



City of Monte Sereno

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October 10, 2022

State Department of Housing and Community Development
C/O Land Use and Planning Unit
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Sacramento, CA 95833
HousingElements@hcd.ca.gov

Re: City of Monte Sereno Draft Housing Element

Please find herein the City of Monte Sereno's Draft Housing Element for the 2023-2032 Cycle. The City has made a good faith effort to address the Regional Housing Needs Allocation (RHNA) with a creative and comprehensive plan that considers the unique characteristics of the community. The plan addresses the community's most pressing housing needs, which involve the construction of affordable housing.

Monte Sereno is a small, unique community only 1.6 square miles with a population of 3,500. It consists of just over 1,200 lots that are uniquely sized lots to allow ADUs both small and large. We are a completely residential community except for one church and the City Hall property. There are no commercial or industrial properties in the city. The church property owner, First Baptist Community Church, has communicated very clearly to the City that they are not interested in any development or redevelopment of their property. The City Hall site is under 0.5 acres and located within the Very High Fire Hazard Severity zone. There are no sites within the City that provide an opportunity to move a church or City Hall. There is no city library or other public facility building.

The remainder of the city is high-valued, individually owned single family lots, with housing stock in good or better condition, which makes land values such that aggregating properties for multi-family developments is not economically feasible and would make it unlikely that rent or sale prices would qualify as low to moderate. The City Councilmembers, community, and staff recognize that Monte Sereno has a responsibility to address our share of regional housing and affordability needs. Although standard routes to produce additional affordable housing are not available in Monte Sereno, the large residential lots are uniquely sized and encourage ADUs. In order to collect ideas and gauge community interest the City mailed three postcards to all residents, conducted door-to-door canvassing by elected officials, used direct mailing, social media posts, and emailed contractors/architects. The City provided a Housing Element webpage with information and the ability to comment. City staff and officials were available at

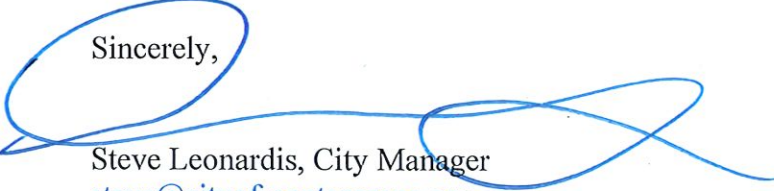
the annual City picnic, and there was information available at the City Hall counter and an article in city-wide newsletter. Two community wide meetings were held to present information on the Housing Element and for the AFFH outreach, one meeting was via zoom and the other was an in-person presentation and discussion at the City Picnic.

One of the most effective tools of the outreach reach effort was the canvassing by City Councilmembers and Site and Architectural Commissioners throughout the community to explain the housing efforts and ADU incentives. The City has also documented and collected written letters from property owners who intended to construct an ADU on their property within the next seven years and providing an incentive of a 50% discount on building permit and plan check fees when such building permits are issued. This program incentivizes property owners who create an ADU at their property, distributes these additional housing units throughout the city, and meets our affordability requirements per ABAG methodology.

The Draft Housing Element was posted on August 9, 2022, on the town's web site. A physical copy was available at City Hall. Notifications were mailed to a list of interested parties, posted on the City's social media sites, and emailed to neighboring communities as well as local and regional agencies. The City Council reviewed the draft document and received public comments on September 6, 2022, during the public review period, and directed staff to incorporate comments received and submit the revised Draft Housing Element to HCD. Attached are the public comments received and information about how each has been addressed.

After our successful Housing Element preparation process, the City is looking forward to the positive contribution our ADU incentive program will have on regional housing. We are pleased to report that in total the City currently has 225 residents that have already said "Yes in My Backyard."

Sincerely,



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Monte Sereno 6th Cycle Housing Element Update

HCD Preliminary Draft

October 11, 2022



Prepared by
EMC Planning Group

MONTE SERENO 6TH CYCLE HOUSING ELEMENT UPDATE HCD PRELIMINARY DRAFT

PREPARED FOR

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Table of Contents

| | | |
|-----|---|------|
| 1.0 | INTRODUCTION..... | 1-1 |
| 1.1 | Introduction | 1-1 |
| 1.2 | California’s Housing Crisis..... | 1-1 |
| 1.3 | Regional Housing Needs Allocation..... | 1-2 |
| 1.4 | Affirmatively Furthering Fair Housing..... | 1-3 |
| 1.5 | Overview of Planning Efforts | 1-8 |
| 1.6 | Public Participation | 1-10 |
| 2.0 | GOALS, POLICIES, AND PROGRAMS | 2-1 |
| 2.1 | Introduction | 2-1 |
| 2.2 | Program Overview and Quantified Objectives..... | 2-1 |
| 2.3 | Goals, Policies, and Programs | 2-2 |
| 3.0 | OVERVIEW OF HOUSING NEEDS AND CONSTRAINTS..... | 3-1 |
| 3.1 | Introduction | 3-1 |
| 3.2 | Monte Sereno Overview..... | 3-1 |
| 3.3 | Overview of Housing Needs | 3-3 |
| 3.4 | Governmental and Non-Governmental Constraints | 3-11 |
| 4.0 | VACANT AND AVAILABLE SITES | 4-1 |
| 4.1 | Introduction | 4-1 |
| 4.2 | Regional Housing Needs Allocation..... | 4-1 |
| 4.3 | Overview RHNA Strategy..... | 4-3 |
| 4.4 | Site Inventory | 4-6 |
| 4.5 | Summary and Conclusions..... | 4-7 |
| 5.0 | ENERGY CONSERVATION | 5-1 |
| 5.1 | Introduction | 5-1 |
| 5.2 | Opportunities for Energy Conservation | 5-1 |

Appendices

| | |
|------------|--------------------------------------|
| Appendix A | Monte Sereno Fair Housing Assessment |
| Appendix B | Housing Needs Assessment |
| Appendix C | Housing Constraints |

Tables

| | | |
|-----------|--|-----|
| Table 1-1 | Regional Housing Needs Allocation..... | 1-3 |
| Table 2-1 | Quantified Objectives | 2-1 |
| Table 3-1 | Population Growth Trends | 3-3 |
| Table 4-1 | Monte Sereno’s Regional Housing Needs Allocation – 2023–2031 | 4-2 |
| Table 4-2 | Monte Sereno’s Adjusted RHNA (TBD after January 1, 2023) | 4-2 |
| Table 4-3 | Vacant/Partially Vacant and Available Sites Capacity | 4-7 |
| Table 5-1 | PG&E Programs and Incentives for Residential Properties..... | 5-3 |

1.1 Introduction

This 2023-2031 Housing Element represents the City of Monte Sereno's intent to plan for the housing needs of the Monte Sereno community while meeting the State's housing goals as set forth in Article 10.6 of the California Government Code. The California State Legislature has identified the attainment of a decent home and a suitable living environment for every Californian as the State's major housing goal. The Monte Sereno Housing Element represents a sincere and creative effort to meet local and regional housing needs within the constraints of a fully established built-out community, limited land availability and extraordinarily high costs of land and housing.

Pursuant to State law, the Housing Element must be updated periodically according to statutory deadlines. This 6th Cycle Housing Element covers the planning period 2023 through 2031 and replaces the City's 5th Cycle Housing Element that covered the period 2015 through 2023.

Per State Housing Element law, the document must be periodically updated to:

- Outline the community's housing production objectives consistent with State and regional growth projections
- Describe goals, policies and implementation strategies to achieve local housing objectives
- Examine the local need for housing with a focus on special needs populations
- Identify adequate sites for the production of housing serving various income levels
- Analyze potential constraints to new housing production
- Evaluate the Housing Element for consistency with other General Plan elements
- Evaluate Affirmatively Furthering Fair Housing

1.2 California's Housing Crisis

The 6th Cycle Housing Element update comes at a critical time because California is experiencing a housing crisis, and as is the case for all jurisdictions in California, Monte Sereno must play its part in meeting the growing demand for housing. In the coming 20-year period, Santa Clara County is

projected to add 169,700 jobs,¹ which represents a 15 percent increase. These changes will increase demand for housing across all income levels, and if the region cannot identify ways to significantly increase housing production, it risks worsening the burden for existing lower-income households, many of whom do not have the luxury or skill set to move to a new job center, but that are nonetheless faced with unsustainable increases in housing cost.

If the region becomes less competitive in attracting high-skilled workers and increasingly unaffordable to lower-income workers and seniors, then social and economic segregation will worsen, only exacerbating historic patterns of housing discrimination, racial bias, and segregation. This potentiality has become so acute in recent years that the California Legislature addressed the issue with new legislation in 2018. SB 686 requires all state and local agencies to explicitly address, combat, and relieve disparities resulting from past patterns of housing segregation to foster more inclusive communities. This is commonly referred to as Affirmative Furthering Fair Housing, or AFFH (more on this below).

Monte Sereno has a good record of meeting its housing needs. In the last housing element cycle (2015 to 2023), for example, the City built 122 housing units. This exceeded Monte Sereno's Regional Housing Needs Allocation (RHNA), which called for the construction of 61 new housing units. Of the units built, over 40 percent (52 units) were affordable to very low-income households.² Most of the housing built came in the form of accessory dwelling units.

1.3 Regional Housing Needs Allocation

The Plan Bay Area 2050 Final Blueprint forecasts that the nine-county Bay Area will add 1.4 million new households between 2015 and 2050. For the eight-year time frame covered by this Housing Element Update, the Department of Housing and Community Development (HCD) has identified the region's housing need as 441,176 units. The total number of housing units assigned by HCD is separated into four income categories that cover housing types for all income levels, from very low-income households to market rate housing.³ This calculation is based on population projections produced by the California Department of Finance as well as adjustments that incorporate the region's existing housing need.

¹ Source: Plan Bay Area, Projections 2040. Association of Bay Area Governments and Metropolitan Transportation Commission, November 2018.

² Source: City of Monte Sereno post construction surveys.

³ HCD divides the RHNA into the following four income categories:

Very Low income: 0-50% of Area Median Income

Low income: 50-80% of Area Median Income

Moderate income: 80-120% of Area Median Income

Above Moderate income: 120% or more of Area Median Income

Almost all jurisdictions in the Bay Area received a larger RHNA this cycle compared to the last cycle, primarily due to changes in state law that led to a considerably higher RHNA compared to previous cycles.

On January 12, 2022, ABAG's adopted RHNA Methodology was approved by HCD. For Monte Sereno, the RHNA to be planned for this cycle is 193 units, a slated increase from the last cycle. [Table 1-1](#) shows the RHNA for Monte Sereno for the period 2023 through 2031.

Table 1-1 Regional Housing Needs Allocation

| Income Group | Percentage of AMI | Share |
|-----------------------|-------------------|-------|
| Very Low Income | <50 | 53 |
| Low Income | 51-80 | 30 |
| Moderate Income | 81-120 | 31 |
| Above Moderate Income | 121 + | 79 |
| Total | | 193 |

Source: ABAG

1.4 Affirmatively Furthering Fair Housing

Assembly Bill 686 (AB 686), signed in 2018, established an independent state mandate to affirmatively furthering fair housing (AFFH). AB 686 extends requirements for federal grantees and contractors to “affirmatively further fair housing,” including requirements in the federal Fair Housing Act, to public agencies in California. Affirmatively furthering fair housing is defined specifically as taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity by replacing segregated living patterns with truly integrated and balanced living patterns; transforming racially and ethnically concentrated areas of poverty into areas of opportunity; and fostering and maintaining compliance with civil rights and fair housing laws.

AB 686 requires public agencies to:

- Administer their programs and activities relating to housing and community development in a manner to affirmatively further fair housing;
- Not take any action that is materially inconsistent with the obligation to affirmatively further fair housing;
- Ensure that the program and actions to achieve the goals and objectives of the Housing Element affirmatively further fair housing; and
- Include an assessment of fair housing in the Housing Element.

The requirement to Affirmatively Further Fair Housing (AFFH) is derived from The Fair Housing Act of 1968, which prohibited discrimination concerning the sale, rental, and financing of housing based on race, color, religion, national origin, or sex—and was later amended to include familial status and disability. The 2015 U.S. Department of Housing and Urban Development (HUD) Rule to Affirmatively Further Fair Housing and California Assembly Bill 686 (2018) mandate that each jurisdiction takes meaningful action to address significant disparities in housing needs and access to opportunity. AB 686 requires that jurisdictions incorporate AFFH into their Housing Elements, which includes inclusive community participation, an assessment of fair housing, a site inventory reflective of AFFH, and the development of goals, policies, and programs to meaningfully address local fair housing issues.

An exhaustive AFFH analysis was prepared by Root Policy Research and is included as an appendix to this housing element (see Appendix A).

Primary AFFH Findings

Following are the primary AFFH findings:

- Monte Sereno differs from the county and Bay area overall for its relatively high proportion of residents identifying as Non-Hispanic White (71 percent in Monte Sereno to 32 percent in Santa Clara County) and small Hispanic population (7 percent in Monte Sereno and 25 percent in the county). Monte Sereno’s proportion of Black/African American and Other or mixed-race residents is similar to the county, in that it is less than 4 percent for both groups.
 - Fair housing issue and contributing factor(s): Lack of housing that accommodates the compared lower incomes of people of color, resulting in a lack of diversity in the city.
- Every census tract in Monte Sereno scores high on educational outcomes, meaning that all areas of the city provide access to strong educational environments. There is little variance in graduation rates among Monte Sereno high schoolers by race and ethnicity. Asian students graduated at a slightly higher rate (98.4 percent) than Hispanic and White students’ graduation rates (95.3 percent and 96.5 percent, respectively). African American students did not have enough students enrolled to accurately measure (less than 11 total). The lowest graduation rate is among students with a disability at 88.1 percent--still very high.
- All tracts in Monte Sereno are White majority. Compared to the Bay area overall, Monte Sereno is less segregated, although this is a factor of lack of diversity within Monte Sereno than a product of integrated communities.
 - Fair housing issue and contributing factor(s): Lack of housing that accommodates the lower incomes of people of color, resulting in a lack of diversity in the city.
- Poverty rates are very low for all residents and White and Asian residents experience no poverty according to census data. Low poverty is a factor of a housing market that favors high income households. Monte Sereno has a lower share of very low income residents than other

jurisdictions in the Bay area as a whole, a lower share of low income residents, a lower share of moderate income residents, and a higher share of above moderate income residents.

- Monte Sereno offers a moderate proximity to jobs, according to HUD's job proximity index. The city is largely made up of out-commuters who work in high wage professions in the region.
- Since 2015, the housing that has received permits to accommodate growth has largely been priced for the lowest income households, with 43 units permitted for very low-income households—representing 57 percent of all permits. Another 30 permits were issued for housing for above moderate-income households. This is vastly different than nearby Los Gatos, which permitted 134 units, of which none served low or very low-income households and 59 percent served above moderate income households.
- Monte Sereno offers a little to no variety of housing types with 96 percent single family detached units.
 - Fair housing issue and contributing factor(s): The predominance of single family detached housing in the city has led to an exclusive and high-priced ownership housing market relative to Santa Clara County and the Bay area overall.
- Rental housing is more attainable than ownership housing, due to the high proportion of rental units that rent for less than \$1,500/month. This is on par with the Bay area overall (35 percent renting below \$1,500/month) and better than county (22 percent).

Defining Segregation

Segregation is the separation of different demographic groups into different geographic locations or communities, meaning that groups are unevenly distributed across geographic space. This report examines two spatial forms of segregation: neighborhood level segregation *within* a local jurisdiction and city level segregation *between* jurisdictions in the Bay Area.

Neighborhood level segregation (*within* a jurisdiction, or *intra-city*): Segregation of race and income groups can occur from neighborhood to neighborhood *within* a city. For example, if a local jurisdiction has a population that is 20 percent Latino, but some neighborhoods are 80 percent Latino while others have nearly no Latino residents, that jurisdiction would have segregated neighborhoods.

City level segregation (*between* jurisdictions in a region, or *inter-city*): Race and income divides also occur *between* jurisdictions in a region. A region could be very diverse with equal numbers of white, Asian, Black, and Latino residents, but the region could also be highly segregated with each city comprised solely of one racial group.

There are many factors that have contributed to the generation and maintenance of segregation. Historically, racial segregation stemmed from explicit discrimination against people of color, such as restrictive covenants, redlining, and discrimination in mortgage lending. This history includes many

overtly discriminatory policies made by federal, state, and local governments (Rothstein 2017). Segregation patterns are also affected by policies that appear race-neutral, such as land use decisions and the regulation of housing development.

Segregation has resulted in vastly unequal access to public goods such as quality schools, neighborhood services and amenities, parks and playgrounds, clean air and water, and public safety (Trounstein 2015). This generational lack of access for many communities, particularly people of color and lower income residents, has often resulted in poor life outcomes, including lower educational attainment, higher morbidity rates, and higher mortality rates (Chetty and Hendren 2018, Ananat 2011, Burch 2014, Cutler and Glaeser 1997, Sampson 2012, Sharkey 2013).

Segregation Patterns in the Bay Area

Across the San Francisco Bay Area, white residents and above moderate-income residents are significantly more segregated from other racial and income groups (see Appendix 2). The highest levels of racial segregation occur between the Black and white populations. The analysis completed for this report indicates that the amount of racial segregation both *within* Bay Area cities and *across* jurisdictions in the region has decreased since the year 2000. This finding is consistent with recent research from the Othering and Belonging Institute at UC Berkeley, which concluded that “[a]lthough 7 of the 9 Bay Area counties were more segregated in 2020 than they were in either 1980 or 1990, racial residential segregation in the region appears to have peaked around the year 2000 and has generally declined since.”⁴ However, compared to cities in other parts of California, Bay Area jurisdictions have more neighborhood level segregation between residents from different racial groups. Additionally, there is also more racial segregation *between* Bay Area cities compared to other regions in the state.

Segregation and Land Use

It is difficult to address segregation patterns without an analysis of both historical and existing land use policies that impact segregation patterns. Land use regulations influence what kind of housing is built in a city or neighborhood (Lens and Monkkonen 2016, Pendall 2000). These land use regulations in turn impact demographics: they can be used to affect the number of houses in a community, the number of people who live in the community, the wealth of the people who live in the community, and where within the community they reside (Trounstein 2018). Given disparities in wealth by race and ethnicity, the ability to afford housing in different neighborhoods, as influenced by land use regulations, is highly differentiated across racial and ethnic groups (Bayer, McMillan, and Reuben 2004).⁵

⁴ For more information, see <https://belonging.berkeley.edu/most-segregated-cities-bay-area-2020>.

⁵ Using a household-weighted median of Bay Area county median household incomes, regional values were \$61,050 for Black residents, \$122,174 for Asian/Pacific Islander residents, \$121,794 for white residents, and \$76,306 for Latino residents. For the source data, see U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B19013B, Table B19013D, B19013H, and B19013I.

Segregation in City of Monte Sereno

The following are highlights of segregation metrics as they apply Monte Sereno.

- As of 2020, white residents are the most segregated compared to other racial groups in Monte Sereno, as measured by the isolation index. White residents live in neighborhoods where they are less likely to come into contact with other racial groups.
- Among all racial groups, the white population's isolation index value has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.
- According to the dissimilarity index, within Monte Sereno the highest level of racial segregation is between Black and white residents.⁶ However, local jurisdiction staff should note that this dissimilarity index value is not a reliable data point due to small population size.
- According to the Theil's H-Index, neighborhood racial segregation in Monte Sereno declined between 2010 and 2020. Neighborhood income segregation increased between 2010 and 2015.
- Above moderate-income residents are the most segregated compared to other income groups in Monte Sereno. Above moderate-income residents live in neighborhoods where they are less likely to encounter residents of other income groups.
- Among all income groups, the very low-income population's segregation measure has changed the most over time, becoming more segregated from other income groups between 2010 and 2015.
- According to the dissimilarity index, segregation between lower-income residents and residents who are not lower-income has increased between 2010 and 2015. In 2015, the income segregation in Monte Sereno between lower-income residents and other residents was lower than the average value for Bay Area jurisdictions.

Regional Segregation

The following are highlights of regional segregation metrics as they apply to Monte Sereno.

- Monte Sereno has a higher share of white residents than other jurisdictions in the Bay Area as a whole, a lower share of Latino residents, a lower share of Black residents, and a lower share of Asian/Pacific Islander residents.
- Regarding income groups, Monte Sereno has a lower share of very low-income residents than other jurisdictions in the Bay Area as a whole, a lower share of low-income residents, a lower share of moderate-income residents, and a higher share of above moderate-income residents.

⁶ The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5 percent of the jurisdiction's total population. ABAG/MTC recommends that when cities have population groups that are less than 5 percent of the jurisdiction's population (see Table 15 in Appendix 2), jurisdiction staff could focus on the isolation index or Thiel's H-Index to gain a more accurate understanding of neighborhood-level racial segregation in their jurisdiction.

1.5 Overview of Planning Efforts

This section provides an overview of planning and legislative efforts that provide the context for development of the 6th Cycle Housing Element.

Effectiveness of Previous Housing Element

The City of Monte Sereno experienced more development than projected in its Quantified Objectives (122 permits issued v. 61 projected). It met or exceeded its RHNA allocation for very low-income and above moderate-income households. The goals, objectives, policies, and actions in the 2015 Housing Element complied with State Housing Law and provided proper guidance for housing development in the City. In 2023 Housing Element update, objectives for each of the goals will be modified as appropriate to more specifically respond to the housing environment in Monte Sereno from 2023 to 2031. Policies will also be modified as needed to respond to current Housing Element Law and existing and anticipated residential development conditions. See Appendix E for a complete review and analysis of Monte Sereno's 5th Cycle Housing Element (2015-2023).

New State Laws Affecting Housing

While the City has taken steps throughout the 5th cycle to increase housing production locally, the State passed numerous laws to address California's housing crisis during the same period. As the State passes new legislation in the remainder of the 5th cycle and during the 6th cycle, the City will continue to amend the Municipal Code; to monitor and evaluate policies and programs designed to meet State requirements; and to proactively implement new policies and programs to help increase housing production citywide.

In 2019, several bills were signed into law that include requirements for local density bonus programs, the Housing Element, surplus lands, accessory dwelling unit (ADU) streamlining, and removing local barriers to housing production. The City will implement changes required by State law, likely through amendments to the Monte Sereno Municipal Code. The following is a summary of recent legislation and proposed City activities that will further the City's efforts to increase housing production during the 6th cycle. Please see the section above for a discussion of AB 686 (Affirmatively Furthering Fair Housing).

Incentives for Accessory Dwelling Units

Revisions to state ADU law further incentivized the development of accessory dwelling units (ADUs), through streamlined permits, reduced setback requirements, increased allowable square footage, reduced parking requirements, and reduced fees. The City has amended its regulations and procedures to make it easier and less expensive to build ADUs during the 5th Cycle Housing Element by, for example, exempting ADUs from parking requirements and certain fees. Further changes will be incorporated into the City's Municipal Code to ensure compliance with new

legislation. In addition to these actions, the City will identify options for incentivizing the construction of ADUs that are available specifically for, and affordable to, lower-income households.

Low-Barrier Navigation Centers

AB 101 requires jurisdictions to allow “low-barrier navigation centers” by-right in areas zoned for mixed uses and in nonresidential zones permitting multifamily uses, if the center meets specified requirements.

Surplus Public Land

AB 1255 and AB 1486 seek to identify and prioritize state and local surplus lands available for housing development affordable to lower-income households. The City has identified surplus lands through the adequate sites inventory of the 6th Cycle Housing Element and will report on these lands annually through the Housing Element Annual Progress Reports.

Accelerated Housing Production

AB 2162 and SB 2 address various methods and funding sources that jurisdictions may use to accelerate housing production. The City has used SB-2 grant funding to develop objective standards in order to streamline housing production.

Priority Processing

SB 330 enacts changes to local development policies, permitting, and processes that will be in effect through January 1, 2025. SB 330 places new criteria on the application requirements and processing times for housing developments; prevents localities from decreasing the housing capacity of any site, such as through downzoning or increasing open space requirements, if such a decrease would preclude the jurisdiction from meeting its RHNA housing targets; prevents localities from establishing non-objective standards; and requires that any proposed demolition of housing units be accompanied by a project that would replace or exceed the total number of units demolished. Additionally, any demolished units that were occupied by lower-income households must be replaced with new units affordable to households with those same income levels.

Housing and Public Safety

Finally, in response to SB 379 and other recent state legislation, local jurisdictions must update their safety element to comprehensively address climate adaptation and resilience (SB 379) and SB 1035 (2018) and identify evacuation routes (SB 99 and AB 747). These updates are triggered by the 6th Cycle housing element update. This housing element contains an evaluation of the existing safety element and contains programming actions to update the safety element to satisfy the new state requirements. Also, as sites are identified and analyzed for inclusion in the City’s housing site inventory, special attention will be paid to the risk of wildfire and the need for evacuation routes. In

this way, the City will coordinate updates to all three elements (land-use, housing, and safety), so that it can direct future development into areas that avoid or reduce unreasonable risks while also providing needed housing and maintaining other community planning goals.

Consistency with General Plan

The City of Monte Sereno General Plan was adopted in 2008 and is comprised of the following elements: 1) Land Use; 2) Housing Element; 3) Circulation; 4) Open Space and Conservation; 5) Public Services and Facilities; and 6) Health and Safety.

Monte Sereno's housing element is being updated at this time in conformance with the 2023-2031 update cycle for jurisdictions in the Association of Bay Area Governments (ABAG) region. The housing element builds upon the other general plan elements and contains policies to ensure that it is consistent with other elements of the general plan. As portions of the general plan are amended in the future, the plan (including the housing element) will be reviewed to ensure that internal consistency is maintained.

1.6 Public Participation

The primary purpose of this chapter is to describe the effort made by the City of Monte Sereno to engage all economic segments of the community (including residents and/or their representatives) in the development and update of the housing element. This public participation effort also includes formal consultation, pursuant to Government Code §65352.3, with representatives from nine Native American tribes that are present and active in the Santa Clara County. It is also responsive to AB 686 (Affirmatively Furthering Fair Housing), which requires local jurisdictions, as they update their housing elements, to conduct public outreach to equitably include all stakeholders in the housing element public participation program.

The 6th cycle RHNA numbers are a sea change for all California communities, and the success of the update process hinged in part on a community outreach and engagement program that was robust, inclusive, and meaningful. COVID-19 has complicated community outreach efforts, but the pandemic has also catalyzed the development of new digital tools that have brought interactive engagement to a new level. One such tool is an all-in-one digital community engagement platform called Engagement HQ, or *Bang the Table* (<https://www.bangthetable.com/>).

Bang the Table

The City of Monte Sereno partnered with *Bang the Table* as a cornerstone of its community outreach and engagement program. Using the “*Bang the Table*” platform, the update team developed an interactive engagement plan that allowed community members to engage on their own time. Components of the interactive engagement plan included:

- **Website.** At Home in Monte Sereno at <https://athomeinmontesereno.com/> is a dedicated website that provides portal to all of the housing-element-related public engagement activities that are available to members of the public. This includes information on housing element basics, site surveys, an SB 9 survey, and materials from community workshops.
- **Ideas.** These “virtual post-it notes” were a way for Monte Sereno community-members to share what inspired them.
- **Places.** Gathered feedback and photos directly on a map with a simple “pin” drop.
- **Stories.** Helped Monte Sereno better understand, empathize, and relate to others and to all that contributed to the housing element discussion.
- **Guestbook.** Simple, streamlined, and moderated space where Monte Sereno community-members uploaded comments.
- **Q&A.** Received questions in a managed space that accommodated messages through the iterative brainstorming process.
- **Polls.** Questions were posed to get immediate insight with this quick and targeted tool.
- **Surveys.** Encouraged Monte Sereno community-members to voice their opinions in a convenient way that also helped City staff understand what areas of the city need more encouragement to participate. Aggregate data also helped the city understand generally who is participating with the outreach tools.

Monte Sereno’s community engagement program included an initial presentation to City Council, two (2) community meetings (one via zoom and one in person), multiple post cards mailed to each household/resident, article in the Spring 2022 citywide newsletter, information provided at the annual Citywide picnic, direct emails to interested parties, and online/virtual participation opportunities made possible through *Bang the Table* (described above). Also, as part of this effort, the update team developed a list of organizations that were contacted to participate in the update process, and that list is attached as [Appendix F](#).

Public Participation to Affirmatively Furthering Fair Housing

The Monte Sereno public participation program was also responsive to AFFH, which requires local jurisdictions to conduct public outreach to equitably include all stakeholders in the housing element public participation program (see the discussion above for more complete information on AFFH).

Tribal Consultation

This public participation effort also includes formal consultation, pursuant to Government Code §65352.3, with representatives from nine (9) Native American tribes that are present and active in the Santa Clara County.

Review of Draft and Final Housing Element

[to be completed later]

2.0 Goals, Policies, and Programs

2.1 Introduction

The City is responsible for enabling the production of housing by reducing regulatory barriers, providing incentives, and supporting programs that create or preserve housing, especially for vulnerable populations. To enable the construction of quality housing, the City has identified four Goals:

- H-1 Facilitate Housing Construction
- H-2 Provide New Affordable and Equal Opportunity Housing
- H-3 Maintain and Improve the Existing Housing Stock
- H-4 Publicize Resources

2.2 Program Overview and Quantified Objectives

Quantified objectives estimate the number of units likely to be constructed, rehabilitated, or conserved/preserved by income level during the planning period. The quantified objectives do not represent a ceiling on development, but rather set a target goal for the jurisdiction to achieve, based on needs, resources, and constraints.

Table 2-1 Quantified Objectives

| Income Category | New Construction | Rehabilitation | Conservation/Preservation |
|-----------------|------------------|----------------|---------------------------|
| Extremely low | 33 | 0 | 0 |
| Very Low | 34 | 0 | 0 |
| Low | 67 | 0 | 0 |
| Moderate | 68 | 0 | 0 |
| Above Moderate | 27 | 0 | 0 |

SOURCE: City of Monte Sereno

2.3 Goals, Policies, and Programs

GOAL H-1: FACILITATE HOUSING CONSTRUCTION

Policies

Policy H-1.1 Efficient Development Processing

Remove constraints to the production and availability of housing, consistent with other General Plan policies.

(Formerly Policy H-1.1.2)

Policy H-1.2 Housing Design Principles

Require that residential development is well-integrated into the natural environment and physical landscape of the site and scenic qualities are preserved such as hills, ridgelines and views.

(Formerly Policy H-1.2)3

Policy H-1.3 Adequate Housing Sites

Ensure that sites are provided as needed for a variety of housing types for all income levels to accommodate Monte Sereno's RHNA for 2023-2031.

(Formerly Policy H-2.4 modified)

Programs

A Improve Permit Processing Timelines

Risk and costs associated with the planning entitlement timelines act as a deterrent to housing developers. The City will monitor average processing times for ministerial and discretionary development permits, and use data on processing times and applications to track review times and trends in development. The City will identify revisions to the City's procedures in order to expedite the development review process, such as removing multiple permit requirements, especially for special needs housing and affordable housing for very low, low and moderate-income households.

Responsibility: City Staff and Council

Time Frame: Review and update annually.

Funding Source: General Fund

(Formerly Program H-4.3 modified)

B Site Development Permits

Consistent application of City regulations and Design Standards facilitate new development and increase certainty for housing developers. The City will continue to require Site Development Permit approval for all new homes and require project consistency with the City Objective Design Standards. The following are exempt from Site Development Permit approval in accordance with State Law:

- Accessory Dwelling Units;
- Units subject to SB 9 California Housing Opportunity and More Efficiency (HOME) Act which enables homeowners to split their single-family residential lot into two separate lots and build up to two new housing units on each.

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2022-2031 planning period

Funding Source: None required

(Formerly Program H-1.1 modified)

C Facilitate Parcel Maps

Aligning the process for subdivisions of four lots or fewer reduces the administrative burden and incentivizes the establishment of new lots for development. The City will revise Municipal Code Section 13.01.050 by December 2025 to eliminate the Tentative Map requirement for subdivisions of two or more lots and replace it with a Parcel Map requirement for four lots or fewer consistent with the Subdivision Map Act.

Responsibility: City Staff and Council

Time Frame: 2023-2024

Funding Source: General Fund

Quantified Objective: 27 Above Moderate-income units

(New Program)

D Flag Lots

Flag lots are a method to increase the number of lots in the City available for residential development. The City will evaluate Municipal Code Section 13.02.300 Flag Lot regulations and update the requirements to facilitate new flag lots including reducing minimum lot sizes, setbacks and frontage requirements.

Responsibility: City Staff and Council
Time Frame: Amend Ordinance and Complete Necessary General Plan Amendments in the period 2023 thru December 2024
Funding Source: General Fund
Quantified Objective: 25 Above Moderate

(New Program)

E Facilitate Subdivision

The City will review the current SB 9 regulations to facilitate new construction in accordance with existing City Zoning district development standards.

Responsibility: City Staff and Council
Time Frame: Amend Ordinance in the period 2023 thru December 2024
Funding Source: General Fund
Quantified Objective: 25 Above Moderate

(New Program)

F Update the General Plan

The City's 2008 General Plan has a 2025 planning horizon. The document represents the policy direction of the 2008 City Council on community values, ideals and aspirations to govern a shared environment through 2025. The housing environment has changed dramatically since 2008 with land prices, development costs, and housing costs significantly more costly and constrained. Given the age of the General Plan and the changes in the community and region since the Plan's adoption the City will plan on updating the General Plan.

Responsibility: City Staff and Council
Time Frame: Budget and initiate update in FY 2024-25
Funding Source: General Fund

(New Program)

GOAL H-2: PROVIDE NEW AFFORDABLE AND EQUAL OPPORTUNITY HOUSING

Policies

Policy H-2.1 Fair Housing

Support special need population groups gaining access to housing and continue to enforce fair housing laws prohibiting arbitrary discrimination in the building, financing, selling or renting of housing on the basis of: race, national origin, citizenship/immigration status, primary language, age, religion, disability, sex (including gender identity and sexual orientation), genetic information, marital status, family status (including pregnancy), source of income, and military or veteran status. Support expansion of housing choice for persons and families who are underrepresented in the city relative to the county by developing affordable housing, more diverse and affordable housing types, and affirmatively market availability of units constructed to under-represented households in the county (e.g., through local employers, nonprofit partners, affordable housing listing services).

(Formerly Policy H-4.1)

Policy H-2.2 Housing Options for Seniors

Assist seniors as a growing proportion of the Monte Sereno Community in identifying and developing suitable living situations. Ensure that housing options are affirmatively marketed to under-represented households in the county (e.g., nonprofit partners who serve seniors of color).

(Formerly Policy H-4.2)

Policy H-2.3 Accessory Dwelling Units

Encourage the construction of new Accessory Dwelling Units through incentives, and increased public outreach to meet the need for lower income housing in the City.

(Formerly Policy H-2.1 modified)

Policy H-2.4 Development Incentives

Facilitate the development of affordable housing through incentives and concessions and/or financial assistance.

(New Policy)

Programs

G Development Incentives

An effective tool for increasing housing production are development incentives. The City will make specific outreach efforts with developers of housing affordable to lower income and special need households, including incentives such as density bonuses, fee waivers or other incentives. The City will also update its local density bonus ordinance, and assist with identifying and/or applying for project funding from other sources including, but not limited to, CDBG and HOME funds, at the request of the developer.

Responsibility: City Staff and Council

Time Frame: Amend Ordinance and Complete Necessary General Plan Amendments in the period 2025 thru 2026; Biannually (for Developer Assistance)

Funding Source: General Fund

(Formerly Program H-2.5)

H Employee Housing

Per Health and Safety Code Sections 17021.5 and 17021.6, the City will revise the Municipal Code to allow employee housing serving six or fewer agricultural employees in any residentially zoned areas, subject to the same standards that apply to a single-family residence. Employee housing is rented on a monthly basis, and can provide an entry point into the housing market.

Responsibility: City Staff and Council

Time Frame: Amend Ordinance in the period 2025 thru 2026

Funding Source: General Fund

(Formerly programs H-2.6)

I Accessory Dwelling Units

Accessory dwelling units are complete independent housing units that can be either detached or attached from an existing single-family residence. Based on their relatively small size, and because they do not require paying for land or major new infrastructure, accessory dwelling units ("ADUs") are considered affordable by design. ADUs can provide affordable housing options for family members, seniors, students, in-home health care providers, and other small household types. ADUs can also be useful to

generate additional rental income for the homeowner. The City will continue to administer and improve the Accessory Dwelling Units (ADU) Program, with the following actions:

- Continue to survey affordability and use of ADUs.
- Establish incentives for ADU construction by creating a building permit fee waiver/reduction program.
- Create an outreach program to each resident to inform them of the ADU code allowances and building permit fee waiver/reduction program.
- Establish pre-approved ADU plans that meet all building, fire, and zoning codes. This would assist property owners with the planning of a new ADU by lowering design costs and streamlining the architectural work. Monte Sereno will work with the Santa Clara County Housing Collaborative on the option of coordinating this program with other local jurisdictions.
- Publish and advertise the available incentives for ADUs through the City website and at City Hall front counter (ongoing).
- Provide the Accessory Dwelling Unit Handbook published by the State Department of Housing and Community Development (HCD) directly to Monte Sereno residents.
- Review local ADU regulations to determine where local requirements for more restrictive than the State laws and consider removing any more restrictive local requirements.

Responsibility: City Staff and Council

Time Frame: Approve Program amendments to remove identified constraints to Accessory Dwelling Unit production in the 2022-2031 planning period

Funding Source: General Fund

Quantified Objective: 193 Total New Accessory Dwelling Units, as follows: 29 Extremely Low, 29 Very Low, 58 Low, 58 Moderate

(Formerly Program H-2.1 modified)

J Special Needs Households

Households with Special Needs (including persons with physical and developmental disabilities) oftentimes have difficulty securing affordable and appropriate housing. In order to encourage the development of housing that meets the needs of this population, the City will:

- Promote the use of Accessory Dwelling Units as an opportunity to provide affordable housing for special needs individuals, such as seniors (and their caregivers) and disabled family members;
- Continue to allow transitional housing, supportive housing and residential care facilities, including group homes for six or less persons, as a use by right in all R-1 neighborhoods; and
- Annually contact nonprofit housing sponsors, such as West Valley Community Services, to coordinate and implement a strategy for developing or making housing available for lower and moderate-income households, including special needs households.

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2023-2031 planning period

Funding Source: General Fund

(Formerly Program H-4.1)

K Seniors and Accessory Dwelling Units

The City will assist seniors to “age in place” and better utilize existing housing and residential lots by promoting Accessory Dwelling Units as viable housing option. Staff will develop an outreach plan specifically targeted at seniors to encourage the development of ADUs.

Responsibility: City Staff and Council

Time Frame: December 2025

Funding Source: General Fund

(Formerly Program H-4.2 modified)

L Shared Housing Options

The City will explore and implement if appropriate other options to provide additional affordable housing opportunities within its existing housing stock. For example, shared housing or renting rooms would be most appropriate for a community such as Monte Sereno that has many large housing units capable of housing more people. Shared Housing programs, such as COVIA, match persons needing housing with homeowners

and others who have space to rent. At a minimum, the City will contact shared housing agencies and publicize opportunities to share housing, including the Silver Nest program through Project Sentinel.

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2023-2031 planning period

Funding Source: General Fund

Quantified Objective: 5 Extremely Low and 5 Very Low-Income Persons

(Formerly Program H-2.2)

M Countywide Cooperation

The City will work with nearby communities to explore countywide affordable housing needs and solutions. On an annual basis, the City Manager will provide a summary report of activities in cooperation with other jurisdictions/agencies to further increase the supply of affordable housing in the County of Santa Clara. Also, included in this report will be a description of the City's efforts to meet its RHNA goals. This information will also be included in the City's annual Housing Element update to HCD.

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2023-2031 planning period

Funding Source: General Fund

(Formerly Program H-2.4)

N Reasonable Accommodation

The City will continue to implement its "Reasonable Accommodations" procedures as contained in the Municipal Code.

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2023-2031 planning period

Funding Source: General Fund

(Formerly Program H-5.1)

O Fair Housing

The City will work with other organizations to promptly address complaint of discrimination in the sale, rent and development of housing in Monte Sereno.

Responsibility: City Staff and Council
Time Frame: Annually, ongoing through the 2023-2031 planning period
Funding Source: General Fund

(Formerly Program H-5.2)

P Low Barrier Navigation Center

AB101 (2019) provides a pathway to permanent housing for people experiencing homelessness. In order to comply with State law, the City will amend the Zoning Code definitions to include the definition for “Low Barrier Navigation Center.”

Responsibility: City Staff and Council
Time Frame: Complete by December 2024
Funding Source: General Fund

(New Program)

GOAL H-3: MAINTAIN AND IMPROVE THE EXISTING HOUSING STOCK.

Policies

Policy H-3.1 Property and Housing Conditions

Support the efforts of property owners to maintain and improve homes in Monte Sereno.

(Formerly Policy H-3.1)

Policy H-3.2 Infrastructure

Ensure adequate investments in public services and facilities to maintain a high-quality living environment in older residential neighborhoods.

(Formerly Policy H-3.2)

Policy H-3.3 Energy Conservation

Encourage energy conserving practices in the maintenance of existing dwellings and in new residential development.

(Formerly Policy H-3.3)

Programs

Q Housing Maintenance

Maintenance and upkeep of housing is critical to ensure health and safety, prevent major costly damages, and ensure a high-quality housing stock. The City will continue to pursue code enforcement on homes that are not maintained in compliance with City codes.

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2023-2031 planning period

Funding Source: General Fund

(Formerly Program H-3.1)

R Infrastructure Capital Improvements

City infrastructure including sewer and roads are critical for housing. The City will review and revise on a biannual basis the Capital Improvement Program (CIP) to identify public infrastructure priorities that will maintain the community's older residential neighborhoods.

Responsibility: City Staff and Council

Time Frame: Biannually, ongoing through the 2023-2031 timeframe

Funding Source: General Fund

(Formerly Program H-3.2)

S Energy Conservation

Conserving energy helps preserve the integrity of the electrical grid and reduces emissions that contribute to climate change. The City will encourage energy conservation practices for new and existing residential dwelling units by enforcing State and local regulations and encouraging incentives for energy conservation “best practices.”

Suggested actions include:

- Continue to offer streamlining and reduced permitting fees for solar panel installations;
- Continue to implement the CALGreen building code requirements;
- Continue to evaluate “Reach Codes” for all-electric building requirements;

- Provide information regarding rebate programs and energy audits available through PG&E; and
- Provide resource materials regarding green building and conservation programs.

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2023-2031 planning period

Funding Source: General Fund

(Formerly Program H-3.3)

T **Water Conservation**

Water conservation is an important component of energy and resource conservation. The City will adopt a water conservation ordinance modeled on Valley Water’s Model Water Efficiency New Development Ordinance, which is responsive to extended drought conditions in California.

Responsibility: City Staff and Council

Time Frame: Completed by the end of FY 2023/24

Funding Source: General Fund

(New Program)

GOAL H-4: PUBLICIZE RESOURCES

Policies

Policy H-4.1 Promote and Enforce Fair Housing

Continue to promote and enforce fair housing laws prohibiting arbitrary discrimination in the building, financing, selling or renting of housing on the basis of: race, national origin, citizenship/immigration status, primary language, age, religion, disability, sex (including gender identity and sexual orientation), genetic information, marital status, family status (including pregnancy), source of income, and military or veteran status.

(New Policy)

Programs

U Communicating to the public about fair housing laws and available programs is essential to raise awareness and to connect people with resources. The City will provide written information on fair housing laws and resources at the Planning Department counter as well as on the City’s website. Further, the City will promote the use of Project Sentinel, a

HUD approved housing counseling agency in Santa Clara County as a resource for fair housing information and advisory services. The City will work with other organizations to promptly address complaint of discrimination in the sale, rent and development of housing in Monte Sereno.

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2023-2031 planning period

Funding Source: General Fund

(Formerly Program H)

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Overview of Housing Needs and Constraints

3.1 Introduction

This chapter summarizes housing needs and constraints in the City of Monte Sereno. The analysis of housing needs primarily utilizes data compiled by Association of Bay Area Governments (ABAG) in the “Housing Needs Data Report: Monte Sereno” (ABAG/MTC, Baird + Driskell Community Planning, April 2, 2021), which was approved by the California Department of Housing and Community Development (HCD). For a detailed analysis of housing needs, please see Appendix B—Housing Needs Assessment. Also, for a detailed analysis of governmental and non-governmental constraints, please see Appendix C—Housing Constraints.

3.2 Monte Sereno Overview

The Bay Area continues to see growth in both population and jobs, which means more housing of various types and sizes is needed to ensure that residents across all income levels, ages, and abilities have a place to call home. While the number of people drawn to the region over the past 30 years has steadily increased, housing production has stalled, contributing to the housing shortage that communities are experiencing today. In many cities, this has resulted in residents being priced out, increased traffic congestion caused by longer commutes, and fewer people being able to purchase homes or meet surging rents. The Monte Sereno 6th Cycle Housing Element provides a roadmap for City officials as they join the effort to solve the region’s housing challenges.

Summary of Key Facts

Monte Sereno is a quiet residential community that was incorporated as a response to annexation pressure from surrounding cities. Monte Sereno built-out residential community with no central core or downtown area. Early in the City’s history, the beauty and tranquility of the area attracted artists and writers looking for a peaceful and inspirational place to pursue their craft, which included American author John Steinbeck, who wrote the *Grapes of Wrath* while living in the community. In the current context of housing shortages throughout California and particularly the Bay Area, Monte Sereno has faced its unique challenge primarily through the construction of accessory dwelling units. This approach has allowed the community to maintain its essential character while meeting its regional housing obligations.

In Monte Sereno, disparity in housing choice—particularly for low- and moderate-income households living in other parts of the county and in the region—is the main challenge confronting the city. Although Monte Sereno has done well in permitting affordable accessory dwelling units, the City’s lack of vacant land limits its ability to produce standalone affordable housing types, such as apartments. This, in turn, has prevented low- and moderate-income households who exist in the county and broader region from residing in the City.

- Population growth trends in Monte Sereno are significantly lower than the county and regional rates.
- The community differs from the county and Bay area overall for its relatively high proportion of residents identifying as Non-Hispanic White (71 percent in Monte Sereno compared to 32 percent in Santa Clara County) and small Hispanic population (seven percent in Monte Sereno and 25 percent in the county).
- Monte Sereno scores high on educational outcomes, meaning that all areas of the city provide access to strong educational environments.
- Poverty rates are very low for all residents Monte Sereno has a lower share of very low-income residents than other jurisdictions in the Bay area as a whole, a lower share of low-income residents, a lower share of moderate-income residents, and a higher share of above moderate-income residents.
- Monte Sereno is located close to jobs, but does not have many jobs in the city itself. The city is largely made up of out-commuters who work in high wage professions in the region.
- Since 2015, Monte Sereno has met and surpassed its goal of providing housing for the lowest income households, with 43 units permitted for very low-income households—representing 57 percent of all permits. Another 30 permits were issued for housing for above moderate-income households. This is significantly different than nearby Monte Sereno, which permitted 134 units, of which none served low- or very low-income households and 59 percent served above moderate income households.
- Nonetheless, Monte Sereno lacks housing that accommodates the lower incomes, resulting in a lack of diversity in the city. Monte Sereno offers a little to no variety of housing types with 96 percent single-family detached units. This predominance of single-family detached housing in the city has led to an exclusive and high-priced ownership housing market relative to Santa Clara County and the Bay area overall.
- In the last decade home prices in Monte Sereno have increased by 75.3 percent, and the largest proportion of homes in the city have a value in excess of \$2 million. The trend is slightly less dramatic for rental housing, but still of concern. For rental housing prices increased by 36.0

- percent, and the typical rent for an apartment in Monte Sereno is approximately \$2,700. To afford the typical apartment in Monte Sereno without cost burden, a Monte Sereno household would need to earn \$108,880 annually.¹
- Segregation is essentially absent in Monte Sereno, as all residents live in neighborhoods identified as “Highest Resource” or “High Resource” areas by State-commissioned research, while none live in areas identified by this research as “Low Resource” or “High Segregation and Poverty” areas. The primary reason for this outcome is that lower-income households are largely absent from the community.

3.3 Overview of Housing Needs

The following section provides an overview of demographic information, housing characteristics, and special housing needs in Monte Sereno. For a more complete discussion of housing needs, see Appendix B.

Population Trends

Generally, the population of the Bay Area continues to grow because of natural growth and because the strong economy draws new residents to the region. The population of Monte Sereno increased by 3.2 percent since 2000, which is significantly below the 14.8 percent growth rate of the Bay Area. In 2020 the population of Monte Sereno was estimated to be 3,594 according to the Department of Finance. The population of Monte Sereno makes up 0.2 percent of Santa Clara County.² In Monte Sereno, roughly 4.9 percent of its population moved during the past year, a number that is significantly below the regional rate of 13.4 percent. Table 3-1 shows population growth trends for Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Table 3-1 Population Growth Trends

| Geography | 1990 | 1995 | 2000 | 2005 | 2010 | 2015 | 2020 |
|-----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Monte Sereno | 3,287 | 3,236 | 3,483 | 3,493 | 3,341 | 3,465 | 3,594 |
| Santa Clara Co. | 1,497,577 | 1,594,818 | 1,682,585 | 1,752,696 | 1,781,642 | 1,912,180 | 1,961,969 |
| Bay Area | 6,020,147 | 6,381,961 | 6,784,348 | 7,073,912 | 7,150,739 | 7,595,694 | 7,790,537 |

SOURCE: California Department of Finance, E-5 series

¹ Note that contract rents may differ significantly from, and often being lower than, current listing prices.

² To compare the rate of growth across various geographic scales, Figure 2-1 shows population for the jurisdiction, county, and region indexed to the population in the year 1990. This means that the data points represent the population growth (i.e., percent change) in each of these geographies relative to their populations in 1990. NOTE: Universe: Total population; For more years of data, please refer to the Data Packet Workbook, Table POPEMP-01.

Population by Age

The distribution of age groups in a city shapes what types of housing the community may need in the near future. An increase in the older population may mean there is a developing need for more senior housing options, while higher numbers of children and young families can point to the need for more family housing options and related services. There has also been a move by many to age-in-place or downsize to stay within their communities, which can mean more multifamily and accessible units are also needed.

In 2019, the median age was 48 years, and increase from the median age of 42 in 2000. The population of those under 15 has increased since 2010, while the 65-and-over population has increased. This reflects a nationwide aging trend related to the large Baby Boom Generation as well as some local characteristics. The City of Monte Sereno is a community with a high quality of life and pleasant climate that encourages residents to stay throughout their lives. Aging in place, attracting retirees, and high housing costs that favor older, more financially stable households all contribute to the aging trend in the city.

Population by Race/Ethnicity

Understanding the racial makeup of a city and region is important for designing and implementing effective housing policies and programs. These patterns are shaped by both market factors and government actions, such as exclusionary zoning, discriminatory lending practices and displacement that has occurred over time and continues to impact communities of color today.³

Since 2000, the percentage of residents in the City of Monte Sereno identifying as White, Non-Hispanic has decreased by 12.6 percentage points, with this 2019 population standing at 2,456. At the same time the percentage of residents of all Other Race of Multiple Races, Non-Hispanic has increased. In absolute terms, the Asian/API, Non-Hispanic population increased the most while the White, Non-Hispanic population decreased the most. In 2020, 72.3 percent of Monte Sereno's population was White, which is significant below the proportion in the Bay Area as a whole.⁴

Employment

The largest industry in which Monte Sereno residents work is *Financial & Professional Services*, and the largest sector in which Santa Clara residents work is *Health & Educational Services*. For the Bay Area as a whole, the *Health & Educational Services* industry employs the most workers.

³ See, for example, Rothstein, R. (2017). *The color of law: a forgotten history of how our government segregated America*. New York, NY & London, UK: Liveright Publishing.

⁴ The Census Bureau's American Community Survey accounts for ethnic origin separate from racial identity. The numbers reported here use an accounting of both such that the racial categories are shown exclusive of Latinx status, to allow for an accounting of the Latinx population regardless of racial identity. The term Hispanic has historically been used to describe people from numerous Central American, South American, and Caribbean countries. In recent years, the term Latino or Latinx has become preferred. This report generally uses Latinx, but occasionally when discussing US Census data, we use Hispanic or Non-Hispanic, to clearly link to the data source.

Monte Sereno has many more housing than jobs, and this has improved only slightly over time. The jobs-household ratio in Monte Sereno increased from 0.29 to 0.37 jobs per household between 2002 and 2018. This deficit of jobs relative to residents suggests that most people travel outside the community to work. Monte Sereno has more low-wage *residents* than low-wage *jobs* (where low-wage refers to jobs paying less than \$25,000). At the other end of the wage spectrum, the city has more high-wage *residents* than high-wage *jobs* (where high-wage refers to jobs paying more than \$75,000).

Household Characteristics

Extremely Low-Income Households

Despite the economic and job growth experienced throughout the region since 1990, the income gap has continued to widen. California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the state.

In Monte Sereno, 79.3 percent of households make more than 100 percent of the Area Median Income (AMI)⁵, compared to 8.2 percent making less than 30 percent of AMI, which is considered extremely low-income. Regionally, more than half of all households make more than 100 percent AMI, while 14.7 percent make less than 30 percent AMI. In Santa Clara County, 30 percent AMI is the equivalent to the annual income of \$39,900 for a family of four. Many households with multiple wage earners, including food service workers, full-time students, teachers, farmworkers and healthcare professionals, can fall into lower AMI categories due to relatively stagnant wages in many industries.

Throughout the region, there are disparities between the incomes of homeowners and renters. Typically, the number of low-income renters greatly outpaces the amount of housing available that is affordable for these households. In Monte Sereno, the largest proportion of both homeowners and renters falls in the *Greater than 100 percent of AMI* group.

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents.⁶ These economic disparities also leave communities of color at higher

⁵ Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Households making between 80 and 120 percent of the AMI are moderate-income, those making 50 to 80 percent are low-income, those making 30 to 50 percent are very low-income, and those making less than 30 percent are extremely low-income. This is then adjusted for household size.

⁶ Moore, E., Montojo, N. and Mauri, N., 2019. Roots, Race & Place: A History of Racially Exclusionary Housing the San Francisco Bay Area. *Hass Institute*.

risk for housing insecurity, displacement or homelessness. In Monte Sereno, *Hispanic or Latino* and *Other Race or Multiple Races (Hispanic and Non-Hispanic)* residents experience the highest rates of poverty, followed by *White (Hispanic and Non-Hispanic)* residents.

Tenure

The number of residents who own their homes compared to those who rent their homes can help identify the level of housing insecurity (i.e., ability for individuals to stay in their homes) in a City and region. Generally, renters may be displaced more quickly if prices increase. In Monte Sereno there are a total of 1,128 housing units, and fewer residents rent than own their homes: 6.5 percent versus 93.5 percent. By comparison, 43.6 percent of households in Santa Clara County are renters, while 43.9 percent of Bay Area households rent their homes.

Homeownership rates often vary considerably across race/ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth, but also stem from federal, state, and local policies that limited access to homeownership for communities of color while facilitating homebuying for white residents. While many of these policies, such as redlining, have been formally disbanded, the impacts of race-based policy are still evident across Bay Area communities. In Monte Sereno, all non-White households owned their homes, while homeownership rates were 91.8 percent for White households. Notably, recent changes to state law require local jurisdictions to examine these dynamics and other fair housing issues when updating their Housing Elements.

In many cities, homeownership rates for households in single-family homes are substantially higher than the rates for households in multi-family housing. In Monte Sereno, 93.4 percent of households in detached single-family homes are homeowners.

Displacement

Because of increasing housing prices, displacement is a major concern in the Bay Area. Displacement has the most severe impacts on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they also lose their support network.

The University of California, Berkeley has mapped all neighborhoods in the Bay area, identifying their risk for gentrification. They find that in Monte Sereno, there are no households that live in neighborhoods that are susceptible to or experiencing displacement and none live in neighborhoods at risk of or undergoing gentrification. Equally important, some neighborhoods in the Bay Area do not have housing appropriate for a broad section of the workforce. UC Berkeley estimates that all households in Monte Sereno live in neighborhoods where low-income households are likely to be excluded due to prohibitive housing costs.

Housing Stock Characteristics

Number of Homes

The number of new homes built in the Bay Area has not kept pace with the demand, resulting in longer commutes, increasing prices, and exacerbating issues of displacement and homelessness. The number of homes in Monte Sereno increased, 2.7 percent from 2010 to 2020, which is significantly below the growth rate for Santa Clara County and below the growth rate of the region's housing stock during this time period.

Between 2015 and 2021, 122 housing units were issued permits in Monte Sereno which represents 200 percent of the RHNA number of 61 units assigned in the 5th cycle Housing Element.

Approximately 43 percent of permits issued in Monte Sereno were for lower-income housing.

Housing Type

It is important to have a variety of housing types to meet the needs of a community today and in the future. In 2020:

- 95.6 percent of homes in Monte Sereno were single family detached.
- 2.7 percent were single family attached.
- 0.3 percent were small multifamily (2-4 units).
- 1.4 percent were medium or large multifamily (5+ units).

The housing stock of Monte Sereno is generally in good condition, and a few homes require reconstruction or rehabilitation. The high quality of life, desirable location, walkable neighborhoods, and exceptional schools have provided the market signals and financial incentive for property owners to rehabilitate homes and maintain them.

Home Prices

A diversity of homes at all income levels creates opportunities for all Monte Sereno residents to live and thrive in the community.

- **Ownership** The largest proportion of homes had a value in excess of \$2 million in 2019. Home prices increased by 75.3 percent from 2010 to 2020.
- **Rental Prices** – The typical rent for an apartment in Monte Sereno is approximately \$2,700, and rental prices have increased by 36.0 percent in the last decade. To afford the typical apartment in Monte Sereno without cost burden, a Monte Sereno household would need to earn \$108,880 annually.⁷ According to Census data, there are approximately 73 renter-occupied units in Monte Sereno, or about 66 percent of the total number of housing units

⁷ Note that contract rents may differ significantly from, and often being lower than, current listing prices.

Cost Burden

The U.S. Department of Housing and Urban Development considers housing to be affordable for a household if the household spends less than 30 percent of its income on housing costs. A household is considered “cost-burdened” if it spends more than 30 percent of its monthly income on housing costs, while those who spend more than 50 percent of their income on housing costs are considered “severely cost-burdened.” In Monte Sereno, 12.1 percent of households spend 50 percent or more of their income on housing.

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. As a result, they often pay a greater percentage of their income on housing, and in turn, are at a greater risk of housing insecurity.

Neighborhood

100 percent of residents in Monte Sereno live in neighborhoods identified as “Highest Resource” or “High Resource” areas by State-commissioned research, while none live in areas identified by this research as “Low Resource” or “High Segregation and Poverty” areas. These neighborhood designations are based on a range of indicators covering areas such as education, poverty, proximity to jobs and economic opportunities, low pollution levels, and other factors.⁸

Special Housing Needs

Some population groups may have special housing needs that require specific program responses, and these groups may experience barriers to accessing stable housing due to their specific housing circumstances.

Large Households

Large households, with five (5) or more persons, often have different housing needs than smaller households. If a city’s rental housing stock does not include larger apartments, large households who rent could end up living in overcrowded conditions. In Monte Sereno, all units occupied by large households (i.e., five (5) or more persons) are owner occupied. In 2017, there were no large households in Monte Sereno that were very low-income (i.e., earning less than 50 percent of the area median income).

⁸ For more information on the “opportunity area” categories developed by HCD and the California Tax Credit Allocation Committee, see this website: <https://www.treasurer.ca.gov/ctcac/opportunity.asp>. The degree to which different jurisdictions and neighborhoods have access to opportunity will likely need to be analyzed as part of new Housing Element requirements related to affirmatively furthering fair housing. ABAG/MTC will be providing jurisdictions with technical assistance on this topic this summer, following the release of additional guidance from HCD.

Female Headed Households

Households headed by one person are often at greater risk of housing insecurity, particularly female-headed households, who may be supporting children or a family with only one income. Female-headed households with children may face particular housing challenges, with pervasive gender inequality resulting in lower wages for women. Moreover, the added need for childcare can make finding a home that is affordable more challenging.

In Monte Sereno, the largest proportion of households is *Married-Couple Family Households* at 85.2 percent of total, while *Female-Headed Households* make up 3.1 percent of all households.

Senior Households

Senior households often experience a combination of factors that can make accessing or keeping affordable housing a challenge. They often live on fixed incomes and are more likely to have disabilities, chronic health conditions and/or reduced mobility. Seniors, defined as persons who are 65 years or older, who rent may be at even greater risk for housing challenges than those who own, due to income differences between these groups.

When cost-burdened seniors are no longer able to make house payments or pay rents, displacement from their homes can occur, putting further stress on the local rental market or forcing residents out of the community they call home. Understanding how seniors might be cost-burdened is of particular importance due to their special housing needs, particularly for low-income seniors. In Monte Sereno, the largest proportion of senior households who rent and the largest proportion who own both earn *Greater than 100% of AMI*.

People with Disabilities

People with disabilities face additional housing challenges. Encompassing a broad group of individuals living with a variety of physical, cognitive and sensory impairments, many people with disabilities live on fixed incomes and are in need of specialized care, yet often rely on family members for assistance due to the high cost of care. When it comes to housing, people with disabilities are not only in need of affordable housing, but accessibly designed housing, which offers greater mobility and opportunity for independence. Unfortunately, the need typically outweighs what is available, particularly in a housing market with such high demand. People with disabilities are at a high risk for housing insecurity, homelessness and institutionalization, particularly when they lose aging caregivers. Overall, 6.8 percent of people in Monte Sereno have a disability of some kind.

State law also requires Housing Elements to examine the housing needs of people with developmental disabilities. Developmental disabilities are defined as severe, chronic, and attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down's Syndrome, autism, epilepsy, cerebral palsy, and mild to severe mental retardation. Some people with developmental disabilities are unable to work, rely on Supplemental Security Income,

and live with family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them.⁹ In Monte Sereno, there are seven (7) children under the age of 18 with a developmental disability (58.3 percent), while there are five (5) adults with a developmental disability (41.7 percent).

Homelessness

Homelessness remains an urgent challenge in many communities across the state, reflecting a range of social, economic, and psychological factors. Rising housing costs result in increased risks of community members experiencing homelessness. Far too many residents who have found themselves housing insecure have ended up homeless in recent years, either temporarily or longer term. Addressing the specific housing needs for the unhoused population remains a priority throughout the region, particularly since homelessness is disproportionately experienced by people of color, people with disabilities, those struggling with addiction and those dealing with traumatic life circumstances.

In Santa Clara County, the most common type of household experiencing homelessness is those without children in their care. Among households experiencing homelessness that do not have children, 87 percent are unsheltered. Of homeless households with children, most are sheltered in emergency shelter.

People of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. Consequently, people of color are often disproportionately impacted by homelessness, particularly Black residents of the Bay Area.

In Santa Clara County, *White (Hispanic and Non-Hispanic)* residents represent the largest proportion of residents experiencing homelessness and account for 44 percent of the homeless population, while making up 45 percent of the overall population.

Farmworkers

Across the state, housing for farmworkers has been recognized as an important and unique concern. Farmworkers generally receive wages that are considerably lower than other jobs and may have temporary housing needs. Finding decent and affordable housing can be challenging, particularly in the current housing market.

⁹ For more information or data on developmental disabilities in your jurisdiction, contact the Golden Gate Regional Center for Marin, San Francisco and San Mateo Counties; the North Bay Regional Center for Napa, Solano and Sonoma Counties; the Regional Center for the East Bay for Alameda and Contra Costa Counties; or the San Andreas Regional Center for Santa Clara County.

In Monte Sereno, there were no reported students of migrant workers in the 2019-20 school year. The trend for the region for the past few years has been a decline of more than two (2) percent in the number of migrant worker students since the 2016-17 school year. The change at the county level is a 50 percent decrease in the number of migrant worker students since the 2016-17 school year.

3.4 Governmental and Non-Governmental Constraints

Housing development is affected by government regulations and other non-governmental forces, such as the cost of land and building materials and the availability and cost of housing loans.

Housing elements are required to investigate the impact of these constraints as they present themselves in the City or city for which the housing element is being prepared. This subsection provides a brief overview of governmental and non-governmental constraints in the City of Monte Sereno. Please see Appendix C for a full discussion of housing constraints.

The City of Monte Sereno maintains a zoning code that in more typical cities would constitute a significant constraint on the development of affordable housing. Its maximum density for multi-family housing is eight (8) dwelling units per acre, which even with applicable density bonus would in typical situations be inadequate for the development of affordable housing under existing market conditions and with available tax credits and grant programs.

Nonetheless, Monte Sereno has skillfully implemented the development of accessory dwelling units (ADUs) in a manner that has allowed it to meet and surpass its regional housing needs allocation. It has essentially turned the city's overwhelming supply of large single-family properties—typically signaling a dearth of affordable housing opportunities—into an asset that hosts development opportunities for affordable housing. This solution has proven capable of meeting the community's needs for affordable housing and does so while preserving the essential character that is Monte Sereno.

In terms of other governmental constraints—such as requiring conditional use permits for multi-family housing—the City has recently adopted objective design standards that ease the regulatory burden for housing development.

In terms of non-governmental constraints, land costs will remain a constraint to affordable housing, and programs to use publicly-owned lands—such as City-owned land—can make a difference, and in future housing element cycles, it may be here that the City turns to meet its housing needs. The cost of construction materials is also a constraint, and to the degree that the City can subsidize affordable housing projects with available funds dedicated to housing, this too can make a difference.

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4.0 Vacant and Available Sites

4.1 Introduction

The *Plan Bay Area 2050 Final Blueprint*¹ forecasts that the nine-county Bay Area will add 1.4 million new households between 2015 and 2050. For the eight-year time frame covered by this Housing Element Update, the Department of Housing and Community Development (HCD) has identified the region's housing need as 441,176 units. The total number of housing units assigned by HCD is separated into four income categories that cover housing types for all income levels, from very low-income households to market rate housing. This calculation, known as the Regional Housing Needs Allocation (RHNA), is based on population projections produced by the California Department of Finance as well as adjustments that incorporate the region's existing housing need. The adjustments result from recent legislation requiring HCD to apply additional adjustment factors to the baseline growth projection from California Department of Finance, in order for the regions to get closer to healthy housing markets. To this end, adjustments focus on the region's vacancy rate, level of overcrowding and the share of cost burdened households and seek to bring the region more in line with comparable ones. These new laws governing the methodology for how HCD calculates the RHNA resulted in a significantly higher number of housing units for which the Bay Area must plan compared to previous cycles.

4.2 Regional Housing Needs Allocation

In December 2021, ABAG adopted a Final Regional Housing Needs Allocation (RHNA) Methodology for the 2023-2031 cycle. For Monte Sereno, the RHNA required to be planned for this cycle is 193 units, a significant increase from the last cycle.

RHNA Summary

Monte Sereno's share of the regional housing need for the seven-year period from 2023 to 2031 is 193 units, which is a 316 percent increase over the 61 units required by the 2015 to 2022 RHNA. The housing need is divided into the five income categories of housing affordability. Table 4-1 shows Monte Sereno's RHNA for the planning period 2023 through 2031 in comparison to the RHNA distributions for Santa Clara County and the Bay Area region.

¹ Plan Bay Area 2050 is a long-range plan charting the course for the future of the nine-county San Francisco Bay Area. It covers four key issues: the economy, the environment, housing and transportation

Table 4-1 Monte Sereno's Regional Housing Needs Allocation – 2023–2031

| Income Group | Monte Sereno Units | Percent | Santa Clara County Units | Percent | Bay Area Units | Percent |
|-----------------------------------|--------------------|---------|--------------------------|---------|----------------|---------|
| Very Low Income (<50% of AMI) | 53 | 27.5% | 32,316 | 24.9% | 114,442 | 25.9% |
| Low Income (50%-80% of AMI) | 30 | 15.5% | 18,607 | 14.4% | 65,892 | 14.9% |
| Moderate Income (80%-120% of AMI) | 31 | 16.1% | 21,926 | 16.9% | 72,712 | 16.5% |
| Above Mod. Income (>120% of AMI) | 79 | 40.9% | 56,728 | 43.8% | 188,130 | 42.6% |
| Total | 193 | 100.0% | 129,577 | 100.0% | 441,176 | 100.0% |

SOURCE: ABAG 2021

Progress to Date

The RHNA planning period for the 2023-2031 Housing Element (6th Cycle) is June 30, 2022 through December 31, 2030. The statutory adoption date for the 6th Cycle Housing Element is January 1, 2023—a full six months after the beginning of the planning period. To account for this discrepancy, the City of Monte Sereno must account for the number of housing units permitted between June 30, 2022, and January 1, 2023, prior to adoption of the 6th Cycle Housing Element and apply these to the 2023-2031 RHNA. Accordingly, the new housing units permitted during this period count towards the 2023-2031 planning period and are subtracted from the 6th-Cycle RHNA. Table 4-2 shows the City of Monte Sereno's adjusted RHNA, which accounts for progress made prior to the adoption of the updated Housing Element document.

Table 4-2 Monte Sereno's Adjusted RHNA (TBD after January 1, 2023)

| | Very Low-Income Units | Low-Income Units | Moderate-Income Units | Above Moderate-Income Units | Total Units |
|---|-----------------------|------------------|-----------------------|-----------------------------|-------------|
| 2023–2031 RHNA | 53 | 30 | 31 | 79 | 193 |
| Units permitted between June 30, 2022 and January 1, 2023 | | | | | |
| Remaining RHNA | | | | | |

SOURCE: City of Monte Sereno 2014

NOTE: Will be adjusted after units permitted between June 30, 2022 and January 1, 2023 are counted

4.3 Overview RHNA Strategy

In this 6th Cycle Housing Element, the City is identifying potential from some limited vacant sites and some SB9 interest expressed by community members made during the comment period.

Primarily, Monte Sereno will rely on construction of accessory dwelling units (ADUs) to meet its housing needs. As discussed more fully in Appendix C (Housing Constraints), the City of Monte Sereno is building off its 5th cycle success where it was largely able to meet and surpass its RHNA for the 2015-2023 planning period through the development of accessory dwelling units (ADUs).

ADU construction has increased significantly over the past several years. In 2018 a total of 8 building permits were issued for new ADUs, 2019 included 14 such permits, 9 were issued in 2020, and 14 in 2021. Through September 2022, a total of 16 building permits have been issued for new ADUs, which projects to 21 at the end of the year. The number of permits issued in 2020 were slightly lower than other years and this was due to the COVID-19 pandemic and construction was shut down for several months.

Excluding the 2020, the average number of building permits issued for new ADUs is about 16.3 a year. Projecting that over the next eight years would result in 131 ADUs assumed over the 2023-2031 planning period.

As described above, the City has created a robust ADU outreach program and approved financial incentives for such construction. These outreach and incentive programs have resulted in 225 residents expressing their intention to create an ADU on their property during the 2023-2031 planning period. These intentions have been made in writing and submitted to the city from property owners expressing their intention to create an ADU on their property either through new construction or conversion of an existing structure.

The ADUs that have been constructed in Monte Sereno, and are anticipated to continue, offer a wide range of housing options from smaller studio units less than 400 square feet to two-bedroom units that are 1,200 square feet in size and various combination of unit sizes and bedrooms counts in between. Additionally, existing ADUs are located throughout the city so units are not concentrated in certain areas. The 225 written intentions that have been made by property owners who intend to construct an ADU on their property in the next eight years are also located throughout the city, so future units will also be dispersed.

The ADU strategy has been developed to address the community's most pressing housing needs, which involves the construction of affordable housing. While this ADU strategy could potentially fall short of providing market-rate housing for the community, City officials have adopted Senate Bill 9 (SB9) development guidelines in line with the state law. However, there was very limited interest in SB9 units expressed during the public outreach period when this plan was prepared.

The City of Monte Sereno's efforts to facilitate ADU construction and to explore the redevelopment of potential sites in the community has been extensive.

- In July 2022, the City Council reduced plan check and building permit fees by 50 percent for 225 properties where the owner expressed an interest in developing an ADU or an additional dwelling unit allowed under Municipal Code section 10.05.080 (SB-9 regulations). This permit strategy will continue in the next cycle. Based on the fees for the average ADU building permit, this savings will be between \$3,500 and \$4,000. Over the 2023-2031 planning period, this will result in up to \$900,000 is lost revenue to the City, approximately 10% of total building permit revenue. The City Council has expressed their strong commitment to the creation of ADUs, even though this program will be a significant cost to the City.
- Extensive, personalized outreach by City officials has resulted in 225 property owners providing written intentions to create an ADU on their property in the next eight years. Documentation is provided in the Element.
- The City continues to review the ADU requirements to determine where constraints to ADU construction can be eliminated. Currently, the City Council is considering an amnesty program for ADUs as well as removing the requirement that the property owner reside in either the main house or the ADU. Currently, State law prohibits such an owner occupancy requirement for ADU constructed between 2020 and 2025; however, the City Council is considering to remove the owner occupancy requirement placed on ADUs constructed before this date and to remove the requirement for ADU constructed after 2025 in an effort to encourage property owners to plan for future ADUs without such a restriction.
- In May 2022, City officials sent letters to 20 property owners whose sites had been identified as possible candidates for rezoning to allow additional housing development. One property owner contacted City officials to discuss the option, but did not express any further rezoning interest, and the City received strong feedback from many residents against rezoning their neighborhood. Only 0.06% of housing units in Monte Sereno is occupied by renters and substandard housing is less than 2%. Both conditions may limit resident's interest in moving or selling, thereby limiting opportunities for rezoning and redevelopment.
 - City Hall Site – 18041 Saratoga Los Gatos Road/Public Facilities

The Monte Sereno City Hall building site was analyzed for redevelopment, but was found to be impractical and with limited development potential. The site is less than half an acre in size. It is the only city-owned property, and it is in a Very High Fire Hazard Zone. It also fronts onto Highway 9 that is a state designated scenic highway. If this property were to be converted to another use the community would lose a needed public facility.

Like larger cities that can consolidate schools or utilize closed government buildings, there are no other public facility properties in Monte Sereno that could be converted to housing. There are no school properties in Monte Sereno. Students in Monte Sereno attend schools in the adjacent Saratoga, Los Gatos and Campbell school districts. Monte Sereno residents can use any of eight libraries in the Santa Clara County library system. None are located within the city.

- First Baptist Community Church – 17765 Daves Avenue

The First Baptist Community Church is the only house of worship within the City of Monte Sereno. In April 2022, City officials reached out to First Baptist Community Church to explore the possibility of developing underutilized church property for affordable housing. After consulting his congregation, Pastor McCarty corresponded with City officials to inform them that the church had no interest in such a project. Finding a new property for the church to relocate in another neighboring city its service area would be difficult.

- Open Space Areas near Via Palomino, Via Del Sur, and Eaton Lane

Loma Serena Tract 3393 along Via Palomino recorded in 1964 created 85 single-family lots and three common lots. The common lots are for the collective use and benefit of the 85 single family lots and are not available for private building sites in accordance with the recorded tract map. The common areas are actively used by an equestrian center and encumbered with many Public Slope Easements. They are not viable for redevelopment based on the use and common ownership and are also irregularly shaped and practically land locked between the residential lots in the subdivision. Map 5970 along Via Del Sur and Eaton Lane recorded in 1977 creates 30 single family lots and one 5.95 acre Common Green open space lot intended for the exclusive use of the owners of lots 1 through 30. This land has significant slope and a large portion is encumbered by sanitary sewer easements as well as easements dedicated to the Santa Clara Valley Water District. It also appears as a Fault Rupture area in the City's land data base. Therefore, this area is not viable for redevelopment.

- Miscellaneous Vacant and Underutilized Sites

Becky Lane (APN 410-42-013) is a vacant 1.1 acre site which is zoned R-1-44, I DU/acre. The site can reasonably accommodate two housing units (one main house and one ADU) under current zoning. The site is currently served by wet and dry utilities and does not have any barriers to development.

17771 Vineland Avenue (APN 409-41-022) is a 1.3 acre site that is zoned R-1-44, I DU/acre. The site is vacant and could accommodate two housing units (one main house and one ADU) under current zoning. The site is currently served by wet and dry utilities and does not have any barriers to development.

In summary, the City of Monte Sereno undertook extensive efforts to locate vacant, partially vacant, and underutilized sites available for housing development in the community. They were unable to locate even one property owner willing to redevelop their property. While the search for properties with redevelopment potential was disappointing, the response regarding ADUs provided strong evidence that fee reductions and public outreach regarding ADUs will likely result in enough ADU development to meet and surpass the projections of ADU development otherwise based solely on past trends and enough to meet lower income housing needs set forth the City's RHNA in the 6th Cycle.

All of the fee reduction and outreach materials have been collected and placed in Appendix D, and the reader can refer there for details.

4.4 Site Inventory

Accessory Dwelling Units (ADUs and Junior ADUs)

Address: Various Locations Citywide

Minimum Number of Housing Units: 225

Description: Affordability distribution of ADUs is as follows: 30 percent very low-income, 30 percent low-income, 30 percent moderate-income, and 10 percent above moderate income. This distribution is based on analysis of ADU affordability in the Bay Area as researched and published by the Association of Bay Area Governments (ABAG) in their Technical Memo titled “Using ADUs to Satisfy RHNA.”

Prior to the publication of this ABAG methodology, the city conducted annual surveys to determine the actual affordability levels for ADUs each year. Based on the surveys between 2018 and 2020, actual affordability of ADUs in Monte Sereno was 50 percent very low-income, 30 percent low-income, and 20 percent moderate-income.

Constraints: None. Recent state legislation has removed all significant constraints on the development of ADUs. The City of Monte Sereno is following current ADU requirements under state law and has taken efforts to facilitate ADU construction by lowering building and planning permitting fees by 50%.

Market-Rate Units via SB 9 (Duplexes, Lot splits)

Address: Various Locations

Minimum Number of Housing Units: Dependent on Property Owner Interest

Description: Additional market-rate units facilitated by SB 9

Constraints: To date, few property owners in Monte Sereno have not expressed interest in building new single-family units under SB9 even during outreach for this Element. To have HCD consider SB 9 units as a reasonable expectation for construction during this eight-year cycle, property owner declared interest is necessary.

Vacant Sites

Address: Becky Lane (APN 410-42-013).

Minimum Number of Housing Units: 2

Description: Approximately 1.1 acre vacant site.

Constraints: None.

Address: 17771 Vineland Avenue (APN 409-41-022).

Minimum Number of Housing Units: 2

Description: Approximately 1.3 acre vacant site.

Constraints: None.

Table 4-3 provides details and capacity estimates for the 2023-2031 planning period.

Table 4-3 Vacant/Partially Vacant and Available Sites Capacity

| Housing Resource | Very Low-Income | Lower Income | Moderate Income | Above Moderate-Income (Net) | Total Capacity | Comments |
|------------------|-----------------|--------------|-----------------|-----------------------------|----------------|--------------------------------------|
| ADUs | 67 | 67 | 68 | 23 | 225 | Affordability Based on ABAG Analysis |
| Vacant | 0 | 0 | 0 | 4 | 4 | |
| Total | 67 | 67 | 68 | 27 | 229 | |
| RHNA | 53 | 30 | 31 | 79 | 193 | |
| Difference | +14 | +37 | +37 | -52 | +36 | |

SOURCE: City of Monte Sereno; EMC Planning Group Inc.

4.5 Summary and Conclusions

For communities like Monte Sereno that are largely built out and surrounded by other communities, ADU development is the only practical solution to providing a fair share of future housing for the San Francisco Bay Area. Property owner interest will be pivotal for facilitating single-family site opportunities to policies to add housing through Senate Bill 9 (SB 9), which allows for up to four units on a property currently zoned for a single family-home.

Monte Sereno's unique built environment, which is nearly exclusively zoned for single-family neighborhoods, has been taken into consideration with this plan to accommodate future housing with minimum impact. Transformation in Monte Sereno through the next eight-year Housing Element cycle may continue to appear incremental, with sustained massing and scale limitations, evocative of a small suburban bedroom community.

5.0

Energy Conservation

5.1 Introduction

This chapter summarizes opportunities for energy conservation in the construction of housing in the City of Monte Sereno.

5.2 Opportunities for Energy Conservation

Energy conservation remains a major priority in Monte Sereno. The City requires compliance with Title 24 of the California Code of Regulations on the use of energy efficient appliances and insulation. Through compliance with Title 24, new residential development has reduced energy demand.

The City requires the submittal of a Cal Green checklist for new construction and remodeling. The Cal Green checklist is based on standards produced by the California Building Standards Commission. Checklists for both new construction and remodeling as well as instructions for completing the forms are available on the City's website. The City also provides incentives for the installation of solar panels. Streamlining of permit applications as well as permit fee waivers are provided for solar panel installations in residential units.

The City of Monte Sereno adopted strategic goals for FY 2022-2023, and these strategic goals included the following actions to enhance environmental sustainability:

- A. Evaluate and consider updating Reach Codes in 2022
- B. Meeting “green” requirements – water conservation, develop climate change resolution/encourage and support the move to lower carbon emissions in Monte Sereno
- C. Review and implement Urban Forestry Alliance = In process
- D. Promote low-water, and low-fire landscaping alternatives for residents
- E. Promote electric vehicle chargers for residents to support electric vehicle adoption

Providing energy conservation opportunities to residents can ultimately lead to a reduction in utility-related housing costs for many households. Accordingly, energy conservation measures related to existing and proposed residential development is a component included within the Bay

Area Air Quality Management District's Clean Air Plan (CAP) which was adopted in 2017. The CAP addresses renewable energy in Program ECM 2 (Renewable Energy), which reads as follows:

ECM 2 - Renewable Energy. This control measure consists of two components: 1) promote incorporation of renewable energy sources into new developments and redevelopment projects, and 2) foster innovative renewable energy projects through provision of incentives. Note: In addition, as part of the Further Study Measure entitled "Enhancement to Energy Measures," the District will evaluate the cost-effectiveness of solar thermal technology for consideration as a potential solar hot water heating rule. (Source: Bar Area Air Quality Management Districts, 2017)

Silicon Valley Clean Energy

Silicon Valley Clean Energy (SVCE) is the community electricity provider for thirteen communities in Santa Clara County—including Monte Sereno—and is governed by local elected officials serving on the Board of Directors. SVCE was formed with the mission to reduce dependence on fossil fuels by providing carbon-free, affordable and reliable electricity and innovative programs within the community.

Pacific Gas & Electric Energy Efficiency Programming

Pacific Gas and Electric Company (PG&E), which provides energy efficiency services in Monte Sereno, offers public information and technical assistance to homeowners regarding energy conservation. PG&E also provides numerous incentives for energy efficiency in new construction and home remodeling. For example, remodeling rebates exist for projects installing three or more upgrades from a flexible menu of options that earn points towards incentives and rebates. This program's incentives range between \$1,000 and \$4,500. One of the more recent strategies in building energy-efficient homes is following the U.S. Green Building Council's guidelines for LEED Certification. The LEED for Homes program includes standards for new single-family and multi-family home construction.

Additionally, PG&E provides residents with information regarding energy saving measures including various incentives and programs available to developers and residential property owners. Table 5-1 on the following page includes a description of the various financial and energy-related assistance that PG&E offers low-income customers:

Table 5-1 PG&E Programs and Incentives for Residential Properties

| Program | Description |
|---|--|
| Energy Savings Assistance Program | PG&E's Energy Savings Assistance program offers free weatherization measures and energy-efficient appliances to qualified low-income households. PG&E determines qualified households through the same sliding income scale used for CARE. The program includes measures such as attic insulation, weather stripping, caulking, and minor home repairs. Some customers qualify for replacement of appliances including refrigerators, air conditioners, and evaporative coolers. |
| Energy Efficiency for Multifamily Properties | The Energy Efficiency for Multi-Family Properties program is available to owners and managers of existing multi-family residential dwellings containing five or more units. |
| Multifamily Properties | The Energy Efficiency for Multifamily Properties program is available to owners and managers of existing multifamily residential dwellings containing five or more units. The program encourages energy efficiency by providing rebates for the installation of certain energy-saving products. |
| California Alternate Rates for Energy (Care) | PG&E offers this rate reduction program for low-income households. PG&E determines qualified households by a sliding income scale based on the number of household members. The CARE program provides a discount of 20 percent or more on monthly energy bills. |
| Reach (Relief for Energy Assistance Through Community Help) | The REACH program is sponsored by PG&E and administered through a non-profit organization. PG&E customers can enroll to give monthly donations to the REACH program. Qualified low-income customers who have experienced uncontrollable or unforeseen hardships, which prohibit them from paying their utility bills may receive an energy credit. Eligibility is determined by a sliding income scale based on the number of household members. To qualify for the program, the applicant's income cannot exceed 200 percent of the Federal poverty guidelines. |
| Medical Baseline Allowance | The Medical Baseline Allowance program is available to households with certain disabilities or medical needs. The program allows customers to get additional quantities of energy at the lowest or baseline price for residential customers. |

Source: PG&E, 2022.

As part of this Housing Element Update, the City of Monte Sereno will implement Program Q to continue to promote and encourage energy conservation in residential development. This program will encourage energy conservation practices for new and existing residential dwelling units by enforcing State and local regulations and encouraging incentives for energy conservation “best practices,” including:

- Continuing to offer streamlining and reduced permitting fees for solar panel installations;
- Continuing to implement the CALGreen building code requirements;
- Continuing to evaluate “Reach Codes” for all-electric building requirements;
- Providing information regarding rebate programs and energy audits available through PG&E; and
- Providing resource materials regarding green building and conservation programs.

Monte Sereno Fair Housing Assessment



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Appendix A

Monte Sereno Fair Housing Assessment

A.1 Introduction

In 2018, Governor Brown signed Assembly Bill (AB 686) requiring all public agencies in the state to affirmatively further fair housing (AFFH) beginning January 1, 2019.¹ The new requirements went into effect on January 1, 2019 and required all public agencies to “administer programs and activities relating to housing and community development in a manner that affirmatively furthers fair housing, and take no action inconsistent with this obligation”² AB 686 also made changes to Housing Element Law to incorporate requirements to AFFH as part of the housing element and general plan to include an analysis of fair housing outreach and capacity, integration and segregation, access to opportunity, disparate housing needs, and current fair housing practices.

The following report was prepared by Root Policy Research (Denver, Colorado) and is based on and expands previous work commissioned by the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC). The ABAG/MTC report was prepared in collaboration with the University of California Merced Urban Policy Lab and was entitled: “AFFH Segregation Report: Monte Sereno.” See Attachment G for the full ABAG/MTC report.

¹ Public agencies receiving funding from the U.S. Department of Housing and Urban Development (HUD) are also required to demonstrate their commitment to AFFH. The federal obligation stems from the fair housing component of the federal Civil Rights Act mandating federal fund recipients to take “meaningful actions” to address segregation and related barriers to fair housing choice.

² California Department of Housing and Community Development Guidance, 2021, page 9.

Affirmatively Furthering Fair Housing

“Affirmatively furthering fair housing” means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a public agency’s activities and programs relating to housing and community development. (Gov. Code, § 8899.50, subd. (a)(1).)”

Source: California Department of Housing and Community Development Guidance, 2021, page 14.

History of segregation in the region

The United States’ oldest cities have a history of mandating segregated living patterns—and Northern California cities are no exception. ABAG, in its recent Fair Housing Equity Assessment, attributes segregation in the Bay area to historically discriminatory practices—highlighting redlining and discriminatory mortgage approvals—as well as “structural inequities” in society, and “self-segregation” (i.e., preferences to live near similar people).

Researcher Richard Rothstein’s 2017 book *The Color of Law: A Forgotten History of How Our Government Segregated America* chronicles how the public sector contributed to the segregation that exists today. Rothstein highlights several significant developments in the Bay area region that played a large role in where the region’s non-White residents settled.

In 1955, builders began developing workforce housing for the Ford Corporation’s plant in the Santa Clara County region. Initially the units were segregated as no one would sell to the local black workers. The American Friends Service Committee (AFSC) worked to find builders who would build integrated subdivisions. Unfortunately, after four purchased plots were subsequently rezoned to prevent integrated housing, the original builder quit. After multiple

This history of segregation in the region is important not only to understand how residential settlement patterns came about—but, more importantly, to explain differences in housing opportunity among residents today. In sum, not all residents had the ability to build housing wealth or achieve economic opportunity. This historically unequal playing field in part determines why residents have different housing needs today.

additional iterations, African American workers had “become so discourage about finding housing opportunities” that they began carpooling from outside cities such as Richmond.³

A 2018 Berkeley publication titled, *Racial Segregation in the San Francisco Bay area*, attempted to illustrate segregation in the Bay area communities. In their study they found that communities such as Monte Sereno and Los Gatos were the “most segregated, heavily white cities in the county” with Santa Clara County containing “no truly integrated city”.⁴ The study also delved into the history of segregation, highlighting a 1960’s era laws and practices connected to urban renewal projects that were displacing communities of color. The building of transportation infrastructure created a reduction of affordable housing due to a lack of one for one replacement in the area.

In addition to historical discriminatory practices that embedded segregation into living patterns throughout the Bay area, it’s also necessary to recognize the historical impacts of colonization and genocide on Indigenous populations and how the effects of those atrocities are still being felt today. The original inhabitants of present-day San Mateo County are the Ramaytush Ohlone, who have “...lived on the San Francisco Peninsula for thousands of years and continue to live here as respectful stewards of the land.”⁵ However, “[d]ue to the devastating policies and practices of a succession of explorers, missionaries, settlers, and various levels of government over the centuries since European expansion, the Ramaytush Ohlone lost the vast majority of their population as well as their land.”⁶ The lasting influence of these policies and practices have contributed directly to the disparate housing and economic outcomes collectively experienced by Native populations today.⁷

The timeline of major federal Acts and court decisions related to fair housing choice and zoning and land use appears on the following page.

As shown in the timeline, exclusive zoning practices were common in the early 1900s. Courts struck down only the most discriminatory and allowed those that would be considered today to have a “disparate impact” on classes protected by the Fair Housing Act. For example, the 1926 case *Village of Euclid v. Amber Realty Co.* (272 U.S. 365) supported the segregation of residential, business, and industrial uses, justifying separation by characterizing apartment buildings as “mere parasite(s)” with the potential to “utterly destroy” the character and desirability of neighborhoods. At that time, multifamily apartments were the only housing options for people of color, including immigrants.

³ Source: book *The Color of Law: A Forgotten History of How Our Government Segregated America* by Richard Rothstein, p 121.

⁴ [Racial Segregation in the San Francisco Bay area, Part 1 | Othering & Belonging Institute \(berkeley.edu\)](https://www.berkeley.edu/racial-segregation-in-the-san-francisco-bay-area-part-1)

⁵ <https://www.smcoe.org/for-communities/indigenous-people-of-san-mateo-county.html>

⁶ <https://www.smcoe.org/for-communities/indigenous-people-of-san-mateo-county.html>

⁷ <https://www.americanprogress.org/article/systemic-inequality-displacement-exclusion-segregation/>

The Federal Fair Housing Act was not enacted until nearly 60 years after the first racial zoning ordinances appeared in U.S. cities. This coincided with a shift away from federal control over low-income housing toward locally-tailored approaches (block grants) and market-oriented choice (Section 8 subsidies)—the latter of which is only effective when adequate affordable rental units are available.

Figure A-1 shows a timeline for major public and legal actions related to fair housing access.

Report content and organization

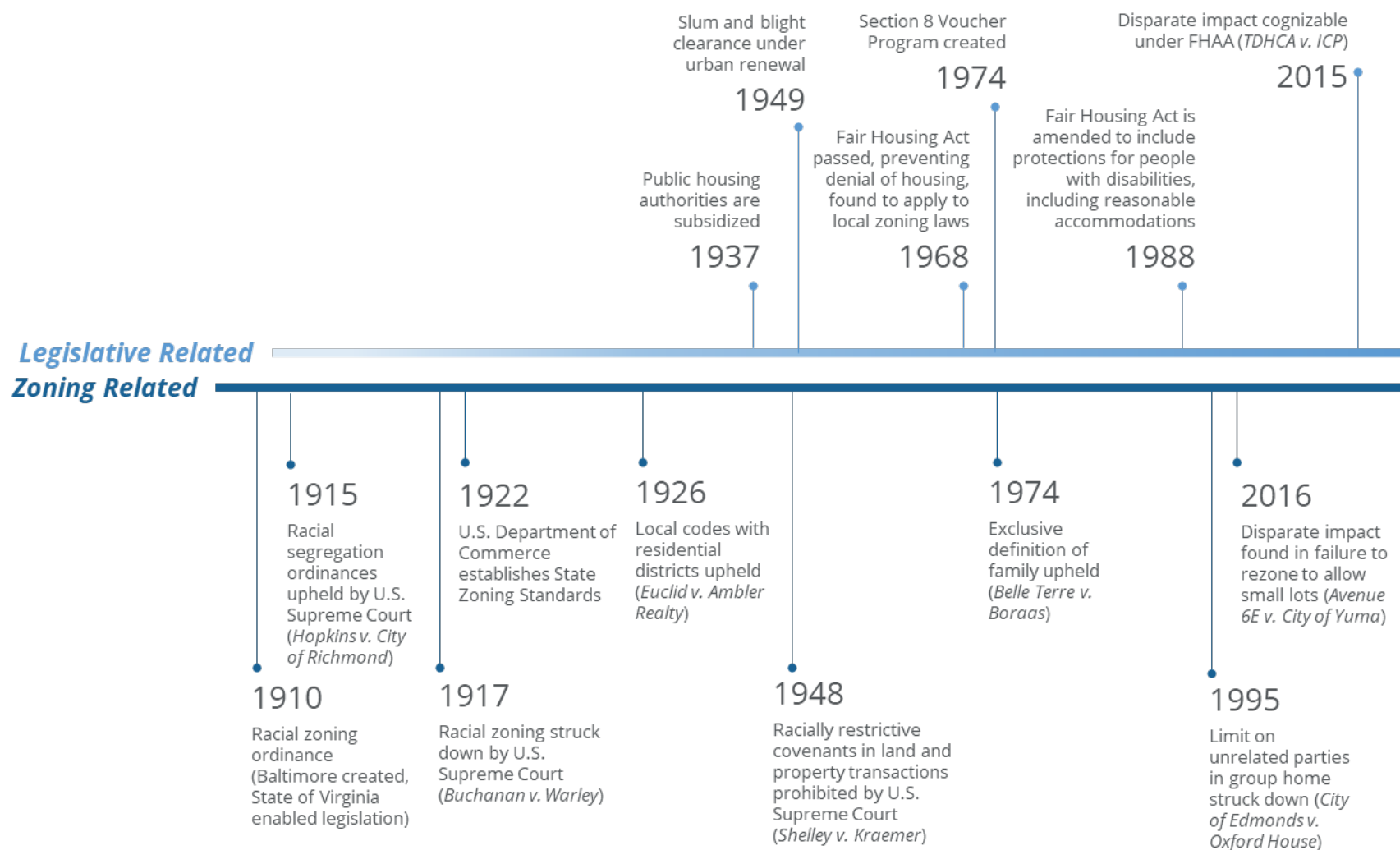
This Fair Housing Assessment follows the April 2021 State of California State Guidance for AFFH.

- **Section I. Fair Housing Enforcement and Outreach Capacity** reviews lawsuits/enforcement actions/complaints against the jurisdiction; compliance with state fair housing laws and regulations; and jurisdictional capacity to conduct fair housing outreach and education.
- **Section II. Integration and Segregation** identifies areas of concentrated segregation, degrees of segregation, and the groups that experience the highest levels of segregation
- **Section III. Access to Opportunity** examines differences in access to education, transportation, economic development, and healthy environments.
- **Section IV. Disparate Housing Needs** identifies which groups have disproportionate housing needs including displacement risk.

Appendices:

- Map and Data packet, including Fair Housing Organizations in Santa Clara County—mission, services, and contact information
- State Fair Housing Laws and Regulations—summary of key state laws and regulations related to mitigating housing discrimination and expanding housing choice

Figure A-1 Major Public and Legal Actions that Influence Fair Access to Housing



Primary Findings, Contributing Factors, and Fair Housing Actions

This section summarizes the primary findings from the Fair Housing Assessment for Monte Sereno including the following sections: fair housing enforcement and outreach capacity, integration and segregation, access to opportunity, disparate housing needs, and contributing factors and the city's fair housing action plan.

- Monte Sereno differs from the county and Bay area overall for its relatively high proportion of residents identifying as Non-Hispanic White (71 percent in Monte Sereno compared to 32 percent in Santa Clara County) and small Hispanic population (7 percent in Monte Sereno and 25 percent in the county). Monte Sereno's proportion of Black/African American and Other or mixed-race residents is similar to the county, in that it is less than 4 percent for both groups.

Fair housing issue and contributing factor(s): Lack of housing that accommodates the lower incomes of people of color, resulting in a lack of diversity in the city.

- Every census tract in Monte Sereno scores high on educational outcomes, meaning that all areas of the city provide access to strong educational environments. There is little variance in graduation rates among Monte Sereno high schoolers by race and ethnicity. Asian students graduated at a slightly higher rate (98.4 percent) than Hispanic and White students' graduation rates (95.3 percent and 96.5 percent, respectively). African American students did not have enough students enrolled to accurately measure (less than 11 total). The lowest graduation rate is among students with a disability at 88.1 percent--still very high.
- All tracts in Monte Sereno are White majority. Compared to the Bay area overall, Monte Sereno is less segregated, although this is a factor of lack of diversity within Monte Sereno than a product of integrated communities.

Fair housing issue and contributing factor(s): Lack of housing that accommodates the lower incomes of people of color, resulting in a lack of diversity in the city.

- Poverty rates are very low for all residents and White and Asian residents experience no poverty according to census data. Low poverty is a factor of a housing market that favors high income households. Monte Sereno has a lower share of very low income residents than other jurisdictions in the Bay area as a whole, a lower share of low income residents, a lower share of moderate income residents, and a higher share of above moderate income residents.
- Monte Sereno offers a moderate proximity to jobs, according to HUD's job proximity index. The city is largely made up of out-commuters who work in high wage professions in the region.
- Since 2015, the housing that has received permits to accommodate growth has largely been priced for the lowest income households, with 43 units permitted for very low-income

households—representing 57 percent of all permits. Another 30 permits were issued for housing for above moderate-income households. This is vastly different than nearby Los Gatos, which permitted 134 units, of which none served low or very low-income households and 59 percent served above moderate income households.

- Monte Sereno offers a little to no variety of housing types with 96 percent single family detached units.

Fair housing issue and contributing factor(s): The predominance of single family detached housing in the city has led to an exclusive and high-priced ownership housing market relative to Santa Clara County and the Bay area overall.

- Rental housing is more attainable than ownership housing, due to the high proportion of rental units that rent for less than \$1,500/month. This is on par with the Bay area overall (35 percent renting below \$1,500/month) and better than county (22 percent).

Summary

In Monte Sereno, access to opportunity is strong across racial and ethnic groups, for family types, and for persons with disabilities. Disparity in housing choice—particularly for low- and moderate-income households living in other parts of the county and in the region—is the main challenge in the city. Although Monte Sereno has done better than surrounding communities in permitting affordable housing units, the city’s lack of housing production overall and zoning and land use regulations that limit the development of diverse (and more affordable) housing types has prevented low- and moderate-income households in the county and broader region from residing in the city.

Recommended Fair Housing Programs and Policies

The following are recommended programs and policies.

- Continue to prioritize development of housing units that serve very low- and low-income households. Affirmatively market those units to racially and ethnically diverse households in the county that are underrepresented in the city’s demographic makeup.
- Work with other cities to establish a program that provides favorable financing and grants to homeowners who develop accessory dwelling units and agree to rent those at below market prices.
- Reduce minimum lot sizes for missing middle product types, allow site flexibilities, and/or offer city resources in exchange for affordable units that accommodate the needs of moderate-income households and workers living in the broader region.
- Implement a policy, similar to Austin's Affordability Unlocked program, that allow, without city review, missing middle housing (beyond duplexes) with significant proportions of affordability which conform to site design requirements.

A.2 Fair Housing Enforcement and Outreach Capacity

This section discusses fair housing legal cases and inquiries, fair housing protections and enforcement, and outreach capacity.

Fair Housing Legal Cases and Inquiries

California fair housing law extends beyond the protections in the Federal Fair Housing Act (FHA). In addition to the FHA protected classes—race, color, ancestry/national origin, religion, disability, sex, and familial status—California law offers protections for age, sexual orientation, gender identity or expression, genetic information, marital status, military or veteran status, and source of income (including federal housing assistance vouchers).

The California Department of Fair Employment and Housing (DFEH) was established in 1980 and is now the largest civil rights agency in the United States. According to their website, the DFEH’s mission is, “to protect the people of California from unlawful discrimination in employment, housing and public accommodations (businesses) and from hate violence and human trafficking in accordance with the Fair Employment and Housing Act (FEHA), Unruh Civil Rights Act, Disabled Persons Act, and Ralph Civil Rights Act”.⁸

DFEH receives, evaluates, and investigates fair housing complaints. DFEH plays a particularly significant role in investigating fair housing complaints against protected classes that are not included in federal legislation and therefore not investigated by HUD. DFEH’s website provides detailed instructions for filing a complaint, the complaint process, appealing a decision, and other frequently asked questions.⁹ Fair housing complaints can also be submitted to HUD for investigation.

Additionally, Santa Clara County has a number of local resource and enforcement organizations:

- Project Sentinel: Assists with housing discrimination, mortgage foreclosures, rental issues, and more.
- Housing and Economic Rights Advocates (HERA): Legal and advocacy organization for vulnerable Californians facing discrimination and economic abuses related to households.
- Bay area Legal Aid: Broad advocacy focused on helping low-income Bay area residents lead stable lives, including housing stability.
- Law Foundation of Silicon Valley: Legal advocacy for social change with a focus on finding stable homes for low-income residents.

⁸ <https://www.dfeh.ca.gov/aboutdfeh/>

⁹ <https://www.dfeh.ca.gov/complaintprocess/>

From 2013 to 2021, 391 fair housing complaints in Santa Clara County were filed with the U.S. Department of Housing and Urban Development (HUD) or Fair Housing Advocates of Northern California (FHANC). Most of the county's valid complaints cited disability status as the bias. Of these complaints, 69 percent were considered valid and proceeded to actionable responses. Accounting for population differences, Palo Alto had the highest total inquiries per 1000 people (.37) while Monte Sereno had no complaints at all.

Nationally, the National Fair Housing Alliance (NFHA) reported a “negligible” decrease in the number of complaints filed between 2019 and 2020. The primary bases for complaints nationally of disability (55 percent) were represented in Marin County at a much higher rate (77 percent). Familial status represented 8 percent of complaints nationally, similar to the 7 percent of cases in the county.

NFHA identifies three significant trends in 2020 that are relevant for this AFFH:

- First, fair lending cases referred to the Department of Justice from federal banking regulators has been declining, indicating that state and local government entities may want to play a larger role in examining fair lending barriers to homeownership.
- Second, NFHA identified a significant increase in the number of complaints of harassment—1,071 complaints in 2020 compared to 761 in 2019.
- Finally, NFHA found that 73 percent of all fair housing complaints in 2020 were processed by private fair housing organizations, rather than state, local, and federal government agencies—reinforcing the need for local, active fair housing organizations and increased funding for such organizations.¹⁰

Figure A-2 summarizes fair housing complaints and inquiries.

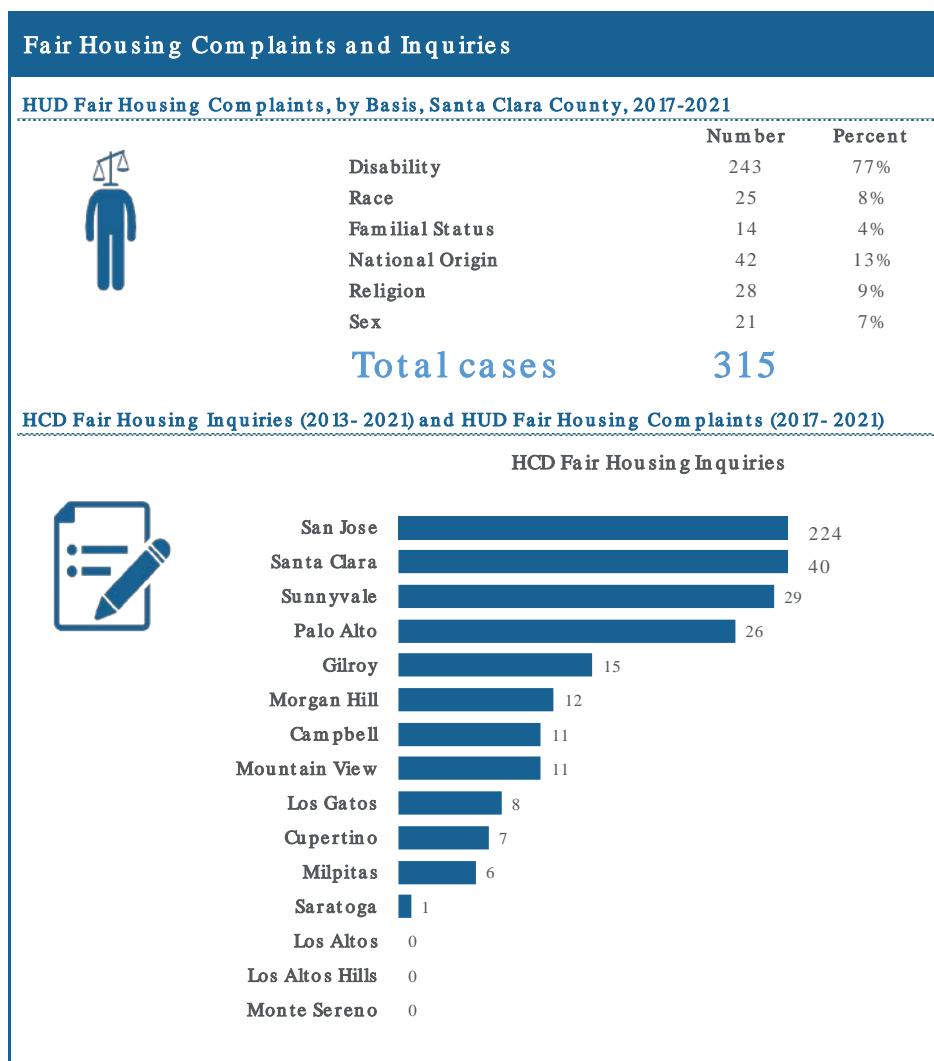
Outreach and Capacity

Monte Sereno City maintains a website with information about local fair housing ordinances with live links to Project Sentinel under the “Who can assist me with fair housing” FAQ. The site does not reference any other entities for assistance. Additional links to the Department of Consumer Affairs, HUD, Law Foundation of Silicon Valley, and the Bay area Legal Aid would improve the efficacy of the site. The website should also more transparently describe how the steps residents should take if they feel they have faced discrimination and are seeking information about filing complaints (e.g., link to HUD's and State of California fair housing pages).

In 2011, Monte Sereno revised their municipal code (10.23) to provide reasonable accommodations for persons with disabilities. The city also created Program H-5.2, instructing the city to provide fair housing laws and resources at the Planning Department counter and the city's website.

¹⁰ <https://nationalfairhousing.org/2021/07/29/annual-fair-housing-report-shows-increase-in-housing-harassment/>

Figure A-2 Fair Housing Complaints and Inquiries



Compliance with state law. Monte Sereno is compliant with the follow state laws that promote fair and affordable housing. The city has not been alleged or found in violation of the following:

- Housing Accountability Act (Gov. Code. Section 65589.5) requiring adoption of a Housing Element and compliance with RHNA allocations;
- No Net Loss Law (Gov. Code Section 65863) requiring that adequate sites be maintained to accommodate unmet RHNA allocations;
- Least Cost Zoning Law (Gov. Code. Section 65913.1);
- Excessive Subdivision Standards Law (Gov. Code. Section 65913.2);
- Limits on Growth Controls Law (Gov. Code. Section 65589.5).

Housing Specific Policies Enacted Locally

Monte Sereno identified the following local policies that contribute to the regulatory environment for affordable housing development in the city.

According to the California Department of Housing and Community Development AFFH Data Viewer (HCD data viewer), Monte Sereno does not have any public housing buildings. Additionally, none of the census tracts in the city show data for Housing Choice Voucher usage.

Monte Sereno's solution to adding affordable housing has been on the development of secondary/accessory dwelling units on single family properties. The city has amended its accessory dwelling units program to allow larger units, uncovered parking, fee waivers for rent-restricted units, and an amnesty program. The City has established a multifamily zoning district and the City allows residential care homes, supportive housing and transitional housing by right in all residential zoning districts.

A.3 Integration and Segregation

This section discusses integration and segregation of the population by protected classes including race and ethnicity, disability status, familial status, and income status. The section concludes with an analysis of racially and ethnically concentrated areas of poverty and affluence.

Integration and Segregation

“Integration generally means a condition in which there is not a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability when compared to a broader geographic area.

Segregation generally means a condition in which there is a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a type of disability in a particular geographic area when compared to a broader geographic area.”

Source: California Department of Housing and Community Development Guidance, 2021, page 31.

Race and Ethnicity

Monte Sereno differs from the county and Bay area overall for its relatively high proportion of residents identifying as Non-Hispanic White (71 percent in Monte Sereno compared to 32 percent in Santa Clara County) and small Hispanic population (7 percent in Monte Sereno and 25 percent in the county). Monte Sereno's proportion of Black/African American and Other and mixed-race residents is similar to the county, in that it is less than 4 percent for both groups.¹¹

¹¹ The share of the population that identifies as American Indian or Alaska Native was zero in 2019.

Monte Sereno’s residents have grown more racially diverse since 2000 largely due to the declining share of Non-Hispanic Whites (12 percentage point drop).

Geographic Concentrations

HCD maps that show the percent non-White population by census tract show only one area with a non-White population of between 20 percent and 40 percent of residents. All tracts in Monte Sereno are White majority. The neighborhood segregation map shows about one-third of the city—the northwestern portion—as “Mostly White,” parts of the northeast as “Latinx-White,” and the remainder and majority of the city as “Asian-White.” The diversity index is lowest to low throughout the city.

Monte Sereno is similar to immediately surrounding communities in lack of racial and ethnic diversity. Diversity increases in the communities of Sunnyvale, Campbell, and San Jose.

Older residents are less racially diverse than other age groups, with 78 percent of the population older than 65 years identifying as White compared to 75 percent of those aged 18 to 24 and 69 percent of children less than 18 years old. Black/African American, American Indian/Native Alaskan, and Other race/Multiple races each account for an increasing—albeit slight—share of the population but only in age groups under 65 years of age.

Poverty rates are very low for all residents and White and Asian residents experience no poverty according to census data. The highest poverty rate was 1.4 percent among Hispanic and Other race residents. Low poverty is a factor of a housing market that favors high income households. Monte Sereno has a lower share of very low-income residents than other jurisdictions in the Bay area as a whole, a lower share of low-income residents, a lower share of moderate-income residents, and a higher share of above moderate-income residents.

Dissimilarity and Isolation Indices

The Association of Bay area Governments (ABAG) created a 2021 report on segregation in Monte Sereno, measuring racial and income segregation within the community. This report analyzes two common indices that measure segregation: the isolation index and the dissimilarity index.

The Dissimilarity Index, or DI, is a common tool that measures segregation in a community. The DI is an index that measures the degree to which two distinct groups are evenly distributed across a geographic area. The DI represents the percentage of a group’s population that would have to move for each area in the county to have the same percentage of that group as the county overall.

DI values range from 0 to 100—where 0 is perfect integration and 100 is complete segregation. Dissimilarity index values between 0 and 39 generally indicate low segregation, values between 40 and 54 generally indicate moderate segregation, and values between 55 and 100 generally indicate a high level of segregation.

The isolation index is interpreted as the probability that a randomly drawn minority resident shares an area with a member of the same minority, it ranges from 0 to 100 and higher values of isolation tend to indicate higher levels of segregation.

The scores below represent the racial dissimilarity index values for Monte Sereno and the Bay area. Compared to the Bay area overall, Monte Sereno is less segregated, although this is a factor of lack of diversity within Monte Sereno than a product of integrated communities.

- Asian/API vs. White: .052 and .185 (both very low segregation)
- Black/African American vs. White: .112 and .244 (low segregation)
- Latinos vs. White: .026 and .207 (low segregation)
- People of Color vs. White: .023 and .168 (very low segregation)

The report finds that, in Monte Sereno, White residents are the most segregated compared to other groups, and the most likely to live in neighborhoods where they are unlikely to come into contact with any other racial group.

Above moderate-income residents are the most segregated compared to other income groups in Monte Sereno. Very low-income residents have become more segregated between 2010 and 2015.

Overall, since 2010, Monte Sereno's racial segregation has declined, but the income segregation between moderate income residents and other groups has increased.

Disability Status

The share of the population living with at least one disability is 7 percent in Monte Sereno compared to 8 percent in Santa Clara County.

Geographic Concentrations

Monte Sereno has no Census tracts where the population of persons with disabilities exceeds 8 percent.

Familial Status

Monte Sereno's households are mostly made up of 3-4 person households (38 percent) and 2-person households (38 percent).

Compared to the county and Bay area overall, Monte Sereno has half the share of 1-person households (10 percent in Monte Sereno compared to 20 percent in the county) and slightly more 5-person households (14 percent v. 12 percent). The Bay area and county are similar in household sizes, while Monte Sereno has larger household sizes.

Married couple households make up the vast majority of Monte Sereno households (85 percent) and most do not have children living at home, either because they do not have children or they are older adults. About 37 percent of all households have at least one child under the age of 18.

Monte Sereno has 1.5 times the share of married couple family households as the county and Bay area and half as many single person households. Monte Sereno also has no “non-family households”—roommates, unrelated persons living together, and one-third the share of single parent households.

Monte Sereno’s married couples overwhelmingly own housing: 96 percent of married couple families in the city own their homes. Renters are more likely to be living in 1- and 2-bedroom units than owners, and owners are more likely to be occupying 3-4- and 5-bedroom units. However, 52 percent of renters in Monte Sereno occupy a 3–4-bedroom housing unit, likely due to the city’s predominance of single family detached homes.

Geographic Concentrations

There are only concentrations of married couple households with and without children in Monte Sereno; no other household type is concentrated.

Household Income

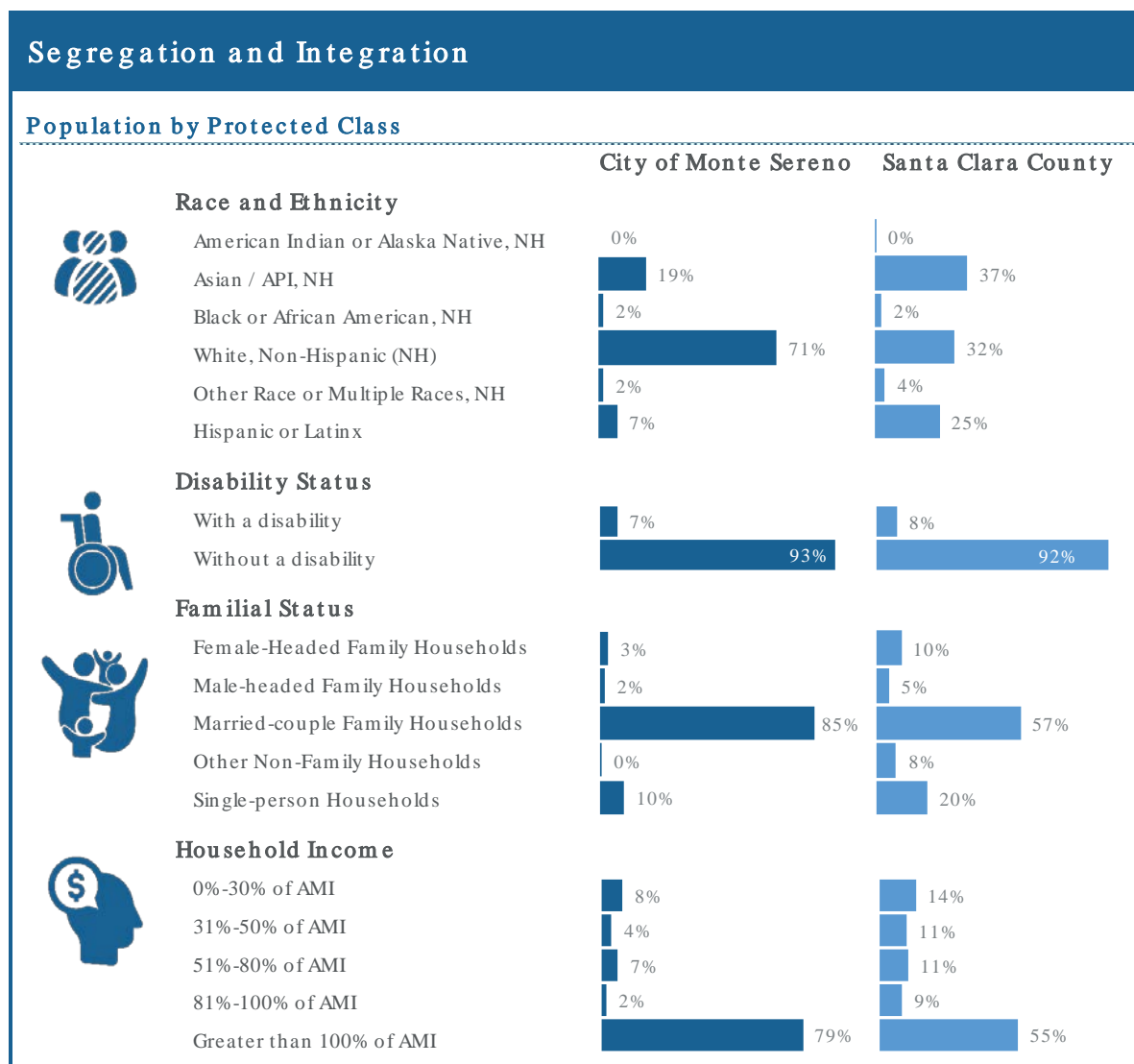
Monte Sereno’s households are much higher-income than the county and Bay area overall: 79 percent of Monte Sereno households earn more than 100 percent of the AMI, compared to 55 percent for the county and 52 percent for the Bay area (Figure A-3 below).

Monte Sereno also has fewer households in every other AMI category. Notably, the jobs to household ratio for Monte Sereno is significantly lower than the county or Bay area, indicating the city as a commuter town where higher income residents live but do not work.

Geographic Concentrations

Every block group in Monte Sereno with available data has a median household income of \$125,000 and more. The city has no concentrations of low-income households and no areas of concentrated poverty.

Figure A-3 Segregation and Integration



Racially or Ethnically Concentrated Areas of Poverty and Affluence

Racially Concentrated Area of Poverty or an Ethnically Concentrated Area of Poverty (R/ECAP) and Racially Concentrated Areas of Affluence (RCAAs) represent opposing ends of the segregation spectrum from racially or ethnically segregated areas with high poverty rates to affluent predominantly White neighborhoods. Historically, HUD has paid particular attention to R/ECAPs as a focus of policy and obligations to AFFH. Recent research out of the University of Minnesota Humphrey School of Public Affairs argues for the inclusion of RCAAs to acknowledge current and past policies that created and perpetuate these areas of high opportunity and exclusion.¹²

¹² Goetz, E. G., Damiano, A., & Williams, R. A. (2019). Racially Concentrated Areas of Affluence: A Preliminary Investigation. *Cityscape: A Journal of Policy Development and Research*, 21(1), 99–124

It is important to note that R/ECAPs and RCAAs are not areas of focus because of racial and ethnic concentrations alone. This study recognizes that racial and ethnic clusters can be a part of fair housing choice if they occur in a non-discriminatory market. Rather, R/ECAPs are meant to identify areas where residents may have historically faced discrimination and continue to be challenged by limited economic opportunity, and conversely, RCAAs are meant to identify areas of particular advantage and exclusion.

R/ECAPs

HCD and HUD's definition of a Racially/Ethnically Concentrated Area of Poverty is:
A census tract that has a non-White population of 50 percent or more (majority-minority) or, for non-urban areas, 20 percent, AND a poverty rate of 40 percent or more; OR A census tract that has a non-white population of 50 percent or more (majority-minority) AND the poverty rate is three times the average tract poverty rate for the County, whichever is lower.

Source: California Department of Housing and Community Development Guidance, 2021.

For this study, the poverty threshold used to qualify a tract as an R/ECAP was three times the average census tract poverty rate countywide—or **21.6** percent.

According to HCD, there were 11 census tracts in the county that qualify as R/ECAPs (19.4 percent poverty rate). All were located in San Jose. None of the R/ECAPs were located in Monte Sereno in 2013.

RCAAs

At the time this report was written, HCD and HUD had not established standard definitions for Racially or Ethnically Concentrated Areas of Affluence (RCAAs). However, these are generally understood to be neighborhoods in which there are both high concentrations of non-Hispanic White households and high household income rates. Comparing Cupertino to the surrounding county and region, it is safe to speculate that the city has many neighborhoods that would be considered RCAAs. [check on ABAG data]

A.4 Access to Opportunity

This section discusses disparities in access to opportunity among protected classes including access to quality education, employment, transportation, and environment. The California Tax Credit Allocation Committee (TCAC) in collaboration with HCD developed a series of opportunity maps that help to identify areas of the community with good or poor access to opportunity for residents. These maps were developed to align funding allocations with the goal of improving outcomes for low-income residents—particularly children.

Access to Opportunity

“Access to opportunity is a concept to approximate place-based characteristics linked to critical life outcomes. Access to opportunity oftentimes means both improving the quality of life for residents of low-income communities, as well as supporting mobility and access to ‘high resource’ neighborhoods. This encompasses education, employment, economic development, safe and decent housing, low rates of violent crime, transportation, and other opportunities, including recreation, food and healthy environment (air, water, safe neighborhood, safety from environmental hazards, social services, and cultural institutions).”

Source: California Department of Housing and Community Development Guidance, 2021, page 34.

The opportunity maps highlight areas of highest resource, high resource, moderate resource, moderate resource (rapidly changing), low resource and high segregation and poverty. TCAC provides opportunity maps for access to opportunity in quality education, employment, transportation, and environment. Opportunity scores are presented on a scale from zero to one and the higher the number, the more positive the outcomes.

TCAC’s economic opportunity score is comprised of poverty, adult educational attainment, employment, job proximity, and median home value. All areas of Monte Sereno have high economic opportunity (> 0.75).

Education

TCAC’s education score is based on math proficiency, reading proficiency, high school graduation rates, and the student poverty rate. According to TCAC’s educational opportunity map, every census tract in Monte Sereno scores higher than 0.75—indicating the highest positive educational outcomes. Opportunity scores are presented on a scale from zero to one and the higher the number, the more positive the outcomes.

Monte Sereno is served by the Los Gatos-Saratoga Union High School District, the Los Gatos Union Elementary School, and the Saratoga Elementary School Districts with Campbell Union elementary and high school districts accounting for a small number of residents. The most complete data, due to halted data collection during the COVID pandemic, was from 2019 and highlights a 97.7 percent graduation rate among all students in the Los Gatos-Saratoga Union high school, about the same as in 2018 (97.1 percent).

When broken down by race/ethnicity, Asian students graduated at a slightly higher rate (98.4 percent) than other students, although graduation rates are very high across races and ethnicities: Hispanic and White students’ graduation rates were 95.3 percent and 96.5 percent, respectively. African American students did not have enough students enrolled to accurately measure (less than 11 total).

The lowest graduation rate was among students with a disability at 88.1 percent--still very high.

The Los Gatos Union Elementary served 2,710 students in 2021, down from 3,024 from 2019, the last year with complete data. White students accounted for 64 percent of all students, with Asians (18.8 percent) and Hispanics (8.7 percent) students accounting for the majority of the remainder. The school included 4.2 percent socioeconomically disadvantaged students, one homeless student, and 7.2 percent students with a disability.

Saratoga Elementary had 1,657 students in 2021 and 1,765 in 2019. Even though Los Gatos and Saratoga feed into the same high school district, Saratoga is significantly different demographically than Los Gatos elementary school. At Saratoga, 57 percent of students are Asian with White students accounting for 25.7 percent, Hispanics another 6.1 percent. Saratoga Elementary served a student population with 10.8 percent disabilities, 2.4 percent socioeconomic disadvantages, and no homeless students.

San Mateo Union enrollment by race and ethnicity is similar to the countywide distribution. However, there is a higher proportion of Asian students in San Mateo Union (23 percent compared to 17 percent countywide), a smaller proportion of Filipino students (5 percent compared to 8 percent countywide) and Hispanic students (32 percent compared to 38 percent countywide).

Employment

There is a disconnect between the jobs servicing Monte Sereno and the type of jobs residents of the city perform. The Professional & Managerial Services industry dominates the employment of residents, while jobs located in Monte Sereno are dominated by the Health & Educational Services. The Professional & Managerial Services industry overtook the Health & Educational Services industry for job holders in Monte Sereno in 2007 and has been the dominant employment industry of Monte Sereno residents since 2011.

For those working in Monte Sereno, there has been a slow but steady shift toward Arts, Recreation & Other Services with a steady supply of Health & Education Services jobs.

Monte Sereno is a city of out-commuters. Notably, the city had 449 jobs in 2018 but 1,855 job holders. The city's jobs to household ratio is 0.37, meaning there are fewer than one job for each household. This compares to 1.5 for the Bay area and 1.75 for Santa Clara County.

Monte Sereno has more higher wage workers than jobs. This is also true for low- and moderate-income wage workers but less so, indicating that jobs in Monte Sereno are more likely to be low and moderate wage.

HUD's job proximity index shows that **Monte Sereno offers a moderate proximity to jobs**. On a scale from zero to 100 where 100 is the closest proximity to jobs half of the block groups in the city score 60-80 (high proximity) while the other half scores 40-60 (moderate proximity).

Environment

TCAC's opportunity areas environmental scores are based on the CalEnviroScreen 3.0 indicators, which identify areas disproportionately vulnerable to pollution sources such as ozone, PM_{2.5}, diesel PM, pesticides, toxic release, traffic, cleanup sites, groundwater threats, hazardous waste, impaired water bodies, and solid waste sites.

Monte Sereno scores low to moderate on positive environmental outcomes, with the lowest environmental scores in the southwest. The city also scores low on **California Healthy Places Index (HPI)** developed by the Public Health Alliance of Southern California (PHASC). It is not clear which is more reflective of the area's environmental health, but Monte Sereno scores poorly due to groundwater contamination and traffic pollution.

The HPI includes 25 community characteristics in eight categories including economic, social, education, transportation, neighborhood, housing, clean environment, and healthcare.¹³

Disparities in Access to Opportunity

Because Monte Sereno offers high opportunity neighborhoods throughout, all residents live in highly resourced areas, regardless of race or ethnicity. Los Gatos and other surrounding areas are also entirely high opportunity cities.

The Social Vulnerability Index (SVI) provided by the Center for Disease Control (CDC)—ranks census tracts based on their ability to respond to a disaster—includes four themes of socioeconomic status, household composition, race or ethnicity, and housing and transportation. Monte Sereno scores well on the SVI; no neighborhoods are ill equipped to respond to disasters.

Monte Sereno does not have any disadvantaged communities as defined under SB 535 as “the top 25 percent scoring areas from CalEnviroScreen along with other areas with high amounts of pollution and low populations.”¹⁴

Disparities Specific to the Population Living with a Disability

Seven percent of the population in Monte Sereno is living with at least one disability, compared to 8 percent in the county. The most common disabilities in the city are ambulatory (3.9 percent), self-care (3.6 percent), and independent living difficulty (3.0 percent). **For the population 65 and over, the share of the population with ambulatory difficulties increases to 11.4 percent while hearing difficulty becomes a top three issue at 9.4 percent. There were no unemployed persons with a disability in Monte Sereno.**

¹³ <https://healthyplacesindex.org/about/>

¹⁴ <https://oehha.ca.gov/calenviroscreen/sb535>

Geographic Concentrations

There are no concentrations of persons with disabilities in Monte Sereno.

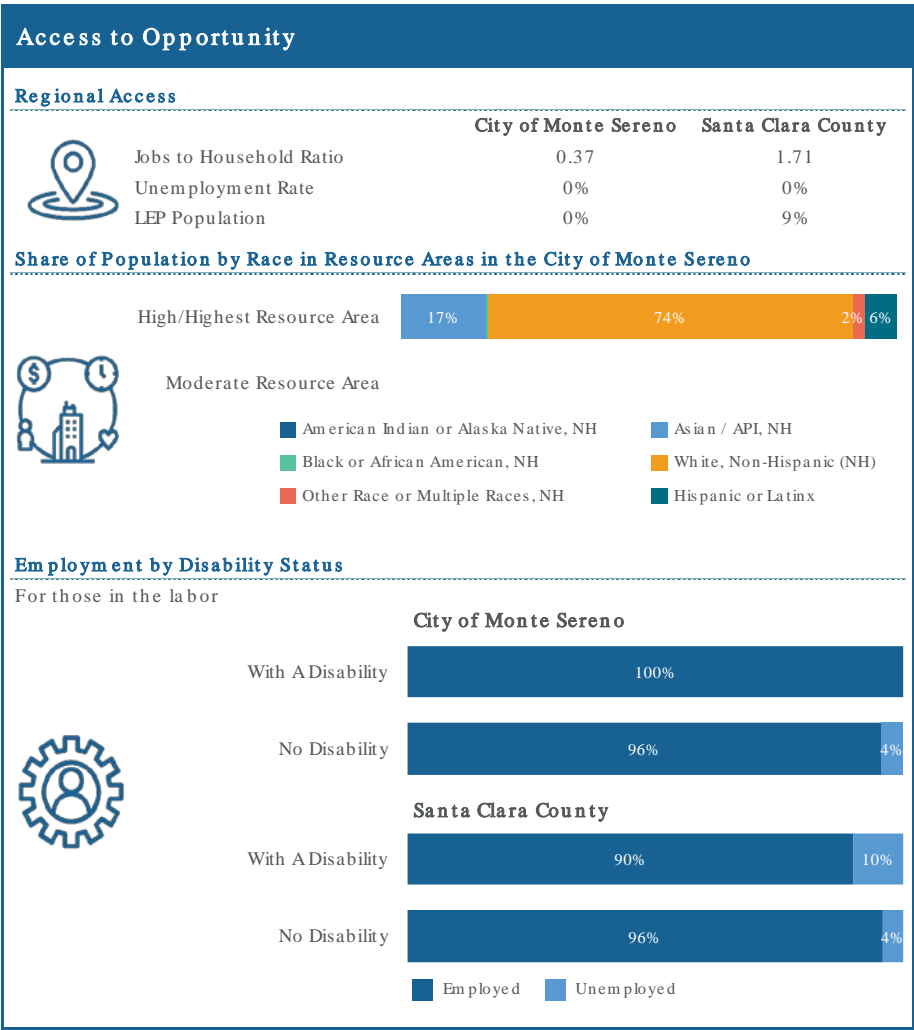
Disability

“**Disability types** include hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty.”

Source: California Department of Housing and Community Development Guidance, 2021, page 36.

Figure A-4 summarizes access to housing opportunities.

Figure A-4 Access to Opportunity



A.5 Disproportionate Housing Needs

This section discusses disparate housing needs for protected classes including cost burden and severe cost burden, overcrowding, substandard housing conditions, homelessness, displacement, and other considerations.

Disproportionate Housing Needs

“Disproportionate housing needs generally refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. For purposes of this definition, categories of housing need are based on such factors as cost burden and severe cost burden, overcrowding, homelessness, and substandard housing conditions.”

Source: California Department of Housing and Community Development Guidance, 2021, page 39.

Housing Needs

Population growth trends in Monte Sereno have followed county and Bay area trends; however, the rate of growth has been significantly lower.

Since 2015, the housing that has received permits to accommodate growth has largely been priced for the lowest income households, with 43 units permitted for very low-income households—representing 57 percent of all permits. Another 30 permits were issued for housing for above moderate-income households. This is vastly different than nearby Los Gatos, which permitted 134 units, of which none served low or very low-income households and 59 percent served above moderate income households.

Most of the city’s homes were built between 1940 and 1979. After this period, housing production slowed significantly, with the production halving every 10 years. Since 2010, only 57 housing units have been built.

Monte Sereno offers a little to no variety of housing types with 96 percent single family detached units. The next highest category of housing unit was single family attached (3 percent); there are no mobile/manufactured homes in Monte Sereno.¹⁵

Owning a home in Monte Sereno requires very high incomes and ownership housing costs much more than in the county or Bay area overall: 97 percent of owner-occupied homes in the city are valued over \$1 million with 84 percent valued above \$2 million. This compares to 48 percent for the

¹⁵ Housing Needs Data Report: Monte Sereno, ABAG/MTC Staff and Baird + Driskell Community Planning, 2021.

county and 35 percent for the Bay area overall of homes over \$1 million. According to the Zillow Home Value Index, Monte Sereno is almost three times more expensive than the county and the Bay area.

Renting is more attainable in Monte Sereno, with 37 percent of units renting below \$1,500 per month. This is on par with the Bay area overall (35 percent renting below \$1,500/month) and better than county (22 percent). Monte Sereno has a large share of luxury rentals (42 percent rent for \$3,000 and more) and few moderately priced rentals.

Cost Burden and Severe Cost Burden

Cost burden, which occurs when households spend more than 30 percent of their gross income on housing costs, is about the same as the county and Bay area.

Cost burden does vary by tenure (renter or ownership) in Monte Sereno in two distinct ways. Renters are more likely to be extremely cost burdened (23 percent v. 12 percent for owners), although owners are more likely to be burdened overall (32 percent of owners experience cost burden compared to 23 percent for renters). The relatively low level of burden among renters is related to the large share of rental units that are affordable.

Cost burden also varies by income, with 90 percent of extremely low-income households severely burdened. The majority of households with incomes of less than 80 percent experience cost burden.

There are **disparities in housing cost burden in Monte Sereno by race and ethnicity**. Seventy-three percent of Hispanic households are cost burdened, with 59 percent using over half of their income on housing costs. This compares to 33 percent of non-Hispanic White households and 30 percent of Asian households. There were no data for Black or African American or Native American/Alaskan residents.

Geographic Concentrations

There is a higher concentrations of cost burdened renters in the city south of Highway 9, but the concentrations of burdened owners apply uniformly to the entire city.

Overcrowding

The vast majority of households (99 percent) in Monte Sereno are not overcrowded—indicated by more than one occupant per room. Owner households are more likely to be overcrowded, with 1.5 percent of households with more than one occupant per room, compared to 0 percent of renter households.

Only White households experience overcrowding (1.8 percent). The city's wealthiest households (100 percent+ AMI) are the only households with overcrowding.

Geographic Concentrations

There are no geographic concentrations of overcrowded households in Monte Sereno.

Substandard Housing

Data on housing condition are very limited, with the most consistent data available across jurisdictions found in the American Community Survey (ACS)—which captures units in substandard condition as self-reported in Census surveys. No renter households in Monte Sereno report living in substandard housing. About 1 percent of owner households are lacking complete kitchens and 1 percent lack complete plumbing.

Homelessness

In 2019, 9,706 people were experiencing homelessness in the county during the One-Day Count (Point-In-Time), with only 18 percent of people in emergency or transitional shelter while the remaining 82 percent were unsheltered. The majority of unsheltered people experiencing homelessness were in households without children. The majority of people in transitional housing were in households with children.

People who identify as American Indian or Alaskan Native (8 percent of the homeless population compared to less than 1 percent of the total population), Black (19 percent, 2 percent), White (44 percent, 32 percent), and Hispanic (43 percent, 25 percent) are overrepresented in the homeless population compared to their share of the general population. People struggling with chronic substance abuse (35 percent), severe mental illness (42 percent), and post-traumatic stress disorder (33 percent) represented a substantial share of the homeless population in 2019. Losing a job or being evicted was reported to be the causal events that led to homelessness in 44 percent of incidents of homelessness.¹⁶

Displacement

According to the Sensitive Communities map of vulnerable communities, none of the city's census tracts are vulnerable to displacement.

¹⁶ According to Santa Clara County's Homeless Census & Survey (2019); [2019 SCC Homeless Census and Survey Exec Summary.pdf \(sccgov.org\)](https://www.sccgov.org/sites/sccgov/files/2019-10/2019_SCC_Homeless_Census_and_Survey_Exec_Summary.pdf).

Displacement Sensitive Communities

“According to the Urban Displacement Project, communities were designated sensitive if they met the following criteria:

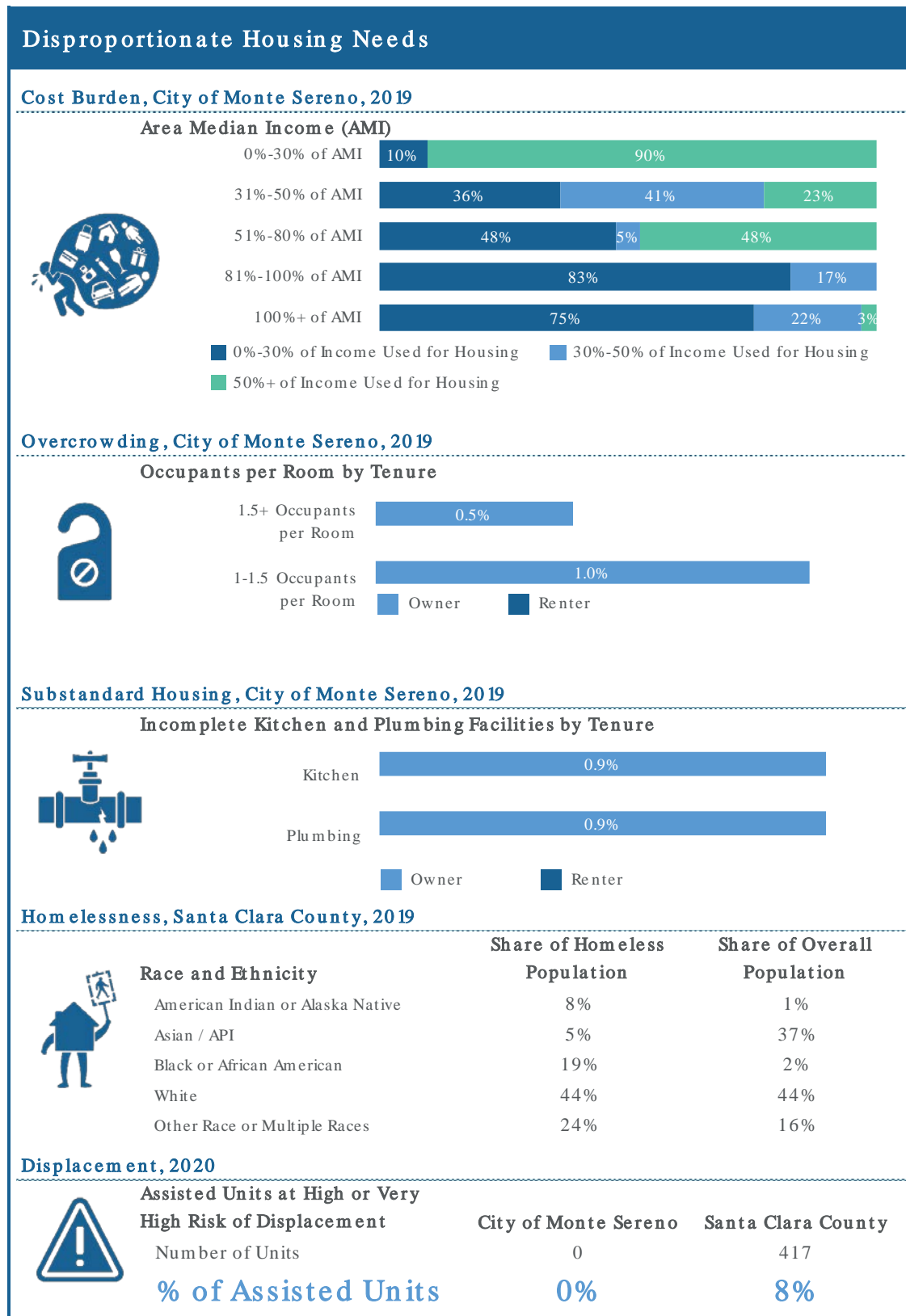
- They currently have populations vulnerable to displacement in the event of increased redevelopment and drastic shifts in housing cost. Vulnerability is defined as:
 - Share of very low-income residents is above 20 percent, 2017
 - AND
 - The tract meets two of the following criteria:
 - Share of renters is above 40 percent, 2017
 - Share of people of color is above 50 percent, 2017
 - Share of very low-income households (50 percent AMI or below) that are severely rent burdened households is above the county median, 2017
 - They or areas in close proximity have been experiencing displacement pressures. Displacement pressure is defined as:
 - ♦ Percent change in rent above county median for rent increases, 2012-2017
- OR
- Difference between tract median rent and median rent for surrounding tracts above median for all tracts in county (rent gap), 2017”

Source: <https://www.sensitivecommunities.org/>.

Access to Mortgage Loans

In many communities, disparities by race and ethnicity are prevalent for home mortgage applications, particularly in denial rates. This is less true in Monte Sereno. Mortgage denial rates are relatively modest—ranging from 17 percent to 20 percent—with the exception of Hispanic applicants (33 percent). It should be noted that only 5 applicants from Hispanic applicants were received out of 162 in 2018 and 2019. Figure A-5 summarizes information on disproportionate housing needs.

Figure A-5 Disproportionate Housing Needs



Housing Needs Assessment

B
APPENDIX

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Appendix B

Housing Needs Assessment

B.1 Population, Employment, and Household Characteristics

Population

The Bay Area is the fifth-largest metropolitan area in the nation and has seen a steady increase in population since 1990, except for a dip during the Great Recession. Many cities in the region have experienced significant growth in jobs and population. While these trends have led to a corresponding increase in demand for housing across the region, the regional production of housing has largely not kept pace with job and population growth.

In 2020, the population of Monte Sereno was estimated to be 3,594. The population of Monte Sereno makes up approximately 0.2 percent of Santa Clara County.¹ In Monte Sereno, roughly 4.9 percent of its population moved during the past year, a number 8.5 percentage points smaller than the regional rate of 13.4 percent. Table B-1 shows population growth trends for Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Table B-1 Population Growth Trends

| Geography | 1990 | 1995 | 2000 | 2005 | 2010 | 2015 | 2020 |
|--------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Monte Sereno | 3,287 | 3,236 | 3,483 | 3,493 | 3,341 | 3,465 | 3,594 |
| Santa Clara County | 1,497,577 | 1,594,818 | 1,682,585 | 1,752,696 | 1,781,642 | 1,912,180 | 1,961,969 |
| Bay Area | 6,020,147 | 6,381,961 | 6,784,348 | 7,073,912 | 7,150,739 | 7,595,694 | 7,790,537 |

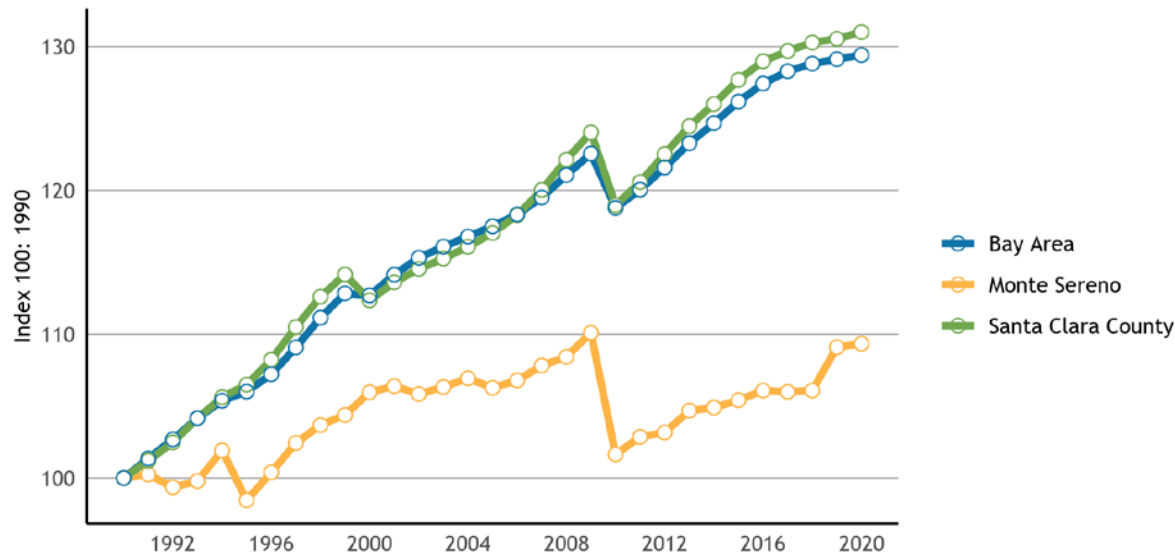
SOURCE: California Department of Finance, E-5 series

NOTE: Universe: Total population

¹ To compare the rate of growth across various geographic scales, Figure B-1 shows population for the jurisdiction, county, and region indexed to the population in the year 1990. This means that the data points represent the population growth (i.e., percent change) in each of these geographies relative to their populations in 1990.

Since 2000, Monte Sereno’s population has increased by 3.2 percent, which is below that of the region as a whole, at 14.8 percent. From 1990 to 2000, the population increased by 6.0 percent, while it decreased by 4.1 percent during the first decade of the 2000s. In the most recent decade, the population increased by 7.6 percent. Figure B-1 shows a graph of population growth trends in percentages.

Figure B-1 Population Growth Trends



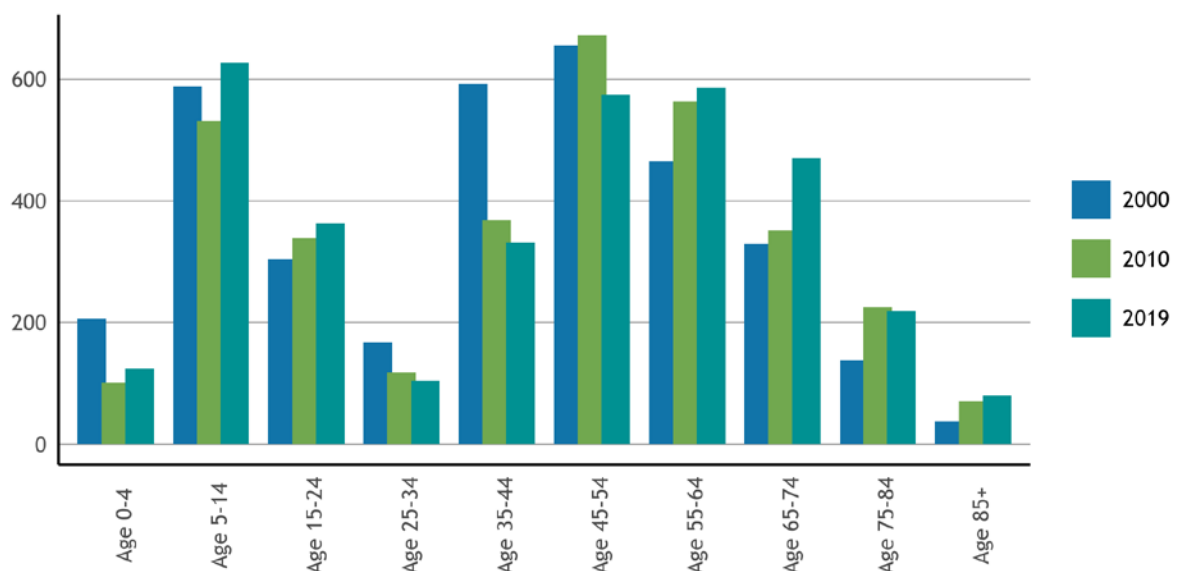
SOURCE: California Department of Finance, E-5 series Note: The data shown on the graph represents population for the jurisdiction, county, and region indexed to the population in the first year shown. The data points represent the relative population growth in each of these geographies relative to their populations in that year. For some jurisdictions, a break may appear at the end of each decade (1999, 2009) as estimates are compared to census counts. DOF uses the decennial census to benchmark subsequent population estimates. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-01.

Age

The distribution of age groups in a city shapes what types of housing the community may need in the near future. An increase in the older population may mean there is a developing need for more senior housing options, while higher numbers of children and young families can point to the need for more family housing options and related services. There has also been a move by many to age-in-place or downsize to stay within their communities, which can mean more multifamily and accessible units are also needed.

In Monte Sereno, the median age in 2000 was approximately 42 years. By 2019, the median age increased to approximately 48 years. More specifically, the population of those under 15 has increased since 2010, while the 65-and-over population has increased. Figure B-2 shows population by age for the years 2000, 2010, and 2019.

Figure B-2 Population by Age, 2000-2019

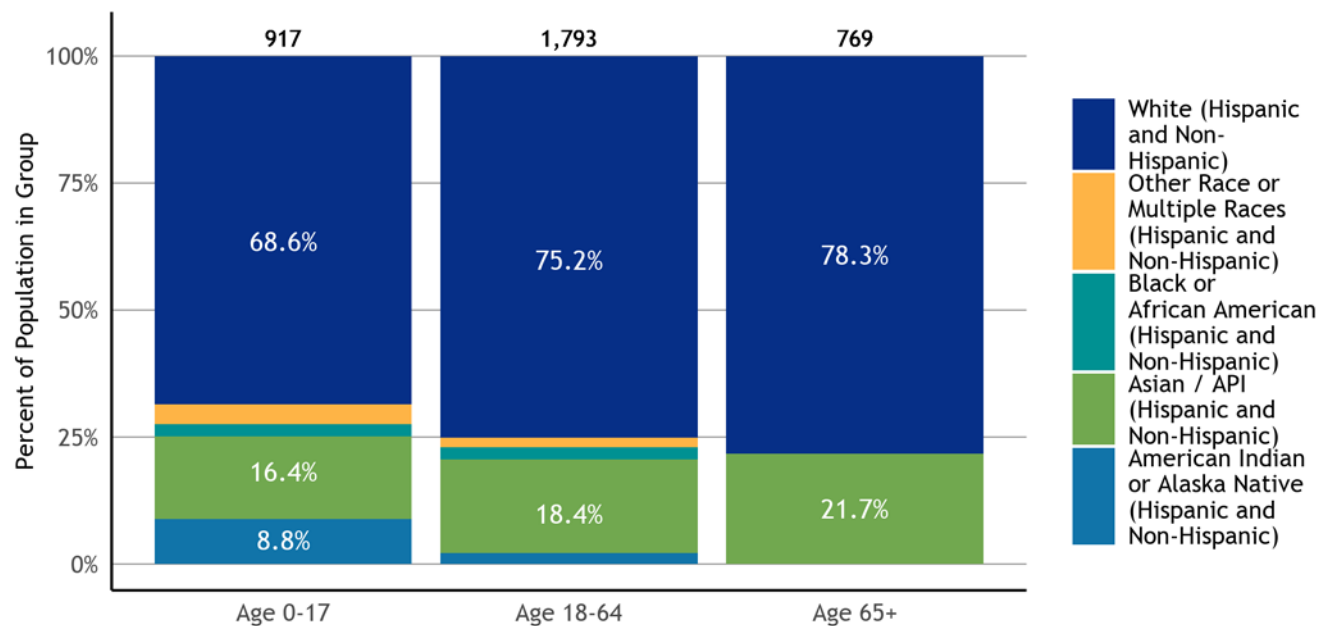


SOURCE: U.S. Census Bureau, Census 2000 SF1, Table P12; U.S. Census Bureau, Census 2010 SF1, Table P12; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-04.

NOTE: Universe: Total population

Looking at the senior and youth population by race can add an additional layer of understanding, as families and seniors of color are even more likely to experience challenges finding affordable housing. People of color² make up 21.7 percent of seniors and 31.4 percent of youth under 18. Figure B-3 shows population age by race.

Figure B-3 Population Age by Race



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-G). For the data table behind this figure, please refer to the Data Packet Workbook, Table SEN-02.

NOTE: Universe: Total population. In the sources for this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity, and an overlapping category of Hispanic / non-Hispanic groups has not been shown to avoid double counting in the stacked bar chart.

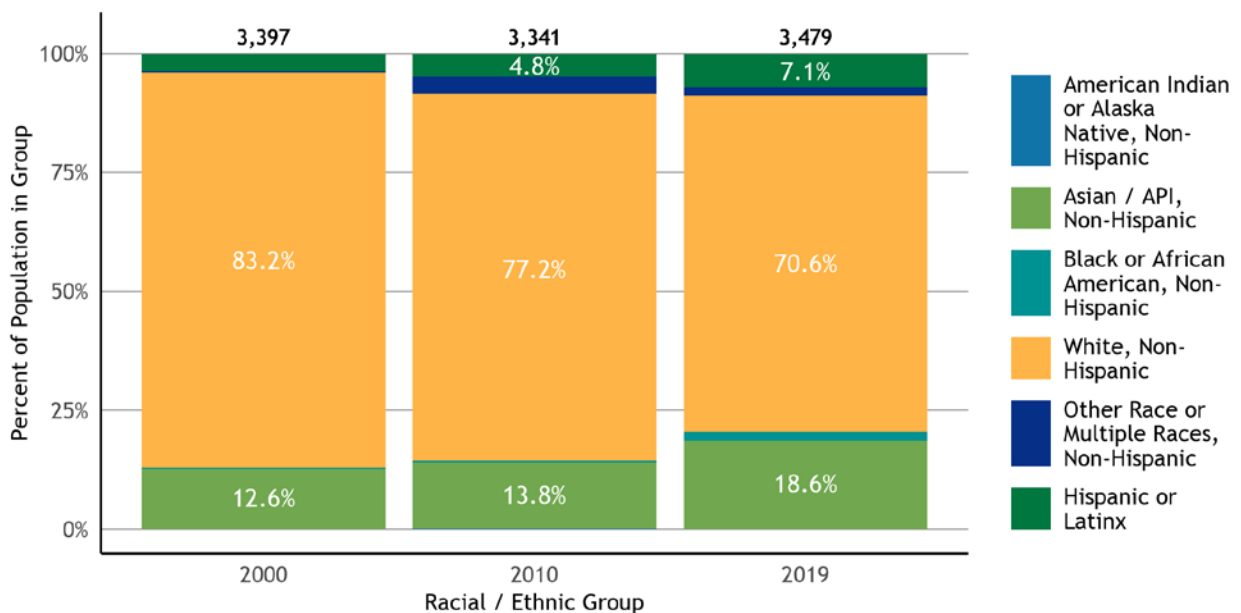
² Here, all non-white racial groups are counted.

Race and Ethnicity

Understanding the racial makeup of a city and region is important for designing and implementing effective housing policies and programs. These patterns are shaped by both market factors and government actions, such as exclusionary zoning, discriminatory lending practices and displacement that has occurred over time and continues to impact communities of color today³.

Since 2000, the percentage of residents in Monte Sereno identifying as *White, Non-Hispanic* has decreased by 12.6 percentage points, with the 2019 population standing at 2,456. By the same token the percentage of residents of all other races and ethnicities has increased. In absolute terms, the *Asian / API, Non-Hispanic* population increased the most while the *White, Non-Hispanic* population decreased the most. Figure B-4 shows population by race for 2000, 2010, and 2019.

Figure B-4 Population by Race, 2000-2019



SOURCE: U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-02.

NOTE: Universe: Total population. Data for 2019 represents 2015-2019 ACS estimates. The Census Bureau defines Hispanic/Latinx ethnicity separate from racial categories. For the purposes of this graph, the "Hispanic or Latinx" racial/ethnic group represents those who identify as having Hispanic/Latinx ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latinx ethnicity.

³ See, for example, Rothstein, R. (2017). *The color of law: a forgotten history of how our government segregated America*. New York, NY & London, UK: Liveright Publishing.

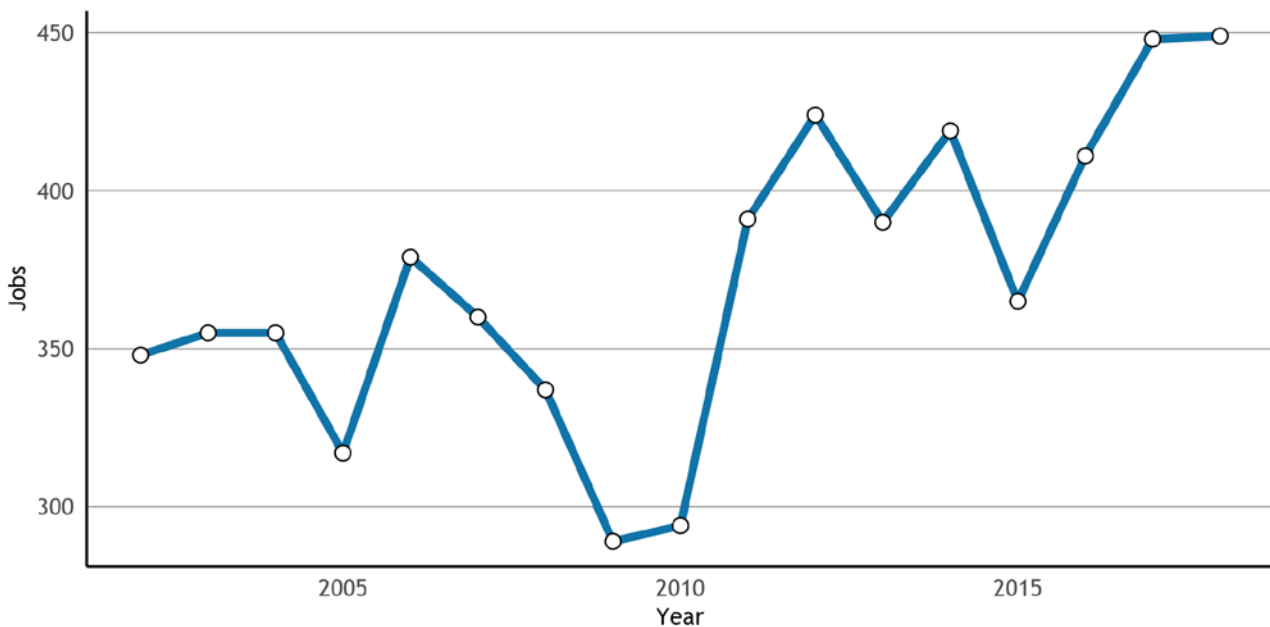
Employment Trends

Balance of Jobs and Workers

A city houses employed residents who either work in the community where they live or work elsewhere in the region. Conversely, a city may have job sites that employ residents from the same city, but more often employ workers commuting from outside of it. Smaller cities typically will have more employed residents than jobs there and export workers, while larger cities tend to have a surplus of jobs and import workers. To some extent the regional transportation system is set up for this flow of workers to the region's core job centers. At the same time, as the housing affordability crisis has illustrated, local imbalances may be severe, where local jobs and worker populations are out of sync at a sub-regional scale.

One measure of this is the relationship between *workers* and *jobs*. A city with a surplus of workers “exports” workers to other parts of the region, while a city with a surplus of jobs must conversely “import” them. Between 2002 and 2018, the number of jobs in Monte Sereno increased by 29.0 percent. Figure B-5 shows jobs in Monte Sereno from 2002 through 2018.

Figure B-5 Jobs in a Jurisdiction



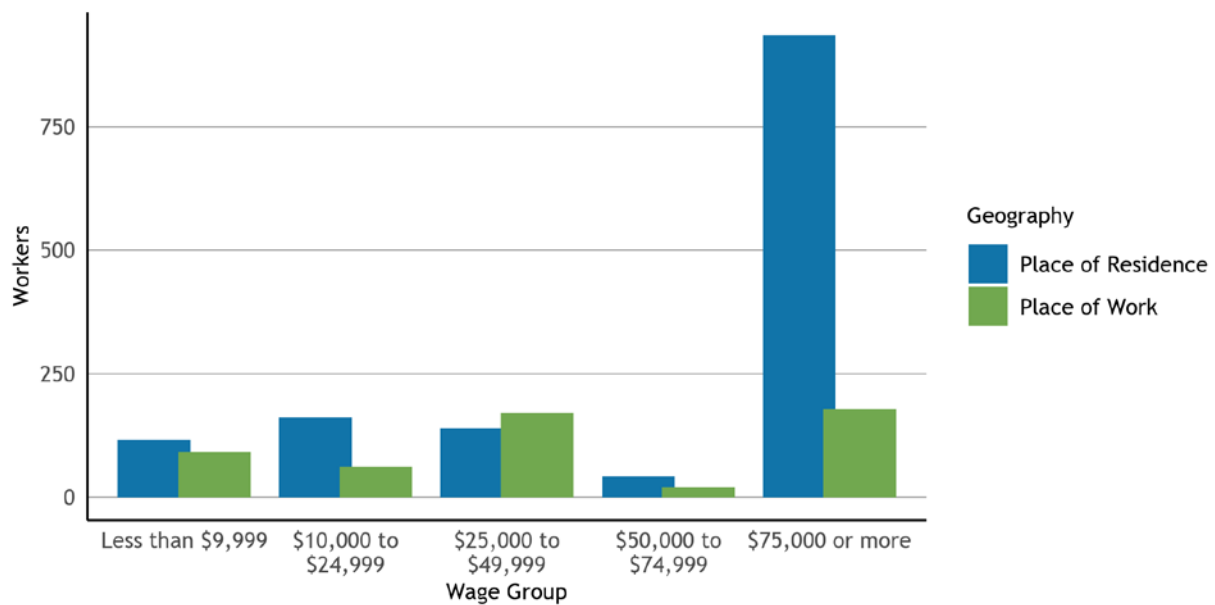
SOURCE: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files, 2002-2018. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-11.

NOTE: Universe: Jobs from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment. The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are crosswalked to jurisdictions and summarized.

The next figure shows the balance when comparing jobs to workers, broken down by different wage groups, offering additional insight into local dynamics. A community may offer employment for relatively low-income workers, but have relatively few housing options for those workers, or conversely, it may house residents who are low-wage workers, but offer few employment opportunities for them. Such relationships may cast extra light on potentially pent-up demand for housing in particular price categories. A relative *surplus* of jobs relative to residents in a given wage category suggests the need to import those workers, while conversely, surpluses of workers in a wage group relative to jobs means the community will export those workers to other jurisdictions. Such flows are not inherently bad, though over time, sub-regional imbalances may appear.

Monte Sereno has more low-wage *residents* than low-wage *jobs* (where low-wage refers to jobs paying less than \$25,000). At the other end of the wage spectrum, the city has more high-wage *residents* than high-wage *jobs* (where high-wage refers to jobs paying more than \$75,000).⁴ Figure B-6 shows workers by earners and place of work and residence.

Figure B-6 Workers by Earnings, by Jurisdiction as Place of Work and Place of Residence



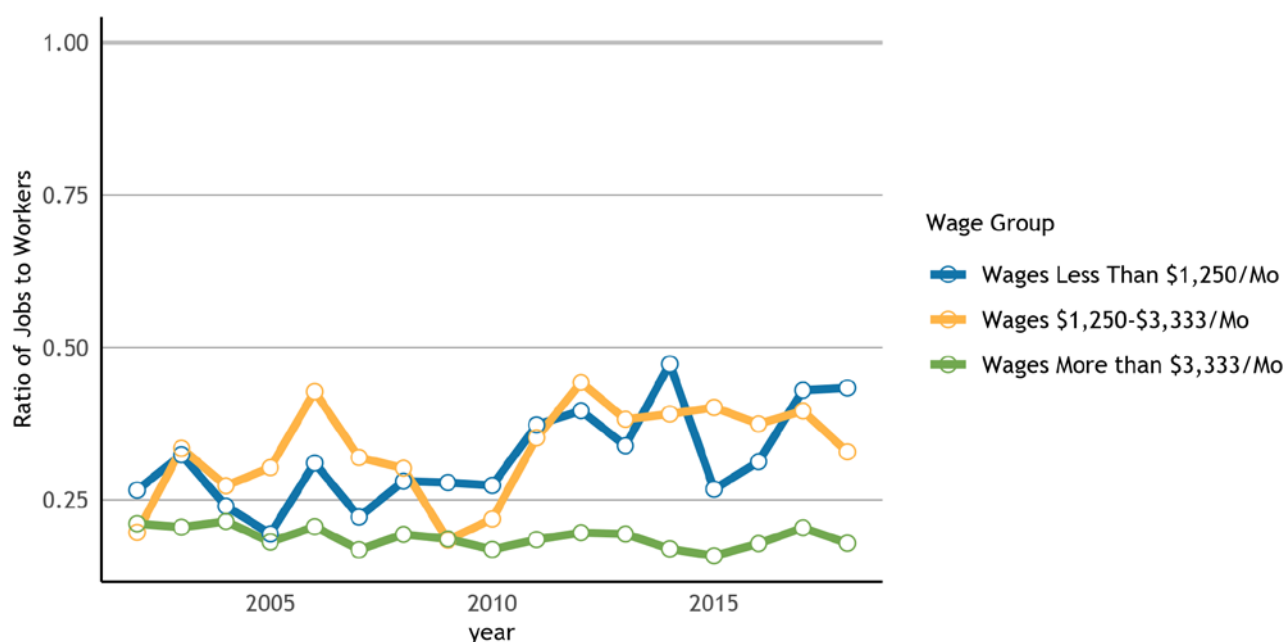
SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data 2015-2019, B08119, B08519. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-10.

NOTE: Universe: Workers 16 years and over with earnings

⁴ The source table is top-coded at \$75,000, precluding more fine-grained analysis at the higher end of the wage spectrum.

Figure B-7 shows the ratio of jobs to workers, by wage group for Monte Sereno. A value of one (1.00) means that a city has the same number of jobs in a wage group as it has resident workers, in principle, a balance. Values below one (1.00) indicate a jurisdiction that exports workers for jobs in a given wage group.

Figure B-7 Jobs-Worker Ratios, By Wage Group



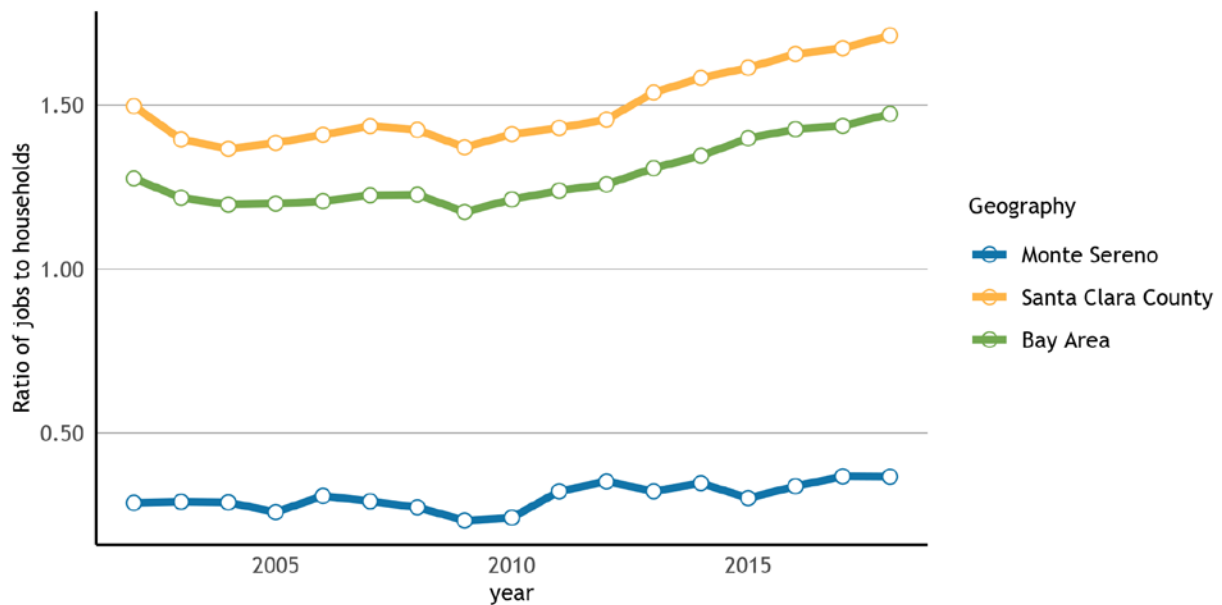
SOURCE: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs); Residence Area Characteristics (RAC) files (Employed Residents), 2010-2018. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-14.

NOTE: Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment. The ratio compares job counts by wage group from two tabulations of LEHD data: Counts by place of work relative to counts by place of residence. See text for details.

Such balances between jobs and workers may directly influence the housing demand in a community. New jobs may draw new residents, and when there is high demand for housing relative to supply, many workers may be unable to afford to live where they work, particularly where job growth has been in relatively lower wage jobs. This dynamic not only means many workers will need to prepare for long commutes and time spent on the road, but in the aggregate, it contributes to traffic congestion and time lost for all road users.

If there are more jobs than employed residents, it means a city is relatively jobs-rich, typically also with a high jobs-to-household ratio. Thus, bringing housing into the measure, the jobs-household ratio in Monte Sereno has increased from 0.29 in 2002, to 0.37 jobs per household in 2018. In short, Monte Sereno is a net exporter of workers. Figure B-8 shows Monte Sereno's jobs-household ratio.

Figure B-8 Jobs-Household Ratio



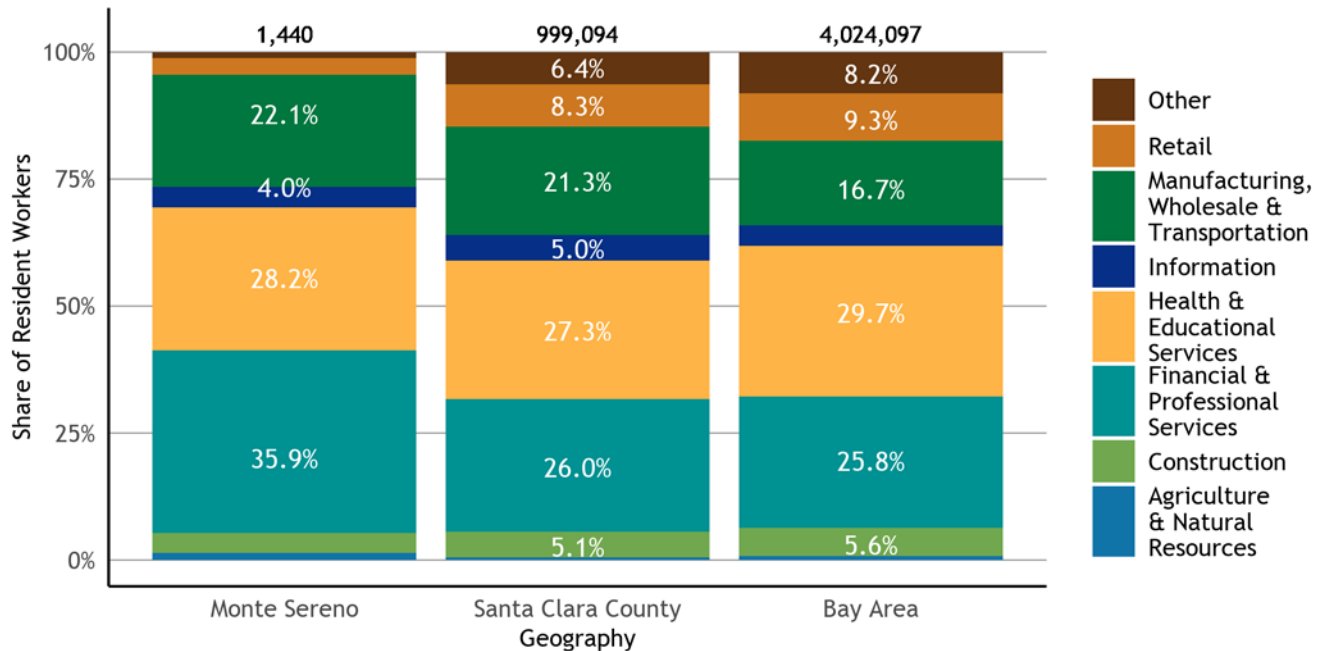
SOURCE: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs), 2002-2018; California Department of Finance, E-5 (Households). For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-13.

NOTE: Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment; households in a jurisdiction. The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are crosswalked to jurisdictions and summarized. The ratio compares place of work wage and salary jobs with households, or occupied housing units. A similar measure is the ratio of jobs to housing units. However, this jobs-household ratio serves to compare the number of jobs in a jurisdiction to the number of housing units that are actually occupied. The difference between a jurisdiction's jobs-housing ratio and jobs-household ratio will be most pronounced in jurisdictions with high vacancy rates, a high rate of units used for seasonal use, or a high rate of units used as short-term rentals.

Sector Composition

In terms of sectoral composition, the largest industry in which Monte Sereno residents work is *Financial & Professional Services*, and the largest sector in which Santa Clara residents work is *Health & Educational Services*. For the Bay Area as a whole, the *Health & Educational Services* industry employs the most workers. Figure B-9 shows resident employment by industry.

Figure B-9 Resident Employment by Industry



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table C24030. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-06.

NOTE: Universe: Civilian employed population age 16 years and over. The data displayed shows the industries in which jurisdiction residents work, regardless of the location where those residents are employed (whether within the jurisdiction or not). Categories are derived from the following source tables: Agriculture & Natural Resources: C24030_003E, C24030_030E; Construction: C24030_006E, C24030_033E; Manufacturing, Wholesale & Transportation: C24030_007E, C24030_034E, C24030_008E, C24030_035E, C24030_010E, C24030_037E; Retail: C24030_009E, C24030_036E; Information: C24030_013E, C24030_040E; Financial & Professional Services: C24030_014E, C24030_041E, C24030_017E, C24030_044E; Health & Educational Services: C24030_021E, C24030_024E, C24030_048E, C24030_051E; Other: C24030_027E, C24030_054E, C24030_028E, C24030_055E

Extremely Low-Income Households

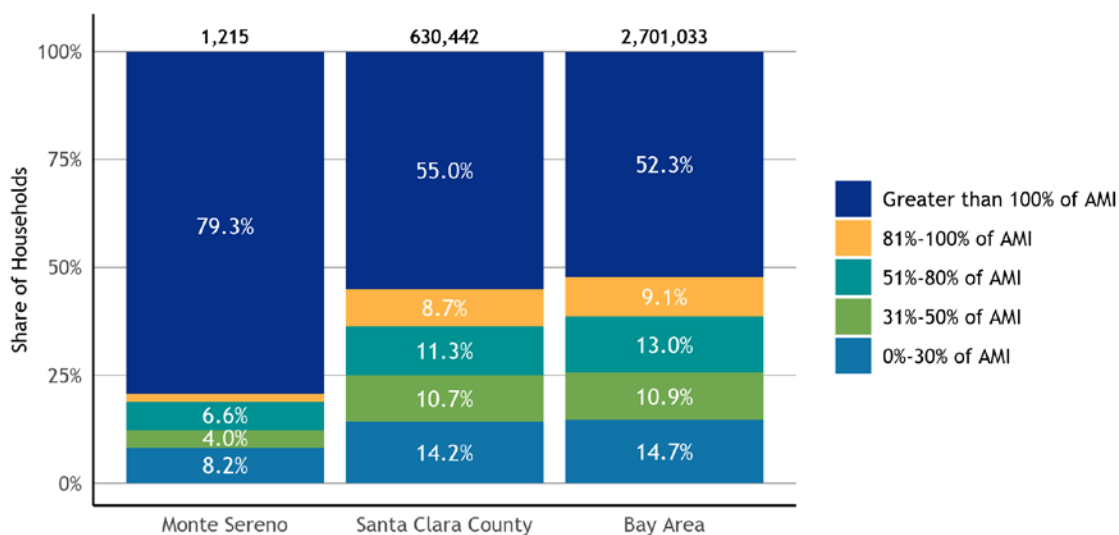
Despite the economic and job growth experienced throughout the region since 1990, the income gap has continued to widen. California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the state.⁵

⁵ Bohn, S. et al. 2020. Income Inequality and Economic Opportunity in California. *Public Policy Institute of California*.

In Monte Sereno, 79.3 percent of households make more than 100 percent of the Area Median Income (AMI)⁶, compared to 8.2 percent making less than 30 percent of AMI, which is considered extremely low-income.

Regionally, more than half of all households make more than 100 percent AMI, while 14.7 percent make less than 30 percent AMI. In Santa Clara County, 30 percent AMI is the equivalent to the annual income of \$39,900 for a family of four. Many households with multiple wage earners, including food service workers, full-time students, teachers, farmworkers and healthcare professionals, can fall into lower AMI categories due to relatively stagnant wages in many industries. Figure B-10 shows households by income level.

Figure B-10 Households by Household Income Level



SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2018-2019 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table ELI-01.

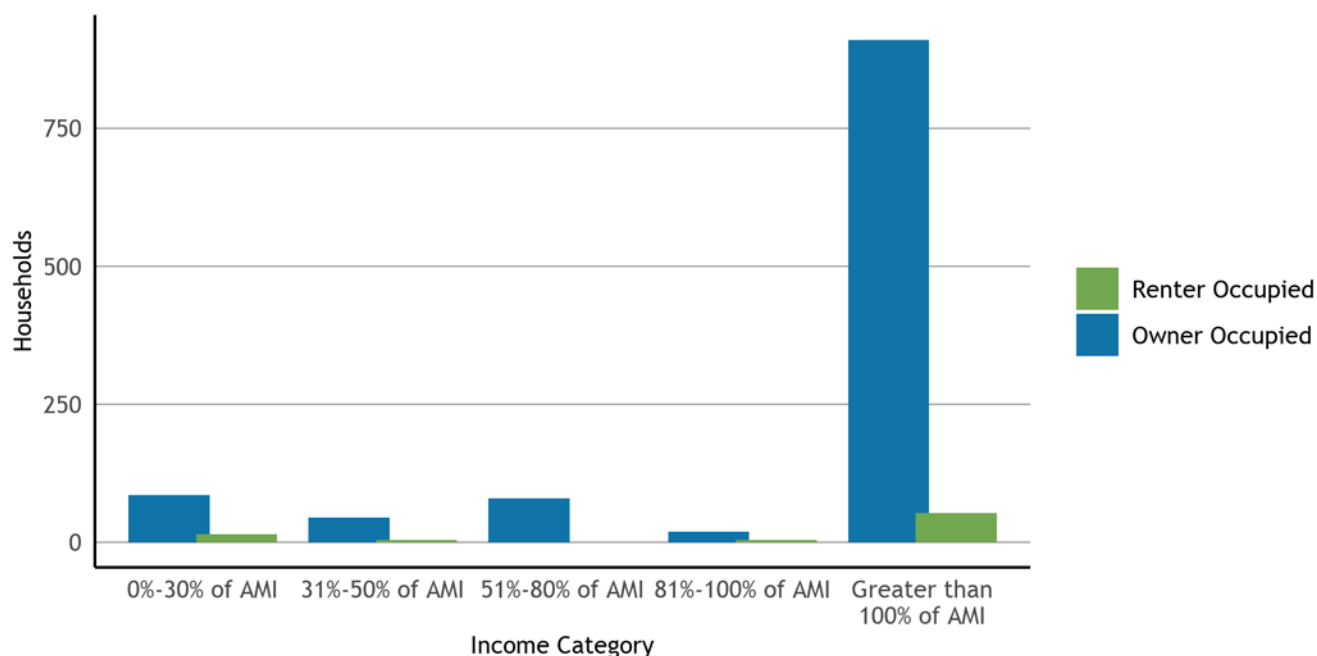
NOTE: Universe: Occupied housing units. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. The data that is reported for the Bay Area is not based on a regional AMI, but instead refers to the regional total of households in an income group relative to the AMI for the county where that household is located. Local jurisdictions are required to provide an estimate for their projected extremely low-income households (0-30% AMI) in their Housing Elements. HCD's official Housing Element guidance notes that jurisdictions can use their RHNA for very low-income households (those making 0-50% AMI) to calculate their projected extremely low-income households. As Bay Area jurisdictions have not yet received their final RHNA numbers, this document does not contain the required data point of projected extremely low-income households. The report portion of the housing data needs packet contains more specific guidance for how local staff can calculate an estimate for projected extremely low-income households once jurisdictions receive their 6th cycle RHNA numbers.

⁶ Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Households making between 80 and 120 percent of the AMI are moderate-income, those making 50 to 80 percent are low-income, those making 30 to 50 percent are very low-income, and those making less than 30 percent are extremely low-income. This is then adjusted for household size.

Throughout the region, there are disparities between the incomes of homeowners and renters. Typically, the number of low-income renters greatly outpaces the amount of housing available that is affordable for these households.

In Monte Sereno, the largest proportion of both homeowners and renters falls in the *Greater than 100% of AMI* group. Figure B-11 shows household income by tenure.

Figure B-11 Household Income Level by Tenure



SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2018-2019 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-21.

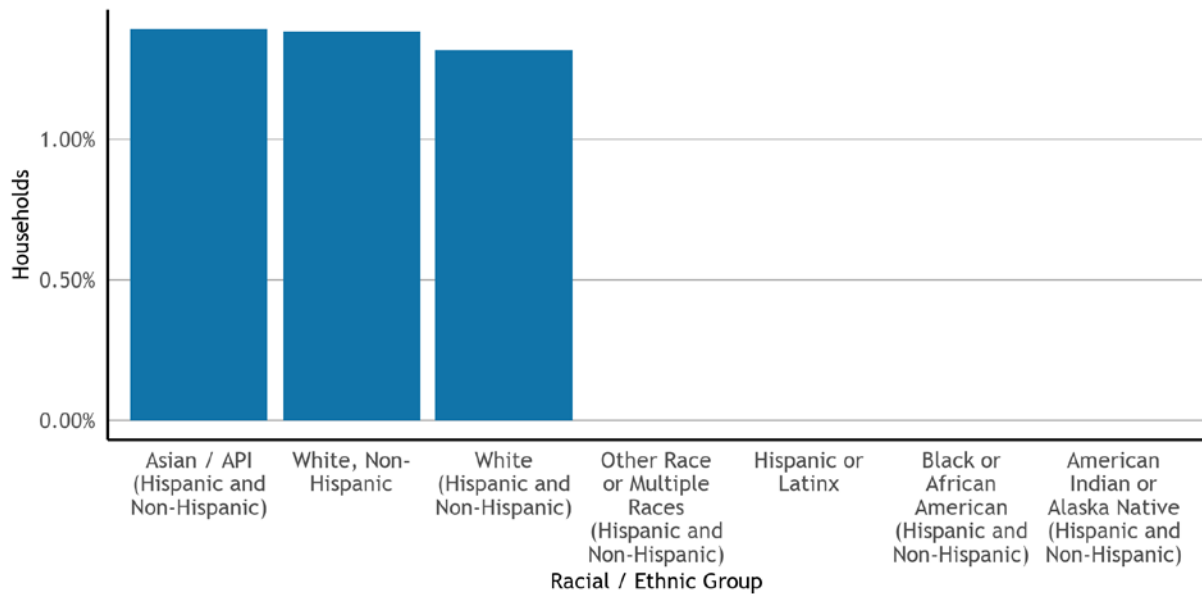
NOTE: Universe: Occupied housing units. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents.⁷ These economic disparities also leave communities of color at higher risk for housing insecurity, displacement or homelessness.

In Monte Sereno, Asian/API (Hispanic and Non-Hispanic) residents experience the highest rates of poverty, followed by White (Hispanic and Non-Hispanic) residents. Figure B-12 shows poverty status by race.

⁷ Moore, E., Montojo, N. and Mauri, N., 2019. Roots, Race & Place: A History of Racially Exclusionary Housing the San Francisco Bay Area. *Hass Institute*.

Figure B-12 Poverty Status by Race



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17001(A-I). For the data table behind this figure, please refer to the Data Packet Workbook, Table ELI-03.

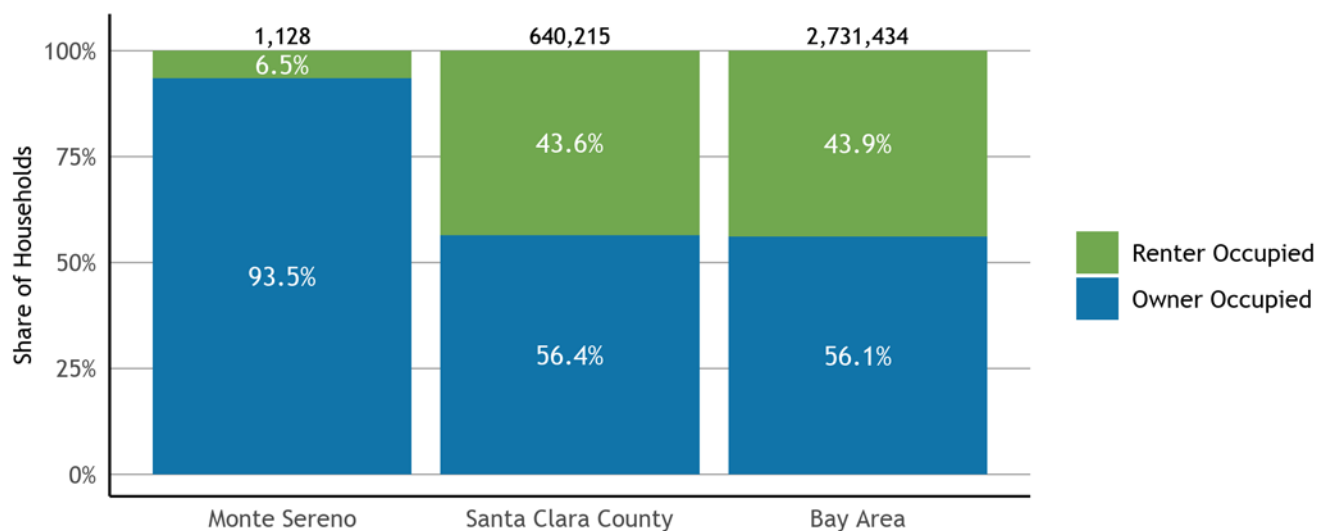
NOTE: Universe: Population for whom poverty status is determined. The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to Area Median Income. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the population for whom poverty status is determined for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the population for whom poverty status is determined.

Tenure

The number of residents who own their homes compared to those who rent their homes can help identify the level of housing insecurity (i.e., the ability for individuals to stay in their homes) in a city and region. Generally, renters may be displaced more quickly if prices increase.

In Monte Sereno there are a total of 1,128 housing units, and fewer residents rent than own their homes: 6.5 percent versus 93.5 percent. By comparison, 43.6 percent of households in Santa Clara County are renters, while 43.9 percent of Bay Area households rent their homes. Figure B-13 on the following page shows housing tenure for Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Figure B-13 Housing Tenure



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-16.

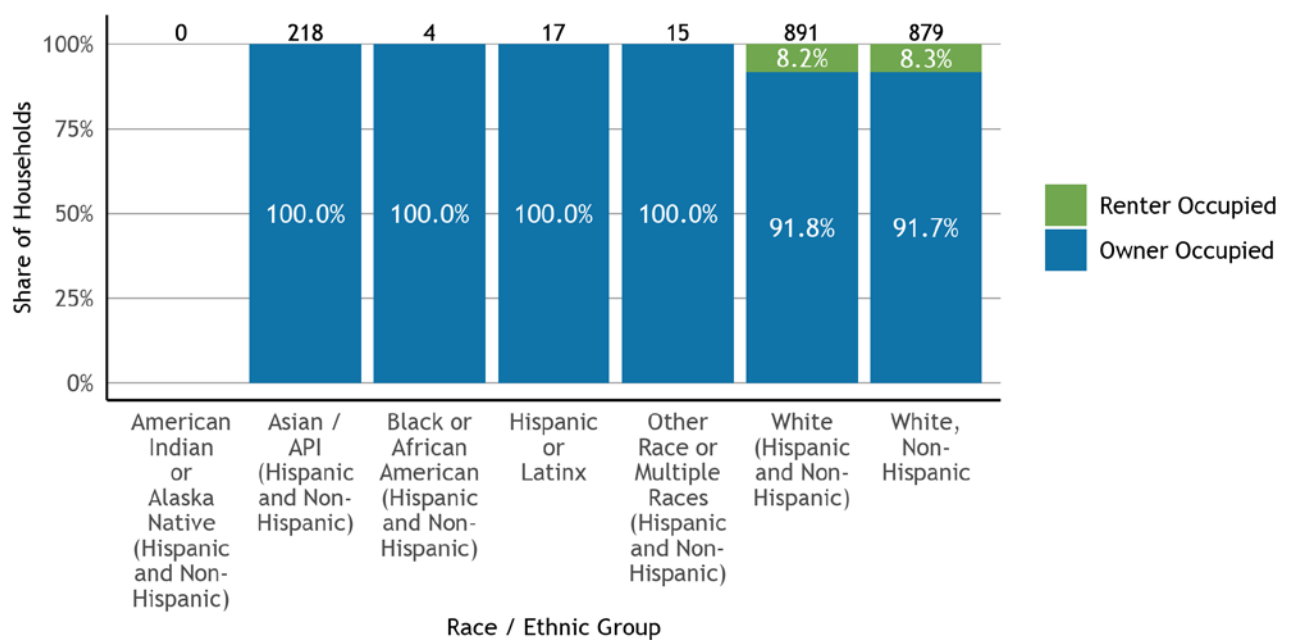
NOTE: Universe: Occupied housing units

Homeownership rates often vary considerably across race/ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth, but also stem from federal, state, and local policies that limited access to homeownership for communities of color while facilitating homebuying for white residents. While many of these policies, such as redlining, have been formally disbanded, the impacts of race-based policy are still evident across Bay Area communities.⁸

In Monte Sereno, all non-White households owned their homes, while homeownership rates were 91.8 percent for White households. Notably, recent changes to state law require local jurisdictions to examine these dynamics and other fair housing issues when updating their Housing Elements.

Figure B-14 on the following page shows housing tenure by race of householder.

Figure B-14 Housing Tenure by Race of Householder



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003(A-I). For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-20.

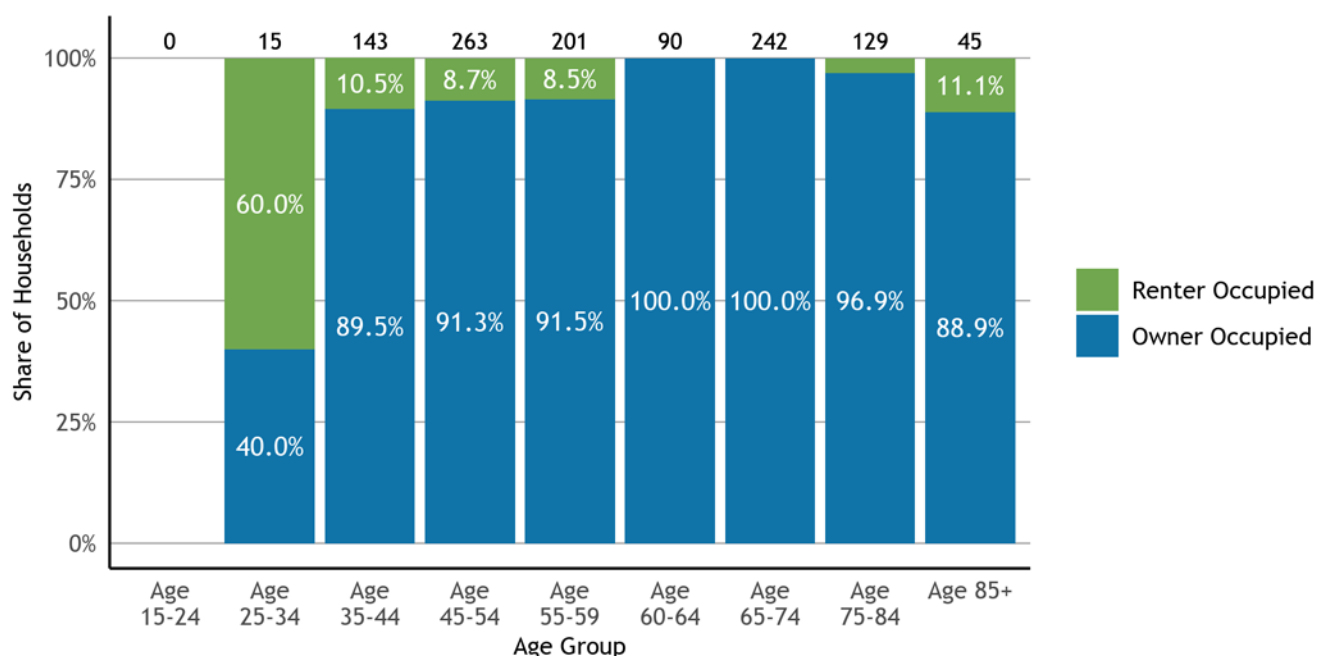
NOTE: Universe: Occupied housing units. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.

⁸ See, for example, Rothstein, R. (2017). *The Color Of Law: A Forgotten History Of How Our Government Segregated America*. New York, NY & London, UK: Liveright Publishing.

The age of residents who rent or own their home can also signal the housing challenges a community is experiencing. Younger households tend to rent and may struggle to buy a first home in the Bay Area due to high housing costs. At the same time, senior homeowners seeking to downsize may have limited options in an expensive housing market.

In Monte Sereno, 60.0 percent of householders between the ages of 25 and 34 are renters, while 11.1 percent of householders over 85 are renters. Figure B-15 on the following page shows housing tenure by age.

Figure B-15 Housing Tenure by Age

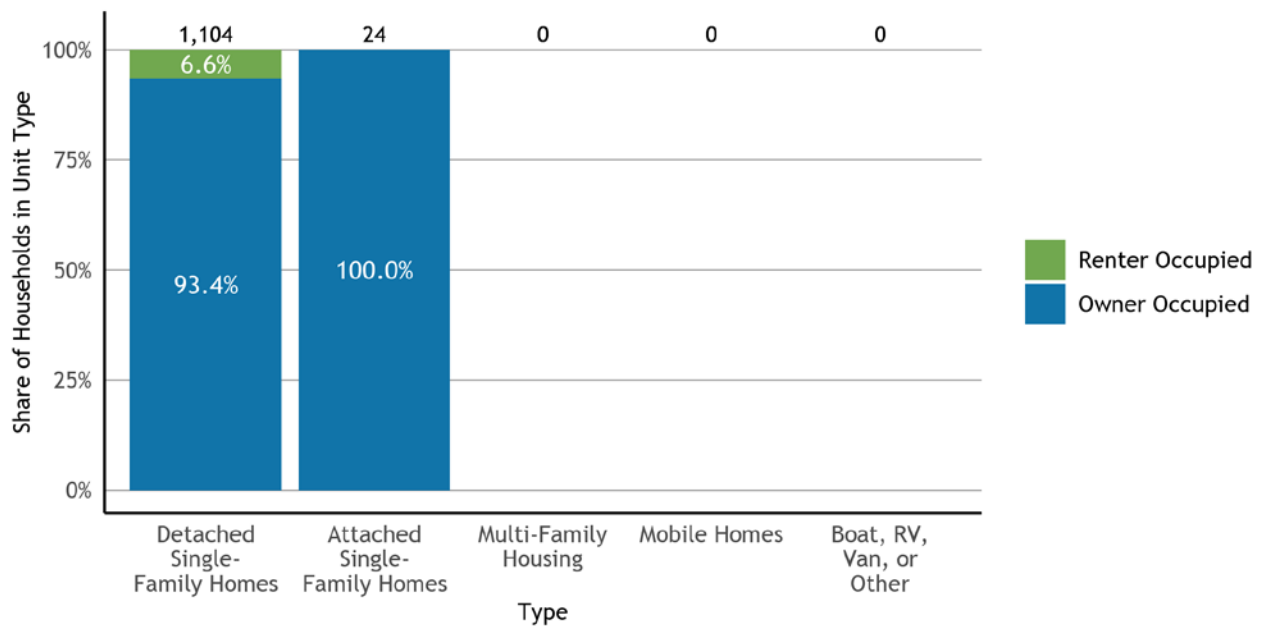


SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25007. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-18.

NOTE: Universe: Occupied housing units

In many cities, homeownership rates for households in single-family homes are substantially higher than the rates for households in multi-family housing. In Monte Sereno, 93.4 percent of households in detached single-family homes are homeowners. Figure B-16 shows housing tenure by housing type.

Figure B-16 Housing Tenure by Housing Type



SOURCES. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25032. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-22.

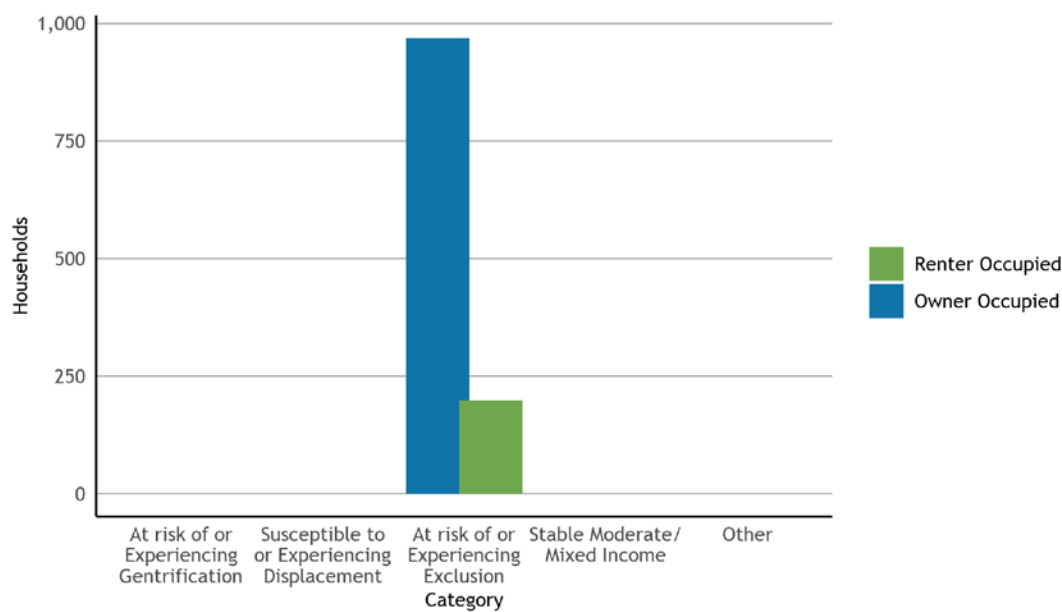
NOTE: Universe: Occupied housing units

Displacement

Because of increasing housing prices, displacement is a major concern in the Bay Area. Displacement has the most severe impacts on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they also lose their support network.

The University of California, Berkeley has mapped all neighborhoods in the Bay area, identifying their risk for gentrification. They find that in Monte Sereno, no households live in neighborhoods that are susceptible to or experiencing displacement and none live in neighborhoods at risk of or undergoing gentrification. Equally important, some neighborhoods in the Bay Area do not have housing appropriate for a broad section of the workforce. UC Berkeley estimates that all households in Monte Sereno live in neighborhoods where low-income households are likely to be excluded due to prohibitive housing costs.⁹ Figure B-17 shows household displacement risk and tenure.

Figure B-17 Households by Displacement Risk and Tenure



SOURCE: Urban Displacement Project for classification, American Community Survey 5-Year Data (2015-2019), Table B25003 for tenure. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-25.

NOTE: Universe: Households. Displacement data is available at the census tract level. Staff aggregated tracts up to jurisdiction level using census 2010 population weights, assigning a tract to jurisdiction in proportion to block level population weights. Total household count may differ slightly from counts in other tables sourced from jurisdiction level sources. Categories are combined as follows for simplicity: At risk of or Experiencing Exclusion: At Risk of Becoming Exclusive; Becoming Exclusive; Stable/Advanced Exclusive At risk of or Experiencing Gentrification: At Risk of Gentrification; Early/Ongoing Gentrification; Advanced Gentrification Stable Moderate/Mixed Income: Stable Moderate/Mixed Income Susceptible to or Experiencing Displacement: Low-Income/Susceptible to Displacement; Ongoing Displacement Other: High Student Population; Unavailable or Unreliable Data

⁹ More information about this gentrification and displacement data is available at the Urban Displacement Project’s webpage: <https://www.urbandisplacement.org/>. Specifically, one can learn more about the different gentrification/displacement typologies shown in Figure 18 at this link: https://www.urbandisplacement.org/sites/default/files/typology_sheet_2018_0.png. Additionally, one can view maps that show which typologies correspond to which parts of a jurisdiction here: <https://www.urbandisplacement.org/san-francisco/sf-bay-area-gentrification-and-displacement>

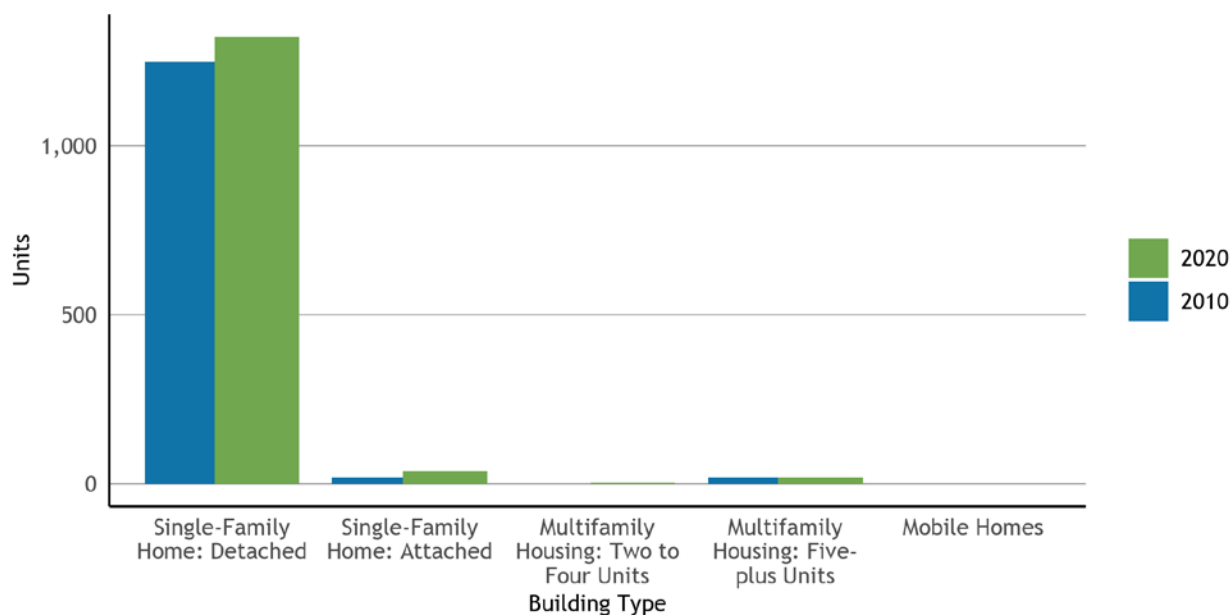
B.2 Housing Stock Characteristics

Housing Types, Year Built, Vacancy, and Permits

In recent years, most housing produced in the region and across the state consisted of single-family homes and larger multi-unit buildings. However, some households are increasingly interested in “missing middle housing,” including duplexes, triplexes, townhomes, cottage clusters and accessory dwelling units. These housing types may open up more options across incomes and tenure, from young households seeking homeownership options to seniors looking to downsize and age-in-place.

The housing stock of Monte Sereno in 2020 was made up of 95.6 percent *Single-Family Homes: Detached*, 2.7 percent *Single-Family Homes: Attached*, 0.3 percent *Multifamily Housing: Two to Four Units*, and 1.4 percent *Multifamily Housing: Five-Plus Units*. There were no *Mobile Homes* in Monte Sereno. In Monte Sereno, the housing type that experienced the most growth between 2010 and 2020 was *Single-Family Home: Detached*. Figure B-18 shows housing type trends.

Figure B-18 Housing Type Trends

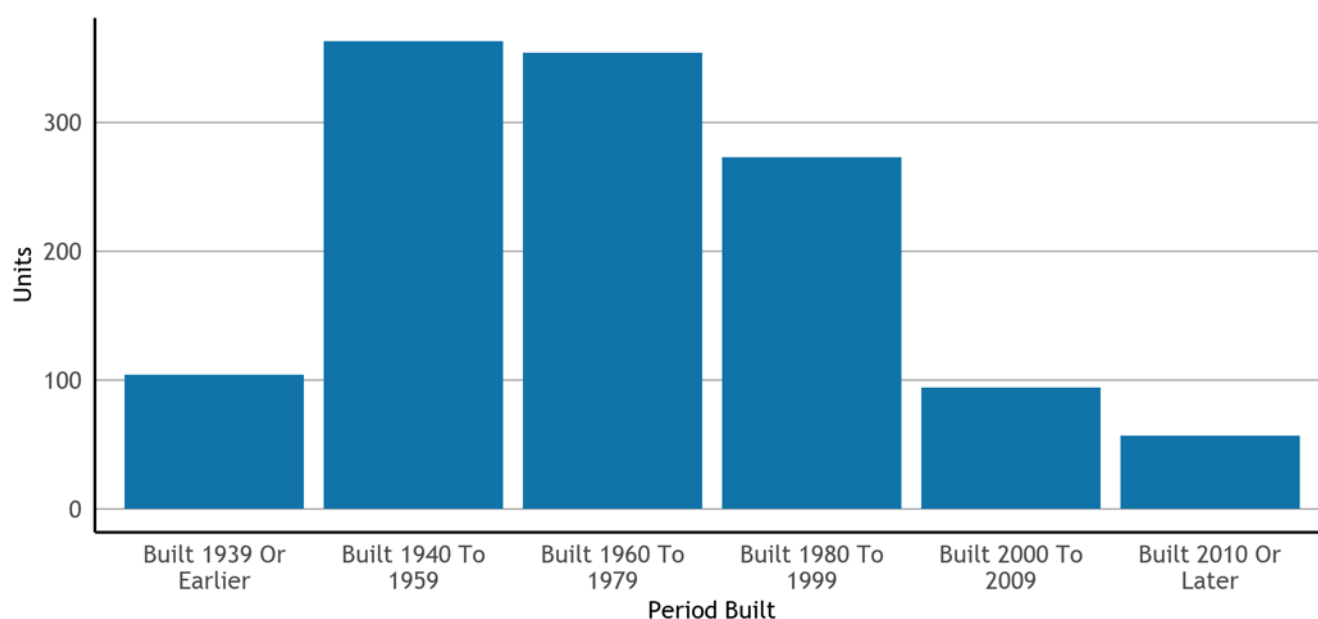


SOURCE: California Department of Finance, E-5 series. For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-01.

NOTE: Universe: Housing units

Production has not kept up with housing demand for several decades in the Bay Area, as the total number of units built and available has not yet come close to meeting the population and job growth experienced throughout the region. In Monte Sereno, the largest proportion of the housing stock was built 1940 to 1959, with 363 units constructed during this period. Since 2015, 9.2 percent of the current housing stock was built, which is 122 units. Figure B-19 shows housing units by the year built.

Figure B-19 Housing Units by Year Structure Built



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25034.

NOTE: Universe: Housing units

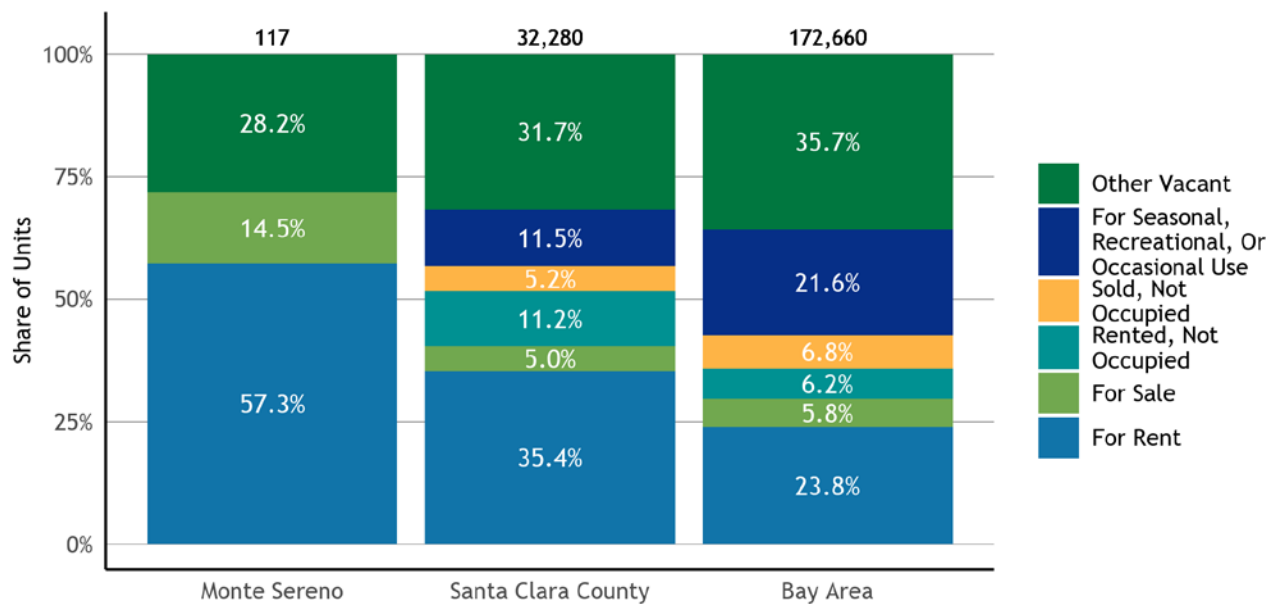
Throughout the Bay Area, vacancies make up 2.6 percent of the total housing units, with homes listed for rent; units used for recreational or occasional use, and units not otherwise classified (other vacant) making up the majority of vacancies. The Census Bureau classifies a unit as vacant if no one is occupying it when census interviewers are conducting the American Community Survey or Decennial Census. Vacant units classified as “for recreational or occasional use” are those that are held for short-term periods of use throughout the year. Accordingly, vacation rentals and short-term rentals like Airbnb are likely to fall in this category. The Census Bureau classifies units as “other vacant” if they are vacant due to foreclosure, personal/family reasons, legal proceedings, repairs/renovations, abandonment, preparation for being rented or sold, or vacant for an extended absence for reasons such as a work assignment, military duty, or incarceration.¹⁰ In a region with a

¹⁰ For more information, see pages 3 through 6 of this list of definitions prepared by the Census Bureau: <https://www.census.gov/housing/hvs/definitions.pdf>.

thriving economy and housing market like the Bay Area, units being renovated/repaired and prepared for rental or sale are likely to represent a large portion of the “other vacant” category. Additionally, the need for seismic retrofitting in older housing stock could also influence the proportion of “other vacant” units in some jurisdictions.¹¹

Of the total 1,245 housing units in Monte Sereno in 2022, there were 117 vacant units (9.4 percent). Of the vacant units, the most common type of vacancy was *For Rent* (57.3%).¹² Figure B-20 shows vacant units by type.

Figure B-20 Vacant Units by Type



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25004.

NOTE: Universe: Vacant housing units

¹¹ See Dow, P. (2018). Unpacking the Growth in San Francisco’s Vacant Housing Stock: Client Report for the San Francisco Planning Department. University of California, Berkeley.

¹² The vacancy rates by tenure are for a smaller universe than the total vacancy rate first reported, which in principle includes the full stock (9.4%). The vacancy by tenure counts are rates relative to the rental stock (occupied and vacant) and ownership stock (occupied and vacant), but exclude a are significant number of vacancy categories, including the numerically significant *other vacant*.

Between 2015 and 2022, 139 housing units were issued permits in Monte Sereno.¹³ Of these, 41.7 percent were for very low-income housing, 7.2 percent were for low- and moderate-income housing, and 51.1 percent were for above moderate-income housing. Table B-2 shows housing permits issued by the City of Monte Sereno by income group.

Table B-2 Housing Permits by Income Group

| Income Group | Permits | Percent |
|-------------------------------|---------|---------|
| Very Low-Income Permits | 58 | 41.7% |
| Low-Income Permits | 9 | 6.5% |
| Moderate-Income Permits | 1 | 0.7% |
| Above Moderate-Income Permits | 71 | 51.1% |
| Total | 139 | 100.0% |

SOURCE: California Department of Housing and Community Development (HCD), 5th Cycle Annual Progress Report Permit Summary (2020). This table is included in the Data Packet Workbook as Table HSG-11.

NOTE: Universe: Housing permits issued between 2015 and 2022. Notes: HCD uses the following definitions for the four income categories: Very Low Income: units affordable to households making less than 50% of the Area Median Income for the county in which the jurisdiction is located. Low Income: units affordable to households making between 50% and 80% of the Area Median Income for the county in which the jurisdiction is located. Moderate Income: units affordable to households making between 80% and 120% of the Area Median Income for the county in which the jurisdiction is located. Above Moderate Income: units affordable to households making above 120% of the Area Median Income for the county in which the jurisdiction is located.

¹³ Source: HCD APR Dashboard (<https://www.hcd.ca.gov/apr-data-dashboard-and-downloads>) Page 10, as of August 3, 2022

Assisted Housing Developments At-Risk of Conversion

While there is an immense need to produce new affordable housing units, ensuring that the existing affordable housing stock remains affordable is equally important. Additionally, it is typically faster and less expensive to preserve currently affordable units that are at risk of converting to market-rate than it is to build new affordable housing.

The data below comes from the California Housing Partnership's Preservation Database, the state's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing. According to the database, there were no assisted units in Monte Sereno in 2020. Table B-3 summarizes assisted units at risk in Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Table B-3 Assisted Units at Risk of Conversion

| Income | Monte Sereno | Santa Clara County | Bay Area |
|----------------------------------|--------------|--------------------|----------|
| Low | 0 | 28,001 | 110,177 |
| Moderate | 0 | 1,471 | 3,375 |
| High | 0 | 422 | 1,854 |
| Very High | 0 | 270 | 1,053 |
| Total Assisted Units in Database | 0 | 30,164 | 116,459 |

SOURCE: California Housing Partnership, Preservation Database (2020). This table is included in the Data Packet Workbook as Table RISK-01.

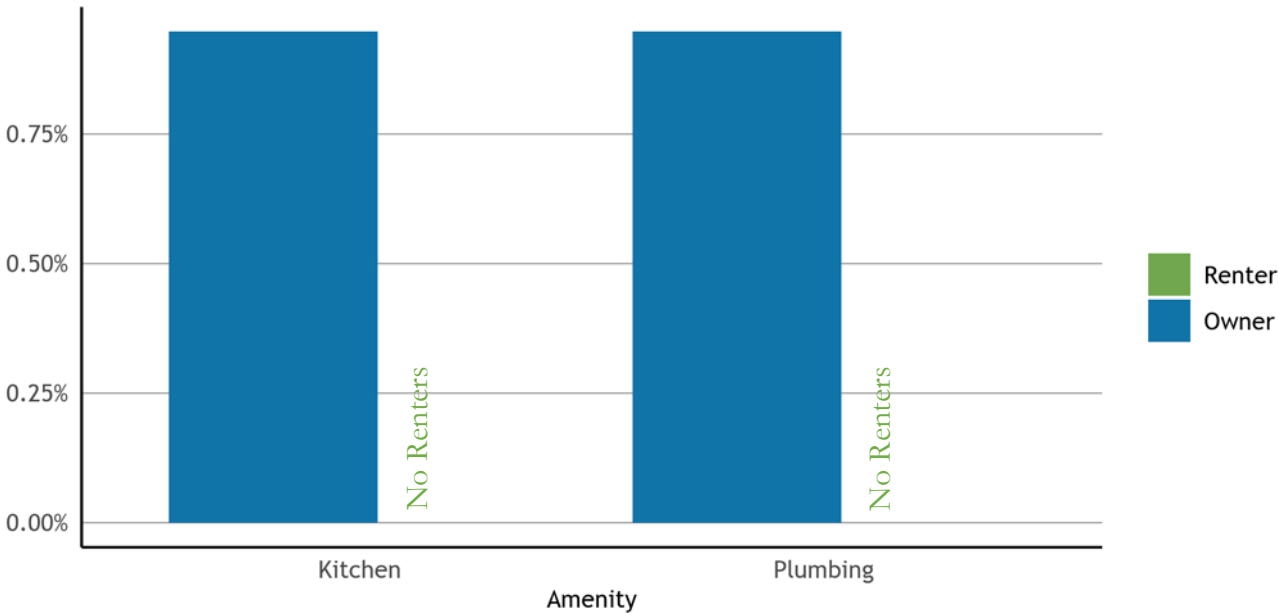
NOTE: Universe: HUD, Low-Income Housing Tax Credit (LIHTC), USDA, and CalHFA projects. Subsidized or assisted developments that do not have one of the aforementioned financing sources may not be included. While California Housing Partnership's Preservation Database is the state's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing, this database does not include all deed-restricted affordable units in the state. Consequently, there may be at-risk assisted units in a jurisdiction that are not captured in this data table. Per HCD guidance, local jurisdictions must also list the specific affordable housing developments at-risk of converting to market rate uses. This document provides aggregate numbers of at-risk units for each jurisdiction, but local planning staff should contact Danielle Mazzella with the California Housing Partnership at dmazzella@chpc.net to obtain a list of affordable properties that fall under this designation. California Housing Partnership uses the following categories for assisted housing developments in its database: Very-High Risk: affordable homes that are at-risk of converting to market rate within the next year that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. High Risk: affordable homes that are at-risk of converting to market rate in the next 1-5 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. Moderate Risk: affordable homes that are at-risk of converting to market rate in the next 5-10 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. Low Risk: affordable homes that are at-risk of converting to market rate in 10+ years and/or are owned by a large/stable non-profit, mission-driven developer.

Substandard Housing

Housing costs in the region are among the highest in the country, which could result in households, particularly renters, needing to live in substandard conditions in order to afford housing. Generally, there is limited data on the extent of substandard housing issues in a community. However, the Census Bureau data included in the graph below gives a sense of some of the substandard conditions that may be present in Monte Sereno.

None of the renters in Monte Sereno reported lacking a kitchen or plumbing, compared to 0.9 percent of owners who lacked a kitchen and 0.9 percent of owners who lacked plumbing. Figure B-21 shows substandard housing issues in Monte Sereno.

Figure B-21 Substandard Housing Issues



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25053, Table B25043, Table B25049. For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-06.

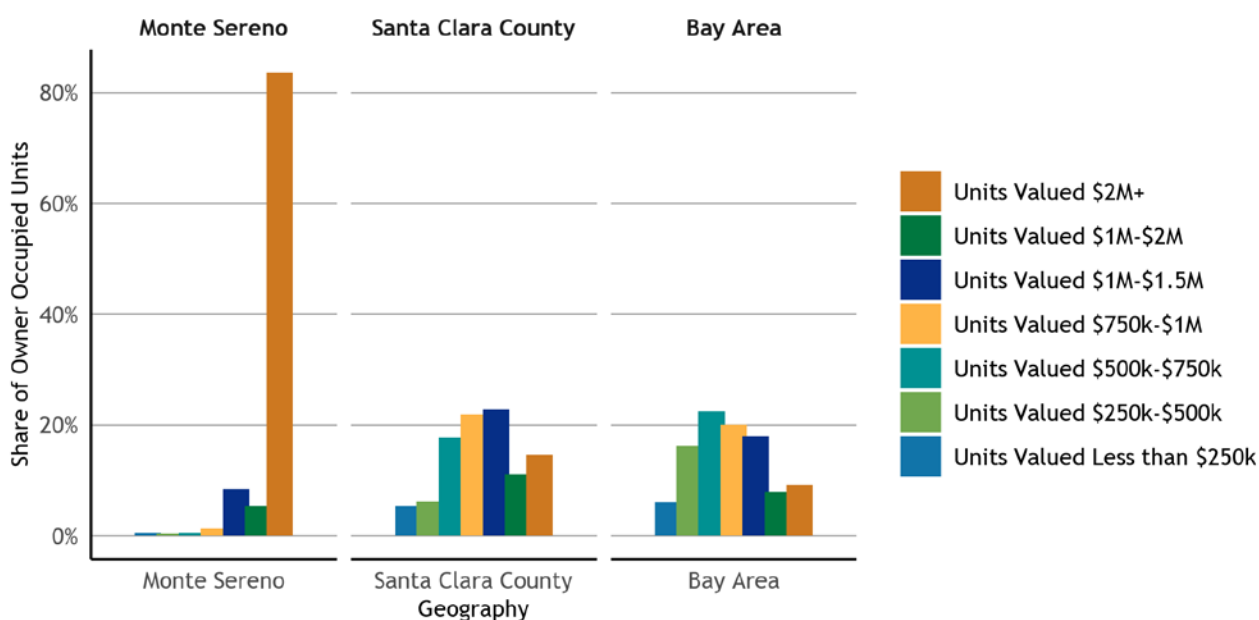
NOTE: Universe: Occupied housing units. Per HCD guidance, this data should be supplemented by local estimates of units needing to be rehabilitated or replaced based on recent windshield surveys, local building department data, knowledgeable builders/developers in the community, or nonprofit housing developers or organizations.

Home and Rent Values

Home prices reflect a complex mix of supply and demand factors, including an area's demographic profile, labor market, prevailing wages and job outlook, coupled with land and construction costs. In the Bay Area, the costs of housing have long been among the highest in the nation.

The typical home value in Monte Sereno was estimated at \$3,344,480 by December of 2020, per data from Zillow. The largest proportion of homes were valued between \$2M+. By comparison, the typical home value is \$1,290,970 in Santa Clara County and \$1,077,230 the Bay Area, with the largest share of units valued \$1M to \$1.5M (county) and \$500k to \$750k (region). Figure B-22 shows home values for owner-occupied housing units in Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Figure B-22 Home Values of Owner-Occupied Units

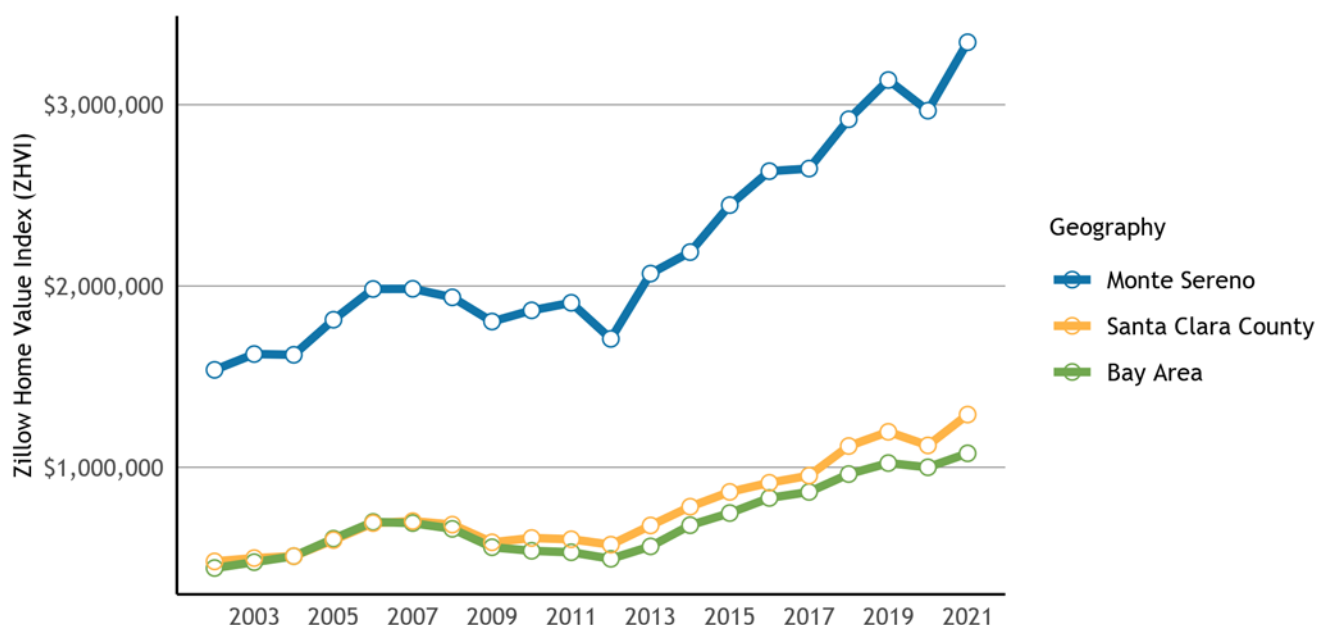


SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25075. For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-07.

NOTE: Universe: Owner-occupied units

The region's home values have increased steadily since 2000, besides a decrease during the Great Recession. The rise in home prices has been especially steep since 2012, with the median home value in the Bay Area nearly doubling during this time. Since 2001, the typical home value has increased 117.5 percent in Monte Sereno from \$1,537,510 to \$3,344,480. This change is considerably greater than the change in Santa Clara County and for the region as a whole. Figure B-23 shows the Zillow Home Value Index for Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Figure B-23 Zillow Home Value Index



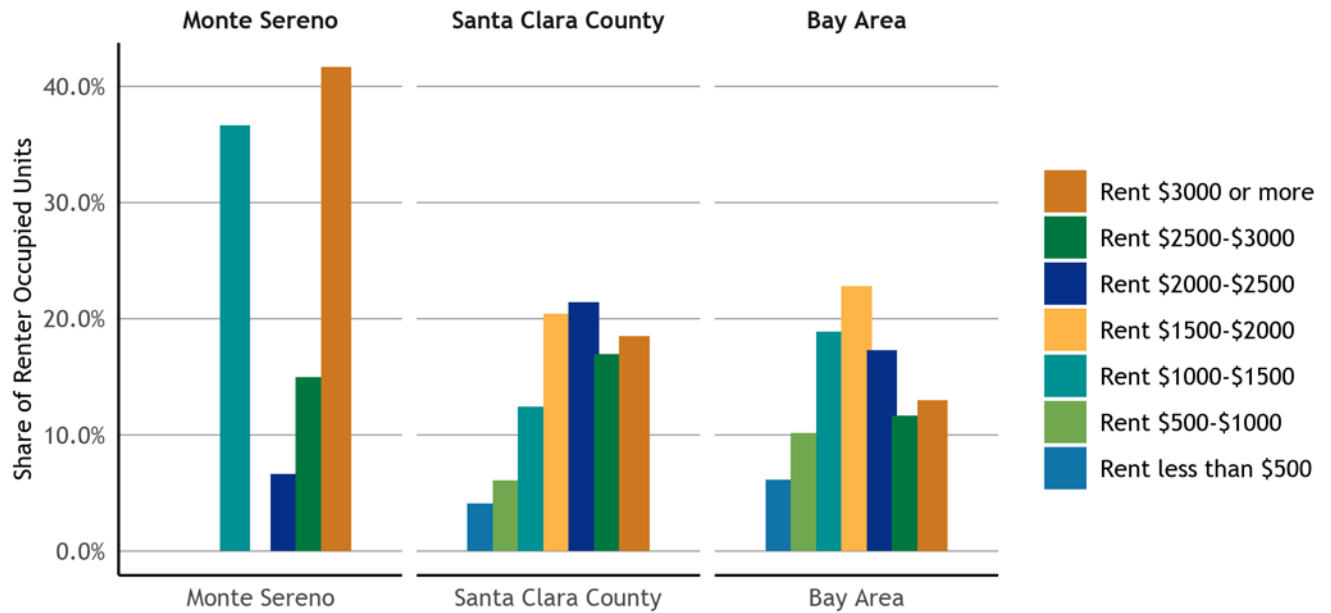
SOURCE: Zillow, Zillow Home Value Index (ZHVI). For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-08.

NOTE: Universe: Owner-occupied housing units. Zillow describes the ZHVI as a smoothed, seasonally adjusted measure of the typical home value and market changes across a given region and housing type. The ZHVI reflects the typical value for homes in the 35th to 65th percentile range. The ZHVI includes all owner-occupied housing units, including both single-family homes and condominiums. More information on the ZHVI is available from Zillow. The regional estimate is a household-weighted average of county-level ZHVI files, where household counts are yearly estimates from DOF's E-5 series. For unincorporated areas, the value is a population weighted average of unincorporated communities in the county matched to census-designated population counts.

Similar to home values, rents have also increased dramatically across the Bay Area in recent years. Many renters have been priced out, evicted or displaced, particularly communities of color. Residents finding themselves in one of these situations may have had to choose between commuting long distances to their jobs and schools or moving out of the region, and sometimes, out of the state.

In Monte Sereno, the largest proportion of rental units rented in the *Rent \$3000 or More* category, totaling 41.7 percent, followed by 36.7 percent of units renting in the *Rent \$1000-\$1500* category. Looking beyond the city, the largest share of units is in the *Rent \$2000-\$2500* category (county) compared to the *Rent \$1500-\$2000* category for the region as a whole. Figure B-24 shows contract rents for renter-occupied units in Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Figure B-24 Contract Rents for Renter-Occupied Units

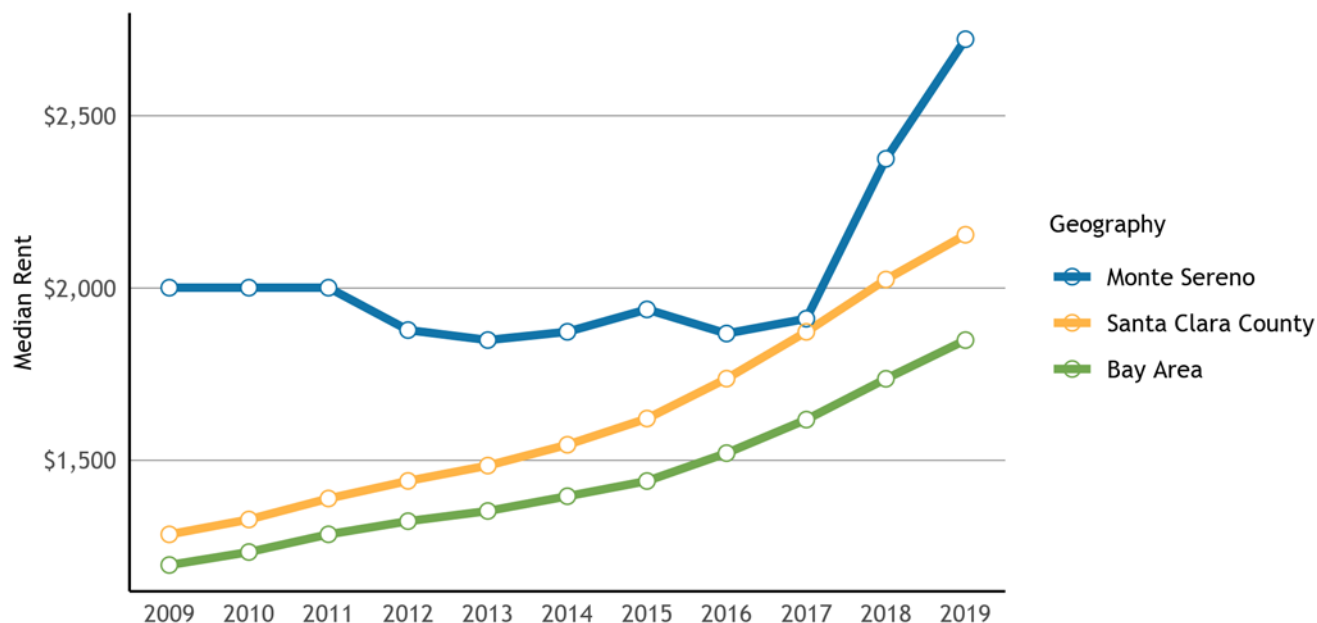


SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25056. For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-09.

NOTE: Universe: Renter-occupied housing units paying cash rent

Since 2009, the median rent has increased by 45.5 percent in Monte Sereno, from \$1,870 to \$2,720 per month. In Santa Clara County, the median rent has increased 39.6 percent, from \$1,540 to \$2,150. The median rent in the region has increased significantly during this time from \$1,200 to \$1,850, a 54.2 percent increase.¹⁴ Figure B-25 shows median contract rent in Monte Sereno and Santa Clara County.

Figure B-25 Median Contract Rent



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data releases, starting with 2005-2009 through 2015-2019, B25058, B25056 (for unincorporated areas). County and regional counts are weighted averages of jurisdiction median using B25003 rental unit counts from the relevant year. For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-10.

NOTE: Universe: Renter-occupied housing units paying cash rent. For unincorporated areas, median is calculated using distribution in B25056.

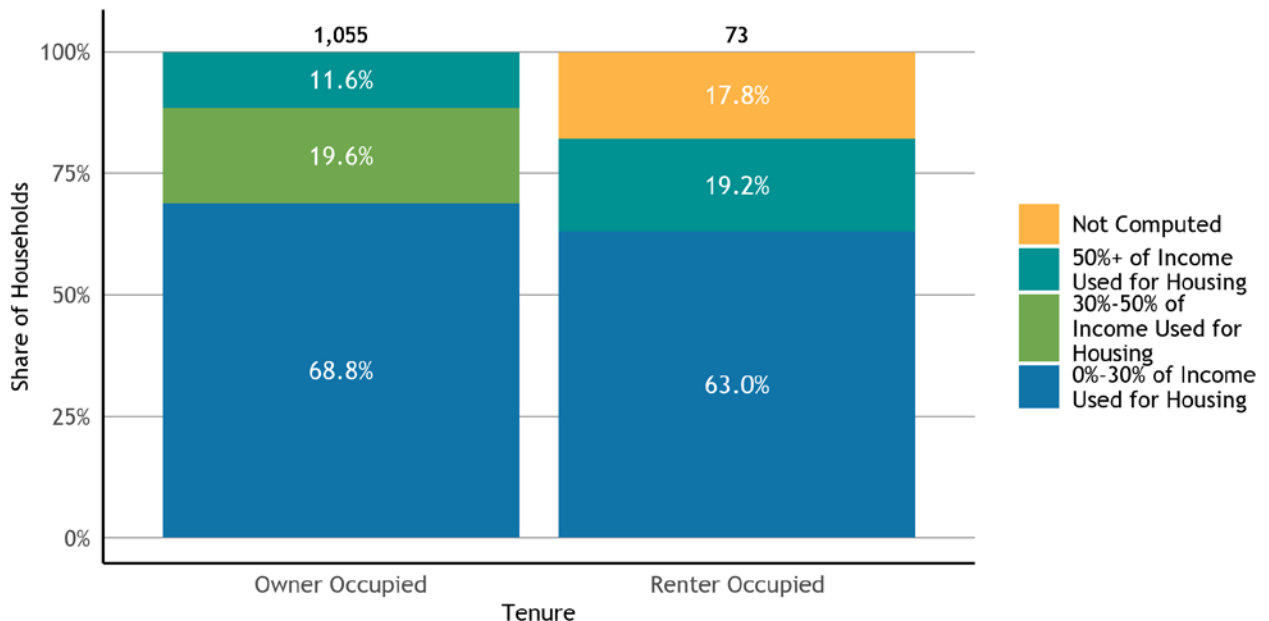
¹⁴ While the data on home values shown in Figure B-23 comes from Zillow, Zillow does not have data on rent prices available for most Bay Area jurisdictions. To have a more comprehensive dataset on rental data for the region, the rent data in this document comes from the U.S. Census Bureau's American Community Survey, which may not fully reflect current rents. Local jurisdiction staff may want to supplement the data on rents with local realtor data or other sources for rent data that are more current than Census Bureau data.

Overpayment and Overcrowding

A household is considered “cost-burdened” if it spends more than 30 percent of its monthly income on housing costs, while those who spend more than 50 percent of their income on housing costs are considered “severely cost-burdened.” Low-income residents are the most impacted by high housing costs and experience the highest rates of cost burden. Spending such large portions of their income on housing puts low-income households at higher risk of displacement, eviction, or homelessness.

When looking at the cost burden across tenure in Monte Sereno, 19.2 percent of renters are severely cost-burdened (i.e., spend 50 percent or more of their income on housing), while 11.6 percent of owners are severely cost-burdened. Figure B-26 shows cost burden by tenure.

Figure B-26 Cost Burden by Tenure

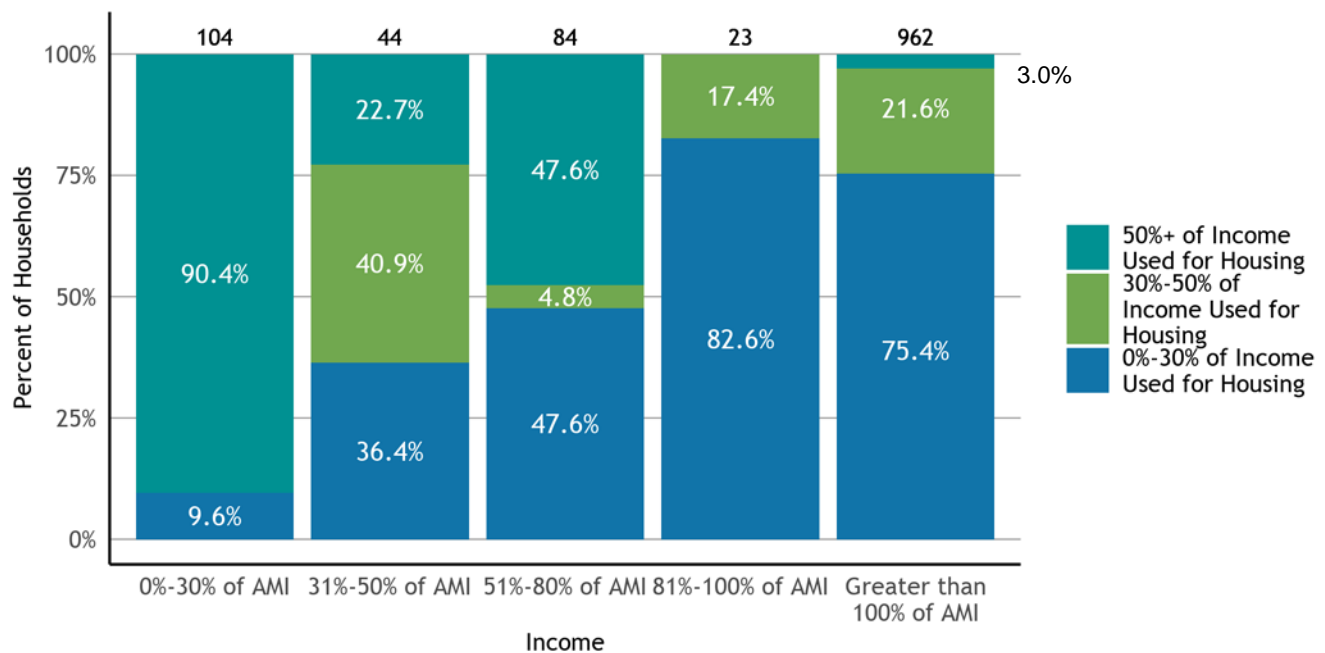


SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091. For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-06.

NOTE: Universe: Occupied housing units. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is “select monthly owner costs”, which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

When one looks at both renters and owners together in Monte Sereno, 12.1 percent of households spend 50 percent or more of their income on housing. However, these rates vary greatly across income categories. In Monte Sereno, 90.4 percent of households making less than 30 percent of AMI spend the majority of their income on housing, while only 3.0 percent of residents making more than 100 percent of AMI spend the majority of their income on housing. Figure B-27 shows cost burden by income level.

Figure B-27 Cost Burden by Income Level



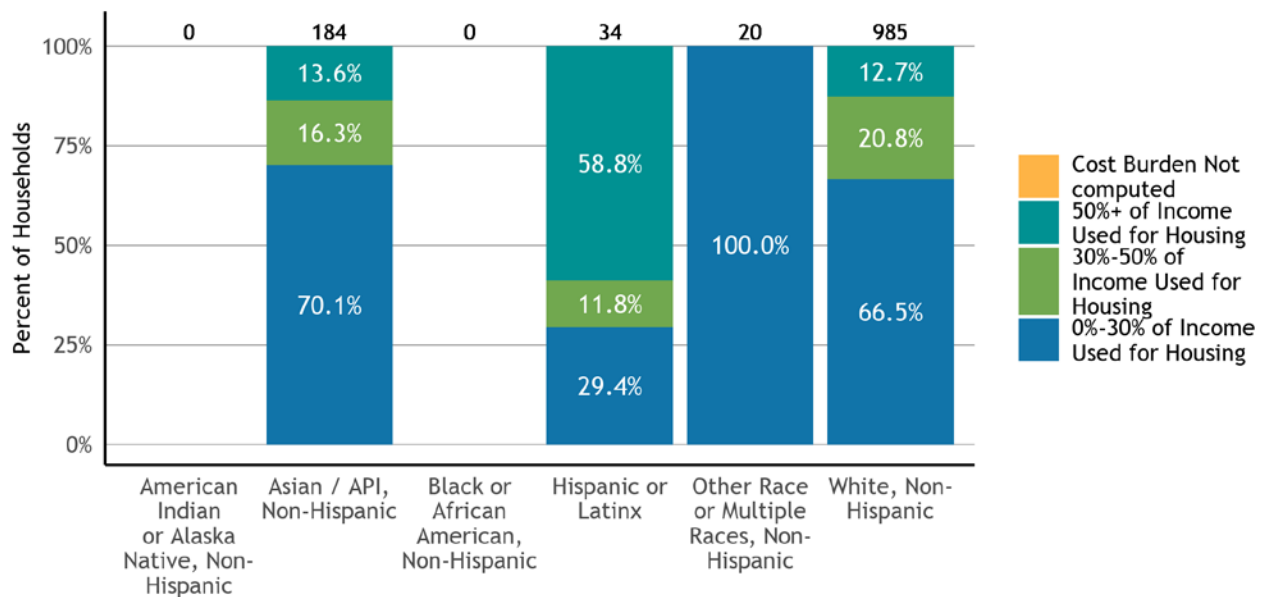
SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2018-2019 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-05.

NOTE: Universe: Occupied housing units. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. As a result, they often pay a greater percentage of their income on housing, and in turn, are at a greater risk of housing insecurity.

Hispanic or Latinx residents are the most severely cost burdened with 58.8 percent spending more than 50 percent of their income on housing. Figure B-28 on the following page shows cost burden by race.

Figure B-28 Cost Burden by Race



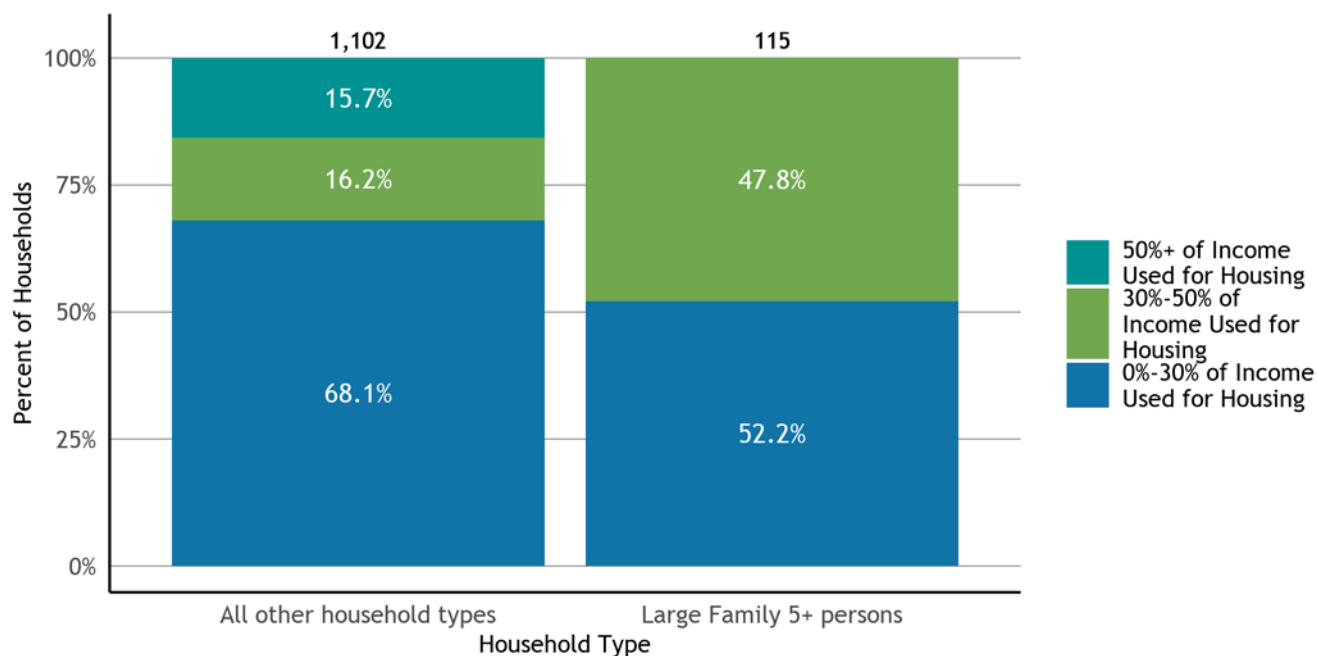
SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2018-2017 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-08.

NOTE: Universe: Occupied housing units. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. For the purposes of this graph, the "Hispanic or Latinx" racial/ethnic group represents those who identify as having Hispanic/Latinx ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latinx ethnicity.

Large family households often have special housing needs due to a lack of adequately sized affordable housing available. The higher costs required for homes with multiple bedrooms can result in larger families experiencing a disproportionate cost burden than the rest of the population and can increase the risk of housing insecurity.

In Monte Sereno, 47.8 percent of large-family households experience a cost burden of 30 to 50 percent, but none spend more than half of their income on housing. Figure B-29 shows cost burden by household size.

Figure B-29 Cost Burden by Household Size



SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-09.

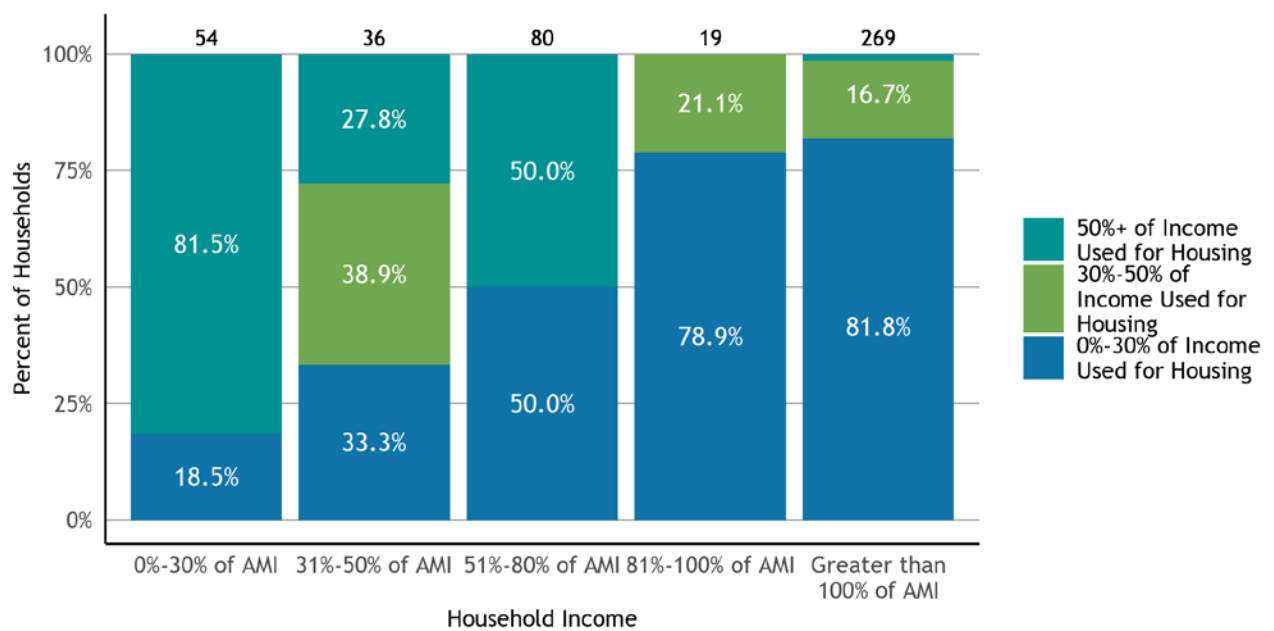
NOTE: Universe: Occupied housing units. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

When cost-burdened seniors are no longer able to make house payments or pay rents, displacement from their homes can occur, putting further stress on the local rental market or forcing residents out of the community they call home. Understanding how seniors might be cost-burdened is of particular importance due to their special housing needs, particularly for low-income seniors.

In Monte Sereno, 81.5 percent of seniors making less than 30 percent of AMI are spending the majority of their income on housing. For seniors making more than 100 percent of AMI, 81.8 percent are not cost-burdened and spend less than 30 percent of their income on housing.

Figure B-30 shows cost-burdened households by income level.

Figure B-30 Cost-Burdened Senior Households by Income Level



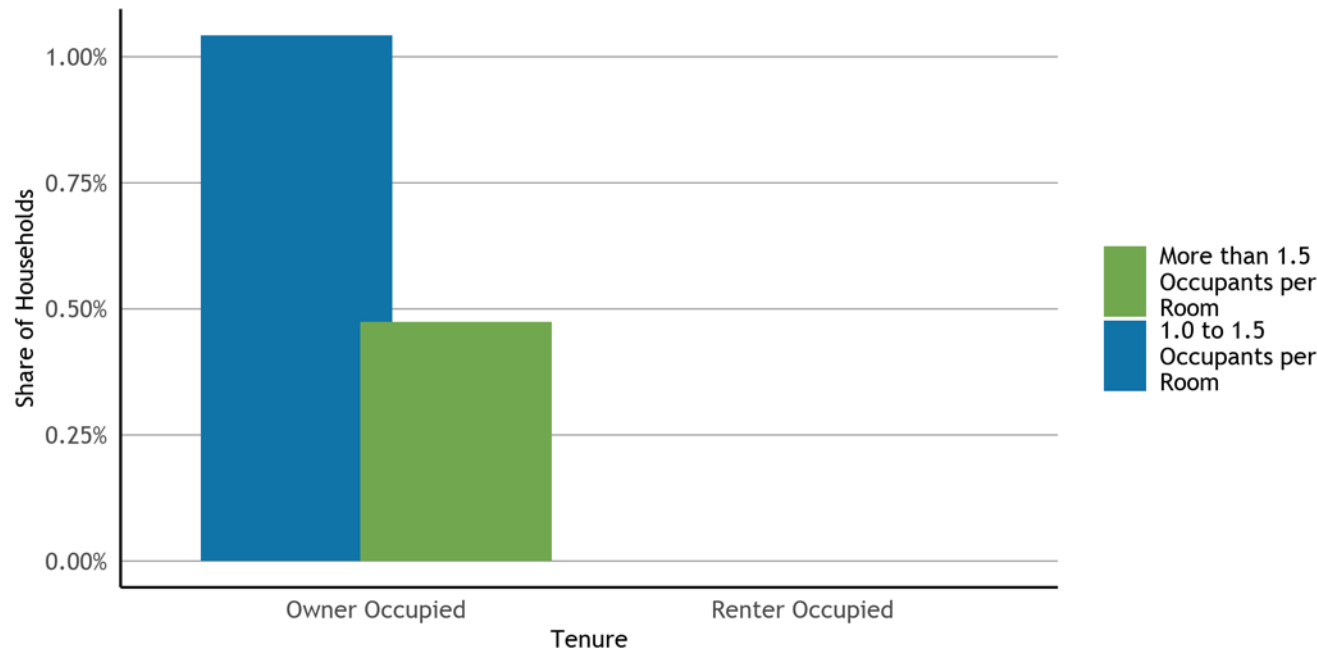
SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2018-2019 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table SEN-03.

NOTE: Universe: Senior households. For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Overcrowding occurs when the number of people living in a household is greater than the home was designed to hold. There are several different standards for defining overcrowding, but this report uses the Census Bureau definition, which is more than one occupant per room (not including bathrooms or kitchens). Additionally, the Census Bureau considers units with more than 1.5 occupants per room to be severely overcrowded.

In Monte Sereno, there are no rental households that experience moderate or severe overcrowding. Ownership households, on the other hand, experience severe overcrowding (i.e., more than 1.5 occupants per room) at a rate of 0.5 percent and moderate overcrowding (i.e., 1.0 to 1.5 occupants per room) at a rate of 1.0 percent. Figure B-31 shows overcrowding by tenure and severity.

Figure B-31 Overcrowding by Tenure and Severity

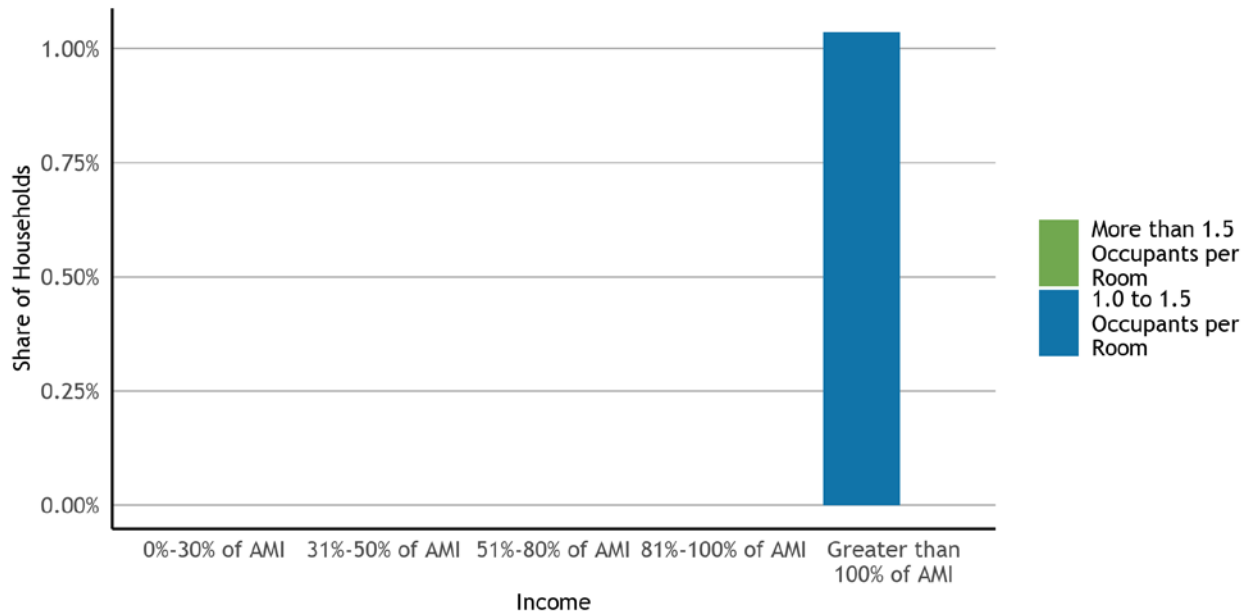


SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2018-2019 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-01.

NOTE: Universe: Occupied housing units. The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded.

Overcrowding often disproportionately impacts low-income households. In Monte Sereno, however, there are neither very low-income households (i.e., below 50 percent Area Median Income), nor above-moderate income (i.e., above 100 percent Area Median Income) that experience severe overcrowding. Figure B-32 on the following page shows overcrowding by income level and severity.

Figure B-32 Overcrowding by Income Level and Severity

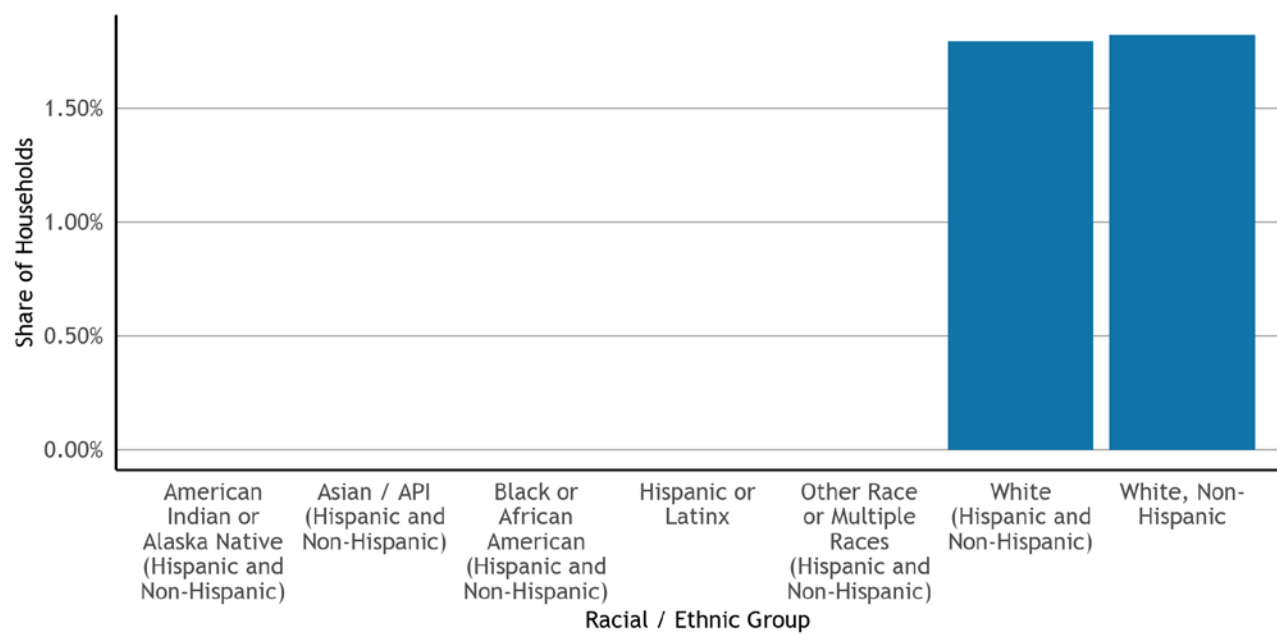


SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2018-2019 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-04.

NOTE: Universe: Occupied housing units. The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Communities of color are more likely to experience overcrowding similar to how they are more likely to experience poverty, financial instability, and housing insecurity. People of color tend to experience overcrowding at higher rates than White residents. In Monte Sereno, the racial group with the largest overcrowding rate is *White, Non-Hispanic*. Figure B-33 on the following page shows overcrowding by race.

Figure B-33 Overcrowding by Race



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25014. For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-03.

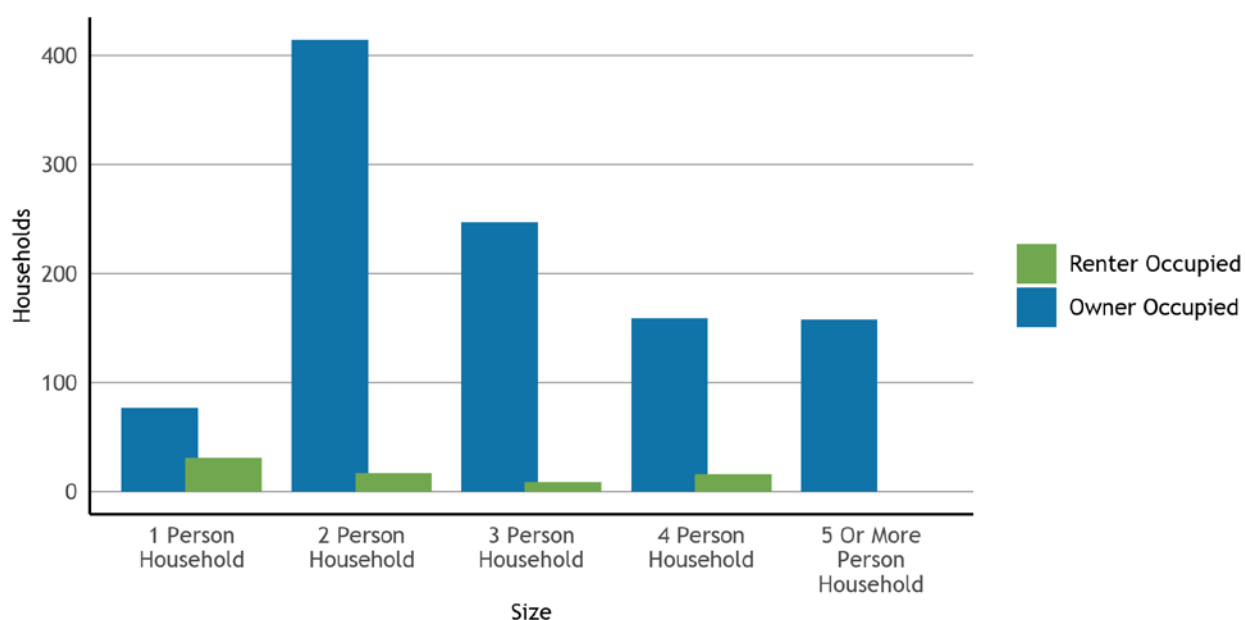
NOTE: Universe: Occupied housing units. The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled “Hispanic and Non-Hispanic” are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.

B.3 Special Housing Needs

Large Households

Large households often have different housing needs than smaller households. If a city's rental housing stock does not include larger apartments, large households who rent could end up living in overcrowded conditions. In Monte Sereno, all units occupied by large households (i.e., five (5) or more persons) are owner occupied. In 2017, there were no large households in Monte Sereno that were very low-income (i.e., earning less than 50 percent of the area median income). Figure B-34 shows household size by tenure.

Figure B-34 Household Size by Tenure

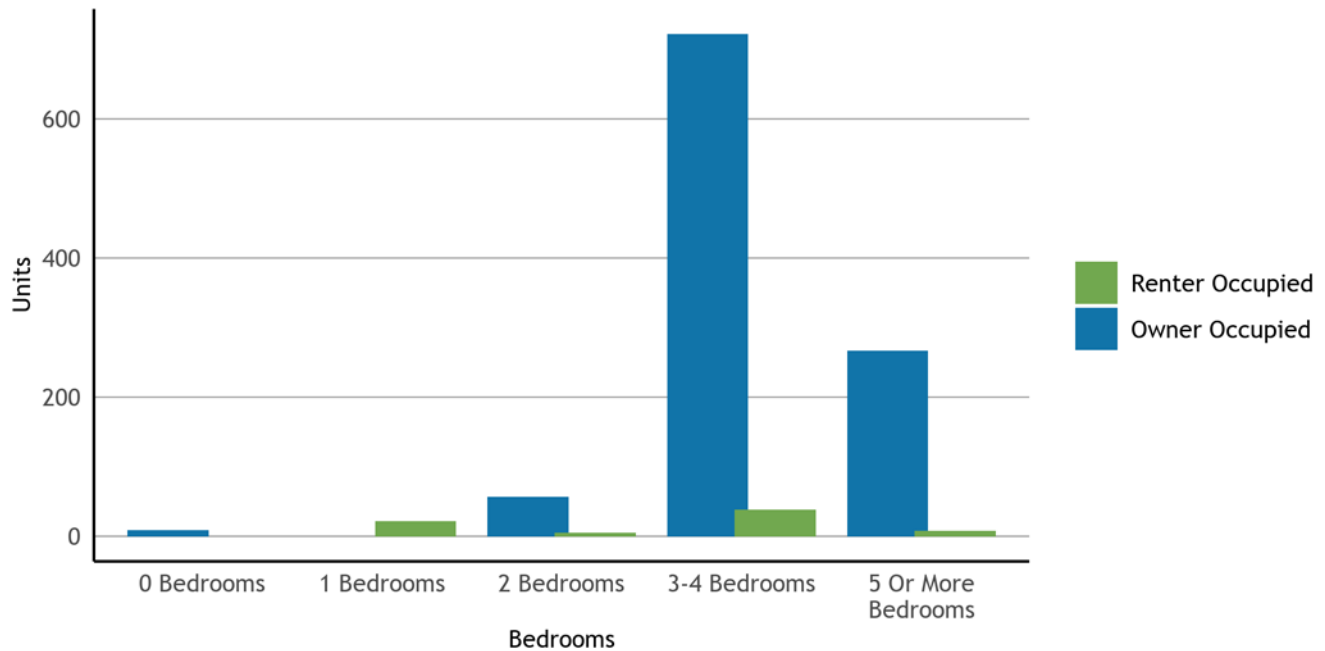


SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009. For the data table behind this figure, please refer to the Data Packet Workbook, Table LGFEM-01.

NOTE: Universe: Occupied housing units

The unit sizes available in a community affect the household sizes that can access that community. Large families are generally served by housing units with three (3) or more bedrooms, of which there are 1,035 units in Monte Sereno. Among these large units with three (3) or more bedrooms, 4.4 percent are renter-occupied and 95.6 percent are owner occupied. Figure B-35 summarizes housing units by the number of bedrooms.

Figure B-35 Housing Units by Number of Bedrooms



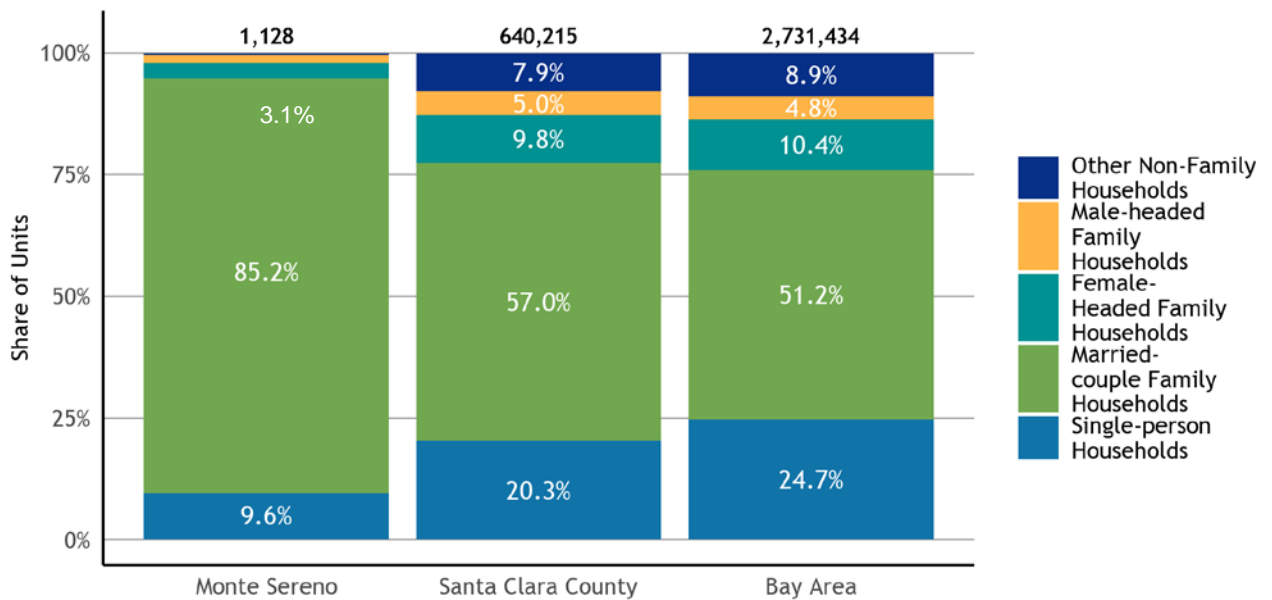
SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25042. For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-05.

NOTE: Universe: Housing units

Female-Headed Households

Households headed by one person are often at greater risk of housing insecurity, particularly female-headed households, who may be supporting children or a family with only one income. In Monte Sereno, the largest proportion of households is *Married-Couple Family Households* at 85.2 percent of total, while *Female-Headed Households* make up 3.1 percent of all households. Figure B-36 summarizes household types in Monte Sereno.

Figure B-36 Household Type



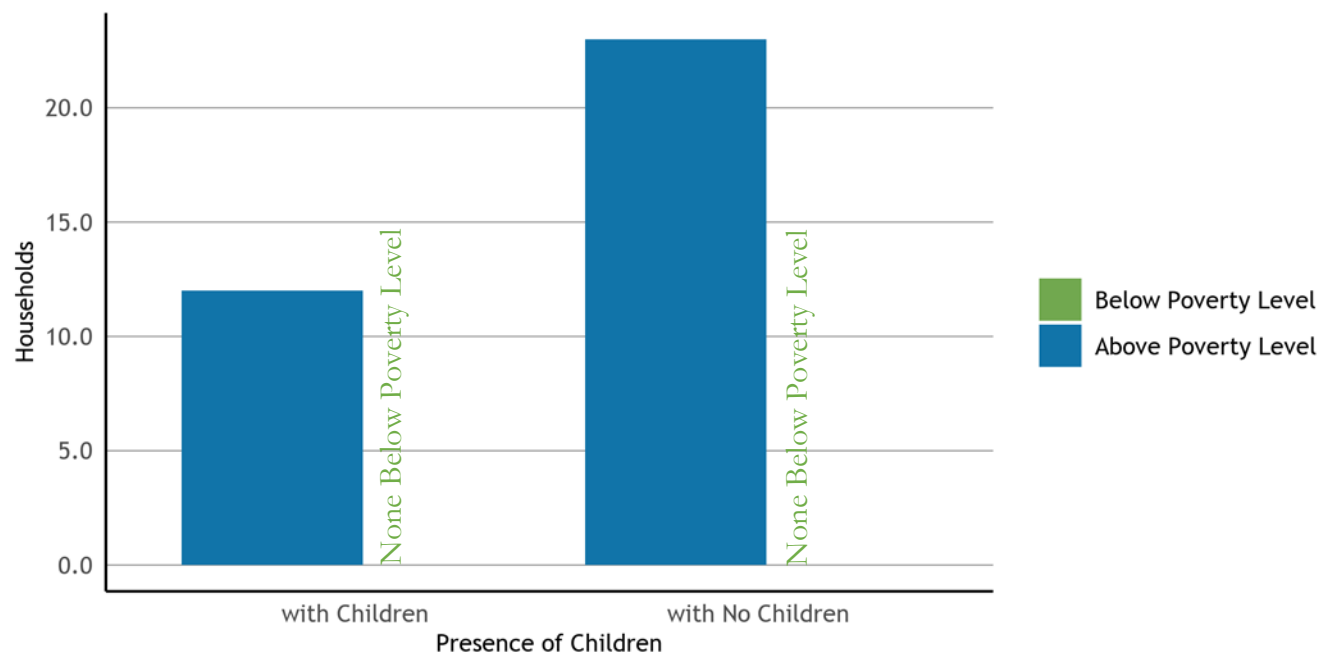
SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B11001. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-23.

NOTE: Universe: Households. For data from the Census Bureau, a "family household" is a household where two or more people are related by birth, marriage, or adoption. "Non-family households" are households of one person living alone, as well as households where none of the people are related to each other.

Female-headed households with children may face particular housing challenges, with pervasive gender inequality resulting in lower wages for women. Moreover, the added need for childcare can make finding a home that is affordable more challenging.

In Monte Sereno, there were no female-headed households (with or without children) that fell below the federal poverty line. Figure B-37 on the following page shows female-headed households by poverty status.

Figure B-37 Female-Headed Households by Poverty Status



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17012. For the data table behind this figure, please refer to the Data Packet Workbook, Table LGFEM-05.

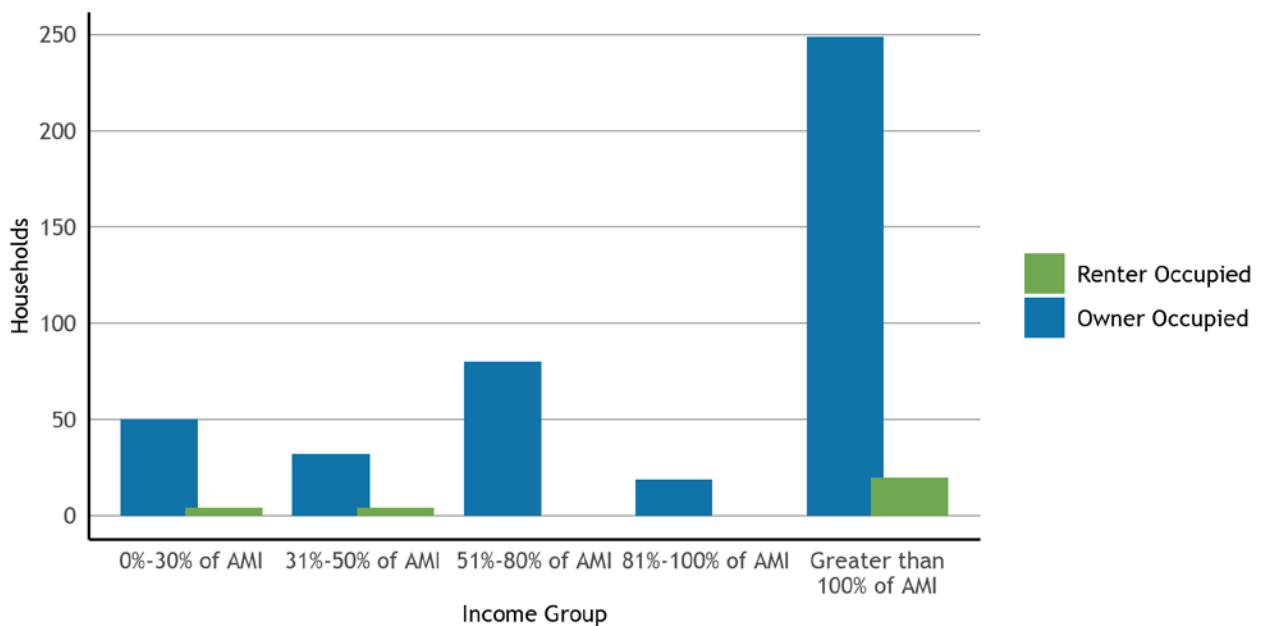
NOTE: Universe: Female Households. The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to Area Median Income.

Seniors

Senior households often experience a combination of factors that can make accessing or keeping affordable housing a challenge. They often live on fixed incomes and are more likely to have disabilities, chronic health conditions and/or reduced mobility. Seniors who rent may be at even greater risk for housing challenges than those who own, due to income differences between these groups.

In Monte Sereno, the largest proportion of senior households who rent and the largest proportion who own both earn *Greater than 100% of AMI*. Figure B-38 shows senior households by income and tenure.

Figure B-38 Senior Households by Income and Tenure



SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2018-2019 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table SEN-01.

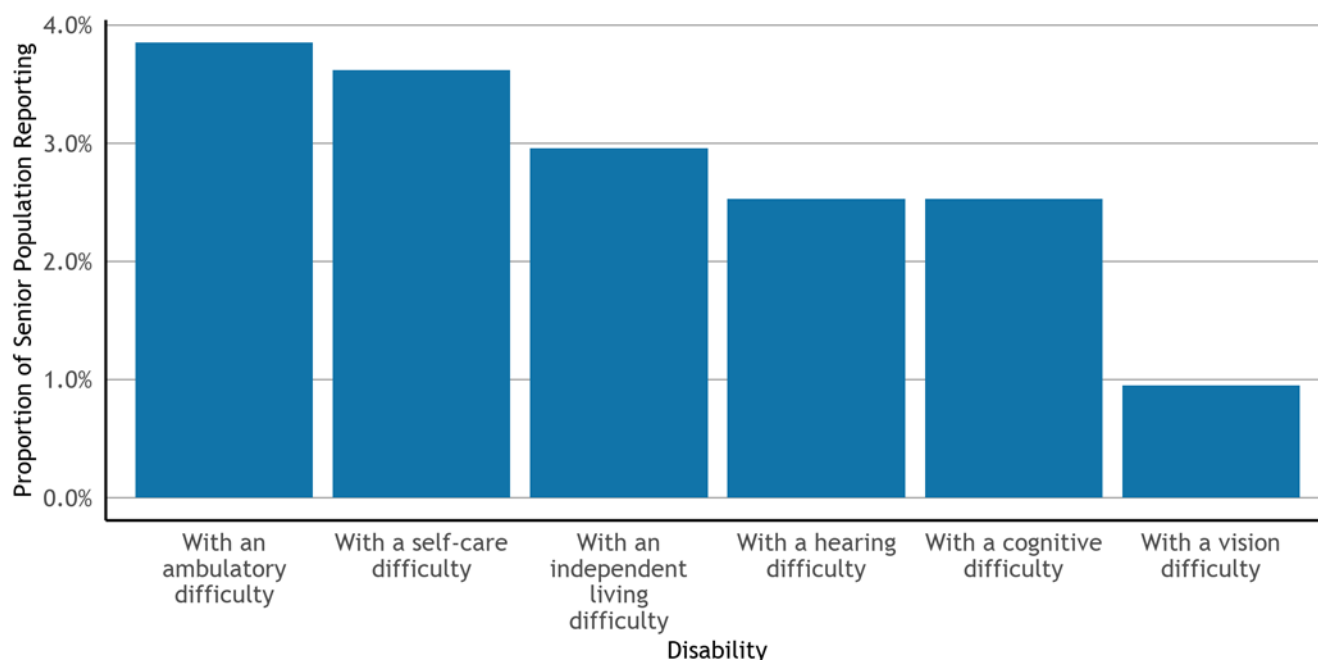
NOTE: Universe: Senior households. For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

People with Disabilities

People with disabilities face additional housing challenges. Encompassing a broad group of individuals living with a variety of physical, cognitive and sensory impairments, many people with disabilities live on fixed incomes and are in need of specialized care, yet often rely on family members for assistance due to the high cost of care. People with disabilities are not only in need of affordable housing, but accessibly designed housing, which offers greater mobility and opportunity for independence. Unfortunately, the need typically outweighs what is available, particularly in a housing market with such high demand. People with disabilities are at a high risk for housing insecurity, homelessness and institutionalization, particularly when they lose aging caregivers.

Overall, 6.8 percent of people in Monte Sereno have a disability of some kind.¹⁵ Figure B-39 shows the rates at which different disabilities are present among residents of Monte Sereno.

Figure B-39 Disability by Type



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B18102, Table B18103, Table B18104, Table B18105, Table B18106, Table B18107. For the data table behind this figure, please refer to the Data Packet Workbook, Table DISAB-01.

NOTE: Universe: Civilian noninstitutionalized population 18 years and over. These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed. The Census Bureau provides the following definitions for these disability types: Hearing difficulty: deaf or has serious difficulty hearing. Vision difficulty: blind or has serious difficulty seeing even with glasses. Cognitive difficulty: has serious difficulty concentrating, remembering, or making decisions. Ambulatory difficulty: has serious difficulty walking or climbing stairs. Self-care difficulty: has difficulty dressing or bathing. Independent living difficulty: has difficulty doing errands alone such as visiting a doctor's office or shopping.

¹⁵ These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed.

State law also requires Housing Elements to examine the housing needs of people with developmental disabilities. Developmental disabilities are defined as severe, chronic, and attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down’s Syndrome, autism, epilepsy, cerebral palsy, and mild to severe mental retardation. Some people with developmental disabilities are unable to work, rely on Supplemental Security Income, and live with family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them.¹⁶

In Monte Sereno, there are seven (7) children under the age of 18 make with a developmental disability (58.3 percent), while there are five (5) adults with a developmental disability (41.7 percent). Table B-4 shows Monte Sereno’s population with developmental disabilities by age.

Table B-4 Population with Developmental Disabilities by Age

| Age Group | Number |
|--------------|--------|
| Age 18+ | 7 |
| Age Under 18 | 5 |

SOURCE: California Department of Developmental Services, Consumer Count by California ZIP Code and Age Group (2020). This table is included in the Data Packet Workbook as Table DISAB-04.

NOTE: Universe: Population with developmental disabilities. NOTE: The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were crosswalked to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

The most common living arrangement for individuals with disabilities in Monte Sereno is the home of parent/family/guardian. Table B-5 shows Monte Sereno’s population with developmental disabilities by residence.

¹⁶ For more information or data on developmental disabilities in your jurisdiction, contact the Golden Gate Regional Center for Marin, San Francisco and San Mateo Counties; the North Bay Regional Center for Napa, Solano and Sonoma Counties; the Regional Center for the East Bay for Alameda and Contra Costa Counties; or the San Andreas Regional Center for Santa Clara County.

Table B-5 Population with Developmental Disabilities by Residence

| Residence Type | Number |
|---------------------------------|--------|
| Home of Parent /Family/Guardian | 11 |
| Independent /Supported Living | 1 |
| Other | 0 |
| Foster /Family Home | 0 |
| Intermediate Care Facility | 0 |
| Community Care Facility | 0 |

SOURCE: California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type (2020). This table is included in the Data Packet Workbook as Table DISAB-05.

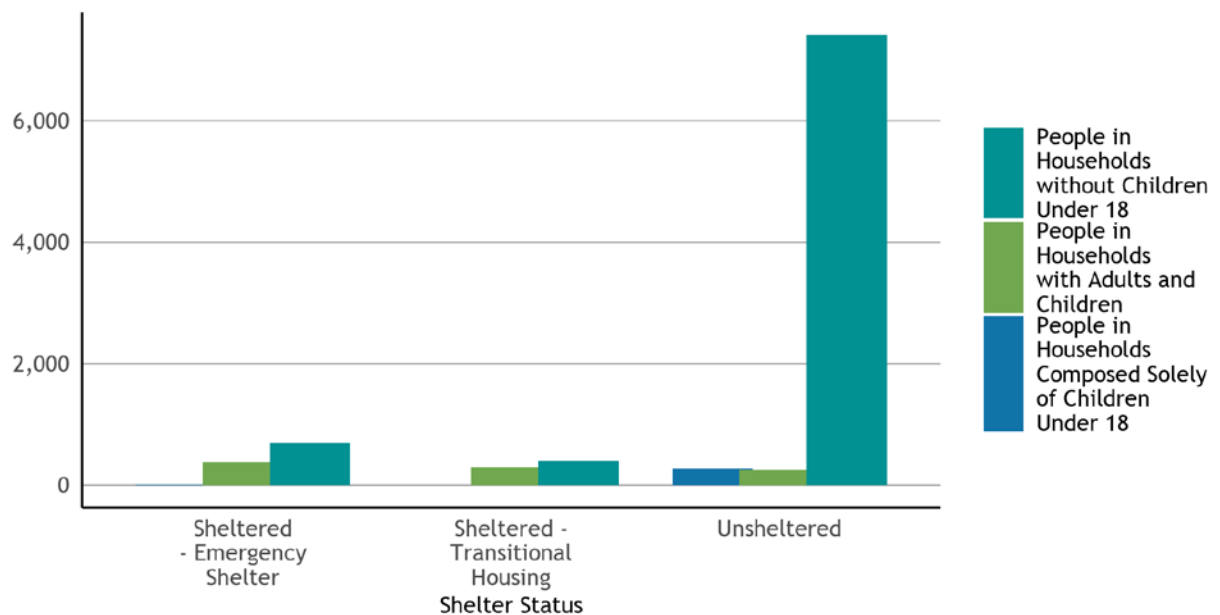
NOTE: Universe: Population with developmental disabilities. NOTE: The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were crosswalked to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

Homelessness

Homelessness remains an urgent challenge in many communities across the state, reflecting a range of social, economic, and psychological factors. Rising housing costs result in increased risks of community members experiencing homelessness. Far too many residents who have found themselves housing insecure have ended up unhoused or homeless in recent years, either temporarily or longer term. Addressing the specific housing needs for the unhoused population remains a priority throughout the region, particularly since homelessness is disproportionately experienced by people of color, people with disabilities, those struggling with addiction and those dealing with traumatic life circumstances.

In Santa Clara County, the most common type of household experiencing homelessness is those without children in their care. Among households experiencing homelessness that do not have children, 87.1 percent are unsheltered. Of homeless households with children, most are sheltered in emergency shelter. Figure B-40 shows household type and shelter status in Santa Clara County.

Figure B-40 Homelessness by Household Type and Shelter Status, Santa Clara County



SOURCE: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019).

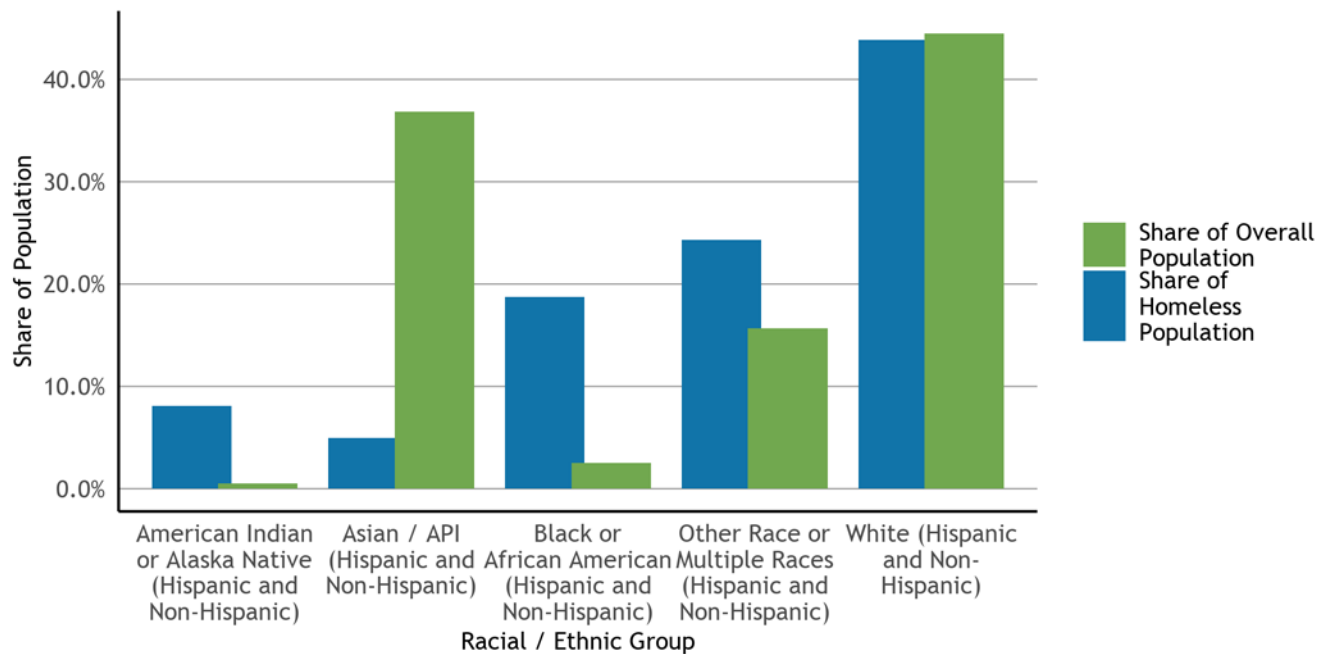
For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMELS-01.

NOTE: Universe: Population experiencing homelessness. This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness.

People of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. Consequently, people of color are often disproportionately impacted by homelessness, particularly Black residents of the Bay Area.

In Santa Clara County, *White (Hispanic and Non-Hispanic)* residents represent the largest proportion of residents experiencing homelessness and account for 43.9 percent of the homeless population, while making up 44.5 percent of the overall population. Figure B-41 shows the racial group share of homeless population.

Figure B-41 Racial Group Share of General and Homeless Populations, Santa Clara County

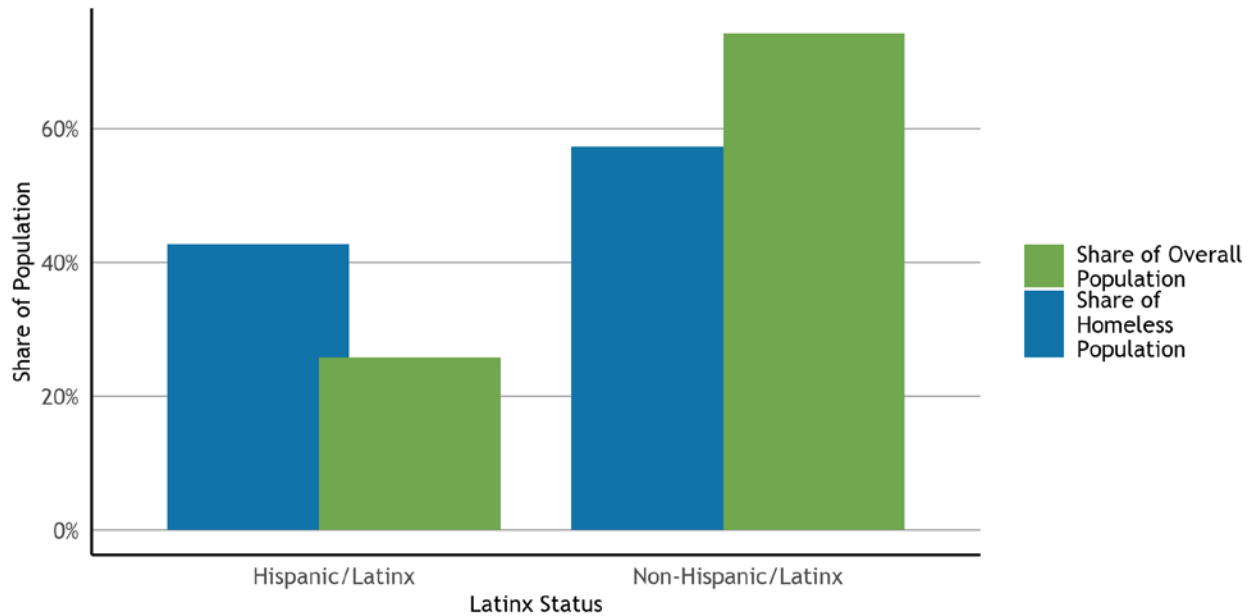


SOURCE: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I). For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMEELS-02.

NOTE: Universe: Population experiencing homelessness. This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. HUD does not disaggregate racial demographic data by Hispanic/Latinx ethnicity for people experiencing homelessness. Instead, HUD reports data on Hispanic/Latinx ethnicity for people experiencing homelessness in a separate table. Accordingly, the racial group data listed here includes both Hispanic/Latinx and non-Hispanic/Latinx individuals.

In Santa Clara, Latinx residents represent 42.7 percent of the population experiencing homelessness, while Latinx residents comprise 25.8 percent of the general population. Figure B-42 on the following page shows the Latinx share of the homeless population in Santa Clara County.

Figure B-42 Latinx Share of General and Homeless Populations, Santa Clara County



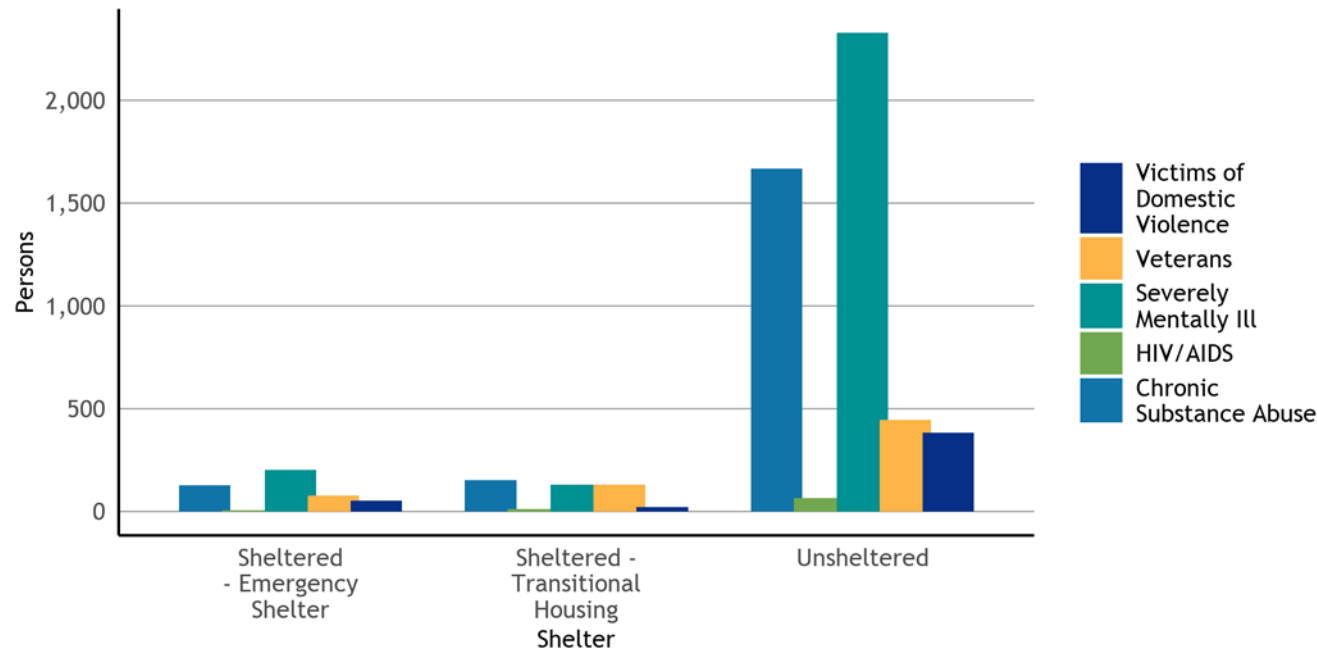
SOURCE: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I). For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMELS-03.

NOTE: Universe: Population experiencing homelessness. This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. The data from HUD on Hispanic/Latinx ethnicity for individuals experiencing homelessness does not specify racial group identity. Accordingly, individuals in either ethnic group identity category (Hispanic/Latinx or non-Hispanic/Latinx) could be of any racial background.

Many of those experiencing homelessness are dealing with severe issues, including mental illness, substance abuse and domestic violence, which are potentially life threatening and require additional assistance.

In Santa Clara County, homeless individuals are commonly challenged by severe mental illness, with 2,659 reporting this condition. Of those, some 87.6 percent are unsheltered, further adding to the challenge of handling the issue. Figure B-43 on the following page shows the selected characteristics of the homeless population in Santa Clara County.

Figure B-43 Characteristics for the Population Experiencing Homelessness, Santa Clara County



SOURCE: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019).

For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMELS-04.

NOTE: Universe: Population experiencing homelessness. This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. These challenges/characteristics are counted separately and are not mutually exclusive, as an individual may report more than one challenge/characteristic. These counts should not be summed.

In Monte Sereno, there were no reported students experiencing homeless in the 2019-20 school year. By comparison, Santa Clara County has seen a 3.5 percent increase in the population of students experiencing homelessness since the 2016-17 school year, and the Bay Area population of students experiencing homelessness decreased by 8.5 percent. During the 2019-2020 school year, there were still some 13,718 students experiencing homelessness throughout the region, adding undue burdens on learning and thriving, with the potential for longer term negative effects. Table B-6 summarizes students in public schools experiencing homelessness.

Table B-6 Students in Local Public Schools Experiencing Homelessness

| Academic Year | Monte Sereno | Santa Clara County | Bay Area |
|---------------|--------------|--------------------|----------|
| 2016-17 | 0 | 2,219 | 14,990 |
| 2017-18 | 0 | 2,189 | 15,142 |
| 2018-19 | 0 | 2,405 | 15,427 |
| 2019-20 | 0 | 2,297 | 13,718 |

SOURCE: California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020). This table is included in the Data Packet Workbook as Table HOMELS-05.

NOTE: Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools. The California Department of Education considers students to be homeless if they are unsheltered, living in temporary shelters for people experiencing homelessness, living in hotels/motels, or temporarily doubled up and sharing the housing of other persons due to the loss of housing or economic hardship. The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded and assigned to jurisdiction, and finally summarized by geography.

Farmworkers

Across the state, housing for farmworkers has been recognized as an important and unique concern. Farmworkers generally receive wages that are considerably lower than other jobs and may have temporary housing needs. Finding decent and affordable housing can be challenging, particularly in the current housing market.

In Monte Sereno, there were no reported students of migrant workers in the 2019-20 school year. The trend for the region for the past few years has been a decline of 2.4 percent in the number of migrant worker students since the 2016-17 school year. The change at the county level is a 49.7 percent decrease in the number of migrant worker students since the 2016-17 school year. Table B-7 summarizes migrant worker student population in Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Table B-7 Migrant Worker Student Population

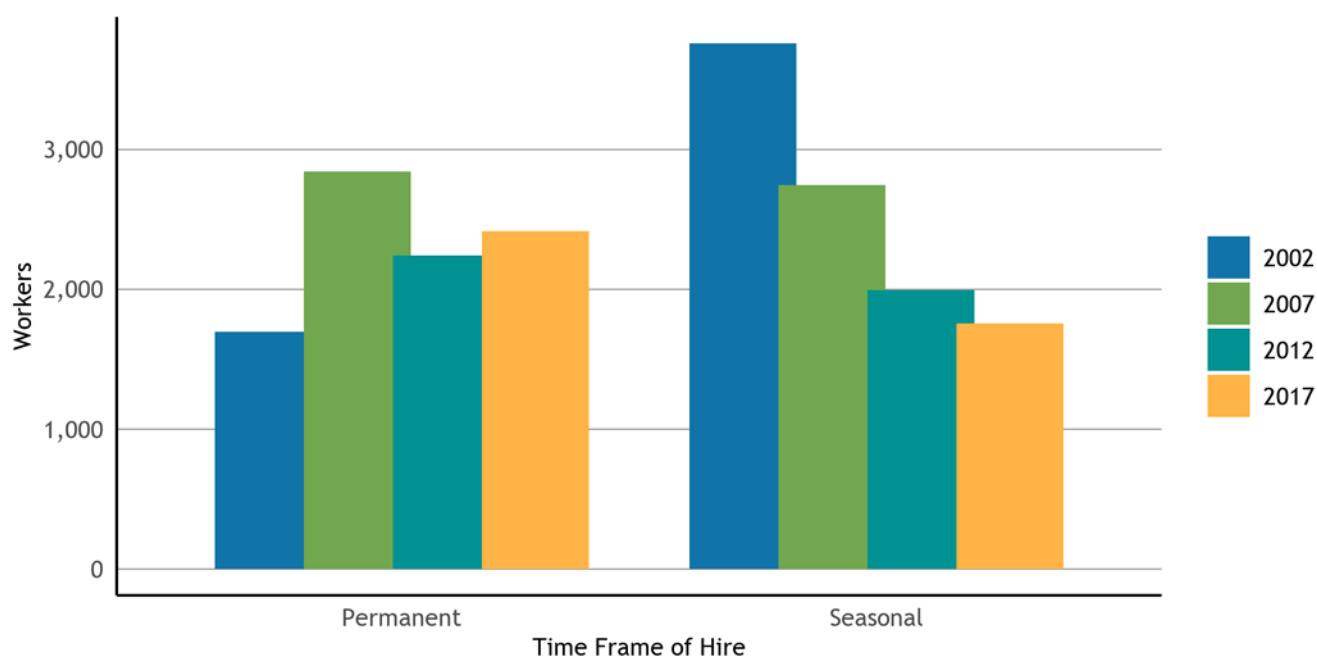
| Academic Year | Monte Sereno | Santa Clara County | Bay Area |
|---------------|--------------|--------------------|----------|
| 2016-17 | 0 | 978 | 4,630 |
| 2017-18 | 0 | 732 | 4,607 |
| 2018-19 | 0 | 645 | 4,075 |
| 2019-20 | 0 | 492 | 3,976 |

SOURCE: California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020). This table is included in the Data Packet Workbook as Table FARM-01.

NOTE: Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools. The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded and assigned to jurisdiction, and finally summarized by geography.

According to the U.S. Department of Agriculture Census of Farmworkers, the number of permanent farm workers in Santa Clara County has increased since 2002, totaling 2,418 in 2017, while the number of seasonal farm workers has decreased, totaling 1,757 in 2017. Figure B-44 on the following page shows farm operations and labor in Santa Clara County.

Figure B-44 Farm Operations and Farm Labor by County, Santa Clara County



SOURCE: U.S. Department of Agriculture, Census of Farmworkers (2002, 2007, 2012, 2017), Table 7: Hired Farm Labor. For the data table behind this figure, please refer to the Data Packet Workbook, Table FARM-02.

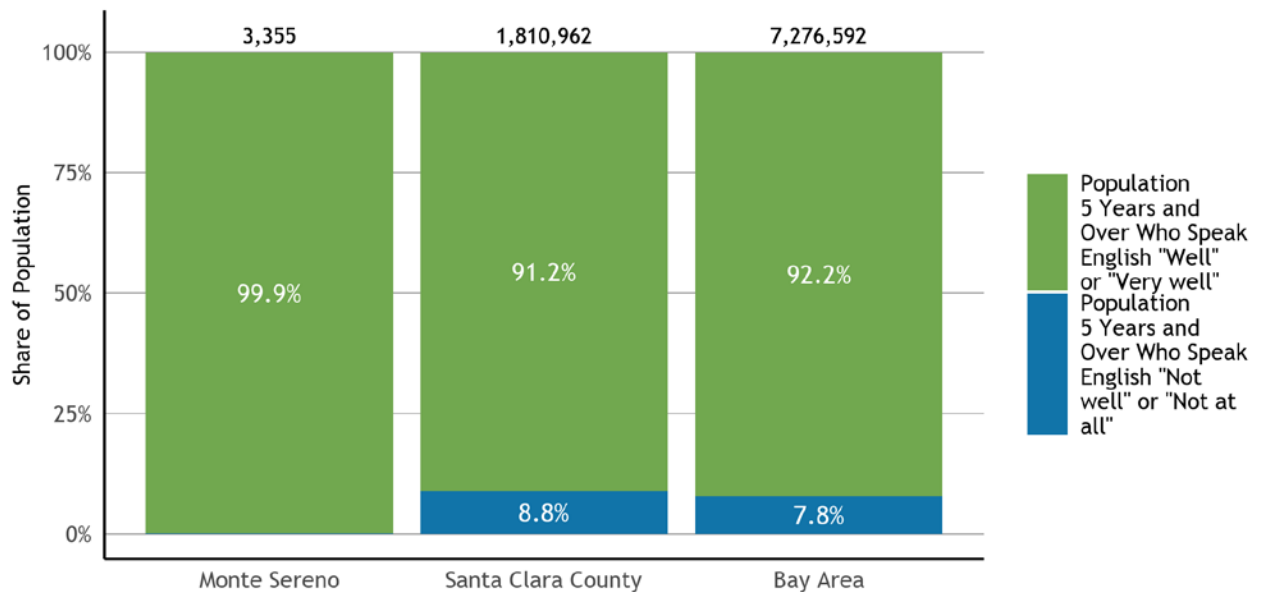
NOTE: Universe: Hired farm workers (including direct hires and agricultural service workers who are often hired through labor contractors). Farm workers are considered seasonal if they work on a farm less than 150 days in a year, while farm workers who work on a farm more than 150 days are considered to be permanent workers for that farm.

Non-English Speakers

California has long been an immigration gateway to the United States, which means that many languages are spoken throughout the Bay Area. Since learning a new language is universally challenging, it is not uncommon for residents who have immigrated to the United States to have limited English proficiency. This limit can lead to additional disparities if there is a disruption in housing, such as an eviction, because residents might not be aware of their rights or they might be wary to engage due to immigration status concerns.

In Monte Sereno, 0.1 percent of residents five (5) years and older identify as speaking English not well or not at all, which is below the proportion for Santa Clara County. Throughout the region the proportion of residents five (5) years and older with limited English proficiency is eight (8) percent. Figure B-45 on the following page shows population with limited English proficiency in Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Figure B-45 Population with Limited English Proficiency



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B16005. For the data table behind this figure, please refer to the Data Packet Workbook, Table AFFH-03.

NOTE: Universe: Population 5 years and over.

Santa Clara County has approximately 23 emergency shelters, providing close to 800 beds year-round, with an additional 300 beds available during the winter months (November through March). There are also over 1,100 transitional housing beds throughout the County that offer a combination of stable housing and intensive, targeted support services for the mentally ill, those with chronic substance abuse, developmental disabilities, and other factors that prevent the homeless from returning to permanent housing situations. Transitional housing includes both single site and "scattered site" programs. Table B-8 on the following page provides a summary of emergency shelters and transitional housing near the City of Monte Sereno.

Table B-8 Homeless Facilities Near Monte Sereno

| Facility | Beds | Target Population | Location |
|---|------|---|----------|
| Emergency Shelters | | | |
| Asian Americans for Community Involvement | 12 | Women with Children | San Jose |
| City Team Rescue Mission | 52 | Single men | San Jose |
| Hospitality House, Salvation Army | 24 | Single men | San Jose |
| Our House Youth Services HomeFirst | 10 | Homeless and run-away youth | San Jose |
| San Jose Family Shelter | 143 | Families | San Jose |
| Support Network for Battered Women | 18 | Domestic violence shelter- women and children | San Jose |
| Emergency Shelter/Transitional Housing | | | |
| InnVision | 178 | Working men, women & children, mentally ill men & women | San Jose |
| James Boccardo Reception Center | 370 | Families and single adults | San Jose |
| Transitional Housing | | | |
| Next Door- Women with Children | 19 | Domestic Violence Shelter -Women and children | San Jose |
| St. Josephs Cathedral | 45 | Worker housing- men, women and children | San Jose |
| YWCA- Villa Nueva | 126 | Women and children | San Jose |

SOURCE: Santa Clara County Consolidated Plan, 2010-20

Housing Constraints

C
APPENDIX

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Appendix C

Housing Constraints

C.1 Introduction

State law requires that Housing Elements include an analysis of governmental and nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels. Governmental constraints include land use controls, building codes and their enforcement, fees and exactions, and permitting procedures. Nongovernmental constraints are primarily market-driven and include land costs, construction costs and the availability of financing.

C.2 Governmental Constraints

General Plan Land Use

The *Monte Sereno General Plan*, adopted in 2008, is the City's primary land use control policy document. The General Plan Land Use Element identifies permitted land uses and development intensities for all land within city boundaries. Permitted uses in Monte Sereno include residential, public and open space. The general plan does not designate any areas in Monte Sereno as commercial or mixed-use. Table C-1 identifies the residential land use designations and their maximum permitted densities.

Table C-1 Residential Land Use Designations

| Designation | Maximum Density |
|-------------------------------------|-----------------------------|
| Low Density Residential (R-1-44) | 0-1 dwelling unit per acre |
| Medium Density Residential (R-1-20) | 1-2 dwelling units per acre |
| Higher Density Residential (R-1-8) | 3-5 dwelling units per acre |
| Multifamily Residential (RM) | 3-8 dwelling units per acre |

SOURCE: City of Monte Sereno

The age of the *Monte Sereno General Plan* may be a constraint to development, as the document represents the policy direction of the 2008 City Council. State housing law has changed dramatically since 2008 with land prices, development costs, and housing costs significantly more costly and constrained. Given the age of the general plan and the changes in the community and region since the plan's adoption, the document is a constraint and should be updated. A program to initiate a general plan update is included in Chapter 2 of this housing element.

Zoning Code

The Monte Sereno Zoning Code (Monte Sereno Municipal Code Title 10 - Planning and Zoning) implements the general plan by establishing standards and regulations for all development in Monte Sereno. To this end, the Zoning Code establishes four residential zoning districts: R-1-8, R-1-20, R-1-44 and RM, and development standards for these districts are summarized in Table C-2. Single-family homes are permitted uses in all districts. In the RM zone, multi-family housing is also a permitted use. The Municipal Code also includes a "Public" zone category, and in 2016 and 2020 the Public zoning district standards were amended to allow residential uses, which facilitated additional opportunities for multi-family housing in the City.

In general, housing development standards such as the ones in place in Monte Sereno, would be inadequate to provide lower-income housing. The maximum allowable density in Monte Sereno's RM District (its highest density, multi-family district), for example, is eight (8) dwelling units per acre, which even with applicable density bonus is significantly below the level typically needed to facilitate lower-income housing. In fact, HCD has determined that a minimum of 30 dwelling units per acre is typically required to facilitate affordable housing in Santa Clara County. Nonetheless, the City of Monte Sereno was able to meet and surpass its RHNA for the 2015-2023 planning period—even with such development regulations in place. It did so through the development of accessory dwelling units (ADUs), and this topic is discussed in full later in this chapter.

Given the City's accomplishments under its zoning regiment, it is apparent that in Monte Sereno's specific case, low residential development densities do not constitute a governmental constraint on the development of affordable housing.

Structural Coverage

The City's structural coverage limits of 20 to 40 percent, with higher coverage allowed on smaller lots, are not a constraint on the maintenance, improvement, and development of housing. Applying the structural coverage limit to the various zoning districts throughout the City would result in allowable structural footprints of at least 3,200 sq. ft. on the smallest single-family lots permitted in the City.

In the RM multifamily zone, the structural coverage maximums are applied on a sliding scale and depending on the size and topography of the lot. Maximum coverage is 40 percent but shall be decreased by 2 percent for each 2,000 square feet by which the area of the parcel exceeds 12,000 square feet. Additionally, coverage is decreased by two percent (2 percent) for each five percent (5 percent) of slope that the parcel exceeds a ten percent (10 percent) average slope, whichever formula reduction is greatest.

The limited structure coverage is not considered a constraint to development because the large lot sizes in the City afford a sizeable development footprint.

Table C-2 Residential Development Standards

| Zoning | Minimum Lot Area (sq ft) | Setbacks | | | Maximum Height | | Maximum Building Size (sq ft) | Maximum Structural Lot Coverage | Maximum Units/ Acre |
|--------|--------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------|-----|---|---------------------------------|---------------------|
| | | Front | Side | Rear | | | | | |
| R-1-8 | 8,000* | 25' First & 30' Second- story | 6' First & 10' Second- story | 30' First & 30' Second-story | Single-story bldg. | 21' | 3,300 | 40 percent | 5 |
| | | | | | Two-story bldg. | 30' | 3,000 | | |
| | | | | | Accessory bldg. | 12' | 600 | | |
| R-1-20 | 21,780 | 30' First & 40' Second- story | 15' First & 20' Second- story | 30' First & 40' Second- story | Single-story bldg. | 21' | 4,950 | 30 percent | 2 |
| | | | | | Two-story bldg. | 30' | 4,500 | | |
| | | | | | Accessory bldg. | 21' | 800 | | |
| R-1-44 | 43,560 | 30' First & 45' Second-story | 30' First & 40' Second- story | 30' First & 40' Second-story | Single-story bldg. | 21' | 6,600 | 20 percent | 1 |
| | | | | | Two-story bldg. | 30' | 6,000 | | |
| | | | | | Accessory bldg. | 21' | 1,000 | | |
| RM | 14,520 | 25' First & 30' Second- story | 6' First & 10' Second- story | 30' First & 30' Second-story | Single-story bldg. | 21' | 2,600 | 40 percent | 8 |
| | | | | | Two-story bldg. | 30' | 2,600 | | |
| | | | | | Accessory bldg. | 12' | Included in maximum structural coverage | | |
| P | 8,000 | 25' First & 30' Second- story | 6' First & 10' Second- story | 30' First & 30' Second-story | Single-story bldg. | 21' | 3,300 | 40 percent | 8 |
| | | | | | Two-story bldg. | 30' | 3,000 | | |
| | | | | | Accessory bldg. | 12' | Included in maximum structural coverage | | |

SOURCE: City of Monte Sereno NOTE: *Reduction in minimum lot sizes resulting from clustering of units is allowed in the R-1-8 and RM zone districts.

Lot and Unit Size

Originally, Monte Sereno developed as a large lot, residential community with minimum lot sizes of one acre and one-half acre. Requirements for lots of this size can act as a constraint to housing. The majority of the City has been subdivided and already built at this density. Within the eastern part of the City, residential districts were designated with smaller minimum lot sizes, with three to five units per acre and 8,000 sq. ft. lots permitted. The R-1-8 zone also allows for clustering which can reduce the minimum lot size even further depending on slope calculations and street improvements.

To facilitate additional development, the Housing Element includes programs to: 1) facilitate parcel maps; 2) revise flag lot development standards in an effort to encourage new flag lots for residential development; and 3) review SB 9 regulations to determine if modifications to the existing standards are necessary.

Clustering of Units

Section 10.05.050 of the City's Municipal Code allows special residential development exception to the minimum development standards generally required in the R-1-8, RM, and P/RM districts by allowing the clustering of homes on smaller sites. This provision can assist in providing a variety of housing types and affordability levels.

Accessory Dwelling Units (ADUs)

Accessory dwelling units (also known as second units) are complete independent housing units that can be either detached or attached from an existing single-family residence. Based on their relatively small size, and because they do not require paying for land or major new infrastructure, accessory dwelling units ("ADUs") are considered affordable by design. ADUs can provide affordable housing options for family members, seniors, students, in-home health care providers, and other small household types. ADUs can also be useful to generate additional rental income for the homeowner, making homeownership more financially feasible.

The State legislature has passed a series of bills aimed at encouraging single-family homeowners to add ADUs to their property by requiring local jurisdictions to adopt regulations to facilitate their production and streamline their approval. The State passed legislation in 2017 and again in 2019 to further assist and support the development of ADUs, including "by right" approval for units less than 850 square feet for a one-bedroom and 1,000 square feet for a two-bedroom unit. These projects must be approved at the staff level to help streamline the permit process. ADUs are allowed in the four residential districts and the City adopted substantial changes to its Accessory Dwelling Unit ordinance to comply with State law.

Over the last three years, the City has issued 53 building permits for ADUs (January 2019 through September 2022). Of the ADU constructed, over 80 percent were affordable to lower-income

households.¹ The City estimates that it will permit 225 ADUs in the 2023-2031 planning period based on the written letters of intention received by 225 property owners throughout the city. This is more than enough to accommodate housing for very low-, low-, and moderate-income households through the 2023-2031 planning period.

Although not a constraint, the City has identified improved tracking of ADUs as a goal in the 2023-2031 planning period and will continue to collect information on affordability of ADUs and use of the units after construction is completed. Additionally, the City will continue to publish incentives through the City website and City Hall front counter, provide the ADU Handbook published by the State Department of Housing and Community Development directly to residents, and continue to evaluate the program for potential constraints and implement improvements to remove constraints.

Design Guidelines and Objective Design Standards

The City of Monte Sereno applies design guidelines and direction to homeowners and their architects or designers for the preparation of building and landscape places. The Design Guidelines apply predominantly to single-family residences. On January 18, 2022, the Monte Sereno City Council adopted Objective Design Standards as an addendum to the City's Design Guidelines. The purpose of the Objective Design Standards is to provide property owners and developers with a clear understanding of the City's design requirements for development.

Objective design standards apply to building design for all proposed residential development subject solely to ministerial review, specifically projects submitted under Monte Sereno Municipal Code section 10.05.080 and Government Code section 65852.21; Monte Sereno Municipal Code chapter 13.06 and Section 66411.7 of the Government Code; projects subject to streamlined, ministerial review under Government Code section 65913.4, and accessory dwelling unit (ADU) projects submitted under Monte Sereno Municipal Code section 10.06.140, except those subject to mandatory approval under Government Code Section 65852.2(e). All proposed projects must also comply with all applicable development requirements in the Municipal Code, including but not limited to building permit requirements, zoning code requirements, grading permit requirements, and development standards such as height and setbacks.

Multi-Family Units

The City allows multi-family units and a wider diversity of housing types in the RM Multi-Family and Public ("P") Zoning District/Public/Residential Multi-Family District.

Residential uses allowed in RM include single-family, duplex, triplex, renting of rooms, residential care homes, supportive housing and transitional housing and accessory dwelling units. Within the Public P Zoning District, the number of units is limited to up to three attached dwelling units.

¹ Source: City of Monte Sereno post-construction surveys

Triplexes represent “missing middle” housing types and the City will continue to encourage this type of development in multi-family zoning districts.

Transitional and Supportive Housing

Municipal Code Section 10.05 allows residential care homes, supportive housing and transitional housing as a use "by right" in all residential zoning districts.

Emergency Shelters

In Monte Sereno, emergency shelters are now allowed as a use "by right" in areas zoned as "Public" according to Municipal Code Section 10.05.045. Emergency shelters are those that meet the definition as contained in California Health and Safety Code 50801 (e). There are three areas in the City with a zoning designation of "Public," two parcels on Daves Avenue and the City Hall parcel.

As described in Section 3 of this document ("Special Needs"), the 2013 Santa Clara County biennial count of homeless persons did not find any homeless persons in Monte Sereno.

If there is a future need for homeless assistance in Monte Sereno, Emergency Shelters are allowed as a use "by right" in Public Zones ("P") in the City. There are two parcels in the City with a Public Zone designation, comprising approximately 8.5 acres. Since the only other zoning categories in the City are residential, the Public Zoning category is the most appropriate if an Emergency Shelter was to be considered.

Sites zoned P include City Hall and the Daves Avenue Elementary School. The City Hall site contains available land area that would be suitable for a homeless shelter as permitted by the City's Municipal Code. The City Hall site is 26,171 square feet, has no development constraints, and could accommodate a small emergency shelter in an accessory building. As noted, there are no retail businesses in Monte Sereno, nor any frequent bus service. However, these sites, which are associated with public-serving institutions and located on a state highway (City Hall), are the most suitable sites in the City for an emergency shelter.

Employee Housing

Generally, employee housing is privately-owned housing that houses five (5) or more employees and meets one of the following:

- Living quarters provided in connection with any work, whether or not rent is involved.
- Housing in a rural area which is:
 - ✓ Provided by someone who is not an agricultural employer, and
 - ✓ Provided for agricultural workers employed by any agricultural employer.

Program H-2.6 in Chapter 2 of this housing element includes an action item for the City to amend the Municipal Code to allow employee housing serving six (6) or fewer employees in any residentially zoned area.

Single Room Occupancy (SRO)

Single Room Occupancy residences consist primarily of very small studio units with minimal kitchen facilities that serve single persons. These facilities would be considered multi-family housing. They are permitted in all residential zoning districts.

Additionally, the City's Municipal Code (Chapter 10.05) specifies that "renting of rooms and/or the providing of table board to not more than two (2) persons so long as no kitchen facilities, other than those of the single kitchen of the main dwelling are installed or used" is an allowable use in residential districts.

Low Barrier Navigation Centers

AB 101, adopted in 2019, requires approval "by right" of low barrier navigation centers that meet the requirements of State law. "Low Barrier Navigation Center" means a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. If the City receives applications for these uses, it will process them as required by State law. A program has been included in the Element to develop by right procedures for processing low barrier navigation centers.

Farm Employee Housing

There were no reported residents employed in the industries of farming, fishing or forestry, in the City. Given the lack of presence of farmworkers in the community, the City has not identified a need for specialized farmworker housing beyond overall programs for housing affordability.

Mobile Home Parks

There are no mobile home parks located in Monte Sereno.

SB 35 Streamlining

Government Code section 65913.4 allows qualifying development projects with a specified proportion of affordable housing units to move more quickly through the local government review process and restricts the ability of local governments to reject these proposals. The bill creates a streamlined approval process for qualifying infill developments in localities that have failed to meet their RHNA, requiring a ministerial approval process, removing the requirement for CEQA analysis, and removing the requirement for discretionary entitlements.

The City is in compliance and not subject to SB 35.

SB9 California Housing Opportunity and More Efficiency (HOME) Act

SB9, also known as the California Housing Opportunity and More Efficiency (HOME) Act, is a state bill that requires cities to allow one additional residential unit onto parcels zoned for single-dwelling units.

Since the adoption of this section of the Government Code, the City has adopted regulations to permit duplexes in qualifying single family zoning districts and is actively working to further update its Zoning Code to review current standards regarding subdivision under SB9. A Program is included in the Housing Element.

Constraints for People with Disabilities

State law requires the Housing Element to include an analysis of governmental constraints upon the maintenance, improvement or development of housing for persons with disabilities. Housing Elements also must include programs to remove these constraints to the extent possible and to provide reasonable accommodations for housing designed for and occupied by persons with disabilities.

Chapter 10.23 of the Monte Sereno Municipal Code provides reasonable accommodation to people with disabilities, and complies with the Fair Housing Amendments Act of 1988 and the California Fair Employment and Housing Act in the application of the City's zoning, land use laws, regulations, rules, standards, policies, procedures, and practices.

A request for reasonable accommodation may include a request for modification or exception to the land use rules for the siting, development and use of housing or housing-related facilities that would eliminate regulatory barriers and provide a person with a disability equal opportunity to housing of that person's choice.

Chapter 10.05 of the Monte Sereno Municipal Code allows residential care homes, supportive housing and transitional housing as uses "by right" in residential districts. The City does not have siting, separation, or separate parking requirements for residential care homes, supportive housing, or transitional housing.

The City's definition of 'family' does not limit the number of unrelated persons who reside in a residence.

Fees and Exactions

Housing development is subject to permit processing and impact fees. These fees help to compensate the public for any impact associated with the new development. These fees are collected by the City as well as other agencies providing public services in Monte Sereno (see Table C-3 below).

Table C-3 Monte Sereno Development and Planning Fees (2018 – most current)

| Planning Fees | Cost |
|---|--|
| New Home/Demo Rebuild/addition 50 percent or more of existing | \$2,800 |
| Remodel/addition less than 50 percent of existing | \$1,900 |
| Hillside development (av. Slope 10 percent or greater) | \$3,100 |
| Permit amendment | \$1,300 |
| Administrative Building Site Approval | \$2,800 |
| CEQA Exemption | \$350 |
| CEQA Initial Study/Negative Declaration | \$3,400 |
| CEQA EIR (prepared by consultant) | Actual cost + 10 percent admin. fee |
| Tentative Map – 4 lots or fewer | \$3,000 |
| Tentative Map – 5 lots or more | \$10,000 |
| Use Permit – General | \$2,800 |
| Use Permit – Special/Historic | \$2,800 |
| Building/PW/Misc Fees | Cost |
| Building – dependent on valuation | \$23.50 - \$5,608+\$4.75 for each additional \$1,000 over \$1M |
| Electrical, Plumbing or Mechanical | \$159 + 0.11 per sq. ft. |
| Solar | \$159 |
| Demolition | \$159 |
| Plan Review | 65 percent of building permit fee |
| Grading and Drainage depending on cubic yards | \$265-\$6,360 + \$31 for each additional 1,000 cubic yards |
| Storm Drain | \$1,704 |
| Construction Tax | \$2,996 |
| School Fees (\$3.20/sq. foot)* | \$6,400 |
| Sewer Connection | \$510 |
| Water Connection* | \$7,300 |
| Road Impact Fee (per \$1000 of valuation of permitted work) | \$0.49 |
| Microfilm, Copies and Miscellaneous Other Fees | \$5 per page |

SOURCE: City of Monte Sereno NOTE: * Indicates a fee paid to another entity

As a comparison, listed in Table C-4 below are estimated fees from neighboring communities within Santa Clara County.

Table C-4 Comparison of Development Fees

| Jurisdiction | Single Family | Small Multi-Family | Large Multi-Family |
|-----------------------|---------------|--------------------|--------------------|
| Campbell | \$72,556 | \$20,599 | \$18,541 |
| Cupertino | \$136,596 | \$77,770 | \$73,959 |
| Gilroy | \$69,219 | \$40,195 | \$39,135 |
| Los Altos Hills | \$146,631 | N/A | N/A |
| Los Gatos | \$32,458 | \$5,764 | \$3,269 |
| Milpitas | \$77,198 | \$74,326 | \$59,740 |
| Monte Sereno | \$33,445 | \$4,815 | \$4,156 |
| Morgan Hill | \$55,903 | \$41,374 | \$36,396 |
| Mountain View | \$90,423 | \$69,497 | \$82,591 |
| San Jose | \$9,919 | \$23,410 | \$23,410 |
| Santa Clara | \$14,653 | \$6,733 | \$2,156 |
| Saratoga | \$64,272 | \$17,063 | \$15,391 |
| Sunnyvale | \$133,389 | \$126,673 | \$98,292 |
| Unincorporated County | \$25,166 | N/A | N/A |

SOURCE: Santa Clara County Constraints, Fees, & Processing Times Survey Quick Summary, 2022 NOTE: Total Fees (includes entitlement, building permits, and impact fees) per Unit; and Monte Sereno staff.

Total fees in Monte Sereno are generally below other Santa Clara County jurisdictions for both single-family and multi-family housing developments. This fee structure appears reasonable and comparable to other surrounding communities and, as such, is not considered a constraint to development.

Processing and Permit Procedures

The construction of new single-family homes, major remodels of existing homes, and new multi-family uses in the RM zone require a Site Development Permit and a public hearing before the City Site and Architecture Commission. Typical permit processing times are one to two months for a remodel and two to three months for a new home, including a 10-day public notice period. Additional processing time would be required if the project is not exempt from the California Environmental Quality Act.

Permit processing procedures for single family dwelling units require a design review approval. The design review does not pose a significant cost impact because the cost of application ranges from \$1,900 for a basic remodel to \$3,100 for a complex hillside home construction project. Compared with other construction costs such as the cost of materials, this application fee is nominal.

Permit approval requires the Commission to find the application consistent with site and building design requirements and to find that the proposed design retains the character of the neighborhood, mitigates significant visual impacts, meets City design guidelines, and meets other standards regarding landscaping, grading, tree removal, and drainage.

The Site Development Permit process does not place a significant cost on the applicant, but more often requires minor architectural alterations and/or landscaping to minimize unreasonable impacts on surrounding properties. The majority of design review applications are approved within one month from the date of submittal. Consequently, permit processing procedures and fees do not appear to be a constraint to housing development.

As a comparison, listed in Table C-5 below are estimated permitted processing time from neighboring communities within Santa Clara County.

Table C-5 Comparison of Permit Processing Times

| Jurisdiction | ADU Process | Ministerial By-Right | Discretionary By-Right | Discretionary (Hearing Officer if Applicable) | Discretionary (Planning Commission) | Discretionary (City Council) |
|-----------------------|-------------|----------------------|------------------------|---|-------------------------------------|------------------------------|
| Campbell | 1 | 1 | 3 | N/A | 5 | 8 |
| Cupertino | 1-3 | 1-6 | 2-4 | 2-4 | 3-6 | 6-12 |
| Gilroy | 1-2 | 1-2 | 2-4 | N/A | 4-5 | 5-6 |
| Los Altos Hills | 1-2 | 0.5-2 | 2-3 | 3-4 | 4-6 | 5-8 |
| Los Gatos | No Data | 3-6* | 1-2 | 2-4 | 4-6 | 6-12 |
| Milpitas | 3-5 | 4-6 | 2-3 | 6-18 | N/A | 12-24 |
| Monte Sereno | 0.75 | 0.75 | 1 | 1-2 | N/A | 1-2 |
| Morgan Hill | 1-2 | 1-3 | 2-3 | 2-3 | 4-6 | 4-6 |
| Mountain View | 3-5 | 4-6 | 2-3 | 6-18 | N/A | 12-24 |
| San Jose | 2 | 1-3 | 7 | 7 | 7-11 | 5-12 |
| Santa Clara | 0-1 | 0-1 | 0-3 | 4-9 | 6-9 | 6-12 |
| Saratoga | 1 | 1-2 | 2-3 | N/A | 4-6 | 6-12 |
| Sunnyvale | 1-3 | 1-3 | 3-6 | 6-9 | 9-18 | 9-18 |
| Unincorporated County | 4-6 | 6-8 | 9-12 | 12-15 | 15-18 | 15-18 |

SOURCE: Santa Clara County Constraints, Fees, & Processing Times Survey Quick Summary, 2022 NOTE: Permit processing times indicated in months *Time to first review; and Monte Sereno staff.

Building Codes and Code Enforcement

Monte Sereno has adopted the 2019 editions of the California Building, Fire, Plumbing, Mechanical, Electric and Health and Safety Codes and plans to adopt the 2022 editions on January 1, 2023. The City has not adopted any amendments to these codes that significantly increase housing costs; the amendments recognize the City's location in a high fire hazard area near the San Andreas Fault and require fire-resistant roofs in the Wildland-Urban Interface Fire Area, additional bracing in certain situations, and fire sprinklers. The City Building Official regularly inspects development projects to ensure compliance with all applicable codes. Inspections and approvals are completed promptly and do not add unnecessary delays in the construction of new housing. Code enforcement is pursued as a result of Building Official inspections and resident complaints and typically involves minor deferred maintenance. Building Codes and Code Enforcement are not considered a constraint to development.

On- and Off-Site Improvement Standards

Due to the low-density and semi-rural character of Monte Sereno, the City typically requires only minimal on- and off-site improvements as a condition of approval for new residential development, particularly compared to the requirements of neighboring communities. Most new housing development occurs on existing lots that are already served by necessary infrastructure. The City may require a gutter, curb and gutter, or curb and gutter and sidewalk for a new housing unit depending on the location. Improvement standards are not considered a constraint to development.

Parking Requirements

Parking requirements are listed in Table C-6 below according to zoning designation.

Table C-6 Parking Requirements

| Zoning Designation | Lot with on street parking | Lot without on street parking |
|--------------------|----------------------------|-------------------------------|
| R-1-8 | 2 covered/2 uncovered | 2 covered/3 uncovered |
| R-1-20 | 2 covered/2 uncovered | 2 covered/4 uncovered |
| R-1-44 | 2 covered/2 uncovered | 2 covered/5 uncovered |
| RM | 1 covered/1 uncovered | 1 covered/1 uncovered |
| P | 1 covered/1 uncovered | 1 covered/1 uncovered |

SOURCE: Company 2017

For single-family homes located on streets with on-street parking, the parking requirement can be met by a typical two-car garage and two parking spaces on the driveway apron. The additional requirement for uncovered driveway parking for lots without on-street parking is designed to ensure that fire access is not impaired. The requirement applies only to above moderate-income housing.

The reduced parking requirement in the RM zoning designation is important to note and is designed to ensure that parking does not serve as a constraint to multi-family development. Consequently, parking requirements appear reasonable and are not considered a constraint.

Summary of Governmental Constraints

Given the City's already developed land use pattern, the governmental regulations identified above are a responsible and thoughtful effort to maintain the character of already developed areas while providing opportunities for additional types of housing that can be more affordable. The clustering provision for R-1-8 and RM properties, which allows smaller lot sizes, is especially important in reducing constraints to the development of all housing types. Reduced parking requirements for RM lots also make housing more affordable.

Those constraints that were identified have been addressed with specific program actions. In order to encourage more lots available for development. Further, the City intends to continue to reduce identified constraints to the development of ADUs.

C.3 Non-Governmental Constraints

Land and Construction Costs

Land is expensive in Monte Sereno due to the limited availability of buildable sites, as well as the scenic setting and the area's existing upscale character. The current market price for unimproved land ranges from \$6 - 10,000,000 per acre. Similarly, high construction costs in the Bay Area also contribute to the high cost of housing in Monte Sereno. Based upon City building permit data, construction costs for new single-family homes typically range from \$1,000,000 to \$2,000,000. Land and construction costs in Monte Sereno represent the primary barrier to affordable housing in the community. The difficulty of building in Monte Sereno virtually guarantees that, even in the absence of governmental constraints, housing in Monte Sereno will be very expensive. Except for ADUs, it is extremely unlikely that housing affordable to low- and moderate-income households can be constructed in Monte Sereno under any circumstances without considerable subsidy, public or private.

Availability of Financing

As a stable and affluent community, private housing mortgage financing is readily available in Monte Sereno. There are no mortgage-deficient areas in the City and no identifiable underserved groups in need of financing assistance. At the time this Housing Element was drafted, interest rates for homebuyers were increasing from a low of 2.75 percent in 2020 to 5.75 percent in 2022 for a fixed rate, 30-year mortgage. The current economic climate is uncertain and still affected by the COVID-19 pandemic, increasing inflation, and the supply chain disruptions.

Requests to Develop at Densities Below Those Permitted

New State Housing Element law now requires the non-governmental constraints analysis to evaluate developer requests to build at densities below the density identified in the Housing Element sites inventory.

In order to incentivize development which better implements densities planned in the Housing Element sites inventory, the Housing Element sets forth a program (#19) to ensure that there are adequate sites available throughout the planning period to accommodate the City's regional housing needs, "or " "RHNA". The City has not received requests to develop at densities below those permitted.

Length of Time between Application Approval and Building Permit Issuance

New Housing Element law now also requires an examination of the length of time between receiving approval for a housing development and submittal of an application for building permits. The time between application approval and building permit issuance is influenced by a number of factors, none of which are directly impacted by the City. Factors that may impact the timing of building permit issuance include: required technical or engineering studies; completion of construction drawings and detailed site and landscape design; securing construction and permanent financing; and retention of a building contractor and subcontractors.

The majority of residential permits in Monte Sereno are for single-family homes, with building permit issuance generally taking 8-14 months after Planning approvals. Hillside properties may take a few months longer due to the need for technical and engineering studies. In Monte Sereno most approved projects are constructed in a reasonable time period.

Environmental Constraints

This section contains information on current risks due to natural and human-made hazards.

Wildfire

Open space areas that are heavily vegetated and grassy are especially vulnerable to fire hazards. The risk of fire is highest in the steep, heavily vegetated hillside area south of Highway 9. The risk of fire is also highest during the summer and fall dry seasons. Because most wildfires are caused by people, increased accessibility to fire hazard areas further increases the risk of fire. Approximately half of Monte Sereno is located within a very high fire hazard area, and even those areas not designated as high fire hazard are subject to wildfire, because one or more large trees are present on practically every lot in the community.

When housing is built close to forests or other types of natural vegetation, the structures pose two problems related to wildfires. First, there will be more wildfires due to human ignitions. Second, wildfires that occur will pose a greater risk to lives and homes, they will be hard to fight, and letting natural fires burn becomes impossible. Development in wildland urban interface areas will exacerbate wildfire problems in the future.

Lack of evacuation routes exponentially compounds the risk from natural hazards in Monte Sereno. If a fire comes over the neighboring Santa Cruz Mountains, Highway 9 would likely be affected, which for many is the only way out of Monte Sereno. The primary evacuation route for the community is Saratoga-Los Gatos Road (Highway 9)—a two-lane highway, and according to a report by Hexagon Transportation Consultants, Inc. prepared for the Hacienda Project in 2018, the intersection at North Santa Cruz Avenue and Saratoga-Los Gatos Road operates at a very poor Level of Service E during peak hour². During an emergency evacuation (e.g., during a wildfire event), this key intersection would be expected to be unpassable for extended periods of time. Those that can get to Highway 17 would encounter an unmoving traffic bottleneck. Highway 17, has experienced tremendous traffic delays because of the additional 40 units being built adjacent to the on ramp at Lark Avenue, and access to this entrance will be completely clogged in an emergency. Adding more housing to the area significantly increases the risk of trapped residents in a wildfire event to an unacceptable level.

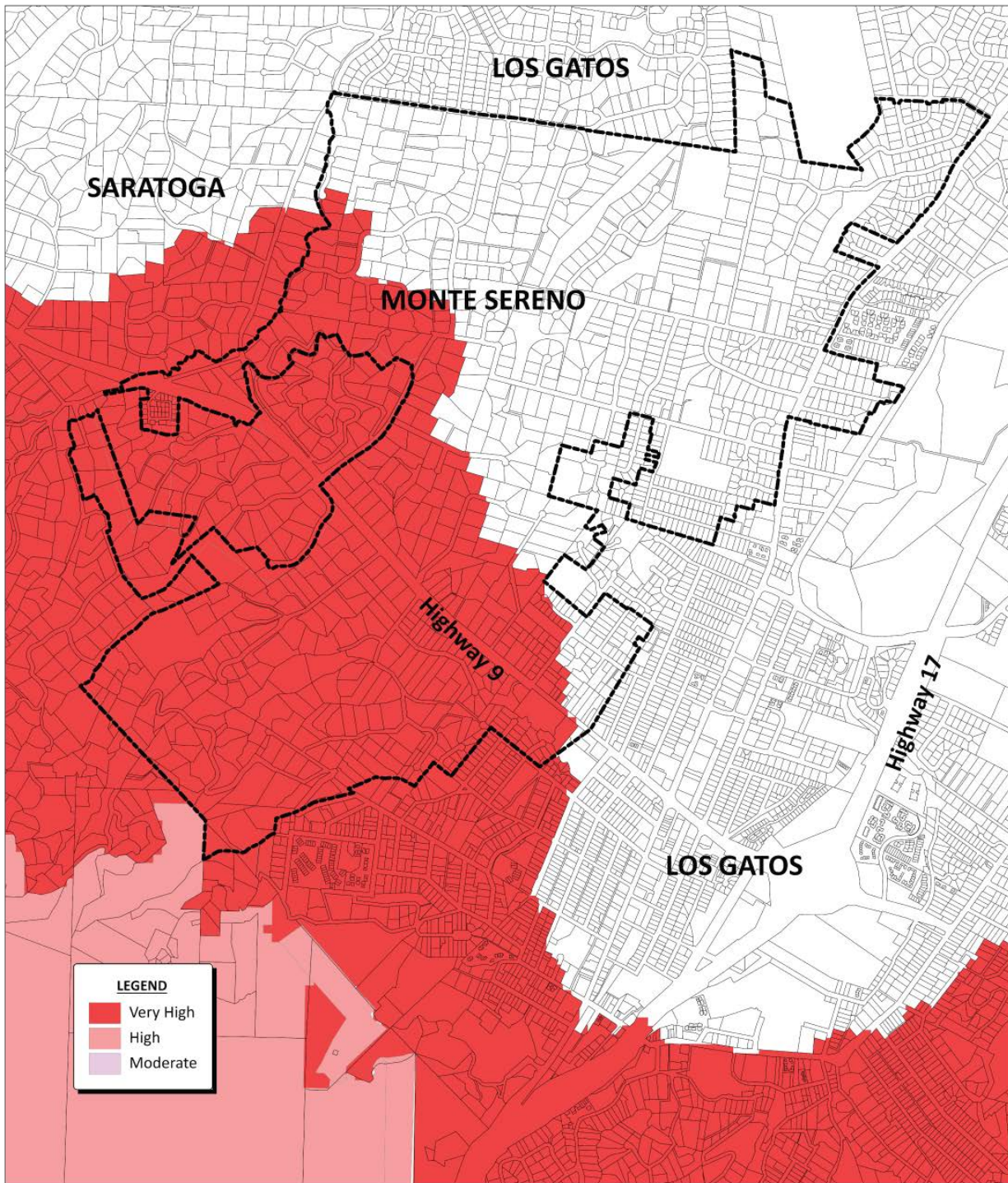
The City's General Plan include policies to mitigate against fire hazards; however, the extent and danger of the fire severity zones within Monte Sereno pose a significant constraint to development.

Seismic Activity

Monte Sereno is located within the seismically active San Francisco Bay region, one of the most seismically active zones in the United States. The faults in the San Francisco Bay region are capable of generating earthquakes of at least 8.0 in magnitude on the Richter Scale, producing very strong ground shaking in Monte Sereno. The closest major fault is the San Andreas Fault, which passes through Monte Sereno's SOI southwest of Lyndon Canyon. A portion of Monte Sereno also is near the potentially active Shannon Fault, just north of Monte Sereno in Los Gatos.

Landslides and slope instability are the major geologic hazards in Monte Sereno. The hillside region of the city contains some rock formations conducive to landslides. The landslide zone is also present within the Sphere of Influence. Landslides and unstable slopes may occur in this area and can create hazards within the city as the slide debris and rock move down the incline toward the city's valley floor. According to the County of Santa Clara, approximately 75 percent of Monte Sereno is located in an area with a high potential for earthquake induced landslides.

² Hexagon Transportation Consultants, Inc., 2018. "18840 Saratoga-Los Gatos Road Residential Development: Transportation Impact Analysis."



Source: CalFire 2021

To address these seismic hazards the City includes policies in the General Plan to reduce the threat of seismic activity including requiring new construction to be built using the most recent building codes to minimize potential damage to structures as a result of an earthquake. Development or substantial renovations in Monte Sereno must comply with the Uniform Building Code (UBC), which outlines standards for seismic design, foundations and drainage and requires that geotechnical engineering studies be undertaken for all major new buildings or earth works.

Flood Hazards

Large-scale flooding is not a significant hazard in Monte Sereno. Most of the properties in Monte Sereno are built above the base flood elevation. However, both surface and subsurface local drainage problems do exist in some parts of Monte Sereno, and there is currently no drainage plan for Monte Sereno. Due to its minimal danger of flooding, the City is not included in the Federal Emergency Management Agency (FEMA) emergency program list of the National Flood Insurance Program.

Hazardous Materials and Hazardous Waste

Hazardous material usage and hazardous waste are primarily associated with residential uses in Monte Sereno. Household hazardous materials including pesticides, fertilizers and oil are the most commonly occurring hazardous material in the city. The California Environmental Protection Agency, Department of Toxic Substances Control (DTSC) is authorized by the Environmental Protection Agency to enforce and implement federal hazardous materials laws and regulations, including disposal and transportation of hazardous materials. Santa Clara County operates a Household Hazardous Waste disposal program for incorporated and unincorporated residents and small businesses. Household hazardous waste includes flammable, corrosive, toxic and oxidizer material and can be dropped off at facilities located in Sunnyvale, San Jose and San Martin.

The City's General Plan and Municipal Code include policies and regulations prohibiting accumulation of hazardous materials.

Please Start Here, Instructions in Cell A2, Table in A3:B17

Site Inventory Forms must be submitted to HCD for a housing element or amendment adopted on or after January 1, 2021. The following form is to be used for satisfying this requirement. To submit the form, complete the Excel spreadsheet and submit to HCD at sitesinventory@hcd.ca.gov. Please send the Excel workbook, not a scanned or PDF copy of the tables.

General Information

Jurisdiction Name

Housing Element Cycle

Contact Information

First Name

Last Name

Title

Email

Phone

Mailing Address

Street Address

City

Zip Code

Website

| |
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Form Fields

MONTE SERENO

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| Diana |
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| Perkins |
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City Planner

diana@cityofmontesereno.org

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| 4083547635 |
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18041 Saratoga Los Gatos Rd

Monte Sereno

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| 95030 |
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cityofmontesereno.org

Table A: Housing Element Sites Inventory, Table Starts in Cell A2

For Santa Clara County jurisdictions, please format the APNs as follows: 999-99-999

| Jurisdiction Name | Site Address/Intersection | 5 Digit ZIP Code | Assessor Parcel Number | Consolidated Sites | General Plan Designation (Current) | Zoning Designation (Current) | Minimum Density Allowed (units/acre) | Maximum Density Allowed (units/acre) | Parcel Size (Acres) | Existing Use/Vacancy | Infrastructure | Publicly-Owned | Site Status | Identified in Last/Last Two Planning Cycle(s) | Lower Income Capacity | Moderate Income Capacity | Above Moderate Income Capacity | Total Capacity | Optional Information1 | Optional Information2 | Optional Information3 |
|-------------------|----------------------------|------------------|------------------------|--------------------|------------------------------------|------------------------------|--------------------------------------|--------------------------------------|---------------------|----------------------|----------------|--------------------------------|----------------------|---|-----------------------|--------------------------|--------------------------------|----------------|------------------------------------|-------------------------------|---------------------------------|
| MONTESERENO | 0 Becky Lane | 95030 | 410-42-013 | | Single Family Reside R-1-44 | | 1 | 1 | 1.16 | Vacant | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 0 | 0 | | 2 | | | |
| MONTESERENO | 17771 Vineland Avenue | 95030 | 409-41-022 | | Single Family Reside R-1-44 | | 1 | 1 | 1.32 | Vacant | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 0 | 0 | | 2 | | | |
| MONTESERENO | 17520DavesAv | 95030 | 410-10-031 | | Single Family Reside R-1-8 | | 3 | 5 | 0.282208448 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15517KavinLn | 95030 | 410-05-015 | | Single Family Reside R-1-8 | | 3 | 5 | 0.369054178 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 17825DavesAv | 95030 | 410-06-005 | | Single Family Reside R-1-8 | | 3 | 5 | 0.462187126 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 18231BancroftAv | 95030 | 510-12-016 | | Single Family Reside R-1-44 | | 1 | 1 | 0.421808999 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 16115GreenwoodLn | 95030 | 510-10-011 | | Single Family Reside R-1-44 | | 1 | 1 | 1.569375974 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 173495Vineland Av | 95030 | 424-28-015 | | Single Family Reside R-1-8 | | 3 | 5 | 0.432389146 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15985GrandviewAv | 95030 | 410-22-001 | | Single Family Reside R-1-44 | | 1 | 1 | 1.259040404 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15011WinchesterBl | 95030 | 409-33-032 | | Single Family Reside R-1-8 | | 3 | 5 | 0.246694215 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 18528BeckAv | 95030 | 510-21-071 | | Single Family Reside R-1-44 | | 1 | 1 | 1.031955923 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15164Stratford Ct | 95030 | 410-40-012 | | Single Family Reside R-1-44 | | 1 | 1 | 0.769054178 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15705LancasterSt | 95030 | 510-07-030 | | Single Family Reside R-1-44 | | 1 | 1 | 1.002134986 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15850ViewfieldRd | 95030 | 410-21-015 | | Single Family Reside R-1-44 | | 1 | 1 | 2.27508871 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15608CarriCt | 95030 | 410-08-024 | | Single Family Reside R-1-20 | | 2 | 2 | 0.387626263 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 18240DavesAv | 95030 | 410-29-016 | | Single Family Reside R-1-44 | | 1 | 1 | 1.007988981 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15619CarriCt | 95030 | 410-08-028 | | Single Family Reside R-1-20 | | 2 | 2 | 0.371074338 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 17880AndrewsSt | 95030 | 410-17-038 | | Single Family Reside R-1-8 | | 1 | 1 | 0.743617998 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 17850AndrewsSt | 95030 | 410-17-044 | | Single Family Reside R-1-8 | | 1 | 1 | 0.221900826 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 16114MaysAv | 95030 | 410-18-031 | | Single Family Reside R-1-8 | | 1 | 1 | 0.490197429 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 16010RoseAv | 95030 | 410-19-053 | | Single Family Reside R-1-8 | | 1 | 1 | 0.22892562 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15633CarriCt | 95030 | 410-17-098 | | Single Family Reside R-1-8 | | 1 | 1 | 0.54356171 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 16185AndrewsSt | 95030 | 410-17-083 | | Single Family Reside R-1-8 | | 1 | 1 | 0.185009183 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 16135FrancescaCt | 95030 | 410-17-069 | | Single Family Reside R-1-8 | | 3 | 5 | 0.214644665 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15997GrandviewAv | 95030 | 410-25-002 | | Single Family Reside R-1-44 | | 1 | 1 | 1.07630854 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 18310ChadbourneLn | 95030 | 410-38-006 | | Single Family Reside R-1-44 | | 1 | 1 | 1.36889348 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 184941win Creeks Rd | 95030 | 410-37-010 | | Single Family Reside R-1-44 | | 1 | 1 | 0.618640955 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 17871AndrewsSt | 95030 | 410-18-028 | | Single Family Reside R-1-8 | | 3 | 5 | 0.182460973 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15618CarriCt | 95030 | 410-05-018 | | Single Family Reside R-1-20 | | 2 | 2 | 0.388725738 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15589Questrian Wy | 95030 | 410-01-001 | | Single Family Reside R-1-44 | | 1 | 1 | 0.497956841 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15155BeckyLn | 95030 | 410-41-009 | | Single Family Reside R-1-44 | | 1 | 1 | 1.203007346 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 16248OakhurstDr | 95030 | 510-20-054 | | Single Family Reside R-1-20 | | 2 | 2 | 1.05174472 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 18222SeebreeLn | 95030 | 410-27-008 | | Single Family Reside R-1-44 | | 1 | 1 | 0.988645546 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 18333ChadbourneLn | 95030 | 410-38-011 | | Single Family Reside R-1-44 | | 1 | 1 | 0.729889907 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15290CarriCt | 95030 | 409-41-001 | | Single Family Reside R-1-44 | | 1 | 1 | 1.008999382 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15375WinchesterBl | 95030 | 409-35-041 | | Single Family Reside R-1-8 | | 1 | 1 | 0.262121212 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15485One Oak Ln | 95030 | 410-02-005 | | Single Family Reside R-1-44 | | 1 | 1 | 0.653650138 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 18172BancroftAv | 95030 | 510-12-038 | | Single Family Reside R-1-44 | | 1 | 1 | 1.275987144 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 17628Vineland Ct | 95030 | 410-07-088 | | Single Family Reside R-1-8 | | 3 | 5 | 0.31134068 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 18389Twin Creeks Rd | 95030 | 410-31-016 | | Single Family Reside R-1-44 | | 1 | 1 | 0.769582185 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 18201BancroftAv | 95030 | 510-12-013 | | Single Family Reside R-1-44 | | 1 | 1 | 0.394903581 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 18205SeebreeLn | 95030 | 410-27-007 | | Single Family Reside R-1-44 | | 1 | 1 | 1.017286501 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 18233Saratoga Los Gatos Rd | 95030 | 410-23-006 | | Single Family Reside R-1-8 | | 3 | 5 | 0.470133115 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15603DoradoLn | 95030 | 410-08-021 | | Single Family Reside R-1-20 | | 2 | 2 | 0.385812672 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15600DoradoLn | 95030 | 410-08-014 | | Single Family Reside R-1-20 | | 2 | 2 | 0.371051423 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15631CarriCt | 95030 | 410-08-029 | | Single Family Reside R-1-20 | | 2 | 2 | 0.446189164 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15573CarriCt | 95030 | 410-08-026 | | Single Family Reside R-1-20 | | 2 | 2 | 0.360674931 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15597CarriCt | 95030 | 410-08-027 | | Single Family Reside R-1-20 | | 2 | 2 | 0.475550594 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15344CarliAv | 95030 | 409-36-009 | | Single Family Reside R-1-44 | | 1 | 1 | 1.004338843 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 18430HernandezAv | 95030 | 510-54-030 | | Single Family Reside R-1-44 | | 1 | 1 | 1.143985308 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 17970DavesAv | 95030 | 410-04-001 | | Single Family Reside R-1-44 | | 1 | 1 | 1.138911846 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 18321LexingtonDr | 95030 | 410-25-009 | | Single Family Reside R-1-44 | | 1 | 1 | 1.387144169 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 16181RidgecrestAv | 95030 | 510-21-028 | | Single Family Reside R-1-44 | | 1 | 1 | 1.310123967 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 17650Blanchard Dr | 95030 | 410-08-035 | | Single Family Reside R-1-20 | | 1 | 1 | 0.891551882 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15989GrandviewAv | 95030 | 410-24-008 | | Single Family Reside R-1-44 | | 1 | 1 | 1.000114784 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 18165Saratoga Los Gatos Rd | 95030 | 410-22-011 | | Single Family Reside R-1-8 | | 3 | 5 | 0.803305785 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15813PoppyLn | 95030 | 410-09-028 | | Single Family Reside R-1-8 | | 3 | 3 | 0.258976125 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15574DoradoLn | 95030 | 410-08-016 | | Single Family Reside R-1-20 | | 1 | 1 | 0.459205693 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15085Karl Av | 95030 | 409-39-009 | | Single Family Reside R-1-44 | | 1 | 1 | 1.026423324 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15996GrandviewAv | 95030 | 410-23-011 | | Single Family Reside R-1-44 | | 1 | 1 | 0.935009183 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | 15982GrandviewAv | 95030 | 410-23-013 | | Single Family Reside R-1-44 | | 1 | 1 | 0.919398531 | Residential | YES - Current | NO - Privately-Owned Available | Not Used in Prior Ho | | 1 | 0 | | 2 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTESERENO | | | | | | | | | | | | | | | | | | | | | |

| Jurisdiction Name | Site Address/Intersection | 5 Digit ZIP Code | Assessor Parcel Number | Consolidated Sites | General Plan Designation (Current) | Zoning Designation (Current) | Minimum Density Allowed (units/acre) | Maximum Density Allowed (units/acre) | Parcel Size (Acres) | Existing Use/Vacancy | Infrastructure | Publicly-Owned | Site Status | Identified in Last/Last Two Planning Cycle(s) | Lower Income Capacity | Moderate Income Capacity | Above Moderate Income Capacity | Total Capacity | Optional Information1 | Optional Information2 | Optional Information3 |
|-------------------|----------------------------|------------------|------------------------|--------------------|------------------------------------|------------------------------|--------------------------------------|--------------------------------------|---------------------|----------------------|----------------|----------------------|-------------|---|-----------------------|--------------------------|--------------------------------|----------------|------------------------------------|-------------------------------|---------------------------------|
| MONTÉ SERENO | 17249ClaraSt | 95030 | 409-32-009 | | Single Family Reside R-1.8 | | 3 | 5 | 0.158953168 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 1 | 0 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17731BruceAv | 95030 | 410-11-048 | | Single Family Reside R-1.8 | | 3 | 5 | 0.173002755 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 1 | 0 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 177059BruceAv | 95030 | 410-11-045 | | Single Family Reside R-1.8 | | 3 | 5 | 0.173022259 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 1 | 0 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17698BruceAv | 95030 | 410-12-010 | | Single Family Reside R-1.8 | | 3 | 5 | 0.232552801 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 1 | 0 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17680BruceAv | 95030 | 410-12-012 | | Single Family Reside R-1.8 | | 3 | 5 | 0.229247016 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 1 | 0 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15625Michael Ln | 95030 | 410-10-034 | | Single Family Reside R-1.8 | | 3 | 5 | 0.235169881 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 1 | 0 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17191Zena AV | 95030 | 409-33-010 | | Single Family Reside R-1.8 | | 3 | 5 | 0.298209366 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 1 | 0 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15005NatalyRd | 95030 | 409-32-018 | | Single Family Reside R-1.8 | | 3 | 5 | 0.325964187 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 1 | 0 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17265ClaraSt | 95030 | 409-32-010 | | Single Family Reside R-1.8 | | 3 | 5 | 0.226528107 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 1 | 0 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15005WinchesterBl | 95030 | 409-33-031 | | Single Family Reside R-1.8 | | 3 | 5 | 0.483108539 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 1 | 0 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15461Palos VerdesDr | 95030 | 410-02-009 | | Single Family Reside R-1.20 | | 1 | 1 | 0.518250689 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 1 | 0 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 16035GreenwoodRd | 95030 | 510-10-028 | | Single Family Reside R-1.44 | | 1 | 1 | 1.052066116 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 16190GreenwoodRd | 95030 | 510-50-008 | | Single Family Reside R-1.44 | | 1 | 1 | 0.906267218 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 16134RoseAv | 95030 | 410-17-075 | | Single Family Reside R-1.8 | | 3 | 5 | 0.21932986 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17671BruceAv | 95030 | 410-11-042 | | Single Family Reside R-1.8 | | 3 | 5 | 0.176951331 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 18169Bancroft Av | 95030 | 510-12-007 | | Single Family Reside R-1.44 | | 1 | 1 | 0.510627187 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17421E Rancho Av | 95030 | 424-28-008 | | Single Family Reside R-1.44 | | 1 | 1 | 0.503161008 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15100Becky Ln | 95030 | 410-42-004 | | Single Family Reside R-1.44 | | 1 | 1 | 1.005532599 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 16041GreenwoodRd | 95030 | 510-10-024 | | Single Family Reside R-1.44 | | 1 | 1 | 1.014370983 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15500KavinLn | 95030 | 410-06-016 | | Single Family Reside R-1.8 | | 3 | 5 | 0.348163453 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 16096GreenwoodRd | 95030 | 510-11-018 | | Single Family Reside R-1.44 | | 1 | 1 | 1.264348026 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17539EatonLn | 95030 | 409-48-004 | | Single Family Reside R-1.44 | | 1 | 1 | 1.295454545 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17247EatonLn | 95030 | 409-33-036 | | Single Family Reside R-1.44 | | 1 | 1 | 0.34476594 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17505EatonLn | 95030 | 409-37-007 | | Single Family Reside R-1.44 | | 1 | 1 | 0.837213039 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15309Via Del Sur | 95030 | 409-47-014 | | Single Family Reside R-1.44 | | 1 | 1 | 0.849808173 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17940DavesAv | 95030 | 410-04-002 | | Single Family Reside R-1.44 | | 1 | 1 | 1.161583205 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 18150Bancroft Av | 95030 | 510-12-035 | | Single Family Reside R-1.44 | | 1 | 1 | 0.96097337 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15611Palos VerdesDr | 95030 | 410-02-015 | | Single Family Reside R-1.20 | | 1 | 1 | 0.500711662 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 18100Via Encantada | 95030 | 410-30-019 | | Single Family Reside R-1.44 | | 1 | 1 | 0.586317723 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15100Via Caballero | 95030 | 410-30-069 | | Single Family Reside R-1.44 | | 1 | 1 | 0.502491068 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15204Alma Jo Ct | 95030 | 410-31-002 | | Single Family Reside R-1.44 | | 1 | 1 | 0.79422865 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17551EatonLn | 95030 | 409-48-005 | | Single Family Reside R-1.44 | | 1 | 1 | 1.009756657 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15610Palos VerdesDr | 95030 | 410-05-002 | | Single Family Reside R-1.20 | | 1 | 1 | 0.500573921 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15520Palos VerdesDr | 95030 | 410-05-006 | | Single Family Reside R-1.20 | | 1 | 1 | 0.499311295 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15571Palos VerdesDr | 95030 | 410-02-013 | | Single Family Reside R-1.20 | | 1 | 1 | 0.503213958 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15505Palos VerdesDr | 95030 | 410-02-011 | | Single Family Reside R-1.20 | | 1 | 1 | 0.503690551 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15457Equestrian Wy | 95030 | 410-01-008 | | Single Family Reside R-1.44 | | 1 | 1 | 0.502491068 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15497Equestrian Wy | 95030 | 410-01-005 | | Single Family Reside R-1.44 | | 1 | 1 | 0.633011938 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 18101DavesAv | 95030 | 410-01-009 | | Single Family Reside R-1.44 | | 1 | 1 | 0.493480257 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15452Via Vaquero | 95030 | 410-30-003 | | Single Family Reside R-1.44 | | 1 | 1 | 0.574609734 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15440Via Vaquero | 95030 | 410-30-004 | | Single Family Reside R-1.44 | | 1 | 1 | 0.576423324 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15471Via Vaquero | 95030 | 410-30-006 | | Single Family Reside R-1.44 | | 1 | 1 | 0.536674931 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17648BlanchardDr | 95030 | 410-08-034 | | Single Family Reside R-1.20 | | 1 | 1 | 1.191437098 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 18501OakDr | 95030 | 410-36-002 | | Single Family Reside R-1.44 | | 1 | 1 | 1.251905418 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 16230GreenwoodLn | 95030 | 510-22-006 | | Single Family Reside R-1.44 | | 1 | 1 | 0.989370983 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15885GreenwoodRd | 95030 | 510-10-004 | | Single Family Reside R-1.44 | | 1 | 1 | 1.104660239 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15591Equestrian Wy | 95030 | 410-01-008 | | Single Family Reside R-1.44 | | 1 | 1 | 0.494559229 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17751VistaAv | 95030 | 410-11-026 | | Single Family Reside R-1.8 | | 3 | 5 | 0.251400367 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15250Via Pinto | 95030 | 409-43-005 | | Single Family Reside R-1.44 | | 1 | 1 | 0.585215794 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 15228Karl Av | 95030 | 409-47-004 | | Single Family Reside R-1.44 | | 1 | 1 | 0.789026713 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17762EnaAv | 95030 | 409-33-025 | | Single Family Reside R-1.8 | | 3 | 5 | 0.238842975 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17678BlanchardDr | 95030 | 410-06-022 | | Single Family Reside R-1.20 | | 2 | 2 | 0.693663912 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 18300ConstitutionAv | 95030 | 410-27-003 | | Single Family Reside R-1.44 | | 1 | 1 | 1.145064279 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17638BlanchardDr | 95030 | 410-08-002 | | Single Family Reside R-1.20 | | 2 | 2 | 0.519467401 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 16225Saratoga Los Gatos Rd | 95030 | 410-23-005 | | Single Family Reside R-1.44 | | 1 | 1 | 0.629269972 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 18651DeodarLn | 95030 | 510-22-021 | | Single Family Reside R-1.44 | | 1 | 1 | 1.116735537 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 16285GreenwoodLn | 95030 | 510-22-004 | | Single Family Reside R-1.44 | | 1 | 1 | 0.954407113 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 16150HillvaleAv | 95030 | 510-11-014 | | Single Family Reside R-1.44 | | 1 | 1 | 1.378397612 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 16180GreenwoodLn | 95030 | 510-22-043 | | Single Family Reside R-1.44 | | 1 | 1 | 7.6684573 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 18122Via Encantada | 95030 | 410-30-018 | | Single Family Reside R-1.44 | | 1 | 1 | 0.504499541 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing single family | Property owner has provided a | Affordability for ADUs assigned |
| MONTÉ SERENO | 17803DavesAv | 95030 | 410-06-002 | | Single Family Reside R-1.20 | | 2 | 2 | 0.55 | Residential | YES - Current | NO - Privately-Owned | Available | Not Used in Prior Ho | 0 | 1 | 0 | 1 | Site has an existing | | |

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Table C: Land Use, Table Starts in

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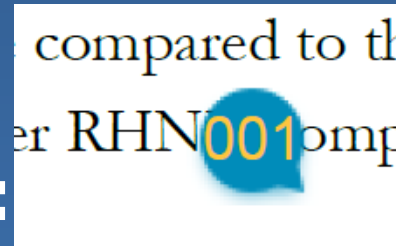
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Monte Sereno 6th Cycle Housing Element Update

Public Review Draft

August 8, 2022

**This Public Draft copy
shows location of
comments with text
bubbles. Example:**



MONTE SERENO 6TH CYCLE HOUSING ELEMENT UPDATE PUBLIC REVIEW DRAFT

PREPARED FOR

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Table of Contents

| | | |
|-----|---|------|
| 1. | INTRODUCTION..... | 1-1 |
| 1.1 | Introduction | 1-1 |
| 1.2 | California’s Housing Crisis..... | 1-1 |
| 1.3 | Regional Housing Needs Allocation..... | 1-2 |
| 1.4 | Affirmatively Furthering Fair Housing..... | 1-3 |
| 1.5 | Overview of Planning Efforts | 1-6 |
| 1.6 | Public Participation | 1-9 |
| 2. | GOALS, POLICIES, AND PROGRAMS | 2-1 |
| 2.1 | Introduction | 2-1 |
| 2.2 | Program Overview and Quantified Objectives..... | 2-1 |
| 2.3 | Goals, Policies, and Programs | 2-2 |
| 3. | OVERVIEW OF HOUSING NEEDS AND CONSTRAINTS..... | 3-1 |
| 3.1 | Introduction | 3-1 |
| 3.2 | Monte Sereno Overview..... | 3-1 |
| 3.3 | Overview of Housing Needs | 3-3 |
| 3.4 | Governmental and Non-Governmental Constraints | 3-11 |
| 4. | VACANT AND AVAILABLE SITES | 4-1 |
| 4.1 | Introduction | 4-1 |
| 4.2 | Regional Housing Needs Allocation..... | 4-1 |
| 4.3 | Overview RHNA Strategy..... | 4-3 |
| 4.4 | Site Inventory | 4-4 |
| 4.5 | Summary and Conclusions..... | 4-5 |
| 5. | ENERGY CONSERVATION | 5-1 |
| 5.1 | Introduction | 5-1 |
| 5.2 | Opportunities for Energy Conservation | 5-1 |

Appendices

| | |
|------------|---------------------------------------|
| Appendix A | Monte Sereno Fair Housing Assessment |
| Appendix B | Housing Needs Assessment |
| Appendix C | Housing Constraints |
| Appendix D | Efforts to Locate Vacant Lots |
| Appendix E | Review of Previous Housing Element |
| Appendix F | List of Contacted Organizations |
| Appendix G | AFFH Segregation Report: Monte Sereno |

Tables

| | | |
|-----------|--|-----|
| Table 1-1 | Regional Housing Needs Allocation | 1-3 |
| Table 2-1 | Quantified Objectives | 2-1 |
| Table 3-1 | Population Growth Trends | 3-3 |
| Table 4-1 | Monte Sereno's Regional Housing Needs Allocation – 2023-2031 | 4-2 |
| Table 4-2 | Monte Sereno's Adjusted RHNA | 4-2 |
| Table 4-3 | Vacant/Partially Vacant and Available Sites | 4-4 |
| Table 5-1 | PG&E Programs and Incentives for Residential Properties | 5-3 |

1.0 Introduction

1.1 Introduction

This 2023-2031 Housing Element represents the City of Monte Sereno's intent to plan for the housing needs of the Monte Sereno community while meeting the State's housing goals as set forth in Article 10.6 of the California Government Code. The California State Legislature has identified the attainment of a decent home and a suitable living environment for every Californian as the State's major housing goal. The Monte Sereno Housing Element represents a sincere and creative effort to meet local and regional housing needs within the constraints of a fully established built-out community, limited land availability and extraordinarily high costs of land and housing.

Pursuant to State law, the Housing Element must be updated periodically according to statutory deadlines. This 6th Cycle Housing Element covers the planning period 2023 through 2031 and replaces the City's 5th Cycle Housing Element that covered the period 2015 through 2023.

Per State Housing Element law, the document must be periodically updated to:

- Outline the community's housing production objectives consistent with State and regional growth projections
- Describe goals, policies and implementation strategies to achieve local housing objectives
- Examine the local need for housing with a focus on special needs populations
- Identify adequate sites for the production of housing serving various income levels
- Analyze potential constraints to new housing production
- Evaluate the Housing Element for consistency with other General Plan elements
- Evaluate Affirmatively Furthering Fair Housing

1.2 California's Housing Crisis

The 6th Cycle Housing Element update comes at a critical time because California is experiencing a housing crisis, and as is the case for all jurisdictions in California, Monte Sereno must play its part in meeting the growing demand for housing. In the coming 20-year period, Santa Clara County is

projected to add 169,700 jobs,¹ which represents a 15 percent increase. These changes will increase demand for housing across all income levels, and if the region cannot identify ways to significantly increase housing production, it risks worsening the burden for existing lower-income households, many of whom do not have the luxury or skill set to move to a new job center, but that are nonetheless faced with unsustainable increases in housing cost.

If the region becomes less competitive in attracting high-skilled workers and increasingly unaffordable to lower-income workers and seniors, then social and economic segregation will worsen, only exacerbating historic patterns of housing discrimination, racial bias, and segregation. This potentiality has become so acute in recent years that the California Legislature addressed the issue with new legislation in 2018. SB 686 requires all state and local agencies to explicitly address, combat, and relieve disparities resulting from past patterns of housing segregation to foster more inclusive communities. This is commonly referred to as Affirmative Furthering Fair Housing, or AFFH (more on this below).

Monte Sereno has a good record of meeting its housing needs. In the last housing element cycle (2015 to 2023), for example, the City built 122 housing units. This exceeded Monte Sereno's Regional Housing Needs Allocation (RHNA), which called for the construction of 61 new housing units. Of the units built, over 40 percent (52 units) were affordable to very low-income households.² Most of the housing built came in the form of assessor dwelling units.

1.3 Regional Housing Needs Allocation

The Plan Bay Area 2050 Final Blueprint forecasts that the nine-county Bay Area will add 1.4 million new households between 2015 and 2050. For the eight-year time frame covered by this Housing Element Update, the Department of Housing and Community Development (HCD) has identified the region's housing need as 441,176 units. The total number of housing units assigned by HCD is separated into four income categories that cover housing types for all income levels, from very low-income households to market rate housing.³ This calculation is based on population projections produced by the California Department of Finance as well as adjustments that incorporate the region's existing housing need.

¹ Source: Plan Bay Area, Projections 2040. Association of Bay Area Governments and Metropolitan Transportation Commission, November 2018.

² Source: City of Monte Sereno post construction surveys.

³ HCD divides the RHND into the following four income categories:

Very Low income: 0-50% of Area Median Income

Low income: 50-80% of Area Median Income

Moderate income: 80-120% of Area Median Income

Above Moderate income: 120% or more of Area Median Income

Almost all jurisdictions in the Bay Area received a larger RHNA this cycle compared to the last cycle, primarily due to changes in state law that led to a considerably higher RHNA compared to previous cycles.

On January 12, 2022, ABAG's adopted RHNA Methodology was approved by HCD. For Monte Sereno, the RHNA to be planned for this cycle is 193 units, a slated increase from the last cycle. Table 1-1 shows the RHNA for Monte Sereno for the period 2023 through 2031.

Table 1-1 Regional Housing Needs Allocation

| Income Group | Percentage of AMI | Share |
|-----------------------|-------------------|-------|
| Very Low Income | <50 | 53 |
| Low Income | 51-80 | 30 |
| Moderate Income | 81-120 | 31 |
| Above Moderate Income | 121 + | 79 |
| Total | | 193 |

Source: ABAG

1.4 Affirmatively Furthering Fair Housing

Assembly Bill 686 (AB 686), signed in 2018, established an independent state mandate to affirmatively furthering fair housing (AFFH). AB 686 extends requirements for federal grantees and contractors to “affirmatively further fair housing,” including requirements in the federal Fair Housing Act, to public agencies in California. Affirmatively furthering fair housing is defined specifically as taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity by replacing segregated living patterns with truly integrated and balanced living patterns; transforming racially and ethnically concentrated areas of poverty into areas of opportunity; and fostering and maintaining compliance with civil rights and fair housing laws.

AB 686 requires public agencies to:

- Administer their programs and activities relating to housing and community development in a manner to affirmatively further fair housing;
- Not take any action that is materially inconsistent with the obligation to affirmatively further fair housing;
- Ensure that the program and actions to achieve the goals and objectives of the Housing Element affirmatively further fair housing; and
- Include an assessment of fair housing in the Housing Element.

The requirement to Affirmatively Further Fair Housing (AFFH) is derived from The Fair Housing Act of 1968, which prohibited discrimination concerning the sale, rental, and financing of housing based on race, color, religion, national origin, or sex—and was later amended to include familial status and disability. The 2015 U.S. Department of Housing and Urban Development (HUD) Rule to Affirmatively Further Fair Housing and California Assembly Bill 686 (2018) mandate that each jurisdiction takes meaningful action to address significant disparities in housing needs and access to opportunity. AB 686 requires that jurisdictions incorporate AFFH into their Housing Elements, which includes inclusive community participation, an assessment of fair housing, a site inventory reflective of AFFH, and the development of goals, policies, and programs to meaningfully address local fair housing issues.

An exhaustive AFFH analysis was prepared by Root Policy Research and is included as an appendix to this housing element (see Appendix A).

003

Defining Segregation

Segregation is the separation of different demographic groups into different geographic locations or communities, meaning that groups are unevenly distributed across geographic space. This report examines two spatial forms of segregation: neighborhood level segregation *within* a local jurisdiction and city level segregation *between* jurisdictions in the Bay Area.

Neighborhood level segregation (*within* a jurisdiction, or *intra-city*): Segregation of race and income groups can occur from neighborhood to neighborhood *within* a city. For example, if a local jurisdiction has a population that is 20 percent Latinx, but some neighborhoods are 80 percent Latinx while others have nearly no Latinx residents, that jurisdiction would have segregated neighborhoods.

002

City level segregation (*between* jurisdictions in a region, or *inter-city*): Race and income divides also occur *between* jurisdictions in a region. A region could be very diverse with equal numbers of white, Asian, Black, and Latinx residents, but the region could also be highly segregated with each city comprised solely of one racial group.

There are many factors that have contributed to the generation and maintenance of segregation. Historically, racial segregation stemmed from explicit discrimination against people of color, such as restrictive covenants, redlining, and discrimination in mortgage lending. This history includes many overtly discriminatory policies made by federal, state, and local governments (Rothstein 2017). Segregation patterns are also affected by policies that appear race-neutral, such as land use decisions and the regulation of housing development.

Segregation has resulted in vastly unequal access to public goods such as quality schools, neighborhood services and amenities, parks and playgrounds, clean air and water, and public safety (Trounstein 2015). This generational lack of access for many communities, particularly people of

color and lower income residents, has often resulted in poor life outcomes, including lower educational attainment, higher morbidity rates, and higher mortality rates (Chetty and Hendren 2018, Ananat 2011, Burch 2014, Cutler and Glaeser 1997, Sampson 2012, Sharkey 2013).

Segregation Patterns in the Bay Area

Across the San Francisco Bay Area, white residents and above moderate-income residents are significantly more segregated from other racial and income groups (see Appendix 2). The highest levels of racial segregation occur between the Black and white populations. The analysis completed for this report indicates that the amount of racial segregation both *within* Bay Area cities and *across* jurisdictions in the region has decreased since the year 2000. This finding is consistent with recent research from the Othering and Belonging Institute at UC Berkeley, which concluded that “[a]lthough 7 of the 9 Bay Area counties were more segregated in 2020 than they were in either 1980 or 1990, racial residential segregation in the region appears to have peaked around the year 2000 and has generally declined since.”⁴ However, compared to cities in other parts of California, Bay Area jurisdictions have more neighborhood level segregation between residents from different racial groups. Additionally, there is also more racial segregation *between* Bay Area cities compared to other regions in the state.

Segregation and Land Use

It is difficult to address segregation patterns without an analysis of both historical and existing land use policies that impact segregation patterns. Land use regulations influence what kind of housing is built in a city or neighborhood (Lens and Monkkonen 2016, Pendall 2000). These land use regulations in turn impact demographics: they can be used to affect the number of houses in a community, the number of people who live in the community, the wealth of the people who live in the community, and where within the community they reside (Trounstein 2018). Given disparities in wealth by race and ethnicity, the ability to afford housing in different neighborhoods, as influenced by land use regulations, is highly differentiated across racial and ethnic groups (Bayer, McMillan, and Reuben 2004).⁵

Segregation in City of Monte Sereno

The following are highlights of segregation metrics as they apply Monte Sereno.

- As of 2020, white residents are the most segregated compared to other racial groups in Monte Sereno, as measured by the isolation index. White residents live in neighborhoods where they are less likely to come into contact with other racial groups.

⁴ For more information, see <https://belonging.berkeley.edu/most-segregated-cities-bay-area-2020>.

⁵ Using a household-weighted median of Bay Area county median household incomes, regional values were \$61,050 for Black residents, \$122,174 for Asian/Pacific Islander residents, \$121,794 for white residents, and \$76,306 for Latinx residents. For the source data, see U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B19013B, Table B19013D, B19013H, and B19013I.

- Among all racial groups, the white population's isolation index value has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.
- According to the dissimilarity index, within Monte Sereno the highest level of racial segregation is between Black and white residents.⁶ However, local jurisdiction staff should note that this dissimilarity index value is not a reliable data point due to small population size.
- According to the Theil's H-Index, neighborhood racial segregation in Monte Sereno declined between 2010 and 2020. Neighborhood income segregation increased between 2010 and 2015.
- Above moderate-income residents are the most segregated compared to other income groups in Monte Sereno. Above moderate-income residents live in neighborhoods where they are less likely to encounter residents of other income groups.
- Among all income groups, the very low-income population's segregation measure has changed the most over time, becoming more segregated from other income groups between 2010 and 2015.
- According to the dissimilarity index, segregation between lower-income residents and residents who are not lower-income has increased between 2010 and 2015. In 2015, the income segregation in Monte Sereno between lower-income residents and other residents was lower than the average value for Bay Area jurisdictions.

Regional Segregation

The following are highlights of regional segregation metrics as they apply to Monte Sereno.

- Monte Sereno has a higher share of white residents than other jurisdictions in the Bay Area as a whole, a lower share of Latinx⁰⁰⁴ residents, a lower share of Black residents, and a lower share of Asian/Pacific Islander residents.
- Regarding income groups, Monte Sereno has a lower share of very low-income residents than other jurisdictions in the Bay Area as a whole, a lower share of low-income residents, a lower share of moderate-income residents, and a higher share of above moderate-income residents.

1.5 Overview of Planning Efforts

This section provides an overview of planning and legislative efforts that provide the context for development of the 6th Cycle Housing Element.

⁶ The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5 percent of the jurisdiction's total population. ABAG/MTC recommends that when cities have population groups that are less than 5 percent of the jurisdiction's population (see Table 15 in Appendix 2), jurisdiction staff could focus on the isolation index or Thiel's H-Index to gain a more accurate understanding of neighborhood-level racial segregation in their jurisdiction.

Effectiveness of Previous Housing Element

The City of Monte Sereno experienced more development than projected in its Quantified Objectives (122 permits issued v. 61 projected). It met or exceeded its RHNA allocation for very low-income and above moderate-income households. The goals, objectives, policies, and actions in the 2015 Housing Element complied with State Housing Law and provided proper guidance for housing development in the City. In 2023 Housing Element update, objectives for each of the goals will be modified as appropriate to more specifically respond to the housing environment in Monte Sereno from 2023 to 2031. Policies will also be modified as needed to respond to current Housing Element Law and existing and anticipated residential development conditions. See Appendix E for a complete review and analysis of Monte Sereno's 5th Cycle Housing Element (2015-2023).

New State Laws Affecting Housing

While the City has taken steps throughout the 5th cycle to increase housing production locally, the State passed numerous laws to address California's housing crisis during the same period. As the State passes new legislation in the remainder of the 5th cycle and during the 6th cycle, the City will continue to amend the Municipal Code; to monitor and evaluate policies and programs designed to meet State requirements; and to proactively implement new policies and programs to help increase housing production citywide.

In 2019, several bills were signed into law that include requirements for local density bonus programs, the Housing Element, surplus lands, accessory dwelling unit (ADU) streamlining, and removing local barriers to housing production. The City will implement changes required by State law, likely through amendments to the Monte Sereno Municipal Code. The following is a summary of recent legislation and proposed City activities that will further the City's efforts to increase housing production during the 6th cycle. Please see the section above for a discussion of AB 686 (Affirmatively Furthering Fair Housing).

Incentives for Accessory Dwelling Units

AB 68, AB 587, AB 671, AB 881, and SB 13 further incentivize the development of accessory dwelling units (ADUs), through streamlined permits, reduced setback requirements, increased allowable square footage, reduced parking requirements, and reduced fees. The City has amended its regulations and procedures to make it easier and less expensive to build ADUs during the 5th Cycle Housing Element by, for example, exempting ADUs from parking requirements and certain fees. Further changes will be incorporated into the City's Municipal Code to ensure compliance with new legislation. In addition to these actions, the City will identify options for incentivizing the construction of ADUs that are available specifically for, and affordable to, lower-income households. AB 1763 requires jurisdictions to provide a density bonus to development projects that restrict 100 percent of their units as affordable to lower and moderate-income households. In 2020, the City's affordable housing regulations were amended to be consistent with AB 1763.

Low-Barrier Navigation Centers

AB 101 requires jurisdictions to allow “low-barrier navigation centers” by-right in areas zoned for mixed uses and in nonresidential zones permitting multifamily uses, if the center meets specified requirements.

Surplus Public Land

AB 1255 and AB 1486 seek to identify and prioritize state and local surplus lands available for housing development affordable to lower-income households. The City has identified surplus lands through the adequate sites inventory of the 6th Cycle Housing Element and will report on these lands annually through the Housing Element Annual Progress Reports.

Accelerated Housing Production

AB 2162 and SB 2 address various methods and funding sources that jurisdictions may use to accelerate housing production. The City amended its Zoning Ordinance in _____ to allow permanent supportive housing and transitional housing by-right as a limited use in all zones that allow multifamily housing.

Priority Processing

SB 330 enacts changes to local development policies, permitting, and processes that will be in effect through January 1, 2025. SB 330 places new criteria on the application requirements and processing times for housing developments; prevents localities from decreasing the housing capacity of any site, such as through downzoning or increasing open space requirements, if such a decrease would preclude the jurisdiction from meeting its RHNA housing targets; prevents localities from establishing non-objective standards; and requires that any proposed demolition of housing units be accompanied by a project that would replace or exceed the total number of units demolished. Additionally, any demolished units that were occupied by lower-income households must be replaced with new units affordable to households with those same income levels.

Housing and Public Safety

Finally, in response to SB 379 and other recent state legislation, local jurisdictions must update their safety element to comprehensively address climate adaptation and resilience (SB 379) and SB 1035 (2018) and identify evacuation routes (SB 99 and AB 747). These updates are triggered by the 6th Cycle housing element update. This housing element contains an evaluation of the existing safety element and contains programming actions to update the safety element to satisfy the new state requirements. Also, as sites are identified and analyzed for inclusion in the City’s housing site inventory, special attention will be paid to the risk of wildfire and the need for evacuation routes. In this way, the City will coordinate updates to all three elements (land-use, housing, and safety), so that it can direct future development into areas that avoid or reduce unreasonable risks while also providing needed housing and maintaining other community planning goals.

Consistency with General Plan

The City of Monte Sereno General Plan was adopted in 2008 and is comprised of the following elements: 1) Land Use; 2) Housing Element; 3) Circulation; 4) Open Space and Conservation; 5) Public Services and Facilities; and 6) Health and Safety.

Monte Sereno's housing element is being updated at this time in conformance with the 2023-2031 update cycle for jurisdictions in the Association of Bay Area Governments (ABAG) region. The housing element builds upon the other general plan elements and contains policies to ensure that it is consistent with other elements of the general plan. As portions of the general plan are amended in the future, the plan (including the housing element) will be reviewed to ensure that internal consistency is maintained.

1.6 Public Participation

The primary purpose of this chapter is to describe the effort made by the City of Monte Sereno to engage all economic segments of the community (including residents and/or their representatives) in the development and update of the housing element. This public participation effort also includes formal consultation, pursuant to Government Code §65352.3, with representatives from nine Native American tribes that are present and active in the Santa Clara County. It is also responsive to AB 686 (Affirmatively Furthering Fair Housing), which requires local jurisdictions, as they update their housing elements, to conduct public outreach to equitably include all stakeholders in the housing element public participation program.

The 6th cycle RHNA numbers are a sea change for all California communities, and the success of the update process hinged in part on a community outreach and engagement program that was robust, inclusive, and meaningful. COVID-19 has complicated community outreach efforts, but the pandemic has also catalyzed the development of new digital tools that have brought interactive engagement to a new level. One such tool is an all-in-one digital community engagement platform called Engagement HQ, or *Bang the Table* (<https://www.bangthetable.com/>).

005

Bang the Table

The City of Monte Sereno partnered with *Bang the Table* as a cornerstone of its community outreach and engagement program. Using the “*Bang the Table*” platform, the update team developed an interactive engagement plan that allowed community members to engage on their own time. Components of the interactive engagement plan included:

- **Website.** At Home in Monte Sereno at <https://athomeinmontesereno.com/> is a dedicated website that provides portal to all of the housing-element-related public engagement activities that are available to members of the public. This includes information on housing element basics, site surveys, an SB 9 survey, and materials from community workshops.

- **Ideas.** These “virtual post-it notes” were a way for Monte Sereno community-members to share what inspired them.
- **Places.** Gathered feedback and photos directly on a map with a simple “pin” drop.
- **Stories.** Helped Monte Sereno better understand, empathize, and relate to others and to all that contributed to the housing element discussion.
- **Guestbook.** Simple, streamlined, and moderated space where Monte Sereno community-members uploaded comments.
- **Q&A.** Received questions in a managed space that accommodated messages through the iterative brainstorming process.
- **Polls.** Questions were posed to get immediate insight with this quick and targeted tool.
- **Surveys.** Encouraged Monte Sereno community-members to voice their opinions in a convenient way that also helped City staff understand what areas of the city need more encouragement to participate. Aggregate data also helped the city understand generally who is participating with the outreach tools.

Monte Sereno’s community engagement program included an initial presentation to City Council, two (2) community meetings, one (1) stakeholder focus group, and online/virtual participation opportunities made possible through *Bang the Table* (described above). Also, as part of this effort, the update team developed a list of organizations that were contacted to participate in the update process, and that list is attached as [Appendix F](#).

Public Participation to Affirmatively Furthering Fair Housing

The Monte Sereno public participation program was also responsive to AFFH, which requires local jurisdictions to conduct public outreach to equitably include all stakeholders in the housing element public participation program (see the discussion above for more complete information on AFFH).

Tribal Consultation

This public participation effort also includes formal consultation, pursuant to Government Code §65352.3, with representatives from nine (9) Native American tribes that are present and active in the Santa Clara County.

Review of Draft and Final Housing Element

[to be completed later]

2.0 Goals, Policies, and Programs

2.1 Introduction

The City is responsible for enabling the production of housing by reducing regulatory barriers, providing incentives, and supporting programs that create or preserve housing, especially for vulnerable populations. To enable the construction of quality housing, the City has identified four Goals:

- H-1 Facilitate Housing Construction
- H-2 Provide New Affordable and Equal Opportunity Housing
- H-3 Maintain and Improve the Existing Housing Stock
- H-4 Publicize Resources

2.2 Program Overview and Quantified Objectives

Quantified objectives estimate the number of units likely to be constructed, rehabilitated, or conserved/preserved by income level during the planning period. The quantified objectives do not represent a ceiling on development, but rather set a target goal for the jurisdiction to achieve, based on needs, resources, and constraints.

Table 2-1 Quantified Objectives

| Income Category | New Construction | Rehabilitation | Conservation/Preservation |
|-----------------|------------------|----------------|---------------------------|
| Extremely low | 26 | 1 | 0 |
| Very Low | 27 | 1 | 0 |
| Low | 30 | 2 | 0 |
| Moderate | 31 | 5 | 0 |
| Above Moderate | 79 | 20 | 0 |

SOURCE:

NOTE:

2.3 Goals, Policies, and Programs

GOAL H-1: FACILITATE HOUSING CONSTRUCTION

Policies

Policy H-1.1 Efficient Development Processing

Remove constraints to the production and availability of housing, consistent with other General Plan policies.

(Formerly Policy H-1.1.2)

Policy H-1.2 Housing Design Principles

Require that residential development is well-integrated into the natural environment and physical landscape of the site and scenic qualities are preserved such as hills, ridgelines and views.

(Formerly Policy H-1.2)3


Policy H-1.3 Adequate Housing Sites

Ensure that sites are provided as needed for a variety of housing types for all income levels to accommodate Monte Sereno's RHNA for 2023-2031.

(Formerly Policy H-2.4 modified)

Programs

A Improve Permit Processing Timelines

 and costs associated with the planning entitlement timelines act as a deterrent to housing developers. The City will monitor average processing times for ministerial and discretionary development permits, and use data on processing times and applications to track review times and trends in development. The City will identify revisions to the City's procedures in order to expedite the development review process, such as removing multiple permit requirements, especially for special needs housing and affordable housing for very low, low and moderate-income households.

Responsibility: City Staff and Council

Time Frame: Review and update annually.

Funding Source: General Fund

(Formerly Program H-4.3 modified)

B Site Development Permits

Consistent application of City regulations and Design Standards facilitate new development and increase certainty for housing developers. The City will continue to require Site Development Permit approval for all new homes and require project consistency with the City Objective Design Standards. The following are exempt from Site Development Permit approval in accordance with State Law:

- Accessory Dwelling Units;
- Units subject to SB 9 California Housing Opportunity and More Efficiency (HOME) Act which enables homeowners to split their single-family residential lot into two separate lots and build up to two new housing units on each.

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2023-2031 planning period

Funding Source: None required

(Formerly Program H-1.1 modified)

C Facilitate Parcel Maps

Aligning the process for subdivisions of four lots or fewer reduces the administrative burden and incentivizes the establishment of new lots for development. The City will revise Municipal Code Section 13.01.050 by December 2025 to eliminate the Tentative Map requirement for subdivisions of two or more lots and replace it with a Parcel Map requirement for four lots or fewer consistent with the Subdivision Map Act.

Responsibility: City Staff and Council

Time Frame: 2024 –2025

Funding Source: General Fund

Quantified Objective: 27 Above Moderate-income units

(New)

D Flag Lots

Flag lots are a method to increase the number of lots in the City available for residential development. The City will evaluate Municipal Code Section 13.02.300 Flag Lot regulations and update the requirements to facilitate new flag lots including reducing minimum lot sizes, setbacks and frontage requirements.

Responsibility: City Staff and Council
Time Frame: Amend Ordinance and Complete Necessary General Plan Amendments in the period 2025 thru December 2026
Funding Source: General Fund
Quantified Objective: 25 Above Moderate

(New)

E Facilitate Subdivision

The City will codify SB 9 regulations to facilitate new construction in accordance with existing City Zoning district development standards. Codifying the regulations to allow new residential construction on new lots created under SB 9 with the same or similar development standards as the existing City Zoning districts provides a clear process and parity with existing lots.

Responsibility: City Staff and Council
Time Frame: Amend Ordinance and Complete Necessary General Plan Amendments in the period 2025 thru December 2026
Funding Source: General Fund
Quantified Objective: 25 Above Moderate

(New)

F Update the General Plan

The City's 2008 General Plan has a 2025 planning horizon. The document represents the policy direction of the 2008 City Council on community values, ideals and aspirations to govern a shared environment through 2025. The housing environment has changed dramatically since 2008 with land prices, development costs, and housing costs significantly more costly and constrained. Given the age of the General Plan and the changes in the community and region since the Plan's adoption the City will plan on updating the General Plan.

Responsibility: City Staff and Council
Time Frame: Budget and initiate update in FY 2028-29
Funding Source: General Fund

(New)

GOAL H-2: PROVIDE NEW AFFORDABLE AND EQUAL OPPORTUNITY HOUSING

Policies

Policy H-2.1 Fair Housing

Support special need population groups gaining access to housing and continue to enforce fair housing laws prohibiting arbitrary discrimination in the building, financing, selling or renting of housing on the basis of race, religion, family status, national origin, physical disability or other such factors.

(Formerly Policy H-4.1)

Policy H-2.2 Housing Options for Seniors

Assist seniors as a growing proportion of the Monte Sereno Community in identifying and developing suitable living situations.

(Formerly Policy H-4.2)

Policy H-2.3 Accessory Dwelling Units

Encourage the construction of new Accessory Dwelling Units through incentives, and increased public outreach to meet the need for lower income housing in the City.

(Formerly Policy H-2.1 modified)

Policy H-2.4 Development Incentives

Facilitate the development of affordable housing through incentives and concessions and/or financial assistance.

(New)

Programs

G Development Incentives

An effective tool for increasing housing production are development incentives. The City will make specific outreach efforts with developers of housing affordable to lower income and special need households, including incentives such as density bonuses, fee waivers or other incentives. The City will also assist with identifying and/or applying for project funding from other sources including, but not limited to, CDBG and HOME funds, at the request of the developer.

Responsibility: City Staff and Council
Time Frame: Amend Ordinance and Complete Necessary General Plan Amendments in the period 2025 thru 2026; Biannually (for Developer Assistance)

(Formerly Program H-2.5)

H Employee Housing

Per Health and Safety Code Sections 17021.5 and 17021.6, the City will revise the Municipal Code to allow employee housing serving six or fewer agricultural employees in any residentially zoned areas, subject to the same standards that apply to a single-family residence. Employee housing is rented on a monthly basis, and can provide an entry point into the housing market.

Responsibility: City Staff and Council
Time Frame: Amend Ordinance in the period 2025 thru 2026

(Formerly programs H-2.6)

I Accessory Dwelling Unit

Accessory dwelling units are complete independent housing units that can be either detached or attached from an existing single-family residence. Based on their relatively small size, and because they do not require paying for land or major new infrastructure, accessory dwelling units ("ADUs") are considered affordable by design. ADUs can provide affordable housing options for family members, seniors, students, in-home health care providers, and other small household types. ADUs can also be useful to generate additional rental income for the homeowner. The City will continue to administer and improve the Accessory Dwelling Units (ADU) Program, with the following actions:

- Continue to survey affordability and use of ADUs.
- Establish incentives for ADU construction by creating a building permit fee waiver/reduction program.
- Create an outreach program to each resident to inform them of the ADU code allowances and building permit fee waiver/reduction program.
- Establish pre-approved ADU plans that meet all building, fire, and zoning codes. This would assist property owners with the planning of a new ADU by lowering

design costs and streamlining the architectural work. Monte Sereno will work with the Santa Clara County Housing Collaborative on the option of coordinating this program with other local jurisdictions.

- Publish and advertise the available incentives for ADUs through the City website and at City Hall front counter (ongoing).
- Provide the Accessory Dwelling Unit Handbook published by the State Department of Housing and Community Development (HCD) directly to Monte Sereno residents.

Responsibility: City Staff and Council

Time Frame: Approve Program amendments to remove identified constraints to Accessory Dwelling Unit production in the period 2025 thru 2026

Quantified Objective: 193 Total New Accessory Dwelling Units, as follows: 29 Extremely Low, 29 Very Low, 58 Low, 58 Moderate

(Formerly Program H-2.1 modified)

J Special Needs Households

Households with Special Needs (including physically and developmentally disabled) oftentimes have difficulty securing affordable and appropriate housing. In order to encourage the development of housing that meets the needs of this population, the City will:

- Promote the use of Accessory Dwelling Units as an opportunity to provide affordable housing for special needs individuals, such as seniors (and their caregivers) and disabled family members,
- Continue to allow transitional housing, supportive housing and residential care facilities, including group homes for six or less persons, as a use by right in all R-1 neighborhoods,
- Annually contact nonprofit housing sponsors, such as West Valley Community Services, to coordinate and implement a strategy for developing or making housing available for lower and moderate-income households, including special needs households, and

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2023-2031 planning period

(Formerly Program H-4.1)

K Seniors and Accessory Dwelling Units

The City will assist seniors to “age in place” and better utilize existing housing and residential lots by promoting Accessory Dwelling Units as viable housing option. Staff will develop an outreach plan specifically targeted at seniors to encourage the development of ADUs.

Responsibility: City Staff and Council

Time Frame: December 2025

(Formerly Program H-4.2 modified)

L Shared Housing Options

The City will explore and implement if appropriate other options to provide additional affordable housing opportunities within its existing housing stock. For example, shared housing or renting rooms would be most appropriate for a community such as Monte Sereno that has many large housing units capable of housing more people. Shared Housing programs, such as COVIA, match persons needing housing with homeowners and others who have space to rent. At a minimum, the City will contact shared housing agencies and publicize opportunities to share housing.

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2023-2031 planning period

Quantified Objective: 5 Extremely Low and 5 Very Low-Income Persons

(Formerly Program H-2.2)

M Countywide Cooperation

The City will work with nearby communities to explore countywide affordable housing needs and solutions. On an annual basis, the City Manager will provide a summary report of activities in cooperation with other jurisdictions/agencies to further increase the supply of affordable housing in the County of Santa Clara. Also, included in this report will be a description of the City’s efforts to meet its RHNA goals. This information will also be included in the City’s annual Housing Element update to HCD.

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2023-2031 planning period

(Formerly Program H-2.4)

N Reasonable Accommodation

The City will continue to implement its “Reasonable Accommodations” procedures as contained in the Municipal Code.

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2023-2031 planning period

(Formerly Program H-5.1)

O Fair Housing

The City will work with other organizations to promptly address complaint of discrimination in the sale, rent and development of housing in Monte Sereno.

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2023-2031 planning period

(Formerly Program H-5.2)

P Low Barrier Navigation Center

AB101 (2019) provides a pathway to permanent housing for people experiencing homelessness. In order to comply with State law, the City will amend the Zoning Code definitions to include the definition for “Low Barrier Navigation Center.”

Responsibility: City Staff and Council

Time Frame: Complete by December 2024

(New)

GOAL H-3: MAINTAIN AND IMPROVE THE EXISTING HOUSING STOCK.

Policies

Policy H-3.1 Property and Housing Conditions

Support the efforts of property owners to maintain and improve homes in Monte Sereno.

(Formerly Policy H-3.1)

Policy H-3.2 Infrastructure

Ensure adequate investments in public services and facilities to maintain a high-quality living environment in older residential neighborhoods.

(Formerly Policy H-3.2)

Policy H-3.3 Energy Conservation

Encourage energy conserving practices in the maintenance of existing dwellings and in new residential development.

(Formerly Policy H-3.3)

Programs

Q Housing Maintenance

Maintenance and upkeep of housing is critical to ensure health and safety, prevent major costly damages, and ensure a high-quality housing stock. The City will continue to pursue code enforcement on homes that are not maintained in compliance with City codes.

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2023-2031 planning period

(Formerly Program H-3.1)

R Infrastructure Capital Improvements

City infrastructure including sewer and roads are critical for housing. The City will review and revise on a biannual basis the Capital Improvement Program (CIP) to identify public infrastructure priorities that will maintain the community's older residential neighborhoods.

Responsibility: City Staff and Council

Time Frame: Biannually, ongoing through the 2023-2031 timeframe

(Formerly Program H-3.2)

S Energy Conservation

Conserving energy helps preserve the integrity of the electrical grid and reduces emissions that contribute to climate change. The City will encourage energy conservation

practices for new and existing residential dwelling units by enforcing State and local regulations and encouraging incentives for energy conservation “best practices.” Suggested actions include:

- Continue to offer streamlining and reduced permitting fees for solar panel installations,
- Continue to implement the CALGreen building code requirements,
- Continue to evaluate “Reach Codes” for all-electric building requirements,
- Evaluate water conservation “Reach Codes” to be included in the building code requirements,
- Provide information regarding rebate programs and energy audits available through PG&E, and
- Provide resource materials regarding green building and conservation programs.

Responsibility: City Staff and Council

Time Frame: Annually, ongoing through the 2023-2031 planning period

(Formerly Program H-3.3)

GOAL H-4: PUBLICIZE RESOURCES

Policies

Policy H-4.1 Promote and Enforce Fair Housing

Continue to promote and enforce fair housing laws prohibiting arbitrary discrimination in the building, financing, selling or renting of housing on the basis of race, religion, family status, national origin, physical disability or other such factors.

(New)

Programs

T Communicating to the public about fair housing laws and available programs is essential to raise awareness and to connect people with resources. The City will provide written information on fair housing laws and resources at the Planning Department counter as well as on the City’s website. Further, the City will promote the use of Project Sentinel, a HUD approved housing counseling agency in Santa Clara County as a resource for fair housing information and advisory services. The City will work with other organizations to promptly address complaint of discrimination in the sale, rent and development of housing in Monte Sereno.

Responsibility: City Staff and Council
Time Frame: Annually, ongoing through the 2023-2031 planning period

(Formerly Program H)

Overview of Housing Needs and Constraints

3.1 Introduction

This chapter summarizes housing needs and constraints in the City of Monte Sereno. The analysis of housing needs primarily utilizes data compiled by Association of Bay Area Governments (ABAG) in the “Housing Needs Data Report: Monte Sereno” (ABAG/MTC, Baird + Driskell Community Planning, April 2, 2021), which was approved by the California Department of Housing and Community Development (HCD). For a detailed analysis of housing needs, please see Appendix B—Housing Needs Assessment. Also, for a detailed analysis of governmental and non-governmental constraints, please see Appendix C—Housing Constraints.

3.2 Monte Sereno Overview

The Bay Area continues to see growth in both population and jobs, which means more housing of various types and sizes is needed to ensure that residents across all income levels, ages, and abilities have a place to call home. While the number of people drawn to the region over the past 30 years has steadily increased, housing production has stalled, contributing to the housing shortage that communities are experiencing today. In many cities, this has resulted in residents being priced out, increased traffic congestion caused by longer commutes, and fewer people being able to purchase homes or meet surging rents. The Monte Sereno 6th Cycle Housing Element provides a roadmap for City officials as they join the effort to solve the region’s housing challenges.

Summary of Key Facts

Monte Sereno is a quiet residential community that was incorporated as a response to annexation pressure from surrounding cities. Monte Sereno built-out residential community with no central core or downtown area. Early in the City’s history, the beauty and tranquility of the area attracted artists and writers looking for a peaceful and inspirational place to pursue their craft, which included American author John Steinbeck, who wrote the *Grapes of Wrath* while living in the community. In the current context of housing shortages throughout California and particularly the Bay Area, Monte Sereno has faced its unique challenge primarily through the construction of accessory dwelling units. This approach has allowed the community to maintain its essential character while meeting its regional housing obligations.

In Monte Sereno, disparity in housing choice—particularly for low- and moderate-income households living in other parts of the county and in the region—is the main challenge confronting the city. Although Monte Sereno has done well in permitting affordable accessory dwelling units, the City’s lack of vacant land limits its ability to produce standalone affordable housing types, such as apartments. This, in turn, has prevented low- and moderate-income households who exist in the county and broader region from residing in the City.

- Population growth trends in Monte Sereno are significantly lower than the county and regional rates. 019
- The community differs from the county and Bay area overall for its relatively high proportion of residents identifying as Non-Hispanic White (71 percent in Monte Sereno compared to 32 percent in Santa Clara County) and small Hispanic population (seven percent in Monte Sereno and 25 percent in the county).
- Monte Sereno scores high on educational outcomes, meaning that all areas of the city provide access to strong educational environments.
- Poverty rates are very low for all residents Monte Sereno has a lower share of very low-income residents than other jurisdictions in the Bay area as a whole, a lower share of low-income residents, a lower share of moderate-income residents, and a higher share of above moderate-income residents.
- Monte Sereno is located close to jobs, but does not have many jobs in the city itself. The city is largely made up of out-commuters who work in high wage professions in the region. 017
- Since 2015, Monte Sereno has met and surpassed its goal of providing housing for the lowest income households, with 43 units permitted for very low-income households—representing 57 percent of all permits. Another 30 permits were issued for housing for above moderate-income households. This is significantly different than nearby Monte Sereno, which permitted 134 units, of which none served low- or very low-income households and 59 percent served above moderate income households.
- Nonetheless, Monte Sereno lacks housing that accommodates the lower income 018 people of color, resulting in a lack of diversity in the city. Monte Sereno offers a little to no variety of housing types with 96 percent single-family detached units. This predominance of single-family detached housing in the city has led to an exclusive and high-priced ownership housing market relative to Santa Clara County and the Bay area overall.
- In the last decade home prices in Monte Sereno have increased by 75.3 percent, and the largest proportion of homes in the city have a value in excess of \$2 million. The trend is slightly less dramatic for rental housing, but still of concern. For rental housing prices increased by 36.0

- percent, and the typical rent for an apartment in Monte Sereno is approximately \$2,700. To afford the typical apartment in Monte Sereno without cost burden, a Monte Sereno household would need to earn \$108,880 annually.¹
- Segregation is essentially absent in Monte Sereno, as all residents live in neighborhoods identified as “Highest Resource” or “High Resource” areas by State-commissioned research, while none live in areas identified by this research as “Low Resource” or “High Segregation and Poverty” areas. The primary reason for this outcome is that lower-income households are largely absent from the community.

3.3 Overview of Housing Needs

The following section provides an overview of demographic information, housing characteristics, and special housing needs in Monte Sereno. For a more complete discussion of housing needs, see Appendix B.

Population Trends

Generally, the population of the Bay Area continues to grow because of natural growth and because the strong economy draws new residents to the region. The population of Monte Sereno increased by 3.2 percent since 2000, which is significantly below the 14.8 percent growth rate of the Bay Area. In 2020 the population of Monte Sereno was estimated to be 3,594 according to the Department of Finance. The population of Monte Sereno makes up 0.2 percent of Santa Clara County.² In Monte Sereno, roughly 4.9 percent of its population moved during the past year, a number that is significantly below the regional rate of 13.4 percent. Table 3-1 shows population growth trends for Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Table 3-1 Population Growth Trends

| Geography | 1990 | 1995 | 2000 | 2005 | 2010 | 2015 | 2020 |
|-----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Monte Sereno | 3,287 | 3,236 | 3,483 | 3,493 | 3,341 | 3,465 | 3,594 |
| Santa Clara Co. | 1,497,577 | 1,594,818 | 1,682,585 | 1,752,696 | 1,781,642 | 1,912,180 | 1,961,969 |
| Bay Area | 6,020,147 | 6,381,961 | 6,784,348 | 7,073,912 | 7,150,739 | 7,595,694 | 7,790,537 |

SOURCE: California Department of Finance, E-5 series

¹ Note that contract rents may differ significantly from, and often being lower than, current listing prices.

² To compare the rate of growth across various geographic scales, Figure 2-1 shows population for the jurisdiction, county, and region indexed to the population in the year 1990. This means that the data points represent the population growth (i.e., percent change) in each of these geographies relative to their populations in 1990. NOTE: Universe: Total population; For more years of data, please refer to the Data Packet Workbook, Table POPEMP-01.

Population by Age

The distribution of age groups in a city shapes what types of housing the community may need in the near future. An increase in the older population may mean there is a developing need for more senior housing options, while higher numbers of children and young families can point to the need for more family housing options and related services. There has also been a move by many to age-in-place or downsize to stay within their communities, which can mean more multifamily and accessible units are also needed.

In 2019, the median age was 48 years, and increase from the median age of 42 in 2000. The population of those under 15 has increased since 2010, while the 65-and-over population has increased. This reflects a nationwide aging trend related to the large Baby Boom Generation as well as some local characteristics. The City of Monte Sereno is a community with a high quality of life and pleasant climate that encourages residents to stay throughout their lives. Aging in place, attracting retirees, and high housing costs that favor older, more financially stable households all contribute to the aging trend in the city.

Population by Race/Ethnicity

Understanding the racial makeup of a city and region is important for designing and implementing effective housing policies and programs. These patterns are shaped by both market factors and government actions, such as exclusionary zoning, discriminatory lending practices and displacement that has occurred over time and continues to impact communities of color today.³

Since 2000, the percentage of residents in the City of Monte Sereno identifying as White, Non-Hispanic has decreased by 12.6 percentage points, with this 2019 population standing at 2,456. At the same time the percentage of residents of all Other Race of Multiple Races, Non-Hispanic has increased. In absolute terms, the Asian/API, Non-Hispanic population increased the most while the White, Non-Hispanic population decreased the most. In 2020, 72.3 percent of Monte Sereno's population was White, which is significant below the proportion in the Bay Area as a whole.⁴

Employment

The largest industry in which Monte Sereno residents work is *Financial & Professional Services*, and the largest sector in which Santa Clara residents work is *Health & Educational Services*. For the Bay Area as a whole, the *Health & Educational Services* industry employs the most workers.

³ See, for example, Rothstein, R. (2017). *The color of law: a forgotten history of how our government segregated America*. New York, NY & London, UK: Liveright Publishing.

⁴ The Census Bureau's American Community Survey accounts for ethnic origin separate from racial identity. The numbers reported here use an accounting of both such that the racial categories are shown exclusive of Latinx status, to allow for an accounting of the Latinx population regardless of racial identity. The term Hispanic has historically been used to describe people from numerous Central American, South American, and Caribbean countries. In recent years, the term Latino or Latinx has become preferred. This report generally uses Latinx, but occasionally when discussing US Census data, we use Hispanic or Non-Hispanic, to clearly link to the data source.

Monte Sereno has many more housing than jobs, and this has improved only slightly over time. The jobs-household ratio in Monte Sereno increased from 0.29 to 0.37 jobs per household between 2002 and 2018. This deficit of jobs relative to residents suggests that most people travel outside the community to work. Monte Sereno has more low-wage *residents* than low-wage *jobs* (where low-wage refers to jobs paying less than \$25,000). At the other end of the wage spectrum, the city has more high-wage *residents* than high-wage *jobs* (where high-wage refers to jobs paying more than \$75,000).

Household Characteristics

Extremely Low-Income Households

Despite the economic and job growth experienced throughout the region since 1990, the income gap has continued to widen. California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the state.

In Monte Sereno, 79.3 percent of households make more than 100 percent of the Area Median Income (AMI)⁵, compared to 8.2 percent making less than 30 percent of AMI, which is considered extremely low-income. Regionally, more than half of all households make more than 100 percent AMI, while 14.7 percent make less than 30 percent AMI. In Santa Clara County, 30 percent AMI is the equivalent to the annual income of \$39,900 for a family of four. Many households with multiple wage earners, including food service workers, full-time students, teachers, farmworkers and healthcare professionals, can fall into lower AMI categories due to relatively stagnant wages in many industries.

Throughout the region, there are disparities between the incomes of homeowners and renters. Typically, the number of low-income renters greatly outpaces the amount of housing available that is affordable for these households. In Monte Sereno, the largest proportion of both homeowners and renters falls in the *Greater than 100 percent of AMI* group.

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents.⁶ These economic disparities also leave communities of color at higher

⁵ Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Households making between 80 and 120 percent of the AMI are moderate-income, those making 50 to 80 percent are low-income, those making 30 to 50 percent are very low-income, and those making less than 30 percent are extremely low-income. This is then adjusted for household size.

⁶ Moore, E., Montojo, N. and Mauri, N., 2019. Roots, Race & Place: A History of Racially Exclusionary Housing the San Francisco Bay Area. *Hass Institute*.

risk for housing insecurity, displacement or homelessness. In Monte Sereno, *Hispanic or Latinx* and *Other Race or Multiple Races (Hispanic and Non-Hispanic)* residents experience the highest rates of poverty, followed by *White (Hispanic and Non-Hispanic)* residents.

Tenure

The number of residents who own their homes compared to those who rent their homes can help identify the level of housing insecurity (i.e., ability for individuals to stay in their homes) in a City and region. Generally, renters may be displaced more quickly if prices increase. In Monte Sereno there are a total of 1,128 housing units, and fewer residents rent than own their homes: 6.5 percent versus 93.5 percent. By comparison, 43.6 percent of households in Santa Clara County are renters, while 43.9 percent of Bay Area households rent their homes.

Homeownership rates often vary considerably across race/ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth, but also stem from federal, state, and local policies that limited access to homeownership for communities of color while facilitating homebuying for white residents. While many of these policies, such as redlining, have been formally disbanded, the impacts of race-based policy are still evident across Bay Area communities. In Monte Sereno, all non-White households owned their homes, while homeownership rates were 91.8 percent for White households. Notably, recent changes to state law require local jurisdictions to examine these dynamics and other fair housing issues when updating their Housing Elements.

In many cities, homeownership rates for households in single-family homes are substantially higher than the rates for households in multi-family housing. In Monte Sereno, 93.4 percent of households in detached single-family homes are homeowners.

Displacement

Because of increasing housing prices, displacement is a major concern in the Bay Area. Displacement has the most severe impacts on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they also lose their support network.

The University of California, Berkeley has mapped all neighborhoods in the Bay area, identifying their risk for gentrification. They find that in Monte Sereno, there are no households that live in neighborhoods that are susceptible to or experiencing displacement and none live in neighborhoods at risk of or undergoing gentrification. Equally important, some neighborhoods in the Bay Area do not have housing appropriate for a broad section of the workforce. UC Berkeley estimates that all households in Monte Sereno live in neighborhoods where low-income households are likely to be excluded due to prohibitive housing costs.

Housing Stock Characteristics


Number of Homes

The number of new homes built in the Bay Area has not kept pace with the demand, resulting in longer commutes, increasing prices, and exacerbating issues of displacement and homelessness. The number of homes in Monte Sereno increased, 2.7 percent from 2010 to 2020, which is significantly below the growth rate for Santa Clara County and below the growth rate of the region's housing stock during this time period.

Between 2015 and 2021, 122 housing units were issued permits in Monte Sereno which represents 200 percent of the RHNA number of 61 units assigned in the 5th cycle Housing Element.

Approximately 43 percent of permits issued in Monte Sereno were for lower-income housing.

Housing Type


It is important to have a variety of housing types to meet the needs of a community today and in the future. In 2020: 

- 95.6 percent of homes in Monte Sereno were single family detached.
- 2.7 percent were single family attached.
- 0.3 percent were small multifamily (2-4 units).
- 1.4 percent were medium or large multifamily (5+ units).

The housing stock of Monte Sereno is generally in good condition, and a few homes require reconstruction or rehabilitation. The high quality of life, desirable location, walkable neighborhoods, and exceptional schools have provided the market signals and financial incentive for property owners to rehabilitate homes and maintain them.

Home Prices

A diversity of homes at all income levels creates opportunities for all Monte Sereno residents to live and thrive in the community.

- **Ownership** The largest proportion of homes had a value in excess of \$2 million in 2019. Home prices increased by 75.3 percent from 2010 to 2020.
- **Rental Prices** – The typical rent for an apartment in Monte Sereno is approximately \$2,700, and rental prices have increased by 36.0 percent in the last decade. To afford the typical apartment in Monte Sereno without cost burden, a Monte Sereno household would need to earn \$108,880 annually.⁷ 

⁷ Note that contract rents may differ significantly from, and often being lower than, current listing prices.

Cost Burden

The U.S. Department of Housing and Urban Development considers housing to be affordable for a household if the household spends less than 30 percent of its income on housing costs. A household is considered “cost-burdened” if it spends more than 30 percent of its monthly income on housing costs, while those who spend more than 50 percent of their income on housing costs are considered “severely cost-burdened.” In Monte Sereno, 12.1 percent of households spend 50 percent or more of their income on housing.

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. As a result, they often pay a greater percentage of their income on housing, and in turn, are at a greater risk of housing insecurity.

Neighborhood

100 percent of residents in Monte Sereno live in neighborhoods identified as “Highest Resource” or “High Resource” areas by State-commissioned research, while none live in areas identified by this research as “Low Resource” or “High Segregation and Poverty” areas. These neighborhood designations are based on a range of indicators covering areas such as education, poverty, proximity to jobs and economic opportunities, low pollution levels, and other factors.⁸

Special Housing Needs

Some population groups may have special housing needs that require specific program responses, and these groups may experience barriers to accessing stable housing due to their specific housing circumstances.

Large Households

Large households, with five (5) or more persons, often have different housing needs than smaller households. If a city’s rental housing stock does not include larger apartments, large households who rent could end up living in overcrowded conditions. In Monte Sereno, all units occupied by large households (i.e., five (5) or more persons) are owner occupied. In 2017, there were no large households in Monte Sereno that were very low-income (i.e., earning less than 50 percent of the area median income).

Female Headed Households

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

⁸ For more information on the “opportunity area” categories developed by HCD and the California Tax Credit Allocation Committee, see this website: <https://www.treasurer.ca.gov/ctcac/opportunity.asp>. The degree to which different jurisdictions and neighborhoods have access to opportunity will likely need to be analyzed as part of new Housing Element requirements related to affirmatively furthering fair housing. ABAG/MTC will be providing jurisdictions with technical assistance on this topic this summer, following the release of additional guidance from HCD.

Female-headed households with children may face particular housing challenges, with pervasive gender inequality resulting in lower wages for women. Moreover, the added need for childcare can make finding a home that is affordable more challenging.

In Monte Sereno, the largest proportion of households is *Married-Couple Family Households* at 85.2 percent of total, while *Female-Headed Households* make up 3.1 percent of all households.

Senior Households

Senior households often experience a combination of factors that can make accessing or keeping affordable housing a challenge. They often live on fixed incomes and are more likely to have disabilities, chronic health conditions and/or reduced mobility. Seniors, defined as persons who are 65 years or older, who rent may be at even greater risk for housing challenges than those who own, due to income differences between these groups. 024

When cost-burdened seniors are no longer able to make house payments or pay rents, displacement from their homes can occur, putting further stress on the local rental market or forcing residents out of the community they call home. Understanding how seniors might be cost-burdened is of particular importance due to their special housing needs, particularly for low-income seniors. In Monte Sereno, the largest proportion of senior households who rent and the largest proportion who own both earn *Greater than 100% of AMI*.

People with Disabilities

People with disabilities face additional housing challenges. Encompassing a broad group of individuals living with a variety of physical, cognitive and sensory impairments, many people with disabilities live on fixed incomes and are in need of specialized care, yet often rely on family members for assistance due to the high cost of care. When it comes to housing, people with disabilities are not only in need of affordable housing, but accessibly designed housing, which offers greater mobility and opportunity for independence. Unfortunately, the need typically outweighs what is available, particularly in a housing market with such high demand. People with disabilities are at a high risk for housing insecurity, homelessness and institutionalization, particularly when they lose aging caregivers. Overall, 6.8 percent of people in Monte Sereno have a disability of some kind.

State law also requires Housing Elements to examine the housing needs of people with developmental disabilities. Developmental disabilities are defined as severe, chronic, and attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down's Syndrome, autism, epilepsy, cerebral palsy, and mild to severe mental retardation. Some people with developmental disabilities are unable to work, rely on Supplemental Security Income, and live with family members. In addition to their specific housing needs, they are at increased risk

of housing insecurity after an aging parent or family member is no longer able to care for them.⁹ In Monte Sereno, there are seven (7) children under the age of 18 with a developmental disability (58.3 percent), while there are five (5) adults with a developmental disability (41.7 percent).

Homelessness

Homelessness remains an urgent challenge in many communities across the state, reflecting a range of social, economic, and psychological factors. Rising housing costs result in increased risks of community members experiencing homelessness. Far too many residents who have found themselves housing insecure have ended up homeless in recent years, either temporarily or longer term. Addressing the specific housing needs for the unhoused population remains a priority throughout the region, particularly since homelessness is disproportionately experienced by people of color, people with disabilities, those struggling with addiction and those dealing with traumatic life circumstances.

In Santa Clara County, the most common type of household experiencing homelessness is those without children in their care. Among households experiencing homelessness that do not have children, 87 percent are unsheltered. Of homeless households with children, most are sheltered in emergency shelter.

People of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. Consequently, people of color are often disproportionately impacted by homelessness, particularly Black residents of the Bay Area.

In Santa Clara County, *White (Hispanic and Non-Hispanic)* residents represent the largest proportion of residents experiencing homelessness and account for 44 percent of the homeless population, while making up 45 percent of the overall population.

Farmworkers

Across the state, housing for farmworkers has been recognized as an important and unique concern. Farmworkers generally receive wages that are considerably lower than other jobs and may have temporary housing needs. Finding decent and affordable housing can be challenging, particularly in the current housing market.

In Monte Sereno, there were no reported students of migrant workers in the 2019-20 school year. The trend for the region for the past few years has been a decline of more than two (2) percent in

⁹ For more information or data on developmental disabilities in your jurisdiction, contact the Golden Gate Regional Center for Marin, San Francisco and San Mateo Counties; the North Bay Regional Center for Napa, Solano and Sonoma Counties; the Regional Center for the East Bay for Alameda and Contra Costa Counties; or the San Andreas Regional Center for Santa Clara County.

the number of migrant worker students since the 2016-17 school year. The change at the county level is a 50 percent decrease in the number of migrant worker students since the 2016-17 school year.

3.4 Governmental and Non-Governmental Constraints

Housing development is affected by government regulations and other non-governmental forces, such as the cost of land and building materials and the availability and cost of housing loans. Housing elements are required to investigate the impact of these constraints as they present themselves in the City or city for which the housing element is being prepared. This subsection provides a brief overview of governmental and non-governmental constraints in the City of Monte Sereno. Please see Appendix C for a full discussion of housing constraints.

The City of Monte Sereno maintains a zoning code that in more typical cities would constitute a significant constraint on the development of affordable housing. Its maximum density for multi-family housing is eight (8) dwelling units per acre, which even with applicable density bonus would in typical situations be inadequate for the development of affordable housing under existing market conditions and with available tax credits and grant programs.

Nonetheless, Monte Sereno has skillfully implemented the development of accessory dwelling units (ADUs) in a manner that has allowed it to meet and surpass its regional housing needs allocation. It has essentially turned the city's overwhelming supply of large single-family properties—typically signaling a dearth of affordable housing opportunities—into an asset that hosts development opportunities for affordable housing. This solution has proven capable of meeting the community's needs for affordable housing and does so while preserving the essential character that is Monte Sereno.

In terms of other governmental constraints—such as requiring conditional use permits for multi-family housing—the City has recently adopted objective design standards that ease the regulatory burden for housing development.

In terms of non-governmental constraints, land costs will remain a constraint to affordable housing, and programs to use publicly-owned lands—such as City-owned land—can make a difference, and in future housing element cycles, it may be here that the City turns to meet its housing needs. The cost of construction materials is also a constraint, and to the degree that the City can subsidize affordable housing projects with available funds dedicated to housing, this too can make a difference.

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4.0 Vacant and Available Sites

4.1 Introduction

The *Plan Bay Area 2050 Final Blueprint*¹ forecasts that the nine-county Bay Area will add 1.4 million new households between 2015 and 2050. For the eight-year time frame covered by this Housing Element Update, the Department of Housing and Community Development (HCD) has identified the region's housing need as 441,176 units. The total number of housing units assigned by HCD is separated into four income categories that cover housing types for all income levels, from very low-income households to market rate housing. This calculation, known as the Regional Housing Needs Allocation (RHNA), is based on population projections produced by the California Department of Finance as well as adjustments that incorporate the region's existing housing need. The adjustments result from recent legislation requiring HCD to apply additional adjustment factors to the baseline growth projection from California Department of Finance, in order for the regions to get closer to healthy housing markets. To this end, adjustments focus on the region's vacancy rate, level of overcrowding and the share of cost burdened households, and seek to bring the region more in line with comparable ones. These new laws governing the methodology for how HCD calculates the RHNA resulted in a significantly higher number of housing units for which the Bay Area must plan compared to previous cycles.

4.2 Regional Housing Needs Allocation

In December 2021, ABAG adopted a Final Regional Housing Needs Allocation (RHNA) Methodology. For Monte Sereno, the RHNA required to be planned for this cycle is 193 units, a slated increase from the last cycle.

RHNA Summary

Monte Sereno's share of the regional housing need for the seven-year period from 2023 to 2031 is 193 units, which is a 316 percent increase over the 61 units required by the 2015 to 2022 RHNA. The housing need is divided into the five income categories of housing affordability. Table 4-1

¹ Plan Bay Area 2050 is a long-range plan charting the course for the future of the nine-county San Francisco Bay Area. It covers four key issues: the economy, the environment, housing and transportation

shows Monte Sereno's RHNA for the planning period 2023 through 2031 in comparison to the RHNA distributions for Santa Clara County and the Bay Area region.

Table 4-1 Monte Sereno's Regional Housing Needs Allocation – 2023–2031

| Income Group | Monte Sereno Units | Percent | Santa Clara County Units | Percent | Bay Area Units | Percent |
|-----------------------------------|--------------------|---------|--------------------------|---------|----------------|---------|
| Very Low Income (<50% of AMI) | 53 | 27.5% | 32,316 | 24.9% | 114,442 | 25.9% |
| Low Income (50%-80% of AMI) | 30 | 15.5% | 18,607 | 14.4% | 65,892 | 14.9% |
| Moderate Income (80%-120% of AMI) | 31 | 16.1% | 21,926 | 16.9% | 72,712 | 16.5% |
| Above Mod. Income (>120% of AMI) | 79 | 40.9% | 56,728 | 43.8% | 188,130 | 42.6% |
| Total | 193 | 100.0% | 129,577 | 100.0% | 441,176 | 100.0% |

SOURCE: ABAG 2021

Progress to Date

The RHNA planning period for the 2023-2031 Housing Element (6th Cycle) is June 30, 2022 through December 31, 2030. The statutory adoption date for the 6th Cycle Housing Element is January 1, 2023—a full six months after the beginning of the planning period. To account for this discrepancy, the City of Monte Sereno must account for the number of housing units permitted prior to adoption of the 6th Cycle Housing Element and apply these to the 2023-2031 RHNA. Accordingly, the units permitted in this period count towards the 2023-2031 planning period RHNA and are subtracted from the 6th-Cycle RHNA. Table 4-2 shows the City of Monte Sereno's adjusted RHNA, which accounts for progress made prior to the adoption of the updated Housing Element document.

Table 4-2 Monte Sereno's Adjusted RHNA

| | Very Low-Income Units | Low-Income Units | Moderate-Income Units | Above Moderate-Income Units | Total Units |
|---|-----------------------|------------------|-----------------------|-----------------------------|-------------|
| 2023–2031 RHNA | 53 | 30 | 31 | 79 | 193 |
| Units permitted between June 30, 2022 and January 1, 2023 | | | | | |
| Remaining RHNA | | | | | |

SOURCE: City of Monte Sereno 2014

NOTE:

4.3 Overview RHNA Strategy

In this 6th Cycle Housing Element, Monte Sereno relies solely on accessory dwelling units (ADUs) to meet its housing needs. As discussed more fully in Appendix C (Housing Constraints), the City of Monte Sereno is building off its 5th cycle success where it was largely able to meet and surpass its RHNA for the 2015-2023 planning period through the development of accessory dwelling units (ADUs). Based on trends documented in data collected through City surveys in 2018, 2019, and 2020, the City estimates that 032 ADUs will be constructed in Monte Sereno in the next eight years and that all of these will be affordable to moderate and low-income households (59 very low-, 35 low-, and 23 moderate-income units). 026

While this ADU strategy falls short of providing market-rate housing for the community, City officials estimate that the streamlined regulations for developing additional housing on existing single-family lots created by Senate Bill 9 (SB 9) 030 will provide market-rate opportunities. In any event, the ADU strategy has the potential to address the community's most pressing housing needs, which involve the construction of affordable housing.

The City of Monte Sereno's efforts to facilitate ADU construction and to explore the redevelopment of potential sites in the community has been extensive.

- In July 2022, the City Council reduced plan check and building permit fees by 50 percent for 225 properties where the owner expressed an interest in developing an ADU.
- In April 2022, City officials reached out to First Baptist Community Church to explore the possibility of developing underutilized church property for affordable housing. After consulting his congregation, Pastor McCarty corresponded with City officials to inform them that the church had no interest in such a project.
- In May 2022, City officials sent letters to 031 property owners whose sites had been identified as possible candidates for rezoning to allow additional housing development. One property owner contacted City officials to discuss the option, but this led to no agreement, and the City received strong feedback from several residents against rezoning their neighborhood. 028 025

All of these materials have been collected and placed in Appendix D, and the reader can refer there for details.

In 033 summary, the City of Monte Sereno undertook extensive efforts 029 to locate vacant, partially vacant, and underutilized sites available for housing development in the community. They were unable to locate even one property owner willing to redevelop their property. The City has, however, received significant interest in the development of ADUs, so this—plus SB 9 units—became the de facto 027 strategy for meeting the City's RHNA in the 6th cycle planning period.

² Senate Bill 9 – the California Housing Opportunity and More Efficiency (HOME) Act streamlines the process for a homeowner to create a duplex or subdivide an existing lot.

4.4 Site Inventory

The City of Monte Sereno does not have a traditional inventory of sites for the 2023-2031 planning period. Detailed information on ADUs and SB 9 units is provided below.

Accessory Dwelling Units (ADUs and Junior ADUs)

Address: Various Locations

Minimum Number of Housing Units: 117

Description: Secondary units assuming affordability distribution of units as follows: 50 percent very low-income, 30 percent low-income and 20 percent moderate-income. This distribution is based on surveys conducted by the City of Monte Sereno between 2018 and 2020 of actual ADUs built in this time period.

Constraints: None. Recent state legislation has removed all significant constraints on the development of ADUs.

Market-Rate Units via SB 9 (Duplexes, Lot splits)

Address: Various Locations

Minimum Number of Housing Units: Dependent on Property Owner Interest

Description: Additional market-rate units facilitated SB 9

Constraints: To have HCD consider SB 9 units as a reasonable expectation for construction in this eight-year cycle, either relaxation of current ordinance and/or property owner declared interest is necessary

Table 4-3 provides details and capacity estimates for the 2023-2031 planning period.

Table 4-3 Vacant/Partially Vacant and Available Sites

| Housing Resource | Very Low-Income Capacity | Lower Income Capacity | Moderate Income Capacity | Above Moderate -Income Capacity (Net) | Total Capacity | Comments |
|------------------|--------------------------|-----------------------|--------------------------|---------------------------------------|----------------|--------------------------|
| ADUs | 59 | 35 | 23 | 0 | 117 | Based on recent surveys |
| SB 9 | 0 | 0 | 0 | 5 | 5 | Property owner responses |
| Total | 59 | 35 | 23 | 5 | 122 | 63% |
| RHNA | 53 | 30 | 31 | 79 | 193 | |
| Diff | 6 | 5 | -8 | -74 | -7 | |

SOURCE: City of Monte Sereno; EMC Planning Group Inc.

4.5 Summary and Conclusions

The vacant, partially vacant, and underutilized sites identified in this report are sufficient to accommodate approximately 63 percent of the Monte Sereno's Regional Housing Needs Allocation for the 6th-Cycle planning period.

For communities like Monte Sereno that are largely built out and surrounded on all sides by other communities, ADU development is the only practical solution to providing a fair share of future housing for the San Francisco Bay Area. Property owner interest will be pivotal for facilitating single-family site opportunities to policies to add housing through Senate Bill 9 (SB 9), which allows for up to four units on a property zoned for a single house.

Monte Sereno's unique built environment, which is nearly exclusively zoned for single-family neighborhoods, has been taken into consideration with this plan to accommodate future housing with minimum impact. Transformation in Monte Sereno through the next eight-year Housing Element cycle may continue to appear incremental, with sustained massing and scale limitations, evocative of a suburban bedroom community.

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5.0 Energy Conservation

5.1 Introduction

This chapter summarizes opportunities for energy conservation in the construction of housing in the City of Monte Sereno.

5.2 Opportunities for Energy Conservation

Energy conservation remains a major priority in Monte Sereno. The City requires compliance with Title 24 of the California Code of Regulations on the use of energy efficient appliances and insulation. Through compliance with Title 24, new residential development has reduced energy demand.

The City requires the submittal of a Cal Green checklist for new construction and remodeling. The Cal Green checklist is based on standards produced by the California Building Standards Commission. Checklists for both new construction and remodeling as well as instructions for completing the forms are available on the City's website. The City also provides incentives for the installation of solar panels. Streamlining of permit applications as well as permit fee waivers are provided for solar panel installations in residential units.

The City of Monte Sereno adopted strategic goals for FY 2022-2023, and these strategic goals included the following actions to enhance environmental sustainability:

- A. Evaluate and consider updating Reach Codes in 2022
- B. Meeting “green” requirements – water conservation, develop climate change resolution/encourage and support the move to lower carbon emissions in Monte Sereno
- C. Review and implement Urban Forestry Alliance = In process
- D. Promote low-water, and low-fire landscaping alternatives for residents
- E. Promote electric vehicle chargers for residents to support electric vehicle adoption

Providing energy conservation opportunities to residents can ultimately lead to a reduction in utility-related housing costs for many households. Accordingly, energy conservation measures related to existing and proposed residential development is a component included within the Bay

Area Air Quality Management District's Clean Air Plan (CAP) which was adopted in 2017. The CAP addresses renewable energy in Program ECM 2 (Renewable Energy), which reads as follows:

ECM 2 - Renewable Energy. This control measure consists of two components: 1) promote incorporation of renewable energy sources into new developments and redevelopment projects, and 2) foster innovative renewable energy projects through provision of incentives. Note: In addition, as part of the Further Study Measure entitled "Enhancement to Energy Measures," the District will evaluate the cost-effectiveness of solar thermal technology for consideration as a potential solar hot water heating rule. (Source: Bar Area Air Quality Management Districts, 2017)

Silicon Valley Clean Energy

Silicon Valley Clean Energy (SVCE) is the community electricity provider for thirteen communities in Santa Clara County—including Monte Sereno—and is governed by local elected officials serving on the Board of Directors. SVCE was formed with the mission to reduce dependence on fossil fuels by providing carbon-free, affordable and reliable electricity and innovative programs within the community.

Pacific Gas & Electric Energy Efficiency Programming

Pacific Gas and Electric Company (PG&E), which provides energy efficiency services in Monte Sereno, offers public information and technical assistance to homeowners regarding energy conservation. PG&E also provides numerous incentives for energy efficiency in new construction and home remodeling. For example, remodeling rebates exist for projects installing three or more upgrades from a flexible menu of options that earn points towards incentives and rebates. This program's incentives range between \$1,000 and \$4,500. One of the more recent strategies in building energy-efficient homes is following the U.S. Green Building Council's guidelines for LEED Certification. The LEED for Homes program includes standards for new single-family and multi-family home construction.

Additionally, PG&E provides residents with information regarding energy saving measures including various incentives and programs available to developers and residential property owners. Table 5-1 on the following page includes a description of the various financial and energy-related assistance that PG&E offers low-income customers:

Table 5-1 PG&E Programs and Incentives for Residential Properties

| Program | Description |
|---|--|
| Energy Savings Assistance Program | PG&E's Energy Savings Assistance program offers free weatherization measures and energy-efficient appliances to qualified low-income households. PG&E determines qualified households through the same sliding income scale used for CARE. The program includes measures such as attic insulation, weather stripping, caulking, and minor home repairs. Some customers qualify for replacement of appliances including refrigerators, air conditioners, and evaporative coolers. |
| Energy Efficiency for Multifamily Properties | The Energy Efficiency for Multi-Family Properties program is available to owners and managers of existing multi-family residential dwellings containing five or more units. |
| Multifamily Properties | The Energy Efficiency for Multifamily Properties program is available to owners and managers of existing multifamily residential dwellings containing five or more units. The program encourages energy efficiency by providing rebates for the installation of certain energy-saving products. |
| California Alternate Rates for Energy (Care) | PG&E offers this rate reduction program for low-income households. PG&E determines qualified households by a sliding income scale based on the number of household members. The CARE program provides a discount of 20 percent or more on monthly energy bills. |
| Reach (Relief for Energy Assistance Through Community Help) | The REACH program is sponsored by PG&E and administered through a non-profit organization. PG&E customers can enroll to give monthly donations to the REACH program. Qualified low-income customers who have experienced uncontrollable or unforeseen hardships, which prohibit them from paying their utility bills may receive an energy credit. Eligibility is determined by a sliding income scale based on the number of household members. To qualify for the program, the applicant's income cannot exceed 200 percent of the Federal poverty guidelines. |
| Medical Baseline Allowance | The Medical Baseline Allowance program is available to households with certain disabilities or medical needs. The program allows customers to get additional quantities of energy at the lowest or baseline price for residential customers. |

Source: PG&E, 2022.

As part of this Housing Element Update, the City of Monte Sereno will implement Program Q to continue to promote and encourage energy conservation in residential development. This program will encourage energy conservation practices for new and existing residential dwelling units by enforcing State and local regulations and encouraging incentives for energy conservation “best practices,” including:

- Continuing to offer streamlining and reduced permitting fees for solar panel installations,
- Continuing to implement the CALGreen building code requirements,
- Continuing to evaluate “Reach Codes” for all-electric building requirements,
- Providing information regarding rebate programs and energy audits available through PG&E, and
- Providing resource materials regarding green building and conservation programs.

Monte Sereno Fair Housing Assessment

A

APPENDIX

A. Monte Sereno Fair Housing Assessment

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Appendix A

Monte Sereno Fair Housing Assessment

A.1 Introduction

In 2018, Governor Brown signed Assembly Bill (AB 686) requiring all public agencies in the state to affirmatively further fair housing (AFFH) beginning January 1, 2019.¹ The new requirements went into effect on January 1, 2019 and required all public agencies to “administer programs and activities relating to housing and community development in a manner that affirmatively furthers fair housing, and take no action inconsistent with this obligation”² AB 686 also made changes to Housing Element Law to incorporate requirements to AFFH as part of the housing element and general plan to include an analysis of fair housing outreach and capacity, integration and segregation, access to opportunity, disparate housing needs, and current fair housing practices.

The following report was prepared by Root Policy Research (Denver, Colorado) and is based on and expands previous work commissioned by the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC). The ABAG/MTC report was prepared in collaboration with the University of California Merced Urban Policy Lab and was entitled: “AFFH Segregation Report: Monte Sereno.” See Attachment G for the full ABAG/MTC report.

¹ Public agencies receiving funding from the U.S. Department of Housing and Urban Development (HUD) are also required to demonstrate their commitment to AFFH. The federal obligation stems from the fair housing component of the federal Civil Rights Act mandating federal fund recipients to take “meaningful actions” to address segregation and related barriers to fair housing choice.

² California Department of Housing and Community Development Guidance, 2021, page 9.

Affirmatively Furthering Fair Housing

“Affirmatively furthering fair housing” means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a public agency’s activities and programs relating to housing and community development. (Gov. Code, § 8899.50, subd. (a)(1).)”

Source: California Department of Housing and Community Development Guidance, 2021, page 14.

History of segregation in the region

The United States’ oldest cities have a history of mandating segregated living patterns—and Northern California cities are no exception. ABAG, in its recent Fair Housing Equity Assessment, attributes segregation in the Bay area to historically discriminatory practices—highlighting redlining and discriminatory mortgage approvals—as well as “structural inequities” in society, and “self-segregation” (i.e., preferences to live near similar people).

Researcher Richard Rothstein’s 2017 book *The Color of Law: A Forgotten History of How Our Government Segregated America* chronicles how the public sector contributed to the segregation that exists today. Rothstein highlights several significant developments in the Bay area region that played a large role in where the region’s non-White residents settled.

In 1955, builders began developing workforce housing for the Ford Corporation’s plant in the Santa Clara County region. Initially the units were segregated as no one would sell to the local black workers. The American Friends Service Committee (AFSC) worked to find builders who would build integrated subdivisions. Unfortunately, after four purchased plots were subsequently rezoned to prevent integrated housing, the original builder quit. After multiple

This history of segregation in the region is important not only to understand how residential settlement patterns came about—but, more importantly, to explain differences in housing opportunity among residents today. In sum, not all residents had the ability to build housing wealth or achieve economic opportunity. This historically unequal playing field in part determines why residents have different housing needs today.

additional iterations, African American workers had “become so discourage about finding housing opportunities” that they began carpooling from outside cities such as Richmond.³

A 2018 Berkeley publication titled, *Racial Segregation in the San Francisco Bay area*, attempted to illustrate segregation in the Bay area communities. In their study they found that communities such as Monte Sereno and Los Gatos were the “most segregated, heavily white cities in the county” with Santa Clara County containing “no truly integrated city”.⁴ The study also delved into the history of segregation, highlighting a 1960’s era laws and practices connected to urban renewal projects that were displacing communities of color. The building of transportation infrastructure created a reduction of affordable housing due to a lack of one for one replacement in the area.

In addition to historical discriminatory practices that embedded segregation into living patterns throughout the Bay area, it’s also necessary to recognize the historical impacts of colonization and genocide on Indigenous populations and how the effects of those atrocities are still being felt today. The original inhabitants of present-day San Mateo County are the Ramaytush Ohlone, who have “...lived on the San Francisco Peninsula for thousands of years and continue to live here as respectful stewards of the land.”⁵ However, “[d]ue to the devastating policies and practices of a succession of explorers, missionaries, settlers, and various levels of government over the centuries since European expansion, the Ramaytush Ohlone lost the vast majority of their population as well as their land.”⁶ The lasting influence of these policies and practices have contributed directly to the disparate housing and economic outcomes collectively experienced by Native populations today.⁷

The timeline of major federal Acts and court decisions related to fair housing choice and zoning and land use appears on the following page.

As shown in the timeline, exclusive zoning practices were common in the early 1900s. Courts struck down only the most discriminatory and allowed those that would be considered today to have a “disparate impact” on classes protected by the Fair Housing Act. For example, the 1926 case *Village of Euclid v. Amber Realty Co.* (272 U.S. 365) supported the segregation of residential, business, and industrial uses, justifying separation by characterizing apartment buildings as “mere parasite(s)” with the potential to “utterly destroy” the character and desirability of

³ Source: book *The Color of Law: A Forgotten History of How Our Government Segregated America* by Richard Rothstein, p 121.

⁴ [Racial Segregation in the San Francisco Bay area, Part 1 | Othering & Belonging Institute \(berkeley.edu\)](https://www.berkeley.edu/othering-and-belonging-institute/racial-segregation-in-the-san-francisco-bay-area-part-1)

⁵ <https://www.smcoe.org/for-communities/indigenous-people-of-san-mateo-county.html>

⁶ <https://www.smcoe.org/for-communities/indigenous-people-of-san-mateo-county.html>

⁷ <https://www.americanprogress.org/article/systemic-inequality-displacement-exclusion-segregation/>

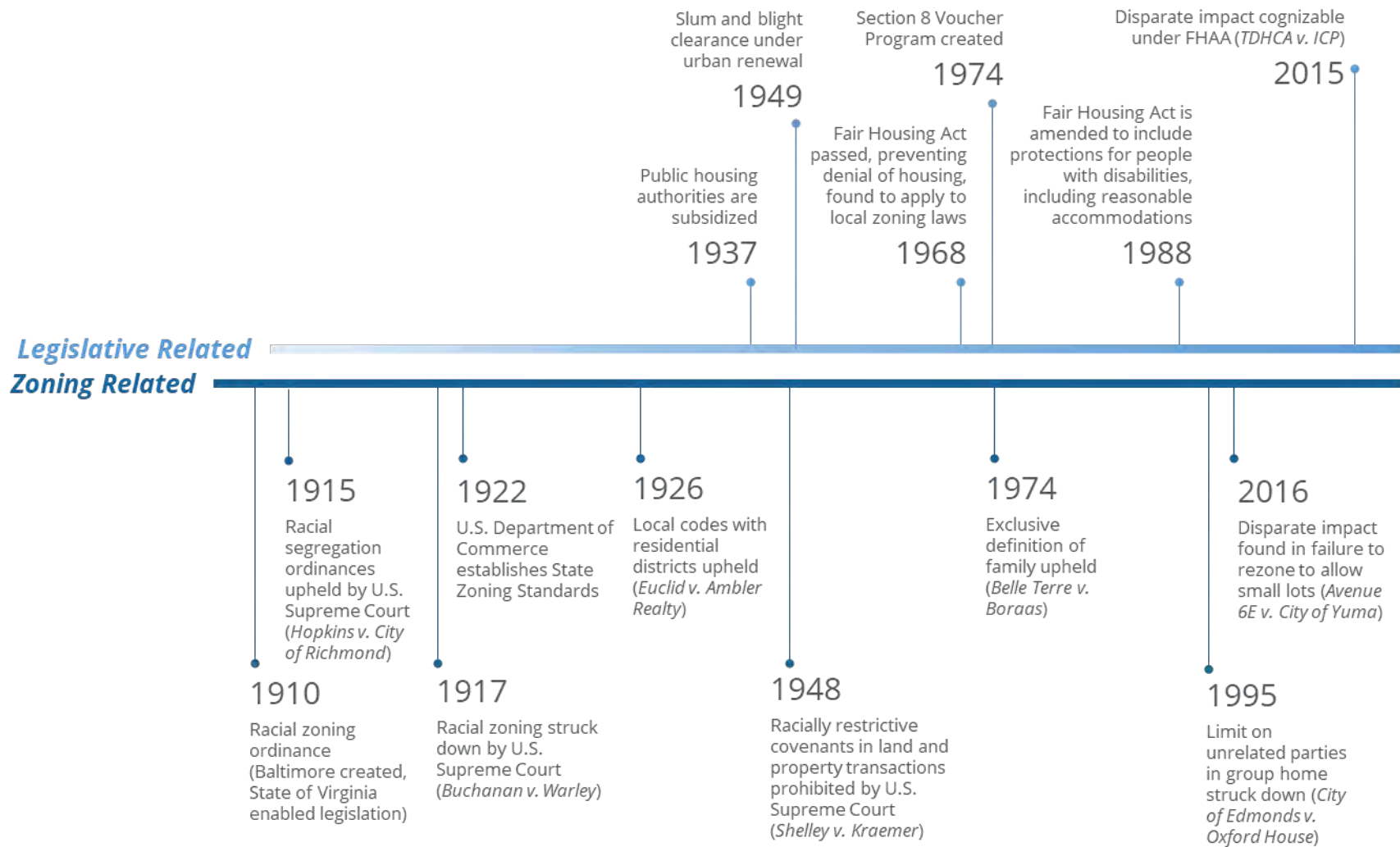
A. Monte Sereno Fair Housing Assessment

neighborhoods. At that time, multifamily apartments were the only housing options for people of color, including immigrants.

The Federal Fair Housing Act was not enacted until nearly 60 years after the first racial zoning ordinances appeared in U.S. cities. This coincided with a shift away from federal control over low-income housing toward locally-tailored approaches (block grants) and market-oriented choice (Section 8 subsidies)—the latter of which is only effective when adequate affordable rental units are available.

Figure A-1 shows a timeline for major public and legal actions related to fair housing access.

Figure A-1 Major Public and Legal Actions that Influence Fair Access to Housing



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Report content and organization

This Fair Housing Assessment follows the April 2021 State of California State Guidance for AFFH.

- **Section I. Fair Housing Enforcement and Outreach Capacity** reviews lawsuits/enforcement actions/complaints against the jurisdiction; compliance with state fair housing laws and regulations; and jurisdictional capacity to conduct fair housing outreach and education.
- **Section II. Integration and Segregation** identifies areas of concentrated segregation, degrees of segregation, and the groups that experience the highest levels of segregation
- **Section III. Access to Opportunity** examines differences in access to education, transportation, economic development, and healthy environments.
- **Section IV. Disparate Housing Needs** identifies which groups have disproportionate housing needs including displacement risk.

Appendices:

- Map and Data packet, including Fair Housing Organizations in Santa Clara County—mission, services, and contact information
- State Fair Housing Laws and Regulations—summary of key state laws and regulations related to mitigating housing discrimination and expanding housing choice

Primary Findings, Contributing Factors, and Fair Housing Actions

This section summarizes the primary findings from the Fair Housing Assessment for Monte Sereno including the following sections: fair housing enforcement and outreach capacity, integration and segregation, access to opportunity, disparate housing needs, and contributing factors and the city's fair housing action plan.

- Monte Sereno differs from the county and Bay area overall for its relatively high proportion of residents identifying as Non-Hispanic White (71 percent in Monte Sereno compared to 32 percent in Santa Clara County) and small Hispanic population (7 percent in Monte Sereno and 25 percent in the county). Monte Sereno's proportion of Black/African American and Other or mixed-race residents is similar to the county, in that it is less than 4 percent for both groups.

Fair housing issue and contributing factor(s): Lack of housing that accommodates the lower incomes of people of color, resulting in a lack of diversity in the city.

- Every census tract in Monte Sereno scores high on educational outcomes, meaning that all areas of the city provide access to strong educational environments. There is little variance in

A. Monte Sereno Fair Housing Assessment

graduation rates among Monte Sereno high schoolers by race and ethnicity. Asian students graduated at a slightly higher rate (98.4 percent) than Hispanic and White students' graduation rates (95.3 percent and 96.5 percent, respectively). African American students did not have enough students enrolled to accurately measure (less than 11 total). The lowest graduation rate is among students with a disability at 88.1 percent--still very high.

- All tracts in Monte Sereno are White majority. Compared to the Bay area overall, Monte Sereno is less segregated, although this is a factor of lack of diversity within Monte Sereno than a product of integrated communities.

Fair housing issue and contributing factor(s): Lack of housing that accommodates the lower incomes of people of color, resulting in a lack of diversity in the city.

- Poverty rates are very low for all residents and White and Asian residents experience no poverty according to census data. Low poverty is a factor of a housing market that favors high income households. Monte Sereno has a lower share of very low income residents than other jurisdictions in the Bay area as a whole, a lower share of low income residents, a lower share of moderate income residents, and a higher share of above moderate income residents.
- Monte Sereno offers a moderate proximity to jobs, according to HUD's job proximity index. The city is largely made up of out-commuters who work in high wage professions in the region.
- Since 2015, the housing that has received permits to accommodate growth has largely been priced for the lowest income households, with 43 units permitted for very low-income households—representing 57 percent of all permits. Another 30 permits were issued for housing for above moderate-income households. This is vastly different than nearby Los Gatos, which permitted 134 units, of which none served low or very low-income households and 59 percent served above moderate income households.
- Monte Sereno offers a little to no variety of housing types with 96 percent single family detached units.

Fair housing issue and contributing factor(s): The predominance of single family detached housing in the city has led to an exclusive and high-priced ownership housing market relative to Santa Clara County and the Bay area overall.

- Rental housing is more attainable than ownership housing, due to the high proportion of rental units that rent for less than \$1,500/month. This is on par with the Bay area overall (35 percent renting below \$1,500/month) and better than county (22 percent).

Summary

In Monte Sereno, access to opportunity is strong across racial and ethnic groups, for family types, and for persons with disabilities. Disparity in housing choice—particularly for low- and moderate-income households living in other parts of the county and in the region—is the main challenge in the city. Although Monte Sereno has done better than surrounding communities in permitting affordable housing units, the city’s lack of housing production overall and zoning and land use regulations that limit the development of diverse (and more affordable) housing types has prevented low- and moderate-income households in the county and broader region from residing in the city.

Recommended Fair Housing Programs and Policies

The following are recommended programs and policies.

- Continue to prioritize development of housing units that serve very low- and low-income households. Affirmatively market those units to racially and ethnically diverse households in the county that are underrepresented in the city’s demographic makeup.
- Work with other cities to establish a program that provides favorable financing and grants to homeowners who develop accessory dwelling units and agree to rent those at below market prices.
- Reduce minimum lot sizes for missing middle product types, allow site flexibilities, and/or offer city resources in exchange for affordable units that accommodate the needs of moderate-income households and workers living in the broader region.
- Implement a policy, similar to Austin's Affordability Unlocked program, that allow, without city review, missing middle housing (beyond duplexes) with significant proportions of affordability which conform to site design requirements.

A.2 Fair Housing Enforcement and Outreach Capacity

This section discusses fair housing legal cases and inquiries, fair housing protections and enforcement, and outreach capacity.

Fair Housing Legal Cases and Inquiries

California fair housing law extends beyond the protections in the Federal Fair Housing Act (FHA). In addition to the FHA protected classes—race, color, ancestry/national origin, religion, disability, sex, and familial status—California law offers protections for age, sexual orientation, gender identity or expression, genetic information, marital status, military or veteran status, and source of income (including federal housing assistance vouchers).

The California Department of Fair Employment and Housing (DFEH) was established in 1980 and is now the largest civil rights agency in the United States. According to their website, the DFEH’s mission is, “to protect the people of California from unlawful discrimination in employment,

A. Monte Sereno Fair Housing Assessment

housing and public accommodations (businesses) and from hate violence and human trafficking in accordance with the Fair Employment and Housing Act (FEHA), Unruh Civil Rights Act, Disabled Persons Act, and Ralph Civil Rights Act”.⁸

DFEH receives, evaluates, and investigates fair housing complaints. DFEH plays a particularly significant role in investigating fair housing complaints against protected classes that are not included in federal legislation and therefore not investigated by HUD. DFEH’s website provides detailed instructions for filing a complaint, the complaint process, appealing a decision, and other frequently asked questions.⁹ Fair housing complaints can also be submitted to HUD for investigation.

Additionally, Santa Clara County has a number of local resource and enforcement organizations:

- Project Sentinel: Assists with housing discrimination, mortgage foreclosures, rental issues, and more.
- Housing and Economic Rights Advocates (HERA): Legal and advocacy organization for vulnerable Californians facing discrimination and economic abuses related to households.
- Bay area Legal Aid: Broad advocacy focused on helping low-income Bay area residents lead stable lives, including housing stability.
- Law Foundation of Silicon Valley: Legal advocacy for social change with a focus on finding stable homes for low-income residents.

From 2013 to 2021, 391 fair housing complaints in Santa Clara County were filed with the U.S. Department of Housing and Urban Development (HUD) or Fair Housing Advocates of Northern California (FHANC). Most of the county’s valid complaints cited disability status as the bias. Of these complaints, 69 percent were considered valid and proceeded to actionable responses. Accounting for population differences, Palo Alto had the highest total inquiries per 1000 people (.37) while Monte Sereno had no complaints at all.

Nationally, the National Fair Housing Alliance (NFHA) reported a “negligible” decrease in the number of complaints filed between 2019 and 2020. The primary bases for complaints nationally of disability (55 percent) were represented in Marin County at a much higher rate (77 percent). Familial status represented 8 percent of complaints nationally, similar to the 7 percent of cases in the county.

NFHA identifies three significant trends in 2020 that are relevant for this AFFH:

⁸ <https://www.dfeh.ca.gov/aboutdfeh/>

⁹ <https://www.dfeh.ca.gov/complaintprocess/>

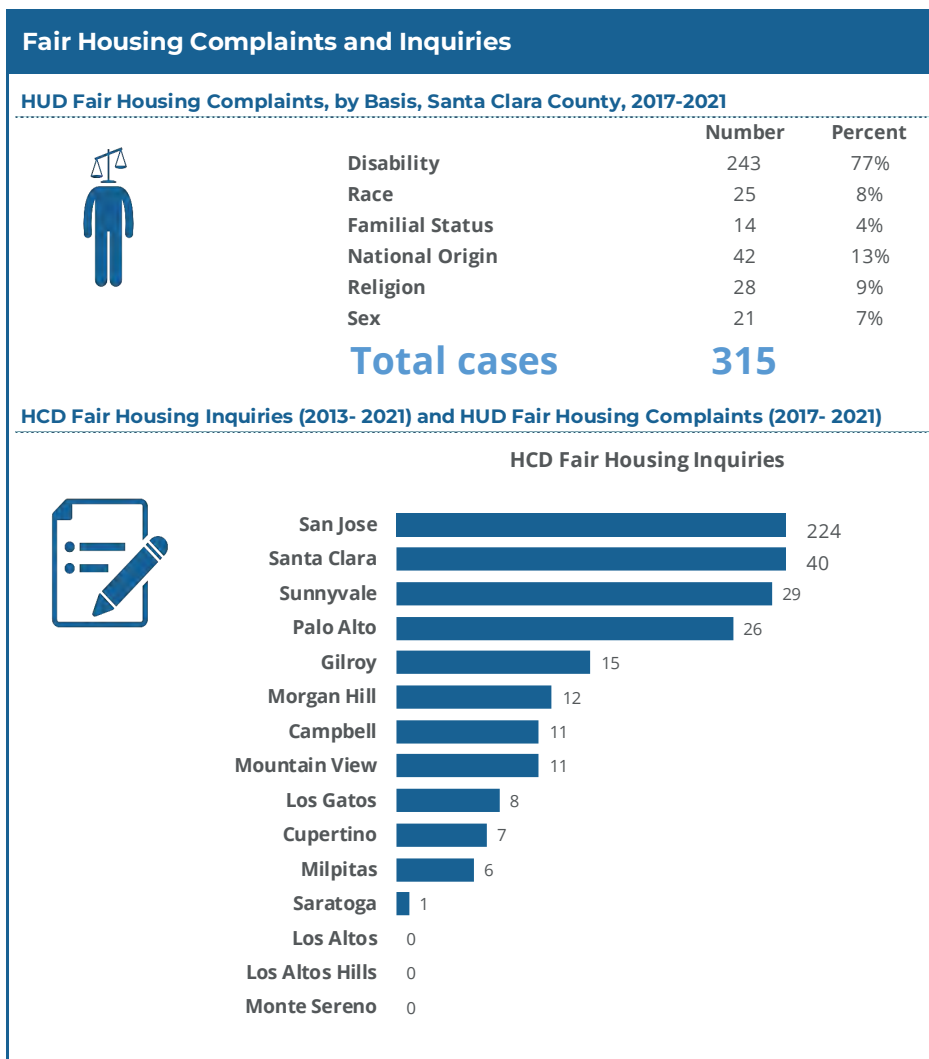
- First, fair lending cases referred to the Department of Justice from federal banking regulators has been declining, indicating that state and local government entities may want to play a larger role in examining fair lending barriers to homeownership.
- Second, NFHA identified a significant increase in the number of complaints of harassment—1,071 complaints in 2020 compared to 761 in 2019.
- Finally, NFHA found that 73 percent of all fair housing complaints in 2020 were processed by private fair housing organizations, rather than state, local, and federal government agencies—reinforcing the need for local, active fair housing organizations and increased funding for such organizations.¹⁰

Figure A-2 summarizes fair housing complaints and inquiries.

Figure A-2 Fair Housing Complaints and Inquiries

¹⁰ <https://nationalfairhousing.org/2021/07/29/annual-fair-housing-report-shows-increase-in-housing-harassment/>

A. Monte Sereno Fair Housing Assessment



Outreach and Capacity

Monte Sereno City maintains a website with information about local fair housing ordinances with live links to Project Sentinel under the “Who can assist me with fair housing” FAQ. The site does not reference any other entities for assistance. Additional links to the Department of Consumer Affairs, HUD, Law Foundation of Silicon Valley, and the Bay area Legal Aid would improve the efficacy of the site. The website should also more transparently describe how the steps residents should take if they feel they have faced discrimination and are seeking information about filing complaints (e.g., link to HUD’s and State of California fair housing pages).

In 2011, Monte Sereno revised their municipal code (10.23) to provide reasonable accommodations for persons with disabilities. The city also created Program H-5.2, instructing the city to provide fair housing laws and resources at the Planning Department counter and the city’s website.

Compliance with state law. Monte Sereno is compliant with the follow state laws that promote fair and affordable housing. The city has not been alleged or found in violation of the following:

- Housing Accountability Act (Gov. Code. Section 65589.5) requiring adoption of a Housing Element and compliance with RHNA allocations;
- No Net Loss Law (Gov. Code Section 65863) requiring that adequate sites be maintained to accommodate unmet RHNA allocations;
- Least Cost Zoning Law (Gov. Code. Section 65913.1);
- Excessive Subdivision Standards Law (Gov. Code. Section 65913.2);
- Limits on Growth Controls Law (Gov. Code. Section 65589.5).

Housing Specific Policies Enacted Locally

Monte Sereno identified the following local policies that contribute to the regulatory environment for affordable housing development in the city.

According to the California Department of Housing and Community Development AFFH Data Viewer (HCD data viewer), Monte Sereno does not have any public housing buildings. Additionally, none of the census tracts in the city show data for Housing Choice Voucher usage.

Monte Sereno’s solution to adding affordable housing has been on the development of secondary/accessory dwelling units on single family properties. The city has amended its accessory dwelling units program to allow larger units, uncovered parking, fee waivers for rent-restricted units, and an amnesty program. The City has established a multifamily zoning district and the City allows residential care homes, supportive housing and transitional housing by right in all residential zoning districts.

A.3 Integration and Segregation

This section discusses integration and segregation of the population by protected classes including race and ethnicity, disability status, familial status, and income status. The section concludes with an analysis of racially and ethnically concentrated areas of poverty and affluence.

Integration and Segregation

“Integration generally means a condition in which there is not a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability when compared to a broader geographic area.

Segregation generally means a condition in which there is a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a type of disability in a particular geographic area when compared to a broader geographic area.”

Source: California Department of Housing and Community Development Guidance, 2021, page 31.

Race and Ethnicity

Monte Sereno differs from the county and Bay area overall for its relatively high proportion of residents identifying as Non-Hispanic White (71 percent in Monte Sereno compared to 32 percent in Santa Clara County) and small Hispanic population (7 percent in Monte Sereno and 25 percent in the county). Monte Sereno’s proportion of Black/African American and Other and mixed-race residents is similar to the county, in that it is less than 4 percent for both groups.¹¹

Monte Sereno’s residents have grown more racially diverse since 2000 largely due to the declining share of Non-Hispanic Whites (12 percentage point drop).

Geographic Concentrations

HCD maps that show the percent non-White population by census tract show only one area with a non-White population of between 20 percent and 40 percent of residents. All tracts in Monte Sereno are White majority. The neighborhood segregation map shows about one-third of the city—the northwestern portion—as “Mostly White,” parts of the northeast as “Latinx-White,” and the remainder and majority of the city as “Asian-White.” The diversity index is lowest to low throughout the city.

Monte Sereno is similar to immediately surrounding communities in lack of racial and ethnic diversity. Diversity increases in the communities of Sunnyvale, Campbell, and San Jose.

Older residents are less racially diverse than other age groups, with 78 percent of the population older than 65 years identifying as White compared to 75 percent of those aged 18 to 24 and 69 percent of children less than 18 years old. Black/African American, American Indian/Native Alaskan, and Other race/Multiple races each account for an increasing—albeit slight—share of the population but only in age groups under 65 years of age.

Poverty rates are very low for all residents and White and Asian residents experience no poverty according to census data. The highest poverty rate was 1.4 percent among Hispanic and Other race residents. Low poverty is a factor of a housing market that favors high income households. Monte Sereno has a lower share of very low-income residents than other jurisdictions in the Bay area as a

¹¹ The share of the population that identifies as American Indian or Alaska Native was zero in 2019.

whole, a lower share of low-income residents, a lower share of moderate-income residents, and a higher share of above moderate-income residents.

Dissimilarity and Isolation Indices

The Association of Bay area Governments (ABAG) created a 2021 report on segregation in Monte Sereno, measuring racial and income segregation within the community. This report analyzes two common indices that measure segregation: the isolation index and the dissimilarity index.

The Dissimilarity Index, or DI, is a common tool that measures segregation in a community. The DI is an index that measures the degree to which two distinct groups are evenly distributed across a geographic area. The DI represents the percentage of a group's population that would have to move for each area in the county to have the same percentage of that group as the county overall.

DI values range from 0 to 100—where 0 is perfect integration and 100 is complete segregation. Dissimilarity index values between 0 and 39 generally indicate low segregation, values between 40 and 54 generally indicate moderate segregation, and values between 55 and 100 generally indicate a high level of segregation.

The isolation index is interpreted as the probability that a randomly drawn minority resident shares an area with a member of the same minority, it ranges from 0 to 100 and higher values of isolation tend to indicate higher levels of segregation.

The scores below represent the racial dissimilarity index values for Monte Sereno and the Bay area. Compared to the Bay area overall, Monte Sereno is less segregated, although this is a factor of lack of diversity within Monte Sereno than a product of integrated communities.

- Asian/API vs. White: .052 and .185 (both very low segregation)
- Black/African American vs. White: .112 and .244 (low segregation)
- Latin⁰³⁹s. White: .026 and .207 (low segregation)
- People of Color vs. White: .023 and .168 (very low segregation)

The report finds that, in Monte Sereno, White residents are the most segregated compared to other groups, and the most likely to live in neighborhoods where they are unlikely to come into contact with any other racial group.

Above moderate-income residents are the most segregated compared to other income groups in Monte Sereno. Very low-income residents have become more segregated between 2010 and 2015.

Overall, since 2010, Monte Sereno's racial segregation has declined, but the income segregation between moderate income residents and other groups has increased.

Disability Status

The share of the population living with at least one disability is 7 percent in Monte Sereno compared to 8 percent in Santa Clara County.

Geographic Concentrations

Monte Sereno has no Census tracts where the population of persons with disabilities exceeds 8 percent.

Familial Status

Monte Sereno's households are mostly made up of 3-4 person households (38 percent) and 2-person households (38 percent).

Compared to the county and Bay area overall, Monte Sereno has half the share of 1-person households (10 percent in Monte Sereno compared to 20 percent in the county) and slightly more 5-person households (14 percent v. 12 percent). The Bay area and county are similar in household sizes, while Monte Sereno has larger household sizes.

Married couple households make up the vast majority of Monte Sereno households (85 percent) and most do not have children living at home, either because they do not have children or they are older adults. About 37 percent of all households have at least one child under the age of 18.

Monte Sereno has 1.5 times the share of married couple family households as the county and Bay area and half as many single person households. Monte Sereno also has no "non-family households"—roommates, unrelated persons living together, and one-third the share of single parent households.

Monte Sereno's married couples overwhelmingly own housing: 96 percent of married couple families in the city own their homes. Renters are more likely to be living in 1- and 2-bedroom units than owners, and owners are more likely to be occupying 3-4- and 5-bedroom units. However, 52 percent of renters in Monte Sereno occupy a 3-4-bedroom housing unit, likely due to the city's predominance of single family detached homes.

Geographic Concentrations

There are only concentrations of married couple households with and without children in Monte Sereno; no other household type is concentrated.

Household Income

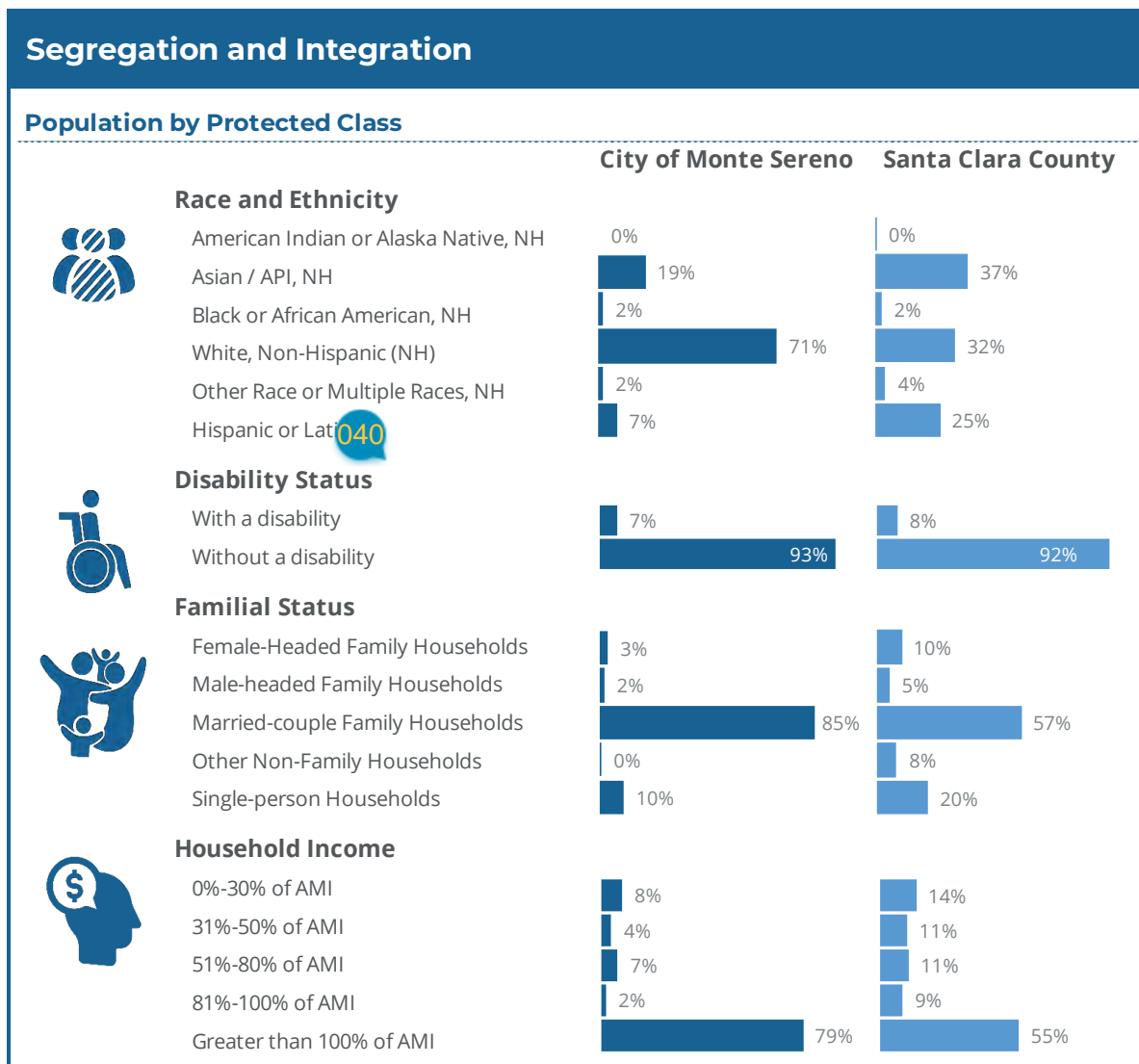
Monte Sereno's households are much higher-income than the county and Bay area overall: 79 percent of Monte Sereno households earn more than 100 percent of the AMI, compared to 55 percent for the county and 52 percent for the Bay area (Figure A-3 below).

Monte Sereno also has fewer households in every other AMI category. Notably, the jobs to household ratio for Monte Sereno is significantly lower than the county or Bay area, indicating the city as a commuter town where higher income residents live but do not work.

Geographic Concentrations

Every block group in Monte Sereno with available data has a median household income of \$125,000 and more. The city has no concentrations of low-income households and no areas of concentrated poverty.

Figure A-3 Segregation and Integration



Racially or Ethnically Concentrated Areas of Poverty and Affluence

Racially Concentrated Area of Poverty or an Ethnically Concentrated Area of Poverty (R/ECAP) and Racially Concentrated Areas of Affluence (RCAAs) represent opposing ends of the segregation spectrum from racially or ethnically segregated areas with high poverty rates to affluent predominantly White neighborhoods. Historically, HUD has paid particular attention to R/ECAPs as a focus of policy and obligations to AFFH. Recent research out of the University of Minnesota Humphrey School of Public Affairs argues for the inclusion of RCAAs to acknowledge current and past policies that created and perpetuate these areas of high opportunity and exclusion.¹²

It is important to note that R/ECAPs and RCAAs are not areas of focus because of racial and ethnic concentrations alone. This study recognizes that racial and ethnic clusters can be a part of fair housing choice if they occur in a non-discriminatory market. Rather, R/ECAPs are meant to identify areas where residents may have historically faced discrimination and continue to be challenged by limited economic opportunity, and conversely, RCAAs are meant to identify areas of particular advantage and exclusion.

R/ECAPs

HCD and HUD's definition of a Racially/Ethnically Concentrated Area of Poverty is:
A census tract that has a non-White population of 50 percent or more (majority-minority) or, for non-urban areas, 20 percent, AND a poverty rate of 40 percent or more; OR A census tract that has a non-white population of 50 percent or more (majority-minority) AND the poverty rate is three times the average tract poverty rate for the County, whichever is lower.

Source: California Department of Housing and Community Development Guidance, 2021.

For this study, the poverty threshold used to qualify a tract as an R/ECAP was three times the average census tract poverty rate countywide—or **21.6** percent.

According to HCD, there were 11 census tracts in the county that qualify as R/ECAPs (19.4 percent poverty rate). All were located in San Jose. None of the R/ECAPs were located in Monte Sereno in 2013.

RCAAs

At the time this report was written, HCD and HUD had not established standard definitions for Racially or Ethnically Concentrated Areas of Affluence (RCAAs). However, these are generally understood to be neighborhoods in which there are both high concentrations of non-Hispanic White households and high household income rates. Comparing Cupertino to the surrounding

¹² Goetz, E. G., Damiano, A., & Williams, R. A. (2019). Racially Concentrated Areas of Affluence: A Preliminary Investigation. *Cityscape: A Journal of Policy Development and Research*, 21(1), 99–124

county and region, it is safe to speculate that the city has many neighborhoods that would be considered RCAAs. [check on ABAG data]

A.4 Access to Opportunity

This section discusses disparities in access to opportunity among protected classes including access to quality education, employment, transportation, and environment. The California Tax Credit Allocation Committee (TCAC) in collaboration with HCD developed a series of opportunity maps that help to identify areas of the community with good or poor access to opportunity for residents. These maps were developed to align funding allocations with the goal of improving outcomes for low-income residents—particularly children.

Access to Opportunity

“Access to opportunity is a concept to approximate place-based characteristics linked to critical life outcomes. Access to opportunity oftentimes means both improving the quality of life for residents of low-income communities, as well as supporting mobility and access to ‘high resource’ neighborhoods. This encompasses education, employment, economic development, safe and decent housing, low rates of violent crime, transportation, and other opportunities, including recreation, food and healthy environment (air, water, safe neighborhood, safety from environmental hazards, social services, and cultural institutions).”

Source: California Department of Housing and Community Development Guidance, 2021, page 34.

The opportunity maps highlight areas of highest resource, high resource, moderate resource, moderate resource (rapidly changing), low resource and high segregation and poverty. TCAC provides opportunity maps for access to opportunity in quality education, employment, transportation, and environment. Opportunity scores are presented on a scale from zero to one and the higher the number, the more positive the outcomes.

TCAC’s economic opportunity score is comprised of poverty, adult educational attainment, employment, job proximity, and median home value. All areas of Monte Sereno have high economic opportunity (> 0.75).

Education

TCAC’s education score is based on math proficiency, reading proficiency, high school graduation rates, and the student poverty rate. According to TCAC’s educational opportunity map, every census tract in Monte Sereno scores higher than 0.75—indicating the highest positive educational outcomes. Opportunity scores are presented on a scale from zero to one and the higher the number, the more positive the outcomes.

A. Monte Sereno Fair Housing Assessment

Monte Sereno is served by the Los Gatos-Saratoga Union High School District, the Los Gatos Union Elementary School, and the Saratoga Elementary School Districts with Campbell Union elementary and high school districts accounting for a small number of residents. The most complete data, due to halted data collection during the COVID pandemic, was from 2019 and highlights a 97.7 percent graduation rate among all students in the Los Gatos-Saratoga Union high school, about the same as in 2018 (97.1 percent).

When broken down by race/ethnicity, Asian students graduated at a slightly higher rate (98.4 percent) than other students, although graduation rates are very high across races and ethnicities: Hispanic and White students' graduation rates were 95.3 percent and 96.5 percent, respectively. African American students did not have enough students enrolled to accurately measure (less than 11 total).

The lowest graduation rate was among students with a disability at 88.1 percent--still very high.

The Los Gatos Union Elementary served 2,710 students in 2021, down from 3,024 from 2019, the last year with complete data. White students accounted for 64 percent of all students, with Asians (18.8 percent) and Hispanics (8.7 percent) students accounting for the majority of the remainder. The school included 4.2 percent socioeconomically disadvantaged students, one homeless student, and 7.2 percent students with a disability.

Saratoga Elementary had 1,657 students in 2021 and 1,765 in 2019. Even though Los Gatos and Saratoga feed into the same high school district, Saratoga is significantly different demographically than Los Gatos elementary school. At Saratoga, 57 percent of students are Asian with White students accounting for 25.7 percent, Hispanics another 6.1 percent. Saratoga Elementary served a student population with 10.8 percent disabilities, 2.4 percent socioeconomic disadvantages, and no homeless students.

San Mateo Union enrollment by race and ethnicity is similar to the countywide distribution. However, there is a higher proportion of Asian students in San Mateo Union (23 percent compared to 17 percent countywide), a smaller proportion of Filipino students (5 percent compared to 8 percent countywide) and Hispanic students (32 percent compared to 38 percent countywide).

Employment

There is a disconnect between the jobs servicing Monte Sereno and the type of jobs residents of the city perform. The Professional & Managerial Services industry dominates the employment of residents, while jobs located in Monte Sereno are dominated by the Health & Educational Services. The Professional & Managerial Services industry overtook the Health & Educational Services industry for job holders in Monte Sereno in 2007 and has been the dominant employment industry of Monte Sereno residents since 2011.

For those working in Monte Sereno, there has been a slow but steady shift toward Arts, Recreation & Other Services with a steady supply of Health & Education Services jobs.

Monte Sereno is a city of out-commuters. Notably, the city had 449 jobs in 2018 but 1,855 job holders. The city's jobs to household ratio is 0.37, meaning there are fewer than one job for each household. This compares to 1.5 for the Bay area and 1.75 for Santa Clara County.

Monte Sereno has more higher wage workers than jobs. This is also true for low- and moderate-income wage workers but less so, indicating that jobs in Monte Sereno are more likely to be low and moderate wage.

HUD's job proximity index shows that **Monte Sereno offers a moderate proximity to jobs**. On a scale from zero to 100 where 100 is the closest proximity to jobs half of the block groups in the city score 60-80 (high proximity) while the other half scores 40-60 (moderate proximity).

Environment

TCAC's opportunity areas environmental scores are based on the CalEnviroScreen 3.0 indicators, which identify areas disproportionately vulnerable to pollution sources such as ozone, PM2.5, diesel PM, pesticides, toxic release, traffic, cleanup sites, groundwater threats, hazardous waste, impaired water bodies, and solid waste sites.

Monte Sereno scores low to moderate on positive environmental outcomes, with the lowest environmental scores in the southwest. The city also scores low on **California Healthy Places Index (HPI)** developed by the Public Health Alliance of Southern California (PHASC). It is not clear which is more reflective of the area's environmental health, but Monte Sereno scores poorly due to groundwater contamination and traffic pollution.

The HPI includes 25 community characteristics in eight categories including economic, social, education, transportation, neighborhood, housing, clean environment, and healthcare.¹³

Disparities in Access to Opportunity

Because Monte Sereno offers high opportunity neighborhoods throughout, all residents live in highly resourced areas, regardless of race or ethnicity. Los Gatos and other surrounding areas are also entirely high opportunity cities.

The Social Vulnerability Index (SVI) provided by the Center for Disease Control (CDC)—ranks census tracts based on their ability to respond to a disaster—includes four themes of socioeconomic status, household composition, race or ethnicity, and housing and transportation. Monte Sereno scores well on the SVI; no neighborhoods are ill equipped to respond to disasters.

¹³ <https://healthyplacesindex.org/about/>

Monte Sereno does not have any disadvantaged communities as defined under SB 535 as “the top 25 percent scoring areas from CalEnviroScreen along with other areas with high amounts of pollution and low populations.”¹⁴

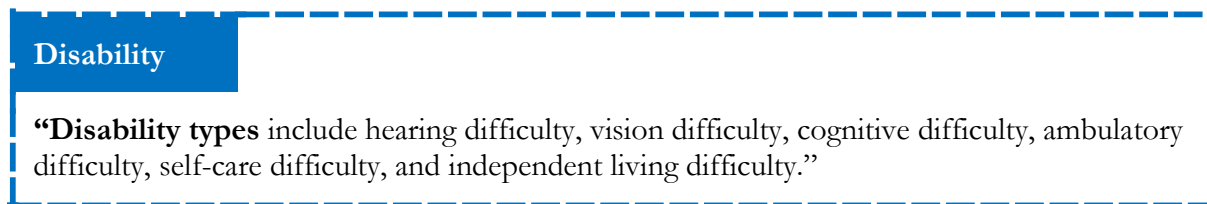
Disparities Specific to the Population Living with a Disability

Seven percent of the population in Monte Sereno is living with at least one disability, compared to 8 percent in the county. The most common disabilities in the city are ambulatory (3.9 percent), self-care (3.6 percent), and independent living difficulty (3.0 percent). **For the population 65 and over, the share of the population with ambulatory difficulties increases to 11.4 percent while hearing difficulty becomes a top three issue at 9.4 percent. There were no unemployed persons with a disability in Monte Sereno.**

Geographic Concentrations

There are no concentrations of persons with disabilities in Monte Sereno.

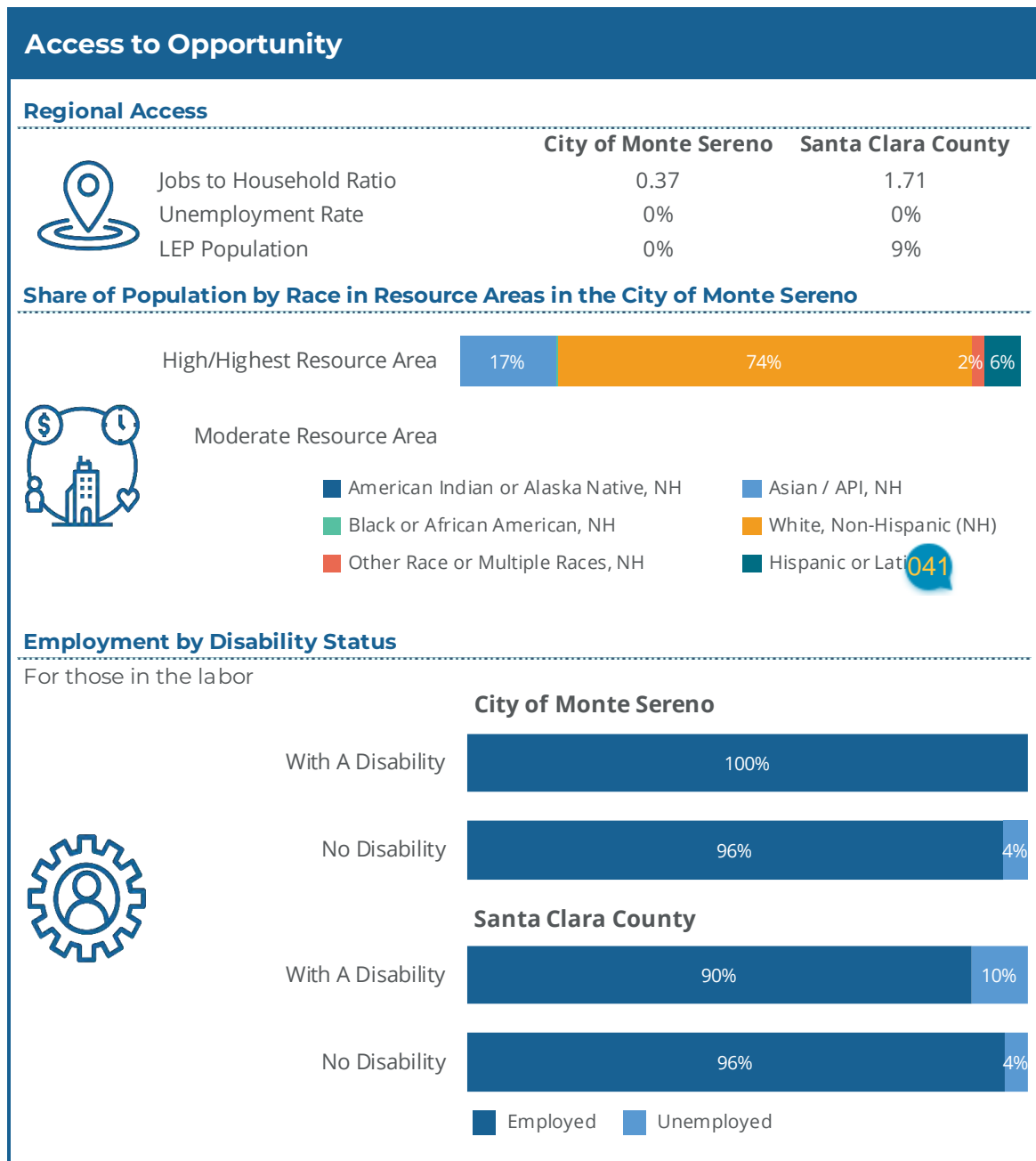
Figure A-4 summarizes access to housing opportunities.



Source: California Department of Housing and Community Development Guidance, 2021, page 36.

¹⁴ <https://oehha.ca.gov/calenviroscreen/sb535>

Figure A-4 Access to Opportunity



A.5 Disproportionate Housing Needs

This section discusses disparate housing needs for protected classes including cost burden and severe cost burden, overcrowding, substandard housing conditions, homelessness, displacement, and other considerations.

Disproportionate Housing Needs

“Disproportionate housing needs generally refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. For purposes of this definition, categories of housing need are based on such factors as cost burden and severe cost burden, overcrowding, homelessness, and substandard housing conditions.”

Source: California Department of Housing and Community Development Guidance, 2021, page 39.

Housing Needs

Population growth trends in Monte Sereno have followed county and Bay area trends; however, the rate of growth has been significantly lower.

Since 2015, the housing that has received permits to accommodate growth has largely been priced for the lowest income households, with 43 units permitted for very low-income households—representing 57 percent of all permits. Another 30 permits were issued for housing for above moderate-income households. This is vastly different than nearby Los Gatos, which permitted 134 units, of which none served low or very low-income households and 59 percent served above moderate income households.

Most of the city’s homes were built between 1940 and 1979. After this period, housing production slowed significantly, with the production halving every 10 years. Since 2010, only 57 housing units have been built.

Monte Sereno offers a little to no variety of housing types with 96 percent single family detached units. The next highest category of housing unit was single family attached (3 percent); there are no mobile/manufactured homes in Monte Sereno.¹⁵

Owning a home in Monte Sereno requires very high incomes and ownership housing costs much more than in the county or Bay area overall: 97 percent of owner-occupied homes in the city are valued over \$1 million with 84 percent valued above \$2 million. This compares to 48 percent for the county and 35 percent for the Bay area overall of homes over \$1 million. According to the Zillow

¹⁵ Housing Needs Data Report: Monte Sereno, ABAG/MTC Staff and Baird + Driskell Community Planning, 2021.

Home Value Index, Monte Sereno is almost three times more expensive than the county and the Bay area.

Renting is more attainable in Monte Sereno, with 37 percent of units renting below \$1,500 per month. This is on par with the Bay area overall (35 percent renting below \$1,500/month) and better than county (22 percent). Monte Sereno has a large share of luxury rentals (42 percent rent for \$3,000 and more) and few moderately priced rentals.

Cost Burden and Severe Cost Burden

Cost burden, which occurs when households spend more than 30 percent of their gross income on housing costs, is about the same as the county and Bay area.

Cost burden does vary by tenure (renter or ownership) in Monte Sereno in two distinct ways. Renters are more likely to be extremely cost burdened (23 percent v. 12 percent for owners), although owners are more likely to be burdened overall (32 percent of owners experience cost burden compared to 23 percent for renters). The relatively low level of burden among renters is related to the large share of rental units that are affordable.

Cost burden also varies by income, with 90 percent of extremely low-income households severely burdened. The majority of households with incomes of less than 80 percent experience cost burden.

There are **disparities in housing cost burden in Monte Sereno by race and ethnicity**. Seventy-three percent of Hispanic households are cost burdened, with 59 percent using over half of their income on housing costs. This compares to 33 percent of non-Hispanic White households and 30 percent of Asian households. There were no data for Black or African American or Native American/Alaskan residents.

Geographic Concentrations

There is a higher concentrations of cost burdened renters in the city south of Highway 9, but the concentrations of burdened owners apply uniformly to the entire city.

Overcrowding

The vast majority of households (99 percent) in Monte Sereno are not overcrowded—indicated by more than one occupant per room. Owner households are more likely to be overcrowded, with 1.5 percent of households with more than one occupant per room, compared to 0 percent of renter households.

Only White households experience overcrowding (1.8 percent). The city's wealthiest households (100 percent+ AMI) are the only households with overcrowding.

Geographic Concentrations

There are no geographic concentrations of overcrowded households in Monte Sereno.

Substandard Housing

Data on housing condition are very limited, with the most consistent data available across jurisdictions found in the American Community Survey (ACS)—which captures units in substandard condition as self-reported in Census surveys. No renter households in Monte Sereno report living in substandard housing. About 1 percent of owner households are lacking complete kitchens and 1 percent lack complete plumbing.

Homelessness

In 2019, 9,706 people were experiencing homelessness in the county during the One-Day Count (Point-In-Time), with only 18 percent of people in emergency or transitional shelter while the remaining 82 percent were unsheltered. The majority of unsheltered people experiencing homelessness were in households without children. The majority of people in transitional housing were in households with children.

People who identify as American Indian or Alaskan Native (8 percent of the homeless population compared to less than 1 percent of the total population), Black (19 percent, 2 percent), White (44 percent, 32 percent), and Hispanic (43 percent, 25 percent) are overrepresented in the homeless population compared to their share of the general population. People struggling with chronic substance abuse (35 percent), severe mental illness (42 percent), and post-traumatic stress disorder (33 percent) represented a substantial share of the homeless population in 2019. Losing a job or being evicted was reported to be the causal events that led to homelessness in 44 percent of incidents of homelessness.¹⁶

Displacement

According to the Sensitive Communities map of vulnerable communities, none of the city's census tracts are vulnerable to displacement.

¹⁶ According to Santa Clara County's Homeless Census & Survey (2019); [2019 SCC Homeless Census and Survey Exec Summary.pdf \(sccgov.org\)](#).

Displacement Sensitive Communities

“According to the Urban Displacement Project, communities were designated sensitive if they met the following criteria:

- They currently have populations vulnerable to displacement in the event of increased redevelopment and drastic shifts in housing cost. Vulnerability is defined as:
 - Share of very low-income residents is above 20 percent, 2017
 - AND
 - The tract meets two of the following criteria:
 - Share of renters is above 40 percent, 2017
 - Share of people of color is above 50 percent, 2017
 - Share of very low-income households (50 percent AMI or below) that are severely rent burdened households is above the county median, 2017
 - They or areas in close proximity have been experiencing displacement pressures. Displacement pressure is defined as:
 - ♦ Percent change in rent above county median for rent increases, 2012-2017

OR

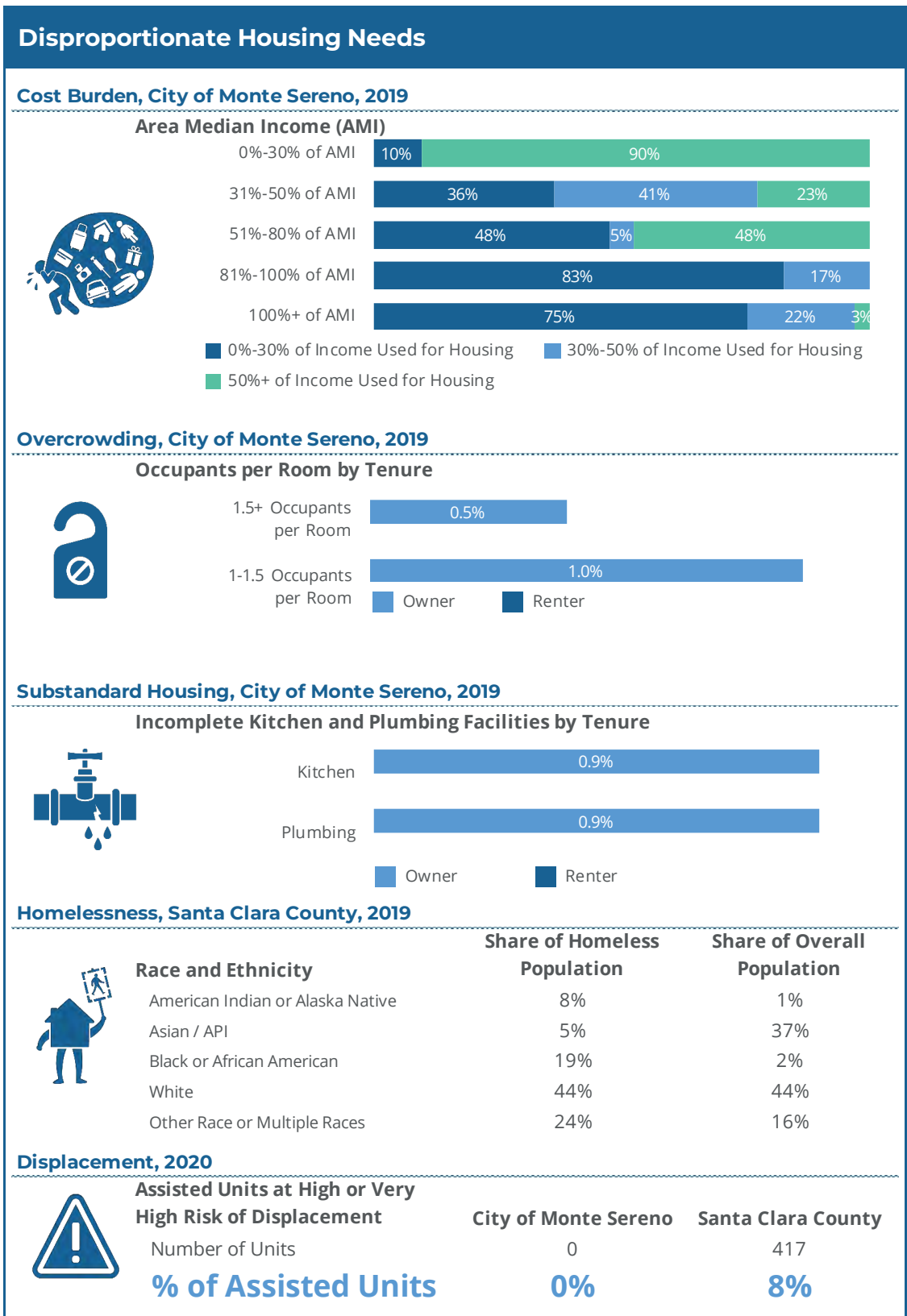
- Difference between tract median rent and median rent for surrounding tracts above median for all tracts in county (rent gap), 2017”

Source: <https://www.sensitivecommunities.org/>.

Access to Mortgage Loans

In many communities, disparities by race and ethnicity are prevalent for home mortgage applications, particularly in denial rates. This is less true in Monte Sereno. Mortgage denial rates are relatively modest—ranging from 17 percent to 20 percent—with the exception of Hispanic applicants (33 percent). It should be noted that only 5 applicants from Hispanic applicants were received out of 162 in 2018 and 2019. Figure A-5 summarizes information on disproportionate housing needs.

Figure A-5 Disproportionate Housing Needs



Housing Needs Assessment

B

APPENDIX

Appendix B

Housing Needs Assessment

B.1 Population, Employment, and Household Characteristics

Population

The Bay Area is the fifth-largest metropolitan area in the nation and has seen a steady increase in population since 1990, except for a dip during the Great Recession. Many cities in the region have experienced significant growth in jobs and population. While these trends have led to a corresponding increase in demand for housing across the region, the regional production of housing has largely not kept pace with job and population growth.

In 2020, the population of Monte Sereno was estimated to be 3,594. The population of Monte Sereno makes up approximately 0.2 percent of Santa Clara County.¹ In Monte Sereno, roughly 4.9 percent of its population moved during the past year, a number 8.5 percentage points smaller than the regional rate of 13.4 percent. Table B-1 shows population growth trends for Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Table B-1 Population Growth Trends

| Geography | 1990 | 1995 | 2000 | 2005 | 2010 | 2015 | 2020 |
|--------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Monte Sereno | 3,287 | 3,236 | 3,483 | 3,493 | 3,341 | 3,465 | 3,594 |
| Santa Clara County | 1,497,577 | 1,594,818 | 1,682,585 | 1,752,696 | 1,781,642 | 1,912,180 | 1,961,969 |
| Bay Area | 6,020,147 | 6,381,961 | 6,784,348 | 7,073,912 | 7,150,739 | 7,595,694 | 7,790,537 |

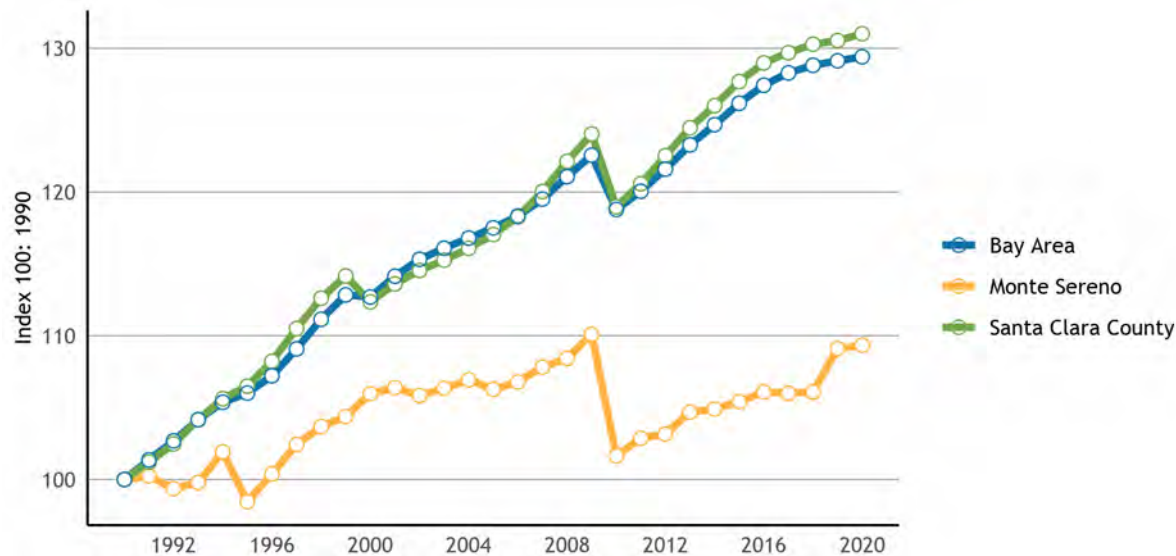
SOURCE: California Department of Finance, E-5 series

NOTE: Universe: Total population

¹ To compare the rate of growth across various geographic scales, Figure B-1 shows population for the jurisdiction, county, and region indexed to the population in the year 1990. This means that the data points represent the population growth (i.e., percent change) in each of these geographies relative to their populations in 1990.

Since 2000, Monte Sereno’s population has increased by 3.2 percent, which is below that of the region as a whole, at 14.8 percent. From 1990 to 2000, the population increased by 6.0 percent, while it decreased by 4.1 percent during the first decade of the 2000s. In the most recent decade, the population increased by 7.6 percent. Figure B-1 shows a graph of population growth trends in percentages.

Figure B-1 Population Growth Trends



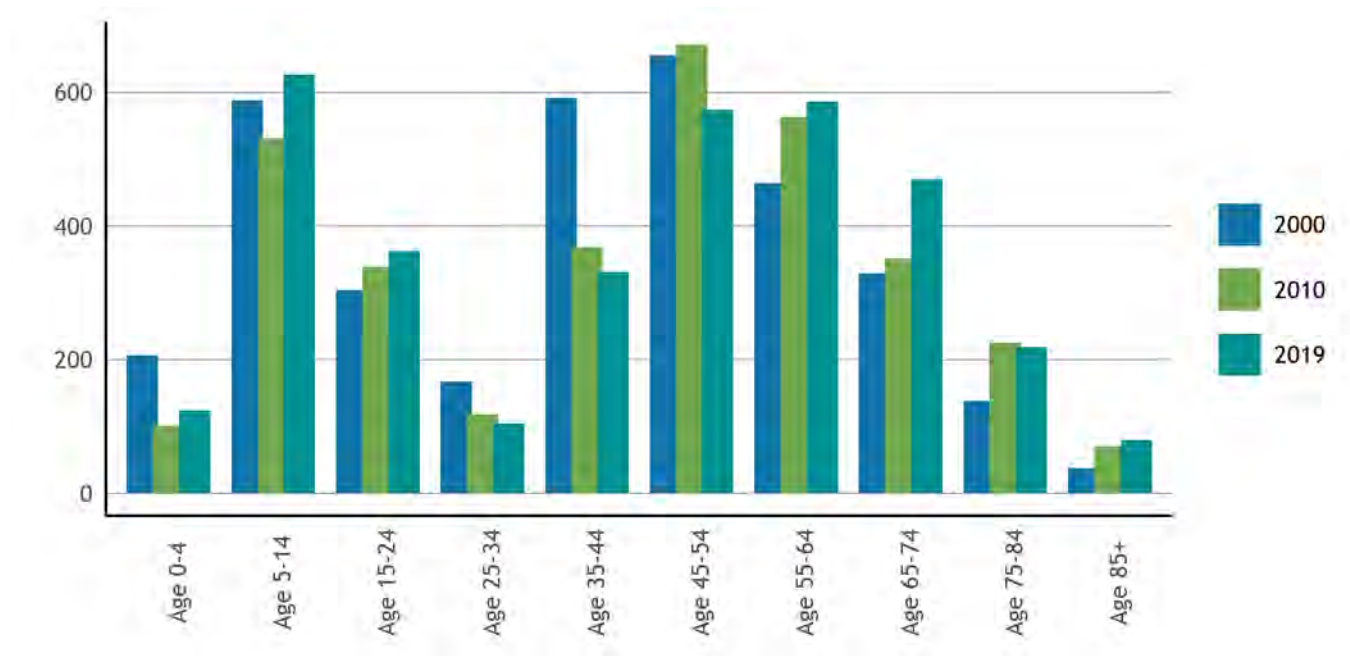
SOURCE: California Department of Finance, E-5 series Note: The data shown on the graph represents population for the jurisdiction, county, and region indexed to the population in the first year shown. The data points represent the relative population growth in each of these geographies relative to their populations in that year. For some jurisdictions, a break may appear at the end of each decade (1999, 2009) as estimates are compared to census counts. DOF uses the decennial census to benchmark subsequent population estimates. For the data table behind this figure, please refer to the Data Packet Workbook, Table POEMP-01.

Age

The distribution of age groups in a city shapes what types of housing the community may need in the near future. An increase in the older population may mean there is a developing need for more senior housing options, while higher numbers of children and young families can point to the need for more family housing options and related services. There has also been a move by many to age-in-place or downsize to stay within their communities, which can mean more multifamily and accessible units are also needed.

In Monte Sereno, the median age in 2000 was approximately 42 years. By 2019, the median age increased to approximately 48 years. More specifically, the population of those under 15 has increased since 2010, while the 65-and-over population has increased. Figure B-2 shows population by age for the years 2000, 2010, and 2019.

Figure B-2 Population by Age, 2000-2019

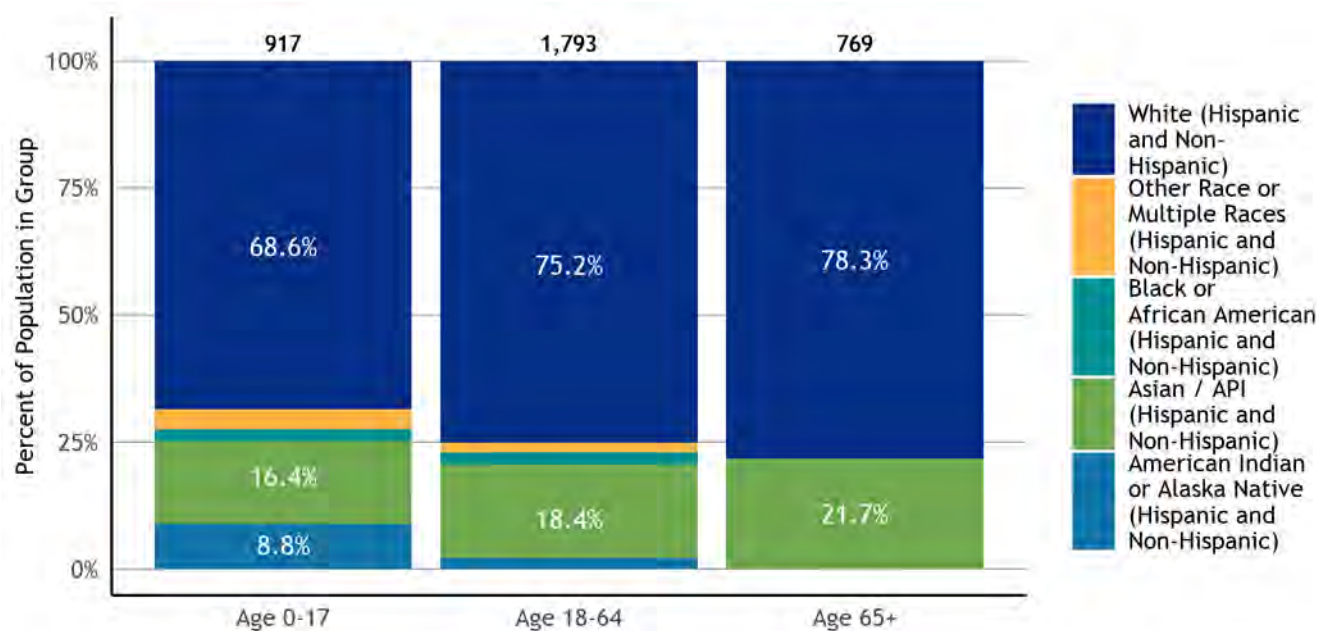


SOURCE: U.S. Census Bureau, Census 2000 SF1, Table P12; U.S. Census Bureau, Census 2010 SF1, Table P12; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-04.

NOTE: Universe: Total population

Looking at the senior and youth population by race can add an additional layer of understanding, as families and seniors of color are even more likely to experience challenges finding affordable housing. People of color² make up 21.7 percent of seniors and 31.4 percent of youth under 18. Figure B-3 shows population age by race.

Figure B-3 Population Age by Race



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-G). For the data table behind this figure, please refer to the Data Packet Workbook, Table SEN-02.

NOTE: Universe: Total population. In the sources for this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity, and an overlapping category of Hispanic / non-Hispanic groups has not been shown to avoid double counting in the stacked bar chart.

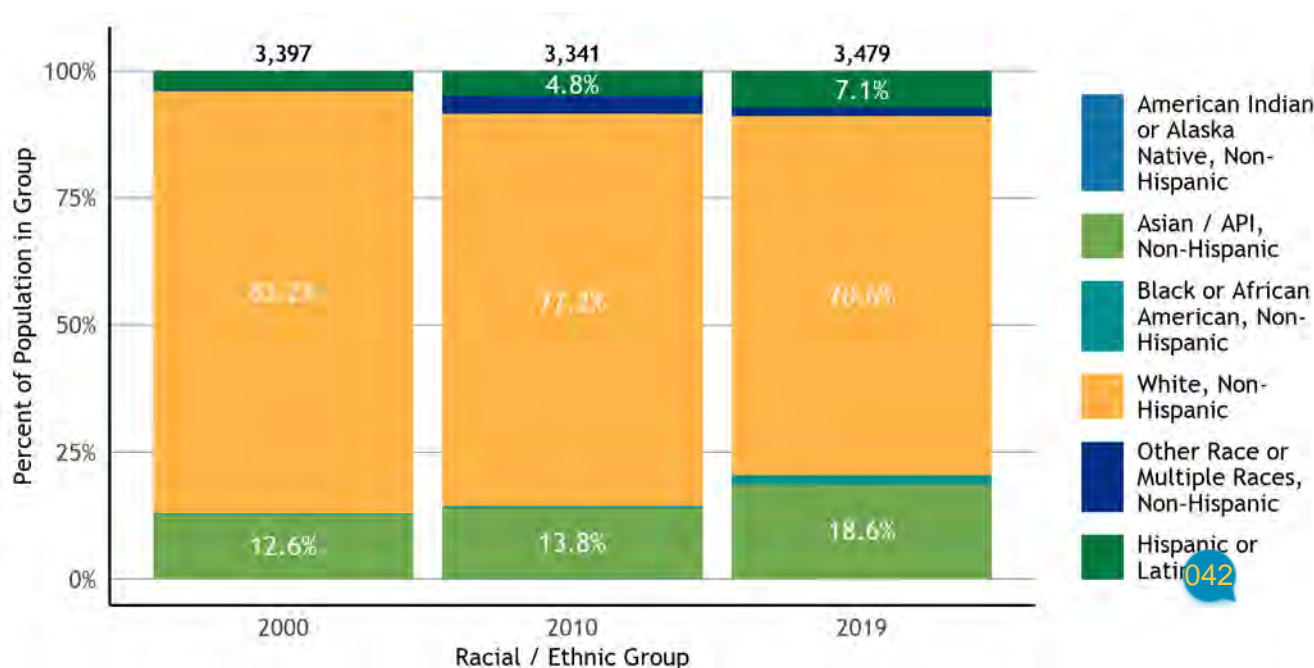
² Here, all non-white racial groups are counted.

Race and Ethnicity

Understanding the racial makeup of a city and region is important for designing and implementing effective housing policies and programs. These patterns are shaped by both market factors and government actions, such as exclusionary zoning, discriminatory lending practices and displacement that has occurred over time and continues to impact communities of color today³.

Since 2000, the percentage of residents in Monte Sereno identifying as *White, Non-Hispanic* has decreased by 12.6 percentage points, with the 2019 population standing at 2,456. By the same token the percentage of residents of all other races and ethnicities has increased. In absolute terms, the *Asian/ API, Non-Hispanic* population increased the most while the *White, Non-Hispanic* population decreased the most. Figure B-4 shows population by race for 2000, 2010, and 2019.

Figure B-4 Population by Race, 2000-2019



SOURCE: U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-02.

NOTE: Universe: Total population. Data for 2019 represents 2015-2019 ACS estimates. The Census Bureau defines Hispanic/Latino ethnicity separate from racial categories. For the purposes of this graph, the "Hispanic or Latinx" racial/ethnic group represents those who identify as having Hispanic/Latino ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latino ethnicity.

³ See, for example, Rothstein, R. (2017). *The color of law: a forgotten history of how our government segregated America*. New York, NY & London, UK: Liveright Publishing.

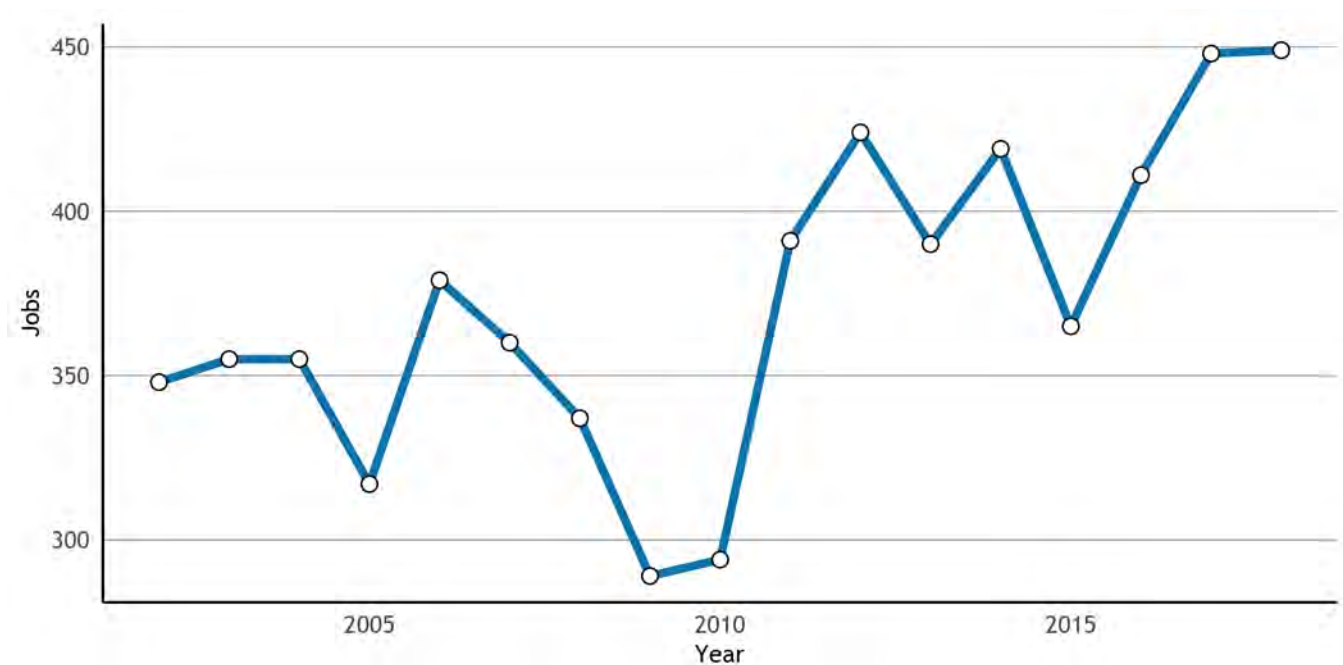
Employment Trends

Balance of Jobs and Workers

A city houses employed residents who either work in the community where they live or work elsewhere in the region. Conversely, a city may have job sites that employ residents from the same city, but more often employ workers commuting from outside of it. Smaller cities typically will have more employed residents than jobs there and export workers, while larger cities tend to have a surplus of jobs and import workers. To some extent the regional transportation system is set up for this flow of workers to the region's core job centers. At the same time, as the housing affordability crisis has illustrated, local imbalances may be severe, where local jobs and worker populations are out of sync at a sub-regional scale.

One measure of this is the relationship between *workers* and *jobs*. A city with a surplus of workers “exports” workers to other parts of the region, while a city with a surplus of jobs must conversely “import” them. Between 2002 and 2018, the number of jobs in Monte Sereno increased by 29.0 percent. Figure B-5 shows jobs in Monte Sereno from 2002 through 2018.

Figure B-5 Jobs in a Jurisdiction



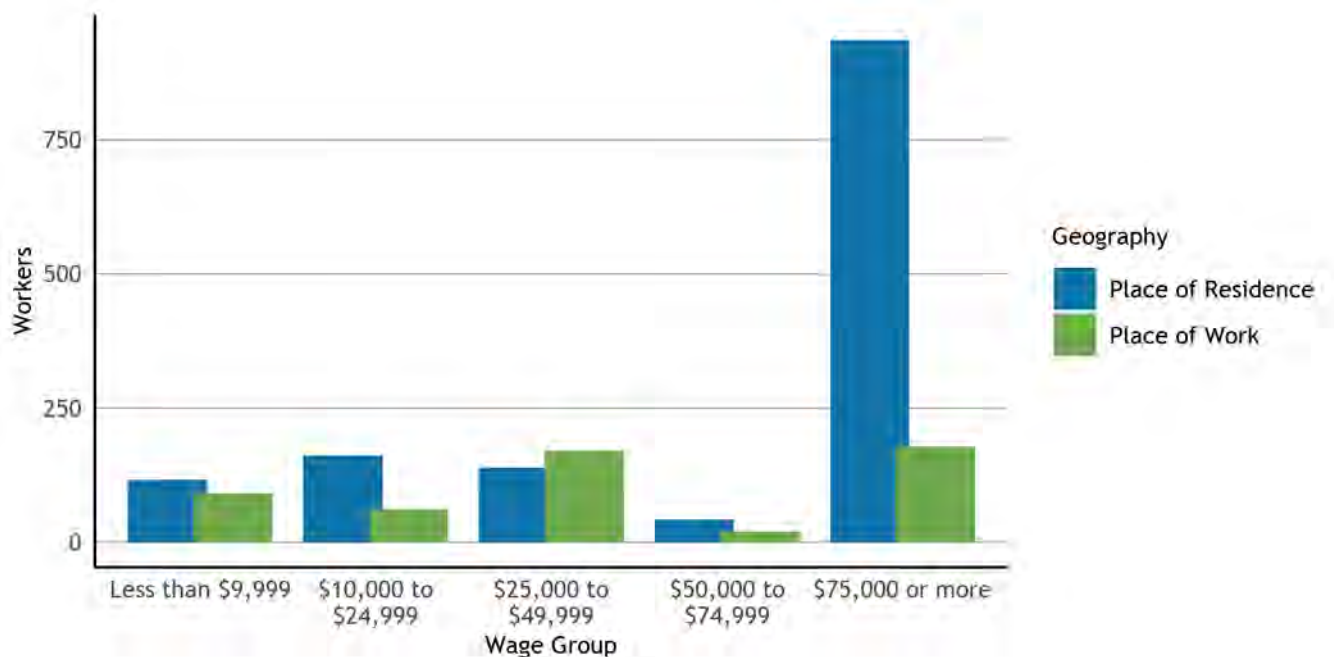
SOURCE: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files, 2002-2018. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-11.

NOTE: Universe: Jobs from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment. The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are crosswalked to jurisdictions and summarized.

The next figure shows the balance when comparing jobs to workers, broken down by different wage groups, offering additional insight into local dynamics. A community may offer employment for relatively low-income workers, but have relatively few housing options for those workers, or conversely, it may house residents who are low-wage workers, but offer few employment opportunities for them. Such relationships may cast extra light on potentially pent-up demand for housing in particular price categories. A relative *surplus* of jobs relative to residents in a given wage category suggests the need to import those workers, while conversely, surpluses of workers in a wage group relative to jobs means the community will export those workers to other jurisdictions. Such flows are not inherently bad, though over time, sub-regional imbalances may appear.

Monte Sereno has more low-wage *residents* than low-wage *jobs* (where low-wage refers to jobs paying less than \$25,000). At the other end of the wage spectrum, the city has more high-wage *residents* than high-wage *jobs* (where high-wage refers to jobs paying more than \$75,000).⁴ Figure B-6 shows workers by earners and place of work and residence.

Figure B-6 Workers by Earnings, by Jurisdiction as Place of Work and Place of Residence



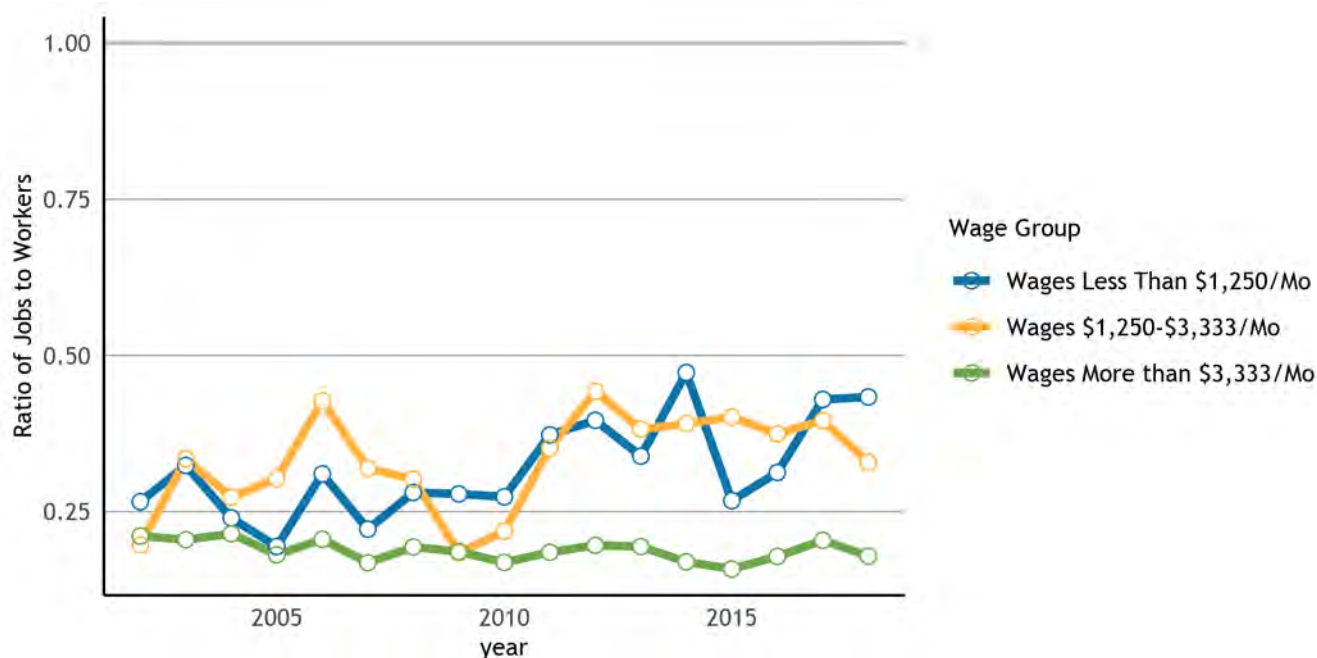
SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data 2015-2019, B08119, B08519. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-10.

NOTE: Universe: Workers 16 years and over with earnings

⁴ The source table is top-coded at \$75,000, precluding more fine-grained analysis at the higher end of the wage spectrum.

Figure B-7 shows the ratio of jobs to workers, by wage group for Monte Sereno. A value of one (1.00) means that a city has the same number of jobs in a wage group as it has resident workers, in principle, a balance. Values below one (1.00) indicate a jurisdiction that exports workers for jobs in a given wage group.

Figure B-7 Jobs-Worker Ratios, By Wage Group



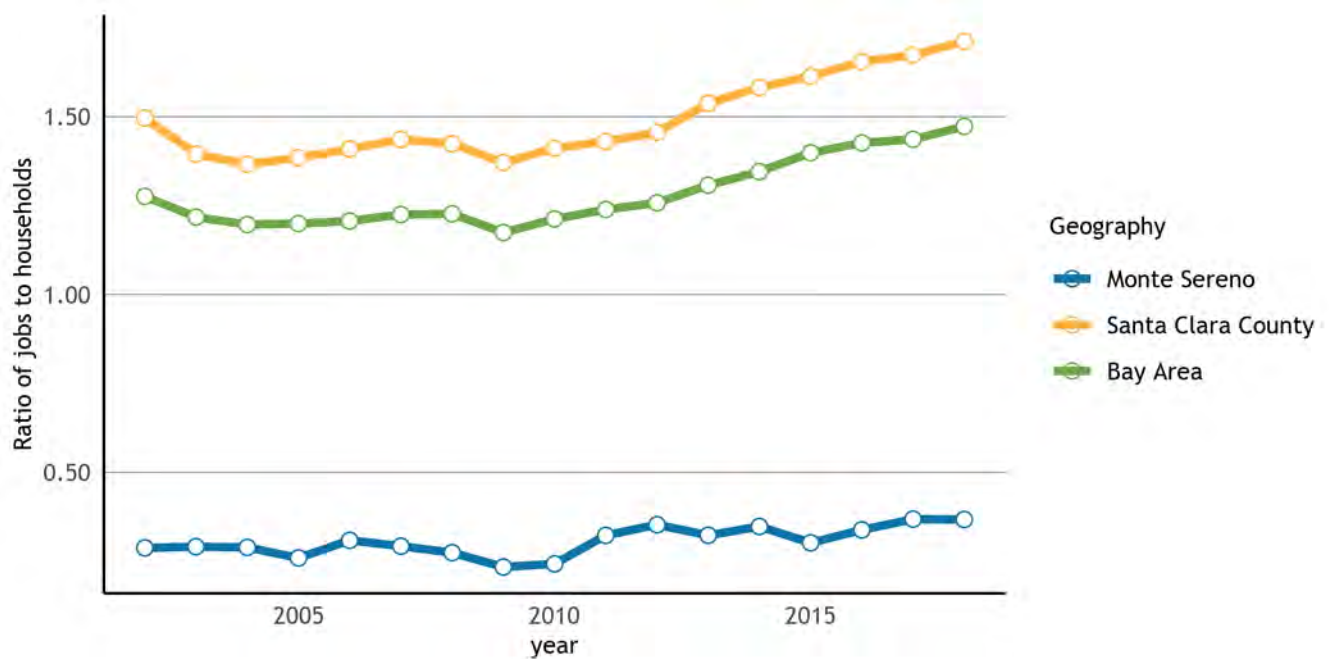
SOURCE: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs); Residence Area Characteristics (RAC) files (Employed Residents), 2010-2018. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-14.

NOTE: Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment. The ratio compares job counts by wage group from two tabulations of LEHD data: Counts by place of work relative to counts by place of residence. See text for details.

Such balances between jobs and workers may directly influence the housing demand in a community. New jobs may draw new residents, and when there is high demand for housing relative to supply, many workers may be unable to afford to live where they work, particularly where job growth has been in relatively lower wage jobs. This dynamic not only means many workers will need to prepare for long commutes and time spent on the road, but in the aggregate, it contributes to traffic congestion and time lost for all road users.

If there are more jobs than employed residents, it means a city is relatively jobs-rich, typically also with a high jobs-to-household ratio. Thus, bringing housing into the measure, the jobs-household ratio in Monte Sereno has increased from 0.29 in 2002, to 0.37 jobs per household in 2018. In short, Monte Sereno is a net exporter of workers. Figure B-8 shows Monte Sereno's jobs-household ratio.

Figure B-8 Jobs-Household Ratio



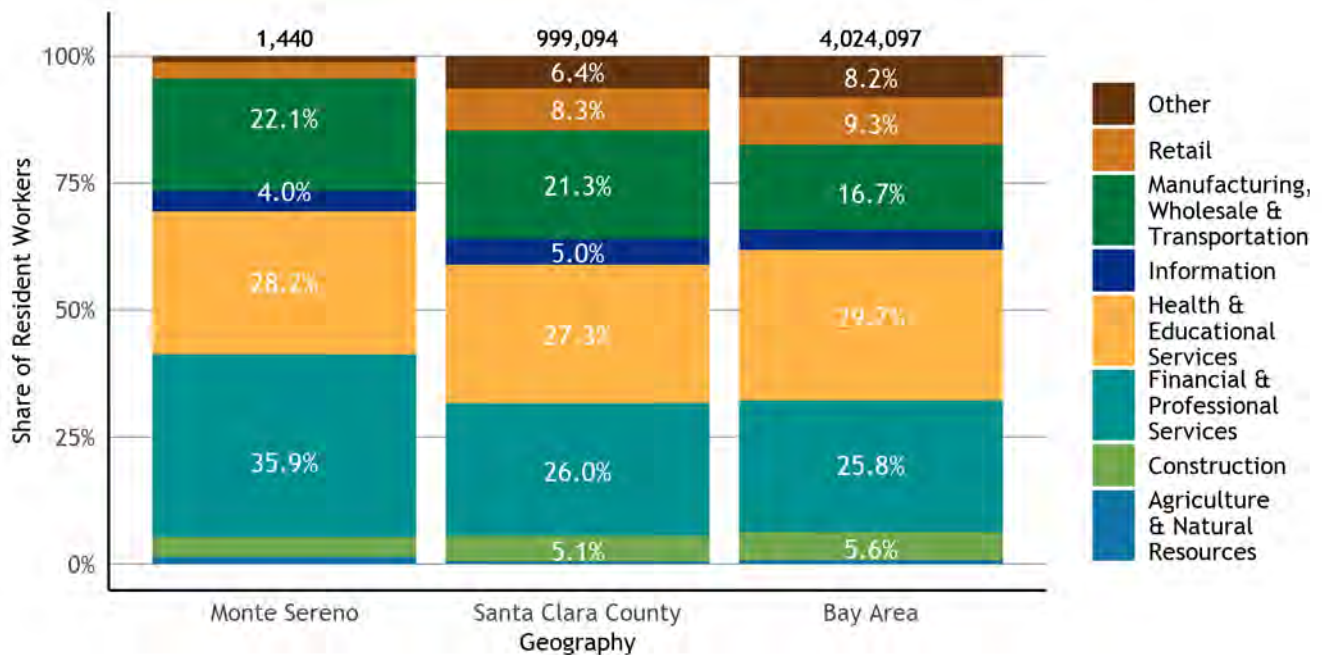
SOURCE: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs), 2002-2018; California Department of Finance, E-5 (Households). For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-13.

NOTE: Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment; households in a jurisdiction. The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are crosswalked to jurisdictions and summarized. The ratio compares place of work wage and salary jobs with households, or occupied housing units. A similar measure is the ratio of jobs to housing units. However, this jobs-household ratio serves to compare the number of jobs in a jurisdiction to the number of housing units that are actually occupied. The difference between a jurisdiction's jobs-housing ratio and jobs-household ratio will be most pronounced in jurisdictions with high vacancy rates, a high rate of units used for seasonal use, or a high rate of units used as short-term rentals.

Sector Composition

In terms of sectoral composition, the largest industry in which Monte Sereno residents work is *Financial & Professional Services*, and the largest sector in which Santa Clara residents work is *Health & Educational Services*. For the Bay Area as a whole, the *Health & Educational Services* industry employs the most workers. Figure B-9 shows resident employment by industry.

Figure B-9 Resident Employment by Industry



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table C24030. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-06.

NOTE: Universe: Civilian employed population age 16 years and over. The data displayed shows the industries in which jurisdiction residents work, regardless of the location where those residents are employed (whether within the jurisdiction or not). Categories are derived from the following source tables: Agriculture & Natural Resources: C24030_003E, C24030_030E; Construction: C24030_006E, C24030_033E; Manufacturing, Wholesale & Transportation: C24030_007E, C24030_034E, C24030_008E, C24030_035E, C24030_010E, C24030_037E; Retail: C24030_009E, C24030_036E; Information: C24030_013E, C24030_040E; Financial & Professional Services: C24030_014E, C24030_041E, C24030_017E, C24030_044E; Health & Educational Services: C24030_021E, C24030_024E, C24030_048E, C24030_051E; Other: C24030_027E, C24030_054E, C24030_028E, C24030_055E

Extremely Low-Income Households

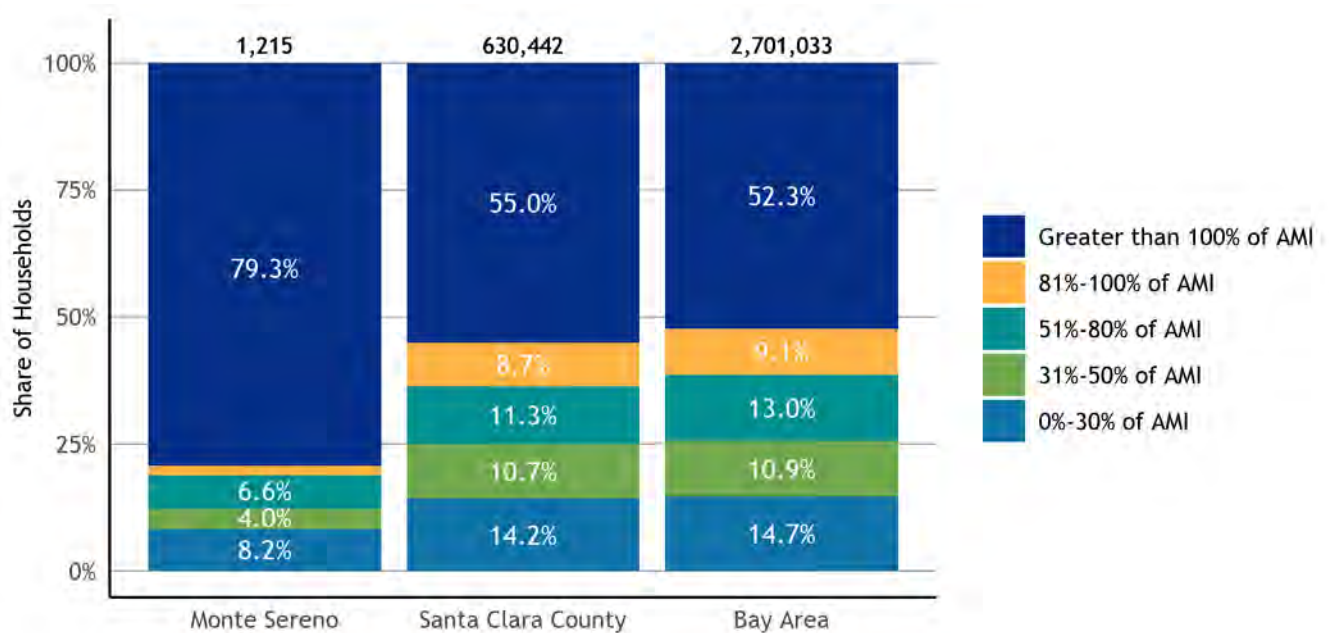
Despite the economic and job growth experienced throughout the region since 1990, the income gap has continued to widen. California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the state.⁵

⁵ Bohn, S. et al. 2020. Income Inequality and Economic Opportunity in California. *Public Policy Institute of California*.

In Monte Sereno, 79.3 percent of households make more than 100 percent of the Area Median Income (AMI)⁶, compared to 8.2 percent making less than 30 percent of AMI, which is considered extremely low-income.

Regionally, more than half of all households make more than 100 percent AMI, while 14.7 percent make less than 30 percent AMI. In Santa Clara County, 30 percent AMI is the equivalent to the annual income of \$39,900 for a family of four. Many households with multiple wage earners, including food service workers, full-time students, teachers, farmworkers and healthcare professionals, can fall into lower AMI categories due to relatively stagnant wages in many industries. Figure B-10 shows households by income level.

Figure B-10 Households by Household Income Level



SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2018-2019 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table ELI-01.

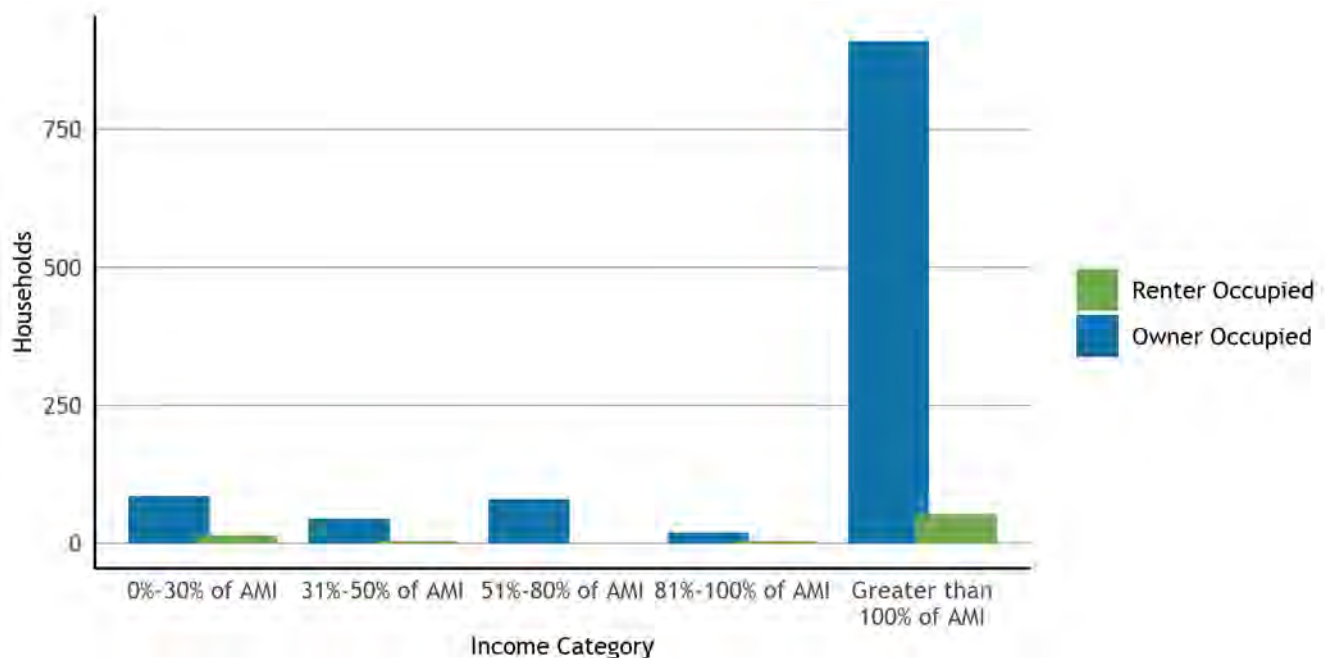
NOTE: Universe: Occupied housing units. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. The data that is reported for the Bay Area is not based on a regional AMI, but instead refers to the regional total of households in an income group relative to the AMI for the county where that household is located. Local jurisdictions are required to provide an estimate for their projected extremely low-income households (0-30% AMI) in their Housing Elements. HCD's official Housing Element guidance notes that jurisdictions can use their RHNA for very low-income households (those making 0-50% AMI) to calculate their projected extremely low-

⁶ Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Households making between 80 and 120 percent of the AMI are moderate-income, those making 50 to 80 percent are low-income, those making 30 to 50 percent are very low-income, and those making less than 30 percent are extremely low-income. This is then adjusted for household size.

Throughout the region, there are disparities between the incomes of homeowners and renters. Typically, the number of low-income renters greatly outpaces the amount of housing available that is affordable for these households.

In Monte Sereno, the largest proportion of both homeowners and renters falls in the *Greater than 100% of AMI* group. Figure B-11 shows household income by tenure.

Figure B-11 Household Income Level by Tenure



SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 201B-2017 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-21.

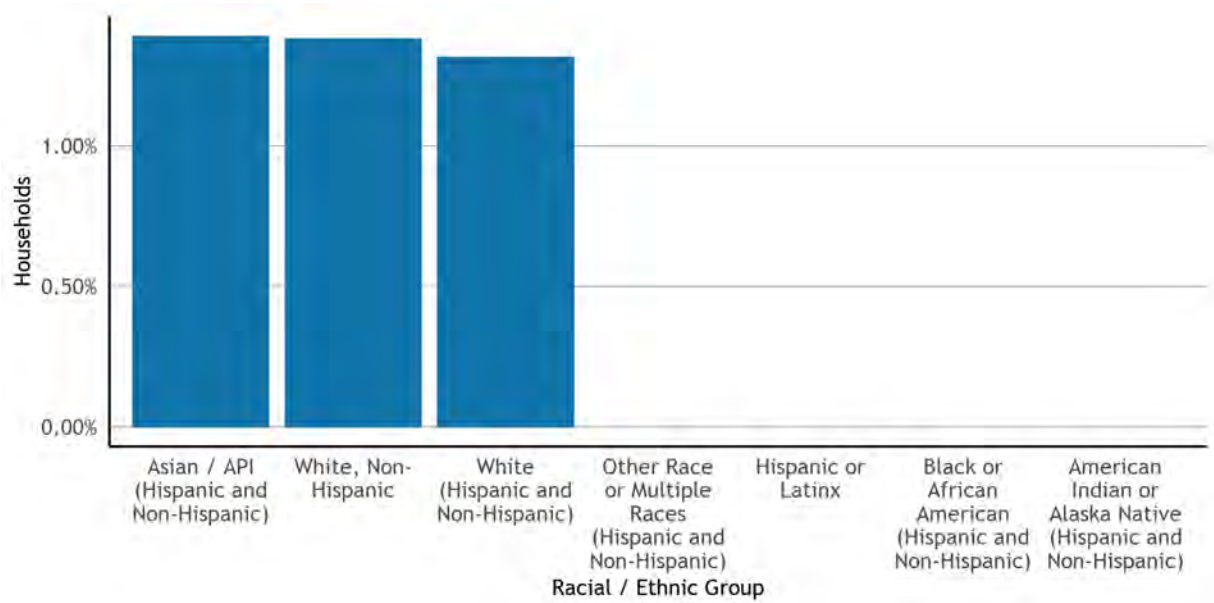
NOTE: Universe: Occupied housing units. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents.⁷ These economic disparities also leave communities of color at higher risk for housing insecurity, displacement or homelessness.

⁷ Moore, E., Montojo, N. and Mauri, N., 2019. Roots, Race & Place: A History of Racially Exclusionary Housing the San Francisco Bay Area. *Hass Institute*.

In Monte Sereno, Asian/API (Hispanic and Non-Hispanic) residents experience the highest rates of poverty, followed by White (Hispanic and Non-Hispanic) residents. Figure B-12 shows poverty status by race.

Figure B-12 Poverty Status by Race



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17001(A-I). For the data table behind this figure, please refer to the Data Packet Workbook, Table ELI-03.

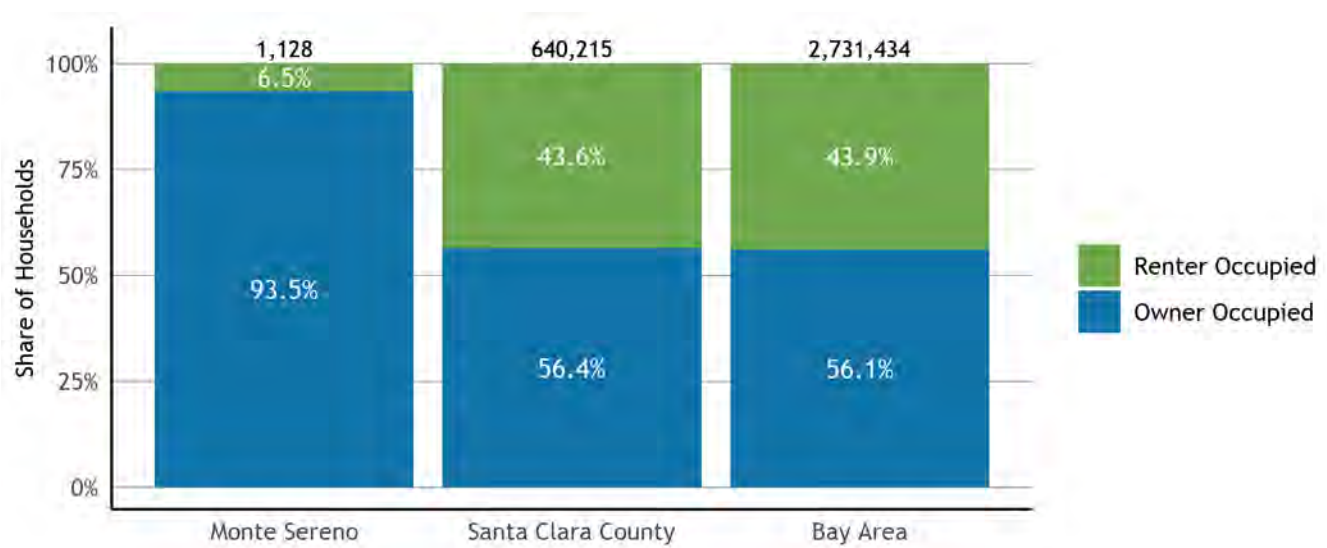
NOTE: Universe: Population for whom poverty status is determined. The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to Area Median Income. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the population for whom poverty status is determined for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the population for whom poverty status is determined.

Tenure

The number of residents who own their homes compared to those who rent their homes can help identify the level of housing insecurity (i.e., the ability for individuals to stay in their homes) in a city and region. Generally, renters may be displaced more quickly if prices increase.

In Monte Sereno there are a total of 1,128 housing units, and fewer residents rent than own their homes: 6.5 percent versus 93.5 percent. By comparison, 43.6 percent of households in Santa Clara County are renters, while 43.9 percent of Bay Area households rent their homes. Figure B-13 on the following page shows housing tenure for Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Figure B-13 Housing Tenure



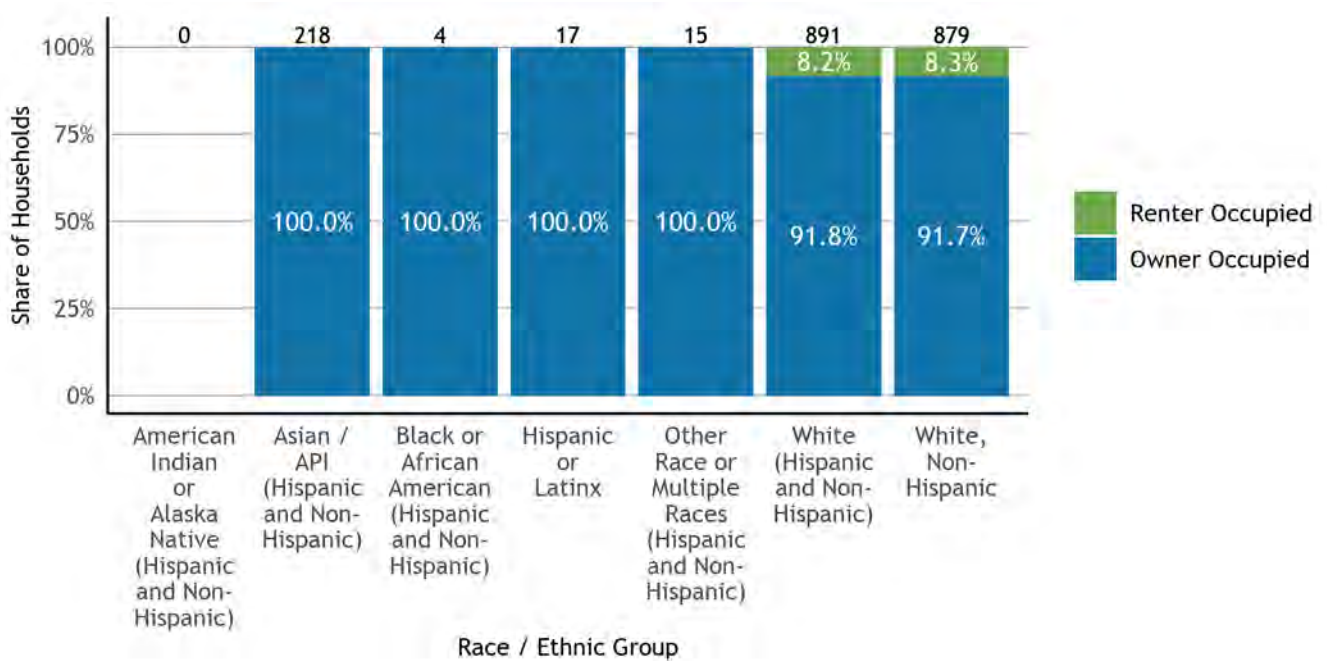
SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-16.
NOTE: Universe: Occupied housing units

Homeownership rates often vary considerably across race/ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth, but also stem from federal, state, and local policies that limited access to homeownership for communities of color while facilitating homebuying for white residents. While many of these policies, such as redlining, have been formally disbanded, the impacts of race-based policy are still evident across Bay Area communities.⁸

In Monte Sereno, all non-White households owned their homes, while homeownership rates were 91.8 percent for White households. Notably, recent changes to state law require local jurisdictions to examine these dynamics and other fair housing issues when updating their Housing Elements.

Figure B-14 on the following page shows housing tenure by race of householder.

Figure B-14 Housing Tenure by Race of Householder



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003(A-I). For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-20.

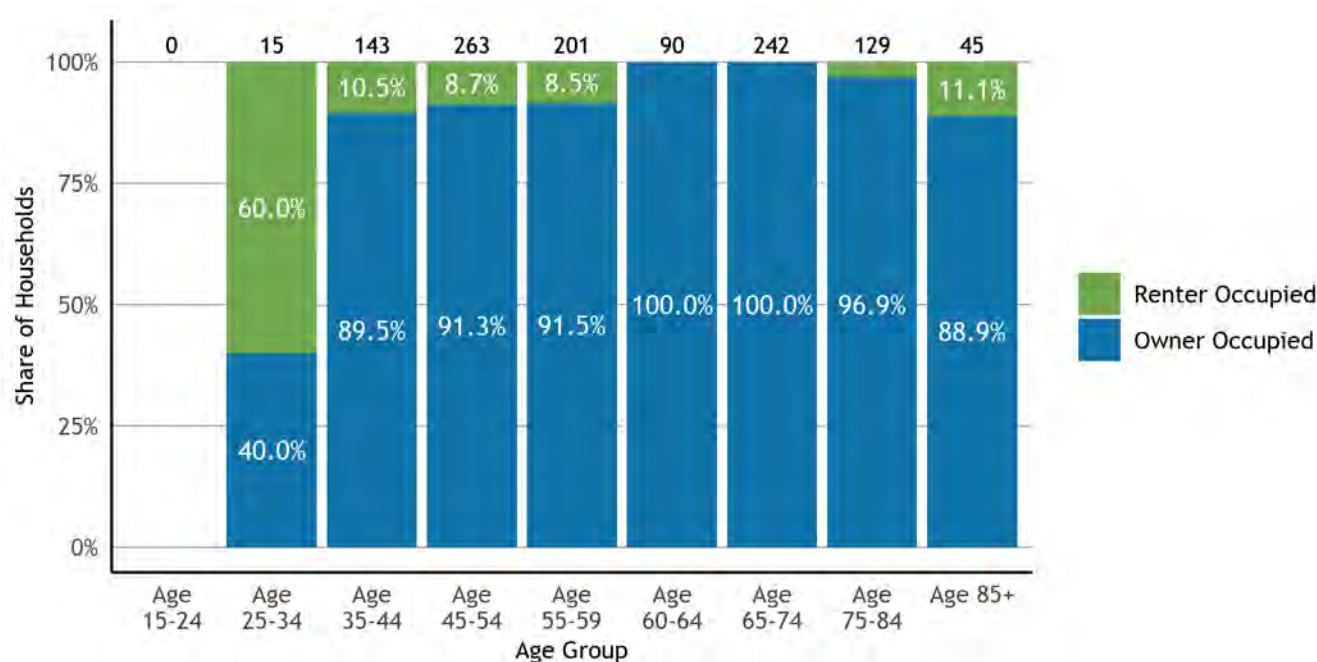
NOTE: Universe: Occupied housing units. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.

⁸ See, for example, Rothstein, R. (2017). *The Color Of Law: A Forgotten History Of How Our Government Segregated America*. New York, NY & London, UK: Liveright Publishing.

The age of residents who rent or own their home can also signal the housing challenges a community is experiencing. Younger households tend to rent and may struggle to buy a first home in the Bay Area due to high housing costs. At the same time, senior homeowners seeking to downsize may have limited options in an expensive housing market.

In Monte Sereno, 60.0 percent of householders between the ages of 25 and 34 are renters, while 11.1 percent of householders over 85 are renters. Figure B-15 on the following page shows housing tenure by age.

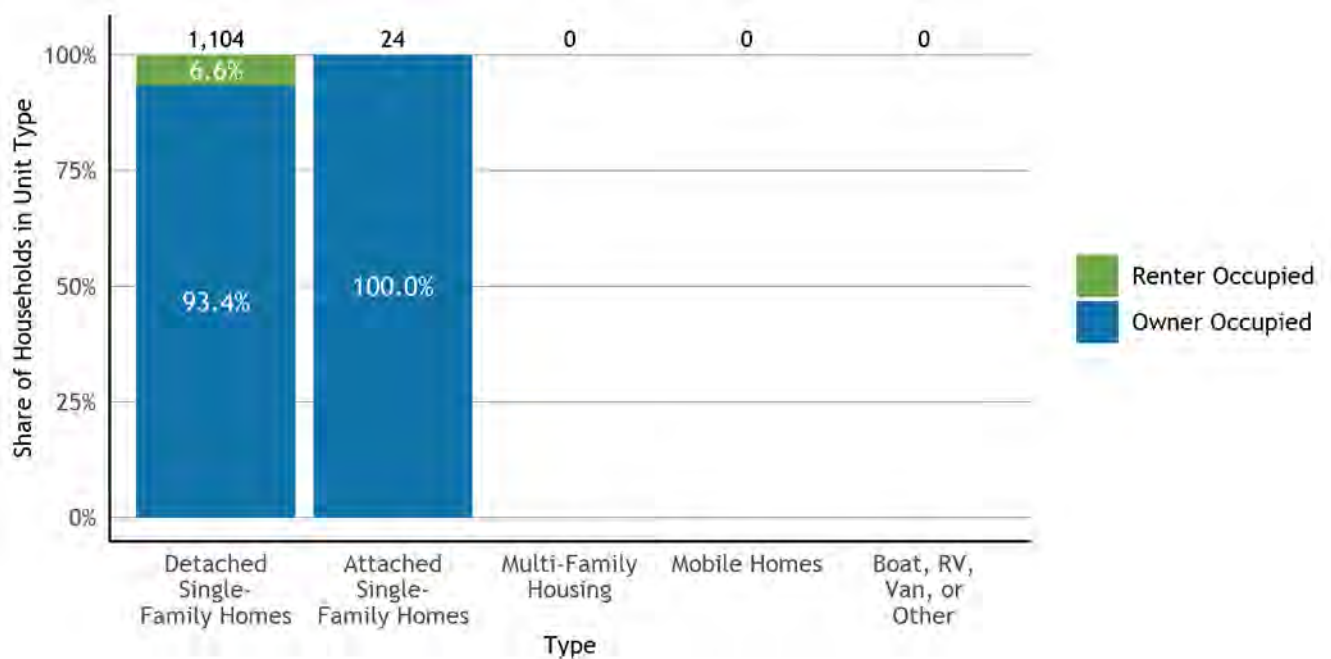
Figure B-15 Housing Tenure by Age



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25007. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-18.
NOTE: Universe: Occupied housing units

In many cities, homeownership rates for households in single-family homes are substantially higher than the rates for households in multi-family housing. In Monte Sereno, 93.4 percent of households in detached single-family homes are homeowners. Figure B-16 shows housing tenure by housing type.

Figure B-16 Housing Tenure by Housing Type



SOURCES: Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25032. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-22.

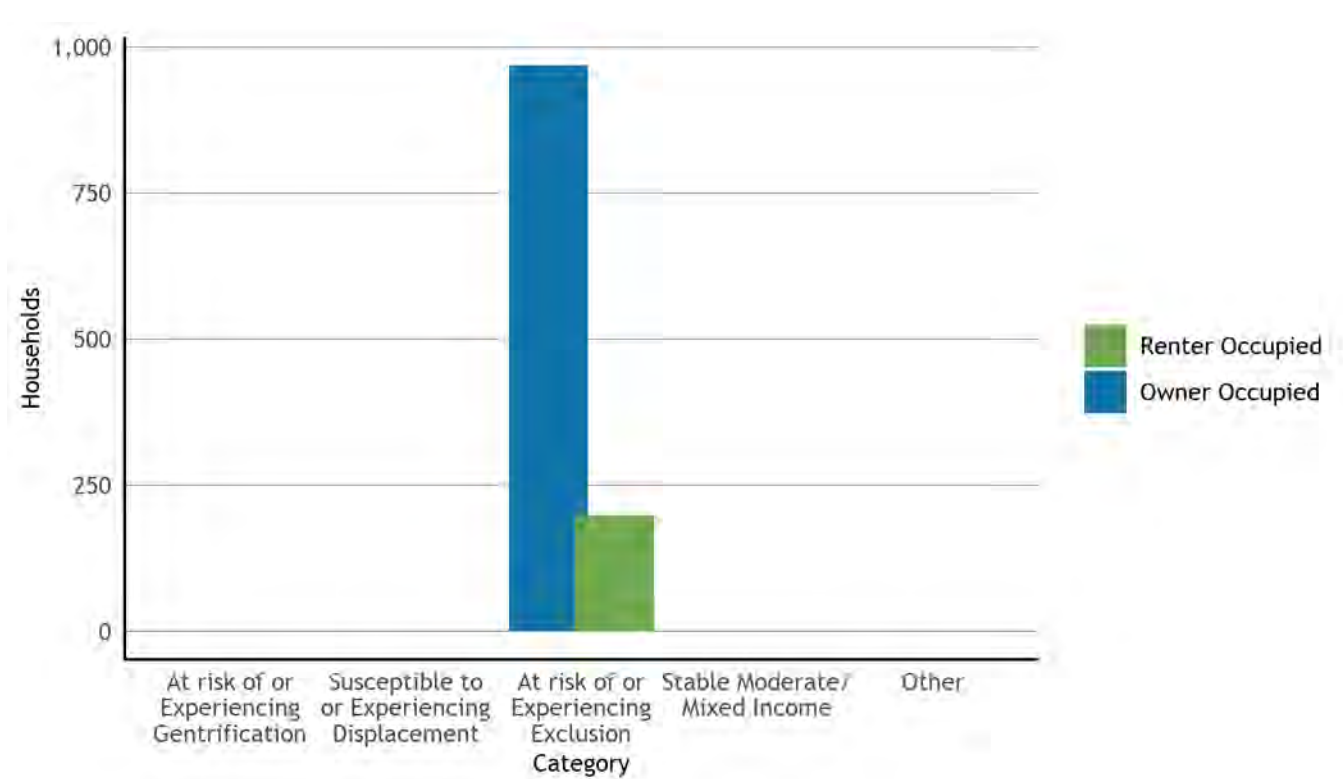
NOTE: Universe: Occupied housing units

Displacement

Because of increasing housing prices, displacement is a major concern in the Bay Area. Displacement has the most severe impacts on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they also lose their support network.

The University of California, Berkeley has mapped all neighborhoods in the Bay area, identifying their risk for gentrification. They find that in Monte Sereno, no households live in neighborhoods that are susceptible to or experiencing displacement and none live in neighborhoods at risk of or undergoing gentrification. Equally important, some neighborhoods in the Bay Area do not have housing appropriate for a broad section of the workforce. UC Berkeley estimates that all households in Monte Sereno live in neighborhoods where low-income households are likely to be excluded due to prohibitive housing costs.⁹ Figure B-17 shows household displacement risk and tenure.

Figure B-17 Households by Displacement Risk and Tenure



SOURCE: Urban Displacement Project for classification, American Community Survey 5-Year Data (2015-2019), Table B25003 for tenure. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-25.

⁹ More information about this gentrification and displacement data is available at the Urban Displacement Project's webpage: <https://www.urbandisplacement.org/>. Specifically, one can learn more about the different gentrification/displacement typologies shown in Figure 18 at this link: https://www.urbandisplacement.org/sites/default/files/typology_sheet_2018_0.png. Additionally, one can view maps that show which typologies correspond to which parts of a jurisdiction here: <https://www.urbandisplacement.org/san-francisco/sf-bay-area-gentrification-and-displacement>

NOTE: Universe: Households. Displacement data is available at the census tract level. Staff aggregated tracts up to jurisdiction level using census 2010 population weights, assigning a tract to jurisdiction in proportion to block level population weights. Total household count may differ slightly from counts in other tables sourced from jurisdiction level sources. Categories are combined as follows for simplicity: At risk of or Experiencing Exclusion: At Risk of Becoming Exclusive; Becoming Exclusive; Stable/Advanced Exclusive At risk of or Experiencing Gentrification: At Risk of Gentrification; Early/Ongoing Gentrification; Advanced Gentrification Stable Moderate/Mixed Income: Stable Moderate/Mixed Income Susceptible to or Experiencing Displacement: Low-Income/Susceptible to Displacement; Ongoing Displacement Other: High Student Population; Unavailable or Unreliable Data

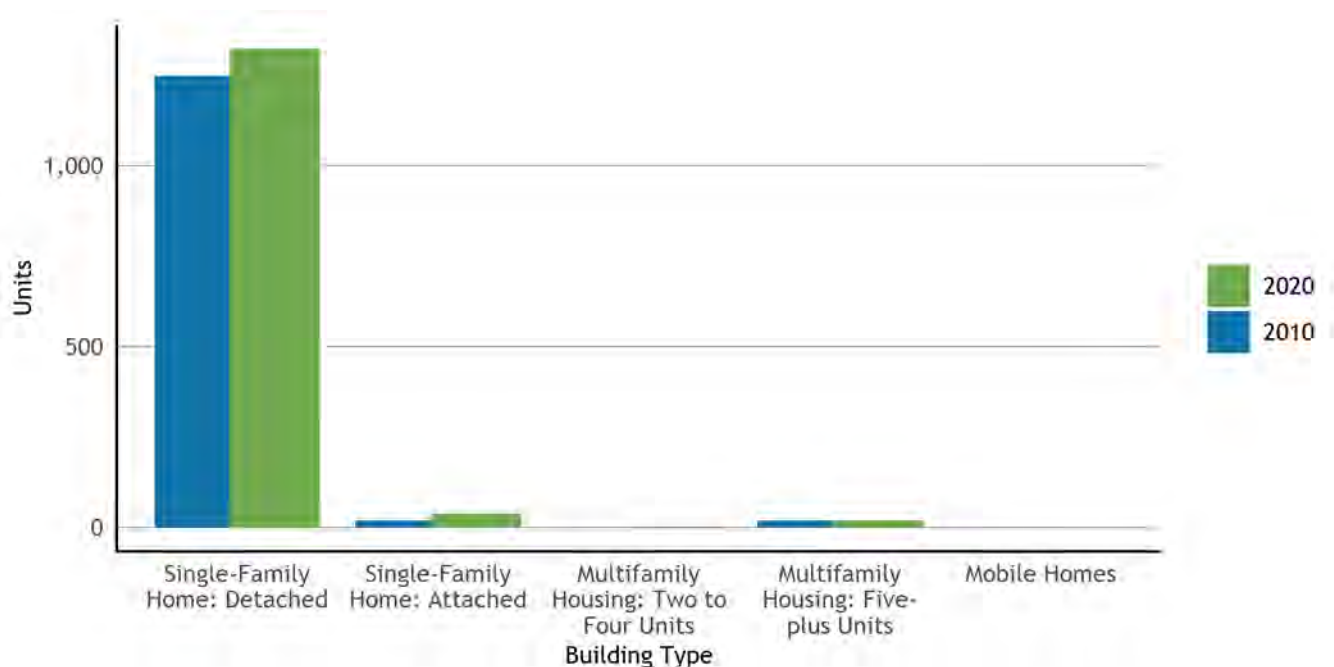
B.2 Housing Stock Characteristics

Housing Types, Year Built, Vacancy, and Permits

In recent years, most housing produced in the region and across the state consisted of single-family homes and larger multi-unit buildings. However, some households are increasingly interested in “missing middle housing,” including duplexes, triplexes, townhomes, cottage clusters and accessory dwelling units. These housing types may open up more options across incomes and tenure, from young households seeking homeownership options to seniors looking to downsize and age-in-place.

The housing stock of Monte Sereno in 2020 was made up of 95.6 percent *Single-Family Homes: Detached*, 2.7 percent *Single-Family Homes: Attached*, 0.3 percent *Multifamily Housing: Two to Four Units*, and 1.4 percent *Multifamily Housing: Five-Plus Units*. There were no *Mobile Homes* in Monte Sereno. In Monte Sereno, the housing type that experienced the most growth between 2010 and 2020 was *Single-Family Home: Detached*. Figure B-18 shows housing type trends.

Figure B-18 Housing Type Trends

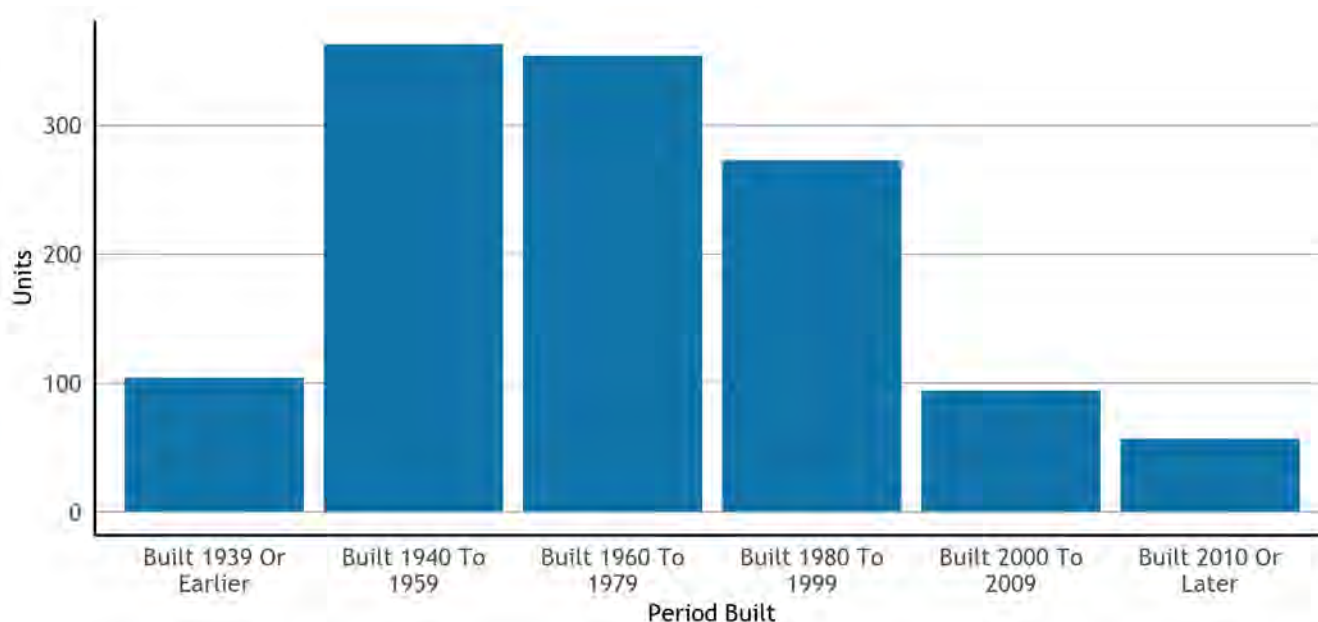


SOURCE: California Department of Finance, E-5 series. For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-01.

NOTE: Universe: Housing units

Production has not kept up with housing demand for several decades in the Bay Area, as the total number of units built and available has not yet come close to meeting the population and job growth experienced throughout the region. In Monte Sereno, the largest proportion of the housing stock was built 1940 to 1959, with 363 units constructed during this period. Since 2015, 9.2 percent of the current housing stock was built, which is 122 units. Figure B-19 shows housing units by the year built.

Figure B-19 Housing Units by Year Structure Built



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25034.

NOTE: Universe: Housing units

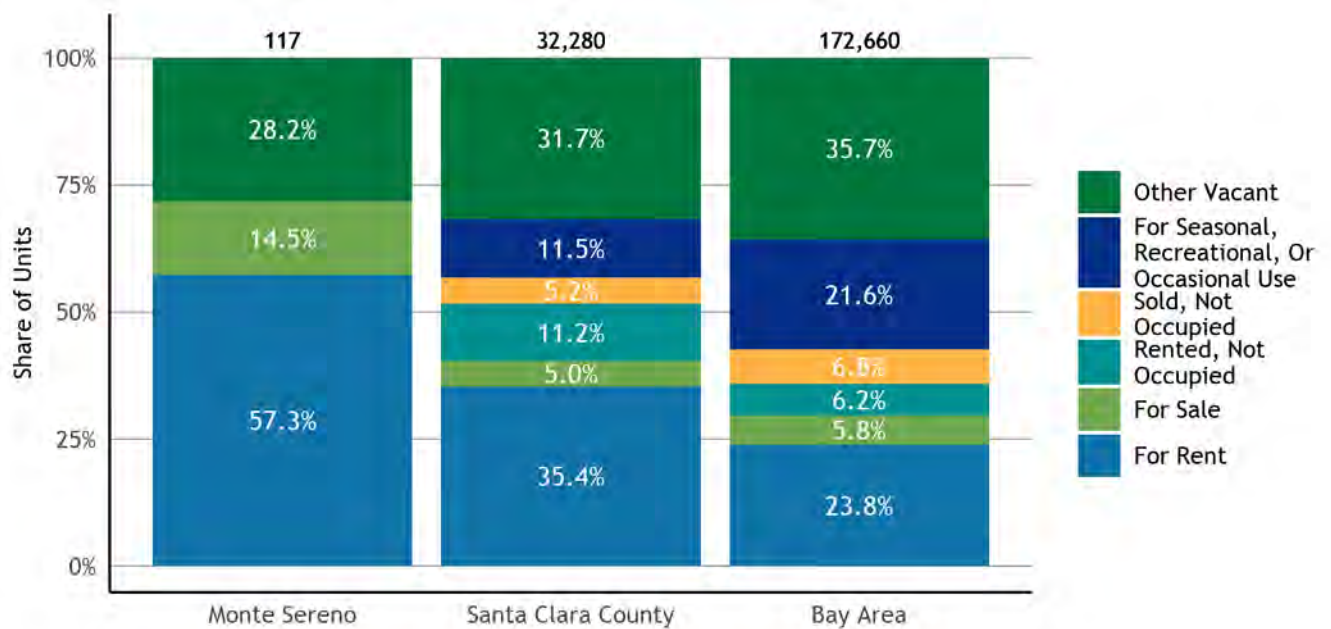
Throughout the Bay Area, vacancies make up 2.6 percent of the total housing units, with homes listed for rent; units used for recreational or occasional use, and units not otherwise classified (other vacant) making up the majority of vacancies. The Census Bureau classifies a unit as vacant if no one is occupying it when census interviewers are conducting the American Community Survey or Decennial Census. Vacant units classified as “for recreational or occasional use” are those that are held for short-term periods of use throughout the year. Accordingly, vacation rentals and short-term rentals like Airbnb are likely to fall in this category. The Census Bureau classifies units as “other vacant” if they are vacant due to foreclosure, personal/family reasons, legal proceedings, repairs/renovations, abandonment, preparation for being rented or sold, or vacant for an extended absence for reasons such as a work assignment, military duty, or incarceration.¹⁰ In a region with a

¹⁰ For more information, see pages 3 through 6 of this list of definitions prepared by the Census Bureau: <https://www.census.gov/housing/hvs/definitions.pdf>.

thriving economy and housing market like the Bay Area, units being renovated/repaired and prepared for rental or sale are likely to represent a large portion of the “other vacant” category. Additionally, the need for seismic retrofitting in older housing stock could also influence the proportion of “other vacant” units in some jurisdictions.¹¹

Of the total 1,245 housing units in Monte Sereno in 2022, there were 117 vacant units (9.4 percent). Of the vacant units, the most common type of vacancy was *For Rent* (57.3%).¹² Figure B-20 shows vacant units by type.

Figure B-20 Vacant Units by Type



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25004.

NOTE: Universe: Vacant housing units

¹¹ See Dow, P. (2018). Unpacking the Growth in San Francisco’s Vacant Housing Stock: Client Report for the San Francisco Planning Department. University of California, Berkeley.

¹² The vacancy rates by tenure are for a smaller universe than the total vacancy rate first reported, which in principle includes the full stock (9.4%). The vacancy by tenure counts are rates relative to the rental stock (occupied and vacant) and ownership stock (occupied and vacant), but exclude a are significant number of vacancy categories, including the numerically significant *other vacant*.

Between 2015 and 2022, 139 housing units were issued permits in Monte Sereno.¹³ Of these, 41.7 percent were for very low-income housing, 7.2 percent were for low- and moderate-income housing, and 51.1 percent were for above moderate-income housing. Table B-2 shows housing permits issued by the City of Monte Sereno by income group.

Table B-2 Housing Permits by Income Group

| Income Group | Permits | Percent |
|-------------------------------|---------|---------|
| Very Low-Income Permits | 58 | 41.7% |
| Low-Income Permits | 9 | 6.5% |
| Moderate-Income Permits | 1 | 0.7% |
| Above Moderate-Income Permits | 71 | 51.1% |
| Total | 139 | 100.0% |

SOURCE: California Department of Housing and Community Development (HCD), 5th Cycle Annual Progress Report Permit Summary (2020). This table is included in the Data Packet Workbook as Table HSG-11.

NOTE: Universe: Housing permits issued between 2015 and 2022. Notes: HCD uses the following definitions for the four income categories: Very Low Income: units affordable to households making less than 50% of the Area Median Income for the county in which the jurisdiction is located. Low Income: units affordable to households making between 50% and 80% of the Area Median Income for the county in which the jurisdiction is located. Moderate Income: units affordable to households making between 80% and 120% of the Area Median Income for the county in which the jurisdiction is located. Above Moderate Income: units affordable to households making above 120% of the Area Median Income for the county in which the jurisdiction is located.

¹³ Source: HCD APR Dashboard (<https://www.hcd.ca.gov/apr-data-dashboard-and-downloads>) Page 10, as of August 3, 2022

Assisted Housing Developments At-Risk of Conversion

While there is an immense need to produce new affordable housing units, ensuring that the existing affordable housing stock remains affordable is equally important. Additionally, it is typically faster and less expensive to preserve currently affordable units that are at risk of converting to market-rate than it is to build new affordable housing.

The data below comes from the California Housing Partnership's Preservation Database, the state's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing. According to the database, there were no assisted units in Monte Sereno in 2020. Table B-3 summarizes assisted units at risk in Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Table B-3 Assisted Units at Risk of Conversion

| Income | Monte Sereno | Santa Clara County | Bay Area |
|----------------------------------|--------------|--------------------|----------|
| Low | 0 | 28,001 | 110,177 |
| Moderate | 0 | 1,471 | 3,375 |
| High | 0 | 422 | 1,854 |
| Very High | 0 | 270 | 1,053 |
| Total Assisted Units in Database | 0 | 30,164 | 116,459 |

SOURCE: California Housing Partnership, Preservation Database (2020). This table is included in the Data Packet Workbook as Table RISK-01.

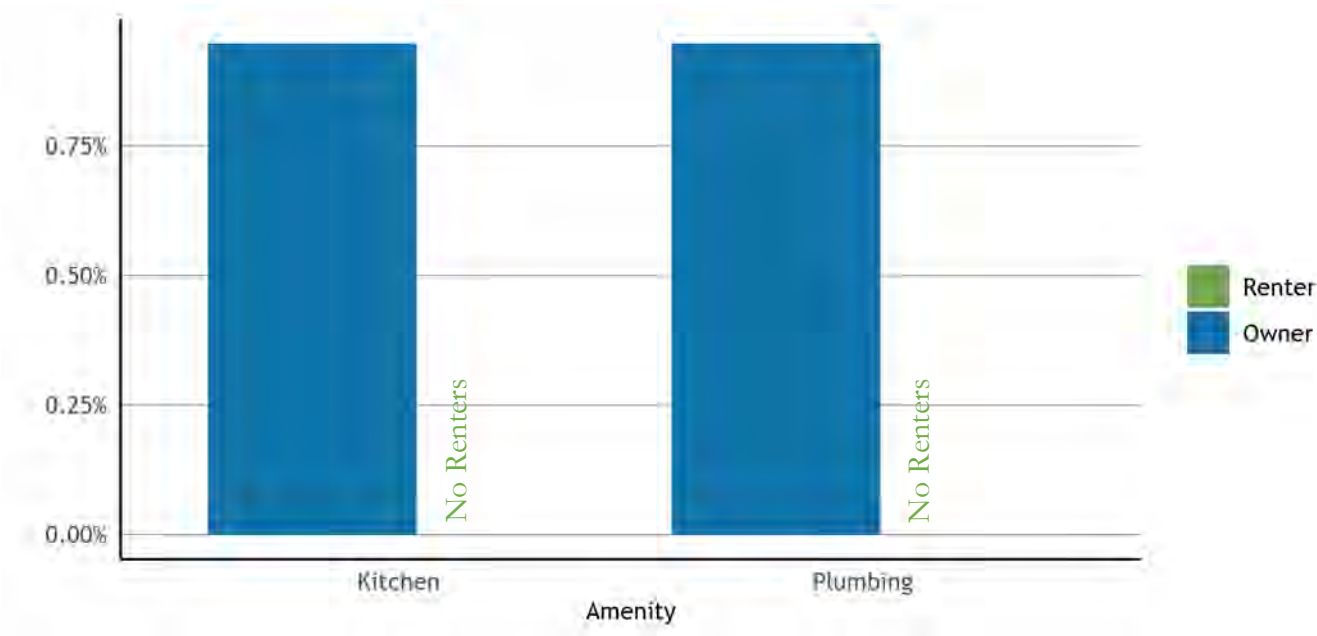
NOTE: Universe: HUD, Low-Income Housing Tax Credit (LIHTC), USDA, and CalHFA projects. Subsidized or assisted developments that do not have one of the aforementioned financing sources may not be included. While California Housing Partnership's Preservation Database is the state's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing, this database does not include all deed-restricted affordable units in the state. Consequently, there may be at-risk assisted units in a jurisdiction that are not captured in this data table. Per HCD guidance, local jurisdictions must also list the specific affordable housing developments at-risk of converting to market rate uses. This document provides aggregate numbers of at-risk units for each jurisdiction, but local planning staff should contact Danielle Mazzella with the California Housing Partnership at dmazzella@chpc.net to obtain a list of affordable properties that fall under this designation. California Housing Partnership uses the following categories for assisted housing developments in its database: Very-High Risk: affordable homes that are at-risk of converting to market rate within the next year that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. High Risk: affordable homes that are at-risk of converting to market rate in the next 1-5 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. Moderate Risk: affordable homes that are at-risk of converting to market rate in the next 5-10 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. Low Risk: affordable homes that are at-risk of converting to market rate in 10+ years and/or are owned by a large/stable non-profit, mission-driven developer.

Substandard Housing

Housing costs in the region are among the highest in the country, which could result in households, particularly renters, needing to live in substandard conditions in order to afford housing. Generally, there is limited data on the extent of substandard housing issues in a community. However, the Census Bureau data included in the graph below gives a sense of some of the substandard conditions that may be present in Monte Sereno.

None of the renters in Monte Sereno reported lacking a kitchen or plumbing, compared to 0.9 percent of owners who lacked a kitchen and 0.9 percent of owners who lacked plumbing. Figure B-21 shows substandard housing issues in Monte Sereno.

Figure B-21 Substandard Housing Issues



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25053, Table B25043, Table B25049. For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-06.

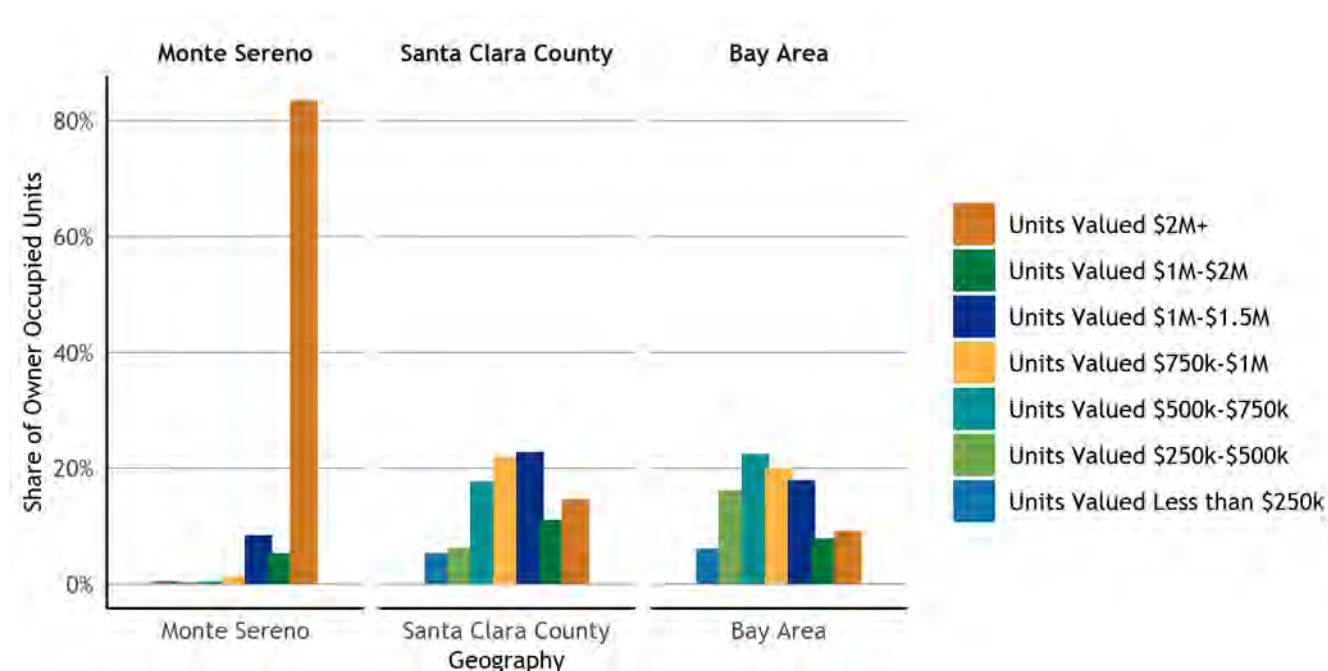
NOTE: Universe: Occupied housing units. Per HCD guidance, this data should be supplemented by local estimates of units needing to be rehabilitated or replaced based on recent windshield surveys, local building department data, knowledgeable builders/developers in the community, or nonprofit housing developers or organizations.

Home and Rent Values

Home prices reflect a complex mix of supply and demand factors, including an area’s demographic profile, labor market, prevailing wages and job outlook, coupled with land and construction costs. In the Bay Area, the costs of housing have long been among the highest in the nation.

The typical home value in Monte Sereno was estimated at \$3,344,480 by December of 2020, per data from Zillow. The largest proportion of homes were valued between \$2M+. By comparison, the typical home value is \$1,290,970 in Santa Clara County and \$1,077,230 the Bay Area, with the largest share of units valued \$1M to \$1.5M (county) and \$500k to \$750k (region). Figure B-22 shows home values for owner-occupied housing units in Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Figure B-22 Home Values of Owner-Occupied Units

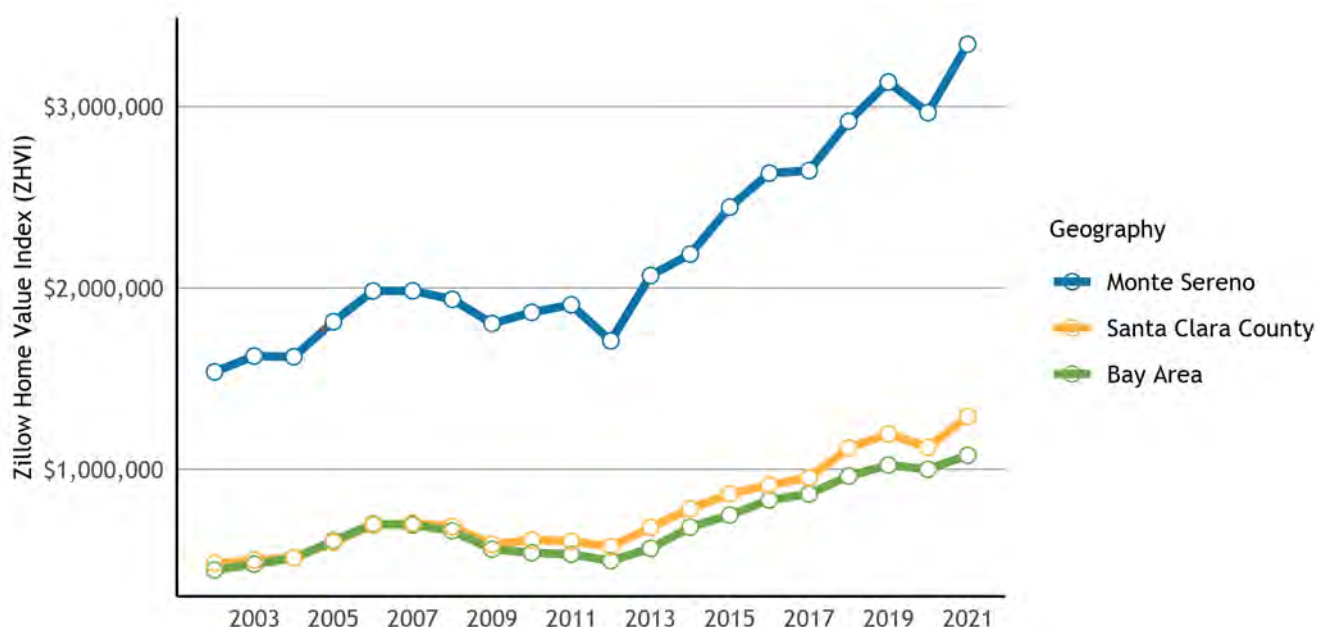


SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25075. For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-07.

NOTE: Universe: Owner-occupied units

The region's home values have increased steadily since 2000, besides a decrease during the Great Recession. The rise in home prices has been especially steep since 2012, with the median home value in the Bay Area nearly doubling during this time. Since 2001, the typical home value has increased 117.5 percent in Monte Sereno from \$1,537,510 to \$3,344,480. This change is considerably greater than the change in Santa Clara County and for the region as a whole. Figure B-23 shows the Zillow Home Value Index for Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Figure B-23 Zillow Home Value Index



SOURCE: Zillow, Zillow Home Value Index (ZHVI). For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-08.

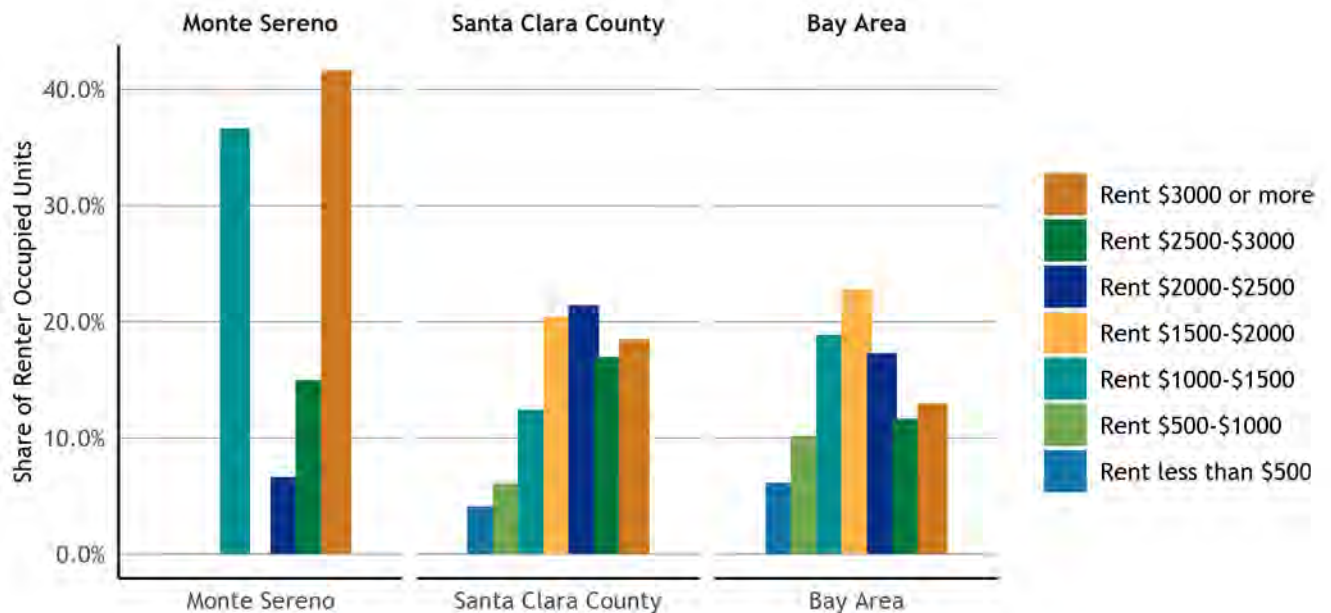
NOTE: Universe: Owner-occupied housing units. Zillow describes the ZHVI as a smoothed, seasonally adjusted measure of the typical home value and market changes across a given region and housing type. The ZHVI reflects the typical value for homes in the 35th to 65th percentile range. The ZHVI includes all owner-occupied housing units, including both single-family homes and condominiums. More information on the ZHVI is available from Zillow. The regional estimate is a household-weighted average of county-level ZHVI files, where household counts are yearly estimates from DOF's E-5 series. For unincorporated areas, the value is a population weighted average of unincorporated communities in the county matched to census-designated population counts.

Similar to home values, rents have also increased dramatically across the Bay Area in recent years. Many renters have been priced out, evicted or displaced, particularly communities of color. Residents finding themselves in one of these situations may have had to choose between commuting long distances to their jobs and schools or moving out of the region, and sometimes, out of the state.

In Monte Sereno, the largest proportion of rental units rented in the *Rent \$3000 or More* category, totaling 41.7 percent, followed by 36.7 percent of units renting in the *Rent \$1000-\$1500* category. Looking beyond the city, the largest share of units is in the *Rent \$2000-\$2500* category (county)

compared to the *Rent \$1500-\$2000* category for the region as a whole. Figure B-24 shows contract rents for renter-occupied units in Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Figure B-24 Contract Rents for Renter-Occupied Units



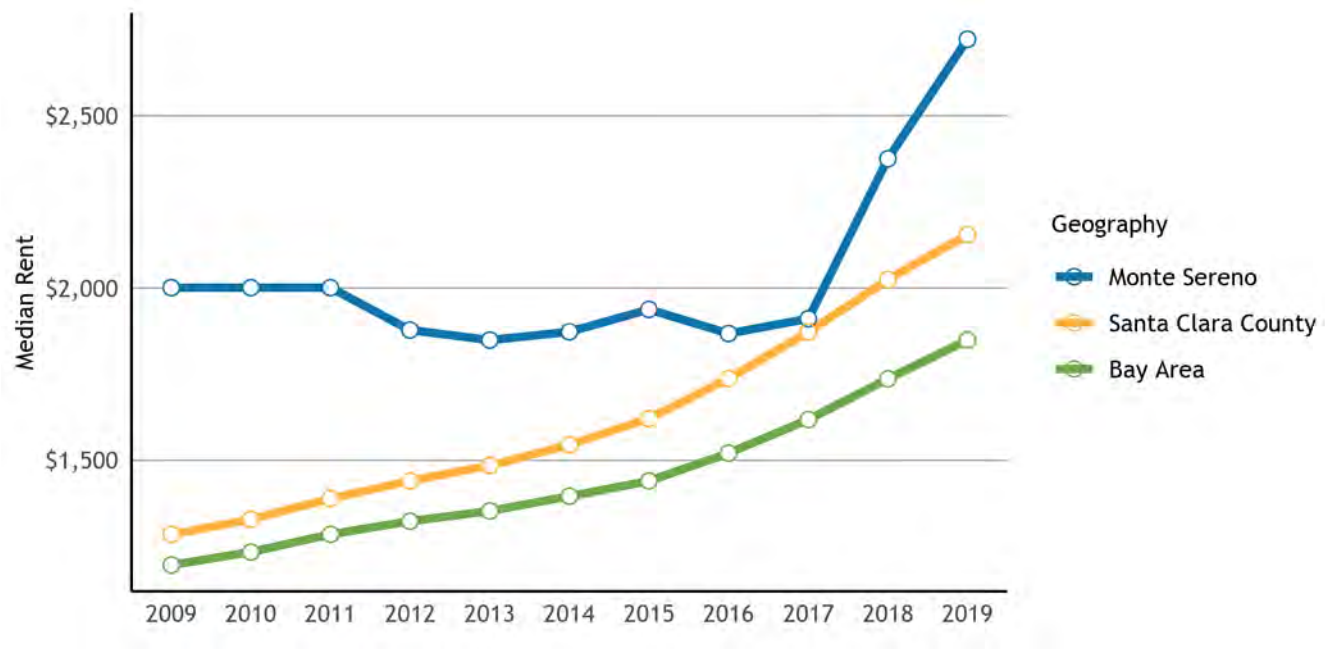
SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25056. For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-09.

NOTE: Universe: Renter-occupied housing units paying cash rent

Since 2009, the median rent has increased by 45.5 percent in Monte Sereno, from \$1,870 to \$2,720 per month. In Santa Clara County, the median rent has increased 39.6 percent, from \$1,540 to \$2,150. The median rent in the region has increased significantly during this time from \$1,200 to \$1,850, a 54.2 percent increase.¹⁴ Figure B-25 shows median contract rent in Monte Sereno and Santa Clara County.

¹⁴ While the data on home values shown in Figure B-23 comes from Zillow, Zillow does not have data on rent prices available for most Bay Area jurisdictions. To have a more comprehensive dataset on rental data for the region, the rent data in this document comes from the U.S. Census Bureau's American Community Survey, which may not fully reflect current rents. Local jurisdiction staff may want to supplement the data on rents with local realtor data or other sources for rent data that are more current than Census Bureau data.

Figure B-25 Median Contract Rent



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data releases, starting with 2005-2009 through 2015-2019, B25058, B25056 (for unincorporated areas). County and regional counts are weighted averages of jurisdiction median using B25003 rental unit counts from the relevant year. For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-10.

NOTE: Universe: Renter-occupied housing units paying cash rent. For unincorporated areas, median is calculated using distribution in B25056.

Overpayment and Overcrowding

A household is considered “cost-burdened” if it spends more than 30 percent of its monthly income on housing costs, while those who spend more than 50 percent of their income on housing costs are considered “severely cost-burdened.” Low-income residents are the most impacted by high housing costs and experience the highest rates of cost burden. Spending such large portions of their income on housing puts low-income households at higher risk of displacement, eviction, or homelessness.

When looking at the cost burden across tenure in Monte Sereno, 19.2 percent of renters are severely cost-burdened (i.e., spend 50 percent or more of their income on housing), while 11.6 percent of owners are severely cost-burdened. Figure B-26 shows cost burden by tenure.

Figure B-26 Cost Burden by Tenure



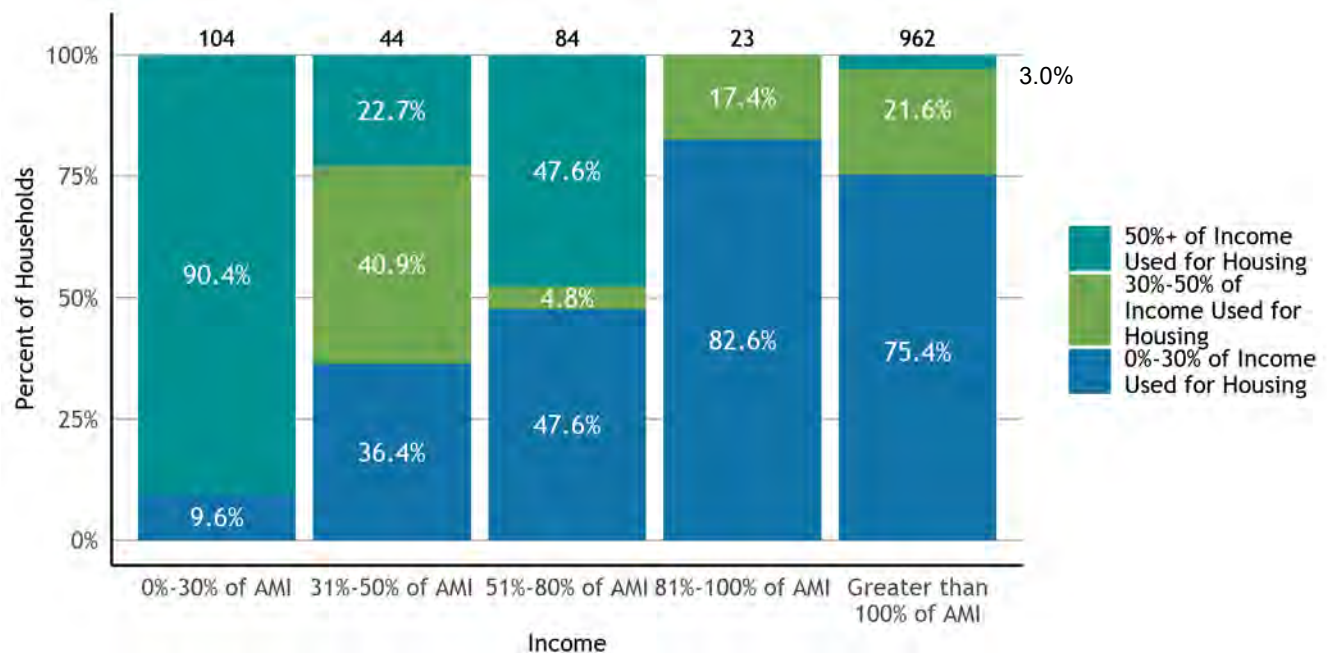
SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091. For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-06.

NOTE: Universe: Occupied housing units. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is “select monthly owner costs”, which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

When one looks at both renters and owners together in Monte Sereno, 12.1 percent of households spend 50 percent or more of their income on housing. However, these rates vary greatly across income categories. In Monte Sereno, 90.4 percent of households making less than 30 percent of AMI spend the majority of their income on housing, while only 3.0 percent of residents making

more than 100 percent of AMI spend the majority of their income on housing. Figure B-27 shows cost burden by income level.

Figure B-27 Cost Burden by Income Level



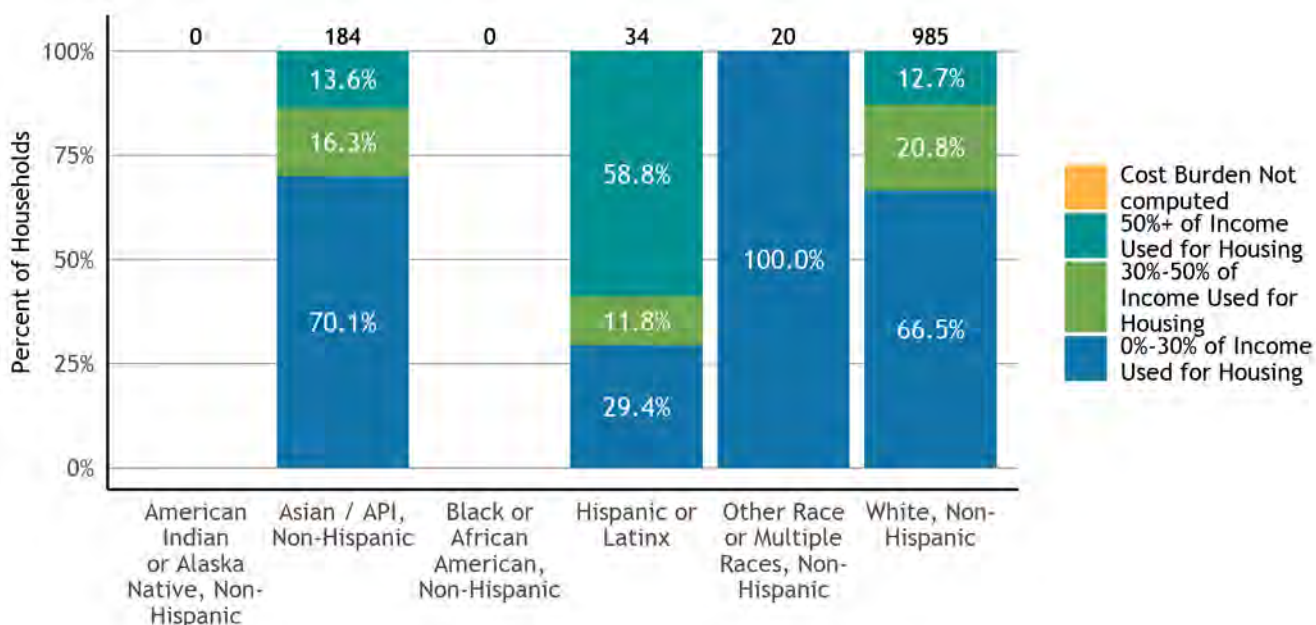
SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 201B-2017 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-05.

NOTE: Universe: Occupied housing units. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. As a result, they often pay a greater percentage of their income on housing, and in turn, are at a greater risk of housing insecurity.

Hispanic or Latinx residents are the most severely cost burdened with 58.8 percent spending more than 50 percent of their income on housing. Figure B-28 on the following page shows cost burden by race.

Figure B-28 Cost Burden by Race



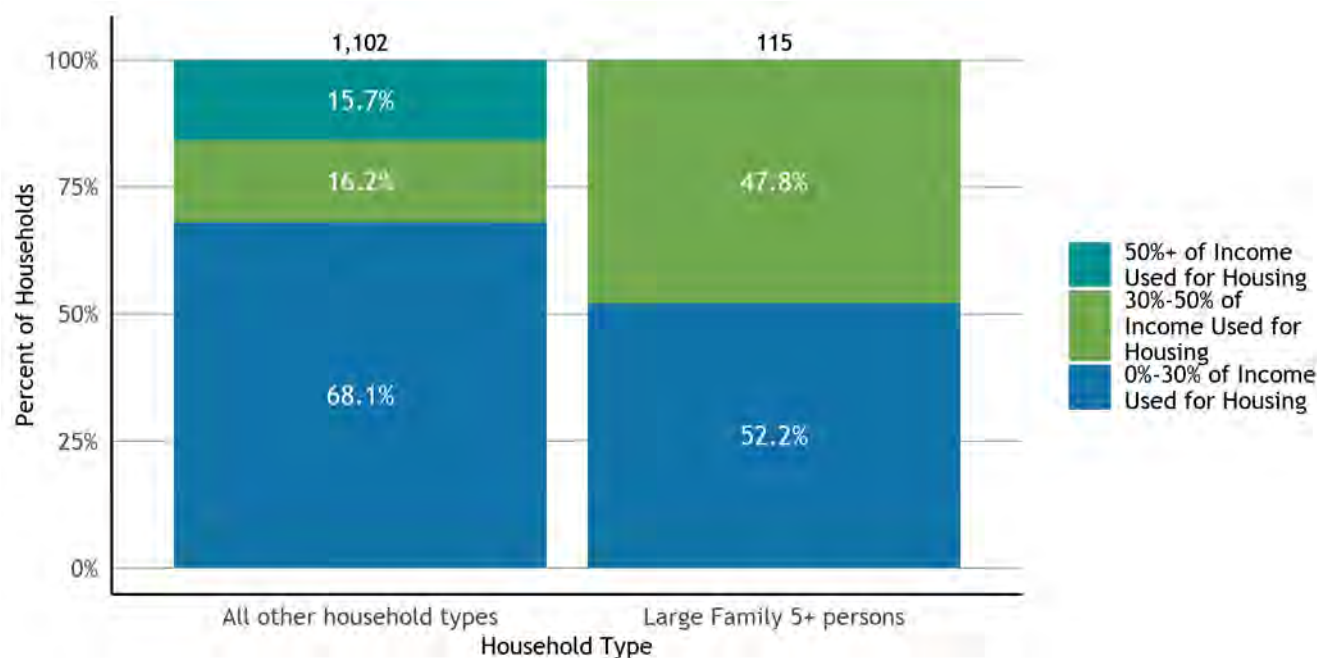
SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2018-2019 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-08.

NOTE: Universe: Occupied housing units. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. For the purposes of this graph, the "Hispanic or Latinx" racial/ethnic group represents those who identify as having Hispanic/Latinx ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latinx ethnicity.

Large family households often have special housing needs due to a lack of adequately sized affordable housing available. The higher costs required for homes with multiple bedrooms can result in larger families experiencing a disproportionate cost burden than the rest of the population and can increase the risk of housing insecurity.

In Monte Sereno, 47.8 percent of large-family households experience a cost burden of 30 to 50 percent, but none spend more than half of their income on housing. Figure B-29 shows cost burden by household size.

Figure B-29 Cost Burden by Household Size



SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2018-2019 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-09.

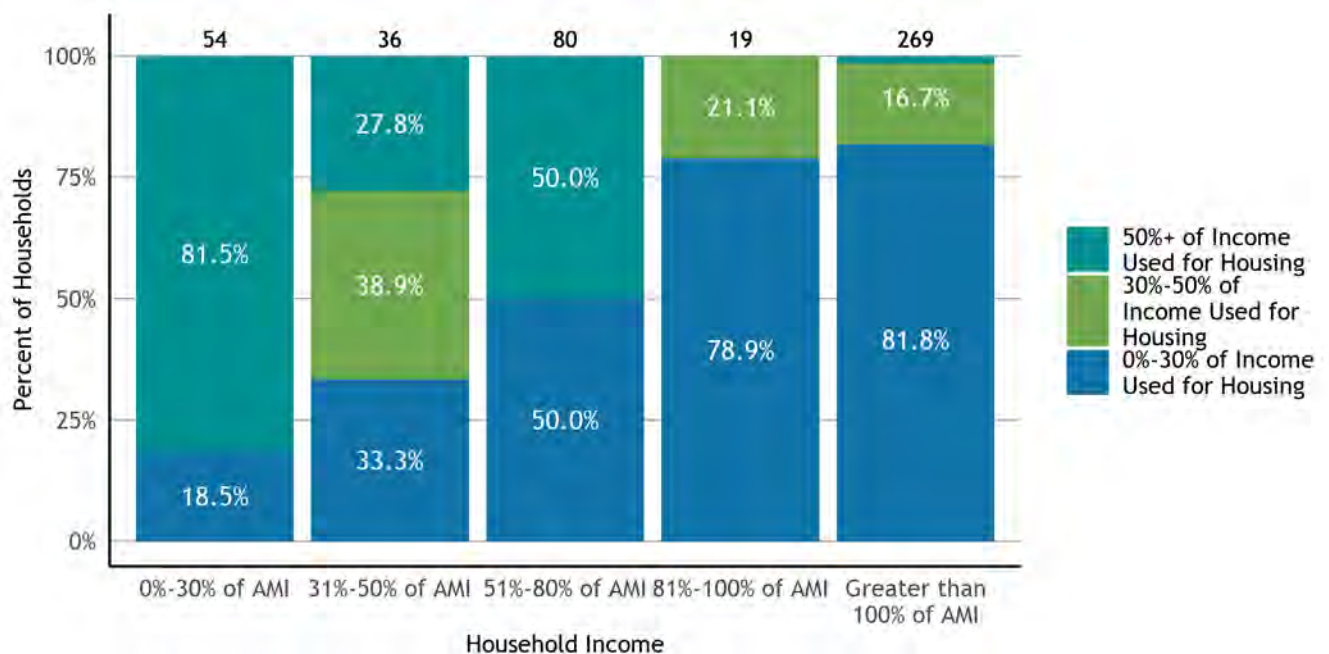
NOTE: Universe: Occupied housing units. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

When cost-burdened seniors are no longer able to make house payments or pay rents, displacement from their homes can occur, putting further stress on the local rental market or forcing residents out of the community they call home. Understanding how seniors might be cost-burdened is of particular importance due to their special housing needs, particularly for low-income seniors.

In Monte Sereno, 81.5 percent of seniors making less than 30 percent of AMI are spending the majority of their income on housing. For seniors making more than 100 percent of AMI, 81.8 percent are not cost-burdened and spend less than 30 percent of their income on housing.

Figure B-30 shows cost-burdened households by income level.

Figure B-30 Cost-Burdened Senior Households by Income Level



SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2018-2019 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table SEN-03.

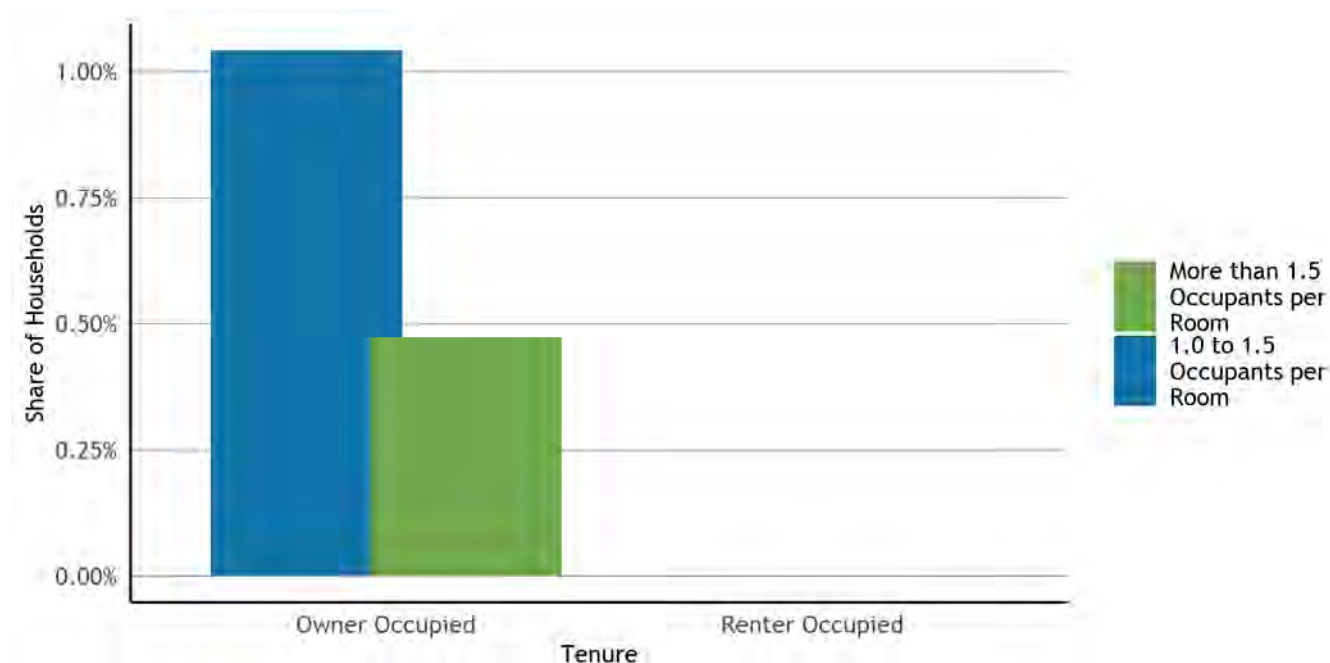
NOTE: Universe: Senior households. For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Overcrowding occurs when the number of people living in a household is greater than the home was designed to hold. There are several different standards for defining overcrowding, but this report uses the Census Bureau definition, which is more than one occupant per room (not including

bathrooms or kitchens). Additionally, the Census Bureau considers units with more than 1.5 occupants per room to be severely overcrowded.

In Monte Sereno, there are no rental households that experience moderate or severe overcrowding. Ownership households, on the other hand, experience severe overcrowding (i.e., more than 1.5 occupants per room) at a rate of 0.5 percent and moderate overcrowding (i.e., 1.0 to 1.5 occupants per room) at a rate of 1.0 percent. Figure B-31 shows overcrowding by tenure and severity.

Figure B-31 Overcrowding by Tenure and Severity

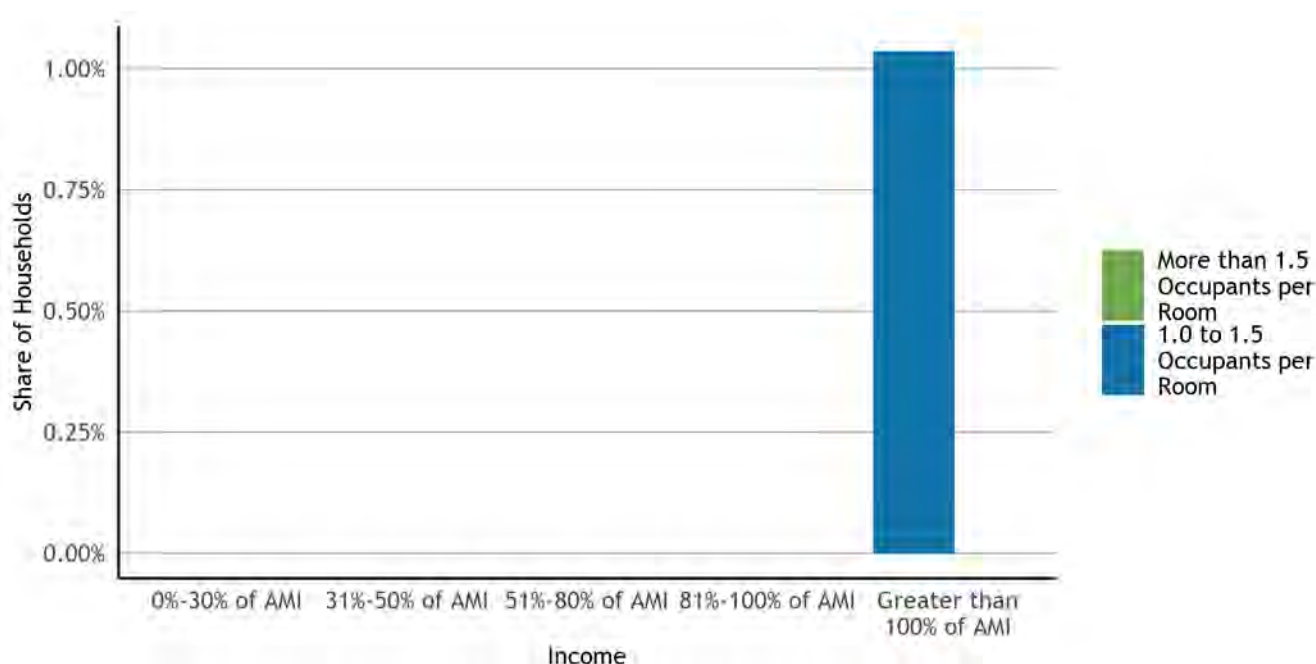


SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2018-2019 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-01.

NOTE: Universe: Occupied housing units. The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded.

Overcrowding often disproportionately impacts low-income households. In Monte Sereno, however, there are neither very low-income households (i.e., below 50 percent Area Median Income), nor above-moderate income (i.e., above 100 percent Area Median Income) that experience severe overcrowding. Figure B-32 on the following page shows overcrowding by income level and severity.

Figure B-32 Overcrowding by Income Level and Severity

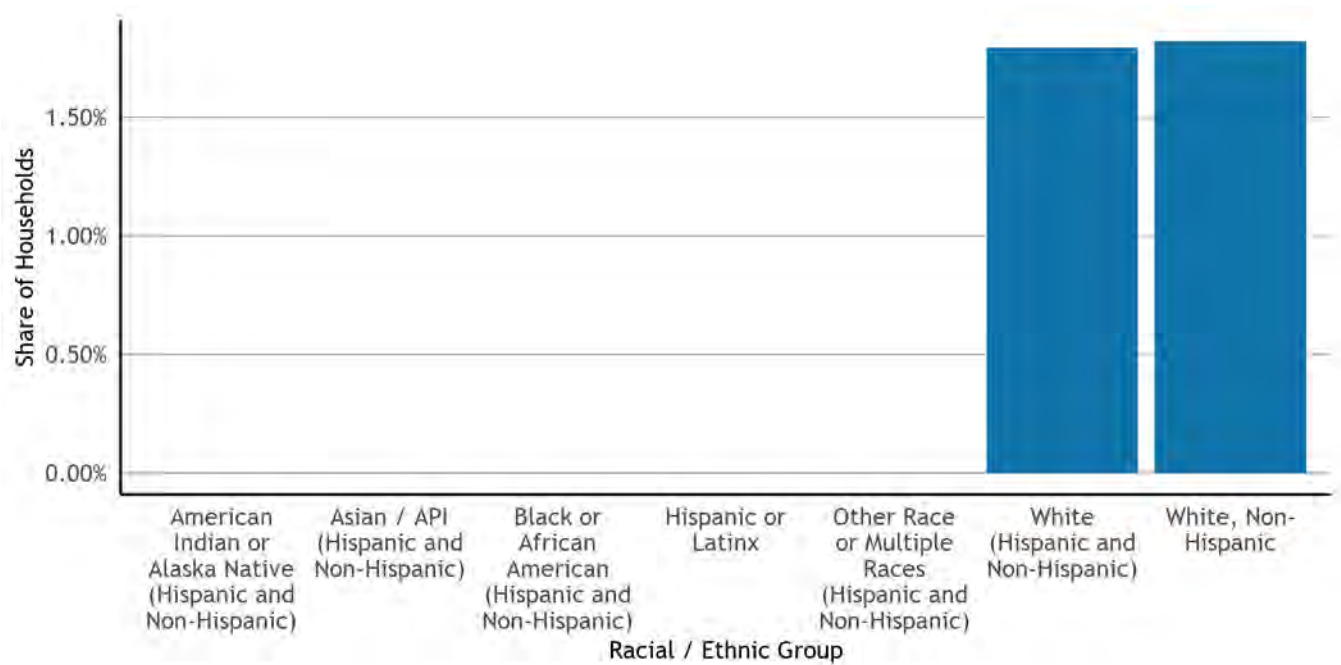


SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2018-2019 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-04.

NOTE: Universe: Occupied housing units. The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Communities of color are more likely to experience overcrowding similar to how they are more likely to experience poverty, financial instability, and housing insecurity. People of color tend to experience overcrowding at higher rates than White residents. In Monte Sereno, the racial group with the largest overcrowding rate is *White, Non-Hispanic*. Figure B-33 on the following page shows overcrowding by race.

Figure B-33 Overcrowding by Race



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25014. For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-03.

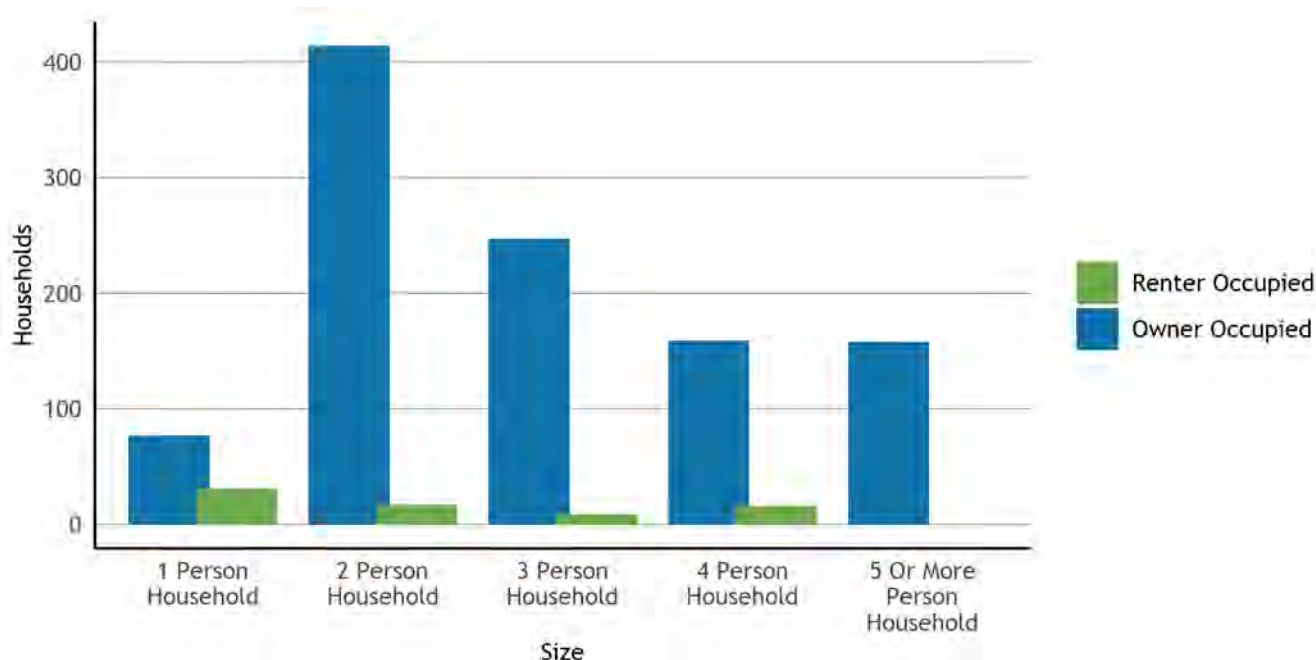
NOTE: Universe: Occupied housing units. The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.

B.3 Special Housing Needs

Large Households

Large households often have different housing needs than smaller households. If a city's rental housing stock does not include larger apartments, large households who rent could end up living in overcrowded conditions. In Monte Sereno, all units occupied by large households (i.e., five (5) or more persons) are owner occupied. In 2017, there were no large households in Monte Sereno that were very low-income (i.e., earning less than 50 percent of the area median income). Figure B-34 shows household size by tenure.

Figure B-34 Household Size by Tenure

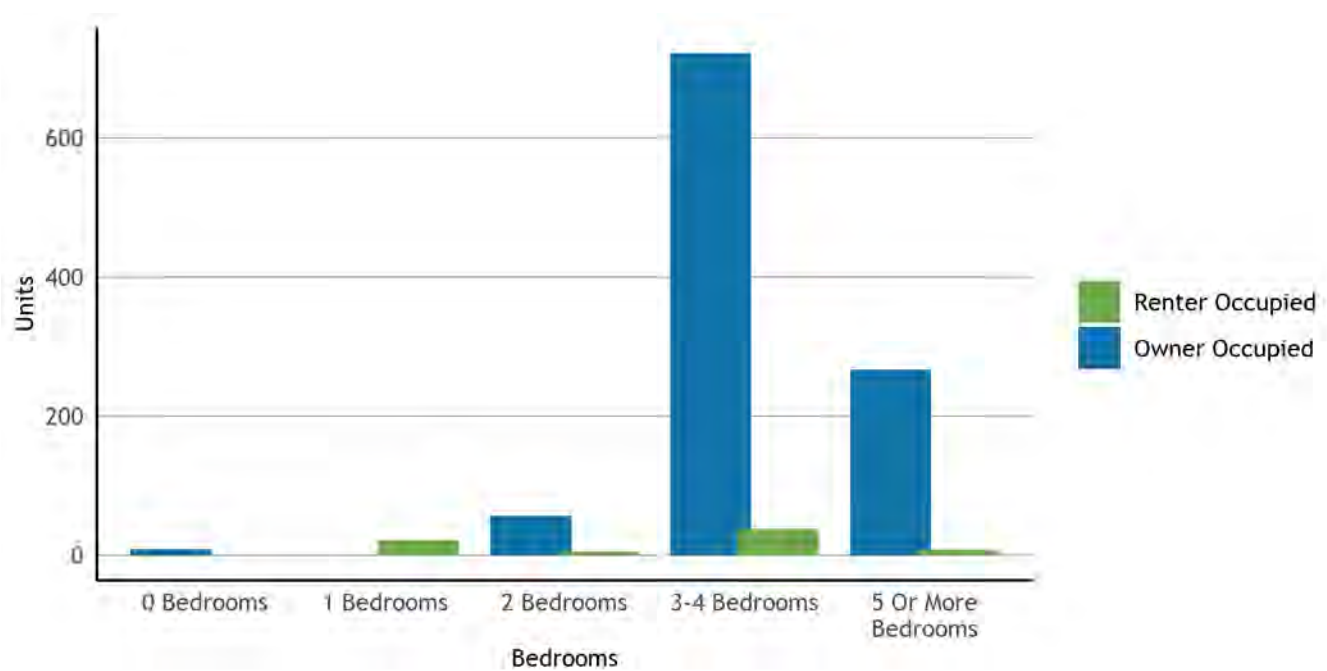


SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009. For the data table behind this figure, please refer to the Data Packet Workbook, Table LGFEM-01.

NOTE: Universe: Occupied housing units

The unit sizes available in a community affect the household sizes that can access that community. Large families are generally served by housing units with three (3) or more bedrooms, of which there are 1,035 units in Monte Sereno. Among these large units with three (3) or more bedrooms, 4.4 percent are renter-occupied and 95.6 percent are owner occupied. Figure B-35 summarizes housing units by the number of bedrooms.

Figure B-35 Housing Units by Number of Bedrooms

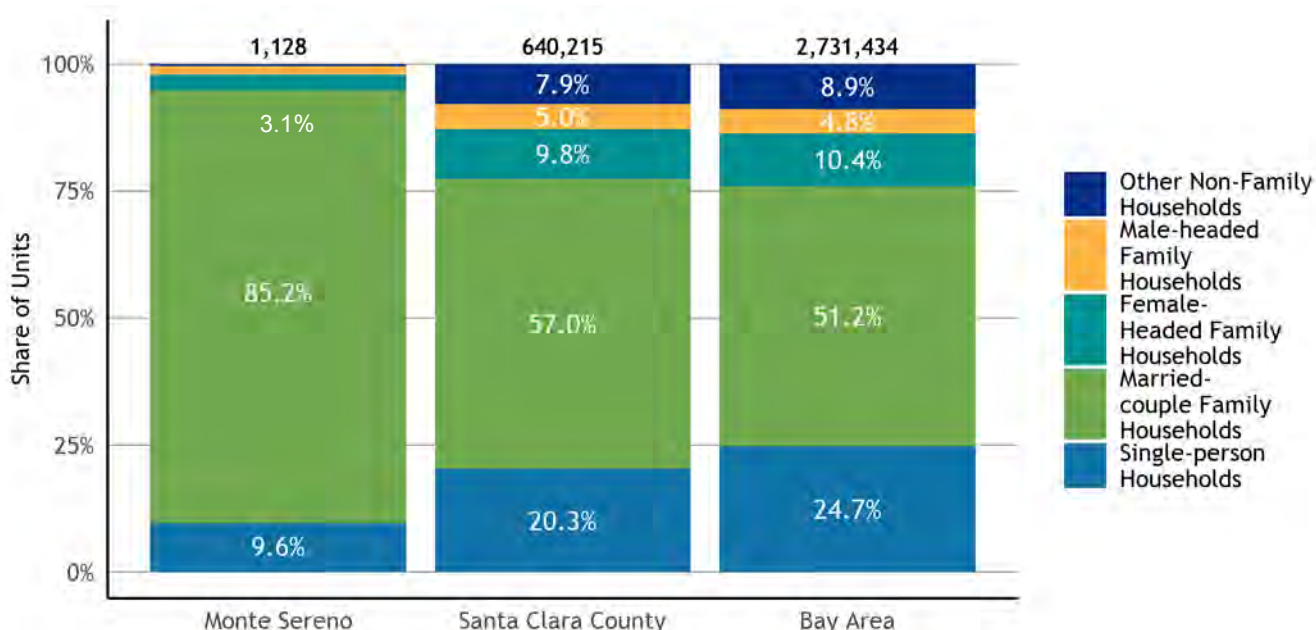


SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25042. For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-05.
NOTE: Universe: Housing units

Female-Headed Households

Households headed by one person are often at greater risk of housing insecurity, particularly female-headed households, who may be supporting children or a family with only one income. In Monte Sereno, the largest proportion of households is *Married-Couple Family Households* at 85.2 percent of total, while *Female-Headed Households* make up 3.1 percent of all households. Figure B-36 summarizes household types in Monte Sereno.

Figure B-36 Household Type



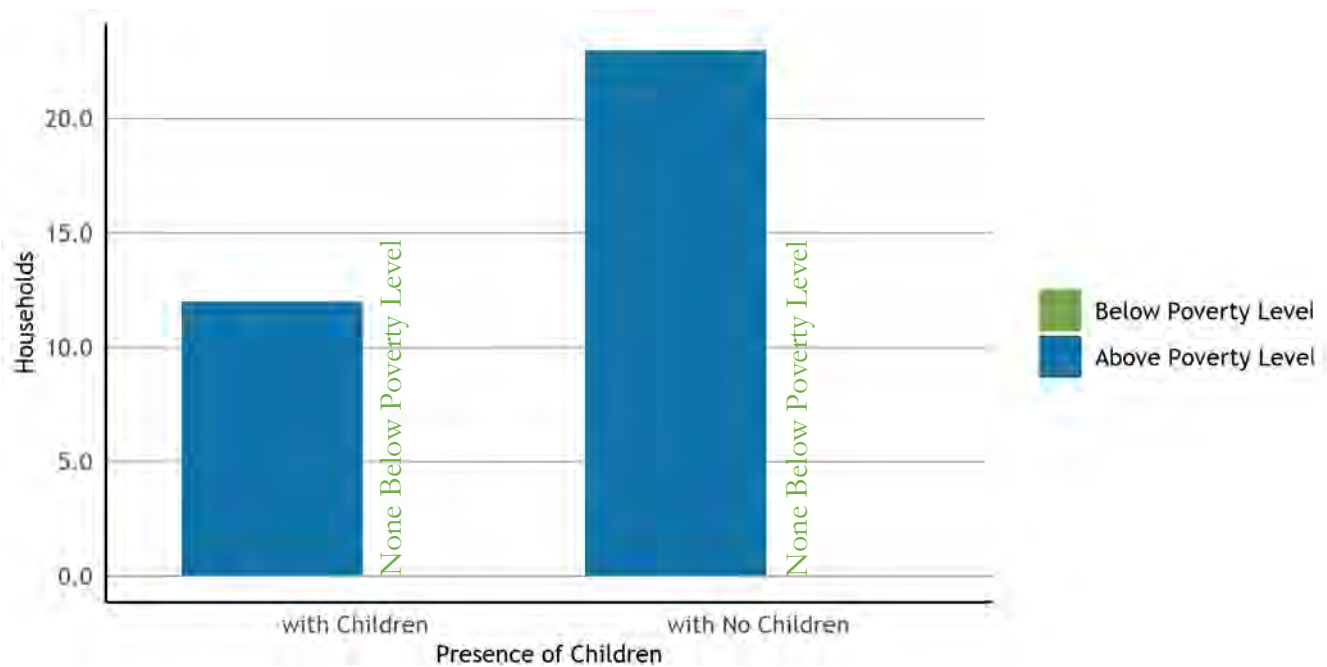
SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B11001. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-23.

NOTE: Universe: Households. For data from the Census Bureau, a "family household" is a household where two or more people are related by birth, marriage, or adoption. "Non-family households" are households of one person living alone, as well as households where none of the people are related to each other.

Female-headed households with children may face particular housing challenges, with pervasive gender inequality resulting in lower wages for women. Moreover, the added need for childcare can make finding a home that is affordable more challenging.

In Monte Sereno, there were no female-headed households (with or without children) that fell below the federal poverty line. Figure B-37 on the following page shows female-headed households by poverty status.

Figure B-37 Female-Headed Households by Poverty Status



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17012. For the data table behind this figure, please refer to the Data Packet Workbook, Table LGFEM-05.

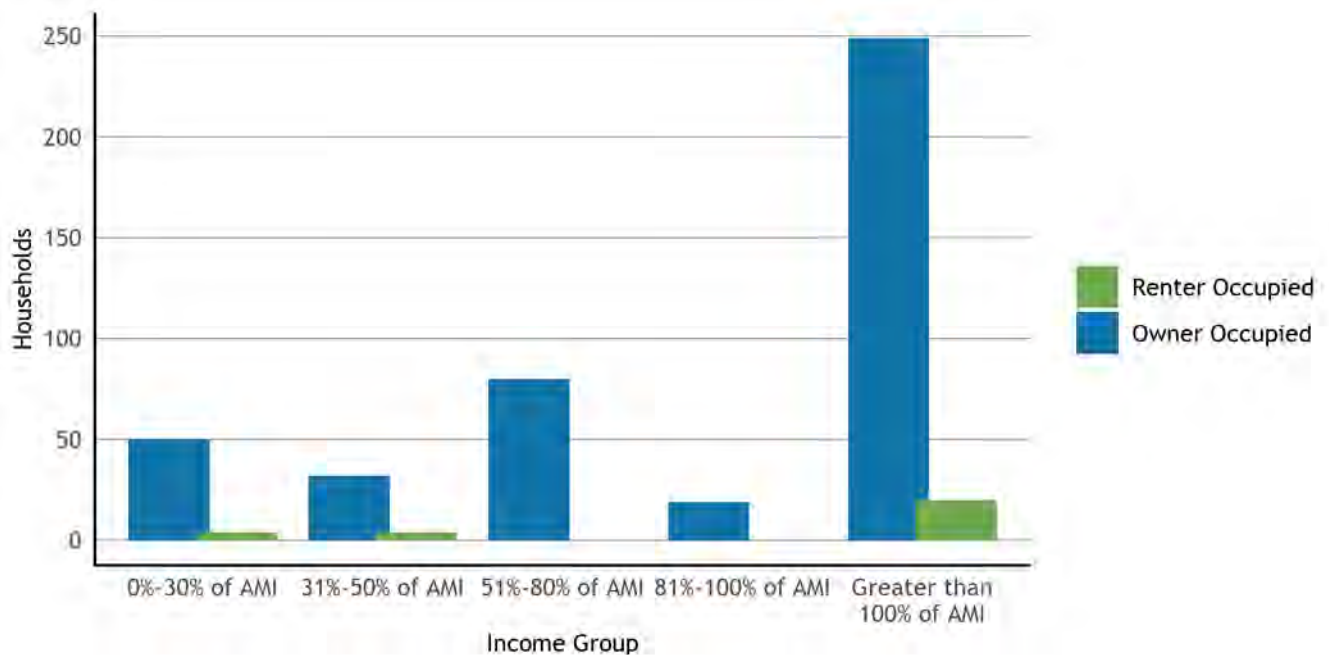
NOTE: Universe: Female Households. The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to Area Median Income.

Seniors

Senior households often experience a combination of factors that can make accessing or keeping affordable housing a challenge. They often live on fixed incomes and are more likely to have disabilities, chronic health conditions and/or reduced mobility. Seniors who rent may be at even greater risk for housing challenges than those who own, due to income differences between these groups.

In Monte Sereno, the largest proportion of senior households who rent and the largest proportion who own both earn *Greater than 100% of AMI*. Figure B-38 shows senior households by income and tenure.

Figure B-38 Senior Households by Income and Tenure



SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2018-2019 release. For the data table behind this figure, please refer to the Data Packet Workbook, Table SEN-01.

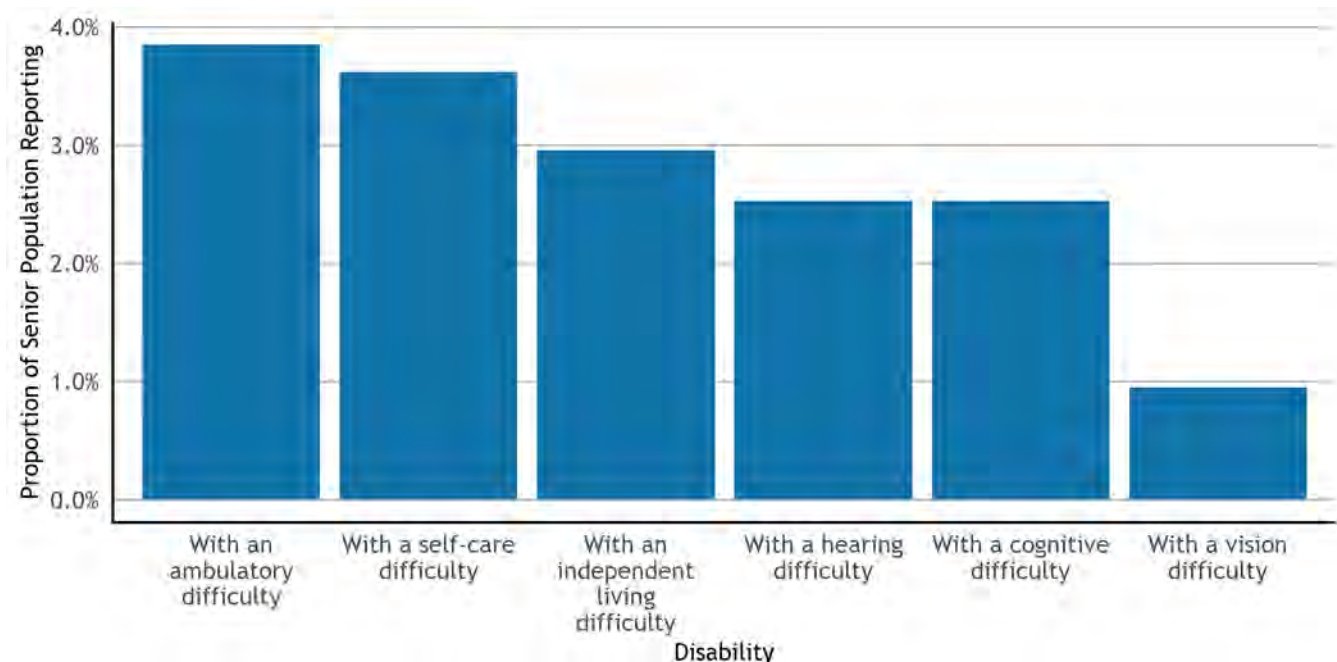
NOTE: Universe: Senior households. For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

People with Disabilities

People with disabilities face additional housing challenges. Encompassing a broad group of individuals living with a variety of physical, cognitive and sensory impairments, many people with disabilities live on fixed incomes and are in need of specialized care, yet often rely on family members for assistance due to the high cost of care. People with disabilities are not only in need of affordable housing, but accessibly designed housing, which offers greater mobility and opportunity for independence. Unfortunately, the need typically outweighs what is available, particularly in a housing market with such high demand. People with disabilities are at a high risk for housing insecurity, homelessness and institutionalization, particularly when they lose aging caregivers.

Overall, 6.8 percent of people in Monte Sereno have a disability of some kind.¹⁵ Figure B-39 shows the rates at which different disabilities are present among residents of Monte Sereno.

Figure B-39 Disability by Type



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B18102, Table B18103, Table B18104, Table B18105, Table B18106, Table B18107. For the data table behind this figure, please refer to the Data Packet Workbook, Table DISAB-01.

NOTE: Universe: Civilian noninstitutionalized population 18 years and over. These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed. The Census Bureau provides the following definitions for these disability types: Hearing difficulty: deaf or has serious difficulty hearing. Vision difficulty: blind or has serious difficulty seeing even with glasses. Cognitive difficulty: has serious difficulty concentrating, remembering, or making decisions. Ambulatory difficulty: has serious difficulty walking or climbing stairs. Self-care difficulty: has difficulty dressing or bathing. Independent living difficulty: has difficulty doing errands alone such as visiting a doctor's office or shopping.

¹⁵ These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed.

State law also requires Housing Elements to examine the housing needs of people with developmental disabilities. Developmental disabilities are defined as severe, chronic, and attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down's Syndrome, autism, epilepsy, cerebral palsy, and mild to severe mental retardation. Some people with developmental disabilities are unable to work, rely on Supplemental Security Income, and live with family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them.¹⁶

In Monte Sereno, there are seven (7) children under the age of 18 make with a developmental disability (58.3 percent), while there are five (5) adults with a developmental disability (41.7 percent). Table B-4 shows Monte Sereno's population with developmental disabilities by age.

Table B-4 Population with Developmental Disabilities by Age

| Age Group | Number |
|--------------|--------|
| Age 18+ | 7 |
| Age Under 18 | 5 |

SOURCE: California Department of Developmental Services, Consumer Count by California ZIP Code and Age Group (2020). This table is included in the Data Packet Workbook as Table DISAB-04.

NOTE: Universe: Population with developmental disabilities. NOTE: The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were crosswalked to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

The most common living arrangement for individuals with disabilities in Monte Sereno is the home of parent/family/guardian. Table B-5 shows Monte Sereno's population with developmental disabilities by residence.

Table B-5 Population with Developmental Disabilities by Residence

| Residence Type | Number |
|---------------------------------|--------|
| Home of Parent /Family/Guardian | 11 |
| Independent /Supported Living | 1 |
| Other | 0 |
| Foster /Family Home | 0 |
| Intermediate Care Facility | 0 |
| Community Care Facility | 0 |

¹⁶ For more information or data on developmental disabilities in your jurisdiction, contact the Golden Gate Regional Center for Marin, San Francisco and San Mateo Counties; the North Bay Regional Center for Napa, Solano and Sonoma Counties; the Regional Center for the East Bay for Alameda and Contra Costa Counties; or the San Andreas Regional Center for Santa Clara County.

SOURCE: California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type (2020). This table is included in the Data Packet Workbook as Table DISAB-05.

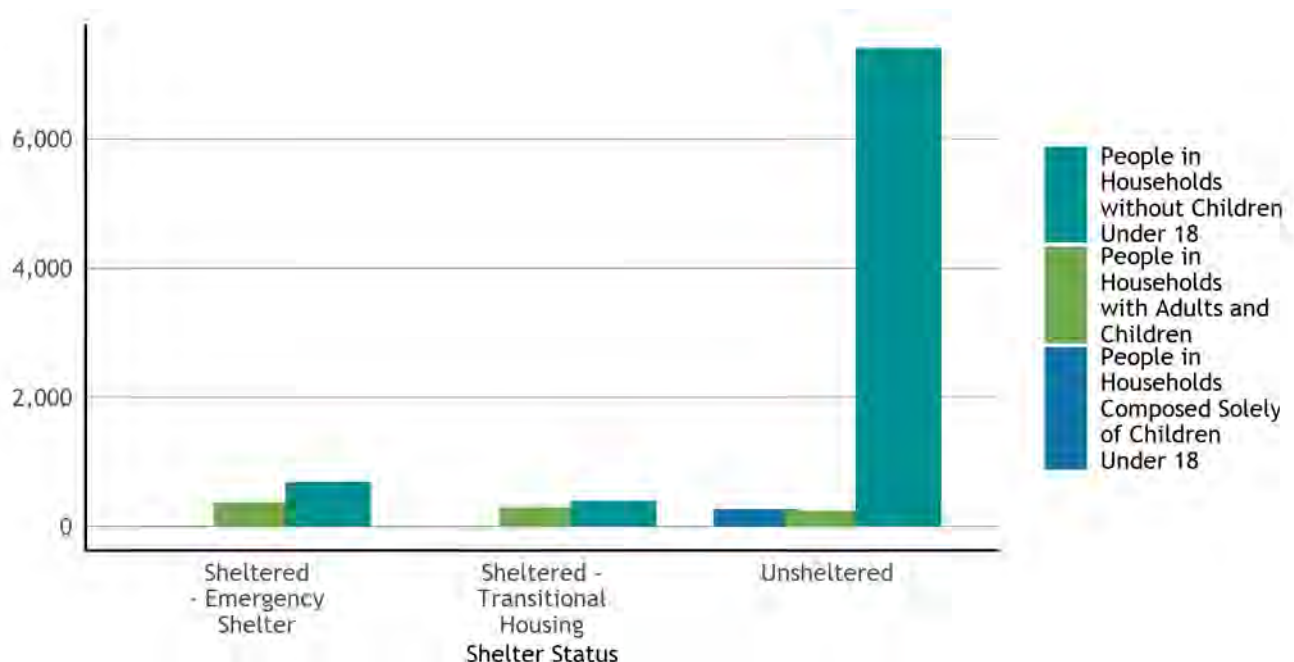
NOTE: Universe: Population with developmental disabilities. NOTE: The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were crosswalked to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

Homelessness

Homelessness remains an urgent challenge in many communities across the state, reflecting a range of social, economic, and psychological factors. Rising housing costs result in increased risks of community members experiencing homelessness. Far too many residents who have found themselves housing insecure have ended up unhoused or homeless in recent years, either temporarily or longer term. Addressing the specific housing needs for the unhoused population remains a priority throughout the region, particularly since homelessness is disproportionately experienced by people of color, people with disabilities, those struggling with addiction and those dealing with traumatic life circumstances.

In Santa Clara County, the most common type of household experiencing homelessness is those without children in their care. Among households experiencing homelessness that do not have children, 87.1 percent are unsheltered. Of homeless households with children, most are sheltered in emergency shelter. Figure B-40 shows household type and shelter status in Santa Clara County.

Figure B-40 Homelessness by Household Type and Shelter Status, Santa Clara County



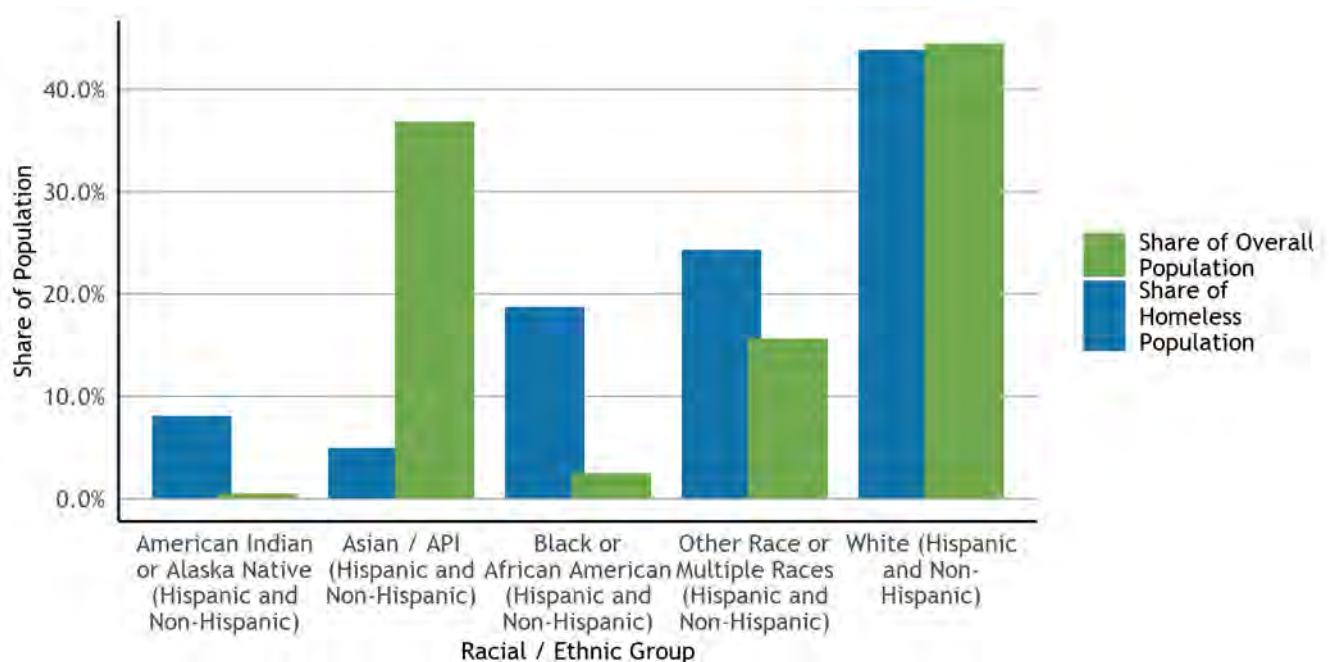
SOURCE: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019). For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMELS-01.

NOTE: Universe: Population experiencing homelessness. This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness.

People of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. Consequently, people of color are often disproportionately impacted by homelessness, particularly Black residents of the Bay Area.

In Santa Clara County, *White (Hispanic and Non-Hispanic)* residents represent the largest proportion of residents experiencing homelessness and account for 43.9 percent of the homeless population, while making up 44.5 percent of the overall population. Figure B-41 shows the racial group share of homeless population.

Figure B-41 Racial Group Share of General and Homeless Populations, Santa Clara County

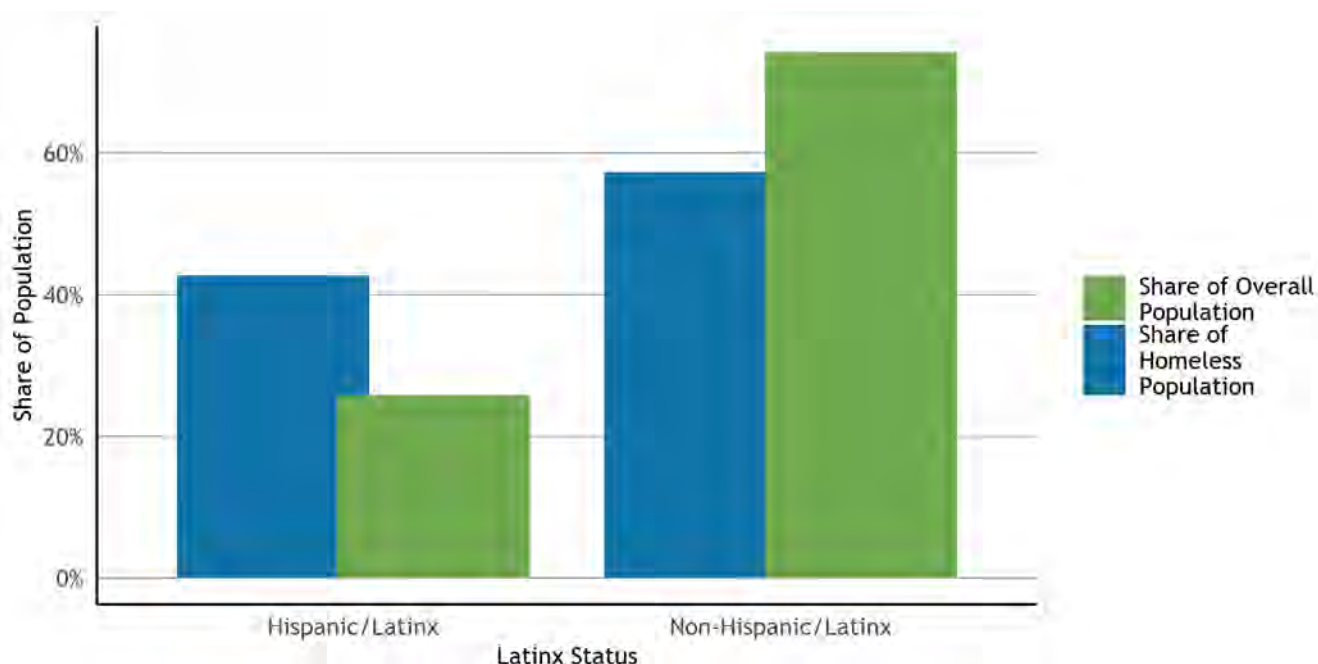


SOURCE: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I). For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMELS-02.

NOTE: Universe: Population experiencing homelessness. This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. HUD does not disaggregate racial demographic data by Hispanic/Latinx ethnicity for people experiencing homelessness. Instead, HUD reports data on Hispanic/Latinx ethnicity for people experiencing homelessness in a separate table. Accordingly, the racial group data listed here includes both Hispanic/Latinx and non-Hispanic/Latinx individuals.

In Santa Clara, Latinx residents represent 42.7 percent of the population experiencing homelessness, while Latinx residents comprise 25.8 percent of the general population. Figure B-42 on the following page shows the Latinx share of the homeless population in Santa Clara County.

Figure B-42 Latinx Share of General and Homeless Populations, Santa Clara County



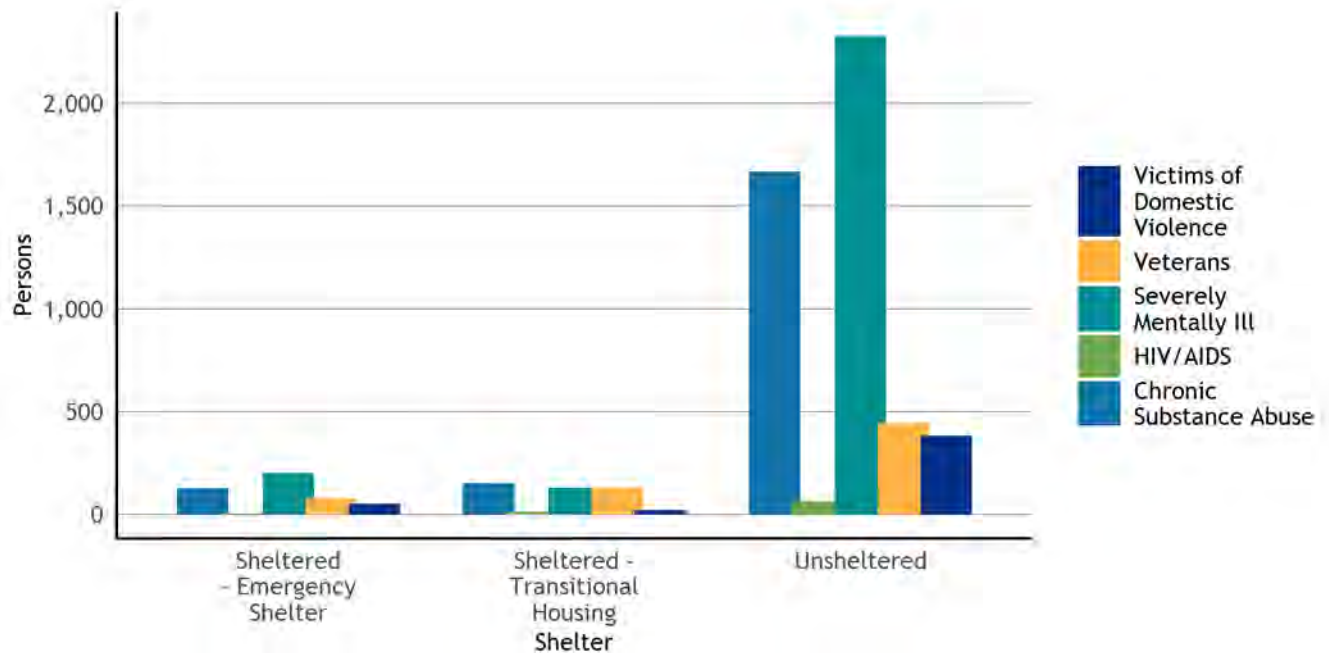
SOURCE: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I). For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMEELS-03.

NOTE: Universe: Population experiencing homelessness. This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. The data from HUD on Hispanic/Latinx ethnicity for individuals experiencing homelessness does not specify racial group identity. Accordingly, individuals in either ethnic group identity category (Hispanic/Latinx or non-Hispanic/Latinx) could be of any racial background.

Many of those experiencing homelessness are dealing with severe issues, including mental illness, substance abuse and domestic violence, which are potentially life threatening and require additional assistance.

In Santa Clara County, homeless individuals are commonly challenged by severe mental illness, with 2,659 reporting this condition. Of those, some 87.6 percent are unsheltered, further adding to the challenge of handling the issue. Figure B-43 on the following page shows the selected characteristics of the homeless population in Santa Clara County.

Figure B-43 Characteristics for the Population Experiencing Homelessness, Santa Clara



SOURCE: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019).

For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMELS-04.

NOTE: Universe: Population experiencing homelessness. This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. These challenges/characteristics are counted separately and are not mutually exclusive, as an individual may report more than one challenge/characteristic. These counts should not be summed.

In Monte Sereno, there were no reported students experiencing homeless in the 2019-20 school year. By comparison, Santa Clara County has seen a 3.5 percent increase in the population of students experiencing homelessness since the 2016-17 school year, and the Bay Area population of students experiencing homelessness decreased by 8.5 percent. During the 2019-2020 school year, there were still some 13,718 students experiencing homelessness throughout the region, adding undue burdens on learning and thriving, with the potential for longer term negative effects.

Table B-6 summarizes students in public schools experiencing homelessness.

Table B-6 Students in Local Public Schools Experiencing Homelessness

| Academic Year | Monte Sereno | Santa Clara County | Bay Area |
|---------------|--------------|--------------------|----------|
| 2016-17 | 0 | 2,219 | 14,990 |
| 2017-18 | 0 | 2,189 | 15,142 |
| 2018-19 | 0 | 2,405 | 15,427 |
| 2019-20 | 0 | 2,297 | 13,718 |

SOURCE: California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020). This table is included in the Data Packet Workbook as Table HOMEELS-05.

NOTE: Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools. The California Department of Education considers students to be homeless if they are unsheltered, living in temporary shelters for people experiencing homelessness, living in hotels/motels, or temporarily doubled up and sharing the housing of other persons due to the loss of housing or economic hardship. The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded and assigned to jurisdiction, and finally summarized by geography.

Farmworkers

Across the state, housing for farmworkers has been recognized as an important and unique concern. Farmworkers generally receive wages that are considerably lower than other jobs and may have temporary housing needs. Finding decent and affordable housing can be challenging, particularly in the current housing market.

In Monte Sereno, there were no reported students of migrant workers in the 2019-20 school year. The trend for the region for the past few years has been a decline of 2.4 percent in the number of migrant worker students since the 2016-17 school year. The change at the county level is a 49.7 percent decrease in the number of migrant worker students since the 2016-17 school year. Table B-7 summarizes migrant worker student population in Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Table B-7 Migrant Worker Student Population

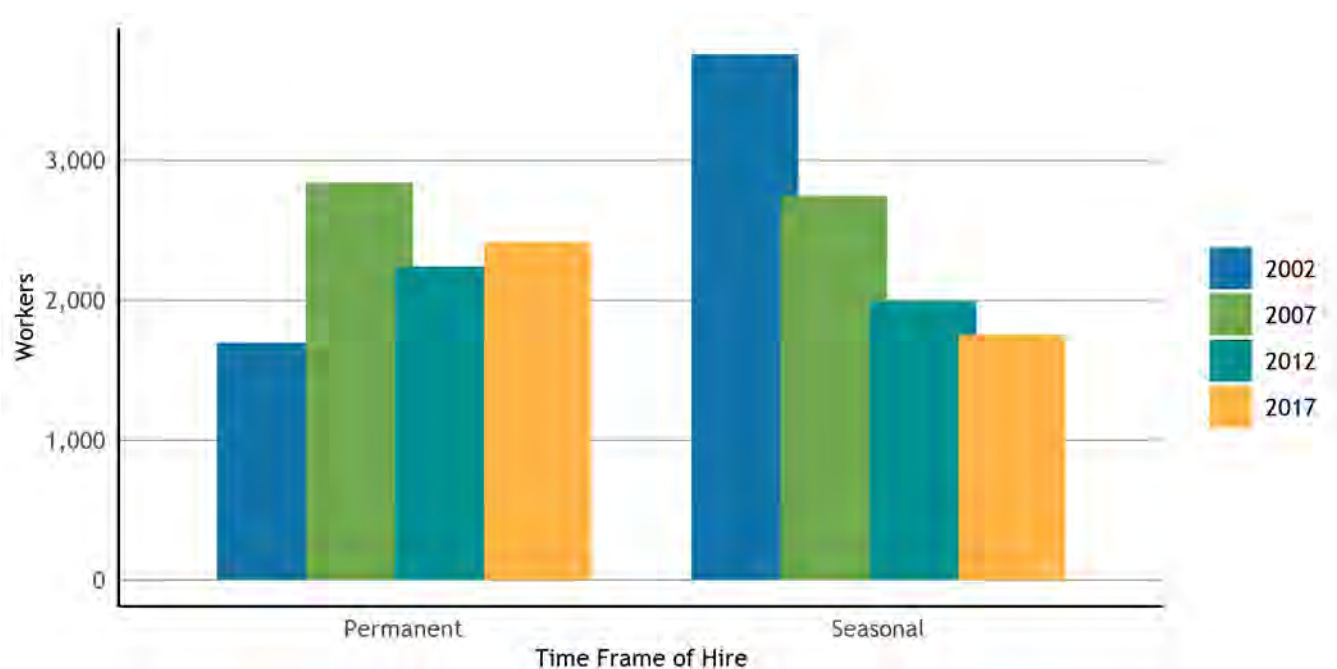
| Academic Year | Monte Sereno | Santa Clara County | Bay Area |
|---------------|--------------|--------------------|----------|
| 2016-17 | 0 | 978 | 4,630 |
| 2017-18 | 0 | 732 | 4,607 |
| 2018-19 | 0 | 645 | 4,075 |
| 2019-20 | 0 | 492 | 3,976 |

SOURCE: California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020). This table is included in the Data Packet Workbook as Table FARM-01.

NOTE: Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools. The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded and assigned to jurisdiction, and finally summarized by geography.

According to the U.S. Department of Agriculture Census of Farmworkers, the number of permanent farm workers in Santa Clara County has increased since 2002, totaling 2,418 in 2017, while the number of seasonal farm workers has decreased, totaling 1,757 in 2017. Figure B-44 on the following page shows farm operations and labor in Santa Clara County.

Figure B-44 Farm Operations and Farm Labor by County, Santa Clara County



SOURCE: U.S. Department of Agriculture, Census of Farmworkers (2002, 2007, 2012, 2017), Table 7: Hired Farm Labor. For the data table behind this figure, please refer to the Data Packet Workbook, Table FARM-02.

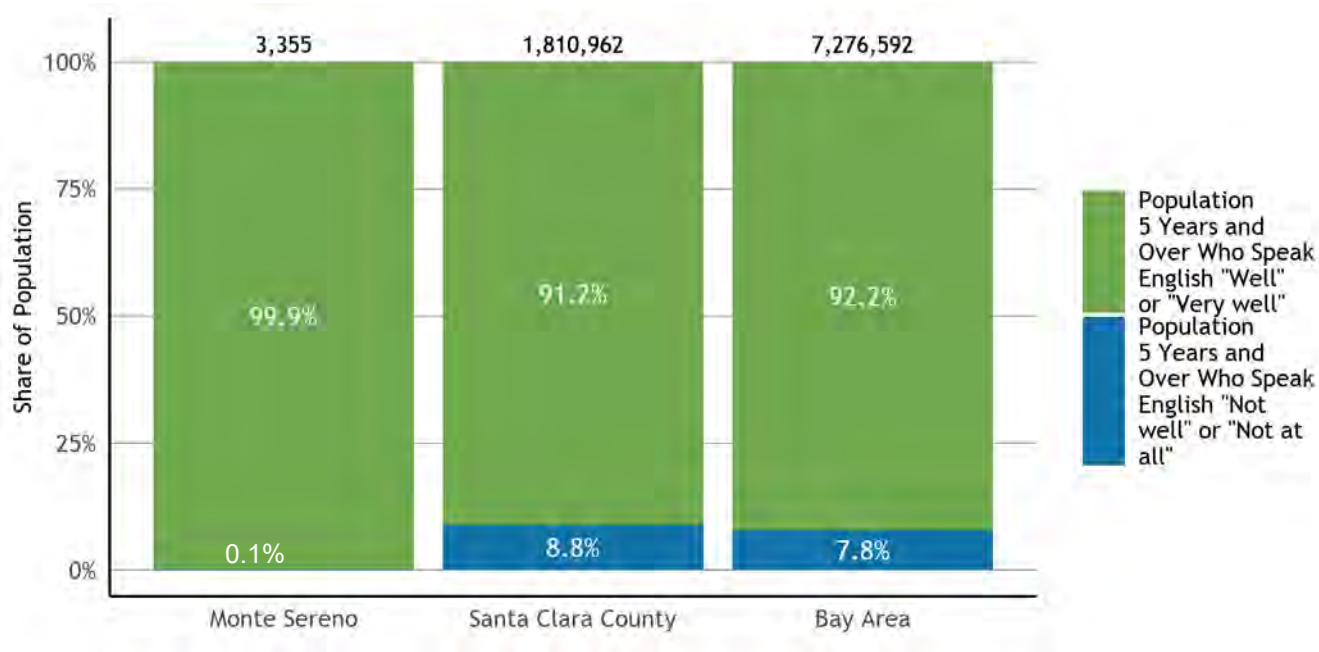
NOTE: Universe: Hired farm workers (including direct hires and agricultural service workers who are often hired through labor contractors). Farm workers are considered seasonal if they work on a farm less than 150 days in a year, while farm workers who work on a farm more than 150 days are considered to be permanent workers for that farm.

Non-English Speakers

California has long been an immigration gateway to the United States, which means that many languages are spoken throughout the Bay Area. Since learning a new language is universally challenging, it is not uncommon for residents who have immigrated to the United States to have limited English proficiency. This limit can lead to additional disparities if there is a disruption in housing, such as an eviction, because residents might not be aware of their rights or they might be wary to engage due to immigration status concerns.

In Monte Sereno, 0.1 percent of residents five (5) years and older identify as speaking English not well or not at all, which is below the proportion for Santa Clara County. Throughout the region the proportion of residents five (5) years and older with limited English proficiency is eight (8) percent. Figure B-45 on the following page shows population with limited English proficiency in Monte Sereno, Santa Clara County, and the Bay Area as a whole.

Figure B-45 Population with Limited English Proficiency



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B16005. For the data table behind this figure, please refer to the Data Packet Workbook, Table AFFH-03.

NOTE: Universe: Population 5 years and over.

Santa Clara County has approximately 23 emergency shelters, providing close to 800 beds year-round, with an additional 300 beds available during the winter months (November through March). There are also over 1,100 transitional housing beds throughout the County that offer a combination of stable housing and intensive, targeted support services for the mentally ill, those with chronic substance abuse, developmental disabilities, and other factors that prevent the homeless from returning to permanent housing situations. Transitional housing includes both single site and "scattered site" programs. Table B-8 on the following page provides a summary of emergency shelters and transitional housing near the City of Monte Sereno.

Table B-8 Homeless Facilities Near Monte Sereno

| Facility | Beds | Target Population | Location |
|---|------|---|----------|
| Emergency Shelters | | | |
| Asian Americans for Community Involvement | 12 | Women with Children | San Jose |
| City Team Rescue Mission | 52 | Single men | San Jose |
| Hospitality House, Salvation Army | 24 | Single men | San Jose |
| Our House Youth Services HomeFirst | 10 | Homeless and run-away youth | San Jose |
| San Jose Family Shelter | 143 | Families | San Jose |
| Support Network for Battered Women | 18 | Domestic violence shelter- women and children | San Jose |
| Emergency Shelter/Transitional Housing | | | |
| InnVision | 178 | Working men, women & children, mentally ill men & women | San Jose |
| James Boccardo Reception Center | 370 | Families and single adults | San Jose |
| Transitional Housing | | | |
| Next Door- Women with Children | 19 | Domestic Violence Shelter -Women and children | San Jose |
| St. Josephs Cathedral | 45 | Worker housing- men, women and children | San Jose |
| YWCA- Villa Nueva | 126 | Women and children | San Jose |

SOURCE: Santa Clara County Consolidated Plan, 2010-20

Housing Constraints



Appendix C

Housing Constraints

C.1 Introduction

State law requires that Housing Elements include an analysis of governmental and nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels. Governmental constraints include land use controls, building codes and their enforcement, fees and exactions, and permitting procedures. Nongovernmental constraints are primarily market-driven and include land costs, construction costs and the availability of financing.

C.2 Governmental Constraints

General Plan Land Use

The *Monte Sereno General Plan*, adopted in 2008, is the City's primary land use control policy document. The General Plan Land Use Element identifies permitted land uses and development intensities for all land within city boundaries. Permitted uses in Monte Sereno include residential, public and open space. The general plan does not designate any areas in Monte Sereno as commercial or mixed-use. Table C-1 identifies the residential land use designations and their maximum permitted densities.

Table C-1 Residential Land Use Designations

| Designation | Maximum Density |
|-------------------------------------|-----------------------------|
| Low Density Residential (R-1-44) | 0-1 dwelling unit per acre |
| Medium Density Residential (R-1-20) | 1-2 dwelling units per acre |
| Higher Density Residential (R-1-8) | 3-5 dwelling units per acre |
| Multifamily Residential (RM) | 3-8 dwelling units per acre |

SOURCE: City of Monte Sereno

The age of the *Monte Sereno General Plan* may be a constraint to development, as the document represents the policy direction of the 2008 City Council. State housing law has changed dramatically since 2008 with land prices, development costs, and housing costs significantly more costly and constrained. Given the age of the general plan and the changes in the community and region since

the plan's adoption, the document is a constraint and should be updated. A program to initiate a general plan update is included in Chapter 2 of this housing element.

Zoning Code

The Monte Sereno Zoning Code (Monte Sereno Municipal Code Title 10 - Planning and Zoning) implements the general plan by establishing standards and regulations for all development in Monte Sereno. To this end, the Zoning Code establishes four residential zoning districts: R-1-8, R-1-20, R-1-44, and RM, and development standards for these districts are summarized in Table C-2.

Single-family homes are permitted uses in all districts. In the RM zone, multi-family housing is also a permitted use. The Municipal Code also includes a "Public" zone category, and in 2016 and 2020 the Public zoning district standards were amended to allow residential uses, which facilitated additional opportunities for multi-family housing in the City.

In general, housing development standards such as the ones in place in Monte Sereno, would be inadequate to provide lower-income housing. The maximum allowable density in Monte Sereno's RM District (its highest density, multi-family district), for example, is eight (8) dwelling units per acre, which even with applicable density bonus is significantly below the level typically needed to facilitate lower-income housing. In fact, HCD has determined that a minimum of 30 dwelling units per acre is typically required to facilitate affordable housing in Santa Clara County. Nonetheless, the City of Monte Sereno was able to meet and surpass its RHNA for the 2015-2023 planning period—even with such development regulations in place. It did so through the development of accessory dwelling units (ADUs), and this topic is discussed in full later in this chapter.

Given the City's accomplishments under its zoning regiment, it is apparent that in Monte Sereno's specific case, low residential development densities do not constitute a governmental constraint on the development of affordable housing.

The limited structure coverage is not considered a constraint to development because the large lot sizes in the City afford a sizeable development footprint.

Table C-2 Residential Development Standards

| Zoning | Minimum Lot Area (sq ft) | Setbacks | | | Maximum Height | | Maximum Building Size (sq ft) | Maximum Structural Lot Coverage | Maximum Units/ Acre |
|--------|--------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------|-----|---|---------------------------------|---------------------|
| | | Front | Side | Rear | | | | | |
| R-1-8 | 8,000* | 25' First & 30' Second- story | 6' First & 10' Second- story | 30' First & 30' Second-story | Single-story bldg. | 21' | 3,300 | 40 percent | 5 |
| | | | | | Two-story bldg. | 30' | 3,000 | | |
| | | | | | Accessory bldg. | 12' | 600 | | |
| R-1-20 | 21,780 | 30' First & 40' Second- story | 15' First & 20' Second- story | 30' First & 40' Second- story | Single-story bldg. | 21' | 4,950 | 30 percent | 2 |
| | | | | | Two-story bldg. | 30' | 4,500 | | |
| | | | | | Accessory bldg. | 21' | 800 | | |
| R-1-44 | 43,560 | 30' First & 45' Second-story | 30' First & 40' Second- story | 30' First & 40' Second-story | Single-story bldg. | 21' | 6,600 | 20 percent | 1 |
| | | | | | Two-story bldg. | 30' | 6,000 | | |
| | | | | | Accessory bldg. | 21' | 1,000 | | |
| RM | 14,520 | 25' First & 30' Second- story | 6' First & 10' Second- story | 30' First & 30' Second-story | Single-story bldg. | 21' | 2,600 | 40 percent | 8 |
| | | | | | Two-story bldg. | 30' | 2,600 | | |
| | | | | | Accessory bldg. | 12' | Included in maximum structural coverage | | |
| P | 8,000 | 25' First & 30' Second- story | 6' First & 10' Second- story | 30' First & 30' Second-story | Single-story bldg. | 21' | 3,300 | 40 percent | 8 |
| | | | | | Two-story bldg. | 30' | 3,000 | | |
| | | | | | Accessory bldg. | 12' | Included in maximum structural coverage | | |

SOURCE: City of Monte Sereno NOTE: *Reduction in minimum lot sizes resulting from clustering of units is allowed in the R-1-8 and RM zone districts.

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Structural Coverage

The City's structural coverage limits of 20 to 40 percent, with higher coverage allowed on smaller lots, are not a constraint on the maintenance, improvement, and development of housing. Applying the structural coverage limit to the various zoning districts throughout the City would result in allowable structural footprints of at least 3,200 sq. ft. on the smallest single-family lots permitted in the City.

In the RM multifamily zone, the structural coverage maximums are applied on a sliding scale and depending on the size and topography of the lot. Maximum coverage is 40 percent, but shall be decreased by 2 percent for each 2,000 square feet by which the area of the parcel exceeds 12,000 square feet. Additionally, coverage is decreased by two percent (2 percent) for each five percent (5 percent) of slope that the parcel exceeds a ten percent (10 percent) average slope, whichever formula reduction is greatest.

Lot and Unit Size

Originally, Monte Sereno developed as a large lot, residential community with minimum lot sizes of one acre and one-half acre. Requirements for lots of this size can act as a constraint to housing. The majority of the City has been subdivided and already built at this density. Within the eastern part of the City, residential districts were designated with smaller minimum lot sizes, with three to five units per acre and 8,000 sq. ft. lots permitted. The R-1-8 zone also allows for clustering which can reduce the minimum lot size even further depending on slope calculations and street improvements.

To facilitate additional development, the Housing Element includes programs to: 1) facilitate parcel maps; 2) revise flag lot development standards in an effort to encourage new flag lots for residential development; and 3) review SB 9 regulations to determine if modifications to the existing standards are necessary.

Clustering of Units

Section 10.05.050 of the City's Municipal Code allows special residential development exception to the minimum development standards generally required in the R-1-8, RM, and P/RM districts by allowing the clustering of homes on smaller sites. This provision can assist in providing a variety of housing types and affordability levels.

Accessory Dwelling Units (ADUs)

Accessory dwelling units (also known as second units) are complete independent housing units that can be either detached or attached from an existing single-family residence. Based on their relatively small size, and because they do not require paying for land or major new infrastructure, accessory dwelling units ("ADUs") are considered affordable by design. ADUs can provide affordable housing options for family members, seniors, students, in-home health care providers, and other small

household types. ADUs can also be useful to generate additional rental income for the homeowner, making homeownership more financially feasible.

The State legislature has passed a series of bills aimed at encouraging single-family homeowners to add ADUs to their property by requiring local jurisdictions to adopt regulations to facilitate their production and streamline their approval. The State passed legislation in 2017 and again in 2019 to further assist and support the development of ADUs, including “by right” approval for units less than 850 square feet for a one-bedroom and 1,000 square feet for a two-bedroom unit. These projects must be approved at the staff level to help streamline the permit process. ADUs are allowed in the four residential districts and the City adopted substantial changes to its Accessory Dwelling Unit ordinance to comply with State law.

Over the last three years, the City has issued 46 building permits for ADUs (January 2019 through June 2022). Of the ADU constructed, over 80 percent were affordable to lower-income households.¹ Based on these trends, the City estimates that it will permit 120 ADUs in the 2023-2031 planning period. This is more than enough to accommodate housing for very low-, low-, and moderate-income households through the 2023-2031 planning period.

Although not a constraint, the City has identified improved tracking of ADUs as a goal in the 2023-2031 planning period and will continue to collect information on affordability of ADUs and use of the units after construction is completed. Additionally, the City will continue to publish incentives through the City website and City Hall front counter, provide the ADU Handbook published by the State Department of Housing and Community Development directly to residents, and continue to evaluate the program for potential constraints and implement improvements to remove constraints.

Design Guidelines and Objective Design Standards

The City of Monte Sereno applies design guidelines and direction to homeowners and their architects or designers for the preparation of building and landscape plans. The Design Guidelines apply predominantly to single-family residences. On January 18, 2022, the Monte Sereno City Council adopted Objective Design Standards as an addendum to the City’s Design Guidelines. The purpose of the Objective Design Standards is to provide property owners and developers with a clear understanding of the City’s design requirements for development.

Objective design standards apply to building design for all proposed residential development subject solely to ministerial review, specifically projects submitted under Monte Sereno Municipal Code section 10.05.080 and Government Code section 65852.21; Monte Sereno Municipal Code chapter 13.06 and Section 66411.7 of the Government Code; projects subject to streamlined, ministerial review under Government Code section 65913.4, and accessory dwelling unit (ADU) projects

¹ Source: City of Monte Sereno post-construction survey

submitted under Monte Sereno Municipal Code section 10.06.140, except those subject to mandatory approval under Government Code Section 65852.2(e). All proposed projects must also comply with all applicable development requirements in the Municipal Code, including, but not limited to, building permit requirements, zoning code requirements, grading permit requirements, and development standards such as height and setbacks.

Multi-Family Units

The City allows multi-family units and a wider diversity of housing types in the RM Multi-Family and Public ("P") Zoning District/Public/Residential Multi-Family District.

Residential uses allowed in RM include single-family, duplex, triplex, renting of rooms, residential care homes, supportive housing and transitional housing and accessory dwelling units. Within the Public P Zoning District, the number of units is limited to up to three attached dwelling units.

Triplices represent "missing middle" housing types and the City will continue to encourage this type of development in multi-family zoning districts.

Transitional and Supportive Housing

Municipal Code Section 10.05 allows residential care homes, supportive housing and transitional housing as a use "by right" in all residential zoning districts.

Emergency Shelters

In Monte Sereno, emergency shelters are now allowed as a use "by right" in areas zoned as "Public" according to Municipal Code Section 10.05.045. Emergency shelters are those that meet the definition as contained in California Health and Safety Code 50801 (e). There are three areas in the City with a zoning designation of "Public," two parcels on Daves Avenue and the City Hall parcel.

As described in Section 3 of this document ("Special Needs"), the 2013 Santa Clara County biennial count of homeless persons did not find any homeless persons in Monte Sereno.

If there is a future need for homeless assistance in Monte Sereno, Emergency Shelters are allowed as a use "by right" in Public Zones ("P") in the City. There are two parcels in the City with a Public Zone designation, comprising approximately 8.5 acres. Since the only other zoning categories in the City are residential, the Public Zoning category is the most appropriate if an Emergency Shelter was to be considered.

Sites zoned P include City Hall and the Daves Avenue Elementary School. The City Hall site contains available land area that would be suitable for a homeless shelter as permitted by the City's Municipal Code. The City Hall site is 26,171 square feet, has no development constraints, and could accommodate a small emergency shelter in an accessory building. As noted, there are no retail

businesses in Monte Sereno, nor any frequent bus service. However, these sites, which are associated with public-serving institutions and located on a state highway (City Hall), are the most suitable sites in the City for an emergency shelter.

Employee Housing

Generally, employee housing is privately-owned housing that houses five (5) or more employees and meets one of the following:

- Living quarters provided in connection with any work, whether or not rent is involved.
- Housing in a rural area which is:
 - Provided by someone who is not an agricultural employer, and
 - Provided for agricultural workers employed by any agricultural employer.

Program H-2.6 in Chapter 2 of this housing element includes an action item for the City to amend the Municipal Code to allow employee housing serving six (6) or fewer employees in any residentially zoned area.

Single Room Occupancy (SRO)

Single Room Occupancy residences consist primarily of very small studio units with minimal kitchen facilities that serve single persons. These facilities would be considered multi-family housing. They are permitted in the RM and P zone.

Additionally, the City's Municipal Code (Chapter 10.05) specifies that "renting of rooms and/or the providing of table board to not more than two (2) persons so long as no kitchen facilities, other than those of the single kitchen of the main dwelling are installed or used" is an allowable use in residential districts.

Low Barrier Navigation Centers

AB 101, adopted in 2019, requires approval “by right” of low barrier navigation centers that meet the requirements of State law. “Low Barrier Navigation Center” means a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. If the City receives applications for these uses, it will process them as required by State law. A program has been included in the Element to develop by right procedures for processing low barrier navigation centers.

Farm Employee Housing

There were no reported residents employed in the industries of farming, fishing or forestry, in the City. Given the lack of presence of farmworkers in the community, the City has not identified a need for specialized farmworker housing beyond overall programs for housing affordability.

Mobile Home Parks

There are no mobile home parks located in Monte Sereno.

SB 35 Streamlining

Government Code section 65913.4 allows qualifying development projects with a specified proportion of affordable housing units to move more quickly through the local government review process and restricts the ability of local governments to reject these proposals. The bill creates a streamlined approval process for qualifying infill developments in localities that have failed to meet their RHNA, requiring a ministerial approval process, removing the requirement for CEQA analysis, and removing the requirement for discretionary entitlements.

The City is in compliance and not subject to SB 35.

SB 9 California Housing Opportunity and More Efficiency (HOME) Act

SB 9, also known as the California Housing Opportunity and More Efficiency (HOME) Act, is a state bill that requires cities to allow one additional residential unit onto parcels zoned for single-dwelling units.

Since the adoption of this section of the Government Code, the City has adopted regulations to permit duplexes in qualifying single family zoning districts and is actively working to further update its Zoning Code to review current standards regarding subdivision under SB 9. A Program is included in the Housing Element.

Constraints for People with Disabilities

State law requires the Housing Element to include an analysis of governmental constraints upon the maintenance, improvement or development of housing for persons with disabilities. Housing Elements also must include programs to remove these constraints to the extent possible and to provide reasonable accommodations for housing designed for and occupied by persons with disabilities.

Chapter 10.23 of the Monte Sereno Municipal Code provides reasonable accommodation to people with disabilities, and complies with the Fair Housing Amendments Act of 1988 and the California Fair Employment and Housing Act in the application of the City's zoning, land use laws, regulations, rules, standards, policies, procedures, and practices.

A request for reasonable accommodation may include a request for modification or exception to the land use rules for the siting, development and use of housing or housing-related facilities that would eliminate regulatory barriers and provide a person with a disability equal opportunity to housing of that person's choice.

Chapter 10.05 of the Monte Sereno Municipal Code allows residential care homes, supportive housing and transitional housing as uses "by right" in residential districts. The City does not have siting, separation, or separate parking requirements for residential care homes, supportive housing, or transitional housing.

The City's definition of 'family' does not limit the number of unrelated persons who reside in a residence.

Fees and Exactions

Housing development is subject to permit processing and impact fees. These fees help to compensate the public for any impact associated with the new development. These fees are collected by the City as well as other agencies providing public services in Monte Sereno.

Table C-3 Monte Sereno Development and Planning Fees (2018 – most current)

| Planning Fees | Cost |
|---|--|
| New Home/Demo Rebuild/addition 50 percent or more of existing | \$2,800 |
| Remodel/addition less than 50 percent of existing | \$1,900 |
| Hillside development (av. Slope 10 percent or greater) | \$3,100 |
| Permit amendment | \$1,300 |
| Administrative Building Site Approval | \$2,800 |
| CEQA Exemption | \$350 |
| CEQA Initial Study/Negative Declaration | \$3,400 |
| CEQA EIR (prepared by consultant) | Actual cost + 10 percent admin. fee |
| Tentative Map – 4 lots or fewer | \$3,000 |
| Tentative Map – 5 lots or more | \$10,000 |
| Use Permit – General | \$2,800 |
| Use Permit – Special/Historic | \$2,800 |
| Building/PW/Misc Fees | Cost |
| Building – dependent on valuation | \$23.50 - \$5,608+\$4.75 for each additional \$1,000 over \$1M |
| Electrial, Plumbing or Mechanical | \$159 + 0.11 per sq. ft. |
| Solar | \$159 |
| Demolition | \$159 |
| Plan Review | 65 percent of building permit fee |
| Grading and Drainage depending on cubic yards | \$265-\$6,360 + \$31 for each additional 1,000 cubic yards |

| Planning Fees | Cost |
|---|--------------|
| Storm Drain | \$1,704 |
| Construction Tax | \$2,996 |
| School Fees (\$3.20/sq. foot)* | \$6,400 |
| Sewer Connection | \$510 |
| Water Connection* | \$7,300 |
| Road Impact Fee (per \$1000 of valuation of permitted work) | \$0.49 |
| Microfilm, Copies and Miscellaneous Other Fees | \$5 per page |

SOURCE: City of Monte Sereno NOTE: * Indicates a fee paid to another entity

As a comparison, listed below are estimated fees from neighboring communities within Santa Clara County.

Table C-4 Comparison of Development Fees

| Jurisdiction | Single Family | Small Multi-Family | Large Multi-Family |
|-----------------------|---------------|--------------------|--------------------|
| Campbell | \$72,556 | \$20,599 | \$18,541 |
| Cupertino | \$136,596 | \$77,770 | \$73,959 |
| Gilroy | \$69,219 | \$40,195 | \$39,135 |
| Los Altos Hills | \$146,631 | N/A | N/A |
| Los Gatos | \$32,458 | \$5,764 | \$3,269 |
| Milpitas | \$77,198 | \$74,326 | \$59,740 |
| Monte Sereno | \$33,445 | \$4,815 | \$4,156 |
| Morgan Hill | \$55,903 | \$41,374 | \$36,396 |
| Mountain View | \$90,423 | \$69,497 | \$82,591 |
| San Jose | \$9,919 | \$23,410 | \$23,410 |
| Santa Clara | \$14,653 | \$6,733 | \$2,156 |
| Saratoga | \$64,272 | \$17,063 | \$15,391 |
| Sunnyvale | \$133,389 | \$126,673 | \$98,292 |
| Unincorporated County | \$25,166 | N/A | N/A |

SOURCE: Santa Clara County Constraints, Fees, & Processing Times Survey Quick Summary, 2022 NOTE: Total Fees (includes entitlement, building permits, and impact fees) per Unit; and Monte Sereno staff.

Total fees in Monte Sereno are generally below other Santa Clara County jurisdictions for both single-family and multi-family housing developments. This fee structure appears reasonable and comparable to other surrounding communities and, as such, is not considered a constraint to development.

Processing and Permit Procedures

The construction of new single-family homes, major remodels of existing homes, and new multi-family uses in the RM zone require a Site Development Permit and a public hearing before the City Site and Architecture Commission. Typical permit processing times are one to two months for a remodel and two to three months for a new home, including a 10-day public notice period.

Additional processing time would be required if the project is not exempt from the California Environmental Quality Act.

Permit processing procedures for single family dwelling units require a design review approval. The design review does not pose a significant cost impact because the cost of application ranges from \$1,900 for a basic remodel to \$3,100 for a complex hillside home construction project. Compared with other construction costs such as the cost of materials, this application fee is nominal.

Permit approval requires the Commission to find the application consistent with site and building design requirements and to find that the proposed design retains the character of the neighborhood, mitigates significant visual impacts, meets City design guidelines, and meets other standards regarding landscaping, grading, tree removal, and drainage.

The Site Development Permit process does not place a significant cost on the applicant, but more often requires minor architectural alterations and/or landscaping to minimize unreasonable impacts on surrounding properties. The majority of design review applications are approved within one month from the date of submittal. Consequently, permit processing procedures and fees do not appear to be a constraint to housing development.

As a comparison, Table C-5 on the following page lists estimated permitted processing time from neighboring communities within Santa Clara County.

Table C-5 Comparison of Permit Processing Times

| Jurisdiction | ADU Process | Ministerial By-Right | Discretionary By-Right | Discretionary (Hearing Officer if Applicable) | Discretionary (Planning Commission) | Discretionary (City Council) |
|-----------------------|-------------|----------------------|------------------------|---|-------------------------------------|------------------------------|
| Campbell | 1 | 1 | 3 | N/A | 5 | 8 |
| Cupertino | 1-3 | 1-6 | 2-4 | 2-4 | 3-6 | 6-12 |
| Gilroy | 1-2 | 1-2 | 2-4 | N/A | 4-5 | 5-6 |
| Los Altos Hills | 1-2 | 0.5-2 | 2-3 | 3-4 | 4-6 | 5-8 |
| Los Gatos | No Data | 3-6* | 1-2 | 2-4 | 4-6 | 6-12 |
| Milpitas | 3-5 | 4-6 | 2-3 | 6-18 | N/A | 12-24 |
| Monte Sereno | 0.75 | 0.75 | 1 | 1-2 | N/A | 1-2 |
| Morgan Hill | 1-2 | 1-3 | 2-3 | 2-3 | 4-6 | 4-6 |
| Mountain View | 3-5 | 4-6 | 2-3 | 6-18 | N/A | 12-24 |
| San Jose | 2 | 1-3 | 7 | 7 | 7-11 | 5-12 |
| Santa Clara | 0-1 | 0-1 | 0-3 | 4-9 | 6-9 | 6-12 |
| Saratoga | 1 | 1-2 | 2-3 | N/A | 4-6 | 6-12 |
| Sunnyvale | 1-3 | 1-3 | 3-6 | 6-9 | 9-18 | 9-18 |
| Unincorporated County | 4-6 | 6-8 | 9-12 | 12-15 | 15-18 | 15-18 |

SOURCE: Santa Clara County Constraints, Fees, & Processing Times Survey Quick Summary, 2022 NOTE: Permit processing times indicated in months *Time to first review; and Monte Sereno staff.

Building Codes and Code Enforcement

Monte Sereno has adopted the 2019 editions of the California Building, Fire, Plumbing, Mechanical, Electric and Health and Safety Codes and plans to adopt the 2022 editions on January 1, 2023. The City has not adopted any amendments to these codes that significantly increase housing costs; the amendments recognize the City's location in a high fire hazard area near the San Andreas Fault and require fire-resistant roofs in the Wildland-Urban Interface Fire Area, additional bracing in certain situations, and fire sprinklers. The City Building Official regularly inspects development projects to ensure compliance with all applicable codes. Inspections and approvals are completed promptly and do not add unnecessary delays in the construction of new housing. Code enforcement is pursued as a result of Building Official inspections and resident complaints and typically involves minor deferred maintenance. Building Codes and Code Enforcement are not considered a constraint to development.

On- and Off-Site Improvement Standards

Due to the low-density and semi-rural character of Monte Sereno, the City typically requires only minimal on- and off-site improvements as a condition of approval for new residential development, particularly compared to the requirements of neighboring communities. Most new housing development occurs on existing lots that are already served by necessary infrastructure. The City may require a gutter, curb and gutter, or curb and gutter and sidewalk for a new housing unit depending on the location. Improvement standards are not considered a constraint to development.

Parking Requirements

Parking requirements are as follows according to zoning designation.

Table C-6 Parking Requirements

| Zoning Designation | Lot with on street parking | Lot without on street parking |
|--------------------|----------------------------|-------------------------------|
| R-1-8 | 2 covered/2 uncovered | 2 covered/3 uncovered |
| R-1-20 | 2 covered/2 uncovered | 2 covered/4 uncovered |
| R-1-44 | 2 covered/2 uncovered | 047 covered/5 uncovered |
| RM | 1 covered/1 uncovered 048 | 1 covered/1 uncovered |
| P | 1 covered/1 uncovered | 1 covered/1 uncovered |

SOURCE: City 2017

For single-family homes located on streets with on-street parking, the parking requirement can be met by a typical two-car garage and two parking spaces on the driveway apron. The additional requirement for uncovered driveway parking for lots without on-street parking is designed to ensure that fire access is not impaired. The requirement applies only to above moderate-income housing.

The reduced parking requirement in the RM zoning designation is important to note and is designed to ensure that parking does not serve as a constraint to multi-family development. Consequently, parking requirements appear reasonable and are not considered a constraint.

Summary of Governmental Constraints

Given the City's already developed land use pattern, the governmental regulations identified above are a responsible and thoughtful effort to maintain the character of already developed areas while providing opportunities for additional types of housing that can be more affordable. The clustering provision for R-1-8 and RM properties, which allows smaller lot sizes, is especially important in reducing constraints to the development of all housing types. Reduced parking requirements for RM lots also make housing more affordable.

Those constraints that were identified have been addressed with specific program actions. In order to encourage more lots available for development. Further, the City intends to continue to reduce identified constraints to the development of ADUs.

C.3 Non-Governmental Constraints

Land and Construction Costs

Land is expensive in Monte Sereno due to the limited availability of buildable sites, as well as the scenic setting and the area's existing upscale character. The current market price for unimproved land ranges from \$6 - 10,000,000 per acre. Similarly, high construction costs in the Bay Area also contribute to the high cost of housing in Monte Sereno. Based upon City building permit data, construction costs for new single-family homes typically range from \$1,000,000 to \$2,000,000. Land and construction costs in Monte Sereno represent the primary barrier to affordable housing in the community. The difficulty of building in Monte Sereno virtually guarantees that, even in the absence of governmental constraints, housing in Monte Sereno will be very expensive. Except for ADUs, it is extremely unlikely that housing affordable to low- and moderate-income households can be constructed in Monte Sereno under any circumstances without considerable subsidy, public or private.

Availability of Financing

As a stable and affluent community, private housing mortgage financing is readily available in Monte Sereno. There are no mortgage-deficient areas in the City and no identifiable underserved groups in need of financing assistance. At the time this Housing Element was drafted, interest rates for homebuyers were increasing from a low of 2.75 percent in 2020 to 5.75 percent in 2022 for a fixed rate, 30-year mortgage. The current economic climate is uncertain and still affected by the COVID-19 pandemic, increasing inflation, and the supply chain disruptions.

Requests to Develop at Densities Below Those Permitted

New State Housing Element law now requires the non-governmental constraints analysis to evaluate developer requests to build at densities below the density identified in the Housing Element sites inventory.

In order to incentivize development which better implements densities planned in the Housing Element sites inventory, the Housing Element sets forth a program (#19) to ensure that there are adequate sites available throughout the planning period to accommodate the City's regional housing needs, "or " "RHNA". The City has not received requests to develop at densities below those permitted.

Length of Time between Application Approval and Building Permit Issuance

New Housing Element law now also requires an examination of the length of time between receiving approval for a housing development and submittal of an application for building permits. The time between application approval and building permit issuance is influenced by a number of factors, none of which are directly impacted by the City. Factors that may impact the timing of building permit issuance include: required technical or engineering studies; completion of construction drawings and detailed site and landscape design; securing construction and permanent financing; and retention of a building contractor and subcontractors.

The majority of residential permits in Monte Sereno are for single-family homes, with building permit issuance generally taking 8-14 months after Planning approvals. Hillside properties may take a few months longer due to the need for technical and engineering studies. In Monte Sereno most approved projects are constructed in a reasonable time period.

Environmental Constraints

This section contains information on current risks due to natural and human-made hazards.

Wildfire

Open space areas that are heavily vegetated and grassy are especially vulnerable to fire hazards. The risk of fire is highest in the steep, heavily vegetated hillside area south of Highway 9. The risk of fire is also highest during the summer and fall dry seasons. Because most wildfires are caused by people, increased accessibility to fire hazard areas further increases the risk of fire. Approximately half of Monte Sereno is located within a very high fire hazard area, and even those areas not designated as high fire hazard are subject to wildfire, because one or more large trees are present on practically every lot in the community.

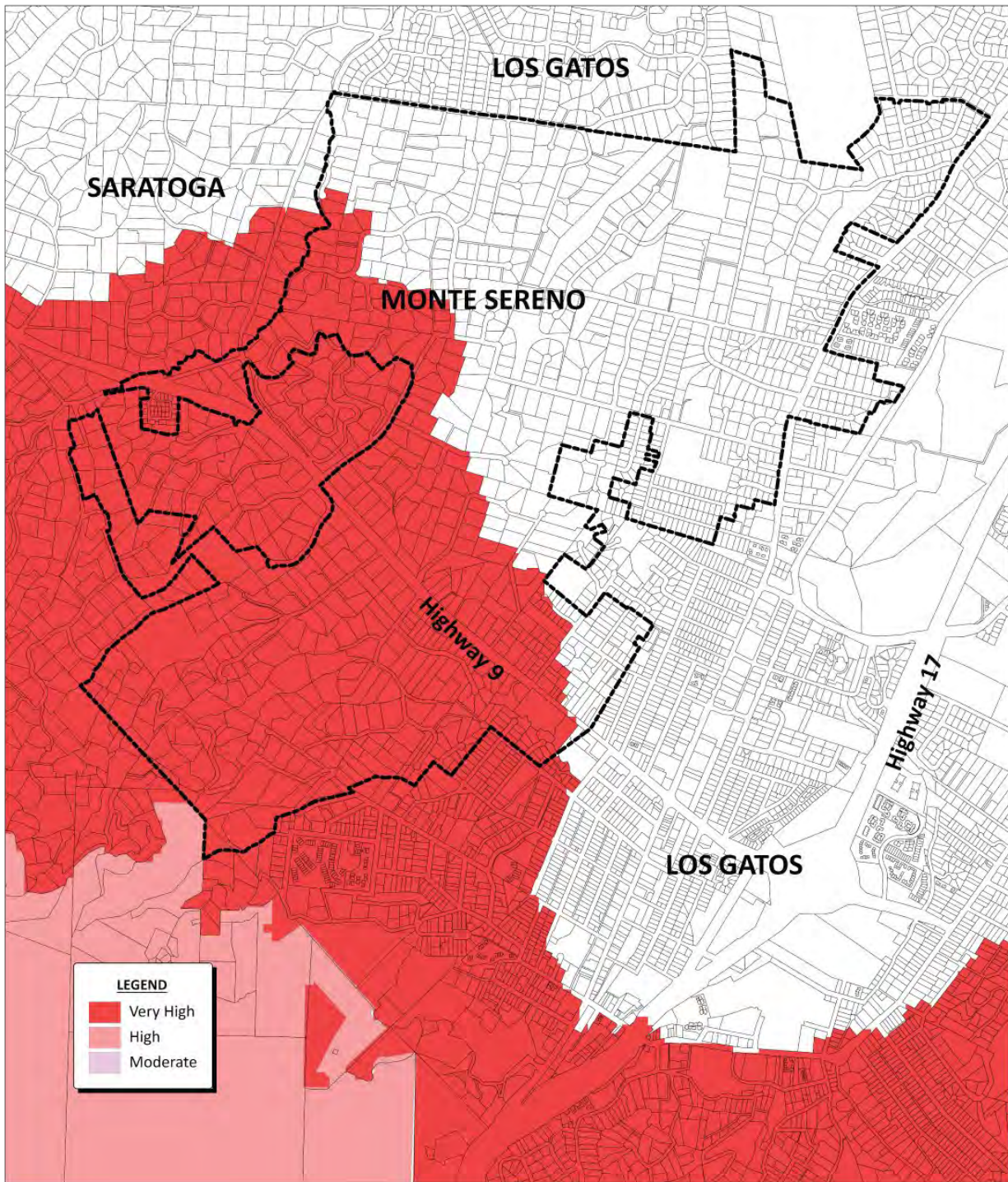
When housing is built close to forests or other types of natural vegetation, the structures pose two problems related to wildfires. First, there will be more wildfires due to human ignitions. Second, wildfires that occur will pose a greater risk to lives and homes, they will be hard to fight, and letting natural fires burn becomes impossible. Development in wildland urban interface areas will exacerbate wildfire problems in the future.

Lack of evacuation routes exponentially compounds the risk from natural hazards in Monte Sereno. If a fire comes over the neighboring Santa Cruz Mountains, Highway 9 would likely be affected, which for many is the only way out of Monte Sereno. The primary evacuation route for the community is Saratoga-Los Gatos Road (Highway 9)—a two-lane highway, and according to a report by Hexagon Transportation Consultants, Inc. prepared for the Hacienda Project in 2018, the intersection at North Santa Cruz Avenue and Saratoga-Los Gatos Road operates at a very poor

Level of Service E during peak hour². During an emergency evacuation (e.g., during a wildfire event), this key intersection would be expected to be unpassable for extended periods of time. Those that can get to Highway 17 would encounter an unmoving traffic bottleneck. Highway 17, has experienced tremendous traffic delays because of the additional 40 units being built adjacent to the on ramp at Lark Avenue, and access to this entrance will be completely clogged in an emergency. Adding more housing to the area significantly increases the risk of trapped residents in a wildfire event to an unacceptable level.

The City's General Plan include policies to mitigate against fire hazards; however, the extent and danger of the fire severity zones within Monte Sereno pose a significant constraint to development.

² Hexagon Transportation Consultants, Inc., 2018. "18840 Saratoga-Los Gatos Road Residential Development: Transportation Impact Analysis."



Source: CalFire 2021

Seismic Activity

Monte Sereno is located within the seismically active San Francisco Bay region, one of the most seismically active zones in the United States. The faults in the San Francisco Bay region are capable of generating earthquakes of at least 8.0 in magnitude on the Richter Scale, producing very strong ground shaking in Monte Sereno. The closest major fault is the San Andreas Fault, which passes through Monte Sereno's SOI southwest of Lyndon Canyon. A portion of Monte Sereno also is near the potentially active Shannon Fault, just north of Monte Sereno in Los Gatos.

Landslides and slope instability are the major geologic hazards in Monte Sereno. The hillside region of the city contains some rock formations conducive to landslides. The landslide zone is also present within the Sphere of Influence. Landslides and unstable slopes may occur in this area and can create hazards within the city as the slide debris and rock move down the incline toward the city's valley floor. According to the County of Santa Clara, approximately 75 percent of Monte Sereno is located in an area with a high potential for earthquake induced landslides.

To address these seismic hazards the City includes policies in the General Plan to reduce the threat of seismic activity including requiring new construction to be built using the most recent building codes to minimize potential damage to structures as a result of an earthquake. Development or substantial renovations in Monte Sereno must comply with the Uniform Building Code (UBC), which outlines standards for seismic design, foundations and drainage and requires that geotechnical engineering studies be undertaken for all major new buildings or earth works.

Flood Hazards

Large-scale flooding is not a significant hazard in Monte Sereno. Most of the properties in Monte Sereno are built above the base flood elevation. However, both surface and subsurface local drainage problems do exist in some parts of Monte Sereno, and there is currently no drainage plan for Monte Sereno. Due to its minimal danger of flooding, the City is not included in the Federal Emergency Management Agency (FEMA) emergency program list of the National Flood Insurance Program.

Hazardous Materials and Hazardous Waste

Hazardous material usage and hazardous waste are primarily associated with residential uses in Monte Sereno. Household hazardous materials including pesticides, fertilizers and oil are the most commonly occurring hazardous material in the city. The California Environmental Protection Agency, Department of Toxic Substances Control (DTSC) is authorized by the Environmental Protection Agency to enforce and implement federal hazardous materials laws and regulations, including disposal and transportation of hazardous materials. Santa Clara County operates a

Household Hazardous Waste disposal program for incorporated and unincorporated residents and small businesses. Household hazardous waste includes flammable, corrosive, toxic and oxidizer material and can be dropped off at facilities located in Sunnyvale, San Jose and San Martin.

The City's General Plan and Municipal Code include policies and regulations prohibiting accumulation of hazardous materials.

Efforts to Locate Vacant Sites



Appendix D

Efforts to Locate Vacant Sites

D.1 Introduction

The City of Monte Sereno undertook extensive efforts to locate vacant, partially vacant, and underutilized sites available for housing development in the community. This appendix provides details on:

1. Recent actions by the Monte Sereno City Council to reduce fees for ADUs;
2. Outreach to the First Baptist Community Church; and
3. Letters sent to 050 property owners whose sites had been identified as possible candidates for rezoning to allow housing development.



STAFF REPORT

Meeting: Special Meeting of the City Council - Jul 21 2022

Agenda Heading: NEW BUSINESS

Staff Contact: Diana Perkins, City Planner

Department: City Planner

Title: **Consider Reducing Building Permit and Plan Check Fees for Accessory Dwelling Units or SB-9 Dwelling Unit When the Property Owner has Formally Notified the City of their Intention to Construct for the Next RHNA Cycle**

Recommendation(s):

Staff recommends the City Council adopt the draft resolution to approve a 50% reduction of plan check and building permit fees for new Accessory Dwelling Units (ADUs) and SB-9 additional dwelling units for a maximum of 225 properties where the property owner has formally notified the City in writing of their intention to construct such project by December 15, 2022, and submitted a complete building permit application by July 1, 2029, so that such building permits will be issued during the current RHNA cycle ending December 31, 2029.

Background Information:

The Housing Element is part of the City's General Plan and identifies policies and programs to meet the housing needs of the city's current and future residents. State law (Government Code Sections 65580-65589.8) requires that every city and county in California adopt a Housing Element, approximately every five or eight years. In addition, the State Department of Housing and Community Development (HCD) reviews and certifies that each Housing Element meets all the requirements of the law. Monte Sereno's current Housing Element was adopted in 2015 and the new document must be adopted by January 2023, but the state's approval process can take several months.

Regional Housing Needs Allocation (RHNA)

Every city in California receives a required number of homes to plan for in the updated Housing Element. This is called the Regional Housing Needs Allocation (RHNA). Monte Sereno's RHNA for this upcoming Housing Element is 193, an over 300% increase from last cycle's RHNA of 61. Under state law, cities do not need to ensure these homes are built, but do need to identify adequate housing sites, as part of their sites inventory, and put in place the proper zoning and address development constraints, so that the private sector can build the housing. The RHNA is broken down by income category, Monte Sereno's income specific RHNA is:

Very Low Income: 53
 Low Income: 30
 Moderate Income: 31
 Above Mod Income: 79
Total: 193

There are three main options for the Council to consider in order to plan for the required number of additional housing units: ADUs, projects constructed under the new SB-9 regulations, and rezoning sites to a higher density to allow for additional housing units. These options were discussed at the Joint Special Meeting of the City Council and Site and Architectural Commission on May 24, 2022, the consensus from the Council and Commissioners was that efforts should be focused on meeting the RHNA requirements through the construction of ADUs.

Analysis:

The standard methodology to estimate the number of ADUs that will be constructed during the 2023-2031 planning period is based on the average number of such units constructed since 2019, when the state law made it easier to construct such units. This is described in Attachment 1, the Association of Bay Area Governments (ABAG) Technical Memo for Using ADUs to Satisfy RHNA. The following table shows the number building permits that were issued for construction of new ADUs each calendar year since 2019:

| Year | Building Permits Issued for New ADUs |
|---|--------------------------------------|
| 2019 | 14 |
| 2020 | 9 |
| 2021 | 14 |
| 2022 (Projected based on 9 units issued through June 30) | 18 |
| <i>Average</i> | <i>13.75</i> |

A straight projection of the average above would total 110 ADU which could be planned for the update Housing Element. However, as shown above, the number of building permits issued in 2020 for new ADUs was low. This is likely due to the beginning of the Covid 19 Pandemic and local health orders which required non-essential construction to cease for several months. The attached Technical Memo does indicate that a small amount of flexibility may be allowed to the straight average projection. If 2020 is excluded, the total number of ADU permits issued in 2019, 2021, and projected for 2022 is 46, which would project to 122 for the eight-year planning period of 2023-2031 in the updated Housing Element.

As noted in the Attachment 1, the Association of Bay Area Governments (ABAG) Technical Memo for Using ADUs to Satisfy RHNA, a jurisdiction may project a higher number of ADUs that will be constructed during the 2023-2031 planning period if a robust, funded, and clear plan is developed to increase the production of ADUs.

As part of such program to justify an increased ADU projection, the City Council directed staff to schedule this special meeting to consider a fee reduction of 50% of the permitting and plan review fees for the construction of a new ADU or the conversion of an existing structure to an ADU. Examples of existing structures that can be converted to an ADU include pool houses, garages, or storage buildings.

Depending on the size of the ADU, these fees total approximately \$7,200 for each new ADU, which would be reduced by \$3,600 if the 50% reduction is approved. It is important to note that there are other fee items that are not part of the proposed reduction program such as the City's adopted Construction Tax and other fees that are state mandated. The Construction Tax is a voter approved tax that cannot be altered without an approved ballot measure. The other fees are not considered user fees as they are collected to cover the costs of specific impacts and state mandates.

The fee reduction would be available to a maximum of 225 properties. This was determined by applying a 15% buffer on the RHNA allocation of 193 (as recommended by the HCD), which results in 222 and adding a few more to round off the number.

The City Council Ad Hoc Committee and the Site and Architectural Commission Ad Hoc Committee for the Housing Element Update are developing a community-wide outreach program that will include neighborhood canvassing where residents will be informed of the updated Housing Element and the RHNA allocation as well as, if approved, the fee reduction program for ADUs. The intent of this effort is to inform the community of the Housing Element issues and request written intention from those residents interested in constructing an ADU or an additional dwelling unit under the SB-9 provisions by December 31, 2029. As recommended, the fee reduction would also apply to an additional dwelling unit constructed under the SB-9 provisions of the Municipal Code section 10.05.080 on a lot that was not created through the Urban Lot Split. Such additional dwelling units are currently limited to 800 square feet in size in accordance with the Municipal Code section 10.05.080.F.8.

Fiscal Impact:

A 50% reduction in the permitting and plan review fees would result in approximately \$3,600 per building permit, depending on the size on the building. If 225 permits were issued under the fee reduction program, this would result in decreased revenue of approximately \$810,000 over the eight-year period, or \$101,250 on average each year.

Public Noticing:

The City of Monte Sereno's council meeting agenda was posted on the bulletin board outside of Monte Sereno City Hall and the agenda with this staff report can be accessed on The City of Monte Sereno's website located at www.montesereno.org. Notification of this meeting was also emails to a list of interested parties and posted on the City's social media channels.

Attachments:

1. ABAG Technical Memo - Using ADUs to Satisfy RHNA
2. Draft Resolution for ADU Fee Reduction

From: [Martin Carver](#)
To: [Martin Carver](#)
Subject: FW: Letters Sent to Property Owners of Potential Sites
Date: Friday, July 15, 2022 10:16:30 AM
Attachments: [Sites Letters Mailed 4-6-2022.pdf](#)
[Letters Mailed 5-19-2022 Bicknell Rd.pdf](#)
[Letters Mailed 5-19-2022 Vineland Av.pdf](#)

From: Diana Perkins <diana@cityofmontesereno.org>
Sent: Wednesday, July 13, 2022 1:00 PM
To: Ande Flower <flower@emcplanning.com>
Subject: Letters Sent to Property Owners of Potential Sites

Hello. Attached are the letters that were mailed to property owners of the sites on Vineland and Bicknell to see if property owners were interested in being considered for a re-zone. Very little response was received from the property owners (I think one person contacted me to discuss), but we did receive strong feedback from several neighborhood residents that they were not interested in rezoning in their neighborhood.

Thank you,

Diana Perkins | City Planner
City of Monte Sereno, California
18041 Saratoga-Los Gatos Road | Monte Sereno, CA 95030
Office 408.498.5283
diana@cityofmontesereno.org | www.cityofmontesereno.org

Ande Flower

From: Roger McCarty <1stpastor@gmail.com>
Sent: Monday, April 18, 2022 10:47 AM
To: Javed Ellahie
Cc: Pastor Daniel Sternquist; Steve Leonardis; Diana Perkins
Subject: Re: Meeting?

Dear All,

I want to thank Mayor Ellahie for reaching out to us concerning the RHNA numbers. I had written this to him the other day. "In the meantime, I was a bit surprised to receive a registered letter from the City of Monte Sereno concerning the Housing Element and the potential designation of our property as a possible spot for being re-zoned. I will continue to remind you all that we have always been opposed to this move. We do not have now, nor have we had in the past, any interest in being re-zoned"

I would like for this to serve as our stated position. Thank you for understanding our position and removing us from any current or future consideration.

Roger G. McCarty, Pastor
First Baptist Community Church
17765 Daves Ave.
Monte Sereno, CA 95030

On Fri, Apr 15, 2022 at 6:04 PM Javed Ellahie <jellahie@cityofmontesereno.org> wrote:

Pastor McCarthy:

Staff has advised me that the letter sent to you was intended to let you know that the Church parcel is part of the inventory of lots that can be rezoned - such a notice is required to be given to all property owners whose property could help satisfy the housing element requirements.

The notice also provides **that if you do not wish your property to be considered** – which we know is this case - **you simply have to so advise staff**. Once your response gets to staff your property will not be considered for rezoning.

I hope this helps

Javed I. Ellahie

Mayor



City of Monte Sereno

18041 Saratoga-Los Gatos Road
Monte Sereno, California 95030-4299
Telephone: (408)354-7635
Fax: (408)395-7653
www.cityofmontesereno.org

May 19, 2022

Dennis Collins
18540 Bicknell Rd
Monte Sereno, CA 95030-2115

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Dennis Collins,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 18540 Bicknell Road has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:
<https://montesereno.civicweb.net/portal/>

Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,

Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

James and Sandra Sproch
18480 Bicknell Rd
Monte Sereno, CA 95030-2115

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear James and Sandra Sproch,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

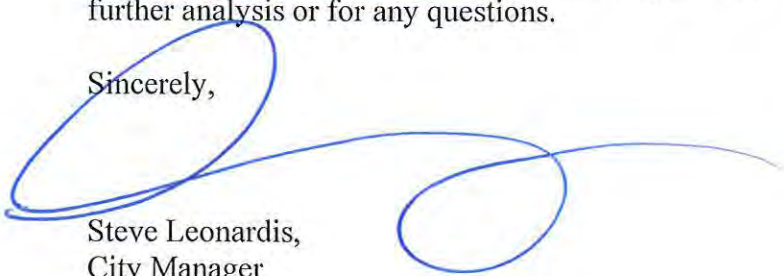
The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 18480 Bicknell Road has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:
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Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Stephen and Harumi Bibby
18450 Bicknell Rd
Monte Sereno, CA 95030-2115

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Stephen and Harumi Bibby,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.


The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 18450 Bicknell Road has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:
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Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Nora Alberico
18420 Bicknell Rd
Monte Sereno, CA 95030-2115

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Nora Alberico,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.


The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 18420 Bicknell Road has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:
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Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Charles and Sherry Shepardson
18400 Bicknell Rd
Monte Sereno, CA 95030-2115

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Charles and Sherry Shepardson,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 18400 Bicknell Road has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:
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Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,

Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Donald and Christine Bollinger
15010 Becky Ln
Monte Sereno, CA 95030-2106

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Donald and Christine Bollinger,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

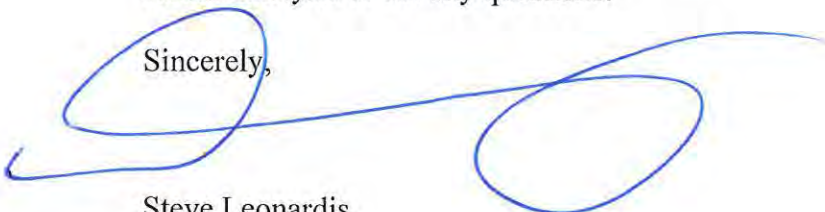
The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 15010 Becky Lane has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:
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Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Sandra Terry
18360 Bicknell Rd
Monte Sereno, CA 95030-2114

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Sandra Terry,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 18360 Bicknell Road has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:
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Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,

Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Nilda Vergara
18330 Bicknell Rd
Monte Sereno, CA 95030-2114

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Nilda Vergara ,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 18330 Bicknell Road has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:

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Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,

Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Omar and Kawai Billawala
19310 Bicknell Rd
Monte Sereno, CA 95030-2114

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Omar and Kawai Billawala,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 19310 Bicknell Road has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

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Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Wasef and Sahar Balbaky
19190 Bicknell Rd
Monte Sereno, CA 95030-2114

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Wasef and Sahar Balbaky,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

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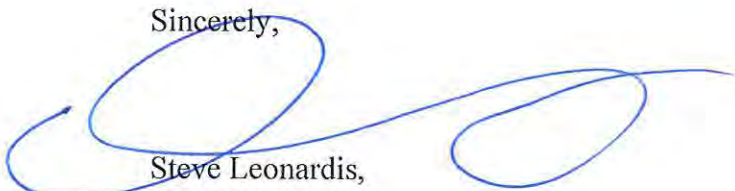
The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 19190 Bicknell Road has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:
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Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Mohammad Tamjidi
15116 Via Lomita
Monte Sereno, CA 95030-2113

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Mohammad Tamjidi,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

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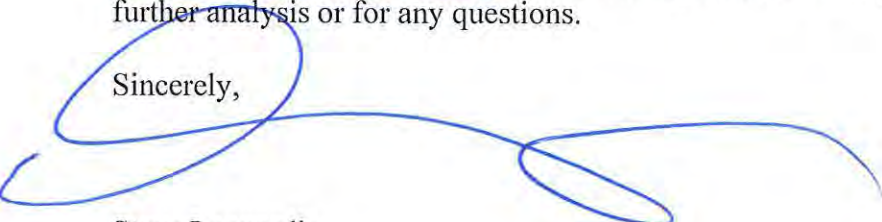
The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 15116 Via Lomita has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:
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Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Kent Sinching
15050 Danielle Pl
Monte Sereno, CA 95030

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Kent Sinching,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 15050 Danielle Place has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

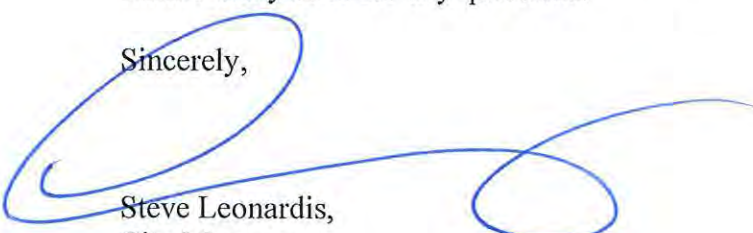
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Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Douglas and Kelly Britt
15012 Danielle Pl
Monte Sereno, CA 95030-2136

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Douglas and Kelly Britt,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 15012 Danielle Place has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:
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Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

18041 Saratoga-Los Gatos Road
Monte Sereno, California 95030-4299
Telephone: (408)354-7635
Fax: (408)395-7653
www.cityofmontesereno.org

May 19, 2022

Huang Wei and Pang Linyoung
17705 Vineland Avenue
Monte Sereno, CA 95030-2247

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Huang Wei and Pang Linyoung,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 17705 Vineland Avenue has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:

<https://montesereno.civicweb.net/portal/>

Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,

Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Robert and Stephanie Comeau
15445 Karl Avenue
Monte Sereno, CA 95030-2233

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Robert and Stephanie Comeau,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 15445 Karl Avenue has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.


Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

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Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Stanley and Lavada Peterson
15420 Karl Avenue
Monte Sereno, CA 95030-2234

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Stanley and Lavada Peterson,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 15420 Karl Avenue has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.


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Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Patrick Donahue
17597 Vineland Avenue
Monte Sereno, CA 95030-2253

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Patrick Donahue,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

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The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 17597 Vineland Avenue has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.


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Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Richard and Julie Hood
17585 Vineland Avenue
Monte Sereno, CA 95030-2253

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Richard and Julie Hood,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.


The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 17585 Vineland Avenue has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

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Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Sarah and Anthony Robinson
17551 Vineland Avenue
Monte Sereno, CA 95030-2253

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Sarah and Anthony Robinson,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

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Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Kumar Sripadam
17821 Vineland Avenue
Monte Sereno, CA 95030-2249

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Kumar Sripadam,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

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The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 17821 Vineland Avenue has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.


Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

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Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Kathryn Stillinger
15360 Robin Ann Lane
Monte Sereno, CA 95030

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Kathryn Stillinger,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 17771 Vineland Avenue has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

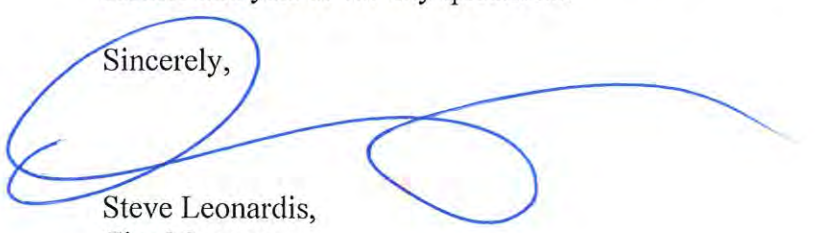
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Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Alex Qiao and Johnny Zhang
17795 Vineland Avenue
Monte Sereno, CA 95030-2222

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Alex Qiao and Johnny Zhang,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 17795 Vineland Avenue has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

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Sincerely,

Steve Leonardis,
City Manager



City of Monte Sereno

18041 Saratoga-Los Gatos Road
Monte Sereno, California 95030-4299
Telephone: (408)354-7635
Fax: (408)395-7653
www.cityofmontesereno.org

May 19, 2022

Dennis Collins
18540 Bicknell Rd
Monte Sereno, CA 95030-2115

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Dennis Collins,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

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The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 18540 Bicknell Road has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

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Sincerely,

Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

James and Sandra Sproch
18480 Bicknell Rd
Monte Sereno, CA 95030-2115

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear James and Sandra Sproch,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 18480 Bicknell Road has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

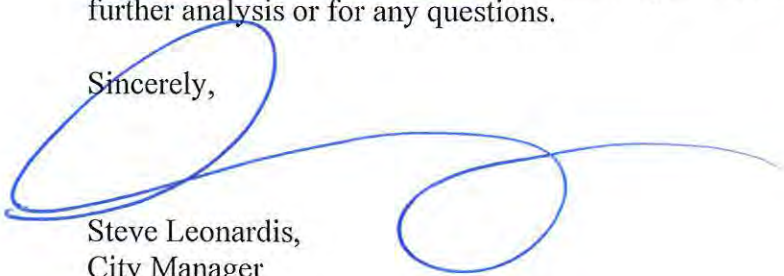
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Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Stephen and Harumi Bibby
18450 Bicknell Rd
Monte Sereno, CA 95030-2115

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Stephen and Harumi Bibby,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

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The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 18450 Bicknell Road has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

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Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Nora Alberico
18420 Bicknell Rd
Monte Sereno, CA 95030-2115

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Nora Alberico,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.


The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 18420 Bicknell Road has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

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Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Charles and Sherry Shepardson
18400 Bicknell Rd
Monte Sereno, CA 95030-2115

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Charles and Sherry Shepardson,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

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Sincerely,

Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Donald and Christine Bollinger
15010 Becky Ln
Monte Sereno, CA 95030-2106

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Donald and Christine Bollinger,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

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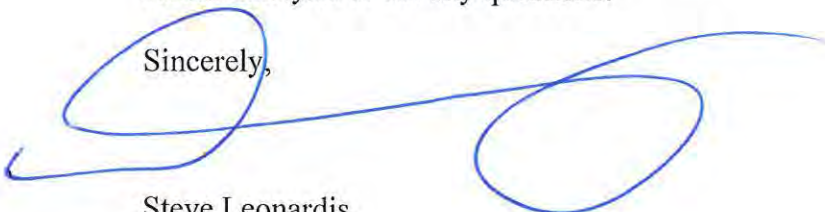
The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 15010 Becky Lane has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

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Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Sandra Terry
18360 Bicknell Rd
Monte Sereno, CA 95030-2114

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Sandra Terry,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

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Sincerely,

Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Nilda Vergara
18330 Bicknell Rd
Monte Sereno, CA 95030-2114

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Nilda Vergara ,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

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Sincerely,

Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Omar and Kawai Billawala
19310 Bicknell Rd
Monte Sereno, CA 95030-2114

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Omar and Kawai Billawala,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 19310 Bicknell Road has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:
<https://montesereno.civicweb.net/portal/>

Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Wasef and Sahar Balbaky
19190 Bicknell Rd
Monte Sereno, CA 95030-2114

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Wasef and Sahar Balbaky,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

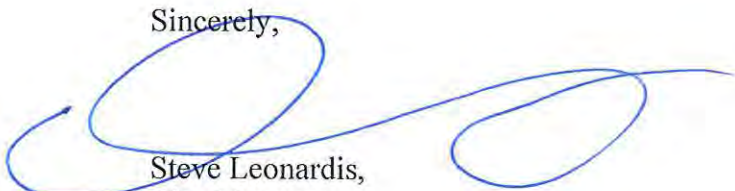
The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 19190 Bicknell Road has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:
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Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Mohammad Tamjidi
15116 Via Lomita
Monte Sereno, CA 95030-2113

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Mohammad Tamjidi,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

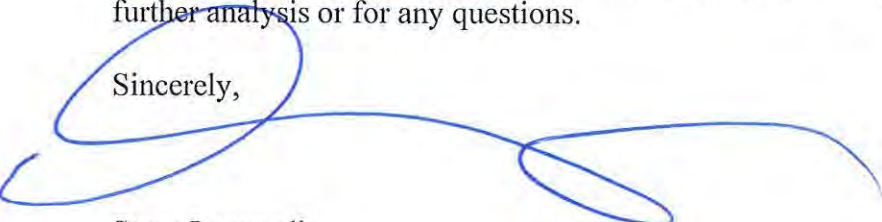
The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 15116 Via Lomita has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:
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Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Kent Sinching
15050 Danielle Pl
Monte Sereno, CA 95030

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Kent Sinching,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 15050 Danielle Place has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

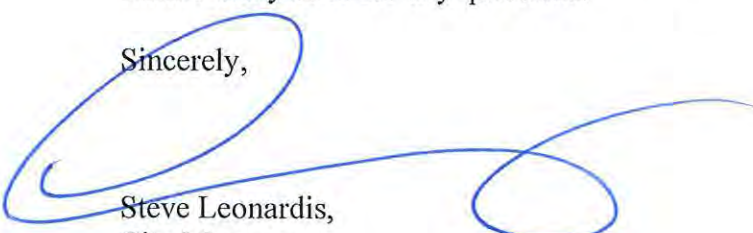
Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

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Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,



Steve Leonardis,
City Manager



City of Monte Sereno

May 19, 2022

Douglas and Kelly Britt
15012 Danielle Pl
Monte Sereno, CA 95030-2136

Re: City of Monte Sereno Housing Element Update 2023-2031

Dear Douglas and Kelly Britt,

The City of Monte Sereno, like many jurisdictions across California, is in the process of updating its Housing Element of the General Plan. State law requires that the Housing Element be updated every eight years. The City's deadline to adopt a California Department of Housing and Community Development certified Housing Element is January 31, 2023, which will cover the period from 2023 through 2031.

One required portion of the Housing Element is to identify an inventory of land that is adequately zoned or is planned to be zoned to accommodate Monte Sereno's requirement to plan for 193 new residential units.

The City has completed an analysis of sites that may potentially be re-zoned to allow for additional residential units and your property at 15012 Danielle Place has been identified as one such site. It will be helpful to know whether you wish to have this property included in any further analysis.

Please note that inclusion in the sites inventory list does not prevent the existing uses of the site, require that housing be constructed, or trigger a reassessment of the property value.

I invite you to join the joint meeting of the City Council and the Site and Architectural Commission on Tuesday, May 24 at 6pm where potential re-zoning will be discussed. The meeting will be held remotely via Zoom. The agenda and log-in information are available at the following web page by clicking on the May 24 date on the calendar at the upper right side of the page:
<https://montesereno.civicweb.net/portal/>

Please contact me at steve@cityofmontesereno.org or Diana Perkins, City Planner, at diana@cityofmontesereno.org to confirm if you would like your property to be considered in any further analysis or for any questions.

Sincerely,



Steve Leonardis,
City Manager

Review of Previous Housing Element

E

APPENDIX

Appendix E

Review of Previous Housing Element

E.1 Introduction

In order to effectively plan for the future, it is important to reflect back on the goals of the previous Housing Element and to identify those areas where progress was made and those areas where continued effort is needed. State Housing Element guidelines require communities to evaluate their previous Housing Element according to the following criteria:

- Effectiveness of the Element
- Progress in Implementation
- Appropriateness in Goals, Objectives and Policies

E.2 Effectiveness of Element

The City's 2015 Housing Element identified the following goals:

- Goal H-1: Provide Housing Consistent with The Character of The Community
- Goal H-2: Construct Additional Housing to Meet the Identified Needs of All Income Groups in Monte Sereno
- Goal H-3: Maintain and Improve Existing Housing Stock
- Goal H-4: Support A Continuum of Housing Opportunities for Members of The Monte Sereno Community in All Stages of Life, Including Those with or without Special Needs
- Goal H-5: Ensure Equal Housing Opportunities

In order to achieve these goals, the 2015 Housing Element listed a series of policies and actions. The policies covered a range of housing concerns, including support for the development of accessory dwelling units, providing appropriate zoning for lower and moderate-income households, removing governmental constraints, maintaining public infrastructure, and promoting equal housing opportunities for all persons. The policies complied with the State Housing Law guidelines in place at the time.

E.3 Progress in Implementation

To assess the City’s progress in implementing the 2015 Housing Element, the following key areas were reviewed:

- Adopted Programs
- Production of Housing
- Preservation of “At Risk” Units
- Rehabilitation of Existing Units

Each of these areas is discussed in detail below.

Overview of Adopted Programs

Table E-1 identifies all of the actions the City committed to in the 2015 Housing Element. The table also includes a description of the progress that was made during the 2015–2023 planning period.

Table E-1 Overview of Adopted Program

| No. | Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element] | Achievements/Effectiveness | Continue/Modify /Delete |
|---------------|---|---|---|
| Program H-1.1 | Continue to require Site Development Permit approval for all new homes and to require project consistency with the City Design Guidelines. | Site Development Permits are required for all new houses, except where prohibited by State Law (i.e., ADUs, SB 9). In January 2022, the City Council adopted Objective Design Standards that are applicable to ministerial projects in accordance with State laws. | Modify (to address ministerial approvals for State regulated projects). |
| Program H-2.1 | Continue to administer and improve the Second Unit Program in order to encourage the construction of additional Second Units affordable to lower income households. Specific tasks that the City will undertake include: <ul style="list-style-type: none"> Continue to survey affordability and use of Second Units Revise the approval process for Second Units Publicize incentives for construction of new Second Units Continue the Second Unit amnesty program Review and revise Second Unit Program to remove constraints to Second Unit development Explore other innovative uses of Second Further amend the Second Unit Program, such as by permitting junior second units, if necessary, to achieve RHNA production goals | The City continues to administer and improve the Second Unit Program, now referred to as Accessory Dwelling Units, and has taken the following actions: <ul style="list-style-type: none"> Continue to survey affordability and use of Second Units; Continue to publish incentives for Second Units through the City website and at City Hall front counter (ongoing); Provide direct to the residents the Accessory Dwelling Unit Handbook published by the State Department of Housing and Community Development (HCD) Additionally, the City has adopted an ordinance to allow an additional residential unit on each single-family lot in accordance with the State SB 9 legislation. | Modify to reflect ADU and SB 9 ordinances. |

| No. | Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element] | Achievements/Effectiveness | Continue/Modify /Delete |
|---------------|---|---|-------------------------|
| Program H-2.2 | Explore and implement if appropriate other options to provide additional affordable housing opportunities within its existing housing stock. | The City continues to explore shared housing opportunities and programs. | Continue |
| Program H-2.3 | Evaluate progress towards meeting its RHNA, in particular new construction objectives for extremely low, very low-, low- and moderate-income households. If the City determines that fewer than 12 Second Units are constructed every two years, the City will evaluate and implement revisions to the Second Unit program. | <p>As noted in section 6.4 below, the City greatly exceeded the RHNA requirements for the 2015 Housing Element and Accessory Dwelling Units (Second Units) were constructed filling the Very Low RHNA numbers surpassing the City's objectives</p> <p>The permitting process for ADUs has been streamlined to no longer require a separate Planning application; ADUs submit for building permit only.</p> | Continue |
| Program H-2.4 | Work with nearby communities to explore countywide housing needs and solutions. Provide a summary report of activities in cooperation with other jurisdictions/agencies. | <p>The City currently participates with the Housing Trust of Santa Clara County, the Housing Authority of Santa Clara County and the Santa Clara County Office of Affordable Housing. Activities and programs include:</p> <ul style="list-style-type: none"> *Mortgage Credit Certification Program for first time homebuyers *2016 Housing Bond to fund housing needs of the community's poorest and most vulnerable residents *Information about how to get connected to long-term housing *Information about emergency shelters *Plan to tackle homelessness *Rental assistance | Continue |

| No. | Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element] | Achievements/Effectiveness | Continue/Modify /Delete |
|---------------|--|---|-------------------------|
| Program H-2.5 | Revise the Municipal Code (Section 10.05.045) Public ("P") zoning district by December 2016 to allow multifamily residential uses by right on the First Baptist Church site (17765 Daves Avenue). Make specific outreach with developers of housing affordable to lower income and special need households. | <p>The City repealed the previously amended General Plan and Zoning on the First Baptist Church site (17765 Daves Avenue) in August of 2018. That site is currently zoned for two units an acre.</p> <p>The City amended its General Plan and Zoning Ordinance to allow multi-family residential uses on the Hacienda site (18840 Saratoga-Los Gatos Road) in June of 2018. This allowed for a new development of 36 housing units.</p> <p>The Final Map for development on the Hacienda Site, now referred to as Montalvo Oaks, was approved on November of 2019. Demolition of the site occurred in fall of 2019 and grading and improvements were approved and began in 2019. Building permits for the model homes and sales office were issued in December of 2019. Building Permits for the remaining 35 single-family dwellings and one accessory dwelling unit were issued in August and November 2020. Construction has been on-going and is expected to be completed in Fall 2022.</p> | Delete |
| Program H-2.6 | <p>The City will revise the Municipal Code to:</p> <ul style="list-style-type: none"> ▪ Allow employee housing that provides housing for 6 or fewer employees in all residential zoned areas, ▪ Include residential care homes, supportive housing and transitional housing as a "use by right" in RM zones and ▪ Include Municipal Code Section 10.05 regarding SRO use as allowable in RM zones | Modification to allow for residential care homes, supportive housing and transitional housing completed in November 2016. (Does not include SRO) | Modify |
| Program H-3.1 | Continue to pursue code enforcement on homes that are not maintained in compliance with City codes. | <p>On-going based on staff observations during routine visits and in response to complaints.</p> <p>The City has a contract Code Enforcement Officer who responds to code compliance complaints/issues.</p> | Continue |

| No. | Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element] | Achievements/Effectiveness | Continue/Modify /Delete |
|---------------|--|--|-------------------------|
| Program H-3.2 | Review and revise on a biannual basis the Capital Improvement Program (CIP) to identify public infrastructure priorities that will maintain the community's older residential neighborhoods. | Annually the Capital Improvement Program (CIP) and priorities are set and approved by the City Council during the budget setting process. The City Council also conducts mid- year budget review to make adjustments as needed to the CIP. Beginning with Fiscal Year 2017-2018, the City embarked on a five- year Pavement Management Program to improve the overall condition of the City's neighborhoods and focused on streets using a Pavement Condition Index (PCI) rating of 63 (fair) to a rating of 70 (good). In Fiscal Year 2019-2020 this goal was revised to meet the Metropolitan Transportation Commission's goal of for the average PCI on local roads to be a rating of 75. As of December 2021, the City's PCI rating is 72. 59 of the City's 87 street segments have been resurfaced since Fiscal Year 2017-2018. | Continue |
| Program H-3.3 | <p>Encourage energy conservation practices for new and existing residential dwelling units. Suggested actions include:</p> <ul style="list-style-type: none"> Continue to offer streamlining and fee waivers for solar panel installations, Continue the "Build It Green" program and checklists, Provide information regarding rebate programs and energy audits available through PG&E, and Provide resource materials regarding green building and conservation programs. | <p>The City has adopted and enforces the California Green Building Code. The City on an ongoing basis provides resource material on green building and conservation programs through the Planning and Building Departments.</p> <p>In December of 2019 the City adopted the new Residential Building Code with a local amendment requiring wiring for electric appliances regardless of the use of gas.</p> | Continue |

| No. | Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element] | Achievements/Effectiveness | Continue/Modify /Delete |
|---------------|--|---|-------------------------|
| Program H-4.1 | <p>Support special need households (including physically and developmentally disabled) in securing affordable and appropriate housing. The City will:</p> <ul style="list-style-type: none"> ▪ Promote the use of Second Units ▪ Continue to allow transitional housing, supportive housing and residential care facilities, including group homes for six or less persons, as a use by right in all R-1 neighborhoods, ▪ Annually contact nonprofit housing sponsors to coordinate and implement a strategy for developing or making housing available <p>Amend the Municipal Code to allow supportive housing, transitional housing and residential care facilities in the RM zone.</p> | <p>The City continues on an ongoing basis to promote the use of Accessory Dwelling Units (second units) to potential applicants. The City continues to allow transitional housing, supportive housing and residential care facilities in the R-1 zoning districts. Modification to the Municipal Code to allow transitional housing, supportive housing and residential care facilities in the RM zoning district was completed in July 2016.</p> | Continue |
| Program H-4.2 | <p>Work to develop a plan to meet the changing needs of seniors.</p> | <p>The City of Monte Sereno is partnering with Santa Clara County Department of Aging and Adult Services to become part of the World Health Organization's Global Network of Age-Friendly Cities & Communities.</p> | |

| No. | Programs/Actions [The text provided in this column is a synopsis only; for complete program language please refer to the 2015 Housing Element] | Achievements/Effectiveness | Continue/Modify /Delete |
|---------------|---|---|-------------------------|
| Program H-4.3 | Review existing procedures and identify revisions to the City's procedures in order to expedite the development review process. | <p>The City implemented a Permit Tracking system for the Building Permit process in July of 2020. The system enables the electronic tracking of the Building Permit process including multi-departmental review and scheduling of inspections. The system streamlines the review of permits and dissemination of comments to the applicants from the various departments' review of the permit.</p> <p>Additionally, the City added an electronic Planning permit tracking system which tracks the status of all Planning applications, pending reviews, and items scheduled for public hearing. This streamlines the application tracking for staff by providing automated project status and reporting.</p> | Continue |
| Program H-5.1 | Continue to implement its "Reasonable Accommodations" procedures as contained in the Municipal Code. | The City continues to implement its Reasonable Accommodation procedure. During the 2021 calendar year the City did not receive any requests for Reasonable Accommodation. | Continue |
| Program H-5.2 | Provide written information on fair housing laws and resources at the Planning Department counter as well as on the City's website. | Written information on Fair Housing is available at the planning front counter and City's website. The City will continue to promote Project Sentinel as a resource for fair housing information and advisory services. The City has received no complaints of discrimination in calendar year 2021. | Continue |

Production of Housing

The 2015 Housing Element identified a Regional Housing Needs Allocation of 61 housing units in Monte Sereno between January 1, 2015 and June 30, 2023. The Regional Housing Needs Allocation (RHNA) was divided into the following income categories:

- 23 units affordable to very low-income households
- 13 units affordable to low-income households
- 13 units affordable to moderate-income households
- 12 units affordable to above moderate-income households

According to HCD's Annual Progress Report Summary (August 3, 2022), Monte Sereno was on pace to achieve its housing program goals. It surpassed its total RHNA by 61 units for a total of 139 housing permits issued. To date, accessory dwelling units permitted and constructed or under construction serve as very low-income units. According to a post-construction City survey, the majority of the units rented at an amount affordable to very low-income households. Table 6-2 provides details of Monte Sereno's success in housing element implementation.

Table E-2 Housing Permits Issued, 2015-2023

| | RHNA | Permits | Percent |
|----------------|------|---------|---------|
| Very Low | 23 | 58 | 41.7% |
| Low | 13 | 9 | 6.5% |
| Moderate | 13 | 1 | 0.7% |
| Above Moderate | 12 | 71 | 51.1% |
| Total | 61 | 139 | 100.0% |

SOURCE: HCD Annual Progress Report Summary, September 28, 2021

NOTE:

Preservation of "At Risk" Units

According to data from the California Housing Partnership's Preservation Database that was included in the 2015 Housing Element, there were no assisted units in Monte Sereno in the Preservation Database.

Rehabilitation of Existing Units

The City had identified no quantified objective for housing rehabilitation in the 2015-2013 planning period.

E.4 Appropriateness in Goals, Objectives and Policies

The goals, objectives, and policies identified in the 2015 Housing Element were appropriate for the 2015-2023 timeframe because they directly relate to the program requirements listed by the California Department of Housing and Community Development. The net result of the City's goals, objectives, and policies was that Monte Sereno was able to achieve 228 percent of its regional housing needs allocation. While the City fell short on Low- and Moderate-Income units, it exceeded its Very Low-Income allocation by 252 percent (23 needed v. 58 produced) and its Above Moderate-Income allocation by 591 percent (12 needed v. 71 produced).

As for removing governmental constraints, the City successfully amended its development regulations, providing no separate Planning review for ADUs or JADUs. These are reviewed as part of the building permit process. This saves time for the applicant as a separate ministerial review by Planning is not required, the Planning and Building reviews occur concurrently.

E.5 Summary

The City of Monte Sereno experienced more development than projected in its Quantified Objectives (139 permits issued v. 61 projected). It met or exceeded its RHNA allocation for very low-income and above moderate-income households. The goals, objectives, policies, and actions in the 2015 Housing Element complied with State Housing Law and provided proper guidance for housing development in the City. In 2023 Housing Element update, objectives for each of the goals will be modified as appropriate to more specifically respond to the housing environment in Monte Sereno from 2023 to 2031. Policies will also be modified as needed to respond to current Housing Element Law.

List of Contacted Organizations

F

APPENDIX

Appendix F

List of Contacted Organizations

F.1 Introduction

This appendix provides the names of organizations, tribal units, and other stakeholders that were contacted during the preparation of Monte Sereno's 6th Cycle Housing Element. In addition to these contacts, the City created a dedicated website called: "At Home in Monte Sereno" which can be found at <https://athomeinmontesereno.com/>. This website provides a portal to all of the housing-element-related public engagement activities that were available to members of the public during the update process. This includes information on housing element basics, site surveys, an SB 9 survey, and materials from community workshops.

F.2 List of Contacted Organizations

This section provides contact information for organizations and agencies in the San Francisco Bay Area that were contacted during housing element preparation.

- Association of Bay Area Governments
Bay Area Metro Center
375 Deale Street, Suite 700
San Francisco, CA 94105
housingTA@BayAreaMetro.gov
(415) 820- 7900

- Aleli Sangalang
Deputy Executive Director of Housing
Santa Clara County Housing Authority
505 W Julian St,
San Jose, CA 95110
(408) 275-8770

- Santa Clara County Social Services Agency
353 West Julian,
San Jose, CA 95110
clientcomments@ssa.sccgov.org
(408) 755-7100

- African American Community Service Agency
304 N. 6th Street
San Jose, CA 95112
info@sjaacsa.org
(408) 292-3157

- Susan Alexander Kim
Secretary
Korean American Community Services
1800-B Fruitdale Ave.
San Jose, CA 95128
info@kacssv.org
(408) 920-9733

- Lindsey Caldwell
Division Director of Emergency Programs & Housing Services
Catholic Charities of Santa Clara County
2625 Zanker Road
San Jose, CA 95134-2107
Info@Catholiccharitiesscc.org
(408) 468-0100

- Poncho Guevara
Executive Director
Sacred Heart Community Service
1381 South First St.
San Jose, CA 95110
(408) 278-2160

- Bay Area Legal Aid
4, N 2nd St #600
San Jose, CA 95113
(408)283-3700

- United Way Bay Area
1400 Parkmoor Ave
San Jose, CA 95126
(408) 345-4300
Hacienda Realty?

F.3 City Contact List

This section provides contact information for City officials that were contacted during housing element preparation.

- Diana Perkins, AICP
City Planner
diana@cityofmontesereno.org
cityplanner@cityofmontesereno.org
(408) 354-7635 x116
- Steve Leonardis
City Manager
citymanager@cityofmontesereno.org
(408) 354-7635
- Jessica Kahn, P.E.
City Engineer
engineering@cityofmontesereno.org
(408) 354-7635
- Reynold Samoranos
Finance Officer
financemanager@cityofmontesereno.org
(408) 354-7635
- Building Department
buildingofficial@cityofmontesereno.org

- Peter Decena
Chief of Police
Los Gatos-Monte Sereno Police
Police@LosGatosCA.gov
(408) 354-8600

F.4 Tribal Consultation

This section provides contact information for tribal consultation that were contacted during housing element preparation

- Amah Mutsun Tribal Band
Valentin Lopez, Chairperson
P.O. Box 5272 Galt, CA, 95632
Phone: (916) 743-5833
vlopez@amahmutsun.org
- Amah Mutsun Tribal Band of Mission San Juan Bautista
Irenne Zwierlein, Chairperson
789 Canada Road Woodside, CA, 94062
Phone: (650) 851-7489
Fax: (650) 332-1526
amahmutsuntribal@gmail.com
- Indian Canyon Mutsun Band of Costanoan
Ann Marie Sayers, Chairperson
P.O. Box 28 Hollister, CA, 95024
Phone: (831) 637-4238
ams@indiancanyon.org
- Muwekma Ohlone Indian Tribe of the SF Bay Area
Charlene Nijmeh, Chairperson
20885 Redwood Road, Suite 232
Castro Valley, CA, 94546
Phone: (408) 464-2892
cnijmeh@muwekma.org

- Muwekma Ohlone Indian Tribe of the SF Bay Area
 Monica Arellano
 20885 Redwood Road, Suite 232
 Castro Valley, CA, 94546
 Phone: (408) 205-9714
 marellano@muwekma.org
- North Valley Yokuts Tribe
 Timothy Perez, MLD
 Contact P.O. Box 717
 Linden, CA, 95236
 Phone: (209) 662-2788
 huskanam@gmail.com
- North Valley Yokuts Tribe
 Katherine Perez, Chairperson
 P.O. Box 717 Linden, CA, 95236
 Phone: (209) 887-3415
 canutes@verizon.net
- The Ohlone Indian Tribe Andrew Galvan
 P.O. Box 3388 Fremont, CA, 94539
 Phone: (510) 882-0527
 Fax: (510) 687-9393
 chochenyo@AOL.com
- The Confederated Villages of Lisjan Corrina Gould, Chairperson
 10926 Edes Avenue Oakland, CA, 94603
 Phone: (510) 575-8408
 cvltribe@gmail.com

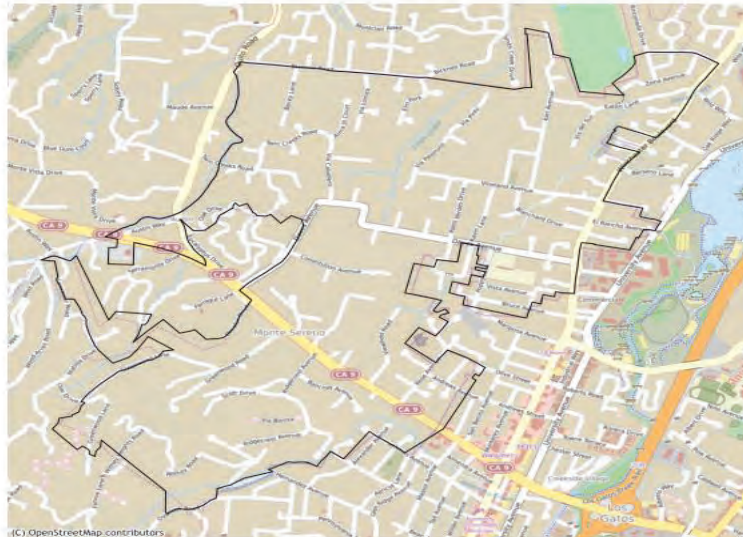
AFFH Segregation Report: Monte Sereno



AFFH SEGREGATION REPORT: MONTE SERENO

UC Merced Urban Policy Lab and ABAG/MTC Staff

Version of Record: March 06, 15:57:06



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION



Technical Assistance
for Local Planning
HOUSING

0.1 Table of content

| | | |
|-----|---|----|
| 0.1 | Table of content | 2 |
| 0.2 | List of figures | 3 |
| 0.3 | List of tables | 3 |
| 1 | Introduction | 4 |
| 1.1 | Purpose of this Report | 4 |
| 1.2 | Defining Segregation | 5 |
| 1.3 | Segregation Patterns in the Bay Area | 5 |
| 1.4 | Segregation and Land Use | 6 |
| 2 | Racial Segregation in City of Monte Sereno | 8 |
| 2.1 | Neighborhood Level Racial Segregation (within City of Monte Sereno) | 8 |
| 2.2 | Regional Racial Segregation (between Monte Sereno and other jurisdictions) | 16 |
| 3 | Income Segregation in City of Monte Sereno | 21 |
| 3.1 | Neighborhood Level Income Segregation (within Monte Sereno) | 21 |
| 3.2 | Regional Income Segregation (between Monte Sereno and other jurisdictions) | 27 |
| 4 | Appendix 1: Summary of Findings | 31 |
| 4.1 | Segregation in City of Monte Sereno | 31 |
| 4.2 | Segregation Between City of Monte Sereno and Other jurisdictions in the Bay Area Region | 31 |
| 5 | Appendix 2: Segregation Data | 33 |
| 6 | References | 37 |

0.2 List of figures

| | |
|---|----|
| Figure 1: Racial Dot Map of Monte Sereno (2020) | 9 |
| Figure 2: Racial Isolation Index Values for Monte Sereno Compared to Other Bay Area Jurisdictions (2020) .. | 11 |
| Figure 3: Racial Dissimilarity Index Values for Monte Sereno Compared to Other Bay Area Jurisdictions (2020) | 14 |
| Figure 4: Theil's H Index Values for Racial Segregation in Monte Sereno Compared to Other Bay Area Jurisdictions (2020) | 15 |
| Figure 5: Racial Dot Map of Monte Sereno and Surrounding Areas (2020) | 16 |
| Figure 6: Racial Demographics of Monte Sereno Compared to All Bay Area Jurisdictions (2020) | 18 |
| Figure 7: Comparing the Share of People of Color in Monte Sereno and Vicinity to the Bay Area (2020) | 19 |
| Figure 8: Income Dot Map of Monte Sereno (2015) | 22 |
| Figure 9: Income Group Isolation Index Values for Monte Sereno Compared to Other Bay Area Jurisdictions (2015) | 24 |
| Figure 10: Income Group Dissimilarity Index Values for Monte Sereno Compared to Other Bay Area Jurisdictions (2015) | 26 |
| Figure 11: Income Group Theil's H Index Values for Monte Sereno Compared to Other Bay Area Jurisdictions (2015) | 27 |
| Figure 12: Income Dot Map of Monte Sereno and Surrounding Areas (2015) | 28 |
| Figure 13: Income Demographics of Monte Sereno Compared to Other Bay Area Jurisdictions (2015) | 29 |

0.3 List of tables

| | |
|--|----|
| Table 1: Racial Isolation Index Values for Segregation within Monte Sereno | 10 |
| Table 2: Racial Dissimilarity Index Values for Segregation within Monte Sereno | 13 |
| Table 3: Theil's H Index Values for Racial Segregation within Monte Sereno | 15 |
| Table 4: Population by Racial Group, Monte Sereno and the Region | 17 |
| Table 5: Regional Racial Segregation Measures | 20 |
| Table 6: Income Group Isolation Index Values for Segregation within Monte Sereno | 23 |
| Table 7: Income Group Dissimilarity Index Values for Segregation within Monte Sereno | 25 |
| Table 8: Theil's H Index Values for Income Segregation within Monte Sereno | 26 |
| Table 9: Population by Income Group, Monte Sereno and the Region | 28 |
| Table 10: Regional Income Segregation Measures | 30 |
| Table 11: Neighborhood Racial Segregation Levels in Monte Sereno | 33 |
| Table 12: Neighborhood Income Segregation Levels in Monte Sereno | 34 |
| Table 13: Regional Racial Segregation Measures | 35 |
| Table 14: Regional Income Segregation Measures | 35 |
| Table 15: Population by Racial Group, Monte Sereno and the Region | 36 |
| Table 16: Population by Income Group, Monte Sereno and the Region | 36 |

1 INTRODUCTION

The requirement to Affirmatively Further Fair Housing (AFFH) is derived from The Fair Housing Act of 1968, which prohibited discrimination concerning the sale, rental, and financing of housing based on race, color, religion, national origin, or sex—and was later amended to include familial status and disability.¹ The 2015 U.S. Department of Housing and Urban Development (HUD) Rule to Affirmatively Further Fair Housing and California Assembly Bill 686 (2018) mandate that each jurisdiction takes meaningful action to address significant disparities in housing needs and access to opportunity.²³ AB 686 requires that jurisdictions incorporate AFFH into their Housing Elements, which includes inclusive community participation, an assessment of fair housing, a site inventory reflective of AFFH, and the development of goals, policies, and programs to meaningfully address local fair housing issues. ABAG and UC Merced have prepared this report to assist Bay Area jurisdictions with the Assessment of Fair Housing section of the Housing Element.

Assessment of Fair Housing Components

The Assessment of Fair Housing includes five components, which are discussed in detail on pages 22-43 of [HCD's AFFH Guidance Memo](#):

- A: Summary of fair housing enforcement and outreach capacity
- B: Integration and segregation patterns, and trends related to people with protected characteristics
- C: Racially or ethnically concentrated areas of poverty
- D: Disparities in access to opportunity
- E: Disproportionate housing needs, including displacement risk

1.1 Purpose of this Report

This report describes racial and income segregation in Bay Area jurisdictions. Local jurisdiction staff can use the information in this report to help fulfill a portion of the second component of the Assessment of Fair Housing, which requires analysis of integration and segregation patterns and trends related to people with protected characteristics and lower incomes. Jurisdictions will still need to perform a similar analysis for familial status and populations with disability.

This report provides segregation measures for both the local jurisdiction and the region using several indices. For segregation between neighborhoods within a city (intra-city segregation), this report includes isolation indices, dissimilarity indices, and Theil's-H index. The isolation index measures

¹ <https://www.justice.gov/crt/fair-housing-act-2>

² HCD AFFH Guidance Memo

³ The 2015 HUD rule was reversed in 2020 and partially reinstated in 2021.

segregation for a single group, while the dissimilarity index measures segregation between two groups. The Theil's H-Index can be used to measure segregation between all racial or income groups across the city at once. HCD's AFFH guidelines require local jurisdictions to include isolation indices and dissimilarity indices in the Housing Element. Theil's H index is provided in addition to these required measures. For segregation between cities within the Bay Area (inter-city segregation), this report includes dissimilarity indices at the regional level as required by HCD's AFFH guidelines. HCD's AFFH guidelines also require jurisdictions to compare conditions at the local level to the rest of the region; and this report presents the difference in the racial and income composition of a jurisdiction relative to the region as a whole to satisfy the comparison requirement.

1.2 Defining Segregation

Segregation is the separation of different demographic groups into different geographic locations or communities, meaning that groups are unevenly distributed across geographic space. This report examines two spatial forms of segregation: neighborhood level segregation *within* a local jurisdiction and city level segregation *between* jurisdictions in the Bay Area.

Neighborhood level segregation (*within* a jurisdiction, or *intra-city*): Segregation of race and income groups can occur from neighborhood to neighborhood *within* a city. For example, if a local jurisdiction has a population that is 20% Latinx, but some neighborhoods are 80% Latinx while others have nearly no Latinx residents, that jurisdiction would have segregated neighborhoods.

City level segregation (*between* jurisdictions in a region, or *inter-city*): Race and income divides also occur *between* jurisdictions in a region. A region could be very diverse with equal numbers of white, Asian, Black, and Latinx residents, but the region could also be highly segregated with each city comprised solely of one racial group.

There are many factors that have contributed to the generation and maintenance of segregation. Historically, racial segregation stemmed from explicit discrimination against people of color, such as restrictive covenants, redlining, and discrimination in mortgage lending. This history includes many overtly discriminatory policies made by federal, state, and local governments (Rothstein 2017). Segregation patterns are also affected by policies that appear race-neutral, such as land use decisions and the regulation of housing development.

Segregation has resulted in vastly unequal access to public goods such as quality schools, neighborhood services and amenities, parks and playgrounds, clean air and water, and public safety (Trounstein 2015). This generational lack of access for many communities, particularly people of color and lower income residents, has often resulted in poor life outcomes, including lower educational attainment, higher morbidity rates, and higher mortality rates (Chetty and Hendren 2018, Ananat 2011, Burch 2014, Cutler and Glaeser 1997, Sampson 2012, Sharkey 2013).

1.3 Segregation Patterns in the Bay Area

Across the San Francisco Bay Area, white residents and above moderate-income residents are significantly more segregated from other racial and income groups (see Appendix 2). The highest levels of racial segregation occur between the Black and white populations. The analysis completed for this report indicates that the amount of racial segregation both *within* Bay Area cities and *across* jurisdictions in the region has decreased since the year 2000. This finding is consistent with recent research from the Othering and Belonging Institute at UC Berkeley, which concluded that “[a]lthough 7

of the 9 Bay Area counties were more segregated in 2020 than they were in either 1980 or 1990, racial residential segregation in the region appears to have peaked around the year 2000 and has generally declined since.”⁴ However, compared to cities in other parts of California, Bay Area jurisdictions have more neighborhood level segregation between residents from different racial groups. Additionally, there is also more racial segregation *between* Bay Area cities compared to other regions in the state.

1.4 Segregation and Land Use

It is difficult to address segregation patterns without an analysis of both historical and existing land use policies that impact segregation patterns. Land use regulations influence what kind of housing is built in a city or neighborhood (Lens and Monkkonen 2016, Pendall 2000). These land use regulations in turn impact demographics: they can be used to affect the number of houses in a community, the number of people who live in the community, the wealth of the people who live in the community, and where within the community they reside (Trounstine 2018). Given disparities in wealth by race and ethnicity, the ability to afford housing in different neighborhoods, as influenced by land use regulations, is highly differentiated across racial and ethnic groups (Bayer, McMillan, and Reuben 2004).⁵ ABAG/MTC plans to issue a separate report detailing the existing land use policies that influence segregation patterns in the Bay Area.

⁴ For more information, see <https://belonging.berkeley.edu/most-segregated-cities-bay-area-2020>.

⁵ Using a household-weighted median of Bay Area county median household incomes, regional values were \$61,050 for Black residents, \$122,174 for Asian/Pacific Islander residents, \$121,794 for white residents, and \$76,306 for Latinx residents. For the source data, see U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B19013B, Table B19013D, B19013H, and B19013I.

Definition of Terms - Geographies

Neighborhood: In this report, “neighborhoods” are approximated by tracts.⁶ Tracts are statistical geographic units defined by the U.S. Census Bureau for the purposes of disseminating data. In the Bay Area, tracts contain on average 4,500 residents. Nearly all Bay Area jurisdictions contain at least two census tracts, with larger jurisdictions containing dozens of tracts.

Jurisdiction: Jurisdiction is used to refer to the 109 cities, towns, and unincorporated county areas that are members of ABAG. Though not all ABAG jurisdictions are cities, this report also uses the term “city” interchangeably with “jurisdiction” in some places.

Region: The region is the nine-county San Francisco Bay Area, which is comprised of Alameda County, Contra Costa County, Marin County, Napa County, San Francisco County, San Mateo County, Santa Clara County, Solano County, and Sonoma County.

⁶ Throughout this report, neighborhood level segregation measures are calculated using census tract data. However, the racial dot maps in Figure 1 and Figure 5 use data from census blocks, while the income group dot maps in Figure 8 and Figure 12 use data from census block groups. These maps use data derived from a smaller geographic scale to better show spatial differences in where different groups live. Census block groups are subdivisions of census tracts, and census blocks are subdivisions of block groups. In the Bay Area, block groups contain on average 1,500 people, while census blocks contain on average 95 people.

2 RACIAL SEGREGATION IN CITY OF MONTE SERENO

Definition of Terms - Racial/Ethnic Groups

The U.S. Census Bureau classifies racial groups (e.g. white or Black/African American) separately from Hispanic/Latino ethnicity.⁷ This report combines U.S. Census Bureau definitions for race and ethnicity into the following racial groups:

White: Non-Hispanic white

Latinx: Hispanic or Latino of any race⁸

Black: Non-Hispanic Black/African American

Asian/Pacific Islander: Non-Hispanic Asian or Non-Hispanic Pacific Islander

People of Color: All who are not non-Hispanic white (including people who identify as “some other race” or “two or more races”)⁹

2.1 Neighborhood Level Racial Segregation (*within* City of Monte Sereno)

Racial dot maps are useful for visualizing how multiple racial groups are distributed within a specific geography. The racial dot map of Monte Sereno in Figure 1 below offers a visual representation of the spatial distribution of racial groups within the jurisdiction. Generally, when the distribution of dots does not suggest patterns or clustering, segregation measures tend to be lower. Conversely, when clusters of certain groups are apparent on a racial dot map, segregation measures may be higher.

⁷ More information about the Census Bureau’s definitions of racial groups is available here:

<https://www.census.gov/topics/population/race/about.html>.

⁸ The term Hispanic has historically been used to describe people from numerous Central American, South American, and Caribbean countries. In recent years, the term Latino or Latinx has become preferred. This report generally uses Latinx to refer to this racial/ethnic group.

⁹ Given the uncertainty in the data for population size estimates for racial and ethnic groups not included in the Latinx, Black, or Asian/Pacific Islander categories, this report only analyzes these racial groups in the aggregate People of Color category.



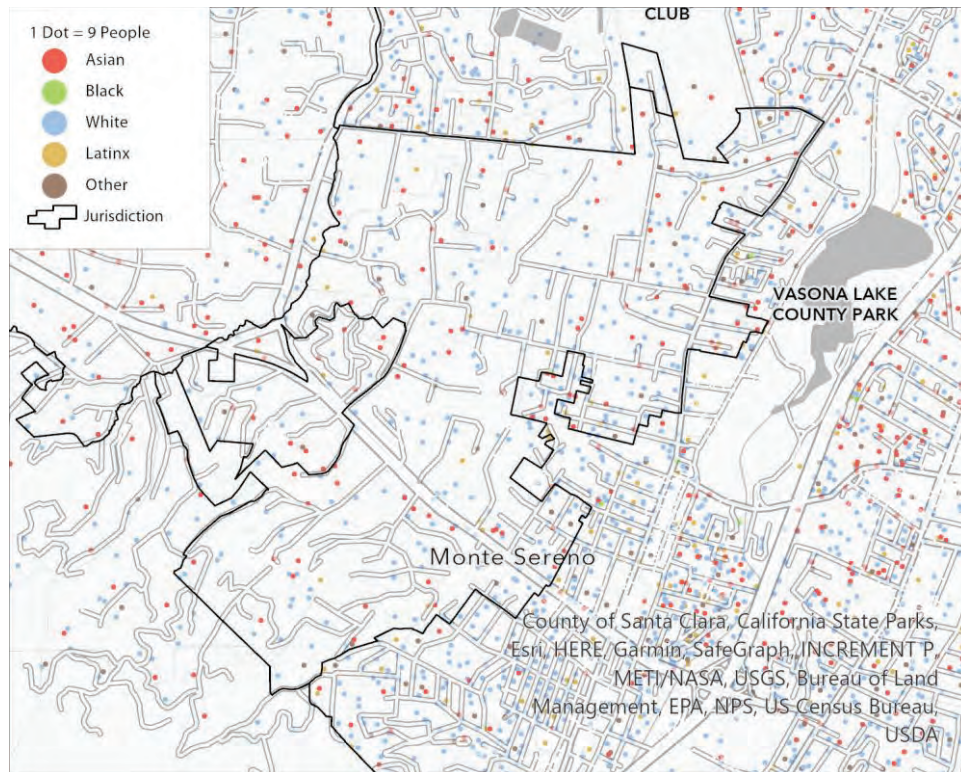


Figure 1: Racial Dot Map of Monte Sereno (2020)

Universe: Population. Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Note: The plot shows the racial distribution at the census block level for City of Monte Sereno and vicinity. Dots in each census block are randomly placed and should not be construed as actual placement of people.

There are many ways to quantitatively measure segregation. Each measure captures a different aspect of the ways in which groups are divided within a community. One way to measure segregation is by using an isolation index:

- The isolation index compares each neighborhood's composition to the jurisdiction's demographics as a whole.
- This index ranges from 0 to 1. Higher values indicate that a particular group is more isolated from other groups.
- Isolation indices indicate the potential for contact between different groups. The index can be interpreted as the experience of the average member of that group. For example, if the isolation index is .65 for Latinx residents in a city, then the average Latinx resident in that city lives in a neighborhood that is 65% Latinx.

Within City of Monte Sereno the most isolated racial group is white residents. Monte Sereno's isolation index of 0.665 for white residents means that the average white resident lives in a neighborhood that is 66.5% white. Other racial groups are less isolated, meaning they may be more likely to encounter other racial groups in their neighborhoods. The isolation index values for all racial groups in Monte Sereno for the years 2000, 2010, and 2020 can be found in Table 1 below. Among all racial groups in this jurisdiction, the white population's isolation index has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.

The “Bay Area Average” column in this table provides the average isolation index value across Bay Area jurisdictions for different racial groups in 2020.¹⁰ The data in this column can be used as a comparison to provide context for the levels of segregation experienced by racial groups in this jurisdiction. For example, Table 1 indicates the average isolation index value for white residents across all Bay Area jurisdictions is 0.491, meaning that in the average Bay Area jurisdiction a white resident lives in a neighborhood that is 49.1% white.

Table 1: Racial Isolation Index Values for Segregation within Monte Sereno

| Race | Monte Sereno | | | Bay Area Average |
|------------------------|--------------|-------|-------|------------------|
| | 2000 | 2010 | 2020 | 2020 |
| Asian/Pacific Islander | 0.126 | 0.143 | 0.200 | 0.245 |
| Black/African American | 0.004 | 0.005 | 0.008 | 0.053 |
| Latinx | 0.039 | 0.051 | 0.066 | 0.251 |
| White | 0.817 | 0.778 | 0.665 | 0.491 |

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 2 below shows how racial isolation index values in Monte Sereno compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each racial group, the spread of dots represents the range of isolation index values among Bay Area jurisdictions. Additionally, the black line within each racial group notes the isolation index value for that group in City of Monte Sereno, and each dashed red line represents the Bay Area average for the isolation index for that group. Local staff can use this chart to contextualize how segregation levels for racial groups in their jurisdiction compare to other jurisdictions in the region.

¹⁰ This average only includes the 104 jurisdictions that have more than one census tract, which is true for all comparisons of Bay Area jurisdictions’ segregation measures in this report. The segregation measures in this report are calculated by comparing the demographics of a jurisdiction’s census tracts to the jurisdiction’s demographics, and such calculations cannot be made for the five jurisdictions with only one census tract (Brisbane, Calistoga, Portola Valley, Rio Vista, and Yountville).

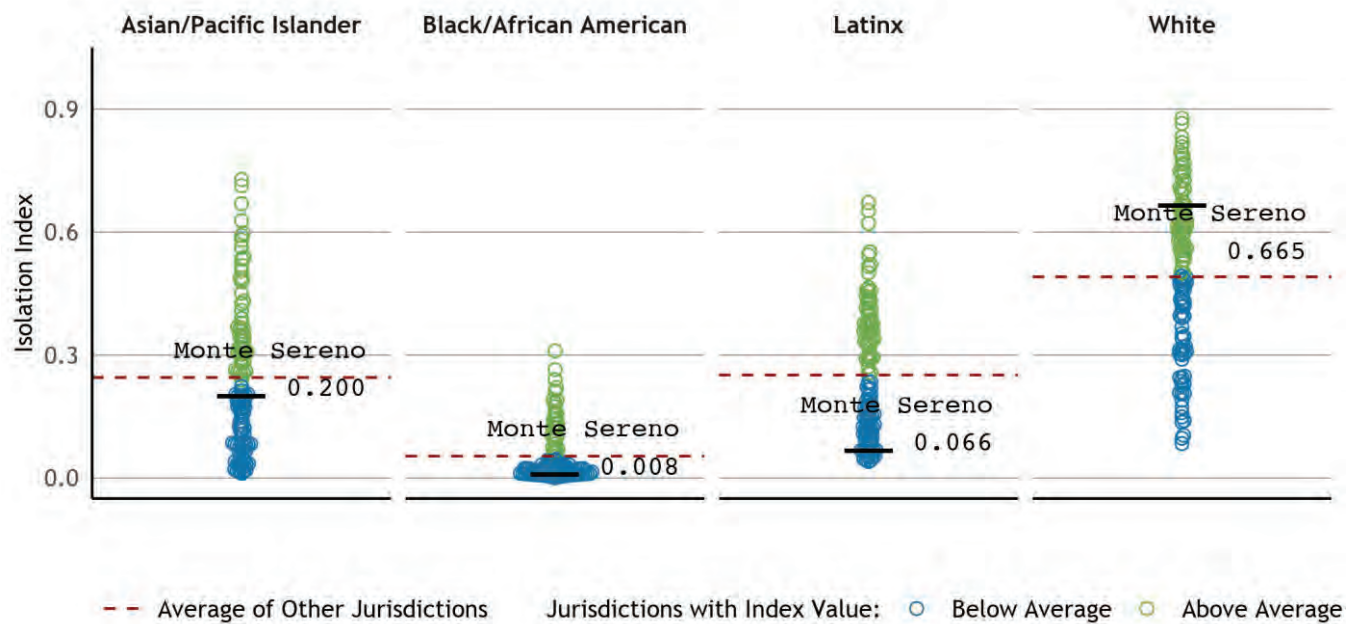


Figure 2: Racial Isolation Index Values for Monte Sereno Compared to Other Bay Area Jurisdictions (2020)

Universe: Bay Area Jurisdictions.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Another way to measure segregation is by using a dissimilarity index:

- This index measures how evenly any two groups are distributed across neighborhoods relative to their representation in a city overall. The dissimilarity index at the jurisdiction level can be interpreted as the share of one group that would have to move neighborhoods to create perfect integration for these two groups.
- The dissimilarity index ranges from 0 to 1. Higher values indicate that groups are more unevenly distributed (e.g. they tend to live in different neighborhoods).

Dissimilarity Index Guidance for Cities with Small Racial Group Populations

The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population.

HCD's AFFH guidance requires the Housing Element to include the dissimilarity index values for racial groups, but also offers flexibility in emphasizing the importance of various measures. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Table 4), jurisdiction staff use the isolation index or Thiel's H-Index to gain a more accurate understanding of their jurisdiction's neighborhood-level segregation patterns (*intra-city* segregation).

If a jurisdiction has a very small population of a racial group, this indicates that segregation between the jurisdiction and the region (*inter-city* segregation) is likely to be an important feature of the jurisdiction's segregation patterns.

In City of Monte Sereno, the Black/African American group is 0.7 percent of the population - so staff should be aware of this small population size when evaluating dissimilarity index values involving this group.

Table 2 below provides the dissimilarity index values indicating the level of segregation in Monte Sereno between white residents and residents who are Black, Latinx, or Asian/Pacific Islander. The table also provides the dissimilarity index between white residents and all residents of color in the jurisdiction, and all dissimilarity index values are shown across three time periods (2000, 2010, and 2020).

In Monte Sereno the highest segregation is between Black and white residents (see Table 2). Monte Sereno's Black /white dissimilarity index of 0.112 means that 11.2% of Black (or white) residents would need to move to a different neighborhood to create perfect integration between Black residents and white residents. However, local jurisdiction staff should note that this dissimilarity index value is not a reliable data point due to small population size. See callout box above for more information.

The "Bay Area Average" column in this table provides the average dissimilarity index values for these racial group pairings across Bay Area jurisdictions in 2020. The data in this column can be used as a comparison to provide context for the levels of segregation between communities of color are from white residents in this jurisdiction.

For example, Table 2 indicates that the average Latinx/white dissimilarity index for a Bay Area jurisdiction is 0.207, so on average 20.7% of Latinx (or white residents) in a Bay Area jurisdiction would need to move to a different neighborhood within the jurisdiction to create perfect integration between Latinx and white residents in that jurisdiction.

Table 2: Racial Dissimilarity Index Values for Segregation within Monte Sereno

| | Monte Sereno | | | Bay Area Average |
|----------------------------------|--------------|--------|--------|------------------|
| Race | 2000 | 2010 | 2020 | 2020 |
| Asian/Pacific Islander vs. White | 0.119 | 0.112 | 0.052 | 0.185 |
| Black/African American vs. White | 0.222* | 0.103* | 0.112* | 0.244 |
| Latinx vs. White | 0.044* | 0.028* | 0.026 | 0.207 |
| People of Color vs. White | 0.087 | 0.077 | 0.023 | 0.168 |

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Note: If a number is marked with an asterisk (), it indicates that the index is based on a racial group making up less than 5 percent of the jurisdiction population, leading to unreliable numbers.*

Figure 3 below shows how dissimilarity index values in City of Monte Sereno compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each racial group pairing, the spread of dots represents the range of dissimilarity index values among Bay Area jurisdictions. Additionally, the black line within each racial group pairing notes the dissimilarity index value in Monte Sereno, and each dashed red line represents the Bay Area average for the dissimilarity index for that pairing. Similar to Figure 2, local staff can use this chart to contextualize how segregation levels between white residents and communities of color in their jurisdiction compare to the rest of the region. However, staff should be mindful of whether a racial group in their jurisdiction has a small population (approximately less than 5% of the jurisdiction's population), as the dissimilarity index value is less reliable for small populations.

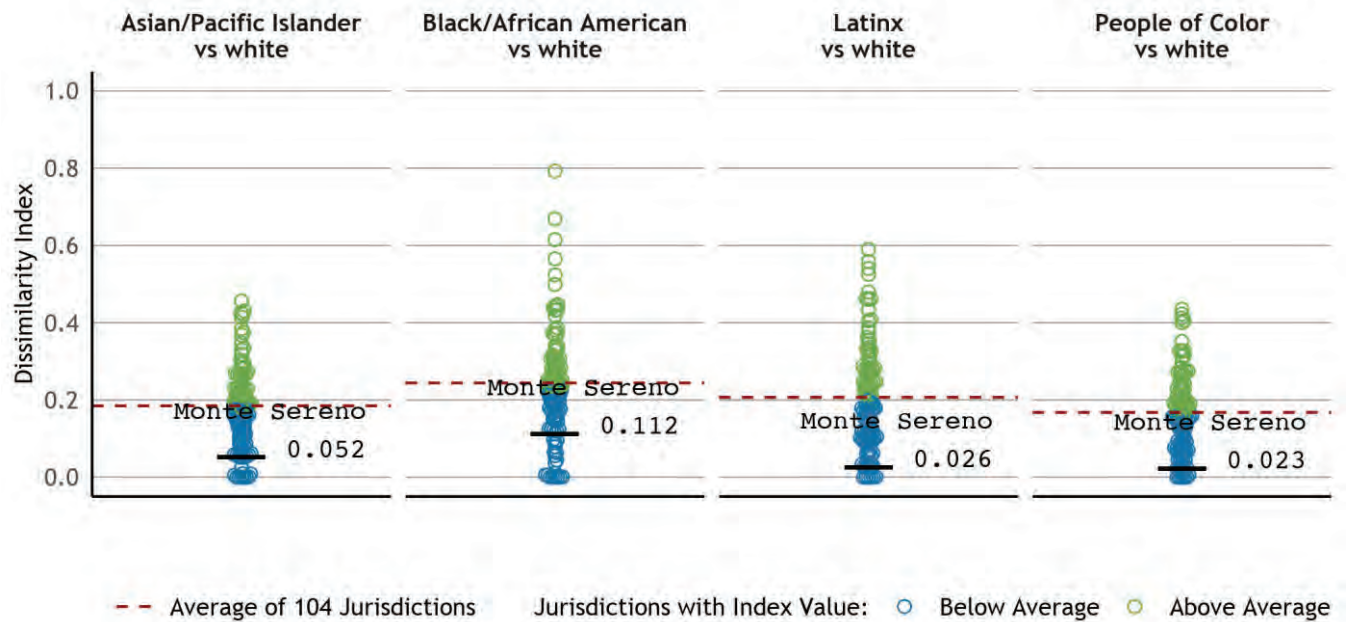


Figure 3: Racial Dissimilarity Index Values for Monte Sereno Compared to Other Bay Area Jurisdictions (2020)

Universe: Bay Area Jurisdictions.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Note: The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Table 4), jurisdiction staff could focus on the isolation index or Thiel's H-Index to gain a more accurate understanding of neighborhood-level racial segregation in their jurisdiction.

The Theil's H Index can be used to measure segregation between all groups within a jurisdiction:

- This index measures how diverse each neighborhood is compared to the diversity of the whole city. Neighborhoods are weighted by their size, so that larger neighborhoods play a more significant role in determining the total measure of segregation.
- The index ranges from 0 to 1. A Theil's H Index value of 0 would mean all neighborhoods within a city have the same demographics as the whole city. A value of 1 would mean each group lives exclusively in their own, separate neighborhood.
- For jurisdictions with a high degree of diversity (multiple racial groups comprise more than 10% of the population), Theil's H offers the clearest summary of overall segregation.

The Theil's H Index values for neighborhood racial segregation in Monte Sereno for the years 2000, 2010, and 2020 can be found in Table 3 below. The "Bay Area Average" column in the table provides the average Theil's H Index across Bay Area jurisdictions in 2020. Between 2010 and 2020, the Theil's H Index for racial segregation in Monte Sereno declined, suggesting that there is now less neighborhood level racial segregation within the jurisdiction. In 2020, the Theil's H Index for racial segregation in

Monte Sereno was lower than the average value for Bay Area jurisdictions, indicating that neighborhood level racial segregation in Monte Sereno is less than in the average Bay Area city.

Table 3: Theil's H Index Values for Racial Segregation within Monte Sereno

| | Monte Sereno | | | Bay Area Average |
|------------------------|--------------|-------|-------|------------------|
| Index | 2000 | 2010 | 2020 | 2020 |
| Theil's H Multi-racial | 0.009 | 0.008 | 0.004 | 0.042 |

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 4 below shows how Theil's H index values for racial segregation in Monte Sereno compare to values in other Bay Area jurisdictions in 2020. In this chart, each dot represents a Bay Area jurisdiction. Additionally, the black line notes the Theil's H index value for neighborhood racial segregation in Monte Sereno, and the dashed red line represents the average Theil's H index value across Bay Area jurisdictions. Local staff can use this chart to compare how neighborhood racial segregation levels in their jurisdiction compare to other jurisdictions in the region.

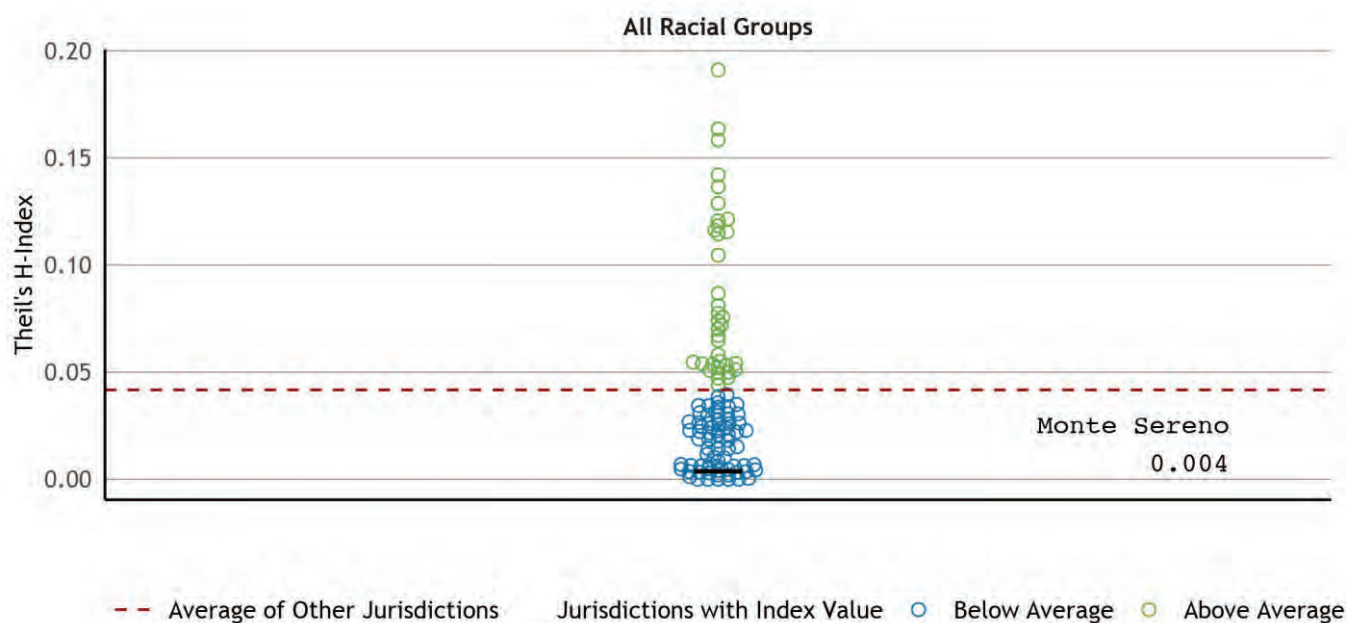


Figure 4: Theil's H Index Values for Racial Segregation in Monte Sereno Compared to Other Bay Area Jurisdictions (2020)

Universe: Bay Area Jurisdictions.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

2.2 Regional Racial Segregation (*between* Monte Sereno and other jurisdictions)

At the regional level, segregation is measured between *cities* instead of between *neighborhoods*. Racial dot maps are not only useful for examining neighborhood racial segregation within a jurisdiction, but these maps can also be used to explore the racial demographic differences between different jurisdictions in the region. Figure 5 below presents a racial dot map showing the spatial distribution of racial groups in Monte Sereno as well as in nearby Bay Area cities.

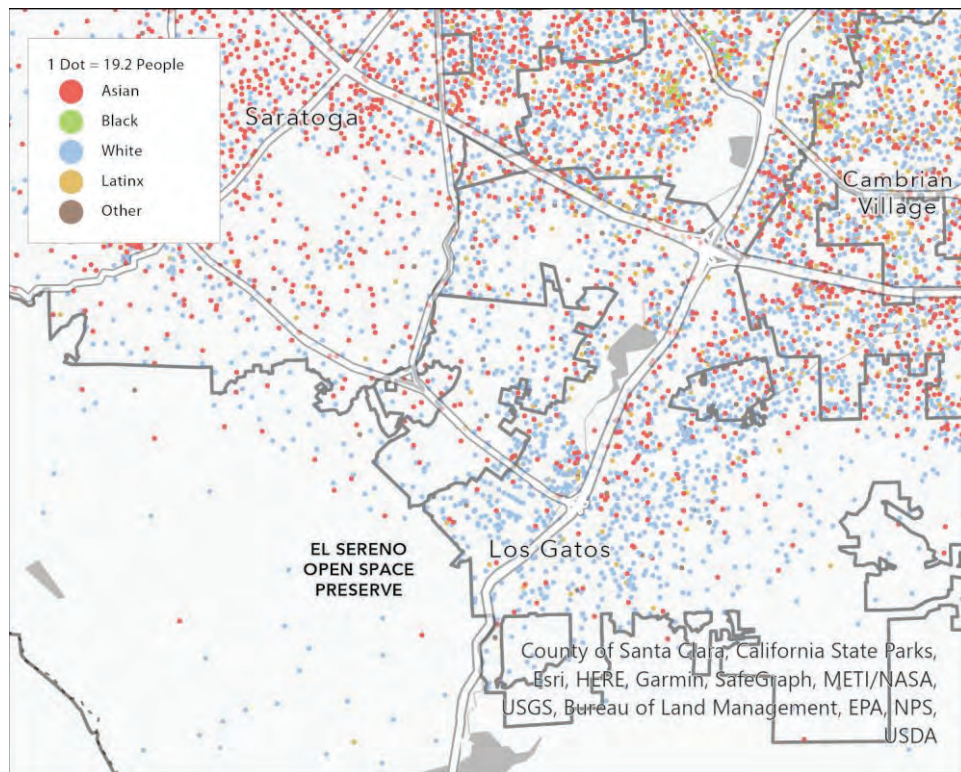


Figure 5: Racial Dot Map of Monte Sereno and Surrounding Areas (2020)

Universe: Population.

Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Note: The plot shows the racial distribution at the census block level for City of Monte Sereno and vicinity. Dots in each census block are randomly placed and should not be construed as actual placement of people.

To understand how each city contributes to the total segregation of the Bay Area, one can look at the difference in the racial composition of a jurisdiction compared to the racial composition of the region as a whole. The racial demographics in Monte Sereno for the years 2000, 2010, and 2020 can be found in Table 4 below. The table also provides the racial composition of the nine-county Bay Area. As of 2020, Monte Sereno has a higher share of white residents than the Bay Area as a whole, a lower share of Latinx residents, a lower share of Black residents, and a lower share of Asian/Pacific Islander residents.

Table 4: Population by Racial Group, Monte Sereno and the Region

| Race | Monte Sereno | | | Bay Area |
|-------------------------|--------------|-------|-------|----------|
| | 2000 | 2010 | 2020 | 2020 |
| Asian/Pacific Islander | 12.3% | 13.8% | 19.5% | 28.2% |
| Black/African American | 0.2% | 0.4% | 0.7% | 5.6% |
| Latinx | 3.6% | 4.8% | 6.6% | 24.4% |
| Other or Multiple Races | 2.8% | 3.7% | 6.8% | 5.9% |
| White | 81.2% | 77.2% | 66.4% | 35.8% |

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 6 below compares the racial demographics in Monte Sereno to those of all 109 Bay Area jurisdictions.¹¹ In this chart, each dot represents a Bay Area jurisdiction. For each racial group, the spread of dots represents the range of that group's representation among Bay Area jurisdictions. Additionally, the black line within each racial group notes the percentage of the population of City of Monte Sereno represented by that group and how that percentage ranks among all 109 jurisdictions. Local staff can use this chart to compare the representation of different racial groups in their jurisdiction to those groups' representation in other jurisdictions in the region, which can indicate the extent of segregation between this jurisdiction and the region.

¹¹ While comparisons of segregation measures are made only using the 104 jurisdictions with more than one census tract, this comparison of jurisdiction level demographic data can be made using all 109 jurisdictions.

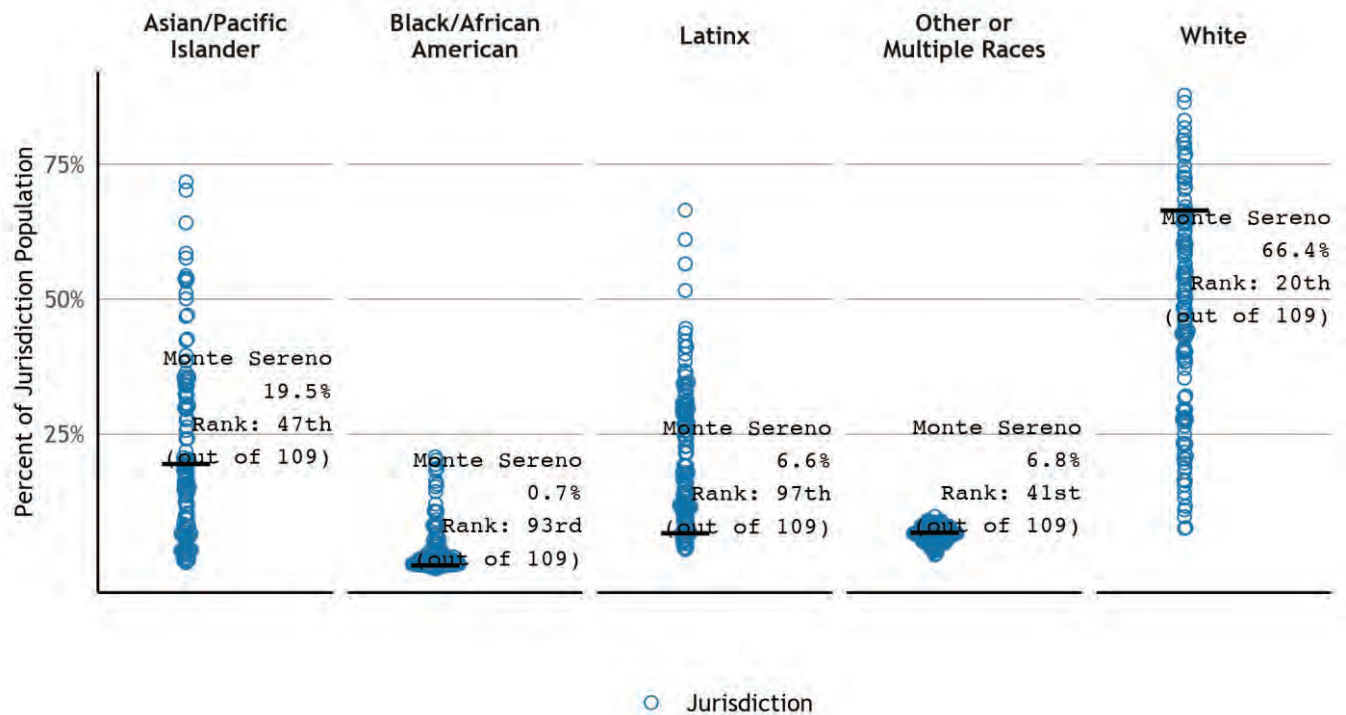


Figure 6: Racial Demographics of Monte Sereno Compared to All Bay Area Jurisdictions (2020)

Universe: Bay Area Jurisdictions.

Source U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

The map in Figure 7 below also illustrates regional racial segregation between Monte Sereno and other jurisdictions. This map demonstrates how the percentage of people of color in Monte Sereno and surrounding jurisdictions compares to the Bay Area as a whole:

- Jurisdictions shaded orange have a share of people of color that is less than the Bay Area as a whole, and the degree of difference is greater than five percentage points.
- Jurisdictions shaded white have a share of people of color comparable to the regional percentage of people of color (within five percentage points).
- Jurisdictions shaded grey have a share of people of color that is more than five percentage points greater than the regional percentage of people of color.

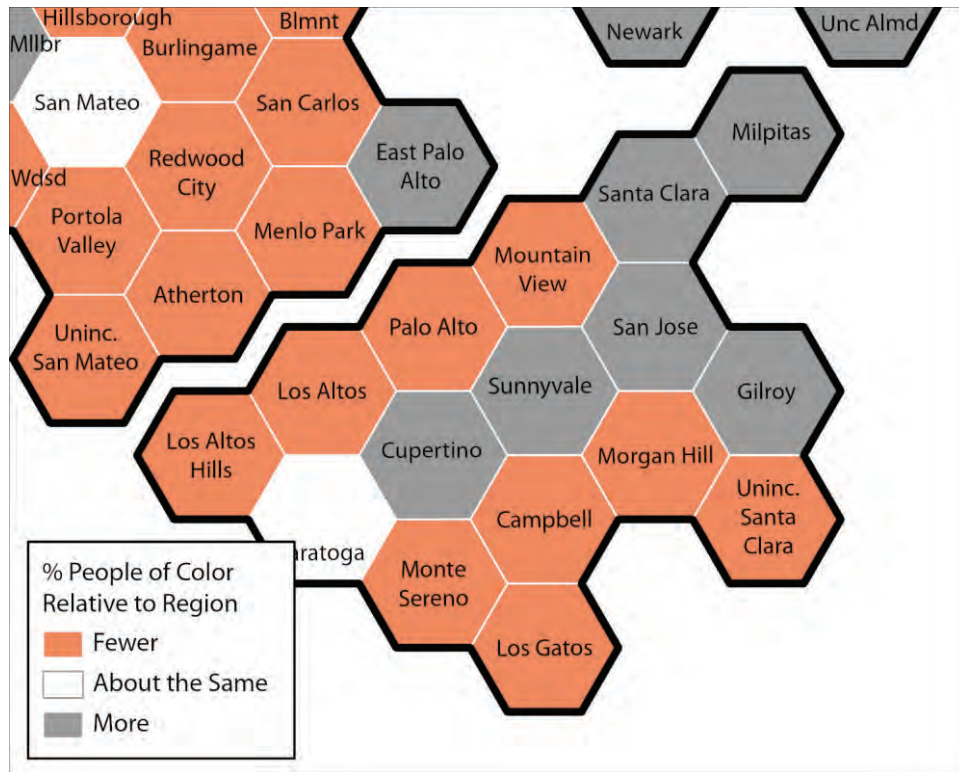


Figure 7: Comparing the Share of People of Color in Monte Sereno and Vicinity to the Bay Area (2020)

Universe: Population.

Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Note: People of color refer to persons not identifying as non-Hispanic white. The nine-county Bay Area is the reference region for this map.

Segregation between jurisdictions in the region can also be analyzed by calculating regional values for the segregation indices discussed previously. Table 5 presents dissimilarity index, isolation index, and Theil's H index values for racial segregation for the entire nine-county Bay Area in 2010 and 2020. In the previous section of this report focused on neighborhood level racial segregation, these indices were calculated by comparing the racial demographics of the census tracts within a jurisdiction to the demographics of the jurisdiction as a whole. In Table 5, these measures are calculated by comparing the racial demographics of local jurisdictions to the region's racial makeup. For example, looking at the 2020 data, Table 5 shows the white isolation index value for the region is 0.429, meaning that on average white Bay Area residents live in a jurisdiction that is 42.9% white in 2020. An example of regional dissimilarity index values in Table 5 is the Black/white dissimilarity index value of 0.459, which means that across the region 45.9% of Black (or white) residents would need to move to a different jurisdiction to evenly distribute Black and white residents across Bay Area jurisdictions. The dissimilarity index values in Table 5 reflect recommendations made in HCD's AFFH guidance for calculating dissimilarity at the region level.¹² The regional value for the Theil's H index measures how

¹² For more information on HCD's recommendations regarding data considerations for analyzing integration and segregation patterns, see page 31 of the AFFH Guidance Memo.

diverse each Bay Area jurisdiction is compared to the racial diversity of the whole region. A Theil's H Index value of 0 would mean all *jurisdictions* within the Bay Area have the same racial demographics as the entire region, while a value of 1 would mean each racial group lives exclusively in their own separate jurisdiction. The regional Theil's H index value for racial segregation decreased slightly between 2010 and 2020, meaning that racial groups in the Bay Area are now slightly less separated by the borders between jurisdictions.

Table 5: Regional Racial Segregation Measures

| Index | Group | 2010 | 2020 |
|------------------------------------|----------------------------------|-------|-------|
| Isolation Index Regional Level | Asian/Pacific Islander | 0.317 | 0.378 |
| | Black/African American | 0.144 | 0.118 |
| | Latinx | 0.283 | 0.291 |
| | White | 0.496 | 0.429 |
| | People of Color | 0.629 | 0.682 |
| Dissimilarity Index Regional Level | Asian/Pacific Islander vs. White | 0.384 | 0.369 |
| | Black/African American vs. White | 0.475 | 0.459 |
| | Latinx vs. White | 0.301 | 0.297 |
| | People of Color vs. White | 0.296 | 0.293 |
| Theil's H Multi-racial | All Racial Groups | 0.103 | 0.097 |

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4.

3 INCOME SEGREGATION IN CITY OF MONTE SERENO

Definition of Terms - Income Groups

When analyzing segregation by income, this report uses income group designations consistent with the Regional Housing Needs Allocation and the Housing Element:

Very low-income: individuals earning less than 50% of Area Median Income (AMI)

Low-income: individuals earning 50%-80% of AMI

Moderate-income: individuals earning 80%-120% of AMI

Above moderate-income: individuals earning 120% or more of AMI

Additionally, this report uses the term “lower-income” to refer to all people who earn less than 80% of AMI, which includes both low-income and very low-income individuals.

The income groups described above are based on U.S. Department of Housing and Urban Development (HUD) calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County).

The income categories used in this report are based on the AMI for the HUD metro area where this jurisdiction is located.

3.1 Neighborhood Level Income Segregation (*within* Monte Sereno)

Income segregation can be measured using similar indices as racial segregation. Income dot maps, similar to the racial dot maps shown in Figures 1 and 5, are useful for visualizing segregation between multiple income groups at the same time. The income dot map of Monte Sereno in Figure 8 below offers a visual representation of the spatial distribution of income groups within the jurisdiction. As with the racial dot maps, when the dots show lack of a pattern or clustering, income segregation measures tend to be lower, and conversely, when clusters are apparent, the segregation measures may be higher as well.

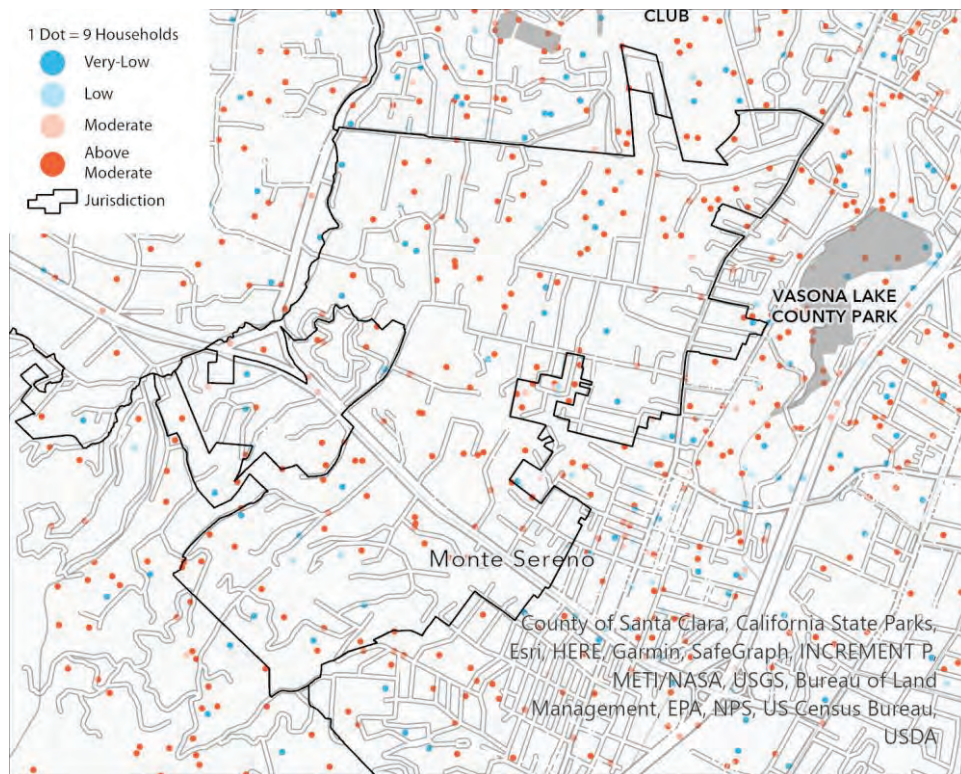


Figure 8: Income Dot Map of Monte Sereno (2015)

Universe: Population.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

Note: The plot shows the income group distribution at the census block group level for City of Monte Sereno and vicinity. Dots in each block group are randomly placed and should not be construed as actual placement of individuals.

The isolation index values for all income groups in Monte Sereno for the years 2010 and 2015 can be found in Table 6 below.¹³ Above Moderate-income residents are the most isolated income group in Monte Sereno. Monte Sereno's isolation index of 0.740 for these residents means that the average Above Moderate-income resident in Monte Sereno lives in a neighborhood that is 74.0% Above Moderate-income. Among all income groups, the Very Low-income population's isolation index has changed the most over time, becoming more segregated from other income groups between 2010 and 2015.

Similar to the tables presented earlier for neighborhood racial segregation, the "Bay Area Average" column in Table 6 provides the average isolation index value across Bay Area jurisdictions for different income groups in 2015. The data in this column can be used as a comparison to provide context for the levels of segregation experienced by income groups in this jurisdiction. For example, Table 6 indicates the average isolation index value for very low-income residents across Bay Area jurisdictions is 0.269,

¹³ This report presents data for income segregation for the years 2010 and 2015, which is different than the time periods used for racial segregation. This deviation stems from the [data source recommended for income segregation calculations](#) in HCD's AFFH Guidelines. This data source most recently updated with data from the 2011-2015 American Community Survey 5-year estimates. For more information on HCD's recommendations for calculating income segregation, see [page 32 of HCD's AFFH Guidelines](#).

meaning that in the average Bay Area jurisdiction a very low-income resident lives in a neighborhood that is 26.9% very low-income.

Table 6: Income Group Isolation Index Values for Segregation within Monte Sereno

| Income Group | Monte Sereno | | Bay Area Average |
|-----------------------------------|--------------|-------|------------------|
| | 2010 | 2015 | 2015 |
| Very Low-Income (<50% AMI) | 0.098 | 0.128 | 0.269 |
| Low-Income (50%-80% AMI) | 0.068 | 0.061 | 0.145 |
| Moderate-Income (80%-120% AMI) | 0.119 | 0.116 | 0.183 |
| Above Moderate-Income (>120% AMI) | 0.719 | 0.740 | 0.507 |

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 9 below shows how income group isolation index values in Monte Sereno compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each income group, the spread of dots represents the range of isolation index values among Bay Area jurisdictions. Additionally, the black line within each income group notes the isolation index value for that group in Monte Sereno, and each dashed red line represents the Bay Area average for the isolation index for that group. Local staff can use this chart to contextualize how segregation levels for income groups in their jurisdiction compare to the rest of the region.

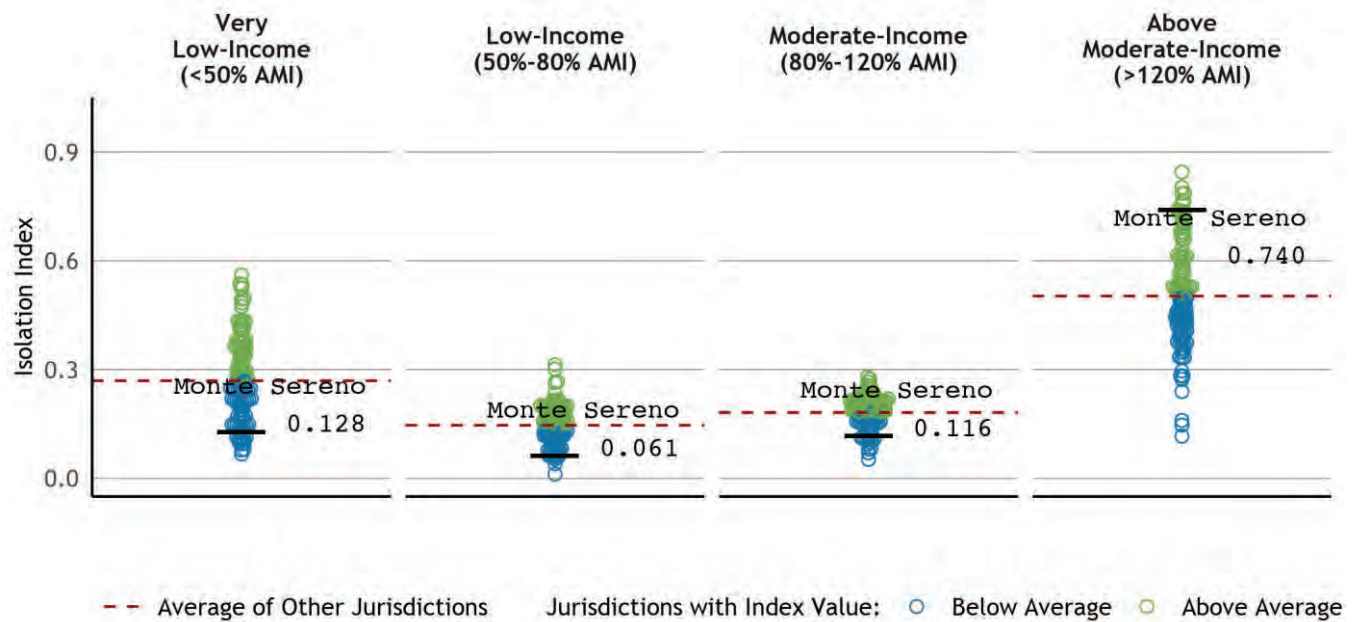


Figure 9: Income Group Isolation Index Values for Monte Sereno Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

Table 7 below provides the dissimilarity index values indicating the level of segregation in Monte Sereno between residents who are lower-income (earning less than 80% of AMI) and those who are not lower-income (earning above 80% of AMI). This data aligns with the requirements described in HCD's AFFH Guidance Memo for identifying dissimilarity for lower-income households.¹⁴ Segregation in Monte Sereno between lower-income residents and residents who are not lower-income increased between 2010 and 2015. Additionally, Table 7 shows dissimilarity index values for the level of segregation in Albany between residents who are very low-income (earning less than 50% of AMI) and those who are above moderate-income (earning above 120% of AMI). This supplementary data point provides additional nuance to an analysis of income segregation, as this index value indicates the extent to which a jurisdiction's lowest and highest income residents live in separate neighborhoods.

Similar to other tables in this report, the "Bay Area Average" column shows the average dissimilarity index values for these income group pairings across Bay Area jurisdictions in 2015. For example, Table 7 indicates that the average dissimilarity index between lower-income residents and other residents in a Bay Area jurisdiction is 0.198, so on average 19.8% of lower-income residents in a Bay Area jurisdiction would need to move to a different neighborhood within the jurisdiction to create perfect income group integration in that jurisdiction.

¹⁴ For more information, see page 32 of HCD's AFFH Guidance Memo.

In 2015, the income segregation in Monte Sereno between lower-income residents and other residents was lower than the average value for Bay Area jurisdictions (See Table 7). This means that the lower-income residents are less segregated from other residents within Monte Sereno compared to other Jurisdictions in the region.

Table 7: Income Group Dissimilarity Index Values for Segregation within Monte Sereno

| Income Group | Monte Sereno | | Bay Area Average |
|----------------------------------|--------------|-------|------------------|
| | 2010 | 2015 | 2015 |
| Below 80% AMI vs. Above 80% AMI | 0.027 | 0.043 | 0.198 |
| Below 50% AMI vs. Above 120% AMI | 0.000 | 0.047 | 0.253 |

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 10 below shows how dissimilarity index values for income segregation in Monte Sereno compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each income group pairing, the spread of dots represents the range of dissimilarity index values among Bay Area jurisdictions. Additionally, the black line within each income group pairing notes the dissimilarity index value in Monte Sereno, and each dashed red line represents the Bay Area average for the dissimilarity index for that pairing. Local staff can use this chart to contextualize how segregation levels between lower-income residents and wealthier residents in their jurisdiction compared to the rest of the region.

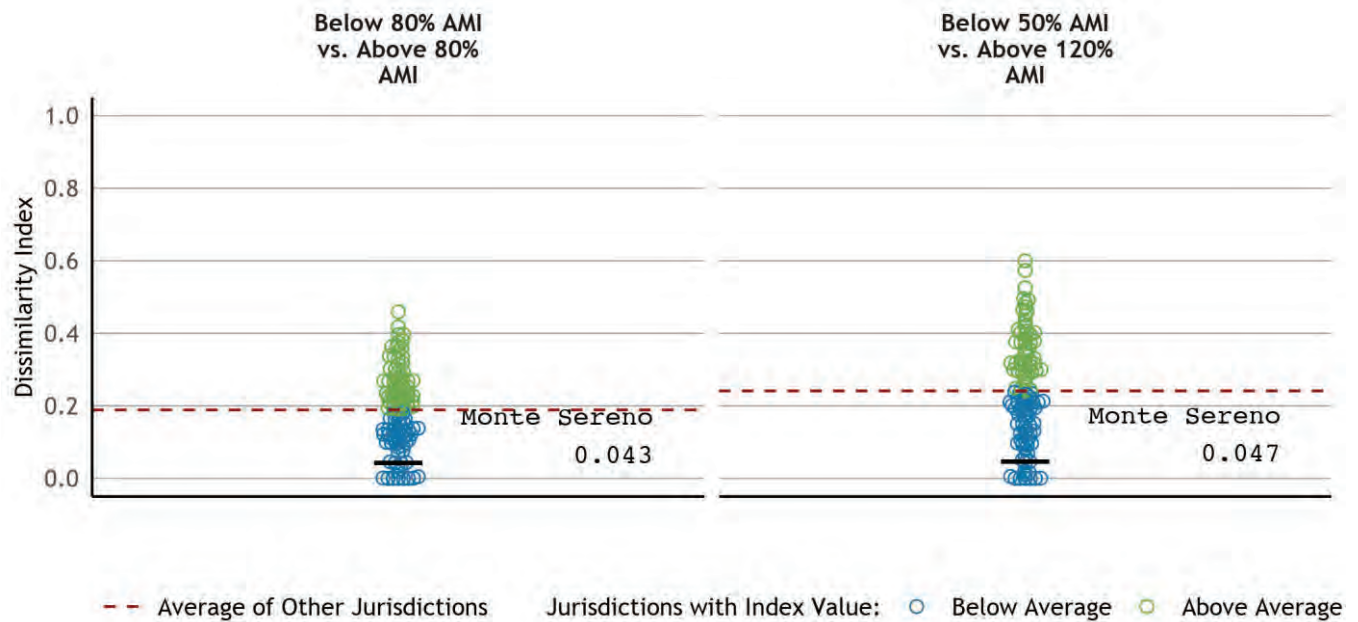


Figure 10: Income Group Dissimilarity Index Values for Monte Sereno Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

The Theil's H Index values for neighborhood income group segregation in Monte Sereno for the years 2010 and 2015 can be found in Table 8 below. The "Bay Area Average" column in this table provides the average Theil's H Index value across Bay Area jurisdictions for different income groups in 2015. By 2015, the Theil's H Index value for income segregation in Monte Sereno was more than it had been in 2010. In 2015, the Theil's H Index value for income group segregation in Monte Sereno was lower than the average value for Bay Area jurisdictions, indicating there is less neighborhood level income segregation in Monte Sereno than in the average Bay Area city.

Table 8: Theil's H Index Values for Income Segregation within Monte Sereno

| | Monte Sereno | | Bay Area Average |
|------------------------|--------------|-------|------------------|
| Index | 2010 | 2015 | 2015 |
| Theil's H Multi-income | 0.002 | 0.021 | 0.043 |

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 11 below shows how Theil's H index values for income group segregation in Monte Sereno compare to values in other Bay Area jurisdictions in 2015. In this chart, each dot represents a Bay Area jurisdiction. Additionally, the black line notes the Theil's H index value for income group segregation in Monte Sereno, and the dashed red line represents the average Theil's H index value across Bay Area jurisdictions. Local staff can use this chart to compare how neighborhood income group segregation levels in their jurisdiction compare to other jurisdictions in the region.

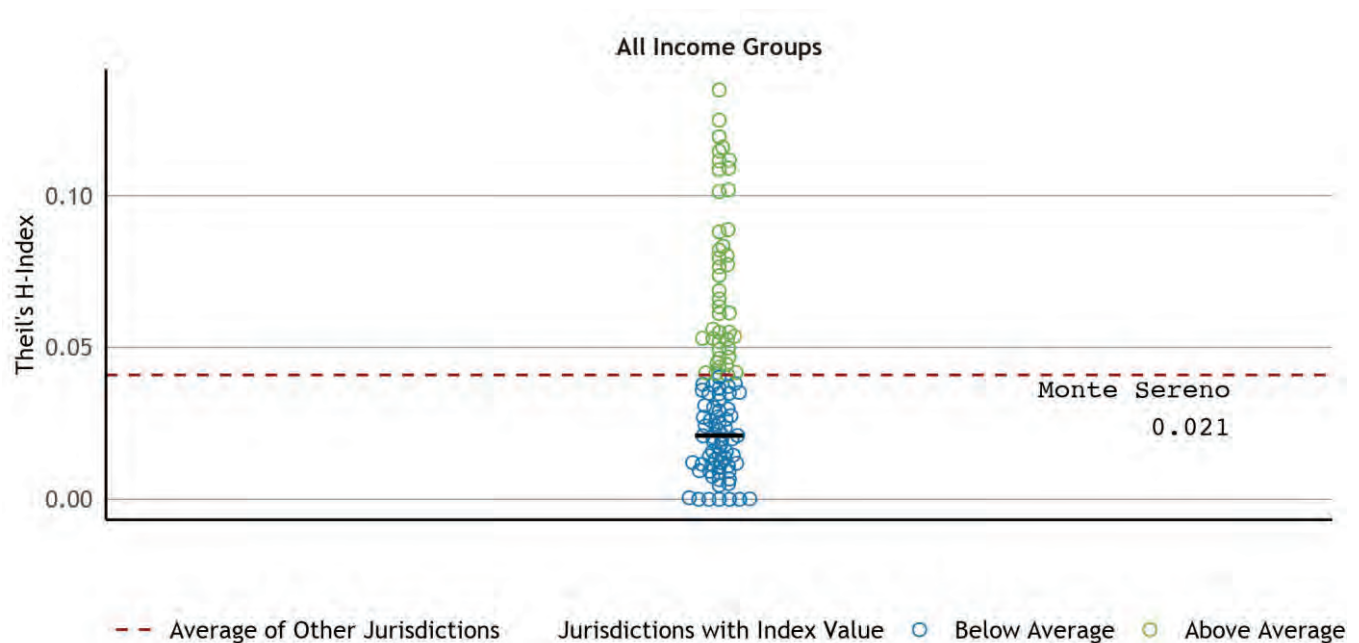


Figure 11: Income Group Theil's H Index Values for Monte Sereno Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

3.2 Regional Income Segregation (*between* Monte Sereno and other jurisdictions)

At the regional level, segregation is measured between jurisdictions instead of between neighborhoods. Income dot maps are not only useful for examining neighborhood income segregation within a jurisdiction, but these maps can also be used to explore income demographic differences between jurisdictions in the region. Figure 12 below presents an income dot map showing the spatial distribution of income groups in Monte Sereno as well as in nearby Bay Area jurisdictions.

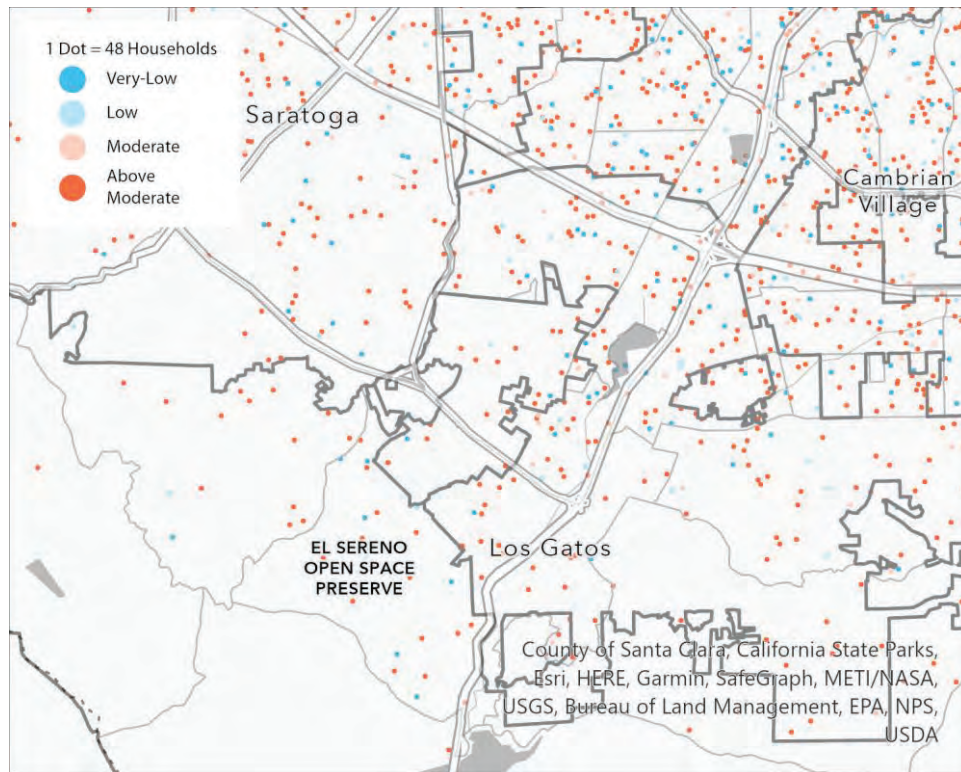


Figure 12: Income Dot Map of Monte Sereno and Surrounding Areas (2015)

Universe: Population.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

Note: The plot shows the income group distribution at the census block group level for City of Monte Sereno and vicinity. Dots in each block group are randomly placed and should not be construed as actual placement of individuals.

When looking at income segregation between jurisdictions in the Bay Area, one can examine how Monte Sereno differs from the region. The income demographics in Monte Sereno for the years 2010 and 2015 can be found in Table 9 below. The table also provides the income composition of the nine-county Bay Area in 2015. As of that year, Monte Sereno had a lower share of very low-income residents than the Bay Area as a whole, a lower share of low-income residents, a lower share of moderate-income residents, and a higher share of above moderate-income residents.

Table 9: Population by Income Group, Monte Sereno and the Region

| | Monte Sereno | | Bay Area |
|-----------------------------------|--------------|--------|----------|
| Income Group | 2010 | 2015 | 2015 |
| Very Low-Income (<50% AMI) | 9.85% | 11.97% | 28.7% |
| Low-Income (50%-80% AMI) | 7.07% | 3.99% | 14.3% |
| Moderate-Income (80%-120% AMI) | 12.07% | 7.41% | 17.6% |
| Above Moderate-Income (>120% AMI) | 71.01% | 76.64% | 39.4% |

Universe: Population.

Source: Data for 2015 is from Housing U.S. Department of and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 13 below compares the income demographics in Monte Sereno to other Bay Area jurisdictions.¹⁵ Like the chart in Figure 3, each dot represents a Bay Area jurisdiction. For each income group, the spread of dots represents the range of that group's representation among Bay Area jurisdictions. The smallest range is among jurisdictions' moderate-income populations, while Bay Area jurisdictions vary the most in the share of their population that is above moderate-income. Additionally, the black lines within each income group note the percentage of Monte Sereno population represented by that group and how that percentage ranks among other jurisdictions. Local staff can use this chart to compare the representation of different income groups in their jurisdiction to those groups' representation in other jurisdictions in the region, which can indicate the extent of segregation between this jurisdiction and the region.

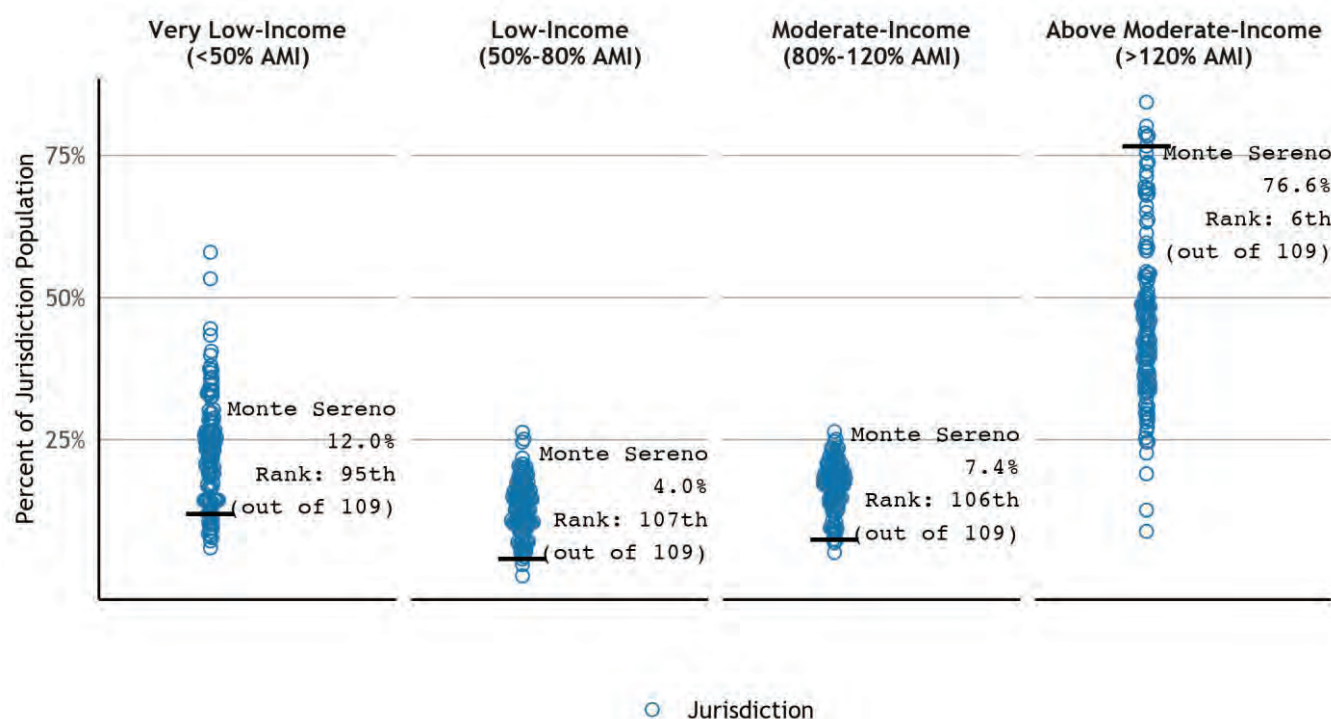


Figure 13: Income Demographics of Monte Sereno Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

¹⁵ While comparisons of segregation measures are made only using the 104 jurisdictions with more than one census tract, this comparison of jurisdiction level demographic data can be made using all 109 jurisdictions.

Income segregation between jurisdictions in the region can also be analyzed by calculating regional values for the segregation indices discussed previously. Similar to the regional racial segregation measures shown in Table 5, Table 10 presents dissimilarity index, isolation index, and Theil's H index values for income segregation for the entire nine-county Bay Area in 2010 and 2015. In the previous section of this report focused on neighborhood level income segregation, segregation indices were calculated by comparing the income demographics of the census tracts within a jurisdiction to the demographics of the jurisdiction as a whole. In Table 10, these measures are calculated by comparing the income demographics of local jurisdictions to the region's income group makeup. For example, looking at 2015 data, Table 10 shows the regional isolation index value for very low-income residents is 0.315 for 2015, meaning that on average very low-income Bay Area residents live in a jurisdiction that is 31.5% very low-income. The regional dissimilarity index for lower-income residents and other residents is 0.194 in 2015, which means that across the region 19.4% of lower-income residents would need to move to a different jurisdiction to create perfect income group integration in the Bay Area as a whole. The regional value for the Theil's H index measures how diverse each Bay Area jurisdiction is compared to the income group diversity of the whole region. A Theil's H Index value of 0 would mean all jurisdictions within the Bay Area have the same income demographics as the entire region, while a value of 1 would mean each income group lives exclusively in their own separate jurisdiction. The regional Theil's H index value for income segregation decreased slightly between 2010 and 2015, meaning that income groups in the Bay Area are now slightly less separated by the borders between jurisdictions.

Table 10: Regional Income Segregation Measures

| Index | Group | 2010 | 2015 |
|------------------------------------|-----------------------------------|-------|-------|
| Isolation Index Regional Level | Very Low-Income (<50% AMI) | 0.277 | 0.315 |
| | Low-Income (50%-80% AMI) | 0.157 | 0.154 |
| | Moderate-Income (80%-120% AMI) | 0.185 | 0.180 |
| | Above Moderate-Income (>120% AMI) | 0.467 | 0.435 |
| Dissimilarity Index Regional Level | Below 80% AMI vs. Above 80% AMI | 0.186 | 0.194 |
| | Below 50% AMI vs. Above 120% AMI | 0.238 | 0.248 |
| Theil's H Multi-income | All Income Groups | 0.034 | 0.032 |

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

4 APPENDIX 1: SUMMARY OF FINDINGS

4.1 Segregation in City of Monte Sereno

- The isolation index measures the segregation of a single group, and the dissimilarity index measures segregation between two different groups. The Theil's H-Index can be used to measure segregation between all racial or income groups across the city at once.
- As of 2020, white residents are the most segregated compared to other racial groups in Monte Sereno, as measured by the isolation index. White residents live in neighborhoods where they are less likely to come into contact with other racial groups.
- Among all racial groups, the white population's isolation index value has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.
- According to the dissimilarity index, within Monte Sereno the highest level of racial segregation is between Black and white residents.¹⁶ However, local jurisdiction staff should note that this dissimilarity index value is not a reliable data point due to small population size.
- According to the Theil's H-Index, neighborhood racial segregation in Monte Sereno declined between 2010 and 2020. Neighborhood income segregation increased between 2010 and 2015.
- Above Moderate-income residents are the most segregated compared to other income groups in Monte Sereno. Above Moderate-income residents live in neighborhoods where they are less likely to encounter residents of other income groups.
- Among all income groups, the Very Low-income population's segregation measure has changed the most over time, becoming more segregated from other income groups between 2010 and 2015.
- According to the dissimilarity index, segregation between lower-income residents and residents who are not lower-income has increased between 2010 and 2015. In 2015, the income segregation in Monte Sereno between lower-income residents and other residents was lower than the average value for Bay Area jurisdictions.

4.2 Segregation Between City of Monte Sereno and Other jurisdictions in the Bay Area Region

- Monte Sereno has a higher share of white residents than other jurisdictions in the Bay Area as a whole, a lower share of Latinx residents, a lower share of Black residents, and a lower share of Asian/Pacific Islander residents.

¹⁶ The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Table 15 in Appendix 2), jurisdiction staff could focus on the isolation index or Thiel's H-Index to gain a more accurate understanding of neighborhood-level racial segregation in their jurisdiction.

- Regarding income groups, Monte Sereno has a lower share of very low-income residents than other jurisdictions in the Bay Area as a whole, a lower share of low-income residents, a lower share of moderate-income residents, and a higher share of above moderate-income residents.

5 APPENDIX 2: SEGREGATION DATA

Appendix 2 combines tabular data presented throughout this report into a more condensed format. This data compilation is intended to enable local jurisdiction staff and their consultants to easily reference this data and re-use the data in the Housing Element or other relevant documents/analyses.

Table 11 in this appendix combines data from Table 1, Table 2, and Table 3 in the body of the report. Table 12 in this appendix combines data from Table 6, Table 7, and Table 8 in the body of the report. Table 13 represents a duplication of Table 5 in the body of the report; Table 14 represents a duplication of Table 10 in the body of the report; Table 15 in this appendix represents a duplication of Table 4 in the body of the report, while Table 16 represents a duplication of Table 9 in the body of the report.

Table 11: Neighborhood Racial Segregation Levels in Monte Sereno

| Index | Race | Monte Sereno | | | Bay Area Average |
|------------------------|----------------------------------|--------------|--------|--------|------------------|
| | | 2000 | 2010 | 2020 | 2020 |
| Isolation | Asian/Pacific Islander | 0.126 | 0.143 | 0.200 | 0.245 |
| | Black/African American | 0.004 | 0.005 | 0.008 | 0.053 |
| | Latinx | 0.039 | 0.051 | 0.066 | 0.251 |
| | White | 0.817 | 0.778 | 0.665 | 0.491 |
| Dissimilarity | Asian/Pacific Islander vs. White | 0.119 | 0.112 | 0.052 | 0.185 |
| | Black/African American vs. White | 0.222* | 0.103* | 0.112* | 0.244 |
| | Latinx vs. White | 0.044* | 0.028* | 0.026 | 0.207 |
| | People of Color vs. White | 0.087 | 0.077 | 0.023 | 0.168 |
| Theil's H Multi-racial | All | 0.009 | 0.008 | 0.004 | 0.042 |

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Note: If a number is marked with an asterisk (*), it indicates that the index is based on a racial group making up less than 5 percent of the jurisdiction population, leading to unreliable numbers.

Table 12: Neighborhood Income Segregation Levels in Monte Sereno

| Index | Income Group | Monte Sereno | | Bay Area Average |
|------------------------|-----------------------------------|--------------|-------|------------------|
| | | 2010 | 2015 | 2015 |
| Isolation | Very Low-Income (<50% AMI) | 0.098 | 0.128 | 0.269 |
| | Low-Income (50%-80% AMI) | 0.068 | 0.061 | 0.145 |
| | Moderate-Income (80%-120% AMI) | 0.119 | 0.116 | 0.183 |
| | Above Moderate-Income (>120% AMI) | 0.719 | 0.740 | 0.507 |
| Dissimilarity | Below 80% AMI vs. Above 80% AMI | 0.027 | 0.043 | 0.198 |
| | Below 50% AMI vs. Above 120% AMI | 0.000 | 0.047 | 0.253 |
| Theil's H Multi-racial | All | 0.002 | 0.021 | 0.043 |

Universe: Population.

Source: Income data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Table 13: Regional Racial Segregation Measures

| Index | Group | 2010 | 2020 |
|------------------------------------|----------------------------------|-------|-------|
| Isolation Index Regional Level | Asian/Pacific Islander | 0.317 | 0.378 |
| | Black/African American | 0.144 | 0.118 |
| | Latinx | 0.283 | 0.291 |
| | White | 0.496 | 0.429 |
| | People of Color | 0.629 | 0.682 |
| Dissimilarity Index Regional Level | Asian/Pacific Islander vs. White | 0.384 | 0.369 |
| | Black/African American vs. White | 0.475 | 0.459 |
| | Latinx vs. White | 0.301 | 0.297 |
| | People of Color vs. White | 0.296 | 0.293 |
| Theil's H Multi-racial | All Racial Groups | 0.103 | 0.097 |

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4.

Table 14: Regional Income Segregation Measures

| Index | Group | 2010 | 2015 |
|------------------------------------|-----------------------------------|-------|-------|
| Isolation Index Regional Level | Very Low-Income (<50% AMI) | 0.277 | 0.315 |
| | Low-Income (50%-80% AMI) | 0.157 | 0.154 |
| | Moderate-Income (80%-120% AMI) | 0.185 | 0.180 |
| | Above Moderate-Income (>120% AMI) | 0.467 | 0.435 |
| Dissimilarity Index Regional Level | Below 80% AMI vs. Above 80% AMI | 0.186 | 0.194 |
| | Below 50% AMI vs. Above 120% AMI | 0.238 | 0.248 |
| Theil's H Multi-income | All Income Groups | 0.034 | 0.032 |

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Table 15: Population by Racial Group, Monte Sereno and the Region

| | Monte Sereno | | | Bay Area |
|-------------------------|--------------|--------|--------|----------|
| Race | 2000 | 2010 | 2020 | 2020 |
| Asian/Pacific Islander | 12.26% | 13.83% | 19.52% | 35.8% |
| Black/African American | 0.17% | 0.42% | 0.69% | 5.6% |
| Latinx | 3.59% | 4.85% | 6.61% | 28.2% |
| Other or Multiple Races | 2.78% | 3.74% | 6.78% | 24.4% |
| White | 81.19% | 77.16% | 66.4% | 5.9% |

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Table 16: Population by Income Group, Monte Sereno and the Region

| | Monte Sereno | | Bay Area |
|-----------------------------------|--------------|--------|----------|
| Income Group | 2010 | 2015 | 2015 |
| Very Low-Income (<50% AMI) | 9.85% | 11.97% | 28.7% |
| Low-Income (50%-80% AMI) | 7.07% | 3.99% | 14.3% |
| Moderate-Income (80%-120% AMI) | 12.07% | 7.41% | 17.6% |
| Above Moderate-Income (>120% AMI) | 71.01% | 76.64% | 39.4% |

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

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City of Monte Sereno

6th Cycle Housing Element Comment Response to Initial Draft

| Comment | Reference in Document |
|--|------------------------|
| <p>#001 Posted by Chuongv on 08/27/2022 at 7:27pm Typo, it's RHNA, not RHND <u>Response:</u> Accepted and resolved.</p> | <p>Page 1-3</p> |
| <p>#002 Posted by Edgardo on 08/10/2022 at 2:36pm It would be nicer if you replace the word "Latinx". It looks, sounds, and is ridiculous for most native Spanish speaking people like my family, friends and myself. "Latinos" is the grammatically correct word that includes all. <u>Response:</u> Accepted and resolved.</p> | <p>Page 1-4</p> |
| <p>#003 Posted by Heidi Aggeler on 08/19/2022 at 10:50am Recommend utilizing the primary findings section in the AFFH here instead of the segregation analysis (which is a bit overly technical for a summary section). Those findings more directly MS demographics to housing choice.</p> <p><u>Response:</u> The following are the primary findings found in the AFFH (Appendix A) to be inserted as a new section:</p> <p>Primary AFFH Findings</p> <ul style="list-style-type: none"> • Monte Sereno differs from the county and Bay area overall for its relatively high proportion of residents identifying as Non-Hispanic White (71 percent in Monte Sereno compared to 32 percent in Santa Clara County) and small Hispanic population (7 percent in Monte Sereno and 25 percent in the county). Monte Sereno's proportion of Black/African American and Other or mixed-race residents is similar to the county, in that it is less than 4 percent for both groups. <ul style="list-style-type: none"> ○ Fair housing issue and contributing factor(s): Lack of housing that accommodates the lower incomes of people of color, resulting in a lack of diversity in the city. • Every census tract in Monte Sereno scores high on educational outcomes, meaning that all areas of the city provide access to strong educational environments. There is little variance in graduation rates among Monte Sereno high schoolers by race and ethnicity. Asian students graduated at a slightly higher rate (98.4 percent) than Hispanic and White students' graduation rates (95.3 percent and 96.5 percent, respectively). African American students did not have enough students enrolled to accurately measure (less than 11 total). The lowest graduation rate is among students with a disability at 88.1 percent--still very high. • All tracts in Monte Sereno are White majority. Compared to the Bay area overall, Monte Sereno is less segregated, although this is a factor of lack of diversity within Monte Sereno than a product of integrated communities. <ul style="list-style-type: none"> ○ Fair housing issue and contributing factor(s): Lack of housing that accommodates the lower incomes of people of color, resulting in a lack of diversity in the city. | <p>Page 1-4</p> |

City of Monte Sereno

6th Cycle Housing Element Comment Response to Initial Draft

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| <ul style="list-style-type: none">• Poverty rates are very low for all residents and White and Asian residents experience no poverty according to census data. Low poverty is a factor of a housing market that favors high income households. Monte Sereno has a lower share of very low income residents than other jurisdictions in the Bay area as a whole, a lower share of low income residents, a lower share of moderate income residents, and a higher share of above moderate income residents.• Monte Sereno offers a moderate proximity to jobs, according to HUD's job proximity index. The city is largely made up of out-commuters who work in high wage professions in the region.• Since 2015, the housing that has received permits to accommodate growth has largely been priced for the lowest income households, with 43 units permitted for very low-income households—representing 57 percent of all permits. Another 30 permits were issued for housing for above moderate-income households. This is vastly different than nearby Los Gatos, which permitted 134 units, of which none served low or very low-income households and 59 percent served above moderate income households.• Monte Sereno offers a little to no variety of housing types with 96 percent single family detached units.<ul style="list-style-type: none">○ Fair housing issue and contributing factor(s): The predominance of single family detached housing in the city has led to an exclusive and high-priced ownership housing market relative to Santa Clara County and the Bay area overall.• Rental housing is more attainable than ownership housing, due to the high proportion of rental units that rent for less than \$1,500/month. This is on par with the Bay area overall (35 percent renting below \$1,500/month) and better than county (22 percent). | |
| <p>#004 Posted by Edgardo on 08/10/2022 at 2:37pm See above comment on replacing the ridiculous Latinx word by the correct word: Latinos. <u>Response:</u> Accepted and resolved.</p> | Page 1-6 |
| <p>#005 Posted by Qiaodan412 on 09/07/2022 at 12:53am As much as I wanted to agree the digital tools and technology could bring The city of Monte Sereno and their residents closer, unfortunately, the outreaching was far from enough based on my own experience. As a resident that is very interested in and trying to closely follow up the housing element updates, I found myself hard to navigate among multiple resources to get the latest updates. The website is not very dynamic with not much engagements. I would be curious to see how much actual activities there has been from the website since the creation. 'Bang the Table' sounds a great integrated tools except unfortunately this is the first time I've heard of this through this documentation, although I've attending counsel meetings, browsing City's websites</p> | Page 1-10 |

City of Monte Sereno

6th Cycle Housing Element Comment Response to Initial Draft

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| <p>periodically. Apparently, there has been little advertising about any of the communication routes that mentioned here and that makes them not accessible to most of the residents. I just can't see how this is inclusive and meaningful.</p> <p><u>Response:</u> Revised the Community Engagement section to include more details about the outreach efforts.</p> | |
| <p>#006 Posted by Chuongv on 08/27/2022 at 7:34pm</p> <p>Why is there no information on the current permit processing timelines? I think it would be important to identify it now, rather than create a program to review it later. This is important to the success of the Housing Element.</p> <p><u>Response:</u> Permit processing timelines are discussed in Appendix C, page C-13 "Processing and Permit Procedures"</p> | <p>Appendix C, page C-13</p> |
| <p>#007 Posted by Heidi Aggeler on 8/19/2022 at 11:03am</p> <p>This should be done immediately. The additional restrictions to SB 9 developments added by the City Council in 2022 should be repeal without delay, to show that the city really intents to meet its RHNA obligations.</p> <p><u>Response:</u> The timeline for Program E, to review the SB9 regulations, has been prioritized to be reviewed in 2023-2024.</p> | <p>Page 2-4</p> |
| <p>#008 Posted by Edgardo on 8/12/2022 at 11:16am</p> <p>Recommend separating special populations' access to housing and enforcement of fair housing laws as these can be two distinct efforts. Also include all protected classes under CA law: Race, national origin, citizenship/immigration status, primary language, age, religion, disability, sex (including gender identity and sexual orientation), genetic information, marital status, family status (including pregnancy), source of income, and military or veteran status.</p> <p><u>Response:</u> Accepted and resolved.</p> | <p>Page 2-5</p> |
| <p>#009 Posted by Heidi Aggeler on 08/19/2022 at 11:38am</p> <p>Seniors in Monte Sereno are disproportionately white (see figure II-3) yet the need in the city is to expand housing choice for Hispanic persons and families and other people of color, as the city has much lower representation than the county or region overall. There needs to be policies that directly address the contributing factors identified in the AFFH, which include:</p> <ol style="list-style-type: none"> 1. Lack of housing that accommodates the lower incomes of people of color, resulting in a lack of diversity in the city. 2. The predominance of single family detached housing in the city has led to an exclusive and high-priced ownership housing market relative to Santa Clara County and the Bay area overall. <p>Both of these CFs should be high priority.</p> <p>Recommend turning the recommendations in the AFFH into specific policies AND modifying Policy 2.1 and Policy 2.2 to be more responsive to the AFFH needs. For 2.1, make into two policies with the first being: Support expansion of housing choice for persons and families who are underrepresented in the city relative to the county by</p> | <p>Page 2-5</p> |

City of Monte Sereno

6th Cycle Housing Element Comment Response to Initial Draft

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| <p>developing affordable housing, more diverse and affordable housing types, and affirmatively marketing availability of those units to under-represented households in the county (e.g., through local employers, nonprofit partners, affordable housing listing services).</p> <p>Policy 2.2 could be strengthened with a statement that the housing options are affirmatively marketed to under-represented households in the county (e.g., nonprofit partners who serve seniors of color).</p> <p><u>Response:</u> We agree with Heidi's suggestion to add the following: Policy 2.1, Support expansion of housing choice for persons and families who are underrepresented in the city relative to the county by developing affordable housing, more diverse and affordable housing types, and affirmatively market availability of units constructed to under-represented households in the county (e.g., through local employers, nonprofit partners, affordable housing listing services).</p> <p>Policy 2.2 [please add that] housing options are affirmatively marketed to under-represented households in the county (e.g., nonprofit partners who serve seniors of color).</p> | |
| <p>#010 Posted by Heidi Aggeler on 8/19/2022 at 11:11am This would be great! Let's do it now. No good reason to wait for the 2025-6 period, if the city is serious about meeting the RHNA goals.</p> <p>[Editor's note- following is the text referred to with this comment: "Establish pre-approved ADU plans that meet all building, fire, and zoning codes. This would assist property owners with the planning of a new ADU by lowering design costs and streamlining the architectural work. Monte Sereno will work with the Santa Clara County Housing Collaborative on the option of coordinating this program with other local jurisdictions."]</p> <p><u>Response:</u> Meetings to achieve this program have been initiated. Many jurisdictions are included with this effort and Monte Sereno is committed to supporting the earliest timeline available through this effort. Since Monte Sereno is one of many jurisdictions who are collectively working to achieve this program, there is a limited amount of impact that Monte Sereno may have for the project timeline.</p> | <p>No change to the draft Housing Element</p> |
| <p>#011 Posted by HAYES on 09/08/2022 at 3:47pm We have tried unsuccessfully to find any reference to SB9 in this document so are adding our comment here. Apologies if this is not the correct location! The City of Monte Sereno (CoMS) has effectively frustrated the letter of the law and the intent of SB9 by only allowing two (2) 800 square foot MAXIMUM buildings on a split lot. We attended the CoMS meetings that came to this decision - a decision clearly 180° to the recommendations of their own professional staff - and it was obviously driven by a clear NIMBY intent. We find it galling that CoMS did not take this opportunity to add</p> | <p>Page 2-4</p> |

City of Monte Sereno

6th Cycle Housing Element Comment Response to Initial Draft

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| <p>housing in Monte Sereno via the SB9 option - what they have come up with was designed and intended to fail. Professional developers have estimated that the number of lots in Monte Sereno that a proper implementation of SB9 was available to was in the low single digits percentage-wise. Forgive us them if we are then skeptical of the sincerity of this Monte Sereno 6th Cycle Housing Element Update.</p> <p>Anne + Kevin HAYES 15187 Karl Ave Monte Sereno CA 95030 hayes@ymail.com</p> <p><u>Response:</u> As noted in response to comment 007, The timeline for Program E, to review the SB9 regulations, has been prioritized to be reviewed in 2023-2024.</p> | |
| <p>#012 Posted by Edgardo on 8/12/2022 at 11:17am Use person first language: "people with disabilities" <u>Response:</u> Accepted and resolved.</p> | <p>Page 2-4</p> |
| <p>#013 Posted by Edgardo on 08/12/2022 at 11:12am Again, the extra restrictions imposed by the City Council on ADUs beyond state law should be removed immediately if the city is serious about meeting its RHNA obligations.</p> <p><u>Response:</u> An item has been added to Program I to review local ADU regulations that are more restrictive than State laws.</p> | <p>Page 2-7</p> |
| <p>#014 Posted by Heidi Aggeler on 8/19/2022 at 11:18am Yes, this is an obvious one! The city should not be limiting house sharing or room rentals at all, if it is serious about helping mitigate the housing crisis, and/or if it respects the owner's property rights.</p> <p><u>Response:</u> Thank you for your support for Shared Housing Options. Between the public and HCD draft, we have learned about a new program that Project Sentinel is initiating: Silver Nest. This has now been incorporated with "Shared Housing Options."</p> | <p>Page 2-8</p> |
| <p>#015 Posted by Edgardo on 8/12/2022 at 11:20am Should also include an evaluation of the infrastructure improvements needed to reduce barriers to the construction of affordable and workforce housing. As it reads, this could have the effect of prioritizing infrastructure investments that support the status quo and do not expand housing choice.</p> <p><u>Response:</u> Thank you for this comment. Most utility infrastructure (water, sewer) are separate agencies (Valley Water, and West Valley Sanitation). The city does not currently have any traffic signals in the city.</p> | <p>No change to the draft Housing Element</p> |
| <p>#016 Posted by Heidi Aggeler on 08/19/2022 at 11:21am See earlier comment on including all protected classes.</p> | <p>Page 2-12</p> |

City of Monte Sereno

6th Cycle Housing Element Comment Response to Initial Draft

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| <u>Response:</u> Accepted and resolved. | |
| #017 Posted by James Hall on 08/10/2022 at 3:01pm Monte Sereno also has many self-employed, remote workers since COVID-19, and retirees. <u>Response:</u> Comment noted | Yes |
| #018 Posted by Edgardo on 08/12/2022 at 11:26am Please delete "of people of color" since this affects all people. <u>Response:</u> Accepted and resolved. | Page 3-6 |
| #019 Posted by qiaodan412 on 09/07/2022 at 1:39am The city do has many vacant lot that capable of building additional housing unit. But the constrain is the zoning that won't allow to build multi family or lot subdivision. the individual lot size in Monte Sereno is significant greater comparing to other city in Santa Clara County. The bigger lot zoning such as R144 is obsolete zoning that is not practical in nowadays any more. Down zoning will provide opportunities to house owners to have an option to subdivision and having permit to build multiple single families. <u>Response:</u> Comment noted | No change to the draft Housing Element |
| #020 Posted by edgardo on 08/12/2022 at 11:35am Again, please replace the weird/wrong word Latinx by Latinos, which is not only the grammatically correct word, but also the word used by almost all people identified by that category. <u>Response:</u> Accepted and resolved. | Page 3-2 |
| #021 Posted by James Hall on 08/10/2022 at 3:09pm Annual property taxes likely are a significant factor in the number of renters versus home owners. <u>Response:</u> Comment noted | No change to the draft Housing Element |
| #022 Posted by qiaodan412 on 09/07/2022 at 1:19am Is there any number to show how much of the rental inventory? Rental in Monte Sereno is generally very low. <u>Response:</u> According to Census data, there are approximately 73 renter-occupied households in Monte Sereno, or 6.5 percent of the total households. | Page 3-7 |
| #023 Posted by James Hall on 08/10/2022 at 3:11pm In 2020, based on current zoning: | No change to the draft Housing Element |

City of Monte Sereno

6th Cycle Housing Element Comment Response to Initial Draft

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| <p><u>Response:</u> The section commented on the 2020 status of housing variety in Monte Sereno.</p> | |
| <p>#024 Posted by James Hall on 08/10/2022 at 3:13pm Many senior homeowners in Monte Sereno are long-time residents and have a pre-Prop 13 property tax basis.</p> <p><u>Response:</u> Comment noted</p> | <p>No change to the draft Housing Element</p> |
| <p>#025 Posted by qiaodan412 on 09/07/2022 at 2:12am The decision based on the feedback seems biased. You do get at least one interest from the 22 property owners and no objection from any of property owners. So it can be interpreted as they either not getting the information or they have no objection for doing the rezoning. On the other hand, you get several against the rezone and those are not even the property owner, then why their opinion takes precedence over property owners?</p> <p><u>Response:</u> Section 4.3 revised.</p> | <p>Page 4-3</p> |
| <p>#026 Posted by qiaodan412 on 09/07/2022 at 1:48am As you've mentioned earlier of this documentation, 5th cycle has a significant increased RHNA comparing to 5th cycle due to the increased housing demand. So the success of ADU strategy in 5th cycle can not be a good preview of what it would be for 6th cycle any more. Monte Sereno need more variety of housing choices. solely ADU strategy is not a sincerely spirit to address the housing element. The number of ADU may seems meet the requirements. But if looking deeper into the rental inventory and ADU usability, it is hard to justify ADU alone is the best effort and the necessary intention for Monte Sereno to do providing enough affordable houses. Monte Sereno definitely should consider a combination of multiple strategy to better server the need.</p> <p><u>Response:</u> Section 4.3 revised.</p> | <p>Page 4-3</p> |
| <p>#027 Posted by qiaodan412 on 09/07/2022 at 1:53am The survey Monte Sereno had been collected about SB9 clearly showed that the reason SB9 is not getting enough interest in Monte Sereno was because of the current ordinance, mainly because of the size limitation for building a SB9 unit. Without the modification, it is hard for home owner to develop with SB9 because it is not economically practical.</p> <p><u>Response:</u> As noted in response to comment 007, The timeline for Program E, to review the SB9 regulations, has been prioritized to be reviewed in 2023-2024.</p> | <p>Page 2-4</p> |
| <p>#028 Posted by James Hall on 08/10/2022 at 3:20pm Zoning flexibility will be key to meeting RHNA targets. However, lot conversion through re-zoning is not always easy. Neighbors of adjoining lots must also agree to changes.</p> <p><u>Response:</u> Comment noted.</p> | <p>No change to the draft Housing Element</p> |

City of Monte Sereno

6th Cycle Housing Element Comment Response to Initial Draft

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| <p>#029 Posted by Anne on 08/27/2022 at 9:43pm</p> <p>Sending letters to 20 homeowners and one church is not "extensive effort." If you want to know whether properties would be developed, you ask developers.</p> <p>Ask some local for profit developers if they'd want to develop some of those one acre and one and a half acre plots, if they could put up to 30 du/acre with appropriate development standards. I'm confident they would, and the City Council feels the same way, judging by the way they are trying to avoid rezoning.</p> <p>If Monte Sereno is so confident that no one would redevelop in their city if they were allowed to, then you have only to upzone the entire city to 75 du/acre, no setbacks, no parking minimums. With your expressed confidence that no one would redevelop if they could, you could do that with safety. And since HCD would disagree, you'd have your Housing Element accepted easily.</p> <p>No, no, nobody is fooled here. You're not rezoning because you know that if you did, developers would develop.</p> <p><u>Response:</u> Comment noted</p> | <p>No change to the draft Housing Element</p> |
| <p>#030 Posted by edgardo on 08/12/2022 at 11:44am</p> <p>If this is true, all restrictions beyond state law should be immediately removed.</p> <p><u>Response:</u> The timeline for Program E, to review the SB9 regulations, has been prioritized to be reviewed in 2023-2024.</p> | <p>Page 2-4</p> |
| <p>#031 Posted by Anne on 08/27/2022 at 9:33pm</p> <p>20 property owners. 19310 Bicknell Rd and 19190 Bicknell Rd are not addresses in Monte Sereno.</p> <p><u>Response:</u> Section 4.3 revised.</p> | <p>Page 4-3</p> |
| <p>#032 Posted by chuongv on 08/27/2022 at 9:07pm</p> <p>The city has something like ~1200 single family homes, you think close to 10% of the homes will develop an ADU? What about an overlap with SB 9.</p> <p><u>Response:</u> It is possible for property owners to use the ADU allowances in conjunction with the SB9 allowances. As noted in response to comment 007, The timeline for Program E, to review the SB9 regulations, has been prioritized to be reviewed in 2023-2024.</p> | <p>Page 4-3</p> |
| <p>#033 Posted by chuongv on 08/27/2022 at 7:43pm</p> <p>This seems like a very weak attempt of getting more housing. There are many things the city could do that could facilitate more housing.</p> <p>The city could go above and beyond SB 9 and develop their own program that allows more units to be built than SB 9. Why is the city simply giving up here?</p> | <p>Page 4-3</p> |

City of Monte Sereno

6th Cycle Housing Element Comment Response to Initial Draft

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| <p><u>Response:</u> As noted in response to comment 007, The timeline for Program E, to review the SB9 regulations, has been prioritized to be reviewed in 2023-2024.</p> | |
| <p>#034 Posted by Edgardo on 8/12/2022 at 11:52am This is a red flag likely to invite litigation and rejection of this document. Where is the clear plan for those missing 71? If it's in this document, please add a reference to that/those page/s.</p> <p><u>Response:</u> The HCD draft includes a full Site Inventory to meet RHNA.</p> | <p>Page 4-6</p> |
| <p>#035 Posted by qiaodan412 on 09/07/2022 at 1:54am table title is misleading. these are just estimated unit allocation. But the title makes it sounds they are available site that toward the 193 units, which may not be true</p> <p><u>Response:</u> Accepted and resolved.</p> | <p>Page 4-8</p> |
| <p>#036 Posted by chuongv on 08/27/2022 at 7:46pm How many SFH lots are actually eligible for SB 9? It be good to get a general idea of how many lots are eligible so HCD can get a picture of the chances of success with SB 9. Can the city update their zoning ordinance to allow more lots to be split rather than just relying on SB 9?</p> <p><u>Response:</u> All single family lots can use the SB9 provisions. As noted in response to comment 007, The timeline for Program E, to review the SB9 regulations, has been prioritized to be reviewed in 2023-2024.</p> | <p>Page 4-3</p> |
| <p>#037 Posted by edgardo on 8/12/2022 at 11:47am Easy to solve: Immediately remove all SB 9 limitations beyond state law.</p> <p><u>Response:</u> As noted in response to comment 007, The timeline for Program E, to review the SB9 regulations, has been prioritized to be reviewed in 2023-2024.</p> | <p>Page 4-3</p> |
| <p>#038 Posted by Edgardo on 8/12/2022 at 11:49am This is absolutely not true. Although politically difficult for council members, rezoning is also a practical solution.</p> <p><u>Response:</u> Comment noted</p> | <p>No change to the draft Housing Element</p> |
| <p>#039 Posted by edgardo on 8/12/2022 11:56am Again, please fix this.</p> <p><u>Response:</u> Accepted and resolved.</p> | <p>Page A-17</p> |
| <p>#040 Posted by edgardo on 8/12/2022 11:57am Again, please fix this error.</p> | <p>To be adjusted with the next iterative draft</p> |

City of Monte Sereno

6th Cycle Housing Element Comment Response to Initial Draft

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| <p><u>Response:</u> This image is controlled by a group who is not able to make a quick fix to the graphic. We will honor this request with future iterations.</p> | |
| <p>#041 Posted by edgardo on 8/12/2022 12:00pm Again, please fix this error.</p> <p><u>Response:</u> This image is controlled by a sub-consultant who is not able to make a quick fix to the graphic. We will honor this request with future iterations.</p> | <p>To be adjusted with the next iterative draft</p> |
| <p>#042 Posted by edgardo on 8/12/2022 12:03pm Another instance to fix.</p> <p><u>Response:</u> This image is controlled by a sub-consultant who is not able to make a quick fix to the graphic. We will honor this request with future iterations.</p> | <p>To be adjusted with the next iterative draft</p> |
| <p>#043 Posted by edgardo on 8/12/2022 12:03pm And here too.</p> <p><u>Response:</u> This image is controlled by a sub-consultant who is not able to make a quick fix to the graphic. We will honor this request with future iterations.</p> | <p>To be adjusted with the next iterative draft</p> |
| <p>#044 Posted by Anne on 8/27/2022 9:27pm Why are we seeing Zillow data from December of 2020? On Aug. 26, 2022, Zillow says the typical Monte Sereno house was worth \$4.1 million, and prices had gone up 11.3% in the last year. Why is stale data being reported here?</p> <p><u>Response:</u> Comment noted. This information and all data sources for demographic data were provided through ABAG and their sub-consultants and the data sources and timeline has been considered relevant and appropriate for the 6th Cycle Housing Element update.</p> | <p>No change to the draft Housing Element</p> |
| <p>#045 Posted by Anne on 8/27/2022 9:31pm Wait, what? 46 units in three and a half years is ~13 units a year, or 105 for eight years. Not 120. This is simple math. $8 \times 46 / 3.5 = 105.142857143$</p> <p><u>Response:</u> Revised.</p> | <p>Page C-8</p> |
| <p>#046 Posted by Anne on 08/27/2022 at 9:24pm We need to see the results of that survey, with the numbers, and with an indication of how many of the new ADUs are being used for homes for people. A lot of ADUs in Monte Sereno are home offices and pool houses. So how can 80% of them be low income housing? Pool houses are not low income housing.</p> | <p>No change to the draft Housing Element</p> |

City of Monte Sereno

6th Cycle Housing Element Comment Response to Initial Draft

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| <p><u>Response:</u> Historic ADU affordability and use of the structures was reported based on surveys conducted by the city and completed by the property owners constructing the ADU. ADU affordability is projected based on methodology provided by ABAG.</p> | |
| <p>#047 Posted by Anne on 8/27/2022 9:19pm SEVEN parking spaces? Requiring seven parking spaces is a constraint, and should be mitigated by removing that constraint. Six parking spaces and five parking spaces are also constraints.</p> <p><u>Response:</u> The parking requirements commented on are for lots that do not have any on-street parking. The un-covered parking spaces can be in tandem, within the setback areas, and include driveway spaces. Staff has not received feedback from project applicants stating this requirement is a constraint.</p> | <p>Appendix C</p> |
| <p>#048 Posted by Anne on 08/27/2022 at 9:19pm So, two parking spaces for a studio apartment? That's more space for the cars than for the people.</p> <p><u>Response:</u> The parking standards commented on are for single-family houses, duplexes, and triplexes.</p> | <p>Appendix C</p> |
| <p>#049 Posted by Anne on 8/27/2022 at 9:17pm 8-14 months on the flat, and more on hillsides? That is slow. That is a constraint. The Housing Element should explain how the city plans to mitigate it.</p> <p><u>Response:</u> See the Appendix C Table 5 "Comparison of Permit Processing Times" for a comparison to other Santa Clara County jurisdictions. Also note, Chapter 2 has Program A to Improve Permit Processing Timelines.</p> | <p>Appendix C Table 5</p> |
| <p>#050 Posted by Anne on 8/27/2022 9:15pm This is letters sent to 20 property owners. Two of the letters on Bicknell, the two that start with 19, are not actual addresses on Bicknell. And 13 of the letters are listed twice. So, 20 property owners.</p> <p><u>Response:</u> Accepted and resolved.</p> | <p>Page D-1</p> |
| <p>Letter from Valley Water This comment has resulted in an expansion of Monte Sereno Housing Element Programs. The new program is a <i>Reach Code</i> for water conservation, which will be incorporated with the City's 2022 Building Code adoption in late 2022.</p> | <p>Page 2-12 Program T</p> |
| <p>Letter from West Valley Community Services Thank you for noting your support for many policies within the draft policy update. Your comments are noted regarding opportunities to increase the variety of housing options in the future.</p> | <p>For consideration with future drafts</p> |

City of Monte Sereno

6th Cycle Housing Element Comment Response to Initial Draft

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| <p>These comments are noted and will be considered through discussions with HCD staff for further guidance. Changes suggested within this letter to affect this current draft intended for HCD preliminary submittal, would necessitate additional time to allow for City Councilmembers to consider alternative action. Such an extended timeline would conflict with the current deadline for certification.</p> <p>The salient points raised with this comment will be thoughtfully considered through staff discussions with HCD through the 90-day review process. HCD guidance may determine whether these suggestions become options for a future draft policy iteration. No changes to the draft Housing Element update are considered in response to this comment.</p> | |
| <p>Letter from South Bay YIMBY</p> <p>Thank you for your interest in contributing towards the future housing opportunities in Monte Sereno.</p> <p>These comments are noted and will be considered through discussions with HCD staff for further guidance. Changes suggested within this letter to affect this current draft intended for HCD preliminary submittal, would necessitate additional time to allow for City Councilmembers to consider alternative action. Such an extended timeline would conflict with the current deadline for certification.</p> <p>The salient points raised with this comment will be thoughtfully considered through staff discussions with HCD through the 90-day review process. HCD guidance may determine whether these suggestions become options for a future draft policy iteration. No changes to the draft Housing Element update are considered in response to this comment.</p> | For consideration with future drafts |
| <p>Letter from YIMBY Law</p> <p>Thank you for your interest in contributing towards the future housing opportunities in Monte Sereno.</p> <p>These comments are noted and will be considered through discussions with HCD staff for further guidance. Changes suggested within this letter to affect this current draft intended for HCD preliminary submittal, would necessitate additional time to allow for City Councilmembers to consider alternative action. Such an extended timeline would conflict with the current deadline for certification.</p> <p>The salient points raised with this comment will be thoughtfully considered through staff discussions with HCD through the 90-day review process. HCD guidance may determine whether these suggestions become options for a future draft policy iteration. No changes to the draft Housing Element update are considered in response to this comment.</p> | For consideration with future drafts |