



Affordable Housing in Pacific Grove

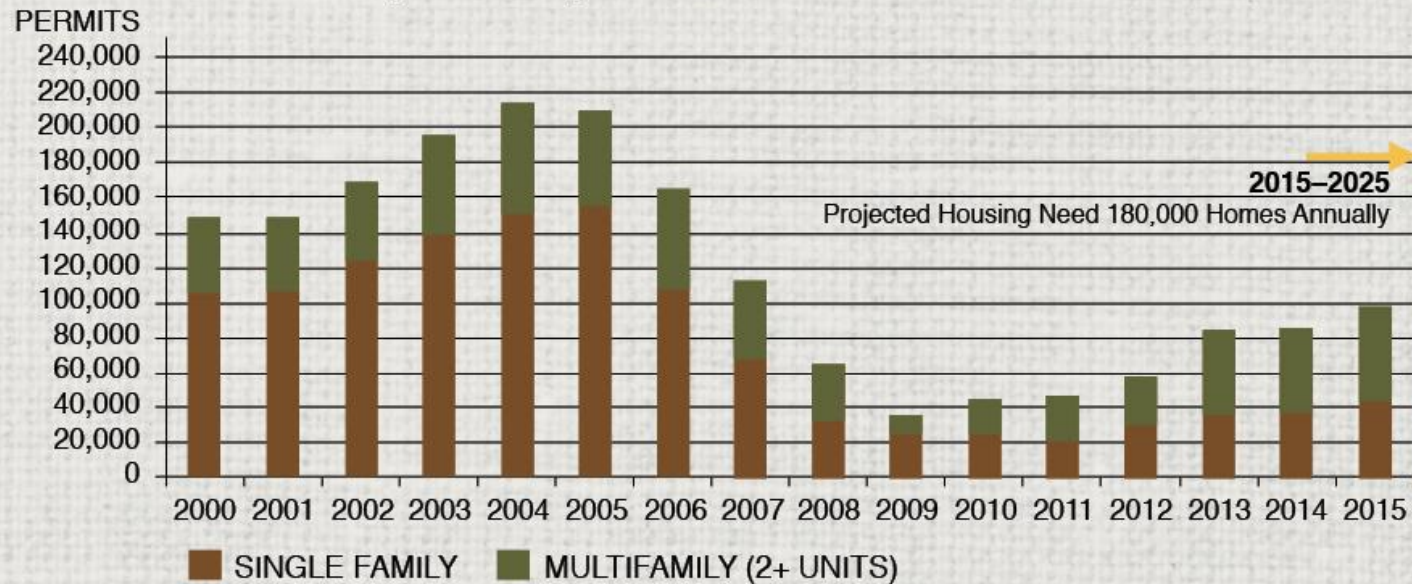
March 7, 2018

Council Members: Peake & Fischer

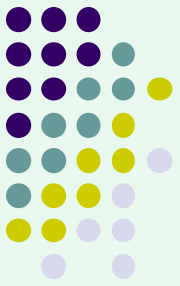


Affordable Housing

Annual Production of Housing Units 2000–2015 Compared to Projected Statewide Need for Additional Homes



Source: California Department of Housing and Community Development, California's Housing Future: Challenges and Opportunities



Housing Costs are High

Median Family Income

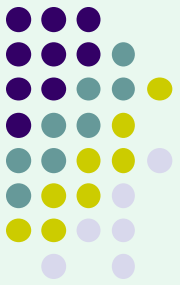
\$68,700 for 4-person household Monterey County
\$5,725/month

Owner Occupied

Median PG House Price = \$667,000
Mortgage = \$2,525/month
= **44% income**

Rent

2 bedroom in PG = \$2,250/month
= **39% income**



Future

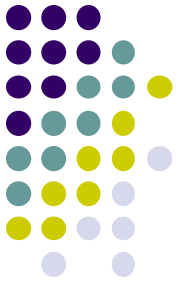
Where are we headed?

Will housing costs eliminate: ?

- Shopkeepers, teachers, small business owners, city staff, cleaners, gardeners, craftsmen, tradespeople, students, repairmen, fixed income seniors

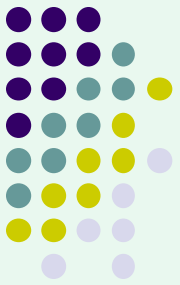
Do we value economic diversity?

Affordable Housing



CITY CONSTRAINTS:

- City is built out except for currently unbuildable Lots of Record.
- The City has almost no water available for new construction.
- City has no money for stand-alone affordable housing projects.
 - Such as Vista Point.
 - New project in Monterey



Today's Efforts

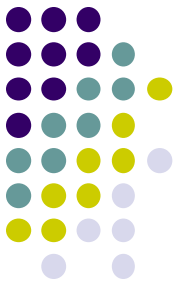
Housing Programs

- Housing Rehabilitation Loan
- Sewer Loan
- Emergency Home Repairs Loan
- Affordable Housing Monitoring

Accessory Dwelling Unit (ADU) Ordinance

Vista Point Apartments

- 49 Senior Units – Income Restricted



Affordable Housing

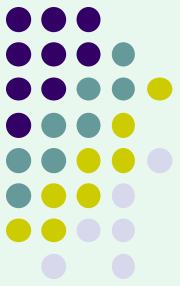
PREVIOUS CITY ACTIONS ON AFFORDABLE HOUSING:

Housing Element of 2016 contains goals to retain and rehabilitate low and very-low income housing. City is aware of RHNA requirements.

March 22, 2017 Amended Zoning Code 23.31.040 to expand lot coverage for downtown buildings. The Planning Commission rejected a proposal that would have also established that and mixed use development of more than 10 dwelling units dedicate 15% to affordable (moderate).

July 5, 2017 Approved ordinance for Accessory Dwelling units to comply with state mandates – including discussion of affordability.

August 2, 2017 Reviewed potential sites, strategies, and methods of water allocation for affordable housing.



Should We Do More?

Community Housing Forum

- Assess community support for ideas/actions

Bonus Density

- Strengthen CA housing law Sec. 65915

Inclusionary Housing Ordinance

- % affordable housing
- Water credits

Build Affordable Housing

- Partner with developers, housing advocates, nonprofits



Affordable Housing

Actions We Can Take NOW:

Make affordable housing part of an overall - and larger - housing development effort.

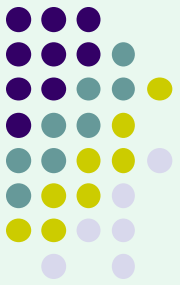
Set the stage for more housing - and give staff the tools.

Cities don't build homes — the private sector does.

Cities don't control the market (but they can give a nudge)

Local governments must zone enough land in their General Plans to meet the state's projected housing demand.

City can grant leeway on density, height restrictions, zoning, and other constraints for affordable housing **(or the Legislature will...)**



State Response

Funding

- Grants for affordable housing and planning

'Streamlining'

- Speedy approval of affordable housing

'Local Accountability'

- Approving affordable housing development