City of Pacific Grove

2023–2031 Housing Element Update

Draft

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Introduction

This Housing Element is the City's eight-year blueprint for meeting the housing needs of Pacific Grove from 2023 to 2031. The Housing Element provides a coordinated strategy for preserving the city's existing housing stock and advancing opportunities for new housing for all residents. The City is adopting this strategy as a part of its focused General Plan update, which is the blueprint for how the city and residents will grow in the future. The Housing Element is the only element required to be updated every 8 years as mandated by California Government Code Section 65581.

Meeting current and projected housing needs ensures Pacific Grove can accommodate its share of the Regional Housing Needs Allocation (RHNA). The Housing Element identifies constraints to housing production as well as policies and actions to help overcome these constraints.

Consistency with the General Plan

The Housing Element is one of seven required elements of the City's General Plan which include land use, transportation, conservation, noise, open space, safety, and housing (elements can be combined or renamed as determined by the City). California Government Code Section 65583(c) requires the Housing Element to maintain internal consistency with other General Plan Elements. Pacific Grove's current General Plan was last amended in 1994 and is comprised of nine elements: Land Use, Housing, Transportation, Parks and Recreation, Natural Resources, Historic and Archaeology, Urban Structure and Design, Public Facilities, and Health and Safety.

The Housing Element builds upon policies set forth within the Community Land Use Element which includes meeting the City's housing need and land use regulations.

All elements of the General Plan bear equal weight, and no element has legal precedence over another. California Government Code Section 65583 (c) requires the Housing Element to maintain internal consistency with other General Plan Elements. For example, residential density limits established by the Land Use Element are reflected in the Housing Element and form the basis for analyzing residential capacities within the City. The City will ensure that internal consistency is maintained across all sections of the General Plan.

Purpose of the Housing Element

State law recognizes the vital role local governments play in the supply and affordability of housing. Each governing body (City Council or Board of Supervisors) of a local government in California is required to adopt a comprehensive, long-term general plan for the physical development of the city, city and county, or county. The Housing Element is one of the seven mandated elements of the local general plan.

Current state law delineating Housing Element requirements is found in California Government Code Sections 65580 through 65589.8, Chapter 1143, Article 10.6. The City of Pacific Grove adopted its fifth cycle Housing Element update covering December 31, 2015 to December 31, 2023. Section 65583 states, "The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing,

factory-built housing, mobile homes, and emergency shelters, and shall make adequate provision for the existing and projected needs of all economic segments of the community."

This Housing Element covers the planning period from December 31, 2023 to December 31, 2031. The Housing Element is intended to adequately plan for the existing and future housing needs of the Community, including a "fair share" of the regional housing need. State Law generally provides flexibility in the content of a General Plan to reflect the values and needs of a community. However, State Law is more specific and clearly defines what must be addressed in Housing Elements. The Housing Element identifies policies, programs, and objectives that focus on the following:

- Conserving and improving existing affordable housing;
- Providing adequate housing sites to accommodate future housing needs for all income segments of the community;
- Assisting in the development of affordable housing;
- Removing governmental constraints to housing development; and
- Promoting equal housing opportunities for all Pacific Grove residents.

Organization of the Housing Element

The Housing Element is generally organized according to the data and analyses required by State law:

- Chapter 1: Housing Needs and Constraints Assessment
- Chapter 2: Housing Resources
- Chapter 3: Housing Action Plan

The research and analysis that inform the update are compiled in appendices at the end of the document, including a review of the City's accomplishments in implementing the previous Housing Element:

- Appendix A Site Inventory Summary Table
- Appendix B: Affirmatively Furthering Fair Housing
- Appendix C: Review of Past Accomplishments
- Appendix D: Public Outreach

Community Profile

Pacific Grove's Location

The City of Pacific Grove is a coastal community located on the Monterey Peninsula in Monterey County, California. The city covers 2.8 square miles and is bounded by Pebble Beach to the southwest, Monterey to the southeast, Monterey Bay to the northeast, and the Pacific Ocean to the northwest. Pacific Grove is located approximately 15 miles to the southwest of Salinas and 50 miles to the southwest of San Jose.

Figure 1 Regional Location

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23-14477 EPS HE Site Inventory
Fig 1 Regional Location

Pacific Grove's History

Aboriginal peoples first occupied the California Coast more than 10,000 years ago; a few hundred inhabited Pacific Grove. They relied heavily on coastal resources for subsistence, did not farm, and did not raise animals for food. Their subsistence was based solely on hunting and gathering a wide variety of animals and plants. They moved their villages periodically and did not build permanent structures.

Native Americans first came in contact with Spanish explorers in 1602. Of the 11,000 total Native American population at that time, about one-third lived in the Monterey Bay Area. Although Native Americans still occupied a considerable part of the Monterey Bay area until the beginning of European settlement 150 years later, many Native Americans were transferred to missions, the closest of which was located in Carmel. By 1920 there were only 56 recorded survivors of this large Native American populations. There is nearly continuous archaeological evidence along the Pacific Grove waterfront indicating Native American use of the Pacific Grove area.

The Monterey Bay area was successively occupied by three major cultural groups: Native Americans of the central coast region; Spanish-Mexicans; and Northern Europeans. The first Spanish-Mexicans settled in the Monterey Bay area in 1770. They introduced horses, cattle, and sheep to the abundant range land. They also introduced non-native vegetation which brought sweeping ecological and visual changes to the landscape. In comparison with their cattle industry, tilling the soil was a minor activity of the Spanish settlers and took place primarily around the Mission sites. It took only a small number of workers to maintain the great cattle herds. Thus, the population of Spanish-Mexicans was sparse over most of the Monterey Bay area. As late as 1847, only about 40 Europeans lived in the nearby Pajaro Valley. The early recorded history of the Monterey Peninsula is the history of the city of Monterey. Monterey is one of the oldest communities in North America. The Spanish first came to the present site of Monterey just 50 years after Columbus discovered the New Continent.

In the early 1800s, the rearing of cattle for hides and the hunting of marine mammals was the principal commerce. Sea otters, sea lions, and whales were in abundance. Many new settlements whose economy was based on the whaling industry were established along the coast. Monterey Bay was a major center for this activity.

Many small towns were founded in California in the 1870s, primarily in response to local economic and social pressures. Pacific Grove, however, was formed for religious purposes. Most of the land that now constitutes Pacific Grove was owned by David Jacks, a wealthy land owner and rancher. In 1875, he consented to the development of a Methodist Christian Seaside Retreat on 100 acres of pine-covered coastal land that he donated. The Retreat was conceived as a place to worship in a quiet and beautiful natural environment where one could nurture both spiritual and physical health. The first two-week camp meeting of Methodist ministers was held on August 8, 1875, and the meetings became an annual event for several decades.

Sections of Mr. Jacks' property were subdivided into 30' x 60' lots to be used as tent sites for seasonal visitors. Gradually, permanent tent frames were constructed on the lots, and eventually many frames were converted to year-round single-wall structures. Later, other lots were sold for year-round homes and stores, and streets were improved. A few people began staying in the campground over the winter. They built the first homes, usually modest board-and-batten structures. A handful of shops and services sprouted on and around Light House Road. Three parks were developed (Caledonia Park, Greenwood Park, and Cypress–now Berwick–Park). Although a

large stable was built on Grand Avenue, walking was considered the appropriate method of transportation within the community.

As Pacific Grove's permanent population slowly grew, and as the summer crowds increasingly filled available boarding houses and tent sites, the community faced its first urban problem, an inadequate water system. In 1881, approximately 7,000 acres of land (including the Ranchos Pescadero and Point Pinos) were sold to the Pacific Improvement Company (PIC) by David Jacks. In 1883, he sold more land –including the site of Pacific Grove–to PIC. PIC was a subsidiary of the Southern Pacific Railroad which heartily endorsed the development of an attractive seaside resort that would draw railroad passengers from three directions. One of PIC's first accomplishments was to solve the water problem by connecting the town supply with the Carmel River. PIC graded and leveled streets, put into effect sewerage and drainage and trash pickup, and resurveyed lots.

On July 16, 1889, Pacific Grove incorporated. By agreement with PIC, the Pacific Grove Association–the original founding body–continued to have "moral and prudential control over the grounds." Over the next few decades, a number of areas were added to the city, and the Victorian homes that came to define Pacific Grove's residential character were built.

Other inhabitants of the Monterey Bay Area and Pacific Grove were Chinese immigrants who came to work on the railroad. Many eventually became fishermen and developed a thriving industry based on shipping sea products abroad. By 1853, some 500 to 600 people inhabited "Chinatown," located at Point Alones, where Hopkins Marine Station now stands. The Chinese Village was one of the most thriving settlements of its kind on the west coast. In 1906, it burned to the ground, and none of its residents were allowed to return.

During the 1870s and 1880s, mineral wells and saltwater baths in Pacific Grove grew in popularity. By the early 1900s, a large bathhouse and boat house had been constructed. Recreation and tourism on the Monterey Peninsula grew steadily after the turn of the century. Golf courses built in the early 1930s attracted increasing numbers of tourists to the recreational and scenic amenities of the area.

Overtime, Pacific Grove has grown into a vibrant community that values its history, natural beauty, and small-town atmosphere. The town's charming downtown area offers boutique shops, restaurants, and galleries, while its picturesque shoreline invites residents and visitors to explore its scenic trails and beaches. Today, Pacific Grove continues to enchant visitors with its Victorian architecture, stunning coastal vistas, and its dedication to preserving its rich heritage. It remains a treasured destination on the California coast and a testament to the timeless allure of America's Last Hometown. The City underwent an update to its Historic Resources Inventory (HRI) in 2019. Results of the HRI indicated that 932 properties are considered locally historically significant, with 249 of those appear eligible for the California Register and/or the National Register.

Data Sources and Methods

Data from a variety of sources is used to complete the Housing Element. The most cited source is the U.S. Census, which provides consistent demographic characteristics that are widely accepted. The American Community Survey is a feature offered by the U.S. Census and includes five-year estimates on population and demographic characteristics. Other data sources include the following:

- Association of Monterey Bay Area Governments
- California Department of Housing and Community Development (HCD)

- California Housing Finance Agency
- California Tax Credit Allocation Committee
- Comprehensive Housing Affordability Strategy (CHAS)
- California Department of Finance (DOF)
- Home Mortgage Disclosure Act (HMDA) lending data
- Monterey County Point-in-Time Count
- State Employment Development Department (EDD) data on wage and labor statistics
- United States Department of Housing and Urban Development (HUD)

Public Participation

The Housing Element was prepared in conjunction with an extensive community outreach effort, to ensure it reflects the values and preferences of the community. The City of Pacific Grove sought feedback from community members through stakeholder interviews, community workshops, pop-up community events, door surveys, online surveys, and public meetings. In addition, the outreach effort included conversations with housing developers and affordable housing providers. The City also completed a Welcome Home Affordable Housing Initiative, which was a one year process starting Spring of 2020. The Initiative developed near- and long-term strategies to increase housing choices in the city and established an appointed Housing Advisory Group which provided feedback on city initiatives and the Housing Element update. A complete summary of the outreach efforts is in Appendix D of the Housing Element.

Chapter 1

Housing Needs and Constraints Assessment

Housing Needs Assessment

The Housing Needs Assessment analyzes demographic and housing characteristics, identifies special housing needs among specific population groups, evaluates housing conditions, and provides other important information to support the goals, policies, and programs to meet the needs of current and future residents.

Data sources for the Needs Assessment include the U.S. Census Bureau (Decennial and American Community Survey 5 Year Estimates), the California Department of Finance, the California Employment Development Department, the Association of Monterey Bay Area Governments (AMBAG), and other public or private sources. These data sources are helpful in assessing existing conditions, providing a comparison with historical data, and forecasting future conditions. Since different data sources were used, some figures (for example, population or the households) may vary slightly in different sections.

Demographic Characteristics

Housing needs in the City of Pacific Grove are greatly influenced by population and employment trends. The following section provides a summary of the changes to the population size and age, household composition, the racial/ethnic composition of City residents, and employment trends.

Population

According to the California Department of Finance, the Pacific Grove population was estimated to be 14,761 in 2022. For consistency purposes, the 2020 ACS five-year estimate of the population was 15,471, a decline of 710 people in two years.

Since the mid-1970s, Pacific Grove has experienced only slight fluctuations in its overall population and experienced a slight population decline from 2000 to 2020. The Pacific Grove Unified School District (PGUSD) has also experienced a decline in student enrollment. Neighboring cities of Carmel-by- the-Sea and Monterey also experienced steeper declines during this period, while the county as a whole grew. According to projections by AMBAG, Pacific Grove is expected to experience minor population growth of 2.3 percent from 2015 to 2045, holding a steady population between 15,000 and 16,000 people. Meanwhile, Monterey County is expected to grow significantly faster at 14.2 percent over the same timeframe. Table 1-1 shows past and projected population for Pacific Grove and Monterey County.

Table 1-1 AMBAG Population Projections

Year	Pacific Grove	Monterey County
2015	15,460	430,310
2020	15,265	441,143
2025	15,290	452,761
2030	15,395	467,068
2035	15,530	476,028
2040	15,676	483,884
2045	15,817	491,443
Change 2015-2045	+357	+61,133
Percentage Change	2.3%	14.2%

Source: AMBAG 2022 Regional Growth Forecast

Despite these population projections, there is still a high demand for housing in the region, including Pacific Grove and Monterey County. In Pacific Grove, due to the high value of existing housing and limited suitable locations for development, the total number of housing units has only increased by 26 units between 2010 and 2022. In addition, as described later in this chapter, finding housing in Pacific Grove is impacted by: (1) the number of housing units used as vacation homes or short-term rentals, (2) high housing costs and lack of diverse housing typologies. A majority of housing units in Pacific Grove are detached houses. Lastly, many jurisdictions in the Monterey Bay Area received a larger RHNA this cycle compared to the last housing element cycle, primarily due to changes in state law that led to a considerably higher unit allocation compared to previous cycles.

Age Characteristics

From 2010 to 2020, Pacific Grove experienced two significant changes in age structure: the number of people in the 35 to 54 cohort decreased by nearly 10 percent and the number of people in the 65+ cohort increased by almost 10 percent. The City has seen a small uptick in children under 15, rising from 13 percent to about 16 percent. The growth of the 65+ cohort is also reflected in the City's median age which grew from 45.8 to 48.3 years old over the past decade. While the county's median age grew over the decade as well, it is significantly younger with an average age of 35 years.

When comparing age structures to Monterey County as a whole, Pacific Grove has a significantly smaller share of residents for both the under 15 and 15 -19 brackets and a significantly larger share of residents in the 65+ bracket (27% to 10%). Table 1-2 shows the age characteristics for the city as well as the county.

A continued aging of population will mean that the City will need to consider the types of services provided, maintenance and rehabilitation programs for the existing housing stock, and affordable housing for seniors. There are a number of programs and services currently available to the City's existing senior population, including the Meals on Wheels program currently run by the Sally Griffin Senior Center.

Table 1-2 Population Age Distribution, 2010-2020

	Pacific Grove		Monterey County	
Age Group	2010	2020	2010	2020
Under 15	12.9%	15.5%	22.0%	22.2%
15 – 19	6.1%	4.4%	7.1%	8.0%
20 – 34	15.3%	15.7%	21.3%	22.7%
35 – 54	31.6%	23.0%	24.8%	26.7%
55 – 64	16.2%	14.5%	11.1%	9.9%
65 +	17.8%	26.9%	13.6%	10.4%
Total	**100%**	**100%**	**100%**	**100%**
Median Age	45.8	48.3	32.8	34.7

Sources: ACS 5-Year Data 2010, 2020

Note: Totals do not add up to 100% due to rounding errors.

Household Characteristics

Household size and composition are often interrelated and can indicate the type of housing appropriate for Pacific Grove residents. The U.S. Census defines a household as all persons living in a single housing unit, whether or not they are related. In 2020, the average Pacific Grove household was comprised of 2 persons, a decrease from about 3 in 2010.

Of the total of 6,977 households, almost 57 percent were categorized as families, while 43 percent as non-family (Table 1-3). Family households (families) consist of a householder and one or more other persons living in the same household who are related by birth, marriage or adoption. Households categorized as non-family include single individuals and persons living with roommates.

As shown in Table 1-4, almost 75 percent of owner-occupied and renter-occupied households were comprised of one or two persons. Renter-occupied households have a higher percentage of larger households (5+ persons) with six percent comprised of more than five people compared to 2 percent of owner-occupied households.

Table 1-3 Household Composition in the City of Pacific Grove, 2020

Household Type	Number	Percentage
Family Households	3,958	56.7%
Married Couple	3,179	45.6%
Male Householder, no spouse	227	3.3%
Female Householder, no spouse	552	7.9%
Non-Family Households	3,019	43.3%
Total Households	**6,977**	**100%**

Sources: ACS 5-Year Data, 2020

Table 1-4 Household Size by Tenure, 2020

	Owner-Occupied		Renter-Occupied		Total	
Household Size	Number	Percent	Number	Percentage	Number	Percentage
Total Occupied Units	3,275	100%	3,702	100%	6,977	100%
1-person household	962	29.4%	1,602	43.3%	2,564	36.7%
2-person household	1,452	44.3%	1,138	30.7%	2,590	37.1%
3-person household	428	13.1%	376	10.2%	804	11.5%
4-person household	365	11.1%	351	9.5%	716	10.3%
5-person household	27	0.8%	223	6.0%	250	3.6%
6-person household	31	0.9%	6	0.2%	37	0.5%
7+ person household	10	0.3%	6	0.2%	16	0.2%

Sources: ACS 5-Year Data 2020

Note: Totals do not add up to 100% due to rounding errors.

Race and Ethnicity

According to the 2016-2020 ACS, Pacific Grove's racial and ethnic composition was significantly less diverse than the county as a whole, with 84 percent of the population identifying as white alone and 11 percent reported as Hispanic or Latino compared to almost 49 percent and nearly 60 percent for the county, respectfully. A review of 2006-2010 ACS data shows that the city's race and ethnic composition has remained relatively unchanged for the past decade aside from a growing Hispanic and Latino population which increased from about 7 percent to 11 percent in 2020 (Table 1-5).

Table 1-5 Race and Ethnicity, 2010-2020

	Pacific Grove		Monterey County	
Category	2010	2020	2010	2020
Race				
White alone	85.5%	84.0%	69.8%	48.5%
Black or African American alone	1.2%	0.6%	3.2%	2.6%
American Indian and Alaska Native alone	0.4%	0.3%	0.9%	0.7%
Asian alone	7.2%	7.2%	6.3%	5.8%
Native Hawaiian and Other Pacific Islander alone	0.3%	0.0%	0.4%	0.5%
Some other race	2.7%	2.0%	15.8%	35.1%
Two or more races	2.6%	6.0%	3.6%	6.8%
Ethnicity				
Hispanic or Latino	7.4%	11.1%	53.7%	59.0%
Not Hispanic or Latino	92.6%	88.9%	46.3%	41.0%

Sources: ACS 5-Year Data 2010, 2020

Note: Totals do not add up to 100% due to rounding errors.

Employment

Housing needs are influenced by employment trends. Significant shifts in employment opportunities within or around the City can lead to growth in demand for housing in proximity to jobs. The quality or level of pay also determines the need for various housing types and prices.

As shown in Table 1-6, the largest occupational category for Pacific Grove residents was "management, business, science, and arts" comprising of about 57 percent of all employed residents. "Service and sales/office" occupations represented about 14 percent and 20 percent of workers, respectively. Nearly 40 percent of the population 16 years and older does not participate in the labor force which is unsurprising given Pacific Grove's large and growing senior population.

Table 1-6 Employment by Occupation, 2020

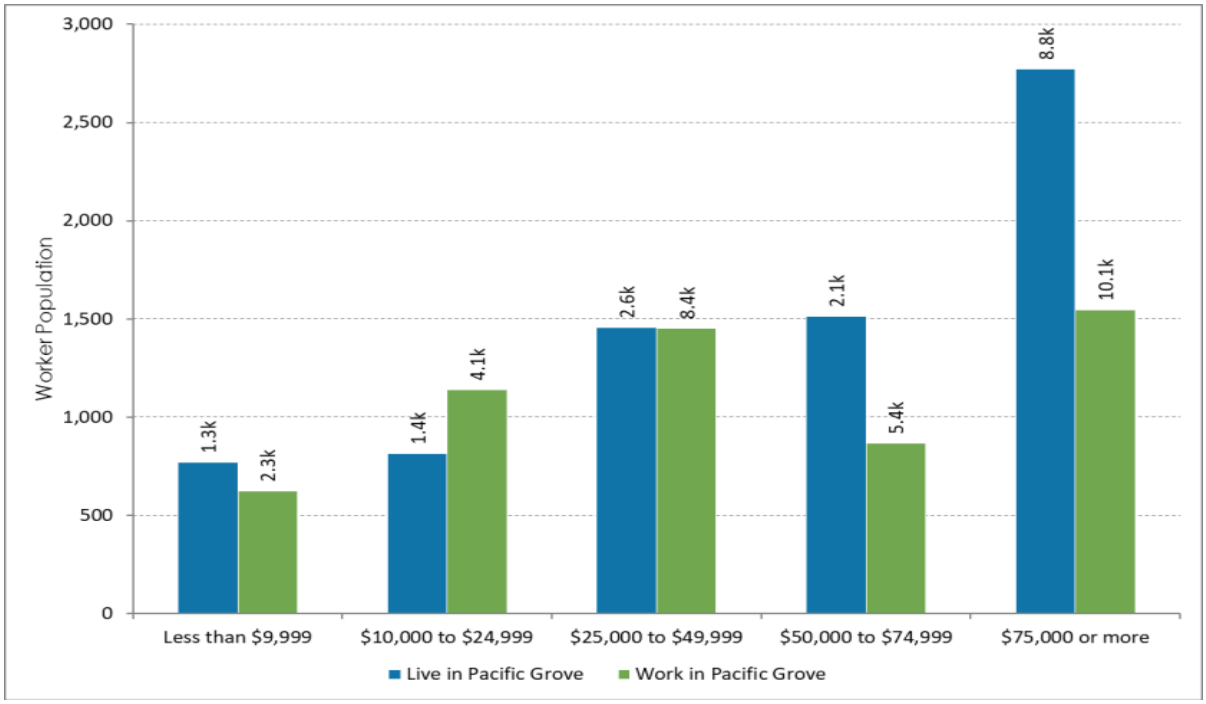
	Pacific Grove		Monterey County	
Occupation	**Total**	**Percentage**	**Total**	**Percentage**
Management, Business, Science, and Arts	4,090	57.3%	59,342	32.5%
Service	989	13.9%	31,753	17.4%
Sales And Office	1,408	19.7%	35,207	19.3%
Natural Resources, Construction, & Maintenance Occupations	347	4.9%	33,953	18.6%
Production, Transportation, And Material Moving Occupations	306	4.3%	22,189	12.2%
Total	**7140**	**100%**	**182,444**	**100%**

Sources: ACS 5-Year Data 2020

Note: Totals do not add up to 100% due to rounding errors.

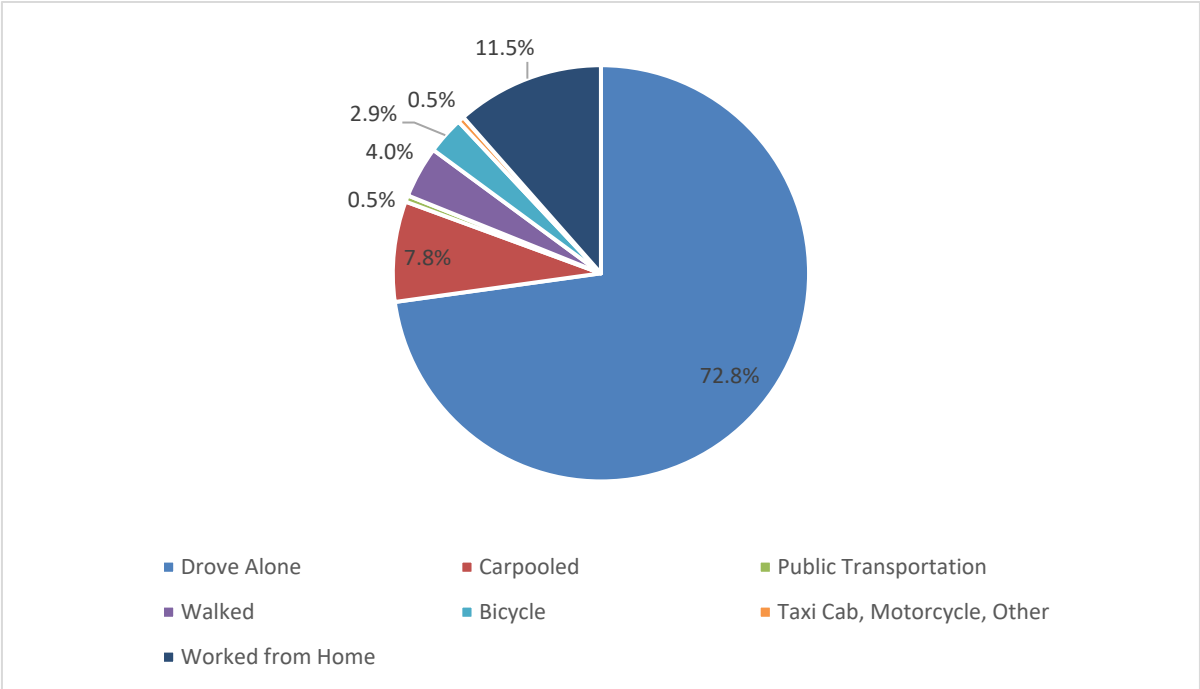
While Pacific Grove thrives as a tourist destination, offering various hospitality and service-sector jobs, the availability of high-paying professional or technical roles within the City might be limited. Residents may have occupations in lucrative industries, remote work opportunities, or commute to higher-paying job markets nearby. On the other hand, many workers in Pacific Grove find themselves constrained by the local job market's lower-paying options. Figure 1-1 shows that Pacific Grove workers earn significantly less than Pacific Grove residents. As housing prices continue to rise, it becomes increasingly difficult for many workers to find affordable living options within the city. Consequently, some workers are forced to reside in neighboring communities with more affordable housing, leading to longer commutes and additional expenses. According to 2020 ACS estimates, 69 percent of Pacific Grove residents work outside of the city. Figure 1-2 shows that approximately 80 percent of Pacific Grove employees drive to work (about 8 percent of drivers carpool) and about 12 percent work from home.

Figure 1-1 Workers by Earnings by Place of Residence and Place of Work



Source: ACS 5-Year Data 2020

Figure 1-2 Means of Transportation to Work



Source: ACS 5-Year Data 2020

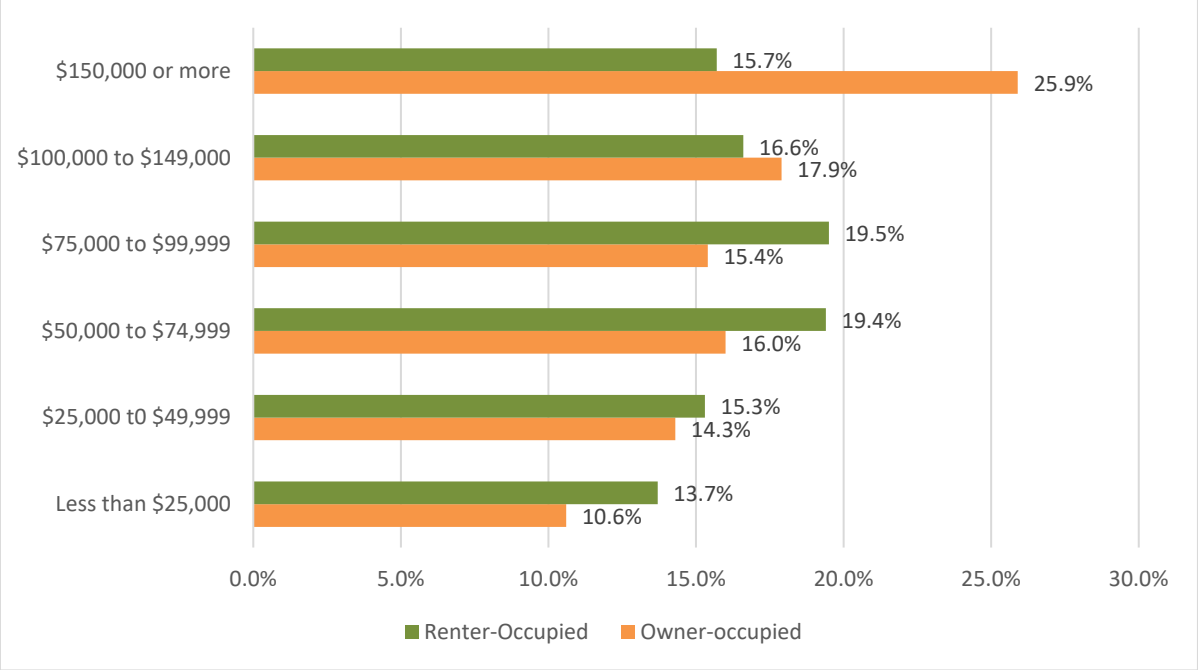
Household Income

Household income relates directly to the household's ability to acquire adequate housing. While above-moderate-income households have more disposable income to spend on housing, low- and moderate-income households are more limited in the range of housing that they can afford. Typically, as the income of households decreases the incidence of overpayment and overcrowding increases.

According to the 2020 ACS, the median income in Pacific Grove was approximately $89,000 per year. However, median income differs depending on tenure, with owner-occupied households reporting an income of approximately $118,000 compared to $77,000 for renter-occupied households.

As seen in Figure 1-3, about 29 percent of renter-occupied households make less than $50,000 a year compared with 25 percent of owner-occupied households. On the other end of the income spectrum, nearly 26 percent of owner-occupied households make more than $150,000 a year compared to 16 percent of renter households. Income inequality between renters and owners is pervasive in Pacific Grove.

Figure 1-3 Household Income by Tenure, 2020



Source: ACS 5-Year Data 2020

For the purposes of the Housing Element, the State Department of Housing and Community Development (HCD) has established five income groups based on Area Median Income (AMI):[1]

- Extremely Low Income: Up to 30 percent of AMI ($0–$34,100)
- Very Low Income: 31–50 percent of AMI ($34,101–$56,850)
- Low Income: 51–80 percent of AMI ($56,851–$91,000)
- Moderate Income: 81–120 percent of AMI ($91,001–$108,100)
- Above Moderate Income: Above 120 percent of AMI ($108,101 or more)

Table 1-7 shows the maximum annual income level for each income group adjusted for household size for Monterey County. The maximum annual income data is then used to calculate the maximum affordable housing payments for different households (varying by income level) and their eligibility for federal housing assistance (see Housing Costs and Affordability section below for more details).

Table 1-7 Maximum Household Income by Household Size, 2023

Income Category	Household Size							
	1	2	3	4	5	6	7	8
Extremely Low	$25,300	$28,900	$32,500	$36,100	$39,000	$41,900	$45,420	$50,560
Very Low	$42,150	$48,200	$54,200	$60,200	$65,050	$69,850	$74,650	$79,500
Low	$67,450	$77,100	$86,750	$96,350	$104,100	$111,800	$119,500	$127,200
Median	$70,300	$80,300	$90,350	$100,400	$108,450	$116,450	$124,500	$132,550
Moderate	$84,350	$96,400	$108,450	$120,500	$130,150	$139,800	$149,400	$159,050

Source: California Department of Housing and Community Development, 2023

As shown in Table 1-8, a significantly higher proportion of renter households are low income compared to owner occupied households. Approximately 37 percent of renter-occupied households and 24 percent of owner-occupied households in Pacific Grove were within the extremely-low-, very-low- and low-income categories. Almost 13 percent of renter-occupied households and 7 percent of owner-occupied households were within the extremely-low-income category.

[1] State income definitions are different than federal income definitions. For federal housing programs, eligibility is established for households with incomes up to only 80% of the AMI. These households, under the federal definition, are considered moderate income. For housing plans that are required by federal regulations, such as the Consolidated Plan and Analysis of Impediments to Fair Housing Choice, the federal income definitions are used.

Table 1-8 Household by Income Level by Tenure, 2019

Income Level	Owner-Occupied		Renter-Occupied		Total	
	Number	Percent	Number	Percentage	Number	Percentage
Total Occupied Units	3,175	100.0%	3,665	100.0%	6,840	100.0%
Extremely Low Income ≤30% of AMI	220	6.9%	465	12.7%	685	10.0%
Very Low Income ≤50% of AMI	145	4.6%	275	7.5%	420	6.1%
Low Income 50% to 80% of AMI	395	12.4%	605	16.5%	1,000	14.6%
Moderate 81% to 100% of AMI	240	7.6%	450	12.3%	690	10.1%
Above Moderate 100%+ of AMI	2,175	68.5%	1,865	50.9%	4,040	59.1%

Source: HCD State Income Limits 2021, 2015-2019 CHAS Data

Note: Totals do not add up to 100% due to rounding errors. Income categories are based on 4-person households.

Housing Characteristics

The following section discusses the state of the housing stock and affordability in Pacific Grove. The analysis includes the type, age, and condition of existing housing units, housing market factors including vacancy rates and housing costs, and potential housing problems including overpayment, overcrowding, and units at risk of converting from affordable to market rate.

Housing Type and Age

As of 2022, there were a total of 8,195 housing units in Pacific Grove. As shown in Table 1-9, the majority (58%) of the units were single-family detached. Single-family detached housing is defined as a one-unit structure separate from any other house; that is, with open space on all four sides. Multi-family housing made up about 34 percent of the housing stock while mobile homes comprised about 2 percent of units. Like population growth, over the past decade, Pacific Grove has not experienced significant additions to the housing stock given the high value of existing housing and limited suitable locations for new and redevelopment. The total number of housing units has only increased by 26 units from 8,169 to 8,195 between 2010 and 2022. The existing water moratorium, as detailed later in this Chapter, could be part of the cause of the limited housing development.

Table 1-9 Housing Unit Types, 2022

Unit Type	Number	Percentage
Single Detached	4,734	57.8%
Single Attached	511	6.2%
Two to Four	1,104	13.5%
Five Plus	1,703	20.8%
Mobile Homes	143	1.7%
Total	**8,195**	**100.0%**

Source: California Department of Finance, E-5 Population and Housing Estimates for Cities, Counties, and the State, 2022.

As shown in Table 1-10, the majority of housing units have two to three bedrooms. Table 1-11 shows that a majority of the two-bedroom units (1,766) are renter-occupied while the majority of three-bedroom units are owner-occupied (1,645). The scarcity of three-bedroom units available for rent can lead to crowding issues for renters, especially families or individuals seeking larger living spaces. The lack of affordable three-bedroom rental options may force families to squeeze into smaller two-bedroom units, leading to overcrowding.

Table 1-10 Housing Unit by Number of Bedrooms, 2020

Year	Number	Percentage
No bedroom	663	7.7%
1 bedroom	1,141	13.3%
2 bedrooms	3,350	39.1%
3 bedrooms	2,602	30.4%
4 bedrooms	641	7.5%
5 or more bedrooms	162	1.9%
Total	**8,559**	**100%**

Source: ACS 5-Year Data 2020

Table 1-11 Unit Size by Tenure, 2020

	Owner-Occupied		Renter-Occupied	
Unit Size	**Units**	**Percentage**	**Units**	**Percentage**
Studio/1 bedroom	84	2.6%	1,452	39.2%
2 bedrooms	853	26.0%	1,766	47.7%
3 bedrooms	1,645	50.2%	406	11.0%
4 bedrooms	557	17.0%	72	1.9%
5 or more bedrooms	136	4.2%	6	0.2%
Total	**3,275**	**100%**	**3,702**	**100%**

Sources: ACS 5-Year Data 2020

Note: Totals do not add up to 100% due to rounding errors.

An indication of the quality of the housing stock is its general age. Typically, housing over 30 years old is likely to have rehabilitation needs that may include plumbing, roof repairs, foundation work, and other repairs.

When looking at housing stock, only nine percent of Pacific Grove's housing units were built in the past thirty years (after to 1990) while more than 50 percent of housing stock dates from before 1950 (Table 1-12).

Figure 1-4 shows that a majority of the city have units over 50 years old, with older units concentrated in the around the Downtown area of the City.

The community is known for its preservation efforts and stock of historic structures with over 1,300 properties listed on the City's Historic Resources Inventory. However, this means the rehabilitation needs and costs could be relatively high. In Pacific Grove, older homes require maintenance and, in some cases, major rehabilitation, but much of the older housing stock has been rehabilitated, without the need to demolish or replace the unit. The City runs the Owner-Occupied Rehab Housing Program (OORH) to assist homeowners with rehab repairs.

Table 1-12 Year Housing Units were Built

Year Built	Number	Percentage
2014 or later	63	0.7%
2010 to 2013	29	0.3%
2000 to 2009	247	2.9%
1990 to 1999	424	5.0%
1980 to 1989	721	8.4%
1970 to 1979	1,049	12.3%
1960 to 1969	1,459	17.0%
1950 to 1959	1,832	21.4%
1940 to 1949	616	7.2%
1939 or earlier	2,119	24.8%
Total Units	**8,559**	**100.0%**

Source: ACS 5-Year Data 2020

Figure 1-4 Housing Units over 50 Years Old

Condition of Housing Units

Households living in substandard conditions are considered to be in need of housing assistance due to health and safety threats, even if they are not seeking alternative housing arrangements. City staff receive inquiries from interested homeowners regarding the Housing Rehabilitation Loan Program. This program provides low-interest loans to income-qualifying homeowners needing financial assistance to make repairs to their homes for health, safety, code, accessibility and/or emergency purposes. The program's scope involves a range of program-eligible repairs assessed on a case-by-case basis such as: remodeling existing bathrooms and kitchens, minor electrical and mechanical updates and enhancing bedrooms and living rooms with a focus on health, safety, code and accessibility purposes. The exterior work might encompass sewer repairs, porches, walkways, staircases, wheelchair ramps, concrete landings and roof replacements.

Generally, the housing stock in the City is in good condition. In 2022 and 2023, Code Enforcement identified 14 housing units that needed some type of rehabilitation and an additional 11 units were determined to be unsafe to occupy.

Based on a comprehensive code violation report spanning from 2015 to 2023, the most prevalent infractions identified were transient use, encroachment or obstruction, construction without a permit, and solid waste disposal, with a total of 1,665 violations recorded during this period. Of the transient use violations, the majority were related to short-term rentals (107).

Code enforcement and housing rehabilitation needs illustrate the house rich/cash poor scenario that exists in Pacific Grove. While homes themselves may be of high value residents can have a difficult time maintaining their properties due to lower incomes. In these situations, people most likely inherited their homes but do not have the income for repairs and upkeep. There have also been cases where homeowners have lost their homes due to unpaid property taxes. The City's website has information on the Housing Rehabilitation Loan Program and other resources for lower income homeowners including the California Mortgage Relief Program.

Tenure and Vacancy

Housing tenure refers to the occupancy of a housing unit – whether the unit is owner-occupied or renter-occupied. Housing tenure is influenced by demographic factors (e.g., household composition, income, and age of the householder) as well as the cost of housing.

The 2020 ACS estimates that of 8,559 housing units in Pacific Grove, 82 percent (6,977 units) were occupied. Of the 82 percent that number, nearly 47 percent (3,275 units) were owner occupied, and 53 percent (3,702) were renter occupied. By contrast, the majority of housing units in Monterey County are owner-occupied.

Table 1-13 Tenure, 2020

	Pacific Grove		Monterey County	
Tenure	Total	Percentage	Total	Percentage
Owner-Occupied	3,275	46.9%	66,346	51.8%
Renter-Occupied	3,702	53.1%	61,657	48.2%
Total Housing Units	**6,977**	**100.0%**	**128,003**	**100.0%**

Sources: ACS 5-Year Data 2020
Note: Totals do not add up to 100% due to rounding errors.

Vacancy rates are an indicator of housing supply and demand. Low vacancy rates influence greater upward price pressures and higher vacancy rates indicate downward price pressure. Homeownership and rental vacancy rates in the City of Pacific Grove have changed since 2010. When comparing 2010 to 2020 data, homeowner vacancy rates have dropped in Pacific Grove from 3.8 percent to 2.7 percent while rental vacancy rates have increased from 2.7 percent in 2010 percent to 9.8 percent in 2020 showing a tighter for-sale housing market and a more elastic rental market.

Table 1-14 Vacancy Rates by Tenure, 2020

	2010	2020
Homeowner	3.8%	2.7%
Renter	2.7%	9.8%

Source: ACS 5-Year Data 2010, 2020

2020 data estimates show that about 19 percent of the City's units were vacant representing a total of 1,582 units. Of these vacant units, more than half were for seasonal/recreational use. Pacific Grove's reputation and popularity as a premier beachside destination distorts the rental market making it more expensive for residents seeking year-round rental options. In 2017, the City adopted a Short-Term Rentals (STRs) ordinance to limit vacation rentals in the City. Units must be licensed and violators, when cited, will be subject to fines. Recently, the City has started using a specialized software to monitor vacation rentals in the City to identify violations.

Table 1-15 Vacancy Units by Type

	2010		2020	
Type	**Total**	**Percentage[1]**	**Total**	**Percentage**
Vacant	991	n/a	1,582	n/a
For rent	100	10.1%	406	25.6%
Rented, not occupied	18	1.8%	17	1.1%
For sale only	125	12.6%	90	5.7%
Sold, not occupied	12	1.2%	0	0.0%
For seasonal, recreational, or occasional use	537	54.2%	885	55.8%
For migrant workers	0	0.0%	0	0.0%
Other vacant	199	20.1%	184	11.6%
Total Housing Units	**7,723**		**8,559**	

Sources: ACS 5-Year Data 2010,2020

Notes: 1. The percentage represents the share of each type of housing unit (e.g., for sale, for rent) from the total vacant units. Totals may not add up to 100% due to rounding errors.

Housing Costs and Affordability

Housing values and rents throughout California have fluctuated dramatically over the past twenty years. The following section evaluates trends in home sales and rental prices in Pacific Grove.

Homeownership Costs

2020 ACS estimates reported a median value for all owner-occupied units in Pacific Grove of $897,000 (Table 1-16). Nearly 94 percent of homes were valued at $500,000 or more with almost 35 percent valued at a $1,000,000 or greater.

Table 1-16 Median Value of Owner-Occupied Housing Units, 2020

	2010	2020
$49,999 or less	31	0.9%
$50,000 to $99,999	27	0.8%
$100,000 to $149,999	0	0.0%
$150,000 to $199,999	14	0.4%
$200,000 to $299,999	17	0.5%
$300,000 to $499,999	126	3.8%
$500,000 to $999,999	1,930	58.9%
$1,000,000 or more	1,130	34.5%
Total	**3,275**	
Median value	**$897,000**	

Source: ACS 5-Year Data 2020.

Median home value and median home sales price can differ, as the latter is specific to properties that were recently sold, while the former considers all homes in the area. Table 1-17 displays August 2022 median home sales prices for Pacific Grove and neighboring jurisdictions within Monterey County. In August 2022, the median sales price for homes in Pacific Grove was $1.3 million, close to double the median sales prices in July 2015. Most cities saw a higher percent increase in median price than Pacific Grove except for Monterey and Salinas. The rate of home sale price increases between 2015 and 2022 in Pacific Grove is similar to that of the county. However, median sales prices in Pacific Grove are the third highest among its neighbors, behind Carmel-By-The-Sea and Pebble Beach. While there is no more recent data from Corelogic, Redfin.com reports that median home sales prices in Pacific Grove have dropped to $1.2 million as of June 2023.

Table 1-17 Median Home Sales Prices, 2015-2022

Jurisdiction	2015 Number Sold	Median Price July 2015	2022 Number Sold	Median Price August 2022	Percent Change in Sales Price
Carmel	36	$769,500	26	$2,050,000	166.4%
Gonzales	2	$370,000	N/A	N/A	N/A
King City	16	$250,000	14	$512,750	105.1%
Marina	21	$489,000	31	$960,000	96.3%
Monterey	55	$631,750	16	$997,500	57.9%
Pacific Grove	**20**	**$700,550**	**23**	**$1,285,000**	83.4%
Pebble Beach	14	$1,150,000	6	$2,950,000	156.5%
Salinas	158	$383,000	83	$661,500	72.7%
Seaside	28	$389,000	21	$777,500	99.9%
Monterey County	**165**	**437,250**	**269**	**$810,000**	85.2%

Source: Corelogic, California Home Sale Activity by City, 2015 and 2022. Accessed September 2022.

Rental Costs

As shown in Table 1-18, the median monthly rent in Pacific Grove as recently reported by the 2020 ACS was $1,952. The data also shows that over 55 percent of renters are spending 30 percent or more of their household income on rent (Table 1-19).

Table 1-18 Gross Monthly Rent, ACS 2020

	Number of Units	Percentage
Less than $500	31	0.9%
$500 to $999	128	3.6%
$1,000 to $1,499	574	16.1%
$1,500 to $1,999	1,159	32.5%
$2,000 to $2,499	708	19.9%
$2,500 to $2,999	342	9.6%
$3,000 or more	620	17.4%
Total	**3,562**	**100%**
Median		**$1,952**

Source: ACS 5-Year Data 2020.

Table 1-19 Gross Rent as a Percent of Household Income, 2020

	Households	Percentage
Less than 15.0 percent	253	7.2%
15.0 to 19.9 percent	483	13.7%
20.0 to 24.9 percent	315	8.9%
25.0 to 29.9 percent	510	14.5%
30.0 to 34.9 percent	397	11.3%
35.0 percent or more	1,569	44.5%
Total	**3,527**	**100%**

Source: ACS 5-Year Data 2020.

Zillow's Observed Rent Index, which computes the mean of listed rents that falls into the 40th to 60th percentile range for all homes and apartments, shows a significantly higher gross monthly rent at $2,723. Zillow data shows that rents have risen dramatically over the past six years, with faster growth occurring in recent years. As of June 2023, rents have increased even more to $2,938.

Table 1-20 Zillow Observed Rent Index, 2015-2022

	Monthly Rent	Percentage Increase
Dec 2015	$1,795	-
Dec 2016	$1,956	9.0%
Dec 2017	$2,135	9.2%
Dec 2018	$2,254	5.6%
Dec 2019	$2,329	3.3%
Dec 2020	$2,522	8.3%
Dec 2021	$2,780	10.2%

	Monthly Rent	Percentage Increase
Dec 2022	$2,723	-2.1%
Dec 2015-2022 change	$985	51.7%

Source: ACS 5-Year Data 2020.

Zumper, an online rental property platform, reports the median rents by number of bedrooms. According to the site, median rents ranged from $1,880 for studio units to $5,950 for four-bedroom units.

Table 1-21 Median Rents by Number of Bedrooms, December 2022

Unit Size	Median Rent
Studio	$1,880
1 BR	$2,045
2 BR	$2,662
3 BR	$5,879
4 BR	$5,950

Source: Zumper.com, Accessed July 2023.

Table 1-22 shows STR rates in August 2023. The range of nightly rates varies greatly and is dependent on location and other factors. The median price per night ranges from $177 for a one-bedroom unit to $427 for a five-bedroom unit. Prices of units vary depending on location, amenities offered and time of year.

Table 1-22 Short Term Rental Rates, August 2023

Unit Size	Number of Units Listed	Price Per Night	Median Price Per Night
1 BR	39	$116-$444	$177
2 BR	46	$98-$834	$249
3 BR	67	$149-$788	$298
4 BR	16	$143-895	$296
5 BR	6	$225-$960	$427
Total	**174**	**$98-$960**	**$249**

Source: Vrbo.com, Accessed August 2023.

Affordability Analysis

Housing affordability in Pacific Grove can be inferred by comparing the cost of owning or renting a home with the income levels of households of different sizes. Table 1-23 depicts the typical annual income for extremely low-, very low-, low-, and moderate-income households and calculates what each household can afford to pay for ownership and rental housing. It is generally accepted that households can spend up to 30 percent of their gross income toward housing expenses without overpayment. The table shows the highest monthly rent and the maximum purchase price for an individual or family at the top end of the income categories. The calculations are expanded to include five household sizes within each income category. For renters, housing cost is defined as rent and utilities. For purchasers, housing cost includes mortgage, utilities, property tax, insurance, and homeowner's association fees as applicable.

Table 1-23 Housing Affordability by Income Level-Monterey County, 2022

Household Size	Annual Income	Affordable Monthly Housing Cost		Utilities		Taxes, PMI, and Insurance	Maximum Affordable Price	
		Rent	Purchase	Rent	Purchase		Rent	Purchase Price
Extremely Low Income Households (0-30% AMI)								
1-Person (studio)	$25,300	$633	$633	$208	$285	$221	$425	$33,239
2-Person (1 BR)	$28,900	$723	$723	$223	$307	$253	$500	$42,859
3-Person (2BR)	$32,500	$813	$813	$274	$370	$284	$539	$41,673
4-Person (3BR)	$36,100	$903	$903	$341	$457	$316	$562	$34,162
5-Person (4 BR)	$39,000	$975	$975	$413	$532	$341	$562	$26,816
Very Low Income Households (30-50% AMI)								
1-Person (studio)	$42,150	$1,054	$1,054	$208	$285	$369	$846	$105,401
2-Person (1 BR)	$48,200	$1,205	$1,205	$223	$307	$422	$982	$125,513
3-Person (2BR)	$54,200	$1,355	$1,355	$274	$370	$474	$1,081	$134,605
4-Person (3BR)	$60,200	$1,505	$1,505	$341	$457	$5527	$1,164	$137,372
5-Person (4 BR)	$65,050	$1,626	$1,6265	$413	$532	$569	$1,213	$138,377
Low Income Households (50-80% AMI)								
1-Person (studio)	$67,450	$1,686	$1,686	$208	$285	$590	$1,478	$213,750
2-Person (1 BR)	$77,100	$1,928	$1,928	$223	$307	$675	$1,705	$249,279
3-Person (2BR)	$86,750	$2,169	$2,169	$274	$370	$759	$1,895	$274,003
4-Person (3BR)	$96,350	$2,409	$2,409	$341	$457	$843	$2,068	$292,188
5-Person (4 BR)	$104,100	$2,603	$2,603	$413	$532	$911	$2,190	$305,612
Median Income Households (80 – 100% AMI)								
1-Person (studio)	$70,3000	$1,758	$1,758	$208	$285	$615	$1,550	$225,956
2-Person (1 BR)	$80,300	$2,008	$2,008	$223	$307	$703	$1,785	$262,984
3-Person (2BR)	$90,350	$2,259	$2,259	$274	$370	$791	$1,985	$289,420
4-Person (3BR)	$100,400	$2,510	$2,510	$341	$457	$879	$2,169	$309,532
5-Person (4 BR)	$108,450	$2,711	$2,711	$413	$532	$949	$2,298	$324,241
Moderate Income Households (100-120% AMI)								
1-Person	$84,350	$2,109	$2,109	$208	$285	$738	$1,901	$286,126
2-Person	$96,400	$2,410	$2,410	$223	$307	$844	$2,187	$331,933
3-Person	$108,450	$2,711	$2,711	$274	$370	$949	$2,437	$366,935
4-Person	$120,500	$3,013	$3,013	$341	$457	$1,054	$2,672	$395,612
5-Person	$130,150	$3,254	$3,254	$413	$532	$1,139	$2,841	$417,173

Notes:

1. The Area Median income (AMI) is the midpoint of the County's income distribution, meaning that half of the households in the County earn more than the median and half earn less than the median. A household's income is calculated by its gross income, which is the total income received before taxes and other payroll deductions.

2.Assumptions: 2023 HCD income limits; Health and Safety code definitions of affordable housing costs (between 30 percent of household income depending on tenure and income level); Housing Auth of Monterey County Utility Allowance Schedule, 7-01-2021; 35 percent of monthly affordable cost for taxes and insurance; 10 percent down payment; and six percent interest rate for a 30-year fixed-rate mortgage loan. Taxes and insurance apply to owner costs only; renters do not usually pay taxes or insurance.

3. Monterey County: 4-person household median income = $90,100

4.The State adopted a Hold Harmless Policy protects the lower income households by maintaining the lower income limits from prior year even if HUD survey resulted in a lower median income.

Household Size	Annual Income	Affordable Monthly Housing Cost		Utilities		Taxes, PMI, and Insurance	Maximum Affordable Price	
		Rent	Purchase	Rent	Purchase		Rent	Purchase Price

Sources: State Department of Housing and Community Development 2023 Income Limits; Housing Authority of the County of Monterey Utility Allowances, 2021; Veronica Tam and Associates, 2023.

Extremely Low-Income Households

Extremely low-income households have incomes that do not exceed 30 percent of the Area Median Income (AMI), as adjusted for household size. The maximum affordable home price for an extremely low-income household is well below the median home price in Pacific Grove. An extremely low-income household can also only afford to pay $425 (one-person household) to $562 (five-person household) in rent. The data available on rental housing in Table 1-21 shows that there are no available units for rent within this range. Regardless of household size, extremely low-income households cannot afford an adequately sized apartment without some level of overpayment.

Very Low-Income Households

Very low-income households earning between 30% and 50% of the AMI have household incomes ranging from $42,150 to $65,050. The maximum affordable home purchase price for a very low-income household is $105,401 for one-person households and $138,377 for five-person households, putting homeownership out of reach. A very low-income household can afford a monthly rent ranging from $846 to $1,213, depending on household size. Therefore, with rents in Pacific Grove starting at $1,880 per month, very low-income households cannot afford to rent in Pacific Grove without subsidies or incurring cost burdens.

Low-Income Households

Low-income households earn between $67,450 and $104,100 and can afford rents ranging from $1,478 to $2,190 per month. Low-income households can afford smaller rental units but may find it difficult due to low availability and competition. Affordable home prices for a low-income household range from $213,750to $305,612; therefore, home prices in the City are beyond what low-income households can afford.

Moderate-Income Households

Moderate-income households earn more than the county median with annual incomes ranging from $84,350 to $130,150. They can afford rents ranging from $1,901 to $2,841 per month and homes priced from $286,126 and $417,173. Moderate-income households cannot afford the median priced home in Pacific Grove. Generally, these households will be able to afford market-rate rents in Pacific Grove, if only with slight overpayment for larger households.

Based on the affordability information derived, housing affordability is a problem for nearly all lower-income households and a significant proportion of moderate-income households looking to rent or purchase a home in Pacific Grove.

Housing Needs

This section provides an overview of existing housing needs in Pacific Grove. It focuses on three categories:

- Housing need resulting from housing cost burden;
- Housing need resulting from overcrowding;
- Housing needs of special needs groups such as senior persons (65 years or older), large households (five or more persons), persons with disabilities, female-headed households, homeless persons, farmworkers, and college students.

Cost Burdens

According to federal government standards, paying more than 30 percent of monthly household income toward housing related expenses is considered to be a cost burden on the household. This includes rent or mortgage payments and utility costs. High housing costs can cause households to spend a disproportionate percentage of their income on housing leaving insufficient income for other basic needs and services, such as food and medical attention.

This section uses data from the 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) published by HUD. The CHAS provides information related to households with housing problems, including cost burden, overcrowding and/or without complete kitchen facilities and plumbing systems. The most recent estimates were posted by HUD in September 2022 and were derived from the 2015-2019 ACS. According to 2019 HUD data, approximately 37 percent of all households in Pacific Grove paid more than 30 percent of their income on housing costs and over 16 percent spent more than 50 percent of their income on housing costs (Table 1-24). Extremely low to moderate renters had a significantly higher prevalence of being cost burdened than their owner-occupied counterparts. For example, 68 percent of extremely low-income households experienced cost burdens compared to 62 percent of extremely low-income homeowners. The gap is greater for very low- and low-income households. About 85 percent of very low-income renters experience cost burdens compared to 64 percent of very low-income owners and about 87 percent of low-income owners experience cost housing burdens compared to 48 low-income owners. With rents rising faster than wages, renters have greater exposure to becoming cost burdened.

Table 1-24 also shows housing cost burdens by household type. Among owners, cost burden rates are similar for elderly, small, and large households (about 30 percent). However, among renters, elderly households (85 percent) and large households (63 percent) experience higher cost burden rates than smaller households and all renter households (about 50 percent). The Special Needs section below expands on the discussion of special needs groups, including senior household and large households.

Table 1-24 Housing Cost Burden by Tenure, 2019

Household by Type, Income & Housing Problem	Owner-Occupied				Renter-Occupied				Total Households
	Seniors	Small Families	Large Families	Total Owners	Seniors	Small Families	Large Families	Total Renters	
Extremely Low Income (0-30% AMI)	170	30	0	215	235	65	0	465	680
with any housing problems	58.8%	100.0%	--	62.3%	87.2%	84.6%	--	67.7%	66.0%
with cost burden > 30%	64.7%	96.7%	--	66.5%	87.2%	84.6%	--	67.7%	67.4%
with cost burden > 50%	47.1%	83.3%	--	50.7%	78.7%	84.6%	--	63.4%	59.4%
Very Low Income (31-50% AMI)	125	20	0	145	130	45	55	275	420
with any housing problems	59.2%	100.0%	--	64.8%	80.8%	100.0%	72.7%	85.5%	78.3%
with cost burden > 30%	59.2%	145.0%	--	71.0%	75.4%	100.0%	63.6%	81.1%	77.6%
with cost burden > 50%	20.0%	125.0%	--	34.5%	30.0%	77.8%	27.3%	45.1%	41.4%
Low Income (51-80% AMI)	265	50	10	395	180	225	0	605	1,000
with any housing problems	41.5%	30.0%	100.0%	48.1%	83.3%	84.4%	--	86.8%	71.5%
with cost burden > 30%	41.5%	30.0%	100.0%	48.1%	80.6%	84.4%	--	85.1%	70.5%
with cost burden > 50%	24.5%	30.0%	100.0%	31.6%	22.2%	17.8%	--	26.4%	28.5%
Moderate/Above Moderate Income (81% + AMI)	1,315	875	80	2,394	170	920	200	1,975	4,369
with any housing problems	14.8%	28.0%	31.3%	21.5%	88.2%	37.5%	60.0%	42.3%	30.9%
with cost burden > 30%	14.4%	25.1%	25.0%	20.0%	78.8%	23.4%	34.5%	27.9%	23.6%
with cost burden > 50%	3.7%	7.4%	12.5%	6.0%	0.0%	1.6%	20.0%	4.3%	5.2%
Total Households	1,875	975	90	3,175	715	1,255	255	3,665	6,840
with any housing problems	25.5%	31.8%	38.9%	29.4%	85.3%	50.6%	62.7%	52.1%	41.6%
with cost burden > 30%	25.8%	30.1%	33.3%	28.8%	81.4%	40.2%	40.8%	43.8%	36.8%
with cost burden > 50%	11.7%	13.3%	22.2%	13.4%	36.9%	11.6%	21.6%	18.1%	15.9%

Note: HUD CHAS (Comprehensive Housing Affordability Strategy) data is based on tabulations from the ACS and has a smaller sample size than the Decennial Census. Due to the smaller sample size, the data presented may have significant margins of error, particularly for smaller geographies. The intent of the data is to show general proportions of household need, not exact numbers.

Source: HUD Comprehensive Housing Affordability Strategy (CHAS), 2015-2019.

Overcrowding

The US Census Bureau considers a household to be overcrowded when there is more than one person per room (rooms exclude bathrooms and kitchens) and to be severely overcrowded when there are more than 1.5 occupants per room. Overcrowding is often closely related to household income and the cost of housing. As a result, overcrowded households are usually a reflection of the lack of affordable housing.

According to the 2016-2020 ACS, seven percent of the total households in Pacific Grove were overcrowded (Table 1-25). However, overcrowding is significantly more prevalent among renter-occupied households with 12 percent reporting some level of overcrowding compared to 1 percent of owner-occupied households. Of the 491 overcrowded households, more than 60 percent (or 303) were severely overcrowded, all of which were renter-occupied.

Table 1-25 Overcrowding by Tenure, 2020

	Owner-Occupied		Renter-Occupied		Total	
Persons per Room	Number	Percentage	Number	Percentage	Number	Percentage
1.00 or fewer	3,232	98.7%	3,254	87.9%	6,486	93.0%
1.01 to 1.50	43	1.3%	145	3.9%	188	2.7%
1.51 or more	0	0.0%	303	8.2%	303	4.3%
Total Households	3,275	100%	3,702	100%	6,977	100%
Total Overcrowded HH	**43**	**1.3%**	**448**	**12.1%**	**491**	**7.0%**

Sources: ACS 5-Year Data 2020

At-Risk Units

California housing element law requires that the City include a study of deed-restricted low-income units that may be at risk of converting to market-rate within ten years of the beginning of the planning period (i.e., 2023-2033). Table 1-26 shows that Pacific Grove has 53 housing units that are deed restricted for low income renters. Of these, 50 units are reserved for elderly renters. None of these units are at-risk of converting to market rate by 2033.

Table 1-26 At-Risk Units in Pacific Grove

Address	Number and Type of Units	Type of Subsidy	Non-Elderly Units	Elderly Units	Current Owner	Date of Expiration
551 Gibson Avenue (Forest Hill)	2 Low-Income Units	PLHA	0	2	Pacific Grove Senior Living	N/A
301 Grand Avenue	3 Low-Income Units 8 Market Rate	Density Bonus	3	0		50 Years (2071)
650 Jewell Avenue (Vista Point Apartments)	49 Low Income (60% AMI or below)	LIHTC, Project based Section 8	1*	48	Eden Housing	N/A

Source: City of Pacific Grove; California Housing Partnership website, Accessed July 2023.

*Notes: * This unit is the manager unit and is for a qualified person earning 80%AMI*

Coastal Zone

California State law (Government Code §65590) requires that communities located within Coastal Zones provide an additional analysis of affordable housing units. The analysis must document existing units as well as units constructed (after January 1, 1982), demolished, and replaced within three miles of the Coastal Zone. Because the City's entire housing stock is located within three miles of the coastal zone, this analysis of affordable units is applicable Citywide.

The City has an inventory of 62 affordable units for very low-, low-, and moderate-income households, all of which were constructed after 1982. Table 1-27 for a complete list. During the previous planning period, nine affordable units were replaced, demolished, or converted (6 units at 1141 Lighthouse Avenue and 3 units at 541 Pine Avenue). The deed restrictions expired in 2017 and the units converted to market rate.

Table 1-27 Affordable Unit Inventory

Address	Number of Units
405 Lighthouse Avenue	1
551 Gibson Avenue	2
882 19th Street	1
900 Cedar Street	1
184 Pine Avenue	1
119 18th Street	1
145 15th Street	1
124 14th Street	1
1020 Funston Avenue	1
301 Grand Avenue	3
650 Jewell Avenue	49
Total	**62**

Source: City of Pacific Grove 2023

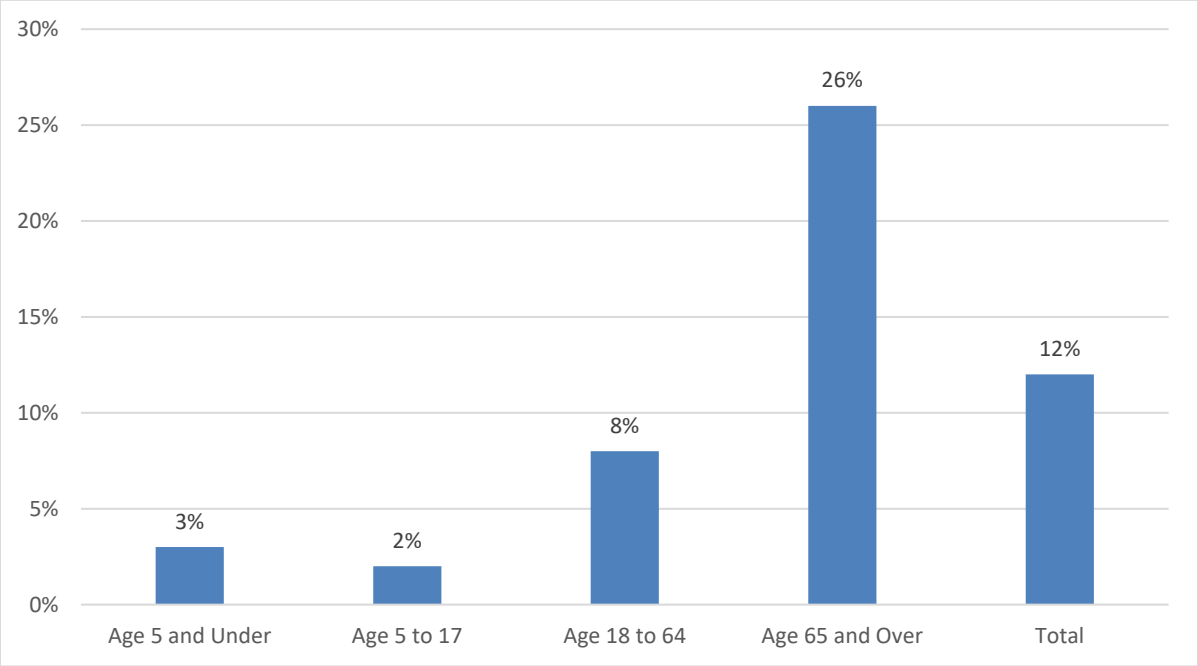
Special Needs Groups

Certain segments of the population encounter more difficulty in finding decent, affordable housing due to special circumstances. Special needs may be related to one's employment type and income, family characteristics, medical condition or disability, or household characteristics. This section provides an overview of the special needs population in Pacific Grove including persons with disabilities, seniors, large households, single-parent households, households living in poverty, extremely low-income households, persons experiencing homelessness and residents employed in farming.

Persons with Disabilities

A disability is defined broadly by the U.S. Census as a physical, mental, or emotional condition that lasts over a long period of time and makes it difficult to live independently. Special needs for access and affordability can make it difficult for persons with disabilities to find adequate housing. 2020 ACS data estimates show that approximately 12 percent of non-institutionalized city residents reported some type of disability (Figure 1-5). Those aged 65 and over generally reported the highest disability rates. Approximately 27 percent of seniors reported some type of disability, the rate rises beyond 40% for seniors ages 75 and older, compared to 8 percent for persons between age 18 and 64. The most frequently reported disability for seniors was ambulatory difficulty and hearing difficulty (around 14 percent of the senior population) (refer to Table 1-28).

Figure 1-5 Disability by Age Group



Source: ACS 5-Year Data 2020

Table 1-28 Disability Characteristics by Age Group

Disability by Age	Persons	Percent
Total civilian noninstitutionalized pop. population	15,083	
With any disability	1,831	12.1%
Under Age 5 - total persons	**600**	**4.0%**
With a hearing difficulty	15	2.5%
With a vision difficulty	15	2.5%
Age 5 to 17 - total persons	**2,279**	**15.1%**
With a hearing difficulty	9	0.4%
With a vision difficulty	0	0.0%
With a cognitive difficulty	23	1.0%
With an ambulatory difficulty	20	0.9%
With a self-care difficulty	20	0.9%
Age 18 to 64 - total persons	**8,121**	**53.8%**
With a hearing difficulty	200	2.5%
With a vision difficulty	80	1.0%
With a cognitive difficulty	356	4.4%
With an ambulatory difficulty	207	2.5%
With a self-care difficulty	60	0.7%
With an independent living difficulty	374	4.6%
Age 65 and over* - total persons	**4,083**	**27.1%**
With a hearing difficulty	551	13.5%
With a vision difficulty	175	4.3%
With a cognitive difficulty	194	4.8%
With an ambulatory difficulty	570	14.0%
With a self-care difficulty	150	3.7%
With an independent living difficulty	312	7.6%

Sources: ACS 5-Year Data 2020

Note: Totals may exceed 100% due to multiple disabilities per person.

People Living with Developmental Disabilities

Senate Bill 812, which took effect January 2011, requires housing elements to include an analysis of the special housing needs of the developmentally disabled in accordance with Government Code Section 65583(e). Developmental disabilities are defined as severe, chronic, and attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down's Syndrome, autism, epilepsy, cerebral palsy, and mild to severely impaired intellectual and adaptive functioning. Some people with developmental disabilities are unable to work, rely on Supplemental Security Income, and/or live with family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them.

The Census does not record developmental disabilities as a separate category of disability. According to the U.S. Administration on Developmental Disabilities, an accepted estimate of the percentage of the population that can be defined as developmentally disabled is 1.5 percent.

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person's living situation as a child to an appropriate level of independence as an adult.

The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities. The State has 21 regional centers that provides point of entry to services for people with developmental disabilities.

The San Andreas Regional Center (SARC) located in Campbell provides services for people with developmental disabilities in Monterey, San Benito, Santa Clara, and Santa Cruz counties. The SARC is a private, non-profit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families. As of 2022, SARC served approximately 104 clients living in Pacific Grove (zip code 93950) according to data compiled by the Department of Developmental Services. Of these clients, 35 were age 17 or younger while 69 clients were 18 years or older.[2] The Department of Developmental Services also collects data on the residence type for clients. Of the clients from Pacific Grove at the SARC, 68 clients live with a parent, other family member or guardian, 27 clients live at an intermediate care facility and the remaining clients are either in foster or family home, a community care facility or an independent or supported living facility.

Gateway Center, a non-profit organization based in Pacific Grove, provides residential services and day programs for developmentally disabled adults that are referred from the SARC. Gateway Center is recognized as an important service to disabled persons throughout Monterey County.

Seniors

Senior citizens (age 65 and over) are considered a special needs group because they are more likely to have fixed incomes and often have special needs related to housing location and construction. Because of limited mobility, seniors typically need to have easier access to public facilities (e.g., medical and shopping) and public transit. In terms of housing construction, seniors may need ramps, handrails, elevators, lower cabinets and counters, and special security devices to allow for greater self-protection.

The 2020 ACS shows that approximately 57 percent of owner-occupied households and 27 percent of renter occupied households were headed by seniors (Table 1-29), meaning that seniors make up the majority of Pacific Grove's homeowner community. The number of senior residents is expected to grow given that seniors are the fastest-growing age groups in California, which will have policy implications given their high level of homeownership.

[2] State of California Department of Development Services, Consumer County by California Zip Code, https://www.dds.ca.gov/transparency/facts-stats/

Table 1-29 Senior Households By Tenure

	Owner-Occupied		Renter- Occupied	
Householder Age	Households	%	Households	%
Under 65 years	1,413	43.1%	2,719	73.4%
65 to 74 years	1,150	35.1%	501	13.5%
75 to 84 years	453	13.8%	299	8.1%
85 years and over	259	7.9%	183	4.9%
Senior Total	1,862	56.9%	983	26.6%
Total	**3,275**	**100.0%**	**3,702**	**100.0%**

Sources: ACS 5-Year Data 2020

When looking at seniors' ability to pay for housing, approximately a quarter of senior-owner households and over 80 percent of senior-renter households were cost burdened in 2019 (refer to Table 1-24). The renter cost burden for seniors is almost twice as much as renters overall in Pacific Grove (81 percent versus 44 percent). As discussed earlier in this chapter, some residents in the city have expensive homes but are on limited incomes (house rich/cash poor). In these cases, ongoing upkeep, maintenance and property tax payments may be a challenge.

In an effort to meet the needs of lower-income senior households, the City of Pacific Grove collaborated in the development of Vista Point Apartments. Vista Point was opened for occupancy in 2006 and offers 48 rental units affordable to very-low- and low-income seniors. This complex is owned by Eden Housing and is not at-risk of converting to market rate rents (Table 1-27). The City's Housing Rehabilitation Loan Program is available to protect homeowners from health and safety deficiencies. The City Housing staff are involved in the process, including monitoring the work until project completion.

The Meals on Wheels of the Monterey Peninsula (MOWMP): through the Meals on Wheels Community Center located in Pacific Grove, MOWMP served 1,100 clients across the Monterey Peninsula in 2022 providing 276,000 meals to the homebound.[3] The Community Center also offered more than 25,000 hours of programs in 2022 including many recreational and social activities.

State licensed residential care facilities provide housing for seniors that need a variety of different care levels.[4] Three facilities are located in Pacific Grove:

- Del Monte Assisted Living and Memory Care: 49 assisted units and six memory care units
- Canterbury Woods Continuing Care Retirement Facility: 190 units
- Pacific Grove Senior Living Continuing Care Retirement Facility: 150 units

Large Households

Large households are defined by the U.S. Census Bureau as households containing five or more persons. The 2020 ACS data shows that four percent of Pacific Grove households are large households. Of these 303 households, 68 (22 percent) are owner-occupied and 235 (78 percent) are renter-occupied (Refer to Table 1-4).

[3] Meals on Wheels of the Monterey Peninsula 2022 Impact Report, www.mowmp.org
[4] California Department of Social Services, www.ccld.dss.ca.gov, July 2023

Housing Units Available for Large Households

The unit sizes available in a community affect the household sizes that can access that community. Large households are generally served by housing units with three or more bedrooms. The 2020 ACS data reflected that 2,822 occupied housing units had three or more bedrooms, accounting for 40 percent of the City's housing stock (refer to Table 1-11). Of these larger units, 2,338 were owner-occupied and 484 were renter-occupied.

Although enough units appear to be available to meet the demand for large households (i.e., there are 303 large family households and 2,822 units with three or more bedrooms), available large units may be unaffordable to large households, particularly for renters (see Affordability Analysis section of this Chapter). Table 1-24 shows that over 60 percent of very low-income large family renters and 100 percent of low-income large family home owners face cost burden in Pacific Grove.

Single-Parent Households

Households headed by one person are often at greater risk of housing insecurity, particularly female-headed households, who may be supporting children or a family with only one income.

2020 ACS data shows that 537 (8%) of Pacific Grove's 6,731 households were female-headed with no spouse while 231 (3%) were male-headed households with no spouse (Table 1-3). Almost half of these households included children under the age of 18 (46% for female-headed and 47% for male-headed households).

When comparing by tenure, 60 percent of the female-headed households were renter-occupied and 40 percent were owner-occupied. For male-headed family households, 40 percent were renter-occupied and 60 percent were owner-occupied. In terms of single-parent households and income in Pacific Grove, 30 female-headed family households (6%) were living below the poverty line. A number of policies and programs in the Housing Element are targeted at providing safe, affordable housing within walking distance to services and transportation which will help to address this special needs population.

Households Living in Poverty and Extremely Low Income Households

According to the 2020 ACS, approximately 840 (6%) of Pacific Grove residents live below the poverty line, while approximately 115 (3%) of family households live in poverty. Table 1-30 shows that approximately ten percent of households in the city were extremely low income households in 2019. These households faced higher rates of housing problems, including cost burden, compared to households overall. The Housing Choice Voucher (HCV) program is the primary rental assistance available to lower income households, especially those with extremely low income households. HUD policy requires allocating 70 percent of new vouchers to households with extremely low incomes, which include households living below the poverty level. The Housing Authority of the County of Monterey (HACM) administers the Housing Choice Voucher (HCV) program in Pacific Grove. As of 2023, 4,858 HCVs are available in Monterey County, however, due to budget restrictions only 3,285 HCVs are available for use.[5] HCV recipients in Pacific Grove are concentrated in the Del Monte Park and Pacific Grove Retreat neighborhoods, located in southern and northeastern parts of the city. In these neighborhoods, between five and six percent of households use HCVs for a total of 77 households.[6] Throughout the rest of the city, there are no households using HCVs.

[5] HUD. Housing Choice Voucher (HCV) Data Dashboard. 2023.
https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/dashboard
[6] HCD AFFH Data Viewer 2.0, August 2023. https://affh-data-and-mapping-resources-v-2-0-cahcd.hub.arcgis.com/

Table 1-30 Extremely Low-Income Households in Pacific Grove

	ELI Households	Total Households in Pacific Grove	Percent of Total HH
Owner Occupied	215	3,175	6.7%
with any housing problems	62.3%	29.4%	
with cost burden > 30%	66.5%	28.8%	
with cost burden > 50%	50.7%	13.4%	
Renter Occupied	465	3,665	12.7%
with any housing problems	67.7%	52.1%	
with cost burden > 30%	67.7%	43.8%	
with cost burden > 50%	63.4%	18.1%	
Total Households	680	6,840	9.9%
with any housing problems	66.0%	41.6%	
with cost burden > 30%	67.4%	36.8%	
with cost burden > 50%	59.4%	15.9%	

Note: HUD CHAS (Comprehensive Housing Affordability Strategy) data is based on tabulations from the ACS and has a smaller sample size than the Decennial Census. Due to the smaller sample size, the data presented may have significant margins of error, particularly for smaller geographies. The intent of the data is to show general proportions of household need, not exact numbers.

Source: HUD Comprehensive Housing Affordability Strategy (CHAS), 2015-2019.

Persons Experiencing Homelessness

The member agencies of the Monterey County Coalition of Homeless Service Providers (CHSP) has worked together to conduct the 2022 Monterey County Point-in-Time (PIT) Homeless Census and Survey. HUD's definition of homelessness for Point-in-Time counts was used. The definition includes:

- Living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements; or
- With a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground.

The 2022 Monterey County Point-in-Time Count was a community-wide effort conducted on January 27-28, 2022. The 2022 Monterey County Point-in-Time Homeless Census represents a complete enumeration of all sheltered and unsheltered persons experiencing homelessness at a specified date and time. It consisted of two primary components:

- General Street Count: An early morning count of unsheltered homeless individuals and families on January 27th and 28th, 2022. Two days were needed due to the utilization of program-based outreach staff who were the primary enumerators used in lieu of lived experience guides who served as outreach experts in previous efforts. These outreach teams focused on those sleeping outdoors on the street; at bus and train stations; in parks, tents, and makeshift shelters; and in vehicles and abandoned properties.
- General Shelter Count: A nighttime count of homeless individuals and families staying at publicly and privately-operated shelters on January 27, 2022. This included those who occupied emergency shelters, transitional housing, and safe havens.

The Point-in-Time Census also included the following important supplemental components:

- Targeted Street Count of Unaccompanied Children and Young Adults: An afternoon count of unsheltered unaccompanied children under 18 and unaccompanied youth 18-24 years old on January 27, 2022. This is considered a best practice in order to better profile this age group who are more challenging to enumerate in the traditional PIT count process.
- County Office of Education Student Information System (SIS) Unsheltered Homeless Report for K-12 Students: SIS is a database managed by every school district in Monterey County. One of the measures recorded in this database is homelessness status.
- Homeless Survey: In the weeks following the street count, a survey was administered to 287 unsheltered and sheltered individuals experiencing homelessness in order to profile their experience and characteristics.

The 2022 Monterey County Homeless Census and Survey resulted in a total count of 2,047 persons: 1,357 unsheltered homeless people on streets countywide (66 percent) and 690 sheltered homeless people in emergency shelters, transitional housing and domestic violence shelters (34 percent). About one percent (or 29 persons) of these homeless persons were found in the City of Pacific Grove — double the number of persons from the survey conducted in 2019. All of Pacific Grove's homeless population were unsheltered.

The data results also included a demographic survey of 287 individuals. Of the 287 respondents, three percent were under the age of 25. About 36 percent were between the ages of 25 and 40 and 61 percent were 41 years or older, reflecting an aging trend since 2015 which has been notable throughout Monterey County in recent years. When asked if they identified as Hispanic or Latino, half (50%) of homeless survey respondents throughout the county indicated they did in 2022, a smaller percentage compared to the general population of Monterey County (59 percent) but an increase from 39 percent from 2019 survey respondents. In regard to race, 59 percent identified as White, 13 percent Black or African-American, seven percent American Indian or Hawaiian Native, four percent Hawaiian or Pacific Islander, and three percent Asian. The majority of survey respondents (55 percent) identified as male, 43 percent female, and two percent as gender non-conforming, questioning, or a gender not singularly female or male.

Of those surveyed in 2022, over one-third (38 percent) reported that the current episode of homelessness was their first-time experiencing homelessness, representing a decrease from 2019 but similar to 2015 and 2017. When asked about the duration of their current episode of homelessness, the vast majority (85 percent) of survey respondents reported they had been homeless for a year or longer, representing a substantial increase from 63 percent in 2019. Three percent had been homeless for less than one month, same as in 2019 (three percent). Another two percent of respondents had been homeless seven days or less (also same as 2019). Approximately 87 percent of respondents were unemployed at the time of the survey.

Understanding the types of places where individuals experiencing homelessness are sleeping can help inform local outreach efforts. When questioned about usual sleeping arrangements, 62 percent of survey respondents reported currently living outdoors, either on the streets, in parks, or in encampment areas, a substantial increase compared to 40 percent in 2019. Only six percent reported staying in a public shelter (emergency shelter, transitional housing facility or alternative shelter environment), a significant decrease from the 24 percent in 2019. Seventeen percent of survey respondents reported that they lived in vehicles (camper, car, van or RV). Seven percent of respondents reported they were sleeping in structures and indoor areas (such as foyers, hallways or other indoor areas) not meant for human habitation.

The primary cause of a person's inability to obtain or retain housing can be difficult to pinpoint, as it is often the result of multiple compounding causes. An inability to secure adequate housing can also lead to an inability to address or obtain other basic needs, such as healthcare and adequate nutrition. Fifty percent (50 percent) of survey respondents self-reported financial issues (job loss, eviction, etc.) as the primary cause of their homelessness, a significant increase in economic related causes from previous years. Over a third (34 percent) cited alcohol or drug use, 29 percent cited incarceration, and 23 percent cited mental health issues. Additionally, 13 percent of respondents indicated that the primary cause of homelessness was related to the COVID-19 pandemic.

Table 1-31 Persons Experiencing Homelessness in Monterey County

	Unsheltered[1]		Sheltered		Total		% of Total		% Change
Jurisdiction	2019	2022	2019	2022	2019	2022	2019	2022	2019-2020
Carmel	6	1	0	0	6	1	0.2%	0.0%	-83.3%
Del Rey Oaks	0	2	0	0	-	2	0.0%	0.1%	--
Greenfield	14	2	0	0	14	2	0.6%	0.1%	-85.7%
King City	27	18	0	0	27	18	1.1%	0.9%	-33.3%
Marina	98	81	261	275	359	356	14.8%	17.4%	-0.8%
Monterey	167	74	37	27	204	101	8.4%	4.9%	-50.5%
Pacific Grove	14	29	0	0	14	29	0.6%	1.4%	107.1%
Salinas	876	777	206	288	1,082	1,065	44.7%	52.0%	-1.6%
Sand City	8	3	0	0	8	3	0.3%	0.1%	-62.5%
Seaside	126	90	56	62	182	152	7.5%	7.4%	-16.5%
Soledad	35	12	0	0	35	12	1.4%	0.6%	-65.7%
Unincorporated	338	268	32	38	370	306	15.3%	14.9%	-17.3%
Monterey County	1,830	1,357	592	690	2,422	2,047	100.0%	100.0%	-15.5%

Source: 2022 Monterey County Point-In-Time Homeless Census and Survey.

Note: 1. The unsheltered population includes homeless people counted on the streets, in vehicles, in makeshift shelters (such as tents) and encampments.

Many individuals experiencing homelessness face significant barriers to obtaining permanent housing. These barriers can range from housing affordability and availability to accessing the economic and social supports (e.g., increased income, rental assistance, and case management). When asked what prevented them from obtaining housing, the most common response was "can't afford rent," reported by 71 percent of survey respondents, suggesting housing affordability and poverty issues as key obstacles. This was followed by 56 percent who reported a lack of job or not enough income, and 35 percent who said they had no money for moving costs. Survey respondents were asked if they have received a housing voucher of any kind in the last 12 months, 10 percent of all respondents revealed they had, although only 21 percent of those respondents reported that they were able to successfully use the housing voucher.

The CHSP serves as the lead agency for the Coordinated Assessment and Referral System (CARS).[7] This is a community-wide process that identifies the best type of services for each individual and/or household. The Monterey County Homeless Service Resources Guide provides a list of

[7] The Coalition of Homeless Service Providers and Monterey Community Action Partnership, *Monterey County Homeless Services Resources Guide,* January 2023.

comprehensive services throughout the county by assistance type.[8] Table 1-32 lists services near Pacific Grove.

While persons experiencing homelessness is not a significant issue in the City, there has been an increase since 2019. The City also recognizes that homelessness is a problem regionally and has included a variety of policies and programs in this Housing Element. The City also supported the One Starfish Safe Parking & Support Services project which allows homeless women with children and single women (up to 5 vehicles) to park a recreational vehicle in a church parking lot (one location) temporarily (30 days) while searching for permanent housing.

Table 1-32 Homeless Services in Monterey County

Shelters and Clients	Population Served	Beds and/or Services
Day/Resource Centers		
Monterey Peninsula Unified School District – Family Resource Center	Families and children	Provides support for homeless children and families within the Monterey Peninsula Unified School District including clothing, school supplies, and referral to other community resources to remove barriers to education.
Emergency Shelter		
Community Homeless Solutions-Central Coast Respite Center Seaside, CA	Formerly hospitalized adults	A 6-bed shelter for homeless adults in need of respite care following stays in 3 participating hospitals. Access to meals, case management, and supportive services designed to help participants transition to permanent housing. By hospital referral only. The program also maintains a bridge housing program for guests coming out of respite care while lining up permanent housing options.
Community Human Services – Casa de Noche Buena Seaside, CA	Women and families	A 20-35 bed year-round shelter. Capacity depends on the number of children in families. Provides case management, housing navigation, meals, laundry facilities, mail service, social recreation activities, and linkages to income, education, and employment
Community Human Services – Safe Place Youth Shelter Monterey, CA	Youth (ages 18-24)	A 12-bed year-round shelter. Case management is available to all clients.
Orphan Productions – One Starfish Safe Parking Program Monterey Peninsula	Adults	An overnight Safe Parking Program for homeless adults. To register for the program, call the telephone number and leave a call-back number. A Social Worker returns a call within 48 hours to schedule an intake interview.
Safe Parking Program Marina and Seaside, CA	Anyone in need	An overnight safe parking program for people living in their legally registered vehicles. The program opens at 7:00 pm. nightly and closes each morning at 7:00 am.
Salvation Army – Frederiksen House Seaside, CA	Families and women with children	Shelter available for up to 90-days in the program facility. The Salvation Army also provides case management, information & referral services.
Transitional Housing		
Salvation Army – Casa de Las Palmas Seaside, CA	Families with children	Family transitional housing provides residential care for a time period not to exceed 24 months Must be clean and sober. 9 units, 36 beds
Community Human Services – Safe Passage Monterey, CA	Youth	Transitional housing for homeless youth and youth aging out of foster care, age 18-24.

[8] See footnote 5

Shelters and Clients	Population Served	Beds and/or Services
Rental Support Services		
Catholic Charities Seaside and Salinas, CA	Anyone in need	Family supportive services program provides eviction prevention assistance, financial education, nutrition education, as well as assistance with Covered California and CalFresh application process. Rental assistance available November – March.
Eden Housing Various locations	Monterey County residents	Offers affordable apartments and services to extremely low and very low-income families, seniors and the disabled at 21 sites in the Monterey Bay region.
Interim, Inc – Permanent Supportive Housing Various locations	Monterey County residents	Permanent supportive housing (apartments or shared housing) for individuals with mental illness.
MidPen Housing Various locations	Monterey County residents	Offers affordable housing to households who quality by income. Property contact information is available on the organization's website.
Nation's Finest Monterey, CA	Veterans and families	Rapid Re-housing and Homeless Prevention program for Veterans and families.
Monterey County Department of Social Services - Community Benefits Branch	Monterey County residents	Provides temporary public assistance benefits and services to assist eligible residents of Monterey County to meet basic needs. Programs include Temporary Cash Assistance for Needy Families (cash aid), General Assistance, Medi-Cal, CalFresh, and CalWORKs. Eligibility for these public benefits is based upon income and resource levels.
Health and Wellness		
Sun Street Centers - Outpatient Counseling Various locations	Men, women, and teens	Provides counseling services for men, women, teens. Group and individual sessions are provided for people struggling with alcohol or drug abuse. Bi-lingual services are available. Counseling for couples and families is also available.
Community Human Services – Outpatient Treatment Centers Monterey, CA	Men and Women	Provides individual and group counseling for men and women seeking recovery for substance abuse. Outpatient and intensive outpatient programs are offered. Bilingual (English/Spanish). Medi-Cal accepted.
Community Human Services - Genesis House Seaside, CA	Men, women, and perinatal women	A 36-bed state-licensed residential drug treatment program for men, women, and perinatal women seeking recovery from substance abuse. Children ages 0-5 may live with their mothers in treatment. Medi-Cal accepted.

Source: Monterey County Homeless Services Resource Guide, January 2023.

For more details see: https://chsp.org/

Farmworkers

Farmworkers are defined as those whose primary incomes are earned through seasonal agricultural work. 2020 ACS data reported that 54 residents of Pacific Grove were employed in the Agriculture, Forestry, Fishing and Hunting, and Mining industries. Census data does not specify the number of persons who are employed as farmworkers and it is assumed that only a small percentage of persons employed in this industry are involved in active agricultural production and harvest. In addition, there is no farming activity in the City and agriculture is not a permitted use in any zoning district. However, there are large agricultural farms within the region. This Housing Element includes a program for Pacific Grove's Zoning Code to comply with the Employee Housing Act (Health and Safety Code Section 17021.5), which requires that employee housing for six or fewer employees

(including farm workers) be deemed as a residential use, subject to the same standards as single-family residences.

Housing Constraints

Government policies and regulations impact the price and availability of housing and, in particular, the provision of affordable housing. Constraints to housing production include development standards, fees, permitting procedures, and the lack of available water and land for development. Providing infrastructure and services also increases the cost of producing housing. One of the greatest constraints to affordable housing production is the chronic shortage of State and federal financial assistance.

This Chapter addresses potential governmental and non-governmental constraints, infrastructure constraints, and energy conservation, and focuses on mitigation options available to the City to minimize or eliminate potential constraints.

Government Constraints

Local policies and regulations can impact the price and availability of housing. Land use controls, site improvement requirements, fees and exactions, permit processing procedures, and various other issues constrain the development and improvement of housing. This section discusses potential governmental constraints in Pacific Grove.

Transparency in the Development Process

To increase transparency and certainty in the development application process as required by law, the City provides a range of information online for ease of access:

cityofpacificgrove.org/planning

Some of the information on this website includes:

- General Plan
- Local Coastal Plan
- General Plan Land Use Maps
- Zoning Code and Maps
- Design Guidelines
- Permit Applications, Forms and Instructions
- FAQs about the Development Process

Information and documents specifically related to this Housing Element, including past event notes, presentation slides and photos from community outreach events, can also be viewed online:

cityofpacificgrove.org/housing/housing element

Local Land Use Controls

Pacific Grove General Plan

The Land Use Element of the Pacific Grove General Plan sets forth policies for residential development. These land use policies, coupled with zoning regulations, establish land allocations for

different uses. Housing supply and costs are affected by the amount of land designated for residential use, the density at which residential development is permitted, and the standards that govern the character of development.

The 1994 Pacific Grove General Plan applies to all areas of the City. However, the Local Coastal Program (LCP), governs development in the coastal zone. A small portion of the City's existing housing stock is located within the Coastal Zone. Most of the Coastal Zone is built out with single-family detached housing, although several vacant lots remain in the Asilomar Dunes area.

Table 1-33 summarizes the General Plan land use categories and corresponding zoning districts that either allow by-right or conditionally permit residential development.

Pacific Grove Zoning Code

The Zoning Code implements the General Plan. It is a more detailed approach to regulating land use by taking development lot-by-lot, based on the General Plan goals, policies, and Land Use Map. Currently, the following zoning districts allow residential uses:

- **R-1 District:** This district permits single-family dwellings, accessory dwelling units (ADUs), and accessory uses normally incidental to single-family residences. Two single-family combined districts are included in this zoning category: R-1-B-3 and R-1-B-4.
  - Parcels with the R-1-B-3 zoning are primarily located west of 17 Mile Drive.
  - The R-1-B-4 zone applies to parcels located within the Coastal Zone and are located along the western edge of Pacific Grove.
- **R-2 District:** This district allows for single-family homes, duplexes and a dwelling group of two detached single-family homes, subject to first securing a use permit. Although R-2 zoning is located throughout the City, the predominant area is between Lighthouse and Pine Avenues on the eastern side of Pacific Grove.
  - The R-2-B-3 zone has the same uses as R-2, but with different site area, setback and parking requirements. These parcels are located between Lighthouse Avenue and Ocean View Boulevard.
- **R-3 District:** This district allows for single- or two-family dwellings, ADUs, multiple dwellings, apartment houses and dwelling groups; rooming or boarding houses with a use permit; and accessory uses and State-licensed large (7+) residential care facilities with a use permit.
  - The R-3-PGR District allows for all of the uses in the R-3 zone in addition to bed and breakfast inns with a use permit. These parcels are located between Dennett Street and Grove Acre Avenue west of George Washington Park.
  - The R-3-M District permits any uses allowed or conditionally allowed in the R-3 district as well as conditionally permitting motels, hotels and adult communities, retirement homes and nursing homes. Parcels with this designation are located generally west of 17 Mile Drive.
  - The R-3-PGB District applies to parcels in a portion of the Pacific Grove Beach Tract (bounded by Lorelei Street, Ocean View Boulevard, Sea Palm Avenue and parcels on the south side of Mermaid Avenue). This area of the city was declared as an architecturally unique neighborhood by the City Council in 1973. Uses in this zone must obtain architectural approval and a use permit and include single family-dwellings, duplexes, multiple-family dwellings, apartment houses and dwelling groups.

Table 1-33 Residential Land Use Controls within Pacific Grove

General Plan Land Use Category		Zoning District(s)	Maximum Density
LDR1.0	Low Density Residential	R-1	1 unit per net acre
LDR2.0	Low Density Residential	R-1	2 units per net acre
LDR4.4	Low Density Residential	R-1	4.4 units per net acre
LDR5.4	Low Density Residential	R-1	5.4 units per net acre
MDR7.0	Medium Density Residential	R-2	7 units per net acre
MDR7.3	Medium Density Residential	R-2	7.3 units per net acre
MDR8.7	Medium Density Residential	R-2	8.7 units per net acre
MDR9.3	Medium Density Residential	R-2	9.3 units per net acre
MDR9.7	Medium Density Residential	R-2	9.7 units per net acre
MDR10.0	Medium Density Residential	R-2	10 units per net acre
MDR12.1	Medium Density Residential	R-2	12.1 units per net acre
MDR17.4	Medium Density Residential	R-2	17.4 units per net acre
HDR19.8	High Density Residential	R-3, R-4	19.8 units per net acre
HDR21.8	High Density Residential	R-3, R-4	21.8 units per net acre
HDR24.8	High Density Residential	R-3, R-4	24.8 units per net acre
HDR29.0	High Density Residential	R-3, R-4	29 units per net acre
PO/HDR	Professional Office or High Density Residential	R-4	29 units per net acre
MHR	Mobile Home Residential	M-H	14 units per net acre
GQ	Group Quarters	R-3, R-4	13 - 55 bedrooms per net acre
VA/MHDR	Visitor Accommodation or Medium High Density Residential	R-3-PGR	17.4 units per net acre[1]
D	Downtown	C-D	Density of nearest residential zone, up to 29 units per acre, 2.0 FAR
CEC	Central-Eardley Commercial	C-1, C-2	Density of nearest residential land use, up to 30 units per acre; 1.5 - 2.5 FAR
FHC	Forest Hill Commercial	C-FH	Density of nearest residential land use, up to 30 units per acre, 1.0 FAR
PAC	Presidio-Austin Commercial	C-1	Density of nearest residential land use, up to 30 units per acre, 0.75 FAR
SSC	Sunset Service Commercial	C-2, I	Density of nearest residential land use, up to 30 units per acre, 1.3 FAR
CCG	Country Club Gate Shopping Center	C-FH	Density of nearest residential land use, up to 30 units per acre, 0.22 FAR
VC2[2]	Visitor Commercial	C-1-T	Density of nearest residential land use, up to 30 units per acre (with a density bonus), 1.5 FAR

1 Maximum density at 17 Mile Drive Village is 9.3 units per net acre

2 Applied only to the Holman Building block (located between Central and Lighthouse and Grand to Fountain), by voter initiative

Source: City of Pacific Grove Zoning Code and General Plan

Local Coastal Program

The Pacific Grove Local Coastal Program (LCP) was adopted by the City Council on January 15, 2020, and certified by the California Coastal Commission on March 11, 2020. The LCP governs land use and development in the Pacific Grove Coastal Zone, which comprises 458 acres of land. The LCP consists of two parts, a Land Use Plan and a Local Implementation Plan. The Land Use Plan becomes an element in the City's General Plan. Within the Coastal Zone area of the city, the LCP shall take precedence over the General Plan and its other elements where policies conflict. When the LCP is silent, such as concerning the subject of noise, appropriate elements of the General Plan are in force, but shall not be used as a standard of review for Coastal Development Permits. The Local Implementation Plan includes relevant portions of the zoning code applicable to the Coastal Zone and other programs needed to carry out the goals, policies, and land use designations of the Land Use Plan. The City of Pacific Grove's Implementation Plan is found in Chapter 23.90 of the Pacific Grove Municipal Code.

The LCP applies to seven areas in Pacific Grove. Figure 1-6 shows the location of the Coastal Zone and Planning Areas.

- **Area I:** Point Cabrillo
- **Area II:** Pacific Grove Retreat
- **Area III:** Lovers Point
- **Area IV-A:** Ocean View Area
- **Area IV-B:** Point Pinos
- **Area V:** Union Pacific railroad right-of-way
- **Area VI:** Asilomar

Existing residential neighborhoods in the Coastal Zone include the Pacific Grove Retreat, a portion of the Pacific Grove Beach Tract along Mermaid Avenue, Monarch Pines Mobile Home Park, and Asilomar Dunes.

California Government Code §65590 requires that housing units for low- and moderate-income residents be provided whenever possible, be protected where they currently exist, and be replaced when demolished. According to State law, the Housing Element must include a discussion of the jurisdiction's progress in implementing coastal housing requirements.

The Pacific Grove Retreat and the Mermaid Avenue neighborhoods have special characteristics that the City wishes to preserve. The Retreat is considered a "special community" under Section 30253 of the Coastal Act. This section requires that the unique characteristics of special communities be protected.

To meet this requirement, the City controls demolitions of historic buildings and exterior modifications to all buildings in this area.

The Monarch Pines Mobile Home Park has been designated for mobile home park use in order to preserve this affordable housing community.

Asilomar Dunes is only partially developed. To preserve the unique ecological features of the dune area, the City has adopted policies in its Local Coastal Program to restrict development to single-family dwellings on one-half- to one-acre lots. Secondary units are prohibited in this area by the LUP due to potential future sea level rise.

Figure 1-6 Coastal Zone and Planning Areas

Source: City of Pacific Grove Local Coastal Program

Development Regulations

Table 1-34 summarizes residential development standards in Pacific Grove. The R-3 and R-4 zones allow development up to three stories and the C-1 and C-1-T zones allow for up to four stories.

Table 1-34 Residential Site Development Standards by Zoning District

Zoning District	Min. Lot Size (Square Feet)	Max. Building Coverage[5]	Max. Building Height	Min. Required Yards		
				Front	Rear	Side
R-1	4,000[1,2]	40 - 45%	25’	15’	10’ - 15’	10 - 20% lot width (min. 3’)
R-1-B-3	10,000	40 - 45%	25’	20’	20% lot depth (min. 20’)	10 - 20% lot width (min. 3’)
R-1-B-4	20,000	40 - 45%	25’	20’	20’	10% lot width (max. 10’)
R-1-H	4,000[1,2]	35 - 40%	25’	15’	10’ - 15’	10 - 20% lot width (min. 10/15’)
R-2	4,000 - 5,000[2]	50%	30’	15’	10’ - 15’	10 - 20% lot width (min. 3’)
R-2-B-3	10,000	50%	30’	20’	20% lot depth (min. 20’)	10 - 20% lot width (min. 3’)
R-3	4,000 - 6,000[2]	50%	30’	12’	5’ - 12’	10 - 20% lot width (min. 3’)
R-3-PGR	2,200	50%	30’	4’ - 8’	5’ - 12’	10 - 20% lot width (min. 3’)
R-3-PGB	1,760 - 2,500	50%	25’	8’ - 12’	5’ - 8’	10% lot width (min. 3’)
R-3-M	2,000 - 2,500[3]	50%	25’		10’ - 20’	
R-4	4,000 - 6,000	50%	30’	12’	5’ - 12’	10 - 20% lot width (min. 3’)
M-H	10 acres for one mobile home park	Density = 10 du/acre		20’ (Other requirements may be authorized through use permit)		
Commercial Zones[4]						
C-1	2,000	75 - 90%	30’ - 40’	--[5]	0’ - 5’	0’ - 5’
C-1-T	2,000	75 - 90%	30’ - 40’	--[5]	0’ - 5’	0’ - 5’
C-2	2,000	90%	40’	--[5]	0’ - 5’	0’ - 5’
C-D	2,000	100%	40’	--[5]	0’ - 5’	0’ - 5’
C-FH	2,000	75%	35’	--[5]	10’	0’ - 5’
C-V	2,000	75%-90%	30’ - 40’	--[5]	0’ - 10’	0’ - 10’
I	2,000	90%	40’	--[4]	0’ - 10’	0’ - 10’

1 Section 23.16.181 provides locations exceptions based on location Minimum lots size may range from 3,600 sf - 5,000 sf.

2 There are inconsistencies between minimum lot sizes in the residential zones.

3 For adult communities, retirement homes and rest homes, the Planning Commission and/or City Council shall determine the amount of land area per occupied unit by judging its similarity to a family unit or motel unit in actual use and impact, but never less than 2,000sf.

4 The following are regulations about mixed-use residential/commercial development in commercial zones:

- Where 50 percent or less of the street-level frontage is devoted to commercial usage, the setback standards in PGMC 23.24.060 shall apply.
- where 50 percent or less of the street-level frontage is devoted to commercial usage, the building height standards in PGMC 23.24.030 shall apply. Within the C-2 and I districts, a use permit is required in order to exceed the 40-foot building height limit.
- where 50 percent or less of the street-level frontage is devoted to commercial usage, the building coverage and site coverage standards in PGMC 23.24.050 and 23.24.051, respectively, shall apply.

5 When fronting an R district, front yard is the same as required in adjacent R district

Source: City of Pacific Grove Zoning Code

Open Space Requirements

Projects should incorporate amenities such as open space and common areas that are vital to the livability and attractiveness of the development. Refer to Table 1-35 for open space requirements by land use.

Table 1-35 Open Space Requirements

Land Use	Open Space Requirement
R-3 District R-3-PGR District	200 square feet of open yard required per unit for all construction of five units or more.
All Other Districts	No specific open space requirement

Source: City of Pacific Grove Zoning Code

Parking Requirements

The City's parking requirements are based upon unit type and size. As shown in Table 1-36, parking requirements typically range from one to two spaces per single-family residential unit. Multi-family residential units have a reduced requirement based on the size of unit, and each unit can use tandem parking. However, the garage parking requirements for multi-family housing may be a constraint to development. This Housing Element includes a program action to address the parking requirements. Where the multi-family district is combined with other R districts, parking standards are based on the combined residential district.

Table 1-36 Parking Requirements in Residential Zones

Type of Use	R-1	R-1-B	R-2	R-2-B	R-3	R-3-PGR	R-4
Single-Family	<2700 sf: none >2700 sf: 1 covered 1 uncovered	2 covered	<2700 sf: none >2700 sf: 1 covered 1 uncovered >4,000 sf: 2 covered	2 covered	<1800 sf: 1 covered >1800 sf: 2 garage/ carport	2700 sf and under: none >2700 sf: 1 covered and 1 uncovered	See R-3
Duplex	---	---	< 2 bdrm: 1.5 2+ bdrms: 2 *1/unit garage	2 covered	< 2 bdrm: 1.5 2+ bdrms: 2 *1/unit garage		
Multi-Dwelling Apartment House, Dwelling Group	---	---	---	---	< 2 bdrm: 1.5 2+ bdrms: 2 *1/unit garage (each unit – may use tandem parking)		
Mobilehome	<2700 sf: none >2700 sf: 1 covered 1 uncovered	---	---	---	---	---	---
Accessory Dwelling Unit*	1 space	1 space	1 space	1 space	1 space	1 space	1 space

Note: * off-street parking not required for an ADU located within one-half mile walking distance of public transit. When parking is required, a space may be located in setback areas or as tandem parking.

Cumulative Impacts of Development Standards

Much of the future residential development will occur in sites that are zoned for commercial and R-3 and R-4. Existing development standards are generally adequate to accommodate development at the maximum allowable densities, with the exception of garage parking requirements for multi-family development. Open space requirement applies only to R-3 district. As for height, HCD uses a general rule of thumb of 10 feet in height per 10 units per acre in density, based on input from the development community. Based on this standard, the City's height limit is appropriate for its existing zoning. However, as part of this Housing Element update, the City is proposing to rezone/upzone properties, including increasing the density for C-D (Commercial-Downtown) and C-FH (Commercial-Forest Hill) to 30-45 units per acre. The City will establish appropriate development standards (parking, height, lot coverage, etc.) to ensure maximum allowable densities can be achieved.

Density Bonus

To achieve affordable housing through density increases, the City implements the State's density bonus program (Government Code §65915) through Chapter 23.79 (Density Bonus Regulations) of the Zoning Code. This section of the Zoning Code states that "the City shall grant a density bonus and other incentives and concessions for residential developments in conformance with Government Code Section 65915 et seq., as may be amended from time to time".

Planned Unit Development

The application of the Planned Unit Development (PUD) district allows for flexibility in design and layout to accommodate environmental constraints and a mix of housing types. The PUD district allows for single-family dwellings, multi-family dwellings, apartment houses, condominiums, and similar forms of common ownership; however, a use permit is required. Densities within the PUD district are set by the General Plan.

Architectural Review Guidelines

Pacific Grove's Architectural Review Guidelines for Single Family Residences (Guidelines) were adopted by the City in November 1998. These Guidelines address architectural style and design, lighting, topography, mass, and scale of a structure, as well as materials. The Guidelines also discuss the architectural review process, including the Architectural Review Board (ARB). This review process is addressed later in this Chapter.

Short-Term Rentals (STRs)

In many popular vacation areas such as the Monterey Peninsula, some residential properties are held as second homes for occasional use. As a result, a portion of the housing stock is not available for purchase or long-term rental. In the past, some property owners have rented their homes, or rooms, on a short-term basis to generate extra income. This type of STR market (where homes are rented for periods of less than 30 consecutive days) has increased with the creation of internet websites (e.g., VRBO, Airbnb).

In 2017, the City amended Chapter 7.40 of the Municipal Code addressing STRs in order to best address impacts on the city's residential neighborhoods as well as affordability of housing (Ordinance No. 17-024). The Ordinance established short-term license requirements and limitations. The maximum number of STR licenses allowed in Pacific Grove under the Ordinance is 250 units

located within the coastal zone. Also, there must be a minimum of 50 feet between STRs. Additional license applications are put on a waitlist. Chapter 7.40 also lays out other requirements for STRs, including site managers and occupancy limits. These new regulations has led to more housing inventory on the rental market but also less tax revenue for the City (Transient Occupancy Tax).

Zoning for a Variety of Housing Types

Housing element law requires jurisdictions to identify available sites in appropriate zoning districts with development standards that encourage the development of a variety of housing types for all income levels, including multi-family rental housing, factory-built housing, mobile homes, emergency shelters, and transitional housing. Table 1-37 and Table 1-38 below summarize the various housing types permitted within the City's zoning districts. Besides single-family homes, the City provides for various other housing types to meet the needs of the community, including persons earning lower incomes and seniors, among others. The City also permits a variety of residential uses in its commercial zones.

Table 1-37 Housing Types Permitted By Residential Zone

Land Use	R-1	R-1-H	R-2	R-3	R-4	M-H
Single-Family Dwelling	P	P	P	P	P	[4]
Duplex[1]			P			[4]
Two-Family Dwelling			UP	P	P	[4]
Dwelling Group, ≥ 3-Family				P/ UP [2]	P/ UP [2]	[4]
Multifamily Residences				P	P	[4]
Accessory Dwelling Unit and Junior ADU	P	P	P	P	P	[4]
Mobilehome/Manufactured Housing	P	P	P			P
Mobilehome Park						UP
Mixed Use						
Care Facilities (6 or fewer persons)	P[3]	P[3]	P[3]	P[3]	P[3]	P[3]
Care Facilities (7 or more persons)				UP	UP	
Transitional Housing	P[3]	P[3]	P[3]	P[3]	P[3]	P[3]
Supportive Housing	P[3]	P[3]	P[3]	P[3]	P[3]	P[3]
Rooming or Boarding House				UP	UP	UP
Group Quarters	UP	UP	UP	UP	UP	UP
Emergency Shelters						

Notes:

1 Based on Title 23, duplexes are "attached" dwellings designed for or occupied exclusively by two families living independently of each other

2 Use permit required if the total number of units exceed 7 on a building site, or additions or structural alterations proposed to an existing structure

3 Permitted subject to the same standards as apply to other residential dwellings of the same type in the same zone.

4 Any residential use permitted in the respective district with which the MH district is combined

Source: City of Pacific Grove Zoning Code

Table 1-38 Housing Types Permitted By Commercial/Industrial Zone

Land Use	C-1/C-1-T	C-D	C-FH	C-2	C-V	I
Single-Family Dwelling	P	P	P	P	--	UP
Duplex[1]	P	P	P	P	--	UP
Two-Family Dwelling	P	P	P	P	--	UP
Dwelling Group, ≥ 3-Family	UP	UP	UP	UP	--	UP
Multifamily Residences	P/ UP [2]	P/ UP [2]	P/ UP [2]	P/ UP [2]	--	P/ UP [2]
Accessory Dwelling Unit and Junior ADU	P	P	P	P	--	UP
Mobilehome/Manufactured Housing	P	P	P	P	--	UP
Mobilehome Park	--	--	--	UP	--	--
Mixed Use	P	P	P	P	--	--
Care Facilities (6 or fewer persons)	P[3]	P[3]	P[3]	P[3]	P[3]	P[3]
Care Facilities (7 or more persons)	UP	UP	UP	UP	--	UP
Transitional Housing	P[3]	P[3]	P[3]	P[3]	--	P[3]
Supportive Housing	P[3]	P[3]	P[3]	P[3]	--	P[3]
Rooming or Boarding House	UP	UP	UP	UP	--	UP
Group Quarters	--	--	--	--	--	--
Emergency Shelters	--	--	--	P	--	--

Notes:

1 Based on Title 23, duplexes are "attached" dwellings designed for or occupied exclusively by two families living independently of each other

2 Use permit required if the total number of units exceed 7 on a building site, or additions or structural alterations proposed to an existing structure

3 Permitted subject to the same standards as apply to other residential dwellings of the same type in the same zone.

4. Any residential use permitted in the respective district with which the MY district is combined.

Single-Family Residences

Single-family homes are permitted in all of the City's residential and commercial zones except for the C-V zone. Single-family homes are also conditionally allowed in the industrial zone. While this allows ample space for single family homes, permitting this use in the multi-family and commercial essentially reduces the opportunity for multi-family housing. This Housing Element includes a program action to establish a minimum density in the R-3, R-4, and commercial zones.

Duplexes and Dwelling Groups

Duplexes are defined in the Pacific Grove Zoning Code as "a building designed for or occupied exclusively by two families living independently of each other." Dwelling groups are a "group of two or more detached or semidetached one-family, two-family, or multiple dwellings occupying a parcel of land, in one ownership and having any yard or court in common."

Duplexes are permitted in the R-2 zone, and two-family dwellings are conditionally permitted in the R-2 zone and permitted-by-right in the R-3 and R-4 zones. These uses are permitted in all of the commercial zones, except for the C-V zone, and are conditionally allowed in the industrial zone. Dwelling groups with three to seven families are permitted in the R-3 and R-4 zones by-right, while dwelling groups with eight or more families are allowed with a conditional use permit. Dwelling

groups of any size need a conditional use permit in the commercial and industrial zones (not allowed in the C-V zone).

Multi-Family Residences

Multi-family residential development is permitted by-right in the R-3 and R-4 residential zones. In the commercial and industrial zones, multi-family projects with seven or fewer units are permitted-by-right while projects with eight or more units require a conditional use permit. No multi-family development is permitted in the C-V zone.

Accessory Dwelling Units

An ADU is a permanent dwelling that is accessory to a primary dwelling on the same property. An ADU provides complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, sanitation, and parking, and if attached to the primary dwelling, is provided exterior access separate from the primary dwelling. ADUs may be attached or detached from the primary dwelling unit.

A Junior ADU (JADU) is no more than 500 square feet in size and contained entirely within an existing or proposed single-family structure. A JADU may include separate sanitation facilities, or may share sanitation facilities with the primary dwelling.

Over the last few years, the State legislature has passed a series of bills aimed at encouraging the development of ADUs. These bills include AB 68, AB 587, AB 881, and SB 13, effective January 1, 2020; and, AB 2221 and SB 897, effective January 1, 2023.

The City last updated its ADU Ordinance in 2018 and 2022 to comply with State law, including a more streamlined process for the development of ADUs and JADUs. However, with the passage of AB 2221 and SB 897, the City's ordinance does not comply with new height requirements and other minor provisions required by State law as of January 1, 2023. Therefore, updating the City's ADU provisions has been included as a Housing Program in Chapter 3 of this Housing Element.

In August 2023, the City Council adopted an ordinance amending Municipal Code Section Chapter 23.80 Accessory Dwelling Units. This ordinance included changes required under AB 2221 and SB 897. The Municipal Code changes included

- Update the definition of Accessory Dwelling Unit and include new definitions of objective standards, permitting agency and attached unit,
- Remove limitations on expansions of existing ADUs,
- New subsection related to height of an attached ADU on a single-family lot,
- New section that references ADU height limitations that are consistent with AB 2221 and SB 897
- Remove requirement for a 4-foot side and rear setback,
- Allowing ADUs in the front setback,
- Removing requirement to modify an existing nonconforming structure as a condition of approval of an ADU,
- Procedural requirement for ADU and JADU applications denied by the City,
- Procedural requirements for ADU and JADU applications requiring demolition of a detached garage,
- Construction of an ADU cannot require installation of a fire sprinkler system in an existing primary dwelling,

- Maximum square footage for a detached ADU (1,200 sq.ft.) and for an attached ADU (no more than 50% of the existing home),
- Off-street parking is not required for a JADU
- Removing language regarding architectural requirements and historical protections (objective standards have not yet been adopted by the City),
- Prohibit the City from requiring the correction of nonconforming conditions as a condition of an ADU approval.

Mobilehomes and Mobilehome Parks

One mobilehome park is located in Pacific Grove: Monarch Pines located at 700 Briggs Avenue.[9] This mobilehome park has 103 mobilehome spaces. State law requires that mobile and manufactured homes be allowed on parcels zoned for conventional single-family units. These units cannot be regulated by any planning fees or review processes not applicable to conventional single-family dwellings. However, the architectural design of manufactured or mobilehomes can be regulated by the City.

Under the City's zoning regulations, mobilehomes are permitted by-right in the R-1, R-1-H, R-2, and M-H districts as well as the commercial zones; with the exception of the C-V zone. Mobilehome parks are permitted through the application of the M-H combined district; however, mobilehome parks in the M-H district must obtain a use permit. Mobilehome parks are also allowed with a use permit in the C-2 and I zones.

Mixed-Use Developments

Mixed-use development can provide new employment and housing opportunities for residents by permitting commercial uses on lower floors and residential units on the upper floors or behind the commercial use. Mixed-use development can enhance economic viability, pedestrian-oriented character, and the commercial environment. Zoning regulations allow for commercial and residential on the same site within the C-1, C-1-T, C-D, C-FH and C-2 districts. Chapter 23.34 calls for the City to "Encourage the development of second floor residential uses above ground floor retail and service uses in the Downtown Commercial Districts." Regulations regarding setbacks, site coverage and building height for mixed-use development is outlined in Chapter 23.31.040 (refer to Table 1-34 above).

Additionally, the City includes approval of mixed-use in conjunction with the housing development in the Density Bonus Program incentives.

Transitional and Supportive Housing

The Pacific Grove Zoning Code has the following definitions for Transitional and Supportive Housing:

> "Transitional housing" means buildings configured as rental housing developments, but operated under program requirements that mandate the termination of assistance and recirculation of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance. Transitional housing is a residential use subject only to the same requirements as apply to other residential dwellings of the same type in the same zone.

[9] California Department of Housing and Community Development, www.hcd.ca.gov

> "Supportive housing" means housing with no limit on length of stay, that is occupied by the target population, and that is linked to an on-site or off-site service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. "Target population" means persons with low incomes who have one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health condition, or individuals eligible for services provided pursuant to the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code) and may include, among other populations, adults, emancipated minors, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people. Supportive housing is a residential use subject only to the same requirements as apply to other residential dwellings of the same type in the same zone.

Per the definitions in the Zoning Code, transitional and supportive housing are permitted in zones where residential uses are allowed. AB 2162 (2018) requires that supportive housing meet specific criteria to be permitted by-right in zones where multi-family and mixed-use developments are permitted. Specific criteria include the size of the project and percentage set aside for target population, and specified amount of floor area for supportive services, among others. For projects located within 0.5 mile from transit, no minimum parking requirements may be applied. Updating the City's Zoning Code to include these requirements has been included as a Housing Program in Chapter 3 of this Housing Element.

Single Room Occupancy Developments and Group Quarters

While the City allows group quarters (residential living arrangements in which two or more unrelated persons share living quarters and cooking facilities) with a use permit in the residential zones, no definition or standards for Single Room Occupancy (SRO) developments are in the Zoning Code. AB 2634 mandates that local jurisdictions address the provision of housing options for extremely low income households—specifically the provision of SROs. Updating the City's Zoning Code to include SRO standards has been included as a Housing Program in Chapter 3 of this Housing Element.

Emergency Shelters and Low Barrier Navigation Centers

As described in the Needs Assessment of this Chapter, the 2022 Monterey County Point-in-Time Count identified 29 persons experiencing homelessness in the City of Pacific Grove. This was double the number of persons from the survey conducted in 2019 (14 persons). All of Pacific Grove's homeless population were unsheltered.

Emergency shelters are currently permitted by-right in the C-2 zone. In addition to the requirements of the C-2 zone, emergency shelters are subject to the following regulations:

- Maximum of 25 beds.
- Off-street parking shall be provided at a rate of one space per five beds plus one space per each staff person on duty.
- On-site management shall be provided at all times the shelter is open. A management and security plan shall be prepared in consultation with the city manager or his or her designee which shall describe hours of operation; staffing; house rules and occupant screening procedures; on- or off-site services to be provided; security measures to ensure the safety of the occupants of the shelter and surrounding areas; and communications protocols to ensure

effective coordination between shelter management, adjacent property owners and residents, and public safety personnel.

- No emergency shelter shall be established closer than 300 feet from another emergency shelter, measured from the nearest property line.
- Waiting and intake areas shall be screened from view from the public right-of-way.

C-2 zone is Heavy Commercial zone where a range of residential uses are also permitted, including ADUs, condominiums, duplex, group housing, mixed use development, and multi-family housing, and residential care facilities. Properties zoned C-2 have access to transportation and services. Overall, eight parcels in the City are zoned C-2, which total 6.95 acres. Average parcel size is under an acre (0.87 acre). Figure 1-7 shows the location of the C-2 parcels in the city. Existing uses include general commercial and residential uses. This zone contains ample capacity for the construction of new and/or adaptive reuse of existing structures into emergency shelters for the City's unsheltered population of approximately 29 persons.

Government Code §65583(a)(4)(B) lists the operational and development standards that cities are permitted to regulate. These include security, lighting, length of stay, separation from other shelters, provision of on-site management, and parking, among others. A comparison between Zoning Ordinance §17.96.030 and Government Code §65583(a)(4)(B) reveals some inconsistencies. Specifically, State law (AB 139) mandates that the parking requirement imposed by cities may only be based on staffing levels of the facility, not number of occupants, and does not allow for the requirement of bicycle parking.

In addition to requirements for traditional emergency shelters, AB 101 requires cities to allow a Low Barrier Navigation Center development by-right in areas zoned for mixed uses and nonresidential zones permitting multi-family uses if it meets specified requirements. A "Low Barrier Navigation Center" is defined as "a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing." Low Barrier shelters may include options such as allowing pets, permitting partners to share living space, and providing storage for residents' possessions. AB 101 also sets a timeline for jurisdictions to act on applications for Low Barrier Navigation Center developments. The requirements of this bill are effective through the end of 2026, at which point they are repealed.

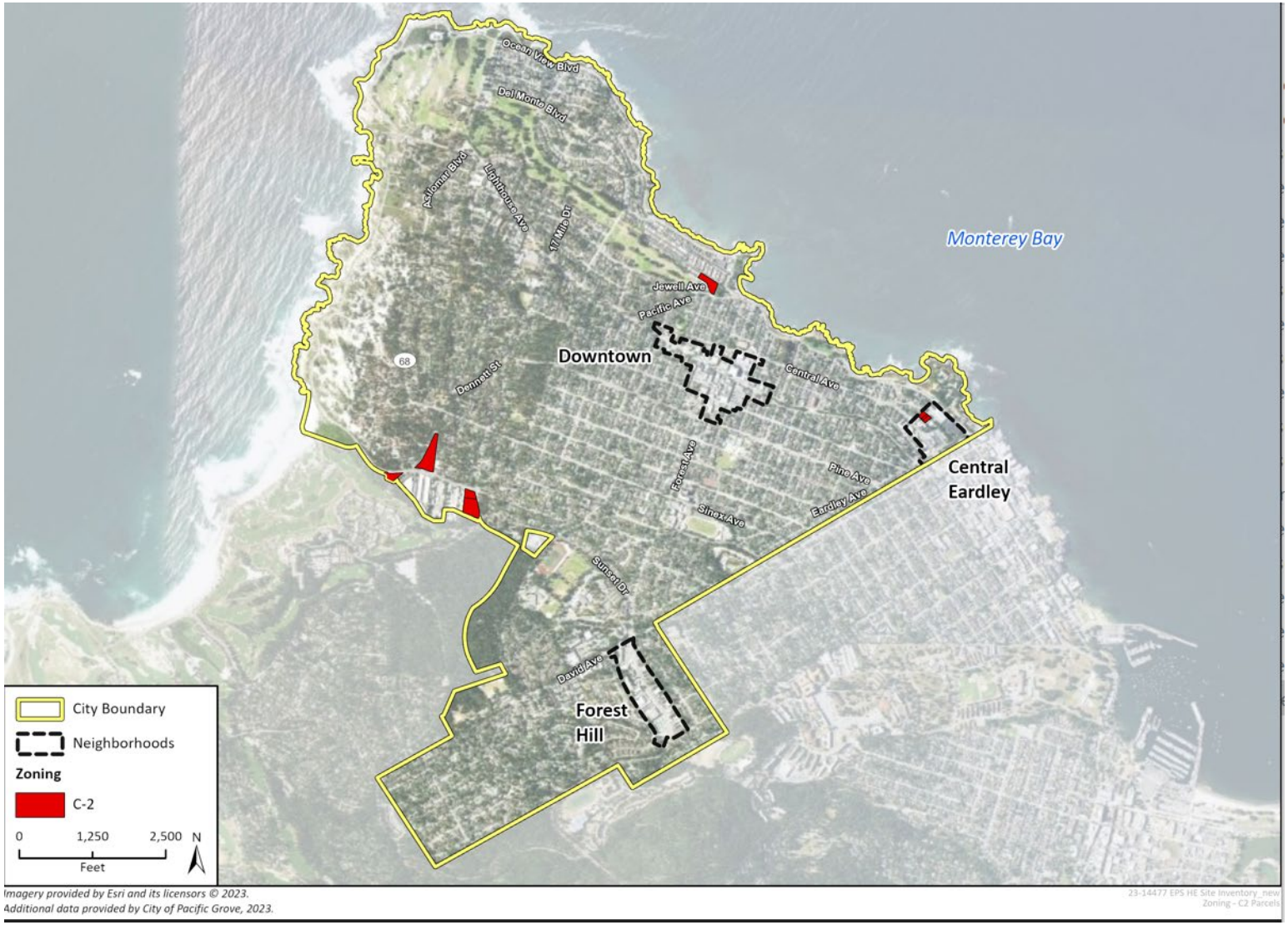
A program has been included in the Housing Element to amend the Zoning Ordinance to add provisions for Low Barrier Navigation Centers and to review and amend emergency shelter standards.

Employee Housing and Farm Worker Housing

According to the 2016-2020 American Community Survey, approximately 54 Pacific Grove residents were employed in agriculture related occupations. The City does not have any agriculturally zoned properties or properties where commercial-scale farming activities are permitted. Therefore, the Employee Housing Act relating to farm labor housing does not apply.

However, the Employee Housing Act (Health and Safety Code §17021.5) further requires that employee housing for six or fewer employees be deemed as a residential use, subject to the same standards as single-family residences. This employee housing requirement applies to housing provided by an employer to its employees and is not restricted to farm labor only.

Figure 1-7 C-2 Zone Parcels in Pacific Grove



Source: City of Pacific Grove Zoning Map

The Zoning Code allows for Rooming or Boarding Houses, which is a dwelling other than a hotel, motel, bed and breakfast inn, or apartment house, and accommodating a non-transient occupancy, where lodging and/or meals for three or more persons are provided for compensation. These are allowed with a use permit in the R-3 and R-4 zones as well as the commercial and industrial zones, with the exception of the C-V zone. Updating the City's Zoning Code to make sure the standards for Rooming and Boarding Houses comply with the Employee Housing Act has been included as a Housing Program in Chapter 3 of this Housing Element.

Housing for Individuals with Disabilities

The Needs Assessment of this Chapter includes recent data about disabled residents in Pacific Grove. Pursuant to State law, this section analyzes potential and actual constraints upon the development, maintenance, and improvement of housing for persons with disabilities; discusses local efforts to remove governmental constraints that hinder the locality from meeting the need for housing of persons with disabilities; and identifies programs that remove constraints or provide reasonable accommodations for housing designed for persons with disabilities.

Building Code and Public Improvements

The City complies with the Federal Americans with Disabilities Act (ADA) and the most recent California Building Code regulations.

Residential Care Facilities

The Pacific Grove Zoning Code definition for residential care facilities is as follows: "Residential care" means residential care facilities for alcoholism recovery, mentally disabled, handicapped, elderly, and dependent and neglected children (including residential care facilities for the elderly (RCFEs) as licensed by the State Department of Social Services). State-licensed residential care facilities for six or fewer persons, excluding the facility operator and staff, shall be considered a family use subject only to the same regulations as apply to other residential dwellings of the same type in the same zone.

Small residential care facilities (six or fewer persons) are permitted in all zones that allow residential uses and are only subject to the same regulations that apply to other residential dwellings of the same type in the same zone. Large residential care facilities (seven or more persons) are conditionally permitted in the R-3 and R-4 zones as well as the commercial and industrial zones (with the exception of the C-V zone). Findings required for use permit approval are described in the Planning and Development Processing and Fee section. A program has been included in Chapter 3 of the Housing Element to amend the Zoning Ordinance to conditionally permit large residential care facilities in all zones that allow residential uses.

Reasonable Accommodations

Chapter 22.81 of the Pacific Grove Zoning Code outlines the City's reasonable accommodation process for persons with disabilities. Any person with a disability, or his or her representative, may request reasonable accommodation on a form supplied by the Community Development Department. A request for reasonable accommodation may be filed at any time the accommodation may be necessary to ensure equal access to housing. Applications for reasonable accommodation shall be reviewed by the Community Development Director when no approval is sought other than the request for reasonable accommodation. When the application is submitted for concurrent review with another discretionary land use application, it will be reviewed by the authority for the

discretionary application. The review authority shall consider an application and issue a written determination within 40 calendar days of the date of receipt of the completed application.

The findings for granting a reasonable accommodation request are as follows:

1. The housing, which is the subject of the request for reasonable accommodation, will be occupied by an individual with disabilities protected under Fair Housing Laws;
2. The requested accommodation is reasonable and necessary to make housing available to an individual with disabilities protected under the Fair Housing Laws;
3. The requested accommodation will not impose an undue financial or administrative burden on the city, as defined in the Fair Housing Laws and interpretive case law; and
4. The requested accommodation will not require fundamental alteration or frustrate application of the city's zoning or building laws, policies and/or procedures, as defined in the Fair Housing Laws and interpretive case law. The city may consider, but is not limited to, the following factors to determine whether the requested accommodation would fundamentally alter or frustrate application of the city's zoning or building program:
   (A) Whether granting the accommodation would fundamentally alter the character of the neighborhood;
   (B) Whether granting the accommodation would result in a substantial increase in traffic or insufficient parking; and
   (C) Whether granting the accommodation would substantially undermine any express purpose of either the city's general plan or an applicable specific plan.

The finding relating to "fundamentally alter the character of the neighborhood" may be considered subjective with the potential to constrain the development and improvement of housing for persons with disabilities. This Housing Element includes a program action to modify this potentially subjective finding.

Definition of Family

The definition of family in the Zoning Code is: "Family" means an individual or two or more persons living together as a single household in a dwelling unit. Family shall not be construed to include a fraternity, sorority, club, or other group of persons occupying a hotel, lodging house, or institution of any kind. This definition is inclusive and does not constrain housing for persons with disabilities.

Planning and Development Processing and Fees

Planning Review

As a coastal community with unique and historic architectural character and environmental constraints, the City of Pacific Grove requires different levels of architectural and planning review for housing projects depending on the type, size, location, and historical designation, if applicable. Review ensures that the proposed project meets applicable City regulations, State environmental laws, and applicable building standards. The City's development review and permitting processes for residential developments are described below.

Table 1-39 displays the typical timelines for approvals and permits for the City of Pacific Grove. Residential projects of fewer than eight units typically take 2 to 2½ months from submittal of a complete application through completion of public hearings. Larger residential projects can take 3

or more months to complete depending on the issues involved. Overall, residential project review is between 1 and 4 months.

Table 1-39 Permit Processing Timelines

Permit Path	Typical Processing Time*	
	Single-Family and Multi-Family (<8 Units)	Multi-Family (8+ Units)
Architectural Review Board	Yes	Yes
Planning Commission	Not required	Yes
Typical Processing Time (Total)	8-10 weeks	10-12 weeks

*Processing time is based on the timeframe starting once an application is deemed complete by the City (post initial review, which is 30 days per the Permit Streamlining Act) through project approval for a typical new development on a legal lot.

Source: City of Pacific Grove 2023

Table 1-40 provides an overview of City permit types and the responsible Review Authority. Although the permit approval process must conform to the Permit Streamlining Act (California Government Code §65920 et seq.), housing proposed in Pacific Grove is subject to one or more of the following review processes: architectural design review, use permit or variance control, environmental review, and building permit approval.

Table 1-40 Permit Processing Procedures

Type of Decision	Role of Review Authority				
	Chief Planner or Staff	Zoning Administrator	Architectural Review Board	Planning Commission	City Council
Administrative Architectural Permit	Decision[1]	Hearing/Decision	Appeal[2]		Appeal[2]
Administrative Use Permit	Decision[1]	Hearing/Decision		Appeal[2]	Appeal[2]
Architectural Permit (new construction, major alteration, or demolition/ reconstruction)			Decision	Appeal	Appeal
Use Permit				Decision	Appeal

1 The director may defer action and refer the item to the hearing authority for decision.

2 Appeal authority may review matter only if the hearing authority held a public hearing and rendered a decision; except in cases where one or more vacancies on a board or committee causes an item to be continued to a subsequent meeting in order to meet the requirements for an affirmative action.

Source: City of Pacific Grove Municipal Code Table 23.70.012-1, July 2023

The City achieves timely permit processing that does not constrain residential development by implementing measures that streamline the process, as needed. The City provides handouts and information online to identify submittal requirements and procedures for the applicant to follow in order to ensure efficient processing. The City's practice (for Architectural Approvals, Historic Preservation Permits, Use Permits, and Variances) is that once an application is deemed complete, it is scheduled for hearing within one month.

In the Coastal Zone, with the exception of the Asilomar Dunes area, most existing developed parcels with remodels or tear down and rebuild projects are typically eligible for Coastal Development Permit waivers. The waiver process takes approximately 60 to 90 days on average, depending on timing of the application submittal with the California Coastal Commission meetings. Actual Coastal

Development Permits would average approximately 90 to 120 days once the CCC has deemed the application complete.

Environmental Review

As required by the California Environmental Quality Act (CEQA), the City's permit processing procedures include an assessment of the potential environmental impacts of the proposed projects. The majority of projects in the City meet the requirements for Class 1, Class 3, or Class 31 (historic and consistent with Secretary of the Interior Standards) categorical exemptions. If a project requires a negative declaration (ND), mitigated negative declaration (MND), or environmental impact report (EIR), additional processing and time are required. Environmental regulations can protect the public from significant environmental degradation and prevent the development on inappropriate sites. Environmental regulations also provide the public an opportunity to comment on project impacts. This process does, however, increase the time and cost of project approval.

Use Permit

A Use permit is required for certain types of residential uses (as noted previously). An Administrative Use Permit is reviewed and approved at the staff level by the Community Development Director or Zoning Administrator. A Major Use Permit is reviewed and approved by the Planning Commission and appealable to the City Council. For a Major Use Permit, the required findings for approval are:

1. The proposed use is allowed with a use permit within the applicable zoning district and complies with all applicable provisions of these regulations;
2. The proposed use is consistent with the general plan, the local coastal program, and any applicable specific plan;
3. The establishment, maintenance, or operation of the use will not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the neighborhood of the proposed use;
4. The use, as described and conditionally approved, will not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the city; and
5. The location, size, design, and operating characteristics of the proposed use are compatible with the existing and future land uses in the vicinity.

Findings 4 and 5 may be considered subjective and therefore do not provide consistency in outcomes. The Housing Element includes a program to revise the required findings for approval to establish objective findings that provide certainty in outcomes.

Architectural Review

The purpose of Architectural Review is to promote the orderly and harmonious development of the City and to protect the architectural heritage of Pacific Grove. The City's Architectural Review Guidelines apply only to single-family homes and include the following considerations:

- Neighborhood compatibility
- Relationship to site and topography
- Mass and scale of a structure
- Materials, texture and color

ARB approval is required for new construction, major alterations to existing structures, or demolition and reconstruction of structures. The findings required for approval are:

1. The architecture and general appearance of the completed project are compatible with the neighborhood; and
2. The completed project will neither be detrimental to the orderly and harmonious development of the city nor impair the desirability of investment or occupation in the neighborhood; and
3. The board has been guided by and has made reference to applicable provisions of the architectural review guidelines in making its determinations on single-family residences; and
4. Additional Finding for Sign Permits. The proposed sign effectively conveys the business identity to the public and possesses pleasing elements of design that protect and enhance the architectural character and harmony of the buildings and neighborhood in which it is located.

These required findings, particularly Findings 1 and 2, may be considered subjective. However, the City is developing Objective Design Standards. Once adopted, these standards will be used for the Architectural Review process.

Historic Preservation

The City has approximately 1,300 homes in its Historic Resources Inventory (HRI). Modifications to these homes are regulated by Municipal Code Chapter 23.76 (Historic Preservation). The protection of these resources is currently overseen by the Historic Resources Committee (HRC) and ARB, in compliance with the California State Historic Building Code (SHBC), which provides alternative building regulations for the rehabilitation, preservation, restoration or relocation of structures designated as cultural resources and CEQA guidelines.

As outlined in in the Municipal Code Chapter 23.70.070, the HRC is the decision-making authority for historic determinations, which are additions to and deletions from the historic resources inventory for the following permits:

1. Outside of the coastal zone, architectural permits for new construction, major alterations to existing structures, or demolition and reconstruction of structures. This section does not apply to any project listed in PGMC 23.70.020, 23.70.030 and 23.70.040
2. Within the coastal zone, architectural permits for new construction, major and minor alterations to existing structures, or demolition and reconstruction of structures, including an amendment to an approved architectural permit. This section does not apply to any project listed in PGMC 23.70.020(b)(2)(A) through (E), (3)(D), (4), (5), and (6)(B).
3. Historic preservation permits for exceptions to land use regulations involving structures on the historic resources inventory.
4. Historic demolition permits for the demolition of any structure on the historic resources inventory.
5. Historic relocation permits for the off-site relocation of any structure on the historic resources inventory.
6. If referred by the director or if a written request for a hearing is received within 10 days of the department's issuance of a notice of administrative decision, for one of the following applications:
   (i) Administrative architectural permit;
   (ii) Architectural design change; and

7. Whenever otherwise required by this code.

The findings required for approval are:

1. The architecture and general appearance of the completed project are compatible with the neighborhood; and
2. The completed project will neither be detrimental to the orderly and harmonious development of the city nor impair the desirability of investment or occupation in the neighborhood; and
3. The committee has been guided by and has made reference to applicable provisions of the architectural review guidelines in making its determinations on single-family residences.
4. Additional Findings for Exterior Alterations to Structures on the HRI:
    a. The exterior alteration of any structure on the historic resources inventory is consistent with the Secretary of the Interior's Standards for Rehabilitation of Historic Buildings; and
    b. The exterior alteration of any structure on the historic resources inventory complies with Appendices I through IV of the Pacific Grove Architectural Review Guidelines.

These required findings are considered subjective. However, the City is developing Objective Design Standards. Once adopted, these standards will be used for the Historic Review process.

The Historic Resources Inventory is currently being reviewed to determine which properties are still eligible for a historic designation. Those properties that no longer meet these standards (due to disrepair, loss of historic integrity, etc.) may instead be placed on a Neighborhood List or deleted from the HRI. This list will recognize the historical importance of these sites, but these properties will not be subject to the Objective Design Standards. The City also intends to maintain the Mermaid Avenue area as an architecturally unique neighborhood.

Site Plan Review Committee

The purpose of the advisory Site Plan Review Committee (SPRC) is to encourage well-designed multi-family residential, commercial, and industrial development. The SPRC studies the siting of proposed construction and its impact upon the existing topography and natural vegetation, and the relationship of proposed construction to existing public and private improvements in the immediate area.

The SPRC consists of the Planning Director/Zoning Administrator (chairperson), City Engineer, Fire Chief, and Chief Building Official, or their representatives. The SPRC reviews and comments on lot line adjustments, siting and lot coverage for proposed projects located in the coastal zone, and projects valued at $50,000 or more. SPRC review does not apply to single-family residences outside the coastal zone, interior alterations and remodels that do not involve a change in occupancy, or exterior alterations that do not involve an increase in floor area.

Fees and Exactions

Fees for developing residential housing in Pacific Grove include planning, building, and regional impact fees. The City's fees do not exceed the amount required to administer the processing of such applications. Moreover, the City does not currently impose City impact fees (e.g., traffic, parks).

The most recent planning fees in Pacific Grove were adopted in April 2023. Table 1-41 shows these fees for Fiscal Year 2023-24.

Table 1-41 City of Pacific Grove Planning Fees (2023-2024)

Application Type	Fee Per Application
General Plan Amendment	$5,783
Zoning Ordinance Amendment	$2,888
Parcel Map	$2,287
Tract Map	$2,617
Lot Line Adjustment – Residential	$2,159
Architectural Permit – Single Family	$3,481
Architectural Permit -Multi-Family four units or less	$4,259
Architectural Permit – Multi-Family five units or more	$4,870
Architectural Permit – Multi-Family each additional unit above five units	$1,851
Administrative Architectural Permit	$1,675
Administrative Design Change	$1,675
Use Permit and Amendments – Single Family	$2,089
Use Permit and Amendments – Multi-Family (Actual cost – minimum fee plus hourly fee)	$3,407
Major Administrative Use Permit	$1,369
Minor Administrative Use Permit	$1,350
Variances and Amendments	$2,907
Administrative Variances and Amendments	$1,625
Environmental: Initial Study/Mitigated Negative Declaration	$7,027
Negative Declaration Addendum	$5,180
Environmental: EIR	50% of EIR cost

Source: City of Pacific Grove Master Fee Schedule Fiscal Year 2023-24

Table 1-42 shows the typical fees for new residential development. Assumptions for the calculations are a 2,000-square-foot single-family home and a 10-unit multi-family development.

Total fees are estimated to comprise about 7% of the purchase price for a single-family unit and approximately 3% of a multi-family apartment unit. Given the prices of housing in the City and fees in other jurisdictions, fees charged for residential development are not a significant factor contributing to the high housing costs in the City.

Table 1-42 Typical Fees for Residential Units

Fee Type	Single-Family	Multi-Family
Building Permit Fee	$18,824	$14,024
Transportation Agency Fee[1]	$4,559.04	$32,294.23
Plan Review Fee	$14,118	$12,621.60
Architectural Permit Fee	$3,481	$13,825
Use Permit	$2,089	$3,407
General Plan Fee	$5,783	$5,783
CEQA Review (exemption)	$317	$317
Sewer Connection Fee[2]	$6,056.15 per unit	$6,056.15 per unit
Water Fee[3]	$1750 + $242 application fee ---	$1,750 per unit + $242 application fee
Stormwater Fee	$3,711+$410 plan review	3,711+$410
School Fees[4]	$9,580	$4,790
Total Estimated Fees per Unit	$68,928.15	$21,235.43 per unit
Estimated Fees as % of Total Cost	7%	3%

Notes: Fees are per unit estimates based on one 2,000 sf house on a legal lot or a 10-unit apartment development with an average of 1,000 square feet per unit. Based on the total cost of $1,000,000 for the single-family dwelling and $700,000 per unit for multi-family

1. Infill credits may apply which would reduce the feet
2. 85% of Monterey One Waer Sewer permit fee. Project specific and assessed by Monterey One Water.
3. Fees assessed by outside agency (Water Management)
4. Fees assessed by the Pacific Grove Unified School District. $4.79 per square foot for residential development. Adopted by the Board on September 7, 2023 (Resolution #1112).

Source: City of Pacific Grove 2023

On-Site and Off-Site Improvement Requirements

Site improvement costs include the cost of providing access to a site, clearing the site, and grading the pad area. In the case of a subdivision, such costs may also include major subdivision improvements such as road construction and installation of sewer, water, and other utilities. Several variables affect the amount of such costs, including site topography and proximity to established roads, sewer, and water lines.

The City requires that curbs, gutters, and sidewalks be installed along the frontage of every lot on which new construction or significant alteration occurs. The absence of curbs and gutters may contribute to unsafe pedestrian and vehicular travel. In addition, potential flooding problems may result due to the lack of infrastructure improvements. Curb, gutter, and sidewalk improvements are typical of all cities in California and do not impose a significant constraint to the development of housing in Pacific Grove.

Per the City's General Plan Transportation Element, new streets are required to meet the City's standard cross-section requirements. New local streets must have a right-of-way width of 50 feet, with a pavement width compatible with the neighborhood street pattern. New collectors are required to have a right-of-way width of 60 feet, with a pavement width of 40 feet. Arterials are required to have a right-of-way width of 100 feet, with a pavement width of 84 feet that includes at least eight feet for bicyclists and an appropriate width for pedestrians.

Non-Governmental Constraints

This section examines constraints to producing affordable housing that result from non-governmental forces, including the price of land, construction costs, timing of project development, the availability of financing, the price of land, and the cost of construction in Pacific Grove

Land Costs

Land costs vary substantially and are based on a number of factors. The main determinants to land value are location, zoning, and availability of water. The size of a parcel will also affect price. Land in a desirable area zoned for residential uses will likely be more valuable, and thus more expensive, than a remote piece of land zoned for agricultural uses. An internet search for vacant residential lots for sale in Pacific Grove identified one 5,293-square-foot lot for $475,000 located at 985 Piedmont Avenue.[10] This parcel is zoned R-1.

Allowing for increased density through the City's Density Bonus Ordinance is one tool to help offset costs of land and make the construction of affordable housing more feasible.

Construction Costs

Costs incurred in constructing a dwelling unit vary according to the amenities built into the unit, materials used, prevailing labor rate, and the difficulty of building on the site.

Construction costs can be broken down into two primary categories: materials and labor. A major component of the cost of housing is the cost of building materials, such as wood and wood-based products, cement, asphalt, roofing materials, and pipe. The availability and demand for such materials affect prices for these goods.

Another key component of construction costs is labor. California is 200,000 construction workers short to meet Governor Newsom's housing goals. This number comes from a study for Smart Cities Prevail. The study finds that California has lost about 200,000 construction workers since 2006. Many lost their job during the recession and found work in other industries. USC housing economist Gary Painter says that California has "a shortage of construction workers at the price people want to pay." However, the dilemma is that higher pay for construction workers would increase the overall construction costs for housing. In some cases, developers are "importing" workers from out of state for the construction work and pay for their temporary housing during the construction periods.

One indicator of construction costs is Building Valuation Data compiled by the International Code Council (ICC). The unit costs compiled by the ICC include structural, electrical, plumbing, and mechanical work, in addition to interior finish and normal site preparation. The data are national and do not take into account regional differences, nor include the price of the land upon which the building is built. According to the latest Building Valuation Data released in August 2022, the national average for development costs per square foot for apartments and single-family homes in 2021 are as follows:

- Type I or II, R-2 Residential Multifamily: $200.50 to $227.64 per square foot
- Type V Wood Frame, R-2 Residential Multifamily: $153.00 to $158.99 per square foot
- Type V Wood Frame, R-3 Residential One and Two Family Dwelling: $166.08 to $176.52 per square foot

[10] www.zillow.com and www.realtor.com, accessed July 2023

- R-4 Residential Care/Assisted Living Facilities generally range between $193.49 to $269.11 per square foot

While these are national averages, the general cost estimates per square foot in Pacific Grove is approximately $400 to $600 per square foot.[11] The most recent affordable housing project in the area, a 65-unit project in East Garrison located between Marina and Salinas, is costing nonprofit developer CHISPA $700,569 per unit. This increase has been recent, given that in 2019, a 47-unit Junsay Oaks senior apartment complex completed by CHISPA in Marina cost about $361,700 per unit.[12]

Density and Timing

Requests to develop housing at densities below those anticipated in the Housing Element may be a non-governmental constraint to housing development, when the private sector prefers to develop at lower densities than shown in the Housing Element. Over the last housing cycle, no sites identified in the Housing Element were developed at a lower density than what was calculated in the Element.

Non-governmental constraints can also affect the timing between project approval and requests for building permits. This may be due to delays in securing construction financing, finding contractors, or changes in the housing market after project approval. The amount of time between planning approvals and building permits for residential projects is approximately 30 to 90 days.

Availability of Financing

The availability of financing affects a person's ability to purchase or improve a home. Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications by the income, gender, and race of the applicants. This requirement applies to all loan applications for home purchases, improvements, and refinancing, whether financed at market rate or with government assistance.

Table 1-43 summarizes the disposition of loan applications submitted to financial institutions in 2022 for home purchase, refinance, and home improvement loans in Pacific Grove. Included is information on loan outcomes (i.e., the proportions applications that were approved, were denied, or were incomplete or withdrawn by the applicant).

Table 1-43 Disposition of Home Loans (2022)

Loan Type	Total Applications	Approved	Denied	Other
Conventional Purchase	125	75.2%	8.0%	16.8%
Government-Backed Purchase	4	50.0%	0.0%	50.0%
Refinance	86	61.6%	12.8%	25.6%
Home Improvement	54	53.7%	31.5%	14.8%
Total	**269**	**66.2%**	**14.1%**	**19.7%**

Source: 2022 Home Mortgage Disclosure Data: https://ffiec.cfpb.gov

Notes: "Approved" loans include loans originated and applications approved but not accepted. "Other" includes loans withdrawn by the applicant or closed for incompleteness.

[11] City of Pacific Grove Community Development Department, July 2023.
[12] https://www.montereycountyweekly.com/opinion/mcnow_intro/why-affordable-housing-does-not-come-cheap/article_e0ebcc50-7d7d-11ec-943e-6b8fbea90d60.html

A total of 269 loan applications were submitted in 2022, with an overall approval rate of 66 percent and a denial rate of 14 percent. The highest approval rate (75 percent) was for conventional home purchase loans, while the highest denial rate (32 percent) was for home improvement loans. One-half and one-quarter of government-backed purchase loans and refinance loans, respectively, were either withdrawn by the applicant or closed for incompleteness.

Infrastructure and Environmental Constraints

Water Service

The following information about water service in Pacific Grove is provided by the City of Pacific Grove website, the Monterey Peninsula Water Management District (MPWMD) 2022 Supply and Demand Forecast, and the MPWMD 2022 Annual Report.[13]

The greatest constraint on the production of new housing in Pacific Grove is the availability of water. The water purveyor to Pacific Grove and other Monterey Peninsula jurisdictions is California-American Water (Cal-Am). In 2009, the State Water Resources Control Board (SWRCB) approved a Cease and Desist Order against Cal-Am as a subsequent enforcement action to SWRCB Order 95-10, which required a dramatic reduction in Cal-Am withdrawals from the Carmel River Watershed. The imposed deadline for this water reduction was January 1, 2017. The other source of water supply to Cal-Am's Monterey District service area is the Seaside Ground Water Basin; however, this source is also constrained.

The Cal-Am water service area is locally regulated by the Monterey Peninsula Water Management District (MPWMD) and as a result of SWRCB Order 95-10, MPWMD established a system of water allocations to each jurisdiction to limit new development based on the availability of water.

The Monterey Peninsula Regional Water Authority (MPRWA) is a Joint Powers Authority (JPA) created in 2012 to find a solution to the Peninsula Water Shortage caused by the overdrafting of the Carmel River. The Authority consists of six Peninsula cities: Carmel-by-the-Sea, Del Rey Oaks, Monterey, Pacific Grove, Sand City and Seaside, with Monterey County participating on the Governance Committee. The Mayor of Pacific Grove serves as Director of the Authority.

The following source water projects are currently underway in the Monterey Peninsula:

- Monterey Peninsula Water Supply Project (Desalination): Cal-Am is working on a 6,252 acre-feet per year (AFY) desalination plant in North Marina. Cal-Am received a conditional Coastal Development Permit from the California Coastal Commission in November 2022. However, several conditions were put on the project and the timeline is currently unknown.
- Pure Water Monterey: an advanced water recycling project, jointly developed by two public agencies – the MPWMD and Monterey One Water (M1W). According to the MPWMD 2022 Annual Report, the Pure Water Monterey project now provides one-third of the Peninsula's water.
- Pacific Grove Local Water Project (LWP): The LWP consists of the construction and operation of a new satellite recycled water treatment plant (SRWTP) to recycle a portion of Pacific Grove's municipal wastewater. Recycled water produced at the SRWTP, located at the retired Point Pinos Wastewater Treatment Plant (WWTP), during the first phase, would be used primarily for landscape irrigation at the Pacific Grove Golf Links and El Carmelo Cemetery, owned by the City of Pacific Grove and located adjacent to the SRWTP. The initial Project consists of installing

[13] www.mpwmd.net and www.cityofpacificgrove.org

2,800 linear feet (LF) of recycled water pipeline that would convey recycled water from the SRWTP to the Pacific Grove Golf Links and El Carmelo Cemetery's existing irrigation systems.

The MPWMD's 2022 Supply and Demand Forecast Report utilized the Association of Monterey Bay Area Governments' (AMBAG) 2022 Regional Growth Forecast for water demand forecasts. AMBAG's forecast included the RHNA 6th Cycle allocations. Based on these forecasts, MPWMD estimates that the net increase of acre-feet for water in 2045 will be 6,795, including 941 AFY for Pacific Grove.[14] The MPWMD's report also shows that water supply over the next 30 years can meet the demands of the area's population and housing growth estimated by AMBAG. MPWMD's model shows that at 63 acre-feet per year of average growth, supplies are available for over 30 years.[15] This is twice the water forecasted to meet the needs of the AMBAG Regional Growth Forecast.

State law mandates the prioritizing of water for affordable housing if water is an issue. The City will continue to work with regional agencies to ensure that sufficient infrastructure support for water and other resources may become available to accommodate planned growth in the future.

Wastewater

The City's wastewater disposal system consists of approximately 58 miles of pipelines: 57 miles of gravity pipelines, which vary in diameter from 4-inch to 18-inch, and 1 mile of force mains. Maintenance access to the sewers is provided by 904 manholes and a number of structures, such as clean-outs and inspection holes. Nine sewer lift stations are located in the City's service area, seven of which are owned by the City, and two of which are owned by Monterey One Water. The City's Sewer System Management Plan (SSMP) was most recently updated in September 2022.[16] The SSMP includes 11 elements, including an operation and maintenance program, design and performance provisions, an overflow emergency response plan, and a system evaluation and capacity assurance plan, among others.

The City's Housing Division and Sewer Division operate the Sewer Lateral Replacement Loan Program, which provides a low interest (3%) loans of up to $10,000 to repair or replace a private sewer lateral.[17] These loans are eligible to residents and are secured by a Deed of Trust. Loans are repaid when there is a property title transfer or sale to a new owner. The City allows early repayment if requested.

The Regional Treatment Plant is operated by Monterey One Water and located 2 miles north of the city of Marina. The wastewater treatment plant has a design capacity of 29.6 million gallons per day (mgd). According to the Monterey One Water 2019 Sewer System Management Plan, there are not significant capacity issues in the system at this time.[18] Flows have decreased over recent years with the implementation of water conservation measures. Future residential projects will be required to pay capacity and monthly fees which will be used to implement future needed upgrades to the system.

The City's 2014 Sewer Master Plan identifies areas within the city with insufficient system capacity to meet existing and future flows and recommends specific improvements to address the deficiencies. Recommended improvements are ranked in order of importance for existing

[14] MPWMD Technical Memorandum: 2022 Supply and Demand Forecast, September 2022, Table 1: Water Required for Population Growth.
[15] MPWMD Technical Memorandum: 2022 Supply and Demand Forecast, September 2022
[16] City of Pacific Grove, Sewer System Management Plan – Revision 03, September 2022. Prepared by Wallace Group.
[17] www.cityofpacificgrove.org
[18] Monterey One Water 2019 Sewer System Management Plan

deficiencies. The improvements are incorporated into the City's capital improvement projects. Future development could trigger the need for additional improvements. However, the City will continue to evaluate the sewer system capacity and identify and implement infrastructure improvements to address system deficiencies. Future residential projects would be required to pay sewer connection and use fees which will help fund needed system improvements. The Housing Element includes programs to facilitate these improvements to ensure sewer system capacity is sufficient for future housing development.

Stormwater and Drainage

Housing projects on identified sites would be required to comply with Chapter 9.30, Storm Water Management and Discharge Control, of the Pacific Grove Municipal Code which requires elimination of illegal discharges, protection of watercourses, and includes best management practice guidance for construction sites and development to reduce impacts to stormwater facilities. Therefore, the City would be able to accommodate its RHNA with implementation of existing policies and measures.

Circulation System

The City is highly dependent on two arterial streets - Lighthouse Avenue and Forest Avenue. These streets connect Pacific Grove to neighboring communities and provide access to Highway 1. While additional housing development may impact traffic on these and other roads, this Housing Element does not change allowable land uses or intensities or cause traffic levels to exceed established level of service standards. The traffic impacts of any new residential development or proposed change in land use or zoning will be evaluated and addressed through environmental review at the time such actions are implemented. For instance, CEQA review will occur when the City of Pacific Grove updates the Zoning Ordinance.

The Transportation Agency for Monterey County analyzed bicycle and pedestrian safety as part of the 2018 Monterey County Active Transportation Plan and identified policies and programs to enhance the bicycle and pedestrian transportation network. The Plan outlined and prioritized recommendations for bicycle and pedestrian infrastructure in Pacific Grove, including areas for new bike lanes and sidewalks.

Environmental Hazards

Pacific Grove participated in the 2022 Monterey County Multi-Jurisdictional Hazard Mitigation Plan which addresses hazard vulnerabilities from natural and human-caused hazards. Hazards analyzed within the plan include flooding, drought, wildfire, landslides, severe weather, terrorism, cyber threats, pandemic, and the impact of climate change on hazards, as well as other hazards.

The entire city is highly susceptible to drought and water shortage. Water in Pacific Grove is already expensive and even a small increase in price could threaten access to water, especially for low-income residents. Most of the city is susceptible to coastal erosion. Coastal areas most at risk to coastal erosion are concentrated along the coastline along the Monterey Bay side of the Peninsula. A large portion of the city is susceptible to earthquake impacts; however, there are no faults within the city. Pacific Grove is approximately 28 miles from the San Andreas Fault and in proximity to the Navy Fault and Cypress Point Fault which run through Monterey and the Monterey Peninsula. The city is on a relatively stable area of granite bedrock and therefore, is less susceptible to seismic hazards than other parts of the county. Areas near the coast are susceptible to sea level rise and

coastal flooding. The greatest impacts are expected near Point Pinos and Otter Point; however, few structures are within these areas due to the high base elevation and bluffs along the shoreline. Sea level rise, coastal flooding, and tsunami impacts could threaten infrastructure such as roads and water and wastewater infrastructure. According to Fire Hazard Severity Zone Maps from CAL FIRE, none of the city is located in a Very High Fire Hazard Severity Zone. In addition, the Federal Emergency Management Agency's National Flood Hazard Layer shows that the entire city is in an area of minimal flood risk.

The City implements regulations and programs to minimize the risk of seismic, flood, tsunami wildfire, and sea level rise hazards. These regulations and programs include, among others, the Health and Safety Element, City's Local Coastal Program, City Building Code and building permit process, City Grading Permit process, and the Monterey County Multi-Jurisdictional Hazard Mitigation Plan.

Energy Usage and Conservation

Central Coast Community Energy (3CE) and Pacific Gas and Electric (PG&E) supply electricity in the city. 3CE is the default provider for both residential and commercial customers, but PG&E service is available to residents who choose to opt out of 3CE. Natural gas service is provided by PG&E. Telephone, internet services, and cable television are serviced by contracted providers including AT&T, T-Mobile, and Xfinity.

Planning to maximize energy efficiency and the incorporation of energy conservation and green building features, contributes to reduced housing costs. Energy efficient design for sustainable communities reduces dependence on automobiles. Additionally, maximizing energy efficiency reduces greenhouse gas emissions. In response to recent legislation on global climate change, local governments are required to implement measures that cut greenhouse gas emissions attributable to land use decisions.

Residential water heating and air heating/cooling are major sources of energy consumption. With the application of energy efficient design and the use of solar power systems, home heating and cooling can be operated on a more efficient and sustainable level. To encourage energy efficient design in compliance with State law, the City has adopted the 2022 California Energy Code and Green Building Standards Code. Chapter 18.45 of the Pacific Grove Municipal Code outlines the use and regulation of residential rooftop solar systems. This chapter includes a streamlined and expedited solar permitting process pursuant to California's Solor Rights Act. The City recently applied for funds to implement the new requirements.

PG&E provides a variety of energy conservation services for residents and several other energy assistance programs for lower income households. These programs include the Energy Savings Assistance Program, which offers free appliance upgrades and home repairs to qualified renters and homeowners.

The Better Together Giving Program gives millions of dollars each year to non-profit organizations to support economic & community vitality, education, emergency preparedness & safety and the environment. In 2022, allocation of grants occurred as follows (percentages are not mutually exclusive): 93 percent for organizations that support communities of color, 91 percent to organizations that assist underserved communities and 87 percent to organizations that assist low-income communities.

PG&E also offers rebates for energy efficient home appliances and remodeling. Residents can apply for a variety of rebates that make it more affordable in the short term to save energy and money in

the long term. Rebates are available for cooling and heating equipment, lighting, seasonal appliances, and remodeling (cool roofs, insulation, water heaters). These opportunities are available to all income levels and housing types.

Through these and other conservation measures, the City seeks to help minimize the percentage of household income required for energy costs as well as minimize the production of greenhouse gases. Programs have been included to incorporate newly adopted state energy efficiency standards and to encourage energy efficient technologies.

Chapter 2

Housing Resources

Housing Resources

This chapter documents the methodology and results of the Housing Site Inventory Analysis conducted to demonstrate the City of Pacific Grove's ability to satisfy its share of the region's future housing need. Infrastructure, services, and financial and administrative resources that are available for the development, rehabilitation, and preservation of housing in the City of Pacific Grove are also discussed in this chapter.

Future Housing Need

State law requires each community to play a role in meeting the region's housing needs. A jurisdiction must demonstrate in its housing element that its land inventory is adequate to accommodate its share of the region's projected growth. This section assesses the adequacy of Pacific Grove's land inventory in meeting future housing needs.

This update of the City's Housing Element covers the planning period of June 30, 2023, through December 15, 2031 (called the 6th Cycle Housing Element update). Pacific Grove's share of the regional housing need is allocated by the Association of Monterey Bay Area Governments (AMBAG) and based on recent growth trends, income distribution, and capacity for future growth. Pacific Grove must identify adequate land with appropriate zoning and development standards to accommodate its assigned share of the region's housing needs.

Pacific Grove's share of regional future housing needs is 1,125 total units. The number of units is distributed among four income categories, as shown below in Table 2-1, which are based on the area median income (AMI). In addition to the RHNA obligation and pursuant to SB 166[1], HCD recommends an additional buffer that will provide the City with the capacity to address potential net loss issues over the planning period. HCD recommends that each jurisdiction identify additional candidate sites to accommodate a RHNA buffer of 15 to 30 percent.

Table 2-1 Pacific Grove Needs for 2023-2031

Income Category	Number of Units	Units Plus 20% Buffer	Percent of Total Units
Very Low (30 to 50% of AMI)	362	434	34%
Low (51 to 80% of AMI)	237	284	22%
Moderate (81% to 120% of AMI)	142	170	13%
Above Moderate (> 120% of AMI)	384	384	30%
Total	**1,125**	**1,272**	

Meeting RHNA Requirements

Jurisdictions can use planned and approved projects, estimated accessory dwelling unit (ADU) production, and vacant and underutilized sites to accommodate the RHNA. Each of these topics are addressed below.

[1] SB 166 No Net Loss Law was enacted to ensure development opportunities remain available throughout the planning period, especially for lower- and moderate-income units.

Planned and Approved Projects

Residential developments approved and permitted, but not yet built ("pipeline projects") can be credited towards the City's RHNA for the 6th cycle Housing Element, provided the City can demonstrate the units can be built by the end of the 6th cycle's planning period. Similarly, units within completed projects which have received a certificate of occupancy as of June 30, 2023, can also be credited towards the RHNA. Affordability (the income category in which the units are counted) is based on the actual or projected sale prices, rent levels, or other mechanisms establishing affordability of the units within the project. Single-family homes are usually sold at market-rate prices, with no affordability covenants attached to the land. Multi-family or single-family developments that use density bonuses, public subsidies, or other mechanisms that restrict rents or sales prices would be restricted to the specified below-market rate prices agreed upon by the project applicant and City.

The City currently has one active housing project that is on schedule to construct housing units within the 6th cycle. The project includes a total of 10 housing units with one affordable to 80% AMI. The project applicant submitted a Senate Bill (SB) 35 letter of intent to the City, and on September 15, 2022, the City determined the project is eligible for the Streamlined Ministerial Approval process pursuant to SB 35 and approved the required planning entitlements. The location of this project is shown in Figure 2-1.

Accessory Dwelling Units

Accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) anticipated to be built between 2023 and 2031 are credited towards the City's RHNA pursuant to Government Code Section 65583.1. The City of Pacific Grove Building Division permitted nine ADUs in 2018, four ADU units in 2019, 20 ADUs in 2020, 40 ADUs in 2021, and 43 ADUS in 2022, for an average of 27 ADUs per year.

On May 5, 2022, the City of Pacific Grove amended their ADU Ordinance to establish a ministerial approval process for ADUs, which streamlines the approval process by requiring the project's compliance with applicable objective standards. Given the ministerial permitting process and growth in the number of ADUs permitted in recent years, the Site Inventory uses the average number of ADUs permitted from 2019 to 2022 to establish ADU trends for the 6th cycle. Between 2019 and 2022 an average of 34 ADUs were permitted each year. Assuming that 34 building permits will be issued per year, the City has assumed a total of 272 ADUs will be permitted between June of 2023 and December of 2031.

The Association of Bay Area Governments (ABAG) conducted an analysis of ADU affordability and concluded approximately 30 percent of ADUs are affordable to very low-income households, 30 percent affordable to low-income households, 30 percent affordable to moderate-income households, and 10 percent affordable to above-moderate income households.[2] Due to the proximity of Pacific Grove to ABAG and similar high housing costs, the Site Inventory assumes that 30 percent of ADUs will be rented at rates affordable to very low-income households, 30 percent to low-income households, 30 percent to moderate-income households, And 10 percent to above moderate-income households.

[2] ABAG. Using ADUs to satisfy RHNA Technical Memo. https://abag.ca.gov/sites/default/files/documents/2022-03/ADUs-Projections-Memo-final.pdf

Remaining RHNA

Accounting for the approved and pending projects, as well as projected ADUs, the City of Pacific Grove has a remaining RHNA of 990 units. Table 2-2 shows the remaining RHNA after accounting for planned and approved projects and projected ADUs. The City must demonstrate its ability to meet the remaining housing needs through the identification of sites suitable for housing development.

Table 2-2 Progress Towards Meeting RHNA

Income Category	RHNA Allocation Plus 20% Buffer	Pending and Approved	Estimated ADUs	Remaining RHNA
Very Low (30 to 50% of AMI)	362		82	280
Low (51 to 80% of AMI)	237	1	82	155
Moderate (81% to 120% of AMI)	142		82	60
Above Moderate (> 120% of AMI)	384	9	27	348
Total	**1,125**	**10**	**272**	**843**

Residential Site Inventory

State law requires that jurisdictions demonstrate in the Housing Element that the land inventory is adequate to accommodate that jurisdiction's share of the regional growth. State law has established "default" density standards for the purpose of estimating potential units by income range. According to HCD, a density standard of 20 or more units per acre (primarily for higher-density multi-family developments) would facilitate the development of housing in the low- and very low-income category in jurisdictions like Pacific Grove.

In addition to default density standards, the State established size requirements for parcels intended to support the development of lower-income units. Government Code Section 65583.2 establishes that sites between 0.5 and 10 acres in size which are zoned for residential development at 20 units an acre or greater are suitable for lower-income sites in Pacific Grove.

To accommodate the remaining RHNA, strategic sites in the city were selected as suitable locations for future housing. Several constraints were considered when identifying each site, including environmental concerns, utility or infrastructure access, feasibility of redevelopment during the next planning period, and realistic capacity assumptions.

Suitability of Vacant and Nonvacant Sites

The Site Inventory identifies both vacant and nonvacant sites with existing structures and uses that could be developed or redeveloped with housing over the next planning period.

Vacant Sites

Pacific Grove has sites suitable for residential development throughout the city, consisting of vacant lots that have existing zoning and infrastructure to support new housing development. Primarily, these vacant lots are smaller (less than 0.5 acres) and in residential neighborhoods, in single-family and multi-family, and commercial, mixed-use neighborhoods. The majority of these vacant sites accommodate above moderate-income housing units.

Recent Development Trends

There have been a limited number of development projects in Pacific Grove in recent years, in part due to challenges obtaining water for development projects. Water constraints are detailed in Chapter 1 of the Housing Element as well as at the end of this Chapter. Even with the water constraints, several housing development projects have been completed on nonvacant sites, including redevelopment and reuse of existing buildings to create new housing units. In addition, other jurisdictions in the region, which have similar water constraints, have also seen redevelopment of nonvacant parcels for housing development. Neighboring cities have had a multitude of redevelopment projects on nonvacant parcels primarily zoned for commercial and multi-family residential uses. Examples of recent development trends in Pacific Grove and the region are shown in Table 2-3 below.

Table 2-3 Nonvacant Site Redevelopment Trends

Locality	Project or Address	Previous Use	Details	Proposed Density
Pacific Grove	301 Grand Avenue	Mixed-use building	The project consisted of demolition of the existing mixed-use building and construction of a new mixed-use building with 11 housing units, 3 affordable units deed restricted via density bonus.	46 units/acre (160% of max density)
Pacific Grove	520 Lighthouse Avenue	Commercial building	The project redeveloped an existing single-story commercial building with a three-story mixed-use development. The development consists of 12,192 square feet of retail space on the ground floor and 10 housing units on the second and third floors. Construction of the project was completed in 2022.	28 units/acre (100% of max density)
Pacific Grove	Holman Building, 542 Lighthouse Avenue	Historic commercial building	The project redeveloped an existing single-story commercial building with a three-story mixed-use development. The development consists of 12,192 square feet of retail space on the ground floor and 10 housing units on the second and third floors. Construction of the project was completed in 2022.	43 units/acre (148% of max density)
Carmel-by-the-Sea	Ulrika Plaza	Parking and commercial	The project consists of the construction of a mixed-use development with 14 retail spaces and 12 housing units on a parcel with an existing parking lot. The project is currently under review.	33 units/acre (75% max density)
Carmel-by-the-Sea	JR Pastor Building, 721 Lighthouse Avenue	Commercial buildings	The project consists of the demolition of two existing buildings and the construction of a mixed-use development with commercial space on the first floor and eight housing units on the second floor. The project is currently under review.	29 units/acre (66% of max density)

Locality	Project or Address	Previous Use	Details	Proposed Density
Seaside	The Ascent	Commercial buildings	The project consists of the demolition of existing commercial buildings to construct a mixed-use development comprised of a ten-building workforce rental housing development. The project includes a total of 106 housing units, 16 of which are affordable units, and 4,000 square feet of retail space. The project is currently under construction.	38 units/acre (135% max density)
Monterey	449 Alvarado Street	Commercial building	The project consists of the demolition of an existing structure to develop a four-story mixed-use development with 34 housing units and 2,376 square feet of retail space. The project is currently under review	n/a
Monterey	300 Cannery Row	Commercial building	The project consists of converting an existing building with 8,500 square feet of retail space and eight new housing units. The project has obtained planning permit approval and is currently under review with the California Coastal Commission	Over 100% max density
Monterey	200 Glenwood Circle	Parking lot	The project consists of the construction of 40 independent, senior living housing units on an existing parking lot. The project is currently under construction.	n/a
Monterey	704 Foam Street	Single-family residence	The project consists of the demolition of an existing single-family residence to construct four detached housing units with detached garages. The project is currently under environmental review.	33 units/acre (Over 100% max density)
Monterey	2000 Garden Road	Commercial building	The project consists of the conversion of an existing commercial building to a multi-family building with 34 housing units. The project is under planning review.	n/a
Monterey	2560 Garden Road	Industrial/office structure	The project consists of the remodel of an existing industrial office building to a multi-family building with 25 housing units. The project is currently under review	n/a
Monterey	2600 Garden Road	Commercial building	The project consists of the demolition of an existing building to construct three five-story buildings with a total of 57 housing units. The project is currently under review.	n/a

Notes: n/a refers to projects where density is not publicly available or projects are a part of a larger site and not comparable.

Realistic Capacity

To establish realistic unit assumptions for identified sites, the City looked at recent projects in the city and neighboring communities around the Monterey Peninsula area (as seen in Table 2-3) that have similar market demands as Pacific Grove. The analysis focused on mixed-use development projects to estimate realistic densities for sites that allow commercial development. Recent projects in Pacific Grove had an average density of 38 units per acre. This exceeded the maximum base density under existing regulations by an average of 136 percent. The average density achieved including projects in neighboring jurisdictions was 35 units per acre or 110 percent of the baseline allowed density.

Due to the limited number of trends in the city and region, and to ensure the Site Inventory represents a realistic buildout, the inventory assumes buildout on sites of 70 percent of the maximum allowed density. As detailed in the Forest Hill Commercial District sites, the inventory conservatively assumes an average buildout of 50 percent of the maximum density. Exceptions were applied to properties under the City's control, if recent applications or interested property owners showed specific densities, or on strategic opportunity sites where higher densities would likely be met.

Non-Vacant Sites Analysis

As seen above, both Pacific Grove and other cities on the Monterey Peninsula have seen recent redevelopment of nonvacant sites to a range of mixed-use and multi-family housing development projects. The City is largely built-out and has limited vacant sites available for housing. Therefore, development of housing will rely on the redevelopment of sites with existing uses or structures.

The Site Inventory identified vacant sites to the extent available and focused on nonvacant sites with similar conditions to the recent redevelopment trends. Pursuant to Government Code Section 65583.2, the Site Inventory analyzed existing on-site uses for the potential of redevelopment. Table 2-4 shows the breakdown of existing uses on identified sites in the Site Inventory and the number of units attributed to sites with that use by income category. Figure 2-1 shows the location of the non-vacant sites throughout the city; detailed figures of the sites and nonvacant site-specific analysis can be seen later in the Chapter.

Table 2-4 Identified Sites by Existing Use

Existing Site Use	Lower-Income	Moderate-Income	Above Moderate-Income	Total
Single-Family Residential	37	0	7	44
Multi-family Residential	14	0	0	14
Commercial and Office	211	36	189	439
Churches	70	0	4	74
Unclassified Districts	229	82	191	502
Parking Lots	25	3	0	28
Vacant	20	0	8	28
Total	**606**	**121**	**399**	**1,126**

SINGLE-FAMILY AND MULTI-FAMILY RESIDENTIAL

There are four sites with existing single-family residential uses and one site with existing multi-family uses included in the Site Inventory. Properties with existing residential uses are characterized as underutilized as they primarily consist of larger parcels located in the City's residential and commercial zones, including R-1, R-3, R-4, and C-FH. Two sites with single-family residential uses are large parcels approximately two acres in size with only one single-family residential unit each. The other two sites with single-family residential uses are zoned C-FH and R-4, which allow up to 29 units per acre under existing density allowances, however each parcel only has one single-family residence. The site with existing multi-family residential uses is on a sizeable lot (0.63 acres) and currently meets less than half the allowed density of the parcel. None of these sites have existing lower-income restricted units requiring a replacement program.

COMMERCIAL

There are 34 sites with existing commercial, office, or industrial type structures and uses. None of the identified sites have any known long-term leases or contracts which would prevent redevelopment. Sites 1, 10, and 11 are partially owned by the City with large public parking lots and vacant structures. The owner of Site 17 expressed interest in redeveloping the on-site office buildings to construct affordable housing. The remaining nonvacant commercial sites primarily consist of older, single- and two-story structures, many of which have large parking lots and vacant areas. This includes portions of the Forest Hill, Forest Avenue, and Fairway Shopping Centers, which primarily have large parking areas and additional buildout or redevelopment potential. Existing uses on these sites include banks, restaurants, office, and general retail. The Site Inventory assumes redevelopment of commercial sites would also include a mix of commercial and residential components to conserve commercial opportunities and add new housing to these commercial corridors.

OFFICE CONVERSIONS

There are 12 sites with existing commercial structures, generally two-story buildings, with vacant or underutilized office/commercial space on the second floor. None of the identified sites have any known long-term leases or contracts which would prevent redevelopment. As detailed in Table 2-3 above, the City has recent experience with converting existing buildings to new uses.

CHURCHES

There are four sites owned by religious organizations. Sites 45 and 46 are on small lots (approximately 0.3 acres) zoned high density residential. Site 51 is a large lot (5.76 acres) zoned medium density residential and Site 54 is a moderately sized parcel (0.55 acres) and zoned high density residential. Site 51 also contains large vacant areas and large areas for parking on the site. Owners of these properties have indicated interest in building affordable housing on site.

UNCLASSIFIED DISTRICTS

There are three sites that are zoned Unclassified, all on large, publicly owned parcels ranging from 6.17 to 15.73 acres. These sites (Sites 48, 52, and 56) are zoned Unclassified and pursuant to Pacific Grove Zoning Code Section 23.44.040, would require a referendum by voters for a zone change. The Housing Element contains Program 5 to ensure these sites are made available during the planning period. Site 48 is owned by the California-American Water Company and is largely vacant with several structures and parking areas. Site 52 is owned by the Pacific Grove Unified School District

and is developed with the Monterey Bay Charter School. This site contains large vacant areas, and the owner has expressed interest in developing affordable housing on the site. Site 56 is developed with the Pacific Grove Adult Education Center with two large parking lots and vacant areas.

PARKING LOTS

There are two sites completely occupied by parking lots in addition to other sites with large, underutilized parking lots associated with commercial structures (described under Commercial, above). Site 5 consists of a large public parking lot and Site 22 consists of RV storage. Both properties are underutilized. In addition, the parking lot sites are zoned C-D or C-FH and are located in close proximity to transit, restaurants, and commercial uses.

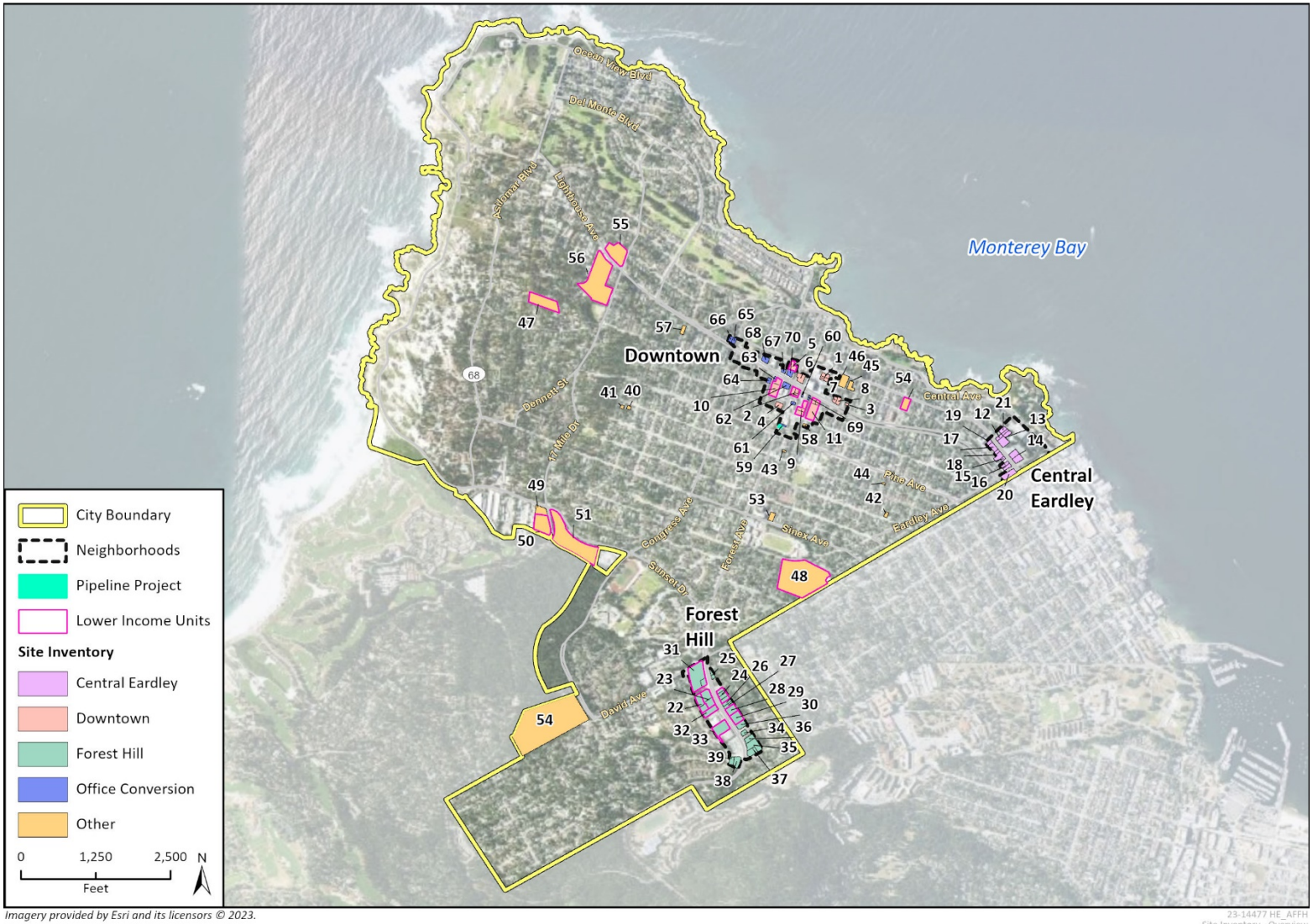
VACANT

There are eight vacant sites suitable for residential development throughout City. These sites have existing zoning and adjacent infrastructure to support new housing development. Primarily, these vacant lots are smaller (less than 0.5 acres) and are located in single-family and multi-family, commercial, and mixed-use neighborhoods. The majority of these vacant sites are assumed to accommodate above moderate-income housing units.

Small Sites and Lot Consolidation

The focus of the inventory and the majority of identified sites are on single parcels. However, there are instances where there are two or more contiguous parcels that if redeveloped together would support the development of more housing than if they developed individually. The Site Inventory site-specific analysis below details sites that have contiguous, multiple parcels. All of the sites in the inventory with more than one parcel are contiguous and a majority of them are under common ownership. The Housing Element includes programs to incentivize lot consolidation for sites comprised of multiple contiguous parcels.

Figure 2-1 Pipeline Project and Housing Sites Identified in Pacific Grove



Site Inventory

Based on the criteria outlined above, parcels were identified that are currently vacant or underutilized in the city and that have the potential to accommodate the City's remaining RHNA. Many of the sites are focused in the Downtown, Central-Eardley Commercial, and Forest Hill Commercial Districts as these areas were identified by residents as ideal for housing development as part of the Balancing Act Tool site identification activity, which is summarized in Appendix D. These areas all allow mixed-use development with proposed density increases as outlined below.

As shown in Table 2-5, vacant and underutilized sites can accommodate a total of 1,126 units. These sites and consolidated sites that meet the State requirements for accommodating lower-income housing units can accommodate 606 lower-income housing units. Some identified sites were used in the previously adopted housing element and would require a by-right approval process consistent with Government Code section 65582.2(c), which is addressed in Program 5.

Table 2-5 Overview of Sites

Location	Number of Sites	Very Low-Income (VLI)	Low-Income (LI)	Moderate-Income (MI)	Above Moderate-Income (AMI)	Total
Downtown	11	94	43	14	42	193
Central-Eardley Commercial	10	0	0	0	49	49
Forest Hill	18	72	38	25	57	192
Other	21	205	151	82	213	651
Office Conversion	12	0	0	0	41	41
Total		**372**	**234**	**121**	**399**	**1,126**

Downtown District

Downtown Pacific Grove is the historic heart of the city, with a pattern of mostly smaller lots occupied by single- and two-story buildings punctuated by a few taller buildings. The recently redeveloped Holman's Block (542 Lighthouse Avenue) is the tallest building in the district at five stories. Holman's Block stretches an entire block length along Lighthouse Avenue and was recently renovated as part of a mixed-use project with 25 housing units. Downtown is also home to City Hall and other civic buildings, as well as five City-owned parking lots that serve the Downtown District. Ground level retail is mixed with commercial space and some housing. The area is serviced by transit more than other areas of the city and is one of Pacific Grove's main job centers. It is also within close walking distance of open space recreational beach parks, schools, and other services. Community outreach and the interactive Balancing Act Tool showed a majority of participants supported redevelopment in the Downtown District, especially in locations with surface parking lots and underutilized non-historic buildings, with medium to high residential density. A majority also supported creating housing above or within existing buildings (See Balancing Act Summary in Appendix D).

Most parcels in the Downtown District are zoned "Commercial-Downtown" (C-D). The C-D Zone allows housing above ground-level retail, heights of up to 40 feet (3 stories), zero setbacks, and 100 percent lot coverage. To facilitate residential development on properties in the C-D Zone, the City will promote parcel assemblage, and initiate conversations with property owners and interested developers related to the housing sites listed in this inventory (Program 8). Currently, the C-D Zone

allows residential density equal to the nearest residentially zoned parcel; however, the City will revise the zoning ordinance to allow up to 45 units per acre in the C-D Zone in order to further incentivize redevelopment in the Downtown neighborhood (Program 5).

The Downtown District can accommodate a total of 193 housing units, 140 of which will be affordable to lower-income households, as detailed in Table 2-6 and shown in Figure 2-2.

Site 1

Site 1 is a 0.39-acre site consisting of five parcels. Three parcels consist of surface parking lots under the same ownership (0.2 acres), one parcel consists of a parking lot owned by the City (0.1 acres), and one parcel is developed with a single story commercial building (0.09 acres). The City would leverage its ownership of one of the parcels to develop a mixed-use project with an affordable housing component. Given that about 33 percent of the site is owned by the City, it would be realistic to meet the maximum allowed density of the site. Therefore, the Site Inventory assumes a total of 17 housing units on the site.

Site 2

Site 2 is a 0.46-acre site consisting of six parcels, three of which are under the same ownership. The site is developed with a vacant, two-story bank building, a single-story bank building, a single-story restaurant, and a large parking lot. The vacant two-story bank building is historic but has potential for adaptive reuse, as the City has experienced trends of adaptive reuse in recent years (see historic building conversion in Table 2-3). The site is located close to services and amenities. The Site Inventory conservatively assumes a total of 14 housing units on Site 2, 70 percent of the maximum allowed density, to accommodate for adaptive reuse of the existing historic bank building.

Site 3

Site 3 is a vacant, 0.05-acre site. The site is adjacent to commercial and residential uses and in proximity to services and amenities, including a transit stop. The Site Inventory assumes a total of two housing units on the site, equal to 100 percent of the maximum allowed density and consistent with surrounding residential uses.

Site 4

Site 4 is a 0.25-acre site developed with a single-story, brick commercial building that was constructed in 1922. The site is surrounded by residential and commercial uses and is in proximity to services and amenities. The Site Inventory conservatively assumes a total of seven housing units on the site, equal to 70 percent of the maximum allowed density. This would accommodate the potential for adaptive reuse of the existing structure. The site could accommodate more units if full redevelopment of the site is implemented.

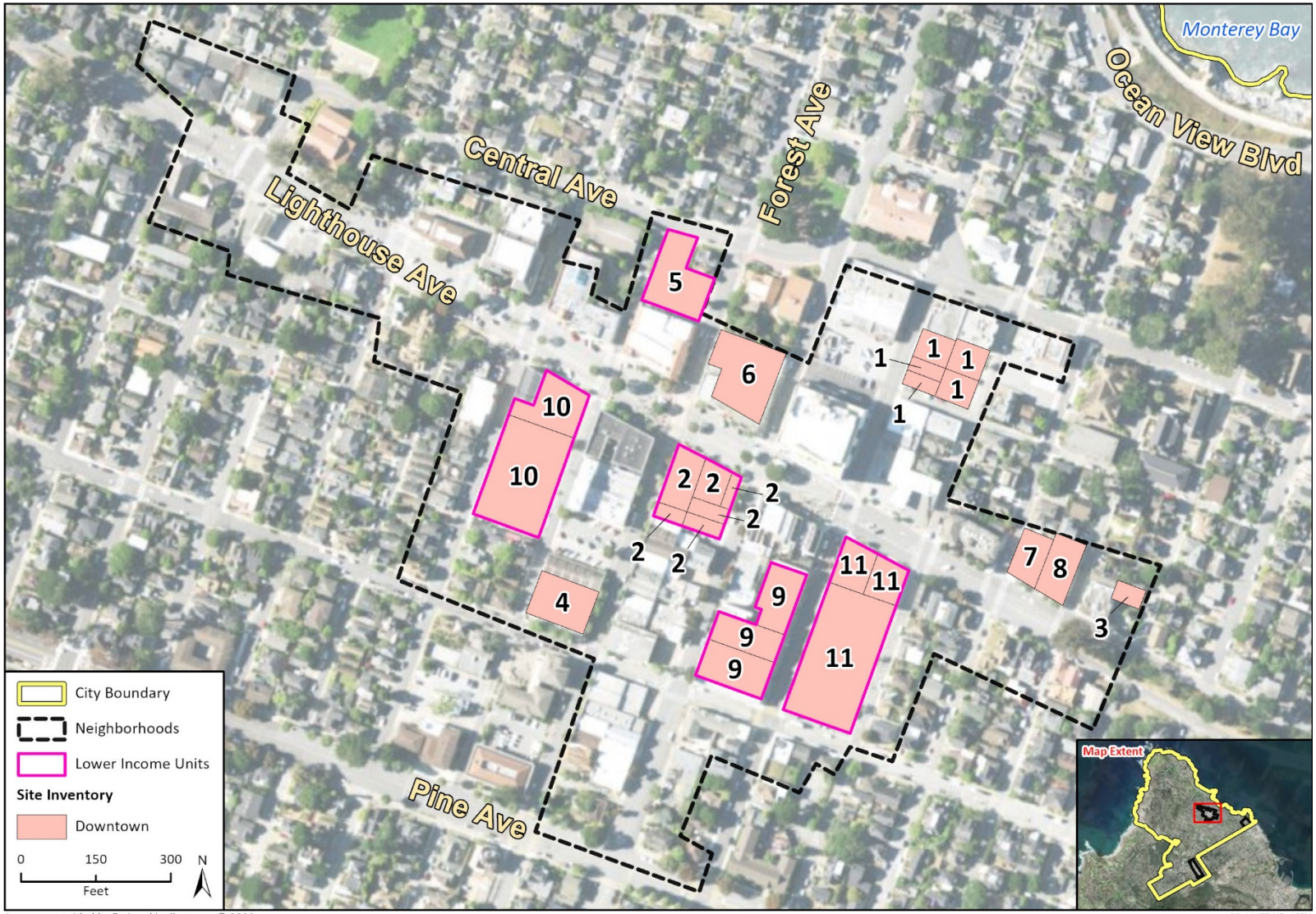
Site 5

Site 5 is a 0.34-acre site consisting of one parcel developed with a City-owned parking lot. The City would leverage its ownership of the parcel to develop a mixed-use project with an affordable housing component. Due to the unique shape of the parcel, the Site Inventory conservatively assumes a total of ten housing units on the site, equal to 70 percent of the maximum allowed density.

Table 2-6 Overview of Sites in the Downtown District

Site #	Address	Size (Acres)	Zone	Max Density (units per acre)	VLI	LI	MI	AMI	Total	Realistic Capacity	Used in 5th Cycle HE?
1	161 Fountain Ave.; 148 15th St.	0.39	C-D	45	0	0	8	9	17	100%	No
2	561, 575 Lighthouse Ave.; 209 Forest Ave.; 210, 214 Grand Ave.	0.46	C-D	45	6	5	3	0	14	70%	No
3	166 12th St.	0.05	C-D	45	0	0	0	2	2	100%	Yes
4	226 Forest Ave.	0.25	C-D	45	0	0	0	7	7	70%	No
5	168 Forest Ave.	0.34	C-D	45	3	4	3	0	10	70%	No
6	562 Lighthouse Ave.	0.41	C-D	45	0	0	0	12	12	70%	No
7	490 Lighthouse Ave.	0.14	C-D	45	0	0	0	4	4	70%	No
8	490 Lighthouse Ave.	0.19	C-D	45	0	0	0	5	5	70%	No
9	212, 227, 229 Grand Ave.	0.65	C-D	45	19	10	0	0	29	100%	No
10	601 Lighthouse Ave.	0.93	C-D	45	27	14	0	0	41	100%	No
11	525, 531 Lighthouse Ave.	1.16	C-D	45	40	12	0	0	52	100%	No
Total					**95**	**45**	**14**	**39**	**193**		

Figure 2-2 Housing Sites in the Downtown District



Site 6

Site 6 is a 0.41-acre site developed with a three-story historic structure with commercial uses on the ground floor. The existing building was built in 1927 and covers almost the entirety of the parcel. The Site Inventory assumes a total of 12 housing units on the site, equal to 70 percent of the maximum allowed density. This would allow for adaptive reuse of the historic building as well as continued commercial uses on the ground floor.

Site 7

Site 7 is a 0.14-acre site developed with a two-story commercial building. The existing building was built in 1986 and is not historic. The site is surrounded by commercial and residential uses and is in proximity to services and amenities. The Site Inventory assumes a total of four housing units on the site, equal to 70 percent of the maximum allowed density. This density could be accommodated through reuse of the existing 10,081 square foot building, but more units could be constructed on the site if redevelopment occurs.

Site 8

Site 8 is a 0.19-acre site developed with a three-story historic structure built in 1986 with commercial uses on the ground floor. The Site Inventory assumes a total of five housing units on the site, equal to 70 percent of the maximum allowed density. This would allow for adaptive reuse of the building.

Site 9

Site 9 is a 0.65-acre site consisting of three parcels with the following uses: J&J Storage (0.25 acres), small office building (0.18 acres), and rug repair business (0.21 acres). The site is developed with a two-story warehouse structure in a prominent downtown location. The site is located close to services and amenities with a recent multi-family development across the street. The site is strategic for redevelopment due to its prominent location in Downtown and the nature of the existing uses. With the housing programs to increase allowed density and City outreach to property owners, it is assumed the site could be redeveloped to the maximum allowed density, which is a total of 29 units on the site.

Site 10

Site 10 is a 0.93-acre site, consisting of a permanently closed, single-story Bank of America branch (0.26 acres) and a City-owned surface parking lot (0.67 acres). The single bank structure was built in the 1960s but does not have significant historical value and stands vacant today. Bank of America has expressed interest in selling the property. The City would leverage its ownership of their portion of the site for mixed-use development with an affordable housing component. Because most of the site is owned by the City, it would be realistic to meet the maximum allowed density of the site. Therefore, the Site Inventory assumes a total of 41 housing units on the site.

Site 11

Site 11 is a 1.16-acre site consisting of three parcels, two under the same ownership. This site consists of the Light House Four Cinema (0.28 acres) and an adjacent large surface parking lot owned by the City (0.88 acres) and is located close to services and amenities. The City has fielded an inquiry about redevelopment, with a plan that shows a total of 123 units, 81 of which are

affordable. This would be above the proposed density. Because most of the site is owned by the City, it would be realistic to meet the maximum allowed density of the site. Therefore, the Site Inventory assumes a total of 52 housing units on the site, which is less than the recent development inquiry.

Central-Eardley Commercial District

The Central-Eardley Commercial (CEC) District is a transitional area on the eastern boundary of Pacific Grove, bordering the city of Monterey. The CEC District separates Monterey's Cannery Row and Lighthouse Avenue commercial district with the Pacific Grove Retreat residential neighborhood. The corridor serves as an eastern gateway to Pacific Grove with retail, commercial, restaurants, and offices, servicing both visitors and residents. The corridor has some residential uses along Central Avenue and is bordered by parcels zoned high density residential to the west which contain a range of existing housing types from single-family residential to small scale multi-family. Single story commercial buildings largely line the corridor with some multistory office buildings interspersed throughout. The Monterey Bay Aquarium has a significant presence in the CEC District with administrative offices on both sides of Central Avenue. The CEC District will experience significant transformation with the completion of the ATC Hotel project, which includes 20,000 square feet of commercial space and a 225-room hotel at 125 Ocean View Boulevard, located along the northern edge of the CEC District. This project has the potential to be a catalyst for additional redevelopment within the CEC District. In addition, a majority of participants in the Balancing Act Tool supported the redevelopment of commercial sites with mixed-use, including residential uses at a medium density, consistent with nearby neighborhoods.

The CEC District is mostly zoned "Commercial-1" (C-1) and "Commercial-2" (C-2) under the City's existing zoning code. These zone districts allow for mixed-use development, heights of up to 40 feet, no setback requirements, and 90 percent lot coverage. Maximum density in the CEC District corresponds to the maximum density of the nearest residential use category. A majority of the sites in CEC District are adjacent to residential sites with a maximum density of 19.8 units per acre. This density accommodates multi-family residential uses but also maintains compatibility with nearby single-family residential neighborhoods. The CEC District can accommodate a total of 49 housing units, as detailed in Table 2-7 and shown in Figure 2-3.

Table 2-7 Overview of Sites in the Central-Eardley Commercial District

Site #	Address	Size (Acres)	Zone	Max Density (units per acre)	VLI	LI	MI	AMI	Total	Realistic Capacity	Used in 5th Cycle HE?
12	168 Central Ave.	0.15	C-1	19.8	0	0	0	2	2	70%	No
13	160 Central Ave.	0.78	C-1/ C-2	19.8	0	0	0	10	10	70%	No
14	100, 120 Central Ave.	0.85	C-1	19.8	0	0	0	11	11	70%	No
15	127 Central Ave.	0.09	C-1	19.8	0	0	0	1	1	70%	No
16	105, 109 Central Ave, Evans Ave.	0.35	C-1/ R-4	19.8	0	0	0	7	7	100%	No
17	167 Central Ave.	0.29	C-1	19.8	0	0	0	3	3	70%	No
18	155, 159 Central Ave.	0.42	C-1/ R-4	19.8	0	0	0	5	5	70%	No
19	173 Central Ave.	0.11	C-1/ R-4	19.8	0	0	0	1	1	70%	No
20	95 Central Ave.	0.52	C1	19.8	0	0	0	7	7	70%	No
21	119 Dewey Ave.	0.20	C-2	19.8	0	0	0	2	2	70%	No
Total					**0**	**0**	**0**	**49**	**49**	**59%**	

Site 12

Site 12 is a 0.15-acre site consisting of one parcel. The site is developed with a single-story commercial building constructed in 1949, which is not a historic resource. Under land use regulations, the site can accommodate an additional story in height with 90 percent lot coverage, or, if the site is redeveloped, up to 3 stories in height with 75 percent lot coverage under Pacific Grove Zoning Code Section 23.31.040. The site is in proximity to services and amenities. The Site Inventory conservatively assumes a total of two housing units on the site, equal to approximately 70 percent of the maximum allowed density of the site.

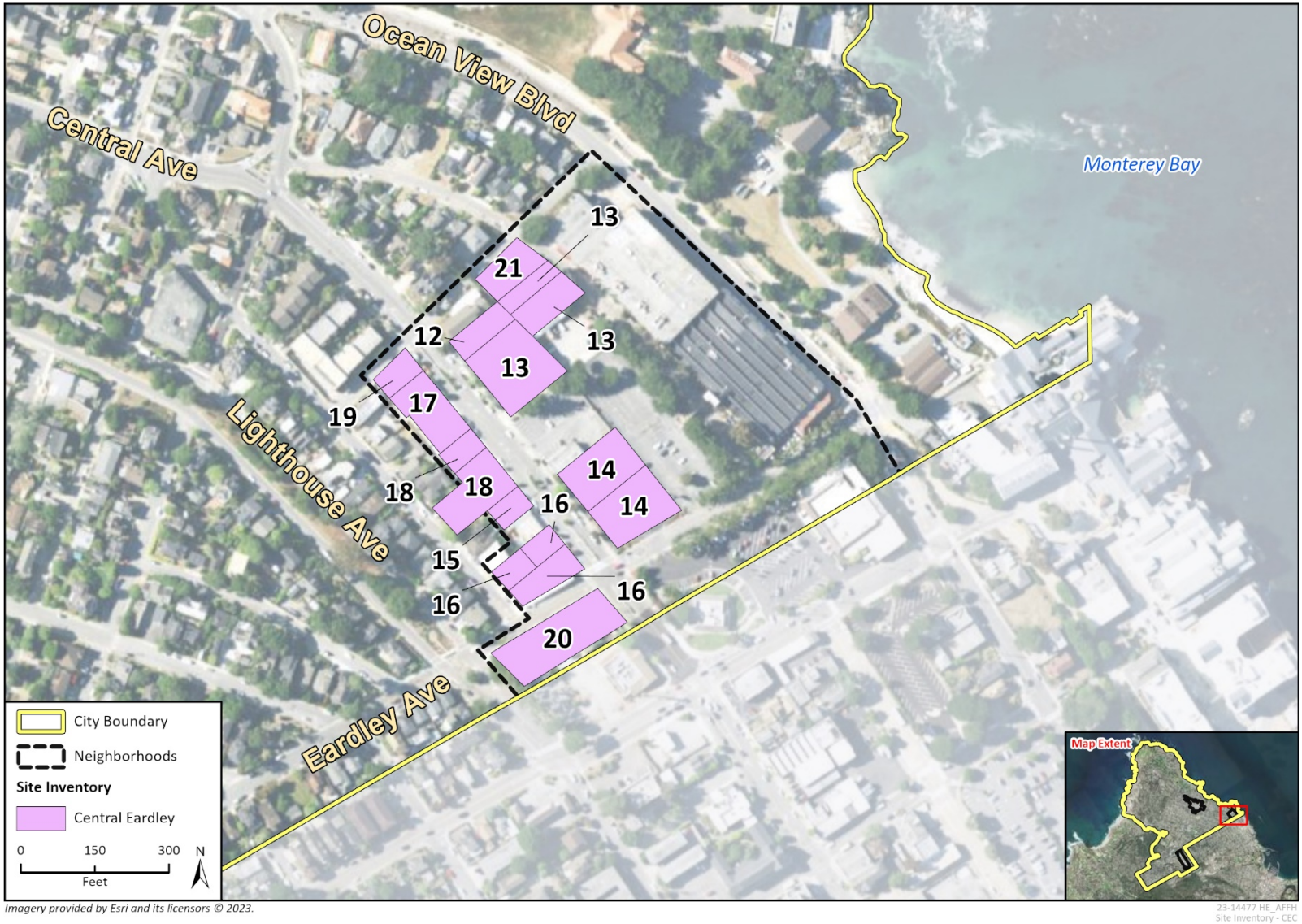
Site 13

Site 13 is a 0.78-acre site consisting of three parcels owned by the Monterey Aquarium Foundation, which has expressed interest in redeveloping the existing two-story office building with a mixed-use project consisting of office space and affordable housing. The site is located in proximity to services and amenities, as well as the ATC Hotel project. The Site Inventory conservatively assumes a total of ten housing units on the site, equal to approximately 70 percent of the maximum allowed density of the site.

Site 14

Site 14 is a 0.85-acre site consisting of two parcels developed with a single-story commercial building with a restaurant, a dog training facility, cleaners, tourism information, and a large, surface parking lot. The site is adjacent to the ATC Hotel project, which will be a catalyst project and bring higher densities to the corridor. Under the existing C-1 zoning district, which is designed for low intensity commercial and residential uses, the site has an additional buildout potential of up to 50 percent lot coverage and an additional story in height. The Site Inventory assumes a total of 11 housing units on the site, equal to approximately 70 percent of the maximum allowed density of the site.

Figure 2-3 Housing Sites in the Central-Eardley Commercial District



Site 15

Site 15 is a 0.09-acre site consisting of one parcel developed with a single-story commercial building. The site is zoned C-1, which is designed for low intensity commercial and residential uses and could accommodate an additional story. The Site Inventory assumes a total of one housing unit on the site, equal to approximately 70 percent of the maximum allowed density of the site.

Site 16

Site 16 is a 0.35-acre site consisting of three parcels under the same ownership. The site is zoned C-1, which is designed for low intensity commercial and residential uses, and R-4, which is designed for high density residential uses. The Site Inventory assumes a total of seven housing units on the site, equal to the maximum allowed density of the site (based on a maximum allowed density of 19.8 units per acre for C-1 portions and 29 units per acre under R-4 portions). The site could accommodate an additional story or double the size of the existing structures under current land use regulations.

Site 17

Site 17 is a 0.29-acre site consisting of one parcel. The site is zoned C-1, which is designed for low intensity commercial and residential uses. The site is owned by the Monterey Bay Aquarium and is developed with an existing two-story office building. The owner of the property expressed interest in redeveloping the on-site office buildings to construct affordable housing. The Site Inventory assumes a total of three housing units on the site, equal to approximately 70 percent of the maximum allowed density of the site.

Site 18

Site 18 is a 0.42-acre site consisting of two parcels under the same ownership. The site is zoned C-1, which is designed for low intensity commercial and residential uses, and R-4, which is designed for high density residential uses. The site currently has two single-family residential structures which have been converted to commercial uses (nursery and restaurant). The site could accommodate approximately 45 percent more lot coverage and an additional story. The Site Inventory conservatively assumes a total of five housing units on the site, equal to approximately 70 percent of the maximum allowed density of the site.

Site 19

Site 19 is a 0.11-acre site consisting of a single-story commercial structure. The site is zoned C-1, which is designed for low intensity commercial and residential uses, and R-4, which is designed for high density residential uses. The site could accommodate an additional story, or a building footprint double the size of the existing structure under current land use regulations. The Site Inventory assumes a total of one housing unit on the site, equal to approximately 70 percent of the maximum allowed density of the site, based on a maximum density of 19.8 units per acre.

Site 20

Site 20 is a 0.52-acre site consisting of a car mechanic and large, surface parking lots. The site is zoned C-1, which is designed for low intensity commercial and residential uses. The site could accommodate an additional 55 percent lot coverage and an additional story. The Site Inventory

assumes a total of seven housing units on the site, equal to approximately 70 percent of the maximum allowed density of the site.

Site 21

Site 21 is a 0.20-acre site consisting of one parcel developed with a single-story industrial, storage building. The site is zoned C-2, which is designed for heavier intensity commercial and residential uses. The site could accommodate an additional story or double the footprint of the existing structure under current land use regulations. The Site Inventory assumes a total of two housing units on the site, equal to approximately 70 percent of the maximum allowed density of the site.

Forest Hill Commercial District

Forest Hill is a commercial corridor in southwest Pacific Grove, near the boundary with Monterey. Forest Hill Commercial land use designation extends from Stuart Avenue to north of David Avenue, and contains a mixture of retail, office, and multi-family residential uses. According to the General Plan, commercial land uses in the Forest Hill are underutilized as "most of the lots in this area are not developed to their zoned potential." The corridor is auto oriented with shopping centers, major grocery store chains, and large surface parking lots, and is primarily surrounded by low density residential uses. The Forest Hill Commercial District is well-serviced by transit with bus lines on both Forest Avenue and David Avenue. The area is also in proximity to Pacific Grove High School and is within walking distance to two neighborhood parks on both sides of Forest Avenue. According to the results of the public outreach conducted through the Balancing Act Tool, a majority (94 percent) of participants supported redevelopment of older shopping centers and buildings with mixed-use development.

Forest Hill is mostly zoned "Commercial-Forest Hill" (C-FH) under the City's existing zoning ordinance. This zone allows housing and retail uses, heights of up to 35 feet, 10-foot rear setbacks (five-foot side setbacks adjacent to residential uses), and 75 percent lot coverage. Currently, maximum density in the C-FH zone corresponds to the maximum density of the nearest residential use category. Redevelopment in Forest Hill will be facilitated by zoning changes to the C-FH zone provided under Program 5, to increase the maximum density to 45 units per acre for all parcels. This density accommodates mixed-use and multi-family residential uses.

The Site Inventory conservatively assumed 50 percent of the maximum allowed density on each site to account for partial redevelopment of these commercial sites and due to the auto-oriented nature of the area. The Forest Hill Commercial District can accommodate a total of 192 housing units, 110 of which will be affordable to lower-income households, as detailed in Table 2-8 and shown in Figure 2-4.

Table 2-8 Overview of Sites in the Forest Hill District

Site #	Address	Size (Acres)	Zone	Max Density (units per acre)	VLI	LI	MI	AMI	Total	Realistic Capacity	Used in 5th Cycle HE?
22	2749 Forest Hill Blvd.	0.81	C-FH	45	12	6	0	0	18	50%	No
23	1146, 1152 Forest Ave.	1.03	C-FH	45	13	7	0	0	20	50%	No
24	1125, 1129, 1133, 1137 Forest Ave.	0.63	C-FH	45	9	5	0	0	14	50%	Yes
25	1107, 1117, 1123 Forest Ave.	0.16	C-FH	45	0	0	0	3	3	50%	No
26	1141 Forest Ave.	0.21	C-FH	45	0	0	0	4	4	50%	Yes
27	1149 Forest Ave.	0.21	C-FH	45	0	0	0	4	4	50%	No
28	1157 Forest Ave.	0.53	C-FH	45	8	0	3	0	11	50%	No
29	1193 Forest Ave.	0.70	C-FH	45	10	0	4	0	14	50%	No
30	1199 Forest Ave.	0.37	C-FH	45	0	0	0	7	7	50%	No
31	1124, 1140 Forest Ave.	2.46	C-FH	45	9	9	8	0	26	25%	No
32	1160 Forest Ave.	0.58	C-FH	45	4	4	4	0	12	50%	No
33	1180 Forest Ave.	0.93	C-FH	45	7	7	6	0	20	50%	No
34	1201 Forest Ave.	0.18	C-FH	45	0	0	0	4	4	50%	No
35	1219 Forest Ave.	0.75	C-FH	45	0	0	0	15	15	50%	No
36	1247 Forest Ave.	0.32	C-FH	45	0	0	0	6	6	50%	No
37	1225 Forest Ave.; Stuart Ave.	0.40	C-FH	45	0	0	0	2	2	50%	No
38	1224 Forest Ave.	0.41	C-FH	45	0	0	0	8	8	50%	No
39	Ransford Ave.	0.22	C-FH	45	0	0	0	4	4	50%	No
Total					72	38	25	57	192		

Figure 2-4 Housing Sites in the Forest Hill DistrictL

Site 22

Site 22 is a 0.81-acre site consisting of two parcels under the same ownership. The site is currently utilized for surface storage for RV's and boats with no formal structures. The property owner expressed interest in redeveloping the site for housing. The Site Inventory conservatively assumes a total of 18 housing units on the site, equal to approximately 49 percent of the maximum allowed density of the site.

Site 23

Site 23 is a 1.03-acre site consisting of two parcels under the same ownership. The site is developed with a single-story commercial building, gas station, and parking lot. The site has an additional 40 percent of additional building square footage potential under existing regulations. The Site Inventory conservatively assumes a total of 20 housing units on the site, equal to approximately 43 percent of the maximum allowed density of the site.

Site 24

Site 24 is a 0.63-acre site consisting of four parcels under separate ownership. The site is developed with two, two-story residential units on each lot, which were built during the 1950s. The site is underutilized as the current uses meet less than half the allowed maximum density under current density allowances (29 units per acre). With the increase in density in the C-FH zone to 45 units per acre, existing uses would meet less than 30 percent of the maximum density. The Site Inventory conservatively assumes a total of 14 housing units on the site, equal to approximately 49 percent of the maximum allowed density of the site.

Sites 25, 27, 30, 34, 36, 37, 38, and 39

Sites 25, 27, 30, 34, 36, 37, 38, and 39 are small sites, ranging from 0.16 to 0.41 acres, consisting of one parcel each. These sites are developed with older, single- and two-story commercial buildings and parking lots with uses such as restaurants, retail stores, a gas station, and other commercial uses. Each of the sites have an additional 15 to 50 percent of additional building square footage potential under existing regulations. The Site Inventory density assumptions on these sites are conservative and range from 11 to 50 percent of the maximum allowed density.

Site 26

Site 26 is a 0.21-acre site consisting of one parcel developed with a single-family residence. The site is underutilized, with less than 20 percent of the allowed maximum density. With the increase in density in the C-FH zone to 45 units per acre, existing uses would meet about 11 percent of the maximum density. The Site Inventory conservatively assumes a total of 4 housing units on the site, equal to approximately 43 percent of the maximum allowed density of the site.

Sites 28, 29, 32, 33, and 35

Sites 28, 29, 32, 33, 35 are larger parcels ranging from 0.53 to 2.46 acres developed with older, single-story commercial buildings and parking lots. The structures on these sites were built in the 1960s and 1970s and consist of single-story commercial structures that are not identified as historic in the City's Historic Resource Inventory. Uses on these sites include retail stores, offices, hair salons, restaurants, a bank, and other commercial uses. The Site Inventory density assumptions on these sites are conservative and range from 40 to 48 percent of the maximum allowed density.

Site 31

Site 31 is a 2.46-acre site, developed within the Fairway Shopping Center. The Fairway Shopping Center consists of single-story commercial buildings, primarily built in the 1950s and 1960s, a gas station, and a large parking lot. Based on current land use regulations, the site has an additional 20 percent of additional building square footage potential under existing conditions. The Site Inventory conservatively assumes a total of 26 units on the site, 18 of which would be affordable to lower-income households, equal to approximately 24 percent of the maximum allowed density of the site. This would allow for the site to retain some of its existing uses. However, the site could redevelop with a mixed-use project and include more units than assumed in the Site Inventory.

Other Districts

The Site Inventory identifies sites on vacant and underutilized parcels in other parts of the city on parcels with residential, commercial, open space, and unclassified zoning.

Of the sites in other neighborhoods of Pacific Grove, 14 consist of residentially zoned parcels, primarily medium and high density residential. These sites are located on both vacant and underutilized parcels. The R-1 and R-2 zones are located in low density residential neighborhoods and can accommodate single-family, duplex, and multi-family residential units with heights up to 25 to 30 feet and lot coverage ranging from 40 to 60 percent. Density in the R-1 zone ranges from 1.0 to 12.1 units per acre. The R-3 and R-4 zones are located in high density residential neighborhoods and can accommodate multi-family residential uses with heights up to 30 feet and 50 percent lot coverage. Density in the R-3 and R-4 zones ranges from 19.8 to 29 units per acre. No changes are proposed to maximum density allowances in the R-1 through R-4 zones.

There are two sites on commercially zoned properties, both zoned C-2. According to the General Plan, the C-2 zone is appropriate for heavy intensity commercial and residential uses, including mixed-use and multi-family residential development. Maximum density in the C-2 zone is equal to the maximum density of the nearest residential land use category, up to 30 units per acre. No changes are proposed to maximum density allowances in the C-2 zone.

Three sites are zoned Unclassified, consisting of large, publicly owned lots ranging from 6.17 to 15.73 acres. U zones are appropriate for recreation, parks, playgrounds, and public or civic buildings. These sites would require a zone change to medium (R-2) and high density residential (R-4), which allow densities of 17.4 to 29 units per acre. To develop housing, these sites would require a referendum for a zone change approved by voters. The Housing Element contains Program 5 to facilitate zoning changes for these sites.

Other sites are detailed in Table 2-9 and shown in Figure 2-5.

Table 2-9 Overview of Sites in Other Neighborhoods

Site #	Address	Size (Acres)	Zone	Max Density (units per acre)	VLI	LI	MI	AMI	Total	Realistic Capacity	Used in 5th Cycle HE?
40	503 Chestnut St.	0.08	R-1	12.1	0	0	0	1	1	100%	Yes
41	506 Walnut St.	0.08	R-1	12.1	0	0	0	1	1	100%	No
42	514 6th St	0.12	R-1	12.1	0	0	0	1	1	100%	Yes
43	411 Grand Ave.	0.04	R-4	29	0	0	0	1	1	100%	Yes
44	418 8th St.	0.04	R-4	29	0	0	0	1	1	100%	Yes
45	146 12th St.	0.30	R-3-PGR	19.8	0	0	0	2	2	50%	No
46	141 4th St.	0.30	R-3-PGR	19.8	0	0	0	2	2	50%	No
47	304 Grove Acre Ave.	1.96	R-1-B-3	4.4	4	4	0	0	8	100%	No
48	417 Hillcrest Ave.	9.00	U	29	61	61	60	0	182	70%	No
49	2184 Sunset Dr.	0.52	C-2	17.4	0	0	0	6	6	70%	No
50	17 Mile Dr.	1.71	C-2	17.4	20	0	0	0	20	70%	Yes
51	915 Sunset Dr.	5.76	R-2	17.4	47	23	0	0	70	70%	No
52	1004 David Ave.	15.73	U	17.4	0	0	0	191	191	70%	No
53	522 Fountain Ave.	0.28	R-1	10.9	0	0	0	3	3	100%	No
54	136 8th St.	0.55	R-3-PGR	19.8	3	2	0	0	5	50%	No
55	1030 Lighthouse Ave.	2.00	R-3-M	29	19	10	0	0	29	50%	No
56	1025 Lighthouse Ave.	6.17	U	29	51	51	22	0	124	70%	No
57	210 Cedar St.	0.21	R-4	29	0	0	0	3	3	70%	Yes
58	305 Fountain Ave.	0.07	R-4	29	0	0	0	1	1	70%	Yes
Total					**205**	**151**	**82**	**213**	**651**		

Figure 2-5 Housing Sites in the Other Districts

Site 40, 41, 42, 43, 44, and 58

Sites 40, 41, 42, 43, 44, and 58 are small sites, ranging from 0.04 to 0.12 acres, zoned R-1 or R-4 in medium and high-density neighborhoods. These sites are all currently vacant with one housing unit proposed on each site consistent with current zoning requirements.

Site 45 and 46

Sites 45 and 46 are on small lots, approximately 0.3 acres. These sites are zoned R-3, with a maximum density of 19.8 units per acre, and are in high density residential neighborhoods. The owner of site 45 expressed interest in repurposing the building in the northeast corner of the property (146 12th St.) for affordable housing. The Site Inventory conservatively assumes a total of 2 housing units on each site, equal to 50 percent of the maximum allowed density of each parcel.

Site 47

Site 47 is a 1.96-acre site, consisting of one parcel, located in a low-density residential neighborhood, and zoned R-1. The site is developed with a single-story, two-bedroom, single-family residence. While the residence is over 100 years old, it is not identified as a historic resource in the City's Historic Resource Inventory. The site is surrounded by other single-family residences that are more densely situated. The site is underutilized as it currently meets only 12.5 percent of its allowed maximum density and has one existing single-family residence on the property. The Site Inventory conservatively assumes a total of eight housing units on the site, equal to 100 percent of the maximum allowed density.

Site 48

Site 48 is a 9.00-acre site zoned U, on the eastern border of Pacific Grove, adjacent to the city of Monterey. Site 48 is owned by the California-American Water Company and is largely vacant with several small structures and parking areas. The site is ideal for housing development as it is surrounded by residential uses on all sides and is directly south of Pacific Grove Middle School. In the Balancing Act Tool outreach, a majority of participants supported rezoning the site for housing. Site 48 would be rezoned from U to R-4, which has a maximum allowed density of 29 units per acre. The Site Inventory assumes a total of 182 housing units on the site, equal to 70 percent of the maximum allowed density of the site under R-4 standards. Program 5 would require the City to have the site available for housing within the Planning Period or find other solutions to comply with no net loss.

Site 49 and 50

Site 49 is a 0.52-acre site developed with an existing vacant, two-story commercial building and large parking lot. The existing structure was built in 1971 but is not a historic resource pursuant to the City's Historic Resource Inventory. Site 50 is a 1.71-acre site that is currently vacant. Sites 49 and 50 are adjacent properties under the same ownership, located along 17 Mile Drive, on the southern border of the city, and surrounded by residential uses to the north and east. Given that the C-2 zone allows a maximum height of 40 feet and maximum site coverage of 90 percent, both parcels are underutilized as all uses are currently vacant and both sites contain large areas of undeveloped land. The Site Inventory assumes a total of six housing units on site 49 and 20 housing units on site 50, all of which would be affordable to low-income households. This is equal to approximately 70 percent of the maximum allowed density of each site.

Site 51

Site 51 is a 5.76-acre site, consisting of one parcel. This site is zoned R-2, with a maximum density of 17.4 units per acre, and is in a medium density residential neighborhood. The site is owned by First United Methodist Church and only 10 percent of the site is occupied by existing church structures, giving the potential for housing to be developed on remaining areas of the site. The Site Inventory assumes a total of 70 housing units on the site, equal to 70 percent of the maximum allowed density.

Site 52

Site 52 is a 15.73-acre site owned by the Pacific Grove Unified School District. The site is developed with the Monterey Bay Charter School. Over 80 percent of the site is vacant, and the owner has expressed interest in developing affordable housing on the site. A majority of participants of the Balancing Act Tool expressed interest in developing housing on a portion of the Charter School site. Site 52 would be rezoned from U to R-2, which has a maximum allowed density of 17.4 units per acre. The Site Inventory assumes a total of 191 housing units on the site, equal to 70 percent of the maximum allowed density of the site. This estimate accommodates the continued use of the Monterey Bay Charter School.

Site 53

Site 53 is a 0.28-acre site consisting of one parcel zoned R-1, with a maximum density of 10.9 units per acre. The site is entirely paved and developed with two single-story storage buildings. The site is in a residential neighborhood and is bordered by residential uses to the north, east, and west and Pacific Grove Middle School to the south. The Site Inventory assumes a total of 3 housing units on the site, equal to 97 percent of the maximum allowed density. This is consistent with adjacent residential uses which include duplexes and multiple single-family homes on similarly sized lots.

Site 54

Site 54 is a 0.55-acre site consisting of one parcel zoned R-3 PGR, which has a maximum density of 19.8 units per acre. The site is developed with the St. Angela Pre-School with a single-story building that covers 40 percent of the site. The Site Inventory assumes a total of 3 housing units on the site, equal to 70 percent of the maximum allowed density of the site.

Site 55 and 57

Sites 55 is a 2.00-acre site consisting of one parcel zoned R-3-M and site 57 is a 0.21-acre site consisting of one parcel zoned R-4. Both sites are in high density residential neighborhoods. These sites are currently underutilized as they both meet less than 20 percent of their allowed maximum density. The Site Inventory conservatively assumes a total of 29 housing units on site 55 and three housing units on site 57, equal to 70 percent of the maximum allowed density.

Site 56

Site 56 is a 6.17-acre site owned by the City of Pacific Grove. The site is developed with the Pacific Grove Adult Education Center with two large parking lots and large vacant areas. A majority of participants of the Balancing Act Tool expressed interest in redeveloping the Adult Education Center site with housing. Site 56 would be rezoned from U to R-4, which has a maximum allowed density of 29 units per acre. The Site Inventory assumes a total of 124 housing units on the site. This is equal to

70 percent of the maximum allowed density of the site, which accommodates the continued use of the Adult Education school.

Office Conversions

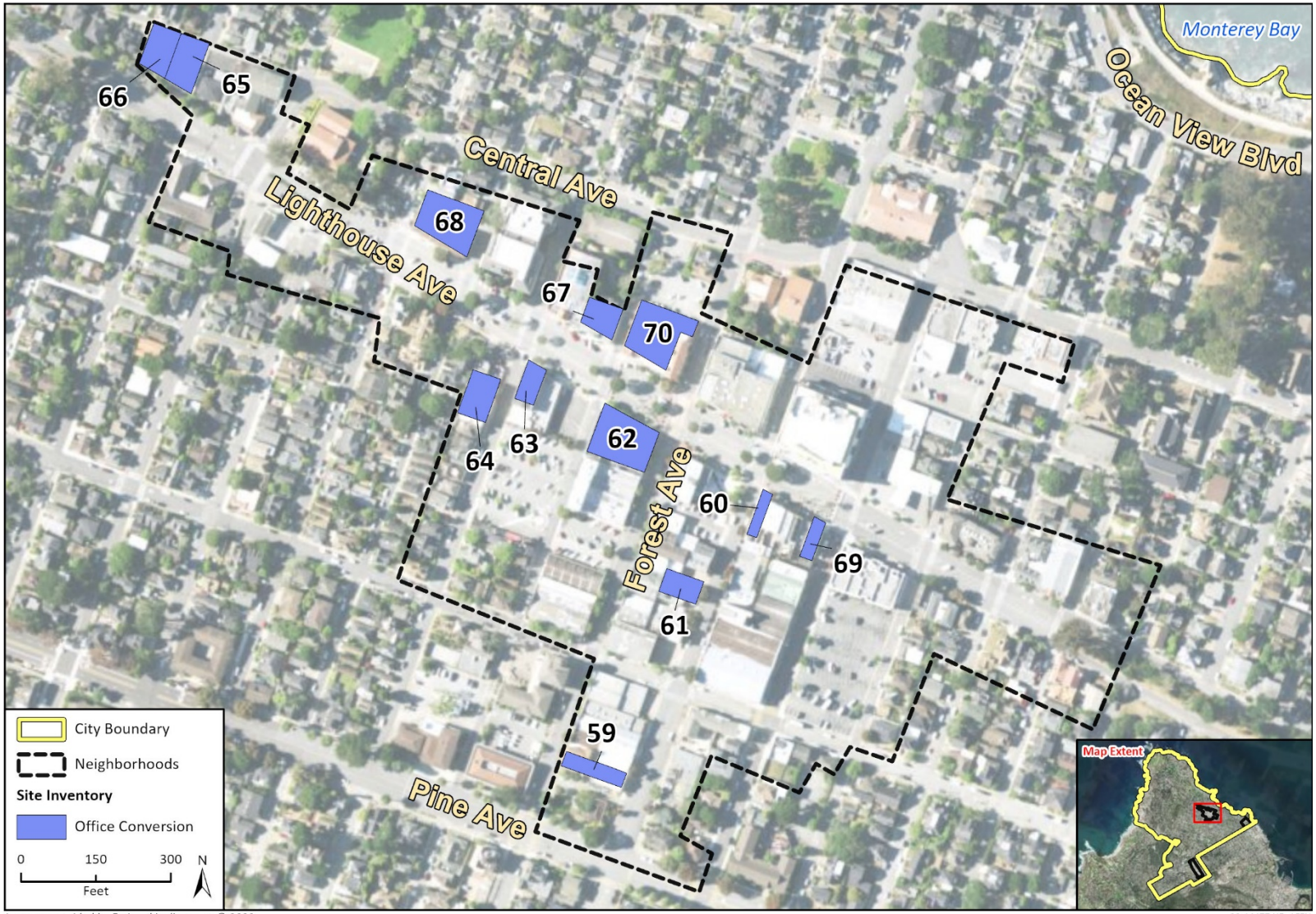
Pacific Grove has many second story commercial and office spaces that are vacant or have the potential for residential conversion throughout the city's Downtown District. There are 12 sites with existing two-story commercial structures with office space that are vacant or underutilized on the second floor. Based on a tour of the city, the identified sites could accommodate housing units through second-story conversions. None of the identified sites have any known long-term leases or contracts which would prevent redevelopment.

The Site Inventory assumed units would be 1,000 square feet, which is conservative as it is greater than the average size of condominiums. Office conversions can accommodate a total of 41 housing units, as detailed in Table 2-10 and shown in Figure 2-6.

Table 2-10 Office Conversion Sites

Site #	Address	Size (Acres)	Zone	Max Density (units per acre)	VLI	LI	MI	AMI	Total	% of Max Density	Used in 5th Cycle HE?
59	311 Forest Ave.	0.10	C-D	45	0	0	0	2	2		
60	209 Grand Ave.	0.05	C-D	45	0	0	0	2	2		
61	222 Grand Ave.	0.09	C-D	45	0	0	0	1	1		
62	581 Lighthouse Ave.	0.30	C-D	45	0	0	0	9	9		
63	205 17th St.	0.07	C-D	45	0	0	0	3	3		
64	210 17th St.	0.10	C-D	45	0	0	0	5	5		
65	716 Lighthouse Ave.	0.10	C-D	45	0	0	0	3	3		
66	718 Lighthouse Ave.	0.10	R-4	45	0	0	0	2	2		
67	604 Lighthouse Ave.	0.10	C-D	45	0	0	0	2	2		
68	650 Lighthouse Ave.	0.20	C-D	45	0	0	0	5	5		
69	541 Lighthouse Ave	0.05	C-D	45	0	0	0	3	3		
70	590 Lighthouse	0.30	C-D	45	0	0	0	4	4		
Total					**0**	**0**	**0**	**41**	**41**		

Figure 2-6 Office Conversion Sites



Adequacy of Residential Site Inventory in Meeting RHNA

The residential Site Inventory identified vacant and underutilized sites in Pacific Grove which can accommodate a total of 1,126 housing units. Combined with planned and approved projects and ADU trends, these units are more than adequate to meet the City's RHNA requirement of 1,125 units as well as the additional buffer. The housing capacity from the planned and approved projects, ADU trends, and vacant and underutilized sites is summarized below in Table 2-11.

The City plans to increase the base density in several zones and rezone several sites (Program 5). Maximum density in the Downtown Commercial and Forest Hill Districts are currently equal to the maximum density of the nearest residential use category, 29 units per acre for most parcels, and will be increased to 45 units per acre, regardless of the maximum density of the nearest residential use category. In addition, three sites (sites 48, 52, and 56) will be rezoned from U to R-4 and R-2.

Table 2-11 Adequacy of Residential Site Inventory

	Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income	Total
Planned and Approved Units	0	1	0	9	10
ADUs Anticipated	41	41	82	109	272
Total Units on Vacant and Underutilized Sites	372	234	121	399	1,126
Total Site Inventory Units	**413**	**276**	**203**	**517**	**1,408**
RHNA Allocation	**362**	**237**	**142**	**384**	**1,125**
RHNA Allocation Plus Buffer	**434**	**284**	**170**	**384**	**1,272**

Availability of Infrastructure

Infrastructure capacity related to potable water, sewer, stormwater, and circulation are discussed in Chapter 1 *Housing Needs and Constraints*. A summary of the City's infrastructure capacity is provided below.

Potable Water

The City has a moratorium on new water connections which continues to be in effect. Some sites in the Site Inventory could reuse existing structures with existing water connections. However, many of the identified sites would require new water connections which are currently prohibited. This moratorium drastically limits the development of housing in the city as well as the Monterey Peninsula. Program 10 of the Housing Element requires the City to continue and expand water conservation measures and support the Monterey Peninsula Regional Water Authority in identifying additional sources of water.

Sewer Capacity

As discussed in Chapter 1, Monterey One Water's 2019 Sewer System Management Plan indicates there are no significant capacity issues in the system at this time. Future residential projects will be required to pay capacity and monthly fees which will be used to implement future needed upgrades to the system. The City has adequate sewer capacity with certain areas requiring upgrades to the

system as identified in the 2014 Sewer Master Plan. Future development could trigger the need for additional improvements. However, the City will continue to evaluate the sewer system capacity and identify and implement infrastructure improvements to address system deficiencies. Future residential projects would be required to pay sewer connection and use fees which will help fund needed system improvements. Therefore, the City will need to continue to evaluate the sewer system capacity and identify and implement infrastructure improvements to address system deficiencies. The Housing Element includes Program 10 to facilitate these improvements to ensure sewer system capacity is sufficient for future housing development.

Stormwater and Drainage

Housing projects on identified sites would be required to comply with Chapter 9.30, Storm Water Management and Discharge Control, of the Pacific Grove Municipal Code which requires elimination of illegal discharges, protection of watercourses, and includes best management practice guidance for construction sites and development to reduce impacts to stormwater facilities. Therefore, the City would be able to accommodate its RHNA with implementation of existing policies and measures.

Circulation System

The City's General Plan Transportation Element outlines the long-term plan for streets and roads, including numbers of lanes, right-of-way, and general operating conditions. It also provides guidance relating to the transit system, goods movement system, and nonmotorized travel, including bicycle and pedestrian travel and serves as a comprehensive transportation management strategy to ensure adequate transportation infrastructure is in place to meet population growth.

The Transportation Agency for Monterey County analyzed bicycle and pedestrian safety in Pacific Grove as part of the 2018 Monterey County Active Transportation Plan and identified policies and programs to enhance the city's bicycle and pedestrian transportation network. The plan outlined and prioritized recommendations for bicycle and pedestrian infrastructure in Pacific Grove, including areas for new bike lanes and sidewalks.

Dry Utilities

Central Coast Community Energy (3CE) and PG&E supply electricity in the city. 3CE is the default provider for both residential and commercial customers, but PG&E service is available to residents who choose to opt out of 3CE. Natural gas service is provided by PG&E. Telephone, internet services, and cable television are serviced by contracted providers including AT&T, T-Mobile, and Xfinity.

Environmental Constraints

Environmental constraints are discussed in Chapter 1, *Housing Needs and Constraints*. There are no known environmental constraints on the sites identified in the Site Inventory that would preclude development. No sites identified are adjacent to the coast which would be susceptible to coastal erosion risks. In addition, each project will undergo a site-specific environmental review process to ensure it is built safely and in conformance with applicable building codes and safety regulations. The City implements regulations and programs to minimize the risk of seismic, flood, tsunami wildfire, and sea level rise hazards. These regulations and programs include, among others, the Health and Safety Element, City's Local Coastal Program, City Building Code and building permit

process, City Grading Permit process, and the Monterey County Multi-Jurisdictional Hazard Mitigation Plan. There are no known environmental constraints on the sites identified in the Site Inventory that would preclude development.

Financial Resources for Affordable Housing

Community Development Block Gant (CDBG)

Non-entitlement jurisdictions, including cities with populations under 50,000 and counties with populations under 20,000 that do not participate in the federal CDBG entitlement program, are eligible to participate in the HCD's CDBG Program. The state CDBG program is designed to support rural cities and counties to expand community and economic development opportunities for low- and moderate-income residents. The City has applied for CDBG funding and was awarded grants for its Housing Rehabilitation Loan Program. The City Currently has $500,000 for Single Family Rehabilitation through its Housing Rehabilitation Loan Program for eligible low-income homeowners.

Senate Bill 2 Planning Grant

These funding and technical assistance grants are provided to local governments who apply to assist, prepare, adopt, and implement plans to streamline housing approvals and production. The City has applied for and received $160,000 in SB 2 grants.

Regional Early Action Planning 1.0 (2019)

The Regional Early Action Planning program (REAP) provides one-time grant funding to regional governments and regional entities for planning activities that will accelerate housing production and facilitate compliance in implementing the sixth cycle of the Regional Housing Needs Allocation. The City received $65,000 in funding.

Regional Early Action Planning 2.0 (2021)

REAP 2.0 builds on the success of REAP 2019, but expands the program focus by integrating housing and climate goals, and allowing for broader planning and implementation investments (including infrastructural investments that support infill development which facilitates housing supply, choice, and affordability). REAP 2.0 is administered by HCD and provides a $600 million investment. The City applied for $128,750 in funding and is waiting on notice of award.

Local Action Planning Grants

The Local Action Planning Program (LEAP) provides over-the-counter grants complemented with technical assistance to local governments for the preparation and adoption of planning documents, and process improvements that accelerate housing production and facilitate compliance with the sixth cycle of the Regional Housing Needs Allocation. HCD established the LEAP with $119 million for cities and counties. The City received $65,000 in funding.

Permanent Local Housing Allocation (PLHA)

HCD released approximately $24 million in funding for the PLHA program, which provides grants to local governments in California for housing related projects and programs that address housing

needs of their communities (including unhoused and low income residents). The City has an estimated allocation of $891,888 over 5 years.

Administrative Resources

Housing Rehabilitation Loan Program

The City makes funds available to assist low-income residents in repairing and upgrading their homes through the Housing Rehabilitation Loan Program. The City obtains funding through CDBG funds and CalHOME program, and continually works with HCD and other community partners to obtain funding for the loan program. These partnerships have contributed to the ongoing success of the program.

The City's has processed Housing Rehabilitation, Emergency, and Sewer Lateral loans ranging from a few thousand dollars to over $100, 000….

Sewer Lateral Loan Program

In 2005, the Pacific Grove City Council approved funding for the Sewer Lateral Loan Program. Loan funds are made available to property owners that are voluntarily repairing or replacing their private sewer laterals. The loans are granted at 3% interest and there are no income restrictions to qualify for the loan. Payment of deferred loans is due upon sale of the property or transfer of title.

Housing Division

The City's Housing Division offers information and referral services to residents with questions or issues with housing. The City's website offers a number of links to housing resources for residents depending on their need. This includes information and resources related to landlord disputes, information related to HUD assistance, and links to affordable housing providers.

Monterey County Housing Authority

The Housing Authority of the County of Monterey is a public agency that provides rental assistance and develops and manages affordable housing in Monterey County. Among the variety of affordable housing programs provided by the Housing Authority of the County of Monterey are public housing and migrant and permanent farm worker programs. The Housing Authority also administers the Housing Choice Voucher rental subsidy program for the Monterey Peninsula area.

Monterey County Homeless Services Resource Guide

The Monterey County Homeless Services Resources Guide is a tool to assist jurisdictions and the community to connect resources that serve the homeless and at-risk populations. It includes public and non-profit resources and is updated annually. The Guide includes locations of emergency shelters, community kitchens and meals, transitional housing, rental assistance, day care, and social services among other resources.

Eden Council for Hope and Opportunity (ECHO) Housing

ECHO seeks to promote equal access to housing as well as provide support services to aid in homeless prevention. They provide education and charitable assistance for housing, including rental

assistance programs and tenant/landlord counseling, and have a fair housing program to end housing discrimination.

Chapter 3

Housing Action Plan

Housing Action Plan

This Housing Action Plan responds to the housing needs identified in the Housing Needs Assessment in Chapter 1, addresses the constraints to housing development and preservation identified in the Constraints Assessment in Chapter 1, within the resources and opportunities available to the City. In addition, the Housing Action Plan responds to outreach and findings from the fair housing analysis included in Appendix B. Actions outlined in this Housing Action Plan are the City's commitment to furthering equal access to housing opportunities for all over the 2023-2031 planning period.

Specifically, to make adequate provisions for the housing needs of all economic segments of the community, Pacific Grove has developed the following goals through the Housing Element process:

1. Support the preservation and improvement of the City's existing housing and residential neighborhoods;
2. Provide diverse, high quality housing choices appropriate for residents at all income levels;
3. Mitigate governmental and infrastructure constraints to the improvement and development of housing for people of all income levels;
4. Expand housing opportunities for all, including lower- and moderate-income households, persons with special housing needs, and housing for the workforce;
5. Affirmatively further fair housing for all; and
6. Ensure resource efficiency in new and existing housing units.

Goals and Policies

Goal 1: Support the preservation and improvement of the City's existing housing and residential neighborhoods

Policy 1.1 Encourage rehabilitation and private reinvestment to protect residential neighborhoods from deterioration.

Policy 1.2 Protect the existing mobile home park from conversion to other uses.

Policy 1.3 Protect existing residential neighborhoods and consider the quality of life in higher density neighborhoods and the need for public amenities, such as community facilities, appropriate landscaping, and passive recreation.

Policy 1.4 Preserve existing affordable housing.

Goal 2: Provide diverse, high quality housing choices appropriate for residents at all income levels

Policy 2.1 Strive to accommodate the City's share of the regional housing needs.

Policy 2.2 Pursue funding sources and leverage available funds to assist with the development of housing affordable to lower-income households, including extremely low-income households.

Policy 2.3 Encourage affordable housing development by providing incentives, working with developers to identify appropriate locations, and helping to offset the cost of affordable housing development.

Policy 2.4 Continue to encourage the development of Accessory Dwelling Units (ADUs) as a viable affordable housing source.

Goal 3: Mitigate governmental and infrastructure constraints to the improvement and development of housing for people of all income levels

Policy 3.1 Provide public facilities and services in support of new housing construction and the revitalization of older neighborhoods and continue to work aggressively with the water district and other Monterey Peninsula cities to find long-term solutions to the water problem, to increase the water available for residential uses, and to provide for drought protection.

Policy 3.2 Continue to cooperate with the Pacific Grove Unified School District (PGUSD) in coordinating new residential development with school facilities and meeting housing needs for PGUSD employees.

Policy 3.3 Ensure that City policies, regulations, and procedures do not add unnecessarily to the time or cost of producing affordable housing, while assuring the attainment of other City objectives.

Policy 3.4 Minimize regulatory constraints on housing development.

Goal 4: Expand housing opportunities for all, including lower- and moderate-income households, persons with special housing needs, and housing for the workforce

Policy 4.1 Facilitate the development and rehabilitation of housing for seniors, persons with physical, developmental, or mental disabilities, and other persons with special needs.

Policy 4.2 Continue to work with surrounding jurisdictions, non-profit organizations, and public safety departments to address the needs of the homeless on a regional basis.

Policy 4.3 Where possible, partner with local nonprofits and Housing Authority to work with housing providers and educate them about process and benefit to renting to people with Housing Choice Vouchers (HCVs).

Goal 5: Affirmatively further fair housing for all

Policy 5.1 Increase public awareness of remedies for housing discrimination.

Policy 5.2 Explore opportunities to apply for funds to provide direct and robust client services to residents via ECHO and other Landlord and tenant counseling and mediation services.

Goal 6: Ensure resource efficiency in new and existing housing units

Policy 6.1 Promote energy conservation and weatherization features in existing homes.

Policy 6.2 Encourage energy and resource efficiency in the design of all new residential developments, to the extent practical.

Housing Programs

The City is committed to implementing the following programs to expand housing opportunities and improve housing conditions for all residents in Pacific Grove. Because each housing program/action can implement multiple goals and policies, programs are generally grouped based on their primary objectives.

Preservation and Improvement of Housing

Program 1. Housing Preservation and Rehabilitation

The Housing Rehabilitation Loan Program (HRLP) provides income-eligible City residents and property owners to improve their properties by accessing below market interest rate loans that are available from the City for home improvement projects and emergency repairs. The City will continue to pursue the following activities:

- Work with property owners of housing in need of rehabilitation to make repairs to reduce the potential of continuing deterioration. The City will continue to assist homeowners in identifying appropriate City rehabilitation programs including the Housing Rehabilitation Loan Program, Emergency Home Repair Loan Program, and Sewer Lateral Loan Program.
- As needed, apply for funds for the Housing Rehabilitation Loan Program under the State's Small Cities CDBG Program and pursue other State and federal funds as appropriate to assist in the maintenance and improvement of housing.
- Continue to publicize information about rehabilitation funding and suggestions to encourage ongoing maintenance. Annually update information to remain current with HRLP guidelines and will continue to be made available on the City website and on printed brochures placed in public spaces.
- Continue to direct persons displaced in the abatement of substandard or illegal units to appropriate housing resource agencies.
- Reinstate the two Rehabilitation Specialist positions.

Responsible Department:	Community Development Department - Housing Division
Timeframe:	Apply for funding as available (determined by HCD NOFA), typically late spring or summer every year; reinstate Rehabilitation Specialist positions by FY 2025; Ongoing program administration
Funding:	CDBG, CalHome, General Fund
Housing Objective:	Rehabilitate 8-16 housing units

Program 2. Mobile Home Park Preservation

The City has one mobile home park - the Monarch Pines Mobile Home Park. Conversion of mobile home parks to other uses are regulated by the State Department of Housing and Community Development (HCD). The City will assist mobile home tenants by working with park operations to ensure the park is managed consistent with State law. The City will respond to complaints in a manner consistent with State law.

Responsible Department: Community Development Department - Planning Division

Timeframe: Ongoing

Funding: General Fund

Housing Objective: Preserve 103 mobile home units

Program 3. Architectural Review

The City continues to apply the City of Pacific Grove Architectural Review Guidelines through architectural approvals. While the City does not currently have guidelines for multi-family and mixed-use projects, the City has retained a consultant for the development of Objective Design Standards.

Responsible Department: Community Development Department - Planning Division

Timeframe: Initiate development of Objective Design Standards for multi-family and mixed-use projects in 2023 with the goal of completing the standards in 2024.

Funding: General Fund

Housing Objective: n/a

Program 4. Preservation of Affordable Housing Units

The City has 54 housing units in three housing projects that are deed-restricted as affordable housing for lower income households. These are: 551 Gibson Avenue; 301 Grand Avenue; and 65-Jewell Avenue (Vista Point Apartments). None of these units are at risk of converting to market-rate housing over the next ten years. The City will continue to monitor the status of these units with the goal of preserving the long-term affordability of these units.

Responsible Department: Community Development Department - Housing Division

Timeframe: Contact property owners annually to monitor status of project.

Funding: General Fund

Housing Objective: Preserve 53 affordable housing units

Diverse Housing Opportunities

Program 5. Adequate Sites for RHNA and Monitoring of No Net Loss

For the sixth cycle Housing Element, Pacific Grove has been assigned a Regional Housing Needs Assessment (RHNA) of 1,125 units, including:

- Very Low Income: 362 units
- Low Income: 237 units
- Moderate Income: 142 units
- Above Moderate: 384 units

The City is committed to ensuring that adequate sites at appropriate densities remain available during the planning period, as required by law. The City has a pending project that will provide 10 housing units; however when the City is processing rezoning for other sites, this project may also request an increase to the density. The City also anticipates 272 Accessory Dwelling Units (ADUs) over the eight-year planning period. Accounting for these units, the City has a remaining RHNA of 843 units (280 very low income, 155 low income, 60 moderate income, and 348 above moderate income units) that the City must identify adequate sites for potential development.

The City has identified vacant and nonvacant sites with potential for development/redevelopment, or adaptive reuse of existing uses over the next eight years. However, existing zoning for some of these properties may not be adequate to facilitate housing development. Under existing zoning, the City would have a shortfall of site capacity by 599 units (187 very low income; 116 low income; 60 moderate income; and 236 above moderate income units).

To fully accommodate the remaining RHNA, the City will pursue the following strategies:

- Downtown District - Increase base zoning for Commercial-Downtown (C-D) from a maximum density of 30 units per acre to 45 units per acre, with a minimum density of 30 units per acre
- Forest Hill District – Establish a maximum density of 45 units per acre with a minimum density of 30 units per acre for all parcels zoned Commercial-Forest Hill (C-FH)
- Other Areas –Three sites are currently zoned Unclassified (U), consisting of large publicly owned lots. These sites will be rezoned to Medium Density Residential (R-2) at 17.4 units per acre and to High Density Residential (R-4) at 29 units per acre (with a minimum density of 20 units per acre).

These strategies will allow the City to fully meet its housing needs for all income levels during the 6th Cycle Housing Element. Rezoning will meet all requirements pursuant to Government Code Section 65583.2, subdivisions (h) and (i).

As required by AB 1397 (Adequate Sites)(Government Code 65582.3(c)), the following types of “reuse” sites are subject to by-right approval without discretionary review if the project includes 20 percent of the units as housing affordable to lower income households:

- Reuse Sites: Vacant sites that were used to meet the City’s 4th and 5th cycles RHNA for lower income units;
- Reuse Sites: Nonvacant sites that were used to meet the City’s 5th cycle RHNA for lower income units; and

- Rezone Sites: Sites to be rezoned to meet the 6th cycle RHNA for lower income units when rezoning occurs past the statutory deadline.

To ensure that the City complies with SB 166 (No Net Loss), the City will monitor the consumption of residential and mixed-use acreage to ensure an adequate inventory is available to meet the City's RHNA obligations. To ensure sufficient residential capacity is maintained to accommodate the RHNA, the City will develop and implement a formal ongoing (project-by-project) evaluation procedure pursuant to Government Code Section 65863. Should an approval of development result in a reduction in capacity below the residential capacity needed to accommodate the remaining need for lower and moderate income households, the City will identify and if necessary, rezone sufficient sites to accommodate the shortfall and ensure "no net loss" in capacity to accommodate the RHNA.

Responsible Department: Community Development Department – Planning Division

Timeframe:

- By December 15, 2024 rezone/upzone properties as outlined above and detailed in the Housing Resources section of this Housing Element to fully accommodate the remaining RHNA of 843 units and specifically a RHNA shortfall of 621 units (168 very low income; 116 low income; 60 moderate income; and 277 above moderate income units). As part of the rezoning/upzoning, establish appropriate development standards (including parking, height, setback, lot coverage, FAR, etc.) to ensure maximum allowable densities at the respective zones can be achieved.
- By December 2024 establish a formal procedure to monitor no-net-loss of capacity in meeting the City's RHNA and amend the Zoning Ordinance to provide for by-right approval for projects that include 20 percent of the units for lower income households.
  - By-right approval is available to reuse sites effective December 15, 2023
  - By-right approval is available to rezone sites effective upon rezoning
- Make the inventory of sites available to interested developers after adoption of the Housing Element.
- For the City-owned site (Site 56 – Pacific Grove Adult Education Center), the City's intent is to partner with developers via land lease agreements to pursue affordable housing on excess land onsite. By the end of 2025, issue RFPs to solicit development proposals from qualified developers, with the goal of completing units within the Housing Element planning period.

Funding: General Fund

Housing Objective: Facilitate the development of 1,125 units (362 very low income, 237 low income, 142 moderate income, and 384 above moderate income units)

Program 6. Shopping Centers Redevelopment

Throughout the state, and even nationwide, the shift to online shopping has resulted in changes to the retail landscape. This shift was set in motion years ago with the increased popularity of online services like Amazon but has been accelerated by the COVID-19 pandemic. Many shopping centers are being reimagined as vibrant residential/commercial mixed-use development. However, redeveloping shopping centers presents some challenges, such as the large site scale, configuration of existing structures and parking areas, existing lease terms, CC&R provisions, shared parking agreements, and community desire to maintain and rejuvenate retail services. The City will establish policies and development regulations to enable residential development at shopping centers through a range of approaches including:

- Full redevelopment;
- Addition of residential uses in existing surface parking areas;
- Clustering residential development on underutilized portions of the site; and/or
- Addition to or reconfiguration of the existing structures to include residential uses.

Specifically, policies and zoning development standards will be established to facilitate:

- Subdividing, if necessary, of the parking areas to create developable parcels;
- Clustering of densities on portions of the parking areas;
- Shared access to existing structures to allow existing uses to remain while the parking areas are being redeveloped or reconfigured; and
- A strong sense of place and cohesive urban design both within the site and in relation to the surrounding neighborhood.

Responsible Department: Community Development Department - Planning Division

Timeframe:

- By December 15, 2024, as part of the rezoning outlined in Program 5, develop land use policies and development standards to facilitate shopping center redevelopment with a strong sense of urban design cohesion.
- Annually contact property owners and developers with experience in shopping center redevelopment to pursue redevelopment opportunities.

Funding: General Fund

Housing Objective: Facilitate the development of 61 units on shopping center sites

Program 7. Large Lot Development

Four large sites are included in the sites inventory. Specifically, one site is over 16 acres. The large sites include: Cal Am site (9 acres); a church site (6 acres); a charter school site (16 acres); and an adult education school site (6 acres). To encourage and facilitate the development of affordable housing on larger sites, the City will regularly, at least once a year, coordinate with property owners and provide incentives to assist in site planning, parceling and other mechanisms to promote affordable housing consistent with the assumptions in the sites inventory.

The City will adopt development incentives in addition to standards such as state density bonus law, assistance with on and off-site improvement, parking reductions, funding, fee deferral or reduction and streamlined and priority entitlement and permit processing.

Responsible Department: Community Development Department - Planning Division

Timeframe: As projects are processed and at least twice a year, coordinate with property owners and establish incentives by December 15, 2024.

Funding: General Fund

Housing Objective: Facilitate the development of 651 units on larger sites.

Program 8. Lot Consolidation

Consolidation of small lots allows a development to utilize the land more efficiently, achieve economies of scale, and offer opportunity for improved site design and amenities. The City will encourage the consolidation of small lots to facilitate the development of mixed-use and multi-family developments, particularly for affordable housing, by:

- Maintaining an inventory of sites on the City's website (ongoing);
- Assisting developers in identification of parcels with lot consolidation potential; and
- Utilizing a ministerial process for lot consolidation unless other discretionary reviews are required as part of the project.

Responsible Department: Community Development Department - Planning Division

Timeframe:

- By December 15, 2024, develop appropriate lot consolidation incentives that provide flexibility in site planning to facilitate mixed-use and multi-family development.
- Provide technical assistance to interested developers and property owners regarding lot consolidation potential and procedure.

Funding: General Fund

Housing Objective: Facilitate the development of 178 units through consolidation of smaller sites

Program 9. Accessory Dwelling Units

Accessory Dwelling Units (ADUs) represent an important source of affordable housing in Pacific Grove. To facilitate ADU construction and consistent with State law, the City removed deed restriction requirement for such units.

The City also reinstated the Illegal Housing Unit registration program when updating the ADU ordinance. Unit registration, however, requires a deed restriction stipulating that the unit is affordable to very low income households in perpetuity. This deed restriction has proven to be a disincentive for legalizing units and is difficult to enforce.

The City will continue to encourage the production of ADUs and work to enhance their affordability. Specifically, the City will:

- Ensure ADU policies and practices continue to align with state requirements.
- Help owners find financing mechanisms to finance ADUs.
- Facilitate legalizing illegal units by removing the deed restriction requirement.
- Make water allocations available to homeowners who are interested in developing affordable ADUs.

Responsible Department: Community Development Department - Planning Division

Timeframe:

- By July 2024, work with neighboring jurisdictions to develop pre-reviewed plans for ADUs.
- By July 2024, update City website to promote California Housing Finance Agency (CalFHA) program that offers $40,000 as a grant to income-qualified homeowners for ADU pre-development costs.
- Annually update the dedicated ADU webpage on the City's website to provide up-to-date resources, tools, and technologies for ADU construction.
- By December 15, 2024, amend the Zoning Code to maintain consistency with State ADU requirements.
- By December 15, 2024, amend the Zoning Code to remove the deed restriction requirement for Illegal Housing Unit Registration.

Funding: General Fund

Housing Objective: Facilitate the development of 272 ADUs, including 50 affordable ADUs

Mitigation of Housing Constraints

Program 10. Water Supply

The City continues to implement water conservation measures in an effort to make water allocations available for housing through potable water usage reduction measures at City sites such as the golf course and cemetery, and the implementation of MPWMD programs. The City will continue to actively participate in regional efforts to make water available. Projects that include affordable housing will be given priority as water allocations become available. Water and wastewater agencies serving Pacific Grove will be provided a copy of the Housing Element pursuant to California Government Code §65589.7.

Responsible Department: Community Development Department - Planning Division

Timeframe:

- Within one month of Housing Element adoption, send a copy of the adopted Housing Element to water and wastewater agencies.
- Continue to work with regional partners to find a long-term solution to the water situation. Participate in Regional Water Project through monthly meetings.
- Work with partners to lobby for use of water allocations to support affordable housing, including on sites where a water meter may need to be added.
- Continue to seek creative solutions to support needed housing development within the confines of the water moratorium (e.g., by aggregating lots with a water meter with development sites which do not have one but have the potential to create units and adaptive reuse of existing buildings into housing. See programs on shopping center redevelopment and lot consolidation).
- Continue to apply water conservation measures in rehab projects and water re-use projects.

Funding: General Fund

Housing Objective: Not applicable

Program 11. Sewer System Capacity

The City's 2014 Sewer Master Plan identifies areas within the city with insufficient system capacity to meet existing and future flows and recommends specific improvements to address the deficiencies. Recommended improvements are ranked in order of importance for existing deficiencies. The improvements are incorporated into the City's capital improvement projects. Future development could trigger the need for additional improvements. However, the City will continue to evaluate the sewer system capacity and identify and implement infrastructure improvements to address system deficiencies. Future residential projects would be required to pay sewer connection and use fees which will help fund needed system improvements.

Responsible Department: Public Works Department

Timeframe:

- Annually assess the sewer system capacity and identify and implement infrastructure improvements to address systems deficiencies.

Funding: General Fund

Housing Objective: Facilitate the development of 1,125 housing units

Program 12. Zoning Code Amendments

In order to facilitate a variety of housing types, especially housing for lower income households and those with special need, the City will address constraints to housing development by amending the Zoning Code:

- **Development Standards:** Review and revise the City's development standards (including parking and height) in conjunction with rezoning work in 2023/2024, particularly in relation to higher density affordable housing and potential improvements to transit service being considered by Monterey-Salinas Transit. Specifically, reduce the garage parking requirement for multi-family housing. Reduce parking standards for housing for persons with disabilities (including persons with developmental disabilities).
- **Objective Design Standards:** Establish Objective Design Standards for the review of single-family, multi-family, and mixed-use residential projects.
- **SB 35 Procedure:** Establish written procedures for the processing of SB 35 projects pursuant to State law.
- **Single-Room Occupancy (SRO) Housing:** Amend the Zoning Code to define SRO housing and establish SRO as a conditionally permitted use in zones where multi-family and mixed-use residential developments are permitted.
- **Supportive Housing (AB 2162):** Amend the Zoning Code to comply with AB 2162, whereby certain supportive housing meeting specific criteria are to be permitted by right in all zones where multi-family housing is also permitted (including nonresidential zones). For such supportive housing locating within half-mile from transit, no minimum parking can be required.
- **Emergency Shelters:** Amend the parking standards for emergency shelters to be based solely on staffing level pursuant to AB 139.
- **Low Barrier Navigation Centers (LBNC):** AB 101 requires a Low Barrier Navigation Center be permitted by-right in areas zoned for mixed uses and nonresidential zones permitting multi-family uses if it meets specified requirements. Amend the Zoning Code to address the provision of LBNC.
- **Employee Housing:** Review and revise the Zoning Code to ensure compliance with the Employee Housing Act, which requires that housing provided by an employer for up to six employees is considered a residential use, subject to the same standards as single-family residences.
- **Residential Care Facilities:** Amend the Zoning Code to conditionally permit large residential care facilities (for seven or more) in all zones where multi-family housing is permitted. Findings for approval will be objective to provide certainty in outcomes.
- **Reasonable Accommodation:** Amend the Zoning Code to remove or revise the required finding relating to "fundamentally alter the character of the neighborhood." This finding may be considered subjective with the potential to constrain the development and improvement of housing for persons with disabilities.
- **Major Use Permit Findings for Approval:** Amend the Zoning Code to revise the required findings relating to neighborhood characters to establish objective findings that provide certainty in outcomes.

- **Architectural Review and Historic Review Findings for Approval:** Amend the Zoning Code to utilize Objective Design Standards for architectural and historic reviews.

Responsible Department: Community Development Department - Planning Division

Timeframe:

- By December 15, 2024, amend Zoning Code to address constraints as outlined in this program.

Funding: General Fund

Housing Objective: Not applicable

Affordable and Special Needs Housing

Program 13. Affordable Housing Development

The City will continue to pursue available resources for affordable housing development. Given Pacific Grove's small size, a city-only housing trust fund is challenging as the City has limited revenue sources to sustain a local housing trust fund. The City will continue to collaborate with other jurisdictions in the county to pursue the establishment of a regional housing trust fund. The City will continue to pursue resources available at the county, state, and federal levels.

In addition, the City will provide assistance to affordable housing development projects, including:

- Expedited review;
- Administrative assistance with funding applications;
- Potential fee waivers/reductions/deferrals; and
- Additional density above State density bonus law (see the Density Bonus program below).

Expedited review and financial assistance, if available, will prioritize housing for persons with special needs (including persons with developmental disabilities), and housing projects that set aside units for extremely low income households.

Responsible Department: Community Development Department - Housing Division

Timeframe:

- Ongoing coordination with county jurisdictions to establish a regional housing trust fund.
- Annually pursue funding at local, state, and federal levels, such as State CDBG, CalHome, and PLHA funds.

Funding: Local, state, and federal resources

Housing Objective: Pursue funding to assist in the development of 50 affordable housing units over eight years

Program 14. Density Bonus

The City adopted the State Density Bonus law by reference in the Zoning Code. To further incentivize affordable housing, the City is considering a local density bonus program that will offer incentives beyond State law.

Responsible Department: Community Development Department - Planning Division

Timeframe:

- By December 15, 2024, develop a local density bonus program as part of the rezoning/upzoning efforts to accommodate the RHNA.
- Provide technical assistance to interested developers and property owners regarding density incentives.

Funding: General Fund

Housing Objective: Facilitate the development of 100 affordable units through density bonus

Program 15. Short-Term Rental of Private Homes

Short-term rentals (STRs) diminish the availability of housing units for local residents and therefore impact the local housing market. The City has implemented a voter initiative to substantially limit short-term rentals in the community and utilized specialized software to track STRs and violations of the City's licensing requirements.

Responsible Department: Community Development Department - Housing Division

Timeframe:

- By the end of 2025, link STR fines to the City's Affordable Housing budget to make fines available to finance affordable housing development.
- Biannually (every other year), review the market effects from STRs in the community and develop appropriate strategies to mitigate the impacts on the supply of long-term housing for residents.

Funding: General Fund

Housing Objective: Track all STR violations

Program 16. Housing on Educational Agency-Owned Properties

In 2022, the State passed AB 2295, which considers housing development projects on property owned by a local educational agency (LEA) to be an allowable use of the property, provided certain criteria are met. These housing development projects are aimed at providing much-needed housing for teachers and other employees of the LEA. Government Code Section 65914.7 becomes effective January 1, 2024 and expires January 1, 2033. Some of the specific criteria include:

- The project includes 10 or more units.
- Units are deed-restricted for 55 years as affordable housing for lower and moderate income households, with at least 30 percent at lower income level.
- 100 percent of the units must be rented to LEA employees, adjacent LEA employees, or public employees in the City.

- The project meets local objective design/development standards.

The Sites Inventory (Program 5 Adequate Sites for RHNA and Monitoring of No Net Loss) includes one site owned by Pacific Grove Unified School District . In addition, other LEA-owned sites in the City may have excess land area that can accommodate housing units. The City will promote opportunities to create affordable housing on LEA-owned properties.

Responsible Department: Community Development Department - Planning Division

Timeframe:

- Annually contact Pacific Grove Unified School District and Monterey Peninsula Unified School District, as well as other local educational agencies for opportunities to develop affordable employee housing on site.
- Provide technical assistance to LEAs interested in pursuing affordable housing onsite and, as appropriate, partner with LEAs to pursue funding opportunities.

Funding: General Fund

Housing Objective: Facilitate the development of 191 housing units on LEA-owned sites

Program 17. Housing Choice Vouchers

The Housing Choice Voucher (HCV) program administered by the Housing Authority of the County of Monterey (HACM) provides rental subsidies to extremely low and very low income households with housing cost burdens or at risk of becoming homeless. The voucher holder pays about 30 percent of their household incomes on rent, and the HCV makes up the difference between fair market rent for the unit and payment by the voucher holder. The City will continue to work with the HACM to obtain vouchers that will be used in the City of Pacific Grove for residents.

Responsible Department: Community Development Department - Housing Division; Housing Authority of the County of Monterey

Timeframe:

- By July 2024, update City website to provide link to HACM programs, including the HCV program.
- Annually support HACM efforts in petitioning higher payment standards in Pacific Grove to reflect the City's market conditions and to promote program to landlords.
- By July 2024, work with HACM and ECHO Housing to develop a Fair Housing Factsheet to be included in ADU and SB9 applications, explaining fair housing rights and responsibilities of individual property owners with the intention of making the ADU and SB9 units available for rent.

Funding: HUD Section 8 Rental Assistance

Housing Objective: Assist 80 households through HCVs

Resource Efficiency

Program 18. Resource Conservation in Existing Homes

The City will continue to post information on weatherization and energy conservation programs on the City's website and in brochures available in the Community Development Department office. The City will also continue to pursue funding opportunities for energy efficiency rehabilitation loans.

Responsible Department: Community Development Department - Housing and Building Divisions

Timeframe:

- By July 2024, update City website to include information on weatherization, energy conservation programs, and water conservation techniques.
- Continue to promote water conservation measures (such as changing to low use fixtures)
- Annually pursue funding opportunities to provide rehabilitation assistance to income-qualified households.
- Annually pursue funding opportunities, particularly new federal and state funds that focus on climate resilience.
- Continue to partner with MPWMD on its water conservation outreach programming, including distribution of materials at the annual Good Ole Days event.

Funding: General Fund; State CDBG; CalHOME

Housing Objective: Rehabilitate 16 housing units (2 extremely low, 6 very low, and 8 low income units) – see Program 1

Program 19. Energy Efficiency in New Homes

The City will continue to implement the California Green Building Code to encourage efficient building design standards in new construction and redevelopment and to promote increased energy conservation. As part of each update to Building Codes, the City will continue to seek ways to encourage projects to exceed the minimum requirements for energy efficiency, such as through expedited permitting.

Responsible Department: Community Development Department - Housing and Building Divisions

Timeframe:

- Annually pursue partnering opportunities with affordable housing developers to pursue funding that can make their buildings energy efficient, incorporate solar, and achieve as close to net zero as possible.
- Beginning in 2025, partner with Passive House advocates to review RFPs for future multi-family affordable housing.

Funding: General Fund

Housing Objective: Not applicable

Fair Housing

Program 20. Affirmatively Furthering Fair Housing

Pacific Grove is committed to furthering fair housing in the community. To that end, the City will continue to:

- Publicize information about the enforcement activities of the California Department of Fair Employment and Housing (DFEH), HUD Fair Housing and Equal Opportunity (FHEO) Office, and Housing Authority of the County of Monterey (HACM).
- Publicize fair housing information on the City's website and through brochures at the Planning Division and Finance Department Counters at City Hall and at the Pacific Grove Public Library and Senior Center, as well as via social media platforms.
- Promote April as "Fair Housing Month" through a proclamation from the Mayor and educational programs such as a poster and poetry competition for local youth.
- Participate in public and private efforts to enforce fair housing practices, to refer reported cases of arbitrary discrimination to mediation services, and to support the Conflict Resolution and Mediation Center of Monterey County, ECHO and other low- or no-cost mediation services.

The AFFH Matrix as part of this program outlines further actions that will be taken by the City.

Responsible Department: Community Development Department - Housing Division

Timeframe:

- By July 2024, update City website to provide fair housing information and resources/
- Annually promote April as "Fair Housing Month" with various educational programs to promote fair housing rights.

Funding: General Fund

Housing Objective: Implement Meaningful Actions to Address Fair Housing Issues.

Program 20 Meaningful Actions to Address Fair Housing Issues

Identified Fair Housing Issue	Contributing Factors	Meaningful Actions	Metrics and Timeline	Overarching Metric
Fair housing enforcement and outreach	▪ Lack of updated fair housing information and resources ▪ Lack of fair housing testing ▪ Lack of updated data and analysis of fair housing complaints ▪ Limited participation in fair housing outreach among minority populations ▪ Lack of data and analysis on home loan applications	Update and maintain the City's website to provide information on upcoming fair housing events and fix broken links to fair housing resources. Add information on fair housing rights and resources into the text of the webpage.	Update the City's website by January 2025.	Establish baseline data from 2024 and achieve an increase of 50 percent of participants from minority and low and moderate-income residents in citywide planning workshops and education programs by December 2031.
		Partner with local organizations to distribute information on fair housing services and homebuyer education programs by distributing flyers, attending local events, social media campaigns, and educational workshops.	Coordinate with non-profit organizations, local community groups, and service organizations to increase awareness of and access to housing resources and fair housing assistance.	
		To effectively address the requirements of Government Code Sections 8899.50 and 65583, coordinate with ECHO Housing/other fair housing nonprofit organizations to provide fair housing and tenant/landlord services, including investigation of discrimination complaints, fair housing counseling and education, fair housing testing, and tenant/landlord counseling and mediation.	Assist at least 20 residents and landlords with fair housing services annually.	
			At least once annually gather and analyze data on fair housing complaints filed with ECHO.	
		Review the City's outreach methods annually, using feedback from resident surveys and focused discussions with community organizations to inform online, mail, and in-person outreach methods. Increase participation of historically underrepresented residents in all City housing programs and community planning activities. Collaborate with existing and new community stakeholders from all sectors and geographic areas to engage in the public participation process.	Conduct at least one citywide resident survey every three years to obtain feedback about City outreach methods, prioritizing feedback from underrepresented residents.	
		Work to promote fair lending practices throughout the city and ensure that low-income and minority residents have fair access to capital resources needed to acquire and maintain housing. Prevent predatory lending through information and referrals.	Annually conduct and publish third party review of city or regional HMDA data to identify areas of need regarding fair access to lending.	
Lack of affordable housing options for low- and moderate-income households, in particular for workers, seniors, and families	▪ Low supply of affordable housing ▪ Lack of affordable housing in a range of sizes ▪ High/increasing cost of housing ▪ Lack of new housing development in the city ▪ Community opposition to affordable housing	Diversify and expand the city's housing stock to accommodate the varied housing needs of different groups by reviewing the General Plan, applicable Specific Plans, and Zoning Code and Zoning Map to evaluate opportunities for removing barriers to housing production, adding housing capacity, and accommodating a greater mix of dwelling types and sizes. Recommend amendments, as necessary, to accommodate added housing. Additionally, review the zoning code to identify opportunities to increase and encourage a greater mix of dwelling types and sizes, specifically housing types that may accommodate moderate-income households (e.g., duplexes, triplexes, fourplexes, townhouses, courtyard buildings), in lower-density residential areas citywide, and amend the zoning code as needed.	Review the General Plan, Specific Plans, and Zoning Code and Zoning Map by January 2026 and implement any changes by January 2027.	Accommodate and promote the production of 599 low- and 142 moderate-income housing units in Pacific Grove by December 2031. Support the development of at least 272 ADUs in the city by December 2031.
		Develop a web-based Housing Development Toolkit that outlines a step-by-step process for residential development, including identifying steps in the entitlement and building permit process, detailed information on development incentives, and funding programs and resources for affordable housing development.	Housing Development Toolkit published on City's website by December 2025.	
		Determine and implement strategy to promoting ADUs for moderate and lower-income households.	Prepare a report on potential strategies to encourage affordability of ADUs for moderate and lower-income households, including but not limited to, promoting the use of HCV vouchers or development of cost incentive programs or no-interest loan program for ADU developers in exchange for income restrictions. Prepare report by January 2026 and present to City Council for adoption of a pilot program by August 2026. If adopted, implement pilot program by January 2027.	
		Develop a community outreach campaign to build community support for affordable housing development. Host workshops and events to educate residents on the need for affordable housing in Pacific Grove and address concerns	Develop and publish a community outreach strategy to combat opposition to housing development by January 2026.	

Identified Fair Housing Issue	Contributing Factors	Meaningful Actions	Metrics and Timeline	Overarching Metric
		Work with California American Water to identify additional sources of water and enhance water conservation programs to alleviate water constraints on housing development. Prioritize water credits/new water meters to developments with an affordable housing component.	Work with California American Water to develop a strategic plan to address water constraints to affordable housing development by 2027.	
Residents vulnerable to displacement	▪ Rising rent and housing costs ▪ High rates of overpayment among low- and moderate-income households ▪ Displacement of residents due to economic pressures ▪ Lack of affordable housing in a range of sizes to accommodate various types of households. ▪ Low supply of affordable housing ▪ Lack of financial resources for low- and moderate-income households ▪ Prevalence of short-term rentals and vacant vacation homes	Increase the city's affordable housing stock.	See meaningful actions and metrics and timelines for affordable housing development above.	Reduce the percentage of households experiencing cost burden by December 2031.
		Partner with local organizations and HACM to distribute information on financial resources and rental assistance programs through social media campaigns and educational workshops and trainings. Add information on available financial assistance programs on the City's website.	Coordinate with non-profit organizations, local community groups, and service organizations to increase awareness of and access to housing resources and fair housing assistance.	
			Update the City's website by January 2025.	
		Prepare report on the development of a rental assistance program to provide relief to tenants and landlords to avoid the displacement of vulnerable communities. Report will compare similar programs in other cities and feasibility of funding sources, including HOME and CDBG.	Prepare and present a report on development of a rental assistance program to the City Council by January 2026, including recommendations for policy actions that would provide relief to tenants and landlords to avoid the displacement of vulnerable communities. If a rental assistance program is approved and implemented as a result, the program will assist at least 10 lower income renter households annually.	
		Review and if necessary update the Short-Term Rental Ordinance to address constraints to housing. Consider reducing the limit on the number of licenses and/or increasing the 55-foot exclusion limit. Continue to enforce the Short-Term Rental Ordinance.	Review and update the Short-Term Rental Ordinance by January 2025.	
			Annually review vacation rental sites and establish a method for residents to report unlicensed short-term rentals by January 2025	
Improving place-based strategies to encourage community conservation and revitalization, including expanding transportation access, particularly in the Del Monte Park neighborhood	▪ The availability, type, frequency, and reliability of public transportation ▪ Lack of regional connection via public transportation ▪ Lack of historical investment in the Del Monte Park neighborhood	Collaborate with Monterey-Salinas Transit to prepare a study on transit needs for Pacific Grove residents and workers and identify actions to address those needs, focusing on the commuting needs of low-income residents.	Prepare a transit needs study by 2027 and identify potential actions by 2028.	Increase transit ridership in the city by December 2031. Improve existing neighborhood infrastructure in the Del Monte Park area.
		Collaborate with Monterey-Salinas Transit to increase active transportation opportunities in the Del Monte Park neighborhood, including expanding bicycle and pedestrian networks throughout the neighborhood.	Develop an active transportation program for the Del Monte Park neighborhood that includes specific improvement projects and timelines to connect to transportation networks throughout the city and surrounding areas by January 2027.	
		Collaborate with Monterey Salinas Transit to assess the feasibility of expanding transit access for seniors by expanding Senior Shuttle routes to Pacific Grove.	As part of the transit needs study, analyze the feasibility of expanding Senior Shuttle routes to Pacific Grove by 2027. If deemed feasible, work with MST Monterey Salinas Transit to offer a Senior Shuttle service in Pacific Grove by 2030.	
		Prioritize Capital Improvement Programs in the Del Monte Park neighborhood.	Develop an assessment of the neighborhood's existing infrastructure and develop a list of infrastructure needs. Develop and prioritize projects to address these needs in the City's Capital Improvement Program.	
		Continue Code Enforcement activities, with emphasis on identifying housing in the Del Monte Park neighborhood that do not meet the City's current building standards and were constructed prior to incorporation of the neighborhood into Pacific Grove s. Educate eligible property owners with code violations on the City's Housing Rehabilitation Loan Program.	Assist at least four property owners per year through the City's Housing Rehabilitation Program.	
		Require reporting from consultants providing tenant services in Conciliation/Mediation and Legal Assistance to evaluate existing State and federal "just cause for eviction" (AB 1482, 2019-Chiu) provisions to determine if additional protections through a local ordinance is warranted.	Annually collect reporting by consultant(s) and review data.	

Table 3-1 Summary of Quantified Objectives

	Extremely Low Income	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
Units to be Constructed (RHNA)	181	181	237	142	384	1,125
Units to be Rehabilitated						
Housing Preservation and Rehabilitation	2	4	10			16
Units to be Conserved						
Mobile Home Park Preservation	30	30	43			103
Preservation of Affordable Units	26	27				53

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Appendix A

Compiled Site Inventory

Appendix A: Compiled Site Inventory

Site #	Address	Size (Acres)	Description	Location	APN(s)	Zone	Proposed Rezoning	Max Density (units per acre)	LI	MI	AMI	Total	Realistic Capacity	Used in Previous Inventory?
1	161 Fountain Ave.; 148 15th St.	0.39	Surface parking lots, partially city-owned, one-story commercial building	Downtown	006174010000, 006174003000, 006174008000, 006174011000, 006174012000	C-D	Yes (density increase)	45	0	8	9	17	100%	
2	561, 575 Lighthouse Ave.; 209 Forest Ave.; 210, 214 Grand Ave.	0.46	3 buildings in which one is vacant, large parking lot	Downtown	006282029000, 006282003000, 006282005000, 006282006000, 006282004000, 006282021000	C-D	Yes (density increase)	45	11	3	0	14	70%	
3	166 12th St.	0.05	Vacant Lot	Downtown	6199014000	C-D	Yes (density increase)	45	0	0	2	2	100%	Yes
4	226 Forest Ave.	0.25	Single story commercial building	Downtown	6281008000	C-D	Yes (density increase)	45	0	0	7	7	70%	
5	168 Forest Ave.	0.34	City-owned parking lot	Downtown	6171009000	C-D	Yes (density increase)	45	7	3	0	10	70%	
6	562 Lighthouse Ave.	0.41	Three-story historic structure	Downtown	6172007000	C-D	Yes (density increase)	45	0	0	12	12	70%	
7	490 Lighthouse Ave.	0.14	Two-story commercial building	Downtown	6176005000	C-D	Yes (density increase)	45	0	0	4	4	70%	
8	490 Lighthouse Ave.	0.19	Three-story historic structure	Downtown	6176004000	C-D	Yes (density increase)	45	0	0	5	5	70%	
9	212, 227, 229 Grand Ave.	0.65	Three office/commercial use buildings	Downtown	006283010000, 006283009000, 006283008000	C-D	Yes (density increase)	45	29	0	0	29	100%	
10	601 Lighthouse Ave.	0.93	City-owned parking lot and vacant bank structure	Downtown	006294017000, 006294015000	C-D	Yes (density increase)	45	41	0	0	41	100%	
11	525, 531 Lighthouse Ave.	1.16	City-owned parking lot and movie theater	Downtown	006284015000, 006284001000, 006284002000	C-D	Yes (density increase)	45	52	0	0	52	100%	
12	168 Central Ave.	0.15	Single-story commercial building	Central-Eardley District	6234014000	C-1	No	19.8	0	0	2	2	70%	
13	160 Central Ave.	0.78	Two-story office building, parcels all owned by Monterey Aquarium Foundation	Central-Eardley District	006234003000, 006234002000, 006234015000	C-1/ C-2	No	19.8	0	0	10	10	70%	
14	100, 120 Central Ave.	0.85	Single-story commercial building	Central-Eardley District	006234006000, 006234007000	C-1	No	19.8	0	0	11	11	70%	
15	127 Central Ave.	0.09	Single-story commercial building	Central-Eardley District	6237006000	C-1	No	19.8	0	0	1	1	70%	
16	105, 109 Central Ave, Evans Ave.	0.35	Three parcels under same ownership; commercial use	Central-Eardley District	6237008000, 006237021000, 6237011000	C-1/ R-4	No	19.8	0	0	7	7	100%	
17	167 Central Ave.	0.29	Two-story office building owned by Monterey Bay Aquarium	Central-Eardley District	6237020000	C-1	No	19.8	0	0	3	3	70%	
18	155, 159 Central Ave.	0.42	Two single-story structures used for businesses	Central-Eardley District	6237005000, 006237004000	C-1/ R-4	No	19.8	0	0	5	5	70%	
19	173 Central Ave.	0.11	Single-story commercial structure	Central-Eardley District	6237001000	C-1/ R-4	No	19.8	0	0	1	1	70%	

Site #	Address	Size (Acres)	Description	Location	APN(s)	Zone	Proposed Rezoning	Max Density (units per acre)	LI	MI	AMI	Total	Realistic Capacity	Used in Previous Inventory?
20	95 Central Ave.	0.52	Large surface parking lot and mechanic	Central-Eardley District	6238005000	C1	No	19.8	0	0	7	7	70%	
21	119 Dewey Ave.	0.20	Single-story industrial/commercial building	Central-Eardley District	6234001000	C-2	No	19.8	0	0	2	2	70%	
22	2749 Forest Hill Blvd.	0.81	Surface lot with RV storage	Forest Hill	007651013000, 007651017000	C-FH	Yes (density increase)	45	18	0	0	18	50%	Yes
23	1146, 1152 Forest Ave.	1.03	Single-story commercial building, gas station, parking lot	Forest Hill	7651022000, 7651014000	C-FH	Yes (density increase)	45	20	0	0	20	50%	
24	1125, 1129, 1133, 1137 Forest Ave.	0.63	Two-story residential units	Forest Hill	006713031000, 006713032000, 006713027000, 006713026000	C-FH	Yes (density increase)	45	14	0	0	14	50%	Yes
25	1107, 1117, 1123 Forest Ave.	0.16	Single and Two-story residential units with commercial uses	Forest Hill	6713030000	C-FH	Yes (density increase)	45	0	0	3	3	50%	
26	1141 Forest Ave.	0.21	Single-family residence	Forest Hill	6713025000	C-FH	Yes (density increase)	45	0	0	4	4	50%	Yes
27	1149 Forest Ave.	0.21	Single and Two-story residential units with commercial uses	Forest Hill	6713024000	C-FH	Yes (density increase)	45	0	0	4	4	50%	
28	1157 Forest Ave.	0.53	Single-story commercial buildings or parking lots	Forest Hill	6713023000	C-FH	Yes (density increase)	45	8	3	0	11	50%	
29	1193 Forest Ave.	0.70	Single-story commercial buildings or parking lots	Forest Hill	6713019000	C-FH	Yes (density increase)	45	10	4	0	14	50%	
30	1199 Forest Ave.	0.37	Single and Two-story residential units with commercial uses	Forest Hill	6726008000	C-FH	Yes (density increase)	45	0	0	7	7	50%	
31	1124, 1140 Forest Ave.	2.46	Single-story shopping center	Forest Hill	7641009000, 7641008000	C-FH	Yes (density increase)	45	18	8	0	26	25%	
32	1160 Forest Ave.	0.58	Single-story commercial buildings or parking lots	Forest Hill	7651019000	C-FH	Yes (density increase)	45	8	4	0	12	50%	
33	1180 Forest Ave.	0.93	Single-story commercial buildings or parking lots	Forest Hill	7611031000	C-FH	Yes (density increase)	45	14	6	0	20	50%	
34	1201 Forest Ave.	0.18	Single and Two-story residential units with commercial uses	Forest Hill	6725019000	C-FH	Yes (density increase)	45	0	0	4	4	50%	
35	1219 Forest Ave.	0.75	Single-story commercial buildings or parking lots	Forest Hill	6725023000	C-FH	Yes (density increase)	45	0	0	15	15	50%	
36	1247 Forest Ave.	0.32	Single and Two-story residential units with commercial uses	Forest Hill	6725021000	C-FH	Yes (density increase)	45	0	0	6	6	50%	
37	1225 Forest Ave.; Stuart Ave.	0.40	Single and Two-story residential units with commercial uses	Forest Hill	6725018000, 6725017000	C-FH	Yes (density increase)	45	0	0	2	2	50%	
38	1224 Forest Ave.	0.41	Single and Two-story residential units with commercial uses	Forest Hill	7613038000	C-FH	Yes (density increase)	45	0	0	8	8	50%	
39	Ransford Ave.	0.22	Single and Two-story residential units with commercial uses	Forest Hill	7613037000	C-FH	Yes (density increase)	45	0	0	4	4	50%	
40	503 Chestnut St.	0.08	Vacant	Close In Neighborhood	6446013000	R-1	No	12.1	0	0	1	1	100%	
41	506 Walnut St.	0.08	Vacant	Close In Neighborhood	6447009000	R-1	No	12.1	0	0	1	1	100%	
42	514 6th St	0.12	Vacant	Close In Neighborhood	6505005000	R-1	No	12.1	0	0	1	1	100%	
43	411 Grand Ave.	0.04	Vacant	Close In Neighborhood	6483014000	R-4	No	29	0	0	1	1	100%	

Site #	Address	Size (Acres)	Description	Location	APN(s)	Zone	Proposed Rezoning	Max Density (units per acre)	LI	MI	AMI	Total	Realistic Capacity	Used in Previous Inventory?
44	418 8th St.	0.04	Vacant	Close In Neighborhood	6503013000	R-4	No	29	0	0	1	1	100%	
45	146 12th St.	0.30	Residentially zoned church building	Close In Neighborhood	6192002000	R-3-PGR	No	19.8	0	0	2	2	50%	
46	141 4th St.	0.30	Residentially zoned church building	Close In Neighborhood	6191003000	R-3-PGR	No	19.8	0	0	2	2	50%	
47	304 Grove Acre Ave.	1.96	Single-story single-family residence	Close In Neighborhood	6402004000	R-1-B-3	No	4.4	8	0	0	8	100%	
48	417 Hillcrest Ave.	9.00	Largely vacant with parking and small structures	Other	6694006000	U	Yes; R-4	29	122	60	0	182	70%	
49	2184 Sunset Dr.	0.52	Vacant two-story commercial building	Other	7091025000	C-2	No	17.4	0	0	6	6	70%	Yes
50	17 Mile Dr.	1.71	Vacant	Other	7091026000	C-2	No	17.4	20	0	0	20	70%	Yes
51	915 Sunset Dr.	5.76	Largely undeveloped lot with church	Other	7101007000	R-2	No	17.4	70	0	0	70	70%	
52	1004 David Ave.	15.73	Mostly vacant lot with school	Other	7102006000	U	Yes; R-2	17.4	0	0	191	191	70%	
53	522 Fountain Ave.	0.28	Storage facility	Other	6545012000	R-1	No	10.9	0	0	3	3	100%	
54	136 8th St.	0.55	Single-story school	Other	6203001000	R-3-PGR	No	19.8	5	0	0	5	50%	
55	1030 Lighthouse Ave.	2.00	Residential structure with low-density use	Other	6123004000	R-3-M	No	29	29	0	0	29	50%	Yes
56	1025 Lighthouse Ave.	6.17	Large parking lots and vacant area, adult education center	Other	6351018000	U	Yes; R-4	29	102	22	0	124	70%	Yes
57	210 Cedar St.	0.21	Residential zoned structure with low-density use	Other	6311011000	R-4	No	29	0	0	3	3	70%	
58	305 Fountain Ave.	0.07	Two-story office structure; vacant or underutilized	Other	6286010000	R-4	No	29	0	0	1	1	70%	
59	311 Forest Ave.	0.10	Two-story office structure; vacant or underutilized	Office Conversion	6288017000	C-D	No	45	0	0	2	2	*	
60	209 Grand Ave.	0.05	Two-story office structure; vacant or underutilized	Office Conversion	6283001000	C-D	No	45	0	0	2	2	*	
61	222 Grand Ave.	0.09	Two-story office structure; vacant or underutilized	Office Conversion	6282027000	C-D	No	45	0	0	1	1	*	
62	581 Lighthouse Ave.	0.30	Two-story office structure; vacant or underutilized	Office Conversion	6281001000	C-D	No	45	0	0	9	9	*	
63	205 17th St.	0.07	Two-story office structure; vacant or underutilized	Office Conversion	6294001000	C-D	No	45	0	0	3	3	*	
64	210 17th St.	0.10	Two-story office structure; vacant or underutilized	Office Conversion	6293026000	C-D	No	45	0	0	5	5	*	
65	716 Lighthouse Ave.	0.10	Two-story office structure; vacant or underutilized	Office Conversion	6146006000	C-D	No	45	0	0	3	3	*	
66	718 Lighthouse Ave.	0.10	Two-story office structure; vacant or underutilized	Office Conversion	6146005000	R-4	No	45	0	0	2	2	*	
67	604 Lighthouse Ave.	0.10	Two-story office structure; vacant or underutilized	Office Conversion	6166004000	C-D	No	45	0	0	2	2	*	
68	650 Lighthouse Ave.	0.20	Two-story office structure; vacant or underutilized	Office Conversion	6168006000	C-D	No	45	0	0	5	5	*	

Site #	Address	Size (Acres)	Description	Location	APN(s)	Zone	Proposed Rezoning	Max Density (units per acre)	LI	MI	AMI	Total	Realistic Capacity	Used in Previous Inventory?
69	541 Lighthouse Ave	0.05	Two-story office structure; vacant or underutilized	Office Conversion	6283006000	C-D	No	45	0	0	3	3	*	
70	590 Lighthouse	0.30	Two-story office structure; vacant or underutilized	Office Conversion	6171006000	C-D	No	45	0	0	4	4	*	
Total									**606**	**121**	**399**	**1,126**		

**The Site Inventory assumed units in office conversions would be 1,000 square feet, which is conservative as it is greater than the average size of condominiums. Office conversions can accommodate a total of 41 housing units.*

Appendix B

Affirmatively Furthering Fair Housing Analysis

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Appendix B: Affirmatively Furthering Fair Housing

Introduction

California Government Code Section 8899.50 requires local agencies to affirmatively further fair housing (AFFH). Under California law, AFFH means "taking meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics." Government Code Section 8899.50 stipulates that an assessment of fair housing includes the following components:

- A summary of fair housing issues in the jurisdiction and an assessment of the jurisdiction's fair housing enforcement and fair housing outreach capacity;
- An analysis of available federal, state, and local data and knowledge to identify integration and segregation patterns and trends, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs within the jurisdiction, including displacement risk;
- An assessment of the contributing factors for the fair housing issues identified under Government Code Section 65583 (10)(A)(ii);
- An identification of the jurisdiction's fair housing priorities and goals, giving highest priority to those factors identified in Government Code Section 65583 (10)(A)(iii) that limit or deny fair housing choice or access to opportunity, or negatively impact fair housing or civil rights compliance, and identifying the metrics and milestones for determining what fair housing results will be achieved; and
- Strategies and actions to implement those priorities and goals, which may include, but are not limited to, enhancing mobility strategies, and encouraging development of new affordable housing in areas of opportunity, as well as place-based strategies to encourage community revitalization, including preservation of existing affordable housing, and protecting existing residents from displacement.

Fair Housing Methodology

This AFFH analysis has been prepared consistent with the California Department of Housing and Community Development (HCD)'s Affirmatively Furthering Fair Housing Guidance for All Public Entities and for Housing Elements which provides guidance on the preparation of housing elements and ensures statutory requirements are satisfied, pursuant to Government Code Section 65583(c)(10). HCD's AFFH Guidance instructs that AFFH analyses should examine local patterns and trends and compare them to the broader region to provide a broader context for local fair housing issues. Recognizing differences between local areas and the broader region, especially when identifying spatial patterns, is important to identify and prioritize contributing factors to fair housing issues that affect the locality.

This AFFH evaluates fair housing issues on the following topics:

- Fair Housing Enforcement and Outreach Capacity
- Integration and Segregation Patterns and Trends
- Racially and Ethnically Concentrated Areas of Poverty
- Disparities in Access to Opportunity
- Disproportionate Housing Needs
- Other Relevant Factors, including historical disinvestment, lack of infrastructure improvements, and presence of older affordable housing units that may be at risk of conversion to market-rate housing

This AFFH addresses impediments through AFFH-specific goals, and actions based on the contributing factors for each identified fair housing issue.

Data Sources

HCD AFFH Data Viewer

The AFFH Data Viewer is a tool developed by HCD that features census block group and tract level data from an expansive collection of sources including United States (U.S.) Census American Community Survey (ACS), U.S. Department of Housing and Urban Development (HUD), California Tax Credit Allocation Committee (TCAC), Urban Displacement Project (UDP), and Comprehensive Housing Affordability Strategy (CHAS). The Data Viewer tool serves as a resource for local and regional governments and provides the ability to explore spatial data patterns concerning fair housing enforcement, segregation and integration, racially and ethnically concentrated areas of poverty, and disparities in access to opportunities and housing. The Data Viewer is intended to assist in the creation of policies that alleviate disparities, combat discrimination, and increase access to safe and affordable homes.

HUD Comprehensive Housing Affordability Strategy (CHAS) Data

Each year, HUD receives custom tabulations of American Community Survey (ACS) data from the U.S. Census Bureau. These data, known as the "CHAS" data (Comprehensive Housing Affordability Strategy), demonstrate the extent of housing problems and housing needs, particularly for low-income households. CHAS data is estimated by the number of households that have certain housing problems and have income low enough to qualify for HUD's programs (primarily 30, 50, and 80 percent of median income). It is also important to consider the prevalence of housing problems among different types of households, such as the elderly, disabled, minorities, and different household types.

CalEnviroScreen

The California Office of Environmental Health Hazard Assessment developed a screening methodology to identify communities disproportionately burdened by multiple sources of pollution. This tool, called the California Communities Environmental Health Screening Tool (CalEnviroScreen), utilizes existing environmental, health, and socioeconomic data to rank census tracts based on 20 distinct indicators. In general, if a community has a high score for that indicator, it is more likely to have a greater degree of pollution burden and a higher rate of residents vulnerable to the effects of

that pollution exposure. Designated disadvantaged communities are those with CalEnviroScreen percentile scores of 75 or higher, meaning that they scored within the highest 25 percent of census tracts for pollution burden across California.

California Tax Credit Allocation Committee

To assist fair housing analysis, HCD and the California Tax Credit Allocation Committee (TCAC) created the California Fair Housing Task Force to provide research, evidence-based policy recommendations, and other strategic recommendations to HCD and other related state agencies/departments to further the fair housing goals. The California Fair Housing Task Force created Opportunity Maps to identify resource levels across the state. Opportunity mapping is a way to measure and visualize place-based characteristics linked to critical life outcomes, such as educational attainment, earnings from employment, and economic mobility. Opportunity Maps are made from three different domains made up from a set of indicators data shown in Table 1, and one composite map which considers all three domains.

Table 1 Domains and List of Indicators for Opportunity Maps

Domain	Indicator
Economic	Poverty, Adult Education, employment, Job proximity, median home value
Environmental	CalEnviroScreen 3.0 pollution indicators and values
Education	Math proficiency, reading proficiency, high school graduation rates, student poverty rates

Source: California Fair Housing Task Force, Methodology for the 2020 TCAC/HCD Opportunity Maps, December 2020

Urban Displacement Project (UDP)

The UDP was developed to track neighborhood change and identify areas that are vulnerable to gentrification and displacement in California. The UDP measures indicators of gentrification and displacement at the census tract level based on data from the 2015 ACS. UDP indicators examine census tracts to identify areas that qualify as disadvantaged neighborhoods. Additionally, census tracts identified as disadvantaged neighborhoods by UDP's criteria are further analyzed to explore changes in the percentage of college educated residents, non-Hispanic/Latino white population, median household income, and median gross rents over time to determine levels of gentrification and displacement risk.

U.S. Census American Community Survey (ACS)

The American Community Survey (ACS), conducted by the U.S. Census Bureau, is an ongoing survey that collects information on demographic, social, economic, and housing characteristics of the U.S. population. ACS uses independent monthly samples, each with a sample size of 250,000 addresses (consisting of housing units and group quarters), surveyed via internet, mail, telephone, and personal visit. ACS data uses 1-year and 5-year estimates. The 1-year data is collected over a period of 12 months and is useful for showing year-to-year fluctuations in data for geographic areas with at least 65,000 people. The 5-year estimates represent data collected over a period of 60 months (5 years) and are considered statistically more reliable than the 1-year estimates, particularly for less populated areas and small population subgroups.

AllTransit

AllTransit is an online database that details transit opportunities for communities. The website explores metrics that reveal the social and economic impact of transit, specifically looking at connectivity, access to jobs, and frequency of service. The AllTransit performance score explores metrics that reveal the social and economic impact of transit, such as connectivity, access to jobs, and frequency of service.

Community Engagement and Outreach

The following section details the various methods of community engagement the City used as part of the Housing Element Update. For more information, please see Appendix D, Public Engagement Input Summary.

The City conducted an extensive community outreach campaign to obtain feedback for the Housing Element update. The City also conducted a series of stakeholder interviews with fair housing providers, community organizations, affordable housing developers, and other members of the Pacific Grove community, held July through December of 2022. Interviews with 14 different stakeholders provided additional insight on housing issues and needs in Pacific Grove.

The City hosted three in-person and virtual community workshops between May 2022 and October 2022. The community workshops introduced the Housing Element update to the community and generated feedback on strategies for encouraging affordable housing development in the city.

Fair housing topics identified during the community workshops include the following:

- Some rental units in the city are in poor condition and in need of maintenance/repair;
- Need affordable housing more moderate-income households;
- Desire for housing to accommodate a range of household types, such as large units for families and smaller units for seniors and workforce housing;
- Community opposition is a big obstacle to affordable housing;
- Need down payment assistance programs;
- Need housing and services for homeless populations;
- Families are living in undersized and overcrowded housing due to affordability;
- Many community members are at risk of displacement and are in fear of being priced out of the city; and
- Community members feel the housing crisis is creating a loss of community and diversity, exacerbated by the prevalence of housing units used as short-term rentals.

The City conducted a Housing Needs Survey to gather further input from the community on housing issues in Pacific Grove. Responses from the Housing Needs Survey regarding fair housing include the following:

- The cost of housing in Pacific Grove is too high, pushing out existing residents who can no longer afford to live in the city and preventing others from moving to the city, such as those employed in the city (leading to long commute times). Households living on a single income and single-person households cannot afford housing. This prevents younger people and young families from living in the city.

- Rent prices are increasing significantly each year, putting many renters at risk of losing their housing due to affordability.
- Lack of housing mobility; many residents feel stuck in their current housing situation as they cannot afford to move to a different housing unit. Families cannot afford a larger unit to accommodate their growing household.
- There is not enough affordable housing or middle-income housing in the city.
- Vacation rentals, short-term rentals, second homes, and investment properties limit housing opportunities, drive up housing costs, and leave many housing units vacant. This pattern damages neighborhoods and is creating a loss of community.
- Many participants believe the City needs to play a more active role in generating affordable housing opportunities and limiting short-term rentals and investment properties to preserve the community.
- Rental units need repair/maintenance but landlords are unwilling to make these updates.
- Need affordable housing for seniors, workers, and families. Build higher, stop allowing large/oversized single family homes.
- Opposition to new housing development, ADUs, duplexes, and higher density development in Pacific Grove. Some participants expressed there are affordable housing options in other nearby cities and would not like to see more affordable housing in the city.
- Need to expand transit opportunities and public amenities, such as open space.

The City conducted additional outreach events, including pop-ups at Farmers Markets and community events and door-to-door outreach, to garner additional feedback from the general public.

Fair housing issues identified during the additional outreach activities include the following:

- There is not enough affordable housing, particularly for college students and families.
- The city needs more diversity; however, the high cost of housing is a deterrent.
- Loss of culture/community due to big hotels and expensive apartment buildings.
- Lack of affordable housing options for persons with a disability.

Fair Housing Resources

Enforcement and Outreach Capacity

Fair housing enforcement and outreach capacity is the ability of a local jurisdiction and fair housing agencies to provide fair housing and tenants' rights information to community members. Enforcement and outreach capacity also includes the ability to address compliance with fair housing laws, such as investigating complaints, resolving issues, and conducting fair housing testing.

Regional Resources

Table 2 shows organizations in Monterey County that conduct fair housing assistance outreach. These organizations collaborate with the City of Pacific Grove and other local governments to address housing and community needs and provide the following services:

- Fair housing testing and complaints
- Fair housing counseling and education
- Tenant/landlord counseling and mediation
- Homeless prevention program
- Rental assistance program
- Rent/deposit grant program
- Home seeking services
- Shared housing counseling placement
- Homebuyers' education learning program

Table 2 Fair Housing Organizations Active in Monterey County

Organization	URL	Phone Number
California Rural Legal Assistance, Inc ((CRLA)	https://crla.org/	(831) 757-5221
Center for Community Advocacy	https://www.acgov.org/cda/hcd/	(831)-753-2324
Eden Council for Hope and Opportunity (ECHO) Housing	https://www.echofairhousing.org/	(510) 581-9380
Housing Authority County of Monterey	https://hamonterey.org/	(831) 775-5000
Housing Resource Center of Monterey County	http://www.hrcmontereycounty.org/	(831) 424-9186
Legal Services for Seniors (LSS)	https://www.lssmc.net/	(831) 899-0492
United Way Monterey County	https://www.unitedwaymcca.org/	(831) 372-8026

Local Resources

The City of Pacific Grove collaborates with Eden Council for Hope and Opportunity (ECHO) Housing to assist residents with fair housing counseling services, connections to rental assistance and homelessness prevention programs, and to conduct fair housing testing. Through ECHO, the City assists residents and landlords by providing trainings and workshops to inform the public on fair housing rights.

According to HUD records, a total of five fair housing cases were filed in Pacific Grove between 2013 and 2022. Two cases were filed based on disability, two cases were filed based on religion, and one case was filed based on race.

Ability to Address Complaints

Initiated by the Department of Justice's Civil Rights Division in 1991, fair housing testing is a technique used to uncover evidence of discrimination in rental housing. Fair housing testing involves one or more individuals who pose as prospective renters for the purpose of determining whether a landlord is complying with local, state, and federal fair housing laws. Enforcement actions may be taken when investigations yield evidence of a pattern or practice of illegal housing discrimination. Testing may be initiated following the filing of a specific housing discrimination complaint or, as is the case when testing for disability discrimination, as part of an overall effort to determine whether the design or architectural features of a specific rental facility comply with state and federal accessibility requirements.

The Office of Fair Housing and Equal Opportunity (FHEO) seeks to eliminate housing discrimination, promote economic opportunity, and achieve diverse, inclusive communities by leading the nation in

the enforcement, administration, development, and public understanding of federal fair housing policies and laws. Table 3 shows the total number and basis of housing cases filed in Monterey County between 2006 and 2020. The most common basis for fair housing complaints in the county was disability, comprising approximately 49 percent of all filed cases.

Table 3 Filed Title VIII Fair Housing Cases, 2006-2020 (Monterey County)

Basis	Number of Cases	Percent of Total
Race/Color	19	13%
National Origin	23	15%
Disability	74	49%
Familial Status	30	20%
Sex	23	15%
Religion	6	4%
Retaliation	16	11%
Total	**152**	

Source: Data.gov, Office of Fair Housing and Equal Opportunity Filed Cases, 2020

Approximately three percent of alleged fair housing discrimination cases in Monterey County between 2006-2020 occurred in Pacific Grove. Compared to other cities in the county, Pacific Grove has the 5th highest count of alleged fair housing violations when compared to other jurisdictions in the County, as shown on Table 4 shows housing discrimination cases per 1,000 residents in each jurisdiction in Monterey County. Some unincorporated areas have the most cases per population (0.68 in Carmel Valley, 13.51 in Bradley, and 90.91 in Moss Landing), while other unincorporated areas had the fewest number of cases per thousand residents (0.05 in Prunedale). Though Salinas had the highest number of cases in the county (53 cases), the number of cases per 1,000 residents in Salinas (0.33) was proportionally comparable to many other cities, including Carmel-by-the-Sea (0.30), Monterey (0.33), Pacific Grove (0.33), and King City (0.3). Marina had the highest cases per 1,000 residents (0.54) of all the cities in Monterey County.

Table 4 Housing Discrimination Cases per 1,000 Residents

Jurisdiction	Population	Number of Discrimination cases	Cases per 1,000 residents
Bradley	74	1	13.51
Carmel-by-the-Sea	3,296	1	0.30
Carmel Valley	4,400	3	0.68
Castroville	6,665	1	0.15
Gonzales	8,628	2	0.23
Greenfield	18,833	3	0.16
King City	13,419	4	0.30
Marina	22,246	12	0.54
Monterey	30,014	10	0.33
Moss Landing	11	1	90.91
Pacific Grove	15,169	5	0.33
Pebble Beach	3,604	1	0.28

Jurisdiction	Population	Number of Discrimination cases	Cases per 1,000 residents
Prunedale	19,893	1	0.05
Salinas	163,004	53	0.33
Seaside	32,631	6	0.18
Soledad	25,102	3	0.12

Source: HCD AFFH Viewer, 2023.

Compliance with Existing Fair Housing Laws

The City of Pacific Grove complies with existing fair housing laws and regulations by ensuring all residents have equal access to housing programs, services, and resources and supporting any resident in filing complaints on housing discrimination. The City also ensures that the City's zoning regulations do not result in segregation or discriminatory practices. In addition, the City does not place more scrutiny or deny projects or individuals of their right to tenancy, residence, or entitlement based on memberships of protected classes, in compliance with Government Code section 65008. The City complies with the following fair housing laws:

- **Fair Housing Act of 1968** – The City has adopted housing policies that prohibit housing discrimination based on protected characteristics and ensuring equal access to housing programs and services.
- **American Disabilities Act** – The City's Municipal Code establishes procedures for persons with disabilities seeking equal access to housing. The City ensures housing developers comply with the American Disabilities Act through the permit review process.
- **Fair Housing & Employment Act** – The City upholds policies that prohibit housing discrimination based on protected characteristics and enforces these policies by supporting residents seeking to file a complaint to the DFEH or who wish to pursue legal action.
- **Assembly Bill 686** – The City has included this assessment of fair housing and identifies strategies to increase housing opportunities for all residents, with specific actions to reduce housing disparities for disadvantaged communities. In addition, the City collaborates with ECHO Housing to provide legal counseling services to inform residents of their housing rights.

Patterns of Integration and Segregation

To inform priorities, policies, and actions, the housing element must include an analysis of integration and segregation, including patterns and trends. Integration generally means a condition in which there is not a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability in a specific geographic area. Segregation generally means the opposite condition, in which there is a high concentration of the characteristics described above in a specific geographic area. To adequately assess the patterns of integration and segregation, this section identifies trends at the regional scale (Monterey County) and at the local scale (Pacific Grove). To identify socio-economic and demographic spatial trends across these jurisdictions, this analysis utilizes HCD's AFFH Data Viewer, which provides an expansive collection of data from sources including the 2015 – 2019 ACS, HCD, HUD, UDP, the Center for Disease Control and Prevention (CDC), and other regional and federal agencies. In its AFFH guidance document published in April 2021, HCD describes the importance of segregation and integration analysis in relation to fair housing:

Residential segregation and exclusion, whether by race, ethnicity, disability, or income, is a result of numerous housing policies, practices, and procedures—both public and private—that have had enduring and pervasive negative impacts. Overt and covert housing discrimination through land use policy, shifting housing markets, and patterns of investment and disinvestment, have restricted meaningful fair housing choice and equitable access to opportunity, particularly for communities of color. Historic patterns of segregation persist in California despite the long-standing federal mandate, established by the Fair Housing Act of 1968 (FHA), that federal agencies and federal grantees affirmatively further the purposes of the FHA. Past and present discriminatory policies and practices, including long-term disinvestment, have resulted in neighborhoods with concentrated poverty and poor housing stock, limited access to opportunity, unsafe environmental conditions, underfunded schools, dilapidated infrastructure, and other disproportionately experienced problems. In addition, governmental policies have subsidized the development of segregated, high-resourced suburbs in metropolitan areas by constructing new highway systems—often through lower income communities of color— to ensure access to job opportunities in urban centers. This physical and policy infrastructure supports patterns of discrimination and high levels of segregation that continue to persist in California and across the country. All of these conditions persist despite the over 50-year-old obligation to prohibit discrimination and affirmatively further fair housing.[1]

Race and Ethnicity

The ethnic and racial composition of a region relates to fair housing concerns such as household size, locational preferences, and economic opportunity. Historic exclusionary governmental policies, biased mortgage lending practices, and other tactics have caused racial and ethnic segregation and spatial inequities. This section provides an overview of racial/ethnic composition and segregation patterns within Monterey County and Pacific Grove.

Regional Trends

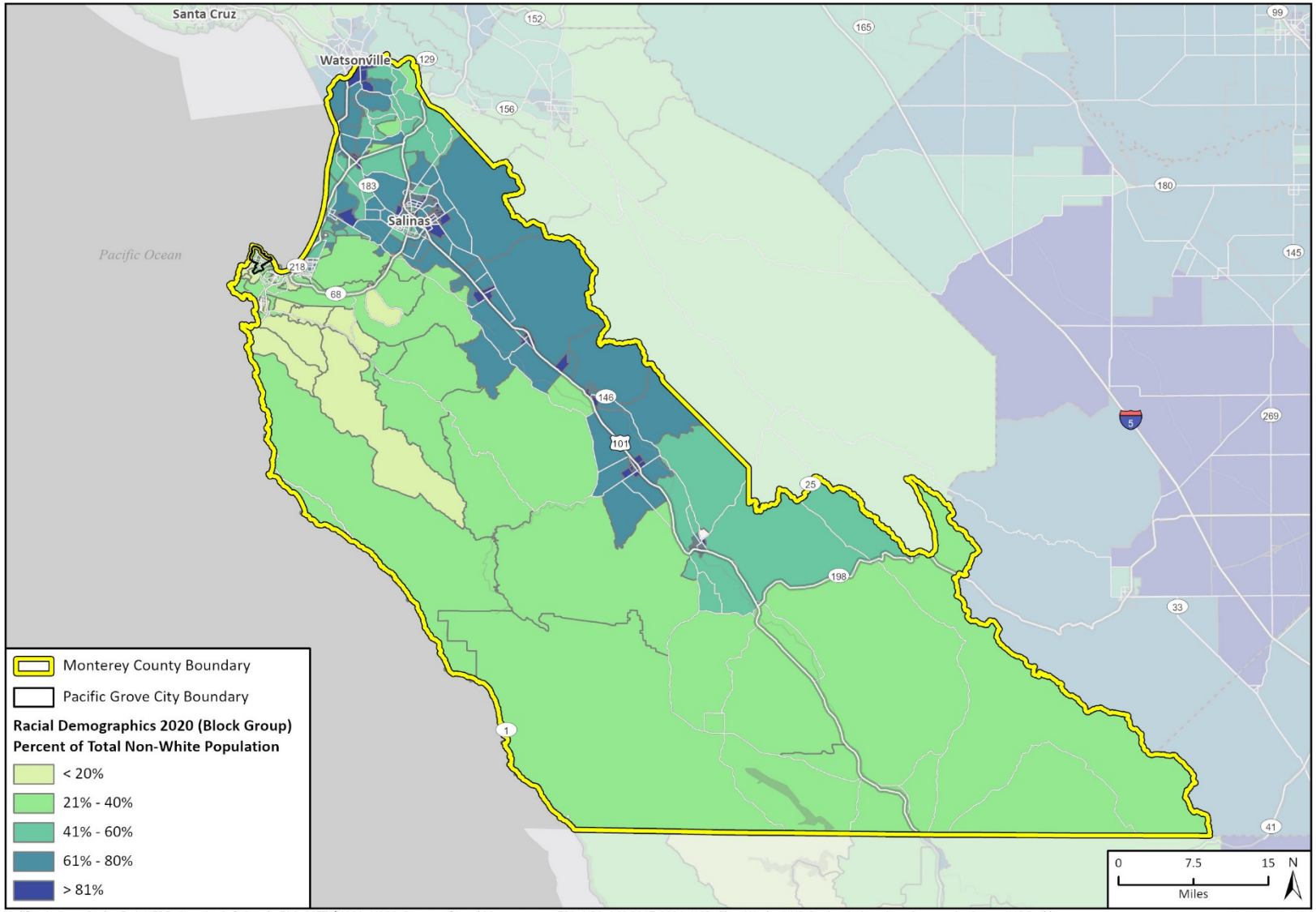
Urban areas in the northern and eastern parts of Monterey County have the highest percentage of non-white residents in the county, with up to 80 to 100 percent of residents identifying as non-white (Figure 1). The cities of Castroville, Salinas, Gonzales, Soledad, and Greenfield have particularly high percentages of non-white residents. Rural areas in the eastern part of the county also have a high percentage of non-white residents, ranging between 60 and 80 percent. In contrast, the cities of Pacific Grove, Monterey, and Carmel-by-the-Sea have much lower percentages of non-white residents than other cities in the county, with less than 40 percent of residents identifying as non-white. Rural areas in the western part of the county have a low percent of non-white residents, generally ranging between 15 and 30 percent.

The HCD AFFH Data Viewer identifies the degree to which areas have a predominant racial/ethnic majority. If a racial/ethnic group has a predominant majority in one area, it means that there is more than a 50 percent difference between the percentage of the population in the dominant racial/ethnic group and the percentage of the population in the second most populated racial/ethnic group. A sizeable majority occurs when the difference is between 10 and 50 percent, and a slim majority occurs when the difference is less than 10 percent.

Western parts of Monterey County are predominantly white, while northern and eastern parts of the county are predominantly Hispanic/Latino (Figure 2).

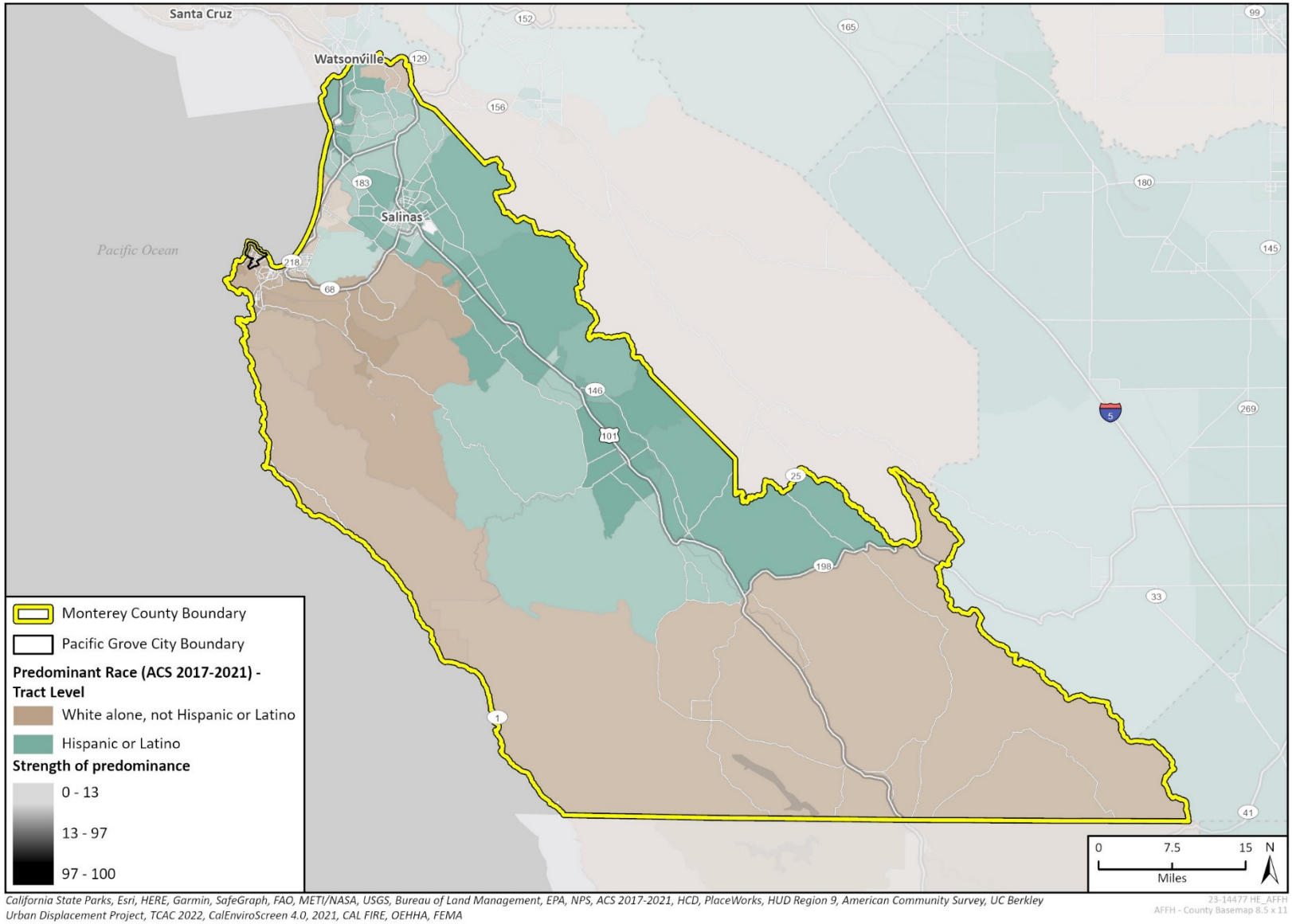
[1] California Department of Housing and Community Development. 2021. AFFH Guidance Memo. https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf

Figure 1 Percent Total Non-White Population (Monterey County)



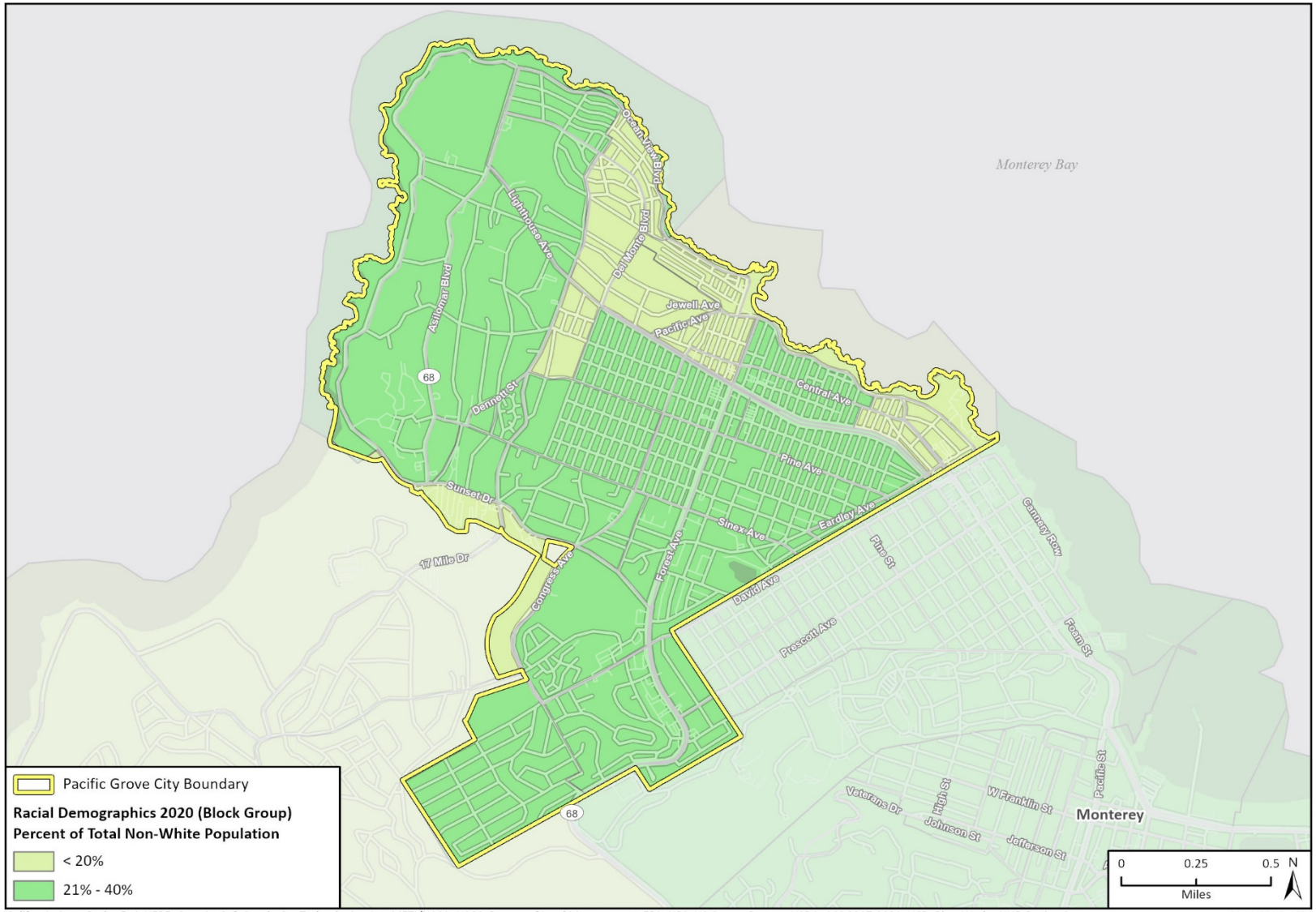
Source: AFFH Viewer, 2023.

Figure 2 Predominant Populations (Monterey County)



Source: AFFH Viewer, 2023.

Figure 3 Percent Total Non-White Population (City of Pacific Grove)



Source: AFFH Viewer, 2023.

Areas of the county with a predominant majority of white residents (gap greater than 50 percent) are concentrated in the cities of Pacific Grove, Monterey, and Carmel-by-the-Sea, as well as rural areas in the western part of the county. Areas with a predominant majority of Hispanic/Latino residents are concentrated in and near the cities of Castroville, Salinas, Gonzales, and Greenfield.

Between 2011 and 2021, racial/ethnic diversity increased slightly in Monterey County (Table 5). The percent of Hispanic/Latino residents increased by five percent and other/multiple races increased by one percent. The percent of non-Hispanic/Latino white residents decreased by five percent and the Black/African American residents decreased by one percent. The percent of Asian/Pacific Islander residents and Native American/Native Alaskan stayed the same.

Table 5 Population by Racial Group

	Pacific Grove		Monterey County	
Race	**2011**	**2021**	**2011**	**2021**
Hispanic/Latino (of any race)	**8%**	**11%**	**55%**	**60%**
Not Hispanic/Latino				
White	81%	76%	34%	29%
Asian/Pacific Islander	6%	7%	6%	6%
Other or Multiple Races	3%	5%	2%	3%
Black/African American	2%	<1%	3%	2%
Native American/Native Alaskan	<1%	<1%	<1%	<1%

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2007-2011, 2017-2021), Table DP05.

HUD utilizes the racial/ethnic dissimilarity index as a measure of segregation. The racial/ethnic dissimilarity index represents the extent of which any two racial/ethnic groups differ across a defined geographical area. The index ranges from 0-100, where 0 represents perfect integration between the two racial/ethnic groups and 100 representing perfect segregation. An index value below 40 is generally considered low segregation, a value between 40 and 54 is considered a moderate level of segregation, and a value above 55 is a high level of segregation.[2] Racial/ethnic segregation in Monterey County increased between 2010 and 2019. Table 6 shows racial/ethnic segregation in Monterey County using the dissimilarity index using data from HUD's AFFH mapping tool. Hispanic and white residents are the most segregated in the county compared to other racial and ethnic groups. Segregation between Hispanic and white and non-white and white residents was high, with index scores greater than 55. Segregation between Black and White residents was moderate, and segregation between Asian/Pacific Islander and White residents was considered low. In Monterey County, there has been an increase in segregation across all measured racial/ethnic groups between 2010 and 2020.

Table 6 Racial/Ethnic Dissimilarity Trends (Monterey County)

Race/Ethnicity	1990	2000	2010	2020
Hispanic/White	60.27	65.65	61.94	63.38
Non-White/White	55.12	60.05	56.45	59.27
Black/White	46.73	49.49	39.24	44.06
Asian and Pacific Islander/White	32.83	25.78	24.82	29.85

Source: HUD. 2023.Affirmatively Furthering Fair Housing Data and Mapping Tool v. 4.0.

[2] HUD, 2020. https://www.hud.gov/sites/dfiles/FHEO/documents/AFFH-T-Data-Documentation-AFFHT0006-July-2020.pdf

HUD's Opportunity Indices were created to inform communities about racial/ethnic segregation and disparities in access to opportunity.[3] Table 7 provides opportunity indicator index scores (ranging from zero to 100) for Monterey County for each race/ethnicity. Generally, higher index scores are indicative of greater access to opportunity. A brief overview of each index and its interpretation is provided below:

- **Low Poverty.** The rate of poverty by census tract. The higher the score, the less exposure to poverty in a neighborhood.
- **School Proficiency.** The percentage of fourth-grade students testing proficient in reading and math within three miles of a census block group. The higher the score, the higher the quality of the school system in a neighborhood.
- **Jobs Proximity.** The distance to all job locations from a given block group. The higher the index value, the better the access to employment opportunities for residents in a neighborhood.
- **Labor Market.** The level of intensity of labor market engagement based upon the level of employment, labor force participation, and educational attainment by census tract. The higher the score, the higher the labor force participation and human capital in a neighborhood.
- **Low Transportation Cost.** Estimates of transportation costs of a family of three with an income at 50 percent of the median income for renters by census tract. The higher the value, the lower the cost of transportation in that neighborhood.
- **Transit.** Estimates of transit trips taken by a family of three with an income at 50 percent of the median income for renters by census tract. The higher the value, the more likely residents in that neighborhood use public transit.
- **Environmental Health.** The potential exposure to harmful toxins by census tract based upon US Environmental Protection Agency estimates. The higher the index value, the less exposure to toxins harmful to human health.

In Monterey County, non-Hispanic white populations had the highest low poverty, school proficiency, labor market, jobs proximity, and environmental health index scores, compared to Hispanic, non-Hispanic, Black, and Native American populations residing in the County. Asian/Pacific Islander populations had the second highest. Conversely, Black/ African American and Hispanic/Latino populations had higher transit index scores. Black/ African American, Hispanic/Latino, and Native American populations experienced lower low poverty, school proficiency, labor market, jobs proximity, and environmental health index scores. This means Black/ African American, Hispanic/Latino, and Native American populations experience higher poverty rates, lower school proficiency scores, and lower labor force participation rates than other racial/ethnic groups. In addition, these populations live further from job locations and are exposed to higher levels of environmental pollution.

Most opportunity index scores were lower for residents living below the federal poverty line compared to the total population. Residents living under the federal poverty line had higher transit, low transportation costs, and jobs proximity index scores and higher environmental health, labor market, school proficiency, and low poverty index scores compared to the overall population. Black/African American, Hispanic/Latino, and Native American populations living below the poverty line had the lowest opportunity index scores among all racial/ethnic groups. These groups have the lowest access to high quality schools and jobs and the highest exposure to environmental pollution. An overview of opportunity indicators for Monterey County is provided in Table 7.

[3] HUD 2021. https://www.hud.gov/sites/dfiles/FHEO/documents/AFFH-T-Data-Documentation-AFFHT0006-July-2020.pdf

Table 7 Opportunity Indicators by Race/Ethnicity (Monterey County)

Total Population	Low Poverty Index	School Proficiency Index	Labor Market Index	Transit Index	Low Transportation Cost Index	Jobs Proximity Index	Environmental Health Index
White, Non-Hispanic	65.84	50.07	60.65	59.73	42.66	59.62	66.45
Black, Non-Hispanic	55.53	25.21	51.70	66.97	48.52	44.82	55.47
Hispanic	35.58	12.52	29.63	61.05	46.63	45.15	42.65
Asian or Pacific Islander, Non-Hispanic	61.51	40.33	55.75	62.03	44.21	57.54	57.60
Native American, Non-Hispanic	49.86	26.46	41.98	61.72	45.27	50.42	55.03
Population Below Federal Poverty Line							
White, Non-Hispanic	55.97	43.61	54.23	58.48	45.39	56.19	67.88
Black, Non-Hispanic	49.21	5.32	49.59	69.03	56.54	42.40	44.63
Hispanic	32.15	9.37	26.92	60.83	47.72	44.97	41.51
Asian or Pacific Islander, Non-Hispanic	76.33	59.58	73.37	66.77	45.93	67.42	63.74
Native American, Non-Hispanic	23.49	7.85	18.71	57.39	50.76	38.11	41.45

Source: HUD. 2023. Affirmatively Furthering Fair Housing Data and Mapping Tool v. 4.0.

Local Trends

Pacific Grove has a lower percentage of non-white residents compared to most of Monterey County. Overall, non-Hispanic/Latino white residents comprise of 76 percent of the population in Pacific Grove, compared to 29 percent in Monterey County. Throughout most of the city, between 20 and 40 percent of residents identify as non-white (Figure 4). The Del Monte Park and Glen Seaview neighborhoods located in the southern part of the city, have the highest percentage of non-white residents in the city, ranging from 28 to 42 percent.

While Monterey County consists of both predominantly white and predominantly Hispanic/Latino areas, the population of Pacific Grove is predominantly white (Figure 4). Areas of the city with the highest percentage of white residents are along the coast in the northern and western parts of the city, including the Fairway, Pacific Grove Retreat, Asilomar Dunes, Pacific Grove Acres, and Beach Tract neighborhoods. Del Monte Park has the lowest percentage of white residents.

Similar to Monterey County, racial/ethnic diversity increased slightly in Pacific Grove over the past decade (Table 5). The percent of Hispanic/Latino residents increased by three percent, Asian/Pacific Islander residents increased by one percent, and other/multiple races increased by two percent. The percent of non-Hispanic/Latino white residents decreased by four percent and the Black/African American residents decreased by one percent. The percent of Native American/Native Alaskan stayed the same.

Persons with Disabilities

For persons with disabilities, fair housing choice and access to opportunity includes access to housing in the most integrated setting appropriate to an individual's special needs and disability related services as required under federal civil rights law. For example, persons with disabilities who are unable to use stairs or need a zero-step shower may not have actual housing choice without the presence of housing units with these accessibility features.[4]

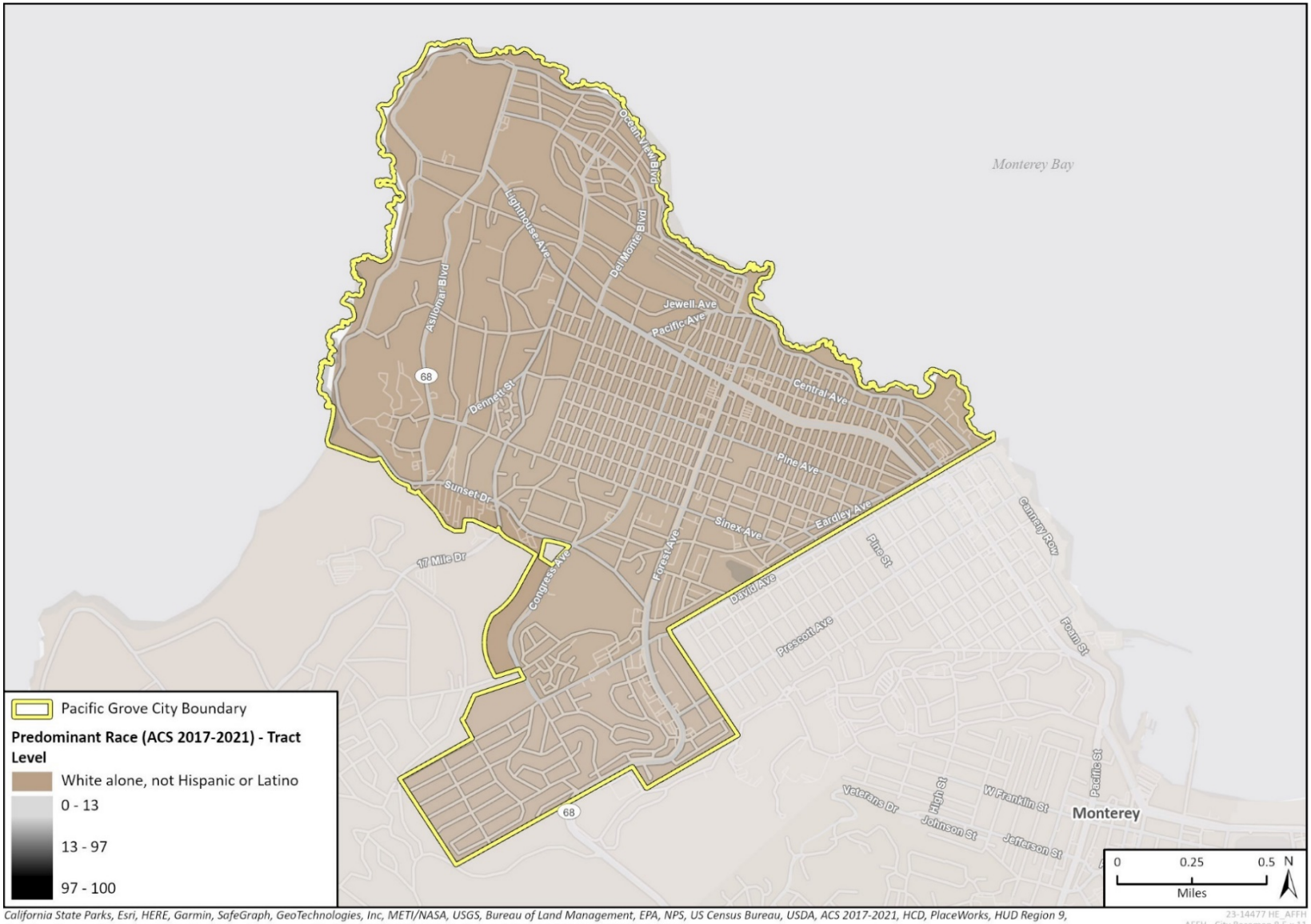
High spatial segregation of persons with disabilities may indicate fair housing issues related to not only physical needs, but also economic disparities. According to the 2020 Annual Report on People with Disabilities in America, more than 25 percent of persons with disabilities (including physical, intellectual, and developmental; sensory; and other disability categories) live below the Census Bureau-designated poverty line, which is 14.5 percentage points higher than people without a disability.[5] Persons with disabilities may be more reliant than persons without disabilities on fixed incomes or access to public transit.

Regional Trends

As of 2021, approximately nine percent of the countywide population had one or more disabilities (37,160 residents). The most common disability in Monterey County is ambulatory difficulty, defined as having serious difficulty walking or climbing stairs, followed by cognitive difficulty and independent living difficulty (Figure 5).

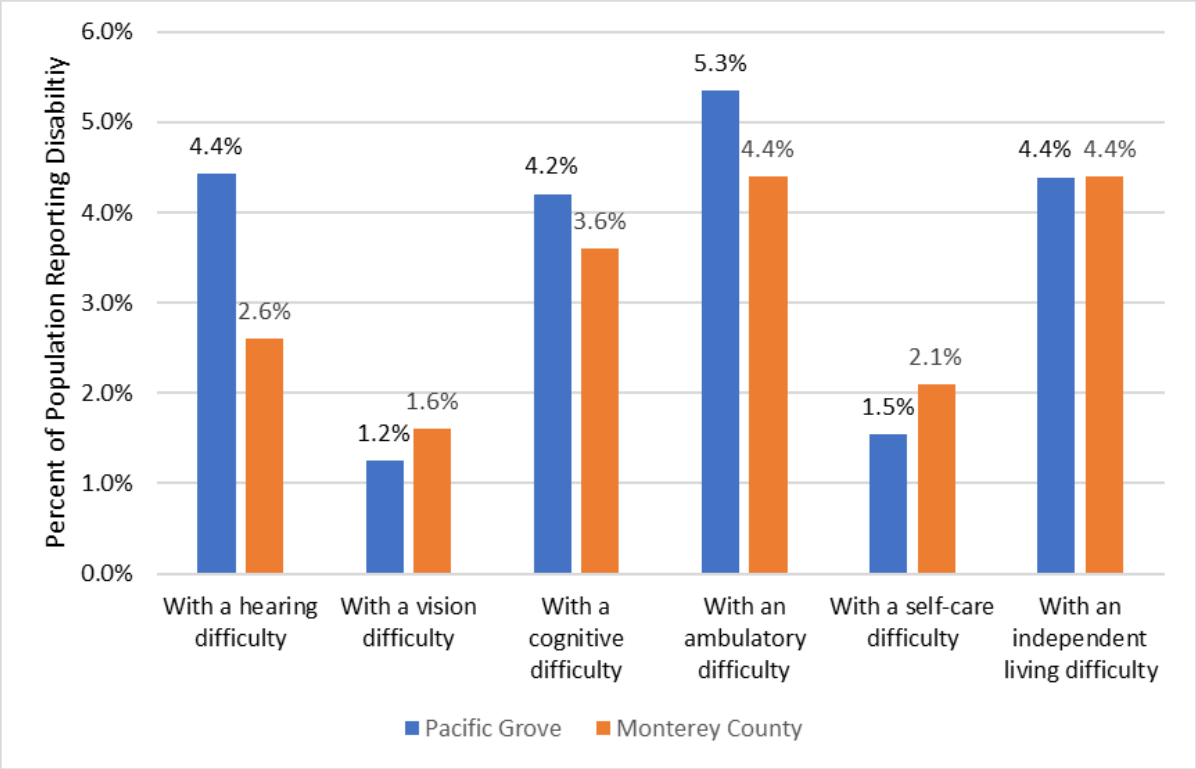
[4] HCD 2021. https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf
[5] The Rehabilitation Research and Training Center on Disability Statistics and Demographics 2020. https://disabilitycompendium.org/annualreport

Figure 4 Predominant Populations (City of Pacific Grove)



Source: AFFH Viewer, 2023.

Figure 5 Disability by Type



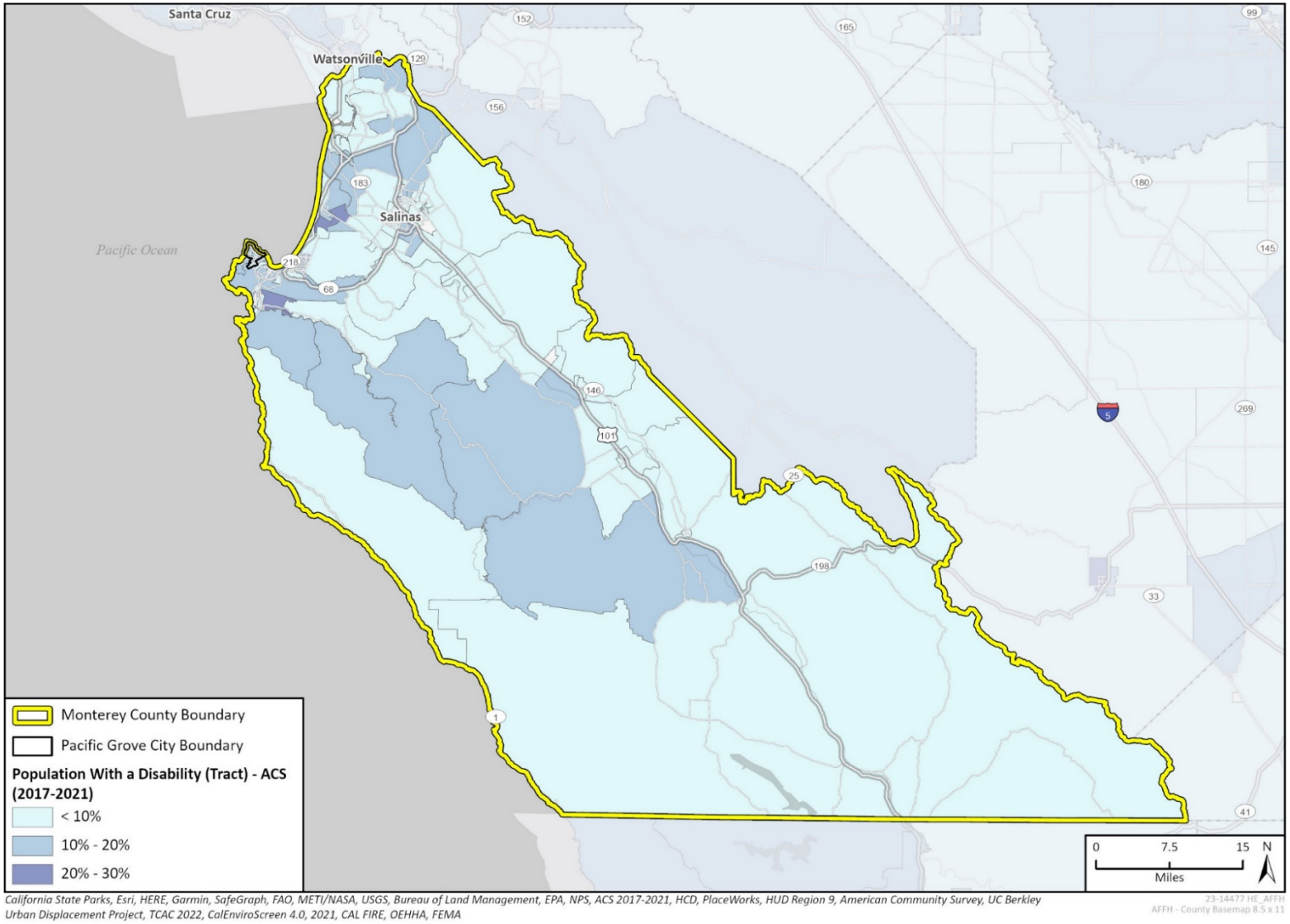
Notes: These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed.

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2017-2021), Table S1810.

Areas of the county with the highest percentage of residents with a disability are concentrated in the Marina and east of Carmel-by-the-Sea areas, where between 20 and 30 percent of residents have a disability (Figure 6). In urban areas within and surrounding the incorporated cities in the northern part of the county, and rural areas in the central part of the county, between 10 and 20 percent of residents have a disability. Areas with the lowest percentage of residents with a disability are concentrated in the cities of Salina, Gonzales, Soledad, Greenfield, and King City as well as rural areas along the eastern and western county boundaries. Less than 10 percent of residents in these areas have a disability.

Table 8 shows employment status by disability status estimates for Monterey County. Approximately 3 percent of the total employed population in the county has one or more disabilities, reflecting no change from 2016. The percent of total unemployed decreased slightly during this time. Additional discussion regarding persons with disabilities in Monterey County is included in Chapter 1, Housing Needs Assessment.

Figure 6 Percent of Population with a Disability (Monterey County)



Source: AFFH Viewer, 2023.

Table 8 Employment Status by Disability Status (Monterey County)

Disability Status	Employed 2012-2016 (Percent of Total Employed)	Unemployed 2012-2016 (Percent of Total Unemployed)	Employed 2017-2021 (Percent of Total Employed)	Unemployed 2017-2021 (Percent of Total Unemployed)
No Disability	164,446 (97%)	11,414 (91%)	1649,894 (97%)	9,330 (91%)
With a Disability	5,896 (3%)	1,107 (9%)	6,002 (3%)	875 (9%)
Total	**170,342 (100%)**	**12,521 (100%)**	**175,896 (100%)**	**10,205 (100%)**

Source: U.S. Bureau of the Census, American Community Survey (ACS), Table C18120 Employment Status by Disability Status, 2012-2016, 2017-2021 Estimates.

Local Trends

As of 2021, approximately 12 percent of the population in Pacific Grove (1,735 residents) had one or more disabilities. As seen in the county, the most common disability in the city is ambulatory difficulty (Figure 5). Disabilities are most prevalent among senior residents. Approximately 25 percent of Pacific Grove residents aged 65 and over have a disability, and 40 percent of Pacific Grove seniors aged 75 years and older are living with a disability. In addition, Black/African American residents reported significantly higher rates of disability compared to all other racial/ethnic groups, with at 43 percent living with a disability. The Downtown, First Addition, Second Addition, and Del Monte Park neighborhoods have the lowest percentage of residents with a disability, less than 10 percent.

Similar to other areas on the Monterey Peninsula, between 10 and 20 percent of residents have a disability throughout most of the city (Figure 7).

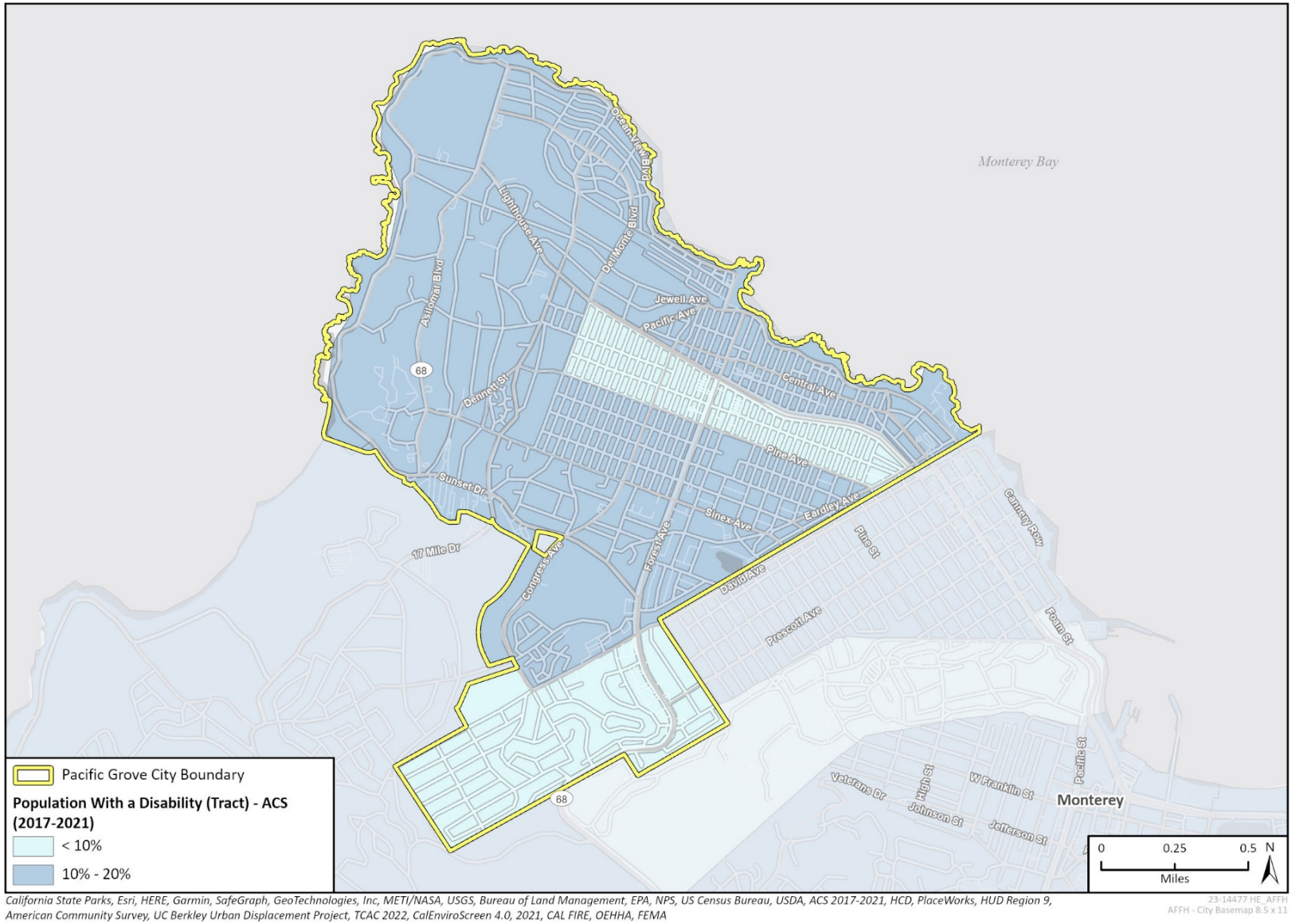
Table 9 shows employment status by disability status estimates for Pacific Grove. Similar to the county, approximately 3 percent of the total employed population in the city has one or more disabilities, reflecting no change from 2016. However, the percentage of total unemployed increased slightly during this time in Pacific Grove. The percentage of the unemployed population with a disability also increased during this time.

Table 9 Employment Status by Disability Status (Pacific Grove)

Disability Status	Employed 2012-2016 (Percent of Total Employed)	Unemployed 2012-2016 (Percent of Total Unemployed)	Employed 2017-2021 (Percent of Total Employed)	Unemployed 2017-2021 (Percent of Total Unemployed)
No Disability	6227 (96%)	262 (86%)	5,612 (97%)	275 (78%)
With a Disability	271 (4%)	43 (14%)	185 (3%)	79 (22%)
Total	**6,498 (100%)**	**305 (100%)**	**5,797 (100%)**	**354 (100%)**

Source: U.S. Bureau of the Census, American Community Survey (ACS), Table C18120 Employment Status by Disability Status, 2012-2016, 2017-2021 Estimates.

Figure 7 Percent of Population with a Disability (City of Pacific Grove)



Source: AFFH Viewer, 2023.

Familial Status

Familial status refers to the presence of children under the age of 18 in a household with a legal guardian or designee of such guardian.[6]. HUD provides examples of familial discrimination as (a) refusing to rent to families with children; (b) evicting families once a child joins the family through, e.g., birth, adoption, custody; (c) requiring families with children to live on specific floors or in specific buildings or areas; (d) imposing overly restrictive rules about children's use of the common areas (e.g., pools, hallways, open spaces); and I advertising that prohibits children.[7] Families with children may face housing discrimination by landlords who fear that children will cause property damage. Differential treatments such as limiting the number of children in a complex or confining children to a specific location are also fair housing concerns. A 2016 HUD study on the effects of housing discrimination based on familial status found that landlords presented households with children fewer housing options, and the units shown were generally larger, and as a result, slightly more expensive to rent.[8]

Single-parent households are protected by Government Code Section 65583(a)(7). Because of their relatively lower incomes and higher living expenses, single-parent households can have limited options for affordable, decent, and safe housing. As a result, single parents among the groups most at risk of experiencing poverty. Additionally, female-headed households with children require special consideration and assistance because of generally greater needs for affordable housing and accessible day care, health care, and other supportive services.

In addition to barriers to fair housing for single-parent households, large families (defined as families with 5 or more persons) can also experience housing discrimination as property owners impose occupancy limitations that can preclude large families with children. HUD data shows that familial status discrimination ranks third in discrimination of protected classes, behind discrimination due to disability and race.[9]

Regional Trends

As referenced in Chapter 1, Housing Needs Assessment, Monterey County had a total of 129,977 households in 2021. According to 2017-1021 ACS estimates, the most common family type in Monterey County is married couples without children, comprising 40 percent of all households in the county. As shown below in Table 10, approximately 32 percent of households have children. Furthermore, approximately eight percent of all households in Monterey County are female headed households with children, and most single-parent households are female single-parent households (68 percent). Female-headed households with children are concentrated in urban parts of the county, particularly within the cities of Marina, Salinas, and Seaside (Figure 8).

[6] 42 U.S. Code sections 3601, *et seq*., the Fair Housing Act.
[7] U.S. Department of Housing and Urban Development.
https://www.hud.gov/program_offices/fair_housing_equal_opp/discrimination_against_families_children#_Who_Is_Protected?
[8] HUD. 2016. Discrimination Against Families with Children in Rental Housing Markets: Findings of the Pilot Study.
https://www.huduser.gov/portal/sites/default/files/pdf/HDSFamiliesFinalReport.pdf
[9] U.S. Department of Housing and Urban Development. "Annual Report on Fair Housing FY 2017."

Table 10 Familial Status (Monterey County)

Familial Status	Households	Percent of All Households
Married-Couple Family	**66,178**	**50%**
With children of the householder under 18 years:	43,209	32%
No children of the householder under 18 years	52,633	40%
Other Family	**29,664**	**22%**
Male householder, no spouse present:	9,920	7%
With children of the householder under 18 years:	4,720	4%
No children of the householder under 18 years	5,200	4%
Female householder, no spouse present	19,744	15%
With children of the householder under 18 years:	10,155	8%
No children of the householder under 18 years	9,589	7%
Total Family Households	**95,842**	**72%**
Total Households	**133,224**	

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2017-2021), Table DP02.

Most children reside in married couple households (66 percent), followed by single-parent, female-headed households (24 percent), and single-parent, male-headed households (11 percent). Households with children, especially single-parent, female-headed households, are more likely to rent than own, comprising approximately 41 percent of all renter-occupied households in the city but only 24 percent of owner-occupied households.

Local Trends

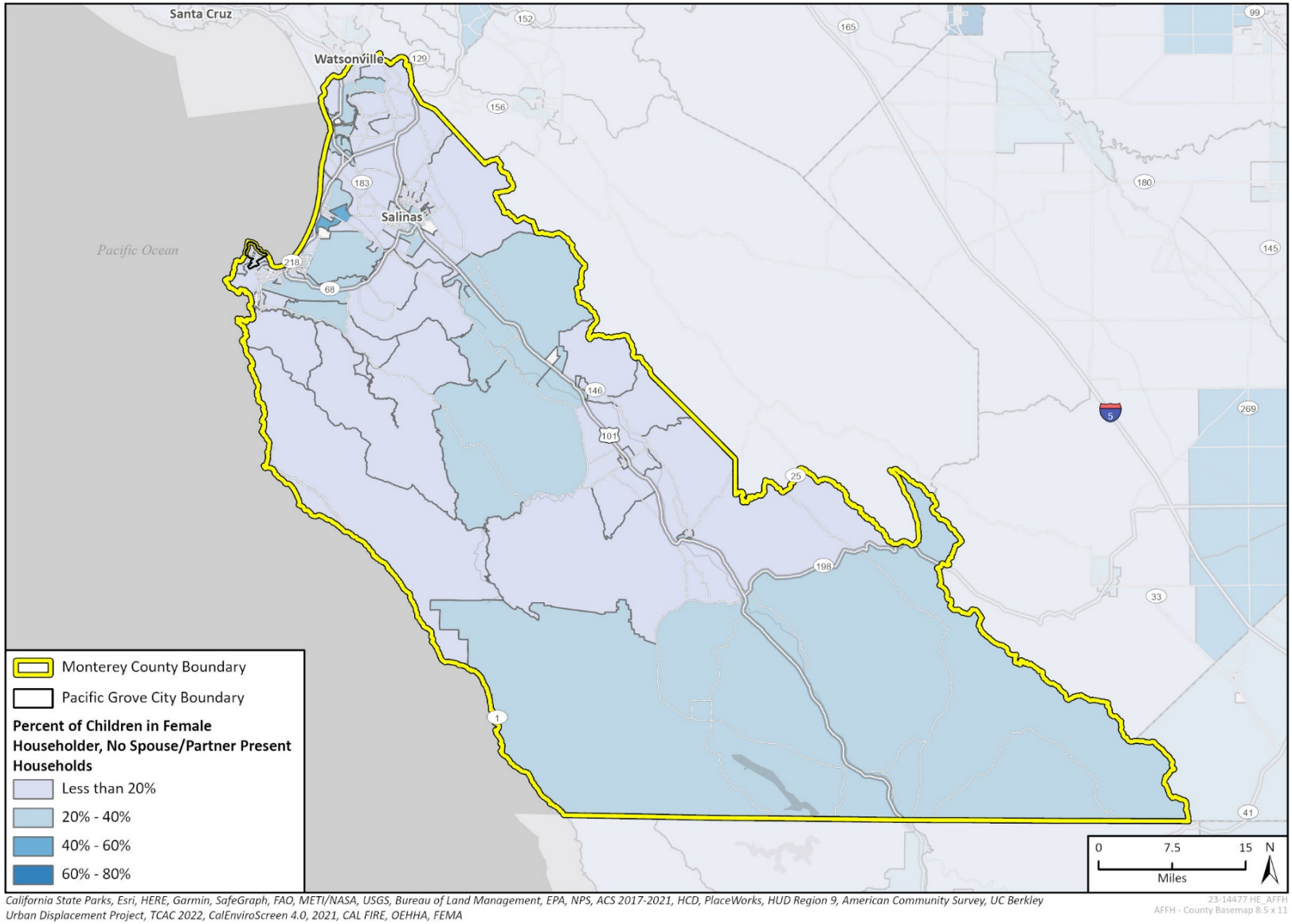
As of 2021, Pacific Grove has a total of 6,731 households. Similar to Monterey County, the most common family type in Pacific Grove is married couples without children, comprising 32 percent of all households, as shown in Table 11. Families with children comprise only 15 percent of all households in Pacific Grove. Female-headed households with children comprise only four percent of all households in Pacific Grove, but 70 percent of all single-parent households with children.

Table 11 Familial Status (City of Pacific Grove)

Familial Status	Households	Percent of All Households
Married-Couple Family	**3,117**	**46%**
With children of the householder under 18 years:	991	15%
No children of the householder under 18 years	2,126	32%
Other Family	**768**	**11%**
Male householder, no spouse present:	231	3%
With children of the householder under 18 years:	108	2%
No children of the householder under 18 years	123	2%
Female householder, no spouse present	537	8%
With children of the householder under 18 years:	247	4%
No children of the householder under 18 years	290	4%
Total Family Households	**3,885**	**42%**
Total Households	**6,731**	

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2017-2021), Table DP02.

Figure 8 Percent of Children in Female Household (Monterey County)



Source: AFFH Viewer, 2023.

Female-headed households with children are concentrated in the Downtown, First Addition, Second Addition, and Third Addition neighborhoods (Figure 9). In the Downtown, First Addition, and Second Addition neighborhoods, approximately 37 percent of children reside in single-parent, female-headed households. Throughout most of the city less than 20 percent of children reside in single-parent, female-headed households.

Most children reside in married couple households (66 percent), followed by single-parent, female-headed households (24 percent), and single-parent, male-headed households (11 percent). Households with children, especially single-parent, female-headed households, are more likely to rent than own, comprising approximately 41 percent of all renter-occupied households in the city but only 24 percent of owner-occupied households (Table 12).

Table 12 Tenure by Household Type and Presence of Children (City of Pacific Grove)

Household Type	Residing in Owner-Occupied Household	Percent of Total Owner-Occupied Households	Residing in Renter-Occupied Household	Percent of Total Renter-Occupied Households	Percent of Households with Children
Married Couple Family, with Children Present	408	0.6%	583	0.9%	2%
Single-Parent, Male Householder, no Spouse Present	46	0.1%	62	0.1%	0%
Single Parent, Female Householder, No Spouse Present	54	0.1%	193	0.3%	1%
Total Households with Children Present	508	0.7%	838	1.3%	
Total Households	**3,146**		**3,585**		

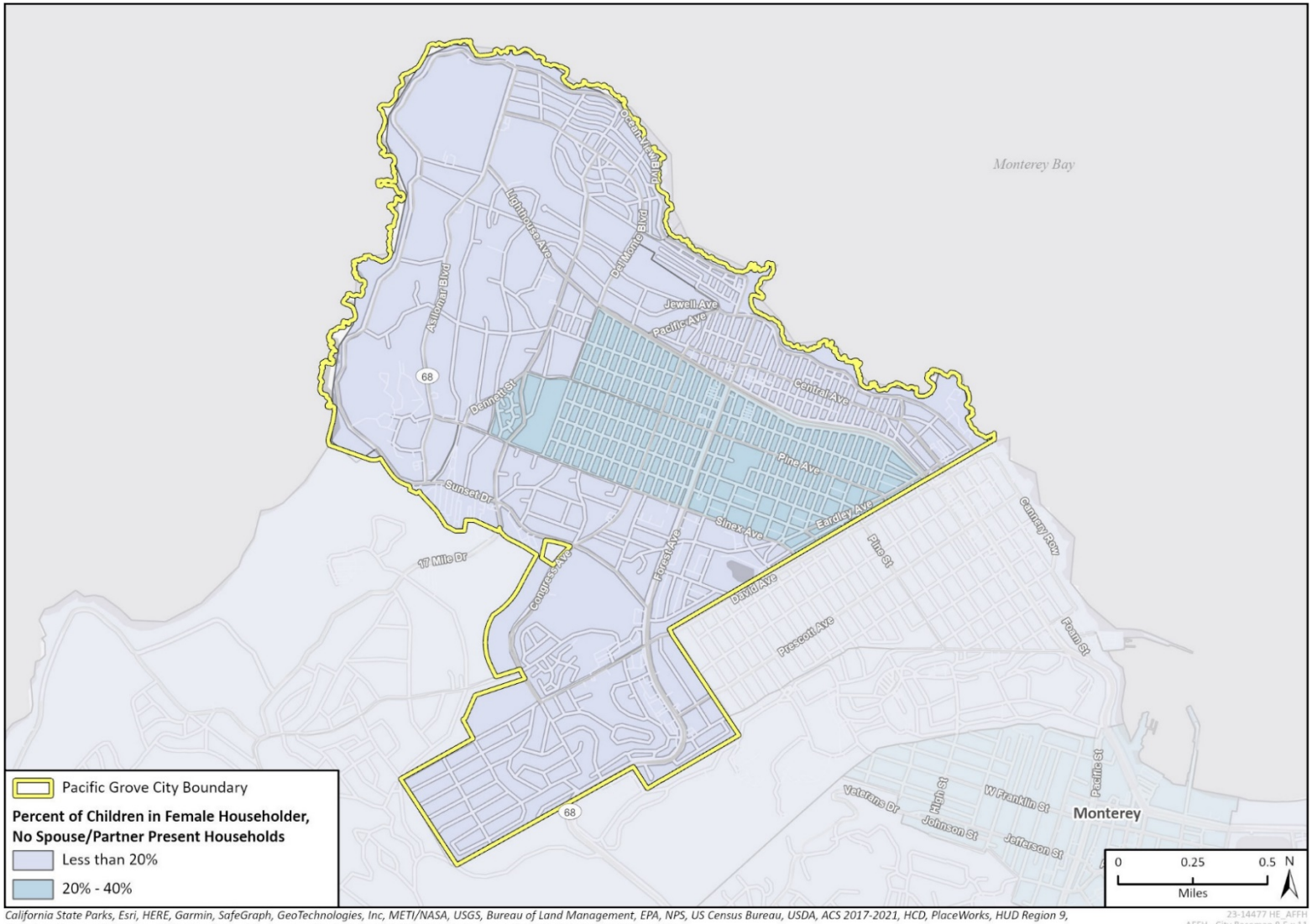
Source: U.S. Bureau of the Census, American Community Survey (ACS), Table B25115 Tenure by Household Type and Presence and Age of own Children, 2017-2021 Estimates.

Household Income

Household income is directly connected to the ability to afford housing. Higher-income households are more likely to own rather than rent housing. As household income decreases, households tend to pay a disproportionate amount of their income for housing, and the number of persons occupying unsound and overcrowded housing increases. To achieve fair housing objectives, people in low-income households must have an actual choice in housing opportunities—that is, when they are able to locate units that are affordable and well maintained in all parts of a jurisdiction and region.

This section identifies household income disparities using data based on median household income and low- or moderate-income (LMI) geographies. Identifying low or moderate income (LMI) geographies and individuals is important to overcome patterns of segregation. HUD defines an LMI area as a census tract or block group where over 51 percent of the population is LMI. The definition of low- or moderate-income is based on HUD income definitions of up to 80 percent of the AMI.

Figure 9 Percent of Children in Female Household (City of Pacific Grove)



Source: AFFH Viewer, 2023.

Regional Trends

According to ACS estimates, Monterey County has a median household income of $82,013, slightly lower than the state ($84,097) (Table 13). Monterey County's median household income is similar to San Luis Obispo County's but is approximately 15 percent lower than the nearby counties of Santa Cruz and San Benito. Monterey County's median household income is significantly lower than counties within the San Francisco Bay Area, such as the counties of Santa Clara, San Mateo, and San Francisco.

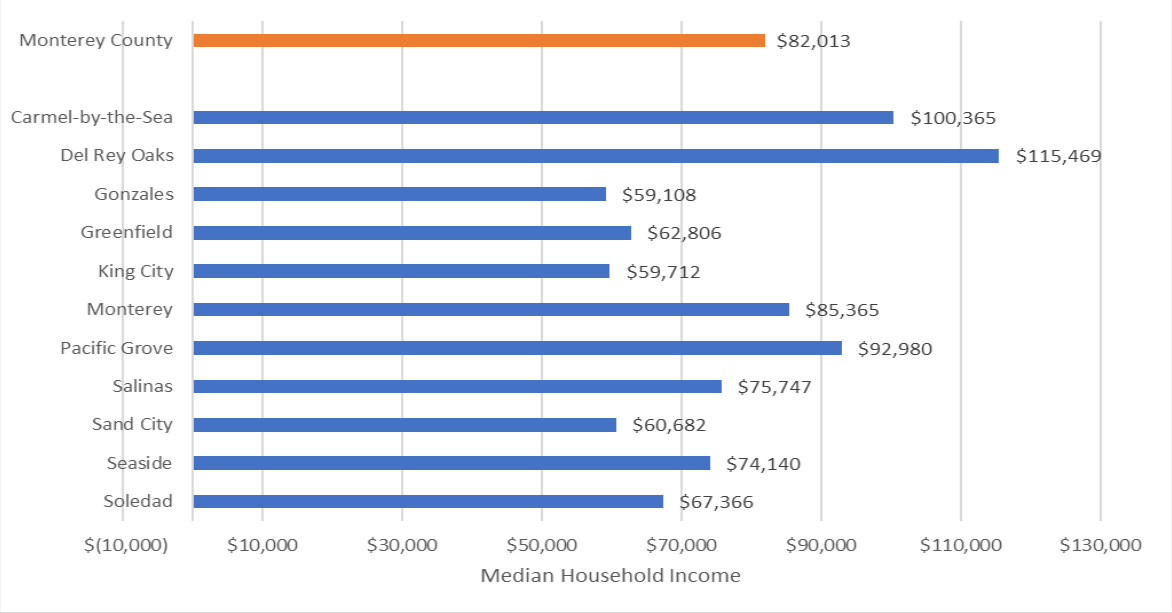
Table 13 Median Household Income

Jurisdiction	Median Household Income
Pacific Grove	**$92,980**
Monterey County	**$82,013**
Santa Clara County	$141,562
Santa Mateo County	$131,796
San Francisco County	$121,826
Santa Cruz County	$96,093
San Benito County	$95,606
San Luis Obispo County	$82,514
California	$84,097

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2017-2021), Table S1901.

The cities with the highest median household income in Monterey County are Del Rey Oaks ($115,469 per year) and Carmel-by-the-Sea ($100,365), as shown in Figure 10.The cities with the lowest median household incomes are Sand City and the cities along Highway 101, particularly the cities of Gonzales, Greenfield, King City, and Soledad.

Figure 10 Median Household Income by City



Source: U.S. Census Bureau, American Community Survey 5-Year Data (2017-2021), Table S1901.

According to HCD's income limits, in 2022 the area median income (AMI) for Monterey County was $90,100. Median household income is highest in portions of the cities of Pacific Grove, Monterey, and Carmel-by-the-Sea, as well as the Carmel Valley area (Figure 11). In these areas, median household income is greater than $120,000. Median household income is lowest in the area southwest of Soledad, where median household income is less than $55,000.

Local Trends

In 2021, the median household income for Pacific Grove was $92,980, approximately three percent higher than the AMI of Monterey County. Median household income in Pacific Grove is similar to the rest of the Monterey Peninsula but is generally higher than the cities of Salinas, Gonzales, Soledad, Greenfield, and King City. Median household income is highest (between $90,100 and $120,000 per year), and greater than the AMI, in central and southern parts of the city (Figure 12). Throughout the rest of the city median household income is less than the AMI, between $76,800 and $88,355. According to local knowledge from City Staff, lower median household incomes along the coast may be due to the prevalence of retirees in these areas who do not rely on an annual income for living expenses. Working households could be concentrated in the central part of the city and Del Monte Park neighborhood, which is reflected by higher median household income in those areas.

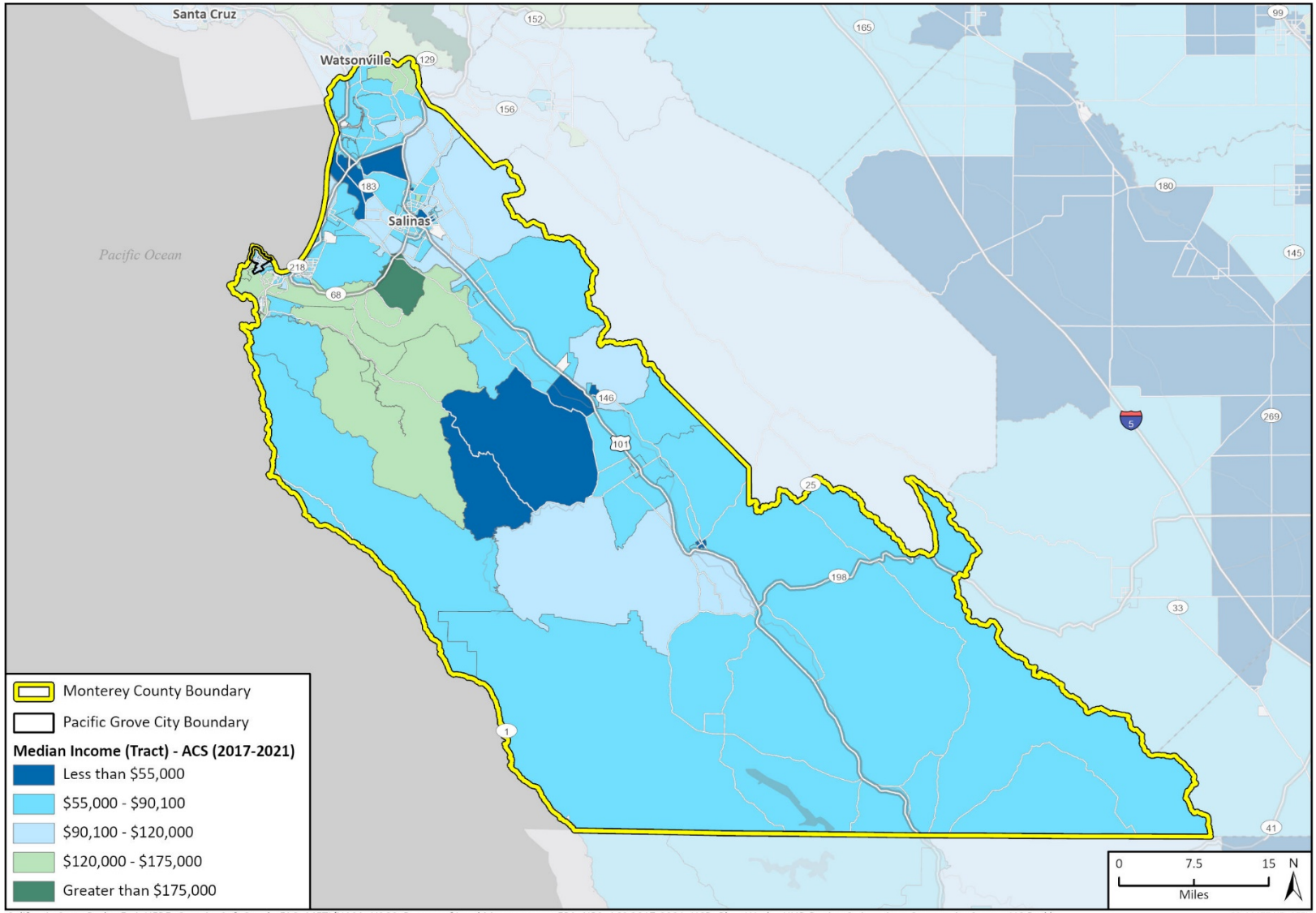
According to 2017-2021 ACS estimates, Asian households have the highest median household income among all racial/ethnic groups ($107,552), followed by non-Hispanic/Latino white households ($92,321), and Hispanic/Latino households ($92,321) (Table 14). Households characterized as two or more races ($73,958) and some other race ($84,071) had the lowest household median incomes.

Table 14 Median Income by Race/Ethnicity (Pacific Grove)

	Percent of Total Population	Median Household Income
Non-Hispanic/Latino White	79.8%	$93,155
Hispanic/Latino	10.2%	$92,321
Two or More Races	7.1%	$73,958
Asian	5.4%	$107,552
Some Other Race	2.4%	$84,071
Black/African American	0.4%	N/A
Native American/Alaska Native	0.3%	N.A
Native Hawaiian/Other Pacific Islander	0.0%	N/A

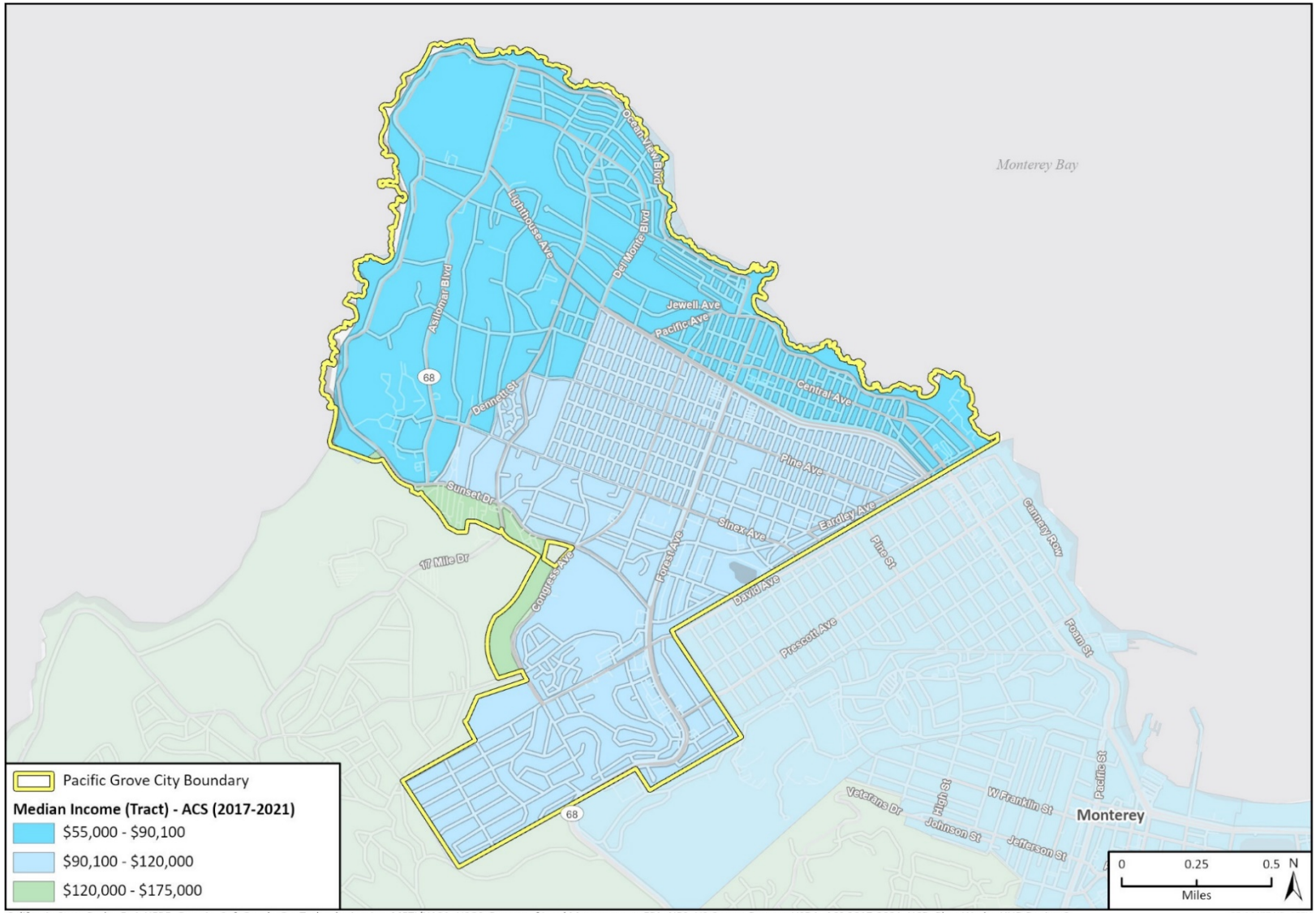
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2017-2021), Table S1903.

Figure 11 Median Household Income (Monterey County)



Source: AFFH Viewer, 2023.

Figure 12 Median Household Income (City of Pacific Grove)



Source: AFFH Viewer, 2023.

Poverty and Segregation

To identify racially and ethnically concentrated areas of poverty, TCAC categorizes census tracts that have both a poverty rate of over 30 percent and that are designated as being racially segregated (overrepresentation of people of color relative to the county) as areas of high segregation and poverty.

Regional Trends

In 2021, approximately 12 percent of all households were living below the poverty line in Monterey County. Poverty rates vary throughout the county, but are generally highest in urban areas, particularly in parts of the cities of Monterey, Salinas, Seaside, Soledad, and King City (Figure 13). In central Salinas, up to 38 percent of residents are living below the poverty line. Rural areas along the western and southern boundaries and surrounding the cities of Salinas and Greenfield also have higher percentages of residents living below the poverty line, between 10 and 20 percent.

There are two areas of high segregation and poverty in Monterey County; both are in the city of Salinas (Figure 15). These areas are predominantly Hispanic/Latino, with between 87 and 99 percent of residents identifying as Hispanic/Latino in these census tracts (Figure 2). As shown in Figure 11, areas of high segregation and poverty also have median household incomes much lower than the region's AMI (ranging from $42,782 to $56,595 per year) and poverty rates between 18 and 20 percent (Figure 13).

Local Trends

In 2021, the poverty rate in Pacific Grove was approximately six percent. Pacific Grove has a smaller percentage of residents living in poverty than is observed across Monterey County. There are no areas of concentrated poverty in Pacific Grove (Figure 14).

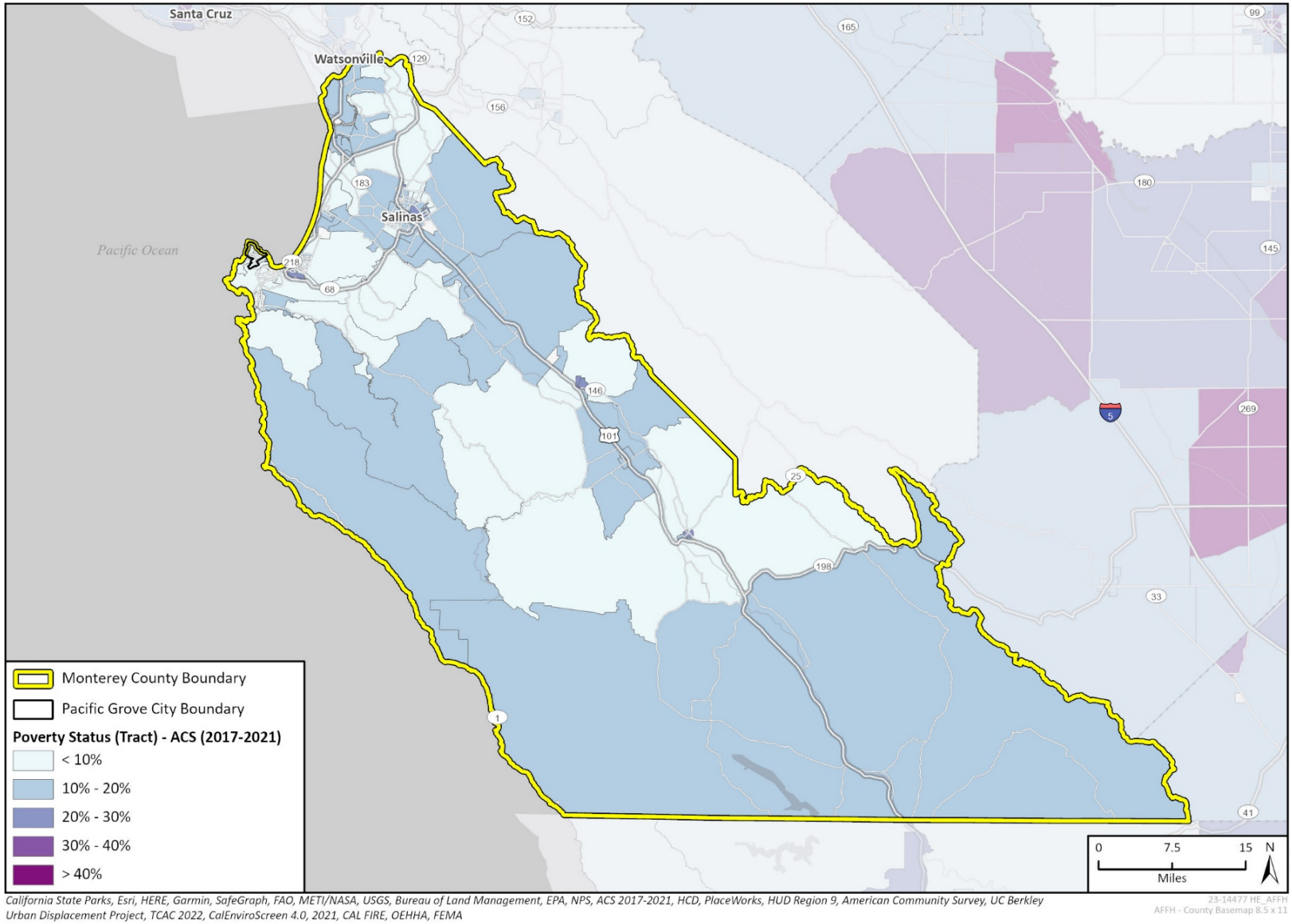
There are no areas of high segregation and poverty in Pacific Grove. In addition, there are no areas with overrepresentation of people of color relative to the city and no areas of concentrated poverty. The southern area of the city has a slightly higher percentage of non-white residents; however, this area has a higher median household income than northern areas of the city.

Concentrated Areas of Affluence

While racially and ethnically concentrated areas of poverty (R/ECAPs) have long been the focus of fair housing policies, racially concentrated areas of affluence (RCAAs) must also be analyzed to ensure housing is integrated and promote equitable access to opportunity, a key to fair housing choice. HCD defines an RCAA as a census tract in which 80 percent or more of the population is white and has a median income of at least $125,000.[10]

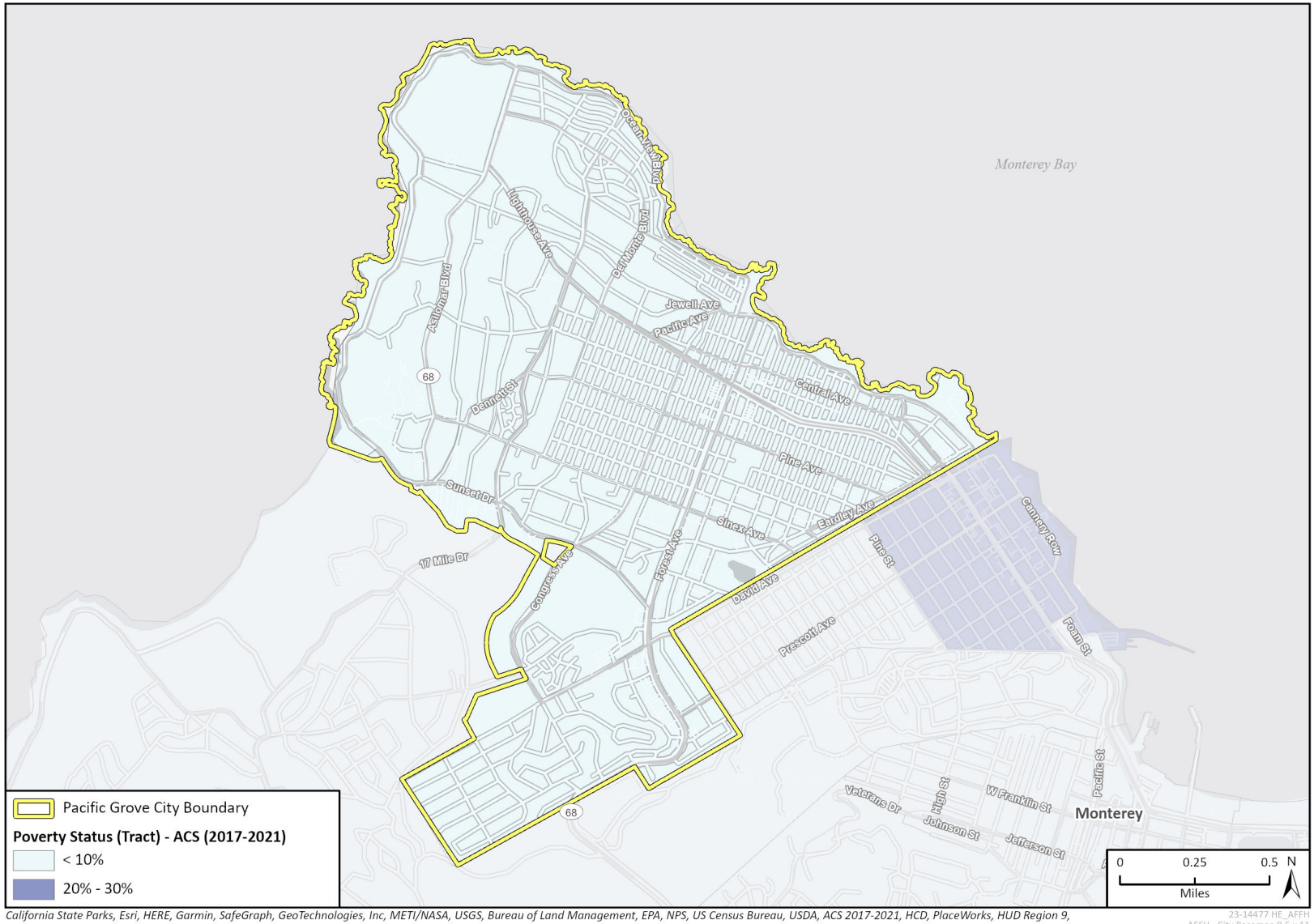
[10] HCD. April 2021. AFFH Guidance for all Public Entities and for Housing Elements. https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf

Figure 13 Poverty Status (Monterey County)



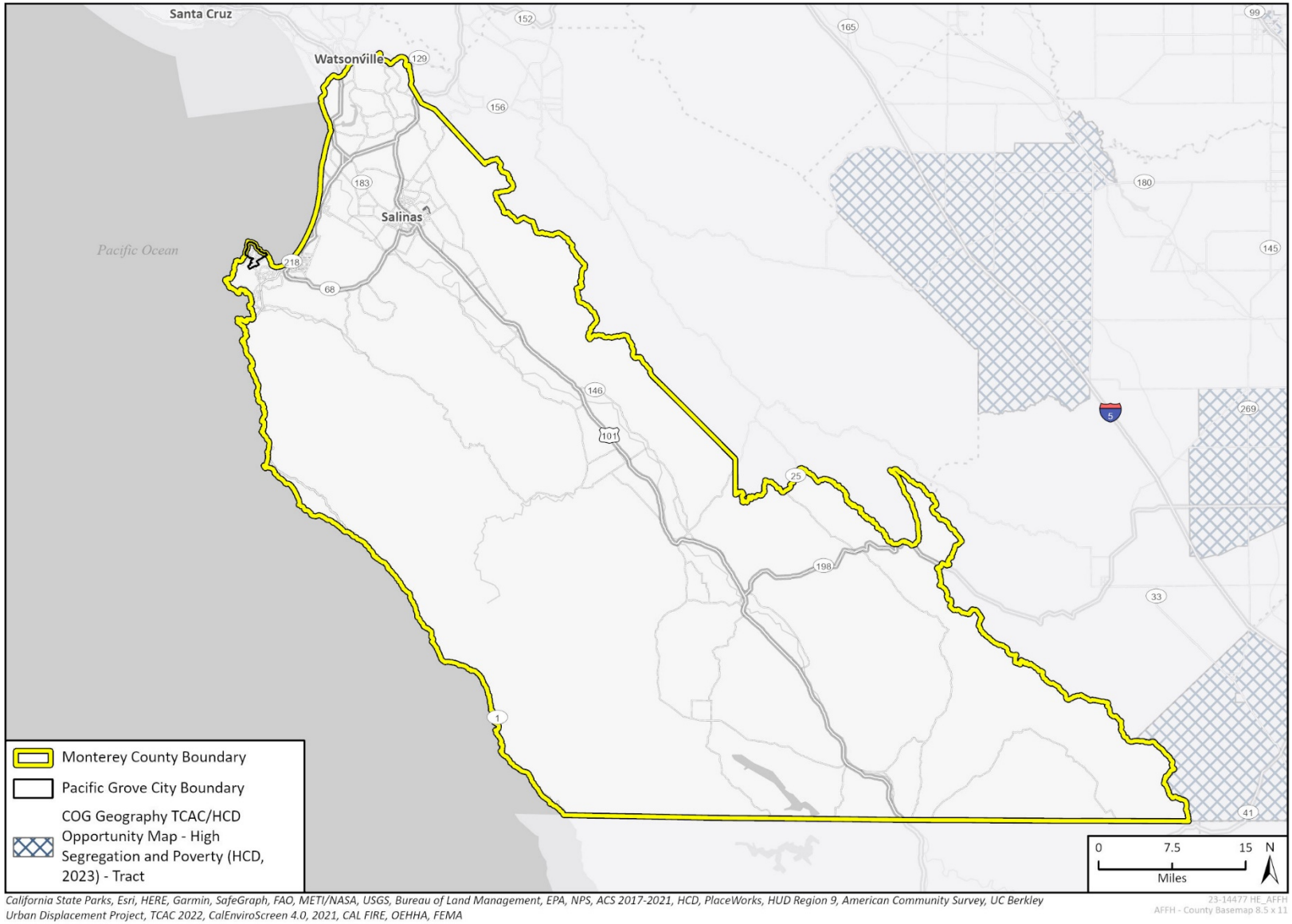
Source: AFFH Viewer, 2023.

Figure 14 Poverty Status (City of Pacific Grove)



Source: AFFH Viewer, 2023.

Figure 15 TCAC Areas of High Segregation and Poverty (Monterey County)



Source: AFFH Viewer, 2023.

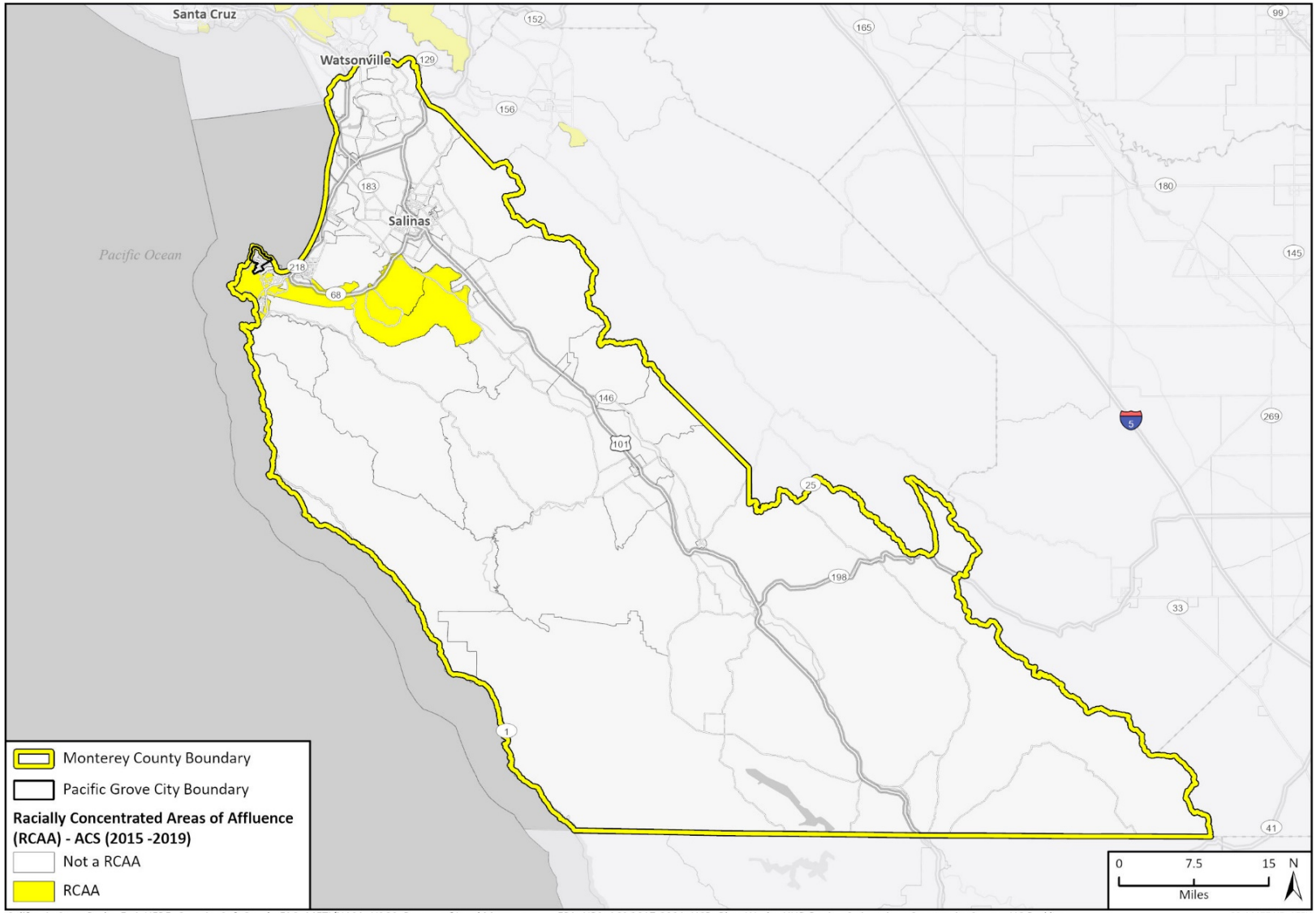
Regional Trends

There are six RCAAs in Monterey County, all concentrated in the areas south of the cities of Pacific Grove, Monterey, and Salinas, and within the southwestern parts of Monterey. RCAAs in Monterey County generally primarily consist of unincorporated parts of the county (Figure 16). RCAAs have a higher percentage of white residents than the county overall, ranging from 71 to 83 percent white residents, and median household incomes ranging from $119,775 to $148,125 per year, well above the county's AMI of $90,100.

Local Trends

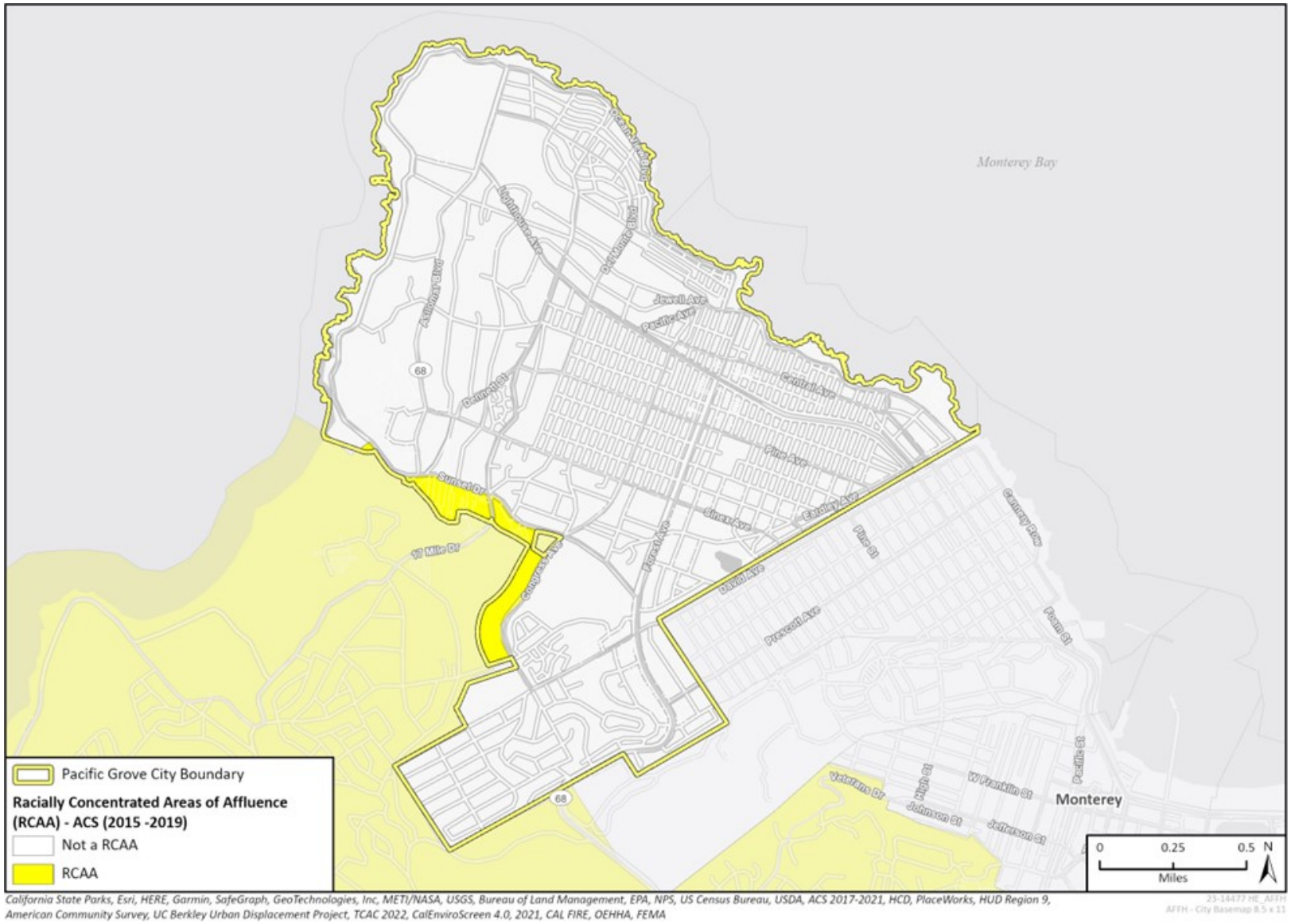
While Pacific Grove has a higher percentage of white residents and higher median household income than the county overall, there are no RCAAs located within city limits. A small area in the southwestern part of the city is part of a larger census tract that is considered an RCAA (Figure 17). This census tract primarily consists of unincorporated parts of the county. Therefore, the RCAA designation does not necessarily reflect the population living in this part of Pacific Grove. Even though there are no RCAAs in Pacific Grove, most of the city has a high percentage of white residents, ranging from 66 to 83 percent of the population, and higher median household incomes than the county. However, there are no census tracts with 1.5 times the household median income, the highest median household income in the city is $108,289 in the Sunset Drive, Hillcrest, and Country Club neighborhoods.

Figure 16 Racially Concentrated Areas of Affluence (Monterey County)



Source: AFFH Viewer, 2023.

Figure 17 Racially Concentrated Areas of Affluence (City of Pacific Grove)



Source: AFFH Viewer, 2023.

Disparities in Access to Opportunities

Land use policies and urban planning impact the ability of residents to access neighborhoods of opportunity, with high-performing schools, greater availability of jobs that afford entry to the middle class, and convenient access to transit and services. The limits on housing choice and access experienced by people within protected classes, such as race, sexual orientation, or disability, have far-reaching impacts on access to job opportunity, quality education, and mental and physical health. This section analyzes the following place-based characteristics linked to opportunity indicators: quality education, employment, transportation, and healthy environment. The primary objectives of this analysis and resulting policies and programs are twofold: to support mobility and access to high-resource neighborhoods and to improve the quality of life for the residents of low-resource communities.[11]

TCAC Opportunity Area Composite Score

Within the context of fair housing assessments, access to opportunity approximates place-based characteristics and its influence over critical life outcomes. Access to opportunity often means both improving the quality of life for residents of low-income communities, as well as supporting mobility and access to "high resource" neighborhoods. Specifically, access to opportunity is centered around access to education, employment, economic development, safe and decent housing, low rates of violent crime, transportation, recreation, food, and healthy environment (including clean air and water, safe neighborhoods, safety from environmental hazards, and access to social services and cultural institutions).

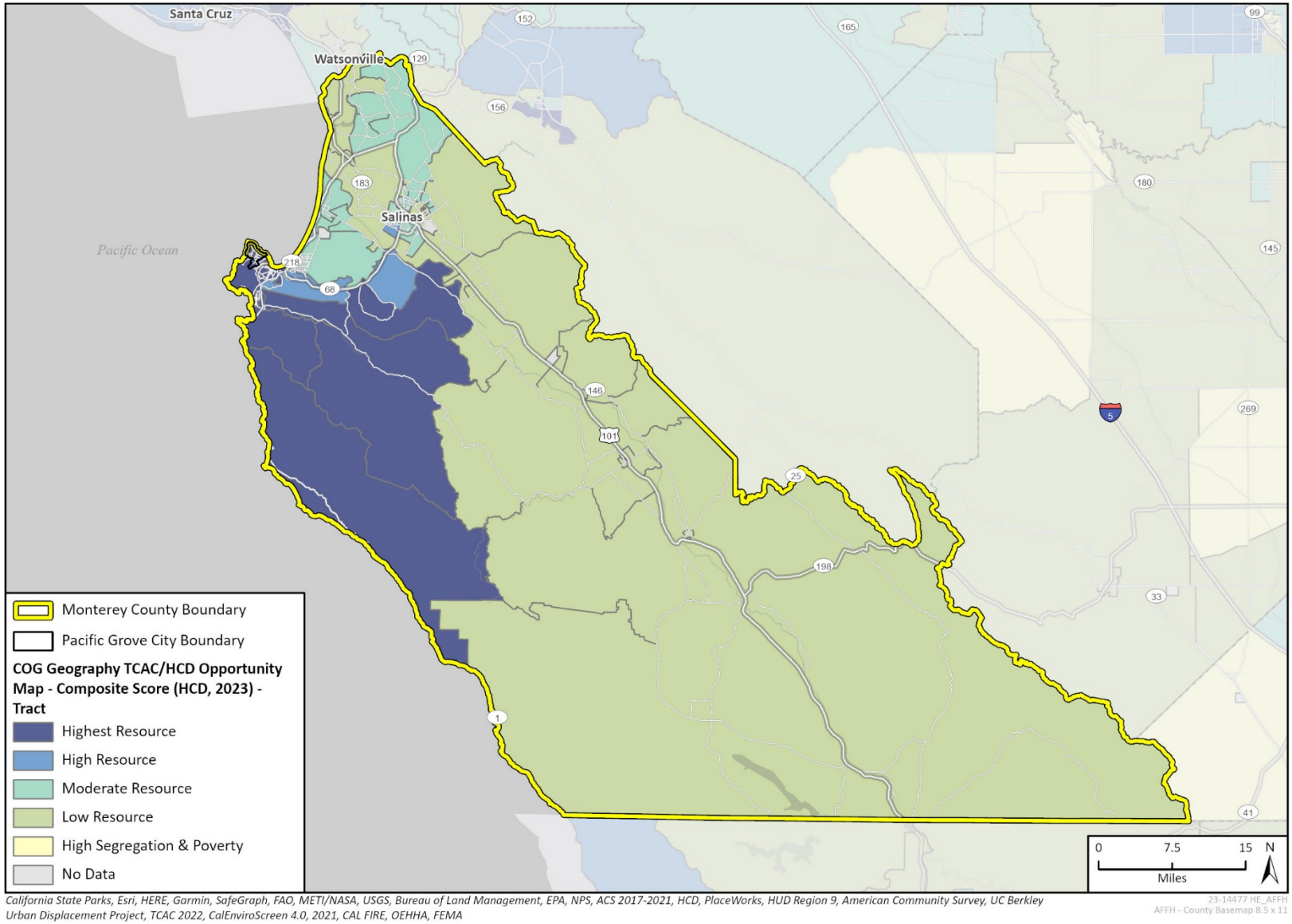
The California Fair Housing Task Force provides research and evidence-based policy recommendations and other strategic recommendations to HCD and other state agencies to further fair housing goals. This research includes opportunity mapping. Areas of opportunity are places that provide resources people need to thrive, including education, quality employment, transportation, and low poverty. The TCAC/HCD Opportunity Maps present a composite score which combines all categories of indicators (economic, educational, environmental) and categorizes areas from lowest to highest resource.

Regional Trends

Monterey County consists of a range of resource areas, ranging from areas of high segregation and poverty to highest resource areas. In Monterey County, the highest resource-areas are concentrated within the Monterey Peninsula, Carmel Valley, and Los Padres National Forest Areas, including the cities of Carmel-by-the-Sea, Pacific Grove, and Monterey (Figure 18). In contrast, cities along Highway 101, including the cities of Salinas, Gonzales, Soledad, Greenfield, and King City, are the lowest-resource areas in the county. Rural areas in the eastern and southern parts of the county are also low-resource areas. The only areas of high segregation and poverty in Monterey County are in the City of Salinas (Figure 15).

[11] California Fair Housing Task Force. 2020. Methodology for the 2020 TCAC/HCD Opportunity Map. June 2020. https://www.treasurer.ca.gov/ctcac/opportunity/2020-tcaF-hcd-methodology.pdf

Figure 18 TCAC Opportunity Composite Score (Monterey County)



Source: AFFH Viewer, 2023.

Local Trends

Similar to the rest of the Monterey Peninsula, Pacific Grove is entirely composed of highest resource areas (Figure 19). There are no moderate- or low-resource areas in Pacific Grove. This indicates the residents in Pacific Grove have greater access to services and amenities than other parts of Monterey County.

Transit Access and Walkability

Reliable public transit access and active transportation options (walking and biking) are imperative for low-income residents and/or persons with disabilities to connect to employment opportunities. Access to employment via public transit and active transportation can reduce income burden and increase housing mobility, which enables residents to locate housing in more areas. Lack of transportation options can impede fair housing choice and continue to reinforce barriers for low-income residents in accessing opportunities.

Regional Trends

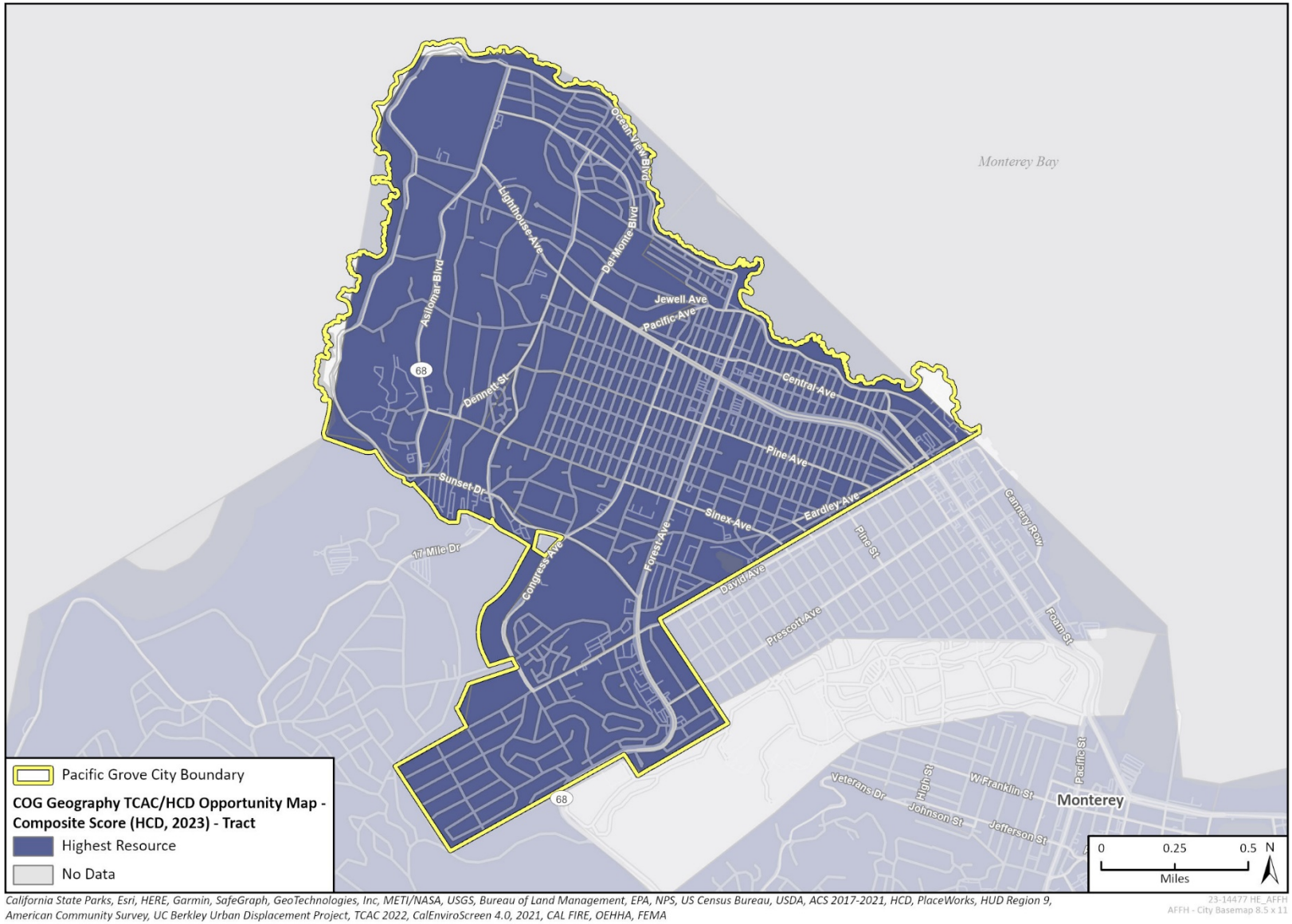
Transit options in Monterey County include regional bus systems. The following transit organizations operate throughout Monterey County:

- Monterey-Salinas Transit District (MST)
  - MST Trolley
  - MST On Call
  - MST Special Medical Trips
  - MST Line 84
  - Commute with Enterprise & MST Vanpool Program
  - MST RIDES
- Greyhound Bus Lines
- Amtrak California Coast Starlight and Thruway bus service
- Monterey Airbus

The Monterey-Salinas Transit Joint Powers Agency operates Monterey-Salinas Transit (MST) which is comprised of the cities of Carmel-By-The-Sea, Del Rey Oaks, Gonzales, Greenfield, King City, Marina, Monterey, Pacific Grove, Salinas, Sand City, Seaside, and Soledad and the County of Monterey. MST provides a variety of local bus services with 34 fixed bus routes and 897 active transit stops. The service area is approximately 163 square miles and extends from Gilroy to Paso Robles. According to MST, 46 percent of Monterey County residents live near bus service that operates at 30-minute intervals or less and 17 percent live near bus service that operates at 15 minute intervals or less. MST provides the MST RIDES ADA paratransit program which provides door-to-door service for persons with disabilities.

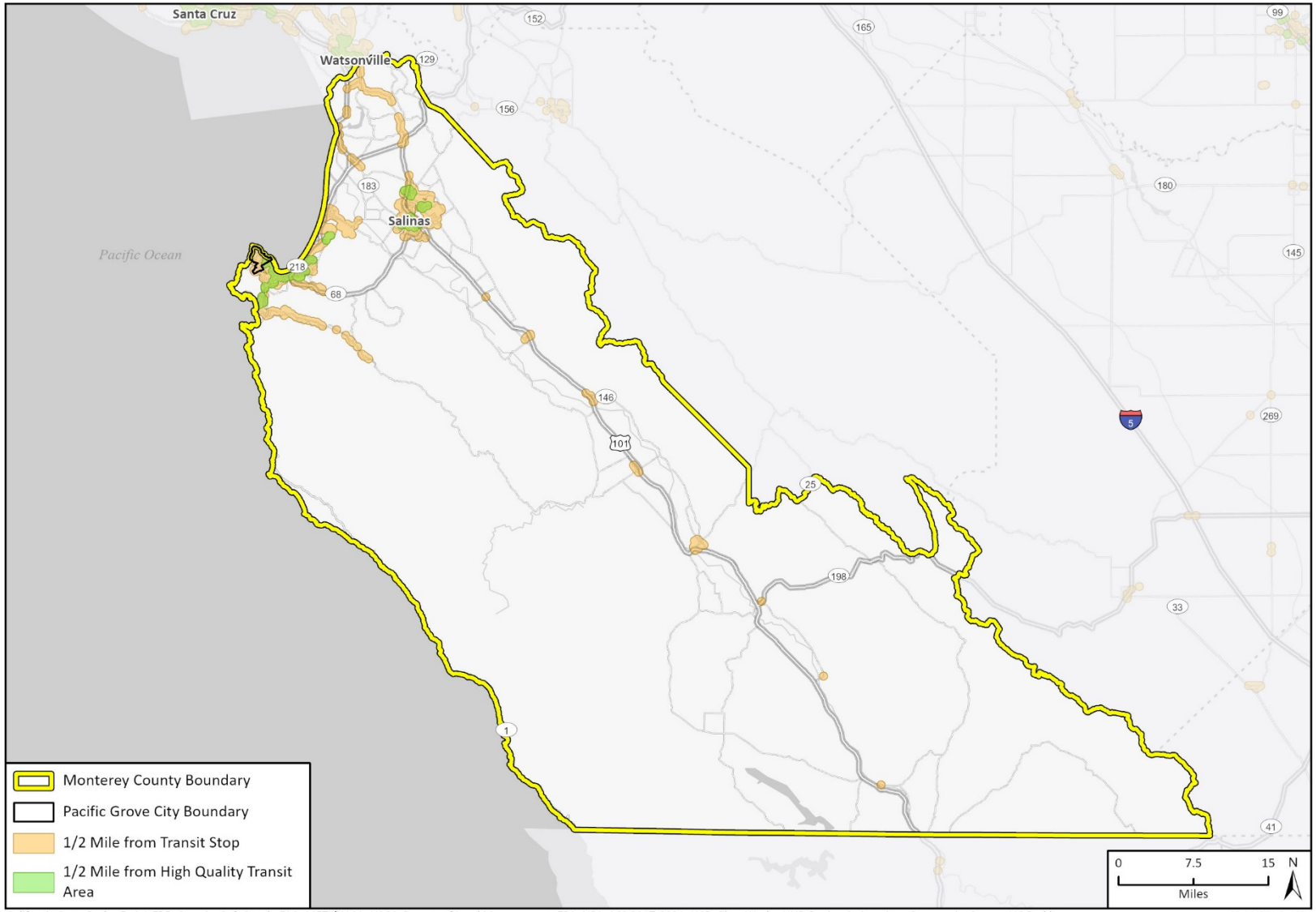
Transit access in Monterey County varies based on location. Urban areas in northern parts of the county have the highest access to transit, with the greatest number of transit stops of any type (Figure 20). Cities along Highway 101, south of Salinas, have few transit stops of any type. Rural areas in most of the county are not in proximity to any transit stops.

Figure 19 TCAC Opportunity Composite Score (Pacific Grove)



Source: AFFH Viewer, 2023.

Figure 20 Transit Stops (Monterey County)



Source: AFFH Viewer, 2023.

High quality transit stops are defined by state law as those with an existing rail or bus rapid transit station, ferry terminal served by either a bus or rail transit service, or with an intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods. Transit access in Monterey County varies based on location. Urban areas in northern parts of the county have the highest access to transit, with the greatest number of transit stops. Most of the county, especially rural areas and southern parts of the county, do not have any high-quality transit stops. High quality transit areas are concentrated within the cities of Salinas, Seaside, Monterey, and Carmel-by-the-Sea.

AllTransit is an online database that provides details on transit opportunity throughout the United States. The website explores metrics that reveal the social and economic impact of transit, specifically looking at connectivity, access to jobs, and frequency of service. Monterey County received an average AllTransit performance score of 4.2 which equates to a low combination of transit trips per week and number of jobs accessible by transit. According to 2017-2021 ACS estimates, approximately one percent of residents use public transportation to get to work. According to MST, 37 percent of jobs in Monterey County are located near transit service that operates at 30-minute intervals or less.

Local Trends

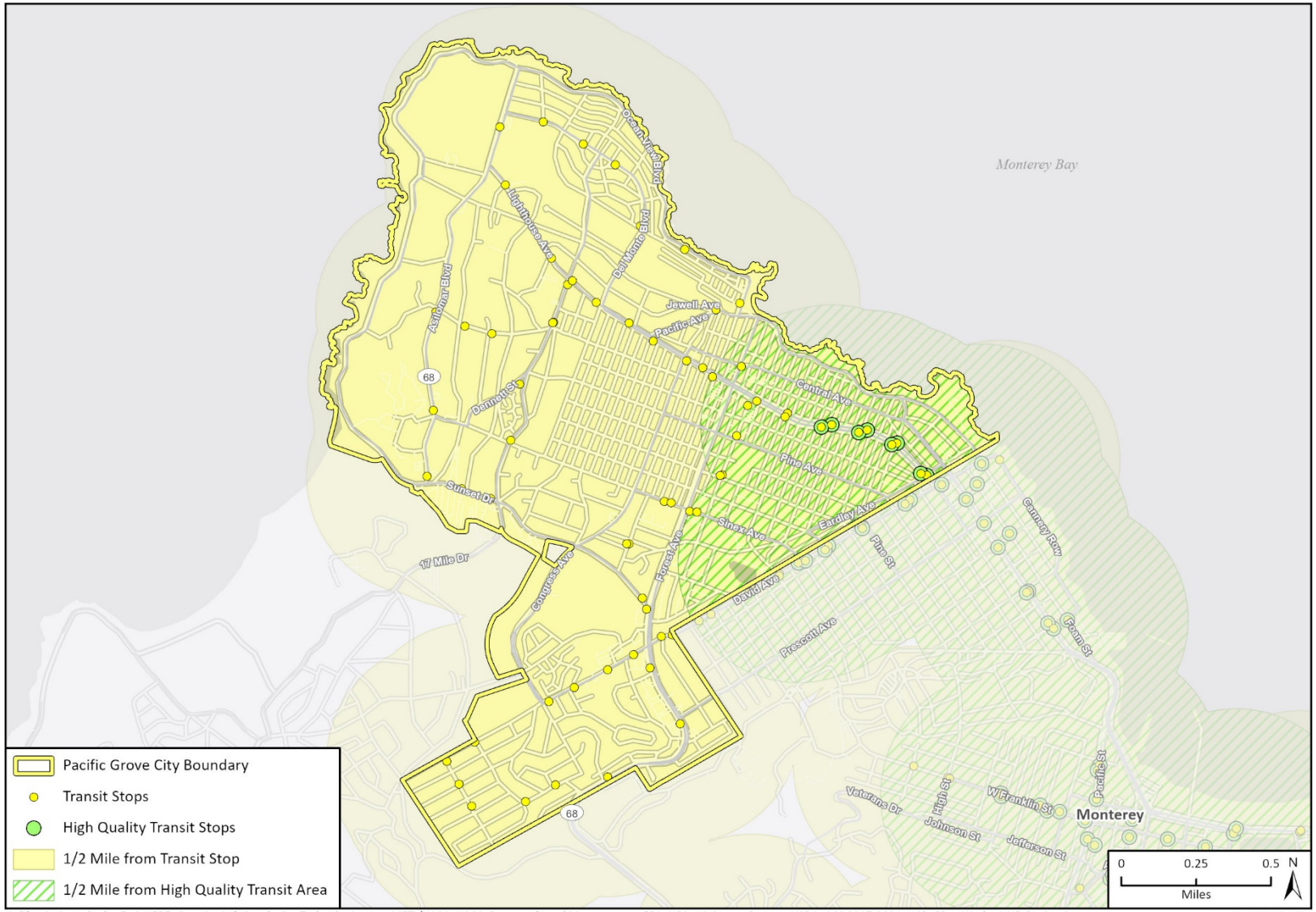
Like other cities in Monterey County, Pacific Grove does not have its own transit service. Pacific Grove is served by MST which operates two fixed service bus routes throughout the city. The two routes operate every 60 minutes from 7:00 am to 7:00 pm every day.

Similar to the majority of Monterey County, transit services are limited in Pacific Grove. According to information from Caltrans, the entire city is within one half mile of a transit stop. However, only a small area surrounding eastern part of Lighthouse Avenue, adjacent to the City of Monterey, is within one half mile of a high-quality transit stop (Figure 21). Community feedback indicates that many residents and workers in Pacific Grove do not have adequate access to transit. Many residents expressed desire for housing near transit.

According to MST's 2018 Coordinated Public Transit Human Services Transportation Plan, seniors in affluent communities such as Pacific Grove have specific transportation needs due to the rising costs of transportation, health care, food, and other standard costs of living. These rising costs place many senior residents in Pacific Grove and other affluent communities in a "land rich, cash poor" situation. MST operates a Taxi Voucher Program that offers free taxi vouchers for seniors. MST also operates four fixed-route Senior Shuttles designed to travel directly to destinations that are desirable to the region's seniors. However, none of the Senior Shuttles operate in Pacific Grove. Given that approximately 26 percent of Pacific Grove residents are 65 years old or older, improved transit services for seniors may be needed.

Pacific Grove received an AllTransit performance score of 5.3, slightly higher than the county. This equates to a moderate number of transit trips per week and number of jobs accessible by transit. AllTransit Score is similar to the nearby cities of Carmel-by-the-Sea (5.4), Marina (5.3), Salinas (5.3), and Del Rey Oaks (5.4) but is slightly lower than the cities of Monterey (6.4) and Seaside (6.2). Less than one percent of Pacific Grove residents commute using public transit, which is similar to the county.

Figure 21 Transit Stops (Pacific Grove)



Source: AFFH Viewer, 2023.

The Environmental Protection Agency (EPA) has a walkability index that ranks block groups according to their relative walkability. According to that Index, the most walkable areas in Pacific Grove are in the eastern and central parts of the city (Figure 22). The rest of the city was found to have above average walkability. A small portion of the southwestern part of the city is shown as least walkable. However, this area is part of a larger census tract that primarily consists of unincorporated areas of the county, including Del Monte Forest and Pebble Beach. Therefore, it is likely that this data does not reflect the walkability of the area within Pacific Grove.

In 2018, the City adopted a policy requiring the installation of sidewalks on all primary pedestrian routes, defined as streets or street segments where the City deems sidewalks necessary for pedestrian safety and accessibility. Primary pedestrian routes include busy streets (arterials and some collectors), streets in commercial districts, major routes to schools, essential routes for seniors and people with disabilities, and key visitor walking routes and are concentrated in the center of the city and in the downtown area. Alongside this initiative, the City mapped areas with gaps in sidewalk infrastructure throughout the city. Areas with the least amount of sidewalk gaps are in central and downtown areas, while the Del Monte Park, Beach Tract/Fairway Homes, and Pacific Grove neighborhoods have almost no sidewalks.[12,13]

The Environmental Protection Agency's Smart Location Database measures the number of jobs available within a 45-minute transit ride. The northern half of Pacific Grove has a greater number of jobs within a 45-minute transit ride compared to the southern half (Figure 23). This indicates that residents living in the southern half of the city have longer commute times using transit.

Economic Outcomes

Housing opportunities are directly related to economic opportunities. Access to high quality employment close to desired and affordable housing results in more housing opportunities and shorter commute times. The analysis for economic opportunities uses TCAC economic indicators, employment participation data from the ACS and the HUD Jobs Proximity Index.

TCAC economic opportunities are measured by census tract. They consider poverty, adult education, employment, job proximity, and median home values. A higher economic index score reflects more positive economic outcomes. The HUD Jobs Proximity Index assesses the accessibility to job opportunities at the census block group level.

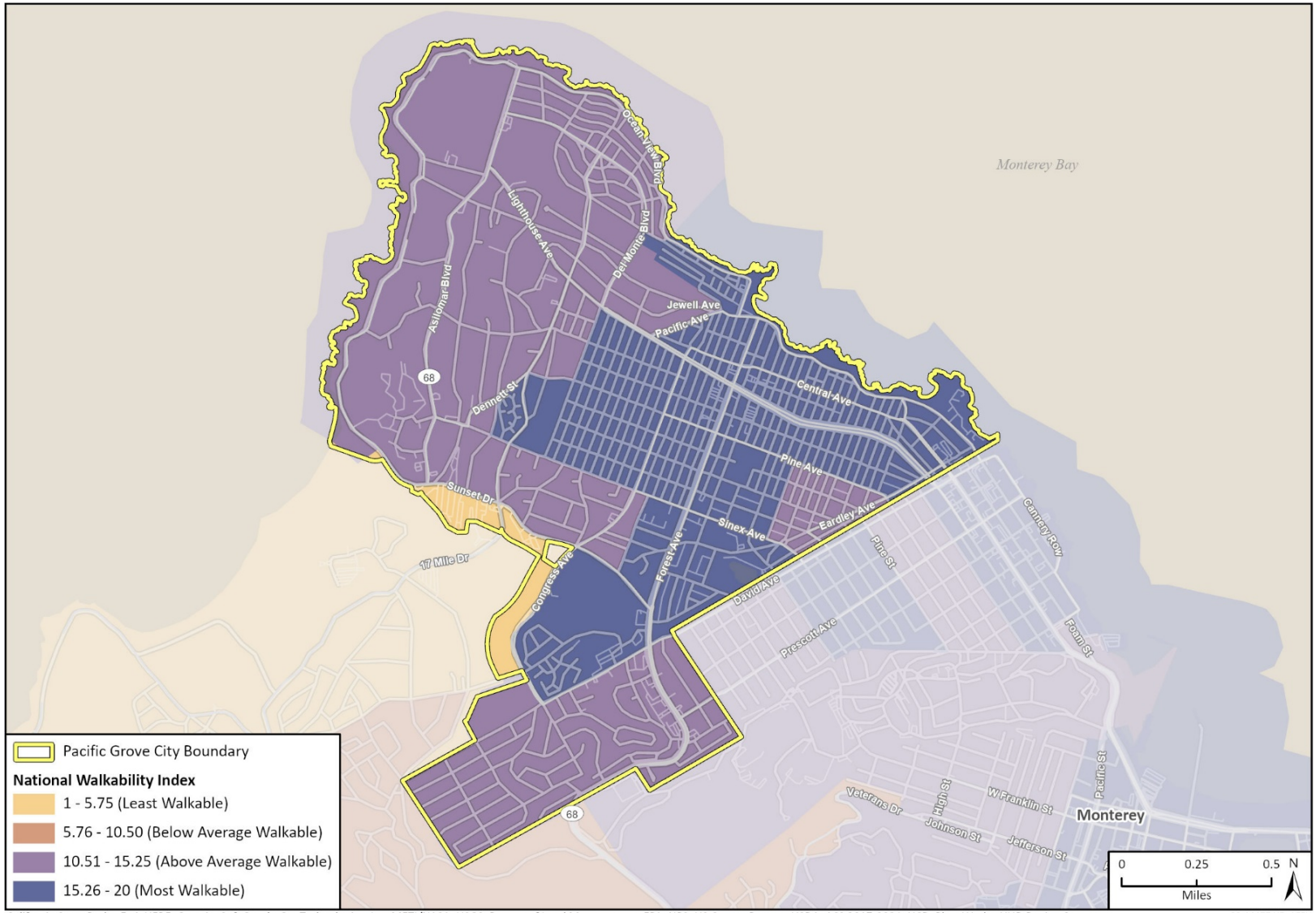
Regional Trends

Economic outcomes vary across Monterey County. TCAC economic outcome scores are highest in and near the Monterey Peninsula, particularly in the cities of Monterey and Carmel-by-the-Sea (Figure 24). Economic outcome scores are lowest in central and southern parts of the county and in portions of the cities of Gonzales, Soledad, Greenfield, and King City.

[12] City of Pacific Grove. 2018. City Council Policy 700-4 Sidewalk Development. https://files.cityofpacificgrove.org/Document_Center/Our%20city/City%20council/Council%20policies/700%20Property%20and%20Land%20Rights-of-Way/700-4-sidewalk-policy-3-21-18.pdf

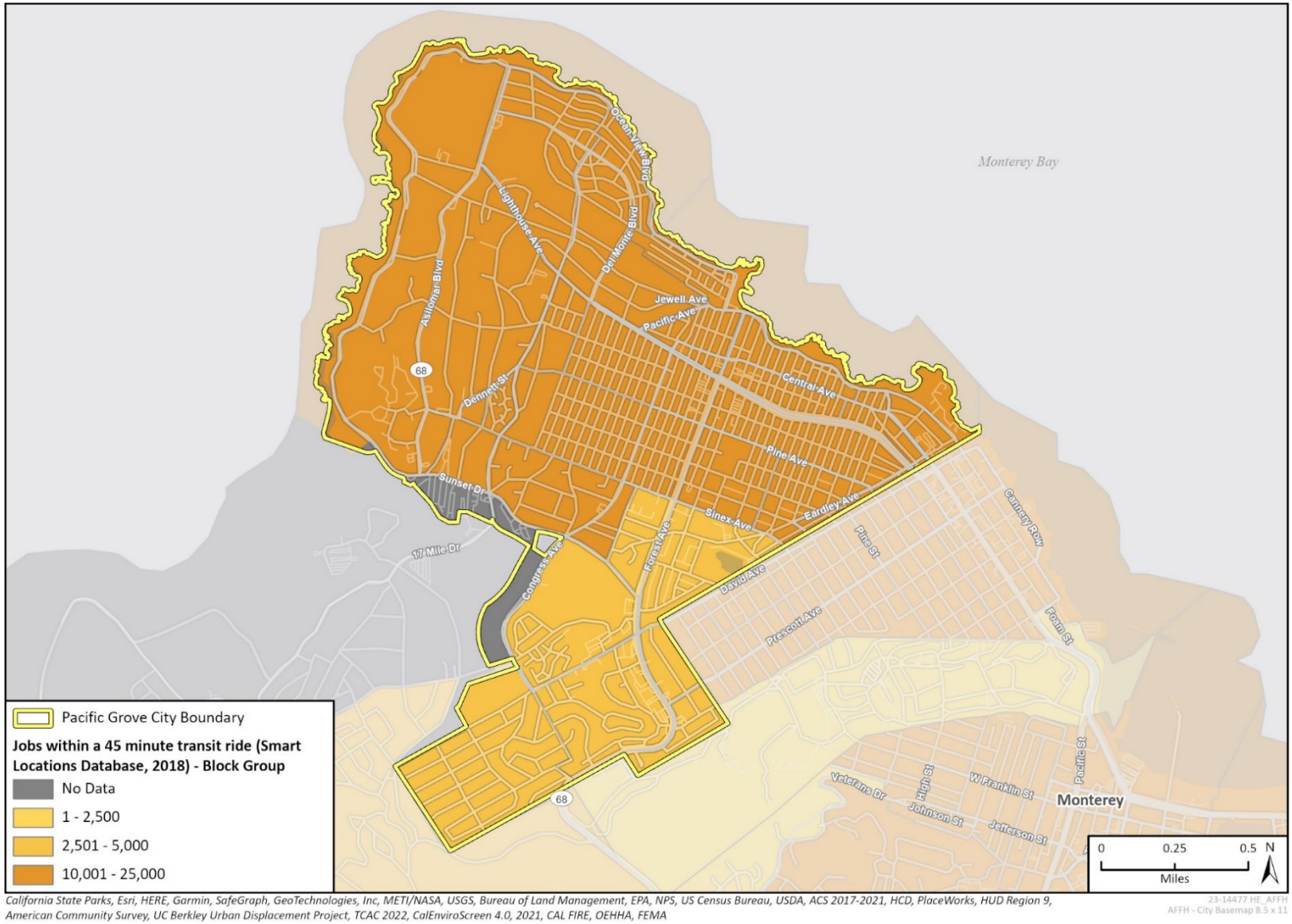
[13] City of Pacific Grove. 2018. City Council Policy 700-4 Sidewalk Gaps Citywide. https://files.cityofpacificgrove.org/Document_Center/Our%20city/City%20council/Council%20policies/700%20Property%20and%20Land%20Rights-of-Way/sidewalk-maps-att1-1.pdf

Figure 22 National Walkability Index (Pacific Grove)



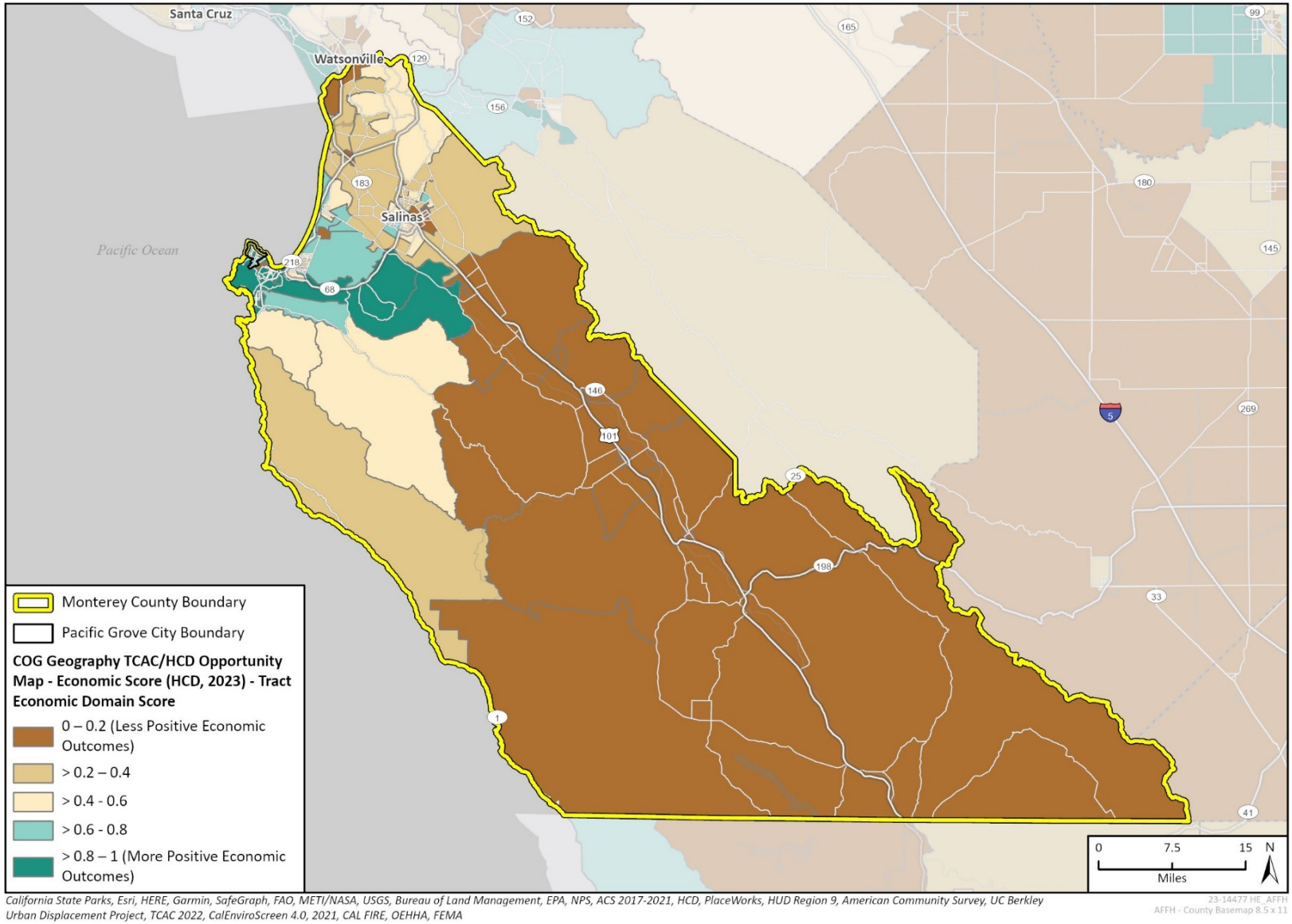
Source: AFFH Viewer, 2023.

Figure 23 Jobs within 45 Minute Transit Ride (Pacific Grove)



Source: AFFH Viewer, 2023.

Figure 24 TCAC Economic Opportunity Scores (Monterey County)



Source: AFFH Viewer, 2023.

According to 2017-2021 ACS estimates, Monterey County had a labor force participation rate of 61 percent for persons 16 years and over. Estimates from the California Employment Development Department show that the average salary in Monterey County in 2021 was $58,629. An overview of mean salary by occupation is provided in Table 15.

Table 15 Mean Salary by Occupation (Monterey County)

Occupation	Average Salary
Healthcare Practitioners and Technical Occupations	$128,484
Management Occupations	$120,548
Legal Occupations	$118,113
Computer and Mathematical Occupations	$102,169
Architecture and Engineering Occupations	$95,529
Life, Physical, and Social Science Occupations	$93,871
Educational Instruction and Library Occupations	$85,055
Business and Financial Operations Occupations	$82,950
Protective Service Occupations	$78,174
Arts, Design, Entertainment, Sports, and Media Occupations	$69,836
Community and Social Service Occupations	$66,697
Construction and Extraction Occupations	$65,222
Installation, Maintenance, and Repair Occupations	$59,041
Office and Administrative Support Occupations	$50,171
Sales and Related Occupations	$46,280
Production Occupations	$44,121
Transportation and Material Moving Occupations	$42,852
Building and Grounds Cleaning and Maintenance Occupations	$42,312
Personal Care and Service Occupations	$41,395
Healthcare Support Occupations	$39,892
Food Preparation and Serving Related Occupations	$38,804
Farming, Fishing, and Forestry Occupations	$35,402
All Occupations	**$58,629**

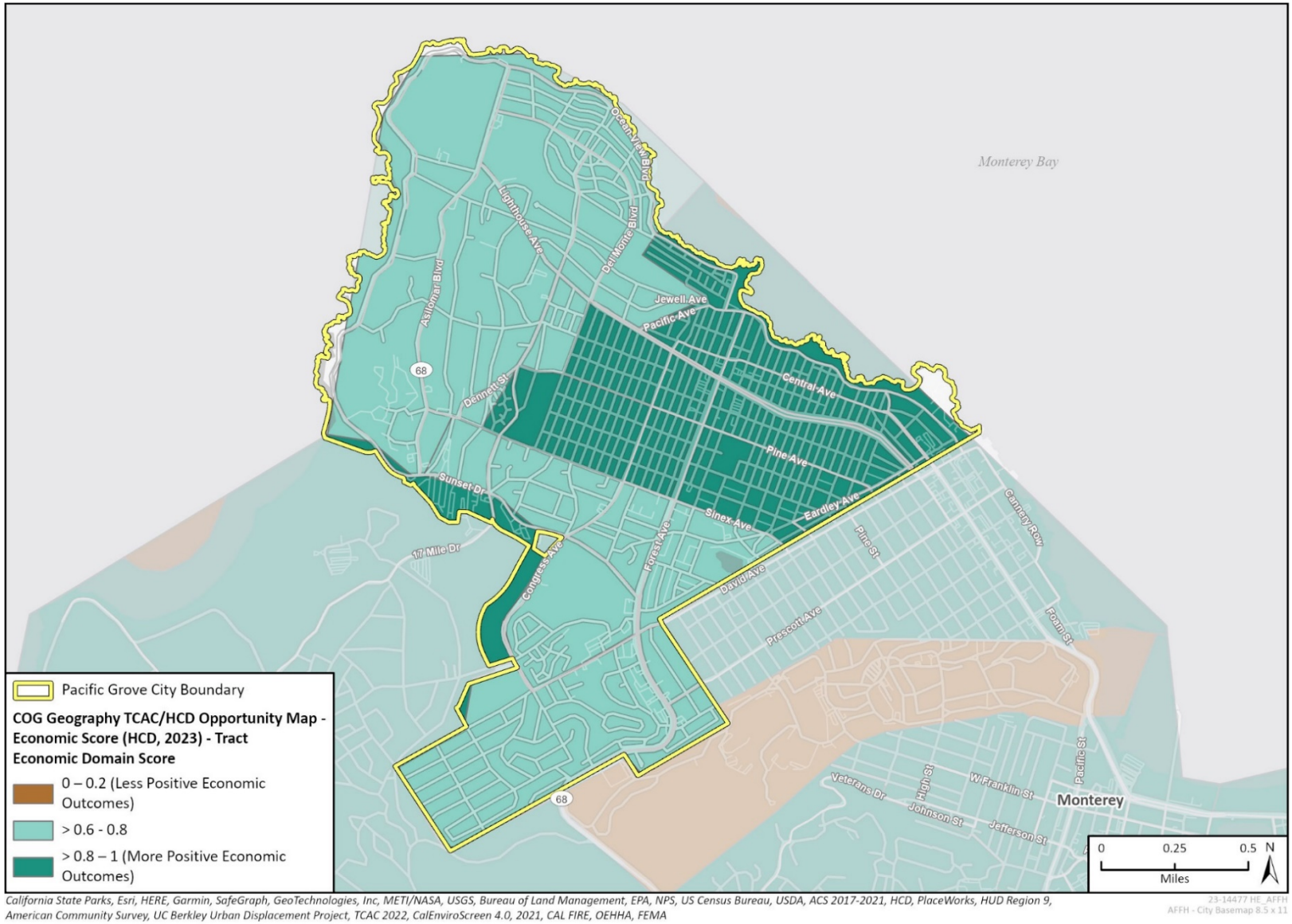
Source: California Employment Development Department, Occupational Wage data, 2022

Local Trends

Economic outcomes are more positive in Pacific Grove than throughout most of Monterey County. In Pacific Grove, TCAC economic opportunity scores are positive throughout the city (Figure 25). Economic opportunity scores are highest in the eastern part of the city and slightly lower, but still positive, throughout the rest of the city.

Access to employment opportunities has a significant impact on the type and size of housing a household can afford. According to 2017-2021 ACS estimates, Pacific Grove had a labor force participation rate of 61 percent for persons 16 years and over, same as the county. As referenced in Chapter 1, approximately 30 percent of working residents of Pacific Grove are employed in the education, health and social assistance industry and 18 percent are employed in the arts, entertainment, and recreation, and accommodation and food services industry.

Figure 25 TCAC Economic Opportunity Scores (Pacific Grove)



Source: AFFH Viewer, 2023.

Most of Pacific Grove's labor force is employed outside the city and the city's top employers do not comprise a significant portion of the city's workforce. As of 2020, approximately 87 percent of city residents who work, work outside of Pacific Grove. Approximately 22 percent work in the city of Monterey, and 10 percent work in Salinas.[14] According to AMBAG's 2022 Regional Growth Forecast, the cities of Monterey (38,133 jobs) and Salinas (73,009 jobs) have a much higher number of jobs compared to Pacific Grove (7,470 jobs).[15] Eighty-five percent of those employed in Pacific Grove live outside the city. An overview of major employers in Pacific Grove is provided in Table 16

Table 16 Major Employers in Pacific Grove

Employer	Percentage of Total Jobs in Pacific Grove	Type of Service
Pacific Grove Unified School District	4%	Government
Canterbury Woods	<2%	Retirement Community
Forest Hill	<2%	Retirement Community
Asilomar Hotel and Conference Center	<2%	Hotel

Source: City of Pacific Grove. 2022. 2021-22 City of Pacific Grove Annual Comprehensive Financial Report.

Access to Education

Educational attainment is directly linked to income and housing opportunities. To assess educational opportunities by geography, this analysis uses TCAC education domain scores, which incorporate a variety of indicators including math and reading proficiency scores (the percentage of 4th graders who met or exceed math proficiency standards), high school graduation rates (the percentage of high school cohorts that graduate on time), and student poverty rates at the census tract level (the percent of students not receiving free or reduced-priced lunch). The TCAC education domain scores are derived from 2018-2019 Department of Education data. This analysis incorporates demographic and socio-economic measures to spatially evaluate access to educational opportunities at the census tract level.

Regional Trends

Monterey County is served by numerous school districts that have a combined total student enrollment of 77,387 students. Some of the county's largest school districts include:

- Salinas Union High School District
- Monterey Peninsula Unified School District
- Alisal Union School District
- Salinas City Elementary School District
- Soledad Unified School District
- North Monterey County Unified School District

[14] United States Census Bureau. 2020. Work Destination Report (Pacific Grove).

[15] AMBAG. 2022. Regional Growth Forecast. https://www.ambag.org/sites/default/files/2022-12/REVISED_PDFAAppendix%20A_2022%20RGF.pdf

According to kidsdata.org, a data compilation program of the Lucile Packard Foundation for Children's Health, Hispanic/Latino (82 percent) and white (11 percent) students comprise the two largest racial/ethnic groups of public-school students enrolled in the county. Asian/Pacific Islander students comprise two percent, Filipino students comprise two percent, multiracial students comprise two percent, and Black/African American students comprise one percent of student enrollment. High school graduation rates are highest among Filipino (95 percent), Native Hawaiian/Pacific Islander (93 percent), and Asian American students (92 percent), while African American (85 percent) and Hispanic/Latino (84 percent) students had slightly lower graduation rates.

Education outcomes vary across Monterey County, with more positive education outcomes concentrated in western parts of the county and less positive education outcomes concentrated on the Monterey Peninsula and south of the cities of Marina, Seaside, and Salinas (Figure 26). The least positive education outcomes are in southern and eastern parts of the county. Cities with positive education outcomes are Monterey, Pacific Grove, Carmel-by-the-Sea, and parts of Marina and Salinas while cities with the least positive outcomes include Salinas, Gonzales, Soledad, Greenfield, and King City.

Local Trends

Pacific Grove is served by the Pacific Grove Unified School District (PGUSD), which had a student enrollment of 1,899 in 2021 and a graduation rate of 93 percent. Compared to the county, the student population in Pacific Grove has a much lower percentage of Hispanic/Latino students, but a higher percentage of Asian American students. Approximately 60 percent of students are white, 21 percent are Hispanic/Latino, and nine percent are Asian American. Approximately 12 percent of students are enrolled in special education and 23 percent are considered high-need students (students eligible for free or reduced-price school meals, English Learners, or foster youth).

Comparable to other parts of the Monterey Peninsula, education outcomes in Pacific Grove are positive throughout the entire city (Figure 27). The highest education outcomes are in the eastern parts of the city, in particular the Pacific Grove Retreat, Downtown, and First, Second, Third, Fourth, and Fifth Addition neighborhoods.

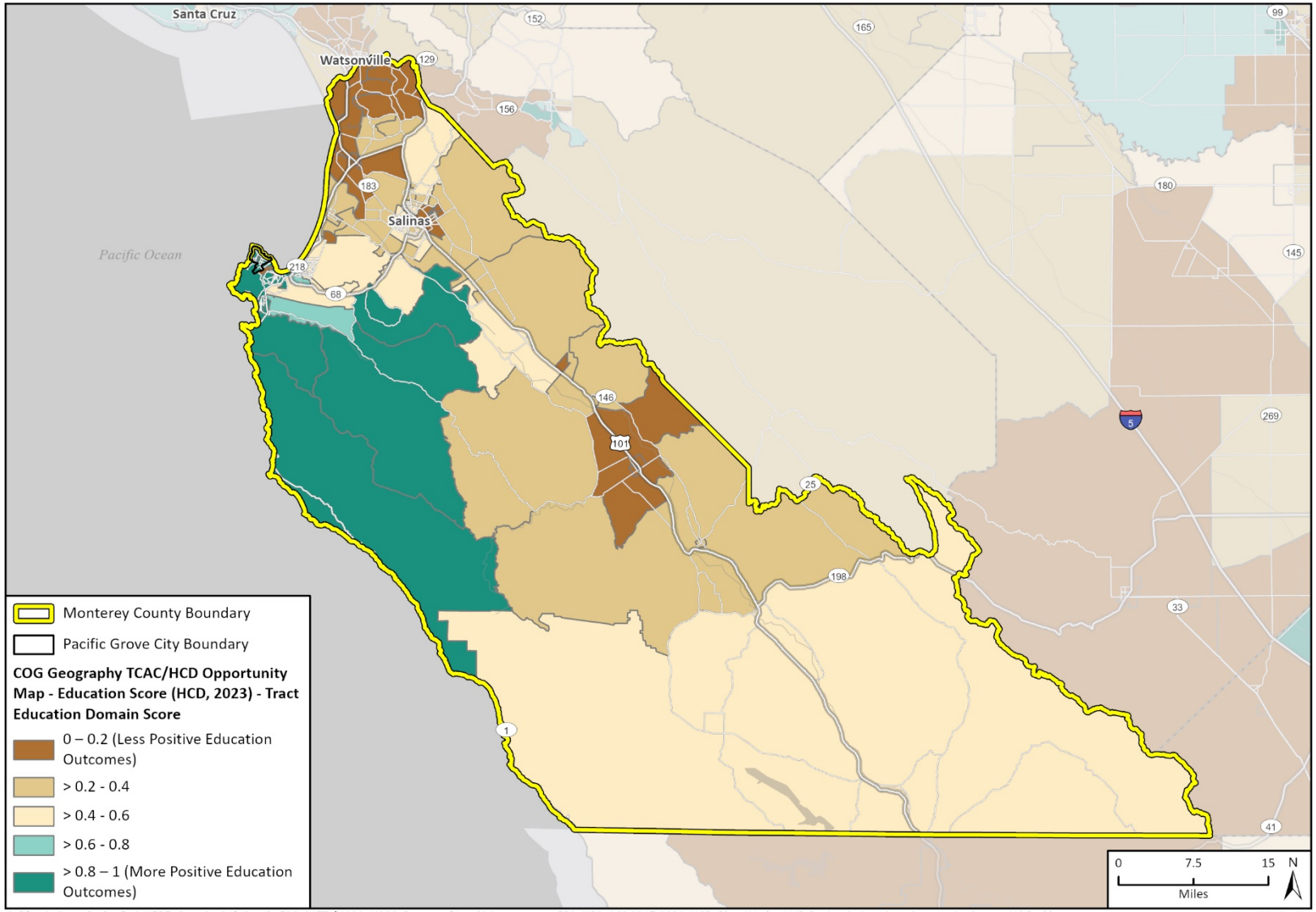
Healthy and Safe Housing Environment

Healthy Environment in AFFH addresses disparities in access to environmentally healthy neighborhoods by protected class groups. An assessment of environmentally healthy neighborhoods can include air and water quality, safety, environmental hazards, social services, and cultural institutions. Recent California laws (Assembly Bill (AB) 1550, Senate Bill (SB) 535 and SB 1000) emphasize the importance of environmental justice as a fair housing issue.[16] Environmental Justice has been defined by HUD as ensuring that people have equal access to safe and healthy housing. Under Executive Order 12898, Federally assisted projects may also target funding to communities that have disproportionately high and adverse human health impacts on minority and low-income populations due to environmental conditions.[17]

[16] State of California Department of Justice, 2022. https://oag.ca.gov/environment/sb1000

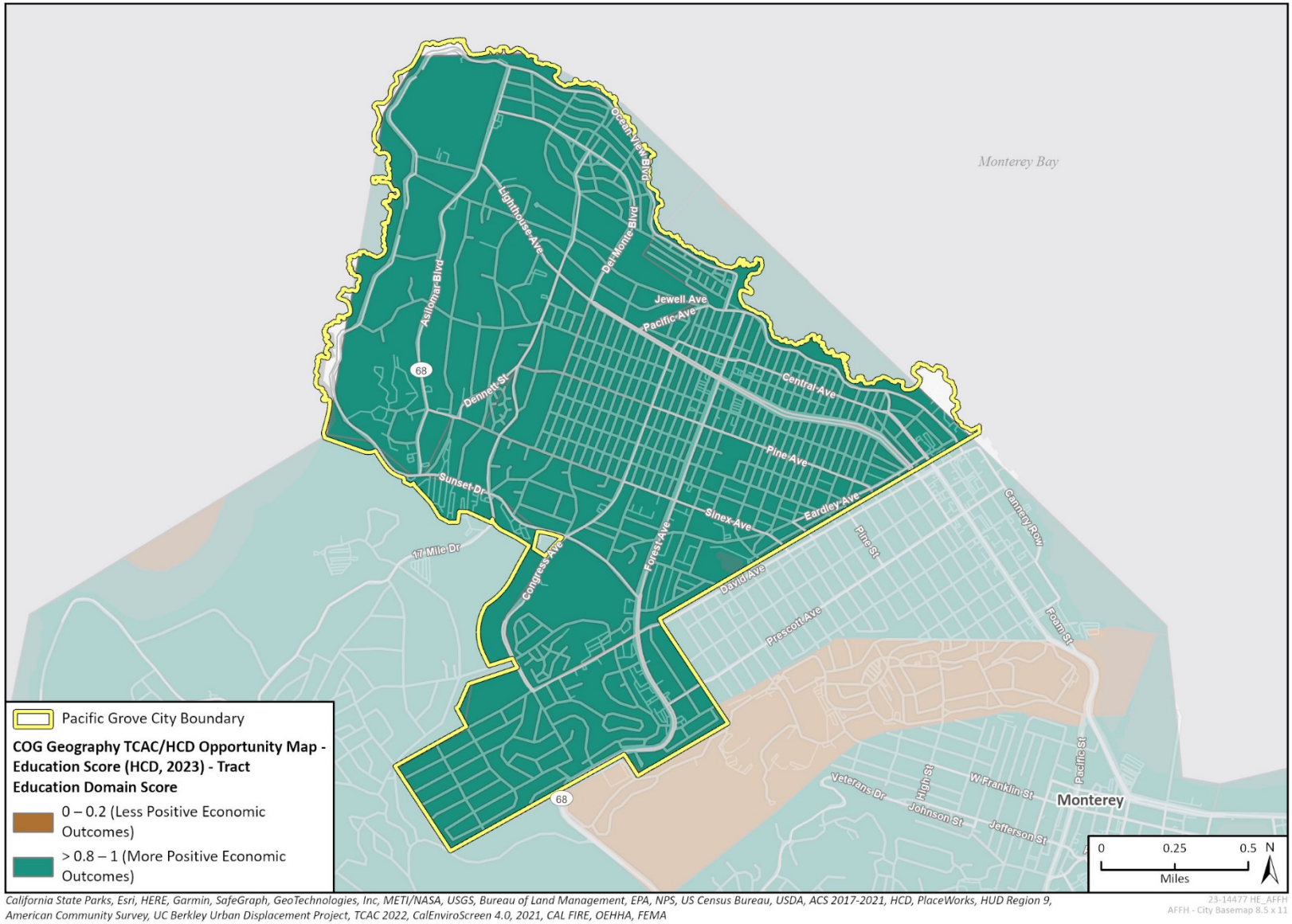
[17] HUD, 2021. https://www.hudexchange.info/programs/environmental-review/environmental-justice/

Figure 26 TCAC Education Opportunity Scores (Monterey County)



Source: AFFH Viewer, 2023.

Figure 27 TCAC Education Opportunity Scores (Pacific Grove)



Source: AFFH Viewer, 2023.

The California Office of Environmental Health Hazard Assessment developed CalEnviroScreen, a methodology to identify communities disproportionately burdened by exposures to pollution, environmental effects of existing pollutants in communities, among other indicators of sensitive populations or socioeconomic factors. Residents in census tracts with high CalEnviroScreen scores as compared to other California census tracts (shown as percentiles) are disproportionately burdened by pollution and are more vulnerable to related effects.

Regional Trends

The CalEnviroScreen map for Monterey County identifies the degree to which communities are considered burdened by pollution. Monterey County has a range of pollution burden levels, with percentile scores ranging from the first to 72nd percentile (Figure 28). Areas with higher CalEnviroScreen percentile scores are concentrated in northeastern and southern parts of the county and in the cities of Salinas and Marina and town of Castroville. These areas have a high pollution burden caused by pesticide use, drinking water contaminants, groundwater threats, hazardous waste, impaired water, and solid waste. Monterey County has extensive agricultural operations within the county which contributes to pollution burden due to pesticide use, drinking water contaminants, groundwater threats, and impaired waters.[18]

TCAC's environmental opportunity scores for Monterey County show similar patterns of variation in environmental outcomes across the county (Figure 29). Most of the county has less positive environmental opportunity scores, particularly the southern portion of the county, while more positive environmental opportunity scores are concentrated around the Monterey Peninsula.

Senate Bill (SB) 535 tasks the California Environmental Protection Agency with identifying disadvantaged communities. Disadvantaged communities are low-income areas that are disproportionately affected by environmental pollution and other hazards. Under SB 535, a minimum of 25 percent of funds from the Greenhouse Gas Reduction Fund, funded by revenue from the State's cap-and-trade emissions program, goes to projects that benefit disadvantaged communities. In Monterey County CalEnviroScreen disadvantaged communities are located in the cities of Marina and Salinas.

Local Trends

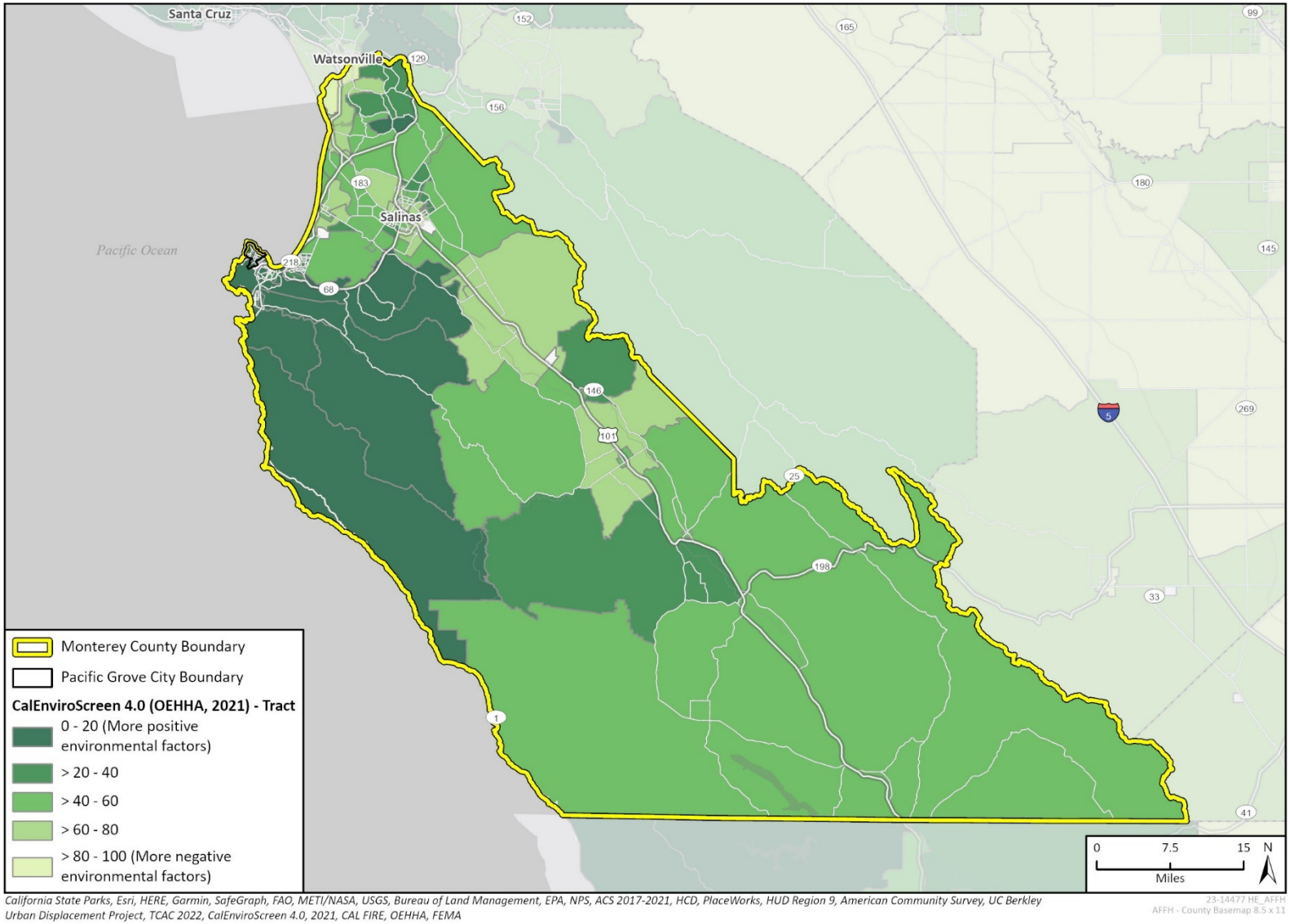
Pollution burden in Pacific Grove is similar to other areas in the Monterey Peninsula, Carmel Valley, and Los Padres National Forest. The CalEnviroScreen map for Pacific Grove shows the city has a low pollution burden, with percentile scores ranging from the three to six percentiles (Figure 30). While pollution burden is low throughout the city, the city has higher pollution burden from lead risk in housing and groundwater threats. Lead risk in housing is likely caused by the city's older housing stock. Housing units built before 1978 are more likely to have lead-based paint. Approximately 69 percent of housing built between 1940 and 1959 and 87 percent of housing built before 1940 contain lead-based paint.[19] In Pacific Grove, 28 percent of housing was built between 1940 and 1959 and 26 percent of housing was built before 1940.

According to CalEnviroScreen, there are no areas experiencing a disproportionate pollution burden, however the Pacific Grove Retreat, Downtown, and First through Fifth Addition neighborhoods have higher pollution burden from lead risk in housing and groundwater threats than the rest of the city.

[18] CalEnviroScreen 4.0. 2023. Indicator Maps. https://experience.arcgis.com/experience/ed5953d89038431dbf4f22ab9abfe40d/

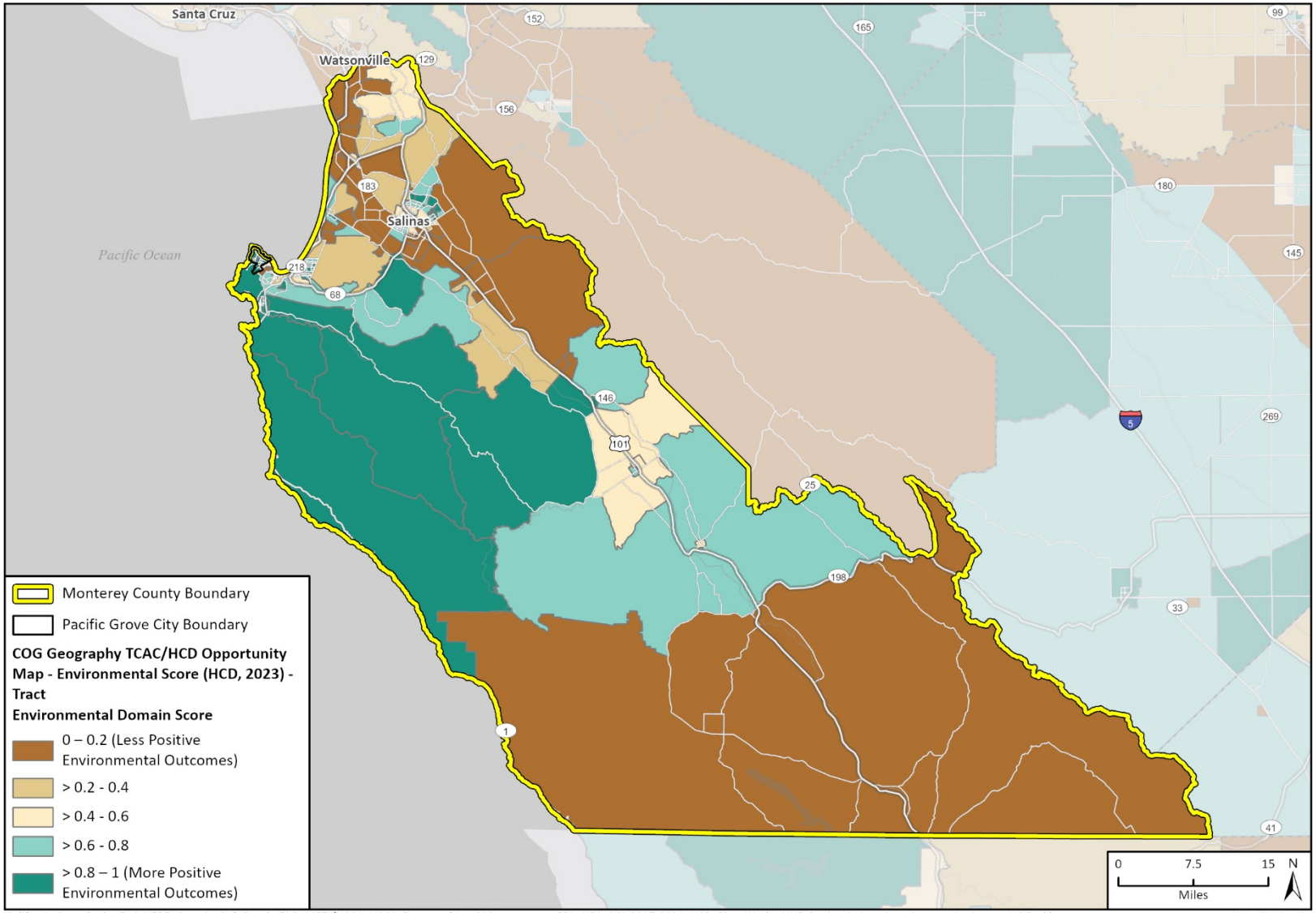
[19] United States Environmental Protection Agency. 2023. Protect Your Family from Sources of Lead. https://www.epa.gov/lead/protect-your-family-sources-lead#older

Figure 28 CalEnviroScren 4.0 Percentile Scores (Monterey County)



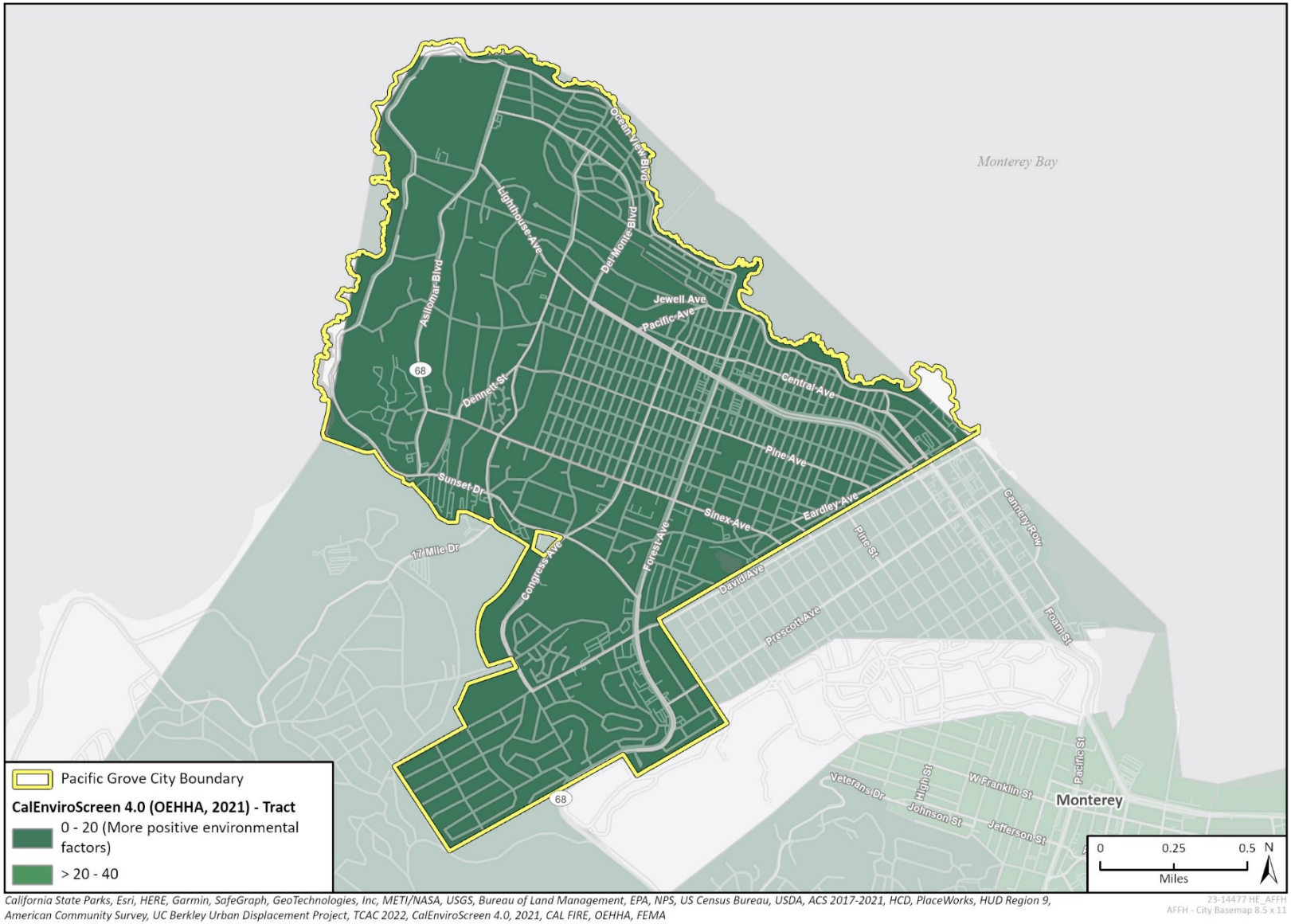
Source: AFFH Viewer, 2023.

Figure 29 TCAC Environmental Opportunity Scores (Monterey County)



Source: AFFH Viewer, 2023.

Figure 30 CalEnviroScren 4.0 Percentile Scores (Pacific Grove)



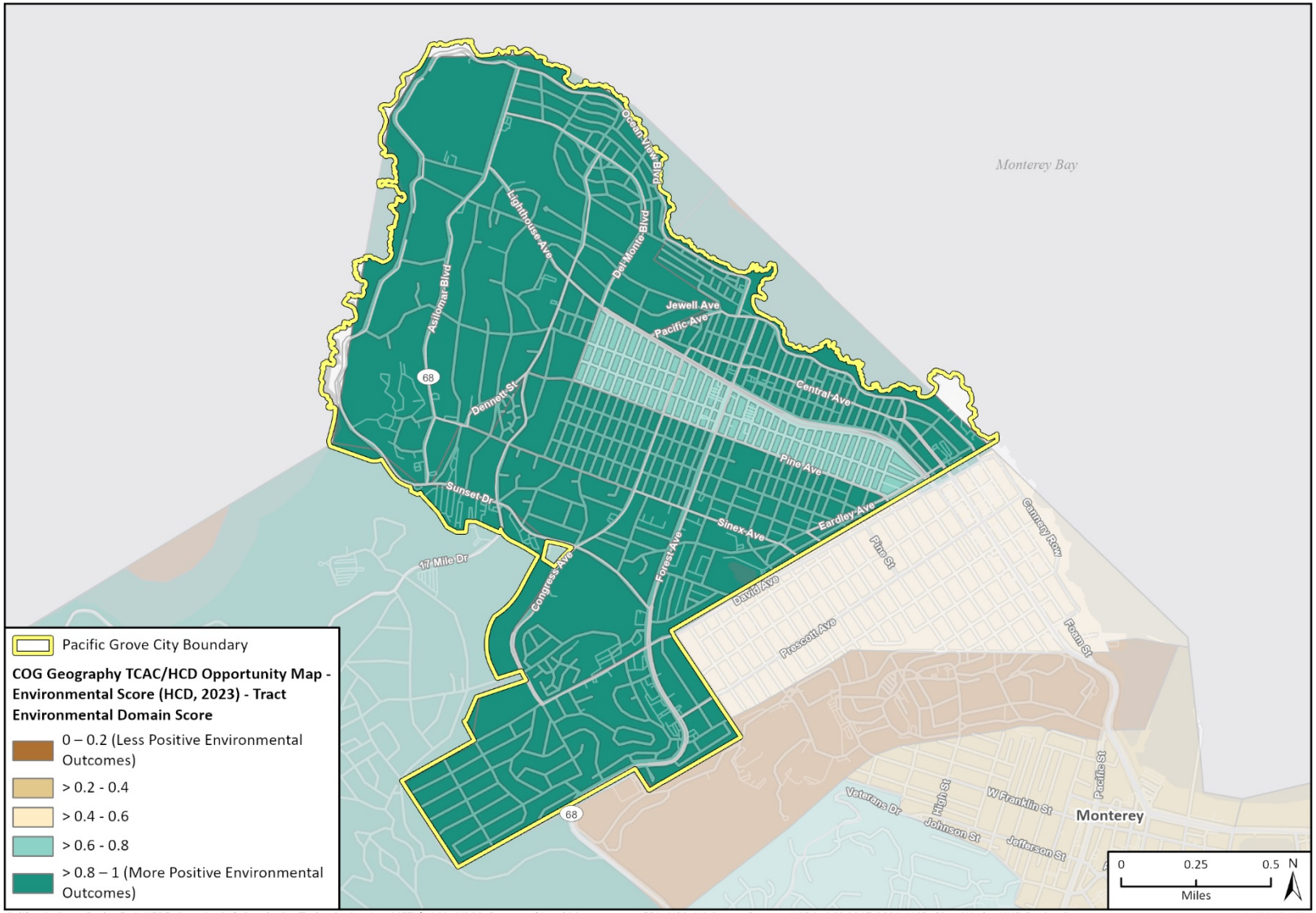
Source: AFFH Viewer, 2023.

The biggest sources of pollution burden in Pacific Grove are lead risk from housing, groundwater threats and cleanup sites. Lead risk from housing and groundwater threats are highest in the Pacific Grove Retreat and Downtown neighborhoods in the northeast part of the city. These areas have percentile scores up to the 87th percentile for groundwater threats and up to the 62nd percentile for lead risk from housing. The northern part of the city, surrounding Point Pinos Lighthouse, has a higher percentile score for cleanup sites, up to the 61st percentile. This is due to the presence of two cleanup sites, consisting of the Point Pinos Lighthouse and Pacific Grove Naval Reserve Center. The Point Pinos Lighthouse has potential lead contamination in the soil from historic use of lead-based paint and therefore has land use restrictions, however this site is currently used as open space with no plans for development. The Pacific Grove Naval Reserve Center, most recently used as the site of the National Oceanic and Atmospheric Administration's Southwest Fisheries Science Center, was previously used for vehicle storage and refueling; however, no contaminants have been identified on the site.[18]

Pacific Grove has more positive environmental opportunity scores than most of the county. Similar to the CalEnviroScreen map, the TCAC opportunity map shows Pacific Grove has positive environmental opportunity scores throughout the city (Figure 31). The Downtown neighborhood has slightly lower environmental opportunity scores than the rest of the city, but also maintains positive scores.

CalEnviroScreen does not identify any disadvantaged communities in Pacific Grove.

Figure 31 TCAC Environmental Opportunity Scores (Pacific Grove)



Source: AFFH Viewer, 2023.

Disproportionate Housing Need and Displacement

Disproportionate housing needs refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need, or the total population experiencing that category of housing need in the applicable geographic area. To analyze the extent of disproportionate housing needs, this section reviews data on housing cost burden and severe housing cost burden, overcrowding, homelessness, and substandard housing conditions. Information for this section relies on the HUD CHAS data.

Housing Problems

HUD considers housing units to be "standard units" if they are in compliance with local building codes. Many federal and State programs use the age of housing as a factor to determine a community's housing rehabilitation needs. Housing age can be an important indicator of housing condition in a community. Like any other tangible asset, housing is subject to gradual physical or technological deterioration over time. If not properly and regularly maintained, housing can deteriorate and discourage reinvestment, depress neighboring property values, and eventually impact the quality of life in a neighborhood. Typically, housing over 30 years old is more likely to have rehabilitation needs that may include replacing plumbing, roof repairs, foundation work, and other repairs. Housing units built before 1978 may have health risks such as lead-based paint and asbestos. Housing issues prompted by disrepair such as mold may elevate health conditions such as asthma.

According to HUD, housing units have a housing problem if they have one or more of the following problems: lack of complete kitchen facilities, lack of complete plumbing facilities, overcrowding, and cost burden.[20] Housing issues such as mold may elevate health conditions such as asthma. Residents who rent are at greater risk of exposure to deteriorating housing conditions due to the desire to keep their rents from rising or fear of losing their housing.[21]

Regional Trends

According to ACS estimates, approximately 49 percent of households in Monterey County experience housing problems and 30 percent of households experience severe housing problems. Older housing units are concentrated in urban parts of the county, particularly in the cities of Carmel-by-the-Sea, Pacific Grove, and Salinas, and southwest of the city of Soledad. In Monterey County, approximately 75 percent of housing units were built prior to 1990, meaning they are greater than 30 years old and may need maintenance or repair.

ACS estimates from 2017-2021 indicate Monterey County has approximately 1,058 substandard housing units, which comprises less than one percent of the total occupied units in the county. Of the 1,058 substandard housing units, 38 percent lack complete plumbing and 62 percent lack complete kitchen facilities.

[20] HUD 2021. https://www.huduser.gov/portal/datasets/cp/CHAS/bg_chas.html
[21] Alameda County Health Department. 2018. https://www.acgov.org/cda/lead/documents/news/health,housinginoakland.pdf

Local Trends

Approximately 42 percent of all households in Pacific Grove experience housing problems and 27 percent of households experience severe housing problems, slightly lower rates than the county. Housing units in Pacific Grove are older on average than most other areas of the county. Within the city, housing units in the Downtown and northeastern part of the city are older compared to other areas of the city. In Pacific Grove, approximately 91 percent of housing units were built prior to 1990. Due to their age, these units may need maintenance or repair.

According 2017-2021 ACS estimates, Pacific Grove has 63 substandard housing units, of which 14 percent lack complete plumbing and 86 percent lack complete kitchen facilities. Feedback from community outreach identified some rental units in the city are in poor condition and in need of maintenance and repair.

Housing Cost Burden

Housing cost burden is defined as the proportion of a household's total gross income spent on housing costs. Households that spend at least 30 percent of their total gross income on housing costs (rent, mortgage, utilities, and other housing-related costs) are considered cost burdened, and households spending over 50 percent on housing costs are considered severely cost burdened. The higher the housing cost burden, the more likely residents are to live in overcrowded and substandard conditions and are less likely to afford to relocate.

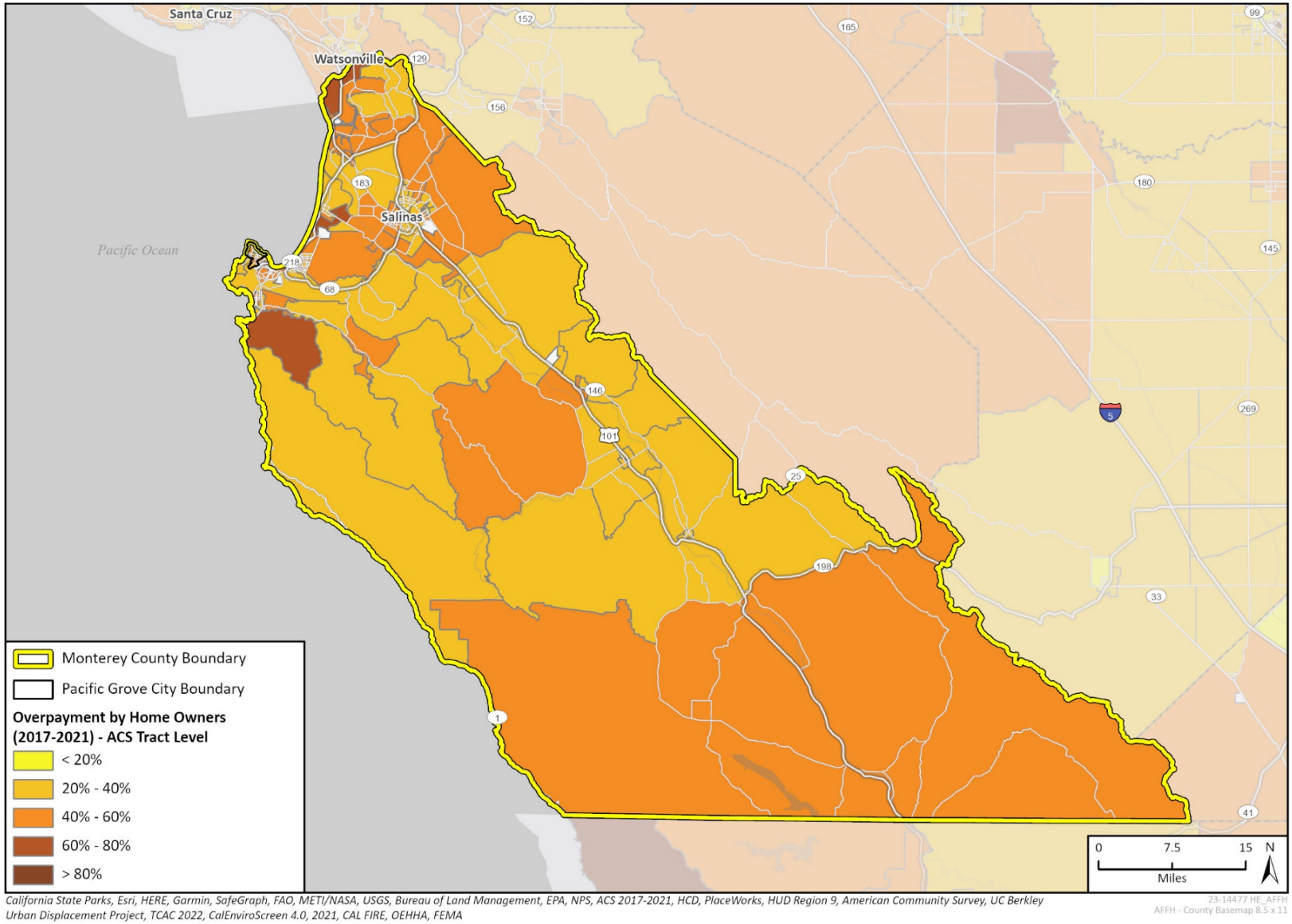
Regional Trends

Housing cost burden is high among homeowners and renters in Monterey County. Approximately 30 percent of homeowner households and 51 percent of renter households are cost burdened. In areas south of Carmel-by-the-Sea and within the cities of Salinas and Marina cost burden rates are more than 60 percent, which represent the highest rates of cost burden among homeowners in the county (Figure 32). Areas surrounding Carmel-by-the-Sea have cost burden rates greater than 80 percent, which represent the highest rates of cost burdened renter households (Figure 33). Areas within and surrounding the cities of Carmel-by-the-Sea, Pacific Grove, Monterey, Seaside, Salinas, Gonzales, and Soledad also have high rates of cost burden among renter households, between 60 and 80 percent.

Local Trends

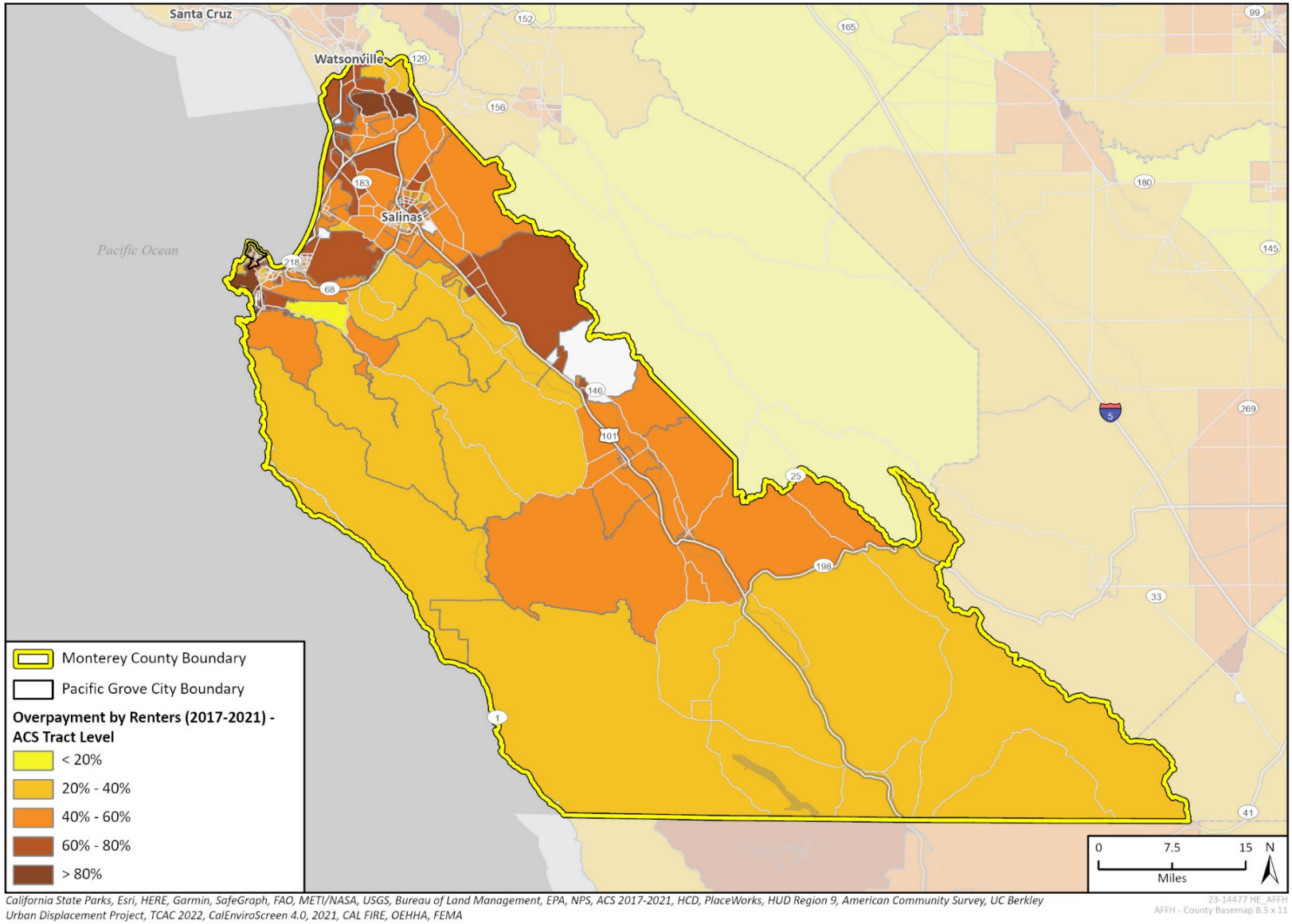
Compared to the County, the rate of housing cost burden is slightly lower among homeowners and renters in Pacific Grove. A higher percentage of renter households are cost burdened than homeowner households. Approximately 29 percent of homeowner households are cost burdened and 10 percent are severely cost burdened. The highest rates of cost burden among homeowners in Pacific Grove are in the northern and western areas of the city, where between 40 and 60 percent of homeowners are cost burdened.(Figure 34). Rates of cost burden are higher among renters compared to homeowners. Forty-four percent of renter households are cost burdened and 18 percent are severely cost burdened. The northern and western parts of the city, in particular the Asilomar Dunes, Pacific Grove Acres, and Sunset Drive neighborhoods, have higher rates of cost burden among renter households than other parts of the city (Figure 35).

Figure 32 Overpayment by Homeowners (Monterey County)



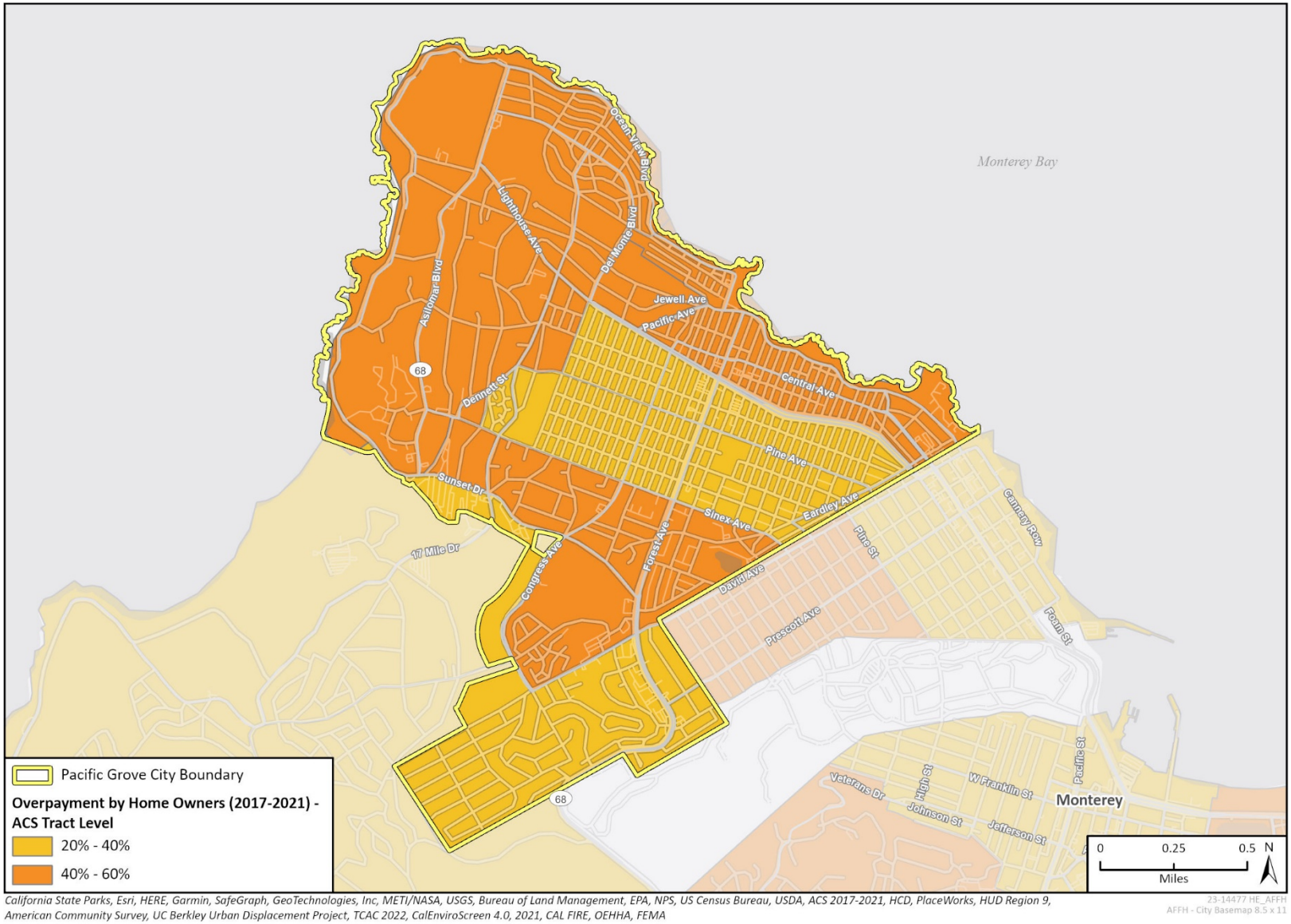
Source: AFFH Viewer, 2023.

Figure 33 Overpayment by Renters (Monterey County)



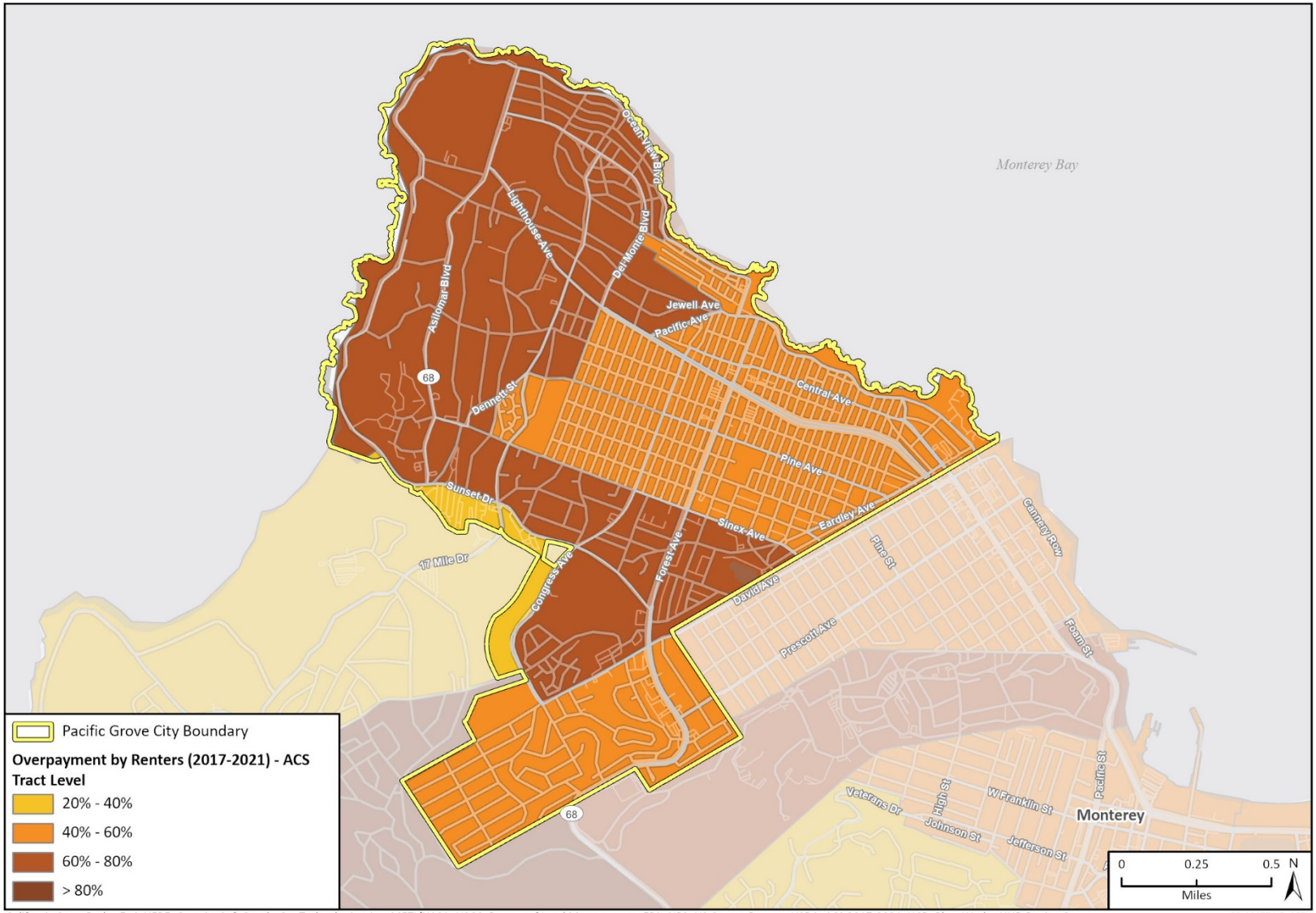
Source: AFFH Viewer, 2023.

Figure 34 Overpayment by Homeowners (Pacific Grove)



Source: AFFH Viewer, 2023.

Figure 35 Overpayment by Renters (Pacific Grove)



Source: AFFH Viewer, 2023.

Like the county, the percentage of households experiencing cost burden generally increases as income decreases in Pacific Grove. Extremely low-, very low-, and low-income households experience cost burden at disproportionately high rates compared to moderate and above moderate-income households for both renter and owner households (Table 17). Approximately 66 percent of all extremely low-income households are cost burdened, while only 22 percent of moderate and above moderate-income households are cost burdened.

Table 17 Assistance Needs of Lower-Income Households, 2015-2019 (Pacific Grove)

Household by Tenure, Income, and Housing Problem	Renter		Owner		Total Household	
	Total	Percent	Total	Percent	Total	Percent
Extremely low-income (0-30% AMI)	**465**		**220**		**685**	
With any housing problem	315	68%	140	64%	455	66%
With cost burden >30%	315	68%	140	64%	455	66%
With cost burden >50%	295	63%	115	52%	410	60%
Very low-income (31-50% AMI)	**275**		**145**		**420**	
With any housing problem	230	84%	100	69%	330	79%
With cost burden >30%	230	84%	100	69%	330	79%
With cost burden >50%	125	45%	50	34%	175	42%
Low-income (51-80% AMI)	**605**		**395**		**1,000**	
With any housing problem	525	87%	190	48%	715	72%
With cost burden >30%	510	84%	195	49%	705	71%
With cost burden >50%	155	26%	130	33%	285	29%
Moderate & Above Income (>80% AMI)	**2,315**		**2,415**		**4,730**	
With any housing problem	835	36%	510	21%	1,345	28%
With cost burden >30%	540	23%	480	20%	1,020	22%
With cost burden >50%	90	4%	140	6%	230	5%
Total Households	**3,660**		**3,175**		**6,835**	
With any housing problem	1,905	52%	940	30%	2,845	42%
With cost burden >30%	1,595	44%	915	29%	2,510	37%
With cost burden >50%	665	18%	435	14%	1,100	16%

Note: Housing Problems: There are four housing problems in the CHAS data: 1) housing unit lacks complete kitchen facilities; 2) housing unit lacks complete plumbing facilities; 3) household is overcrowded; and 4) household is cost burdened. A household is said to have a housing problem if they have any 1 or more of these 4 problems.

Cost burden: Monthly housing costs (including utilities) exceeding 30% of monthly income.

Severe cost burden: Monthly housing costs (including utilities) exceeding 50% of monthly income.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2015-2019 release

An overview on housing cost burden by race is provided in Table 18. According to 2013-2017 CHAS estimates, Black/ African American (28 percent), Hispanic/Latino (28 percent) and American Indian or Alaskan Native (25 percent) households were disproportionately burdened by housing costs (spent between 30 and 50 percent of income on housing costs), compared to Asian American/API (21 percent) and non-Hispanic white (17 percent). Additionally, Black/ African American (25 percent) and Hispanic/Latino (20 percent) households also had the highest rates of severe housing cost

burden (spent 50 percent or more of income on housing costs) compared to American Indian and Alaskan Native (10 percent), Asian American/API (12 percent), and non-Hispanic white (15 percent).

Table 18 Housing Cost Burden by Race (2013-2017)

Housing Cost Burden	American Indian or Alaskan Native	Asian American/API	Black/ African American	Hispanic/ Latino	Other Race or Multiple Race	Non-Hispanic White
0%-30% of Income Used for Housing	145 (75%)	8055 (66%)	2725 (46%)	8080 (52%)	960 (60%)	7860 (67%)
30%-50% of Income Used for Housing	30 (25%)	2570 (21%)	1630 (28%)	4275 (28%)	315 (20%)	2015 (17%)
50%+ of Income Used for Housing	19 (10%)	1410 (12%)	1480 (25%)	3095 (20%)	315 (20%)	1730 (15%)
Cost Burden Not computed	N/A	119 (<1%)	60 (<1%)	64 (<1%)	20 (<1%)	75 (<1%)
Total	**194**	**12154**	**5895**	**15514**	**1610**	**11680**

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

Overcrowding

Overcrowding is defined as a condition in which a housing unit is occupied by more than one person per room (including dining and living rooms but excluding bathrooms and kitchen). Severe overcrowding refers to more than 1.5 persons per room. Overcrowding is reflective of various living situations: a housing unit is inadequately sized to meet a household's needs; the necessity or desire to have extended family members reside in an existing household; or unrelated individuals or families share a single housing unit.

Overcrowding is a measure to understand the needs of large families where there are five or more persons per household. Generally, large households have special housing needs due to lower per capita income and the need for housing with three or more bedrooms. Some large households may not be able to accommodate high-cost burdens for housing and accept housing with too few rooms. Potential fair housing issues emerge if non-traditional households are discouraged or denied housing due to a perception of overcrowding.

According to local fair housing service providers and property managers, addressing the issue of large households is complex as there are no set of guidelines for determining the maximum capacity for a unit. Fair housing issues may arise from policies aimed to limit overcrowding that have a disparate impact on specific racial or ethnic groups with different preferences for housing size and/or ability to pay according to the household size standards identified.

Regional Trends

Monterey County has 26,176 large households (households with five or more people), approximately 20 percent of all households. A slightly higher percentage of renter households (23 percent) are considered large households compared to owner households (18 percent).

Approximately 14 percent of households in Monterey are overcrowded and nine percent are severely overcrowded. Renter households experience a much higher rate of overcrowding (21 percent) and severe overcrowding (eight percent) than owner households (eight percent, two

percent). Overcrowded housing is concentrated in western parts of the county as well as parts of Salinas and town of Castroville (Figure 36), where more than 20 percent of households are overcrowded. Overcrowding is lowest in southern parts of the county as well as throughout the Monterey Peninsula, where less than five percent of households are overcrowded.

Local Trends

The percentage of large households is much lower in Pacific Grove than Monterey County. Approximately four percent of all households in Pacific Grove (255 households) are considered large households. Similar to the county, there are slightly more large renter households than homeowner households that are overcrowded.

In Pacific Grove, rates of overcrowding are much lower than in the county, with the southern area experiencing the highest rate as shown in Figure 37. Approximately seven percent of all households are overcrowded and five percent are severely overcrowded in the city. Like the county, renter households in Pacific Grove have a higher rate of overcrowding (13 percent) and severe overcrowding (10 percent) than owner households (one percent and zero percent). Overall rates of overcrowding in Pacific Grove increased over the past decade after decreasing between 2000 and 2011 (Table 19), primarily among renter households. For renter households, the percentage of renter households that were overcrowded decreased 4.4 percent between 2000 and 2021 and increased 11.7 percent between 2016 to 2021. The percentage of owner households that were overcrowded remained around one percent from 2000 to 2021.

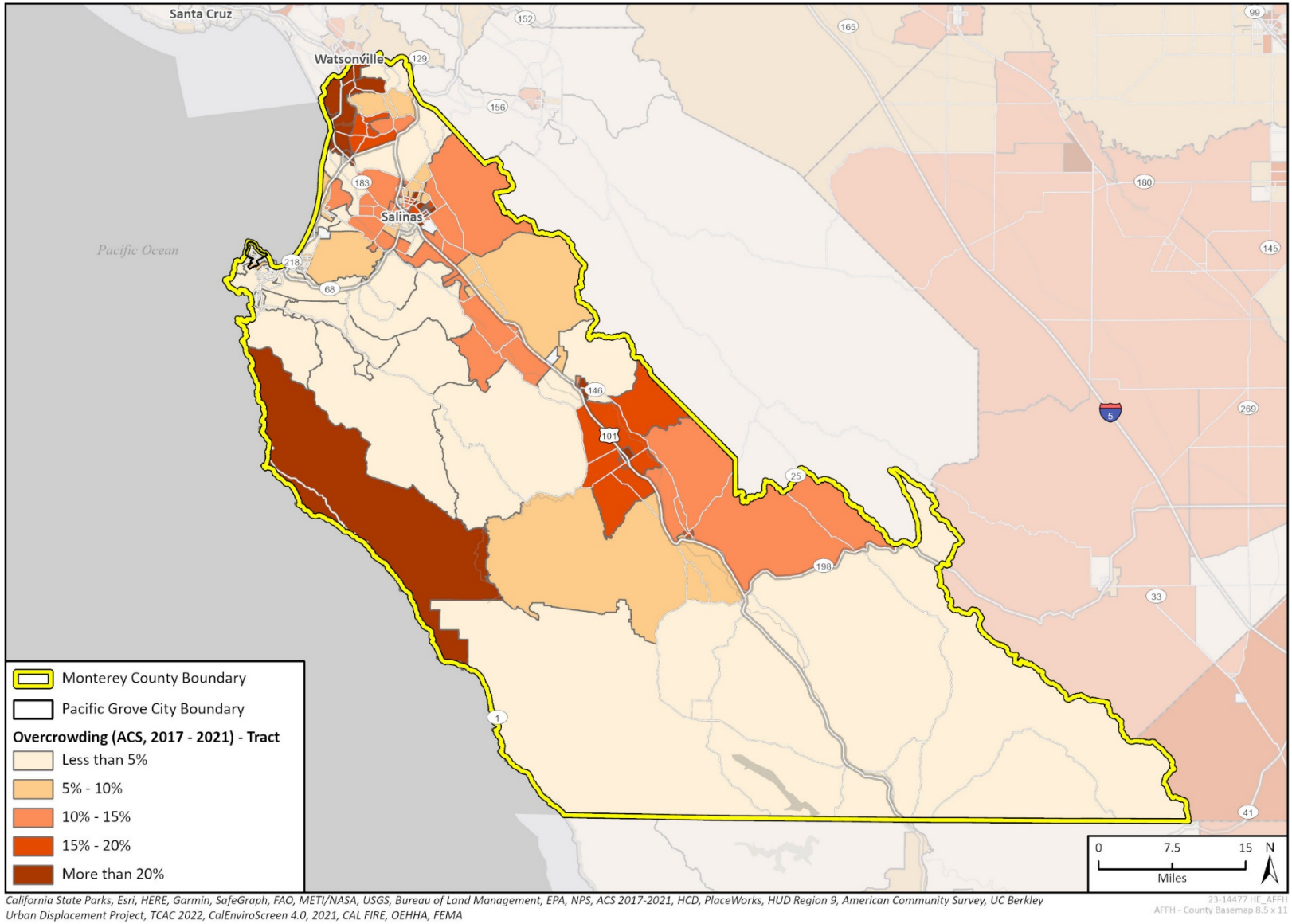
Table 19 Overcrowding (Pacific Grove)

	Owner-Occupied Households		Renter-Occupied Households		Total Households	
Overcrowding	Number	Percent	Number	Percent	Number	Percent
2021						
Overcrowded (>1.0 persons/room)	33	1.0%	466	13.0%	499	7.4%
Severely Overcrowded (>1.5 persons/room)	0	0.0%	358	10.0%	358	5.3%
2011						
Overcrowded (>1.0 persons/room)	33	1.0%	50	1.3%	83	1.2%
Severely Overcrowded (>1.5 persons/room)	0	0.0%	8	0.2%	8	0.1%
2000						
Overcrowded (>1.0 persons/room)	50	1.4%	211	5.7%	261	3.6%
Severely Overcrowded (>1.5 persons/room)	0	0.0%	134	3.6%	134	1.8%

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2011-2016\5, 2016-2021, 2017-2021), Table B25014.

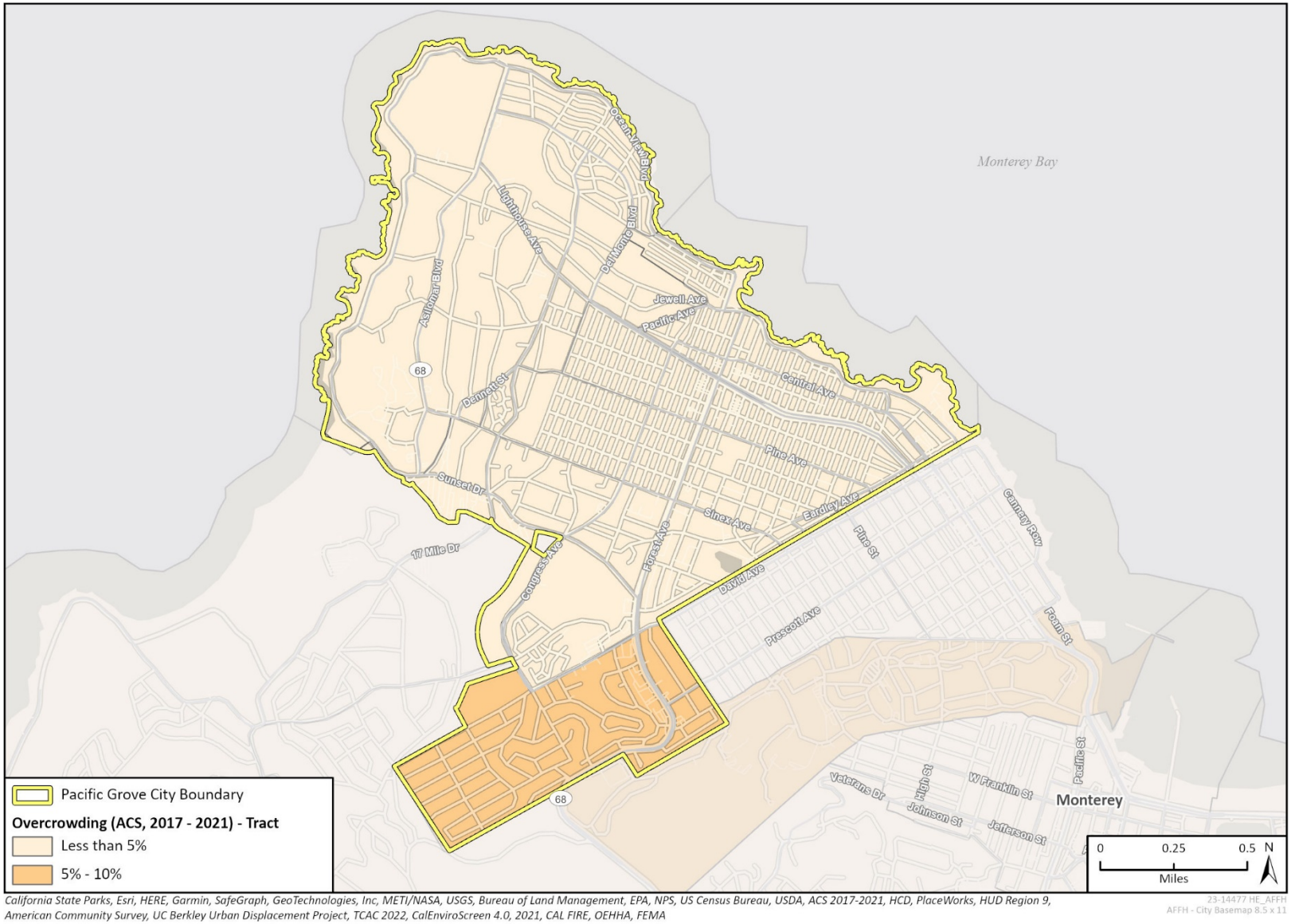
Rates of overcrowding are low throughout the city but are slightly higher in the southern portion of the city, including the Del Monte Park neighborhood, where about five percent of households are overcrowded (Figure 37).

Figure 36 Overcrowded Households (Monterey County)



Source: AFFH Viewer, 2023.

Figure 37 Overcrowded Households (Pacific Grove)



Source: AFFH Viewer, 2023.

According to City Staff knowledge, overcrowding is highest in the Del Monte Park neighborhood as it consists of working households and families, while other areas of the city, particularly along the coast, are comprised of smaller retiree households. In addition, the Del Monte Park neighborhood has a higher percentage of multi-family housing compared to the rest of the city, which tend to consist of smaller housing units than single-family homes.

Persons Experiencing Homelessness

State law (Section 65583(a)(7)) requires municipalities to address the special needs of persons experiencing homelessness within their boundaries. "Homelessness," as defined by HUD, describes the condition of an individual, who is not imprisoned or otherwise detained, who:

- Lacks a fixed, regular, and adequate nighttime residence; and
- Has a primary nighttime residence that is:
- A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
- An institution that provides a temporary residence for individuals intended to be institutionalized; or
- A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

Regional Trends

The 2022 Monterey County Point-in-Time Count, conducted on January 27 and 28, 2022 recorded 2,047 individuals experiencing homelessness in the county, a 15 percent decrease from the previous Point-in-Time Count conducted in 2019, and the lowest count observed over the past decade. This decrease may be attributed to the effects of COVID-19 which did not allow effective profiling of unsheltered families during the 2022 Monterey County Point-in-Time Count.[22]

The majority (66 percent) of homeless individuals were unsheltered. Approximately 54 percent of homeless individuals identified as Hispanic/Latino, an underrepresentation compared to the general population, and 13 percent identified as Black/African American, an overrepresentation compared to the general population. According to the Point-in-Time Count, 61 percent of identified homeless individuals had a disabling condition (developmental disability, HIV/AIDS, or a long-term physical or mental impairment that impacts a person's ability to live independently but could be improved with stable housing) and 27 percent had a physical disability.

Local Trends

According to the 2022 Monterey County Point-in-Time Count, 29 individuals experiencing homelessness were recorded in Pacific Grove, an increase from the previous Point-in-Time Count (2019) in which 14 individuals were recorded. However, this equates to approximately one percent of the county's total homeless population, and is less than the city's share of the overall population (three and a half percent). All individuals experiencing homelessness in 2022 were unsheltered. The 2022 Monterey County Point-in-Time Count does not break down population characteristics for homeless individuals in Pacific Grove, however it can be assumed that the homeless population in

[22] County of Monterey. 2022. Homeless Count and Survey Comprehensive Report. https://chsp.org/wp-content/uploads/2022/07/2022montereyfinalV2.pdf

Pacific Grove shares similar characteristics with the homeless population in the county. The low homeless count in Pacific Grove may be due to the lack of homelessness services within the city. There are no homeless shelters in Pacific Grove.

Displacement

Displacement, as defined by HCD, is used to describe any involuntary household move caused by landlord action or market changes. Shifts in neighborhood composition are often framed and perpetuated by established patterns of racial inequity and segregation. Movement of people, public policies, and investments, such as capital improvements and planned transit stops, and flows of private capital can lead to displacement. Displacement is fueled by a combination of rising housing costs, rising income inequality, stagnant wages, and insufficient market-rate housing production. Decades of disinvestment in low-income communities, coupled with investor speculation, can result in a rent gap or a disparity between current rental income of the land, and potentially achievable rental income if the property is converted to its most profitable use. These processes can disproportionally impact people of color, as well as lower income households, persons with disabilities, large households, and persons at-risk or experiencing homelessness.[23]

To analyze displacement risk, the UDP has established categories that reflect varying levels of displacement vulnerability. Communities are designated "sensitive" and vulnerable to displacement if the share of very low-income residents is greater than 20 percent and have any of the two following characteristics: the share of renters is above 40 percent, the share of people of color is above 50 percent, the share of very low-income households that are severely rent burdened is above the county median, or the percent change in rent is above the county median for rent increases. Areas categorized as at-risk of or experiencing gentrification refer to neighborhoods that demonstrate characteristics of increasing housing costs, changes in housing supply, and are located near communities that have also experienced increasing housing costs and an increasing risk of displacement in the future. The stable moderate/mixed income category refers to neighborhoods that have moderate- to high-income residents that are not at-risk of becoming neighborhoods that exclude all but wealthy households. The stable/advanced exclusive category refers to neighborhoods that have exhibited characteristics of exclusion for long periods of time.

Regional Trends

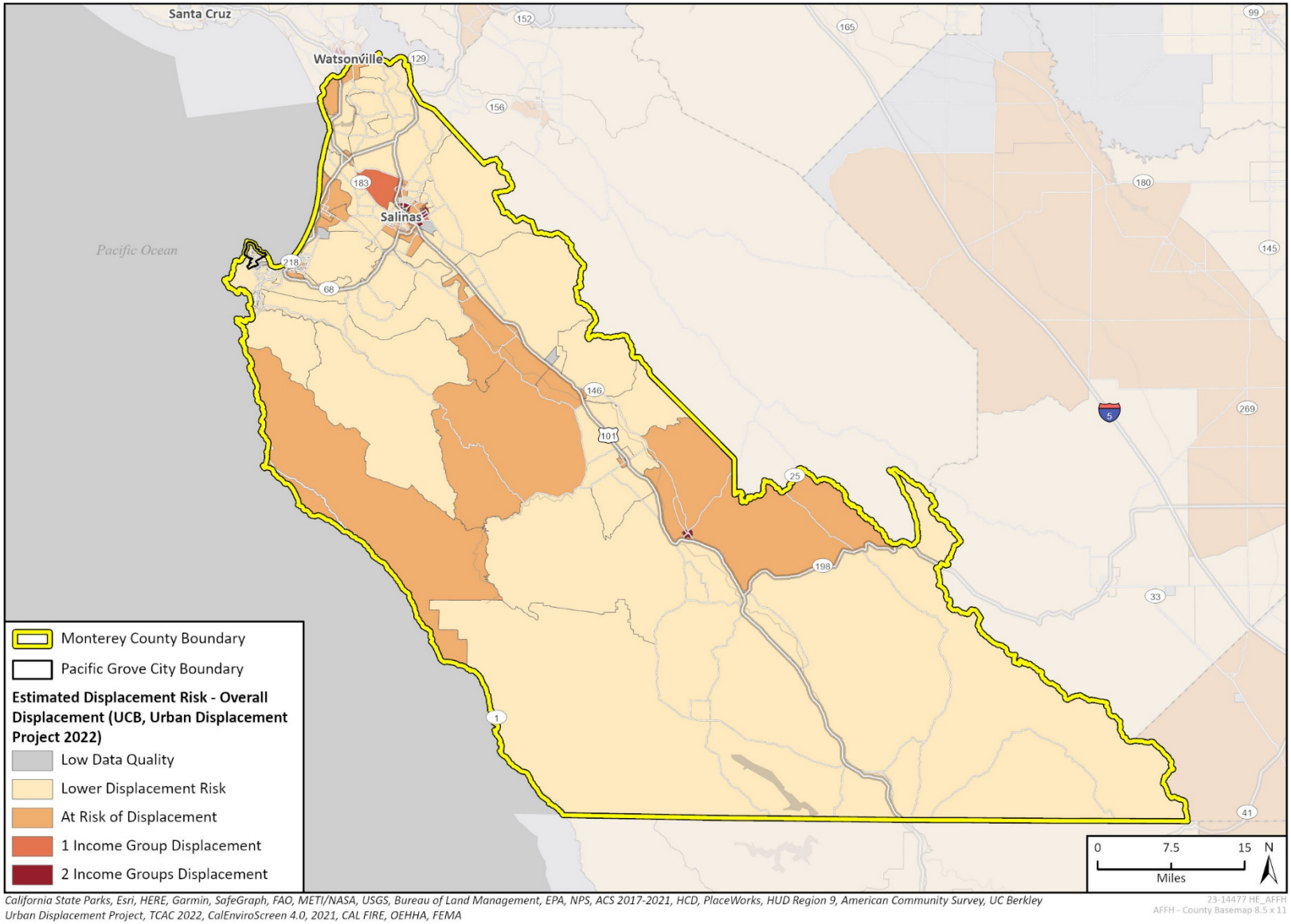
Low-income residents are at risk of displacement throughout various parts of the county, including in portions of the cities of Salinas, Marina, Seaside, Monterey, Gonzales, Soledad, Greenfield, and King City, as well as areas along Highway 101 and the coast in central parts of the county (Figure 38). Low-income households at the highest risk of displacement are in the cities of Salinas and Seaside. Low-income residents in southern parts of the county and on the Monterey Peninsula are at lower risk of displacement.

Local Trends

Displacement risk is low throughout Pacific Grove and no areas have been identified as having an elevated risk of displacement (Figure 39).

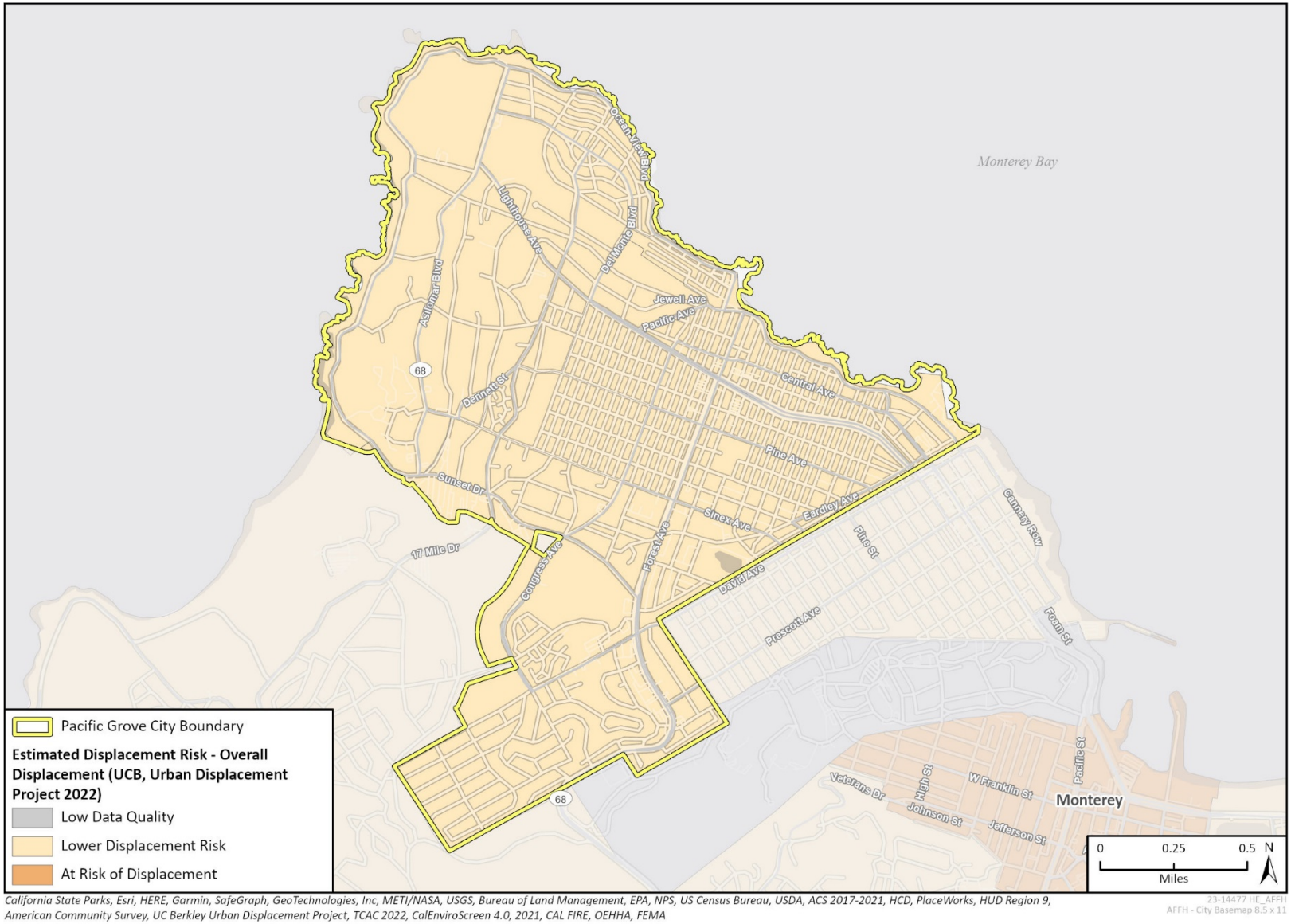
[23] HCD 2021. https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf

Figure 38 Displacement Risk (Monterey County)



Source: AFFH Viewer, 2023.

Figure 39 Displacement Risk (Pacific Grove)



Source: AFFH Viewer, 2023.

Local Area Knowledge

Relevant History

Patterns of racial segregation are the byproduct of local and federal policies, private housing discrimination, and community prejudice. To understand present challenges to fair housing, it is necessary to review the history of actions that have led to regional patterns of segregation.

The first inhabitants of Monterey County were Native American tribes, in particular the Esselen, Ohlone, and Salinan tribes, who enjoyed the region's mild weather and abundant fish and wildlife. The Native American population severely declined during the late 18th century, following the founding of the mission in Monterey and forced servitude of Native Americans. During this time, the Native American population in Monterey County declined by approximately 90 percent, due to disease and poor living conditions. Throughout the 19th century as California transitioned from Mexican to American governance, Native Americans continued to be enslaved and stripped of their lands.[24]

In 1851 a group of families from the Kwantung Province of China sailed to the west coast of the United States. Several boats became separated along the journey and one group landed near the Carmel River in the Monterey area. The group initially camped at Point Lobos and then made a permanent settlement at Point Alones in Pacific Grove. The families were the first to recognize the commercial fishing potential of Monterey Bay. By 1853, there were about 500 to 600 Chinese fishermen in Monterey Bay, harvesting abalone, a variety of fish, oysters, and mussels. Racial tension grew between the Chinese fishing village and white Americans, which were worsened by the competition for fishery resources. The Chinese fishermen were pushed out of their daytime fishing spots and began fishing for squid at night. Multiple new laws passed between 1875 and 1900 greatly restricted the Chinese fishermen from fishing and processing and selling their catch. Newspapers and citizens called for the removal of the Chinese fishing village and in 1906, the village was burnt to the ground. The cause of the fire was not determined but some believe it was arson.[25] Afterward, many Chinese families to moved away from the area, however several remained in the Monterey Peninsula.[26]

In May 2022, the Pacific Grove City Council adopted Resolution No. 22-024 which formally acknowledges and apologizes for the City's history of racism, prejudice, and discrimination towards Chinese residents. The resolution recognizes the contributions of the Chinese community to the city and commits the Council to programs and policies to educate the community on the city's history of discrimination and work to rectify the damage done by such actions.

Redlining/Racially Restrictive Covenants

Historically, race-based exclusionary tactics, known as "redlining," served as a tool to limit homeownership opportunities to certain residents in particular neighborhoods. Tactics included racial steering by real estate agents (directing home buyers and renters of particular races to certain neighborhoods or buildings and away from others), racial covenants (barring residents of certain races from buying homes in particular developments or neighborhoods), and discriminatory

[24] Monterey County Historical Society. 2021. Local History. http://mchsmuseum.com/salinas/local-history/introduction/

[25] Jonathan Kemp. 2010. Chinese Start Monterey Fishing Industry. http://mchsmuseum.com/chinesefishing.html

[26] Pacific Grove Museum of Natural History. 2023. Pacific Grove's Chinese Fishing Village. https://www.pgmuseum.org/pacific-groves-chinese-fishing-village

mortgage lending that either steered or opted against providing loans to borrowers based on the racial or socioeconomic status of the neighborhood in which a property is located.

These practices occurred from the late 19th century and into the 20th century throughout the Monterey region, including in Pacific Grove. Census records from the early 20th century show these racial covenants resulted in a decrease of the Chinese population in the city. According to the County of Monterey, most restrictive covenants in the county were creased in the 1930s and 40s. Although racial covenants have since been banned, many property deeds in Pacific Grove continue to bear such language.

Del Monte Park Neighborhood

The Del Monte Park neighborhood, located in southern Pacific Grove, was annexed from the County of Monterey in 1972.[27] City Staff identified that transit access, including public transit stops and bicycle and pedestrian infrastructure, is significantly worse in the Del Monte Park neighborhood compared to other areas of the city. This neighborhood also contains steep hills, making biking and walking even more challenging compared to other areas of the city. Portions of the Del Monte Park neighborhood were built out before the area was annexed into Pacific Grove and therefore was established based on different development standards than the rest of the City. There is a high concentration of multi-family housing in this area of the city as well.

The Del Monte neighborhood consists primarily of families and working households while neighborhoods in and near downtown and the coast likely have a higher concentration of residents who are retired or on passive income. This can be seen in the income distribution levels in the city shown in Figure 12.

Other Relevant Factors

Other factors to fair housing issues in Pacific Grove that have not been previously discussed in this analysis include limited availability of affordable housing and high percentage of senior residents.

Limited Availability of Affordable Housing

According to the AFFH Data Viewer, Pacific Grove only has 48 subsidized housing units and no public housing. Feedback from community outreach revealed that many community members struggle to find housing they can afford, cannot afford to move due to lack of affordable housing options, or cannot afford to live in the city at all. Households of all types, including young professionals, seniors, couples, and families lack housing options. In addition, very few new housing units are developed in the city, largely due to the moratorium on new water hookups.

Seniors

Senior residents have specific housing needs as they often have restricted incomes, which can result in severe housing cost burdens, particularly during periods of rental price increases. In addition, seniors are more likely to rely on transit. Pacific Grove has a high percentage of senior residents. Approximately 26 percent of the city's population are 65 years old or older, which is significantly higher than the percentage of senior residents in the county (14 percent). According to community feedback, the city does not have enough affordable housing for seniors, in particular affordable housing suitable for single-person, senior households.

[27] City of Pacific Grove. 1994. Land Use Element. https://files.cityofpacificgrove.org/Document_Center/Departments/Community%20Development/Programs%20&%20Projects/General%20Plan/gp-chap2-measure-m-amended-november-2018.pdf

Areas of Affluence

Many residents in Pacific Grove are retired and do not rely on an annual income, so while their median household income is low, they are likely not experiencing housing problems similar to other households with lower incomes. According to City Staff, the Del Monte Park neighborhood, which has the highest median household income, is comprised primarily of families and working households, while affluent retirees reside along the coast in the Asilomar Dunes, Pacific Grove Acres, and Beach Tract/Fairway Homes neighborhoods in the eastern and northern parts of the city. Residents in neighborhoods in eastern and northern parts of the city have the highest median age, ranging between 52.8 and 58.9 years old, while the Del Monte Park neighborhood has the lowest, 39.5 years old (Figure 40).

Northern and eastern parts of the city have the lowest median household incomes in the city, ranging from $76,800 to $88,355, whereas the southern part of the city has one of the highest median household incomes in the city, $94,063 (Figure 12). However, ACS data shows that areas with lower median household income have a higher median home value, and areas with higher median incomes have lower median home values (Figure 41). This indicates that median household income does not accurately reflect geographical patterns of wealth within Pacific Grove. The Del Monte Park neighborhood in the southern part of the city has one of the highest median household incomes in the city, but also the lowest median home value, $852,700. The Asilomar Dunes, Pacific Grove Acres, and Beach Tract/Fairway Homes neighborhoods, which have the lowest median household income in the city, have the highest median home values, $1,560,900.

Housing Choice Vouchers

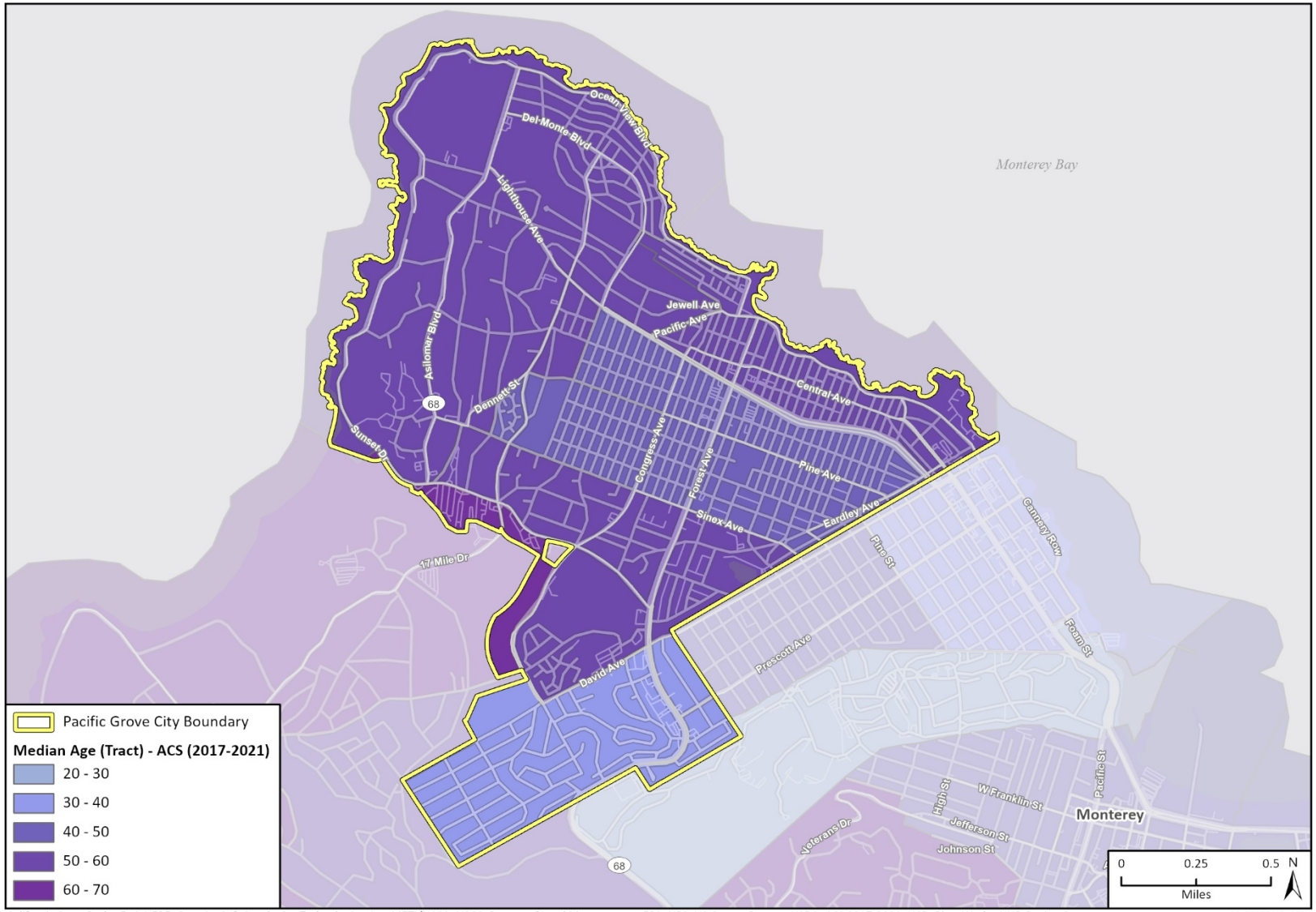
The Housing Authority of the County of Monterey (HACM) administers the Housing Choice Voucher (HCV) program in Pacific Grove. As of 2023, 4,858 HCVs are available in Monterey County, however, due to budget restrictions only 3,285 HCVs are available for use.[28] There are 77 households using HCVs in Pacific Grove. HCV recipients in Pacific Grove are concentrated in the Del Monte Park and Pacific Grove Retreat neighborhoods, located in southern and northeastern parts of the city (Figure 42). In these neighborhoods, between five and six percent of households use HCVs. Throughout the rest of the city, there are no households using HCVs.

Specific information on race/ethnicity, household characteristics, and special needs are not available for the city of Pacific Grove but is available for the overall county. In Monterey County, Black/African American and Hispanic/Latino residents are slightly overrepresented within HCV recipients. Black/African American residents make up approximately seven percent of HCV recipients but less than four percent of the general population and Hispanic/Latino residents make up approximately 62 percent of HCV recipients but less than 60 percent of the general population. For all other races HCV recipients are equally or underrepresented compared to the general population. Approximately 31 percent of HCV recipients are elderly (older than 62 years of age), 25 percent include an individual with a disability, and all participants request accessibility features.[29] The share of elderly HCV recipients is about equal to the share of elderly residents in the general population; however, a higher percentage of HCV recipients are disable compared to the general population.

[28] HUD. Housing Choice Voucher (HCV) Data Dashboard. 2023. https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/dashboard

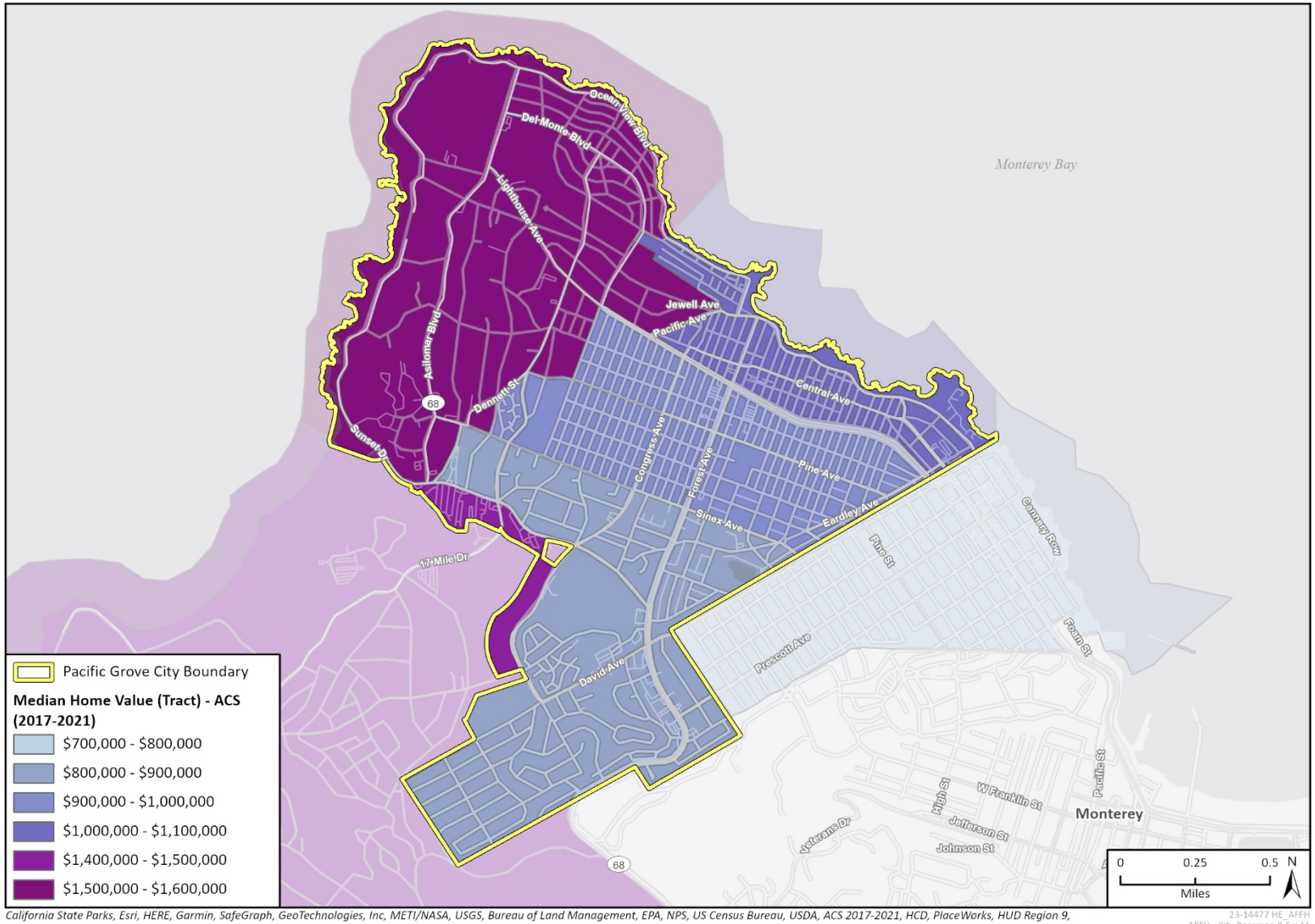
[29] City of Seaside. 2020-2025 Five Year Consolidated Plan. 2021 http://www.ci.seaside.ca.us/DocumentCenter/View/11888/2020-2025-Consolidated-Plan---Draft-1st-Substantial-Amendmen

Figure 40 Median Age



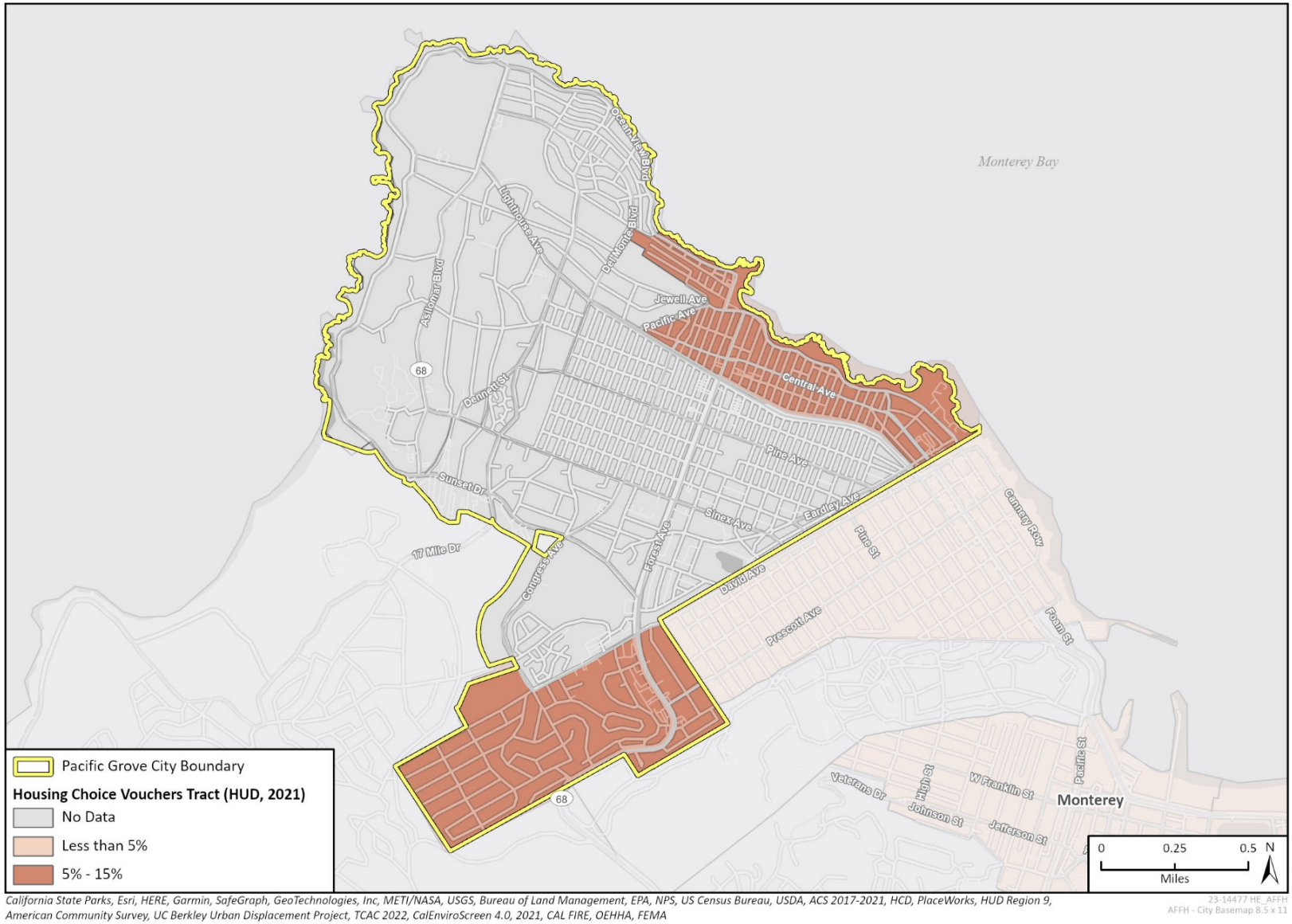
Source: AFFH Viewer, 2023.

Figure 41 Median Home Value



Source: AFFH Viewer, 2023.

Figure 42 Housing Choice Vouchers



Source: AFFH Viewer, 2023.

Site Inventory Analysis

This portion of the AFFH analyzes the relation between the housing opportunity sites and AFFH related issues. Government Code Section 65583(c)(10) requires the housing opportunity sites to be analyzed with respect to AFFH to ensure that sites designated for low-income households are dispersed equitably throughout the city rather than concentrated in areas of high segregation and poverty or low-resource areas that have historically been underserved, and conversely, that sites designated for above moderate-income households are not concentrated in areas of high resources. By comparing the sites inventory to the fair housing indicators in this assessment, this section analyzes whether the sites included in the Housing Element Site Inventory improve or exacerbate fair housing conditions, patterns of segregation, and access to opportunity.

Housing Sites by TCAC Opportunity Area

For purposes of evaluating fair housing, resource levels designated by TCAC/HCD denote access to economic and educational opportunities such as low-cost transportation, jobs, and high-quality schools and the quality of environmental factors in the area such as proximity to hazards and air quality. TCAC has a composite opportunity score for each census tract. All of Pacific Grove is designated as "highest-resource" areas and therefore, all housing opportunity sites are in highest-resource areas.

Figure 43, Figure 44, and Figure 45 shows housing opportunity sites by TCAC designated resource area. The housing opportunity sites are designated by income category – whether the sites could accommodate housing appropriate for low-, moderate-, or above moderate-income households. The "appropriateness" of sites for various affordability levels is dictated by State housing element law and HCD guidance and includes allowable density, size of site, realistic capacity, existing use(s), and other factors. More information about the sites and income designations is available in Chapter 2, Housing Resources. In addition, a small portion of the City's RHNA will be satisfied by planned and approved projects (10 of the total required 1,125 housing units).

Total Units by Resource Area

Planned and approved projects and the housing opportunity sites accommodate 1,136 housing units, all in highest-resource areas: 53 percent of those units (607 units) will be lower-income units, 11 percent (121 units) will be moderate-income units, and 36 percent (408 units) will be above moderate-income units. Therefore, overall housing development during the planning period will not increase patterns of segregation and will increase integration by household income in terms of access to opportunity. Table 20 shows a breakdown of the housing units in the Site Inventory.

Table 20 Site Inventory

	Lower-Income	Moderate-Income	Above Moderate-Income	Total Units
High-/Highest-Resource Area	606 (54% of total units)	121 (11% of total units)	399 (38% of total units)	1,126

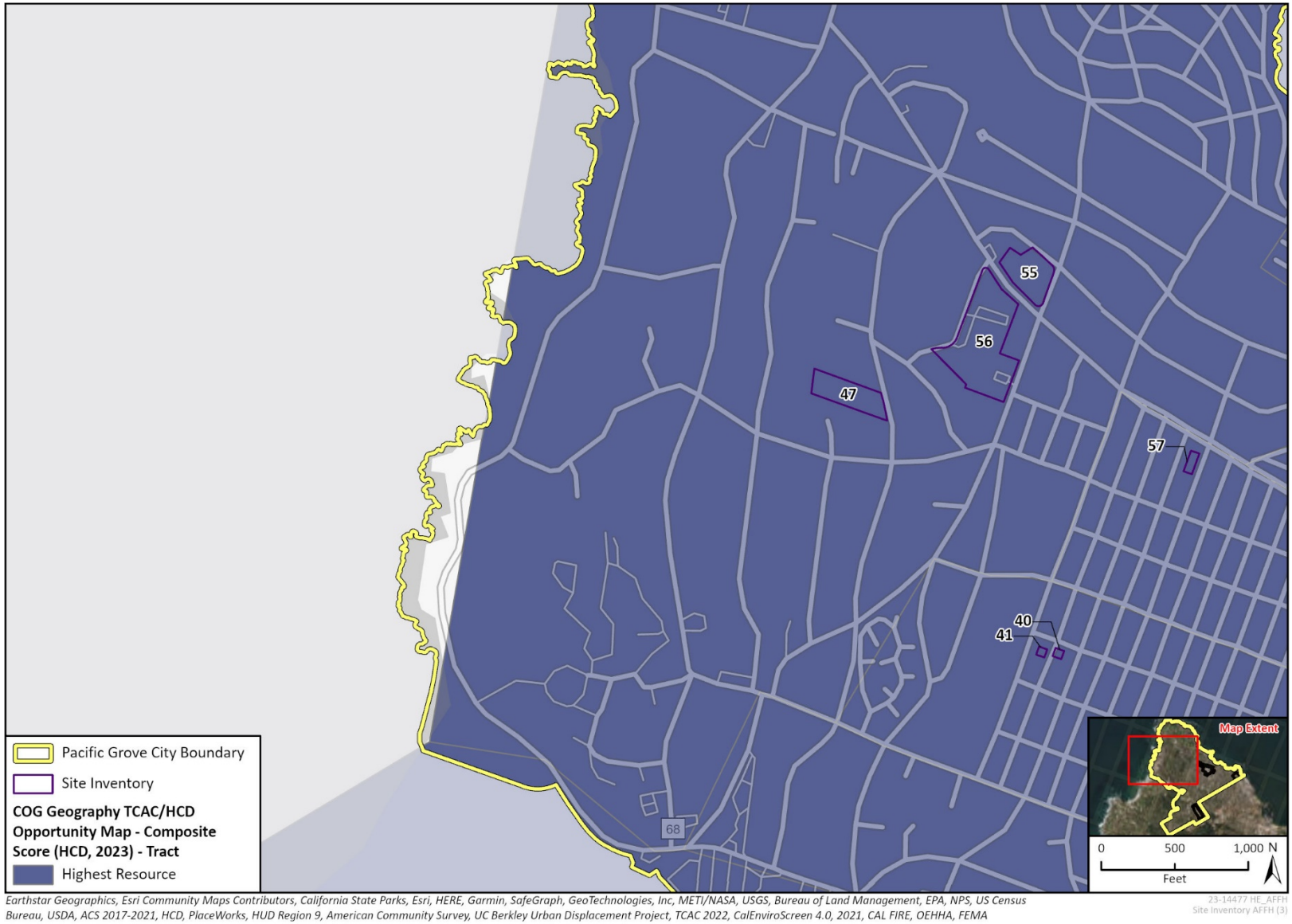
Figure 43 Housing Opportunity Sites by TCAC Resource Area (Eastern Pacific Grove)

Source: AFFH Viewer, 2023

Figure 44 Housing Opportunity Sites by TCAC Resource Area (Southern Pacific Grove)

Source: AFFH Viewer, 2023

Figure 45 Housing Opportunity Sites by TCAC Resource Area (Western Pacific Grove)



Source: AFFH Viewer, 2023

Sites by Median Households Income

Census tracts with median household incomes less than the city's overall median household income ($92,980) are primarily located in northern parts of the city as shown in Figure 46, Figure 47, and Figure 48. Approximately 41 percent of the total housing units included in the opportunity sites (457 housing units) are in census tracts with a lower household median income than the city's household median income. Median household incomes in these census tracts range from $76,800 to 92,188, not much lower than the city's median household income. Of the opportunity sites in these areas, approximately 30 percent of proposed units are appropriate for above moderate-income households, 8 percent appropriate for moderate-income households, and 62 percent for low-income households. Census tracts in northern Pacific Grove will benefit from the mix of households of differing income levels. The Site Inventory will improve the mixture of housing opportunities by income level in the city and will not exacerbate segregation by income between neighborhoods.

Sites by Overcrowded Households

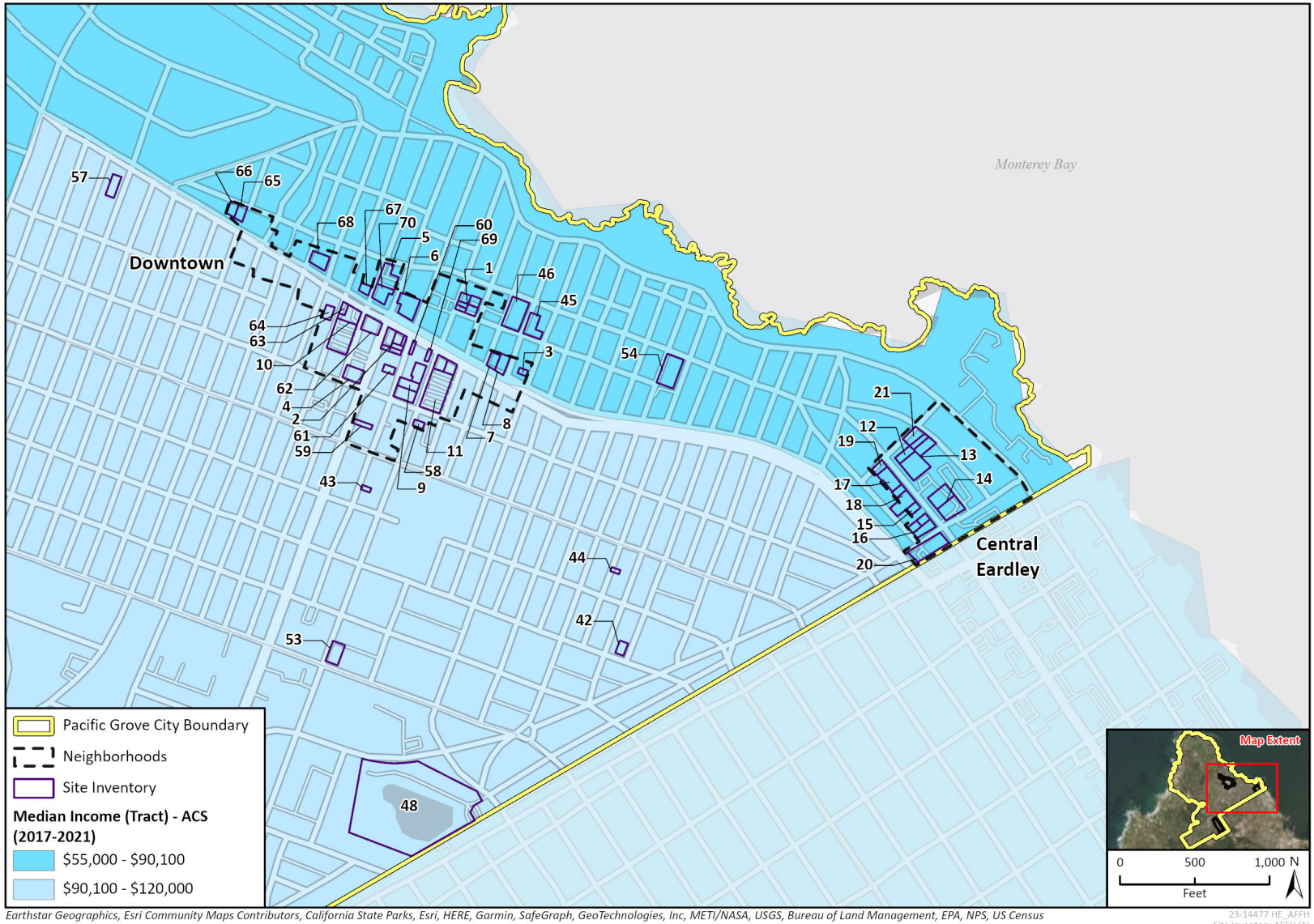
Overcrowding is low throughout Pacific Grove, with approximately four percent of households experiencing overcrowding. The census tract with the highest rate of overcrowded households is in the southern part of the city (Figure 49, Figure 50, and Figure 51), where five percent of households are overcrowded. This census tract currently has a mixture of low-, medium-, and high-density residential development, alongside commercial land uses. The Site Inventory assumes that sites in this census tract could accommodate a total of 383 housing units, of which 110 would be affordable to lower-income households, equal to approximately 18 percent of the total lower-income housing units. The remaining low-income housing units could be accommodated throughout the rest of the city which have lower levels of overcrowding, zero to three percent. The Site Inventory will not exacerbate overcrowding conditions but will add new housing opportunities in areas near transit and jobs.

Sites by Cost Burden by Renters

The percentage of cost burden among renters is high throughout Pacific Grove, with 44 percent of all households experiencing cost burden. The highest rates of cost burden among renter households are concentrated in the northern, western, and central parts of the city, specifically the Asilomar Dunes, Pacific Grove Acres, Sunset Drive, and Downtown neighborhoods. In these neighborhoods between 59 and 63 percent of renters are experiencing a cost burden. Figure 52 Figure 53, and Figure 54 show the housing opportunity sites by according to cost burden by renters. The housing opportunity sites will provide housing opportunities for a mix of income levels in these neighborhoods, including 394 units appropriate for lower-income households, 85 units appropriate for moderate-income households, and 36 units appropriate for above-moderate-income households. Most of these housing units will likely be rental units, based on trends in planning entitlements and developer interest. According to the Urban Displacement Project (UDP), new market-rate construction in gentrifying areas neither worsens nor eases rates of people moving out of the area. It will increase rates of people moving to Pacific Grove across all socio-economic groups, particularly high- socio-economic residents. The UDP recommends subsidized housing construction and housing preservation to help existing residents stay in their neighborhood. The proposed lower-income housing units will provide affordable housing to renter households that are already experiencing overcrowding, most of which are lower-income. The proposed moderate and above moderate-income housing units in northern, western, and central parts of Pacific Grove will

encourage higher-income households to move into the area. The Site Inventory will not exacerbate overpayment by renters but will add new housing opportunities in areas near transit and jobs.

Figure 46 Housing Opportunity Sites by Median Income (Eastern Pacific Grove)

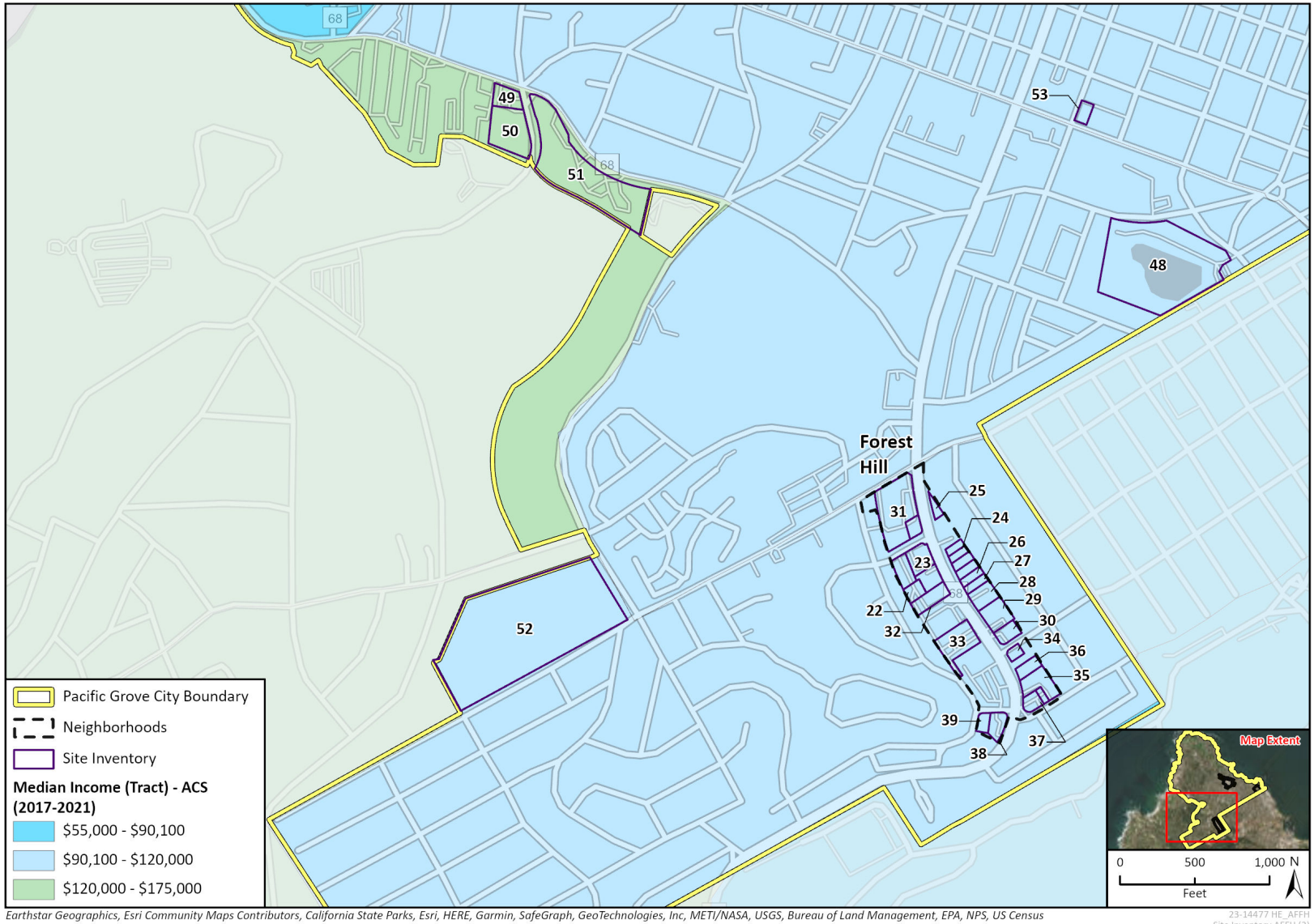


Earthstar Geographics, Esri Community Maps Contributors, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, American Community Survey, UC Berkley Urban Displacement Project, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

23-14477 HE_AFFH Site Inventory AFFH (1)

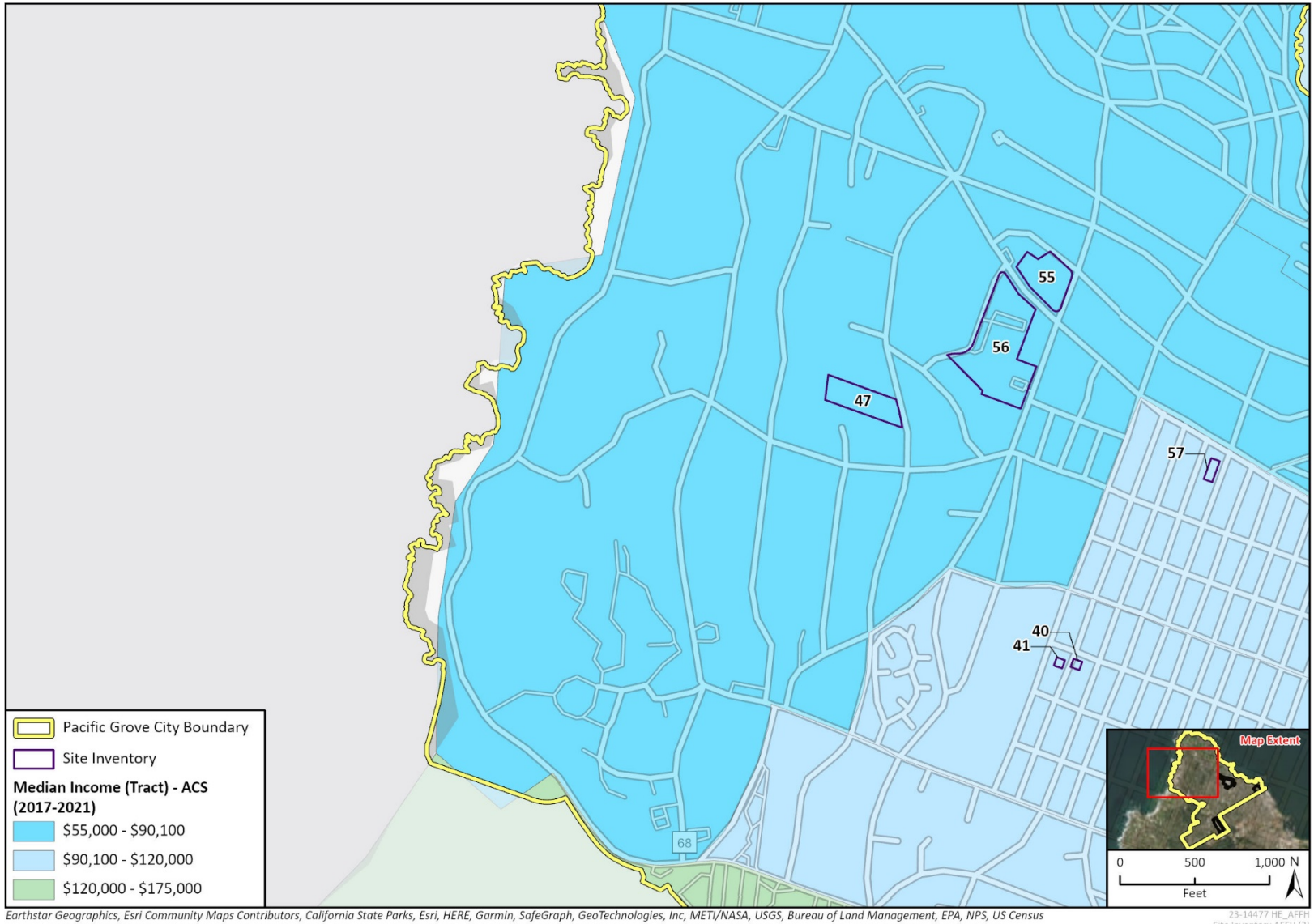
Source: AFFH Viewer, 2023

Figure 47 Housing Opportunity Sites by Median Income (Southern Pacific Grove)



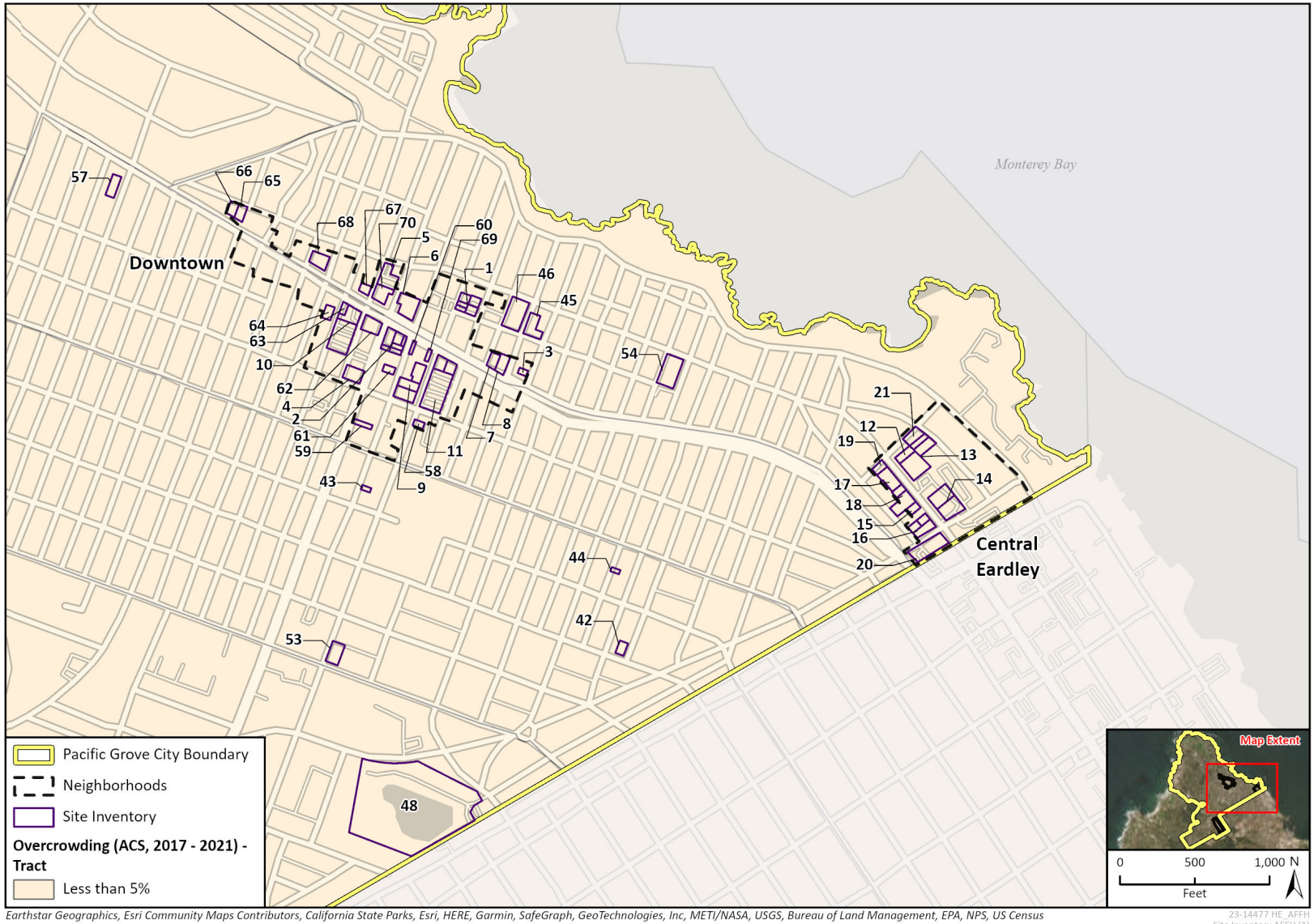
Source: AFFH Viewer, 2023

Figure 48 Housing Opportunity Sites by Median Income (Western Pacific Grove)



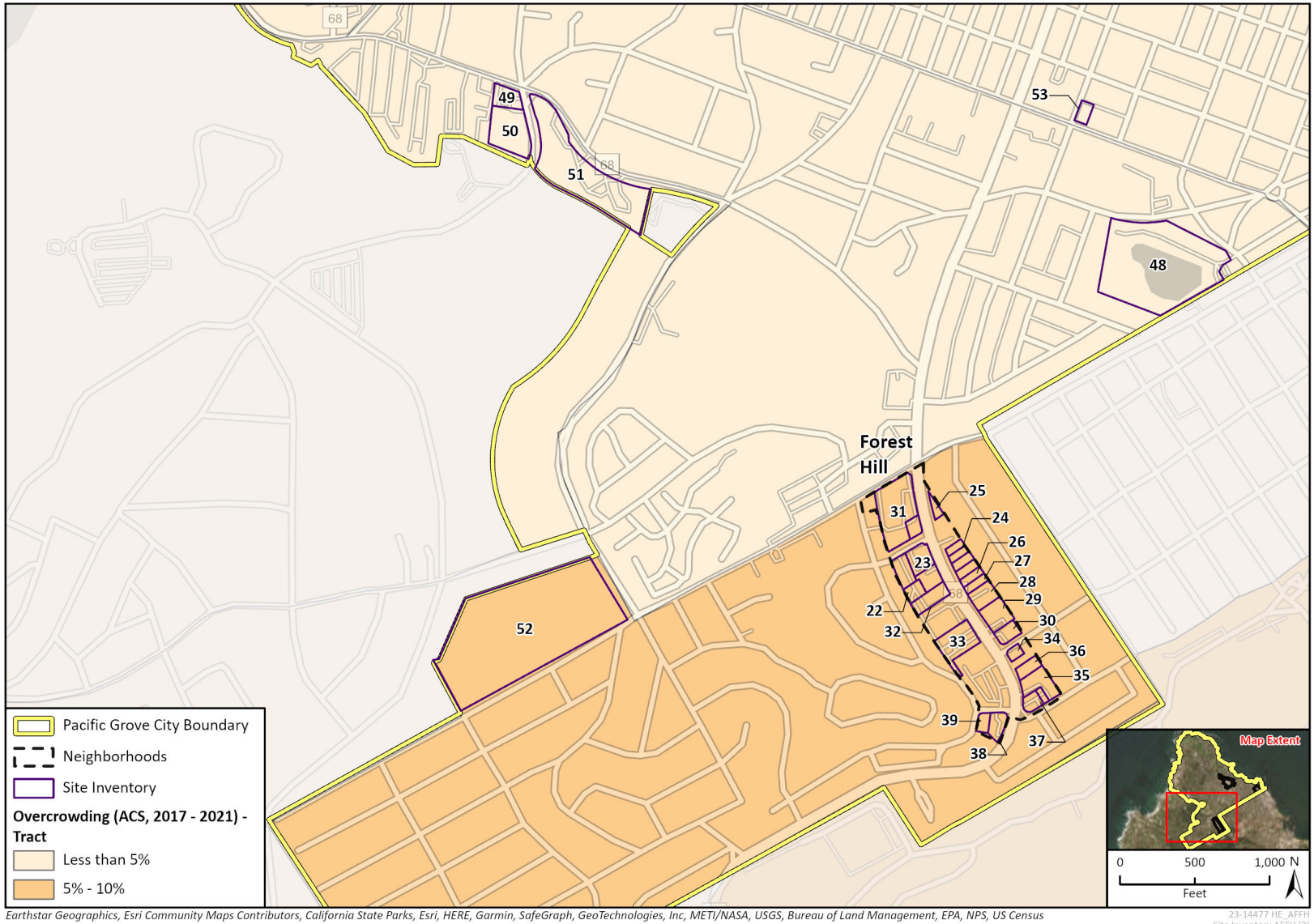
Source: AFFH Viewer, 2023

Figure 49 Housing Opportunity Sites by Overcrowded Households (Eastern Pacific Grove)



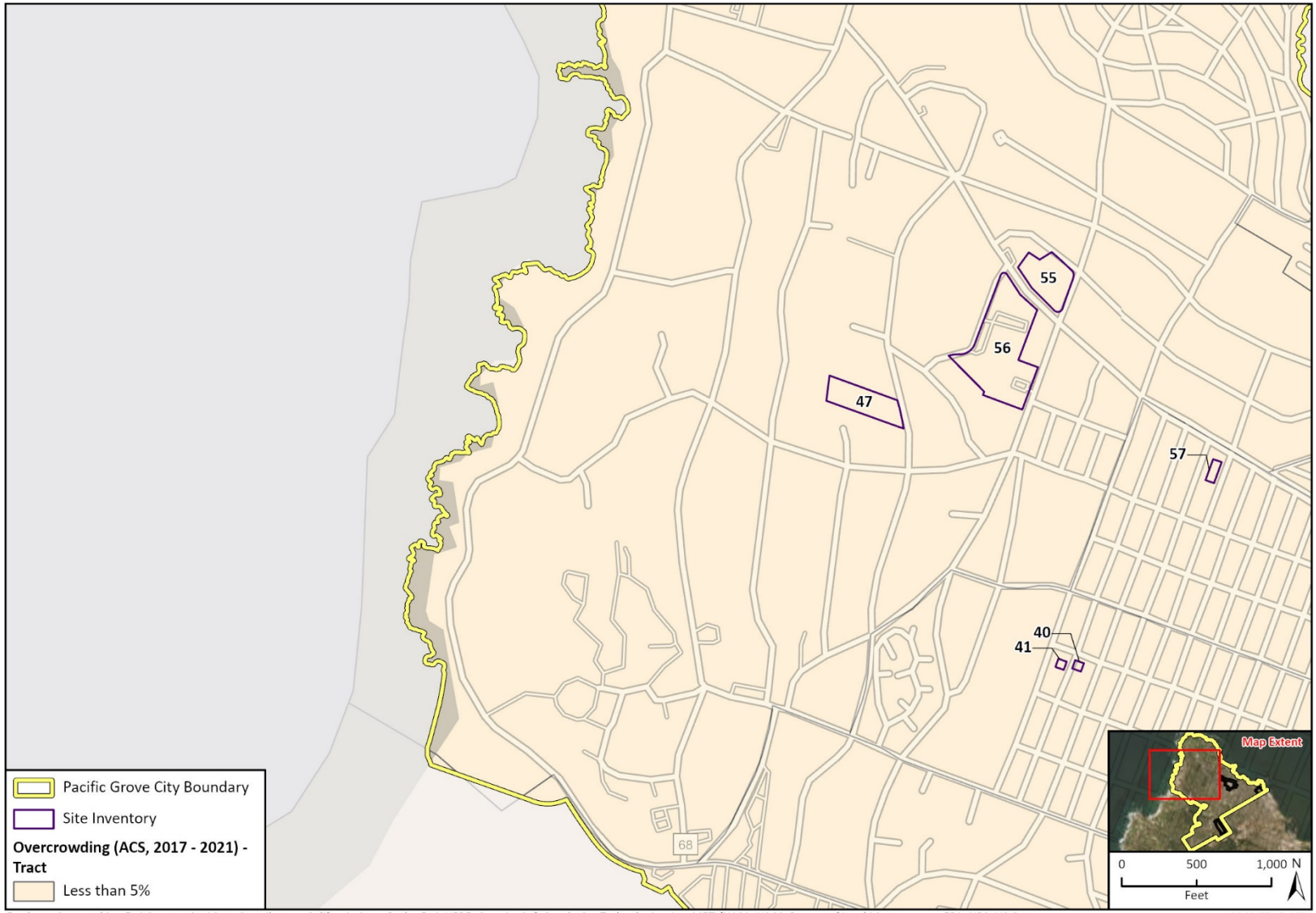
Source: AFFH Viewer, 2023

Figure 50 Housing Opportunity Sites by Overcrowded Households (Southern Pacific Grove)



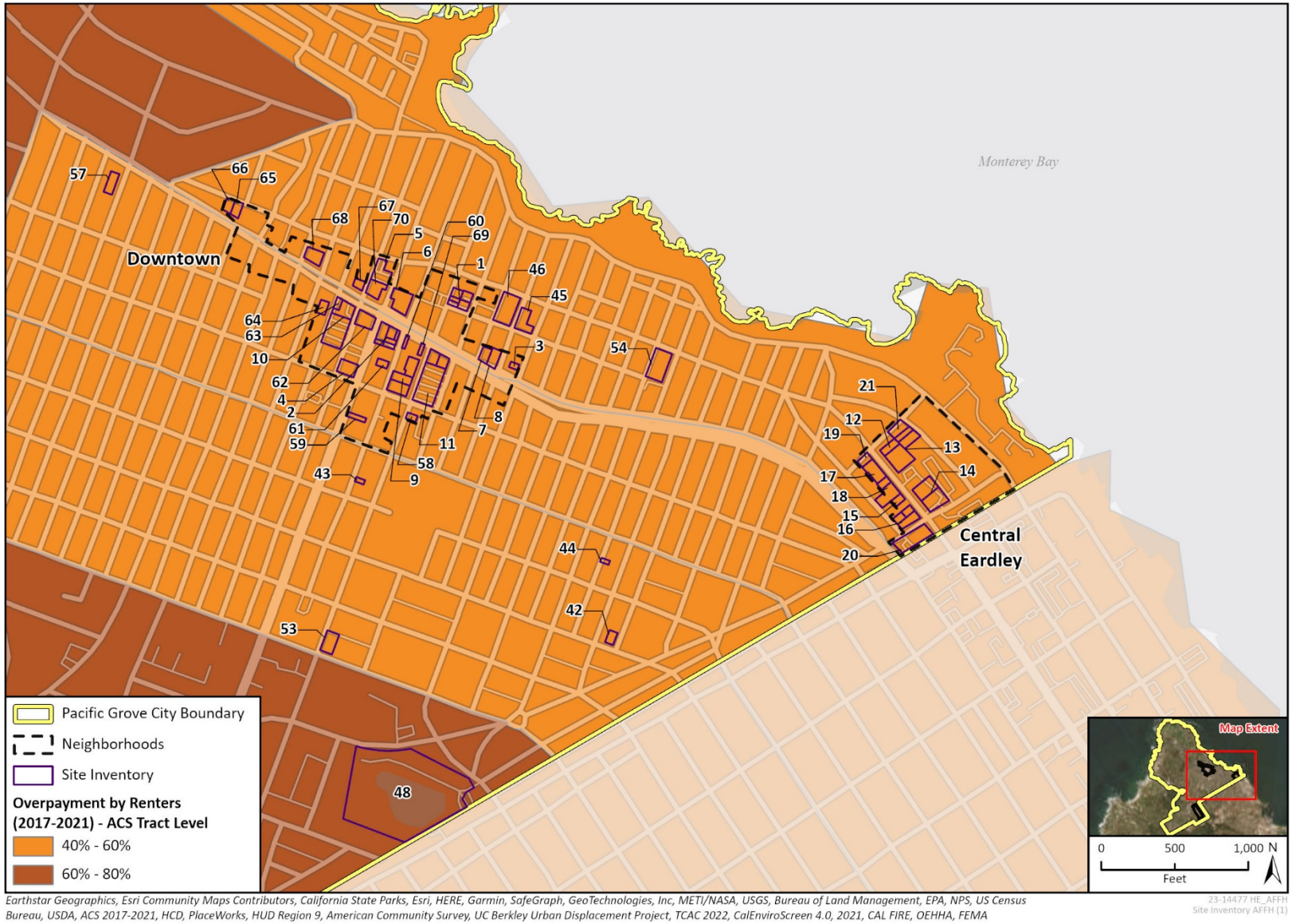
Source: AFFH Viewer, 2023

Figure 51 Housing Opportunity Sites by Overcrowded Households (Western Pacific Grove)



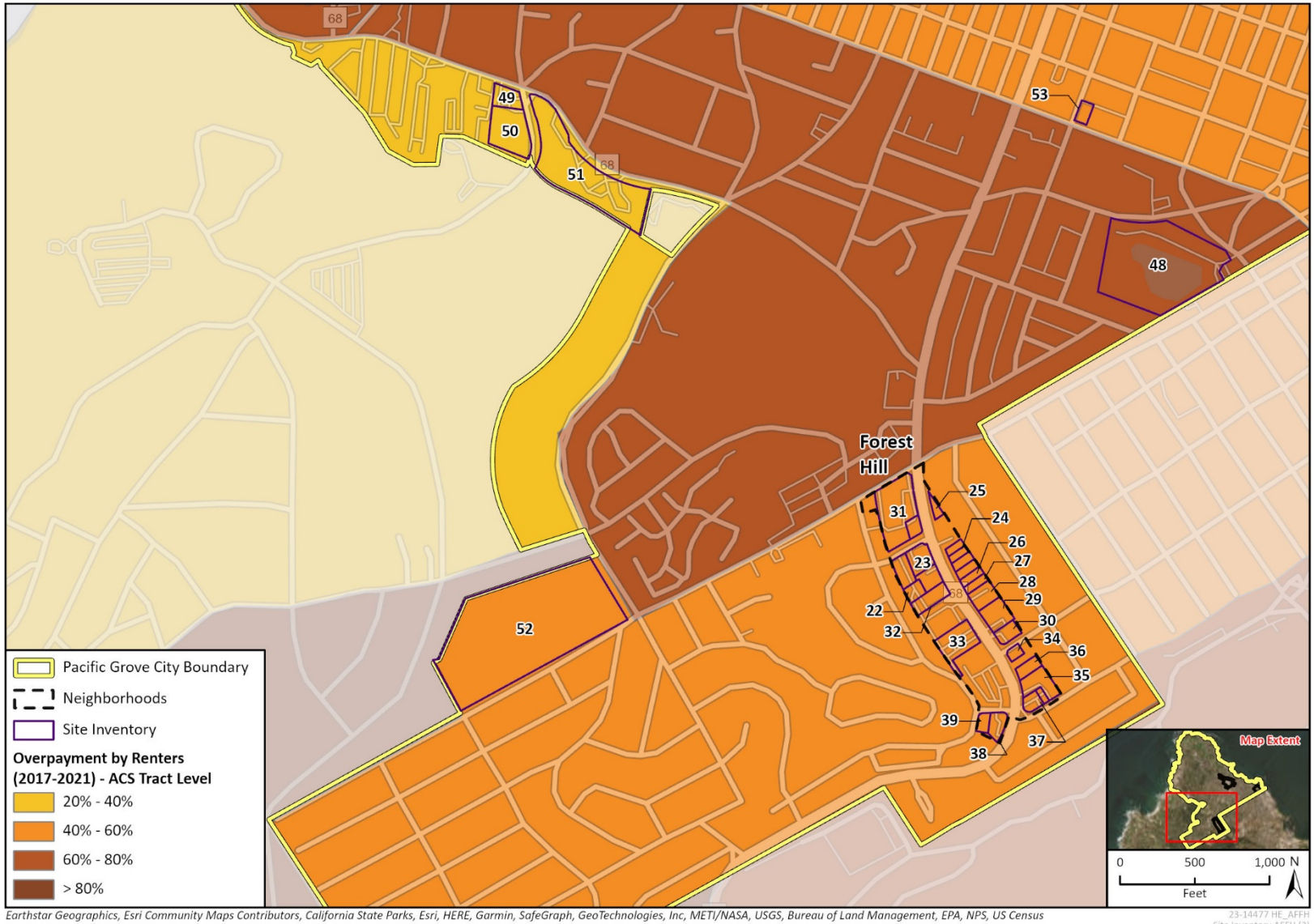
Source: AFFH Viewer, 2023

Figure 52 Housing Opportunity Sites by Cost Burden Among Renters (Eastern Pacific Grove)



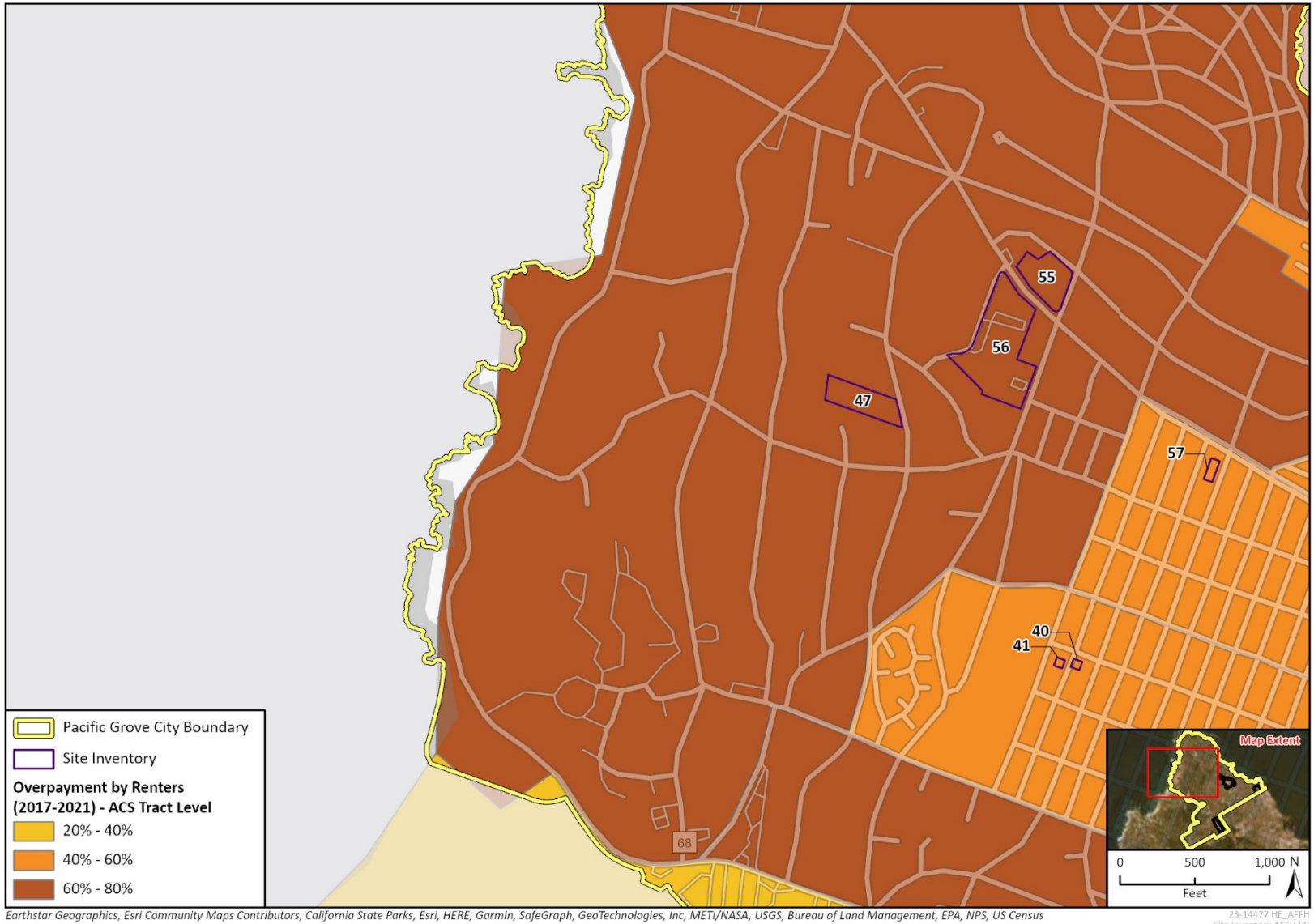
Source: AFFH Viewer, 2023

Figure 53 Housing Opportunity Sites by Cost Burden Among Renters (Southern Pacific Grove)



Source: AFFH Viewer, 2023

Figure 54 Housing Opportunity Sites by Cost Burden Among Renters (Western Pacific Grove)



Source: AFFH Viewer, 2023

Sites by Areas of Integration and Segregation

The population of Pacific Grove is predominantly white. Areas along the coast, in the northern and western parts of the city, have the highest percentage of white residents. The southern part of the city has the highest percentage of non-white residents. Housing opportunity sites in the southernmost census tract accommodate a mix of income levels totaling 334 housing units, 133 of which accommodate lower-income households, 3 of which accommodate moderate-income households, and 198 of which accommodate above moderate-income households. Figure 55, Figure 56, and Figure 57 shows the housing opportunity sites by percent of non-white residents. The Site Inventory will not contribute to segregation based on race/ethnicity or income level.

Approximately 12 percent of the population is living with a disability. For persons with disabilities who live independently or with other family members, independent living can be supported with special housing features, financial support, and in-home supportive services. The location of housing is also an important factor for persons with mobility restrictions who rely on public transportation for travel. Throughout the entire city, less than 20 percent of the population has a disability. However, census tracts with the highest percentage of residents with a disability (15 to 16 percent) are generally located in western parts of the city (Figure 58, Figure 59, and Figure 60). Housing opportunity sites in these census tracts accommodate a mix of incomes in proximity to transit stops, including 351 lower-income units, 82 moderate-income units, and 6 above moderate-income units. This will allow more residents to live near transit and create housing opportunities for residents who are unable to drive.

Sites by Areas Vulnerable to Displacement

There are no areas with elevated displacement risk in Pacific Grove. However, housing opportunity sites affordable to all income levels are spread throughout the city. Approximately 54 percent of all units on vacant and underutilized sites would be affordable to low-income households, which will alleviate displacement risk to low-income households throughout the city. Figure 61, Figure 62, and Figure 63 shows the housing opportunity sites by displacement risk. The Site Inventory will not contribute to displacement risk for low-income households.

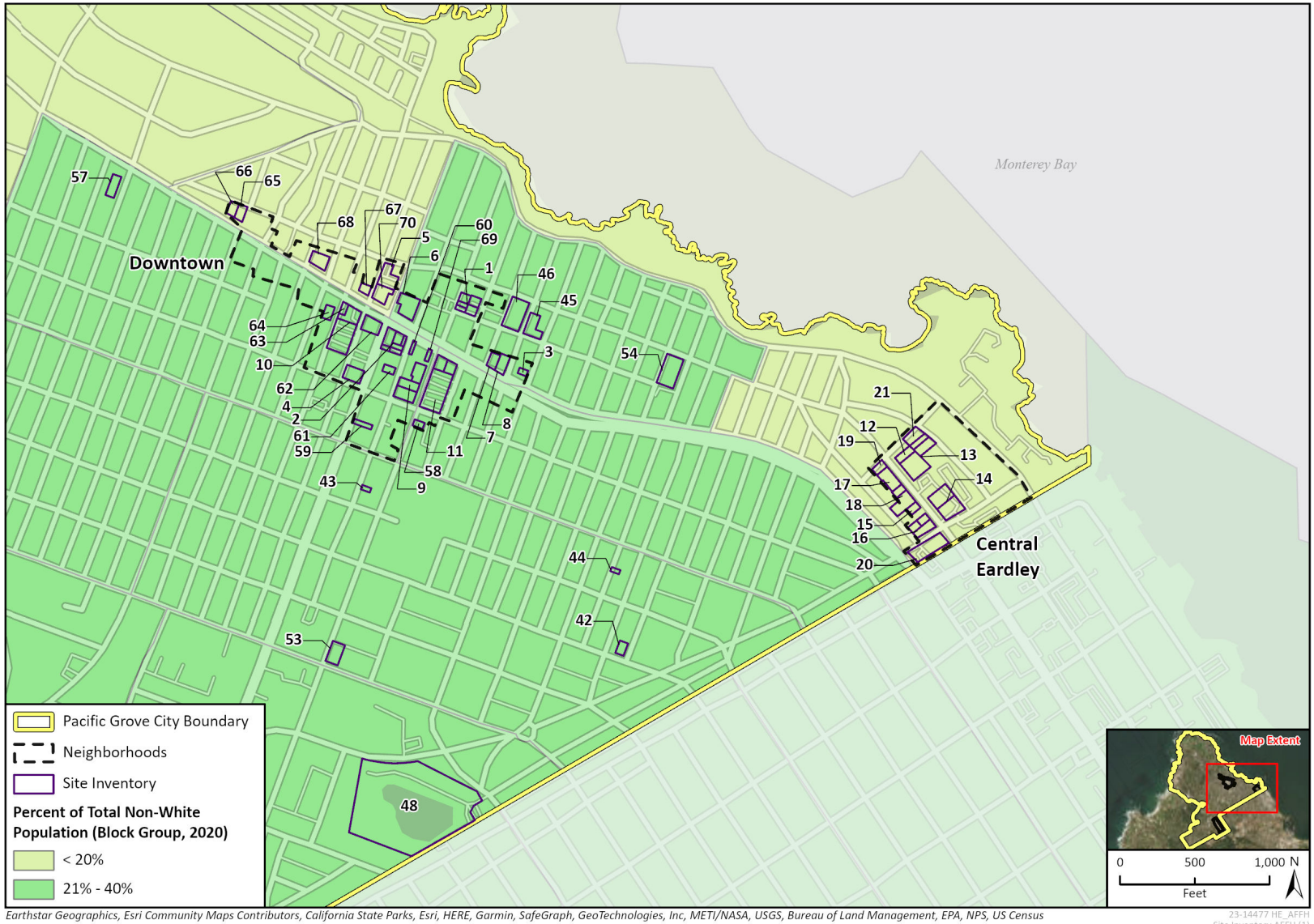
Sites by CalEnviroScreen Score

Pacific Grove has low pollution burden throughout the entire city, with lower CalEnviroScreen scores. In Pacific Grove, all census tracts have CalEnviroScreen percentile scores ranging from three to six percent. All of the housing units proposed by the Site Inventory are located in census tracts with a CalEnviroScreen percentile score of six or less, meaning they have a lower pollution burden than 94 percent of census tracts in the state. Figure 64, Figure 65, and Figure 66 show the housing opportunity sites by CalEnviroScreen percentile score.

The biggest sources of pollution burden in Pacific Grove are lead risk from housing, groundwater threats, and cleanup sites. Sites in census tracts with higher pollution burden from lead risk in housing and groundwater threats (Downtown and Pacific Grove Retreat neighborhoods) are in the northeastern part of the city and sites in census tracts with higher pollution burden from cleanup sites are in the northern part of the city near Point Pinos Lighthouse. Opportunity sites in these census tracts contain 41 percent of the total housing units in the Site Inventory, including 47 percent of the total lower-income units (284 housing units), 30 percent of the total moderate-income units (36 housing units), and 41 percent of the total above moderate-income units (137 housing units).

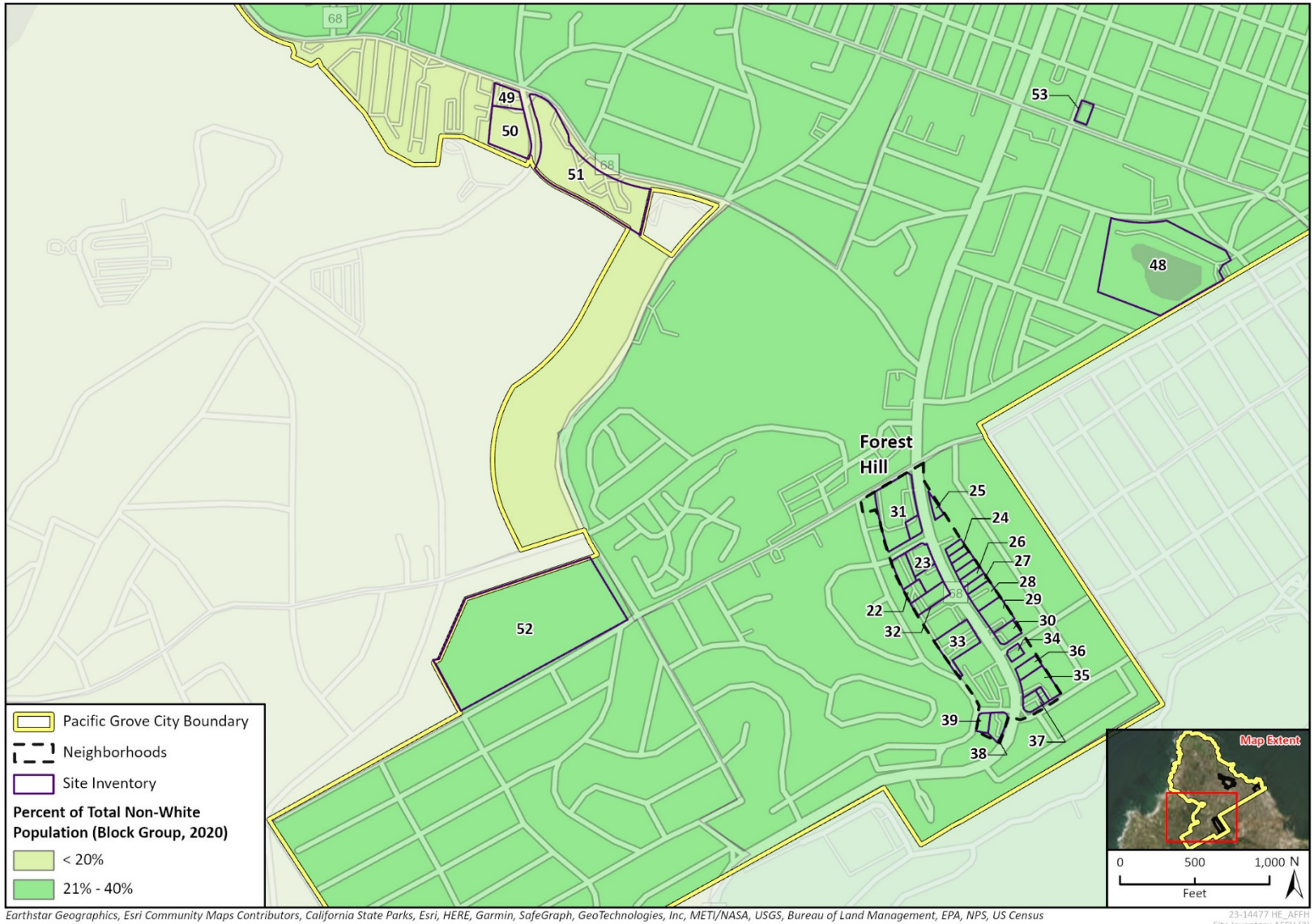
Therefore, the Site Inventory will not contribute to disproportionate pollution burden to lower-income households.

Figure 55 Housing Opportunity Sites by Total Non-White Population (Eastern Pacific Grove)



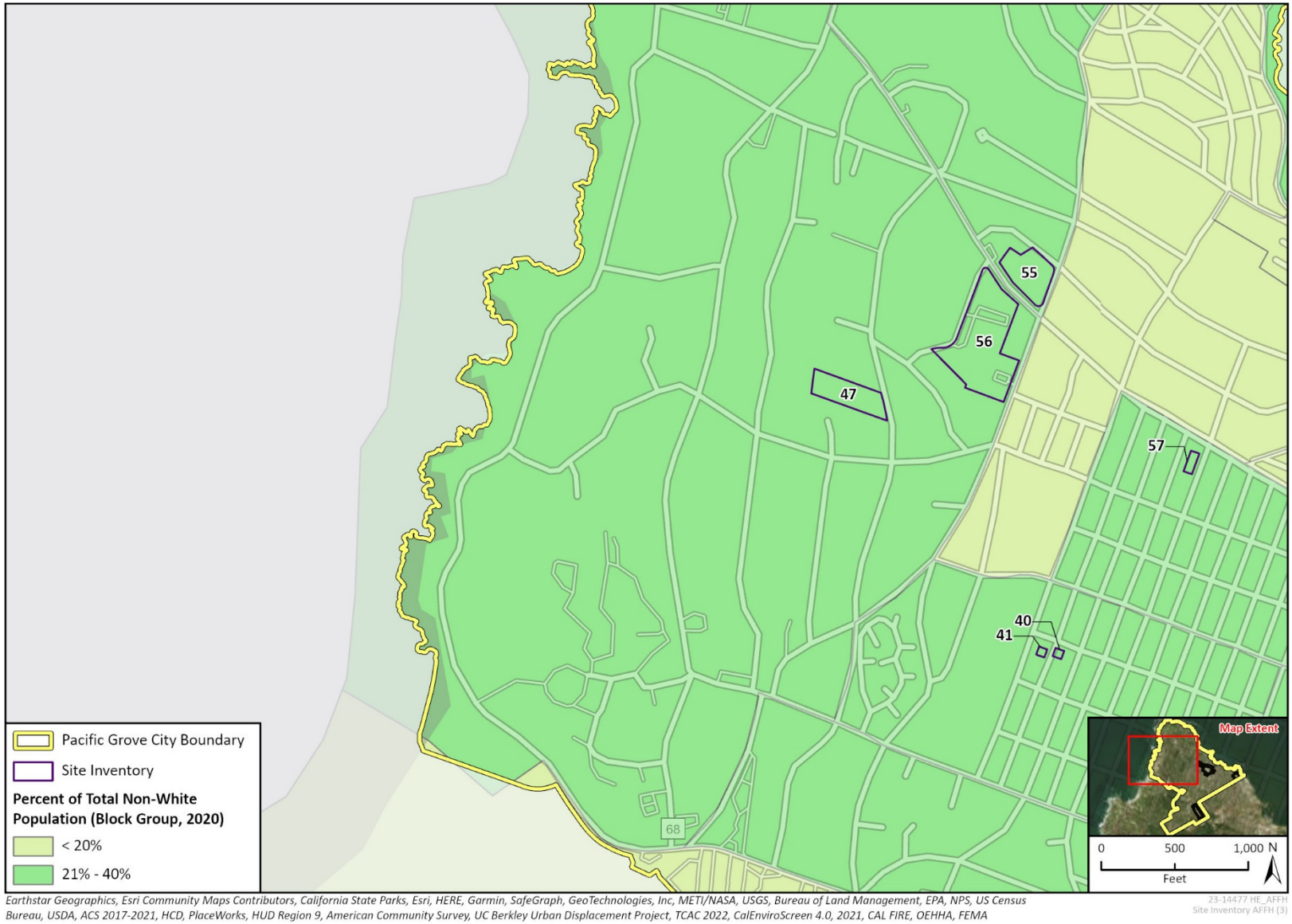
Source: AFFH Viewer, 2023

Figure 56 Housing Opportunity Sites by Total Non-White Population (Southern Pacific Grove)



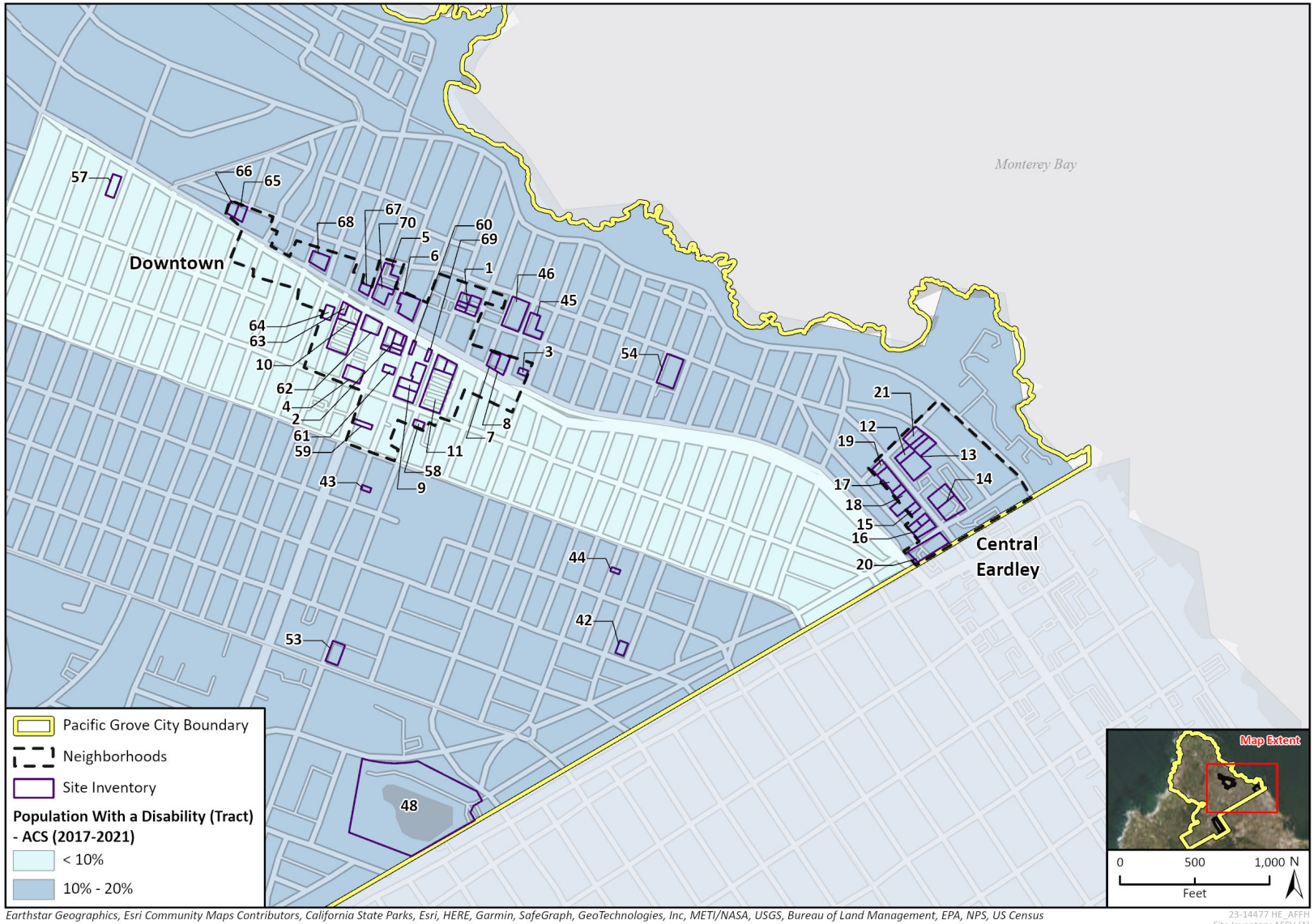
Source: AFFH Viewer, 2023

Figure 57 Housing Opportunity Sites by Total Non-White Population (Western Pacific Grove)



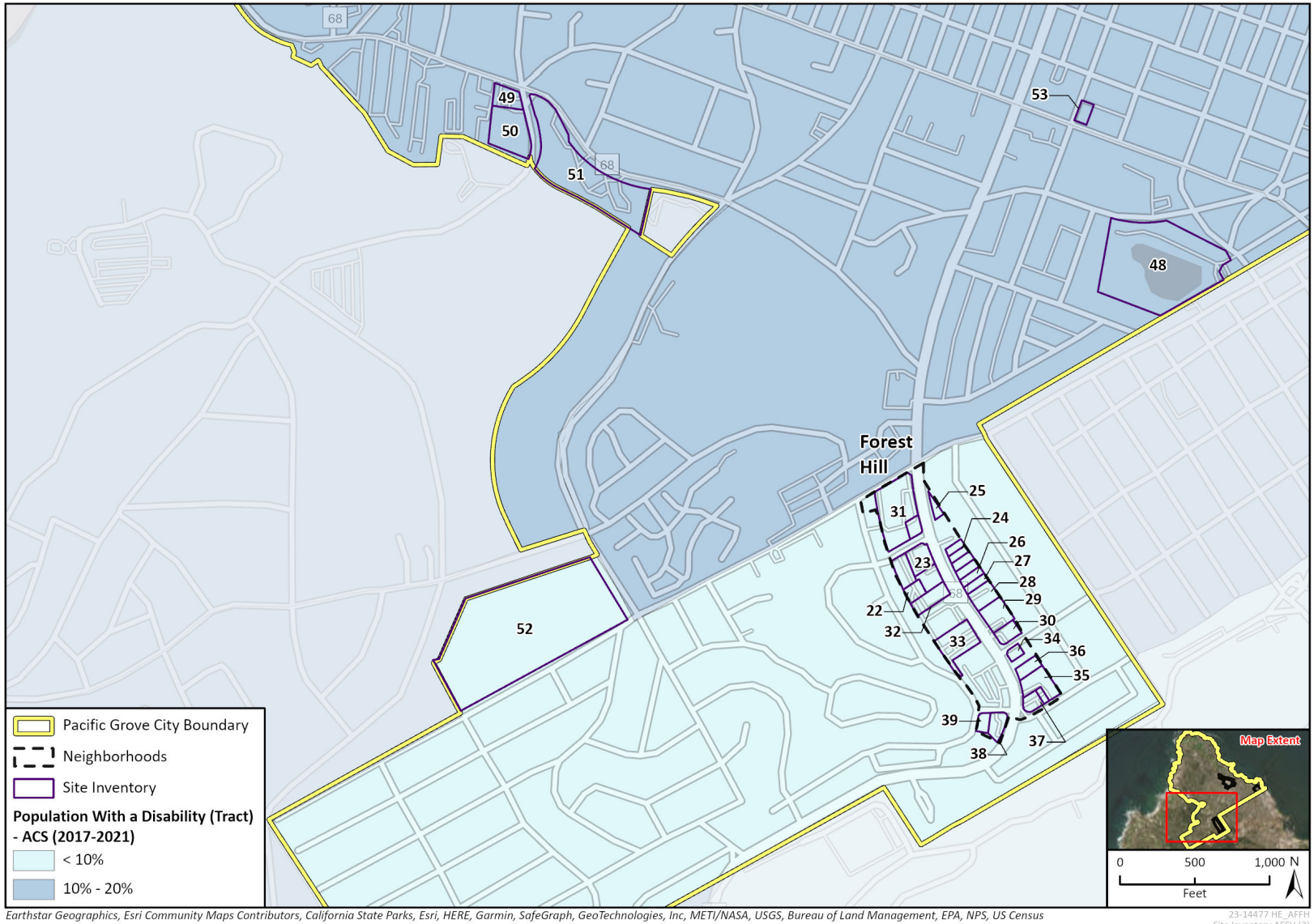
Source: AFFH Viewer, 2023

Figure 58 Housing Opportunity Sites by Population with a Disability (Eastern Pacific Grove)



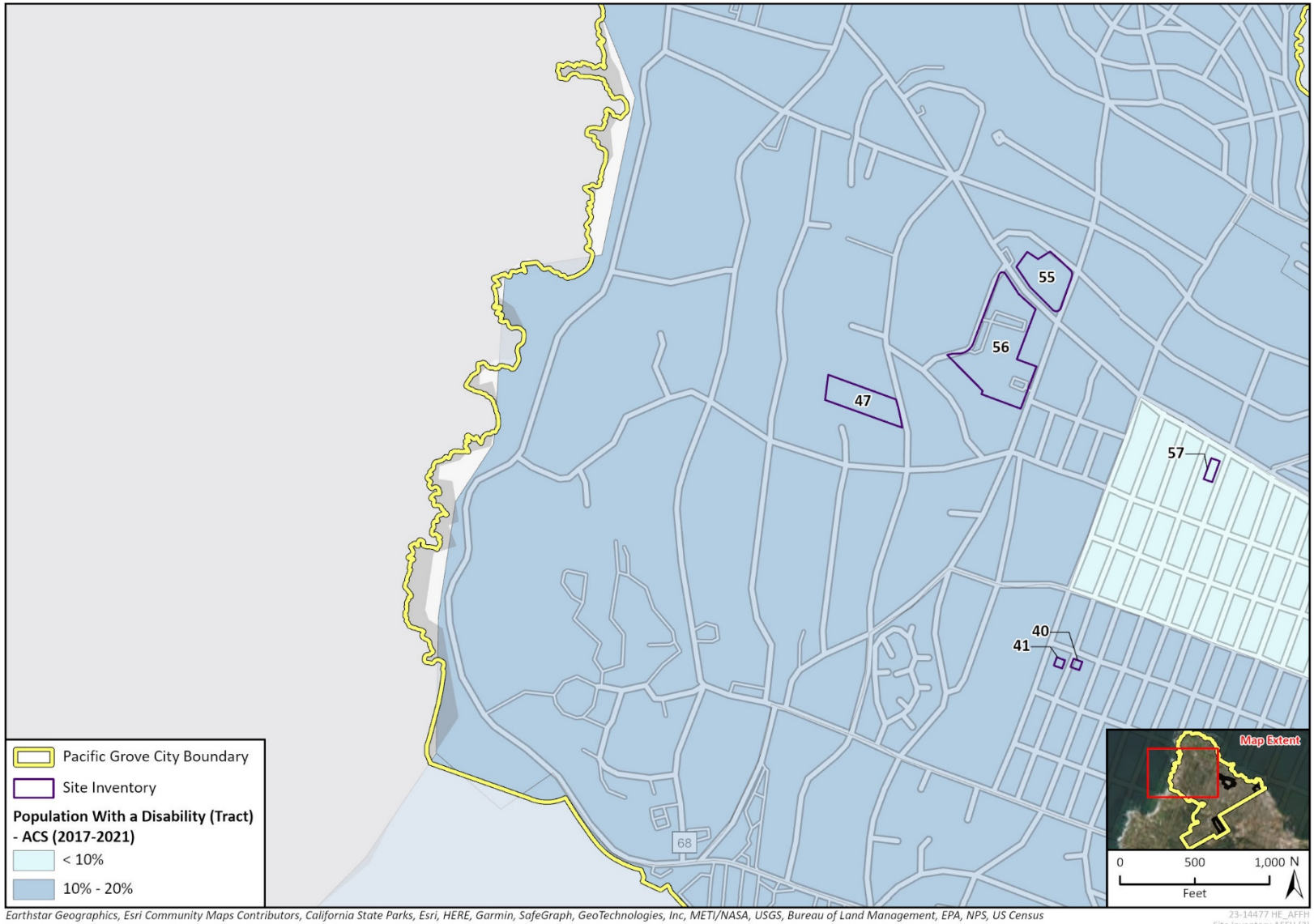
Source: AFFH Viewer, 2023

Figure 59 Housing Opportunity Sites by Population with a Disability (Southern Pacific Grove)



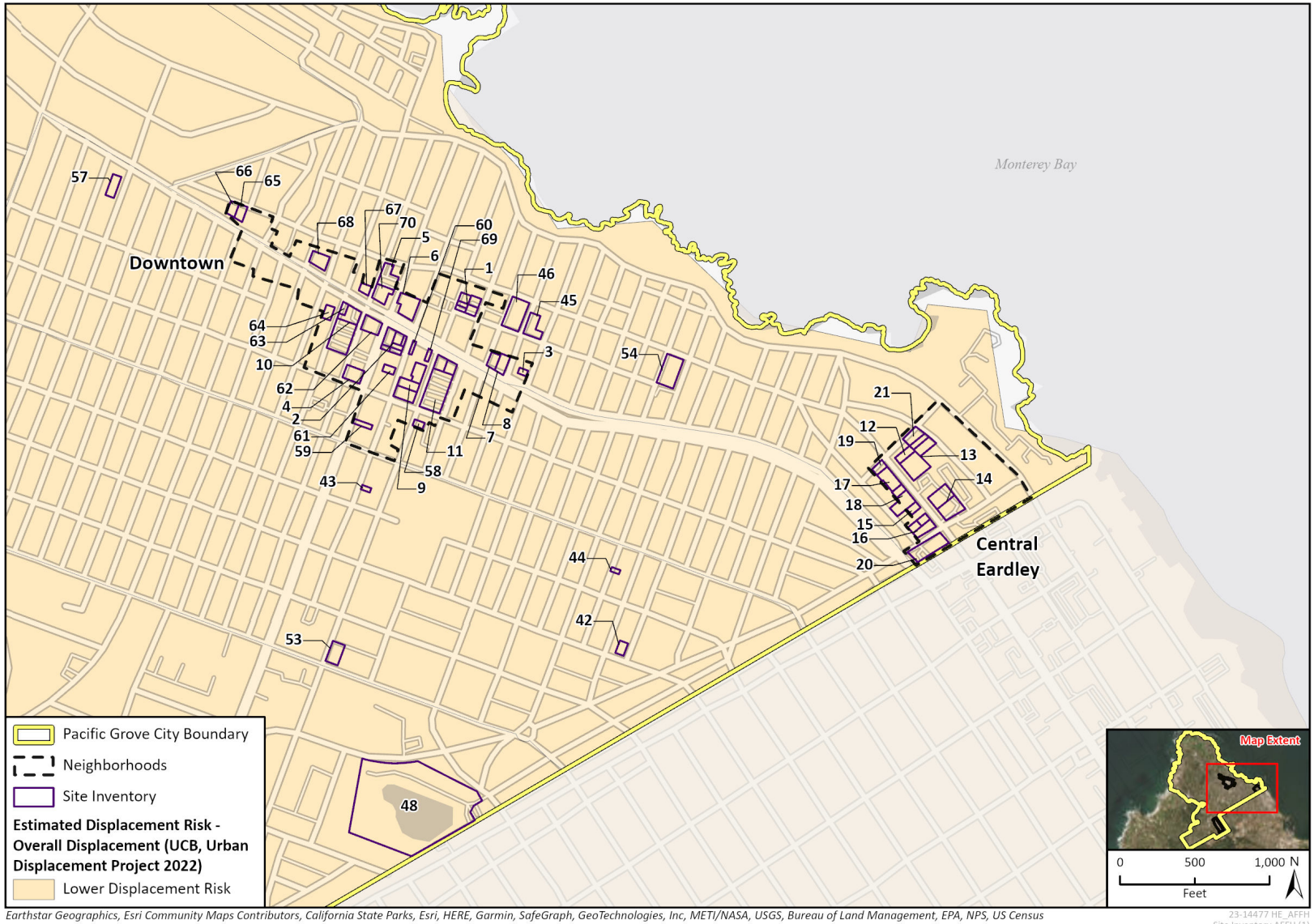
Source: AFFH Viewer, 2023

Figure 60 Housing Opportunity Sites by Population with a Disability (Western Pacific Grove)



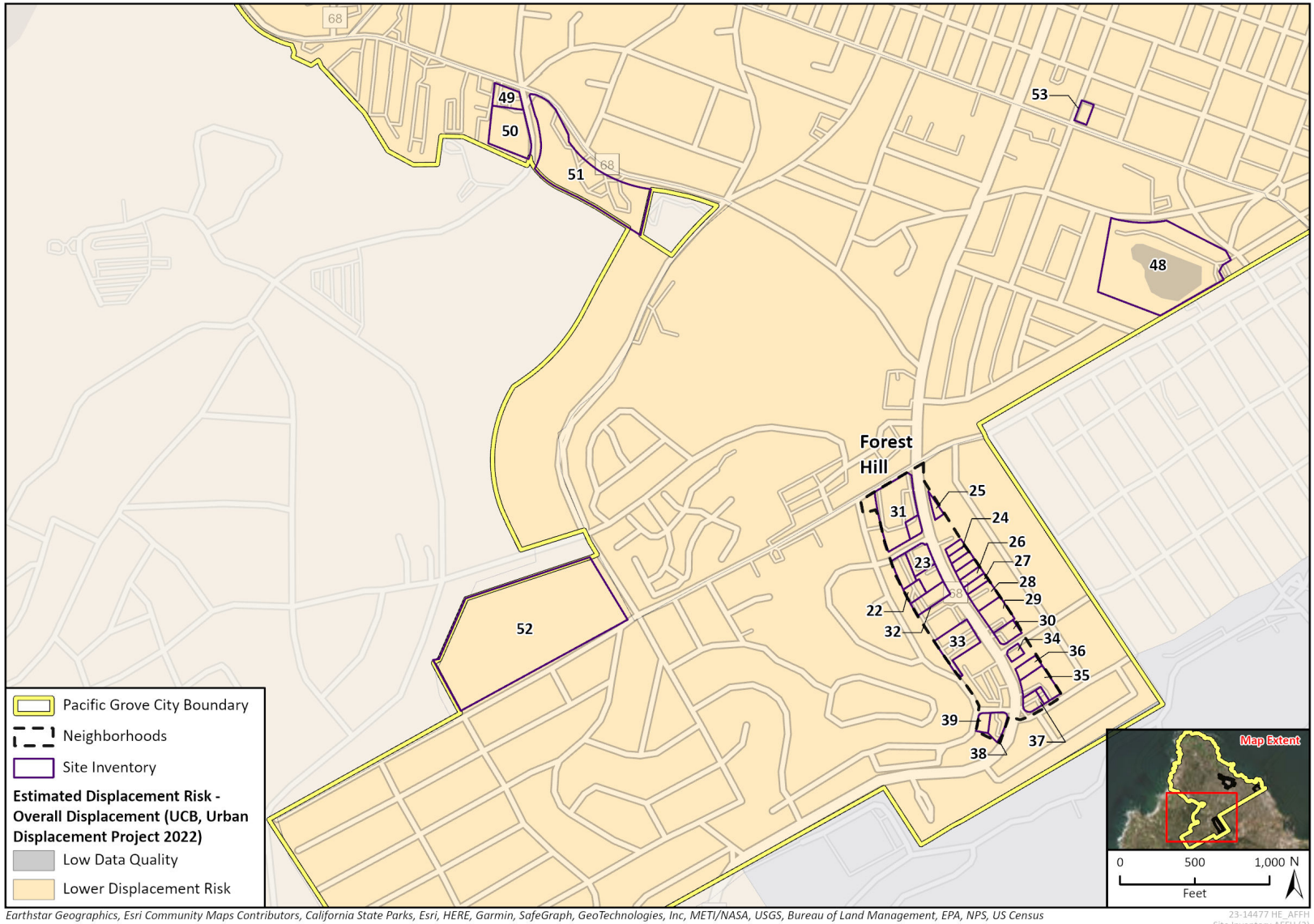
Source: AFFH Viewer, 2023

Figure 61 Housing Opportunity Sites by Displacement Risk (Eastern Pacific Grove)



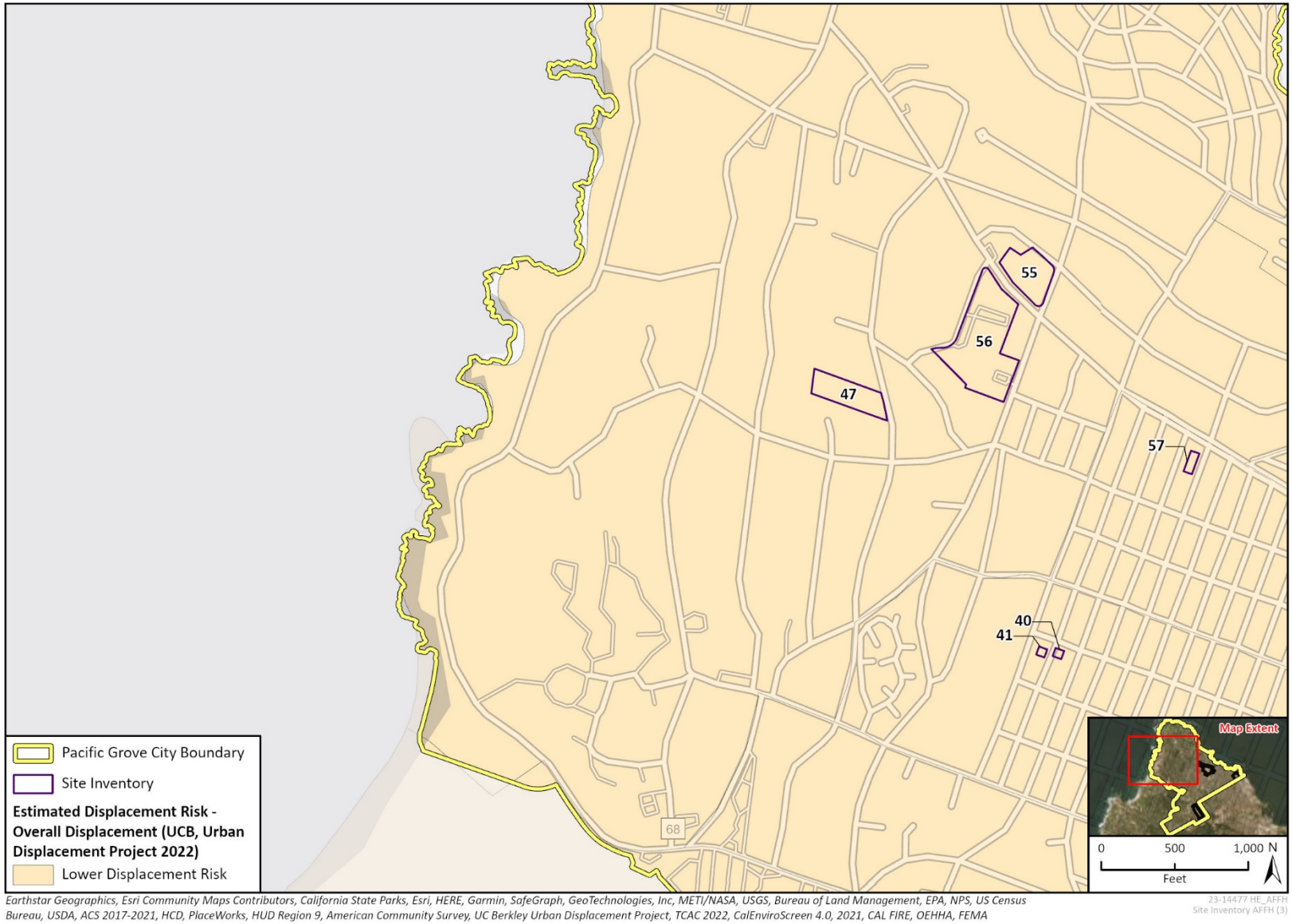
Source: AFFH Viewer, 2023

Figure 62 Housing Opportunity Sites by Displacement Risk (Southern Pacific Grove)



Source: AFFH Viewer, 2023

Figure 63 Housing Opportunity Sites by Displacement Risk (Western Pacific Grove)

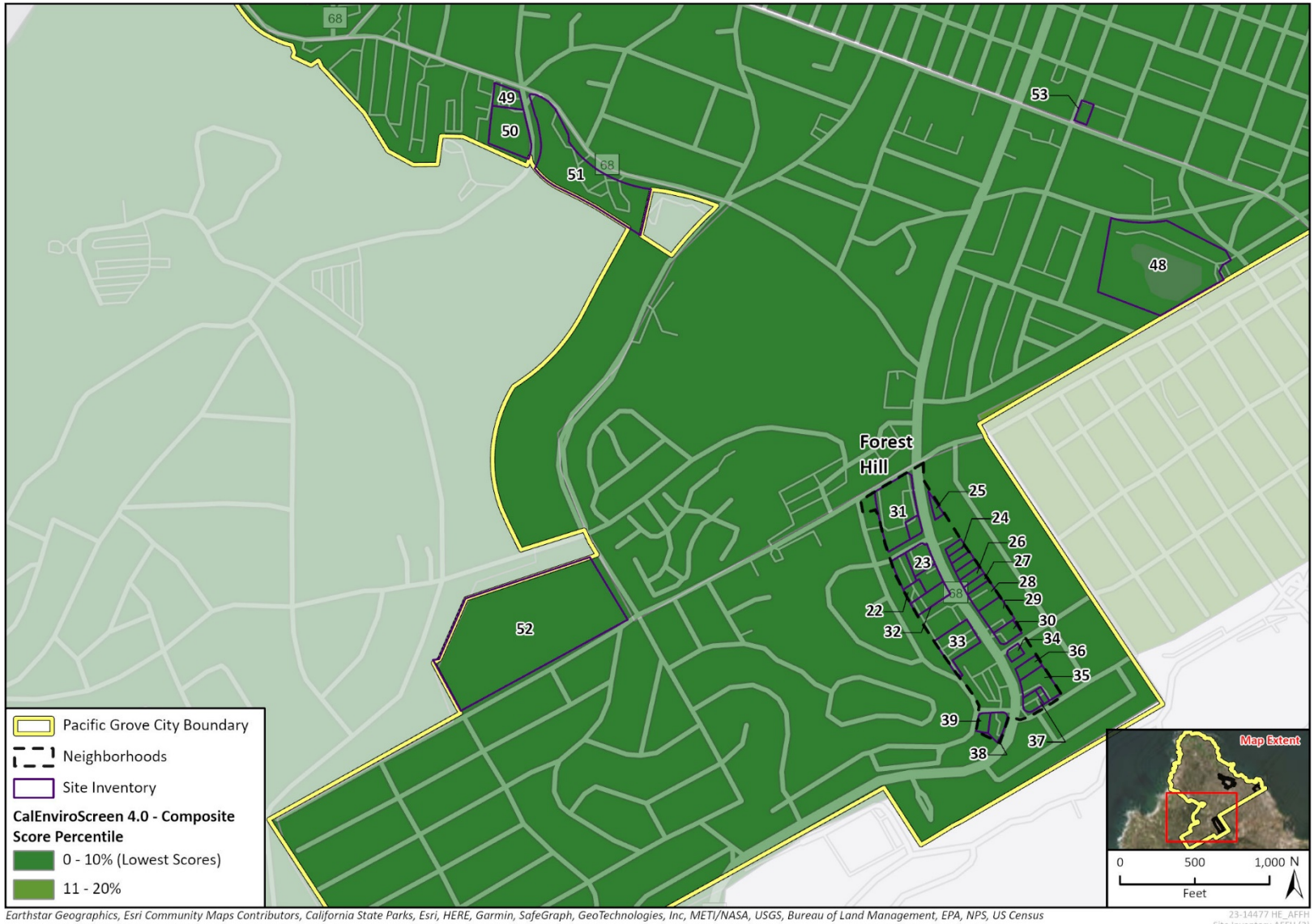


Source: AFFH Viewer, 2023

Figure 64 Housing Opportunity Sites by CalEnviroScreen Percentile (Eastern Pacific Grove)

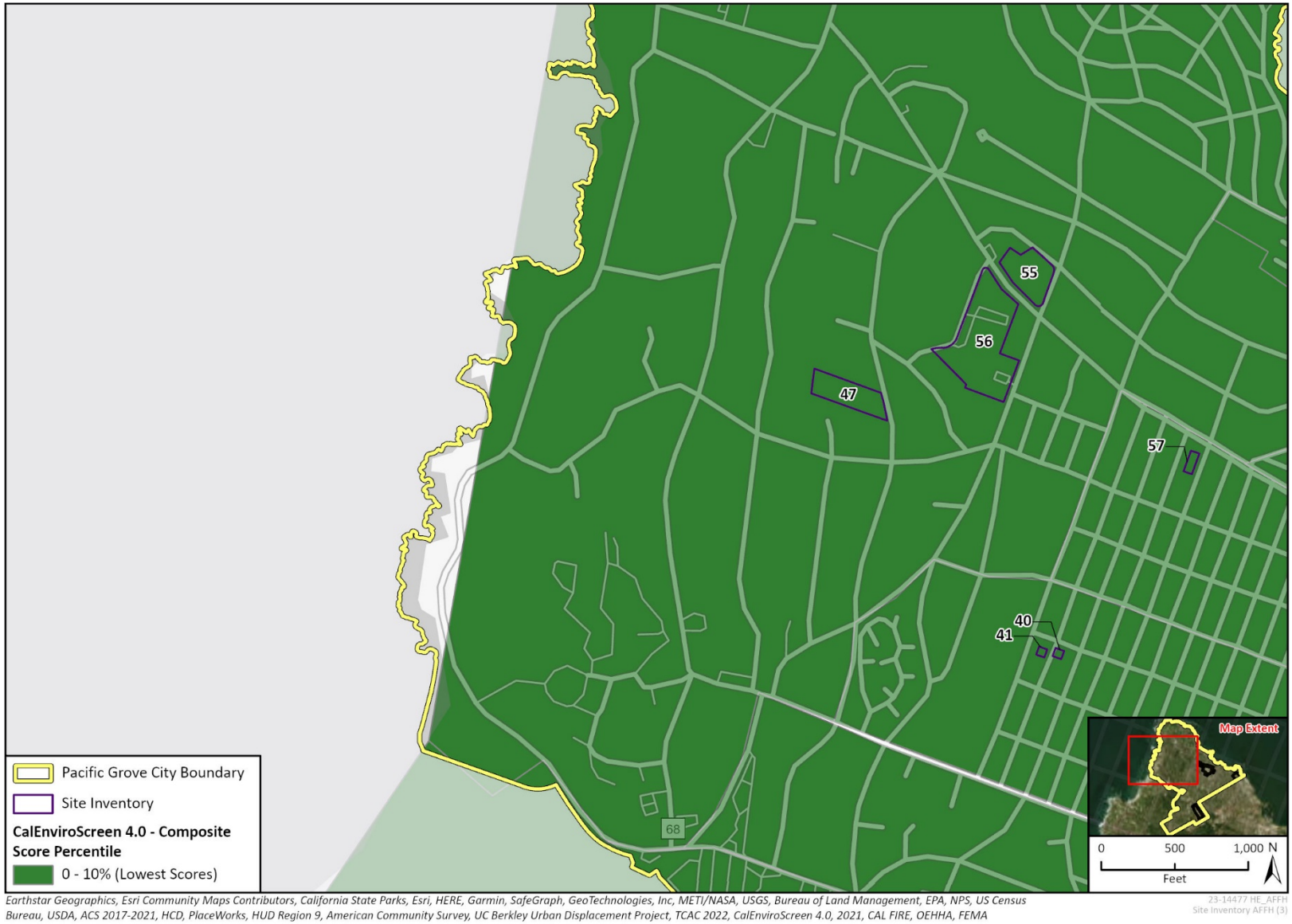
Source: AFFH Viewer, 2023

Figure 65 Housing Opportunity Sites by CalEnviroScreen Percentile (Southern Pacific Grove)



Source: AFFH Viewer, 2023

Figure 66 Housing Opportunity Sites by CalEnviroScreen Percentile (Western Pacific Grove)



Source: AFFH Viewer, 2023

The remaining 55 percent of lower-income housing units are spread throughout census tracts with lower pollution burden caused by lead risk from housing, groundwater threats, and cleanup sites. These census tracts make up more than half of the land area in the city. The Site Inventory would not concentrate lower-income units in areas of higher pollution burden.

Sites Analysis Summary Data

Table 21 summarizes the Site Inventory by development priority area, sites, number of units by income level, and census tract characteristics.

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Table 21 Site Inventory by Census Tract Characteristics

		Site Inventory Capacity (Units)			AFFH Indicators										
Census Tract	Number of Existing Households	Low-Income	Moderate-Income	Above Moderate-Income	Percent Non-White	Median Income	Percent Low-/Moderate-Income Population	Percent Below Poverty Line	Percent Disability	TCAC Opportunity Area	CalEnviroScreen Percentile	Percent Overpayment by Renters	Percent Overpayment by Homeowners	Percent Overcrowded Households	Displacement Sensitivity
Central-Eardley District															
06053012401	875	0	0	49	20%	$88,355	46%	8%	12%	Highest Resource	5%	42%	40%	0%	Lower Displacement Risk
Downtown District															
06053012302	1,004	133	3	7	25%	$92,188	22%	5%	7%	Highest Resource	4%	59%	40%	2%	Lower Displacement Risk
06053012401	875	7	11	32	20%	$88,355	46%	8%	12%	Highest Resource	5%	42%	40%	0%	Lower Displacement Risk
Forest Hill															
06053012000	1,372	110	25	57	35%	$94,063	44%	5%	9%	Highest Resource	3%	52%	30%	5%	Lower Displacement Risk
Office Conversion															
06053012302	,004	0	0	25	25%	$92,188	22%	5%	7%	Highest Resource	4%	59%	40%	2%	Lower Displacement Risk
06053012401	875	0	0	16	20%	$88,355	46%	8%	12%	Highest Resource	5%	42%	40%	0%	Lower Displacement Risk
Other															
06053011902	799	90	0	6	16%	$140,987	16%	4%	15%	Highest Resource	4%	26%	37%	0%	Lower Displacement Risk
06053012000	1,372	0	0	191	35%	$94,063	44%	5%	9%	Highest Resource	3%	52%	30%	5%	Lower Displacement Risk
06053012100	956	122	60	0	24%	$108,289	23%	4%	16%	Highest Resource	3%	63%	45%	3%	Lower Displacement Risk
06053012200	1,158	0	0	8	22%	$95,815	33%	6%	12%	Highest Resource	6%	52%	33%	2%	Lower Displacement Risk
06053012302	1,004	0	0	4	25%	$92,188	22%	5%	7%	Highest Resource	4%	59%	40%	2%	Lower Displacement Risk
06053012401	875	5	0	4	20%	$88,355	46%	8%	12%	Highest Resource	5%	42%	40%	0%	Lower Displacement Risk
06053012402	1,366	139	22		23%	$76,800	18%	7%	16%	Highest Resource	6%	61%	56%	0%	Lower Displacement Risk
Total		**606**	**121**	**399**											

Source: California Tax Credit Allocation Committee (TCAC)/California Housing and Community Development (HCD), Opportunity Maps (2020); U.S. Census Bureau, American Community Survey 5-Year Data (2017-2021)

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Contributing Factors

This section lists contributing factors that create, perpetuate, or increase the severity of one or more fair housing issues that were identified in community outreach and the analysis in this document. Table 22 summarizes the identified fair housing issues, contributing factors to these issues, and meaningful actions the City will undertake to affirmatively further fair housing for special needs, racial/ethnic minority, and low-income residents.

Enforcement and Outreach

Pacific Grove celebrates the month of April as Fair Housing Month. In April 2023 the City partnered with ECHO Housing to host two fair housing trainings for the community. Pacific Grove's website has a page dedicated to fair housing, which shares links to ECHO Housing and brochures on fair housing laws and resources. The fair housing webpage is not presented in a widely accessible or readable format. Specific information on fair housing laws and tenant rights are provided in linked brochures but this information is not included in the text of the webpage itself. In addition, while the website has links to HCD and HUD websites for filing complaints, some of the links are broken and need to be updated.

Contributing factors to insufficient enforcement and outreach in Pacific Grove include:

- Lack of updated fair housing information and resources: The City's fair housing webpage is out of date and contains broken links.
- Lack of fair housing testing: The City does not currently participate in fair housing testing.
- Lack of updated data and analysis of fair housing complaints: The City does not publish or analyze data on fair housing complaints in the city.
- Limited participation in fair housing outreach among minority populations: According to participant data from the housing survey and Housing Element Update Balancing Act workshop, low- and moderate-income residents and Hispanic/Latino, Asian/Pacific Islander, and Black/African American residents are underrepresented in housing outreach activities.
- Lack of data and analysis on home loan applications.

Segregation and Integration Patterns and Trends

The population of Pacific Grove is predominantly white, however the Del Monte neighborhood in the southern part of the city has the highest percentage of non-white residents in the city. The analysis of segregation and integration patterns and trends shows that there are no areas with a concentrated population of people with a disability, female-headed single parent households, or households living below the poverty line. The northern and western parts of the city have a slightly lower median household income than other areas, however overall, the city has a median household income that is higher than the county average ($90,100).

Contributing factors to segregation and integration patterns and trends in Pacific Grove include:

- Low supply of affordable housing: There are only 48 subsidized housing units in the city. In addition, community feedback indicates there is a lack of affordable housing options, particularly for workers, families, and seniors.

- Lack of affordable housing in a range of sizes: Based on community feedback, there is a lack of affordable housing options for small households (workers and seniors) as well as for larger households (families).
- High/increasing cost of housing: According to Zillow, the typical home value in Pacific Grove in May 2023 was $1,333,877, a 29 percent increase from May 2020. According to ACS estimates, median rent in the city was $2,115 in 2021, a 30 percent increase from 2016 (median rent of $1,478).
- Lack of new housing development in the city: There is little housing development in the city. Most of the city's housing stock was built prior to 1990 (91 percent) and only one percent of the housing stock was built after 2010. The lack of housing development is largely due to water restrictions.
- Community opposition to affordable housing, higher density housing, and supportive/transitional housing projects: Based on feedback from community outreach efforts, some members of the community are opposed to new housing development, increasing housing density, affordable housing development, and homeless shelters. Previous projects have often been delayed or prevented due to opposition.

Racially and Ethnically Concentrated Areas of Poverty

There are no areas of significant overlap of racial/ethnic minorities and low-income populations in Pacific Grove. There is a slightly higher percentage of non-white residents in the southern half of the city, however this area has a higher median household income than the northern half of the city. Additionally, according to 2017-2021 ACS estimates, non-Hispanic/Latino white households do not have a significantly higher median household income than households of non-white racial/ethnic groups.

Disproportionate Housing Needs

Overpayment is a widespread issue throughout the city, among homeowners and renters. Approximately 29 percent of homeowners and 44 percent of renters are overpaying for housing, with the highest concentrations of overpayment in western parts of the city and the Sunset Drive/Hillcrest neighborhoods. Most of the city's housing stock is over 30 years old. Some of these units have been well maintained, however, community feedback indicates there are many older rental units in need of repair. Overcrowding and displacement risk is low throughout Pacific Grove. The city lacks transitional housing and supportive services for homeless individuals, which may be the cause of the low homeless count in Pacific Grove.

- High/increasing cost of housing.
- Lack of affordable housing in a range of sizes to accommodate various types of households.
- Low supply of affordable housing: There are 48 subsidized housing units in the city. In addition, community feedback indicates there is a lack of affordable housing options, particularly for workers, families, and seniors.
- Low production of new housing units and affordable housing units: Due to water constraints, there is little development occurring in the city and very few new affordable housing units have been built within the past decade.
- Lack of financial resources for low- and moderate-income households: The City does not have any financial assistance programs for rental assistance or first time homebuyers), and residents must rely on assistance from local non-profit organizations or the County of Monterey.

- Prevalence of short-term rentals and vacant vacation homes: According to community feedback, many neighborhoods contain multiple short-term rentals and vacation homes that damage the sense of community and drive home prices and rent up.
- Community opposition to affordable housing development: Based on community feedback, recent housing development projects have been opposed by members of the community, resulting in significant delays and/or termination of projects.

Disparities in Access to Opportunities

The entire city is composed of highest-resources areas, with positive economic and education opportunity scores and low pollution burden. However, transit opportunities are limited within the city. High quality transit areas are only located in the easternmost part of the city. Community feedback revealed that residents and workers lack transit options that connect Pacific Grove to other cities in the region.

Contributing factors to disparities in access to opportunities in Pacific Grove include:

- The availability, type, frequency, and reliability of public transportation: Based on community feedback, there are limited transit options in Pacific Grove. Most of the city is not within half a mile of a high quality transit stop.
- Lack of regional connection via public transportation: Based on community feedback, the city is not well connected by transit to other areas within the region.

Prioritization of Contributing Factors

The City is required to prioritize contributing factors to focus the city's resources and maximize impact within the planning period. While there are a range of factors that contribute to fair housing issues in Pacific Grove, several factors contribute more significantly to the fair housing patterns observed within the city. These contributing factors were considered in crafting the goals and implementation actions within the Housing Element Policy Document.

The following contributing factors are considered most significant to fair housing issues in Pacific Grove:

- **Community opposition** to affordable housing: Community members opposed to affordable housing development actively obstruct housing projects in the city.
- **Lack of affordable housing** in the city overall limits housing options for low- and moderate-income households, workers, and families.
- **Limited transportation** options within Pacific Grove and regionally limit access to services and employment and result in long commute times for workers.

Meaningful Actions to Address Fair Housing Issues

Based on the analysis conducted in this AFFH document, Table 22 highlights the prominent fair housing issues and contributing factors that impede access to safe, affordable, and vibrant housing in Pacific Grove. Furthermore, the findings of this analysis were used to develop meaningful actions, metrics and milestones that promote inclusive communities, increase housing opportunities, and address racial/ethnic and economic disparities in the city. The contributing factors were prioritized to better formulate policies and programs and carry out meaningful actions to further fair housing. Meaningful actions to address fair housing issues are included in the housing programs located in Chapter 3, Housing Action Plan.

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Table 22 Meaningful Actions to Address Fair Housing Issues

Identified Fair Housing Issue	Contributing Factors	Meaningful Actions	Metrics and Timeline	Overarching Metric
Fair housing enforcement and outreach	▪ Lack of updated fair housing information and resources ▪ Lack of fair housing testing ▪ Lack of updated data and analysis of fair housing complaints ▪ Limited participation in fair housing outreach among minority populations ▪ Lack of data and analysis on home loan applications	Update and maintain the City's website to provide information on upcoming fair housing events and fix broken links to fair housing resources. Add information on fair housing rights and resources into the text of the webpage.	Update the City's website by January 2025.	Establish baseline data from 2024 and achieve an increase of 50 percent of participants from minority and low and moderate-income residents in citywide planning workshops and education programs by December 2031.
		Partner with local organizations to distribute information on fair housing services and homebuyer education programs by distributing flyers, attending local events, social media campaigns, and educational workshops.	Coordinate with non-profit organizations, local community groups, and service organizations to increase awareness of and access to housing resources and fair housing assistance.	
		To effectively address the requirements of Government Code Sections 8899.50 and 65583, coordinate with ECHO Housing/other fair housing nonprofit organizations to provide fair housing and tenant/landlord services, including investigation of discrimination complaints, fair housing counseling and education, fair housing testing, and tenant/landlord counseling and mediation.	Assist at least 20 residents and landlords with fair housing services annually.	
			At least once annually gather and analyze data on fair housing complaints filed with ECHO.	
		Review the City's outreach methods annually, using feedback from resident surveys and focused discussions with community organizations to inform online, mail, and in-person outreach methods. Increase participation of historically underrepresented residents in all City housing programs and community planning activities. Collaborate with existing and new community stakeholders from all sectors and geographic areas to engage in the public participation process.	Conduct at least one citywide resident survey every three years to obtain feedback about City outreach methods, prioritizing feedback from underrepresented residents.	
		Work to promote fair lending practices throughout the city and ensure that low-income and minority residents have fair access to capital resources needed to acquire and maintain housing. Prevent predatory lending through information and referrals.	Annually conduct and publish third party review of city or regional HMDA data to identify areas of need regarding fair access to lending.	
Lack of affordable housing options for low- and moderate-income households, in particular for workers, seniors, and families	▪ Low supply of affordable housing ▪ Lack of affordable housing in a range of sizes ▪ High/increasing cost of housing ▪ Lack of new housing development in the city ▪ Community opposition to affordable housing	Diversify and expand the city's housing stock to accommodate the varied housing needs of different groups by reviewing the General Plan, applicable Specific Plans, and Zoning Code and Zoning Map to evaluate opportunities for removing barriers to housing production, adding housing capacity, and accommodating a greater mix of dwelling types and sizes. Recommend amendments, as necessary, to accommodate added housing. Additionally, review the zoning code to identify opportunities to increase and encourage a greater mix of dwelling types and sizes, specifically housing types that may accommodate moderate-income households (e.g., duplexes, triplexes, fourplexes, townhouses, courtyard buildings), in lower-density residential areas citywide, and amend the zoning code as needed.	Review the General Plan, Specific Plans, and Zoning Code and Zoning Map by January 2026 and implement any changes by January 2027.	Accommodate and promote the production of 599 low- and 142 moderate-income housing units in Pacific Grove by December 2031. Support the development of at least 272 ADUs in the city by December 2031.
		Develop a web-based Housing Development Toolkit that outlines a step-by-step process for residential development, including identifying steps in the entitlement and building permit process, detailed information on development incentives, and funding programs and resources for affordable housing development.	Housing Development Toolkit published on City's website by December 2025.	
		Determine and implement strategy to promoting ADUs for moderate and lower-income households.	Prepare a report on potential strategies to encourage affordability of ADUs for moderate and lower-income households, including but not limited to, promoting the use of HCV vouchers or development of cost incentive programs or no-interest loan program for ADU developers in exchange for income restrictions. Prepare report by January 2026 and present to City Council for adoption of a pilot program by August 2026. If adopted, implement pilot program by January 2027.	
		Develop a community outreach campaign to build community support for affordable housing development. Host workshops and events to educate residents on the need for affordable housing in Pacific Grove and address concerns	Develop and publish a community outreach strategy to combat opposition to housing development by January 2026.	

Identified Fair Housing Issue	Contributing Factors	Meaningful Actions	Metrics and Timeline	Overarching Metric
		Work with California American Water to identify additional sources of water and enhance water conservation programs to alleviate water constraints on housing development. Prioritize water credits/new water meters to developments with an affordable housing component.	Work with California American Water to develop a strategic plan to address water constraints to affordable housing development by 2027.	
Residents vulnerable to displacement	▪ Rising rent and housing costs ▪ High rates of overpayment among low- and moderate-income households ▪ Displacement of residents due to economic pressures ▪ Lack of affordable housing in a range of sizes to accommodate various types of households. ▪ Low supply of affordable housing ▪ Lack of financial resources for low- and moderate-income households ▪ Prevalence of short-term rentals and vacant vacation homes	Increase the city's affordable housing stock.	See meaningful actions and metrics and timelines for affordable housing development above.	Reduce the percentage of households experiencing cost burden by December 2031.
		Partner with local organizations and HACM to distribute information on financial resources and rental assistance programs through social media campaigns and educational workshops and trainings. Add information on available financial assistance programs on the City's website.	Coordinate with non-profit organizations, local community groups, and service organizations to increase awareness of and access to housing resources and fair housing assistance.	
			Update the City's website by January 2025.	
		Prepare report on the development of a rental assistance program to provide relief to tenants and landlords to avoid the displacement of vulnerable communities. Report will compare similar programs in other cities and feasibility of funding sources, including HOME and CDBG.	Prepare and present a report on development of a rental assistance program to the City Council by January 2026, including recommendations for policy actions that would provide relief to tenants and landlords to avoid the displacement of vulnerable communities. If a rental assistance program is approved and implemented as a result, the program will assist at least 10 lower income renter households annually.	
		Review and if necessary update the Short-Term Rental Ordinance to address constraints to housing. Consider reducing the limit on the number of licenses and/or increasing the 55-foot exclusion limit. Continue to enforce the Short-Term Rental Ordinance.	Review and update the Short-Term Rental Ordinance by January 2025.	
			Annually review vacation rental sites and establish a method for residents to report unlicensed short-term rentals by January 2025	
Improving place-based strategies to encourage community conservation and revitalization, including expanding transportation access, particularly in the Del Monte Park neighborhood	▪ The availability, type, frequency, and reliability of public transportation ▪ Lack of regional connection via public transportation ▪ Lack of historical investment in the Del Monte Park neighborhood	Collaborate with Monterey-Salinas Transit to prepare a study on transit needs for Pacific Grove residents and workers and identify actions to address those needs, focusing on the commuting needs of low-income residents.	Prepare a transit needs study by 2027 and identify potential actions by 2028.	Increase transit ridership in the city by December 2031. Improve existing neighborhood infrastructure in the Del Monte Park area.
		Collaborate with Monterey-Salinas Transit to increase active transportation opportunities in the Del Monte Park neighborhood, including expanding bicycle and pedestrian networks throughout the neighborhood.	Develop an active transportation program for the Del Monte Park neighborhood that includes specific improvement projects and timelines to connect to transportation networks throughout the city and surrounding areas by January 2027.	
		Collaborate with Monterey Salinas Transit to assess the feasibility of expanding transit access for seniors by expanding Senior Shuttle routes to Pacific Grove.	As part of the transit needs study, analyze the feasibility of expanding Senior Shuttle routes to Pacific Grove by 2027. If deemed feasible, work with MST Monterey Salinas Transit to offer a Senior Shuttle service in Pacific Grove by 2030.	
		Prioritize Capital Improvement Programs in the Del Monte Park neighborhood.	Develop an assessment of the neighborhood's existing infrastructure and develop a list of infrastructure needs. Develop and prioritize projects to address these needs in the City's Capital Improvement Program.	
		Continue Code Enforcement activities, with emphasis on identifying housing in the Del Monte Park neighborhood that do not meet the City's current building standards and were constructed prior to incorporation of the neighborhood into Pacific Grove s. Educate eligible property owners with code violations on the City's Housing Rehabilitation Loan Program.	Assist at least four property owners per year through the City's Housing Rehabilitation Program.	
		Require reporting from consultants providing tenant services in Conciliation/Mediation and Legal Assistance to evaluate existing State and federal "just cause for eviction" (AB 1482, 2019-Chiu) provisions to determine if additional protections through a local ordinance is warranted.	Annually collect reporting by consultant(s) and review data.	

Appendix C

Review of Past Accomplishments

Appendix C: Review of Past Accomplishments

Summary of Achievements + Lessons Learned

Following is a list of the programs in Pacific Grove's 2015 – 2023 5th Cycle Housing Element, with a summary of key outcomes achieved and, where applicable, lessons learned that have informed the structure and focus of the 2023 – 2031 element.

Cumulative Impacts of Addressing Special Needs

Pacific Grove has been diligent in implementing its Housing Element programs and was able to make progress in addressing the housing needs of the special needs populations. However, as a small city, Pacific Grove was constrained in its ability to provide housing opportunities for lower income and special needs households. Between 2015 and 2023, the City was able to achieve the following:

- The Housing Rehabilitation Loan Program was revised to include emergency repairs as eligible activities. Loans were made to 12 low income households and seniors. Because emergency repairs benefitted seniors and disabled households who are on fixed incomes, the City promoted the program through its Meals and Wheels program.
- The City applied for grant funds to rehabilitate Vista Point, a senior housing project.
- The City contributed PLHA funds to help fund the first two years of a homeless shelter in Monterey and utilized federal funds during the pandemic to provide emergency rental assistance to those who are at risk of being evicted.
- The City continued to stay engaged in the regional efforts and collaboration through the Continuum of Care Leadership Council and Housing Options Meaningful to Elders (HOME) Collaborative Steering Committee.
- The City adopted a Reasonable Accommodation Ordinance to facilitate housing opportunities for persons with disabilities and continue to find ways to provide reasonable accommodations through digital documents and website.
- The City established Rental Housing Guidelines to support fair rental housing in the community.
- The City is partnering with the Gateway Center of Monterey to strengthen partnerships for housing and serving adults with developmental disabilities.
- The City has conducted fair housing outreach, held activities during Fair Housing Month in April and assisted homeowners with state's Property Tax Postponement Application.

Table 1 Program-Specific Review

HE Program Name/Number	Program Description and Objective	Responsible Dept. Timeframe, Funding, and Objective	Achievements and Evaluation / Recommendation
GOAL 1 (new 4): Support the maintenance and rehabilitation of the city's existing housing stock and residential neighborhoods.			
Policy 1.1: Encourage single family, multi-family, and sewer lateral rehabilitation and private reinvestment to protect residential neighborhoods from deterioration. Policy 1.2: Protect the existing mobile home park from conversion to other uses. Policy 1.3: Protect existing residential neighborhoods and consider the quality of life in higher density neighborhoods and the need for public amenities, such as community facilities, appropriate landscaping, and passive recreation.			
In general, Goal 1 sets the first priority of the housing element as being focused on maintenance and preservation. The City has many people who are house rich and cash poor. People in the community are living on the edge, especially due to inflation. Many people cannot obtain a traditional loan to rehabilitate their homes. Being able to preserve existing housing for seniors and lower income households is critically important to ensuring people are able to age in place. The preservation of existing affordable housing will remain a priority in the updated element even as the production of more housing, and more diverse housing, is elevated as a top priority.			
Program 1.1: Housing Preservation and Rehabilitation	The City will continue to assist homeowners in identifying appropriate City resources and rehabilitation programs including the Housing Rehabilitation Loan Program, Emergency Home Repair Loan Program, and Sewer Lateral Loan Program, as well as non-City entities such as the Local Heritage Society for assistance with specialized rehabilitation financing opportunities.	Responsible Dept.: Community Development Department - Housing Division Timeframe: Ongoing program administration Funding: CDBG, CalHome, General Fund Housing Objective: Rehabilitate 2 extremely-low-, 15 very-low-, and 15 low- income units	**Achievements:** ▪ 12 housing rehabilitation loans were made between 2015-2023. ▪ The City's ongoing sewer rehabilitation program assists property owners with emergency rehabilitation loans for sewer lateral replacement. ▪ The City has recently begun assisting homeowners with applying for the state's Property Tax Postponement Application to assist homeowners who are unable to pay property taxes and would otherwise lose their home because of delinquent or defaulted property taxes. The City has also listed this information on its website as a resource for others in need in the community. However, this is not a housing program and is not included in the 2023-2031 Housing Element. ▪ The city applied to use CDBG Program Income funds to provide energy efficient upgrades and other rehabilitation to maintain the Vista Point senior affordable housing development. **Challenges:** ▪ Fewer people who are interested and income-qualified. ▪ The high turnover of properties in the City has increased property values.

HE Program Name/Number	Program Description and Objective	Responsible Dept. Timeframe, Funding, and Objective	Achievements and Evaluation / Recommendation
			▪ As a non-entitlement small city, working with the state has been difficult and time consuming (e.g., sent application in December, got response in June. It is a lot of work for little money). As a non-entitlement, administrative funds are limited for programs and based on grant applications. The City received one CDBG grant in 2017 and administration reimbursement is limited under one grant program. There is limited grant funding subsidizing housing programs. Recently, the City had to apply for its existing program income and the application took over 1 year for the state to release funds that were already on hand. ▪ Issue of home value being too high makes first time homebuyer program difficult as well as utilizing HOME program funds. **Recommendation:** ▪ Continue as funding / staffing allows. However, the City must weigh cost and benefits compared to other city priorities given limited staffing. ▪ Develop guidelines for the use of rehabilitation funds in multi-unit properties and develop partnership with a nonprofit to acquire and rehab multi-unit buildings, thereby converting the units to deed-restricted affordable housing and improving some of the lower quality apartment buildings in the city.
	Continue to apply for funds for the Housing Rehabilitation Loan Program under the State's Small Cities CDBG Program and pursue other State and federal funds as appropriate to assist in the maintenance and improvement of housing.	See above	**Achievements:** The 2017 Grant application was approved ($500,000). **Challenges:** ▪ The City has had difficulty spending these grant funds within the prescribed time the state allows. The CDBG program usually allows eight years to spend CDBG funds and the state is limiting the program to five years, three of which were during COVID. Negotiations with the state took a year. ▪ COVID also impacted funding and working with clients. Seniors were heavily impacted and vulnerable during COVID and could not have people/contractors in their home who might have brought in COVID. Limiting the City's time to

HE Program Name/Number	Program Description and Objective	Responsible Dept. Timeframe, Funding, and Objective	Achievements and Evaluation / Recommendation
			complete rehabilitation efforts over the past few years has been detrimental to this very hands-on work. **Recommendation:** ▪ Continue to work with the state to adjust the deadline and deliver support to those in need.
	Continue and, if funding allows, expand the Emergency Home Repair Loan Program to assist lower-income homeowners with urgent home repairs.	See above	**Achievements:** ▪ New guidelines were adopted to include Emergency Loans for existing loan recipients.
	Continue to publicize information about rehabilitation funding and suggestions to encourage ongoing maintenance. Information is current and will continue to be made available on the City website and on printed brochures placed in public spaces	See above	**Achievements:** ▪ Information on the City's Rehabilitation Loan Program is provided on its website here and related material is available at City Hall. ▪ Because these are mostly senior or disabled households on fixed income, the program works closely with senior service agencies (e.g., Meals on Wheels) to identify potential clients. Also referrals from Police and Fire who respond to emergencies also identify clients **Challenges:** ▪ People do not trust the government and may not be willing to take the loan on. ▪ People may not be income-qualified. Lately, people are income qualifying and are struggling to make ends meet. ▪ This is a very staff-intensive program and takes a lot of one-on-one case management with rehabilitation clients as well as staff who have knowledge about construction and can work with contractors and homeowners. The program needs skilled administrators to respond to the state and complete quarterly reports. Reinstate the two Rehab Specialist positions
	In order to remain competitive for grant applications, conduct a housing conditions survey generally every five to ten years to identify properties to be targeted for rehabilitation.	See above	**Recommendations:** ▪ Continue to identify at-risk properties through coordination with building and code enforcement field staff. ▪ Properties are inspected when sold as there are not staff resources to conduct a regular survey. Change this part of the program to reflect these realities.

HE Program Name/Number	Program Description and Objective	Responsible Dept. Timeframe, Funding, and Objective	Achievements and Evaluation / Recommendation
	Continue to direct persons displaced in the abatement of substandard or illegal units to appropriate housing resource agencies.	See above	**Achievements:** ▪ When several households were displaced as the result of an abatement action at 301 Grand (the existing building was demolished due to uninhabitable conditions), the existing tenants had to be relocated. There was at least one subsidized tenant in the building which the Housing Authority assisted with relocation and the City helped financially with the relocation of up to 3 other tenant households.
Program 1.2: Mobile Home Park Preservation	Maintain the existing R-1-M-H zoning for the Monarch Pines Mobile Home Park.	Responsible Dept.: Community Development Department - Planning Division, Planning Commission, City Council Timeframe: Ongoing Funding: General Fund Housing Objective: Preserve 103 mobile home units	**Achievements:** ▪ The R-1-M-H zoning is in place and there are no plans to change it. **Challenges:** ▪ The City's one mobile home park is located next to Lover's Point and homes there currently sell for close to $800,000. Increased HOA fees, land rents and unit maintenance can put lower income households at risk of displacement. However, this is not a land use issue but a market trend, park management issue and tenant rights issue. The state has jurisdiction over mobile homes and many state laws that speak to manufactured housing communities as detailed in the state handbook. **Recommendation:** ▪ The current program's focus on zoning can be updated to focus on ensuring that the park is managed consistent with state law, that tenants there know their rights and obligations, and that the city is prepared to respond to complaints in a manner consistent with state law.

HE Program Name/Number	Program Description and Objective	Responsible Dept. Timeframe, Funding, and Objective	Achievements and Evaluation / Recommendation
Program 1.3: Architectural Review	Continue to apply the City of Pacific Grove Architectural Review Guidelines through architectural approvals, and consider developing similar guidelines to inform multi- family and mixed-use development projects.	Responsible Dept.: Community Development Department - Planning Division, Planning Commission, City Council Timeframe: Consider adoption of multi-family and mixed-use guidelines during the 2015-2023 planning period Funding: General Fund Housing Objective: n/a	**Achievements:** ▪ Staff and the Architectural Review Board continued to apply the City's design guidelines through the 2015-2023 period. ▪ Multi-family and mixed use guidelines were not developed, however a review of the City's guidelines was completed as part of the affordable housing strategy scope of work and Objective Design Standards is now part of the scope for rezoning work being contracted for 2023. **Recommendation:** ▪ Revise this program to focus on adoption and implementation of objective design standards and streamlined review processes for qualifying developments.
GOAL 2 (new 1): Provide diverse, high quality housing choices appropriate for residents at all income levels.			
Policy 2.1: Strive to accommodate the City's share of the region's housing needs. Policy 2.2: Pursue funding sources and leverage available funds to assist with the development of housing affordable to lower-income households. Policy 2.3: Encourage affordable housing development by providing incentives, working with developers to identify appropriate locations, and helping to offset the cost of affordable housing development. Policy 2.4: Continue to encourage the development of second units as a viable affordable housing source.			
In general, Goal 2 focuses on achieving the City's RHNA targets through identification of sites, funding for lower income housing, incentives and ADUs. The overall RHNA target was achieved, including for three of the four income categories. However, the target for Very Low Income units was not achieved. With the significant increase in the CIty's housing targets under RHNA 6, this goal area will need to be increased in priority and new policies and programs adopted in the housing plan to expand site capacity, create new meaningful incentives (especially for affordable housing and special needs housing), and make it easier for development projects to happen through clear, objective standards and streamlined review processes.			
Program 2.1: Monitor Housing Production and Potential Housing Site	Report annually on the City's progress in meeting its fair share housing targets, and maintain an inventory of land suitable for low-income housing. Provide this information to the development community and non-profit housing developers.	Responsible Dept.: Community Development Department - Housing Division Timeframe: Ongoing, update annually Funding: General Fund Housing Objective: n/a	**Achievements:** ▪ Annual Progress Reports have been completed each year per HCD requirements and presented to Council and the community at Council sessions. ▪ The City met its overall RHNA 5 target, but was unable to meet its target for Very Low Income. ▪ Have been reaching out to developers, both nonprofits and for-profit. Many are responding positively about working in PG. **Challenges:**

HE Program Name/Number	Program Description and Objective	Responsible Dept. Timeframe, Funding, and Objective	Achievements and Evaluation / Recommendation
			▪ Do not have a lot of sites that meet thresholds developers want (size, ease of building, vacant, water). Many developers want 3-acre parcels, funding toward the project, and staff time to assist the development. ▪ Review processes take too long and developers do not want to deal with what is viewed as an "anti-development" culture. ▪ The Coastal commission and the water situation are significant obstacles that the City has little control over. ▪ Historical resources and preservation are also important to the community and can prevent development and changes to properties. ▪ The City lacks the financial resources to provide subsidies toward developments that could help achieve goals. **Recommendations:** ▪ Retain a policy/program about maintaining adequate sites inventory and monitoring/ reporting on progress toward RHNA goals. ▪ Focus efforts on policies and programs that can better position the City to meet RHNA goals (density bonus, streamlined review, objective standards, use of city-owned properties, etc.) ▪ Update to reflect the latest APR requirements. ▪ Continue outreach efforts to community members and property owners who may be willing to partner on housing development. ▪ Continue to partner with the school district on potential housing development on school properties.
Program 2.2: Funding for Affordable Housing	Consider developing a housing trust fund. Monies would be used to assist in the development of housing for extremely-low-, very-low-, and low-income households, attract potential affordable housing developers, fund the Rental Assistance Program, and leverage other resources. A potential source of funds could be the transient occupancy	Responsible Dept.: Community Development Department - Housing Division Timeframe: Initial investigation within three years of Housing Element adoption; if determined to be appropriate, initiate	**Achievements:** ▪ PG was an early contributor to the new Regional Housing Trust Fund being organized by the County, contributing some state grant funds to support the regional effort. However, the County was unsuccessful in multiple application rounds so the City instead applied for PLHA funds which were received and allocated to help fund the first 2 years of a Homeless Shelter

HE Program Name/Number	Program Description and Objective	Responsible Dept. Timeframe, Funding, and Objective	Achievements and Evaluation / Recommendation
	tax (TOT) on private short-term rentals, which may have the effect of reducing the supply of housing for the local workforce.	establishment of a trust fund by March 2019. Funding: General Fund for initial investigation of feasibility Housing Objective: n/a	in Seaside. Future funds are projected to be used for rental assistance for two affordable units. ▪ The City used federal funds during the pandemic to provide emergency rental assistance funding. **Challenges:** ▪ In order to have a regional housing trust program, threshold requirements need to be met. If key cities do not want to collaborate, the program requirements cannot be met. ▪ Due to PG's size, a PG-only trust fund is challenging (both due to limited revenue generation potential, and the time/effort to organize and manage). ▪ New regulations on short-term rentals limits the potential for generating substantial revenues from those uses that could be utilized for affordable housing. ▪ Changes to the TOT would require Council action and use of funds for housing would need to be weighed against other priorities. Partnering with the City of Salinas was needed but they have since applied on their own for a LHTF. **Recommendation:** ▪ Consider potential funding sources to support affordable housing (via regional or city trust fund) as part of the update effort, and update this program accordingly. Quantify the funding goal to the extent possible. ▪ Work with the State and federal government to fund new housing sources, like a Regional Housing Trust Fund.

HE Program Name/Number	Program Description and Objective	Responsible Dept. Timeframe, Funding, and Objective	Achievements and Evaluation / Recommendation
Program 2.3.a: Density Bonus	The City shall ensure that zoning regulations are in conformance with state Density Bonus Law (California Government Code §65915). To ensure successful implementation, the City will encourage developers to utilize the density bonus provisions to increase the number of units in the underlying zone in return for construction of lower-income housing (extremely low-, very low-, and low-income units) by providing workable incentives that improve the financial feasibility of a project. When affordable units are provided, they shall be interspersed with market-rate units in the project and shall be visually indistinguishable from market rate units. The City will make information regarding density bonus incentives available to developers via the City's website and through an informational brochure at the Planning Division counter.	Responsible Dept.: Community Development Department - Planning Division, City Manager, Planning Commission, City Council Timeframe: Revision of the Zoning Code within two years of Housing Element adoption; Implementation of density bonus for projects is ongoing; Promotion of density bonus incentives is ongoing Funding: General Fund Housing Objective: 1 extremely-low-, 4 very-low-, and 15 low-income units	**Achievements:** ▪ Adopted state density bonus by reference. ▪ Applied density bonus in a small number of projects. 301 Grand is a recent example where 3 units are at Low Income Level (80% AMI). ▪ Agree on a local density bonus program as part of affordable housing strategy, that will now be implemented as part of the Housing Element update and rezoning work. ▪ The City held a joint Planning Commission and City Council meeting to provide information about new state housing law and how it could be applied in Pacific Grove. A recording and materials are available on the City's website for reference. **Challenges:** ▪ Need to educate staff on how to apply the density bonus. Has been some confusion on how state law gets translated into local regulations (by zoning district, etc.). ▪ Developers need to understand the complexity of State Density Bonus law and have resources available to them. ▪ SB 35 has established a new path and requirements for streamlined review. The same need for staff resources and informing developers is needed. **Recommendation:** ▪ Update policy and program to reflect direction established in the updated element and implement through rezoning and targeted General Plan update.

HE Program Name/Number	Program Description and Objective	Responsible Dept. Timeframe, Funding, and Objective	Achievements and Evaluation / Recommendation
Program 2.3.b: Downtown Master Plan	The City shall pursue State and federal grant opportunities to fund preparation of a specific plan or master plan for the downtown area to evaluate the feasibility of high- density residential development and incentives for upper floor residential units in the downtown area and to support and enhance the existing compact urban core with convenient services and transit. The plan could include a vision, standards, development incentives, and financing strategies for development.	Responsible Dept.: Community Development Department - Planning Division, Planning Commission, City Council Timeframe: Within five years of Housing Element adoption Funding: General Fund to prepare grant applications Housing Objective: n/a	**Achievements:** ▪ This program was not achieved; however, several downtown opportunity sites were identified as part of the affordable housing plan. **Challenges:** ▪ Staff capacity, budget and competing priorities made it difficult to move this program forward. ▪ Downtown property owners do not always support proposed changes and new development in the downtown area. ▪ General funds will be utilized to prioritize focused GP update to accommodate large RHNA Allocation. **Recommendation:** ▪ Apply a local density bonus or other tool on parts of downtown for future development. Implement via rezoning work in 2023/24.
Program 2.3.c: Encourage Residential and Mixed Use Development in Commercial Zones	Inform commercial developers of zoning provisions allowing residential and mixed uses in commercial zones and the City's policies favoring such development. Specifically discuss potential residential and mixed-use development opportunities and available incentives, such as a density bonus, with landowners and developers with an interest in the sites identified in Section 5.2, Sites Inventory and Analysis.	Responsible Dept.: Community Development Department - Planning Division Timeframe: Contact owners of underutilized commercial properties at least twice during the planning period; Consider establishing an affordable housing overlay by 2018, and if determined to be appropriate, initiate a Code amendment by December 2018. Funding: General Fund Housing Objective:10 very-low-, 10 low-, and 10 moderate-income units on underutilized sites	**Achievements:** ▪ Staff have had multiple discussions with developers and regularly highlight density bonus program. ▪ Staff has been in contact with owners of several key underutilized properties and has facilitated conversations with developers (e.g., for potential joint development of Lighthouse Theater site and adjacent city-owned parking lot). ▪ Council considered a vacancy tax at one point which could be applied to both commercial and residential properties, but there was not enough support to move forward. **Challenges:** ▪ Relatively low densities of underlying zoning make it hard for projects to pencil, even when applying a density bonus. **Recommendations:** ▪ Complete the rezonings recommended in the updated Housing Element and continue to meet regularly with developers and property owners to pro-actively facilitate redevelopment on key opportunity sites to achieve affordable housing goals.

HE Program Name/Number	Program Description and Objective	Responsible Dept. Timeframe, Funding, and Objective	Achievements and Evaluation / Recommendation
			▪ Build on community engagement for the HE during the rezoning process, including engagement with developers and property owners. ▪ In the rezoning, structure standards to incentivize residential development, especially affordable housing (e.g., increased intensity for inclusion of residential), with economic analysis to ensure market feasibility
	Identify and contact owners of underutilized motels or other commercial structures that are in need of rehabilitation and consider offering financial assistance or other incentives, where feasible, to encourage converting and/or upgrading their buildings for permanent special needs housing that could serve disabled, seniors, extremely-low- and/or very-low-income persons.	See above	**Achievements:** ▪ Staff has been in contact with motel owners and others to identify potential sites. ▪ The State provided Technical Assistance to the City to negotiate a complex application process. **Challenges:** ▪ Water moratorium is an obstacle as there are restrictions on changes of use (even though the rehab and change of use may result in less water consumption). **Recommendations:** ▪ Include underutilized church properties, not just motels and commercial. ▪ Continue to work with the water district to resolve water-related obstacles.
	Consider establishing an affordable housing overlay to promote the development of multifamily affordable housing in the Forest Hill Commercial District. The overlay could include development incentives to encourage lot consolidation and affordable unit development, particularly mixed-use projects including commercial space and housing units on underutilized commercial properties. Incentives could include:	See above	**Achievements:** ▪ The City has not yet implemented an overlay or other rezoning in the Forest Hill Commercial District. However, an update to the Specific Plan for that area to support housing goals was identified in the affordable housing strategy, and rezoning is happening as part of the 2023/24 work effort. **Challenges:** ▪ Introducing housing in the Forest Hill area will require transformative redevelopment work (rather than targeted infill in areas with an established fabric). ▪ Properties have been identified for redevelopment; however they do not have water meters.

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	▪ Residential density increase beyond those provided by State Density Bonus law; ▪ Flexible zoning standards such as exceptions to requirements for setbacks, open space, and parking; ▪ Streamlined procedures for lot consolidation; ▪ Priority permit processing; and ▪ Deferral or reduction of City permit fees.		▪ Commercial zoning in PG allows mixed use development; however no prior housing use limits development of housing due to water restrictions. ▪ Lot consolidation is generally discouraged in PG as there is desire to merge lots to build larger single-family homes. **Recommendations:** ▪ Implement rezoning of Forest Hill through 2023/24 work effort to incentivize housing outcomes. In doing so, consider discouraging or prohibiting SF as a use and ensure to incorporate AFFH goals. ▪ Work to create an easement on the block between Forest Hill Boulevard and Piedmont to provide necessary fire and utility access.
Program 2.3.d: Preserve Affordable Housing Units	Work with property owners of deed-restricted units that are at-risk of converting to market-rate housing to preserve the affordable housing by providing incentives or resources, such as working with the County to target Housing Choice Vouchers (HCV) for the units, or providing rehabilitation funds for improvements.	Responsible Dept.: Community Development Department - Housing Division Timeframe: Ongoing (contact property owners at least one year prior to deed restriction expiration) Funding: General Fund Housing Objective: Preserve 7 low-income and 2 moderate-income units	**Achievements:** ▪ This program was implemented. The City negotiated with the property owners and while no tenant lost an existing housing unit, once the unit was vacated it was returned to market-rate housing. **Challenges:** ▪ City has limited financial resources to incentivize retaining deed restrictions. ▪ Many illegal ADU units were deed restricted. New ADU legislation is allowing those units to meet the requirements of legal ADU's. Therefore, the deed restrictions are being removed. **Recommendation:** ▪ Identify and quantify at-risk units for upcoming planning period and develop strategies to retain them. ▪ The City will look for new programs to deed restrict existing units to increase the housing stock of affordable units.

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Program 2.3.e: Facilitate Housing Development on Underutilized Parcels	Historically, the City of Pacific Grove contained many small residential lots that through years of zoning, have been made non-conforming because they are considered too small. The City will evaluate specific residential locations that could accommodate small or tiny houses on undersized parcels, such as areas that directly abut a commercial area, and examine potential modifications to site development standards that could encourage such homes where they would be most appropriate.	Responsible Dept.: Community Development Department - Planning Division Timeframe: Feasibility analysis in 2016-17; if feasible, initiate Code amendments as appropriate by June 2017 Funding: General Fund Housing Objective: 4 very-low-income units	**Achievements:** ▪ This program was implemented and code changes were adopted; however it did not result in the objective of creating 4 very low income units. **Challenges:** ▪ Some of the areas where this applied are in the coastal zone and subject to approval by the CA Coastal Commission. ▪ Can help create some units, but not very many. **Recommendations:** ▪ Develop incentives for lot consolidation to encourage redevelopment of small lots.
	Evaluate opportunities for parcel assembly and the use of substandard or underutilized parcels for affordable housing by relaxing development standards, developing procedures to facilitate the process, and working with property owners and developers.	See above	**Achievements:** ▪ This program was implemented and code changes were adopted. ▪ Work with property owners and developers is ongoing.
	Evaluate the feasibility of reinstating the Illegal Housing Unit Registration Program if the units meet health and safety inspection and documentation requirements. Unit registration should require a deed restriction stipulating that the unit is affordable to very low-income households in perpetuity.	See above	**Achievements:** ▪ This program was implemented along with updates to the Second Unit Ordinance. Have made a lot of progress, but ongoing. **Challenges:** ▪ Legalization happens through property inspections prior to sale but likely that more units are out there. ▪ Deed restriction requirement creates a disincentive for legalizing units and is hard to enforce. **Recommendation:** ▪ Continue this program, removing deed restriction requirement since this can disincentivize development.

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Program 2.3.f: Affordable Housing Development Assistance	Provide assistance to affordable housing development projects, such as expedited review, administrative assistance with funding applications, and coordination with neighborhood groups to address concerns.	Responsible Dept.: Community Development Department - Housing Division Timeframe: Ongoing Funding: General Fund Housing Objective: n/a	**Achievements:** ▪ Have been providing assistance as needed throughout the planning period. **Challenges:** ▪ Limited staff capacity makes expedited reviews challenging. ▪ Need for consultants, on-call expertise and legal assistance to expedite. **Recommendations:** ▪ Incorporate into program for pursuing funding for affordable housing.
Program 2.3.g: Short-Term Rental of Private Homes	Many cities in popular vacation areas have noted that the recent growth in short-term rental of private homes has the potential to adversely affect the cost and supply of permanent housing. The City will review this issue and if it is determined to have a significant effect on affordable housing cost and supply, appropriate actions will be considered to offset these effects and mitigate this impact.	Responsible Dept.: Community Development Department - Housing Division Timeframe: 2016-17 Funding: General Fund Housing Objective: n/a	**Achievements:** ▪ Updated regulations substantially limit short-term rentals. ▪ City purchased and is utilizing tracking software to help catch violations. In February 2022, Deckard Technologies software was deployed for assistance in **Short-Term Rental** code compliance. Utilizing this software, staff found 31 unlicensed **Short-Term Rental**s and subsequently collected approximately $20,604.07 in administrative penalties through the code compliance process which could be used for additional administrative and housing funding. Since implementing this software in the 2022 calendar year, City Code Compliance staff received 237 complaints. ▪ City adopted rental guidelines as an attempt to help tenants. **Challenges:** ▪ Requires ongoing monitoring and enforcement. ▪ Homeowners are getting around regulations by stating a home has a 30-day rental. It is possible homeowners are circumventing STR requirements. Single Family homes for 30-day rental are fully furnished and charging around $8,000 per month. **Recommendations:** ▪ Link STR fines to AH budget (will need Council approval). ▪ Review market effects from STR's in the community.

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Program 2.4: Second Units	The City will continue to produce and distribute a brochure summarizing second unit permit requirements. In addition, the City will review the Second Unit Ordinance and consider revised standards to encourage the development of second units. Second units approved under revised standards could require a deed restriction stipulating that the units remain affordable to low-income households in perpetuity. The ordinance should continue to allow second units in all residential zones, with the exception of R-1-B-4.	Responsible Dept.: Community Development Department - Planning Division Timeframe: Review second unit regulations in 2016-17 and initiate a Code amendment as appropriate by June 2017 Funding: General Fund Housing Objective: 10 low-income second units	**Achievements:** ▪ Approved 75 ADUs, with an estimated 30 % of them being affordable to lower income households. ▪ Adopted changes to the Second Unit Ordinance (now the Accessory Dwelling Unit Ordinance), consistent with recent state law changes, including removing the requirement that second units/ADUs be deed restricted in perpetuity. The City has actively promoted ADUs through public education and outreach, including a dedicated ADU webpage on the City's website. ▪ The City is updating its ADU Ordinance to meet new state laws from 2019 and 2022. ▪ The City has made water allocations available to homeowners who are interested in developing an ADU. **Challenges:** ▪ Requiring a deed restriction discourages homeowners from building an ADU. The City has stopped seeking deed restrictions, recognizing that ADUs are often more affordable and help create rental housing opportunities that would otherwise not exist. ▪ Building an ADU can be daunting and require substantial financial resources. Financing ADU's can be difficult for lower income homeowners. **Recommendations:** ▪ Ensure ADU policies and practices continue to align with state requirements. ▪ Work with adjacent jurisdictions to expand ADU resources for homeowners,. ▪ Find ways to fund ADU development. ▪ Help owners find financing mechanisms to finance ADUs.

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GOAL 3: Reduce governmental and infrastructure constraints to the improvement and development of housing for people of all income levels.			
Policy 3.1: Provide public facilities and services in support of new housing construction and the revitalization of older neighborhoods and continue to work aggressively with the water district and other Monterey Peninsula cities to find long-term solutions to the water problem, to increase the water available for residential uses, and to provide for drought protection.			
Policy 3.2: Continue to cooperate with the Pacific Grove Unified School District (PGUSD) in coordinating new residential development with school facilities and meeting housing needs for PGUSD employees.			
Policy 3.3: Ensure that City policies, regulations, and procedures do not add unnecessarily to the time or cost of producing affordable housing, while assuring the attainment of other City objectives.			
Policy 3.4: Minimize regulatory constraints on housing development.			
Program 3.1: Water Supply	Continue water conservation measures in an effort to make water allocations available for housing through potable water usage reduction measures at City sites such as the golf course and cemetery, and the implementation of MPWMD programs. The City will continue to actively participate in the development of the proposed Regional Water Project. Projects that include affordable housing will be given priority as water allocations become available. Water and wastewater agencies serving Pacific Grove will be provided a copy of the Housing Element pursuant to California Government Code §65589.7.	Responsible Dept.: Community Development Department - Planning Division Timeframe: Implementation of MPWMD programs and participation in the Regional Water Project ongoing (attend meetings monthly) Provide a copy of the Housing Element to water and wastewater agencies upon adoption. Funding: General Fund Housing Objective: n/a	**Achievements:** ▪ The City implemented a water reuse project at the municipal golf course and cemetery, thereby creating water allocations that can be applied in support of new housing and ADUs ▪ Regional work has continued to address the water situation. Most recently, the CA Coastal Commission approved Cal-Am's proposed water desalinization plant in Marina. **Challenges:** ▪ Even if a water allocation is available, it can only be used on a site with an existing water meter. ▪ The process of creating a new water source will take years to get approved and constructed. ▪ Accepting development applications that do not have water permits and a water meter creates frustration and unwarranted costs for the applicant. Therefore, the City has stopped accepting applications without evidence of water permits. **Recommendations:** ▪ Continue to work with regional partners to find a long-term solution to the water situation. ▪ Work with partners to lobby for use of water allocations to support affordable housing, including on sites where a water meter may need to be added. ▪ Continue to seek creative solutions to support needed housing development within the confines of the water moratorium (e.g., by aggregating lots with a water meter with

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			development sites which do not have one but have the potential to create units). ▪ Continue to apply water conservation measures in rehab projects and water re-use projects.
Program 3.2: School District Coordination on Housing Issues	Continue to coordinate with Pacific Grove Unified School District (PGUSD) on housing issues, trends, and constraints. Provide a copy of the draft Housing Element and annual housing program assessment reports to PGUSD for review and comment. Seek additional opportunities for partnership and information sharing in order to better address the housing needs of PGUSD employees.	Responsible Dept.: Community Development Department - Planning Division Timeframe: Ongoing Funding: General Fund Housing Objective: n/a	**Achievements:** ▪ This program was implemented, and PGUSD representatives (from staff and the Board) have been engaged throughout both the affordable housing strategy development and Housing Element update, serving on the advisory committees for each effort. **Challenges:** ▪ PGUSD is a large landowner, with several potential housing opportunity sites that could serve both district and community needs while improving school facilities and preserving open space, but each of them has constraints that would need to be addressed, including voter restrictions (though recent state legislation might override that constraint). ▪ PGUSD does not have experience or expertise in housing development. **Recommendations:** ▪ Include a program in the updated Housing Element with more specificity, including objectives developed in collaboration with PGUSD. ▪ Explore potential for collaboration with the MPUSD as well, to work together and coordinate on employee housing.

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Program 3.3.a: Development Fees	Review City fee structures periodically to assure that the cost of services and exactions do not exceed actual costs to the City. Consider the reduction of fees for affordable housing units, where possible.	Responsible Dept.: Finance or Administrative Services Department, Community Development Department - Housing, Planning and Building Divisions, City Council Timeframe: Ongoing, review annually and revise fees as appropriate Funding: General Fund Housing Objective: n/a	**Achievements:** ▪ The City reviews fees on an annual basis. ▪ The City Finance team hired a consultant in 2022 to develop a comprehensive user fee study, development impact fee study, and cost allocation plan. **Challenges:** ▪ As a small city with limited funds, the City needs to cost-recover for development review services. **Recommendations:** ▪ Continue to monitor fees and adjust or provide waivers where possible. ▪ Incorporate this program with the overall program to facilitate affordable housing development.
Program 3.3.b: Adequate Sites to Accommodate Housing Needs	In order to ensure that adequate sites are available throughout the planning period to accommodate the City's RHNA, the City will continue to comply with California Government Code §65863 through a project-by-project evaluation. When water allocations become available for commercial, mixed-use, and residential development, if the ongoing monitoring of development proposals indicates commercial/mixed-use sites are not providing for residential development opportunities as anticipated to address the housing needs for all income levels, the City will develop additional strategies to encourage and facilitate the development of multi-family housing affordable to lower-income households.	Responsible Dept.: Community Development Department - Housing, Planning and Building Divisions Timeframe: Throughout the planning period Funding: General Fund Housing Objective: n/a	**Achievements:** ▪ The City's sites inventory was adequate to meet its overall RHNA 5 targets. Meeting the target for Very Low Income units was challenging due to the heavy subsidies needed to provide lower income affordable housing **Challenges** ▪ Finding sites to accommodate very low income housing development is challenging for several reasons: there are few large sites; the underlying zoning is relatively low, even with density bonuses applied; the City has little to no funding to contribute toward subsidies or incentives; and water allocations and service are costly and complicated. ▪ Also applied for PLHA funds which allowed for the first 2 year allocation to go to a homeless family shelter in Seaside. But futures funds can be used to address the Very Low Income target group. **Recommendations** ▪ Include a buffer in the sites inventory for RHNA 6 to better support compliance with the state's No Net Loss requirements. ▪ Monitor the sites inventory as part of the City's annual reporting on HE progress

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Program 3.3.c: Use Permit for Multi-Family Development	The City currently has a Use Permit requirement for multi-family developments consisting of eight or more units in the City's multi-family zones (R-3 and R-4). While the City is relying heavily on mixed-use development in commercial zones to accommodate its need for lower-income households, several high-density residential opportunity sites allowing capacity above the seven unit threshold have been identified in the inventory. To ensure the City's permit process is not an unreasonable constraint on the potential development of these sites, the City will process a Zoning Code amendment to eliminate the Use Permit requirement for multi-family developments in the R-3 and R-4 zones.	Responsible Dept.: Community Development Department - Housing, Planning and Building Divisions Timeframe: Initiate a Code amendment in 2016 Funding: General Fund Housing Objective: n/a	**Achievements:** ▪ This code change was implemented. **Challenges** ▪ Facilitating multi-unit developments and ensuring timely review is an ongoing challenge. ▪ Analysis has shown that even with code changes to improve the physical and regulatory feasibility of "middle housing" (duplexes, triplexes, townhomes, etc.) they are still less attractive from an economic perspective compared to high-end single-family homes due to high demand. **Recommendations** ▪ Identify further changes to codes and review processes to make multi-unit developments easier to achieve. ▪ Consider removing single family as a permitted use in some zones.
Program 3.4.a: Parking Standards	The City will review parking requirements and consider options and parking reduction opportunities, such as: ▪ **Tandem Parking.** Allow for tandem parking for single-family dwellings and individual mobile homes upon meeting appropriate performance criteria. ▪ **Shared Parking.** Where two or more uses have distinct and differing peak traffic usage periods the required number of parking spaces may be reduced through Use Permit approval. ▪ **Low Vehicle-Ownership Reduced Parking Requirement.** Allow for a reduction in parking spaces for uses that serve tenants with low vehicle	Responsible Dept.: Community Development Department - Planning Division, Planning Commission, City Council Timeframe: Review parking standards within two years of Housing Element adoption and initiate Code amendments as appropriate by March 2018 Funding: General Fund Housing Objective: n/a	**Achievements:** ▪ The Zoning Code was amended to allow tandem parking. **Challenges:** ▪ Because of PG's location and very limited transit service, it can be a challenging place to live without a car unless some other form of transportation is provided (e.g., a car share program or shuttle service). **Recommendations:** ▪ Consider further changes to parking standards in conjunction with rezoning work in 2023/24, particularly in relation to higher density affordable housing and potential improvements to transit service being considered by Monterey-Salinas Transit.

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	ownership rates including special needs housing facilities that can demonstrate a reduced parking need. ▪ **Reduced Parking for Affordable Housing**. Utilize state parking requirements for eligible affordable housing developments as provided in Government Code §65915(p).		
Program 3.4.b: Single-Room-Occupancy Units	In order to encourage housing for extremely-low- and low-income households, the City shall consider a Zoning Code amendment to encourage single-room-occupancy units (SROs) in the C-1, R-3, or R-4 zoning districts with a conditional use permit.	Responsible Dept.: Community Development Department - Planning Division, Planning Commission, City Council Timeframe: Consider SRO regulations within two years of Housing Element adoption; if deemed appropriate, initiate a Code amendment by March 2018 Funding: General Fund Housing Objective: 5 extremely-low-income units	**Achievements:** **Challenges:** ▪ Land and development costs are also an impediment to SROs, beyond the code issues identified, especially if developed with deed restrictions to serve 30% AMI. **Recommendations:** ▪ Address development standards for SRO housing including in potential Objective Design Standards.

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Program 3.4.c: Mobile Homes and Manufactured Housing	In order to facilitate the use of mobile homes and manufactured housing, the City will review zoning regulations for this type of housing and if necessary a Code amendment will be processed to ensure conformance with state law.	Responsible Dept.: Community Development Department - Planning Division, Planning Commission, City Council Timeframe: Review zoning regulations for mobile and manufactured housing in 2016 and if necessary; initiate a Code amendment by December 2016 to ensure conformance with state law Funding: General Fund Housing Objective: n/a	**Achievements:** ▪ The City reviewed its Zoning Code and determined that mobile homes and manufactured homes meeting building code standards and installed on permanent foundations are treated as regular residential use. **Challenges:** ▪ The City has not seen new mobile home park developments due to lack of sites and land costs. ▪ Use of prefab units for ADUs is a more likely trend, and is already allowed in PG. However, they can be difficult due to lot sizes in the City. **Recommendations:** ▪ Additional action related to this issue is probably not needed, although work to support more ADUs could include education for homeowners about prefab products.
GOAL 4: Increase housing opportunities for persons with special needs.			
Policy 4.1: Facilitate the development and rehabilitation of housing for seniors and persons with physical, developmental, or mental disabilities. Policy 4.2: Continue to work with surrounding jurisdictions, non-profit organizations, and public safety departments to address the needs of the homeless on a regional basis. Policy 4.3: Support shared housing programs operated by local non-profit organizations.			
Program 4.1.a: Housing Rehabilitation for Persons with Special Needs	Continue to use the City's rehabilitation program to modify existing dwellings to accommodate low-income seniors and persons with disabilities.	Responsible Dept.: Community Development Department - Housing Division Timeframe: Ongoing Funding: Housing Rehabilitation Loan Program Housing Objective: 4 rehabilitated low-income units	**Achievements:** ▪ Loans were approved for 12 units for low income families and seniors. Rehabilitation efforts always address accessibility and health and safety needs. ▪ Funding is being used for Housing Rehabilitation Loan Program (HRLP) single-family homes. **Challenges:** ▪ Lower income seniors and people with disabilities have limited financial resources and limited overall capacity to undertake home renovations. They require a high level of assistance to get projects completed in a manner that does not disrupt their lives. ▪ Finding clients who are eligible for the program and own property can be difficult.

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			▪ Taking the time and funding to provide additional case management and services limits the ability to fully serve people. **Recommendations:** ▪ This program is part of the Housing Preservation and Rehabilitation and is not repeated in the 6th cycle Housing Element as a separate program.
Program 4.1.b: Reasonable Accommodation	The City will adopt a reasonable accommodation policy or ordinance implementing policies and procedures that may be necessary to ensure equal access to housing for those with disabilities pursuant to the Fair Housing Amendments Act of 1988 and the requirements of Chapter 671, Statutes of 2001 (Senate Bill 520). Reasonable accommodation is an allowance for some flexibility in the application of zoning and building regulations, practices, and procedures. The City will promote its reasonable accommodations procedures on its website and with handouts at City Hall.	Responsible Dept.: Community Development Department – Planning and Building Divisions, City Council Timeframe: Concurrent with Housing Element adoption (2016) Funding: General Fund Housing Objective: n/a	**Achievements:** ▪ This program was implemented. A reasonable accommodation policy was adopted in conjunction with adoption of the 2015Housing Element, and information is provided on the City's website and in a handout at City offices. **Recommendations:** ▪ This program is part of the Zoning Code Amendments program and is not repeated in the 6th cycle Housing Element as a separate program.
Program 4.2.a: Emergency Shelters, Transitional/ Supportive Housing and Residential Care Facilities	Continue to coordinate with the County, neighboring cities, and community-based organizations and contribute funding, when feasible, toward emergency shelter programs for the area, including consideration of funding for programs developed through inter-jurisdictional cooperation.	Responsible Dept.: Community Development Department - Housing and Planning Divisions Timeframe: Ongoing; Zoning Code amendment concurrent with Housing Element adoption (2016) Funding: General Fund, Housing Fund Housing Objective: n/a	**Achievements:** ▪ The City allocated grant funding (PLHA) to support a regional family, women's and transitional age youth (TAY) shelter in Seaside. **Challenges:** ▪ Responding effectively to homelessness and creating supportive housing is an expensive endeavor that is best met through regional and cross-sector collaboration. **Recommendations:** ▪ Continue to stay engaged in regional efforts and collaboration through the Continuum of Care Leadership Council, and Housing Options Meaningful to Elders (HOME) Collaborative Steering Committee

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			▪ Continue to provide Affordable Housing outreach, education, and resources, especially in May during Affordable Housing Month. ▪ Ensure rezoning work in 2023/24 meets all state requirements related to emergency shelters, supportive housing and residential care facilities.
	Ensure that City zoning regulations facilitate development of emergency shelters, transitional/supportive housing and residential care facilities in conformance with state law.	See above	**Achievements:** ▪ The City adopted updates to its zoning to comply with state law in 2016, in conjunction with adoption of the 2015 Housing Element. **Recommendations:** ▪ The City will revise the zoning regulations to address new state laws on special needs housing, such as AB 101 (Low Barrier Navigation Center), AB 139 and AB 2339 (Emergency Shelters), AB 2162 (Supportive Housing).
Program 4.2.b: Section 8 Rental Assistance	Continue to support the Housing Authority of the County of Monterey in the administration of its housing programs by providing referrals to local residents in order to increase the number of available housing units in the HCV rental assistance program in Pacific Grove.	Responsible Dept.: Community Development Department – Housing Division Timeframe: Ongoing Funding: General Fund, Housing Fund Housing Objective: n/a	**Achievements:** ▪ Established Rental Housing Guidelines, adopted by Council, to support fair rental housing. ▪ Worked closely with Echo Housing during the pandemic to ensure tenants were protected and information provided to property owners. ▪ Working with partners to increase the fair market rent used for housing vouchers, to better reflect local conditions. The Housing Authority is undertaking a study on FMRs. **Challenges:** ▪ Bridging the gap between what people can afford and the high rents in PG is significantly challenging. **Recommendations:** ▪ Continue to refine this policy and program in the updated Housing Element, including additional detail and clear objectives to the extent possible. ▪ Continue to work with the Housing Authority to obtain vouchers that will be used in the City of Pacific Grove for City residents.

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			▪ Work with landlords to understand the housing voucher program and promote acceptance of vouchers.
Program 4.3.a: Shared Housing	Continue to support organizations such as the Alliance on Aging, Meals on Wheels, and other supportive programs through administrative and resource support, for example, access to City facilities, and provide financial support as monies are available, that help individuals live independently; aging in place.	Responsible Dept.: Community Development Department – Housing Division Timeframe: Ongoing Funding: General Fund, Housing Fund Housing Objective: n/a	**Achievements:** ▪ Worked to help bring supportive programs to the Monterey area, but they have since left. ▪ City Code allows home sharing. **Challenges:** ▪ Shared Housing is a great idea, but can be challenging due to liability issues (reason why the Alliance on Aging stopped this program). **Recommendations:** ▪ Promote the acceptance of HCVs by property owners intending to make ADU and SB9 units available for rent. This program can facilitate independent living of seniors.
Program 4.3.b: Support Persons with Developmental Disabilities	Continue to provide support to ensure the continued operation and expansion of the Gateway Center, a residential care and support center for persons with developmental disabilities.	Responsible Dept.: Community Development Department - Housing Division Timeframe: Ongoing Funding: General Fund (for Staff time) Housing Objective: n/a	**Achievements:** ▪ City is partnering with Gateway Center of Monterey, Inc. to strengthen partnerships for housing and serving adults with developmental disabilities. ▪ The Gateway Center provides services, housing and resources in Pacific Grove. **Challenges:** ▪ As in other areas of special housing need, PG is limited in its resources and capacity. Partnering is key to delivering outcomes. **Recommendations:** ▪ Review and incorporate relevant data and program recommendations from Housing Choices (per correspondence of August 31, 2022) in the updated Housing Element.

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GOAL 5: Ensure equal opportunities to secure appropriate housing for all persons regardless of race, gender, familial status, ancestry, national origin, color, sexual orientation, or other potential barriers that prevent choice in housing.			
Policy 5.1: Increase public awareness of remedies for housing discrimination.			
Program 5.1 Support Fair Housing	Continue to publicize information about the enforcement activities of the California Fair Employment and Housing Commission. Fair housing information will continue to be made available on the City's website and through brochures at the Planning Division and Finance Department Counters at City Hall and at the Pacific Grove Public Library and Senior Center. The City will continue to promote April as "Fair Housing Month" through a proclamation from the Mayor and educational programs such as a poster and poetry competition for local youth. Continue to participate in public and private efforts to enforce fair housing practices, to refer reported cases of arbitrary discrimination to mediation services, and to support the Conflict Resolution and Mediation Center of Monterey County and other low- or no-cost mediation services. More information needed	Responsible Dept.: Community Development Department - Housing Division Timeframe: Ongoing Funding: General Fund, Housing Fund Housing Objective: n/a	**Achievements:** ▪ The City has worked with ECHO Fair Housing for the past 2 years to provide workshops for tenants and landlords each April and also in May 2023. ▪ The City has received less than 10 complaints over the course of the planning period, most often about landlords discriminating against women with children. Callers and walk-ins have been referred to the state and federal complaint lines in the past, but more recently are being referred to ECHO Fair Housing. **Challenges:** ▪ There is a long history of housing discrimination in PG and other communities around the region and state. The City has a key role in helping to advance fair housing and counter discrimination. It requires ongoing/proactive outreach and education efforts. **Recommendations:** ▪ Ensure that the updated Housing Element helps to affirmatively further fair housing, in its outreach efforts, sites inventory and programs/policies. ▪ Define clear, quantifiable objectives whenever possible.

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Goal 6: Ensure resource efficiency in new and existing housing units.			
Policy 6.1: Promote energy conservation and weatherization features in existing homes.			
Policy 6.2: Encourage energy and resource efficiency in the design of all new residential developments, to the extent practical.			
Program 6.1: Energy Conservation in Existing Homes	Continue to post information on weatherization and energy conservation programs on the City's website and in brochures available in the Community Development Department office. Continue to pursue funding opportunities for energy efficiency rehabilitation loans.	Responsible Dept.: Community Development Department - Housing and Building Divisions Timeframe: Ongoing Funding: General Fund Housing Objective: n/a	**Achievements:** ▪ The City has continued to post information and pursue funding to support energy efficiency as part of the rehab loan program. ▪ Energy efficiency is factored into every rehabilitation loan project. ▪ The City has been working with Passive House advocates and working to ensure energy efficiency and passive house principles will be part of future multi-family affordable housing developments. **Challenges:** ▪ Implementing energy efficiency improvements can be challenging in rental housing, where the landlord needs to make the investment but does not realize the cost savings because utility bills are typically paid by the tenants. **Recommendations:** ▪ Expand this program to also include water conservation efforts (e.g., changing to low use fixtures, etc.). ▪ Pursue new funding opportunities as they arise, particularly new federal and state funds focused on climate resilience. ▪ Partner with MPWMD on its water conservation outreach programming. They provide info each year at Good Old Days.

HE Program Name/Number	Program Description and Objective	Responsible Dept. Timeframe, Funding, and Objective	Achievements and Evaluation / Recommendation
Program 6.2: Energy Efficiency in New Homes	The City shall continue to implement the Green Building Ordinance to encourage efficient building design standards in new construction and redevelopment and to promote increased energy conservation. As part of each update to Building Codes, the City will continue to seek ways to encourage projects to exceed the minimum requirements for energy efficiency, such as through expedited permitting.	Responsible Dept.: Community Development Department - Building Division Timeframe: Ongoing; tri-annual building code updates Funding: General Fund Housing Objective: n/a	**Achievements:** ▪ The City adopted the California Building Code and its energy efficiency requirements into the PG code. **Challenges:** ▪ With changes in codes, rapidly evolving technologies and alternative construction methods, it can be challenging for local staff to remain up-to-date. **Recommendations:** ▪ Continue to promote energy efficiency in new homes. ▪ Partner with affordable housing developers to pursue grant funding that can make their buildings energy efficient, incorporate solar and achieve as close to net zero as possible. ▪ Partner with Passive House advocates to review RFPs for future multi-family affordable housing. ▪ Conduct in-service staff training quarterly to stay on top of evolving energy efficiency requirements

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Appendix D: Public Engagement and Input Summary

This appendix summarizes the multi-year engagement effort for the Housing Element Update. Engagement included stakeholder interviews, outreach at a variety of local events and markets, online surveys, door-to-door knocking, public workshops, and a Housing Advisory Group.

Introduction

Getting Started: The Welcome Home Initiative

In early 2020, the City launched public outreach and engagement toward developing an affordable housing strategy. This work, which became known as the Welcome Home Initiative, was focused on helping residents and decision makers better understand affordable housing issues, context and needs in Pacific Grove; articulating a vision for the community's future related to housing; and identifying priorities for near- and mid-term action.

The effort was overseen by a Housing Advisory Group, appointed by the City Manager, to ensure broad and inclusive representation. The group included the Mayor and a Councilmember; members of the Planning Commission; the Pacific Grove Unified School District; social service agencies; business representatives; faith groups; and affordable housing providers. A full list of Housing Advisory Group members is on the Welcome Home page of the City's website, here: https://www.cityofpacificgrove.org/our_city/departments/community_development/housing/housing_initiative.php

The effort started with one-on-one interviews with 14 community representatives, summarized in this document. These interviews brought forth themes that have remained prevalent in community conversations over the past three years: a strong desire to develop workable strategies for creating more affordable housing, while working to retain the community's small-town feel; concerns about discrimination and lack of inclusion and diversity; the need for workforce housing; concerns about financial, economic and environmental constraints, especially water; and how to build a community consensus for change.

Because the outreach was conducted during the pandemic, the project team conducted a "live" online workshop as well as an "on demand" online workshop, in English and Spanish, that people could participate in at a time of their choosing over the course of several weeks.

The live workshop had 65 participants and the on-demand workshop attracted another 125 participants. The City also hosted a Spanish language focus group which, while small, provided valuable insights on housing issues for residents and workers for whom English is not their first language.

Based on the results from outreach efforts, a strategy document was created (see Attachment 1) and is referenced in the updated 2023-2031 Housing Element.

Housing Element Update

Building off the Welcome Home initiative's outreach and engagement, the City formally began community engagement for the Housing Element Update in April 2022. This included continuation of the Housing Advisory Group, with some changes in its composition and renaming to the Housing Element Advisory Committee, as well as a broad range of activities to ensure inclusive engagement, including residents across a range of backgrounds and housing situations, community and industry leaders, social service providers, and in-commuting service workers. All of these activities were designed to achieve two overarching goals:

Goal #1: Inform

The first goal was to inform as many community members as possible about the housing element update, answering questions such as:

- What is a Housing Element?
- Why is the City updating it?
- What is the timeline?
- What is Affirmatively Furthering Fair Housing?
- How can I get involved?

The City made repeated efforts throughout the entire process to notify, provide updates, and remind the general public about the 2023-2031 Housing Element Update. To do this, the City set up a webpage that was routinely updated and used as the principal information hub. Project updates and announcements were regularly shared via public meetings, City-issued email newsletters, social media, posted flyers, announcements at City Council and Planning Commission meetings, and efforts made in coordination with community leaders and partners. The City also tried to proactively

reach the community where they are typically located by conducting pop-up outreach at popular events like the Farmer's Market every month, the Good Old Days festival, and National Night Out; high trafficked locations like the supermarket; and at community members' doorsteps by door-to-door knocking.

Goal #2: Engage

The second goal was to engage community members in sharing their input, perspectives, and recommendations to inform the direction of 2023-2031 Housing Element Update. The City structured its engagement process into multiple overlapping phases, each with specific objectives and subject matter focus listed as follows:

1. Project Kick-Off
2. Stakeholder and Industry Consultations
3. Community Stories and Housing Needs
4. Balancing Where New Housing Should Go and Strategies

The City used a variety of methods to engage stakeholders both in-person and online, including one-on-one conversations, interviews, focus groups, surveys, community workshops, pop-up events, monitoring social media, and an online housing simulation tool. Continue reading for more details about what the City of Pacific Grove did to engage its community members and what we heard.

Phase 1: Project Kick-Off

The purpose of this phase of engagement was to announce the commencement of the 2023-2031 Housing Element Update in April 2022, inform the public about the effort, and answer questions.

What We Did and Heard

The following table is a list of outreach events during this phase that were conducted in addition City-issued email newsletters, social media, posted flyers, and efforts coordinated with community leaders and partners.

Date	Engagement Effort	Target Stakeholder Group(s)	Notes
04/18/22	**Pop-Up:** Farmers Market Outreach	General Public	<u>What we did</u> ▪ Inform community members about what a housing element is. <u>Demographic observations</u> ▪ People who live/work in PG. ▪ White middle-aged individuals. <u>What we heard</u> ▪ The City needs more affordable housing. Someone mentioned how they are living in the city because they are in the military, however the military housing vouchers barely cover the rent.

Date	Engagement Effort	Target Stakeholder Group(s)	Notes
05/08/22	**Pop-Up:** Good Old Days	General Public	What we did ▪ Interacted with over 64 individuals in the community. ▪ Discussed various Housing topics such as Fair Housing, housing choices, vouchers, and the upcoming Housing Element. What we heard ▪ We heard how those attending the good old days would love to live in PG but don't think it is an affordable place to live. ▪ One man mentioned how he is disabled and is on low income but is never able to find anything that would accommodate his needs. He just gets put onto wait lists.
05/23/22	**Meeting:** Monterey Bay Economic Partnership (MBEP) Regional Housing Element Workshop	Regional Jurisdictions & Service Providers	What we did ▪ Sat on a panel with other jurisdictions and local and regional organizations to discuss collaboration. ▪ Presented how the City is moving forward in the Housing Element and how the City has been engaging with the community in the process to ensure housing needs and community priorities are part of the final plan. What we heard ▪ If the panel thought that Environmental Justice in a Housing Element is important/should be considered. ▪ People who are working do not have enough finances to rent or buy. Rules such as spending 20% of your income on housing is unrealistic. Question: Has the City thought about building up higher to allow for more density? There needs to be policies such as rent control where if the price of housing goes up so does wages. ▪ Vacancy Tax (County Wide) Gave a recommendation of vacancy tax by the value of the home (3%). ▪ Spanish Speaker: Lives in an apartment building that is composed of bad living conditions. She stated that she has to leave her children alone to work and many people she knows work 2 jobs to make ends meet. She stated that the homes being built (in Marina) are not affordable for those like her that work in restaurants and hotels. She wants city decision makers to be more aware of the community needs because the bike lanes and streets are not in good condition.

Date	Engagement Effort	Target Stakeholder Group(s)	Notes
05/16/22	Housing Advisory Group meeting		What we did ▪ Gave a presentation to the Housing Advisory Group about the RHNA numbers and housing element update process. What we heard ▪ Concerns about RHNA 6 numbers and significant increase from RHNA 5. Seems to make it into an unattainable goal. Has made people cynical about the process. ▪ What are the best arguments for PG to be optimistic about the ability to meet RHNA goal?
06/01/22	**City Council** Presentation on RHNA and Housing Element	City Council	What we did ▪ Gave a presentation to the City Council about the RHNA numbers and housing element update process. What we heard ▪ N/A
07/14/22	**Planning Commission** Presentation on RHNA and Housing Element	Planning Commission	What we did ▪ Gave a presentation to the Planning Commission about the RHNA numbers and housing element update process. What we heard ▪ N/A
9/15/22	**Pacific Grove Unified School District Housing Element Presentation**	School Board Members and other in attendance	What we did ▪ Gave a presentation to the school board about what a Housing Element is. What we heard ▪ N/A

Phase 2: Industry Stakeholder Consultations

The following table summarizes the various meetings the City conducted with housing stakeholders.

Date	Engagement Effort	Target Stakeholder Group(s)	Notes
7/20/22	**One-on-One Stakeholder Meeting / Interview:** Met Chamber of Commerce President and Economic Development staff in City regarding Housing Element	Business community	What we did ▪ Discuss increased development and density downtown, the Forest Hill corridor businesses, and how it would affect businesses and discuss providing housing for the workforce. ▪ Asked the Chamber to assist in getting the survey out to the business community. What we heard ▪ Input was captured via increased survey participation after the survey appeared in Chamber newsletters on August 1, 8, and August 15. The August 1st Chamber newsletter featured the National Night Out on 8/2/22, where Community Development Department staff hosted a table for Housing Element Outreach.

Date	Engagement Effort	Target Stakeholder Group(s)	Notes
08/11/22	**One-on-One Stakeholder Meeting /Interview:** Met with Dan Sylverie and Dan Jr. and architect of Sylverie Properties, LLC	Developers	What we did ▪ Discuss site-specific development for increased density and affordable housing in the downtown. What we heard ▪ Need to increase zoning to accommodate more density for a tax credit project.
08/22/22	**One-on-One Stakeholder Meeting /Interview:** Katheryn Avila of Avila Construction	Developers	What we did ▪ Discuss housing development from the developer perspective. What we heard ▪ Need for increased densities to make projects work and more certainty in the approval process for projects that meet standards. Appreciate the outreach the City is doing.
08/23/22	**One-on-One Stakeholder Meeting /Interview:** Chamber of Commerce President	Business community	What we did ▪ Plan outreach to downtown businesses. What we heard ▪ Lack of affordable housing makes it challenging to hire and retain workers in PG. ▪ Desire to ensure business community is involved in the update process.
08/23/22	**One-on-One Stakeholder Meeting /Interview:** Aquarium Public Affairs Director, Barbara Meister	Business community & In-commuters /Workforce	What we did ▪ Plan meetings with hospitality workers on 9/1 and 9/8, several more meetings planned. What we heard ▪ We heard how the aquarium wanted to give their work force an opportunity to engage in public policy.
08/24/22	**One-on-One Stakeholder Meeting /Interview:** Craig Bell, Chamber of Commerce Director	Business community	What we did ▪ Plan engagement with businesses.
08/24/22	**One-on-One Stakeholder Meeting /Interview:** Tom White, Energy and Sustainability Manager of Eden Housing	Developers	What we did ▪ Discuss energy efficiency at Vista Point, affordable housing and preserving affordable housing.
08/27/22	**One-on-One Stakeholder Meeting /Interview:** with Passive House contractors, architects	Developers	What we did ▪ View passive house and energy efficient construction for future housing development and affordable developments.

Date	Engagement Effort	Target Stakeholder Group(s)	Notes
09/20/22	**Gateway Center:** Robertt Freiri, ED	Social Service Providers (for Persons Living with Disabilities)	What we did ▪ Met with the Gateway Center's Executive Director Robert Freiri and learned about the Gateway Center and also got a tour of the facility. What we heard ▪ We learned Gateway Center in PG operates two 15-bed Intermediate Care Facilities (ICFs) for adults with qualifying medical needs. ICFs provide 24- hour comprehensive and personalized care and habilitative services which promotes maximum independence in a secure and safe home setting.
12/14/22	**Housing Developer**	Developer	What we did ▪ Interested in building affordable housing but needs cash subsidies (for pre-development) ▪ For-profit developer—can't wait for CDBG / can't take risk ▪ Tax credits, but need cash subsidies. ▪ Was looking into SB35 (if can get subsidies from employers, and makes streamlining, and additional incentives) ▪ Affordable with strings of different programs makes it more feasible (e.g. home / CBDG - certain # of AMI)

Phase 3: Community Stories and Housing Needs

The purpose of this phase of engagement was to listen to stories of community members, understand how the current housing situation is affecting them, hear what their needs are, and spotlight them in City outreach platforms. While this is an ongoing engagement effort, pivotal efforts were conducted April 2022 that ran through September 2022

What City staff Did and Heard

Online Community Survey

The City launched an online survey in April 2022 that ran through September 2022. The survey was promoted via City communication channels (newsletters, social media and email lists) and at community events and workshops. It was also promoted via the Chamber of Commerce and others, and was highlighted in local media. Over 400 people responded.

Key takeaways are summarized below and the complete report is in Attachment 2.

July 25, 2022 Community Workshop

The City hosted an in-person community workshop on July 25, 2022 to hear an update on the City's RHNA numbers and discuss high-level site strategies for specific parts of the city. The session involved several short presentations, including a preliminary summary of survey input, and very animated small group discussions.

Community Spotlights

The City captured the stories of different community members' experiences with housing in Pacific Grove and spotlighted them in the City Manager Report newsletter.

Key Takeaways from the Survey and July Workshop

Community Development Department staff heard from an overwhelming majority that lack of housing options and affordability is one of the biggest issues that community members are facing.

- **The cost of housing is too high:** A majority expressed frustration that the cost of housing is too high. This is an issue across different income levels. Many feel that there is no hope for them to purchase housing in Pacific Grove. Others said that they are just trying to keep up with the rising cost of rent. Overall, many are upset by the lack of choice in their housing situation, and have to make sacrifices to remain in Pacific Grove. We heard from community members that families are living in undersized or overcrowded homes, young adults are struggling to move out on their own and establish independence, young couples feeling that they cannot start a family, and others having to settle for substandard, poorly managed rental properties.
- **Many community members are at risk of being priced out or have already moved:** Many raised concern about the risk of displacement. We heard from community members that they have personally experienced and/or witnessed their neighbors, friends, co-workers, and family getting priced out of their homes or the City altogether. A number of people feel distressed about being at the will of their landlord, fear having to pull their children out of their school, and are saddened by the possibility of being disconnected from their community.
- **Loss of community and diversity:** Many feel that the current housing situation is hurting the sense of the community, making it inaccessible to newcomers, and restraining the diversity of residents in the City. The rising cost of housing is displacing longtime residents who can no longer afford to live in Pacific Grove, making it difficult for grown adult children to be able to return to and live in their hometown, and breaking up existing communities in general. We heard that the City has become inaccessible to young adults, retired older adults with fixed incomes, young families with children, and many other folks who contribute to the vibrancy of the City. Instead, we heard concerns about vacant housing units used as vacation homes or short-term rentals as well as absentee landlords or property owners who are not invested in the community.
- **Need housing for workforce, public servants and seniors.** People who work here and provide essential services cannot afford to live here. We need housing that better meets their needs.

Supplemental Outreach Events

The following table is a list of outreach events during this phase that were conducted in addition City-issued email newsletters, social media, posted flyers, and efforts coordinated with community leaders and partners.

Date	Engagement Effort	Target Stakeholder Group(s)	Notes
06-26-22	**Pop-Up:** Farmers Market Outreach	General Public	What we did ▪ City staff engaged with the community and handed out handouts on Fair Housing and the City's upcoming Housing Element. Demographic observations ▪ People who live/work in PG. ▪ White middle-aged individuals. What we heard ▪ The City does not feel like a hometown anymore. There are too many big hotels and expensive apartment buildings being built. People are not able to raise families here anymore due to these being built and not affordable housing.
08/02/22	**Pop-Up:** Outreach at National Night Out	General Public	What we did ▪ Planning Commissioners assisted in walking around to provide a flyer and survey QR code and web address to members of the community while housing staff hosted the booth. Demographic observations ▪ Many families and hundreds of members of the community. What we heard ▪ We heard how families feel lucky to live here. Although it is very expensive and they believe there should be more affordable housing PG is the community they want to raise their families in.
08/15/22	**Pop-Up:** Farmers Market	General Public	What we heard ▪ This town needs more diversity. All the homes here are very overpriced for young families to afford. Many people in this area have a home because they bought it many years ago.
08/27/22 & 08/28/22	**Pop-Up:** Targeted outreach at Lucky's and door to door outreach	General Public & Low-income Renters	What we did ▪ Knocked on about 200+ doors. ▪ Interacted with 50+ community members at Lucky. ▪ Distribute Housing Element flyers and surveys. What we heard ▪ We heard how students going to local colleges don't live in PG because it is too expensive and a mom with three children struggles to live here.

Date	Engagement Effort	Target Stakeholder Group(s)	Notes
09/01/22	**Focus Group:** Aquarium engagement (in-person)	In-commuters /Workforce	What we did ▪ Held an in-person focus group with the Monterey Bay Aquarium workforce ▪ Asked about income levels, housing need, addition costs impacting housing, and the type of city they want to live. What we heard ▪ Even those in the above moderate income level are struggling to find or afford housing in the city and region ▪ Desire to be able to afford housing close to work ▪ Variety of other costs such as student loans, medical bills, food, and college that make housing costs even more unattainable
09/09/22	**Focus Group:** Aquarium engagement (online)	In-commuters /Workforce	What we did ▪ Held an online focus group with the Monterey Bay Aquarium workforce ▪ Asked about income levels, housing need, addition costs impacting housing, and the type of city they want to live. What we heard ▪ Larger homes that workers can afford; can only afford small units ▪ Transportation and gas to get to work is costly due to the need to live further away

Phase 4: Balancing Where New Housing Should Go and Strategies

The purpose of this phase was to engage community members about where new housing should go in Pacific Grove and their willing tradeoffs. This first step involved educating community members about the different geographic areas and housing development strategies that City staff identified to have potential for producing new housing in Pacific Grove. With that, the City solicited community input and held discussions about which geographic areas, strategies, and level of intensity is preferred. This period of engagement was conducted between October and November 2022.

What We Did and Heard

Balancing Act: Interactive Housing Simulation Tool

The City of Pacific Grove procured Balancing Act to be used as an interactive housing simulation tool for community members to engage with. The tool was made live between October and November 2022. Community members could access the tool, learn, and submit a housing plan any time with a computer and web browser. A Spanish version of the tool was also offered. The City also created an introduction and instruction video to explain the tool.

Balancing Act provided community members with the opportunity to:

- Learn about the areas and strategies that have the most development potential.
- Explore different scenarios and determine tradeoffs required to reach the RHNA target.
- Share their preferences and priorities with the City.

The goal of the exercise for participants was to produce a housing plan that reaches the City's RHNA target. The tool lists all the geographic areas and strategies that City staff identified to have potential for producing new housing in Pacific Grove. Participants could select the level of intensity that they favored for each of the strategies listed. As participants progressed through the exercise, their selections would increase the housing meter based on the number of estimated new housing units it would create. Once they reach their target number of new housing, they could submit their housing plan.

The City received a total of 135 housing plan submissions from 132 unique participants. A summary of the tool is included in Attachment 3.

October 6, 2022 Community Workshop

The City of Pacific Grove hosted an online community workshop via Zoom on October 6, 2022. Simultaneous interpretation in Spanish was provided, if needed. Approximately 30 community members participated.

The objective of this workshop was for the City to:

- Present information about the Housing Element update effort.
- Facilitate discussion about where new housing should be built in Pacific Grove in order to achieve the City's RHNA, including which development strategies to be prioritized, and to what level of intensity.
- Respond to public comments and questions.

Participants were given a presentation of the Housing Element Update process and an overview of the Balancing Act: Interactive Housing Simulation tool. Then participants participated in breakout groups where they used the Balancing Act tool and discussed their preferred development strategies.

By the end of the meeting, more participants indicated that they felt like they now had a better understanding of the different possible development strategies and tradeoffs, and that it was possible for the City to reach its housing goals.

Key Takeaways

Guiding Principles

The following list of guiding principles was synthesized from the submitted Balancing Act housing plans and what we heard from the community about how they would approach developing new housing in Pacific Grove.

- **Plan comprehensively to maintain a good quality of life:** Community members want to see new housing planned with a comprehensive lens that considers and is coordinated with transportation, traffic, parking, parks and open space, noise, commerce, schools, and other public infrastructure and amenities.

- **Equitably distribute new housing throughout the city:** Community members want to distribute new housing—especially affordable housing—throughout city. Some explained their desire for equitable development, in which affordable housing for lower-income households are not concentrated in just a few areas and that everyone has access to quality neighborhoods with public amenities.
- **Affordable housing for all community members:** Community members stressed the importance of making Pacific Grove an accessible, affordable, and enjoyable place to live for everyone. This means not forgetting to meet the specific housing and community needs of lower-income residents, teachers, public servants, essential workers, seniors, and younger adults.
- **Focus development in commercial and already populated or dense areas:** There appeared to be general accord towards increasing density nearby commercial areas, shopping centers, and downtown. A few hope this will increase investment in these areas and promote economic development. Others want to see a more mixed-use environment.
- **Protect the environment, biodiversity, and green space:** Community members value the protection of the environment and green space. This means prioritizing land development patterns that maximize the protection of the environment, biodiversity, and green space.
- **Preserve community character:** While there are some differences in opinion, the City acknowledges that some community members have expressed concern over the loss of or change in community character, especially in relation to needing to build more housing and densify. Some feel it is impossible to grow without changing the character. Others feel more conflicted, believing more housing and density is needed, but want to consider ways to preserve the character of the city. Even those who are supportive of change recognize that some segments of the community will be resistant to change due to this concern. Design will need to be an important factor.

Where New Housing Should Go

Overall, a majority of community members who were engaged in this phase were generally supportive of most of the geographic areas and strategies presented for new housing development.

Strong Support

- **Very Strong Support for Forest Hill Area and increasing density to 35 du/acre:** A clear majority of community members were supportive of redeveloping some older shopping areas in Forest Hill with mixed use, most of which indicated a preference for medium density (35-50 du/acre).
- **Strong Support for Downtown and increasing density to 35 du/acre:** Most community members are supportive of redeveloping surface parking lots, creating housing above existing buildings, and redeveloping underutilized (non-historic) sites. Most indicated support for increasing the density to at least a medium level (35-50 du/acre).
- **Strong Support for Some Development in "Close In" Neighborhoods:** Many community members support creating at least some more duplexes, townhomes and small apartment buildings close to commercial areas.
- **Strong Support for Rezoning the Cal-Am site (David Avenue reservoir):** A large majority of community members support rezoning for housing on the Cal-Am site. Most indicated a preference for medium density (35-50 du/acre).
- **Support for Redeveloping a Small Portion of the Adult School site:** Many community members support redeveloping a portion of the Adult School site with housing, at least a small portion.

- **Support for Creating More Accessory Dwelling Units:** A majority of community members are interested in the city continuing recent trends of encouraging the development of ADUs.

Mixed Support

- **Majority Support for Central Eardley and increasing density to 35 du/acre:** Most community members are supportive of redeveloping commercial sites with mixed use and low-density sites in Central Eardley, at least to a medium level of density (35-50 du/acre). However, there is also a sizable number of community members who do not want to see this area redeveloped.
- **Majority Support for redeveloping a portion of the David Avenue School (Monterey Bay Charter) site:** Most community members are supportive of redeveloping a portion of the David Avenue School (Monterey Bay Charter) site, but there isn't a clear consensus on how much or the site and what level of density. There is some skepticism about this strategy and its impact on the existing site.
- **Majority Support for Encouraging Lot Splits and Small Lots:** A majority are supportive and consider it a medium priority. However, there are a considerable number of community members who do not consider it to be a priority.
- **Mixed Support for Lighthouse Avenue:** While most community members are supportive of redeveloping lower density sites along Lighthouse Avenue, a significant number of community members do not want to see the area redevelop as well.
- **Mixed Support for Redeveloping the Pacific Grove Community Center:** A majority of community members are supportive of redeveloping the Pacific Grove Community Center with new housing, but there isn't a clear consensus on how much. However, a good number of community members do not want to see the site redeveloped as well.

Strong Opposition

- **Strong Opposition for Developing Open Space or Park Land:** A clear majority of community members do not want to see any open space and park land redeveloped, or even considered.

Other Suggestions

- Sites
  - Mission Linen: A number of community members asked about this site given its been brought up before in past meetings and looks like an ideal site. However, City staff explained that the property owners are not interested in redeveloping it.
  - Golf Course: Multiple community members suggested this because they felt that it is a large piece of land that could be put to more productive use.
  - Mission Linen on Congress Ave: A couple mentioned this site.
  - 17th Mile Dr. and Sunset: A couple mentioned this site.
  - C-V-ATC site: A couple mentioned this site.
  - Asilomar area: A couple mentioned this area.
  - Other:
    - Land along highway 68
    - American Tin Cannery site
    - GWP skatepark

  - 17th between Lighthouse and Laurel St.
  - Eardley and Pine
  - "MOW" site
  - Caledonia Park

- Strategies
  - Address vacant homes and short-term rentals: This is a concern that we heard repeatedly from community members.
  - Require development of workforce housing: A few community members advocated for more policies that encourage the development of workforce housing, like implementing a policy that requires luxury hotels to develop them. Others asked to partner with schools, religious, and major employers to develop housing on available land.
  - Support remodels of single-story homes to two-story homes: A community member explained that they wanted to add a second story to their home, but struggled with the cost of the project.
  - Implement inclusionary requirement: Some asked about implementing inclusionary requirements.
  - City acquisitions: Some asked about the role City acquisitions could play?

Supplemental Outreach Events

The following table is a list of outreach events that were conducted in addition City-issued email newsletters, social media, posted flyers, and efforts coordinated with community leaders and partners.

Date	Engagement Effort	Target Stakeholder Group(s)	Notes
10/01/22	**Annual PD Butterfly Bazaar**	General Public	What we did ▪ Handed out flyers to promote our virtual housing element meeting. Also explained to families what a housing element is. Demographic observations ▪ Families. What we heard ▪ Heard one woman express her opinion that how Pacific Grove should increase its density.
5/6/2023 and 5/7/2023	Good Old Days	General Public	What we did ▪ Mapping activity related to fair housing in the city, photo testimonials and questions related to housing needs Demographic observations ▪ Families. What we heard ▪ More affluent areas of the city were identified along the coast with lower income areas identified in the southeastern area of the city, east of Forest Hill. Photo testimonials and needs indicated a lack of affordable housing for people to live in the city.

Date	Engagement Effort	Target Stakeholder Group(s)	Notes
8/1/2023	National Night Out	General Public	What we did Explained to families what a housing element is and when they can expect to engage in the 30-day public review period for the housing element. Demographic observations Families. What we heard Heard one woman express her need for more housing for individuals and families with disabilities. Also heard from two young girls who need access to affordable housing so they can have their own rooms.
8/31/2023	Senior Living Listening Session at Meals on Wheels of the Monterey Peninsula	Older Adults	What we did Explained what a housing element is and when the community can expect to engage in the 30-day public review period for the housing element. Demographic observations Seniors and individuals with disabilities. What we heard Heard one woman express her need for more housing and better public transit options for individuals and families with disabilities.
9/30/2023	Senior Living Listening Session at St. Mary's-by-the-Sea Episcopal Church	Older Adults	What we did Explained what a housing element is and how and when the community can engage in the 30-day public review period for the housing element. Demographic observations Seniors and individuals with disabilities. What we heard Heard one woman express her need for rent control as she continues to receive annual rent increases in her longtime home and now that she is on fixed income, she fears she will eventually be priced out of her home and beloved community due to receiving these regular rent increases each year.

Public Comment Period

The Housing Element was released for a 30-day public comment period from September 18, 2023, through October 17, 2023. During the public-review period of the Draft Housing Element, the City received comments from community member as well as representatives of the following groups and members of the community:

1. LandWatch
2. Monterey-Salinas Transit (MST)
3. Monterey Bay Economic Partnership (MBEP)

4. California Native Plant Society
5. Pacific Grove Chamber of Commerce

Residents and representatives from the groups provided valuable recommendations in the comment letters. A compiled list of the comments received can be found in the link below:

Compiled Public Comments

The following is a summary of the comments received and responses to those comments. The matrix excludes comments that did not require any revisions or response. Where revisions to the draft Housing Element were made in response to public comment, that modification is noted in the response to the comment.

Program/Topic	Source	Comment	Response
Review of Site Inventory	Public Comments	There were numerous public comments from residents and community groups in addition to public statements received in regard to removing Site 49 from the inventory due to environmental, historic, and regulatory concerns.	The Planning Commission recommended and City Council directed the removal of Site 49 from the Site Inventory list. The site was removed from the Site Inventory.
Review of Site Inventory	Public Comments	There were a number of public comments to add the following new sites to the inventory list: 1. Mission Linen 2. Country Club Center 3. Safeway Shopping Center	The draft Site Inventory already identified sufficient sites to meet the City's RHNA allocation. The recommended sites may be added in the future but are not required at this time. Not including the recommended sites in the inventory list doesn't prevent housing development from occurring at these sites.
Introduction	Public Comment	There were a number of comments that the 'Pacific Grove's History" in the Housing Element Introduction section should be revised for accuracy and to include mention the Chinese Fishing Village at Point Alones.	Revisions were made on Pacific Grove's History in the Introduction of the Housing Element based on direction provided by City Council at the October 18, 2023 public hearing.
Chapter 3, Housing Action Plan	Public Comment	There were 3 public comments suggesting the City adopt an Inclusionary Housing Ordinance.	During the update to the Zoning Ordinance, there will be additional opportunities for the City to make decisions regarding establishing an inclusionary housing ordinance.
Chapter 1, Needs Assessment	Public Comment	There was a public comment on discrepancies of housing data and information in Chapter 1.	Some table headers and numbers were revised, but most of the information stayed the same. Data sources for the Chapter 1 include the U.S. Census Bureau (Decennial and American Community Survey 5 Year Estimates), the California Department of Finance, the California Employment Development Department, the Association of Monterey Bay Area Governments (AMBAG). Minor discrepancies occur because of the different data sources we are required to use to complete the full needs assessment.

Program/Topic	Source	Comment	Response
Objective standards and findings for architectural, design, and development review	LandWatch	The discussion of Program 3, Architectural Review and Program 12, Zoning Code Amendments, uses the terms "architectural review" and "design review." We assume that these are synonymous. We support the development of objective standards to guide this review. However, we suggest that objective design or architectural standards be applied to all residential development, not just to multi-family and mixed-use projects as proposed in Programs 3 and 12.	Objective design standards specifically called out multi-family type housing because the City has existing standards for single-family housing for historic evaluation. Program 12 was revised to include single-family and also includes revising Architectural and historic review standards to be objective.
	LandWatch	The Housing Element acknowledges that findings 4 and 5 for major use permits (i.e., use permits that must go to the Planning Commission) require subjective judgments. (HE, p. 1-53.) So does finding 3, which calls for an unnecessary, standardless, and subjective determination of detrimental effects on health, safety, and welfare for use permits. The Housing Element states that an unspecified program would revise findings 4 and 5 to provide objective standards and certainty. It is unclear whether that program is Program 12, which calls for objective findings related to neighborhood character for "major use permits." Assuming that the referenced program is Program 12, it should be revised to specify that all findings for a major use permit, including finding 3, be revised to ensure that they are made on the basis of objective standards.	Revised Program 12 would require all subjective standards be updated, including finding 3.
	LandWatch	Program 12 should include the requirement that the objective standards to guide these findings be specified so that developers can have certainty and so that permitting delay can be avoided.	During the adoption of objective design standards, the City will consider tying the findings with the proposed standards.
	LandWatch	Finally, the Housing Element does not state whether use permits issued administratively currently require subjective determinations. We assume they do. If so, the program should require development of objective standards for administrative use permits.	Program 12 was revised to include administrative permits as well.

Program/Topic	Source	Comment	Response
Use permits	LandWatch	The use permit requirement for two-family dwellings in R-2 zones and for dwelling groups of 3 or more families in R-3 and R-4 districts should be eliminated. These types of residential developments should be permitted by-right based on objective standards in these residential zones.	During the adoption of objective design standards and Zoning Ordinance updates, the City will consider update to the allowed use restrictions with the implementation of new review processes.
	LandWatch	We support the proposed elimination of use permits for multi-family residential uses in residential R-3 and R-4 zones. However, the use permit requirement for multi-family residential development in commercial and industrial zones should also be eliminated. The Use permit requirement for dwelling groups of 3 or more families should also be eliminated in commercial and industrial zones. All of these types of residential developments should be permitted by-right based on objective standards in commercial and industrial zones.	Multi-family development is a permitted use in all zones, except a Use Permit is required in commercial zones when the number of units exceed 7 on a site. During the Zoning Ordinance update and the development of objective design standards, there will be opportunities for the City to review permit review procedures.
Ministerial permitting	LandWatch	Except in environmentally sensitive areas and areas subject to gentrification or loss of historic sites, the city should provide for ministerial review of residential projects. Discretionary review, including CEQA reviews, should continue for projects on environmentally sensitive sites, e.g., habitat for endangered, rare or threatened species; farmland of statewide and local importance; wetlands; earthquake/seismic hazard zones; federal, state, and local preserved lands, NCCP and HCP plan areas, and conservation easements; riparian areas; Department of Toxic Substances Control (DTSC) facilities and sites; landslide hazard, flood plains and, floodways; and wildfire hazard as determined by the Department of Forestry and Fire Protection. (See, e.g., Gov. Code § 65913.4(a)(6)(B) through (K) [sites excluded from ministerial permitting in SB 35].)	During the adoption of objective design standards, the City will consider ministerial, by-right approval processes. The City will continue to follow existing City and State regulations for projects in environmentally sensitive or hazardous areas.

Program/Topic	Source	Comment	Response
		Concerns for gentrification and historic resources should be addressed by continuing to require discretionary review for projects on existing affordable housing, mobile home sites, or historic resources. (See, e.g., Gov. Code § 65913.4(a)(7), (10) [SB 35].) Otherwise, infill residential projects should be ministerially permitted.	The City currently requires discretionary review for the listed project types. Although the Zoning Ordinance update and the development of objective design standards will review current permit review procedures, the City will continue to evaluate concerns for gentrification and historic resources to determine what will be processed ministerially.
Minimum densities	LandWatch	We support the proposed establishment of minimum densities in the Downtown District, Forest Hill District, and in R-4 (high density residential) districts. We suggest that the City establish minimum densities of at least 2/3 of the maximum density in R-2 and R-3 districts. Minimum densities will help ensure attainment of the RHNA targets and create incentives for development of units that are affordable by design, even if they are not deed restricted.	Program 5 in the Housing Element established minimum densities that meet 2/3 of the maximum for Downtown, Forest Hill, and R-4 districts. During the Zoning Ordinance update and the development of objective design standards, there will be opportunities for the City to review development standards in the R-2 district.
Density priority over development standards	LandWatch	Development standards should not inhibit attainment of maximum densities. The City should borrow from AB 2295 by adopting a provision that limits applicable development and design review standards to just those objective standards that do not preclude attainment of the allowed density and height for each district. Where FAR, lot coverage, or setbacks would preclude attainment of the maximum density, these development standards should be relaxed.	During the Zoning Ordinance update and the development of objective design standards, there will be opportunities for the City to review development standards related to achieving maximum density.
Local density bonus	LandWatch	The City should provide density bonuses that exceed those mandated by the State Density Bonus Law. For example, the City could provide a 50% bonus for projects providing 8% very low-income units instead of the state DBL's 27.5% bonus. Such an approach is being taken by Sand City, which is proposing a 250% density bonus as long as 15% of the units are affordable to lower income households. Density bonuses should also be provided for projects that are likely to result in more affordable units, even if these units are not deed-restricted. For example, the City should provide a density bonus for an extended commitment to accept housing vouchers or for a commitment to maintain a multi-family project as a	The City is committed to the development of a local density bonus program by 2024 that would allow the City to provide incentives above what is required by state law. These recommendations will be considered when the local density bonus is established.

Program/Topic	Source	Comment	Response
		rental project rather than developing as or converting to for-sale units. In addition, the City should increase the number of concessions given at specified levels of affordability beyond the number mandated by the State DBL. The City is in a position to add value to real property by increasing its effective development density. The City should provide developers with strong incentives to use that added value to build more affordable units.	
Affordable housing overlay	LandWatch	We support creation of an affordable housing overlay with development incentives for affordable housing in the Forest Hill district as was proposed in the City's 5th Cycle Housing Element in Program 2.3. c. The program should be re-adopted and revised to require that the City actually implement this overlay in the next cycle, not merely to require that the City "consider" it.	During the update to the Zoning Ordinance, there will be additional opportunities for the City to make decisions regarding establishing an Affordable Housing Overlay.
Consolidation	LandWatch	We suggest consolidating the 16 subzones of the R1, R2, R3, and R4 zones into 4 zones and assigning these the maximum density permitted. Table 1-33 Residential Land Use Controls within Pacific Grove lists zoning districts, with a land use category and a specific maximum density. The R-1 Zoning District, is subdivided into a land use category of 4 distinct Low Density Residential subzones (LDR1.0 LDR2.0 LDR4.4 LDR5.4), with varying densities ranging from 1 unit per acre, up to 5.4 units per acre. The medium density, R-2 zoning district has 8 subzones ranging from "MDR7.0 - MDR17.4" with densities from 7 to 17.4 units per acre. The high density R3 and R4 zones have 4 subzones ranging from 19.8 – to 29.0 units per acre. The table should be revised to specify: • R-1 LDR4.5 - 4.5 units per acre5 • R-2 MDR17.4 – 17.4 units per acre • R-3, R4 HDR29.0 – 29 units per acre As noted, the City can add value by allowing higher densities, which will encourage housing production.	During the update to the Zoning Ordinance, there will be additional opportunities for the City to make decisions regarding consolidating zoning districts

Program/Topic	Source	Comment	Response
AFFH	Monterey-Salinas Transit	Monterey-Salinas Transit suggested edits to page B-40 including the correction of 'Regional Vanpools' to 'Commute with Enterprise & MST Vanpool Program' and the addition of MST Rides to the list of Disparities in Access to opportunities section. And Edits to the overview of their service area.	Edits were made to page B-40 revising Transit Services and service area for Monterey-Salinas Transit to reflect the information provided.
Chapter 3, Housing Action Plan	Monterey-Salinas Transit	Access to public transit and safe active transportation are imperative for residents. MST is in support of Goal 4 and recommends adding a policy that encourages the development of high density and mixed-use housing in areas served by public transportation and safe pedestrian and bicycle infrastructure. Suggested language for a policy under Goal 4: Access to transportation and services: Integrate pedestrian and bicycle amenities and transit facilities in high-density areas to improve mobility and quality of life. MST is also in support of the meaningful actions under Program 20 (Meaningful Actions to Address Fair Housing Issues). MST looks forward to collaborating with the City of Pacific Grove to address the city's transportation needs and expansion of pedestrian and bicycle networks. There are notable gaps along MST Lines 1 and 2. MST identified 18 potential bus stop locations that would be optimal for transit service and passenger experience. To address current transportation needs, MST staff would like to continue to collaborate with the City of Pacific Grove to install bus stop facilities compliant with the American with Disabilities Act (ADA).	The Housing Element proposes increasing density in the Downtown and Forest Hill Commercial Districts. The Site Inventory identified sites within these districts and other commercial districts with the aim for mixed-use projects. The Housing Element includes Program 12 and 20 to improve transit access in the city.
Program 3. Architectural Review	MBEP	MBEP supports the creation of objective design standards for the purposes of architectural review in order to streamline the permitting process for housing projects, especially those containing affordable units.	Program 3 commits the City to adopting objective design standards by 2024.
Program 5. Adequate Sites for RHNA and Monitoring of No Net Loss	MBEP	MBEP strongly supports the strategies for accommodating Pacific Grove's RHNA: Increasing max density in the Downtown and Forest Hill District from 30 to 45 dwelling units per acre with a minimum of 30 du/acre greatly increases the possibility of affordable	During the adoption of objective design standards, the City will consider ministerial, by-right approval processes. As discussed in Program 5, the City intends to partner with capable developers to develop affordable

Program/Topic	Source	Comment	Response
		housing being created in the job, amenity, and transit-rich Downtown area. Amending Zoning ordinances to provide for by-right approval of projects including 20% of the units affordable for lower income households is an excellent strategy for increasing development probability. Recommendations: A Financial Feasibility Study should be conducted to help set the range of AMI levels for rental and ownership options to ensure project feasibility. For development of City-owned sites, partner with development organizations capable of maximizing existing financial and land resources; this may entail availing of the Surplus Lands Act to dispose of properties to developers who guarantee development of affordable housing at prescribed levels.	housing on City-owned sites. The City will comply with all provisions of the Surplus Land Act and will select the best proposal during the RFP process to ensure affordable units are developed within the planning period.
Program 6. Shopping Centers Redevelopment	MBEP	MBEP strongly supports redevelopment of the shopping centers in Pacific Grove to accommodate at least 61 housing units. Recommendation: Incorporate the Shopping Centers into larger Affordable Housing Overlays for streamlined review of developments which include affordable housing. See Other Recommendations at the end of this letter for further detail.	The City will reevaluate ministerial review processes with the adoption of objective design standards, especially for multi-family and mixed-use projects at these commercial centers. During the update to the Zoning Ordinance, there will be additional opportunities for the City to make decisions regarding establishing an Affordable Housing Overlay.
Program 7. Large Lot Development	MBEP	MBEP strongly supports large lot development, especially that which creates mixed-use village-style areas with opportunities for housing, jobs, and amenities outlined in Affirmatively Furthering Fair Housing requirements. We also support the incentives outlined, including fee deferral or reduction, parking requirement reduction and streamlined review, especially through the use objective design guideline policy proposed in Program 12. Recommendations: 1. Ensure that the incentives developed for these large sites are available for both nonprofit and for-profit housing developers; any financial incentives must not constitute a government gift or grant that would trigger prevailing wage requirements for developers 2. Carefully consider the sites listed for redevelopment and development of	Incentives would be provided for all housing projects, irrespective of the type of developer. Two sites zoned Open Space which would require voter approval were removed from the identified sites. Only 3 of the identified sites would require voter approval for rezoning, and all 3 sites were identified by residents during the Balancing Act Tool as sites the community thought would be suitable for housing.

Program/Topic	Source	Comment	Response
		lower income housing, especially those with Uncategorized or Open Space zoning requirements that will require voter approval for rezoning. For example, the NOAA site in particular stands to create controversy and potentially slow potential redevelopment if tied into the overall rezoning process.	
Program 12. Zoning Code Amendments	MBEP	Development Standards: MBEP supports the proposed development standards modifications to accommodate higher density housing development with reduced and less restrictive parking requirements as well as improvement to transit service. Recommendation: Ensure that Lighthouse Avenue and Forest Avenue corridors receive transit frequency improvements up to the State of California high-quality transit standards (Pub. Res. Code 21155(b)) so that development may avail of state legislation to streamline development and reduce parking requirements in areas within one half mile of high quality transit, such as AB 2011 (Wicks, 2018) and AB 2097 (Friedman, 2022). Objective Design Standards: MBEP strongly supports establishment of objective design standards for multifamily housing development. Design standards should help facilitate higher densities such as allowing for increased height while stepping back upper floors from adjacent sites to reduce visual impacts. Recommendation: Ensure that compliance with objective design standards allows for expedited review and elimination of subjective judgment of projects coming before planning commission and other appointed or elected bodies for approval, at least on sites found in the 6th Cycle Sites Inventory and possibly extended to another category of suitable, similar sites or development scenarios. Major Use Permit Findings for Approval: MBEP strongly supports and recommends amending the zoning code to completely replace required findings related to neighborhood	The City will work with Monterey-Salinas Transit to improve transit services in the city. During the update to the Zoning Ordinance to establish the objective design standards, subjective standards will be removed and there will be opportunities for the City to consider expedited review. Neighborhood character is considered a subjective standard and the City will work to include objective standards that protect the historic character of existing neighborhoods.

Program/Topic	Source	Comment	Response
		character with objective design guidelines for approval.	
Program 13. Affordable Housing Development	MBEP	MBEP supports the incentives outlined and pursuit of a regional housing trust fund for affordable housing development. Recommendation: Seek the most efficient use of any public money through a structure that allows for partnership with for-profit developers; 50 affordable units can be achieved through multiple development models. For example, partnership between nonprofit and for-profit developers could avail of the by-right development mechanism for reuse and rezoned sites with 20% affordable components; public funding could subsidize the affordable units through a nonprofit while a for-profit developer provides housing closer to market-rate on a single site.	These recommendations will be considered with the establishment of the regional fund.
Program 14. Density Bonus	MBEP	MBEP strongly supports implementation of a local density bonus independent of the already available state density bonus program. Recommendation: 1. Tailor the local density bonus so that it is accessible to for-profit and nonprofit developers by ensuring that the local bonuses may be granted for varying levels of affordability in a given project. The bonus may be structured in such a way that it scales with depth or proportion of affordability. 2. Ensure that design guidelines for decreased setbacks, increased height limits, and lower parking requirements accompany the density bonus program in order to maximize land and financial resources and net affordability in the final project design.	Program 14 directs the City to adopt a local density bonus program. These recommendations will be considered during that process.
Program 16. Housing on Educational Agency-Owned Properties	MBEP	MBEP supports the use of educational agency-owned properties for housing affordable to local educational agency (LEA) staff and families. Recommendations: 1. Ensure that any local program developed to promote development on LEA properties includes provisions of SB 4 (2023, Weiner), signed into law on October 11 of 2023. SB 4 makes housing a by-right use on land owned	Under the provisions of Program 12, the City is tasked to coordinate and discuss affordable housing opportunities at least on an annual basis, as well as provide technical assistance for funding opportunities. The City is not adopting new standards or processes but would comply and promote the use of SB 4. The City is open to having affordable housing provided to broader community members if there are not enough staff to fill any proposed housing developments.

Program/Topic	Source	Comment	Response
		by institutions of higher education or religious institutions. 2. Ensure that allowable, by-right uses for LEA properties extend beyond staff housing and to broader community members as well, possibly by lowering the staff housing requirement from 100% to 50% or another proportion determined by consultation with LEA staff themselves. 3. Create a program mirroring Housing Element Program 16 for sites owned by congregational/religious institutions that complements or mirrors the provisions of SB 4.	
Other Recommendations	MBEP	Implement an affordable housing overlay with program-level Environmental Impact Review for the Downtown and Forest Avenue Districts in order to streamline project review for projects that achieve affordability by design or deed restriction within the overlay area. Implementing a 20% requirement for affordable units with variable compositions among VLI, LI, and moderate income categories to increase project feasibility will guarantee that developments help the City to achieve its affordable housing targets for sites within the overlay.	During the update to the Zoning Ordinance, there will be additional opportunities for the City to make decisions regarding establishing Affordable Housing Overlays within the main commercial districts in the city.
Other Recommendations	MBEP	Ensure that multifamily development is an allowable use with no conditional use permits for all existing residential and commercial zoning categories. Ensure the provisions of SB 9 (Atkins 2021) and SB 10 (Weiner, 2022) are incorporated into zoning updates for areas of the City not already zoned for densities greater than 10 du/acre or for n. Incorporate review per objective design guidelines as outlined in Program 12 for approval processes and minimize or eliminate non-objective review to create as many ministerial approval processes for multifamily development as possible.	Multi-family development is a permitted use in all zones, except a Use Permit is required in commercial zones when the number of units exceed 7 on a site. During the Zoning Ordinance update and the development of objective design standards, there will be opportunities for the City to review permit review procedures.

Attachments

Attachment 1 Pacific Grove Strategy Document – June 2021

Attachment 2 Survey Summary

Attachment 3 Balancing Act Summary

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Attachment 1

Pacific Grove Strategy Document – June 2021

Creating an Affordable Future

JUNE 2021

Thank you!

The action priorities presented in this document have been shaped by input from hundreds of community members, and the guidance of Pacific Grove's elected and appointed officials, volunteers and staff.

City Council
Bill Peake, Mayor
Joe Amelio
Luke Coletti
Jenny McAdams
Chaps Poduri
Nick Smith
Amy Tomlinson

Planning Commission
Steven Lilley, Chair
Mark Chakwin, Vice Chair
Robin Aeschliman
Bill Bluhm
Sarah Boyle
Jeanne Byrne
Claudia Sawyer

City Staff
Anastazia Aziz, Community Development Director (former)
Alyson Hunter, Community Development Director (interim)
Terri Schaeffer, Housing Program Manager
Alex Othon, Assistant Planner

Consultant Team
David Driskell, Baird+Driskell Community Planning
Beth Altshuler Muñoz

Housing Advisory Committee
Bill Peake, Mayor
Jenny McAdams, Councilmember
Sarah Boyle, Planning Commissioner
Donald Murphy, Former Planning Commission Chair
Rosemarie Axton, Interfaith Homeless Emergency Shelter Program
Matt Huerta/Emily Hamm, Monterey Bay Economic Partnership
Rev. Kristine Johnson, St. Mary's by-the-Sea Episcopal Church
Jan Lindenthal, MidPen Housing
Barbara Martinez, Pacific Grove Unified School District
Maureen Mason, Realtor (retired)
Barbara Meister, Monterey Bay Aquarium
Maribel Trejo, Alliance on Aging
Jon Walton, Pacific Grove Unified School District Trustee (former)
Patrick Sheridan, Meals on Wheels of the Monterey Peninsula
Anastacia Wyatt, Monterey County Housing Program

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Why Affordability Matters

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Summaries of public input and other project documentation can be found on the project's webpage (https://tinyurl.com/PGHousing).

Why Affordability Matters

Welcome Home

Pacific Grove is a great place to live, surrounded by natural beauty and offering a high quality of life. People who live, work and study here value its beauty, safety, schools, walkability and home-town feel. For generations, people have sought it out as a place to raise their families, have a second home, build their lives, and enjoy their retirement years. It's a great place to call home.

But increasingly, many people in our community find it difficult or impossible to find housing that meets their needs. Rising rents and home prices along with limited housing choices mean that many people who grow up in Pacific Grove end up having to leave and live elsewhere, and the vast majority of people who work in Pacific Grove—teaching our kids, helping run the City, or working in the many restaurants, stores, golf courses and hotels that are the core of our economy—have to commute in, some from long distances. The cost of our housing shortage is high—economically, environmentally and socially.

Creating a more affordable future is important to all of us. While we cannot provide housing to meet everyone's needs, we know that we can do better—and that we must. By creating new and more affordable housing options, we create opportunities for our workers to live closer to their jobs; for our children to raise their own families here one day; for our neighbors to age-in-place and stay a part of the community they love; and for our community to retain the economic and cultural diversity that we value.

We have built great and diverse housing options in the past, and we can again. Our challenge—and opportunity—is to work together to ensure that Pacific Grove remains a welcome home for all of us, now and into the future.

Why Affordability Matters

The Kind of Community We Want to Be

Welcome Home is an achievable plan of action that is based on shared values and focused on realizing our vision for Pacific Grove's future as…

A **safe, diverse and inclusive community** where we can all thrive, and where we share a commitment to long-term **sustainability and resilience**, in keeping with the beauty of our natural setting and historic character.

To achieve this, we envision a future that offers **new housing opportunities** for our children, families and workforce, helping to reduce commute traffic and building on our rich history of **diverse housing types** that support people of all incomes growing up and growing old here.

These "word clouds" illustrate the number of times specific words were used by workshop participants to describe "the kind of community we want to be." The words on the left were generated by about 65 participants in the live workshop on September 9, 2020, and the ones above by about 125 participants in the online workshop that lasted for about 3 weeks the same month.

Why Affordability Matters

What Can People Afford?

When we say that housing is affordable (or unaffordable), we are describing the relationship between the cost of the housing (in rent or mortgage payment) and the income of the person or people living in it. We generally expect that someone can afford the housing they are in when they pay roughly 30 percent of their gross income on it (including a reasonable allowance for utility costs).

your gross income x 30% = what you can afford on housing

that means…

a police officer earning $118,000 a year can afford to pay roughly **$2,950 a month on housing**

a teacher earning $73,000 a year can afford to pay roughly **$1,825 a month on housing**

a librarian earning $42,000 a year can afford to pay roughly **$1,050 a month on housing**

a restaurant worker earning $24,000 a year can afford to pay roughly **$600 a month on housing**

<u>Two thirds</u> of the 7500+ people who work in Pacific Grove earn less than $40,000 a year
*(and **many of them earn much less**)*

In other words **most of our work force can't afford to pay more than $1,000 a month for housing**
*(and again, **most can only afford much less**)*

While rents vary based on size of the unit, location and quality,
most rents in Pacific Grove are well over $1,600 to $1,700 a month with family-size units being much more, and the monthly cost to own a median-priced home is over $4,500 a month *(if you can afford the down payment!)*

Why Affordability Matters

How Much Affordable Housing Do We Have?

"Affordable housing" describes housing that is built and/or managed to provide rents or sale prices at a level people can afford based on their income (see previous page). Due to the high cost of land and construction, delivering housing that is affordable to lower and moderate income households usually requires incentives like density bonuses, financial or land contributions, special (and complicated) financing, and—especially for housing that meets special housing needs—ongoing professional management, often by mission-driven nonprofit organizations.

In Pacific Grove, there are 68 deed-restricted affordable housing units available to lower income people at rents they can afford. Most of these units are in the Vista Pointe Senior Housing near Lover's Point, shown on the right. These 49 apartment units were built in 2006 by MidPen Housing (a nonprofit housing organization) and are currently managed by Eden Housing (also a nonprofit housing organization). The apartments are rented to income-qualified seniors at below-market rents. They still pay rent, but it's based on their income and what they can afford to pay.

Vista Pointe Senior Housing provides 49 affordable apartments for seniors.

There are also some market rate units that are relatively more affordable and help meet our low and moderate income affordable housing needs. These include older apartment developments and accessory dwelling units or ADUs, which are often referred to as second units, in-law units or granny flats. These are built on the same property as a single family home—separate from or within the existing home (with its own entrance)—and are often (though not always) available for rents that are affordable to lower and moderate income renters. In recent years, changes in State law and resulting changes to the rules in Pacific Grove have made it easier to build ADUs. It is a key area of action that the CIty is already working on to help create new and more affordable housing.

ADUs are small second units on the same property as a single family home.

Why Affordability Matters

Who Needs Affordable Housing?

The short answer is ***we all do***. But the higher your income, the more likely that you will find market-rate housing that meets your needs and you can afford. The housing market naturally gravitates towards building housing that has the highest profitability or rate of return. Given the high cost of building housing (land, construction costs and getting through the process) these tend to be homes, condos and apartments that sell or rent at high prices.

Welcome Home is focused on actions that can help deliver housing affordable to people at moderate and lower incomes. This includes thousands of people who are a part of our community every day but who struggle to find housing that they can afford.

- **Our Workforce.** Pacific Grove's economy relies on over 7,500 workers, most of them working in our service economy and making low to very low wages. In fact, data show that two thirds of those jobs pay less than $3,333 a month, making it possible to afford a rent of $1,000. *Many of our workers earn even less.* The median rent for even a studio is $1600+. Not surprisingly, nearly 85 percent of our workforce commutes here from elsewhere (30 percent from the Monterey Peninsula, and the majority from further afield). Their commutes impact our traffic and environment, but more importantly the lack of housing that they can afford and the long commutes that they endure impact their lives in multiple ways. While we will not be able to provide housing for all of our workforce, the lack of workforce-affordable housing impacts our businesses, our economy, and all of us.

- **Our Seniors.** People over 64 represent over a quarter of our population, and many of them have been in our community for a long time, growing older in homes they purchased a long time ago or living here as renters. As home prices have risen, older homeowners may benefit when they sell, but will have a hard time finding something that meets their needs, in a price range they consider affordable. The challenge of longer term housing is even more challenging for renters. Creating more diverse housing options will provide our older residents with opportunities to age-in-place, close to friends and family, in a community they love.

- **Our Children and Grandchildren.** Pacific Grove has prided itself on being a "hometown" for many years. But many who have grown up here find it very challenging to stay here when they graduate and get jobs—even good-paying jobs. Providing more housing choices and more affordable options will support at least some of them to stay here and raise families of their own.

Why Affordability Matters

How Much Affordable Housing Do We Need?

There's no easy answer to that question, apart from ***we need more than we have***.

One thing we know for sure is that we have a significant and growing deficit, that has real impacts on our community, as described in the previous pages.

One important measure we have is from the State of California and the Association of Monterey Bay Area Governments (AMBAG), which provide every jurisdiction with housing targets by income category about every eight years to guide local planning. This is called the Regional Housing Needs Allocation process, or RHNA. For the last planning period **from 2014 to 2023, Pacific Grove was given an overall target of 115 units** over the eight-year period, with more than half of those in the moderate, low and very low income categories. While the market has delivered 43 new units in the above moderate income category, **we have seen production of very few units for moderate and lower income households**. We need to do better.

In early 2022 we will receive draft RHNA targets for the next planning period and will need to make sure we have adequate sites and programs to meet those targets. Based on the RHNA process in other regions of the state over the past couple years, **we expect our housing targets for 2024 to 2032 to be higher.** These numbers are important for meeting state housing law, and the repercussions of not meeting our RHNA targets have become more significant under recent legislation.

However, the numbers that should matter most to us as we take action to create a more affordable future include:

- **We have over 4,000 workers who commute to Pacific Grove from places beyond the Monterey Peninsula,** the majority of them to work in the low-paying service industry jobs that are the mainstay of our economy. There is a significant mismatch between the housing that our workers need and the housing that we have.
- **Many of Pacific Grove's nearly 4,000 homeowners could not afford to buy the home they are in today.** While they may benefit from the eventual sale of their home, they will be challenged to find a suitable smaller place to move into. Plus, as their homes turn over, the economic make up of our community will become less diverse.
- **Over a third of our senior households are renters (that's over 850 households)** and face uncertainty due to rising rents.
- **Our nearly 2,900 residents who are under the age of 18** will be hard-pressed to find housing of their own in Pacific Grove as they grow older and look to start families—let alone find something they can afford.

Why Affordability Matters

Things to Keep in Mind

As we craft strategies and actions to create a more affordable future, there are several important things to keep in mind:

1 **Achieving affordability will require partnership.** The CIty has an important role to play in creating more affordable housing, because we set the rules about what can be built where, how much, and through what process. But at the same time, the City doesn't build housing (though we do own land!). Private and nonprofit developers and individual property owners build housing. To get the outcomes we seek, we will need to work in partnership with them and others, including other local agencies, employers, institutions and landowners.

2 **Environmental sustainability and affordable housing are intertwined**. We all love the natural beauty of Pacific Grove's setting, and share a commitment to ensuring a more sustainable future. But an unaffordable future is an unsustainable future. Not just in terms of economic sustainability, but also environmental and social sustainability, with people commuting further and generally spending more time in their cars and away from family and community. Plus there's overwhelming evidence that affordable housing has a much smaller environmental footprint than larger more expensive housing—generating less traffic, using less energy, and overall consuming less per resident.

3 **We have a water issue, but some options.** The area we live in has significant water constraints, that make new housing a challenge. We are engaged in regional efforts to chart a viable path, separate from but connected to our focus on housing affordability. Locally we have been able to implement changes in recent years that have resulted in water savings which we can use to support the water needs of new housing. Our priority should be on applying these water allocations to the housing we need most.

4 **Our historic neighborhoods are more dense and diverse than what we allow today.** Some of Pacific Grove's most loved and quaintest neighborhoods were built at a time when we allowed smaller and more diverse housing than we do today: duplexes, triplexes, small apartment buildings, townhomes and small cottages on very small lots. Most of these existing homes couldn't be built under the zoning rules we have today.

5 **Together we can shape the future we want.** To achieve our vision of being a safe, inclusive, affordable and welcoming community into the future, we will need to create opportunities for new and more diverse housing in the right places. We've done it before, and we can do it again.

Priorities for Action

The following pages provide an overview of key actions that the City and its partners plan to take to create an affordable future. For each priority action, a brief description is provided that describes:

- ✓ Why it's a priority
- ✓ What it does
- ✓ Key steps to make it a reality

The actions are organized in four categories, reflecting the proposed sequence of implementation for the first three categories, while the fourth category outlines important but multi-year areas of work effort. To the extent feasible, mid-term actions may be moved forward sooner, but most likely will be undertaken in conjunction with the City's housing element update in 2022.

1 Already in Action

Actions the City is already working on (starting on page 13)

2 Near-Term Actions

Actions that will be taken in 2021 in conjunction with this phase of the Welcome Home initiative (starting on page 16)

3 Mid-Term Actions

Actions that will be taken in 2022 in conjunction with the update of Pacific Grove's Housing Element (starting on page 18)

4 Planning for the Future

Actions that are either ongoing or will take further work to develop and launch (starting on page 24)

1 Already in Action

1a Encourage ADUs

Why?

Accessory Dwelling Units, or ADUs (often called cottage homes, in-law units or granny flats), have been around a long time, and can help add housing in existing neighborhoods while generally preserving the existing residential character. They also tend to be relatively more affordable than other types of housing; are already allowed under state law; and are on properties already served by water meters.

The state recently adopted legislation that gives most homeowners in California the right to add up to two ADUs on their property (one internal to their existing home, and one separate from it). Internal ADUs, called "Junior ADUs" under state law, are particularly helpful in creating affordability (they tend to rent for less, and are usually less expensive to create). Pacific Grove updated its ADU ordinance to comply with the new state requirements and has been seeing a small increase in ADU applications as a result. The City is also undertaking additional actions to support ADUs, including participating in a regional working group with other jurisdictions around the County.

What It Does

- ✓ Makes homeowners aware of the opportunity they have under state law and Pacific Grove's updated ordinance.
- ✓ Encourages new ADUs and JADUs by providing access to information and helpful resources that make creating an ADU less daunting.
- ✓ Builds more affordability into existing neighborhoods due to the nature of ADUs as a housing type (see next page).
- ✓ Because ADUs are relatively small, they can help provide new housing opportunities that are typically most attractive to young professionals, students, seniors and small households.

Action Steps

- ❑ Create an **online ADU Help Page** on the City's website, including an ADU calculator and links to useful resources
- ❑ Work with regional partners to develop **Permit-ready ADU Plans** to allow architects and modular companies to gain pre-approval of ADU designs that homeowners can then access at a reduced cost.
- ❑ Continue to provide timely **review and approval of ADU applications**, consistent with state law.
- ❑ Review and refine data collected on ADU affordability and use to determine how best to **count ADUs toward meeting Pacific Grove's RHNA**.

ADUs and Affordability

Because they are generally smaller and managed by individual homeowners, accessory units (ADUs) tend to rent for less than typical apartments in larger developments. This is especially true for "junior" units (JADUs, which are separate living units within the main home, often in the form of a converted garage or basement) and for units that are owned by higher income households. Research has shown that these households often create the unit to have an extra living space for a family member, a household employee (au pair or gardener) or just to have more flexibility on their property. They often "rent" the ADU for free or very low cost, or sometimes don't rent it all and use it as a home office or studio space (this has been especially true during the pandemic).

A statewide survey of recent ADU developments was conducted in late 2020 by Baird+Driskell and researchers at UC Berkeley. Statewide results show that 30% of market-rate ADUs are made available at rents affordable to moderate income households; 12% at rents affordable to low income households; and 2% at rents affordable to very low income households, while 38% are made available for free or very low cost to family members and others. While the sample size for ADUs in coastal Monterey/Santa Cruz was small, our regional data mostly mirrors the statewide data, but with about half being made available for free to a friend or family member.

In the past, the City required that new or legalized ADUs be deed-restricted for low income renters. This served as a deterrent to many homeowners who found the process of finding income-qualified tenants daunting. Some homeowners who built ADUs would leave them empty because of the challenge those requirements represented. When the City updated its second unit ordinance to comply with the recent changes to state law, those requirements were removed. Under state law, all homeowners in California have the right to construct both an ADU and a JADU on their property, subject to some limitations. The local jurisdiction cannot require that the units be occupied by income-qualified renters; nor can they require that the homeowner live on the property (with the exception of JADUs).

Some cities have developed programs that provide financial incentives to homeowners to create JADUs or ADUs (or legalize an existing illegal ADU) in return for agreeing to rent the unit to an income-qualified household. A few examples of these programs are in the City of Napa's Junior Unit Program, that provides forgivable loans of up to $50,000, and Santa Cruz County's Forgivable ADU Loan Program, that similarly offers $40,000 in a forgivable loan in return for renting to an income-qualified low income renter.

1 Already in Action

1b Work with Covia's Home Match Program to Promote Homesharing

Why?

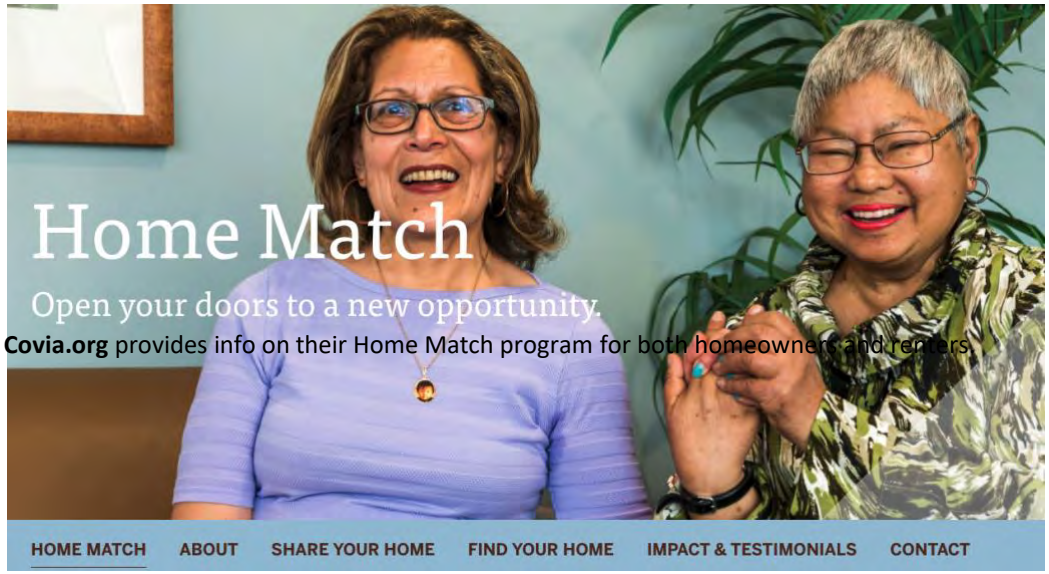
A quarter of Pacific Grove's homeowners are living alone, many of them older and some on fixed incomes. They often live in larger homes with extra bedrooms and large living spaces. Helping find compatible living partners can provide them with income and companionship while making better use of existing housing and providing a quality housing option for a renter.

What It Does

- ✓ Partners with an experienced organization that knows how to successfully set up, implement and manage homesharing arrangements.
- ✓ Helps get the word out about homesharing's benefits and puts interested seniors and others in touch with Covia.
- ✓ Supports seniors to age-in-place and individuals seeking rental housing opportunities.

Action Steps

- ❑ Continue to work with Covia to appropriately **market the program to Pacific Grove residents and renters** and encourage participation.



Covia.org provides info on their Home Match program for both homeowners and renters.

2 Near-Term Actions

2a Adopt an Affordable Housing Density Bonus and Changes to Parking Standards

Why?

Codifies the City's commitment to affordable housing, helps ensure that affordable housing development is feasible, acts on programs already in the CIty's housing element, and locally implements state law.

What It Does

- ✓ Provides clarity for the application of the state's density bonus law in relation to Pacific Grove's zone districts, including potential changes to development standards as well as opportunities to exceed the state-mandated bonuses based on local priorities.
- ✓ Focuses in particular on defining appropriate parking standards for different types of housing development and in specific locations, as called for in Program 3.4.a of the CIty's existing housing element.
- ✓ Tests incentives to ensure that they support the economic feasibility of desired affordable housing outcomes within Pacific Grove's market context, including for potential mixed use redevelopment sites in the Downtown area and along Central Avenue.
- ✓ The density bonus ordinance will apply citywide, but specifics will vary by zone district.

Action Steps

Conduct the necessary analyses, seek input and develop a Council action item that will:

- ❑ Adopt an **Affordable Housing Density Bonus** program in accordance with state law, providing defined bonuses by level of affordability and underlying zone district densities as well as other potential changes in development standards to support the feasibility of affordable housing development, especially in the downtown and commercial districts, mixed districts and multifamily zoned areas.
- ❑ Modify **parking standards** by zone district, housing type and/or location in order to support the feasibility of new housing development and as informed by parking data and best practices.

2 Near-Term Actions

2b Adopt Objective Development Standards + Streamlined Review

Why?

State law requires that "objective standards" be used in the review and approval of housing developments, and establishes streamlined ministerial approval processes for affordable housing developments. By locally codifying these relevant standards and processes, the City helps ensure compliance with state law while providing clarity for potential developers as well as local decision makers on the required conditions of approval.

What It Does

- ✓ Establishes objective standards as well as the standards that affordable housing developments must meet in order to qualify for streamlined review.
- ✓ Defines the review process and timeline expectations for qualifying developments.
- ✓ Helps reduce uncertainty for affordable housing proposals and ensures consistency and clarity of expectations.
- ✓ Ensures that the criteria used in the review and approval of new housing are not based on the personal or subjective judgement of a public official, but instead can be verified by reference to an external and uniform benchmark.

Action Steps

Conduct the necessary analyses, seek input and develop a Council action item that will:

- ❑ Revise **standards and findings criteria** in the city's residential zoning districts to ensure they are objective and meet state requirements.
- ❑ Develop **streamlined review procedures** for affordable housing developments consistent with state law.

3 Mid-Term Actions

3a Develop an Inclusionary Zoning Policy + Create an Affordable Housing Fund

Why?

If we are going to have new development in Pacific Grove, it should contribute toward helping meet our affordable housing needs, not making the situation worse. Inclusionary zoning helps ensure that all new developments contribute in some way to affordability.

What It Does

- ✓ Establishes requirements for new market-rate developments to contribute toward meeting affordable housing needs through the creation of new affordable units on-site *or* payment of an affordable housing fee that the City can then use to create units on other sites.
- ✓ Can establish requirements for contributions from commercial development as well as market-rate residential development, with commercial developments typically making a payment on a per-square-foot basis to support affordable housing development on other sites.
- ✓ Design of the program requires economic analysis to ensure the requirements are set consistent with state law and workable in terms of economic feasibility and market performance.

Action Steps

In conjunction with the housing element update in 2022, conduct the necessary analyses and develop a Council action item to:

- ❑ Calibrate, structure and enact an **Inclusionary Housing Ordinance**, requiring that new development (residential and commercial) contribute to meeting the community's affordable housing goals.
- ❑ Establish an **Affordable Housing Fund**, which will receive in-lieu and linkage fee payments for use in developing affordable housing units on other sites.

3 Mid-Term Actions

3b Encourage "Missing Middle" Housing

Why?

Many of our neighborhoods include a rich diversity of housing types that couldn't be built under the zoning we have in place today (e.g., duplexes, triplexes, townhomes and small apartments). By allowing additional units in appropriate areas (in walking distance to shopping and adjacent to existing multi-family zones) we build on our history and create opportunities for greater affordability.

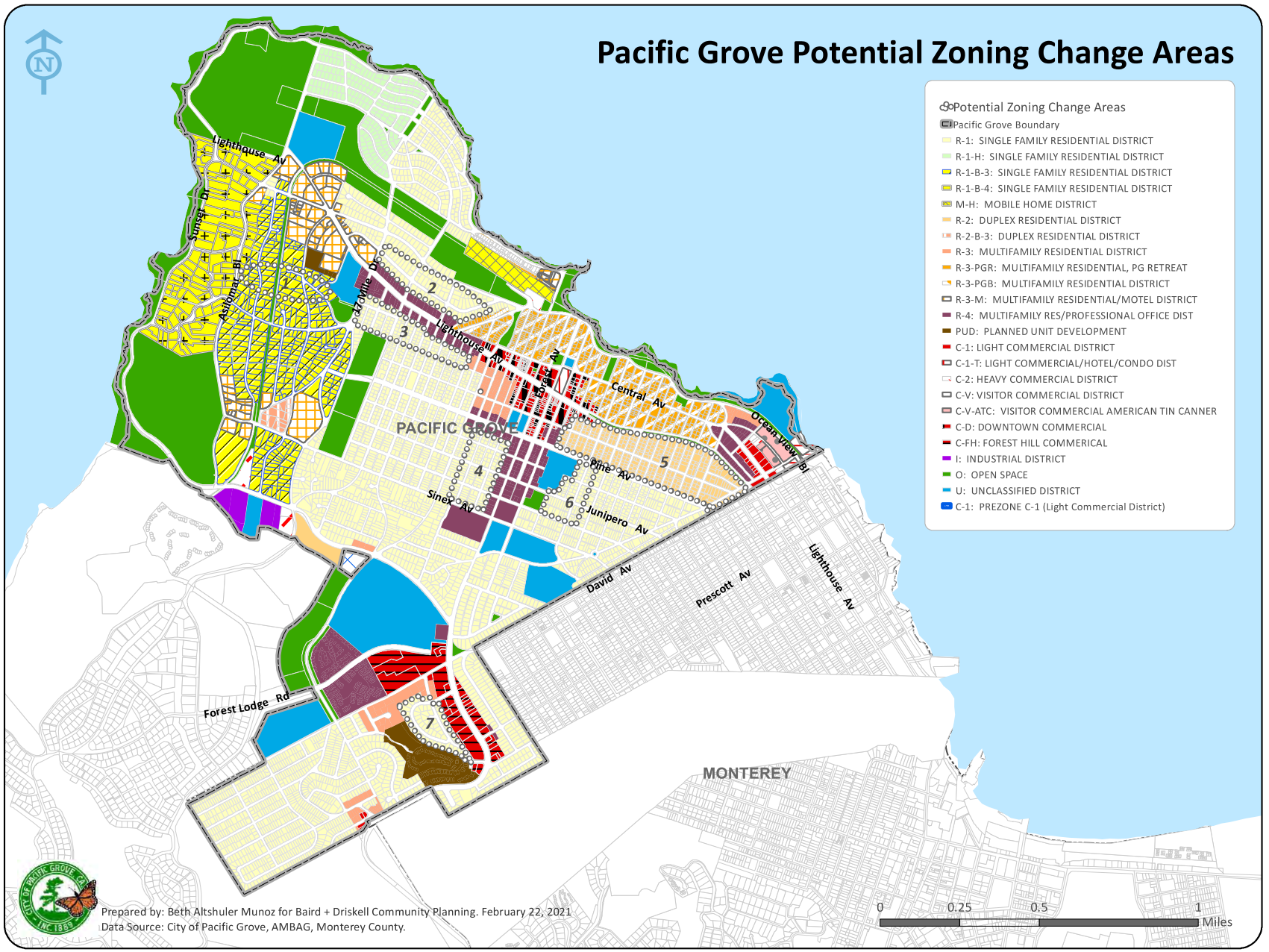
What It Does

- ✓ Expands R3 zoning in specific locations (see map of potential areas on next page).
- ✓ Makes changes to R3 / R4 zoning standards in combination with the Affordable Housing Density Bonus to ensure the feasibility of new "missing middle" units.
- ✓ Multi-unit developments in walkable areas help create smaller units that are attractive to young families, seniors and our workforce.

Action Steps

In conjunction with the housing element update, direct staff to analyze and develop a proposal for Council's consideration to:

- ❑ **Expand R3 zoning** in select areas.
- ❑ Establish **minimum density standards in R3 and R4 zones as well as commercial zones where housing is allowed** so limited multi-family zone districts are not lost to large single family homes (limiting new single family homes to the R1 and R2 zones).
- ❑ Allow **greater building coverage in R3 and R4 areas** to make multi-unit developments feasible and encourage larger family-friendly units.
- ❑ Allow greater density in R3 and R4 zones through application of the **Affordable Housing Density Bonus.**
- ❑ Notify owners of relevant properties of the ordinance's consideration and pending adoption.



The map above outlines areas that could be considered for rezoning to R3, creating new appropriately scaled housing opportunities in close proximity to shopping and jobs, consistent with the city's historic development pattern.

3 Mid-Term Actions

3c Allow Small Lot Subdivisions

Why?

Pacific Grove's historic neighborhoods were built on small lots, helping to create the community's unique character. However, those same small lots are not allowed today. Allowing property owners of qualified lots to subdivide larger lots into two or more smaller lots, in conjunction with appropriate standards and requirements, can help create opportunities for new housing. On the flip side, creating criteria and a review process to discourage the merging of existing small lots to create a larger single family lot, and larger single family home, should also be considered in order to retain existing housing sites and discourage large new homes where two or more homes could otherwise be built.

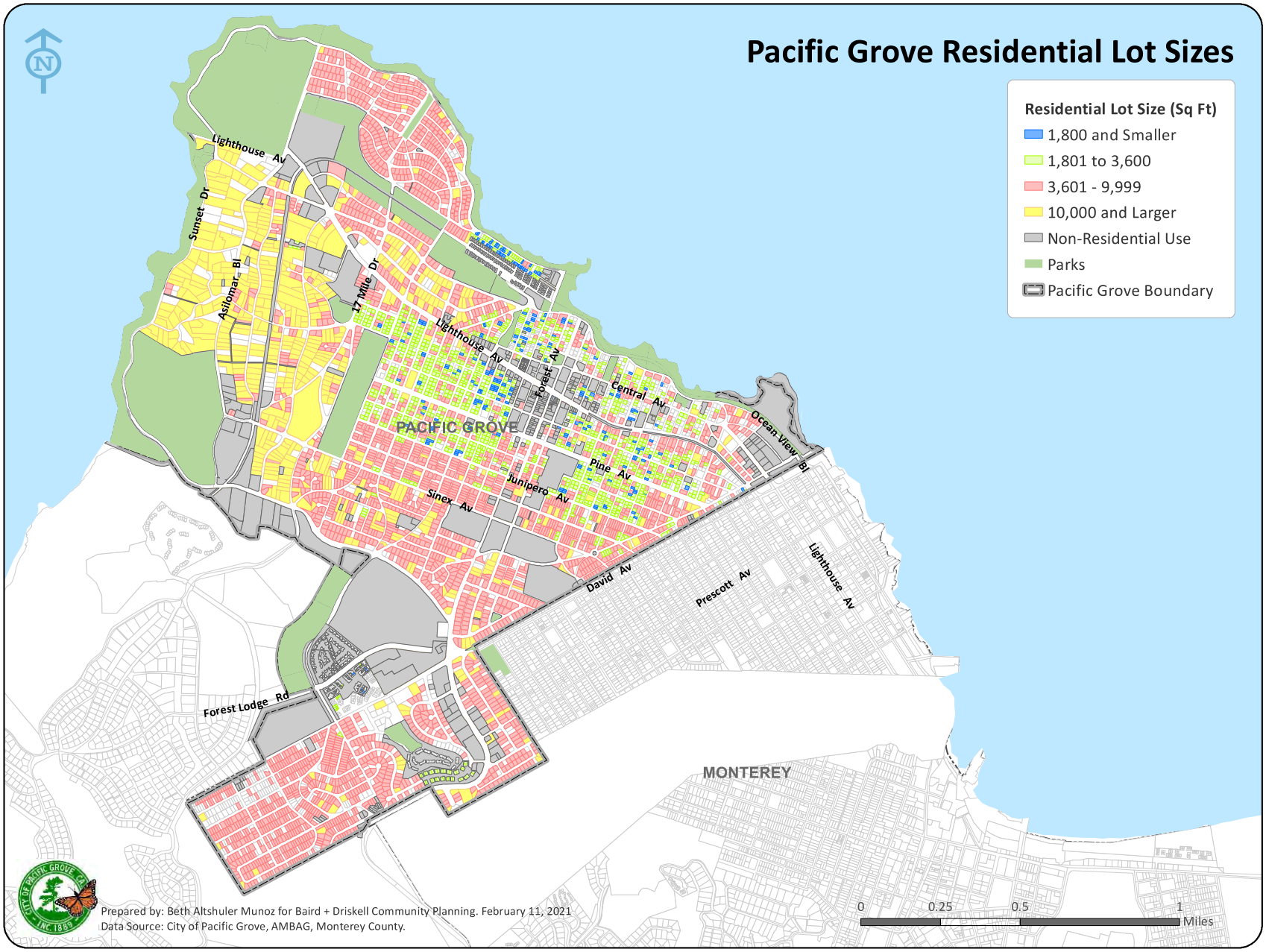
What It Does

- ✓ Allows larger lots in specified parts of the city to be subdivided into two or more smaller lots, subject to review criteria and City standards.
- ✓ Could be focused specifically in the older parts of the city where 1,800 sf lots already exist, or expanded to other areas (with different minimum lot standards, as appropriate).
- ✓ As part of the subdivision—which can create significant value—an appropriate contribution towards affordable housing can also be established.
- ✓ Smaller lots support the construction of smaller homes, which can be attractive to small families, professionals and retirees. Assuming most of these new homes would be market-rate and for-sale, they would not be affordable to moderate or lower income households, but they would still be relatively more affordable than a larger home in the same location.

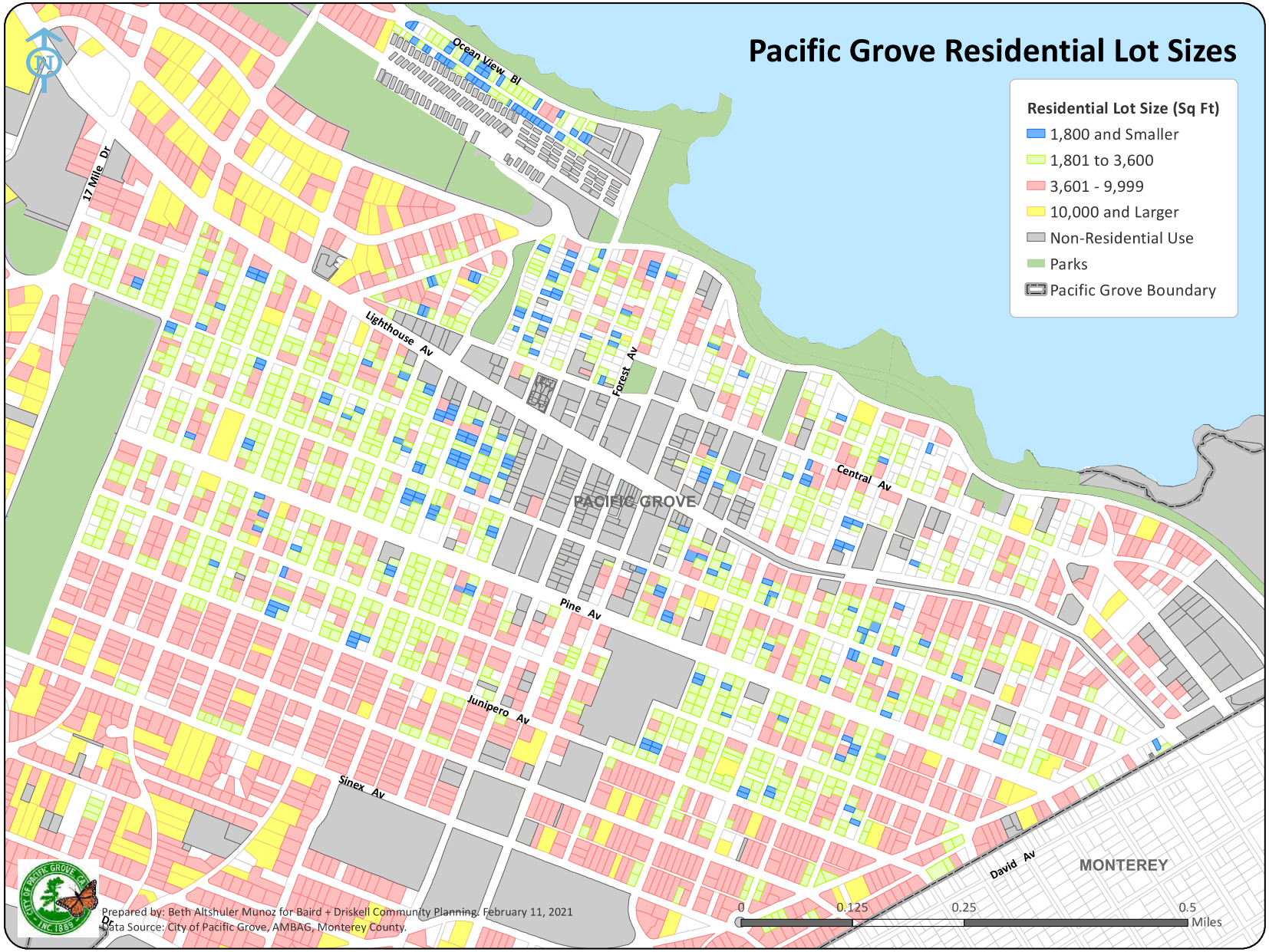
Action Steps

In conjunction with the housing element update, direct staff to analyze and develop a proposal for Council's consideration to:

- ❑ Prepare a **Small Lots Subdivision Ordinance** to define criteria and procedures for allowing small lot subdivisions in specified zone districts and parts of the city as well as criteria and conditions for the review of proposed property mergers.
- ❑ Notify owners of relevant properties of the ordinance's consideration and pending adoption.



The map above illustrates the pattern of lot sizes in the city. Green areas are where 3,600 sf lots predominate, that in certain circumstances could be subdivided to 1,800 sf (see next page for a zoom-in of this area). The red areas have lots of up to 10,000 sf, and yellow areas are over 10,000 sf. Lots in these areas could potentially be subdivided as well, subject to appropriate standards.



The map above is a zoom-in of the lot size map on the previous page, illustrating in blue existing 1,800 sf lots that were allowed in the early days of Pacific Grove's development. Allowing 3,600 sf lots to subdivide into two 1,800 sf lots could create new small-scale housing opportunities.

4 Planning for the Future

4a Partner on Key Opportunity Sites

Why?

The CIty and school district as well as some local churches and businesses share a commitment to affordable housing *and* own properties that represent potentially significant opportunities for affordable housing development. What makes these opportunities unique is that they allow the CIty and key partners to define the desired outcome and leverage existing assets to achieve it (rather than relying on regulations and seeing if the market responds). There are numerous examples around the region, state and country of successful partnerships to create desired affordable housing outcomes through this approach.

In Palo Alto the County is working with the city and local school districts—in partnership with Mercy Housing and Abode Communities—to develop 110 new affordable apartments for teachers and school district employees.

What It Does

- ✓ Focuses effort and investment to create affordable housing on underused land that is already owned by agencies and institutions with a commitment to affordable housing.
- ✓ Partners with mission-driven nonprofit housing developers who are experts in designing, financing and building housing.
- ✓ New housing can be integrated with other uses, including community-desired outcomes, facilities and amenities.

Action Steps

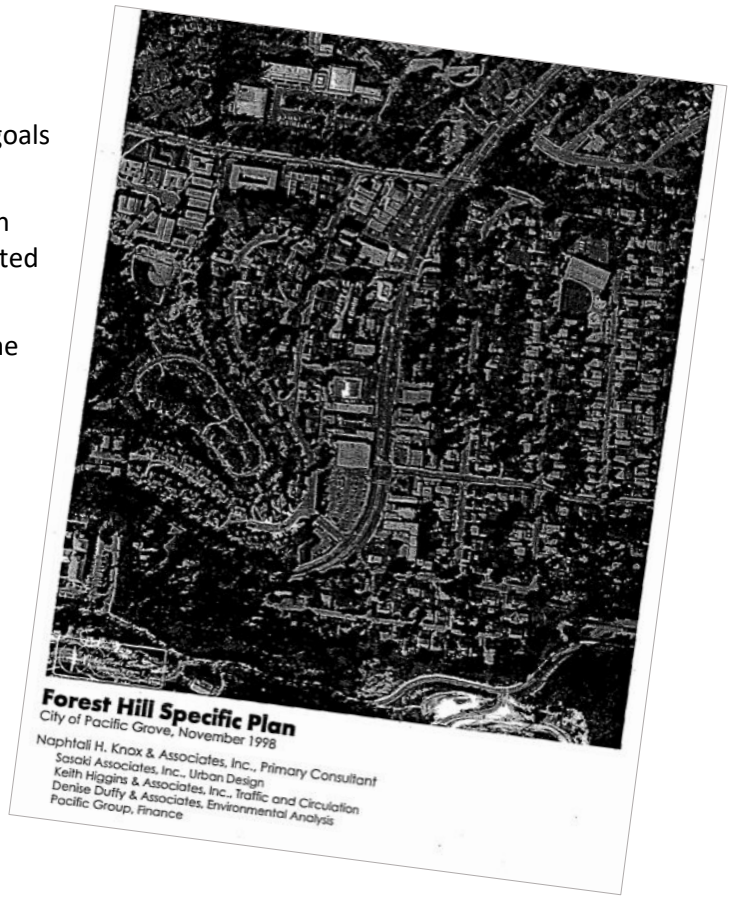
- ❑ Engage with potential partners and property owners to learn more about what has been done elsewhere and explore interest and key opportunity sites in Pacific Grove.
- ❑ Where there is interest, conduct preliminary due diligence for candidate sites related to zoning restrictions, water access, site adjacencies and potential financial models.
- ❑ Based on results, develop a plan of action and consider implementing needed zoning changes and/or other programs as part of the housing element update.

4 Planning for the Future

4b Update the Forest Hill Specific Plan to Create New Housing and Mixed Use Opportunities

Why?

The Forest Hill area has several large, older shopping centers that could be redeveloped to incorporate new housing and create vibrant mixed use centers. The existing plan for the area is out of date and doesn't prioritize housing.



What It Does

- ✓ Updates the 1998 Forest Hill Specific Plan to reflect current market conditions, housing goals and other community priorities.
- ✓ Creates additional housing capacity through integration of residential uses in conjunction with retail and commercial uses, through conversion, mixed use redevelopment or targeted infill.
- ✓ A range of new housing opportunities could be created, depending on the outcome of the planning process, potentially serving families, workers, seniors, young professionals and people with special housing needs.

Action Steps

- ❑ Develop a draft **Scope of Work and Budget** for updating the Forest Hill Specific Plan in conjunction with the Housing Element Update or General Plan Update.
- ❑ Prioritize starting the update in relation to other housing and planning priorities, based in part on the housing site inventory needs defined in the housing element process.

4 Planning for the Future

4c Collaborate with Regional Partners

Why?

Pacific Grove's affordable housing challenges are shared by its neighbors on the Monterey Peninsula and throughout the region. Robust and ongoing collaboration is critical to ensure coordinated and meaningful responses, from having a shared understanding of the challenge to developing collaborative responses and solutions.

What It Does

- ✓ Identifies priority areas for coordinated and/or collaborative action, on a wide range of housing issues and potential strategies.
- ✓ Potentially creates opportunities for Pacific Grove to contribute toward housing solutions in other communities that benefit Pacific Grove workers and collectively respond to our shared housing needs while continuing to act in support of new affordable housing within our city borders.
- ✓ Supports shared learning on best practices. What is working well for our neighbors may work well for us, too—and *vice versa*.
- ✓ Provides a meaningful platform for engaging local and regional businesses and institutions that have a shared interest in affordable housing and whose workers live across multiple communities.
- ✓ Potentially provides a platform for Pacific Grove and other area communities to have a stronger voice in state legislation.

Action Steps

- ❑ Continue to participate in and contribute to regional housing conversations and work efforts.
- ❑ Where relevant and appropriate, participate financially housing efforts in adjacent communities that help respond to the housing needs of Pacific Grove's workforce. Similarly, seek regional participation in efforts to create affordable housing within Pacific Grove,

Attachment 2

Survey Summary

How does the current Housing situation in Pacific Grove affect you or the people you know?
• There aren't enough housing options, middle income housing, and affordable housing.
• I can't live close to work because I don't like paying 50% of my paycheck towards rent.
• Difficult for newcomers to find affordable housing.
• The high cost and low inventory makes it difficult to live/stay in Pacific Grove.
• I can't afford to live in the area and commute about 2 hours a day. I will never be able to own a home unless I move elsewhere.
• I can only afford to rent and I can now only stay where I am (studio) because my landlord hasn't raised the rent. I can't grow or start a family.
• Locals cannot afford to stay here and everything is either a vacation rental or second home. There is a great need for low income housing.
• Huge shortage of affordable rentals for working families. Short term rentals have taken too much of our housing stock.
• Difficult to find affordable housing options.
• lived in the same house since 1989.
• I had to build an ADU for a family member who could no longer afford to live here.
• The entire block is almost all empty except for weekends and one is now long term rental, month at a time. Where is the community Big buildings now I'm reading no theatre it's not cool. No water no home town feeling anymore. I have been here for 49 years and family since 1930.
• Weekenders, vacation rentals and short term rentals leave no sense of community with our absent neighbors. Housing prices are too high to allow most people to purchase.
• Son still lives with us.
• Not enough affordable housing available for several people we know.
• We spend a large portion if our income to live here.
• There is no low income senior housing I am paying $1680 by myself for a one bedroom and I'm 70 years old my Social Security doesn't cover rent and I'm needing a part-time job.
• Work out of town. Have no faith whatsoever my children can live and work here. No business base to speak of and long commutes. Not the cities fault, particularly. City was never intended as a manufacturing hub.
• Too expensive.
• My housing situation is not adequate. I have a 3 bedroom condominium that we own. I have a family with three children and two of my 11 year old children share a bedroom. I need a 4 bedroom home, but cannot afford a four bedroom. The cost to leap from a three bedroom condo to a four bedroom home is would be over a one million dollar increase in housing costs. Therefore, we stay in our starter home and don't move up in the market, which prevents other people from getting into a lower priced unit.
• A lot.
• I can't live here because it's too expensive.

• Residents who live here full time are being priced out. Renters are moving or if you are local and able to afford to buy it is impossible to compete with out of town, all cash offers.
• Impacts money for other living expenses.
• Most are priced out or will be soon.
• As a priest, I hear many stories of people who are struggling to stay in the area because it's unaffordable, or people who work here and can't find housing here. People who simply have nowhere to go and come asking for a few nights at a campground or in a hotel until they can figure something out.
• I have never felt so stuck in my life. I cannot afford to move into a suitable home for my family of my three. I am constantly scared that my landlords are going to raise my rent. Own in PG??? How???
• Affordable housing is a significant concern.
• I'm low income and struggle financially.
• Duel income/childless/to live in a nice complex would take majority of our income. Most rentals are to a low standard.
• Apartment rental costs (and utility costs) are ridiculous.
• Can't afford rent in area.
• I'm looking to move and the prices are insane.
• Housing is very hard to find, let alone housing that is affordable. The average 1 bed apartment is $2100, and a 2 bed can average $2750.
• If I move to a different rental situation, I will have to pay $600-$1000 more, so i feel like we are stuck renting where we are.
• We currently rent a house, but would buy if there were more available.
• Little to no affordable housing; hard to find landlords that will accept pets.
• We're good but lots of my friends with younger kids are getting put out of their rentals due to owners selling.
• Our rent keeps going up and we had moved back to PG hoping to buy but the prices keep outdistancing us.
• High rents make it impossible for most working people, including friends and family, to live here.
• Does not.
• Lots of people I know have moved away to find more affordable housing.
• Nurses, teachers and essential workers struggle to pay rent or buy a house.
• I cannot live close to work, (or my PO Box) as housing is more expensive in PG.
• Cost too much. We couldn't move to PG due to our income.
• Expensive.
• No impacts.
• No impact.
• My children can't afford to live here and happily chose a more affordable community, meeting new people, discovering new experiences . . . much as their parents did long ago when they chose Pacific Grove because it was more affordable than Monterey, at

the time, and Carmel, where their parents grew up — and worked to make PG more desirable, more like the home they knew. Successfully. My neighbors and friends are comfortable in their homes and in Pacific Grove.
• I needed to move out of the area because wages didn't support rent costs.
• We are lucky enough to own our home in Pacific Grove, but the lack of affordable housing has a direct impact on our friends and coworkers.
• Not many rental homes, for families.
• Contributes to the overall affordability crisis and exacerbates inequities in our region. People of all income levels should be able to live and thrive in all areas of the county.
• We own our home so the rent prices don't affect us directly. PG needs workforce housing for our local businesses!
• Impacted by price!
• Rentals are scarce and expensive, so for non-homeowner friends of mine, things have been difficult lately.
• It doesn't.
• I am affected directly. I own a tiny pg home and am a single dad raising 2 kids going to local schools.
• Doesn't affect us but friends are being priced out when renting.
• I spend more than half my income on rent!
• One friend I know has chosen to live in a tiny in law cottage rather than look for anything larger because rental prices are so high.
• Current the so called not affordable housing is horrible. It needs to be affordable for people who don't make a whole lot. Housing rents should be 1500-2k for a 3 bedroom house instead of 3500+ for the same type of rentals. Even these new buildings should be the same to either rent or buy. Price tags for the new ones should be 350-400k. Also, longtime locals should get dibs on these places. MAKE IT AFFORDABLE! Longtime PG locals are moving out of the area faster than we can blink. We're being taken over by people who have never been here and complaining about small things. They're buying these houses and making it extremely hard on people who live and work here.
• We rent and have children in the public schools. It's extremely scary that at any minute our landlord could raise our rent or decide to sell. It's a very insecure feeling. Despite being a Registered Nurse and making a good salary, we cannot afford to buy a house here.
• Affordable rentals are impossible to find.
• Rent availability and stability is critical to long and short term residency for service workers, Middlebury and military students and us retirees who moved here for the quality of life that is already threatened by increasing home pr, sales and diminished rental markets.
• not affordable or sustainable

- We've seen houses sold and renters left without homes in town and the school district, we wanted to buy a home here but feel priced out even though we are both highoy educated young professionals with graduate degrees and good, stable jobs. We worry if we ever have to move out of our rental we will have to move away from the area to find affordable housing in a good school district.
- I live here. I rent a home. The rental prices are insane. If I have to find a similar place, I will be in deep trouble. Even finding an apartment will be difficult. My sons go to pgusd. Moving away would be devastating.
- Too expensive.
- None directly.
- It’s more and more expensive. Will most likely be impossible to live here soon. We are lucky in current situation but, there is nothing for even mid range income anymore.
- Housing is unaffordable for most locals. A number of houses are being purchased as second homes or high-end investment properties, which in turn affects the cohesiveness of the neighborhood, school attendance, watchful eyes etc. Rentals are harder to find as many landlords prefer to work with Naval Post Grad, DLI et al, which offer less risky but shorter-term tenants who are less involved in the neighborhood's wellness. New construction in town lacks affordable rentals (Lighthouse, Laurel for example). Same with ADU's which have no guidelines for rental affordability. Allowing investors to develop 2-3 expensive rental units on a 3600 sq ft lot isn't responding to local housing needs. It's just making the investors richer and neighborhoods less diversified. Note: Your lists in the next section make no mention of affordability. Trickle down housing isn't working here. The City needs to actively address the affordability issue along side the production of each new housing unit. Otherwise it is not responsive to local needs.
- Expensive.
- The housing situation is a crisis. My husband and I made 200k last year, both of us have higher education degrees and my husband owns his own business and owning a home in the location currently is impossible for us. We have lived and worked in the area for almost 4 years now and not only will likely never be able to own a home here, but renting is extremely stressful. Currently, my entire neighborhood is going up for sale, but the houses are getting bought up by foreign investors or corporations with cash offers above asking price and then getting put back on the market for rent at prices that we could never afford. There is an immense need to control the housing market and add penalties for individuals and corporations that own multiple homes because all of the equity is going to the upper 1%ers and there is nothing left for the rest of us. It is immensely frustrating and my generation (late 20-30s educated professionals) are completely unable to afford owning a home and settling in this area because of housing costs unless they live with roommates or have dual-income. Grown adults having to live together like college students because the housing availability and prices are out of control. While I understand this is a nation-wide issue, it is extremely bad here. This area is basically inaccessible for working class people, and businesses are suffering because of it. Take a look at the businesses in the area closing left and right or dealing with staffing issues. People can't afford to live here, even well-educated dual-income families. What's even more infuriating is the amount of empty houses! Vacation homes

that are lived in for maybe a couple weeks a year. Its infuriating when you are someone whose job is actually here and someone who is passionate about being a productive member of this community.
• Too high taxes
• Difficult to find a house to buy.
• I know some very fortunate people who are living at Vista Point. It's a lifesaver for some.
• I'm third generation PG. My children and grandchild are 4th and 5th. If I were any newer We would never have been able to buy or now even rent here.
• If greatly affects me as we need to limit institutional and foreign investing with a very aggressive property tax aimed at changing houses from a commodity people/ corporations from outside our community invest in, to something community members own and contribute to the local economy.
• Family can't live nearby. Water restrictions prevent adding an in-law unit.
• People can't secure housing due to high rents.
• Frightening ... one friend who lost her PG business now lost her home, and a PG teacher and her husband rent a home and the owner just raised their rent, priced them out of it. They are looking for 2 bedrooms under $3,000, and can't find anything.
• Happy to live in a beautiful small town with low crime and great schools!
• Doesn't.
• We rented in PG for 30 years. Can't afford to rent there anymore. We really miss our town.
• Trying to live and raise my grandson but have to move again because it's too expensive.
• Few of my peers/colleagues can afford to live here.
• No issues.
• No affect.
• Few rentals, high, prices.
• Crippling expense and rents. Significant anxiety the people will be cost out beloved Pacific grove.
• I live in Pebble Beach, shop and work in Pacific Grove.
• We're fine now; bought over 25 years ago. But none of our adult kids can afford to raise their families here.
• Expensive.
• Rental prices for incoming military families are very high. But they want to rent in PG bc the schools are better than la mesa and fort ord housing on base.
• This is how the current housing situation in Pacific Grove affects me and the people I know... I came to Pacific Grove in 1969. It was a 'blue collar' working class area. The major industries were the military bases, the fishing industries, and some tourism. The town of Pacific Grove was "THE LAST HOMETOWN" and all that this implied. It was modest and affordable homes for the working classes that were the majority. My parent

paid in cash $32,000 for their 1700 sq ft home. I went to the end elementary school, junior high, and high school in my town. I could walk 15 minutes from where I lived and touch the mighty Pacific Ocean. I was blessed to live in those times.

What I noticed was one particular industry that thrived on greed based commissions that are the culprit. Their commissions have to be stopped in order to have affordable housing. There were unskilled realtors deciding the price of each home. How much each home would sell according to what they felt it should sell for. It was arbitruary random figures. More like a guess than anything resembling real research. A merry-go-round of sell and re-sell it was al about their "commissions". So of course the prices would escalate each time it was bought and sold because the agents were thriving off the pork of this housing industry. When I was in my twenties Salinas had built some suburbs near Boronda. This was in early 1980 and the cost of these new houses $75,000. In eleven years the houses went up only 48,000. They were still affordable and not priced out. We had communities or working class and not Gavin Newsom free housing incentive to become a homeless drug addict.

Now those homes are ONE MILLION DOLLARS and rising each time they go on the market. Once again, it is all because of realtors commissions. They don't know the price of a switch plate, or sheet rock, or a 2x4 but they are telling you how much your house is worth. You have some lady, who calls herself an agent, who knows nothing about building telling you how much of a commission she is going to make by pricing your home.

How did this affect me? I will never be able to buy a home. I will never be able to rent here because the people renting are pushing up the prices 30, 40, 50%. Salinas is now $1250 to rent an apartment each month. Sadly, there are no more factories that provide good wages. Coco Cola Packaging Company is now gone, Hershey's now gone, Smucker's now gone, Peter Paul Candy now gone, Michelin tires now gone even a salt plant near Watsonville is gone. There are no factories that justify the rising of prices like this. It is a price fixing scheme that has played out all these decades. Each year you rent the price goes up 300 - 400 dollars and if you are on a fixed income you can't afford it. I can't afford it not with it rising that much each year.

Now that the brilliant liberal Democratic voters voted in Mr. Biden we are not just seeing a roof over our heads escalate in price, but the food on our tables and the gas in our cars that we need to raise good American families in all part of this nation. Now we are supporting 2 million and counting more immigrants that are raping the social services system because we have been invaded. They and the homeless are getting the fruits of the tax payers labor. And in a twist of irony, the tax payer ironically makes to much to get the social services like free housing. America has stage four cancer and our country is no longer the Rich Uncle Sam. If you have not noticed the middle class is shrinking into oblivion. Prices of homes keep rising in places like Texas, Kentucky, Georgia because the real estate agents from California are settling each state making a killing while the peasants or soon to be peasants will have to work for the Land Lords. We are entering the new ear of multi-racial serfdom

How does this affect me? The American Dream is on it's death bed. There is no American Dream. Mr. Biden and the real estate agents are making our land untouchable. It causes a sick feeling and a very angry feeling in your gut to see your country do this to the tax payer, the backbone of the tax system be raped and chopped to pieces. This survey means nothing if you don't stop the "commissions".

In addition we will be needing to solve a future housing situation given the limited land available. You got that right. It seems the state of California feeds the nation and you want to build houses on that fertile ground that feeds your children and your grandchildren? I think that whatever land we have left needs to go to land preservation for our nations food supplies in our nations future. It is possible to build on the knolls and leave the flat lands for food. China is colonizing this country and they are buying up farms and meat plants that feed this nation. Stop selling homes to the CCP who come here and colonize us, we can't go to China and buy land in their nation. They do not allow Americans to colonize Communist China for a reason. Let's see if you can you figure out why? But we let the Chinese coming here buy all our land that feeds this nation or houses it's citizens. Look at the wheat prices now because we get our wheat from Russia. We need to grow our own wheat in America so stop building on the land we will need for our futures. Stop bringing in immigrants, where are they going to be housed when we know we have a housing shortage. We know they are uneducated and they can't afford to live here. We know housing will have to be free or close to free.

Or we accept Mexico as a state. But if you build recklessly you will be affecting this nations food supply so that has to be considered in this, too. Oh, and what about the traffic it will cause and money for infrastructure to support this land development? Thought of that in the mix because it seems you are playing a game of 'WHACK THE MOLE" unless you address all the issues and not just housing. Seems this survey may have to be redone for accuracy in how it will affect our future food supplies, our traffic, our water utilities, our PG&E electrical grids (may be blackouts soon and we are in a severe water shortage. Have you checked out the water levels on the reservoirs and the levels of water at the lakes? I suggest you do this They ain't a lookin' to good). Where is your boxes to check on these critical issues?

You must consider other important issues that stem from simply "building homes" it is so much more complex than this simple and rudimentary survey implies. Better put on your thinking cap if you think you deserve to be in the drivers seat due to your wealth of knowledge in these matters. We can't afford for our city to make decisions that would makes things worse as I am sure you would agree.

If you insist on building homes make them 'BROWNSTONES' similar to the ones in New York, well, actually in the Netherlands. The land is not wasted in a brownstone because you are building up and home are joined side-by-side flushed together with a back yard to grow a garden to feed a family which is a good idea when you may find yourself starving. Again, I would suggest you research brownstones/row houses. Make sure to have homes that are not sold by real estate agents selling for commissions. THE

REAL ESTATE AGENTS AND THEIR COMMISSIONS ARE THE PROBLEM. No more commissions on "affordable housing". You sell the house for what you bought it for. That way the houses will be affordable to purchase for the next three generations. I want you to think about this for a moment. Let's say you need plumbing for your house, or a simple haircut, or maybe your car fixed and I am an agent that represents the plumber, the hairdresser or the auto mechanic in how to price their service. And in doing so I get a big commission. so every time you come in for a service I decide the price you will pay for that service. Even if I know nothing about what it costs to preform the services and the items you will need. I just keep rising the price every single time you call (FOR MY COMMISSION). You will soon be paying 1000.00 for these services. And then you will send out a form trying to figure out the obvious. And someone like me will tell you that some service or a home needs to be affordable and to take away the commissions and the easy money you get if you are the real estate agent that keeps jacking up the prices. Even if you go to great lengths to furnish 'affordable' housing the prices will rise each time someone sells their home and the agent demands their commissions. It is a vicious cycle and the only real estate agent is the winner. You really need to study this as far back as the beginning of the 20 century and see the critical impact these agents have made on housing. And with all this information you are welcome and I am pleased I could help.
• It is very expensive.
• If/when my landlord dies, I will have no place to live, & I think that is true for ALL of his tenants/my neighbors. None of us has $$$
• People cannot find affordable housing. This is mostly because of second homeowners. And greedy Airbnb hosts who continue to rent on the vacation rental platform in residential zones. Although Measure M helped eliminate some of the transient disruption, Pacific Grove needs to consider TOT tax on any home not used as a primary residence, that is advertised and rented on a vacation rental site. Additionally, anyone who hosts homes that they do not own should be required to have a business license and pay the city for that business.
• Emotionally invested in affordable housing/Making PG accessible to more people and families.
• Our kids can’t afford to live near us.
• My husband grew up here. We're a family of 5, trying to live here as long as we can for the kids school. We rent a duplex, over 10 years rent is going up. On a single income, it's a miracle we're still here.
• Thinking of not taking my new job Monterey hospital with decent salary due to expensive housing- single, no pets.
• Rent is too high, home buying is impossible, houses are crowded as it is already. No reason to make room for more in the community. We already have enough tourists and people from other localities here every day. Make space somewhere that has space available to give. You can only get so much juice from a lemon.
• Rent too high.
• Rents are too high and houses are unaffordable for most young singles or couples.

• High housing costs limit service work force.
• Higher costs.
• I'm in a drafty rental duplex that costs 66% of my take-home pay, but I stay because my kids go to PGUSD and their other parent owns a home in PG. I am afraid of my landlord deciding to sell the house, or deciding to raise the rent. Either way, I'll be forced out of PG and my kids' schooling will be disrupted by the additional distance to and from their schools.
• I can't afford to buy any home.
• Extremely expensive and limited and my family is suffering from it daily.
• Housing in the area everywhere is too costly.
• Several years ago, my apartment complex was bought by a corporation. My rent was doubled in 18 months. The previous owner raised it, so he could show a higher potential income for the new owner. Then the new owner raised it. This amounted to an additional $1200-$1250 per month within this short period. This should have been illegal to raise rent this much, so quickly.
• I'm a renter, it's been very difficult to find housing, forget about affordability.. frustrated to see energy being put into putting some 400++ additional hotel rooms in our community and NOTHING for the housing needs of those of us that live and work here.
• Costs to much and limited availability.
• It does not affect me or my family.
• Indirectly only. I am saddened by what I know of it, but I know no one who is directly affected.
• Home prices are very high in a small community that is already dense and built out.
• Prices are high due to small size of city, desirability of living near the beach, and limited open for additional housing builds other then then the Linen Laundry area. The residents have decided that the city should be a bedroom community, thus the city has limited industry and money for city improvement. The current density of 5000 people per square mile is a high density so increased density of housing would change the character of the city. Public housing has shown to be a failure in cities like New York, Chicago, St. Louis. etc so increased density is not a solution without changing the character of the city.
• Many people who would love to live here cannot find anything that is is affordable for them.
• Everyone I know either owns their own home or rents.
• Current situation is great, I LOVE living in PG.
• Does not at the moment, personally, but yes it does as a resident of PG
• Many renter families with and without children have been priced out. It is especially difficult for larger households. There are not enough rental units for large families (three or four bedroom units).
• Strapped for cash every month due to high rental costs.
• We've been renters for 35 years. Can't afford a mortgage. Thankful for our property managers who have always been reasonable and attentive. They let us have our small

dog. I don’t think others are as fortunate as we are. However, rent can always go up and they can always sell which then, I don’t know what we would do.
• Very expensive, limited supply.
• Not enough housing for the peninsula. My friend, professional male in his 50's, has been looking for a place since August 2021. Every place he applies wants way too much for rent, your income to be 3x the monthly rent, etc. IMPOSSIBLE to live here. And he's from here and works here!
• Rentals are disappearing. Always aware that the landlord might sell to a second home or vacation rental.
• I can’t afford to live in the city even though I work two jobs here.
• I know young people (20s & 30s) who can't afford to live here.
• Very minimal.
• My partner spends well over 30% of our income to rent a small space. We want to have a family but can’t afford enough space in town.
• Greatly. Many want to buy but are priced out. Others are priced out in rents.
• Cannot afford to buy a home here and rent is incredibly and unreasonably expensive.
• I would like to move back to PG to be closer to work but I can't afford to. I live in the old military housing on Fort Ord but would move in a heartbeat if I could find something affordable.
• Does not.
• Terrible shortage of affordable housing.
• My place is too expensive for what it is. I know I could do better elsewhere.
• I hear about difficulties finding rentals and rising rents.
• I can’t rent an apartment even with a raise and decent salary.
• It is way too expensive for most people I know. We pay a fortune in rent because we could never afford to buy out here. All the out of towners caused the values to skyrocket. Very sad.
• It doesn’t really affect us but we are aware of several longtime PG families who have been asked to leave rentals because the home is being put on the market and despite good jobs they can’t afford to buy.
• We do not have a homeless problem so the idea of inviting homeless here, WHERE THERE ARE NO JOBS OR SEVICES FOR THEM, is ridiculous and I will work to vote any council members who vote in favor of project home key out of office.
• rents are very expensive and rental units are hard to find.
• It’s incredibly expensive, especially for the quality of housing.
• There's very little affordable housing for people who work in PG as well as young families. Second or third homes are often vacant most of the time and some are in disrepair.
• It is too expensive to buy or rent here.
• Quite satisfying and great neighbors.
• Everyone my age either had to move away because they can’t afford it here or they live with family.

Even my friend who is a nurse at CHOMP lives in a tiny two roomed rental house with no yard.
• Housing is not affordable at all for anyone I know and it is such a struggle finding somewhere to live.
• It doesn't affect me as a homeowner. I do have some friends who are having a hard time finding rentals that are within their budget.
• Very negatively. Since moving from our hometown (much like PG, where multigenerational locals get pushed out) a couple hours away we have had nothing but an uphill battle. We've been preyed upon by landlords/owners/and property managers alike. It doesn't matter that we are amazing tenants, have zero debt, a huge savings, professional degrees, and great jobs -we can't survive here unless we literally win the lottery. It's sad. We know many more have much less than us. Why does PG act like it's stuff doesn't stink?! Why does it try to push down our throats it's "America's Last Hometown?" We all know that's not true anymore. The management on STR's wasn't fast or fierce enough. The management has relied on people like us, one off's, personally devoted to making a difference for our community.
• High expense of buying or renting greatly affects who can afford to live here.
• The cost of living is out of reach for most.
• Rents are too high for singles to afford. Need additional Senior housing. Candidates should be existing residents. Should be a residency requirement- at least 5 years.
• Rental housing prices are not affordable for the working class. Young adults cannot buy housing due to high prices.
• We are unable to afford housing here and have lived with in-laws for 12 years. 3 generations in a small home is difficult. Pricing here is inflated. The lack of city sponsored projects for housing is criminal.
• My wife is a teacher here, we have seen many people try to live here so the kids can go to school in our system, and when they lose their housing their kids get kicked out of the school system.
• I'm a renter and I will have to move out of PG in November when my lease is up. Single retiree and can't afford to live here anymore.
• They can't live here unless they bought a house here many many years ago
• We want to stay and live here but cannot afford it.
• It's just fine...we don't need any more housing.
• Not at all.
• $$$ workers must live elsewhere and make long commutes.
• It doesn't.
• Does not affect me but everybody that I talk to about it complains.
• A friend is in danger of losing her long term home.
• Rents are rising too high. Too many people outside the community own empty second homes. My neighbors are getting kicked out of their rental so the owners can sell for what they are hoping for $$$ (haha good luck, waited too long and bubble has popped). The house on our other side is also for sale for astronomical $$$. Meanwhile the house

on the corner has been empty since the pandemic, when the owners were airbnbing it illegally, I reported them. Hearing frat boys getting loud and drunk in the middle of the lockdown - not cool. All PG has to do is charge a huge premium tax on houses that are empty and not long-term occupied or rented- housing problem solved. Especially after PG gets a competent new lawyer to defend the new taxes on empty houses.
• We spend the majority of our paychecks on rent for a very small apartment, and while we feel the need for a larger apartment due to our growing family, we cannot afford that at this time.
• Rents to high.
• No hope for ever being able to afford living in PG.
• Not a lot of affordable options. As a result, moving soon.
• It affects us and people around us who can't afford it and pushes locals out.
• We are lucky that we own our home. It's been in the family, otherwise we would not be able to afford to live here.
• There are 2 empty homes and 5 STR's on our block. I would really love to see more families move in and make it feel like more a real neighborhood again.
• Not enough affordable houses. Too many homes sitting vacant.
• Too expensive.
• It has changed the character of the community. Investors buying second houses, STVRs and other factors have contributed to astronomical housing increases. The result is manifold: empty houses much of the time, desolate neighborhoods, reduced school age children, less civic engagement, more tourist oriented businesses and less local-serving shops.
• Price of rents and mortgages is driving out wonderful families that contribute to the community but just can't afford to live here.
• Stressed for money.
• I'm a home owner & don't feel affected by the housing situation. Friends who want to rent in PG find it much more difficult to find affordable housing.
• It affects friends trying to rent at an affordable price.
• I'm a renter and the amount I pay on rent each month is huge.
• I have accepted it is unattainable to buy a home in PG, unless I make a Tech salary. With the high home prices, some home owners who rent out their PG homes are increasing their rent- it is becoming a greater challenge to find affordable housing.
• It doesn't. PG is a great town & housing is good for those with jobs.
• It's awful. Impossible to find housing, extremely expensive and deplorable condition of most housing.
• It does not affect me.
• Homeless & overcrowded rental apartments.
• High rents.
• Has made it less affordable.
• We own. Current situation has no impact on us.
• It is fine the way it is.

• It is almost impossible to find affordable housing in Pacific Grove, thus changing its character to that of an upscale, financially privileged population.
• It does not.
• We are all adequately housed.
• It does not affect us or anyone we know other then the ability to get water rights to add a bathroom to our house.
• Housing is not affordable. Young people can't buy in this market.
• Not enough affordable housing.
• I am a homeowner here and the addition of ADU's to R1 zones is creating a parking problem and devaluing property.
• No impact.
• My family of 4 is soon to be forced out of pg due to ridiculously high rent and lack of affordable housing.
• I am paying about 60% of take-home pay in rent. (My income has dropped in the last couple of years because my supplemental freelance work has dried up with the economy being the way it was during the pandemic.) With my salary, that means I live paycheck to paycheck and often dip into my savings to cover my expenses. I am afraid that my landlord will sell the building and I'll have to look for another place for me and my two kids. I'm a single-income household, so it will be nigh on impossible to find another 3-bedroom place in PG that I can qualify for. I barely qualified for this rental to begin with. I'll probably have to move to Seaside, which is fine except it will add a few hours a week commuting from school and back for my kids, who attend PG schools because their dad also lives in PG and we share custody.
• Less locals, more Bay Area wealthy buying up homes for weekends, and not really living here. Makes it difficult to find affordable housing. Changed the good hometown feeling.
• It's expensive. Several friends and coworkers in rental situations have been forced out of the community so the landlords can raise rent for the next batch of Silicon Valley commuters. Forget buying a home if one works here. I less already several times over a millionaire, no one can compete with the investment firms looking to buy a property to rent out or the extremely rich persons looking to buy a third or fourth vacation home.
• Very high rental prices.
• No affect.
• Very expensive.
• Some educated, working families live in sub par living conditions (too small, run-down, moldy) for high prices. Other families have left the town for other areas.
• Currently neighborhoods are neighborhoods and downtown is downtown - keep it that way! It's why people choose to live here. Also we need to respect wildlife and natural beauty - that's also why people live here. (And respect views)
• Young people have no chance to buy a home here. Thus, the town's population grows older and older and the schools get less funding every year due to declining enrollment.
• Rents are WAY too high, and I make well over minimum wage.

• We were unable to get an additional bathroom for our new home due to the water shortage so how will the city have enough water to support this amount of new housing? Also, there will be increased traffic, the city does not have adequate side walks in the beach tract area and there will be increase foot traffic which could cause accidents etc. Most likely there will be increase street parking as well.
• Cost is making it difficult for families to be here.
• Not sure what you mean, I haven't had any conversations with friends…
• Rental properties are hard to find and then outrageously expensive. Also, the quality of the housing unit is not always up to the price. Inspections should be done on rentals to make sure the home is livable and all appliances and electric and plumbing are usable. Renter should not have to live in substandard structures and owners should not be able to rent out substandard homes.
• Housing is more expensive because demand is greater. Question to ask…does the city have an appropriate role in changing the pricing of housing? No.
• A point…people do not have a right to live in PG, just because they want to. Many are frustrated because they do not have the income to buy a home here or the rent is more than they can afford. Why is the city considering ways to spend tax payer funds on changing the pricing of housing?
• It is a distributing situation because we love living here and are active neighbors in the neighborhood, but even with a well paying job I rent a small apartment and cannot see a path toward homeownership or renting a home here, or even shifting to a new apt because of availability and rates/prices.
• Water shortage and built-out nature of city make housing increasingly unaffordable.
• Heavy financial hit.
• Very hard for seniors and workers to find affordable housing.
• This is a poorly crafted question. I can't imagine it being used to generate any meaningful policy.
• Rents are out of control. There needs to be a cap on rent increases
• It does not appear to affect people that I know who work here, however the rent is quite high. That being said, this is coastal California and it is a prime place to live and the rent meets the demand, there are few vacant units. The same goes for buying property. The other factor is the cost of building now, probably around $400-$600 per square foot.
• It does not affect us, but it affects friends of ours and some have been forced to move away.
• Too many absentee owners. Too many military families pushing up housing costs because of subsidies.
• PG has gotten too crowded and it's few remaining open spaces built over or overrun.
• It does not affect me. However the lack of Sec 8 Housing funds/applications does affect people we know.
• Does not affect.
• No impact to me. What we need is water with available meters so we can build on lots.
• There is NOT enough housing.

• Our children cannot afford to live here on their own.
• Not much.
• Can't afford to live here anymore. Rents are outrageous for the majority of people who live here and work in the hospitality/aquarium Industry. We help make this town function so we should also be able to live where we work and spend our money.
• I'm a Realtor so it affects my business 100%.
• It's too expensive and people from the Bay Area are infiltrating. I've seen more people speeding along forest than ever before.
• Cost is high & short supply gouging market rate at all levels. Most effected are young people & service industry folks.
• Housing is a critical issue. We don't have land or resources to add additional housing.
• We can no longer afford to live here.
• The housing situation is currently causing a lot of stress in my life due to lack of affordable housing options. And by affordable, I mean less than $2500 a month.
• Not an issue so far.
• Young people cannot find affordable housing here or buy here.
• My children can no longer afford to live in the community they grew up in.
• I'm not affected by the current situation.
• For my 87 year old mother it may force her to leave a place she loves.
• Need help financially for maintenance and upgrading to additional units. Very difficult for long time residents, on fixed incomes, to survive here, and people working too. Long ago when I moved here, to the home I'm still in desperately trying to survive here, in the last hometown, I recommended for every new home built or remodeled, that water catchment be a part of the process. In 1979 they said that was not viable because they could not charge for that water nor put the chemicals in the water that they wanted. Now we are in a severe drought and water is excruciatingly precious and expensive, as is everything currently. Sadly there does not seem to be very much forward thinking. We could've prevented a great deal of the problems that are occurring now. Common Sense. In the past, being so restrictive and not open to possibilities. Trusting we will move forward positively. Thank you.
• Even though I am a high earner and work in PG, I am a one income household. This means I cannot afford most rents in Pacific Grove and have no chance of earning enough on my own to purchase a home here. Currently my rent is 51% of my income.
• My daughter and son can't afford to rent here. Friends and neighbors who rent here have had to move out of PG as their rents were raised.
• Ha ha money go brrrr
• Many of my coworkers struggle to find & afford housing in PG.
• I / We moved here a zillion years ago because it was the best choice of the local affordable communities—we couldn't afford Monterey. [The reader probably finds that hard to believe.] My parents lived in Monterey because they couldn't afford Carmel—my mom's childhood home. And my grown kids can't afford PG, where they grew up, so live in Las Palmas, Santa Cruz, & beyond. That's three generations of establishing roots elsewhere, putting energy into embracing the new and making a happy home.

• People cannot afford to buy or rent.
• I moved from Washington DC in the Spring of 2022 and wasn't able to find available rental housing in Pacific Grove that met my needs. The expense of housing was an issue as well as low inventory. I found housing near the Monterey/Seaside border instead.
• Since I own it doesn't affect me personally. But it affects friends who rent due to the high prices.
• Housing in PG is very unaffordable. We have many friends who are priced out of both rentals and purchasing. We are losing wonderful neighbors and talent due to this. Additionally, my mother would like to move here to be closer to our family but cannot afford to rent or sell her home in Hollister to purchase or rent here.
• We have been home owners here for almost 20 years and the restrictions on home renovations are forcing us to think about moving our family elsewhere.
• People can’t afford to live/rent here.
• It is hard for young families to move or live here. The town seems to be more and more of a vacation home and retirement community rather than America’s Last Hometown.
• Limited and expensive.
• It is difficult to find a place. Rent is too expensive.
• Not directly, but I know that rents are too high for service industry families that our businesses/tourism industry relies on.
• Pacific Grove is becoming a ghost town. Empty houses; empty store fronts; rents raised on nonprofits like the Art Center-creating islands of emptiness and loneliness in our hometown.
• It is too expensive for most people to work and live here. This means your family members and friends can’t live near you. They are forced out of our community. The community needs young people. The community needs workers who live here. The second and homes where no one lives create disjointed neighborhoods.
• We are not affected.
• Does not affect people I know.
• For myself & people I know, the current housing situation personally affects us in a favorable manner. We own homes here that are increasing in value at a pace comparable to other high income areas. However, we will all suffer if schools & local businesses cannot attract employees who can also afford to live here.
• It makes it difficult for young families to live here, but our quality of life is amazing!
• Friends are forced to move due to rental increases; others cannot find housing here at all due to the lack of affordable housing; new construction/development has been thoughtless, oversized, and too expensive.
• It’s very difficult to find affordable housing for individuals between the ages of 20-50, and even older. Many, many people only have the means to rent and rental prices are skyrocketing which causes many in this age demographic to move away. Affordable rental prices and more places to rent need to become available and attainable. Pacific Grove should not only be a place available to live in for millionaires and the super rich. I love my community, I volunteer at the aquarium, and I am an employee at Monterey Peninsula College. I would like to live in the community I have so much to.

- The rental housing situation is difficult as it has become unaffordable. Many property owners prefer to rent military subsidized tenants, or to out of area students. Some target visitors coming in for large events who pay extreme amounts for daily, weekly, or monthly use.

  Other units are priced in alignment with San Francisco or higher so that adequate, livable long-term rentals have become priced beyond workforce wages and even for business owners.

  This means that the community is changing from a unique beach town destination to one that has visitors staying in hometels not hotels, and neighborhoods with limited parking often have no street vehicle parking for family or friends unless they have a garage or driveway area on the property. T

  Shorter term visitation or occupation does not support local business in the same ways that invested residents do.

  Also, concerns over short-term rentals go beyond trash, loud noises, and negative impact on natural resources.

  Overall a trend toward homogenization and current disruption in neighborhoods by lack of long-term residents is concerning in many ways but certainly is not equitable or inclusive and definitely needs to be addressed.

  My housing situation on arrival was striking as I was paying the same for a room rental here in a home as I was for a fully furnished two bedroom house with utilities included in a resort area in southern California. Price increases since that time (2015) have more than doubled and tripled.
- General unease with the lack of affordable housing, even in new construction.
- The prices have increased dramatically. As a retired veteran, I was able to rent a 3 bedroom, 2.5 bath with a finished basement (1900 sq ft) for $2750/mo in Falls Church VA just outside of DC. In PG my rent is $3650/mo for 1056 sq ft which includes a one car garage. I plan to buy in the next 3-5 years but that will depend on prices vs benefits of the community. Alot of businesses were forced to close during COVID and several others have had to move due to high lease rents. My concern is that this will impact the ability of young families and businesses to join the PG community and in the long term could result in a dying community. The Naval Postgraduate School took a $25M cut last year and may be on the chopping block. One of the biggest concerns is that the costs to send students to the school are too high including basic allowance for housing which in some cases prevents international students from attending because food and housing rates are excessive for them and in other cases are causing the Services to encourage US students to consider other less costly areas to complete their graduate studies. Having students in the enlisted ranks at DLI on food stamps while attending school is not ok and we must find a way to balance a great place to live with reasonable costs of living.

• Our young people will never be able to afford a house here, too many short term rentals.
• If they can't afford to live here, they can't afford to work here.
• They are getting priced out and moving away. Next to impossible for working households to buy here. Even with great credit and incomes.
• It is difficult for friends who have lived here all of their lives to buy a house.
• We own our house but a lot of people can't afford to stay here.
• It’s hard to get affordable house.
• Prices are unrealistic.
• Our Rent price is too high for an apartment unit. We are 3 people in our family. We could not find a single family home with an affordable price.
• Laughably expensive, little or no availability, too many contractor trucks, building permits and inspections: are you kidding me? Glad my family came mid-80s. Love the area. Toxic market!
• housing is unaffordable and people who work in the city are being priced out of the housing creating traffic congestion and a bad reputation for Pacific Grove as being elitist and racist.
• Insufficient housing for local workers is inequitable and results in GHG from excess VMT.
• Roads and sidewalks in dire need of repair before anything else is done. Most jobs are on Cannery Row and Lighthouse. Those few employees can commute in from other areas with improved highways on 1 and 68. Housing in PG is already crowded with very small lots, some apartments and some AUDs. Water would be an issue putting in more.
• I live in Carmel Valley, so anything that affects housing in the Monterey area affects this area, too.
• Limited regional residential long-term rental opportunities.
• It does not affect me.
• The company I work for has had a number of people relocate during the pandemic as they simply cannot afford to remain in the area. While our company is allowing remote work when feasible, it has meant that individuals are forced to leave their homes to search for alternatives as most salaries in this area have no chance of meeting the cost of housing.
• Many are struggling to find affordable housing and can't live here. One is basically homeless and house/pet sits for housing. Young families that would like to own cannot afford current housing prices.
• Rent prices are high for many that work in Pacific Grove.
• We enjoy the quiet neighborhoods and the walkability.
• I am currently looking for a place to rent in PG and so are a lot of my close friends who all work in the PG/Monterey area. Being in our mid 20s makes it hard to afford the PG housing/apartment prices.
• Personally affects me as a homeowner who wants to maintain quality of living and value of my home. At the same time, I don't want to have a NIMBY attitude and I do

realize for younger folks or people wanting to move into town the existing expensive housing is a problem that must be addressed.
• It impacts the possibility for my son and other young people to find an affordable rental, much less ever purchase their first home.
• I see long term residents forced out of the city by rising rents and young adults who grew up In PG unable to afford to live here.
• People cannot afford to live here- teachers, police, service workers, nurses, etc. I know people who had to move elsewhere because they could not afford the housing prices on their salaries. We then face a shortage of essential workers.
• It didn't.
• My granddaughter's family wants to live in Pacific Grove but cannot afford to.
• Housing is increasingly challenging for people living and working in PG.
• It has no affect on my employees or me.
• minimally, we live in the country club area of pebble beach.
• Greedsters buying up property with no regard for locals, driving up prices, and marginalizing community involvement.
• 3 people I know personally have been priced out of renting in PG; now they commute which is detrimental to our environment/planet. And owning a house? No way.
• limited inventory drives higher pricing; fewer affordable units.
• Daily freeway traffic of all peninsula workers backs up eleven miles on the freeway to the city of Marina every morning and many evenings.
• Home prices are insane and rents unaffordable for many working people.
• Makes it difficult to have a diversity of people living here - which has always made Pacific Grove a special place to live and work.
• There’s almost no low income or affordable Housing that I’m aware of. There’s a lack of socio-economic diversity here.
• Live next door in Monterey.
• Not greatly affected.
• No affect.
• It doesn’t.
• It excludes people who want to live in and contribute to the community.
• Purchasing a home or renting in Pacific Grove is almost impossible for the middle working class.
• It's hard for employees to afford living here.
• They either are unable to afford living there or are very restricted in their limited options.
• Lack of various rental options makes living in PG difficult for some lower earners and people without shelter.
• Aunt couldn’t afford to live here without roommates.
• People I know cannot readily rent nor buy affordable housing.
• Extremely hard to find affordable housing - I am on a teacher's salary .... It's near impossible.

• Not enough affordable housing.
• My rent has significantly gone up each year I have lived in Pacific Grove. And I cannot afford to purchase a home, despite the fact that I have an advanced degree and make an excellent salary.
• Affects friends who are scrapping by just to liver here.
• I cannot afford to buy and hope my rent for single family dwelling does not increase.
• It's impossible for people I know to purchase a home or find reasonable rental rates given the current housing market.
• We purchased our home almost 23 years ago and it is almost paid off. Honestly, most people I know are currently housed, some own and some rent.
• It creates discord in the community.
• I live nearby in Monterey County and am concerned about climate change.
• Renter in Monterey, spouse works in PG. Would love it if spouse could walk to work. PG housing costs are prohibitive to us. We'd love higher-density, environmentally conscious options.
• My family is nearly priced out of home ownership in Monterey county and we'll have to plan to leave the area, and likely find new jobs if we're unable to purchase a home in the next few years.
• Housing is difficult throughout the peninsula.
• Traffic and service.
• Yes.
• I see middle and low income people getting evicted and/or moving away because they can't afford to live here anymore. I see massive amounts of people commuting in every day to work in the area.
• It is very difficult to find affordable housing or any housing at all. We are essentially unable to move due to lack of availability, even with a moderate budget and extreme compromises.
• Price of homes and rentals has increased in Pacific Grove as well as high desirability coastal cities.
• Doesn't affect me at this time. Would not want a vacation rental next to my home.
• I need low income senior housing. I can't pay my rent on Social Security they keep raising it I'm 70 years old and having trouble finding a part-time job.
• Need additional housing units for people to live in; not investor-owned or vacation properties.
• Know that most service workers who work in Pacific Grove can't afford to live here. Also have seen the increasing large, mega-mansions taking over.
• Just bought a house and moved to the area.
• Can rent here but do not think I'll ever be able to own a house due to cost. This is unfortunate because I am a local teacher and want to live here long term.
• I live in Monterey - on the border of Pacific Grove.
• Unless the landlord includes regular landscape maintenance, some neighbors that rent let the maintenance lapse and becomes an incredible eye sore in the community. Having an ordinance that encourages all residents to take pride in their home and

community would be nice. (We have seen trash in the front yards, abandoned vehicles, weeds (Bermuda) that cross over to others' yards, etc.) In conversation they have said they don't really care because it's a rental and the landlord should take care of it. Any type of production of new housing should include a plan to maintain the aesthetic integrity of a street or neighborhood.
• I'm stuck living at a crappy rundown apartment with mold and the landlords NEVER have consequences. The rent is out of control and the attitudes even worse. Get rid of short term rentals and vacation homes. Get rid of the shitty property management companies and get rent control. Stop allowing companies to charade for document preparation (300$) etc.
• Affordable homes are no longer viable.
• See detailed answer below.
• My own situation is secure, but I am concerned about my friends, neighbors, and people who are not wealthy being able to live here and build a life.
• Too expensive to rent/buy.
• Too many second homes left unoccupied for long periods. Negative impact on sense of community with neighbors.
• I am fortunate to have my own (small) place, but so many others cannot afford the ever increasing rents here. We need more affordable housing.
• It does not affect me, my family or the people we know.
• It is annoying that so many that don't understand the cost of living in a coastal community want socialized housing - for themselves of course.
• We can barely afford our rent.
• Friends have accepted smaller housing in order to live here. That is a sacrifice they were willing to make to be able to live in a great place like this.
• It's hard to find housing for myself and my friends.
• My son, a teacher in Seaside & PG resident, lives alone in a small apt. & is experiencing substantial rent increases.
• Housing costs are so high, most people are struggling. We can't afford to buy, and renting is making the goal of homeownership seem even more impossible.
• Many elderly friends on fixed incomes are unable to find affordable housing when their landlords increase their rent too high. Younger friends have to find roommates and borrow money to afford to pay first and last month's rents in addition to deposits.
• Most live here but hard on renters.
• There are very few houses on the market, and fewer still that we could possibly afford. Rent consumes a large proportion of our income.
• We are renters and terrified of what would happen if we lost our current rental. Would not be able to find affordable housing to keep our children in their school district. We are civil servants, solidly middle to upper middle class income and we are priced out of buying here, where we actively contribute to the community.
• If I lose my current situation, finding another affordable place is unlikely due to the rent increases.

• Tight market.
• Everything is so expensive for the wages the city pays their employees!
• Pacific Grove is a community with aging infrastructure and a lot of environmentally sensitive areas. Space is limited, water is limited, and development is hard. We cannot accommodate both massive hotel projects, huge (ugly) luxury housing buildings, and practical solutions to provide more homes. I do not want to live in a city that looks like Carmel, and I worry that we are at risk of losing our hometown.

Are there any other thoughts about Housing you would like to share?
• This town won't make any meaningful progress towards a solution till all the NIMBY's die off. Happy to be wrong, though!
• Allow taller development without open space.
• The Housing Program Manger is amazing and an asset to the City!
• Cap vacation rentals/homes, house flipping, and landlords.
• Increase density and types of housing in downtown corridor - no more million dollar condos but larger apartments needed. You have to be honest about your talk about affordable housing and steadfast opposition to developing new water sources. When the city chooses to spend money on litigation at MPWMD to fight new water you cannot in good faith talk about developing new housing as you aren't choosing to work for new and sustainable, drought proof water projects. Not all PG communities can handle increased density or ADU's without fundamentally changing the neighborhood character. Also, when homeowners can't easily get permits for minor work it drives up costs for all and increases amount of unpermitted work. I was told "don't think of picking up more than a paintbrush without a permit." We spent thousands on permits to replace a deck that resulted in an over-engineered deck that will withstand a hurricane or tsunami and the house will be gone. We now can't afford to update electrical - makes one question the priorities.
• I am interested in converting my bonus room attached to my garage into a JADU. I would love a streamlined approach to getting this done. Including local builders who can help and homeowner assistance through the whole process.
• No new housing.
• -You should tax unoccupied homes and use the money to subsidize rent for families who cannot afford it, like other cities do. -Your fees for the ADU process are high, and this discourages people from creating ADUs.
• There's very little room for more housing. The lots are small as it is, there's no setbacks anymore. Fire would be catastrophic. Building bigger homes has taken multi lots. Destroying downtown and going up we aren't supposed to be LA better adherence to low income housing that switched would have been wise. Just terrible.
• Stop approving additional housing units. Require zero carbon footprint and reduce water use for all remodels.
• Build affordable apt buildings with store fronts downtown. Too many store fronts have been sitting empty for years providing nothing to the community, just a tax break for the owner...btw, thanks for this opportunity to provide feedback:)
• There isn't a 1 item solution. Combination of all of the above is needed. Affordable senior housing needed also.
• The city should take a position supporting the repeal of prop 19. To help keep houses in families that can continue to be affordable rentals.
• When there is new condos or apartments like Grand and Laurel so many of them should have been designated for low-income seniors and they weren't.
• Don't lose the limited open space. Change the idiotic measure M, too, to allow limited rentals by residents. It was poor

law on day one and hasn’t added one rental unit to the mix. Ok, maybe one. Not saying pure vacation, 7/24 rentals, but something in between. Arguments for “close to transit”? The city is two miles in diameter. No one is close or far from transit!
• None
• DO IT. Don't stop it from happening.
• More affordable units and less luxury condos!
• We also need to de-stigmatize the unhoused and confront racist stereotypes so that people do not feel threatened when they hear "affordable housing."
• I just think the whole town is based on greed when it comes to housing.
• I think funding to help modernize existing housing would also help. You cannot afford an "affordable" house that has foundation concerns, knob & tube, mold...
• It takes a long time to get section 8 there needs to be more programs.
• We don’t need more people/new housing or low income people in this community. I am 100% against any type of homeless or low income “incentives”. What we need is for landlords to upgrade rentals to a good standard. I work very hard and have made good choices in life. I don’t support any ideas about bringing more people into this small community. Landlords need to be held to a better standard.
• Rent control.
• Housing in Pacific Grove is forever going to be multi-faceted. When the housing market is tight and purchase prices are outrageous, the rentals follow suit. Owners don’t want prices to go down, obviously, so aiding renters and owners through subsidies may help. When mortgages are $4000 per month, the owner must pass on the expense. It’s truly tough. Add water credits into the mix, makes putting in-law units is impossible.
• As a younger resident of PG, I will most likely never own a home here. We should work towards adding more housing and apartments, specifically those for singles and young families into PG. I don't agree that existing homeowners should be able to receive financial accessory dwelling units, as that further divides the "haves" and the 'have nots".
• The Military seems to make rent more because of their allowance, for example $3500 ish for a 2 -3 bedroom. (Im not sure what current monthly allowance is, but i know it was $3500, so I'm sure that went up with current inflation) so if u r in the business of renting, then you go with the Military rate, to get amap.
• There are so many empty businesses that could be converted to homes. Don’t jack up the crowded street parking with more cars by making duplexes or allowing accessible units on single family home properties or crowd more people into existing space.
• Yes make sure there is real affordable housing. Not say it and then turn them into $1 Million dollar condos. A scam for home developers or locals to sell out more housing that sits empty or only used as a second, third home or a business write off. Where will the family's live or the teachers, emergency workers. The restaurant workers can't even live in Seaside, Marina or drive from Salinas any more.
• Many older residents are afraid of change and of anything they perceive might threaten their property values. It is easy to scoff at these feelings, but they are real.

• Use city properties for development like the way the city turned Lovers Point to multiple housing units, but instead of giving it away to seniors give it to essential workers (teachers, nurses, grocery workers, etc.). Use Golf course land for development.
• I would love to live in Pacific Grove. Senior housing or affordable ADUs please.
• Too much density will adversely impact the community, deer community, and overall charm of PG.
• I cannot wrap my head around the impact mandated increased housing in a small built-out community with no place to grow will have on the environment, the peaceful enjoyment and comfort of one's home, the infrastructure, and most importantly SAFETY of the residents in an inevitable emergency. There's no way out. It's frightening. And let us not forget water. We have none.
• A major factor in the low inventory of available housing in California are the homes that have been passed down through generations with little to no change to property tax due to prop 13. Many of these homes are then rented for a premium and poorly maintained rather than being occupied or sold by owners to allow new families to build equity.
• Climate resilience and increased political will.
• First priority should be workforce housing NOT housing projects for chronically homeless.
• Stop putting housing/condos in downtown PG. The theater conversion is an awful idea.
• The short term rental laws are unfair to property owners.
• If there were more incentives to ADUs we would definitely consider building one but water and permits are pricy.
• What about the city buys property and set an affordable rent for people who have been living here for 5 or more years? We do not want to lose the movie theater. Private company will never do affordable housing as promised. It is too lucrative for them. Maybe people renting who are paying low taxes because of owning it for a long time, should not be able to rent at market prices? Just a few thoughts.
• City sponsored first time home buyer program. Some incentive to sellers to sell to Pacific Grove residents that are first time home buyers. Many homes in our neighborhood are selling/ have sold to bay area residents as second homes. It's frustrating. I wish Pacific Grove residents had done priority in purchasing those homes.
• So many homes remain seldom or unused in the area. Incentives to rent these properties or make them available should be a priority.
• Don't allow ownership of second homes or short term rental businesses in PG
• It would be great if there were more water rights so more possibilities.
• I have long advocated for a tax on owners of primarily vacant homes with resulting funds to be used exclusively to address affordable housing issues.
• Stop allowing so many vacation rentals - and 2nd/3rd homes. My block is probably 1/3rd full time residents who live, work and contribute to PG. The homes empty most of the time and the other turnstile vacation rentals.

• Consider a subsection dealing with housing issues faced by seniors and families with school-age children, in addition to worker housing.....all are necessary to maintain diversity in PG's neighborhoods.
• We need a water source not more people. Not everyone can live where they wish. That is a problem for working folks who have to commute but we can't turn PG into apartments to solve the problem. Anyone who builds an adu isn't going to rent it for less than market.
• The ideas above are almost ridiculously out of touch. Locate affordable housing near jobs, yes, but that's everywhere. What transit? The public transit system is a joke. Penalize owning multiple homes. Reinstate the ban on banks and corporations putting in cash offers on available housing before 14 days of houses being on the market, or prevent that entirely from happening. Housing prices are OUT OF CONTROL. 1 million dollars for a <800 sq ft granny unit. How can you expect working class families to afford to live here with that. I LOVE this community. I love this area. But this area is dying, and businesses can't afford to stay open or are short staffed because no one can live here.
• Don't destroy our Quaintness.....This is the ESSENCE of our city.
• Turn the ATC into affordable housing not another hotel. Encourage at least one of the Arkwright court apartment buildings to be low cost.
• The answers to the above questions are completely tone deaf to the actual issues of why housing has gotten out of reach of our actual community members. Sure, we could use more housing units, but we also need to limit slum lord corporations owning countless properties just to charge astronomical rents. All of the above answer just feed in to a growing problem and show a general lack of understanding and willingness to confront an alarming trend in society. Nobody wants to stand up to big business or foreign money even though it leaves home vacant that could be filled with community members contributing to the local economy. More units just means the same institutions will buy them and either sell for a profit or rent out for a large upcharge.
• Don't allow developers to build more hotels. Don't allow developers to convert rental units to condos during construction (shame on those who voted for that planning change for the Lighthouse project!)
• We're losing seniors that are on fixed incomes who are the core of volunteer programs because they can no longer afford to live here. We need them and they need help, too.
• Build a desalination plant. Race not important. Should not be a question. Either should age.
• Reduce time and cost of development process.
• One of the reasons I believe we're getting cost out of the market is because of Airbnb and skyrocketing resell cost.
• So in PG something like 30% of all homes are second homes. If those homes had space available for people to LIVE, then that would solve a lot of housing problems. As I see it, you can address this issue by using both positive and negative reinforcement. First, in the "stick" department, any home that is not occupied for at least 90 continuous days per year should have a special tax of $6,000 per year leveed on it. And in the "carrot" department, the city should aggressively push (and possibly even provide low interest loans) for second homes to be divided into duplexes. If at least one portion of the duplex is occupied 90+ days continuously, the property is no longer liable for the

$6,000 tax on unoccupied second homes. Additionally, I would like to see low-interest loans or other financial incentives for building ADUs along with free water credits. We looked into building an ADU out of our garage but the cost is prohibitive. Since our house is paid for, we have no incentive to go into debt to create another housing unit on our property. If the city offered incentives to people like us and encouraged the use of currently unoccupied second homes, I think there's enough space here to increase our housing inventory by the required amount.
• AND NEVER ALLOW THESE COMPANIES LIKE BLACKROCK TO BUY SWATHS OF HOUSING RENDERING HOUSING UNAFFORDABLE. IT IS A MONOPOLY THAT IS HARMING THE MIDDLE CLASS FROM BUYING HOMES. Remember BROWNSTONES or ROW HOUSES. The Dutch built them in New York when they had the Dutch Trading Company. They are made that way in the Dutch Netherlands is the most densely populated country and land is at a premium. These brownstones are now made with insulating cement. You need to have a glass ceiling on all rentals and the purchase of a home. Again, get rid of real estate agents and their commissions. "The forest was shrinking but the trees kept voting for the axe as its handle was made of wood and they thought it was one of them." -Turkish Proverb
• As noted above, Pacific Grove needs to acknowledge the problem we have with vacation rentals and second homeowners. These are homes that could be used for families and workers but instead sit vacant and/or are managed by vacation rental hosts. Tax the hell (greed) out of them to encourage longer term rentals or use the fund to subsidize families or workers being forced out of town.
• Please, let's bring more diversity, energy, and fresh vibes to PG, while having a compassionate and forward thinking agenda.
• My concern is that any housing would be turned over to someone/ company for their own profit. Families that need help into affordable housing will get nothing.
• Affordable housing only helps those who can't afford hardly anything at all. How much can we really continue to give to low income without continuously hurting the middle class?? Those of us that work hard still struggle to pay rent or mortgages. 1.5 million for 1000 square foot home! 4,000+ per month for a 3bdrm rental. It's hurting us in the end - how about incentivize for middle class?????
• I am not in favor of overdevelopment in our town - especially large hotels or luxury condos. There's just not enough space here to keep building.
• Involve the local community in the investment and build. Keep the projects local. It will reduce resistance and improve quality of the outcome.
• I am discouraged and dejected by the housing situation in PG and everywhere on the peninsula. I don't make enough money to compete with the influx of remote workers on silicon valley salaries. There should be a program that rewards landlords with incentives to rent to locals who work in the area. There should also be a renegotiation with the DLI, NPS, and DoD to discuss their BAH levels, which have inflated rents here for decades.

• All the empty homes especially vacation houses all over the place that are vacant almost all the time. Those should be put in the market or at least for rent.
• It is too costly for people to buy their first home in Pacific Grove.
• I do not want to see any more gigantic buildings go up, like the eye sore downtown, or the plan for the Tin Cannery. They change the atmosphere of this small town. Rent is way too high. I'm surprised that local workers can even afford to live in this area. If we're not careful, they will be priced right out of the area. Many employers are already finding it hard to find employees after the job uncertainty caused by covid-19. I would love to buy my own home, but can't afford it. I may have to move back to the Midwest, so I can afford to.
• Eliminate STR's altogether!! For months, every house available for rent was a furnished STR, no long term rentals. Why are we creating more hotel rooms instead of housing? We're rarely sold out, why are we giving our town to wealthy tourists?
• Pacific Grove is built out. With a few exceptions the existing housing is very dense and the homes are small. Replace older apt buildings with more units for more housing.
• I understand that land cost is the greatest limitation. Therefore, it seems logical to me that we must build higher buildings.
• PG has high density already at about 5,000 per square mile so increasing density affects quality of life and character of small town. High rises near the ocean would affect environmentally sensitive areas of coast.
• Require or at least incentivize new construction or significant renovation to be all electric in order to transition away from natural gas. Consider streamlining the planning and building approval process for construction that incorporates high-performance in terms of energy efficiency, indoor air quality, and resilience. Require that calculations for embodied carbon be included in the planning and building approval process.
• Pacific grove is already a densely populated town with limited parking. The best place to build more housing is on the former ft Ord.
• Keep PG our small town.
• There is limited land, and severely limited water. Enough already.
• The duplex conversion and accessory dwelling units should be deed restricted as affordable, if these routes are pursued. Otherwise, the result will be more unaffordable units. Affordable deed restricted units through federal- and state-funded subsidized development should be the priority. I do not support rental assistance programs, which are expensive to administer, benefit landlords and do not address affordability.
• Stop short term rentals.
• Corporate housing is a big problem. Too many properties go unused and what a huge waste. Also second homes that are used very rarely is a mark of capitalism.
• Discussions between Pacific Grove and military establishments in the area that drive up the rents... Force owners of unoccupied houses to rent them out... Some incentive for homeowners to house local residents above military/student temporary transplants.
• More density will ruin my hometown. Build the homes in Carmel Valley or Fort Ord or Marina.
• Something has gotta change. Please stop shilling to corporations with millions of dollars and start caring about US.

• I'd love to discuss over a call 209-573-1334
• Restrict AirBnB homes, ban them. Hard for people who live and work here to find housing because they are all vacation or weekend properties. Provide financial incentives for younger folks to get housing. We want to start families here.
• I don't know what the answer is, but the cost of housing has to come down. I have a good job and it's getting more difficult to be able to live here. Thankfully I am receiving a 30% discount on my housing because of my work and where I live. Due to vision issues, I would really like to live where I can easily walk to stores and restaurants, but just can't afford it around here.
• Let locals rent & buy. Silicon Valley folks swoop in with tons of cash, outbid all local offers by THOUSANDS, & then have their second or third homes while locals can't find a house to buy or rent.
• restrict growth - this is a small town, DO NOT make it a densely populated city.
• Limit the 2.5 rent requirement with these rental companies. If you make $63k you can barely make it to qualify for a $1900 1 bedroom unit.
• Yeah, quit letting developers and out of state people buy up the properties and turn them into STRs. We passed a law about that, and they still happen. No enforcement since COVID started. Do we even have any police still in PG? Never see them. People racing all over our streets and killing deer and other wildlife.
• We moved to PG from a big city because we DO NOT want high rises, ADUs, duplexes, etc.! The absence of these structures is what makes PG a nice place to live and raise a family. What is a shame is that there are many, many vacation homes that sit empty the majority of the year. There are at least six in our immediate vicinity. Why should families who actively participate in the community be forced to move because they are outbid by someone who just wants a vacation home?! I wish there was a way to ensure that these homes are sold or rented to families. Create a recruitment plan to draw/keep young families in town. Limit the number of vacation homes somehow.
• You can't live wherever you want. People can move somewhere else if they can't afford to live here. This place is heaven and costs a fortune for a reason. Yes, the lucky ones (who had parents leave them homes/property here) or those of us who have worked their tails off to be able to afford to live here deserve not to have their property values and beautiful, safe, small town life destroyed by subsidized housing and or/homeless encampments (project homekey) brought in to this expensive (for a reason) area.
• I just moved here (from Berkeley), but am trying to pay attention to and learn about housing issues, as they are universal and this area has unique needs/problems. Work/live/commute is way out of balance. Transit use is very low i heard on a county climate change webinar on transportation. What if it was free? State legislature and governor are trying to do more for housing and homelessness-in PH tapping into that? How many units are being taken off the market by airbnb and home stay (formal or informal) arrangements? I like that PG passed a limit on short term rentals < 30days. Is that being enforced? It is important to keep/support a diverse population which is hard as home prices go up so much, so state or federal (or local) funds are needed. Berkeley has a higher transfer tax (2.5%) for houses selling over $1.6 million and that money

(through 2 local ballot measures) goes toward homeless services and transitional housing. PG already has the original "tiny houses" so maybe find a way to build on that? Thanks for doing this survey!
• How about a moratorium on the construction of more high priced lofts and condos?
• Our population density is saturated. Streets cannot bear more parking. This community with housing that was planned from well over 100 years is I'll suited to support more population. Some areas that can be developed are: Washington Park or the vacant buildings across Hayward Lumber. Affordable housing is not practical based on demographics of those who are willing to pay high prices to live in this wonderful area. I am surprised that these issues are not considered in Pebble Beach where land is available for development. Carmel by the Sea is over saturated with population density and no amount of planning can prevent that from happening in PG if the balance of population density is alter with more housing. Carmel valley can support more housing but lacks road development. Perhaps you should consider getting rid of golf courses on the Peninsula or redesign the school campuses? What is the plan to expand roads and utility services for additional population? I understand that Pebble Beach and Carmel Valley are not the issue but no amount of planning can deal with the issue of over saturation of population.
• Start using union labor on your projects.
• The prices for family homes to live in are so ridiculous, this neighborhood needs affordable housing.
• Due to the high density of housing in PG, this is a difficult problem. But there are many empty buildings in our city that should be converted into low income housing.
• Housing is a basic human need, yet it has been turned into a lucrative commodity for money making at the expense of families and communities. Clearly, those trimming the fat off the hog are more than pleased with the state of society this practice has produced. Buying, multiple homes, turning residential areas into hotels, out of country "investors," homes gobbled up and sitting empty. This housing crisis, the world's richest country can house (basic need) it's citizens. This problem is obvious and a logical consequence of very real choices across time. This is the product. Does anyone really even care? I don't think so, not enough to change behavior, or even care, until they are personally affected.
• I'm not against ADU's if the lot size can accommodate it without infringing on neighbor's privacy. The ones being built are definitely changing the feel of some areas and making PG a less desirable place to live in. The majority of the town is not laid out for high density housing, since it consists of mainly single family dwellings. Also, green space should be preserved or increased if possible.
• Curios if the measure limiting vacation rentals made any difference.
• It seems that all of the building here is for high end consumers of second homes and vacation rentals. Income limits for subsidized housing is too low. I'll never qualify because my current rent of $3250/mo requires me to draw down my retirement at an unacceptable rate. My rent here is 65% of my monthly income.

• The community is saturated with housing now on 60 x 60 lots. Water is an issue, power grid is an issue. None of the options suggested appear realistic.
• Stop the them versus us dialogue.
• Convert empty houses to multi-dwelling.
• I am a teacher and am worried my family may have to move away from the city we love because we cannot afford to rent a home. We would love a solution that allows families with children to be able to afford rent in PG.
• Use the old laundry site if the owner won't sell or convert it tax him.
• Too expensive. Together my husband and I make $170K/year, with a $60K down-payment, and are not even close to being able to afford PG housing. Unaffordable for Millennials, young families. Too many vacant properties. When will we learn housing is a necessity, not an investment?
• Assistance to financially stable first time buyers.
• There's room for all of is on this beautiful Peninsula.
• Keep what little open land is there as land and use already built on properties.
• While affordable housing is a concern, so is the character of our downtown. I am disappointed to hear that the Lighthouse Cinema might be torn down to make housing - with the right management, that theater would a real asset to the community - especially if they featured more independent films.
• Now that the city has increased its revenue stream via the cited-approved tax measure and approving 300+ hotel rooms, it's time to return the city's housing stock to what it is intended for: year-round housing. The city should begin to phase out STVRs as a way to eliminate the commercialization of its housing. Doing this will be one important step help reduce outside market forces that have driven up housing costs. It also brings the city in line with other communities nearby. STVR essentially complete with hotel/motels for vacationer $. Phasing our STVR will be reduce the $ incentive for investment home buying and will therefore bring costs down. Even if only a little, it's important, plus it also reinvigorates our community by bringing in full time residents.
• It would be great to provide incentives for landlords to rent to existing PG citizens w/kids in schools over people moving to the area.
• The PG Building Department's outrageous fees are counterproductive for the building of ADUs. Two months ago, I submitted plans along with $4800 as a required "plan review fee." I'm still waiting for a response, and at this point, will probably scrap the project.
• The challenge to housing as I see it are all the homes that are empty all week, yet once a month are enjoyed for the weekend. I understand that money talks and second and third home ownership is valuable for the income it brings the city. It is all coming at a cost to PG, renting or owning a home here is losing residents that would bring diverse backgrounds, varying professions and families that want to lay roots.
• Create better employment and jobs so housing options are possible for many. Solutions for housing are not with developers or government.
• Rent caps!
• CA has become a state that doesn't have affordable housing. Is it terrible to say I don't care if people can't afford it? There's a big ol world out there- go live somewhere else. PG is the last hometown?! No. Look in Nebraska, Missouri, Arizona, Massachusetts,

maybe even Central CA. You'll find even more towns like PG and it will be affordable. I'm over this notion that we have to tailor every price to others. It's expensive- truthfully it always was- and you'll have to pay to stay. Come visit- we need your tourist money more than the cheap amount you want to pay to live here.
• Our housing crisis is a symptom of our systemic inequality. We are witnessing late stage capitalism. The band aids proposed here are woefully insufficient. Tax the elites & raise our wages to a living wage. Or we can go the pitchforks route.
• Not everyone will be able to live in PG. Keep that in mind. Also, increased density may improve affordability but it can come at a cost of overcrowding and increased traffic.
• We should develop regional solutions to affordable housing utilizing multistory apartment complexes. Tasking rash small city with an objective makes no sense.
• The State has mandated that we have a severe water shortage and no new hook ups are allowed. Also, our streets are old and narrow and thus not suited to streetside parking which ADU housing would require. Fire engine access would be impaired as would access to public transportation. Until these problems are solved the established building codes should stand.
• Please acknowledge and respect the rights of current property owners.
• Build one central church to serve all denominations, and spread services out over the week. Convert all the others to housing to be paid for by the church most responsible for the problem. Need I say which?
• It is not a right or requirement to be able to leave in every local. There is affordable housing near by in Salinas and Watsonville. Why must this be something that needs to be addressed here in PG? We do not have the infrastructure to support existing water, sewer and roads? We have limited water permits for residents for decades, yet expect to be able to accommodate over a thousand new units? How is this even reasonable or realistic?
• I don't understand the logic for trying to create more affordable housing and/or higher density housing in Pacific Grove when right up the street in Seaside or Marina there is plenty of open space to do this. And, there is already a water crisis in this region -how do you plan to address this and how do you plan to deal with infrastructure issues, and increasing crime? Tell me how these issues will be resolved and I may think differently, and to do so without raising my taxes to support this.
• We are land locked, and it's wrong to keep driving higher housing density in existing neighborhoods. Fund developments elsewhere in the county in the areas with space and resources (water) to support them.
• can our infrastructure handle more people?
• ADUs are not the solution to affordable housing.
• Institute a second- or third-home tax!!! Encourage primary homeownership in PG. Homes are for local workforces and families. If people want a vacation home here, they should pay taxes to support affordable homeownership for people who live and work here.
• Instead of approving new development that is well out of the reach of most of the people working in the community (such as the two new condo units on Lighthouse)

perhaps uphold the city's mandated obligations to creating adorable housing when real estate becomes available.
• Our rent went up 9% this year. No one gets a 9% increase in pay.
• The approach to solving the housing crisis requires a true re-set, or perspective change to accept that housing is a right, not a privilege. The government must take an active role in collaboration with developers and local institutions (schools, tourism board, etc.) to provide the needed % of housing at the prices appropriate for workers. Additionally, ownership should be prioritized. Since most affordable housing programs incentives renting, perhaps PG can come up with local solutions that allow for home ownership. Additionally, this may have to include a limit on the free market home purchases that drive up real estate prices (limits or extra taxes on 2nd or 3rd homes, or unoccupied homes).
• Rent control! How come you don't list that? On houses and not just apartments. Separate high density from low density - if you choose to buy a house in a neighborhood then you don't want it to become an apartment complex - don't destroy neighborhoods. Keep high density downtown.
• We are a 'destination' with limited inventory. Will always be problematic. But we must identify what can be done and do it. Too much talk; too little action.
• Incentive for homeowners who sell to local PG first time homebuyers.
• We came to PG and invested here for a great quality of life that has been expensive to pursue. We are not pleased by this proposal for increased high density housing that will affect the quality of our fine community and city.
• Assess second homes. Stabilize and control rents. Stop the military housing allowance.
• The issue with the Monterey area is water many of the questions would increase water consumption.
• Many suggestions for “what to do” ignore the fact that the housing in PG is privately owned; the city can legitimately support changes, but things like “convert single family homes to duplexes” is something a city can allow, but cannot make it happen.
• Why is this survey about what the city can make happen, rather than what a city can do to encourage, allow or support?
• It's clear that developers are not incentivized to build affordable spaces, as these often make up 1-2 units within a luxury condo space, and even got cut from earlier developments. So many homes in PG are small already that duplexes don't seem likely. I think something dramatic and imaginative is needed: disallow vacation rentals and heavily tax second homes so houses that are currently here are available to live in (on my street about 1/3 of the houses are vacation homes). Cap rent rate increases even if below 'market value.' There are likely many options but if everyone wants to make the most money possible, we won't be able to consider them.
• There is nothing in this survey about strategies for the city to underwrite more housing by making certain city properties available for development. Examples include the parking lot behind the theatre, the underutilized community center, and the oversized public works yard on Sunset. Also, there is nothing in this survey about working with entities such as the school district to develop workforce housing. The Lighthouse Avenue school is a good example.
• There are many substandard Apts here. Get a low interest loan program to improve the properties with a requirement that half be designated as affordable.

- City staff is out of touch with the community, The recent Homekey debacle is a perfect example.

- Work on affordable housing for residents working in PG first then help others when and where possible.

- I moved to Pacific Grove because it is a small quiet town, I have no desire to see the beautiful houses turned into duplexes, nor do I want to see development of areas that are now vacant. There are lots of people creating ADUs and I think that could continue though I imagine the rents for those will be high. Anywhere on the coast of California, it is going to be expensive. If I could not afford to live here, I would live somewhere else, not expect someone to build mw an apartment or house I could afford. The idea that people are expected to lower rents so people can afford a place in counter to our culture, if I could get $3000 to rent a place, why would I lower it to $1000? It does not make financial sense to the owner and nor can builders be expected to take a loss on construction to meet someone else's needs.

- It is important to keep open space and parks as density increases.

  Mixed use commercial/residential sounds interesting at first, but does not appear to really bring affordable housing with it or enough units. If there is a necessary increase in height to achieve, it may not be worth the loss of public scenic views for very few units that would actually be affordable.

  But, having said that, any mixed project coming before the City must have a percentage of affordable units as part of it 100 percent of the time now no matter what, without any variance to zoning limits to do it. The percentage of affordable units should be decided and added into the municipal code for any approval of any mixed use project without increasing structural height so the City does not have to beg the developer to do it.

  Public funding for a carefully designed project as the one for senior housing that was built near Lovers Point seems hopeful as that was a success. But, it must be very carefully done. Certainly that are terrible examples of public housing projects built in the 1950's and 1960's in urban areas that were too dense, too tall and expected people to be grateful for cramming into a too tight apartment housing space that was demeaning.

  Interim, an organization already established on the Monterey Peninsula and Salinas, is an excellent example of creating successful affordable housing models for people living with a severe mental illness because support services are also provided that make it work. This would be very likely successful in PG if the City partnered with Interim and would help prevent some people from becoming homeless or give a home to someone that was already homeless.

- It is unrealistic for an old town with limited land to be compared to Tracy or some other city with abundant (and cheap) land. Constructing more housing will only allow more Palo Alto retirees to buy second homes here. This is not the answer. More affordable housing at Ft. Ord is much more realistic. Developers should also be forced to build smaller homes (1,500 sq feet) that are more affordable. No more hotels in PG.

Make those apartments. Convert existing hotels to apartments. That's the only answer here, with no available land.
• I don't think ADUs help with housing issues. They just allow well off homeowners to add extra space to houses for guests, offices etc. without all the restrictions. Does the city ever audit ADUs to see how they are being used? Any new or substantially refurbished hotels should be required to include low cost housing for some staff on site. PG should stop approving new hotels until more low cost housing (and water) becomes available. Any home that is not used as a primary residence or long term rental should have to pay a substantial luxury tax. How many homes in PG are primary residences and how may are vacation homes, investment properties or short term rentals? If STRs were banned more rental properties could open up. Also NPS and DLI students can get large housing subsidies which drive up cost of rentals. Smaller, affordable housing could be put on former Fort Ord property (with lots of parks, gardens, trees, trails around them) with good public transport from developments to Monterey, PG, etc.
• Sec 8 Housing is a program that is in place but for years has not accepted applications as there is no current funding. With the State's current 98 billion surplus Sec 8 should be funded to address current and potential homelessness.
• I think if we have run out of space there should not be additional building.
• Changing density within single family R1 neighborhoods is not the answer. Let's look at parking lot areas, to build housing to include street level parking under the units, and possibly 2 or 3 levels of parking to accommodate the housing units 2 parking spaces each, and community/shopping parking needs.
• Assistance for those who have homes, mortgaged, who cannot afford improvements, to improve those homes and expand them. Examples, help fund new roofs, solar, water catchment, drip systems, etc.
• In downtown PG, with Holman, 520 Lighthouse, The new Hotel Durell, in my opinion density has already been reached in this neighborhood. There is talk of demolishing our theater and adding 86 housing units (Silverie Development) to this already dense and built up area. If there is to be 86 housing units please use this low income allotment to an area -NOT in downtown which is already being developed. Do not destroy or ruin what is a quaint downtown by over doing it.
• We are so far behind the curve I doubt we can ever catch up. I appreciate the push for ADU's but I believe we will regret not planning better for the future. Once the full impact of crowding of neighborhood parking is realized (for example - multi adu's on one block) it will be too late. My father lived in No Monterey for 77 yrs. One block over from my dads house is several blocks of multi-residential units. As the apartments became more expensive and more crowded - tenants had no where to park. So they park in front of my dads house every day/night - sometimes not moving their cars for days on end. It's frustrating and sad that we can't even park in front of our own house - not to mention the lack of respect for others property.
• Allowing owners to build ADUs has NOT created more affordable homes but inflated rents
• Tricky part of all the solution is too much density & lax plan review standards for development will change the small town flavor of what makes the community. A more savvy & Professional City Planning staff is needed along with better City management professionally & elected officials.

• Do not allow further development in this environmentally sensitive area!
• Stop allowing over-sized single-family homes to be built on Multi-family zoned parcels. Accept reality that not everyone who wants to live here will ever be able to afford to live here.
• Part of the housing problem also seems tied to like of renter protections in this city. My landlord is selling the duplex I live in and is not willing to provide a longer-term lease that would grant me more time to find another place to live. It's insane to me that so many properties here are being purchased, flipped and sold to people who either already own another home or are just looking to increase rent/get into the Airbnb market. Additionally, the increase in the cost of rent here recently is insane. I don't understand how a city that is losing businesses in its downtown because of the recession continues to drive up housing costs. It's really scary and destabilizing to think that I may have to leave my community here and move to another city because I can no longer get afford rent in the area.
• Water? Parking? Two major questions not addressed. This was obviously not created locally.
• Rent control Mine from 500 to 2100 over a time period.
• Need help financially for maintenance and upgrading to additional units. Less restrictions. More flexible. Very difficult for long time residents, on fixed incomes, to survive here, and people working too Long ago when I moved here, to the home I'm still in, desperately trying to survive here, in the last hometown, I recommended for every new home built or remodeled, that water catchment be a part of the process. In 1979 they said that was not viable because they could not charge for that water nor put the chemicals in the water that they wanted. Now we are in a severe drought and water is excruciatingly precious and expensive, as is everything currently. Sadly there does not seem to be very much forward thinking. We could've prevented a great deal of the problems that are occurring now. Common Sense. In the past, being so restrictive and not open to possibilities. Trusting we will move forward positively. Thank you.
• You can build more housing on every inch of available land in PG, but the costs will still remain too high for most to afford. My current rent on a 1bed,1bath APARTMENT is the same as a 4bed, 3bath HOUSE in the California community I moved from. When people ask me where is the workforce, I always answer, "People like to work where they can live, and most cannot afford to live here."
• I'm concerned that the choices provided on this survey can be taken differently than I mean them, because they're too general, so I did not answer the question immediately above this. If you increase density and height in areas that are historic and scenic, PG will lose its character, which is what draws tourists (and residents) here. We need careful review and development of PG's ordinances so that density, height, and ministerial review bonuses are not provided where they will destroy PG's special character. I don't believe PG's public transit meets the standard (frequency, routes) for justifying ministerial permitting or bonuses. Incentives for developers could be appropriate in the southeast portion of PG (Forest Hill and surrounding areas) which needs some more attractive development and could handle more density and even height. Incentives for designs that enhance the appearance of the area to provide more characteristic charm (not cutesy) while increasing density and height would be great.
• I like living in house. House go brr

• Embrace the successful Vancouver model of a tax on vacant homes, using proceeds to pay to build higher-density affordable housing.
• I think the questions / answers above are both leading and misleading and whiff of the sense of entitlement of a younger generation unwilling to embrace the reality and excitement of change—of creating a new path to home. There has always been pressure on the lower end of the market due to the unbalanced competition of first time buyers, investors, empty nesters competing for a very limited inventory. A decision to live in a land-locked community is a decision to pay more for a home.
• City Council seems ill-equipped to deal with the issue.
• Requirements for more public amenities with projects. More public access spaces.
• This is an issue that needs and deserves a lot of thought, creativity, and willingness to move toward solutions that allow Pacific Grove to be a community that welcomes not just affluent retirees, investors, and the rich, but also families and those who are not affluent. A diverse community benefits us all.
• We have far too many houses that are being used for vacation rentals which is not housing for people who live here. They are sometimes renting for 30 days but at ridiculously high prices so no person could rent them to live in. We cannot build on the very little land we have left and we should not be okaying hotels at the expense of housing. Those areas should have been used for apartments and not hotels. We do not have the water for any of these things and we should do what the Planning Commission said and appeal the number of houses required.
• Provide vouchers for existing tenants so they do not have to move.
• It is hard to imagine that given the limited financial capacity of the city, limited land, and the moratorium on water connections that anything can really be done to materially change the affordability problem of housing in PG.
• We need to go ahead and plan for the mandatory increases in housing required by the state.
• Monterey did it in 80's, tear down one house split lot and smaller new home (sgl car garage below home) - two for one.
• Give owner incentives to renovate old buildings.
• City-owned properly could be used to build apartment buildings. I don't think the ADU approval process should be fast tracked in any way…should go through a standard approval process.
• Yes, there needs to be a tax on people who own empty houses. The lack of people living in our community means fewer local businesses. It feels like Pacific Grove is being bought up by people who have no emotional attachment to our town and make no investments in our community.
• Houses that stand empty for a long time should be taxed to supplement the loss of city revenue and the loss of local businesses.
• There must be a balance between addressing housing needs and preserving the historical character of PG. We must maintain open space to support the native habitation and wildlife.
• PG already is a high density community, with typically small lots and limited water. Property values are also much higher than other areas of California. It does not seem like a community most suitable for any of the proposed ideas for adding more housing

units. Additional housing should be limited to developing existing buildable lots. More housing density requires more water, if more water can be made available it should go to allowing vacant or underdeveloped based on current zoning allowances. More housing added to existing community based on more liberated development guidelines will increase congestion. There are other communities that are less dense and with more developable land with water resources available.
• The greatest barriers I see to affordable housing in PG are the high cost of construction & lack of water. In respect to cost, I see government & private subsidies as the only way bridge this gap supplemented by streamlining & targeting inefficiencies in the approval process. I am strong advocate for a vacancy tax & have made several proposals to the City Council on this subject. In respect to water, a primary effort should be made to optimize the use of available water meters, including requiring as many affordable units as possible when approving projects. Example 1) the proposed project between Forest & Grand at Pine should require more affordable units in exchange for more leeway on density & height in order to optimize use of the water meter on the site. Example 2) where a whole city block is purchased already populated with existing homes/water meters, there should be incentives/restrictions to maximize use the available meters by encouraging modest refurbishment of existing homes & lot-splitting for new & affordable units rather than allowing replacement by large single-family homes.
• Mandate on-site parking when allowing for increased housing density. Developers are putting this burden on the city streets instead of factoring that into their own costs.
• Senior/affordable housing should be accessible as closed lists and other limits make it difficult. Single and widowed individuals have been prevented from acquiring rentals due to size and requirement for additional individuals. ie., single could not rent any empty two bedroom unit. Homelessness has increased for families and elder women. There needs to be an alternative. Tiny houses have been utilized elsewhere, fast, affordable, and may be a temporary or long-term option. At least some more contemporary and out-of-box thinking is needed.
• Go through with the linen business project and put affordable housing in there.
• I don't necessarily think PG should seek to add more homes and definitely shouldn't add taller structures (no one comes to PG for the cityscape!) but I do think some of the older historic building and infrastructure have reached their expiration date and that owners should be allowed to subdivide and modernize properties as long as the infrastructure is also updated and the water resources exist to sustain additional services for new families.
• Turn empty commercial spaces into community housing. Not ideal for families, but at least it is something. There is so much empty and unused commercial space in PG.
• Lack of water should not be an excuse for not approving ADUs, lot splitting, and other efforts to increase housing units.
• Any developments should take precaution to not ruin the historical integrity and aesthetic of the community.
• The current infrastructure of Pacific Grove is not ready for more population. Traffic, parking spaces, school's classroom capacity, water resources, natural resources including animals and forests will be affected on a negative way with more people.

• Big problems looming. New and more effective approaches are required soon as possible. Should be high priority.
• There are far too many greedy landlords that own multiple rental properties as well as many unsanctioned vacation rentals posing as residences.
• Water use would be an issue to seriously consider. Hotel near Fish Wife not being used…could be used on a temporary basis as homeless transition. Better transportation to jobs from areas that are not already crowded with improved bus service. The train track could be revitalized.
• Stay very aligned with serious lack of future water, even when recycled water program is fully developed. Keep zoning of affordable housing in check. I've not verified the talk of the new housing at the corner of Laurel and Forest turned out to not be so affordable.
• It is a complicated issue and the more I learn, the more my perspective changes regarding preservation of building character that limits our ability to move forward in serving our population. Those reluctant to accept change cannot be the strongest force here. Thank you for your hard work on this!!!
• Ruining R1 zoning is not the answer. You do not improve people's housing by ruining neighborhoods. Allowing taller redeveloping downtown with mixed use buildings. Doing something with the old mission laundry property.
• To reiterate that streamlining the residential approval process is essential to making improvements to affordable housing in a timely manner.
• Why do they continue to add more commercial space when so many buildings are already empty. Why not make them entirely multi residential and include designated low rent units.
• While ADUs sound great in theory the PG Planning process is so slow and cumbersome few will succeed in getting built.
• Rentals are unaffordable and helping renters would be an immediate and pragmatic solution for affordable housing now. Many rentals are owned by out of town corporate interests with no commitment to the community. They are gouging renters who cannot afford to buy a home. There are many ways the city could help control rents.
• The high cost of land necessitates that we make apartment buildings higher.
• The Monarch Hotel was a missed opportunity to develop affordable housing for vulnerable residents.
• Given the limited opportunities for the expansion of jobs in Pacific Grove, and the already massively inflated underlying land prices, I believe that pursuing large amounts of new housing is ill-advised and wasteful of public monies.. Unless the community develops a taste for major contributions for subsidized housing from the already over-taxed City Budget, public funding is very unlikely, but public opposition is very likely..
• Allowing more mixed housing in the downtown area should help. having people live above businesses helps keep downtown safe and is better for the downtown economy. Additionally, instead of the fast bus system, I wish we could bring back the train from SF all the way to Pacific Grove through Cannery Row.
• Allowing greedsters to infiltrate with no community investment is unsustainable and immoral.
• Perhaps city-owned affordable rental housing for people on the verge of homelessness.

• We don't need to build high rises to create affordable high density house, we just need to change use cases for existing structures and make it easy to do that safely.
• Multifamily housing projects should be streamlined and receive approval in the permitting process from local government agencies.
• Not enough water to build more houses.
• We need more housing options plus changing the requirement to have multiple parking spaces per unit. This goes hand in hand with making the city more safe for pedestrians and bikes. I like seeing all the curb cuts and sidewalks that are being built - thank you! It also seems like there should be a tax on homes that are unoccupied for most of the year.
• We are middle class working professionals who are self employed with 2 children. We have been looking to purchase a new home that can accommodate a family of 4. It's next to impossible to find housing within a reasonable budget for us and we've been looking for over 5 years. My husband comes from a multigenerational PG family who built houses here over the last 100 years and it's unfortunate that we cannot afford to find a forever home suitable for our family. We are hopeful to be able to stay and raise our kids here so they can experience the same childhood as my husband.
• The approval process for homes is subjective, arbitrary and disorganized, greatly increasing the cost of construction, especially the application of rules on "historic" homes.
• Need to develop housing and support programs for people without shelter
• NIMBY is not a solution; leadership is needed to denounce this attitude. Higher density housing must be encouraged; housing subdivisions with large homes such as those planned for San Benancio should not be permitted with such a limited supply of land.
• No
• I absolutely love this community - I live and work nearby. But finding affordable housing has become such a problem even for upper middle income individuals, it's unclear if I'll be able to make PG my "forever home." I cannot even imagine how difficult it must be for lower income individuals to locate housing here. It seems there are many folks in the community who bought (or inherited homes) in PG many years ago (when prices were reasonable) who are committed to making it impossible for newer, younger residents to live here. Further, it seems like many of these folks own multiple homes here and leave them vacant. I'd also like to see high vacancy taxes on investment properties bought by individuals in the community. They should not be allowed to leave precious housing stock vacant for their own profit, while PG slowly loses its community members who actually contribute to our local economy.
• PG needs a real Below Market Rate program supported by city laws like many other CA municipalities.
• Give incentives to the buyers. Offer lower interest rates for buyers in PG. Lower the taxes for 1st time buyers in PG for several years with incremental increases. What is: Streamline residential approval process.
• Reducing parking minimum requirements will be key for in-fill developments. We must improve on transit!!

• Housing programs should focus on those who have the best chance of successfully transitioning to permanent housing - working families or individuals who have recently lost their housing - as opposed to chronic homeless individuals.
• We must also consider taxes / disincentives for those buying second homes and/or using homes as vacation rentals.
• Please help reduce vehicle miles traveled by encouraging the development of enough low-income housing so that the people who work in Pacific Grove can live there as well. Make it easy for developers and other organizations to get permits efficiently. Outlaw short-term rentals of housing used by people who don't live in the area.
• Stop allowing homes to be vacant, used as vacation rentals and billionaire's plush third homes. This is a community, not a resort. Also, I don't think we should subsidize home owner's ADUs. They are not a long-term solution.
• We need to build more housing AND we need to crack down on the number of vacant homes on the peninsula. Reducing the number of unoccupied homes - many of which are second or vacation properties owned by people who do not live here - is an immediate step that can be taken in tandem with developing new affordable housing. If we fail to act, the people who work in PG and on the peninsula will not be able to stay and it will mean the death of our community at the expense of turning it into a luxury resort.
• We need housing for real people, not more expensive empty condos.
• We need to focus on longer term solutions.
• School districts build housing on underutilized school property such the PG adult education property.
• PG housing dept Has no local waiting list for low-income senior housing for those that would qualify when a new construction has some low-income units in it. You have a loud high-end penthouses and condos and didn't mandate some low-income units in them. You have another proposed large five bedroom apartment complex proposed and used zoning is an excuse when the developer first had 66 low-income apartments in the plan.
• Pacific Grove is in danger of turning into another Carmel, an exclusive enclave for the wealthy.
• Offering teacher loan programs will ensure high quality teachers can raise their families in this area!
• Single family home neighborhoods should *NOT* be densified. That is a major mistake. Our infrastructure cannot support multiple units where a singe family home currently stands.
• Pacific Grove is a beautiful town with unique homes. ADU's are beginning to look like storage sheds crammed into property spaces. Increasing affordable housing while maintaining the integrity of our town and property values of existing homes is important. Also, those that build several ADU's on their properties should be held to the same requirements/standards as those that undergo renovation projects. E.g. more housing

units will mean more people and more cars parking on the same street but they are not required to add covered parking or install sidewalks. Are they also not required to replace the sewer lateral? Equity across the board would encourage current home owners to undergo renovation projects that would keep homes/rental properties and infrastructure up to date.

- I would suggest looking at ways to incentivize existing homeowners to rent out their properties and remodel them up to be rented out. That is your fastest way to get more available properties on the market. there is no possible way you will build out over 1,000 new properties in the area given the density that already exists. The best path forward would be to entice existing homeowners and landlords to get their properties on the market. in other words, increase the rental pool of available properties that already exist but are not offered for rent. there are numerous properties that are weekend properties and short term rentals because it is not enticing to rent them. California rental law heavily favors the renter and therefore landlords are not apt to rent out a property on a long term basis due to the risks involved. Thus it is far more lucrative to use it as a short term rental or to leave it dormant for random use if you are risk adverse. There are also many dilapidated properties in the area that could be remodeled to be rented but it is incredibly onerous and expensive to overhaul these properties. From the historic reviews, the city fees, fire sprinkler requirements, sidewalk installation, and the water restrictions; it makes it cost prohibitive. As a homeowner looking to enhance the property, you are met with these heavy fees and inflated construction costs for the area. If you provide rental assistance and down payment assistance, you will only drive up the prices because they have more to spend. Further, this assistance already exists from the military and many other private employers. It serves to price ordinary folks out of the market already as rents are increased knowing they will be subsidized by the military. This is basic inflation and that's what you are fighting. If you pump more money into the folks that are needing to rent or buy, you will drive up/inflate the prices as a result. It would be far better to inject the money into those that currently have properties to incentivize them to get them on the market, that can be used to drive down those costs and provide those landlords with necessary protections should the rent the properties out. For instance, you could offer a subsidy on permit fees or waive all permit fees if a property owner agrees to rent out their property for two years or more. Or low cost loans that allow homeowners to overhaul properties if they agree to deed restrictions on use. Maybe the city can agree to help with tenant issues should they arise and an eviction becomes necessary. ADUs are a popular idea but not a viable solution. The infrastructure is not in place to accommodate ADUs throughout the city. Where will those people park? Where will those people work? What happens to the nature and greenspace on the lot? How will emergency services access the street or allow for utility trucks? I have a neighbor that has three small dwellings on his small plot of land. There is no off street parking. Frankly there's no room for parking because of these tiny sheds. Because these are ADUs, they do not have to conform to the same setback requirements as an addition. My neighbor put his exactly on the property line, endangering a beautiful Oak tree in the process as he excavated the root system to install the foundation. They have no plans to rent it out, they did it because it was cheaper and easier than doing an addition. Everyone of his short terms stays parks on the street. The neighbor across from that lot has a garage that is converted to a home office. They park on the street. As a result, on trash pickup days the truck cannot make it through. We ended up having

to wheel our bins out to the nearest cross street. If you put ADUs throughout the city, you will quickly strain the infrastructure. That's why I am of the opinion that you are better to understand how to work with what you have and get it on the market. Putting more money in the hands of the customers are not going to solve the affordability, it will only inflate the prices. You need to increase inventory without flooding the city with ADUs and dumping cash in to spend. Developers are not the route to go because in our area they only develop high-end homes. You need to reach the constituents that have properties available but are not making them available.

- Jenny McAdams and a small number of City Staff attempted to shove an unwanted and unneeded Homeless Center down the throats of taxpayers. The tiny number of City employees who want a homeless shelter need to understand that they work for the taxpayer, and not the other way around. The failed sneaky attempt to buy a motel that was not for sale, and turn it into a homeless shelter, enraged the taxpayers of Pacific Grove, and made Pacific Grove a laughingstock in the region. Pacific Grove has a miniscule homeless population. But if you build a homeless shelter the homeless population will greatly increase, due to the influx of homeless people who were not born in PG who come to take advantage of free handouts and move into a free taxpayer-funded homeless shelter. The crime rate will go up significantly in the area around the homeless shelter, tying up already limited City Police and County Jail resources, and costing the taxpayer money. Here is what Jenny McAdams and the tiny number of City employees who share her views do not understand --- for the last 4 decades California City, County and State Governments, have wasted tens of billions of taxpayer dollars building homeless shelters, providing financial assistance, free medical care, and government sponsored "safe zones" for shooting up heroin and ingesting other illegal drugs without fear of arrest. The only thing they have accomplished is making the homeless situation much worse than it was before they started throwing tens of billions of dollars at it. Homeless people have migrated from all over the U.S. to California to get free taxpayer-funded housing and other free handouts. The California county that has thrown away the most taxpayers dollars is Los Angeles County. For it's efforts Los Angeles County has earned the dubious distinction of now housing 20% of the country's homeless population. Wrap your head around that for a minute --- a single county has 1/5 of the entire homeless population of the United States of America.

  PS: This is not a legitimate survey. The notification for the "survey" was posted on an ultra liberal woke platform (Facebook), that panders to ultra liberal woke users. Multiple government and media investigations have determined that Facebook has censored middle of the road and conservative post for years. Why did you choose Facebook to post the notification? Obviously it's because you want the bulk of responses to come from ultra liberal woke Facebook users, and thereby skew the results. How do know if the persons who accessed the survey via the Facebook post are being truthful when they claim they live in PG? The City should have used the official Monterey County Property Tax Rolls and sent the survey by ordinary mail to all taxpayers who own property in Pacific Grove. Then you would have gotten a true and accurate "survey" of PG taxpayers true feelings. How were non-Facebook users supposed to find out about the survey? The only reason I found out about the survey was because a neighbor alerted me.

And No, I'm not a Republican. I was raised in a liberal Democratic family.
• I don't think affordable housing should be built on its own—it needs to be incorporated into mixed use and mixed income developments—in order for it to not be stigmatized and seen as a detriment to the community.
• Further density will create additional problems especially a drain on schools such as if the Mission Linen is used for high density housing.
• I have no problem with some areas of PG having taller buildings, but if it blocks ocean views, or disturbs wild life, that's a no go (Lookin' at you, cannery row hotel). We should protect what people come here to see, and part of why we all enjoy living here so much! Additionally, the first part of the plan should be how we're going to create infrastructure for all the housing we're required to build. Not just water, although that's obvious on the Monterey Peninsula, but sewer, roads, etc as well. Our infrastructure is old, and while we're on a good track upgrading it, I fear short sighted state level politics will get us over crowding and a bunch of unhappy residents!
• Stop granting permits for the construction of multimillion dollar condominiums. Mandate that affordable housing units be included in any and all large remodeling (e.g the Holman Building) or new construction of multi-unit buildings. And have a staff member who follows up on projects to be sure that the builder's promises are kept and impose stiff fines and penalties if they are not.. Consider some sort of tax on vacation (i.e. empty) houses to help meet the City's budgetary woes.
• Allow for additions on existing housing. Get rid of the "water credits" hoax. Salinas has all the water they want; so does SoCal; why not PG?
• Seems that military housing allowance creates a minimum rental starting point which is much higher than the average PG worker can afford.
• This is a highly desirable area, rents are high even in much less desirable areas, more apartments will not bring down the housing prices. To create new housing, I would streamline ADU process and grandfather in existing granny units so these units can be counted.
• We need rent control Senior low income housing Apts for single moms and kids
• may already exist, - reasonable limits on rental cost, both initially & upon renewal.
• We need so many more housing options that aren't just huge showcase homes - apartments, smaller homes, condos, that are affordable places to live rather than dream homes or second homes.
• This is a relatively small town geographically. How can we possibly create enough housing to achieve this State mandate without impacting the quality of life for the current residents? If there is not enough land here to build more housing, people need to look elsewhere to live. There are many places I would have loved to live throughout my life, but I had to move and live where I could afford. My three grown children could not afford to live here, so they moved to the Sacramento area where the rents were more affordable.
• Too many second homes and large residents that are not occupied but seem to be encouraged.

• Try to assist owners on renting rooms so they can stay in their house.
• Have a housing plan for city employees that cannot afford to live in the city.
• Pay city employees more money so they can actually afford to live in the city they work in!
• We need smart development, in the right place, in the right way. Respect and protect the wildlife. Preserve the gems of our community. The city can't develop housing, but it can help block development efforts driven by greed which do not benefit the community. Hotel Durell and 520 Lighthouse are examples of what not to do. Don't repeat the same mistakes. Please don't destroy the rookery of our beloved harbor seals to build a massive hotel at ATC. And don't approve bad projects just to try to meet unrealistic RHNA numbers. New affordable housing is an oxymoron - construction is expensive. The old Mission Linen Supply is a good example an appropriate site for a mid-density housing project without adding many more cars to downtown.

Attachment 3

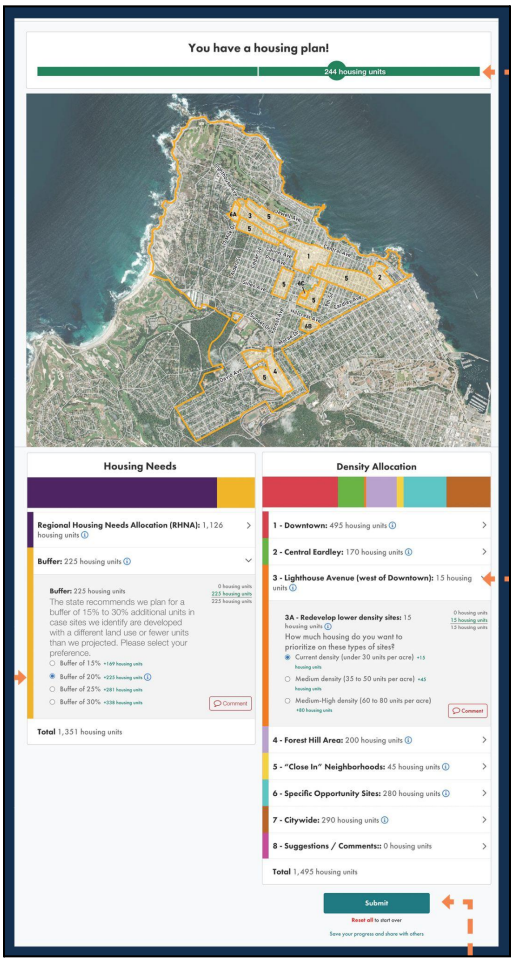
Balancing Act Summary

Engagement Summary

Balancing Act: Interactive Housing Simulation Tool

Pacific Grove Housing Element Update

Published: 02/08/2023



City of PACIFIC GROVE

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Overview

The City of Pacific Grove used Balancing Act to create an interactive housing simulation tool for Pacific Grove community members to engage with online. The Balancing Act interactive housing simulation tool was launched at the beginning of October 2022 and remained live through the end of November 2022.

Purpose

The purpose of Balancing Act interactive housing simulation tool was:

- To present the areas and strategies that have the most capacity for creating new housing in Pacific Grove.
- To engage community members about trade offs of utilizing and avoiding different development strategies to reach RHNA numbers and a complete or “balanced” housing plan.
- To provide community members with the opportunity to share your preferences and priorities for where new housing should go and what strategies to utilize by sharing their own housing plan.

How the tool works

Participants started with a baseline target number of new housing that they need to plan for based on the Regional Housing Needs Allocation and extra the buffer amount they selected (15-30%). This was displayed on a housing meter.

The tool presented 7 geographic areas along with potential strategies for creating capacity for new housing:

1. Downtown
    a. Redevelop surface parking lots
    b. Create housing above existing buildings
    c. Redevelop underutilized (non-historic) sites
2. Central Eardley
    a. Redevelop commercial sites with mixed use
    b. Redevelop low density sites
3. Lighthouse Avenue (west of Downtown)

    a. Redevelop lower density sites
4. Forest Hill Area
    a. Redevelop some older shopping areas with mixed use
5. “Close In” Neighborhoods
    a. Create more duplexes, townhomes and small apartment buildings close to commercial areas
6. Specific Opportunity Sites
    a. Redevelop a portion of the Adult School site with housing
    b. Redevelop a portion of the David Avenue School (Monterey Bay Charter) site with housing
    c. Rezone for housing on the Cal-Am site (David Avenue reservoir)
    d. Redevelop the Pacific Grove Community Center to integrate housing with a new center
    e. Develop housing on a portion of open space or park land
7. Other Residential Infill
    a. Create more accessory dwelling units (ADUs) in low density neighborhoods
    b. Encourage lot splits and small lots

For each potential strategy underneath each geographic area, participants could select the level of intensity they preferred, which could range from “Do not redevelop / change” to “Redevelop with high density” or a medium / moderate intensity in between. (note: the intensity ranges varied depending on the strategy and what staff evaluated was feasible). As participants progressed through the exercise, the housing meter would increase based on the number of potential new housing units estimated for the level of intensity they selected per strategy. Only once they reach their target number of new housing then they can submit their housing plan.

In addition, participants could leave comments per strategy and geographic area. There was also a section for participants to share other housing ideas and site suggestions. Demographic questions were asked at the start and end of the survey.

The City also created an introduction and instruction video to accompany the tool. A Spanish version of the tool was also offered.

Outreach & Participants

One key goal of the engagement was to attract broad participation from all segments of Pacific Grove's community. This section describes the outreach efforts the City utilized to promote the usage of the Balancing Act tool.

Outreach Methods

The City of Pacific Grove utilized the following outreach methods to promote the usage of the Balancing Act tool:

- City website
- City email lists
- Social media (e.g. Facebook, Nextdoor)
- Housing Advisory Committee coordination
- Planning Commission Meeting announcement
- City Council Meeting announcement
- Flyering

Furthermore, on October 6, 2022, the City of Pacific Grove hosted an online workshop about the Housing Element Update. During the meeting, participants broke out into small groups and were asked to create a housing plan using the Balancing Act tool. Deeper discussion was facilitated around the specific choices they made in their housing plan. Participants with complete housing plans submitted them at the end of the meeting, while others were encouraged to continue experimenting with the tool on their own until they had a complete housing plan to submit.

Participants (Demographics)

Balancing Act received a total of 135 housing plan submissions from 132 unique participants. The summary of demographics below is based on the results of the entry and exit demographic survey. In general, participants were older, whiter and more likely to be homeowners compared to the Pacific Grove population as a whole.

- **All participants were English-speakers.** No one utilized the Spanish version of Balancing Act.

- **A majority indicated that they reside within Pacific Grove's zip code**: 93950 (74%). Approximately 17% indicated that they reside in adjacent zip codes: 93940, 93933, 93953, 93955, 93901, 93923, 93924, and 93908.
- **A majority had at least some connection to Pacific Grove.**
    - A majority indicated that they live in Pacific Grove (78%).
        - Own a home (64%, compared to about 50% in the city as a whole)
        - Rent (14%)
        - Live with family/friends (> 1%)
    - Many participants work in Pacific Grove (38%)
    - A few own a business in Pacific Grove (17%)
    - A few have children who attend school in Pacific Grove (24%)
    - Of those who indicated that they don't live in Pacific Grove, most still indicated some other connection to the City, whether that be working, owning a business, having children who attend school, or having family members in Pacific Grove. Some used to live or grew up in Pacific Grove. Only 4 participants indicated that they don't have any current, direct connection to Pacific Grove.
- **Most own a home** (64%), compared to ~50% in the city as a whole.
- **A third work in Pacific Grove** (38%), plus a few own a business in Pacific Grove (17%)
- **A quarter have children who attend school in Pacific Grove** (24%)
- **A majority indicated they are 50 years or older**: 17 and under (0%). 18-29 (2%). 30-49 (27%). 50-69 (42%). 70 and over (23%). Blank (8%).
- **A majority identified as being white**: White (67%). Multi-Racial (6%). Hispanic or Latino (2%). Asian (2%). Black (1%). American Indian or Alaska Native (1%). Native Hawaiian or other Pacific Islander (1%). Other or Blank (22%)
- **There was a mix of income levels**: Less than $50,000 (4%). $50,000 to $99,999 (18%). $100,000 to $149,999 (17%). $150,000 to $199,999 (17%). $200,000 or more (21%). Blank (23%)

Balancing Act Results

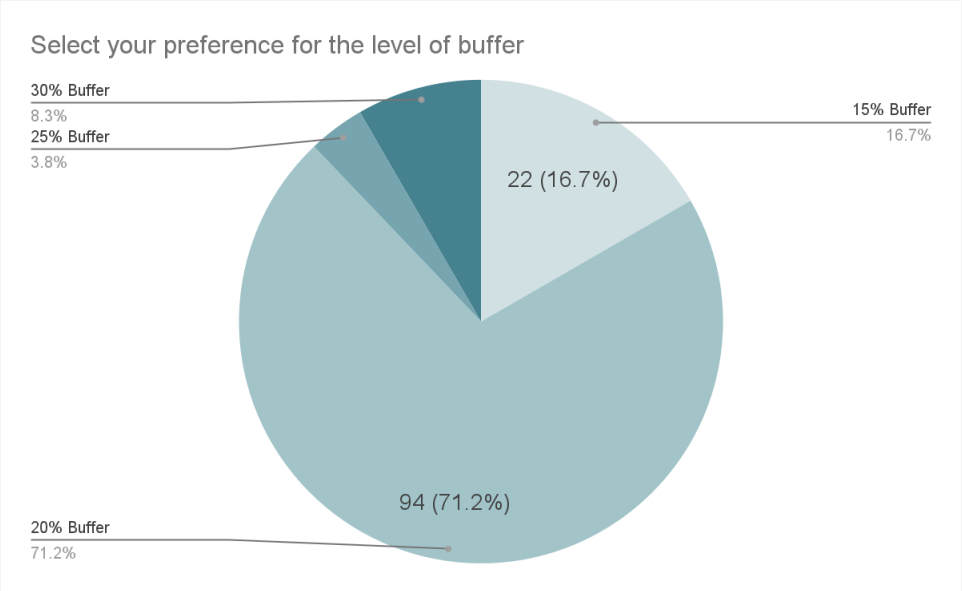
This section describes the aggregate results of housing plans submitted. There were a total of 135 housing plan submissions from 132 unique participants. For participants who submitted multiple housing plans, only their latest submissions were accounted for in the analysis. As a result, the total number of housing plans included in the analysis is 132.

The City also compared the submission results between the following groups:

- Residents (All): 106
    - Residents (Owners only): 86
    - Residents (Renters only): 19
- Non-Residents (All): 26
    - Non-Residents (In-commuting workers only): 12

However, there did not appear to be any significant different trends in the results between the different groups that was important to distinguish in this report. For that reason, the following sections only describe the total results of the 132 housing plan submissions.

RHNA + Buffer

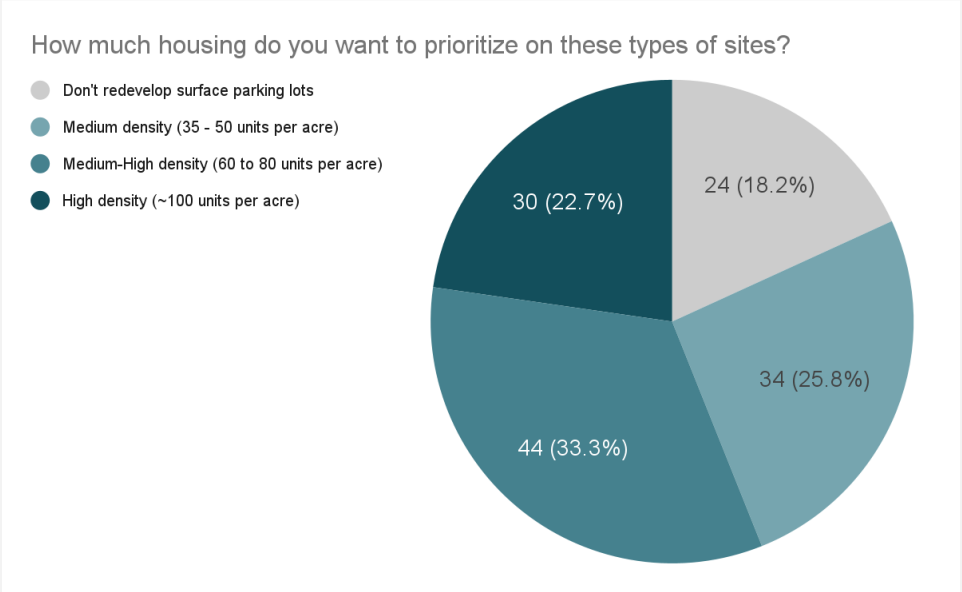


Overall, a majority of participants indicated a preference for a 20% buffer (71.2%).

Specific Site Areas and Strategies

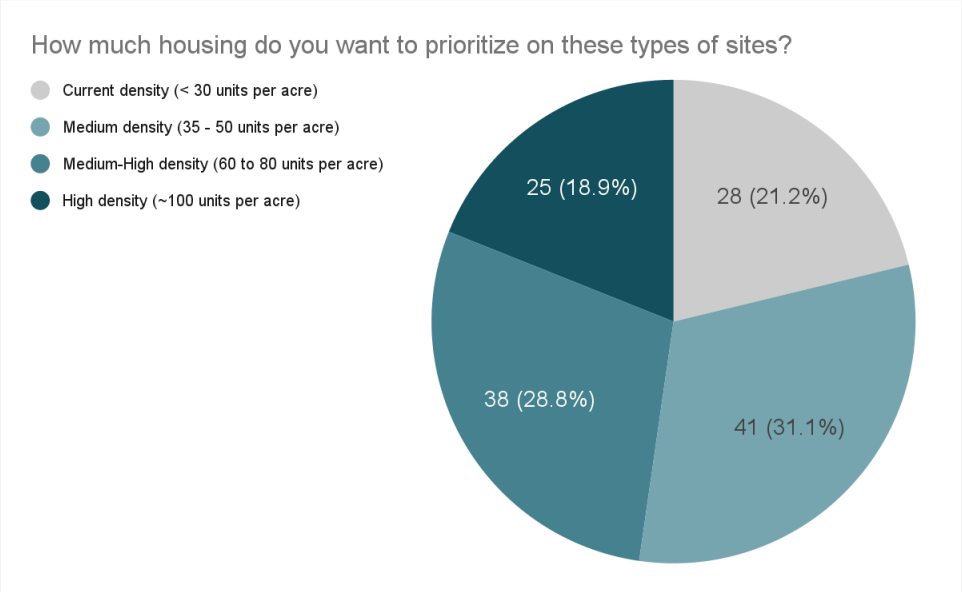
1 - Downtown

1A - Redevelop surface parking lots — **Supportive of Medium-High Density**



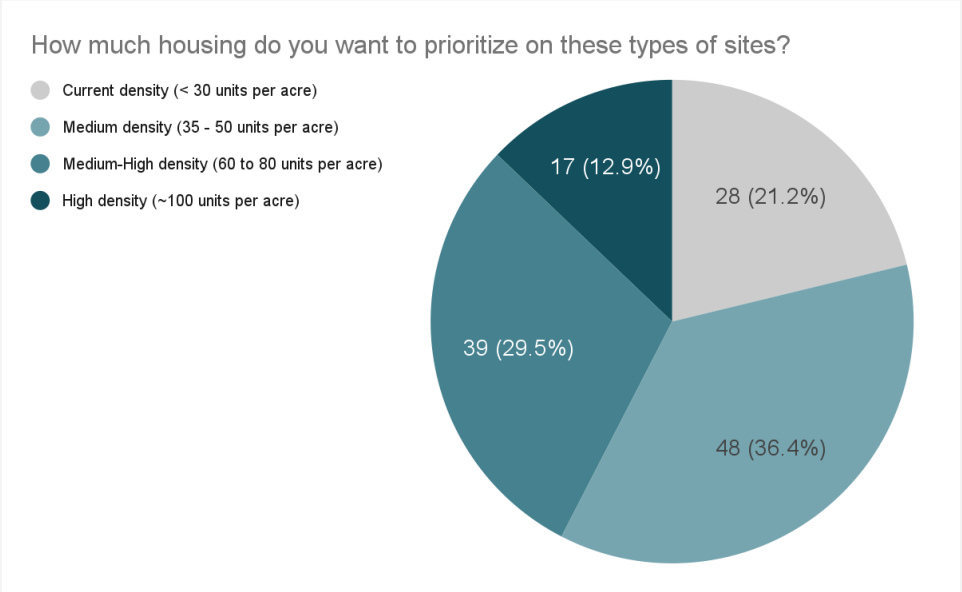
Overall, a majority of participants support redeveloping surface parking lots in Downtown (81.8%). Of those who support developing surface parking lots, most want to prioritize medium-high density.

1B - Create housing above existing buildings — **Supportive of Medium to Medium-High Density**



A majority of meeting participants support creating housing above existing buildings in Downtown (78.8%). Most participants prefer a level of intensity that is either Medium or Medium-High density.

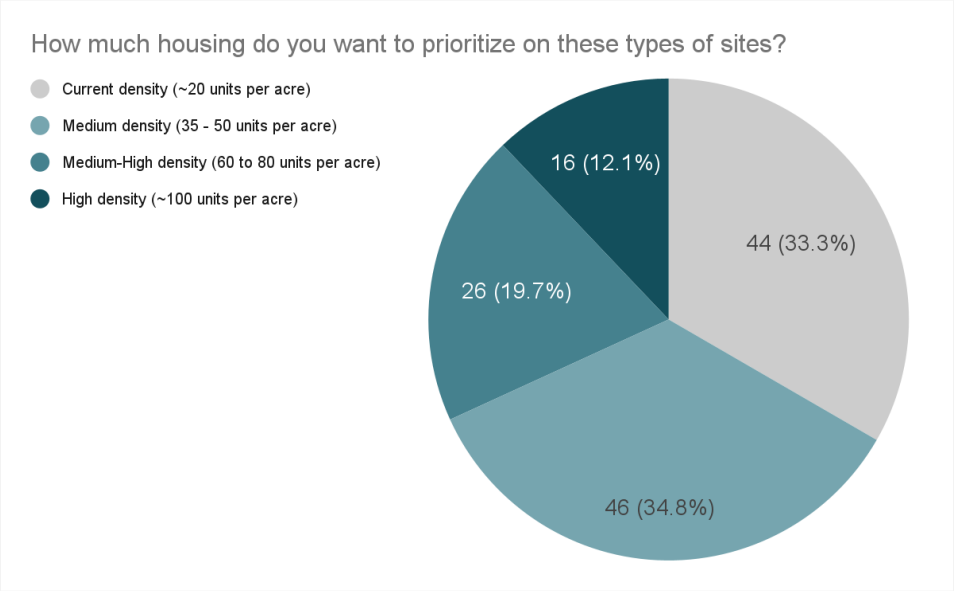
1C - Redevelop underutilized (non-historic) sites — **Supportive of Medium to Medium-High Density**



A majority of participants supported redeveloping underutilized (non-historic) sites in Downtown (78.8%), with most selecting a level of intensity that is medium density.

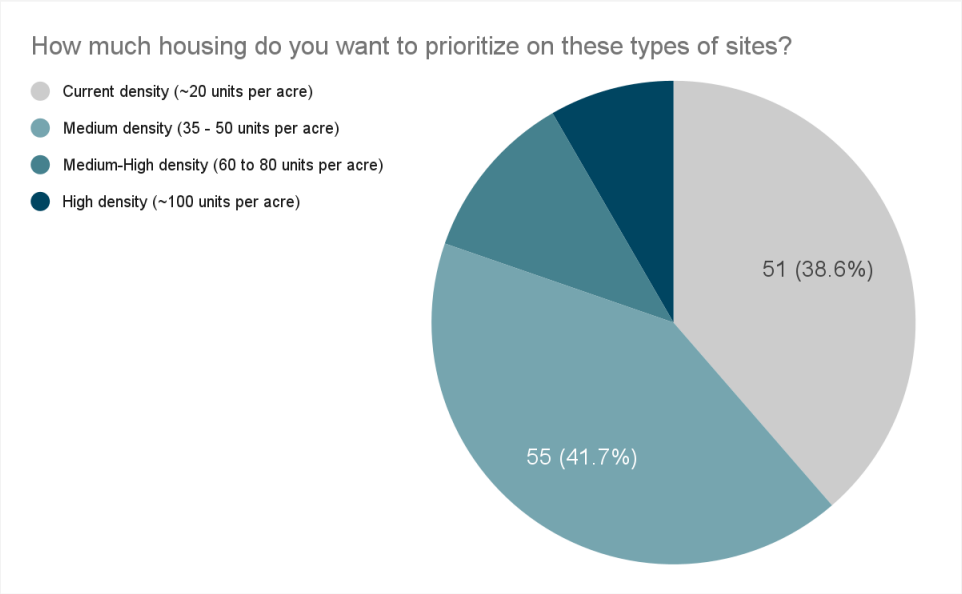
2 - Central Eardley

2A - Redevelop commercial sites with mixed use — **Supportive of Medium Density**



A majority of participants support redeveloping commercial sites in Central Eardley with mixed use (66.6%), with most indicating a preference for medium density.

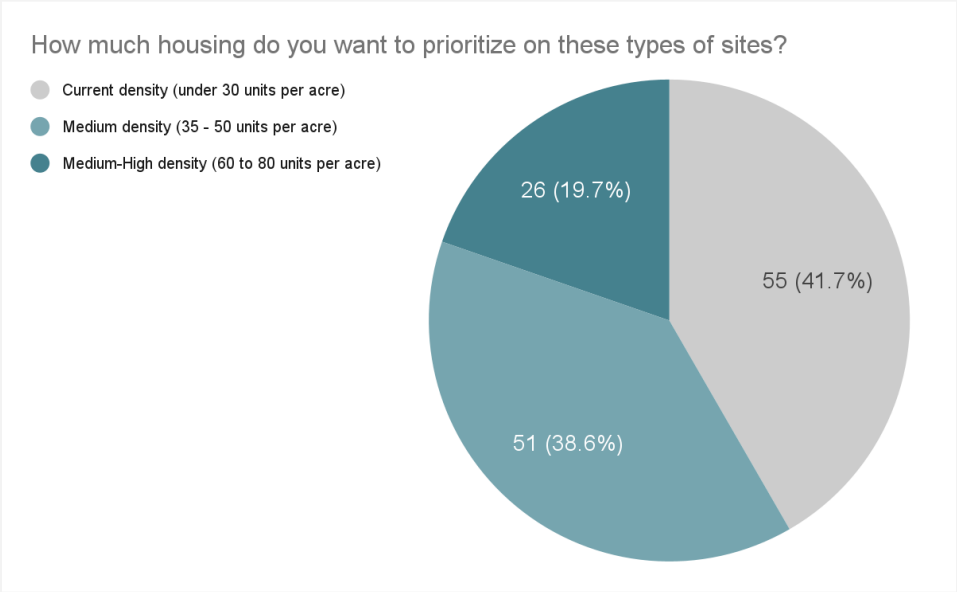
2B - Redevelop low density sites — **Supportive of Medium Density**



A majority of participants support redeveloping low density sites in Central Eardley (61.4%), with a majority indicating a preference for medium density. However, there was also a comparable amount of participants who indicated that they prefer to keep it the current density.

3 - Lighthouse Avenue (west of Downtown)

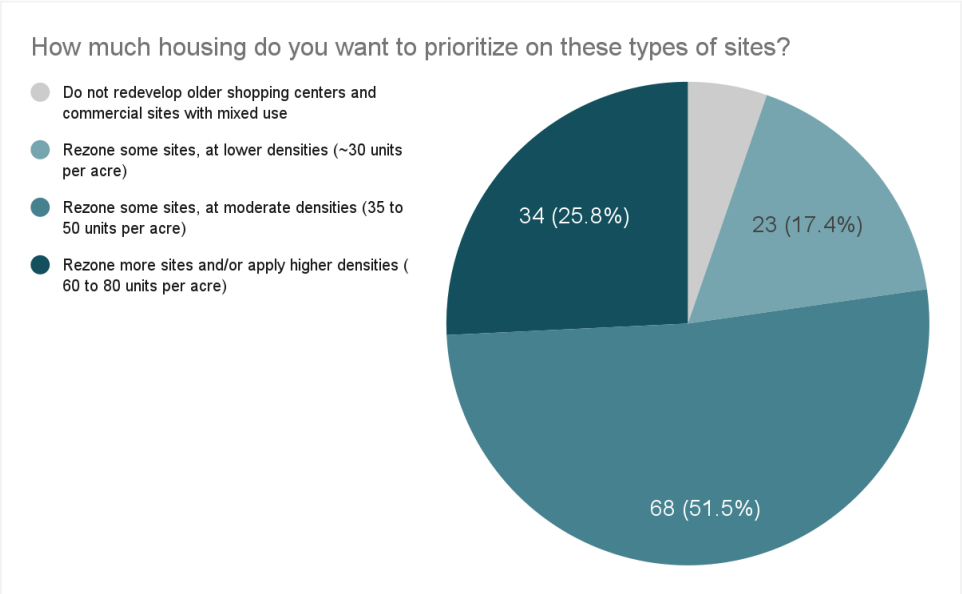
3A - Redevelop lower density sites — **Mixed Feedback**



Overall, a majority of participants support redeveloping lower density sites on Lighthouse Avenue (58.3%). Of those that support redeveloping lower density sites on Lighthouse Avenue, most indicated a preference for medium density. However, between individual categories, keeping the current density received the most votes.

4 - Forest Hill Area

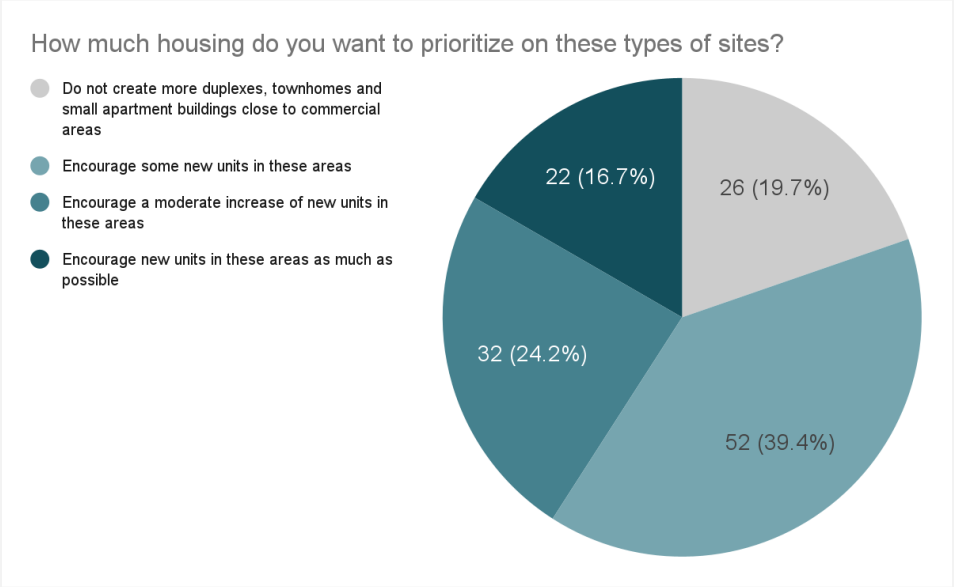
4A - Redevelop some older shopping areas with mixed use - **Supportive of Medium Density**



An overwhelming majority of participants were supportive of redeveloping some older shopping areas in Forest Hill with mixed use (94.7%). Most selected to rezone some sites at medium density.

5 - “Close In” Neighborhoods

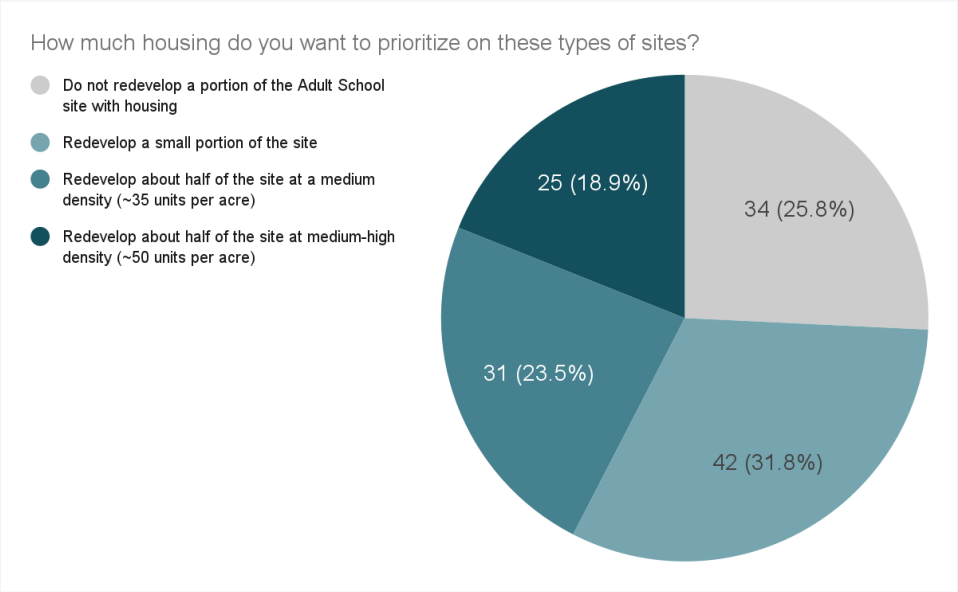
5A - Create more duplexes, townhomes and small apartment buildings close to commercial areas — **Supportive of Some Increase**



A majority of participants are supportive of creating more duplexes, townhomes and small apartment buildings close to commercial areas of the “Close In” Neighborhoods (80.3%). Most encouraged some increase in these types of developments.

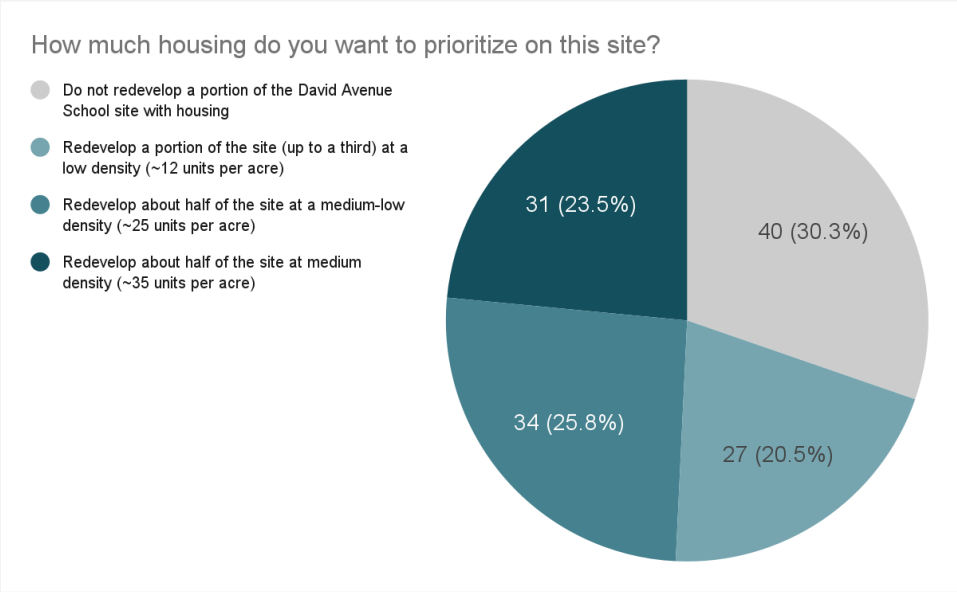
6 - Specific Opportunity Sites

6A - Redevelop a portion of the Adult School site with housing — **Supportive of Low Density**



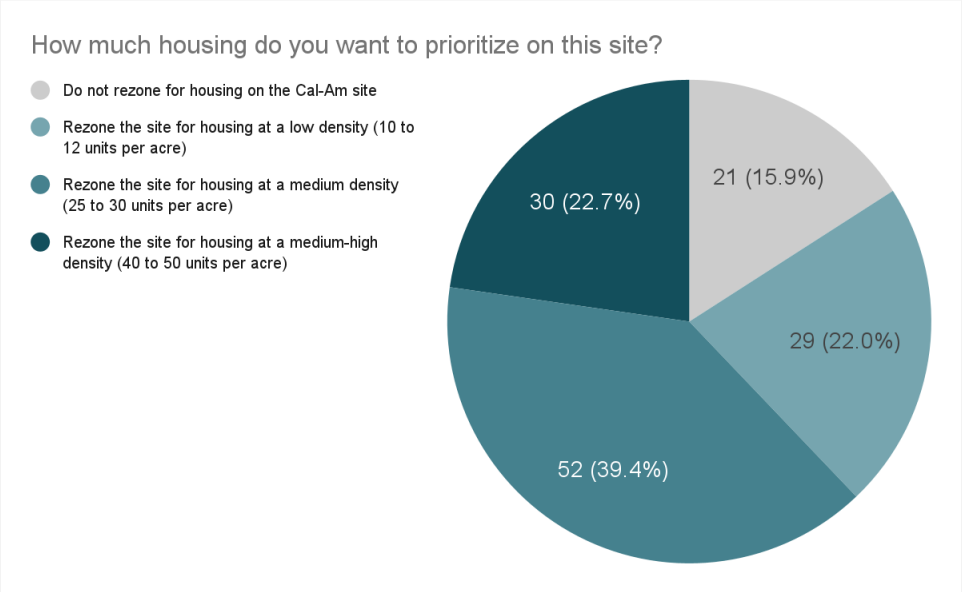
A majority of participants are supportive of redeveloping a portion of the Adult School site with housing (74.2%). There's a bit of mixed consensus about the level of intensity, but most preferred to redevelop a small portion of the site at low density.

6B - Redevelop a portion of the David Avenue School (Monterey Bay Charter) site with housing — **Mixed Consensus, though Generally Supportive**



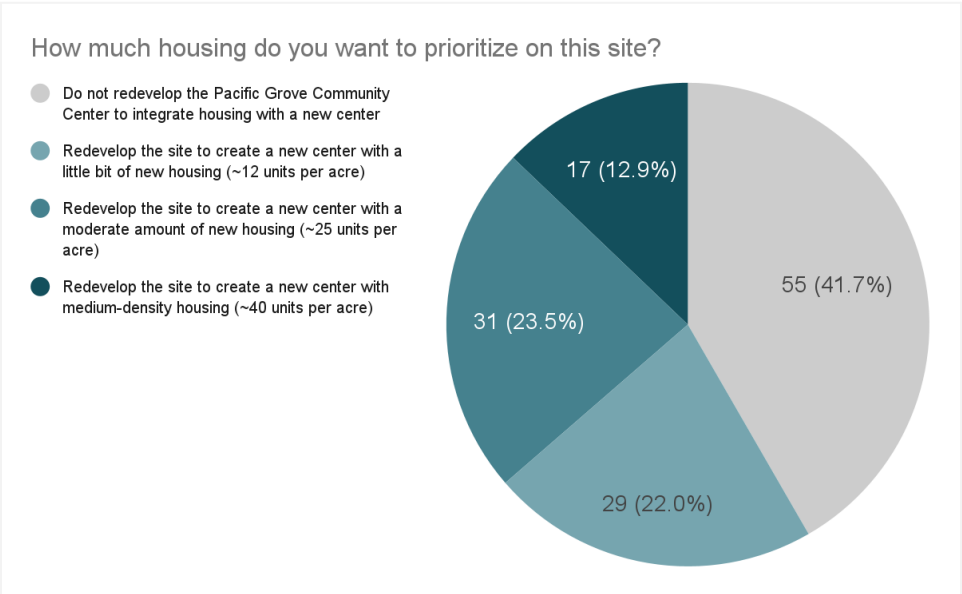
While a majority of participants are generally supportive of redeveloping a portion of the David Avenue School (Monterey Bay Charter) site with housing (69.7%), there is general mixed consensus about the level of intensity. And despite that, “Do not redevelop…” actually received the most votes when comparing between the individual categories.

6C - Rezone for housing on the Cal-Am site (David Avenue reservoir) — **Supportive of Medium Density**



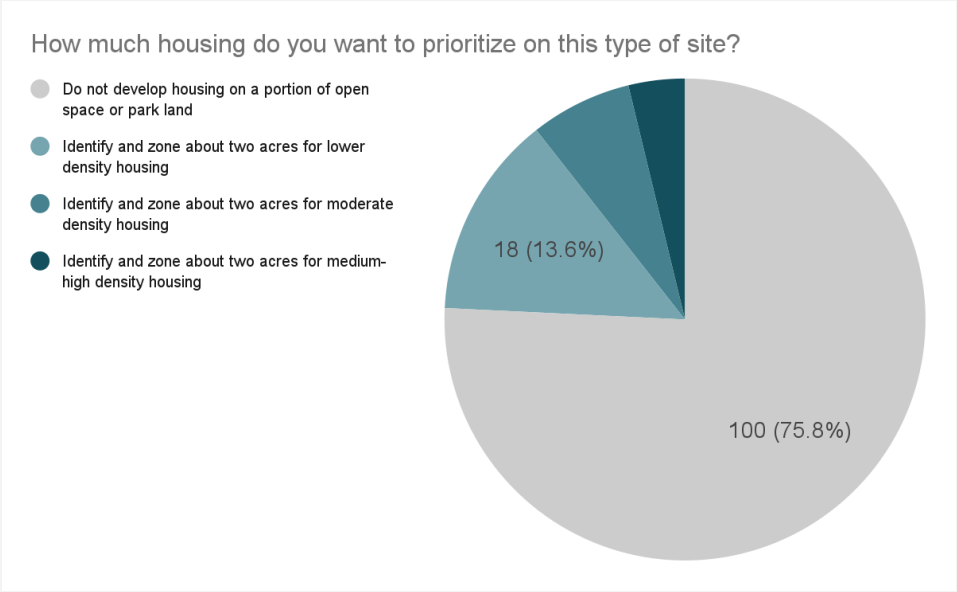
Overall, the majority of participants support rezoning for housing on the Cal-Am site (84.1%). Most indicated that they want to see it rezoned for medium density.

6D - Redevelop the Pacific Grove Community Center to integrate housing with a new center — **Mixed Consensus About Whether to Redevelop**



Meeting participants were close to split about whether or not to redevelop the Pacific Grove Community Center to integrate housing with a new center. Of those that are supportive, there's mixed consensus about the level of intensity for which to redevelop it. However, across all individual categories, "Do not redevelop…" received the most votes.

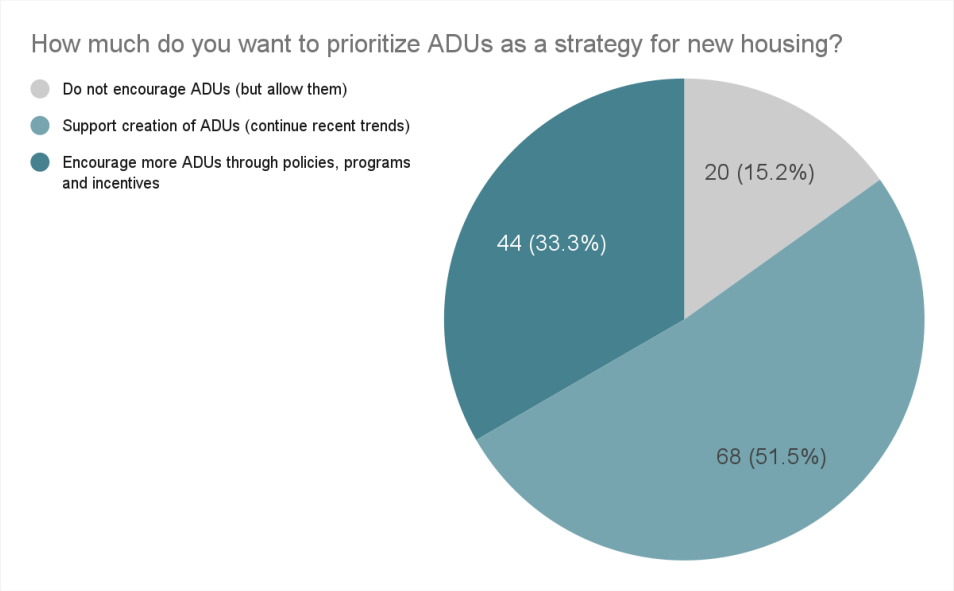
6E - Develop housing on a portion of open space or park land — **Opposed**



A majority of participants DO NOT want to develop housing on a portion of open space or park land (75.8%).

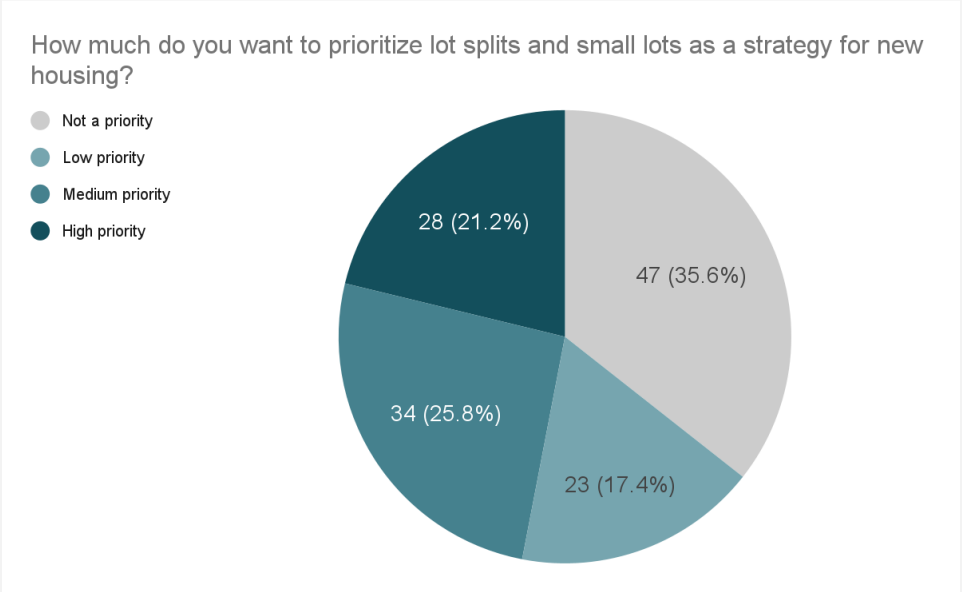
7 - Other Residential Infill

7A - Create more accessory dwelling units (ADUs) in low density neighborhoods — **Supportive of Continuing Recent Trends**



A majority are supportive of creating more accessory dwelling units (ADUs) in low density neighborhoods (84.8%). Most want to continue recent trends.

7B - Encourage lot splits and small lots - **Generally Supportive but Mixed Consensus on Level of Priority**



A majority of participants think encouraging lot splits and small lots is a priority on some level (64.4%), though between the individual categories, “Not a priority” was the top voted choice.

8 - Other housing ideas and site suggestions

Other Sites

- **Mission Linen:** 13 participants asked to consider this site.
- **Golf Course:** 5 participants asked to consider redeveloping a small portion of this site.
- **C-V-ATC site:** 3 participants mentioned this site.
- **Laundry site on Congress Ave:** 2 participants mentioned this site.
- **Asilomar area:** 2 participants mentioned this area.
- **City Properties:** 2 participants asked about this. One of which specifically mentioned redeveloping the Chamber Office on Central St.
- **Land along highway 68**
- **Yonan property**
- **American Tin Cannery site**
- **GWP skatepark**
- **17th between Lighthouse and Laurel St.**

- **Eardley and Pine**
- **“MOW” site**
- **Caledonia Park**

Other Strategies

- **Require development of workforce housing:** A few participants advocated for more policies that encourage the development of workforce housing, like implementing a policy that requires luxury hotels to develop them. Others asked to partner with schools, religious, and major employers to develop housing on available land.
- **Redevelop motels**
- **Policy to discourages short-term rentals**
- **Remove parking requirements**
- **Density bonuses**

Appendix

View the data here.