



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: DECEMBER 5, 2023
DEPARTMENT: COMMUNITY DEVELOPMENT
FROM: LISA BRINTON, DIRECTOR
THROUGH: ROD POWELL, ASSISTANT DIRECTOR
BY: GRANT LEONARD, PLANNING MANAGER
TITLE: ADOPTION OF THE 2023-2031 HOUSING ELEMENT (GENERAL PLAN AMENDMENT 2023-002)

RECOMMENDED MOTION:

A motion to adopt the 2023-2031 Housing Element (General Plan Amendment 2023-002), authorize staff to submit the 2023-2031 Housing Element to the State of California Department of Housing and Community Development (HCD) for certification, and authorize staff to make non-policy revisions to the Housing Element in response to future HCD comments.

EXECUTIVE SUMMARY:

Salinas is a community that values housing and believes in taking definitive action to support development of new housing and housing programs to support all members of our community. The City sees increasing the housing supply as a critical step needed to better the quality of life for the existing and future residents of Salinas.

The 2023-2031 Housing Element is a tool for the City to plan for the community's housing needs over the next eight-year planning cycle. Through research, analysis, and extensive public engagement, the Housing Element establishes the City's official housing policies and objectives and identifies available candidate housing sites to accommodate the Regional Housing Needs Assessment (RHNA) goals as determined by the Association of Monterey Bay Area Governments (AMBAG).

The Housing Element contains a detailed outline and work program of the City's goals, policies, quantified objectives, and programs for the preservation, improvement, and development of

housing for a sustainable future. The Housing Element will be implemented over the next eight years and will allow the City to build off recent successes in the development of critically needed housing and programs to ensure all Salinas residents have access to safe, affordable, stable, and equitable housing.

BACKGROUND:

Draft Housing Element Process and HCD Comments Received

The Housing Element is the City's guiding policy document for housing matters and is one of the required chapters of the General Plan. The City of Salinas' current Housing Element (2015-2023) was adopted in 2015 and was certified by HCD as complying with State law. Because the current Housing Element expires at the end of 2023, the City is required to adopt an updated Housing Element by December 15th. This sixth cycle update of the Housing Element will cover the planning period of December 31, 2023, through December 31, 2031.

The process for updating the Housing Element includes providing multiple drafts for public review and a consultation with HCD. The City released the first draft Housing Element for public review from May 12, 2023, through June 20, 2023. The City then had two weeks to respond to comments received before submitting a revised draft Housing Element to HCD for a 90-day review and comment period on July 6, 2023.

The City received initial HCD comments in August 2023 and had the opportunity to update the draft Housing Element and re-release it for a second round of public review before the end of the official 90-day HCD review. While no additional public comments were received, the second draft Housing Element provided the city an opportunity to incorporate certain HCD recommendations prior to HCD finalizing the official comment letter.

The City received HCD's official comment letter on October 4, 2023 (Attachment 2), which recommended further updating the Draft Housing Element in the following areas:

- Refinement of the Housing Sites Inventory
- Additional analysis of government constraints on housing production
- Refinement of the Affirmatively Furthering Fair Housing Plan

Staff completed the additional refinements requested by HCD, released the final Draft 2023-2031 Housing Element for public and HCD review on November 9th, and presented the Final Draft Housing Element to the Planning Commission on November 15th. The Commission approved a resolution recommending the City Council adopt the Final Draft 2023-2031 Housing Element. The Planning Commission Resolution and meeting minutes are provided as Attachment 8. A revised Final Draft 2023-2031 Housing Element was released on November 28, 2023 that incorporated minor comments received by the Planning Commission and Housing and Land Use Committee at its November 28th meeting.

Community Engagement

The City has actively engaged the community on the subject of housing since the adoption of the 2015-2023 Housing Element. Community engagement for the Housing Element built upon the extensive bi-lingual community outreach conducted for the development of the Alisal Vibrancy Plan, Chinatown Revitalization Plan, Regional Farmworker Housing Study and Action Plan, Visión Salinas Guiding Principles, Visión Salinas 2040 General Plan Update, and the 2023 and 2024 City Budgets.

The City began formal 2023-2031 Housing Element public engagement with an online Housing Element workshop on February 9, 2023, and will continue outreach through Council consideration of the adoption of the 2023-2031 Housing Element on December 5, 2023. The outreach strategy involves various methods of collecting community input, including community workshops, webinars, stakeholder interviews, housing surveys, pop-up community events, and the General Plan Steering Committee. Through a Sustainable Agricultural Land Conservation (SALC) Planning Grant, the City is also partnering with Center for Community Advocacy (CCA) to deepen grassroots outreach. CCA reached nearly 300 people through 71 house meetings discussing housing needs. Through the CCA outreach, the City was able to include residents who might not normally participate in a Housing Element update, including farmworkers, youth, monolingual Spanish speakers, and the Mixteco and Triqui speaking communities. The toolkit used to facilitate these conversations is provided as Attachment 6.

A summary of the recurring and new themes that emerged from the community engagement is included as Attachment 7. A full discussion of the City's engagement activities is included in Chapter 2 of the 2023-2031 Housing Element provided as Attachment 3 to this report.

Housing Plan: Recommended Goals, Policies, and Actions

To meet the City's housing needs over the next eight years, the Housing Element needs to contain meaningful goals, policies, and actions that will serve as the City's guiding housing document. Chapter 6 of the 2023-2031 Housing Element sets forth a program of policies and actions to address the City's housing needs, including housing construction, providing different housing types at all affordability levels, establishing tenant protections, improving neighborhoods and existing housing, and ensuring access to safe and decent housing for all segments of the community. The Housing Plan has the following six goals, each with a set of specific policies:

1. Increase Housing Supply and Opportunities for All
2. Provide Tenant Protections
3. Access to Safe and Healthy Housing for all Residents
4. Advance Housing Affordability and Opportunity at all Income Levels
5. Stabilize and Support Neighborhoods
6. Improve City Homeless Response

The goals and policies reflect the new and recurring themes identified through the public outreach process and are consistent with the housing goals and policies identified in recent community

planning efforts, such as the Alisal Vibrancy Plan. A summary of recurring/new themes by goal is provided as Attachment 7.

To meet these goals, the Housing Plan contains the following program of actions that will be implemented over the next eight years of the Housing Element:

- Provision of Adequate Sites for RHNA
- Financial Assistance and Gap Financing
- Prohousing Designation
- Accessory Dwelling Units
- East Area Specific Plan Development
- General Plan and Zoning Code Update
- Reduce Fees and Housing Production Constraints
- Housing Rehabilitation Services Program
- Rental Resources Programs
- Services to Affirmatively Further Fair Housing
- Code Enforcement
- Housing Vouchers
- Homebuyer Resources
- Facilitate the Production Affordable Housing
- Housing for Persons with Disabilities
- Equitable Housing and Service Access for Unhoused Individuals and Families
- Preservation Affordable Housing At-Risk of Conversion
- Local Workforce Housing
- Inclusionary and Density Bonus Housing
- Invest in Disadvantaged Neighborhoods
- Protect Historic Resources

Adequate Sites for New Housing

California General Plan law requires each city and county to have land zoned to accommodate its fair share of the regional housing need. Through the Regional Housing Needs Allocation (RHNA) process, each jurisdiction in California is given a certain number of housing units to plan for, by income level, during the eight-year Housing Element timeframe. Salinas received a total of 6,674 units through the RHNA process, distributed by the following income categories.

Income Group	Total Housing Units Allocated	Percentage of Units
Extremely/Very Low	920	13.78%
Low	600	9.00%
Moderate	1,692	25.35%
Above moderate	3,462	51.87%
Total	6,674	100%

The City has completed an inventory of available housing sites and determined that there are sufficient sites available to plan for the 6,674 RHNA allocation. Sites to accommodate the City’s allocation are divided into the following categories:

- Pipeline Projects and anticipated ADU Development
- Vacant Residential and Mixed Use Sites
- Underutilized Residential and Mixed Use Sites
- The North of Boronda Future Growth Area.

The site inventory has identified capacity for an additional 7,284 units, 1,890 of which are on sites with density suitable for development of lower income housing. A map of the Sites Inventory is included as Attachment 4. Per State law, jurisdictions may count housing units in development, under construction, or approved, since July 1, 2023, towards their RHNA numbers. Included in these projects are a mix of affordable and market-rate housing developments. Because of the City’s current inclusionary housing ordinance, which applies to projects of 10 or more units, even the market-rate projects will still contribute towards the affordable housing stock. These “Pipeline projects”, along with anticipated ADU construction, are expected to produce 1,299 units in the near term.

Affirmatively Furthering Fair Housing

The goal of Affirmatively Furthering Fair Housing (AFFH) is to combat housing discrimination, eliminate racial bias, undo historic patterns of segregation, and lift barriers that restrict access in order to foster inclusive communities, achieve racial equity, fair housing choice, and opportunity for all Californians.

Assembly Bill (AB) 686 requires that Housing Elements include an analysis of barriers that restrict access to opportunity and that they contain a commitment to specific meaningful actions to affirmatively further fair housing. AB 686 mandates that local governments identify meaningful goals to address the impacts of systemic issues such as residential segregation, housing cost burden, and unequal educational or employment opportunities to the extent these issues create and/or perpetuate discrimination against protected classes.

In compliance with AB 686, the City has completed an analysis of barriers to fair housing (Appendix D of the Housing Element) and developed meaningful actions to combat the identified

barriers. These meaningful actions are incorporated in the Housing Element’s Goals, Policies, and Actions (Chapter 6), which integrates the principals of fair housing into the City’s housing plan for the 2023-2031 Housing Element.

General Plan Amendment

Because the Housing Element is part of the General Plan, a General Plan Amendment is needed to adopt the Final 2023-2031 Housing Element. The proposed Amendment will update the City’s General Plan Housing Element to comply with the 2002 Salinas General Plan and allow the City to adopt local policy options to meet the documented housing needs. As part of this process, the City Council is requested to affirm findings that the Final 2023-2031 Housing Element is in conformance with the Salinas General Plan and that it is necessary to adopt the Final 2023-2031 Housing Element. These findings are listed in the attached Resolution.

Next Steps

The schedule for the completing Housing Element Update is:

- December 5, 2023: City Council consideration of adoption of Housing Element
- Prior to December 15, 2023: Submission of adopted 2023-2031 Housing Element to California Department of Housing and Community Development for certification.
- 60-Day HCD review of Final Housing Element
- April 15, 2024: Statutory deadline for Housing Element certification by HCD.

CEQA CONSIDERATION:

The environmental impacts of the 2023-2031 Housing Element were analyzed in accordance with the California Environmental Quality Act (CEQA), and the 2023-2031 Housing Element was determined to be exempt from CEQA per Section 15061(b)(3) of the CEQA Guidelines. Attachment 9 outlines the City’s CEQA determination. Any subsequent discretionary projects resulting from action plan implementation will be assessed for CEQA applicability.

STRATEGIC PLAN INITIATIVE:

Adopting the 2023-2031 Housing Element supports the City Council’s Vision and Strategic Goal for Housing/Affordable Housing and the pursuit of safe and secure housing options for residents of all income levels, including the unsheltered.

DEPARTMENTAL COORDINATION:

Completing the 2023-2031 Housing Element required significant intra-department coordination between the Community Development divisions, including Housing, Permit Services, Code Enforcement, Current Planning, and Advanced Planning and Project Implementation. Additional collaboration was required with the City Attorney’s Office.

FISCAL AND SUSTAINABILITY IMPACT:

Funding to complete the 2023-2031 Housing Element came from a combination of State planning grants and the City's General Plan Update fund. The timely Adoption of the 2023-2031 Housing Element is required for the City to continue to receive certain funding sources from the State.

ATTACHMENTS:

1. Resolution to Adopt the 2023-2031 Housing Element
2. HCD Comment Letter
3. Final 2023-2031 Housing Element
4. Summary of Final 2023-2031 Housing Element
5. Sites Inventory Map
6. Housing Element Toolkit
7. Summary of Public Comment Themes
8. November 15, 2023, Planning Commission Minutes and Resolution
9. CEQA Compliance Determination