

HOUSING ADVISORY COMMITTEE MINUTES

ZOOM SPECIAL MEETING Wednesday, February 17, 2021 5:00 PM

1) **Call to Order:**

Chair Williamson called the meeting to order at 5:00 p.m.

2) **Roll Call**

Members Present: Karen Araujo, Virginia Mendoza, Tyler Williamson

Raul Calvo, Virginia Mendoza, and Wes White Joined Meeting at 5:08 p.m.

Members Absent: Ignacio “Mog” Cabatu

Staff Present: Coleen Courtney, Darby Marshall, Melissa McDougal, Mary Israel, Erik Lundquist, Anita Nachor, Wendy Strimling, Anastacia Wyatt

Others Present: Larry Bacon, Janet Wallace Brennan, Chris, Deb Evans, Leigh Fitz, Deborah Greenberg, Jeff Greenberg, Emily Ham, Ann Hanham, Scott Hanham, John Heyl, Janis, , Margie Kay, Karin Strasser Kauffman, Jennifer, Judy Layman, Esther Malkin, Marcia, Mike, Jim Moose, Noel, Margaret Robbins, Eric Sand, Tim Sanders, Asaf Shalev, Richard Scott, Pris Walton, Michael Waxer, Alan Williams, Jeff Wood,

3) **Public Comment:**

The Housing Advisory Committee will receive public comment on items not listed on the agenda within the purview of the Housing Advisory Committee. The Chair may limit the length of individual presentations.

No public comment.

4) **Approval of Meeting Minutes for January 13, 2021**

Action: A motion was made by Mr. Calvo to approve the January 13, 2021 minutes. Ms. Mendoza seconded the motion.

VOTES:

AYES: Araujo, Calvo, Mendoza, White, Williamson

NAYS:

ABSENT: Cabatu

ABSTAINED:

5) **Scheduled Matters**

- a. Continue discussion from HAC meeting of January 13, 2021 on the Rancho Cañada Village Project; and,
- b. Provide a recommendation on the affordable housing component of the Rancho Cañada village Project, proposed to be 20% moderate income units.

Mary Israel gave a presentation. Discussion Held. Receive and File.

HOUSING ADVISORY COMMITTEE MINUTES

ZOOM SPECIAL MEETING Wednesday, February 17, 2021 5:00 PM

Extensive discussion regarding the market study.

Public Comment was given as follows:

Pris Walton stated that affordable housing is a critical need in Monterey County, specifically in the Carmel Valley. There is a cap of 190 units in the Carmel Valley. This project would take up the lion's share of 68% of them without providing housing that is needed in the valley for people who can't buy or rent here. It would be the largest development in an area of Carmel Valley that is uniquely located next to transportation shopping services schools. In December, CVA indicated that we would be very pleased to see five acres dedicated for affordable housing. There are several individuals who would be willing to work on setting up a nonprofit governmental agency, since monies are available to build and we have not received a reply from Mr. Williams.

Esther Malkin, Monterey County Renters United Group stated that encouraged the Committee to force the RCV Project to stick to the original plan or at least 30%.

Scott HanHam stated that the existing general plan and master plan should be respected. Mr. Hanham also stated that he agrees with what has been said so far about the importance of affordable housing or Carmel Valley. Moderate income is not adequate and is too high for the demand.

Judy Layman stated she supports all the previous speakers and that she believes that 50% is necessary, moderate is too high. Development of affordable housing for the working people.

Janet Wallace Brennan, Chair of the Carmel Valley Land Use Advisory Committee, relayed that the committee heard the RCV project yesterday evening and voted four to one that the project be amended to require affordable housing consistent with the 2010 General Plan.

Noel, from CVA and the Chair of the CVA Natural Resources Committee, stated she agrees with the many points that have been brought up about the importance of adhering the Carmel Valley Master Plan.

Margaret Robbins stated that there is a need for moderate income units, which will be provided by the RCV.; additionally, it will also provide flood control. One of the first things they will do is build a dike and keep the floodwaters from coming down Rio road.

Tim Sanders stated that he supported the previous speakers.

HOUSING ADVISORY COMMITTEE MINUTES

ZOOM SPECIAL MEETING

Wednesday, February 17, 2021 5:00 PM

Karin Strasser Kaufman, former County Supervisor, stated that 35% would be the appropriate number of minimum affordable units on this property on this piece of land. That is the requirement of the county. Ms. Kaufman also stated that there is a need to have affordable housing for younger workers for the younger workforce

Jeff Greenberg stated that he would like to have the Committee consider the size of the project. The project is 70% of the remaining available housing in the Carmel Valley. Housing in Carmel Valley will be clustered in that one zone.

Jeff Wood stated that he noticed in the general plan, it speaks about affordable housing being started after the 85th plot is sold. Mr. Wood is concerned about how long it will take to build the affordable units. Wood also stated the need for affordable housing for people who are currently working and not just seniors or the disabled

John Heyl, Carmel Valley resident, stated that he encouraged the committee to take more time to consider the RCV project but preferably not to approve it, as recommended or proposed.

Larry Bacon, Carmel Valley resident and CVA members, stated that he requests the Committee protect the 50% affordable housing and take it back to the drawing board and be reconsidered.

Richard Scott stated that he lives on Rio road and within the Floodplain. The County has constructed a berm, along Bellerby drive and should protect Carmel

Eric Sand, Carmel Valley resident, stated CVA is behind affordable housing and believes that the RCV project should retain the original mandate of 50%.

Alan Williams, Developer stated that he would ask the Committee to review Alternate Six from the DEIR. That is 105 market rate units, 25 moderate income units, and 30 accessory dwelling units (ADUs). By definition of the governor and the end the legislature, those are affordable units that would get us 55 afford affordable housing units. It is in the mouth of Carmel valley near all the transportation; there is water and sewer.

Jim Moose, Mr. Williams/developer attorney, stated that he wanted to offer a different perspective, as a land use lawyer who practices all over California. People are advocating for the perfect project from their standpoint 50% affordable housing, in the sense they are advocating for something that is financially not viable. Mr. Moose stated that he has seen around the State that a 50% requirement is extraordinarily high. He stated that he sees percentages such as 10% , 15% in other communities. It is a very high-minded thing to advocate 50% affordability

HOUSING ADVISORY COMMITTEE MINUTES

ZOOM SPECIAL MEETING Wednesday, February 17, 2021 5:00 PM

and to want to have low and very low income. That cannot happen in the real world, that cannot happen in the marketplace based on basic economics because the subsidies would be so extraordinary. Mr. Williams is trying to build affordable housing, 20% is a high requirement by state standards and Mr. Williams is trying to offer housing to a market segment, that is not poor by statewide standards, but by Monterey County standards is relatively less affluent than a lot of the people there.

Mr. Moose stated that the developer has hired Economic Planning Systems (EPS) to review the economics of three different scenarios. One was a 30% affordability and it lost millions of dollars. If a 30% affordability requirement would lose millions, then obviously a 50% requirement would lose many, many millions. EPS studies showed that the rate of return that Mr. Williams is seeking is very low compared to normal standards return that developers seek due to the risk. If your business is to propose housing in a world with CEQA and CEQA lawsuits and years long litigation, that is a risky business and a very low rate of return. Mr. Williams is trying to bring this proposal to a close and accept a very modest profit.

Virginia Mendoza stated as a member of this Committee her duties are to assist with affordable housing. Ms. Mendoza also stated that she does not understand why the original proposal was 50% on affordable housing and now she is hearing 20% or 30% affordable housing. Can staff please answer the question?

Mary Israel stated that in 2010 the Board of Supervisors approved a general plan that included the Carmel Valley master plan, and in policy CV 1.27 established that RCV would have a special treatment area that would allow up to 10 units per acre on 40 acres and in exchange would require a minimum of 50% affordable/workforce housing. The CVMP was amended in 2013 because of a settlement agreement with Carmel Valley Association, which amendment specifically included reducing the unit cap for Carmel Valley from 266 units to 190 units; that's policy CV 1.6. In response, the applicant proposes a reduced project alternative of 130 units, and that was way back when it went to the Board of Supervisors in 2016. They had to reduce the number of units, because de facto it was forced basically by the cap being lowered, so it was like a secondary effect and that is why they are not offering this 50% now because they are not doing the 281 unit project.

Ms. Araujo stated that Ms. Walton spoke about five acres to build out affordable units. That would be a wonderful thing. Also, it would be a win, win, removing something that is burdensome for Mr. Williams.

HOUSING ADVISORY COMMITTEE MINUTES

ZOOM SPECIAL MEETING Wednesday, February 17, 2021 5:00 PM

Action: A motion was made by Ms. Araujo to recommend 35% affordable housing requirement at the various income thresholds and allowing flexibility to work with the county staff to increase the total number of units, where it will work for the developer. Mr. White seconded the motion.

Action: A substitute motion was made by Ms. Mendoza to recommend 40% affordable housing requirement at the various income thresholds and allowing flexibility to work with the county staff to increase the number of units, where it will make it work for the developer.

No second, so the substitute motion died for lack of a second.

VOTES ON THE MAIN MOTION:

AYES: Araujo, Calvo, White, Williamson

NAYS: Mendoza

ABSENT: Cabatu

ABSTAINED:

Motion passes 4-1.

Action: A second motion was made by Mr. White to define the 35% affordable housing requirement set forth in the first motion. Identified in Policy LU 2.13 is 6% very low, 6% low, 8% moderate, 5% Workforce I, and 10% Workforce I or II. Mr. Calvo seconded the motion.

VOTES:

AYES: Araujo, Calvo, White, Williamson

NAYS: Mendoza

ABSENT: Cabatu

ABSTAINED:

Motion passes 4-1

6) Committee Member Reports

Committee members will report on matters, events, and activities related to HAC goals and housing advocacy matters. Committee members may give direction regarding future agenda items.

7) Updates from Staff:

None

HOUSING ADVISORY COMMITTEE MINUTES

ZOOM SPECIAL MEETING Wednesday, February 17, 2021 5:00 PM

8) **Schedule of Upcoming Meetings**

March 10, 2021

May 12, 2021

July 14, 2021

September 8, 2021

November 10, 2021

9) **Adjournment:**

Action: Chair Williamson moved to adjourn. The meeting was adjourned at 6:55 PM.