

Please Start Here

General Information	
Jurisdiction Name	Morro Bay
Reporting Calendar Year	2020
Contact Information	
First Name	Scot
Last Name	Graham
Title	Community Development Director
Email	sgraham@morrobayca.gov
Phone	8057726291
Mailing Address	
Street Address	595 Harbor Street
City	Morro Bay
Zipcode	93442

Optional: Click here to import last year's data. This is best used when the workbook is new and empty. You will be prompted to pick an old workbook to import from. Project and program data will be copied exactly how it was entered in last year's form and must be updated.

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Jurisdiction	Morro Bay
Reporting Year	2020 (Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field
Cells in grey contain auto-calculation formulas

(CCR Title 25 §6202)

Table A
Housing Development Applications Submitted

Project Identifier				Unit Types	Date Application Submitted	Proposed Units - Affordability by Household Incomes										Total Approved Units by Project	Total Disapproved Units by Project	Streamlining	Notes		
1				2	3	4	5										6	7	8	9	10
Prior APN*	Current APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Unit Category (SFA,SFD,2 to 4,5+,ADU,MH)	Tenure R=Renter O=Owner	Date Application Submitted (see instructions)	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Total PROPOSED Units by Project	Total APPROVED Units by project	Total DISAPPROVED Units by Project	Was APPLICATION SUBMITTED Pursuant to GC 65913.4(b)? (SB 35 Streamlining)	Notes*		
Summary Row: Start Data Entry Below							13	0	21	0	0	0	9	40	83	83	0	0			
															0						
															0						
															0						
															0						
															0						
	066-222-010	375 Cerrito Place	375 Cerrito Place	CDP20-002	ADU	R	2/13/2020							1	1	1		No			
	068-252-037	2605 Nutmeg Ave	2605 Nutmeg Ave	CDP20-003	ADU	R	2/13/2020						1		1	1		No			
	068-274-008	2290 Juniper	2290 Juniper	CDP20-004	ADU	R	3/13/2020							1	1	1		No			
	068-322-026	476 Hill St	476 Hill St	CDP20-005	ADU	R	3/25/2020						1		1	1		No			
	068-249-035	2445 Greenwood Ave	2445 Greenwood Ave	CDP20-006	SFD	O	4/22/2020							1	1	1		No			
	068-271-009	2290 Greenwood Ave	2290 Greenwood Ave	CDP20-007	2 to 4	R	5/7/2020						1	1	2	2		No	ADU & JADU		
	068-252-046	2681 Nutmeg Ave	2681 Nutmeg Ave	CDP20-009	2 to 4	O	7/14/2020							2	2	2		No	SFD & JADU		
	066-231-008	775 Ridgeway St	775 Ridgeway St	CDP20-010	ADU	R	7/15/2020						1		1	1		No			
	066-124-018	501 Marina St	501 Marina St	CDP20-011	SFD	R	8/3/2020							1	1	1		No	NEW DUPLEX UNIT		
	068-332-011	400 Pico St	400 Pico St	CDP20-013	ADU	R	8/24/2020							1	1	1		No			
	068-275-010	2335 Nutmeg Ave	2335 Nutmeg Ave	CDP20-014	ADU	R	8/27/2020						1		1	1		No			
	066-082-043	963 Balboa St	963 Balboa St	CDP20-016	ADU	R	9/29/2020							1	1	1		No			
	068-245-057	655 Paula St	655 Paula St	CDP20-019	ADU	R	11/3/2020						1		1	1		No			
	065-233-053	3029 Beachcomber	3029 Beachcomber	CDP19-045	SFD	O	12/17/2020							1	1	1		No			
	068-323-034	405 Atascadero Road	405 Atascadero Road	CDP20-001	MH	R	1/21/2020	13		21			1		35	35		No			
	066-037-013	1148 Market Ave	1148 Market Ave	CDP20-012	2 to 4	R	8/3/2020						1	2	3	3		No	SFD, ADU & JASU		
	066-065-010	960 Napa Ave	960 Napa Ave	CDP20-017	ADU	R	10/14/2020						1		1	1		No			

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Housing Element Implementation
 (CCR Title 25 §6202)

This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs.
 Please contact HCD if your data is different than the material supplied here

Table B													
Regional Housing Needs Allocation Progress													
Permitted Units Issued by Affordability													
		1	2								3	4	
Income Level		RHNA Allocation by Income Level	2014	2015	2016	2017	2018	2019	2020			Total Units to Date (all years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted	97	3									3	94
	Non-Deed Restricted												
Low	Deed Restricted	60	17									17	43
	Non-Deed Restricted												
Moderate	Deed Restricted	70										11	59
	Non-Deed Restricted												
Above Moderate		164	9	21	18	26	38	25	16			153	11
Total RHNA		391											
Total Units			29	21	18	26	40	26	24			184	207

Note: units serving extremely low-income households are included in the very low-income permitted units totals
 Cells in grey contain auto-calculation formulas

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	Morro Bay	Reporting Year	2020 (Jan. 1 - Dec. 31)
Table D			
Program Implementation Status pursuant to GC Section 65583			
Housing Programs Progress Report			
Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
1	2	3	4
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
Program H-1.1.1	The City will make affordable housing projects the highest priority of residential development. Affordable housing projects will have priority over any limitations in the allocation of new residential growth in each year as well as the first allocation of water and other resources if availability is limited, as is consistent with the Local Coastal Plan.	Annually	The City advocates for affordable housing by providing information directly to the public about opportunities for accessory dwelling units and density bonuses. Development options are explained to prospective applicants. One 35 unit affordable housing project was presented and received planning approval in 2020 and is in the building permit process expected to start construction later in 2021.
Program H-1.1.2	To ensure there is a sufficient supply of multi-family zoned land to meet the City's Regional Housing Needs Allocation (RHNA), the City will assist developers with proposals to combine small residential lots into larger developable lots, allowing a higher density residential development and more efficient use of the available vacant land. The City will continue to meet with local developers to discuss development opportunities and incentives available for lot consolidation and/or in general to facilitate development of affordable housing units. The following incentives will be considered when required for affordable housing development feasibility on a project-by-project basis:	Ongoing	The City works with Applicants on a case-by-case basis to identify areas where affordable housing units can be accommodated and approved a fee deferral loan and allocation of inclusionary housing fees to provide financial assistance to the proposed 35 unit affordable housing project. The City's Affordable Housing Ordinance does provide incentives for density bonuses and options for development standards to be relaxed consistent with State housing law, which will be clarified in the updated general plan, local coastal plan and zoning code expected to be adopted in 2021.
Program H-1.1.3	To ensure affordable multifamily projects meet maximum densities, the City will continue to implement objective project reviews to promote flexibility in development standards (height, parking, and setbacks) and will continue to promote the use of density bonuses and developer incentives to increase densities. Following adoption of the comprehensive Zoning Ordinance update, the City will biannually review the multifamily development standards in the Zoning Ordinance and revise as necessary to ensure they do not act as a constraint to the development of affordable housing in the city. The City will give priority to deed-restricted, rental or for-sale, affordable housing projects that provide housing for extremely low-, very low-, and low-income persons.	Case-by-case	The City is in the process of doing a comprehensive update of our General Plan, Local Coastal Plan (LCP), and Zoning Ordinance to better accommodate this goal. The draft GP/LCP known as Plan Morro Bay was completed in 2018 and a draft was submitted for review to the Coastal Commission, comments were received in early 2020. The updated documents are expected to receive final approval in the fall 2021. The draft documents include new standards which would allow for increased building heights in the downtown area, specifically to assist with providing additional housing opportunities while also maintaining the commercial core of the downtown area. In addition, the City's Zoning Ordinance was amended previously and certified by the Coastal Commission to prohibit single family residential development in high density zones (R-3 and R-4) in order to ensure high density developments.
Program H-1.1.4	In order to create a vibrant pedestrian- and bicycle-friendly small-town urban atmosphere in the downtown area and ensure optimal access to services and public transportation, the City will encourage the development of new high-density housing in and adjacent to the downtown commercial district. To facilitate this goal, the City will inventory vacant and underutilized lots in and adjacent to the downtown business district, identify sites or areas where rezoning to high-density residential or mixed use categories might be desirable, and modify the City's zoning map as appropriate.	Dec-23	The City expects to conduct inventory by July 2023. If decision is made to revise Zoning Ordinance, revise by December 2023.
Program H-1.1.5	In order to comply with recently adopted state law and further housing development opportunities, the City will make the changes detailed in the 2020-2028 adopted Housing Element to zoning as part of the comprehensive Zoning Ordinance update that is currently in progress.	Dec-23	The City was awarded funding through the SB2 planning grant and the REAP Jurisdictional and Regional grant allocations to achieve these changes. The RFP for third party consultants has been concluded and the contract award is pending.
Program H-1.1.6	The City will, to the extent feasible, allocate water resources to allow maximum growth to full buildout consistent with limitations contained in the certified Local Coastal Plan, General Plan, and Ordinance 266 (Measure F) as amended. At least annually, the Community Development Department will provide an update to the City Council on available water supplies, projected demand under the General Plan, and the status of projects to ensure adequate supply to meet the needs of the community in accordance with the OneWater Plan, the General Plan, and this Housing Element.	Annually	The City planning efforts for water supply, wastewater, and stormwater infrastructure. The Community Development Department gives annual updates to the City Council. This includes identifying annual water allocations as required. Additionally, the City continues to identify areas that require upgraded sewer and water line infrastructure to accommodate the higher capacity service necessary to serve a higher density development. The City continues to work with affordable housing developers to determine options that will address the capacity shortfall issues short term or long term without a delay in the project approvals.

<p>Program H-1.1.7</p>	<p>The City will continue to work with the private sector and nonprofit agencies and to secure funds and be supportive of developers or sponsors pursuing funds through state and federal programs for development of new lower-income housing and rehabilitation of existing lower-income housing units (including mobile homes). As funding becomes available, the City will prioritize a portion of the funds to encourage the development of housing for extremely low-income households. The City continues to monitor opportunities and will pursue funds as appropriate to further the housing goals of this Housing Element.</p>	<p>Annually</p>	<p>The City continues to apply for funding as available and promote the funding opportunities to qualified local project sponsors.</p>
<p>Program H-1.1.9</p>	<p>Prior to 2014, housing developments in Morro Bay were not required to maximize densities allowed by zoning. Recovery from the recession, market conditions, availability of bank financing, and insurance requirements favored the construction of single-family detached houses. However, the economy has strengthened, allowing the City to strongly encourage and support higher densities to assist in an increase in the housing supply and further support the goal to obtain densities closer to those envisioned by zoning policies.</p>	<p>December 2022</p>	<p>To further this goal, the City will review specific sites for higher density mixed residential projects and will review and update the zoning code to support mixed use/mixed income housing communities.</p>
<p>Program H-1.1.16</p>	<p>The City affordable housing in-lieu fee fund will be used to assist nonprofit and for-profit developers to construct lower-income housing, including assistance with land acquisition, deferred entitlement fees, help with financing costs, costs to rehabilitate or preserve existing affordable units, prepare other implementation measures consistent with this Housing Element, and/or monitor housing policies and programs on an ongoing basis.</p>	<p>Annually allocation of available funds to qualified projects</p>	<p>Assuming that market conditions continue to be strong during the the eight-year Housing Element time frame, the City estimates that it will assist the creation of from two to seven new affordable units.</p>
<p>Program H-1.1.19</p>	<p>The City will continue to permit accessory dwelling units (including Junior ADUs) through a primarily ministerial review process (by right) in compliance with State law. An administrative coastal development permit, which does not require approval at a Planning Commission hearing but does require noticing, is required for new accessory dwelling units in or outside the coastal appeals jurisdiction. The zoning regulations will be updated to address the recent changes to state accessory dwelling unit law as part of the comprehensive Zoning Ordinance update. As part of the activities included in the City's SB 2 grant work plan, the City will explore additional ADU regulations that are less strict than what is allowed under State law. This will include exploration of allowing tiny homes or microhomes and developing a brochure on how ADUs can be built in Morro Bay.</p>	<p>Dec-21</p>	<p>The City was awarded funding through the SB2 planning grant and the REAP Jurisdictional and Regional grant allocations to achieve these changes. The RFP for third party consultants has been concluded and the contract award is pending.</p>
<p>Adaptive Reuse/Supportive Housing</p>	<p>Policy H-2.2: Adaptive Reuse. Encourage adaptive reuse of existing homes, hotels, and other types of buildings to creatively maximize housing opportunities allowed in the zoning/land use plan POLICY H-4.3: Community Involvement. Encourage supportive housing and transitional housing operators to assist homeless people to get the help they need to become contributing members of the community. Community involvement includes finding temporary housing opportunities in under-utilized existing housing stock or empty commercial buildings.</p>	<p>on going</p>	<p>The city is currently processing an application for a change in use from a motel to supportive housing. The project will provide 24-27 new residential rooms to assist the clients to overcome their addictions and become a contributing member of the community.</p>
<p>ADU, JADU and Secondary Units</p>	<p>Program H-1.1.19: The City will continue to permit accessory dwelling units (including Junior ADUs) through a primarily ministerial review process (by right) in compliance with State law. An administrative coastal development permit, which does not require approval at a Planning Commission hearing but does require noticing, is required for new accessory dwelling units in or outside the coastal appeals jurisdiction. The zoning regulations will be updated to address the recent changes to state accessory dwelling unit law as part of the comprehensive Zoning Ordinance update. As part of the activities included in the City's SB 2 grant work plan, the City will explore additional ADU regulations that are less strict than what is allowed under State law. This will include exploration of allowing tiny homes or microhomes and developing a brochure on how ADUs can be built in Morro Bay.</p>	<p>Ongoing</p>	<p>The City implements State law as it continues to update with regards to Accessory Dwelling Units. Because the City is located in the coastal zone, an ADU does require an Administrative Coastal Development Permit but which does not require Planning Commission approval. The City also encourages accessory dwelling units when communicating to the public or providing guidance on potential housing projects.</p>

Section 8 Subsidies	POLICY H-2.1: Section 8 Subsidies. Enforce the State requirement that property owners consider Section 8 vouchers for rental housing.	Ongoing	The City supports Section 8 housing subsidies and coordinates with the Housing Authority of San Luis Obispo (HASLO) which is the local agency that manages the local Section 8 program.
Mobile Home Park Upkeep	Policy H2.4: Mobile Home Park Preservation. Support improvements to existing mobile home parks to preserve affordability	Ongoing	The City engaged a mobile and manufactured home study as part of the Housing Element 2020-2028 update and will use the data received to promote the continued use and upkeep of economically viable mobile home parks by keeping park residents and owners informed of opportunities through HCD and other funding sources to maintain mobile home parks through energy retrofits, housing rehabilitation, new types of mobile housing (park units, tiny homes, etc.), and weatherization programs.
At-Risk Units	Program H2.1.5: The City will monitor the list of all dwellings in the city that are subsidized by government funding or low-income housing developed through local regulations or incentives. The list will include, at least, the number of units, the type of government program, and the date on which the units are at risk to convert to market-rate dwellings. No units have been identified as at risk of converting to market rate within 10 years of the	Ongoing	The City maintains a list of subsidized housing units. This information regarding those properties at risk of conversion is included in the Housing Element. Those properties those are closest to affordability expiration have been in contact with the City and are attempting to submit for tax credit applications to finance project renovations.
Conversion to Condominiums	Program H-2.1.6 The City will continue to comply with Government Code Section 65590 et seq. that sets forth the requirements for conversions, demolitions, and replacement housing in the coastal zone.	Ongoing	The City currently implements Government Code Section 65590.
Demolished & Delapidated Units	Program H-2.1.6: The City will continue to comply with Government Code Sections 65590 et seq. that set forth the requirements for conversions, demolitions, and replacement housing in the coastal zone.	Ongoing	The City will continue the code enforcement program to address a variety of issues, including unsafe or dilapidated housing units. When violations are cited code enforcement will offer to provide homeowners with a list of potential resources.
Senior and Special needs Housing	Program H-3.1.2 The City will work with housing providers to ensure that special housing needs and the needs of lower-income households are addressed for seniors, large families, single parent-headed households with children, persons with disabilities and developmental disabilities, extremely low-income households, and homeless individuals and families. The City will seek to meet these special housing needs through a combination of regulatory incentives, zoning standards, new housing construction programs, and supportive services programs. This will include promotion of the City's existing reasonable accommodation procedure through creation of a handout that will be available at the City and on the City's website.	Ongoing	The City will promote market-rate and affordable housing sites, housing programs, and financial assistance available from the City, County, state, and federal governments. In addition, as appropriate, the City will assist and/or provide support for applications for funding under state and federal programs designated specifically for special needs groups.

Jurisdiction	Morro Bay	
Reporting Period	2020	(Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
 (CCR Title 25 §6202)

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 Cells in grey contain auto-calculation formulas

Table F

Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites pursuant to Government Code section 65583.1(c)

Please note this table is optional: The jurisdiction can use this table to report units that have been substantially rehabilitated, converted from non-affordable to affordable by acquisition, and preserved, including mobilehome park preservation, consistent with the standards set forth in Government Code section 65583.1, subdivision (c). Please note, motel, hotel, hostel rooms or other structures that are converted from non-residential to residential units pursuant to Government Code section 65583.1(c)(1)(D) are considered net-new housing units and must be reported in Table A2 and not reported in Table F.

Activity Type	Units that Do Not Count Towards RHNA ⁺ Listed for Informational Purposes Only				Units that Count Towards RHNA ⁺ Note - Because the statutory requirements severely limit what can be counted, please contact HCD to receive the password that will enable you to populate these fields.				The description should adequately document how each unit complies with subsection (c) of Government Code Section 65583.1 ⁺
	Extremely Low-Income ⁺	Very Low-Income ⁺	Low-Income ⁺	TOTAL UNITS ⁺	Extremely Low-Income ⁺	Very Low-Income ⁺	Low-Income ⁺	TOTAL UNITS ⁺	
Rehabilitation Activity									
Preservation of Units At-Risk									
Acquisition of Units									
Mobilehome Park Preservation									
Total Units by Income									

Jurisdiction	Morro Bay	
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Building Permits Issued by Affordability Summary		
Income Level		Current Year
Very Low	Deed Restricted	0
	Non-Deed Restricted	0
Low	Deed Restricted	0
	Non-Deed Restricted	0
Moderate	Deed Restricted	0
	Non-Deed Restricted	8
Above Moderate		16
Total Units		24

Note: Units serving extremely low-income households are included in the very low-income permitted units totals

Housing Applications Summary	
Total Housing Applications Submitted:	19
Number of Proposed Units in All Applications Received:	83
Total Housing Units Approved:	83
Total Housing Units Disapproved:	0

Use of SB 35 Streamlining Provisions	
Number of Applications for Streamlining	0
Number of Streamlining Applications Approved	0
Total Developments Approved with Streamlining	0
Total Units Constructed with Streamlining	0

Units Constructed - SB 35 Streamlining Permits			
Income	Rental	Ownership	Total
Very Low	0	0	0
Low	0	0	0
Moderate	0	0	0
Above Moderate	0	0	0
Total	0	0	0

Cells in grey contain auto-calculation formulas

Jurisdiction	Morro Bay
Reporting Year	2020 (Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT
Local Early Action Planning (LEAP) Reporting
(CCR Title 25 §6202)

Please update the status of the proposed uses listed in the entity's application for funding and the corresponding impact on housing within the region or jurisdiction, as applicable, categorized based on the eligible uses specified in Section 50515.02 or 50515.03, as applicable.

Total Award Amount	\$	65,000.00	<small>Total award amount is auto-populated based on amounts entered in rows 15-26.</small>		
Task	\$ Amount Awarded	\$ Cumulative Reimbursement Requested	Task Status	Other Funding	Notes
Review prior period HE	2250	0	completed	None	
Review city docs for past performanc	1850	0	completed	None	
site inventory review /update	4350	0	completed	None	
Market study for mobile/mfg homes	3500	0	completed	None	
Identify housing constraints/opportunities	5750	0	completed	None	
Draft housing goals/policies and objectives	3500	0	completed	None	
Produce Admin draft doc	5600	0	completed	None	
Public review process of draft HE	5750	0	completed	None	
Public workshops/involvement	3500	0	completed	None	
HCD review and cert	6500	0	completed	None	
Final HE draft hearings/approval	7000	0	completed	None	
Final HE draft hearings/approval	4000	0	completed	None	
Environmental review	11450	0	completed	None	

Summary of entitlements, building permits, and certificates of occupancy (auto-populated from Table A2)

Completed Entitlement Issued by Affordability Summary		
Income Level		Current Year
Very Low	Deed Restricted	13
	Non-Deed Restricted	0
Low	Deed Restricted	21
	Non-Deed Restricted	0
Moderate	Deed Restricted	1
	Non-Deed Restricted	8
Above Moderate		16
Total Units		59

Building Permits Issued by Affordability Summary		
Income Level		Current Year
Very Low	Deed Restricted	0
	Non-Deed Restricted	0
Low	Deed Restricted	0
	Non-Deed Restricted	0
Moderate	Deed Restricted	0
	Non-Deed Restricted	8
Above Moderate		16
Total Units		24

Certificate of Occupancy Issued by Affordability Summary		
Income Level		Current Year
Very Low	Deed Restricted	0
	Non-Deed Restricted	0
Low	Deed Restricted	0
	Non-Deed Restricted	0
Moderate	Deed Restricted	0
	Non-Deed Restricted	7
Above Moderate		47
Total Units		54