

# AMBAG

## Board of Directors Agenda

Association of Monterey Bay Area Governments

P.O. Box 2453, Seaside, California 93955-2453

Phone: (831) 883-3750

Fax: (831) 883-3755

Email: [info@ambag.org](mailto:info@ambag.org)



### Meeting Via GoToWebinar

**DATE: October 13, 2021**

**TIME: 6:00 PM**

**Please register for the AMBAG Board of Directors meeting at**

<https://attendee.gotowebinar.com/register/14175321582154254>

On September 16, 2021, Governor Newsom signed AB 361 into law. The provisions enacted by AB 361 provide flexibility to meet remotely during a proclaimed emergency and will sunset on January 1, 2024. The AMBAG Board of Directors meeting will be conducted via GoToWebinar as established by Resolution 2021-7 adopted by the AMBAG Executive/Finance Committee on September 29, 2021. The AMBAG Board of Directors will participate in the meeting from individual remote locations.

Members of the public will need to attend the meeting remotely via GoToWebinar. We apologize in advance for any technical difficulties.

Persons who wish to address the AMBAG Board of Directors on an item to be considered at this meeting are encouraged to submit comments in writing at [info@ambag.org](mailto:info@ambag.org). The subject line should read "Public Comment for the October 13, 2021 Board of Directors Meeting." The agency clerk will read up to 3 minutes of any public comment submitted.

To participate via GoToWebinar, please register for the October 13, 2021 AMBAG Board of Directors meeting using the following link: <https://attendee.gotowebinar.com/register/14175321582154254>

You will be provided dial-in information and instructions to join the meeting.

If you have any questions, please contact Ana Flores, Clerk of the Board at [aflores@ambag.org](mailto:aflores@ambag.org) or at 831-883-3750 Ext. 300.

- 
- 1. CALL TO ORDER**
  - 2. ROLL CALL**

**3. Resolution in accordance with AB 361 regarding the Ralph M. Brown Act and Finding of Imminent Risk to Health and Safety of In-Person Meetings as a Result of the Continuing COVID-19 Pandemic State of Emergency Declared by Governor Newsom**

**RECOMMENDED ACTION: ADOPT**

- Maura Twomey, Executive Director

Adopt a resolution in accordance with AB 361 regarding the Ralph M. Brown Act and finding of imminent risk to health and safety of in-person meetings as a result of the continuing COVID-19 pandemic state of emergency declared by Governor Newsom. (Page 5)

**4. ORAL COMMUNICATIONS FROM THE PUBLIC ON ITEMS NOT ON THE AGENDA  
(A maximum of three minutes on any subject not on the agenda)**

**5. ORAL COMMUNICATIONS FROM THE BOARD ON ITEMS NOT ON THE AGENDA**

**6. COMMITTEE REPORTS**

**A. Executive/Finance Committee**

**Recommended Action: INFORMATION**

- 1<sup>st</sup> Vice President Petersen

Receive oral report.

**B. Monterey Bay National Marine Sanctuary (MBNMS) Advisory Council (SAC) Meeting**

**Recommended Action: DIRECT**

- 1<sup>st</sup> Vice President Petersen

The next SAC meeting is scheduled on October 15, 2021.

**7. EXECUTIVE DIRECTOR'S REPORT**

**Recommended Action: INFORMATION**

- Maura Twomey, Executive Director

Receive oral report.

**8. CONSENT AGENDA**

**Recommended Action: APPROVE**

**Note:** Actions listed for each item represents staff recommendation. The Board of Directors may, at its discretion, take any action on the items listed in the consent agenda.

**A. Draft Minutes of the September 8, 2021 AMBAG Board of Directors Meeting**

- Ana Flores, Senior Executive Assistant

Approve the draft minutes of the September 8, 2021 AMBAG Board of Directors meeting. (Page 7)

**B. AMBAG Regional Clearinghouse Monthly Newsletter**

- Miranda Taylor, Planner

Accept the clearinghouse monthly newsletter. (Page 15)

**C. AMBAG Sustainability Program Update**

- Amaury Berteaud, Special Projects Manager

Accept the AMBAG Sustainability Program update. (Page 21)

**D. Draft Amendment No. 2 to the FY 2021-22 Monterey Bay Region Overall Work Program (OWP) and Budget**

- Bhupendra Patel, Ph.D., Director of Modeling

Approve Draft Amendment No. 2 to the FY 2021-22 OWP and Budget. (Page 25)

**E. Financial Update Report**

- Errol Osteraa, Director of Finance & Administration

Accept the financial update report which provides an update on AMBAG's current financial position and accompanying financial statements. (Page 27)

**9. ITEMS REMOVED FROM CONSENT CALENDAR FOR DISCUSSION AND POSSIBLE ACTION**

**10. PLANNING**

**A. 2045 Metropolitan Transportation Plan/Sustainable Communities Strategy Update**  
**Recommended Action: INFORMATION**

- Heather Adamson, Director of Planning

Receive an update on the 2045 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS). (Page 33)

**B. 6<sup>th</sup> Cycle Regional Housing Needs Allocation Methodology**  
**Recommended Action: INFORMATION**

- Heather Adamson, Director of Planning

The Board of Directors is asked to provide input on a preferred methodology for the 6<sup>th</sup> Cycle Regional Housing Needs Allocation. (Page 37)

## 11. CLOSED SESSION

As permitted by Government Code Section 54956 et seq. of the State of California, the Board of Directors may adjourn to Closed Session to consider specific matters.

### A. EVALUATION OF PERFORMANCE

Government Code Section 54957

1. Title: Executive Director

## 12. RECONVENE FROM CLOSED SESSION

**Recommended Action: ACCEPT**

- 1<sup>st</sup> Vice President Petersen

Accept the report.

## 13. ADJOURNMENT

### REFERENCE ITEMS:

- A. 2021 Calendar of Meetings (Page 63)
- B. Acronym Guide (Page 65)

### NEXT MEETING:

The 2021 AMBAG Board of Directors meeting locations are subject to change and may be held remotely in light of Governor Newsom's State of Emergency declaration regarding the COVID-19 outbreak and in accordance with AB 361. The AMBAG Board of Directors meeting will be conducted via GoToWebinar as established by Resolution 2021-7 adopted by the AMBAG Executive/Finance Committee on September 29, 2021.

**Date: November 9, 2021**

**Location: GoToWebinar**

**Executive/Finance Committee Meeting: 5:00 PM**

**Board of Directors Meeting: 6:00 PM**

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](mailto:aflores@ambag.org) at least 48 hours prior to the meeting date.

**A RESOLUTION**

**OF THE ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS BOARD OF DIRECTORS ADOPTING A RESOLUTION REGARDING THE RALPH M BROWN ACT AND FINDING OF IMMINENT RISK TO HEALTH AND SAFETY OF IN-PERSON MEETING AS A RESULT OF THE CONTINUING COVID-19 PANDEMIC STATE OF EMERGENCY DECLARED BY GOVERNOR NEWSOM**

**WHEREAS**, on March 4, 2020, Governor Newsom issues a Proclamation of State of Emergency in response to the COVID-19 pandemic; and,

**WHEREAS**, the proclaimed state of emergency remains in effect; and,

**WHEREAS**, on March 17, 2020, Governor Newsom issued Executive Order N-29-20 that suspended the teleconferencing rules set forth in the California Open Meeting law, Government code Section 54950 et seq. (the “Brown Act”), provided certain requirements were met and followed; and,

**WHEREAS**, on June 11, 2021, Governor Newsom issued Executive Order N-08-21 that clarified the suspension of the teleconferencing rules set forth in the Brown Act, and further provided that those provisions would remain suspended through September 30, 2021; and,

**WHEREAS**, on September 16, 2021, Governor Newsom signed AB 361 that provides that a legislative body subject to the Brown Act may continue to meet without fully complying with the teleconferencing rules in the Brown Act provided the legislative body determines that meeting in person would present imminent risk to the health and safety of attendees, and further requires that certain findings be made by the legislative body every (30) days; and,

**WHEREAS**, California Department of Public Health (“CDPH”) and the federal Centers for Disease Control and Prevention (“CDC”) caution that the Delta variant of COVID-19, currently the dominant strain of COVID-19 in the country, is more transmissible than prior variants of the virus, may cause more severe illness, and that even fully vaccinated individuals can spread the virus, may cause more severe alarming rates of COVID-19 cases and hospitalizations (<https://cdc.gov/coronavirus/2019-ncov/variants/delta-variant.html>); and,

**WHEREAS**, other variants of COVID-19 exist, and it is unknown at this time whether other variants may result in a new surge in COVID-19 cases; and,

**WHEREAS**, the CDC has established a “Community Transmission” metric with 4 tiers designated to reflect a community’s COVID-19 case rate and percent positivity; and,

**WHEREAS**, Monterey and Santa Cruz Counties currently have a Community Transmission metric of “substantial” and San Benito County currently has a Community Transmission metric of “high” which is the most serious of the tiers; and,

**WHEREAS**, the Board of Directors for the Association of Monterey Bay Area Governments (AMBAG) is empowered to take actions necessary to protect public, health, welfare and safety within the region; and,

**WHEREAS**, AMBAG has an important governmental interest in protecting the health, safety and welfare of those who participate in meetings of AMBAG's various legislative bodies subject to the Brown Act; and,

**WHEREAS**, in the interest of the public health and safety, as affected by the emergency cause by the spread of COVID-19, the AMBAG Board of Directors deems it necessary to find that meeting in person for meetings of all AMBAG related legislative bodies as well as subcommittees of the board of Directors subject to the Ralph M. Brown Act, would present imminent risk to the health or safety of attendees, and thus intends to invoke the provisions of AB 361 related to teleconferencing as provided in subdivisions (e) of Government Code section 54953; and,

**WHEREAS**, all teleconference meetings of the AMBAG Board of Directors, AMBAG Executive/Finance Committee, as well as all subcommittees of the Board of Directors shall comply with the requirements to provide the public with access to meetings as prescribed in paragraph (2) of subdivision (e) of Government Code section 54953;

**NOW, THEREFORE, BE IT RESOLVED** that the AMBAG Board of Directors does hereby approve as follows:

1. The AMBAG Board of Directors finds that meeting in person for meeting of all AMBAG related legislative bodies subject to the Ralph M. Brown Act would present imminent risk to the health or safety of attendees.
2. This finding applies to all AMBAG related legislative bodies subject to the Brown Act, including but not limited to, the AMBAG Board of Directors meeting; the AMBAG Executive/Finance Committee; the RAPS, Inc. Board of Directors meeting, and any other standing committees.
3. Staff is directed to return to the Board of Directors no later than thirty (30) days after the adoption of this resolution, or by next Board of Directors meeting (whichever comes first), with an item for the Board to consider making the findings required by AB361 in order to continue meeting under its provisions.
4. The AMBAG Executive Director and AMBAG Counsel are directed to take such other necessary or appropriate actions to implement the intent and purposes of this resolution.

**PASSED AND ADOPTED** this 13<sup>th</sup> day of October 2021.

---

Kristen Petersen, 1<sup>st</sup> Vice President

---

Maura F. Twomey, Executive Director

**DRAFT**  
**MINUTES OF THE PROCEEDINGS**  
**OF THE BOARD OF DIRECTORS OF THE**  
**ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS**

**September 8, 2021**

---

**1. CALL TO ORDER**

The Board of Directors of the Association of Monterey Bay Area Governments, President, Steve McShane presiding, convened at 6:01 p.m. Wednesday, September 8, 2021 via GoToWebinar.

**2. ROLL CALL**

<b><u>AMBAG Board of Directors</u></b>			
<b>PRESENT:</b>			
<b>Agency</b>	<b>Representative</b>	<b>Agency</b>	<b>Representative</b>
Capitola	Kristen Petersen	County of Monterey	Mary Adams
Carmel-by-the-Sea	Karen Ferlito	County of Monterey	John Phillips
Del Rey Oaks	Kim Shirley	County of Santa Cruz	Greg Caput
Gonzales	Scott Funk	County of Santa Cruz	Manu Koenig
Greenfield	Lance Walker	County of San Benito	Bea Gonzales
King City	Carlos Victoria	County of San Benito	Bob Tiffany
Monterey	Ed Smith		
Pacific Grove	Jenny McAdams	<b><u>Ex-Officio Members:</u></b>	
Salinas	Steve McShane	Caltrans, District 5	Scott Eades
San Juan Bautista	John Freeman	MBARD	Richard Stedman
Sand City	Mary Ann Carbone	SBtCOG	Mary Gilbert
Santa Cruz	Justin Cummings	TAMC	Mike Zeller
Scotts Valley	Derek Timm		
Seaside	Jon Wizard		
Watsonville	Eduardo Montesino		
<b>ABSENT:</b>			
Hollister	Rick Perez	3CE	JR Killigrew
Marina	Lisa Berkley	MPAD	Michael La Pier
Soledad	Carla Strobridge	MST	Lisa Rheinheimer
		SCCRTC	Guy Preston
		SC METRO	Alex Clifford

**Others Present:** John Baker, CPUC; Dawn Hayes, Superintendent, MBNMS; Beth Jarosz, PRB Consultant; Tom Brinkhuis, Senior Policy Analyst with the California Department of Housing and Community Development, Division of Housing Policy Development; TB; Stephen Baxter; Candace Brown; Keith Collins; Ashley Gauer; Debbie Hale; Stephanie Hansen; Linda Kerner; Carlos Landaverry; Erik Lundquist; Janine Roeth; Amanda Rotella; Rafa Sonnenfeld; Sarah Wikle; Anastacia Wyatt; Suzi Merriam; Ben Nurse; Kyle Kelley; Colleen Courtney, County of Monterey; Heather Adamson, Director of Planning; Bhupendra Patel, Director of Modeling; Paul Hierling, Senior Planner; Will Condon, Planner; Amaury Berteaud, Special Projects Manager; Sasha Tepedelenova, Associate Planner; Diane

Eidam; Cynthia Piña, Office Assistant; Maura Twomey, Executive Director; and Ana Flores, Clerk of the Board.

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

There were no oral or written communications from the public.

### **4. ORAL COMMUNICATIONS FROM THE BOARD ON ITEMS NOT ON THE AGENDA**

Director Freeman announced that the city of San Juan Bautista signed an MOU to relocate sewer line to the sewer plant.

### **5. PRESENTATION**

#### **A. 6<sup>th</sup> Cycle Regional Housing Needs Allocation Process**

Tom Brinkhuis, Senior Policy Analyst with the California Department of Housing and Community Development, Division of Housing Policy Development gave a presentation on the 6<sup>th</sup> Cycle Regional Housing Needs Allocation (RHNA) process. RHNA is planning for of additional housing units in order to accommodate existing and projected household needs of all income levels from the start until the end date of the project period. RHNA is not 1) a prediction of building permit, construction, or housing activity; 2) a ceiling of potential housing market demand or production; and 3) limited due to existing land use capacity or growth control (rezoning often necessary to accommodate RHNA). The RHNA process consists of 1) The RHNA determination/assessment. HCD determines RHNA consulting with the DOF & COG; 2) RHNA distribution/allocation. COG develops a RHNA plan and HCD reviews the plan; and 3) RHNA Planning. 2) RHNA Distribution/Allocation. The COG develops a RHNA plan and HCD reviews; and 3) RHNA Planning. The local jurisdictions must update their housing elements as necessary to accommodate the regional housing allocations. The factors HCD is required to consider are 1) population and household projections from the Department of Finance and AMBAG; 2) overcrowded households; 3) vacancy rates; 4) replacement need; 5) cost-burdened households; 6) jobs/housing relationship; and 7) units lost during State of Emergency. The RHNA determination factors are 1) projected population at end of cycle, less group quarters population; 2) convert projected population to projected households; 3) adjustment increase for average housing unit replacement, unhealthy vacancy rate (below 5%), cost burden, and overcrowding factors; 4) less: occupied units projection period start; and 5) RHNA determination. Mr. Brinkhuis reported that AMBAG's 6<sup>th</sup> Cycle RHNA is 33,274 units. The statutory objectives of RHNA are 1) increase housing supply and mix of housing types, tenure and affordability in an equitable manner; 2) promote infill development and socioeconomic equity, protect environmental and ag resources, and encourage efficient development patterns; 3) promote improved intraregional jobs-housing relationship including jobs housing fit; 4) balance disproportionate household income distributions (lower income RHNA to higher income areas and vice-versa); and 5) Affirmatively Furthering Fair Housing which means "taking meaningful actions that taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws". COG RHNA distribution methodology factors which the COG must consider are 1) existing and projected jobs and housing relationship; 2) housing opportunities and constraints; 3) distribution of household growth assumed for comparable period of RTP; 4) county-city agreement to direct growth toward city; 5) loss of

publicly assisted housing units; 6) high housing cost burdens; 7) overcrowding; 8) farmworker housing needs; 9) housing need generated from private or public university; 10) housing needs of those experiencing homelessness; 11) loss of units during a state of emergency; 12) greenhouse gas emissions targets; and 13) other factors adopted by the COG that further or at minimum do not conflict with statutory objectives. 6<sup>th</sup> Cycle RHNA takeaways include 1) RHNA determination changes. New adjustments to overcrowding (AB 1086), and application of adjustment factors can address both existing and projected housing need; and 2) RHNA allocation changes. New requirements for transparency in the development of methodology, addition of AFFH factor to RHNA objectives, establishing jobs housing fits (not balance) as a RHNA objective, and adding HCD review of COG methodologies and ability to appeal allocations (AB 1771). Lengthy discussion followed.

## **6. COMMITTEE REPORTS**

### **A. Executive/Finance Committee**

President McShane reported that the Executive/Finance Committee approved the consent agenda that included 1) the minutes of the August 11, 2021 meeting; 2) list of warrants as of June 30, 2021; and 3) accounts receivable as of June 30, 2021. The Executive/Finance Committee also received 1) financial update report from Maura Twomey, Executive Director; and 2) a report from Heather Adamson, Director of Planning on the 6<sup>th</sup> Cycle Regional Housing Needs Allocation Methodology.

### **B. Monterey Bay National Marine Sanctuary (MBNMS) Advisory Council (SAC)**

President McShane reported that the SAC had a meeting on August 20, 2021. The SAC discussed recreational fishing in the sanctuary and whale ship strikes. There will be further discussion on term limits for alternates on the SAC.

## **7. EXECUTIVE DIRECTOR'S REPORT**

Maura Twomey, Executive Director, reported that AMBAG received the Special District Risk Management Agency McMurchie Excellence in Safety award. The award is for demonstrating a sustained commitment to employee safety and training to reduce workplace injury.

## **8. CONSENT AGENDA**

### **A. Draft Minutes of the August 11, 2021 AMBAG Board of Directors Meeting**

The draft minutes of the August 11, 2021 AMBAG Board of Directors meeting were approved.

### **B. AMBAG Regional Clearinghouse Monthly Newsletter**

The AMBAG Regional Clearinghouse Monthly Newsletter was accepted.

### **C. AMBAG Sustainability Program Update**

The AMBAG Sustainability Program Update was accepted.

## **D. Financial Update Report**

The financial update report was accepted.

**Motion made by Director Gonzales seconded by Director Cummings to approve the consent agenda. The motion passed unanimously.**

## **9. ITEMS REMOVED FROM CONSENT CALENDAR FOR DISCUSSION AND POSSIBLE ACTION**

None.

## **10. PLANNING**

### **A. 6<sup>th</sup> Cycle Regional Housing Needs Allocation Methodology**

Heather Adamson, Director of Planning gave a report on the 6<sup>th</sup> Cycle Regional Housing Needs Allocation (RHNA) methodology. Ms. Adamson reported that with the passage of SB 375, RHNA is updated every eight years or every two MTP/SCS cycles. AMBAG is responsible for the RHNA allocation for Monterey and Santa Cruz county jurisdictions only. SBtCOG is responsible for the RHNA allocation for the San Benito County jurisdictions. The RHNA schedule consists of 1) Spring - Fall 2021: Discussions with PDF on potential RHNA methodology options; 2) Summer - Fall 2021: potential RHNA methodology options discussed by AMBAG Board; 3) September 8, 2021: HCD presents at the AMBAG Board meeting; 4) November 2021: selection of preferred RHNA methodology by AMBAG Board; 5) November 2021 – January 2022: HCD reviews draft methodology; 6) January/February 2022: approval of final RHNA methodology by AMBAG Board; 7) January/February 2022: release draft RHNA plan with RHNA allocations by jurisdiction; 8) February/March 2022: local jurisdictions may appeal RHNA allocation within 45 days of release of the draft RHNA plan/allocations; 9) April/May 2022: local jurisdictions and HCD may comment on appeals within 45 days of the close of the appeal period (if needed); 10) May 2022: AMBAG to hold public hearing on appeals (if needed); 11) May 2022: AMBAG released final 2045 MTP/SCS accommodating RHNA; 12) June 2022: adoption of Final 2023-31 RHNA Plan with RHNA allocations by AMBAG Board; and 13) December 2023: jurisdiction's 6<sup>th</sup> Cycle Housing Elements are due to HCD. The RHNA methodology options feedback was 1) at August 11, 2021 AMBAG Board meeting feedback included a) supportive of including employment, transit, wildfire risk and AFFH as priority factors; b) suggestion to look for additional wildfire; and c) explore a sea level rise factor; and 2) at the August 23, 2021 Planning Directors meeting feedback included a) agreed that the growth forecast should be the basis for the base allocation; b) provided input on how to evaluate the priority factors. The RHNA methodology priority factors are 1) 2022 Regional Growth Forecast; 2) employment; 3) transit; 4) resiliency including wildfire and sea level rise; and 5) Affirmatively Furthering Fair Housing (AFFH). Ms. Adamson gave an update on the 2022 Regional Growth Forecast (RGF). The RGF is the initial step in the RHNA allocation (base allocation) and ensures that RHNA is consistent with the MTP/SCS. The 2022 RGF was accepted for planning purposes by the AMBAG Board in November 2020. The remainder of the RHNA to be allocated according to methodology priority factors. Ms. Adamson reported on the RHNA methodology priority factors. Employment: 1) allocating by employment encourages jurisdictions to build additional housing near jobs; 2) helps to address the jobs/housing imbalance. Improving jobs/housing balance is also a key statutory RHNA allocation requirement; 3) locating more planned housing near jobs results in reducing congestion and GHG; 4) use 2020 total jobs from the 2022 RGF; and 5) high priority factor. Transit: 1) incorporate by identifying the proportion of major transit stops in a jurisdiction; 2) transit with 15-30 minute headways in the peak

periods; and 3) low priority factor. Resiliency – Wildfire & Sea Level Rise: 1) Wildfire: a wildfire risk RHNA allocation factor to recognize that these areas are high risk locations for housing. To ensure the best data available use both CALFIRE 2007/2008 Fire Hazard Severity Zones and CPUC Fire Threat Maps; and 2) Sea Level Rise: reduce housing allocation SLR impact. Staff is still exploring data sources for this factor. Affirmatively Furthering Fair Housing (AFFH): HCD/TCAC opportunity data used by HCD to determine compliance with the AFFH requirement in all RHNA methodologies. Jurisdictions with high opportunity areas will have a slightly larger proportion of their RHNA in the lower income category. This factor does not dictate where low income housing should be located in each jurisdiction, that's done through housing elements. This also does not change a jurisdiction's total RHNA, only the proportion of units which are lower income. Next steps include 1) AMBAG will begin assessing data for associated allocation methods to illustrate potential RHNA allocations; 2) AMBAG will continue consulting with the Planning Directors and Board of Directors on RHNA methodology option; 3) selection of a preferred RHNA methodology scheduled for November 2021; and 4) submit preferred RHNA methodology to HCD for review. Lengthy discussion followed.

Ms. Adamson read written comment was submitted by Ruckus Lee.

Start of Mr. Lee's written comment. "In Consideration of 5th Cycle Results and

- Historical exclusion of Extremely-Low Income (ELI) category from RHNA goals despite statutory objectives
- AMBAG 6th Cycle RHNA goals for the lowest-incomes: ratios of Very-Low Income (VLI) over "Above 120% AMI" (56%) and Low Income (LI) over "Above 120% AMI" (37%), per Agenda, p8
- Available land historically prioritised for luxury/market-rate housing while "kicking can down the road" on "truly affordable" housing (ELI, VLI, LI) via in-lieu fees and/or land donations without developer under contract
- Silicon Valley boundary encroachment into AMBAG counties
- AMI increase due to that encroachment
- Establish an overriding timeline in each of the AMBAG designated areas for the lowest-income RHNA goals FOR EVERY TWO YEARS of the 8.5-year 6th Cycle
- Suspend permit approvals for "Above 120% AMI" housing units should that timeline goal for the lowest-income-level housing units not be accomplished at the end of each two-year period.
- Require the State to provide the funds up front (not via grant lotteries, tax credits, etc.) to fulfill the lowest-income RHNA goals. How about taxing Tech and luxury-rate real estate developers those purveyors of rooftop pools and bars to contribute to that purpose?

It's Absurd That:

- This State's executive branch publishes regional RHNA "goals" that include, essentially, unattainable "truly affordable" housing that real estate developers are disinclined to include in their ever-increasing luxury/market rate housing developments.
- This State's legislative branch passes housing legislation that rewards real estate developers carte blanche over local jurisdictions when the RHNA "goals" are not met, including a State Bonus Law that actually lowers the local inclusionary rate for any such development, the additional density bonus housing not being subject to that rate.

- This win-win... not for the lowest-income households.

#### The Hubris of Density Up in a Seismic Zone

No engineer or architect can design an "earthquake-proof" structure. That concept does not exist in reality, despite its common usage. They design toward the goal of "earthquake-resistance" to minimize lateral movement, but they cannot guarantee that any structure they design will be habitable... or standing... after every earthquake.

They can cite a low probability of failure based on statistical analyses, but earthquakes are unique and unpredictable.

And there are other variables, including the inherent faulty construction practices and materials that may not be discovered until after successive ground movement has occurred to expose them.

*"Earthquake design is a fuzzy proposition. You can't ask an engineer to guarantee that a building will never collapse in an earthquake. That is not fair, and it is not the deal that society has made with the construction world. You can ask that it will behave as well as possible, meeting at least the code requirements. Even that's a heavy responsibility."* —Leonard Joseph, Principal, Seismic Performance-Based Design, Thornton Tomasetti". End of Mr. Lee's written comment.

#### **11. ADJOURNMENT**

The Board of Directors meeting adjourned at 7:45 PM.

---

Kristen Petersen, 1<sup>st</sup> Vice President

---

Maura F. Twomey, Executive Director

**DRAFT AMBAG BOARD OF DIRECTORS MEETING ATTENDANCE & VOTING RECORD**  
**BOARD MEETING DATE: September 8, 2021**

Attendance (X= Present; AB= Absent) Voting (Y= Yes; N=No; A=Abstain)			
MEMBER	AMBAG REP	Attendance	Item# 8
Capitola	Kristen Petersen	X	Y
Carmel-by-the-Sea	Karen Ferlito	X	Y
Del Rey Oaks	Kim Shirley	X	Y
Gonzales	Scott Funk	X	Y
Greenfield	Lance Walker	X	Y
Hollister	Rick Perez	AB	n/a
King City	Carlos Victoria	X	Y
Marina	Lisa Berkley	AB	n/a
Monterey	Ed Smith	X	Y
Pacific Grove	Jenny McAdams	X	Y
Salinas	Steve McShane	X	Y
San Juan Bautista	John Freeman	X	Y
Sand City	Mary Ann Carbone	X	Y
Santa Cruz	Renee Golder	X	Y
Scotts Valley	Derek Timm	Y	Y
Seaside	Jon Wizard	X	Y
Soledad	Carla Strobridge	AB	n/a
Watsonville	Eduardo Montesino	X	Y
County-Monterey	Mary Adams	X	Y
County-Monterey	John Phillips	X	Y
County-Santa Cruz	Manu Koenig	X	Y
County-Santa Cruz	Greg Caput	X	*
County-San Benito	Bob Tiffany	X	Y
County-San Benito	Mark Medina	X	Y

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

**THIS PAGE  
IS INTENTIONALLY  
BLANK**



**MEMORANDUM**

**TO:** AMBAG Board of Directors

**FROM:** Maura F. Twomey, Executive Director

**RECOMMENDED BY:** Miranda Taylor, Planner

**SUBJECT:** AMBAG Regional Clearinghouse Monthly Newsletter

**MEETING DATE:** October 13, 2021

**RECOMMENDATION:**

It is recommended the Board of Directors accept the September 2021 Clearinghouse monthly newsletter

**BACKGROUND/DISCUSSION:**

Since March 12, 1984, under adopted State Clearinghouse Procedures, the Association of Monterey Bay Area Governments (AMBAG) was designated the regional agency responsible for clearinghouse operations in Monterey, San Benito and Santa Cruz Counties. These procedures implement Presidential Executive Order 12372 as interpreted by the "State of California Procedures for Intergovernmental Review of Federal Financial Assistance and Direct Development Activities." They also implement the California Environmental Quality Act of 1970 as interpreted by CEQA Guidelines.

The purpose of the Clearinghouse is to provide all interested parties within the Counties of Monterey, San Benito and Santa Cruz notification of projects for federal financial assistance, direct federal development activities, local plans and development projects and state plans that are proposed within the region. These areawide procedures are intended to be coordinated with procedures adopted by the State of California.

**FINANCIAL IMPACT:**

There is no direct financial impact. Staff time for monitoring clearinghouse activities is incorporated into the current AMBAG Overall Work Program and budget.

**COORDINATION:**

Notices for the Clearinghouse are sent by lead agencies to AMBAG. Interested parties are sent email notifications twice a month with the newsletter attached.

**ATTACHMENT:**

1. Monthly Newsletter - Clearinghouse items September 1- September 30,2021.

**APPROVED BY:**



Maura F. Twomey, Executive Director

**Attachment 1**

**AMBAG REGIONAL CLEARINGHOUSE**

**The AMBAG Board of Directors will review these items on 10/13/2021**

Association of Monterey Bay Area Governments P.O. Box 2453, Seaside, CA 93955 /  
831.883.3750

**ENVIRONMENTAL DOCUMENTS**

<b>20211001- Hollister Research Campus</b>
City of Hollister Eva Kelly (831) 636-4360
Notice of Preparation (NOP) / Draft Environmental Impact Report (DEIR)
<p>The Project applicant, Hollister Research Campus LLC, is seeking an amendment to the City of Hollister’s Planning Area and Sphere of Influence boundaries, a City General Plan Amendment to Industrial- North Gateway Overlay and Industrial designation, and rezoning of the property to Industrial Business Park (IBP) and Light Industrial {MI}. The boundary amendments and rezoning are initial steps toward annexation of the properties into the City of Hollister, development of land consistent with the requested zoning, and provision of municipal services to the site.</p> <p>The Project is located at the northern gateway to the City of Hollister, close to Hollister Municipal Airport. Future development of the property is planned for uses that would be consistent with the visible location along the State Highway. Within “Area 1” (south of SR 156), the application process traveler-oriented uses including restaurants, gas station/convenience market, truck stop, and hotels. Light industrial used may also be located in this area. Within “Area 2” (the majority of the property north of SR 156), the applicant proposes a public events center and Research Campus. The Research Campus is envisioned as a facility to attract private sector auto/truck/motorcycle manufacturers, autonomous and controlled transportation technologies and research, independent concept design companies, trade schools and other associated multidisciplinary businesses focused on the automotive sector and automotive technology. Other specific uses in Area 2 could include light manufacturing/warehouse, a 2.5-mile test track, open testing area and private garage areas.</p>
Project is located in San Benito County Parcel: 014120014
Public hearing information: <a href="https://us02web.zoom.us/webinar/register/WN_icLrzZpgRIS17sQTtxW0Sg">https://us02web.zoom.us/webinar/register/WN_icLrzZpgRIS17sQTtxW0Sg</a> Date: 10/21/2021 / Time: 6:00PM
Public review period ends: Monday, October 25, 2021

<b>20210901- Climate Action and Adaptation Plan</b>
City of Watsonville Alex Yasbek (831) 768-3160
Notice of Intent (NOI) / Negative Declaration (Neg)
The City of Watsonville is proposing to adopt the Climate Action Adaptation Plan (CAAP). The

CAAP includes the City's 2017 baseline GHG emissions in 2030, 2045 and 2050; established the emission relative to the statewide targets under Assembly Bill 32 and Senate Bill 32; and identifies 19 strategies with 33 measures the City will undertake to reduce GHG emissions. The project also includes amending the Watsonville General Plan Chapter 9, Environmental Resource Management, to include Policy 9.K, Climate Action and Adaptation Plan.
Project is located in Santa Cruz County Parcel: n/a
Public hearing information: n/a
Public review period ends: Monday, October 18, 2021

<b>20210902- County Planning file PLN200045 (Villa/Stoney Farms Cannabis Facility)</b>
San Benito County Michael Kelly (831) 902-287
Notice of Availability / Mitigated Negative Declaration (MND)
The project proposes a use permit regarding cannabis cultivation facility at 1180 Riverside Road near Hollister. The cannabis activities would take place in a new 4,600-square-foot building to facilitate the growing of cannabis plants. A separate, smaller building approximately 1,500 square feet in area would contain offices, and the business would involve 6 to 10 employees. In addition, a large residence of approximately 4,000 square feet, including residential and storage space, would stand near Riverside Road, uphill from commercial buildings. Grading would take place across approximately 30 percent of the site with 500 cubic yards of cut material and 500 cubic yards of fill to form the building sites and the driveway, plus a retention pond. The resulting driveway would run down the hill from near the northern terminus of Riverside Road. The site would be served by an on-site well, two water-storage tanks, a septic system, and electrical and telecommunications connections.
Project is located in San Benito County Parcel: 021050028
Public hearing information: n/a
Public review period ends: Tuesday, October 12, 2021

<b>20211002- Valley Gardens Project</b>
City of Scotts Valley Susie Pineda (408) 340-5642
Notice of Preparation (NOP) / Environmental Impact Report (EIR)
The proposed project is the construction of 116 residential dwelling units and approximately 8,500 square feet of commercial building space and up to 1,500 square feet of associated outdoor dining areas. Housing will consist of a mix of single- and two-story structures including 12 duplex buildings (24 units) on a 30.11 acre parcel.
Project is located in Santa Cruz County Parcel: 02123102
Public hearing information: n/a

Public review ends: Monday, October 25, 2021

**20211003- Vista Lucia Project**

City of Gonzales  
Matthew Sundt  
(831) 675-4203

Notice of Preparation (NOP) / Draft Environmental Impact Report (DEIR)

The proposed annexation and pre-zoning actions are intended to facilitate future development of the 758-acre project site consistent with direction provided in the proposed specific plan. The specific plan mirrors General Plan land use direction of the site. The specific plan provides guidance for developing a residential-oriented master-planned community that includes neighborhood commercial uses, schools, parks, pedestrian and bicycle trails and promenades that link all development uses, and open space for agricultural buffers. Tentative maps for two of several planned development phases have also been submitted. Off-site improvements include widening two local roadways and constructing a segment of a new roadway, all to arterial standards. Improvements to the U.S. Highway 101/Alta Street interchange are also needed to create capacity to accommodate new vehicle trips from the site and from other future development within the City's sphere of influence, of which the project site is a part.

Project is located in Monterey County  
Parcel: 223032024, 223032026, 223032027

Public hearing information: n/a

Public review period ends: Wednesday, October 13, 2021

**20210904- UC Santa Cruz 2021 Long Range Development Plan**

The Regents of the University of  
Erika Carpenter  
(831) 212-0187

Notice of Availability / Final Environmental Impact Report

The University of California, Santa Cruz (UC Santa Cruz) is considering adoption of the UC Santa Cruz 2021 Long Range Development Plan (LRDP), which would replace the 2005 LRDP and would guide the physical development of new academic, housing, and support uses necessary to achieve the campus' mission. The 2021 LRDP establishes a land use framework for, academic and administrative space needs, housing, open space, circulation and other land uses that ultimately facilitate the appropriate siting of capital projects. All UC campuses are required to prepare an LRDP to guide physical campus development.

The 2021 LRDP campus population forecast is 28,000 Full-Time Equivalent (FTE) students and 5,000 FTE faculty and staff. To accommodate the projected increase in campus population, the LRDP proposes to add 8,500 student housing beds, approximately 550 employee housing units, and approximately 3,100,000 assignable square feet (ASF) to academic and administrative building space. The 2021 LRDP land use plan supports potential growth on the US Santa Cruz main residential campus located at 1156 High Street and the Westside Research Park located at 2300 Delaware avenue in City of Santa Cruz.

Project is located in Santa Cruz County  
Parcel: Multiple

Public hearing information: Online

Date: 9/28/2021 / Time: 10:00AM

Public review period ends: Monday, March 8, 2021

**20210903- Rail Trail Segments 8 and 9**

City of Santa Cruz

Nathan Nguyen

(831) 420-5188

Notice of preparation (NOP) / Environmental Impact Report (EIR)

The project is a 2.2-mile bicycle and pedestrian system that extends along the Santa Cruz Branch Rail Line (SCBRL) corridor, from the Beach Street/Pacific Avenue Roundabout on the west to the eastern side of 17 Avenue on the east. Segment 8 (.06 mile) is comprising of a Class IV on street bicycle system and pedestrian sidewalk improvements. Segment 9 (1.6 miles) is comprised of a multi-use bicycle and pedestrian trail. The project purpose is to provide an accessible bicycle/pedestrian path for active transportation, recreation, and environmental and cultural education along the existing rail corridor, consistent with the MBSST Network Master Plan.

Project is located in Santa Cruz County

Parcel: n/a

Public hearing information: <https://rrmdesign.zoom.us/j/87554617851>

Date: 10/6/2021 / Time: 5:00PM

Public review period ends: Friday, October 15, 2021



**MEMORANDUM**

**TO:** AMBAG Board of Directors

**FROM:** Maura F. Twomey, Executive Director

**RECOMMENDED BY:** Amaury Berteaud, Special Projects Manager

**SUBJECT:** AMBAG Sustainability Program Update

**MEETING DATE:** October 13, 2021

**RECOMMENDATION:**

It is recommended the Board of Directors accept this report.

**BACKGROUND/DISCUSSION:**

**AMBAG Sustainability Program Elements**

**Energy Efficiency Program Development**

AMBAG is a founding member of the Rural and Hard to Reach (RHTR) working group, which was created in 2015 to promote the deployment of energy efficiency resources to California's rural communities. In the past year AMBAG staff has been working with other RHTR members to create a Regional Energy Network (REN). Regional Energy Networks are entities which submit business plans to the California Public Utilities Commission (CPUC) to obtain ratepayer funds and implement energy efficiency programs. The RHTR working group is developing such a business plan in order to implement programs as a new Regional Energy Network, the RuralREN. If approved by the CPUC, the RuralREN would bring resources to the region, assisting residents, businesses, and the public agencies in completing energy efficiency projects and sustainability initiatives.

RHTR partners executed a Memorandum of Understanding (MOU) for the development of the Rural Regional Energy Network (RuralREN). RHTH partners are now working with a consultant to draft the business plan for the Rural Regional Energy Network. RHTR partners will then organize a workshop of the California Energy Efficiency Coordinating Council (CAEECC) in order to present the concept of the RuralREN. This will allow for feedback to be gathered before the finalized RuralREN business plan is submitted to the CPUC in February 2022. If the business plan is approved, RHTR partners will then create detailed program design documents and implementation plans which are necessary before programs are allowed to move forward. It is projected that RuralREN programs will begin to operate on January 1, 2023.

### **Central California Energy Watch Program implementation in Monterey County**

The AMBAG Sustainability Program is acting as a sub consultant to the San Joaquin Valley Clean Energy Organization (SJVCEO) to implement the Central California Energy Watch (CCEW) program in Monterey County. AMBAG staff is conducting outreach to public sector agencies and school districts to inform them about the new program, drive program enrollment, and provide energy efficiency technical assistance services. Current efforts are focused on working with jurisdictions and school districts to support energy benchmarking. AMBAG staff is also working with CCEW to explore potential project opportunities at the County of Monterey, the Carmel Unified School District and the Washington Union School District.

### **School Districts**

The State of California, over five years, has been releasing funding through the Proposition 39: California Clean Energy Jobs Act to help schools implement energy efficiency and conservation. To receive this funding, the school district must comply with the Proposition 39: California Clean Energy Jobs Act – 2013 Program Implementation Guidelines. These guidelines include requirements such as completing energy benchmarks of school facilities, identifying potential energy projects, creating efficiency metrics related to the projects, submitting a funding application to the California Energy Commission called an Energy Expenditure Plan, completing annual reports and submitting a final project completion report. On May 13, 2020, the California Energy Commission extended the Proposition 39 program by one year as a result of the ongoing COVID-19 pandemic. The deadline to complete projects was extended to June 30, 2021, and the deadline to complete the final project completion reports was extended to June 30, 2022.

AMBAG staff has been working with fifteen school districts to complete their final project completion reports. As part of this process AMBAG staff is gathering benchmarking data and creating the necessary reports to obtain California Energy Commission staff approval.

### **Greenhouse Gas Inventories and Climate Action Planning**

AMBAG staff works to complete Greenhouse Gas (GHG) Inventories for all AMBAG Jurisdictions. Staff completed Community-wide GHG Inventories for all jurisdictions in 2005, 2009, 2010, 2015, and 2018 as well as a baseline Municipal GHG Inventories for all AMBAG jurisdictions in 2005. AMBAG staff has also been able to use the inventories to create a regional roll-up inventory and assist jurisdictions with climate action planning activities.

As part of MOU with AMBAG, Central Coast Community Energy has allocated funding for AMBAG to develop 2018, 2019, and 2020 Community-wide GHG Inventories for all its member jurisdictions over the next three years. This will allow AMBAG to continue providing GHG inventories to our jurisdictions and enable continued climate action on the central coast. In the past month AMBAG staff has been working to create the 2019 Community-wide GHG inventory reports for all 3CE member jurisdictions in Monterey, San Benito, Santa Cruz, and San Luis Obispo Counties. AMBAG staff will now begin the process of providing the inventory reports to each jurisdiction during one-on-one meetings.

**ALTERNATIVES:**

There are no alternatives to discuss as this is an informational report.

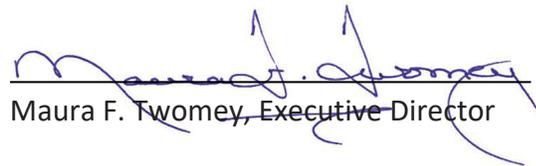
**FINANCIAL IMPACT:**

The budget is fully funded under the AMBAG-3CE MOU, a sub consultant agreement with the SJVCEO, and SB1 Planning Funds. All funding is programmed in the FY 2021-22 Overall Work Program and Budget.

**COORDINATION:**

AMBAG staff is coordinating with 3CE, the SJVCEO, as well as local jurisdictions and local community stakeholders.

**APPROVED BY:**



Maura F. Twomey, Executive Director

**THIS PAGE  
IS INTENTIONALLY  
BLANK**



**MEMORANDUM**

**TO:** AMBAG Board of Directors

**FROM:** Maura F. Twomey, Executive Director

**RECOMMENDED BY:** Bhupendra Patel, Ph.D., Director of Modeling

**SUBJECT:** Draft Amendment No. 2 to the FY 2021-22 Monterey Bay Region Overall Work Program (OWP) and Budget

**MEETING DATE:** October 13, 2021

**RECOMMENDATION:**

Approve Draft Amendment No. 2 to the FY 2021-22 OWP and Budget.

**BACKGROUND/ DISCUSSION:**

The Fixing America's Surface Transportation (FAST) Act calls for the development of the Overall Work Program (OWP) and Budget by the federally designated Metropolitan Planning Organization (MPO). The Association of Monterey Bay Area Governments (AMBAG), as the federally designated MPO for the tri-county (Monterey, San Benito and Santa Cruz Counties) Monterey Bay Region, annually develops and maintains the OWP and Budget.

The FY 2021-22 OWP and Budget was developed in consultation and coordination with the region's Regional Transportation Planning Agencies (RTPA), transit operators, Caltrans, Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA). It includes transportation and air quality related planning activities proposed for the Monterey Bay Region for the fiscal year July 1, 2021 to June 30, 2022.

The FY 2021-22 OWP and Budget was approved by the AMBAG Board of Directors at their May 12, 2021 meeting and the FY 2021-22 OWP was jointly approved by FHWA and FTA on June 17, 2021.

The AMBAG OWP and Budget is subject to periodic adjustments resulting from changes in activities as well as revisions in revenues and expenditures during the fiscal year. The

proposed Draft Amendment No. 2 to the FY 2021-22 OWP and Budget accounts for the following changes:

- Updates indirect rate to 105.10% for all work elements.
- Add work element 538, Pajaro Regional Flood Management Agency (PRFMA) Contract: RAPS, Inc. will provide Clerk of the Board and administrative services to the PRFMA.
- Adjusts appropriate Budget/line items to fully program carryover funding for the FY 2021-22 in WEs 231, 257, 259, 332, 343, 344, 606, 607 and 622 and adjusting AMBAG's FY 2021-22 Budget to reflect funding available for FY 2021-22 after closing of FY 2020-21.

For your reference, the Draft Amendment No. 2 to FY 2021-22 OWP and Budget is separately enclosed with the agenda (Attachment 1).

**ALTERNATIVES:**

None.

**FINANCIAL IMPACT:**

Staff time to carry out OWP and Budget activities is funded through FHWA PL, FTA 5303, other State and local funds as programmed in the approved FY 2021-22 OWP and Budget.

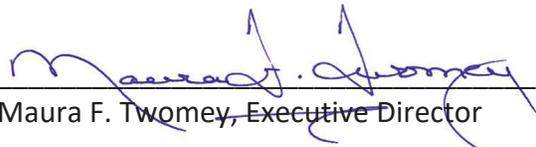
**COORDINATION:**

Preparation of Draft Amendment No. 2 to the FY 2021-22 OWP and Budget has been coordinated with transit operators, San Benito Council of Governments, Transportation Agency for Monterey County, Santa Cruz Regional Transportation Commission, California Department of Transportation (Caltrans), Federal Highway Administration (FHWA) and Federal Transit Administration (FTA).

**ATTACHMENT:**

1. Draft Amendment No. 2 to the FY 2021-22 AMBAG OWP and Budget (separately enclosed)

**APPROVED BY:**

  
Maura F. Twomey, Executive Director



**MEMORANDUM**

**TO:** AMBAG Board of Directors

**FROM:** Maura F. Twomey, Executive Director

**RECOMMENDED BY:** Errol Osteraa, Director of Finance and Administration

**SUBJECT:** Financial Update Report

**MEETING DATE:** October 13, 2021

**RECOMMENDATION:**

Staff recommends that the Board of Directors accept the Financial Update Report.

**BACKGROUND/ DISCUSSION:**

The enclosed financial reports are for the 2021-2022 Fiscal Year (FY) and are presented as a consent item. The attached reports contain the cumulative effect of operations through July 31, 2021, as well as a budget-to-actual comparison. Amounts in the Financial Update Report are unaudited.

**FINANCIAL IMPACT:**

The Balance Sheet for July 31, 2021, reflects a cash balance of \$4,161,723.11. The accounts receivable balance is \$636,768.71, while the current liabilities balance is \$521,052.60. AMBAG has sufficient current assets on hand to pay all known current obligations.

AMBAG's Balance Sheet as of July 31, 2021, reflects a positive Net Position of \$34,446.52. This is due to the Profit and Loss Statement reflecting an excess of revenue over expense of \$189,130.43. Changes in Net Position are to be expected throughout the fiscal year (FY), especially at the beginning of the FY due to timing of various year-end adjustments required after our financial audit, collection of member dues at the beginning of the FY, and the implementation of Governmental Accounting Standards

*Planning Excellence!*

Board (GASB) Statement No. 68 in FY 2014-2015 as well as a restatement to Net Position for GASB Statement No. 82.

The following table highlights key Budget to Actual financial data:

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

<b>Expenditures</b>	<b>Budget Through July 2021</b>	<b>Actual Through July 2021</b>	<b>Difference</b>
Salaries & Fringe Benefits	\$ 187,498.00	\$ 183,790.41	\$ 3,707.59
Professional Services	\$ 586,311.00	\$ 64,955.12	\$ 521,355.88
Lease/Rentals	\$ 7,583.00	\$ 6,550.66	\$ 1,032.34
Communications	\$ 2,067.00	\$ 1,379.26	\$ 687.74
Supplies	\$ 8,867.00	\$ 512.05	\$ 8,354.95
Printing	\$ 1,308.00	\$ -	\$ 1,308.00
Travel	\$ 5,433.00	\$ -	\$ 5,433.00
Other Charges	\$ 27,245.00	\$ 31,126.73	\$ (3,881.73)
<b>Total</b>	<b>\$ 826,312.00</b>	<b>\$ 288,314.23</b>	<b>\$ 537,997.77</b>
<b>Revenue</b>			
Federal/State/Local Revenue	\$ 835,773.00	\$ 477,444.66	\$ 358,328.34
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 \$7,931,330 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.

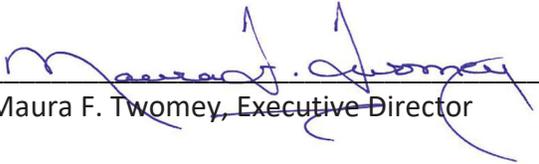
**COORDINATION:**

N/A

**ATTACHMENTS:**

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

**APPROVED BY:**



Maura F. Twomey, Executive Director

Accrual Basis  
Unaudited

**AMBAG**  
**Balance Sheet - Attachment 1**  
As of July 31, 2021

	<b>July 31, 2021</b>		<b>July 31, 2021</b>
<b>Assets</b>		<b>Liabilities &amp; Net Position</b>	
<b>Current Assets</b>		<b>Liabilities</b>	
<b>Cash and Cash Equivalents</b>		<b>Current Liabilities</b>	
Mechanics Bank - Special Reserve	300,572.71	Accounts Payable	387,685.22
Mechanics Bank - Checking	340,730.38	Employee Benefits	133,367.38
Mechanics Bank - REAP Checking	3,516,237.29	Mechanics Bank - Line of Credit	0.00
Petty Cash	500.00	<b>Total Current Liabilities</b>	521,052.60
LAIF Account	3,682.73		
<b>Total Cash and Cash Equivalents</b>	4,161,723.11	<b>Long-Term Liabilities</b>	
<b>Accounts Receivable</b>		Deferred Inflows - Actuarial	258,986.95
Accounts Receivable	636,768.71	Net Pension Liability (GASB 68)	1,888,153.69
<b>Total Accounts Receivable</b>	636,768.71	OPEB Liability	1,761.94
		Deferred Revenue	3,165,294.66
<b>Other Current Assets</b>		<b>Total Long-Term Liabilities</b>	5,314,197.24
Due from PRWFPA/RAPS	85.76		
Prepaid Items	41,112.45	<b>Total Liabilities</b>	5,835,249.84
<b>Total Other Current Assets</b>	41,198.21		
<b>Total Current Assets</b>	4,839,690.03		
		<b>Net Position</b>	
<b>Long-Term Assets</b>		Beginning Net Position	(154,683.91)
Net OPEB Asset	96,473.00	Net Income/(Loss)	189,130.43
FY 2002-2003 Housing Mandate Receivable	82,186.00	<b>Total Ending Net Position</b>	34,446.52
Allowance for Doubtful Accounts	(16,437.20)		
Deferred Outflows - Actuarial	533,833.49		
Deferred Outflows - PERS Contribution	272,963.59		
<b>Total Long-Term Assets</b>	969,018.88		
<b>Capital Assets</b>			
Capital Assets	231,515.49		
Accumulated Depreciation	(170,528.04)		
<b>Total Capital Assets</b>	60,987.45		
<b>Total Assets</b>	5,869,696.36	<b>Total Liabilities &amp; Net Position</b>	5,869,696.36

Accrual Basis  
Unaudited

**AMBAG**  
**Profit & Loss - Attachment 2**  
July 2021

	<u>July 2021</u>	<u>July 2021</u>
<b>Income</b>		
<b>AMBAG Revenue</b>		174,212.78
<b>Cash Contributions</b>		40,899.57
<b>Grant Revenue</b>		240,202.18
<b>Non-Federal Local Match</b>		22,130.13
<b>Total Income</b>		<u>477,444.66</u>
<b>Expense</b>		
<b>Salaries</b>		111,391.19
<b>Fringe Benefits</b>		72,399.22
<b>Professional Services</b>		64,955.12
<b>Lease/Rentals</b>		6,550.66
<b>Communications</b>		1,379.26
<b>Supplies</b>		512.05
<b>Other Charges:</b>		
<b>SB1/MTIP/MTP/SCS/OWP/Public Participation Expenses</b>	232.00	
<b>Recruiting</b>	160.00	
<b>Dues &amp; Subscriptions</b>	4,058.92	
<b>Depreciation Expense</b>	1,603.01	
<b>Maintenance/Utilities</b>	64.09	
<b>Insurance</b>	2,878.58	
<b>Total Other Charges</b>		<u>8,996.60</u>
<b>Non-Federal Local Match</b>		<u>22,130.13</u>
<b>Total Expense</b>		<u>288,314.23</u>
<b>Net Income/(Loss)</b>		<u><u>189,130.43</u></u>





**MEMORANDUM**

**TO:** AMBAG Board of Directors

**FROM:** Maura F. Twomey, Executive Director

**RECOMMENDED BY:** Heather Adamson, Director of Planning

**SUBJECT:** 2045 Metropolitan Transportation Plan/Sustainable Communities Strategy Update

**MEETING DATE:** October 13, 2021

**RECOMMENDATION:** Information

Receive an update on the 2045 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS).

**BACKGROUND/DISCUSSION:**

AMBAG adopted the 2040 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) in June 2018. Federal and state law requires that AMBAG prepare a long-range transportation plan for the tri-county region. In accordance with state and federal guidelines, the 2045 MTP/SCS is scheduled for adoption by the Board of Directors in June 2022.

**Draft 2045 MTP/SCS**

Solutions to the region's transportation needs require a comprehensive planning effort that coordinates land use and transportation and develops an integrated, multimodal and equitable transportation system. The 2045 MTP/SCS is built on a set of integrated policies, strategies, and investments to maintain and improve the transportation system to meet the diverse needs of the region through 2045.

Over the past few months, staff has evaluated the various scenarios for the MTP/SCS and Environmental Impact Report (EIR) using the Regional Travel Demand Model (RTDM). Output from the RTDM will be used to produce the performance measures for both the 2045 MTP/SCS and EIR. The draft Plan will meet the required greenhouse gas (GHG) reduction targets established for AMBAG by the California Air Resources Board. AMBAG staff is finalizing the draft Plan including the required mapping per state and

*Planning Excellence!*

federal requirements. The Draft 2045 MTP/SCS is scheduled to be released in November 2021.

### **Programmatic Environmental Impact Report**

Work on the programmatic EIR is underway and will serve as the EIR for the 2045 MTP/SCS as well as the EIR for each of the RTPA's county level Regional Transportation Plan (RTPs). AMBAG and the RTPAs coordinate on the EIR to reduce duplication of efforts for environmental documentation, for budgetary efficiency and to assure consistency in environmental review between plans. AMBAG is the lead for developing the programmatic EIR, working with the RTPAs, an environmental consulting firm and an environmental legal firm to develop the joint EIR. The draft EIR also is scheduled to be released for public comment in November 2021.

### **2045 MTP/SCS Public Involvement Program**

AMBAG staff continues to implement the outreach strategies included in the Public Involvement Plan. AMBAG held virtual workshops in May 2021 on the development of the draft 2045 MTP/SCS and to gather input on SCS priorities and strategies to include in the draft Plan. Public workshops and hearings will be scheduled for January 2022 to receive comments and input on the Draft 2045 MTP/SCS and Draft EIR.

### **Next Steps**

The AMBAG Board of Directors will be asked to release the Draft 2045 MTP/SCS and Draft EIR in November 2021 for an extended public review period. Public workshops and hearings are expected to be held in January 2022 to receive public comment on the draft documents.

### **ALTERNATIVES:**

N/A

### **FINANCIAL IMPACT:**

Planning activities for the 2045 MTP/SCS are funded with FHWA PL, FTA 5303 and SB 1 planning funds and are programmed in the FY 2021-22 Overall Work Program and Budget.

### **COORDINATION:**

All MTP/SCS planning activities are coordinated with the MTP/SCS Executive Steering Committee and Staff Working Group which includes participation from Caltrans District 5, Monterey Salinas Transit, Santa Cruz Metropolitan Transit District, Santa Cruz County

Regional Transportation Commission, San Benito County Council of Governments, and the Transportation Agency for Monterey County, as well as the Planning Directors Forum and the RTPAs Technical Advisory Committees which includes the local jurisdictions.

**ATTACHMENTS:**

N/A

**APPROVED BY:**

  
Maura F. Twomey, Executive Director

**THIS PAGE  
IS INTENTIONALLY  
BLANK**



**MEMORANDUM**

**TO:** AMBAG Board of Directors

**FROM:** Maura F. Twomey, Executive Director

**RECOMMENDED BY:** Heather Adamson, Director of Planning

**SUBJECT:** 6<sup>th</sup> Cycle Regional Housing Needs Allocation  
Methodology

**MEETING DATE:** October 13, 2021

**RECOMMENDATION:**

The Board of Directors is asked to provide input on a preferred draft methodology for the 6<sup>th</sup> Cycle Regional Housing Needs Allocation.

**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 13 housing-related factors and five statutory objectives (Attachment 1). The Council of San Benito County Governments performs this same function for San Benito County.

AMBAG is in 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 6<sup>th</sup> Cycle RHNA. The 6<sup>th</sup> 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 increased the California Department of Housing and Community Development's (HCD's) determinations.

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

**Planning Excellence!**

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.

**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. AMBAG received its 6th Cycle Regional Housing Need Determination (RHND) of 33,274 units from HCD in late August 2021.

AMBAG is responsible for developing a methodology to allocate 33,274 units amongst all the jurisdictions within the COG region. Throughout this process, the Planning Directors Forum (PDF) representatives from member jurisdictions in Monterey and Santa Cruz counties serve 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. Housing elements are each jurisdiction’s local plan 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 2045 MTP/SCS adoption date, and statutory requirements and deadlines provided by HCD.

**Figure 1: Revised RHNA Schedule**

TARGET SCHEDULE	TASK
Spring - Fall 2021	Discussions with Planning Directors Forum on potential RHNA methodology options and factors
Summer – Fall 2021	Potential RHNA methodology options discussed by AMBAG Board
September 8, 2021	HCD presents at AMBAG Board Meeting
November 2021	Selection of preferred RHNA methodology by AMBAG Board
November 2021 - January 2022	HCD Reviews Draft Methodology
January/February 2022	Approval of final RHNA methodology by AMBAG Board

<b>January/February 2022</b>	Release draft RHNA plan with RHNA allocations by jurisdiction
<b>February/March 2022</b>	Local jurisdictions may appeal RHNA allocation within 45 days of release of the draft RHNA plan/allocations
<b>April/May 2022</b>	Local jurisdictions and HCD may comment on appeals within 45 days of the close of the appeal period (if needed)
<b>May 2022</b>	AMBAG to hold public hearing on appeals (if needed)
<b>May 2022</b>	AMBAG releases final 2045 MTP/SCS accommodating RHNA
<b>June 2022</b>	Adoption of Final 2023-31 RHNA Plan with RHNA allocations by AMBAG Board
<b>December 2023</b>	Jurisdiction's 6th Cycle Housing Elements are due to HCD

### **RHNA Methodology**

For the past six months, AMBAG has been working with the PDF and Board on reviewing potential options for developing a RHNA methodology.

While all the factors are considered while developing RHNA, in order to develop a streamlined RHNA methodology, most COGs focus on a few priority factors. Based on discussions with the PDF and the Board on various RHNA methodology approaches, priority factors were identified:

- Regional Growth Forecast
- Employment
- Transit
- Resiliency (wildfire and sea level rise)
- Affirmatively Furthering Fair Housing (AFFH)

During the June 30, 2021 PDF meeting AMBAG staff used previous feedback received to prepare potential RHNA methodology options for discussion. The PDF indicated a preference for key RHNA allocation methods using employment as a significant allocation factor, transit as a minor allocation factor, and AFFH as a medium-high factor for allocation by income. The PDF also expressed interest in AMBAG staff considering a minor wildfire risk factor.

AMBAG staff presented RHNA allocation methodology factors at the August 11, 2021 AMBAG Board of Directors meeting. The Board generally agreed to the factors of employment, transit, AFFH and asked AMBAG staff to look further into addressing sea level rise.

During the August 23, 2021 PDF meeting, AMBAG received feedback to return with two options. In the options, employment is maintained as a significant allocation factor and transit as a low factor. Feedback indicated that the wildfire factor was important to include and that sea level rise should be accommodated as well. Wildfire and sea level

rise were combined into a single resiliency factor to reduce RHNA allocations in areas affected by these risks. AMBAG staff was also asked to explore a higher AFFH factor.

Building on this feedback and the RHND, AMBAG prepared two potential options to further facilitate the RHNA allocation methodology discussion. These options were discussed at the September 8, 2021 Board meeting and the September 20, 2021 PDF meeting. With the AMBAG’s RHND issued, AMBAG staff has provided allocation estimates for the draft methodology by factor in Attachment 2. This is only an initial estimate since other statutory adjustments based on the jurisdictional RHNA survey may affect the RHNA methodology allocation. These statutory adjustments will be made after a preferred RHNA methodology is selected.

**Table 1: Draft Preferred AMBAG RHNA Allocation Methodology for Discussion**

	<b>Draft Preferred RHNA Methodology</b>	<b>Units</b>
Regional Growth Forecast	High	15,655
Employment	High (85%)	17,619
Transit	Low (5%)	
Resiliency Factor (Wildfire and Sea Level Rise)	Low (10%)	
AFFH*	High	

\*AFFH only affects the proportion of very low/low/moderate/above moderate. It does not affect the absolute number of housing units a jurisdiction is allocated.

**Regional Growth Forecast**

The regional growth forecast (RGF) is the initial step in the RHNA allocation. This helps assure the RHNA is distributed according to regionally recognized housing growth rates and helps fulfill the statutory requirement that RHNA be consistent with the MTP/SCS, which is also based on the RGF. RGF housing growth is applied as a base RHNA allocation to each jurisdiction. On August 31, 2021, HCD provided the Regional Housing Needs Determination (RHND) of 33,274 units for the AMBAG COG region. This has allowed AMBAG to calculate the proportion of RHNA allocated by projected housing growth: 15,655 units. This initial allocation factor accounts for nearly half of the RHND.

The RHND is higher than the RGF projected housing growth due to statutory adjustments upwards by HCD to account for more ideal housing conditions. The remaining 17,619 RHNA housing units required by the RHND will be allocated among

jurisdictions based on the AMBAG RHNA allocation methodology factors. The draft priority factors are employment, transit, resiliency, and AFFH.

- Data Source: Housing growth from the 2025-2035 period from the 2022 RGF (accepted for planning purposes by AMBAG Board in November 2020).
- Implementation: Distribute a portion of RHNA by projected housing growth in the RGF 2025-2035.

### **Employment**

Allocating RHNA by employment encourages jurisdictions to build additional housing near employment centers, helping to resolve jobs/housing imbalances. Locating more planned housing near employment centers results in several benefits including reducing congestion, reducing vehicle miles traveled (VMT), encouraging more active transportation, and reducing greenhouse gas emissions. During PDF meeting discussions, existing employment was preferred over future employment.

- Data Source: 2020 total employment from 2022 RGF.
- Implementation: Allocate 85% of 17,619 units by existing (2020) employment

This factor allows the RHNA methodology to meet the statutory objective of “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.”

### **Transit**

Transit is incorporated into RHNA by identifying high frequency transit service in a jurisdiction with 15 minute headways or 30 minute headways. For this analysis, jurisdictions with 30 minute transit headways have a share of this allocation, while jurisdictions with 15 minute transit headways have a higher allocation.

- Data Source: Existing (2015-2020) transit routes with 15-30 minutes headways from transit operators
- Implementation: Allocate 5% of 17,619 units by existing transit service. Jurisdictions with 30 minutes headways have a share of this allocation. Jurisdictions with route with both 15 and 30 minute headways have a higher transit allocation.

This factor supports the statutory requirement of “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.”

## **Resiliency Factor (Wildfire and Sea Level Rise)**

With recent catastrophic fires threatening homes throughout the state, and sea level rise risks along the coast, resiliency risks are becoming more of a concern for many jurisdictions. Both the PDF and the AMBAG Board have expressed interest in considering a wildfire and sea level rise risk RHNA allocation factor to recognize that these areas are high risk locations for housing. Using the portion of the jurisdiction's acreage affected by one of these risks, fewer units would be allocated to jurisdictions with a larger share of high risk areas.

The most recent Fire Hazard Severity Zones Maps from the Department of Forestry and Fire Protection (CALFIRE) are more than a decade old (2007-2008) and may not account for recent changes to fire frequency and severity.

The California Public Utilities Commission (CPUC) also produces "fire threat" maps called the CPUC Fire-Threat maps. These maps identify fire threats as Elevated (Tier 2) or Extreme (Tier 3) and were originally created in 2017. The maps can be viewed at: <https://ia.cpuc.ca.gov/firemap/>

The National Oceanic and Atmospheric Administration (NOAA) provide maps for various sea level rise scenarios from one foot to 10 feet.

- Data Sources: Both CALFIRE and California Public Utilities Commission (CPUC) data; National Oceanic and Atmospheric Administration (NOAA) Sea Level Rise Viewer v.3.0.0.
- Implementation: Allocate 10% of 17,619 units by resiliency factor. RHNA allocation lower for jurisdictions with a larger share of their area in a high fire risk zone and/or affected by 2 feet of sea level rise.

This factor furthers achievement of the statutory requirement of "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."

## **Affirmatively Furthering Fair Housing (AFFH)**

The AFFH allocation factor shifts the proportion of low income category housing each jurisdiction receives according to each jurisdiction's opportunity levels. The purpose of the AFFH factor is to allocate lower income households to jurisdictions to avoid further concentrating racial and ethnic segregation and concentrations of poverty, providing these households with improved access to opportunities such as better employment, better schools, and access to areas of lower crime.

The AFFH allocation approach does not increase or decrease the number of housing units a jurisdiction is assigned. The HCD/California Tax Credit Allocation Committee

(TCAC) Opportunity Map Index (Attachment 3) is the key data set used to meet the AFFH requirement since it is the data set HCD uses to judge compliance with statutory AFFH RHNA methodology requirements.

- Data source: HCD/TCAC Opportunity Areas
- Implementation: Redistribute a portion of very low and low income units out of jurisdictions with no high/highest resource areas, and shift those units to jurisdictions with high/highest resource areas based on the proportion of their jurisdiction's households in a high/highest resource area.

This factor allows the RHNA methodology to meet the statutory requirement of affirmatively furthering fair housing by "...furthering fair housing by taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics." The factor also furthers the statutory requirement of promoting regional income parity.

### **Next Steps**

Pending feedback from the AMBAG Board members, AMBAG will bring back the draft RHNA methodology for approval at the November 10, 2021. Following approval of a draft methodology, AMBAG will submit the draft methodology for HCD review and approval.

### **ALTERNATIVES:**

N/A

### **FINANCIAL IMPACT:**

Planning activities for RHNA are funded with REAP and SB 1 planning funds and are programmed in the FY 2021-22 Overall Work Program and Budget.

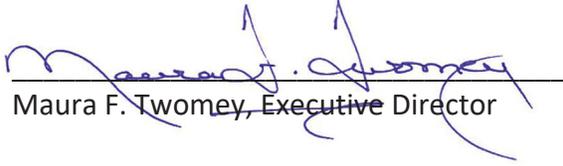
### **COORDINATION:**

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

### **ATTACHMENTS:**

1. Regional Housing Needs Allocation Objectives and Factors
2. Draft Preferred Methodology RHNA Allocation for Discussion
3. HCD/TCAC Opportunity Map Index Indicators
4. RHNA FAQs

**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. Individuals and families experiencing homelessness**

*Factor undefined. - §65584.04(e)*

**11. 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)*

**12. 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)*

**13. 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)*

## Attachment 2

### Draft Preferred AMBAG RHNA Allocation Methodology for Discussion

Oct. 13, 2021

#### Housing Unit Allocation

Region	RHNA Total 33,274		Housing 85%			Transit 5%			Resiliency (Wildfire & Sea Level Rise) 10%			RHNA Total
	Forecast Unit Change 2025- 2035	Jobs 2020	Region	Units	Transit Score	Region	Units	% Area Not in High Risk Zone	Normalized (% Area x Unit Chg)	Region	Units	
	15,655			14,976			881				1,762	33,274
<b>Monterey County</b>												
Carmel-By-The-Sea	13	3,566	1%	139	0	0%	0	64%	8	0%	1	153
Del Rey Oaks	86	748	0%	29	1	8%	73	44%	38	0%	5	193
Gonzales	1,783	6,326	2%	247	0	0%	0	100%	1,783	13%	231	2,261
Greenfield	688	7,882	2%	308	0	0%	0	100%	688	5%	89	1,085
King City	610	8,195	2%	320	0	0%	0	100%	610	4%	79	1,009
Marina	988	6,548	2%	256	1	8%	73	89%	883	7%	115	1,432
Monterey	504	40,989	11%	1,603	1	8%	73	63%	315	2%	41	2,221
Pacific Grove	122	8,016	2%	313	0	0%	0	95%	116	1%	15	450
Salinas	5,416	78,874	21%	3,086	2	17%	151	100%	5,416	40%	702	9,355
Sand City	135	2,092	1%	82	1	8%	73	100%	135	1%	18	308
Seaside	811	10,476	3%	410	1	8%	73	77%	628	5%	82	1,376
Soledad	591	9,010	2%	352	0	0%	0	96%	568	4%	74	1,017
Unincorporated Monterey	637	60,293	16%	2,357	1	8%	73	19%	120	1%	16	3,083
<b>Santa Cruz County</b>												
Capitola	223	12,250	3%	479	0	0%	0	83%	184	1%	24	726
Santa Cruz	986	43,865	11%	1,715	1	8%	73	75%	742	5%	96	2,870
Scotts Valley	71	10,109	3%	395	1	8%	73	50%	35	0%	5	544
Watsonville	1,279	28,514	7%	1,115	1	8%	73	95%	1,212	9%	157	2,624
Unincorporated Santa Cruz	712	45,264	12%	1,770	1	8%	73	13%	95	1%	12	2,567

Calculations are performed on unrounded numbers. Numbers shown here are rounded to the nearest whole number.

For example 0% in the table above may be 0.00-0.49%

Transit Score: 1 = has transit service with 30-minute headways. 2 = has transit service with both 15- and 30-minute headways.

Adjustments may be made after a methodology has been selected.

**Draft Preferred AMBAG RHNA Allocation Methodology for Discussion**

Oct. 13, 2021

**Income Allocation**

Region	Baseline Income Allocation				AFFH			Raw AFFH Adjustments				Rebalance				RHNA Total
	V.L.	Low	Mod.	A.M.	% in High/ Highest	25% Shift V.L.	25% Shift Low	Very Low	Low	Mod.	Above Mod.	Very Low	Low	Mod.	Above Mod.	
Region	7,868	5,146	6,167	14,093				6,894	4,508	7,141	14,731	7,868	5,146	6,167	14,093	<b>33,274</b>
Monterey County																
Carmel-By-The-Sea	36	24	28	65	100%	9	6	45	30	19	59	51	34	16	52	<b>153</b>
Del Rey Oaks	46	30	36	82	0%	-12	-8	34	22	48	89	39	25	41	88	<b>193</b>
Gonzales	535	350	419	958	0%	-134	-88	401	262	553	1,045	458	299	478	1,026	<b>2,261</b>
Greenfield	257	168	201	460	0%	-64	-42	193	126	265	501	220	144	229	492	<b>1,085</b>
King City	239	156	187	427	0%	-60	-39	179	117	247	466	204	134	213	458	<b>1,009</b>
Marina	339	221	265	607	0%	-85	-55	254	166	350	662	290	189	302	651	<b>1,432</b>
Monterey	525	343	412	941	73%	96	63	621	406	316	878	709	463	273	776	<b>2,221</b>
Pacific Grove	106	70	83	191	100%	27	18	133	88	56	173	152	100	48	150	<b>450</b>
Salinas	2,211	1,446	1,735	3,961	0%	-553	-362	1,658	1,084	2,288	4,325	1,892	1,237	1,977	4,249	<b>9,355</b>
Sand City	73	48	57	130	0%	-18	-12	55	36	75	142	63	41	65	139	<b>308</b>
Seaside	325	213	255	583	0%	-81	-53	244	160	336	636	278	183	290	625	<b>1,376</b>
Soledad	240	157	188	431	0%	-60	-39	180	118	248	471	205	135	214	463	<b>1,017</b>
Unincorp. Monterey	729	477	571	1,306	10%	18	12	747	489	553	1,294	853	559	478	1,193	<b>3,083</b>
Santa Cruz County																
Capitola	172	112	135	307	97%	42	27	214	139	93	280	244	159	80	243	<b>726</b>
Santa Cruz	679	444	532	1,216	22%	37	24	716	468	495	1,191	817	534	427	1,092	<b>2,870</b>
Scotts Valley	129	84	101	230	0%	-32	-21	97	63	133	251	111	72	115	246	<b>544</b>
Watsonville	620	406	486	1,111	0%	-155	-102	465	304	641	1,214	531	347	554	1,192	<b>2,624</b>
Unincorp. Santa Cruz	607	397	476	1,087	34%	51	33	658	430	425	1,054	751	491	367	958	<b>2,567</b>

Calculations are performed on unrounded numbers. Numbers shown here are rounded to the nearest whole number.

For example 10% in the table above may be 9.50-10.49%

% in High/Highest = % of households in census tracts designated "High Resource" or "Highest Resource" in 2021 TCAC/HCD Opportunity Area Maps

AFFH adjustments shift units between Moderate and Very Low (V.L.) categories, and between Above Moderate (A.M.) and Low.

**Attachment 3**  
**HCD/TCAC OPPORTUNITY MAP INDEX INDICATORS**

<b>Domain</b>	<b>Indicator</b>	<b>Measure</b>	<b>Data Source</b>	<b>Table</b>
<b>Economic</b>	<b>Poverty</b>	Percent of population with income above 200% of federal poverty line	2014-2018 ACS	Table C17002
	<b>Adult Education</b>	Percent of adults with a bachelor's degree or above	2014-2018 ACS	Table B15003
	<b>Employment</b>	Percent of adults aged 20-64 who are employed in the civilian labor force or in the armed forces	2014-2018 ACS	Table B23004
	<b>Job Proximity</b>	Number of jobs filled by workers with less than a BA that fall within a given radius (determined by the typical commute distance of low-wage workers in each region) of each census tract population-weighted centroid	2017 LEHD LODES	Origin-Destination and Workplace Area Characteristics Tables
	<b>Median Home Value</b>	Value of owner-occupied units	2014-2018 ACS	Table B25077
<b>Environmental</b> <sup>5</sup>	<b>CalEnviroScreen 3.0 indicators</b>	CalEnviroScreen 3.0 Pollution indicators (Exposures and Environmental Effect indicators) and processed values	CalEnviroScreen3.0	Variables: Ozone, PM2.5, Diesel PM, Drinking Water, Pesticides, Tox. Release, Traffic, Cleanup Sites, Groundwater Threats, Hazardous Waste, Impaired Water Bodies, Solid Waste Sites

<b>Education</b>	<b>Math proficiency</b>	Percentage of 4 <sup>th</sup> graders who meet or exceed math proficiency standards	2018-2019 California Department of Education (DOE)	
	<b>Reading proficiency</b>	Percentage of 4 <sup>th</sup> graders who meet or exceed literacy standards	2018-2019 CA DOE	
	<b>High school graduation rates</b>	Percentage of high school cohort that graduated on time	2018-2019 CA DOE	
	<b>Student poverty rate</b>	Percent of students not receiving free or reduced-price lunch	2019-2020 CA DOE	
		<b>Measure</b>	<b>Data Source</b>	
<b>Filter</b> <sup>6</sup>	<b>Poverty and Racial Segregation</b>	<p>Poverty: Tracts with at least 30% of the population falling under the federal poverty line</p> <p>Racial Segregation: Tracts with a racial Location Quotient of higher than 1.25 for Black, Hispanic, Asian, or all people of color in comparison to the county</p>	<p>2014-2018 ACS Estimate</p> <p>2010 Decennial Census</p>	<p>ACS Table B17020</p> <p>Census Table SF1DP1</p>



## Attachment 4

# FREQUENTLY ASKED QUESTIONS ABOUT RHNA

## REGIONAL HOUSING NEEDS ALLOCATION (RHNA) OVERVIEW

### *What is RHNA?*

Local housing is enshrined in state law as a matter of “vital statewide importance” and, since 1969, the State of California has required that all local governments (cities, towns and counties, also known as local jurisdictions) adequately plan to meet the housing needs of everyone in our communities. To meet this requirement, each city or county must develop a Housing Element as part of its General Plan (the local government’s long-range blueprint for growth) that shows how it will meet its community’s housing needs. There are many laws that govern this process, and collectively they are known as [Housing Element Law](#).

The Regional Housing Need Allocation (RHNA) process is the part of Housing Element Law used to determine how many new homes, and the affordability of those homes, each local government must plan for in its Housing Element. This process is repeated every eight years, and for this cycle the Monterey Bay Area is planning for the period from 2023 to 2031.

### *How does RHNA assist in addressing the Monterey Bay Area’s housing crisis?*

State law is designed to match housing supply with demand—particularly for affordable homes. Each new RHNA cycle presents new requirements to address dynamic housing markets, which in recent years have seen demand dramatically outstrip supply across all affordability levels. RHNA provides a local government with a minimum number of new homes across all income levels for which it must plan in its Housing Element. The Housing Element must include sites zoned for enough capacity to meet the RHNA goals as well as policies and strategies to expand housing choices and increase housing affordability.

### *Who is responsible for RHNA?*

Responsibility for completing RHNA is shared among state, regional, and local governments:

- The **role of the State** is to identify the total number of homes for which each region in California must plan in order to meet the housing needs of people across the full spectrum of income levels, from housing for very low-income households all the way to market rate housing. This is developed by the [California Department of Housing and Community Development \(HCD\)](#) and is known as the Regional Housing Need Determination (RHND).

- The **role of the region** is to allocate a share of the RHND to each local government in the region. As the Council of Governments (COG) for Monterey and Santa Cruz Counties, the Association of Monterey Bay Area Governments (AMBAG) is responsible for developing the methodology for sharing the RHND among the cities and two counties in the region. AMBAG does this in conjunction city and county staff and the AMBAG Board of Directors. The Council of San Benito County Governments performs this same function for the three local jurisdictions in San Benito County.
- The **role of local governments** is to participate in the development of the allocation methodology and to update their Housing Elements and local zoning to show how they will accommodate their share of the RHND, following the adoption of the RHNA methodology.

### ***What are the steps in the RHNA process?***

Conceptually, RHNA starts with the Regional Housing Needs Determination (RHND) provided by HCD, which is the total number of housing units the AMBAG region needs over the eight-year period, by income group. The heart of AMBAG's work on RHNA is developing the methodology to allocate a portion of housing needs to each city and county in the region. AMBAG is working with the Planning Directors Forum which to develop RHNA methodology options. The AMBAG Board of Directors is schedule to approve the proposed methodology in November 2021.

Following HCD's findings that the draft RHNA methodology furthers the RHNA objectives, AMBAG is scheduled to adopt a final methodology and draft allocations for every local government in the AMBAG region in January 2022. The Draft 2023-2031 RHNA Plan is scheduled to be released in January/February 2022.

A local government or HCD can appeal any local government's draft allocation. After AMBAG takes action on any appeals, it will issue the final allocations by the summer 2022. Local governments must update Housing Elements by December 2023, including identifying sites that are zoned with enough capacity to meet the RHNA allocation. AMBAG's role in the RHNA process ends once it has allocated a share of the Regional Housing Needs Determination (RHND) to each local government in the AMBAG region; HCD then reviews and approves local Housing Elements.

### ***What's the timeline for completing RHNA?***

The RHNA process is currently underway and will be complete by the summer 2022. Local governments will then have until December 2023 to update their Housing Elements.

### ***This is the 6th cycle for RHNA. What's different this time?***

Recent legislation resulted in the following key changes for this RHNA cycle:

- There is a higher total regional housing need. HCD's identification of the region's total housing needs has changed to account for unmet existing need, rather than only projected housing need. HCD now must consider overcrowded households, cost burdened households (those paying more than 30% of their income for housing), and a target vacancy rate for a healthy housing market (with a minimum of 5%).
- RHNA and local Housing Elements must affirmatively further fair housing. According to HCD, achieving this objective includes preventing segregation and poverty concentration as well as increasing access to areas of opportunity. HCD has mapped [Opportunity Areas](#) and has developed guidance for jurisdictions about [how to address affirmatively furthering fair housing in Housing Elements](#). As required by Housing Element Law, AMBAG has surveyed local governments to understand fair housing issues, strategies, and actions across the region.
- There will be greater HCD oversight of RHNA. AMBAG must now submit the draft allocation methodology to HCD for review and comment. HCD can also appeal a jurisdiction's draft allocation.
- Identifying Housing Element sites for affordable units will be more challenging. There are new limits on the extent to which jurisdictions can reuse sites included in previous Housing Elements and increased scrutiny of small, large, and non-vacant sites when these sites are proposed to accommodate units for very low- and low-income households.

### ***How can I be more involved in the RHNA process?***

Public participation is encouraged throughout the RHNA process especially at public meetings and during official public comment periods following the release of discussion documents and board decisions. Visit the AMBAG website to view upcoming meetings.

### **Is AMBAG's prior RHNA available to review?**

Yes, you can find more information about the [2014-2023 RHNA Plan](#) on the AMBAG website.

## **REGIONAL HOUSING NEEDS DETERMINATION (RHND) FROM HCD**

### ***What is the Regional Housing Needs Determination?***

The California Department of Housing and Community Development (HCD) identifies the total number of homes for which each region in California must plan in order to meet the housing needs of people at all income levels. The total number of housing units from HCD is separated into four income categories that cover everything from housing for very low-income households all the way to market rate housing. AMBAG is responsible for developing a methodology to allocate a portion of this housing need to every local government in the Bay Area.

The four income categories included in the RHND are:

- Very Low Income: 0-50% of Area Median Income
- Low Income: 50-80% of Area Median Income
- Moderate Income: 80-120% of Area Median Income
- Above Moderate Income: 120% or more of Area Median Income

***What are the objectives and factors that must be considered in the RHNA methodology?***

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. The RHNA factors include a longer list of considerations that must be incorporated into the methodology to the extent that sufficient data is available.

Summary of RHNA objectives [from [Government Code §65584\(d\)](#)]:

1. Increase housing supply and mix of housing types, with the goal of improving housing affordability and equity in all cities and counties within the region.
2. Promote infill development and socioeconomic equity; protect environmental and agricultural resources; encourage efficient development patterns; and achieve greenhouse gas reduction targets.
3. Improve intra-regional jobs-to-housing relationship, including the balance between low-wage jobs and affordable housing units for low-wage workers in each jurisdiction.
4. Balance disproportionate household income distributions (more high-income allocation to lower-income areas, and vice-versa)
5. Affirmatively further fair housing

Summary of RHNA factors [from [Government Code §65584.04\(d\)](#)]:

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. The housing needs of individuals and families experiencing homelessness
11. Loss of units during an emergency
12. SB 375 Greenhouse Gas Reduction Targets
13. Other factors adopted by Council of Governments (COGs)

### ***What does it mean to “affirmatively further fair housing?”***

For the 2023-2031 RHNA (6<sup>th</sup> Cycle), recent legislation added a new objective that requires the RHNA plan to “affirmatively further fair housing.” According to [Government Code Section 65584\(e\)](#), this means:

“Taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.”

In addition to this requirement for promoting fair housing as an outcome for RHNA, statutes required AMBAG to collect information about fair housing issues, strategies, and actions in its survey of local jurisdictions about data to inform the development of the RHNA allocation methodology.

Lastly, a local jurisdiction’s Housing Element must also affirmatively further fair housing and includes a program that establishes goals and actions to do so. HCD has developed guidance for jurisdictions about [how to address affirmatively furthering fair housing in Housing Elements](#).

### ***Does RHNA dictate how local governments meet their communities’ housing needs or where new housing goes within a given city or county?***

It is important to note the primary role of the RHNA methodology is to encourage a pattern of housing growth for the Monterey Bay Area. The final result of the RHNA process is the allocation of housing units by income category to each jurisdiction as a whole. It is in the local Housing Element that local governments will select the specific sites that will be zoned for housing and the policies and strategies for addressing a community’s specific housing needs, such as addressing homelessness, meeting the needs of specific populations, affirmatively furthering fair housing, or minimizing displacement.

## **CONNECTIONS BETWEEN RHNA AND 2045 METROPOLITAN TRANSPORTATION PLAN/SUSTAINABLE COMMUNITIES STRATEGGY**

### ***How are RHNA and 2045 Metropolitan Transportation Plan/Sustainable Communities Strategy related?***

The 2045 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) is the Monterey Bay region's next long-range regional plan for transportation, housing, the economy, and the environment, focused on resilient and equitable strategies for the next 25 years. Anticipated to be adopted in June 2022, the 2045 MTP/SCS will establish a blueprint for future growth and infrastructure. The 2045 MTP/SCS must meet or exceed a wide range of federal and state requirements, including a per-capita greenhouse gas reduction target of 6 percent by 2035. Upon adoption by AMBAG, it will serve as the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) for the Monterey Bay Area.

By law, the RHNA Plan is required to be consistent with the development pattern from the 2045 MTP/SCS. These two planning processes seek to address the Monterey Bay area's housing needs over different time horizons: 2045 MTP/SCS has a planning horizon of 2045, while the 6th cycle of RHNA addresses the need to address short-term housing needs, from 2023 to 2031. To achieve the required consistency, both the overall housing growth for the region, as well as housing growth on a more localized level, must be greater in the long-range plan than over the eight-year RHNA cycle.

### ***How is the 2045 MTP/SCS used as part of the RHNA methodology?***

Data from the [2022 Regional Growth Forecast](#), which was accepted for planning purposes by the AMBAG Board of Directors in November 2020, is proposed to be incorporated into the draft RHNA methodology as the baseline allocation. The baseline allocation is used to assign each jurisdiction an initial share of the RHND. A jurisdiction's baseline share is then adjusted up or down based on how the jurisdiction scores relative to the rest of the region on the factors included in the draft RHNA methodology.

## **THE RHNA APPEALS PROCESS**

### ***What is the RHNA appeals process?***

The release of draft RHNA Plan including the local jurisdiction's allocations initiates the appeals phase of RHNA. [Government Code Section 65584.05](#) allows a jurisdiction or HCD to appeal the draft RHNA allocation for **any** jurisdiction.

### ***Where can I find my jurisdiction's draft RHNA allocation?***

Following adoption of the final RHNA methodology by the AMBAG Board, AMBAG will issued the draft RHNA Plan including allocations. This is scheduled for January/February 2022.

### ***What is the filing deadline for appeals? When will AMBAG review appeals?***

The deadline for a local jurisdiction or HCD to file an appeal will be 45-days after the release of the draft RHNA Plan/allocations which is scheduled for January/February 2022. If appeals are

received, there is a then be a 45-day comment period on any appeals filed. AMBAG will conduct a public hearing to consider the appeals and comments received in May/June 2022.

### ***Who can file an appeal?***

Any jurisdiction in the AMBAG region, as well as HCD, could file an appeal of any jurisdiction's draft RHNA allocation within the AMBAG region. A jurisdiction could file an appeal of its own draft RHNA allocation and/or one or more appeals of the draft allocations of other jurisdictions.

### ***Is there a limit to the number of appeals one jurisdiction could file?***

Every jurisdiction could file multiple appeals and there was no limit on the number of appeals filed by each jurisdiction. The filed appeals could request increases or decreases to draft RHNA allocations.

### ***What are the reasons a jurisdiction or HCD could submit an appeal?***

State Housing Element law allows an appeal to be filed **only** for the following three reasons:

1. AMBAG failed to adequately consider the information submitted as part of the local jurisdiction survey (see [Government Code Section 65584.04\(b\)](#) for more details about the survey). AMBAG conducted this survey in summer 2021 and received responses from every local jurisdiction.
2. AMBAG did not determine the jurisdiction's allocation in accordance with its adopted methodology and in a manner that furthers, and does not undermine, the RHNA objectives identified in [Government Code Section 65584\(d\)](#).
3. A significant and unforeseen change in circumstances has occurred in the local jurisdiction or jurisdictions that merits a revision of the information submitted as part of the local jurisdiction survey. *Appeals on this basis shall only be made by the jurisdiction or jurisdictions where the change in circumstances has occurred.*

[Government Code Section 65584.04\(g\)](#) also specifies criteria that **cannot** be used a basis for reducing a jurisdiction's allocation:

- Any local ordinance, policy, voter-approved measure or standard limiting residential development.
- Underproduction of housing from the last RHNA cycle.
- Stable population numbers in a jurisdiction.

### ***How will AMBAG conduct the public hearing to consider RHNA appeals?***

Housing Element Law requires AMBAG to hold a public hearing to consider RHNA appeals. Depending on the number of appeals AMBAG receives, the hearing may occur over several days. RHNA appeals will be heard by the AMBAG Board of Directors, which will have final

authority for decisions on appeals. A Board member must recuse him/herself on an appeal affecting his/her jurisdiction.

***Will there be an opportunity to challenge an appeal of my jurisdiction's allocation filed by another jurisdiction?***

A jurisdiction that is the subject of an appeal filed by another jurisdiction will have the opportunity to challenge the appeal and present their case at the appeal public hearing.

***What happens to the units if the appeal of a jurisdiction's draft RHNA allocation is successful?***

[Housing Element Law](#) requires AMBAG to allocate all of the housing units assigned to the Monterey Bay Area by HCD. If the appeal of a jurisdiction's draft RHNA allocation is successful, AMBAG must redistribute the units to other local governments in the region.

AMBAG will redistribute units to all local governments in the region in proportion to a jurisdiction's share of the RHND after appeals are determined and prior to the required distribution. Applicants whose appeals are upheld are not excluded from redistribution.

## **RHNA AND LOCAL JURISDICTIONS**

***How are local jurisdictions involved in RHNA? Do they help create the housing methodology?***

Planning staff from each local jurisdiction are on the Planning Directors Forum. The Planning Directors Forum provides technical input into the development of allocation methodology which was provided to the AMBAG Board of Directors. The AMBAG Board of Directors includes one elected official from each city in the region and two elected supervisors from each county. The AMBAG Board of Directors has the authority to make final decisions. Local governments can provide feedback on the proposed methodology during the public comment period, and have the opportunity to provide public comment at meetings throughout the RHNA process. In 2022, local governments will have an opportunity to file appeals on the draft RHNA Plan and allocations.

***How does RHNA impact local jurisdictions' general plans? What is a Housing Element?***

California's Housing Element Law states that "designating and maintaining a supply of land and adequate sites suitable, feasible, and available for the development of housing sufficient to meet the locality's housing need for all income levels is essential to achieving the state's housing goals." Once a city, town or county receives its RHNA allocation, it must then update the Housing Element of its general plan and zoning to demonstrate how it will accommodate all of the units assigned for each income category. General plans serve as a local government's blueprint for how the city, town or county will grow and develop. There are seven elements that all jurisdictions are required to include in the General Plan: land use, transportation, conservation, noise, open space, safety, and housing.

### ***What agency is responsible for the certification of Housing Elements?***

AMBAG's role in the RHNA process ends once it has allocated a share of the Regional Housing Needs Determination (RHND) to each local government in the Bay Area. The [California Department of Housing and Community Development \(HCD\)](#) reviews and approves Housing Elements and is responsible for all other aspects of [enforcing Housing Element Law](#).

### ***Is there any funding and technical assistance available to assist local jurisdictions in creating their Housing Elements?***

In the 2019-20 Budget Act, Governor Gavin Newsom allocated \$250 million for all regions, cities, and counties to do their part by prioritizing planning activities that accelerate housing production to meet identified needs of every community. With this allocation, HCD established the [Local Early Action Planning Grant Program \(LEAP\)](#) to provide funding directly to local jurisdictions for housing planning activities. In addition, a [Regional Early Action Program \(REAP\)](#) was also created to provide funding to regional COGs. AMBAG allocated nearly its entire REAP funding allocation to local jurisdictions to assist with housing planning activities, including the preparation of local housing elements. See the document [HCD Housing Element Compliance Incentives and Consequences](#) for more information.

### ***Will my jurisdiction be penalized if we do not plan for enough housing?***

State [Housing Element Law](#) requires that jurisdictions plan for all types of housing based on the allocations they receive from the RHNA process. The state requires this planning, in the form of having a compliant housing element, and submitting housing element annual progress reports, as a threshold or points-related requirement for certain funding programs (SB 1 Sustainable Community Planning Grants, SB 2 Planning Grants and Permanent Local Housing Allocation, etc.). Late submittal of a housing element can result in a jurisdiction being required to submit a four-year update to their housing element.

HCD [may refer jurisdictions to the Attorney General](#) if they do not have a compliant housing element, fail to comply with their HCD-approved housing element, or violate housing element law, the housing accountability act, density bonus law, no net loss law, or land use discrimination law. The consequences of those cases brought by the Attorney General are up to the courts, but can include financial penalties. In addition, as the housing element is one of the required components of the general plan, a jurisdiction without a compliant housing element, may risk legal challenges to their general plan from interested parties outside of HCD.

Local governments must also implement their commitments from the housing element, and the statute has several consequences for the lack of implementation. For example, failure to rezone in a timely manner may impact a local government's land use authority and result in a carryover of RHNA to the next cycle. Failure to implement programs can also influence future housing element updates and requirements, such as program timing. HCD may investigate any action or lack of action in the housing element.

***Will my jurisdiction be penalized if we do not build enough housing?***

For [jurisdictions that did not issue permits for enough housing](#) to keep pace consistent with RHNA building goals, a developer can elect to use a ministerial process to get project approval for residential projects that meet certain conditions. This, in effect, makes it easier to build housing in places that are not on target to meet their building goals. See the document [HCD Housing Element Compliance Incentives and Consequences](#) for more information.

**GLOSSARY OF ACRONYMS**

AMBAG - Association of Bay Area Governments

AMI – Area Median Income

DOF - California Department of Finance

HCD - California Department of Housing and Community Development

RHNA - Regional Housing Need Allocation

RHND - Regional Housing Need Determination

MTP/SCS – Metropolitan Transportation Plan/Sustainable Communities Strategy

TCAC - California Tax Credit Allocation Committee



The 2021 AMBAG Board of Director meeting locations are subject to change in light of Governor Newsom's State of Emergency declaration regarding the COVID-19 outbreak and in accordance with AB 361 which was signed into law. The AMBAG Board of Directors meeting will be conducted via GoToWebinar as established by Resolution 2021-7 adopted by the AMBAG Executive/Finance Committee on September 29, 2021.

### **2021 AMBAG Calendar of Meetings**

**November 10, 2021**

**GoToWebinar**

Meeting Time: 6 pm

**December 2021**

**No Meeting Scheduled**

**THIS PAGE  
IS INTENTIONALLY  
BLANK**



<b>AMBAG Acronym Guide</b>	
ABM	Activity Based Model
ADA	Americans Disabilities Act
ALUC	Airport Land Use Commission
AMBAG	Association of Monterey Bay Area Governments
ARRA	American Reinvestment and Recovery Act
3CE	Central Coast Community Energy
CAAA	Clean Air Act Amendments of 1990 (Federal Legislation)
Caltrans	California Department of Transportation
CAFR	Comprehensive Annual Financial Report
CalVans	California Vanpool Authority
CARB	California Air Resources Board
CCJDC	Central Coast Joint Data Committee
CEQA	California Environmental Quality Act
CHTS	California Households Travel Survey
CMAQ	Congestion Mitigation and Air Quality Improvement
CPUC	California Public Utilities Commission
CTC	California Transportation Commission
DEIR	Draft Environmental Impact Report
DEM	Digital Elevation Model
DOF	Department of Finance (State of California)
EAC	Energy Advisory Committee
EIR	Environmental Impact Report
FAST Act	Fixing America’s Surface Transportation Act
FHWA	Federal Highway Administration
FTA	Federal Transit Administration
FTIP	Federal Transportation Improvement Program
GHG	Greenhouse Gas Emissions
GIS	Geographic Information System
ICAP	Indirect Cost Allocation Plan
ITS	Intelligent Transportation Systems
JPA	Joint Powers Agreement

LTA	San Benito County Local Transportation Authority
LTC	Local Transportation Commission
MAP-21	Moving Ahead for Progress in the 21 <sup>st</sup> Century Act
MBARD	Monterey Bay Air Resources District
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MPAD	Monterey Peninsula Airport District
MPO	Metropolitan Planning Organization
MST	Monterey-Salinas Transit
MTP	Metropolitan Transportation Plan
MTIP	Metropolitan Transportation Improvement Program
OWP	Overall Work Program
PG&E	Pacific Gas & Electric Company
PPP	Public Participation Plan
RAPS, Inc.	Regional Analysis & Planning Services, Inc.
RFP	Request for Proposal
RHNA	Regional Housing Needs Allocation
RTDM	Regional Travel Demand Model
RTP	Regional Transportation Plan
RTPA	Regional Transportation Planning Agency
SAFETEA-LU	Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users
SB 375	Senate Bill 375
SBtCOG	Council of San Benito County Governments
SCCRTC	Santa Cruz County Regional Transportation Commission
SCMTD	Santa Cruz Metropolitan Transit District
SCS	Sustainable Communities Strategy
S RTP	Short-Range Transit Plan
STIP	State Transportation Improvement Program
TAMC	Transportation Agency for Monterey County
TAZ	Traffic Analysis Zone
USGS	United States Geological Survey
VMT	Vehicle Miles Traveled
VT	Vehicle Trips