

History

The Monterey Peninsula Housing Coalition was created when a group of Monterey Peninsula board and council candidates began discussions about the housing dilemma, and the multifaceted obstacles to affordable housing development in communities throughout the Peninsula. There was an appreciation for current efforts—such as those of the Monterey Bay Economic Partnership (MBEP)—but a recognition that more needed to be done, particularly in regard to mobilizing community engagement and support.

The conversation continued after the majority of those candidates were elected to office in the fall of 2018; this past spring, the group held a retreat that resulted in the establishment of the following objectives:

- 1) Completing a Peninsula Employee/Student Housing Study
- 2) Explore the creation of a Joint Powers Agreement (JPA)
- 3) Identifying and Prioritizing Water Allocation for Affordable/Workforce Housing
- 4) Leveraging Additional Federal/State/Local Dollars

The members divided into groups with the expectation of establishing work plans and evaluating the viability for each of the objectives. Having completed this, analysis the group's next step (this one!) is to update their colleagues on their respective boards/councils in order to receive feedback so that we may prioritize the various policy objectives.

Objectives

1) Peninsula Employee/Student Housing Study

The goal of the Peninsula Employee/Student Housing Study (the Study) effort would be to draft an RFP identifying scope and timeframes, leveraging the Salinas Valley and Pajaro Valley Regional Farmworker Housing Study as a model. The purpose of the Study would be to gather new and existing qualitative and quantitative data into a single report, data including details on current housing as well as homelessness programs. The Study would ideally consist of surveys from both employees and employers, and answer specific questions that help communities better understand the unique challenges on the Peninsula. Additionally the Study will produce suggested action steps (i.e. analysis of the social willingness for housing advocacy, impacts/benefits to local businesses, recommendations on the formation of a sub-region, interpretation of economic drivers, etc.).

Currently available resources for the Study include, but are not limited to: census data, MPUSD's Decision Insight student enrollment data, and state legislation.

The Study's target geographic locations include Carmel-By-The-Sea, Del Rey Oaks, Marina, Monterey, Pacific Grove, Sand City, Seaside, and specific unincorporated portions of the County.

The Study will ideally provide an opportunity for the public sector to collaborate with the private sector, deepening relationships between the cities on the peninsula, educational institutions (California State University, Monterey Bay (CSUMB) and Monterey Peninsula College (MPC)) and hospitality employers.

The Study will also provide opportunities to enhance relationships with state and federal governments, and support local decision makers in improving housing affordability policies throughout the region.

2) Explore Formation of Peninsula Housing JPA

The Coalition discussed at length the usefulness of forming a regional, housing related JPA.

- 1) What programs would such a JPA provide?
- 2) What will be the JPA's source of revenue?

Programs

A JPA would provide an recognized, regional platform for the various communities on the peninsula to ensure regional credibility. It would: as we work toward

- (1) Enable the region to speak with one voice as we explore funding sources for affordable housing, and
- (2) Help municipalities (and potentially other agencies and organizations) implement local (and employer based) housing policies.

An example from other regional JPAs include the issuance of loans to first-time homebuyers or developers intending to create affordable housing projects. If this region chooses a similar model, further discussion about requirements for developers is needed (i.e. 100% affordable projects, market-rate projects with deed-restricted senior or developmentally disabled adults, etc.).

The JPA would also allow participating agencies the opportunity to agree on regional housing goals, create collaborative efforts on RHNA and Housing Elements, and work with AMBAG to pay for regional housing efforts (i.e. streamlining ordinances at a regional level, utilization of SB2 Planning and Implementation funds, etc.)

Source of Revenue

One source of funding of such a JPA would to obtain competitive gap funds (provided by other agencies) for housing projects. Additionally, the JPA would have all participating entities pay annual dues for the various administrative costs associated with maintaining the entity. The JPA could also incorporate a 501(c)(3) nonprofit organization, which would permit it to collect charitable contributions from private (organizations and individuals) pro-housing entities.

There have been conversations in the business community about finding ways of supporting the construction of affordable housing, and a public-private partnership could create a fund that expands sources towards affordable housing solutions.

Additionally, we have discussed a conceptual ballot measure that would establish a regional housing fund. (The Coalition noted that there have been ongoing conversations within the county to propose a housing bond, but that appears delayed until potentially the 2022 or 2024 elections.) This local funding dedicated to affordable housing would make our region more competitive when seeking federal, state, and private dollars.

In addition, possible members or workforce housing contributors to an organization of this type might be:

- Schools and school districts (MPUSD, PGUSD, CUSD, MPC, MIIS, etc.)
- Hospitality industry (Pebble Beach Co., MPHA, business associations, etc.)
- Restaurant industry

Further analysis is needed in determining how, if at all, to “set-aside housing” for particular contributing organizations.

Additional Thoughts

The model for forming a JPA came from San Mateo’s HEART (The Housing Endowment and Regional Trust) program (www.heartofsmc.org). In addition to the HEART program, there are two other organizations their region recently established, which aid in advancing housing affordability: (1) 21 Elements, and (2) Home for All.

21 Elements

21 Elements is a multi-year, multi-phase collaboration of all twenty-one San Mateo county jurisdictions, along with partner agencies and stakeholder organizations. The project aims to support jurisdictions in developing, adopting, and implementing local housing policies and programs. It is a forum for sharing resources, successful strategies, and best practices.

Housing Planning — 21 Elements brings together cities in San Mateo County to learn from each other and collaborate, helping them complete their state required Housing Elements or housing plans. By providing data, sample language, and best practices, 21 Elements allows cities to write high-quality Housing Elements with fewer resources.

Housing Policy — Often, cities in San Mateo County are struggling with similar housing issues and considering similar solutions. 21 Elements helps those cities find policies that are right for them, working with their neighbors in a supportive, cooperative environment. Respecting local control, 21 Elements makes it easier to adopt innovative

policies that address important housing needs. From affordable housing to accessory dwelling units, 21 Elements has resources to help.

Home for All

Home for All is the housing advocacy arm of the San Mateo County's housing affordability strategy. Their mission is to establish a climate in San Mateo County where a diversity of housing is produced and preserved. Their stated goal is closing the jobs-housing gap. The below efforts represent the bold actions that local leaders from government, business, industry, and nonprofits are currently taking to increase housing in San Mateo County and create more homes people can afford:

- 1) Building Partnerships and Community Support
- 2) Supporting All Types of Housing Development
- 3) Funding Affordable Housing
- 4) Securing Land & Strengthening Community Infrastructure

Conclusions on the Formation of a JPA

Our region has unique characteristics that should be considered when thinking about the development of a similar model, and we should be mindful of the differences between our region and theirs, and not necessarily duplicate the San Mateo model.

Our idea is that we first work to establish a regional JPA, and later work to integrate other programming efforts into our overall strategic housing affordability portfolio.

In order to move forward with this idea, the Coalition would like to receive feedback from our members' jurisdictions about the following elements:

- Is there a willingness to explore and possibly be a part of such a JPA?
- Are there other elements we can or should include in the programmatic portion of the JPA?
- Who can and should manage the programs?
- How do we build the social and political will to support regional collaboration?
- How do we determine an appropriate fee structure?

There are many benefits for the region in forming a JPA, including the need for collaboration and the need for providing additional funding for affordable housing solutions. The establishment of a JPA would permit local agencies to better tackle barriers in housing affordability at a regional level.

3) Water Allocation for Affordable/Workforce Housing

The politics around regional water availability and use have been growing more polarized, partially due to increasing pressure from the state to develop more housing,

faster. In an effort to eliminate water as a constraint, the Monterey Peninsula Water Management District (MPWMD) agendized a discussion entitled “Allocation of Water for Affordable Housing” at their August 19, 2019, board meeting.

The policies that the district can consider until the CDO is lifted include:

- Creating a new allocation from accumulated conservation savings (e.g., Ordinance 87 re: CHOMP)
- Reclaiming recently expired water credits
- Seeking voluntary forfeiture of existing, unused water credits
- Easing transfers between commercial and residential parcels
- Consideration of allowing financial incentives for surrender of water credits
- Developing a conservation offset program
- Allowing entitlements to be designated for a general place of use, freeing up potable supply elsewhere

Conservation within the district may provide opportunities for additional water being available for affordable housing projects (i.e. MPC turf replacement) and further analysis can help clarify water supply barriers and opportunities (i.e. the soon-to-be-released MBEP “Blue Paper”). Regardless of the current constraints on water, policymaking on housing affordability should be done now in order to eliminate other barriers once additional water supply is available in the future.

4) Leverage Additional Federal/State/Local Dollars

This objective has been combined with the JPA report, in regards to the 21 Elements organization from San Mateo County. Collaboration amongst staff in the regional jurisdictions will allow entities to leverage additional affordable housing dollars.