

Technical Report Appendix F: Cycle 5 Housing Element Previous Accomplishments

The update of the City's Housing Element provides an opportunity to reflect on past achievements and challenges, identifying what is working and what is getting in the way of meeting Half Moon Bay's housing needs.

The following summary highlights key accomplishments and challenges from the Cycle 5 Housing Element's planning period (2015 to 2022). This evaluation helps ensure that the updated Cycle 6 element for 2023 to 2031 builds on success, responds to lessons learned and positions the City to better achieve our community's housing priorities.

A more detailed program-by-program review of progress and performance is in Table E-1. Quantifiable objectives are presented in Table E-2.

ACCOMPLISHMENTS

The City and Half Moon Bay community have a lot to be proud of in the implementation of the Half Moon Bay Cycle 5 Housing Element:

- **Certification of the Local Coastal Land Use Plan:** Half Moon Bay is located entirely within the California coastal zone, which adds an intricate layer of planning considerations for our community. The new Local Coastal Land Use Plan (LCLUP), which was certified by the California Coastal Commission in spring 2021 will allow the City to achieve the community's housing goals. The City is now positioned to facilitate the creation of new affordable housing units on lands that previously did not allow any housing or where it was very difficult to permit. Given that one of Half Moon Bay's greatest challenges is the lack of feasible locations to build affordable housing, this is a breakthrough that will lay the groundwork for the future of the Half Moon Bay and Coastside community.
- **New ordinances to protect our community members.** The City adopted tenant protection measures, which include City funding for mediation and requiring landlords to offer one-year lease terms. In development for several years, the City's short-term vacation rental ordinance was conditionally certified by the California Coastal Commission in early 2023. The ordinance is designed to make sure housing units continue to be used primarily as homes and represents one of the most conservative ordinances of its kind ever approved by the Coastal Commission. Finally, the City is preparing to update the below market rate (BMR) and density bonus ordinances.

- **New zoning regulations to build a better, more inclusive City.** The City completed strategic zoning changes in the mixed-used districts to update parking standards and eliminate the use permit requirement for residential uses in these areas. These updates were quickly followed by development applications for mixed-use projects throughout Downtown including Heritage Main Street. The new LCLUP positions the City to do even more. It calls for expanding mobile home park zoning and new “live-work” zoning to allow housing to be built on properties with compatible light industrial uses. The new LCLUP also specifies upzoning, for example supporting minimum density requirements in the multi-family and mixed-use zoning districts and changing some R-2 areas in the Town Center to R-3 zoning. Increased density in the Town Center will result in more efficient use of land and help the City respond effectively to state requirements. The Workforce Housing Overlay will enable affordable housing development for lower-income households, including farmworkers.
- **ADU interest continues to grow.** Accessory dwelling units, or ADUs (also referred to as second units or in-law units) have become increasingly popular after the City adopted two ADU ordinance updates (2018 and 2022) in response to changes in State law which removed the old mandatory parking requirements. Interested homeowners can now more easily add ADUs to their properties, and many are, helping to create new rental housing in existing neighborhoods. Although many ADUs are renting at prices affordable to moderate-income levels, preliminary studies are also showing that some are being rented at levels affordable to lower-income households. Half Moon Bay prohibits using ADUs as short-term rentals to make sure ADUs are used as homes. Some ADUs are allowing larger households and multi-generational families to live more comfortably together which can bolster family relationships and contribute to more affordable housing, transportation, and childcare. Several ADUs were constructed to provide independent living for disabled adult children.
- **Supporting the needs of our homeless residents.** In 2021, San Mateo County bought a 52-room hotel in Half Moon Bay with CARES Act / Home Key funds. Although this meant that the hotel would no longer generate revenue from the tourism sector, the Half Moon Bay City Council supported this purchase and its conversion into a shelter. The City and County have agreed to collaborate and make sure this shelter best meets residents’ needs. For example, kitchenettes or other improvements may be added to transform the hotel rooms into apartments. The City also provided \$300,000 to the Abundant Grace program to establish a workforce development center for the Coastsides homeless community. The center helps our unhoused residents find housing and provides job training and access to a wide range of services such as healthcare. The program is within walking distance of the new shelter, ensuring a cohesive set of services in addition to the shelter, that can better support people on their path to finding long-term stability.
- **Creation and use of the Affordable Housing Fund.** The City adopted affordable housing fund allocation guidelines and generated around \$2 million from development in-lieu fees. The

City Council has already started to allocate these funds. The City also transferred \$400,000 from the general fund to the affordable housing fund, demonstrating how important affordable housing is to the community.

- **Water connections for affordable housing are now available in Half Moon Bay.** All development, including affordable housing, is required to obtain a water connection to receive water service from the local water district (Coastside County Water District or “Water District”). Three categories of water connections were originally established for distribution by the Water District based on the type of development the water connection would serve: Coastal Act priority uses (e.g., hotels, restaurants, and recreation such as golf courses), non-priority uses (e.g., market rate housing and industrial uses), and affordable housing. In recent years, the Water District ceased to provide water connections reserved for affordable housing for a number of reasons related to past permits issued by the California Coastal Commission to the Water District. The City took on this matter and brought forth a resolution whereby connections for affordable housing are now available. This outcome is of utmost significance making it more financially feasible to build new affordable homes: In 2020, the cost of an affordable housing water connection (approximately \$16,000) was at least five times lower than the cost of non-priority water connections (estimated range from \$80,000 - \$100,000), which were the only type available for affordable housing in recent years.

SPECIAL NEEDS POPULATIONS

Half Moon Bay provides services and has supported and facilitated housing production for the City’s special needs populations. This has included seniors (age 65 or older), those living with disabilities (including developmental disabilities), people experiencing homelessness, and farmworkers. Notable programs that support the housing needs of Half Moon Bay’s special needs populations include:

- Housing rehabilitation grants, including an \$85,000 grant to the Senior Coastsiders to assist 100 households with senior residents with home repairs.
- The Affordable Housing Fund supported grants to Coastside Hope and St. Vincent de Paul of San Mateo County to support 91 households, including emergency winter shelter for 12 unhoused residents and an ongoing proposal for 40 units of farmworker housing.
- Ongoing support for two agricultural landowners to develop farmworker housing.
- Support for two mixed-use developments with 11 units of senior and disabled resident housing (at 415 Purissima Street and Main Street/Kelly Avenue)
- Supported the County purchase of the Coastside Inn (a 52-room hotel) using CARES Act and Project Homekey funding for conversion into a homeless shelter.

CHALLENGES

While much has been accomplished, there is a lot the City needs to continue to work on. Some of the challenges that kept the City from achieving all of its housing goals include:

- **Limited development of new housing for very low and low-income households.** During cycle 5, few new units affordable to lower-income members of our community were built due to water connection prices, lack of suitable sites, and coastal zone constraints. The sites identified in the previous Housing Element cycle are small and/or challenging to develop for a variety of reasons, which made it difficult to meet RHNA targets. Because the City's sites are limited and the regulatory environment is complex, the City struggles to attract housing developers. Furthermore, as a small jurisdiction Half Moon Bay did not have a housing function with specialized staff for most of the Cycle 5 period. The City needs professional resources to better monitor existing affordable housing units to make sure they are preserved and to help potential housing developers with financing opportunities to support the cost of building affordable homes.
- **Regulations constrain residential development.** The voter-approved "Measure D" ordinance is a regulation certified by the California Coastal Commission and cannot be easily amended. It limits annual residential growth to 1.5% of the previous year's population. It gives a set number of allocations a year for new housing units in given locations, concentrating allocations in the Downtown with few available in the rest of the City. This has created challenges as ADUs have become more popular, fostering new units in neighborhood areas outside Downtown. The result is that some ADU applications or other proposals may become restricted by the annual growth limitation. Despite these challenges, Measure D allocations are prioritized for affordable housing and allocations have been available for such units during Cycle 5.
- **Significant hazards are inherent to California coastal environments.** Between the high fire hazard areas of the foothills, the sensitive habitat areas and flood zones surrounding the creeks, and the eroding bluffs along the shoreline, new development in Half Moon Bay often needs to be carefully sited to avoid impacts to natural resources as well as risks of these numerous environmental hazards. Climate change is expected to compound such hazard risks with longer periods of drought, more frequent and intense storms, sea level rise, and longer wildfire seasons. Because of this, developing new housing in already established neighborhoods can be easier to accommodate than in largely undeveloped areas in the City. Even then, housing developers often need to study the biology and geology of a site to ensure new structures will be safe from hazards and will not cause environmental impacts. Recent State laws also limit the ability to build new housing in high fire hazard areas.

- **Infrastructure and services are constrained on the San Mateo County Midcoast.** Half Moon Bay and the San Mateo County Midcoast have numerous and challenging infrastructure constraints. The roadway network is limited by the coast and mountain geography. The presence of agriculture and environmental hazards result in the Coastside being San Mateo County's lower density "side of the hill." As such, the feasibility of significant improvements to public transportation is limited. The local water supply is highly constrained and there are only a limited number of water connections for all development, including affordable housing. The sewage treatment plant is reaching its capacity and is highly vulnerable to sea level rise. The city has no hospital or urgent care facility. Emergency access and evacuation routes are significant concerns. All told, the cumulative impacts of coastal environmental hazards with such constrained infrastructure and services further add to the challenge of creating new affordable housing or even market-rate housing.

OPPORTUNITIES

As the City transitions from the Cycle 5 to the Cycle 6 Housing Element, a number of efforts are already in motion based on existing projects, trends, and lessons learned that have been incorporated into Half Moon Bay's updated Housing Element:

- **The Coastside community supports affordable housing.** The Half Moon Bay City Council and Coastside community are supportive of affordable housing opportunities. City Council has identified affordable housing as a top priority over the last several years and has put that priority into action by participating in the County's Home for All program as a pilot city and by laying the groundwork for affordable housing production through the new LCLUP policies. The momentum from this support and groundwork will continue forward to make the Cycle 6 Housing Element actionable and successful.
- **The Land Use Plan sets the table for affordable housing.** With the new LCLUP certified, the land use regulatory table is set for several key sites identified for the construction of affordable housing. These identified sites are focused in the Town Center, where strategic upzoning and other incentives will support affordable housing development in an area with walkable goods, services, and public transit options. The Town Center is also now poised to support as many as 40 new mobile home units, which is a significant form of affordable housing in Half Moon Bay. Inside and outside the Town Center, a new Workforce Housing Overlay will allow several hundred affordable units dedicated to housing our local workforce including farmworkers, teachers, and customer service industry employees. The City is now fortunately well positioned to make significant progress toward meeting housing needs in this new Housing Element cycle.
- **City-Owned land poised for affordable housing.** In 2022, the City initiated a request for qualifications (RFQ), seeking interested affordable housing developers for City-owned land at 555 Kelly Avenue. A developer has been selected and the process is moving forward for 40 units of housing for farmworkers. The City has also prepared feasibility assessments of another City-owned property at 880 Stone Pine Road for suitability of affordable housing development. The site holds great promise for affordable housing development and is included in the Cycle 6 Housing Element site inventory.

HOUSING ELEMENT EVALUATION

Table E-1 outlines the City’s progress toward meeting objectives identified in the 2015-2022 Housing Element. Following Table E-1, Table E-2 summarizes quantified objective performance.

Table E-1: Cycle 5 Housing Element Evaluation (2015-2022)

Housing Element Program		Program Evaluation and Recommendation
- Name/Number	Progress and Achievements	
- Description		
- Objective		
<i>Goal 1 – Conserve and Improve Half Moon Bay’s Existing Neighborhoods and Housing Supply</i>		
1-1 Housing Rehabilitation 1-2 housing rehabilitation loans/year and home repairs to six senior, disabled, or special needs homes each year, subject to County program funding availability.	The City provides grant funding annually via the Community Services Financial Assistance (CSFA) program to local agencies that provide services to low-income families, seniors, and farmworkers. In particular, funding of \$85,000 was provided to the Senior Coastsiders organization during Housing Element Cycle 5 to assist older adults with home repairs and other services. Senior Coastsiders’ Home Repair Program allowed 100 households to receive repair assistance between 2018 to 2022. Repairs include plumbing, electrical, heating, safety upgrades, and the installation of accessible features such as wheelchair ramps, grab bars, and handrails. These repairs assist the City’s aging population to remain stable and safely housed.	This program has been effective in supporting even more households than expected. Retain the program and work to ensure continued funding support to local agencies.

Housing Element Program - Name/Number - Description - Objective		Progress and Achievements	Program Evaluation and Recommendation
1-2 Condominium & Mobile Home Conversions Revise Chapter 17.62 of the Municipal Code to address both condominium and mobile home park conversion.		A portion of the code revisions were implemented in 2015. Subsequently, the City adopted a comprehensive update to the Local Coastal Land Use Plan (LUP)/General Plan Land Use Element in October 2020, which was certified by the California Coastal Commission in April 2021. The LCLUP updated the Mobile Home Park land use designation. The designation is applied to undeveloped lands to encourage additional mobile home park development, as well as to existing mobile home parks with inconsistent land use and zoning designations to protect them from conversion to other land uses.	Modify to create a program for rent control, and to monitor affordability and unit conditions.
1-3 Conversion of At-Risk Units Zoning Amendment to require enhanced notification and other protections for at-risk units.		Nearly all of the City's affordable units are owned and managed by non-profit affordable housing developers and are considered to be low risk for conversion.	Modify to address current needs, including enforcement and monitoring new affordable housing units that will be part of market rate development and thus not owned/managed by non-profit affordable housing developers.

Housing Element Program		Program Evaluation and Recommendation
- Name/Number	Progress and Achievements	
- Description		
- Objective		
Goal 2: Facilitate and Encourage Development of High-Quality Housing to Meet the City’s Housing Needs for a Range of Incomes and Special Needs		
2-1 Below Market Rate Program	In 2018, updated the City's affordable housing agreement template to improve administration of the BMR ordinance; City Council approved affordable housing agreements for a subdivision at 320 Church Street requiring that affordable units be built on-site using the template. A total of 4 out of 15 units at 320 Church Street will be affordable to very low- and low-income households.	Modify and update the BMR Ordinance to increase the yield of BMR units and/or in lieu fees; continue to work toward expanding the supply of BMR units.
Implement the Below Market Rate (BMR) program by improving administration, establishing agreements for affordability in perpetuity, encouraging provision of units on-site as part of market-rate development, provide density bonuses or other incentives.		
2-2 Density Bonus	The LUP update includes policy that enables development of low-, very low-, and extremely low-income units to qualify for water connections set aside for affordable housing development. Such connections are available from the Coastside County Water District for approximately \$16,000. Prior to this policy, the only connections available were obtainable from a secondary market that provided property owners with a connection for approximately \$80,000 to \$100,000. City staff has been reaching out to developers about this significant fee reduction.	Modify to update ordinance to be current with State law; incorporate concessions for fees and/or infrastructure, such as sewer connections.
Determine financial feasibility of fee waivers as an incentive for affordable housing.		

Housing Element Program	Progress and Achievements	Program Evaluation and Recommendation
- Name/Number - Description - Objective		
2-3 Second Units Encourage development of accessory dwelling units.	ADU ordinance update adopted in 2018; subsequently updated again in 2021. The ordinance was certified by the California Coastal Commission in February 2022; readopted by City in May 2022 and submitted to the Coastal Commission for confirmation of certification and HCD for compliance review. Expedited processing of ADUs in compliance with state law has been implemented and continued through online submittals per COVID health order protocols.	Modify the program to include the following: update the Accessory Dwelling Unit (ADU) Ordinance per any future amendments to State law; monitor annual permits for at least 14 new ADUs per year.
2-4 Small Lot Development Encourage development of substandard or severely substandard lots for two such lots developed per year.	The City exceeded this goal with an average of 3.6 substandard or severely substandard lots developed per year. A total of 29 substandard and severely substandard lots were developed during the Cycle 5 Housing Element; therefore, exceeding the objective of 16 units during the housing element cycle. All applications for development of substandard or severely substandard lots have been approved by the applicable hearing body (Community Development Director or Planning Commission) when the applications are brought forward to hearing.	Retain program and objective; update parking standards to further facilitate development of these small lots.

Housing Element Program - Name/Number - Description - Objective		Progress and Achievements	Program Evaluation and Recommendation
2-5 Adequate Sites Provide adequate sites as part of the Local Coastal Program and General Plan Update.		The City adopted a comprehensive update to the Local Coastal Land Use Plan (LCLUP)/General Plan Land Use Element in October 2020, which was certified by the California Coastal Commission in April 2021. The update maintained adequate sites and brought forward numerous new sites for inclusion in the Cycle 6 Housing Element, including a new "Workforce Housing Overlay" land use designation which requires housing development on specified sites to be affordable.	Retain and modify to incorporate the timeline and scope of pending zoning updates to implement the LCLUP and Cycle 6 Housing Element.
2-6 Consistency in Planning Documents Ensure consistency with existing conditions, policy, and regulations in planning documents.		The Local Coastal Land Use Plan (LUP)/General Plan Land Use Element update was adopted by City Council in October 2020 and was certified by the California Coastal Commission in April 2021. The comprehensive update was reviewed for consistency with existing conditions and puts forth a new policy foundation for future zoning and General Plan Element updates, including the Cycle 6 Housing Element.	Retain and update to address policy and zoning updates that will be undertaken during Cycle 6.

Housing Element Program	Progress and Achievements	Program Evaluation and Recommendation
- Name/Number - Description - Objective		
2-7 Utilization of Affordable Housing Fund Establish an allocation method for the City's affordable housing fund including an RFP process to solicit proposals for affordable housing developments.	The City adopted Affordable Housing Fund Allocation Guidelines in 2019. In 2020, the City allocated \$200,000 from the Affordable Housing Fund for two Emergency Rental Assistance grants, \$100,000 to Coastside Hope, and \$100,000 to St. Vincent de Paul of San Mateo County. Funds were used primarily for rental assistance with a total of 91 households supported; twelve unhoused residents were provided emergency shelter for two months during the Winter. In February 2022, the City released a request for qualified proposals to build affordable housing on a City-owned site at 555 Kelly Avenue, which included the possibility of City funding support from the Affordable Housing Fund. A proposal to build 40 units of farmworker housing is being evaluated.	Update the policy to reflect the now-adopted allocation guidelines and establish objectives for the Cycle 6 planning period.
2-8 Affordable Housing Resources Identify funding sources and notify developers of these options.	The City has been collaborating with San Mateo County Department of Housing regarding its funding resources, especially for the County's farmworker housing loan program. The City referred two agricultural landowners to the County for this program and is working with one to complete entitlements. In 2022, the City created a new staff position for a Housing Coordinator. The Housing Coordinator will be responsible for further developing resources and working with developers.	Retain and modify to include collaboration needed with non-profit housing developers and partner agencies to access funding for applicable project sites.

Housing Element Program - Name/Number - Description - Objective		Progress and Achievements	Program Evaluation and Recommendation
2-9 Housing Element Annual Report Prepare and submit Annual Housing Element Report to HCD by April 1st following an update to the Planning Commission and City Council		Annually prepare and submit the Annual Progress Report to HCD on time following updates to the Planning Commission and City Council.	Retain
2-10 Annual Review of Residential Dwelling Unit Allocation System Conduct annual evaluation of Measure D implementation in December each year		Continued annual compliance with the program directive.	Retain and modify to include zoning amendment to simplify implementation process; monitor ADUs to ensure they are not used as STRs per City's adopted ADU and STR zoning code.

Housing Element Program		Program Evaluation and Recommendation
- Name/Number	Progress and Achievements	
- Description		
- Objective		
2-11 Mixed-Use Development and Housing Stock Diversity Identify and plan for diverse housing types.	In May 2020, the California Coastal Commission certified the "Mixed-Use Districts and Parking Standards Ordinance" to reduce parking requirements and remove the use permit requirement for housing in the Commercial-Downtown (C-D) zoning district to reduce barriers to housing development and make housing a "by right" use within the City's four mixed-use zoning districts. The Local Coastal Land Use Plan (LUP)/General Plan Land Use Element update was adopted by City Council in October 2020 and was certified by the California Coastal Commission in April 2021. The comprehensive update maintains adequate sites and includes numerous new sites for diverse housing types, including a new "Workforce Housing Overlay" designation, within the City's defined and resource-rich "Town Center" area.	Replace with a new program focused on a broader range of housing types than Program 2-11 cited in Cycle 5.

Housing Element Program		Program Evaluation and Recommendation
- Name/Number	Progress and Achievements	
- Description		
- Objective		
Goal 3: Expand Housing Opportunities for the Elderly, the Disabled, Homeless, and Persons with Special Housing Needs		
3-1 Removal of Constraints Continue to assess and update the zoning ordinance to address constraints	The ADU ordinance was comprehensively updated twice during Cycle 5 with the updates certified by the Coastal Commission in 2018 and 2022. The Mixed-Use Districts and Parking Standards Ordinance discussed in 2-11, above, reduced constraints. Development proposals on Downtown sites that had long been vacant, 415 Purissima Street and Main Street/Kelly Avenue, took advantage of the updated provisions.	Retain and modify to focus on parking standards to reduce constraints and expand allowances for reasonable accommodations.
3-2 Senior and Disabled Housing Encourage development of housing for seniors and the disabled, including persons with developmental disabilities	City staff routinely meet with developers and encourage development of housing for seniors and the disabled, as well as use of the density bonus incentives. Mixed-use developments entitled and/or under construction include accessible units at 415 Purissima Street (5 units total, 1 accessible, all visitable) and Main Street/Kelly Avenue (6 units total, 2 accessible, all visitable).	Retain and update to include all special housing needs groups, and add farmworker housing.

Housing Element Program		Program Evaluation and Recommendation
- Name/Number	Progress and Achievements	
- Description		
- Objective		
3-3 Special Needs Housing Coordination Support agencies serving the City to address special needs housing.	The City adopted Affordable Housing Fund Allocation Guidelines in 2019. As an example of funding allocation under the Guidelines, in 2020, the City allocated \$200,000 from the Affordable Housing Fund for two Emergency Rental Assistance grants, \$100,000 to Coastside Hope, and \$100,000 to St. Vincent de Paul of San Mateo County. Funds were used primarily for rental assistance with a total of 91 households supported; twelve unhoused residents were provided emergency shelter for two months. City staff continues to work closely with LifeMoves, Abundant Grace, ALAS, Coastside Hope, HIP Housing, and other organizations to promote services and housing support programs.	Retain and update.
3-4 Home Sharing Facilitate home sharing and cooperatives	The City continues to promote HIP Housing’s Home Sharing program and has made significant progress with ADU production since adoption of two updates to the ADU ordinance in 2018 and 2022.	Retain and modify to emphasize junior ADUs for home sharing.

Housing Element Program - Name/Number - Description - Objective		Program Evaluation and Recommendation
Progress and Achievements		
3-5 Large Households Provide incentives for large BMR units	The City updated its BMR ordinance in 2015 to include incentives for large BMR units. At the end of Cycle 5, one development proposal of significant size (up to 200 units) was anticipated to seek a density bonus. The LUP update includes a density bonus policy and accounts for density bonuses in the build-out analysis for the 2040 planning horizon and maximum theoretical buildout conditions.	Retain and modify to include additional incentives beyond the existing code that promotes units with 3 or more bedrooms.
3-6 Emergency Shelters and Transitional /Supportive Housing Define and identify transition and supportive housing as permitted uses subject to the same standards as other residential dwellings	In 2016, the Zoning Code was updated to implement this program with respect to transitional and supportive housing in the residential zoning districts and emergency shelters in the Public Service zoning district.	Retain and modify to address low barrier navigation centers and expand zoning options for all such uses.

Housing Element Program	Progress and Achievements	Program Evaluation and Recommendation
- Name/Number - Description - Objective		
3-7 Maintain Ongoing Estimates of the Demand for Emergency Housing Consult with the Police Department, churches, and other agencies to maintain ongoing estimates of the demand for emergency housing.	Community Services and Community Development Department staff maintain relationships with the Sheriff and the Homeless Outreach Team (HOT) as well as numerous service agencies to keep track of homeless individuals and encampments to make sure needed services are available to the local homeless population. With the City's endorsement, San Mateo County purchased the Coastsides Inn (a 52-room hotel) using CARES Act / Project Homekey funding for conversion into a homeless shelter. Operations commenced in December 2020. The City participates in the annual homeless count.	Retain and modify to include the City's ongoing collaboration within the San Mateo County Continuum of Care and county-wide commitment to end homelessness.
3-8 Revise Development Standards Update the parking standards in the zoning ordinance for the R-3 Zoning District	Although the program focuses on the R-3 Zoning District, parking standards in the mixed-use districts were determined to be more important to address. City Council adopted and the California Coastal Commission certified the "Mixed-Use Districts and Parking Standards Ordinance" in 2020 which significantly updates mixed-use development standards for the City's four mixed-use zoning districts, including progressive parking code and removing the use permit requirement for housing in the Commercial-Downtown district, reducing barriers to housing production and making housing a "by-right" use within the City's mixed-use zoning districts.	Retain and modify to improve development standards identified as constraints.

Housing Element Program - Name/Number - Description - Objective		Progress and Achievements	Program Evaluation and Recommendation
3-9 Regulations Addressing Design Review Update design guidelines and design review process		The City applied for HCD's SB 2 Planning Grant to support this program. This work will include CEQA coverage of zoning updates including objective design standards and components of form-based code. The residential design guidelines were updated in 2015 concurrent with adoption of the 2015-2022 Housing Element; the 2018 update of the Accessory Dwelling Unit ordinance includes only objective criteria and provides significant flexibility for detached accessory dwelling units.	Retain and update to reflect a focus on adoption of objective design standards and components of form-based code.
Goal 4: Promote Housing Opportunities for All Persons Regardless of Race, Sex, Age, Marital Status, Ancestry, National Origin, Color, or Sexual Orientation			
4-1 Equal Housing Opportunity Facilitate equal opportunity housing		In 2019, the City adopted Residential Renter Security Measures (e.g., tenant protection measures) to coordinate with AB 1482. Measures include a minimum one-year lease term for most multi-family properties with two or more units and City-funded mediation. The City posts and provides information regarding equal opportunity housing; and maintains a Housing Resources Guide with additional information and support.	Retain and modify to include promotion of legal aid services and additional landlord and tenant resources.

Housing Element Program	Progress and Achievements	Program Evaluation and Recommendation
- Name/Number - Description - Objective		
4-2 Non-discrimination Clauses Require non-discrimination clauses in affordable housing agreements and deed restrictions	The City's standard affordable housing agreement includes a comprehensive nondiscrimination clause addressing the use of the units and any associated covenants or deed restrictions. The clause is applicable to race, color, religion, creed, sex, sexual orientation, gender identity or status, disability, marital status, ancestry, and national origin of any person.	Retain and modify to expand the City's Residential Renter Security Measures Ordinance
<i>Goal 5: Encourage Energy- and Water-Efficient Resources in New Residential Development as Well as the Existing Housing Stock</i>		
5-1 Energy Conservation and Efficiency Promote conservation and housing affordability with energy and water efficiency.	The City has funded Senior Coastsiders for energy conservation and weatherization upgrades in senior housing. Development review, including Measure D, addresses sustainability. To help curb emissions, work toward a cleaner environment, and assist the State in reaching SB32 goals, the City adopted a Building Electrification Ordinance on February 15, 2022, which requires all new buildings to be electric only and for existing gas lines to be decommissioned by 2045. The City also adopted photo voltaic and electric vehicle charging station ordinances in 2022.	Modify and expand to address sustainability and resilience in development standards including energy efficiency, low greenhouse gas emissions, fire safety, and water conservation.

HOUSING ELEMENT QUANTIFIED OBJECTIVES

Table E-2 summarizes Half Moon Bay’s quantified objectives for the 2015-2022 Housing Element planning period and the progress the City has made, including progress in meeting the City’s Cycle 5 RHNA.

Table E-2: Cycle 5 Housing Element Quantified Objectives (2015-2022)

Objectives	Results			
Construction (RHNA):	Income Level			
	Very Low	Low	Moderate	Above Mod.
Cycle 5 RHNA	52	31	36	121
Cycle 5 Production	0	1	85	80
Cycle 5 Programs with Quantified Goals:			Result	
Program 1-1: Housing Rehabilitation Goal: 48 Home repair grants			Total: >100	
Program 2-3: Second Units (Now referred to as ADUs) Goal: 16 affordable ADUs			Total: About 70 ADUs approved for development; affordability not confirmed.	
Program 2-4: Small Lot Development Goal: 16 small lots developed for affordable housing			Total: 29 small lots approved for single-family development, with some ADUs for some sites.	
Program 2-7: Utilization of Affordable Housing Fund Goal: 2 RFPs and associated affordable housing development projects			Total: 1 RFP for affordable housing at 555 Kelly	
Program 3-2: Senior and Disabled Housing Goal: 70 senior and/or disabled affordable units			Total: 40 units for older farmworkers planned for 555 Kelly Avenue	
Program 5-1: Energy Conservation Goal: 5 units/year			Total: Numerous housing rehabilitation projects per Program 1-1 include energy conservation improvements; three mixed-use developments approved for Building Permit in Cycle 5 include 10 units.	

Source: City of Half Moon Bay

While the City did not successfully bring an affordable housing development forward into building permit and construction during Cycle 5, it is important to consider the following City efforts and development activities and how they supported Cycle 5, and will support Cycle 6:

Land Acquisitions: The City does not have significant landholdings. At the beginning of Cycle 5, none of the City's properties could be used for residential development due to the presence of needed City facilities and/or significant environmental constraints. During Cycle 5, the City made significant investments to address community needs by purchasing two sites within the Town Center area. Over the course of Cycle 5, through feasibility assessments, it became apparent that both sites were appropriate for affordable housing. The Cycle 6 Housing Element sites inventory includes the 555 Kelly Avenue site as Pipeline Project Site #AJ for which the City has selected an affordable housing developer following an RFP/RFQ process, and 880 Stone Pine Road as Housing Opportunity Site #1.

RHNA Considerations: Two important considerations for Half Moon Bay's Cycle 5 RHNA production should be acknowledged for Cycle 5 Housing Element accomplishments. These include the opening of the first shelter on the Midcoast (Coast House) and the strong uptick in ADU development as presented below.

- **Coast House:** San Mateo County purchased the Coastsides Inn motel on HWY 1 in late 2021 with CARES Act / Home Key funds and converted it to emergency housing for the Coastsides homeless population. The 52-room Coast House shelter couldn't be counted toward Cycle 5 RHNA because the converted hotel rooms do not include kitchens. In a theoretical consideration, if Coast House had been counted, it would have provided 52 units affordable to extremely low-income households, thereby covering the Cycle 5 RHNA for the very low-income category which includes extremely low- and very low-income units (52 units total with 26 at each level). It is possible that some or all of Coast House's units will be fitted with kitchens during Cycle 6 and can be counted in the future. In a collaborative position with San Mateo County as the lead, the City has supported Coast House despite the loss of transient occupancy tax revenue and community concerns about the use.
- **Accessory Living Units (ADUs):** About 68 ADUs were permitted during Cycle 5. In Cycle 5 Housing Element Annual Progress Reports (APRs), Half Moon Bay's ADUs were all counted as affordable to moderate-income households, although many ADUs have rents in the lower-income categories. The Cycle 6 Housing Element allows jurisdictions to make affordability assumptions for ADUs according to relevant regional survey data. For San Mateo County, the allowed split for Cycle 6, based on actual ADU rent levels, is: very low = 30%; low = 30%, moderate = 30%, and above moderate = 10%.

Had units associated with these housing resources been counted (Coast House) and/or allocated to a range of affordability levels (ADUs), as applicable, the City would have met RHNA for extremely low-, very low-, low-, and moderate-income housing units. This is presented in Table E-3 as a theoretical assessment. The City understands that this assessment does not stand as the

City's outcome for housing production toward fulfilling Cycle 5's RHNA. Instead, the City finds that it is important to present these accomplishments in this manner to assist the community and governmental agencies in their appreciation of the significance of these accomplishments: establishment of the first shelter provisions on the Midcoast and numerous new "missing middle" housing units (ADUs) throughout the City's residential neighborhoods.

Table E-3: Theoretical Assessment - Cycle 5 RHNA Production

Assumptions	Income Level				Total
	Very Low	Low	Moderate	Above Mod.	
Cycle 5 RHNA Summary					
Cycle 5 RHNA	52	31	36	121	240
Cycle 5 RHNA Production, reported in APRs	0	1	85	80	166
Cycle 5 ADU Production based on Cycle 6 Affordability Assumptions:					
Cycle 5 ADU Production, reported in APRs	0	0	68	0	68
Cycle 6 ADU Affordability Assumptions	30%	30%	30%	10%	100%
Cycle 5 ADU Production per Cycle 6 ADU Affordable Assumptions	20	21	20	7	68
Cycle 5 Production Including Theoretical Adjustments:					
Cycle 5 RHNA Production w/ Theoretical Adjustments: - Coast House: 52 extremely low-income units - ADUs: Per Cycle 6 Affordability Assumptions	72	22	37	87	218
RHNA Shortfall per theoretical adjustments: Per income category	+20	-9	+1	-34	-22
Surpluses in lower income categories shifted to higher income categories	0	0	0	-22	-22

Source: City of Half Moon Bay

Notes:

- Extremely Low-Income Level: The very low-income level includes both extremely low (26) and low (26) units, for a total of 52 units.*
- ADUs: 68 ADUs is the City's conservative estimate. City records for 2019 – 2022 show permit issuance for an average of 14 ADUs/year, which is trending higher. Prior to 2019, the City wasn't tracking ADU production as carefully, but has records showing at least 3 ADUs/year. Thus, for the four calendar years of 2015 – 2018, 12 ADUs are counted; for the four calendar years of 2019 – 2022, 56 ADUs are counted.*