs to help, um, or a good, uh, funding programs to help fund infrastructure.

Speaker 5 1:23:33

Uh, they don't apply here. We're not, we're not transit oriented just because of our scale, you know, the, it, they're great if you're in an incorporated city that has some density to work with or that you're adjacent to, but for the most part, that's not the jurisdiction that I'm in. Yes. I'm trying to figure out how we're going to balance some of this. When

Speaker 5 1:23:59

the land use patterns are really geared towards pushing this stuff into cities.

Sohab Mehmood 1:24:04

Um, and I would, again, probably want to take this offline to see if your, um, where you could maybe identify sites and projects, where there is more infrastructure available, there's opportunities to up zone opportunities to expand the permitted uses to allow residential, um, or looking at some kind of phasing plan to, with time make that infrastructure available. But like I said, this might be something we can talk about offline.

Heather Adamson 1:24:32

Okay. We have a, another written question, a clarification on something that was previously, uh, asked, uh, regarding the 120 days, um, uh, prior with 30 days prior to review and 90 days after first reveal, um, I, the question came, this clarification came in as anonymous. So I can't, um, and it's more information that might be something that you want to follow up with me. Uh, you can send me an email offline and, uh, we can get you more information or maybe a better response from offline. Um, since I don't have enough to answer it right now, um, another question is if when zoning is required and an EIR is required for the rezoning, where does the EIR process need to be at, for the HCD draft review?

Sohab Mehmood 1:25:20

I mean, if you're doing a rezoning to address the shortfall during the six cycle planning period, um, that is, you know, up to you on where your EIR needs to be to meet that rezoning timeframe. So if you are, you get, you do get fine. B if you are funding compliance on time, um, in the 120 days, and you do get your three years to complete your rezoning, uh, it's really up to you on where you need to be to meet your three-year complete, complete, your

rezonings in three years is, you know, where your EIR needs to be in that process to complete those three, three years rezoning requirements. Um, hopefully I answered that correctly. It's it's just to say that we're, we don't, we're not looking to see where your EIR is when we're doing a draft review of your health and element. We're simply looking to see, do you need, I mean, part of all these requirements, are you doing rezoning? Um, is it concurrent with our review? Are you doing it as part of addressing shortfall during the planning period? Um, or did you already complete a rezoning prior to the planning period to address your sites? We're not looking to see what, where the timeline is on your ear. That answers that question.

Heather Adamson 1:26:40

So just to clarify, so hub, um, someone a jurisdiction can submit their, uh, housing element for review. We can go through that review, assuming it meets all the requirements. HCD can approve that, and then the jurisdiction can finish, start orphan and finished their EIR process if, if needed, uh, during the three years zone period afterwards.

Sohab Mehmood 1:27:03

Yeah, absolutely. As long as you are subject to the three-year requirement and not the one-year requirement, remember you get three years to complete any required rezonings if you've submitted and been founding com, sorry, if you've been found in compliance on your adopted within 120 days of that due date, um, if you were not found in compliance within 120 days of that due date, then you get one year to complete that rezoning.

Heather Adamson 1:27:34

Okay. Next question. Are there any best practices to pick up on from the San Diego and Los area regions based on your experience,

Sohab Mehmood 1:27:44

Like Heather said, start as early as you can get. Um, if you got a draft, try to get your draft, um, as completed or as ready for ATD review early, before your due date. So we have plenty of time to, if we need to have iterations of your draft, have you review our feedback, make revisions, make that available to the public and get your draft to a place where it's in compliance and you can adopt a, not be subject to that one-year rezoning versus requirement versus the typical three-year rezoning. The biggest thing we've learned with San Diego and Southern California is, I mean, there's a lot that we've learned. Um, I can go into all the technical things, but the biggest theme I want to say is just starting early.

Heather Adamson 1:28:34

Okay. The next question, uh, what type of analysis is considered adequate to determine the likelihood of development for sites before I have to hop answer it? So Holly and I have been talking about potential future webinar topics. Uh, we do think a webinar, a technical webinar just on sites, um, is warranted. That could be something that we, uh, plan for later this summer and early fall. So, um, I don't want to spend too time going to detail, not because we think it's warranted a full webinar, but maybe it's a hobby. You can just briefly answer this and know folks who are attending. Um, you know, it's our idea to have some follow-up webinars that are more technical in nature within a one or two topic subject.

Sohab Mehmood 1:29:18

Uh, uh, like I said, I mean, this is a particular topic we can go on for a long time. I don't even know if I could give you, like, here's the formula, here's the answer directly. Um, just because there's a lot of different ways you can do this analysis. It's not a one size fits all. There's a lot of different strategies and it really is going to be based on what our sites, what, what, when, what really went into your thought process when you identify based on vacant site, what were the key attributes and characteristics that you're like, this is a good non vacant site for redevelopment. So, I mean, very high level, generally an analysis for non-bank insights, um, is going to consider past examples on developing non vacant sites. It's going to look at the market demand for the existing uses, you know, are they existing uses, you know, do they have expiring leases? Are they just juices that are not fully operational? Are they not operational at all? Um, it's going to look at additional, you know, anything that might impact additional residential development on that site. Maybe it's an under utilized site where additional residential development can be built in conjunction with that use. It's going to look at just development trends in general, in your city or regionally sometimes. Um, do you have history and redeveloping insights you don't have to, but if you have any experience or you've seen trends, um, to indicate that there is an interest in redevelopment, redeveloping, certain non vacant sites, that's definitely part of going to be, should be part of your analysis. Um, it's going to look at just general market conditions. Maybe I'll the actual uses or just the area that you're identifying sites in. Um, and your regulatory framework. Can you, or are you proposing any type of programs, incentives, development standards to really help? Um, if a developer does want to develop residential on this non vacant site, um, you have programs to really help them encourage and facilitate that development. That is very high level, um, about what would go into a typical analysis, but like I said, lots of different ways that can happen. Um, and it's really dependent on what, what are you looking at when you're identifying sites that you're kind of making that determination that yes, this is indeed a site that is likely to redevelop.

Heather Adamson 1:31:47

Okay. Next question. Does HCD conduct any additional scrutiny to jurisdictions that are not uploading to meet their six cycle RHNA, especially in the face of triple targets?

Sohab Mehmood 1:32:03

The, if, if you're required to, up to meet your arena? I mean, I wouldn't even say that. I mean, if you are not meeting your arena, um, based on your current zoning, you will have to commit you and you're showing a shortfall. So you don't have enough sites to meet your current RHNA and you have a shortfall to address your arena. You commit to rezoning, which could be uploading additional sites to meet your RHNA. And you would just analyze those potential candidate sites as part of your typical sites, inventory analysis. I don't know if I have all the context here. I'm not required to up stone. If you're not required, if you don't have a shortfall, um, it's just required that you rezone, if you do have shortfall.

Heather Adamson 1:32:56

Okay. We have a hand raised

Heather Adamson 1:32:58

grant Leonard.

Speaker 6 1:33:02

Yeah. Thank you. Um, let's make a question here, background and context. Um, think you're getting a lot of the spear that we have here at the housing level and Monterey county and Santa Cruz county, because of the idea of enforcement on not meeting arena. Uh, we have a lot of issues here that make it very difficult to develop. This was mentioned by Pacific Grove and Darby at the county, you know, here at the peninsula, we're under a cease and desist order from the state water resources control agency that really prohibits any new development of housing. Um, so, you know, we literally just city of Monterey have hundreds of units of affordable housing in the pipeline that cannot be built right now because of that season sister. And then there are other issues in the county that Derby could talk about as well. So the issue is just rezoning for housing. Sure. We can re zone and it's on the planning document that this is okay for housing, but in terms of practically building the housing, um, our hands are tied in so many ways. So there's a fear of, okay, if we're going to be enforced, we're going to enhance left, not actually constructing, um, you know, how do we construct when our hands are tied, but if it's just going through the motions, doing the zoning amendments, then sure. That's something that's more achievable for us.

Sohab Mehmood 1:34:30

I mean, there is nothing that I'm aware of that says, if you're not building housing, you're getting your hand flat. Um, there is one law that I, hopefully everyone is familiar by now, which is SB 35, which simply states that if you haven't built to your Rina, um, there are certain thresholds, um, which is most of the state that you're to SB 35, which, um, certain qualified projects can opt in for a streamlined ministry overview of their project. If they meet certain criteria, uh, that's the biggest thing when it comes to when you haven't built towards your Rina. Again, this is the housing element is setting the foundation for development to happen. That's in control of the jurisdiction, zoning development standards, your regulatory framework programs that you can do, actions you can take to incentivize and encourage development. Um, it isn't to say that there are things you may be able to do to kind of help address market concerns and of course infrastructure. But again, this is an area where your goal is to try to identify the best sites and the zoning that makes housing the most feasible in your jurisdiction, but specifically around building. There's nothing that says that if you haven't built your getting your hands slapped other than SB 35, which simply states that if you haven't built your Reno based on certain thresholds, that you would, um, be subject to SB 35, which is allowing for a ministerial streamlined approval process for certain types of projects that meet certain criteria, um, as well as a certain type of number of units that are affordable to lower income households.

Heather Adamson 1:36:20

Okay, thanks. So hot. We have another written question. How do development cops come into play when it comes to rezoning or upzoning, especially in high opportunity areas?

Sohab Mehmood 1:36:33

Um, I would kind of defer to the jurisdiction on how much can they reason or zone in high opportunity areas based on their developing casts. But like I said, it's not a requirement to upsold is my opportunity areas. It's definitely a good strategy to address fair housing issues. Um, but there are a lot of other options. So I, I would kind of defer to a jurisdiction on how their, how, what are their development caps and to what extent are they going to be rezoning or uploading in high opportunity areas?

Heather Adamson 1:37:10

Okay. Um, we have a question from an anonymous person, so, um, I'm a little unclear on this question, but I'll go ahead and ask it. Is there an opportunity, uh, for cities to work together on a century located area where development could occur, that would serve, say three cities? Um, I can't think of anything off the top of my head. So this may be whoever asked that whatever jurisdiction or person you may want to follow up with me because, um, I can't think of a development in our region that would be moving forward

Heather Adamson 1:37:52

that could count across three jurisdictions unless I'm misinterpreting your question. So if I am, I apologize, feel free to raise your hand and clarify, um, or you can also follow up with me, uh, offline or so hub. We do have, uh, we do have a hand raised from Darby.

Speaker 5 1:38:14

So I think what they're asking is there a mechanism that jurisdictions can use to possibly share Rena unit production? And I guess, uh, probably the simplest one would be, you know, if we had a regional housing trust fund and Pacific Grove and Monterey city pitched in to help capitalize it, but the housing gets built in Carmel valley by impermanent by the county. Is there a mechanism where we could share those units for RHNA? I think that's what the question is. And it's one that I have, uh, and I believe there is a process in place, but we're too late because the allocation already been done and it was supposed to be started, I believe, 18 or 24 months before the allocation was due.

Heather Adamson 1:39:05

Um, and Meg's goal was to have the RHNA plan done before 18 months before the housing elements were due. State law only requires that it be done a year before housing elementary. We were trying to do it early. So jurisdictions would have as much time as possible to do their six second house, six cycle housing elements. Um, so yeah, and the board will be considering the, because I, we perceived as a concurrence from HCD on a 60 day review methodology that the final methodology is going to our board, uh, at a table meeting.

Sohab Mehmood 1:39:42

Yeah. Uh, I'm just thinking about the best way to address your question, but generally, uh, there is no, I mean, the way you're going to be reporting and I mean, first thing is every jurisdiction does need a zone for their arena. That's number one. Um, but if you're asking me on, okay, now that we built the project who can count those units, um, it's the jurisdiction that's reporting the units to DOF and who permitted it likely permitted those units. There's no real way where, um, just because, you know, a couple, uh, your jurisdiction is paid into regional housing trust fund that funded a project in a specific city. Then now everyone gets

credit towards their arena because your arena is for your local government, for the units that you've built in your city to address your local specific jurisdictional needs. So I would generally say no, there's no way to, um, count against your arena building towards your arena units for a project that was built in another city.

Heather Adamson 1:40:53

And just to add on to so Hobbs response. And, um, and maybe you may be thinking of, you know, in past cycles you could, uh, swap, uh, Rina numbers, uh, with your, you know, next door neighbor, jurisdiction, or other jurisdictions that is no longer allowed, uh, and their transfer of, of Rina, uh, allocation for that. So that was in previous cycles, but not in the six moving forward with the six cycle. Okay. Now the handmade

Speaker 7 1:41:22

Darby Marshall, again.

Speaker 5 1:41:24

So, and to that. So I have a, another very specific example where we have identified potentially surplus county land that is entirely within the city of Salinas and the city and the county are working on a development plan for it, but because the county is giving up the land, uh, would we, so what I'm hearing from you is, is there no way that the county could share those units with the city, if the city ended up permitting them, uh, or the city, because they're providing the infrastructure, you know, the water, sewer, and roads that are going to be required for the units. There's no way for them to get credit for supporting the housing.

Sohab Mehmood 1:42:16

I'm just thinking through statute, you know, and the requirements I don't see, that's not something that, um, in my experience I've seen happen before. I've seen instances where just it's the city or the county reports, those units to the DOF, and based on who reported it, they take the credit for it. Um, I haven't seen a situation where they split credit because again, one does, you know, uh, the infrastructure versus one does the actual permitting. Um, I'm Veronica has kind of mentioning some similar situations. We had an LA county, um, which I was a reviewer of. And just to kind of give you a brief overview of that is the county did count sites that they owned in incorporated cities towards their RHNA, um, towards zoning for their RHNA or meeting their Rina. Um, and they were required to put in a program that if they would like to count those units towards their counties, RHNA, um, that they commit to reporting to DOF and permitting and building authority, and that they retain that they have the authority to do all those things as a county, even if the site isn't incorporated city. So again, like I said, I've been in situate, those situations that I've been in, um, is that one or the other takes those units, but never were both the city and the county get to split those units in half.

Heather Adamson 1:43:53

Okay. Next written question we have, what is the level of CEQA record review required for housing elements?

Sohab Mehmood 1:44:02

Uh, maybe Veronica, actually, you're able to go off,

Heather Adamson 1:44:07

I answered this, but I am not a CEQA expert. Please check with your secret experts and attorneys for this one. Typically, if you don't have to rezone, I've seen a lot of, uh, neck debts, neck decorations, um, or mitigative neck, um, uh, for housing elements, that's typical of what most people do for housing. However, if you have to do substantial rezoned, I have seen more than that. Um, and so oftentimes it will be, um, maybe a supplemental EIR. Um, you've done an EIR on your, you just did a general plan update and it's recent. Um, I've also seen a full EIR. So, um, I can tell you for the fifth cycle, most of ours were almost all neg ducks or mitigated neg DEC. Um, so I don't know, um, Veronica, if you have Veronica tan, since you have extended to this, if you do have more to add on that, feel free to raise your hand and we can, we can unmute you,

Heather Adamson 1:45:10

Or if not, we'll just continue. Um, uh, there is a question about HCD review letter as part of embed shop methodology. This will be posted next week. Um, and so, uh, it will be available. It will also be presented to the board as part of the item. And so that will be available. Um, I am at the end of all my written questions. Are there any other questions that folks have?

Heather Adamson 1:45:40

Um, any other hands raised, verbally questions come in.

Heather Adamson 1:45:47

Okay. Then I'm going to go back to sharing my screen and we will, um, do a little wrap-up.

Heather Adamson 1:46:01

Uh, we were not planning on listing this for APA, for CM credits. Um, but I can look at as an APA member and AICP, I will look into it. Um, if it's something that I can do relatively easy, I will do this. Um, you should at least get an hour and a half a year of credits and we all need those. So I will, I will look into that for myself.

Heather Adamson 1:46:21

Um, but I can't get into the approve. Um, okay. We do have, um, we did have Veronica, um, respond regarding to the chat. Um, it's a risk assessment. We are doing EIRs for some housing elements, even though the rezoning is going to happen later, because you may be accused of, let me see. I lost the end of that, uh, of defined analysis. So it is a risk assessment up to each local jurisdiction, um, on how to handle the environmental assessment. Thanks Tanika. Okay, so let's go back. I just have a couple wrap up next steps. Um, as I mentioned, uh, we will be doing, uh, additional webinars probably later this summer, um, and then totally fall, um, topics that I've had two that I can think of right now. And I've heard some responses via the chat that they definitely would like a webinar, uh, related to sites.

Heather Adamson 1:47:27

Um, and I've previously heard one related to affirmatively furthering fair housing, the FFH for, uh, the housing elements. So, um, if you have an idea for something, um, that aren't those two, let me know, cause we'll be coordinating with HTD staff, um, as we move forward, it's

later in the year. Um, I do want to also point out the HCD recently prepared a housing element education video that's available for each jurisdiction. I did send up the link to that, uh, video, uh, to all the local jurisdictions planning directors. So you should have received that sometime last week. Um, I will also post the link on the website on Amex website when we post the slides and the recording for this meeting. Um, and then finally, uh, there's something I want to quickly mention and bag is working with HCD and place works through their technical assistance program, uh, to produce a site suitability GIS tool to facilitate completion completion of the housing elements throughout the end bag region. Um, so that will be available for each of the jurisdictions within San Benito, Monterey and Santa Cruz counties to use as a tool to help them do, um, their site analysis. And we'll talk more about that. We're still finalizing the scope of work for that and getting all the data needs identified. Um, but we will talk more about that probably at a future planning doctor's meeting or a later, uh, webinar related to the housing element. So I did just want to announce that as a GIS tool that we are working on through technical assistance with HCD, uh, something not adjust actions in the region will be able to use. Um, that's all I have for next steps. Um, we did, uh, have something come through the chat. It was more, um, specifically weighted to, um, uh, the side of the returning for the housing element. And so, uh, encourage everyone to, to look at that. Um, are there any other, this concludes our time and presentation and I don't see any other questions to the questions chat or, uh, QA and we'll no hands raised. Nope. Okay. Well, I want to thank everyone for attending. Um, we will send out follow up via email and also just post it online. Um, I know they're not all up to the officials could attend and not all staff can attend. So if you do receive the link and you know, someone was interested, but wasn't able to make it, please share that with them and always, uh, you can, uh, contacted me, uh, hadamson@ambag.org And when I do update the information, um, with the slides, uh, so-called, uh, information will be there as well. Hopefully by the next time we have a housing element webinar, uh, assistant information sharing, uh, we'll have the assigned contacts, uh, for, uh, both the AMBAG and the San Benito COG region. And with that, everyone have a great rest of your Tuesday and we'll talk soon. Bye everyone.