



AMBAG EXECUTIVE/FINANCE COMMITTEE AGENDA

DATE: June 9, 2021

TIME: 5:00 pm

LOCATION: Conference Call
Dial-In Number: (605) 475-4700
Access Code: 203466#

The AMBAG Executive/Finance Committee meeting will be conducted via Conference Call in light of Governor Newsom's State of Emergency declaration regarding the COVID-19 outbreak and in accordance with Executive Order N-29-20 and the shelter in place directive. The AMBAG Executive/Finance Committee members will participate in the meeting from individual remote locations. We apologize in advance for any technical difficulties.

Members of the public will need to attend the meeting remotely via Conference call.

Persons who wish to address the AMBAG Executive/Finance Committee on an item to be considered at this meeting are asked to submit comments in writing at info@ambag.org by 5:00 PM, Tuesday, June 8, 2021. The subject line should read "Public Comment for the June 9, 2021 Executive/Finance Committee Meeting". The agency clerk will read up to 3 minutes of any public comment submitted.

To participate via Conference Call, please use the conference call dial-in information provided.

If you have any questions, please contact Ana Flores, Senior Executive Assistant at aflores@ambag.org or at 831-883-3750.

-
1. Call to Order
 2. Roll Call
 3. Public Comment (A maximum of three minutes on any subject not on the agenda)

4. Consent Agenda

Recommended Action: APPROVE

Note: Action listed for each item represents staff recommendation. The Executive/Finance Committee may, at its discretion, take any action on the items listed in the agenda.

A. Draft Minutes of the May 12, 2021 Meeting

Approve the draft minutes of the May 12, 2021 meeting. (Page 3)

B. List of Warrants as of March 31, 2021

Accept the list of warrants. (Page 5)

C. Accounts Receivable as of March 31, 2021

Accept the accounts receivable. (Page 7)

5. Financial Update Report

Recommended Action: INFORMATION

- Maura F. Twomey, Executive Director

Receive the financial update report which provides an update on AMBAG's current financial position and accompanying financial statements. (Page 9)

6. Draft 2021 Title VI Plan

Recommended Action: APPROVE

- Maura F. Twomey, Executive Director

Receive a report from Maura Twomey, Executive Director. (Page 15)

7. 6th Cycle Regional Housing Needs Allocation Schedule and Process

Recommended Action: INFORMATION

- Maura F. Twomey, Executive Director

Receive a report from Maura Twomey, Executive Director. (Page 19)

8. Other Items

9. Adjournment

If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC Sec. 12132), and the federal rules and regulations adopted in implementation thereof. If you have a request for disability-related modification or accommodation, including auxiliary aids or services, contact Ana Flores, AMBAG, 831-883-3750, or email aflores@ambag.org at least 48 hours prior to the meeting date.

**DRAFT
EXECUTIVE/FINANCE COMMITTEE MEETING
MINUTES**

Conference Call

May 12, 2021

1. Call to Order

The meeting was called to order by President McShane at 5:08 p.m.

2. Roll Call

Present: Directors Freeman, Funk, Smith, and Walker

Absent: McShane and Petersen

Others Present: Maura Twomey, Executive Director

3. Public Comments

There were no written or oral comments from the public.

4. Consent Agenda

The following items were enclosed: 1) the minutes of the April 14, 2021 meeting; 2) warrants as of February 28, 2021; and 3) accounts receivable as of February 28, 2021.

Motion made by Director Smith seconded by Director Walker to approve the consent agenda. The motion passed unanimously.

5. Financial Update Report

Maura Twomey, Executive Director, gave a report on AMBAG's current financial position. The accompanying financial statements were also discussed.

6. Support for Co-Locating CSUMB Science Building and Sanctuary Home Office

Maura Twomey, Executive Director gave a presentation on the letter of support for co-locating the CSUMB Science Building and the Sanctuary home office.

7. Other Items

None.

8. Adjournment

The meeting adjourned at 5:18 p.m.

DRAFT
AMBAG EXECUTIVE/FINANCE COMMITTEE MEETING
ATTENDANCE & VOTING RECORD

MEETING DATE: May 12, 2021

Attendance (Y= Present; AB= Absent) Voting (Y= Yes; N=No; A=Abstain)			
MEMBER	AMBAG REP	Attendance	Item# 4 Consent
Capitola	Kristen Petersen	AB	n/a
Gonzales	Scott Funk	Y	Y
Greenfield	Lance Walker	Y	Y
Monterey	Ed Smith	Y	Y
Salinas	Steve McShane	AB	n/a
San Juan Bautista	John Freeman	Y	Y

Unaudited

AMBAG
Check Register
March 2021

Date	Check Number	Name	Description	Amount
03/11/2021	29364	AT&T (FAX Line)	Fax Line Billed in Advance From 3/02/21 - 4/01/21	109.90
03/11/2021	29365	BOD - Bob Tiffany	BOD Meeting 3/10/21	50.00
03/11/2021	29366	BOD - Carla Strobridge	BOD Meeting 3/10/21	50.00
03/11/2021	29367	BOD - Carlos Victoria	BOD Meeting 3/10/21	50.00
03/11/2021	29368	BOD - Derek Timm	BOD Meeting 3/10/21	50.00
03/11/2021	29369	BOD - Ed Smith	BOD Meeting 3/10/21	50.00
03/11/2021	29370	BOD - Eduardo Montesino	BOD Meeting 3/10/21	50.00
03/11/2021	29371	BOD - Greg Caput	BOD Meeting 3/10/21	50.00
03/11/2021	29372	BOD - John Freeman	BOD Meeting 3/10/21	50.00
03/11/2021	29373	BOD - John Phillips	BOD Meeting 3/10/21	50.00
03/11/2021	29374	BOD - Jon Wizard	BOD Meeting 3/10/21	50.00
03/11/2021	29375	BOD - Justin Cummings	BOD Meeting 3/10/21	50.00
03/11/2021	29376	BOD - Karen Ferlito	BOD Meeting 3/10/21	50.00
03/11/2021	29377	BOD - Kim Shirley	BOD Meeting 3/10/21	50.00
03/11/2021	29378	BOD - Kristen Petersen	BOD Meeting 3/10/21	50.00
03/11/2021	29379	BOD - Lance Walker	BOD Meeting 3/10/21	50.00
03/11/2021	29380	BOD - Lisa Berkley	BOD Meeting 3/10/21	50.00
03/11/2021	29381	BOD - Manu Koenig	BOD Meeting 3/10/21	50.00
03/11/2021	29382	BOD - Mark Medina	BOD Meeting 3/10/21	50.00
03/11/2021	29383	BOD - Mary Adams	BOD Meeting 3/10/21	50.00
03/11/2021	29384	BOD - Mary Ann Carbone	BOD Meeting 3/10/21	50.00
03/11/2021	29385	BOD - Rick Perez	BOD Meeting 3/10/21	50.00
03/11/2021	29386	BOD - Scott Funk	BOD Meeting 3/10/21	50.00
03/11/2021	29387	BOD - Steve McShane	BOD Meeting 3/10/21	50.00
03/11/2021	29388	Caltronics Business Systems, Inc	Copier Usage Bill for 1/22/21 - 2/21/21	244.03
03/11/2021	29389	Iron Mountain, Inc.	Offsite Document Storage for February 2021	102.38
03/11/2021	29390	Monterey Computer Corporation, Inc.	Rapid Recovery Purchase & Install Backup & Recovery Licensing for 3 Years (07/01/2021 - 6/30/2024)	8,485.13
03/11/2021	29390	Monterey Computer Corporation, Inc.	IT Support Services for March 2021	1,250.00
03/11/2021	29391	Office Depot Credit Plan	Office Supplies	138.13
03/11/2021	29392	Perry and Freeman	Legal Services for March 2021	1,125.00
03/11/2021	29393	Planeteria Media	Website Development and Maintenance - February 2021	400.00
03/11/2021	29394	Rayne Water, Inc.	Water for the Period of 03/01/2021 through 03/31/2021	64.09
03/11/2021	29395	U.S. Postal Service PO Box 2453 Fees	1-Year Renewal for PO Box 2453 (March 2021 - March 2022)	134.00
03/11/2021	29396	VISA Mechanics Bank - 3667	Storage, CPA License Renewal	604.00
03/11/2021	29397	Visa Mechanics Bank - 4089	Supplies, Go-To Meeting Renewal, Training, Website Hosting	844.04
03/11/2021	29398	Office Depot Credit Plan	Office Supplies	6.35
03/11/2021	EFT	Verizon Wireless, Inc	Broadband Account for Broadband Devices and iPads New Plan	239.62
03/15/2021	EFT	Paychex, Inc.	Net Payroll and Related Expenses for Period Ending 3/15/21	95,210.96
03/25/2021	29399	AT&T (Silver Cloud VoIP 2019)	Monthly Charges for VoIP Lines (Main Line, Staff Lines) and Fiber MIS - 03/11/21 - 04/10/21	541.43
03/25/2021	29400	Comcast - Monterey	High Speed Internet for 3/22/2021 - 04/21/2021	476.16
03/25/2021	29401	Costco Wholesale Membership	May 2020-2021 Membership Renewal	60.00
03/25/2021	29404	Monterey Bay Air Resources District	April 2021 Rent	5,968.00
03/25/2021	29405	SBCAG	Central Coast Coalition Annual Dues for FY 2020-2021 Dues + (2021 Legislative Day Lunch) & Brochure Costs	2,019.60
03/25/2021	29406	Staples Credit Plan, Inc.	Office Supplies	226.15
03/25/2021	29407	The Sohagi Law Group	Legal Services 2045 MTP/SCS through 2/28/21	525.00
03/31/2021	EFT	Paychex, Inc.	Net Payroll and Related Expenses for Period Ending 3/31/21	80,135.56

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AMBAG
A/R Aging Detail
 As of March 31, 2021

Date	Num	Name	Memo	Due Date	Aging	Open Balance	Paid
03/31/2021	4106	CA Department of Housing (HCD)	ALL AMBAG	03/31/2021		12,436.01	PAID
03/31/2021	4107	CA Department of Housing (HCD)	ALL AMBAG	03/31/2021		14,178.79	PAID
03/31/2021	4116	RAPS A/R	ALL AMBAG	03/31/2021		5,881.61	
03/31/2021	4117	RAPS A/R	ALL AMBAG	03/31/2021		2,796.85	
03/31/2021	4075	GHG Inventories (WE 331)	ALL AMBAG (ACCRUAL ONLY)	04/30/2021		26,348.56	
03/31/2021	4110	SJVCEO - CCEW (WE 332)	ALL AMBAG	04/30/2021		1,650.00	
03/31/2021	4115	Caltrans, D5	Rincon \$7,291.50, The Sohagi Law Group \$1,425.00	04/30/2021		182,483.69	PAID
02/28/2021	4111	Caltrans, D5	PRB \$888.31, Rincon \$4,016.25, The Sohagi Law Group \$525.00	03/30/2021	1	174,295.24	PAID
02/28/2021	4112	RAPS A/R	ALL AMBAG	02/28/2021	31	3,369.55	
02/28/2021	4113	RAPS A/R	ALL AMBAG	02/28/2021	31	3,326.15	
12/31/2020	4114	Western Riverside Council of Governments	ALL AMBAG	12/31/2020	90	60.07	PAID
						\$ 426,826.52	

PAID Reflects payments received subsequent to March 31, 2021.

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MEMORANDUM

TO: AMBAG Executive/Finance Committee

FROM: Maura F. Twomey, Executive Director

RECOMMENDED BY: Errol Osteraa, Director of Finance and Administration

SUBJECT: Financial Update Report

MEETING DATE: June 9, 2021

RECOMMENDATION:

Staff recommends that the Executive/Finance Committee receive the Financial Update Report.

BACKGROUND/ DISCUSSION:

The enclosed financial reports are for the 2020-2021 Fiscal Year (FY) and are presented as a consent item. The attached reports contain the cumulative effect of operations through March 31, 2021 as well as a budget-to-actual comparison. Amounts in the Financial Update Report are unaudited.

FINANCIAL IMPACT:

The Balance Sheet for March 31, 2021 reflects a cash balance of \$4,477,085.65. The accounts receivable balance is \$426,826.52, while the current liabilities balance is \$421,621.31. AMBAG has sufficient current assets on hand to pay all known current obligations.

Due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68 in FY 2014-2015 and a restatement to Net Position for GASB Statement No. 82, AMBAG has a deficit Net Position in the amount of \$178,370.68. Although AMBAG's Balance Sheet as of March 31, 2021 reflects a deficit Net Position, AMBAG's Profit and Loss Statement reflects an excess of revenue over expense of \$22,615.90.

The following table highlights key Budget to Actual financial data:

Budget to Actual Financial Highlights
For Period July 1, 2020 through March 31, 2021

Expenditures	Budget Through March 2021	Actual Through March 2021	Difference
Salaries & Fringe Benefits	\$ 2,099,547.00	\$ 1,659,404.86	\$ 440,142.14
Professional Services	\$ 5,966,949.00	\$ 679,884.37	\$ 5,287,064.63
Lease/Rentals	\$ 68,250.00	\$ 59,983.56	\$ 8,266.44
Communications	\$ 18,600.00	\$ 14,585.95	\$ 4,014.05
Supplies	\$ 92,550.00	\$ 14,567.14	\$ 77,982.86
Printing	\$ 8,663.00	\$ 871.65	\$ 7,791.35
Travel	\$ 56,625.00	\$ 337.93	\$ 56,287.07
Other Charges	\$ 229,842.00	\$ 239,902.13	\$ (10,060.13)
Total	\$ 8,541,025.00	\$ 2,669,537.59	\$ 5,871,488.41
Revenue			
Federal/State/Local Revenue	\$ 8,559,534.00	\$ 2,692,153.49	\$ 5,867,380.51

Note: AMBAG is projecting a surplus, therefore budgeted revenues do not equal expenses.

Revenues/Expenses (Budget to Actual Comparison):

The budget reflects a linear programming of funds while actual work is contingent on various factors. Therefore, during the fiscal year there will be fluctuations from budget-to-actual.

Professional Services are under budget primarily due to the timing of work on projects performed by contractors. Work is progressing on the 2045 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS). This work is not performed in a linear fashion while the budget reflects linear programming. In addition, the Regional Early Action Planning Housing Program (REAP) provides \$7,931,311 in funding of which a large portion will pass through to partner agencies. It is in its early stages.

Since AMBAG funding is primarily on a reimbursement basis, any deviation in expenditure also results in a corresponding deviation in revenue. Budget-to-actual revenue and expenditures are monitored regularly to analyze fiscal operations and propose amendments to the budget if needed.

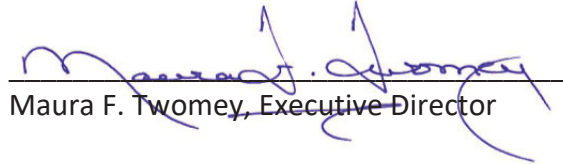
COORDINATION:

N/A

ATTACHMENTS:

1. Balance Sheet as of March 31, 2021
2. Profit and Loss: July 1, 2020 – March 31, 2021
3. Cash Activity for April, 2021

APPROVED BY:



Maura F. Twomey, Executive Director

AMBAG
Balance Sheet - Attachment 1
As of March 31, 2021

	March 31, 2021		March 31, 2021
Assets		Liabilities & Net Position	
Current Assets		Liabilities	
Cash and Cash Equivalents		Current Liabilities	
Mechanics Bank - Special Reserve	300,532.86	Accounts Payable	296,874.15
Mechanics Bank - Checking	454,535.40	Employee Benefits	124,747.16
Mechanics Bank - REAP Checking	3,717,837.66	Mechanics Bank - Line of Credit	0.00
Petty Cash	500.00	Total Current Liabilities	421,621.31
LAIF Account	3,679.73		
Total Cash and Cash Equivalents	4,477,085.65	Long-Term Liabilities	
Accounts Receivable		Deferred Inflows - Actuarial	258,986.95
Accounts Receivable	426,826.52	Net Pension Liability (GASB 68)	1,888,153.69
Total Accounts Receivable	426,826.52	OPEB Liability	6,670.04
		Deferred Revenue	3,517,193.85
Other Current Assets		Total Long-Term Liabilities	5,671,004.53
Due from PRWFPA/RAPS	45.76		
Prepaid Items	10,896.14	Total Liabilities	6,092,625.84
Total Other Current Assets	10,941.90		
Total Current Assets	4,914,854.07		
Long-Term Assets		Net Position	
Net OPEB Asset	96,473.00	Beginning Net Position	(200,986.58)
FY 2002-2003 Housing Mandate Receivable	82,186.00	Net Income/(Loss)	22,615.90
Allowance for Doubtful Accounts	(16,437.20)	Total Ending Net Position	(178,370.68)
Deferred Outflows - Actuarial	533,833.49		
Deferred Outflows - PERS Contribution	272,963.59	Total Liabilities & Net Position	5,914,255.16
Total Long-Term Assets	969,018.88		
Capital Assets			
Capital Assets	196,516.49		
Accumulated Depreciation	(166,134.28)		
Total Capital Assets	30,382.21		
Total Assets	5,914,255.16		

AMBAG
Profit & Loss - Attachment 2
July - March 2021

		<u>July - March 2021</u>
Income		
AMBAG Revenue		174,481.53
Cash Contributions		220,149.98
Grant Revenue		2,148,156.86
Non-Federal Local Match		149,365.12
Total Income		<u>2,692,153.49</u>
Expense		
Salaries		1,093,688.81
Fringe Benefits		565,716.05
Professional Services		679,884.37
Lease/Rentals		59,983.56
Communications		14,585.95
Supplies		14,567.14
Printing		871.65
Travel		337.93
Other Charges:		
BOD Allowances	7,250.00	
BOD Refreshments/Travel/Nameplates/Dinner/Other	24.76	
Workshops/Training	4,650.24	
GIS Licensing/CCJDC Support	10,247.28	
Energy Watch Travel/Classes/Events/Recruitment/Other	142.50	
REAP Travel/Classes/Events	525.00	
SB1/MTIP/MTP/SCS/OWP/Public Participation Expenses	12,338.56	
Recruiting	159.90	
Dues & Subscriptions	19,505.78	
Depreciation Expense	8,372.25	
Maintenance/Utilities	826.81	
Insurance	25,488.54	
Interest/Fees/Tax Expense	1,005.39	
Total Other Charges		<u>90,537.01</u>
Non-Federal Local Match		<u>149,365.12</u>
Total Expense		<u>2,669,537.59</u>
Net Income/(Loss)		<u><u>22,615.90</u></u>

AMBAG
Cash Activity - Attachment 3
For April 2021

Monthly Cash Activity
 AMBAG

	July-20	August-20	September-20	October-20	November-20	December-20	January-21	February-21	March-21	April-21	May-21	June-21	TOTAL
1. CASH ON HAND													
[Beginning of month]	772,031.66	814,688.20	4,878,895.20	4,754,892.51	4,708,900.74	4,560,922.43	4,606,870.02	4,582,727.73	4,456,150.40	4,477,085.65	0.00	0.00	
2. CASH RECEIPTS													
(a) AMBAG Revenue	139,439.41	52,071.03	6,084.33	6,771.38	10,439.86	80,018.62	27,219.27	19,885.14	17,687.32	6,829.56	0.00	0.00	366,445.92
(b) Grant Revenue	223,043.84	234,066.92	175,754.83	186,041.95	220,934.45	172,754.58	167,438.87	227,323.59	203,307.46	0.00	0.00	0.00	1,810,666.49
(c) REAP Advance Payment	0.00	3,982,887.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,982,887.02
(d) Borrowing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. TOTAL CASH RECEIPTS	362,483.25	4,269,024.97	181,839.16	192,813.33	231,374.31	252,773.20	194,658.14	247,208.73	220,994.78	6,829.56	0.00	0.00	6,159,999.43
4. TOTAL CASH AVAILABLE	1,134,514.91	5,083,713.17	5,060,734.36	4,947,705.84	4,940,275.05	4,813,695.63	4,801,528.16	4,829,936.46	4,677,145.18	4,483,915.21	0.00	0.00	
5. CASH PAID OUT													
(a) Payroll & Related *	181,793.09	177,728.17	188,909.28	172,587.88	194,910.99	184,358.39	180,010.71	192,275.58	175,346.52	192,222.91	0.00	0.00	1,840,143.52
(b) Professional Services	62,640.92	13,450.00	103,801.55	48,985.34	169,174.97	10,027.24	15,470.08	169,138.43	3,300.00	20,575.48	0.00	0.00	616,564.01
(c) Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,485.13	0.00	0.00	0.00	8,485.13
(d) Lease/Rentals	12,511.90	6,343.70	6,850.77	6,597.44	6,750.04	6,622.60	6,531.01	6,931.20	6,802.41	6,892.53	0.00	0.00	72,833.60
(e) Communications	2,140.93	1,014.23	1,248.30	1,221.69	1,485.10	3,329.20	2,224.12	1,362.11	1,432.06	2,099.91	0.00	0.00	17,557.65
(f) Supplies	2,622.28	2,712.26	3,510.75	4,711.75	435.34	1,059.60	413.08	265.90	467.72	0.00	0.00	0.00	16,198.68
(g) Printing	871.65	670.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,541.80
(h) Travel	40.00	0.00	117.92	56.38	60.01	0.00	40.00	40.00	0.00	40.00	0.00	0.00	394.31
(i) Other Charges	57,205.94	2,899.46	1,403.28	4,644.62	6,536.17	1,428.58	14,111.43	3,772.84	4,225.69	4,707.19	0.00	0.00	100,935.20
(j) Loan Repayment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. TOTAL CASH PAID OUT	319,826.71	204,817.97	305,841.85	238,805.10	379,352.62	206,825.61	218,800.43	373,786.06	200,059.53	226,538.02	0.00	0.00	2,674,653.90
7. CASH POSITION	814,688.20	4,878,895.20	4,754,892.51	4,708,900.74	4,560,922.43	4,606,870.02	4,582,727.73	4,456,150.40	4,477,085.65	4,257,377.19	0.00	0.00	

Payroll & Related *



MEMORANDUM

TO: AMBAG Executive/Finance Committee

FROM: Maura Twomey, Executive Director

RECOMMENDED BY: Miranda Taylor, Planner

SUBJECT: Draft 2021 Title VI Plan

MEETING DATE: June 9, 2021

RECOMMENDATION:

This is an informational item only.

BACKGROUND:

Title VI is a Federal statute that mandates that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. The Federally required 2021 Title VI Plan is a comprehensive document that guides AMBAG in the Title VI process. AMBAG receives Federal funding through Caltrans and therefore is subject to this Federal requirement.

In 2012, the Federal Transit Administration set new guidelines for Caltrans requiring sub-recipients of Caltrans Planning Grants to submit a Title VI Plan to FTA every three years. AMBAG, as a sub-recipient of such funds and as the federally designated Metropolitan Planning Organization (MPO) for the Monterey Bay Region, must prepare and adopt a Title VI Plan at least once every three years. The 2021 Title VI Plan will cover the three-year period from 2021-2024 and must comply with FTA Circular 4702.1B. The 2021 Title VI Plan emphasizes the AMBAG Title VI process and procedures, including the use of public outreach techniques and innovative strategies to specifically include Limited English Proficiency (LEP) Populations within the region.

DISCUSSION:

The requirements for the 2021 Title VI Plan under FTA Circular 4702.1B incorporate environmental justice principles into plans, projects, and activities that receive funding from

FTA. The following guiding environmental justice principles must be considered through “all public outreach and participation efforts conducted by the FTA, its grantees and sub-grantees”:

- To avoid, minimize, or mitigate disproportionately high and adverse human health and environmental effects, including social and economic effects, on minority populations and low income populations.
- To ensure the full and fair participation by all potentially affected communities in the transportation decision making process, and to prevent the denial of, reduction in, or significant delay in the receipt of benefits by minority and low income populations.

A Title VI Plan is the required guide for all Title VI related activities conducted by AMBAG. As such, this Plan contains the procedures, strategies and techniques that will be used by AMBAG for increasing public involvement in all programs and projects that use federal funds and creating a more inclusive public participation process for LEP Populations.

Below are key dates for finalizing the 2021 Title VI Plan:

- **June 9, 2021:** AMBAG Board of Directors releases Draft 2021 Title VI Plan for 30-day public comment period.
- **July 9, 2021:** 30-day public comment period ends
- **August 11, 2021:** AMBAG Board of Directors scheduled to approve the Final 2021 Title VI Plan
- **August 31, 2021:** Deadline for AMBAG to file Title VI Report to Caltrans

The Draft 2021 Title VI Plan will be presented at a variety of meetings including the Regional Transportation Planning Agencies’ (RTPAs) Technical Advisory Committees and other transportation related committees. The Draft 2021 Title VI Plan is available on the AMBAG website at www.ambag.org. The public comment period will close on July 9, 2021. Staff will incorporate comments received into the Final 2021 Title VI Plan which is scheduled to be approved by the AMBAG Board of Directors at its August 11, 2021 meeting.

ALTERNATIVES:

N/A

FINANCIAL IMPACT:

Title VI planning activities are programmed in the FY 20-21 Overall Work Program.

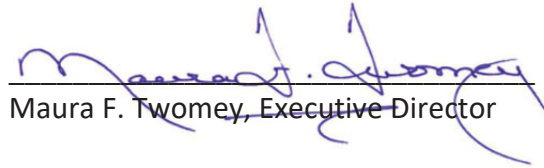
COORDINATION:

The development of the Draft Title VI Plan was coordinated with our local transportation partners at the RTPAs, transit operators, Caltrans, and local jurisdictions.

ATTACHMENT:

1. Draft 2021 Title VI/ LEP Plan (separately enclosed)

APPROVED BY:



Maura F. Twomey, Executive Director

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MEMORANDUM

TO: AMBAG Executive/Finance Committee

FROM: Maura F. Twomey, Executive Director

RECOMMENDED BY: Heather Adamson, Director of Planning

SUBJECT: 6th Cycle Regional Housing Needs Allocation Schedule and Process

MEETING DATE: June 9, 2021

RECOMMENDATION:

This is an informational item only.

BACKGROUND/ DISCUSSION:

California State Housing Element Law enacted in 1980 requires AMBAG, acting in the capacity of Council of Governments (COG), to develop a methodology for distributing existing and projected housing need to local jurisdictions in Monterey and Santa Cruz Counties. Housing law also sets forth a process, schedule, objectives and factors to use in the RHNA methodology. The methodology must address allocation of housing units by jurisdiction, housing units by income group, and must address 12 housing-related factors and five statutory objectives. The Council of San Benito County Governments performs this same function for San Benito County.

AMBAG is currently entering the planning phase for the 2023-2031 RHNA period. As there have been five previous housing element update cycles, this round is also known as the 6th Cycle RHNA. The 6th Cycle of RHNA is different from previous rounds in that it significantly increases the amount of housing a region must plan for due to recent legislative changes found in SB 828 (2018), AB 1771 (2018), and AB 686 (2018) which altered HCD RHNA determinations as follows:

- Adjusts RHNA up by setting a target “healthy” vacancy rate of no less than 5%;
- Adjusts RHNA up by redistributing overcrowding into housing units;

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- Allows HCD to adjust RHNA upwards based on comparing the difference in cost-burden by income group for the region to the cost burden by income group for comparable regions, and adjusting the very-low and low income housing need upwards accordingly;
- Prohibits the use of previous underproduction of housing or stable population growth to reduce housing development goals;
- Requires RHNA methodologies to promote fair housing, and reduce income and racial segregation when allocating housing of various income types.

As this cycle of RHNA has changed significantly from previous rounds, this item does not include a summary of AMBAG's 5th Cycle RHNA Plan. For information on AMBAG's previous 5th Cycle 2014-2023 RHNA plan, see this [link](#).

RHNA is a projection of additional housing units needed to accommodate projected household growth of all income levels from the start until the end date of the projection period. RHNA is not a prediction of building permits, construction, or housing activity, nor is it limited due to existing land use capacity or growth. A community is not obligated to provide housing to all in need. RHNA is a distribution of housing development capacity that each city and county must zone for in a planning period and is not a construction need allocation.

This item presents background information relevant to the RHNA process, including the statutory RHNA process and schedule, the statutory objectives and factors the RHNA methodology must consider.

RHNA Process and Schedule

As part of the RHNA process, State law (Government Code 65584 et seq.) requires AMBAG to determine each local jurisdiction's share of the region's future housing need. The RHNA produces regional, subregional and local targets for the amount and type of housing needed over the planning period. In spring 2021, AMBAG began consulting with the California Department of Housing and Community Development (HCD) and the Department of Finance (DOF) regarding the total regional housing need. Once the consultation period ends, AMBAG is scheduled to receive a 2023-2031 regional housing need determination from HCD in August 2021. HCD is responsible for determining the regional housing needs total, segmented by income levels, for each of the state's COGs. HCD bases their RHNA determinations on population forecasts from DOF. HCD then applies a formula to determine final housing needs which includes converting the population forecast to household (housing) demand using household formation rates, and applying statutorily required adjustments upwards to take into consideration housing need for low vacancy rates, overcrowding, demolitions and housing cost burdens.

Once HCD has provided AMBAG its two-county total housing determination, AMBAG is responsible for developing a method to allocate the housing need amongst all of the jurisdictions within the COG region. Throughout this process, the Planning Directors Forum representatives from member jurisdictions in Monterey and Santa Cruz Counties serves as a technical working group to assist in the development of the 2023-2031 RHNA methodology and plan, similar to what was established for the 2014-2023 RHNA Plan.

Following adoption of the RHNA plan and approval of that plan by HCD, the local jurisdictions must update their housing elements as necessary to accommodate the regional housing allocations by assuring that adequate sites and zoning capacity are available to accommodate at least the number of units allocated. The housing elements are reviewed for approval by HCD. In some cases, funding from state/federal housing programs can only be accessed if the jurisdiction has a compliant housing element. Other fiscal penalties can be applied by the state for having a non-compliant housing element.

Additional detail on the proposed RHNA schedule is listed in Figure 1 below. These dates are based on the MTP/SCS adoption date, and statutory requirements and deadlines provided by HCD.

Figure 1: Revised RHNA Schedule

TARGET SCHEDULE	TASK
Spring - Summer 2021	AMBAG staff begins early consultation with HCD on 6th Cycle RHNA Determination
Spring - Fall 2021	Discussions with Planning Directors Forum on potential RHNA methodology options and factors
July 1	Jurisdictions receive RHNA survey on local planning factors and affirmatively furthering fair housing
August 16	RHNA survey due back to AMBAG from local jurisdictions
August 2021	6th Cycle RHNA Determination expected from HCD
September 2021	HCD presents at AMBAG Board Meeting
Summer - Winter 2021	Potential RHNA methodology options discussed by AMBAG Board
November 2021	Selection of proposed RHNA methodology by AMBAG Board
November 2021 - January 2022	HCD Reviews Draft Methodology
January/February 2022	Approval of final RHNA methodology by AMBAG Board
January/February 2022	Release draft RHNA plan with RHNA allocations by jurisdiction
May 2022	AMBAG releases final 2045 MTP/SCS accommodating RHNA
June 2022	Adoption of Final 2023-31 RHNA Plan with RHNA allocations by AMBAG Board
December 2023	Jurisdiction’s 6th Cycle Housing Elements are due to HCD

Statutory Objectives and Factors for RHNA Methodology

State statute requires AMBAG to consider or further a series of five objectives and 12 factors, many of which have been newly amended by state legislation since 2018 (see Attachment 1). The following five objectives must be considered during the development of the methodology to allocate housing needs in the region:

1. Increase Housing Supply and Mix of Housing Types
2. Promote Infill, Equity, and Environment
3. Ensure Jobs Housing Balance and Fit
4. Promote Regional Income Parity
5. Affirmatively Further Fair Housing

The RHNA objectives provide the guiding framework for how AMBAG must develop the methodology. AMBAG is required to demonstrate how its methodology furthers each of the objectives. This requires proactive inclusion of each objective into the analysis and represents a higher standard than in previous cycles, which required allocation methodologies only to be generally consistent with state objectives.

In order for the RHNA methodology to be approved, HCD must make a determination on whether it meets these five objectives and is consistent with RHNA statutes. If any objective is not adequately addressed, the methodology must be revised and resubmitted until HCD determines the methodology meets all RHNA objectives. The AMBAG Board cannot approve a methodology and the draft RHNA allocation cannot be produced until HCD has approved the RHNA methodology.

In addition, there are 12 RHNA factors that AMBAG must consider when distributing each jurisdiction's overall and income category allocations. State law mandates that the RHNA factors be incorporated into the methodology to the extent that sufficient data is available.

1. Jobs and housing relationship
2. Opportunities and constraints to development of additional housing, including capacity for sewer and water service, availability of land suitable for development, lands preserved or protected from development, and county policies to preserve prime agricultural land.
3. Opportunities to maximize transit and existing transportation infrastructure
4. Policies directing growth toward incorporated areas
5. Loss of units contained in assisted housing developments
6. High housing cost burdens
7. Rate of overcrowding
8. Housing needs of farmworkers
9. Housing needs of UC and Cal State students
10. Loss of units during an emergency

11. SB 375 Greenhouse Gas Reduction Targets
12. Other factors adopted by Council of Governments (COGs)

AMBAG is required to survey each of the member jurisdictions to request information regarding the factors listed above (per Gov. Code Section 65584.04(b)(1)). AMBAG staff will be distributing an online survey to each member jurisdiction requesting this information in July 2021. Completed surveys will be due in August 2021.

RHNA and Metropolitan Transportation Plan/Sustainable Communities Strategy Coordination

RHNA follows an eight-year cycle and will be integrated with every other MTP update (since the MTP is updated every four years). SB 375 requires the MTP/SCS to “identify areas within the region sufficient to house an eight-year projection of the regional housing need for the region.” Government Code § 65080(b)(2)(B)(iii). AMBAG staff will work with the PDF and member jurisdictions to develop and adopt a methodology for allocating the regional housing need in concert with the development of the MTP/SCS, so that the MTP/SCS accommodates the regional housing need and is consistent with its allocation at both the regional and local levels.

As AMBAG proceeds through the RHNA planning process, further items will be brought to the Board for consideration, discussion and input.

ALTERNATIVES:

N/A

FINANCIAL IMPACT:

Planning activities for RHNA are funded with REAP and SB 1 planning funds and are programmed in the FY 2020-21 Overall Work Program and Budget.

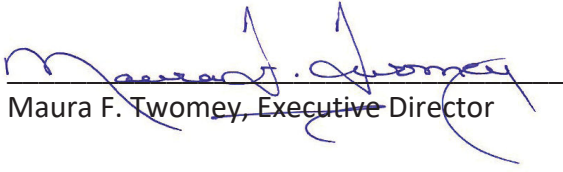
COORDINATION:

All RHNA planning activities are coordinated with the HCD, SBtCOG, and the Planning Directors Forum which includes all the local jurisdictions.

ATTACHMENT:

1. Regional Housing Needs Allocation Objectives and Factors

APPROVED BY:


Maura F. Twomey, Executive Director

Attachment 1

REGIONAL HOUSING NEEDS ALLOCATION OBJECTIVES AND FACTORS (§65584.04.E)

This section describes the Regional Housing Needs Allocation (RHNA) objectives and factors identified in state statute which AMBAG must consider. Objectives must be met in all RHNA methodologies. Factors must be considered to the extent sufficient data is available when developing its RHNA methodology.

RHNA Plan Objectives, Government Code 65584(d)

The regional housing needs allocation plan shall further all of the following objectives:

1. Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low- and very-low-income households.
2. Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.
3. Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.
4. Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent American Community Survey.
5. Affirmatively furthering fair housing.

RHNA Plan Factors, Government Code 65584(e)

1. Jobs and housing relationship

"Each member jurisdiction's existing and projected jobs and housing relationship. This shall include an estimate based on readily available data on the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to low-wage workers as well as an estimate based on readily available data, of projected job growth and projected household growth by income level within each member jurisdiction during the planning period." - §65584.04(e)

2. Opportunities and constraints to development of additional housing (see below)

2a. Capacity for sewer and water service

"Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period." - §65584.04(e)

2b. Availability of land suitable for urban development

"The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding." - §65584.04(e)

2c. Lands preserved or protected from urban development

"Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis, including land zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts conversion to non-agricultural uses." - §65584.04(e)

2d. County policies to preserve prime agricultural land

"County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts its conversion to non-agricultural uses." - §65584.04(e)

3. Opportunities to maximize transit and existing transportation infrastructure

"The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure." - §65584.04(e)

4. Policies directing growth toward incorporated areas

"Agreements between a county and cities in a county to direct growth toward incorporated areas of the county and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of the jurisdiction that prohibits or restricts conversion to non-agricultural uses." - §65584.04(e)

5. Loss of units contained in assisted housing developments

"The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions." - §65584.04(e)

6. High housing cost burdens

"The percentage of existing households at each of the income levels listed in subdivision (e) of Section 65584 that are paying more than 30 percent and more than 50 percent of their income in rent."

7. Rate of Overcrowding

Factor undefined. - §65584.04(e)

8. Housing needs of farmworkers

Factor undefined. - §65584.04(e)

9. Housing needs of UC and Cal State students

"The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction." - §65584.04(e)

10. Loss of units during an emergency

"The loss of units during a state of emergency that was declared by the Governor pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the

relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the analysis." - §65584.04(e)

11. SB 375 Greenhouse Gas Reduction Targets

"The region's greenhouse gas emissions targets provided by the State Air Resources Board pursuant to Section 65080." - §65584.04(e)

12. Other factors adopted by Council of Governments

"Any other factors adopted by the council of governments, that further the objectives listed in subdivision (d) of Section 65584, provided that the council of governments specifies which of the objectives each additional factor is necessary to further. The council of governments may include additional factors unrelated to furthering the objectives listed in subdivision (d) of Section 65584 so long as the additional factors do not undermine the objectives listed in subdivision (d) of Section 65584 and are applied equally across all household income levels as described in subdivision (f) of Section 65584 and the council of governments makes a finding that the factor is necessary to address significant health and safety conditions." - §65584.04(e)