

**Please Start Here**

General Information	
Jurisdiction Name	Morro Bay
Reporting Calendar Year	2021
Contact Information	
First Name	Scot
Last Name	Graham
Title	Community Development Director
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Phone	8057726291
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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. If a project is no longer has any reportable activity, you may delete the project by selecting a cell in the row and typing ctrl + d.

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Jurisdiction	Morro Bay	
Reporting Year	2021	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	12/31/2020 - 12/31/2028

## 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	Density Bonus	
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)	Was a Density Bonus requested for this housing development?
Summary Row: Start Data Entry Below							0	0	3	1	2	9	56	70	28	0			
	066-223-002	570 Olive	570 Olive	CDP21-031	ADU	R	7/28/2021							1	1	0		No	No
	066-157-018	610 Fresno	610 Fresno	CDP21-045	ADU	R	11/9/2021						1		1	0		No	No
	065-035-018	563 Zanzibar St	563 Zanzibar St	CDP21-048	SFD	O	12/6/2021							1	1	0		No	No
	066-144-005	500 Napa Ave	500 Napa Ave	CDP21-049	ADU	R	12/7/2021							1	1	0		No	No
	066-062-006	315 Morro Bay Blvd	315 Morro Bay Blvd	CDP21-050	SFD	O	12/16/2021							1	1	0		No	No
	065-107-022	154 Orcas S	154 Orcas St	CDP21-003	ADU	R	2/9/2021						1		1	1		No	No
	068-313-007	2083 Seaview	2083 Seaview	CDP21-007	ADU	R	3/15/2021						1		1	1		No	No
	068-196-004	2970 Elm Ave	2970 Elm Ave	CDP21-006	ADU	R	5/24/2021						1		1	1		No	No
	066-037-007	1156 Market Ave	1156 Market Ave	CDP21-017	ADU	R	5/4/2021							1	1	1		No	No
	068-340-013	602 Ironwood Court	602 Ironwood Court	CDP21-018	SFD	O								1	1	1		No	No
	066-155-002	846 Pacific St	846 Pacific St	CDP21-004	ADU	R	2/22/2021							1	1	1		No	No
	066-193-009	454 Estero Ave	454Estero Ave	CDP21-009	ADU	R	3/15/2021						1		1	1		No	No
	068-231-055	535 Atascadero Rd	535 Atascadero Rd	CDP21-005	ADU	R								1	1	1		No	No
	066-263-023	206 Bradley Ave	206 Bradley Ave	CDP21-005	ADU	R	5/3/2021								1	1		No	No
	065-034-039	528 Bianca St	528 Bianca St	CDP21-027	SFD	O	2/24/2021						1		1	1		No	No
	065-034-040	536 Bianca St	536 Bianca St	CDP21-028	SFD	O	7/7/2021							1	1	1		No	No
	065-063-039	490 Mindoro St	490 Mindoro St	CDP21-001	SFD	O	1/20/2021							1	1	1		No	No
	066-021-020	1280 Scott St	1280 Scott St	CDP21-015	2 to 4	R	4/14/2021						1		2	2		No	No
	065-131-019	194 Island St	194 Island St	CDP21-022	ADU	R	6/17/2021						1		1	1		No	No
	068-198-045	599 San Jacinto St	599 San Jacinto St	CDP21-020	ADU	R								1	1	1		No	No
	065-036-006	550 Zanzibar St	550 Zanzibar St	CDP21-030	SFD	O	6/10/2021							1	1	1		No	No
	065-221-019	121 Easter St	121 Easter St	CDP21-037	ADU	R	7/19/2021							1	1	1		No	No
	065-034-051	548 Bianca St	548 Bianca St	CDP21-032	SFD	O	9/2/2021							1	1	1		No	No
	065-034-051	548 Bianca St	548 Bianca St	CDP21-032	ADU	R	7/29/2021						1		1	1		No	No
	065-034-052	556 Bianca St	556 Bianca St	CDP21-033	SFD	O	7/29/2021							1	1	1		No	No
	065-034-052	556 Bianca St	556 Bianca St	CDP21-033	ADU	R	7/29/2021							1	1	1		No	No
	066-161-030	929 Mesa St	929 Mesa St	CDP21-012	ADU	R	3/31/2021						1		1	1		No	No
	066-204-028	454 Tulare Ave	454 Tulare Ave	CDP21-040	ADU	R	9/27/2021							1	1	1		No	No
	065-057-040	427 Oahu St	427 Oahu St	CDP21-041	SFD	O	9/28/2021							1	1	1		No	No
	065-057-040	427 Oahu St	427 Oahu St	CDP21-041	ADU	R	9/28/2021							1	1	1		No	No
	068-254-011	2620 Laurel Ave	2620 Laurel Ave	CDP21-023	SFD	O	6/24/2021							1	1	1		No	No
	068-231-016	545 Atascadero Rd	545 Atascadero Rd	CDP21-013	5+	R		3						14	17	0		No	Yes
	065-106-032	3230 Beachcomber Dr	3230 Beachcomber Dr	CDP21-024	SFD	O	3/31/2021							1	1	0		No	No
	066-036-008	1175 Scott St	1175 Scott St	CDP21-025	SFA	R	6/24/2021							1	1	0		No	No
	066-095-004	1140 Allessandro St	1140 Allessandro St	CDP21-026	5+	O	6/28/2021				1			4	5	0		No	No
	068-231-056	541 Atascadero Rd	541 Atascadero Rd	CDP21-029	2 to 4	R						1		3	4	0		No	No
	066-211-031	101 Fig St	101 Fig St	CDP21-035	SFD	O	7/12/2021							1	1	0		No	No
	065-386-015	2783 Coral Ave	2783 Coral Ave	CDP21-036	5+	O	8/9/2021							1	1	0		No	No
							8/24/2021					1		4	5	0		No	No



Jurisdiction	Morro Bay	
Reporting Year	2021	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	12/31/2020 - 12/31/2028

**ANNUAL ELEMENT PROGRESS REPORT**  
**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	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted	97	-	-	-	-	-	-	-	-	-	-	97
	Non-Deed Restricted		-	-	-	-	-	-	-	-	-	-	
Low	Deed Restricted	60	-	-	-	-	-	-	-	-	-	-	60
	Non-Deed Restricted		-	-	-	-	-	-	-	-	-	-	
Moderate	Deed Restricted	70	-	-	-	-	-	-	-	-	-	14	56
	Non-Deed Restricted		8	6	-	-	-	-	-	-	-		
Above Moderate		164	16	26	-	-	-	-	-	-	-	42	122
Total RHNA		391											
Total Units			24	32	-	-	-	-	-	-	-	56	335

Note: units serving extremely low-income households are included in the very low-income permitted units totals and must be reported as very low-income units.  
 Please note: For the last year of the 5th cycle, Table B will only include units that were permitted during the portion of the year that was in the 5th cycle. For the first year of the 6th cycle, Table B will include units that were permitted since the start of the planning period.  
 Please note: The APR form can only display data for one planning period. To view progress for a different planning period, you may login to HCD's online APR system, or contact HCD staff at [apr@hcd.ca.gov](mailto:apr@hcd.ca.gov).



# ANNUAL ELEMENT PROGRESS REPORT

## Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction		Morro Bay	
Reporting Year		2021 (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.	12/1/2023	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.	12/1/2023	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's 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.

Program H-1.1.7	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.	Annually	The City continues to apply for funding as available and promote the funding opportunities to qualified local project sponsors.
Program H-1.1.9	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.	December 2022	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.
Program H-1.1.16	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.	Annually allocation of available funds to qualified projects	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.
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.	12/1/2021 (updated to July 2022)	The City was awarded funding through the SB2 planning grant and the REAP Jurisdictional and Regional grant allocations to achieve these changes. Update 2022: The contract was granted for assistance in the HE implementation measures. The updated zoning code is under review and expected to be adopted mid 2022.
Adaptive Reuse/Supportive Housing	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.	Project approved 2021, working on facility upgrades required for state licensing	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.
ADU, JADU and Secondary Units	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.	Ongoing	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.





Jurisdiction	Morro Bay	
Reporting Period	2021	(Jan. 1 - Dec. 31)
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**ANNUAL ELEMENT PROGRESS REPORT**  
**Housing Element Implementation**  
 (CCR Title 25 §6202)

Note: "\*" indicates an optional field  
 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									



<b>Jurisdiction</b>	Morro Bay	
<b>Reporting Year</b>	2021	(Jan. 1 - Dec. 31)
<b>Planning Period</b>	6th Cycle	12/31/2020 - 12/31/2028

<b>Building Permits Issued by Affordability Summary</b>		
<b>Income Level</b>		<b>Current Year</b>
Very Low	Deed Restricted	0
	Non-Deed Restricted	0
Low	Deed Restricted	0
	Non-Deed Restricted	0
Moderate	Deed Restricted	0
	Non-Deed Restricted	6
Above Moderate		26
<b>Total Units</b>		<b>32</b>

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

<b>Units by Structure Type</b>	<b>Entitled</b>	<b>Permitted</b>	<b>Completed</b>
SFA	1	1	0
SFD	7	2	1
2 to 4	6	4	0
5+	22	17	0
ADU	17	8	3
MH	0	0	0
<b>Total</b>	<b>53</b>	<b>32</b>	<b>4</b>

<b>Housing Applications Summary</b>	
Total Housing Applications Submitted:	42
Number of Proposed Units in All Applications Received:	70
Total Housing Units Approved:	28
Total Housing Units Disapproved:	0

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

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

Cells in grey contain auto-calculation formulas

Jurisdiction	Morro Bay	
Reporting Year	2021	(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.

<b>Total Award Amount</b>	\$	53,550.00	<i>Total award amount is auto-populated based on amounts entered in rows 15-26.</i>		
Task	\$ Amount Awarded	\$ Cumulative Reimbursement Requested	Task Status	Other Funding	Notes
Review prior period HE	\$2,250.00	\$0.00	completed	None	
Review city docs for past performanc	\$1,850.00	\$0.00	completed	None	
site inventory review /update	\$4,350.00	\$0.00	completed	None	
Market study for mobile/mfg homes	\$3,500.00	\$0.00	completed	None	
Identify housing constraints/opportunities	\$5,750.00	\$0.00	completed	None	
Draft housing goals/policies and objectives	\$3,500.00	\$0.00	completed	None	
Produce Admin draft doc	\$5,600.00	\$0.00	completed	None	
Public review process of draft HE	\$5,750.00	\$0.00	completed	None	
Public workshops/involvement	\$3,500.00	\$0.00	completed	None	
HCD review and cert	\$6,500.00	\$0.00	completed	None	
Final HE draft hearings/approval	\$7,000.00	\$0.00	completed	None	
Final HE draft hearings/approval	\$4,000.00	\$0.00	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	0
	Non-Deed Restricted	0
Low	Deed Restricted	0
	Non-Deed Restricted	0
Moderate	Deed Restricted	1
	Non-Deed Restricted	11
Above Moderate		41
<b>Total Units</b>		<b>53</b>

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	6
Above Moderate		26
<b>Total Units</b>		<b>32</b>

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	0
Above Moderate		4
<b>Total Units</b>		<b>4</b>