

October 23, 2023

“Carmel meets Sacramento –

A Costal Community Town Hall on California State Housing Legislation”



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Welcome & Introduction –

Graeme Robertson, President of Carmel Residents Association

On behalf of the Carmel Residence Association, the board of directors, and the citizens of Carmel by the sea, we'd like to welcome you to this evening's discussion. We'll introduce the panel in just a minute here, but before I do, what I'd like to do is recognize our elected officials that are in the audience this evening. If I could have you stand, we will recognize you after you all stand up. First of all, Mayor Dave Potter and Council Members Bobby Richards, Jeff Baron, Karen Ferlito, and Alissandra Dramov.

And to those of city staff here tonight as well, we have Chip Rerig, Maxine Gullo, and Marnie Waffle. If you could all, please stand and be recognized as well. And lastly, your CRA Board of Directors as well represented tonight as well, and I'd ask them all to stand and wave, and if you could give them a round of applause for all their volunteer work for the benefit of Carmel-by-the-Sea.

Welcome, we've got a great program for you, by way of introduction we will keep it brief as we've got hot topics that we'd like to get to. Please welcome Assembly Woman Addis, Senator Laird, and this program is going to be moderated by Paul Miller, the owner, publisher, and editor of the Carmel Pine Cone. Now I'm passing it over to you.

Paul Miller – Publisher of the Carmel Pine Cone – Moderator [Introduction](#)

0:02:00 ← *approximate time stamp on recording*

Thank you. OK. As I mentioned, there's so much to cover and this is a complicated subject, so I prepared a few beginning comments. There are so many new housing bills that it's impossible to be an expert. The other day, Newsom sent out a press release last week that he signed 56 new housing bills, including tenant protection - I think he did it on October 11th. And this is on top of all the ones that we've seen come down in the last two years. One of the brand-new ones, when he did the press release, he

called the housing shortage that we have in decades in the making. And he said that the bills that he's signed are a major step towards a long-standing housing shortage.

One of the brand-new ones **SB4** for independent institution of higher education, which allows them to build “by right,” so basically there will be a couple of those in the Carmel area.

Another one that he signed on October 11th is **SB423**. This is the one the LA Times said recently could bring major changes to cities like Carmel-by-the-Sea. The words like “major changes” don’t necessarily go together with Carmel by the Sea. <audience giggle> It requires local governments that fail to meet their state housing goals to streamline affordable housing projects, reduces coastal commission review, that we are surprised to see.

And then there's **SB9**, which became law in 2023, a law that's known as the end of single-family zoning, that's what people call it, because it eliminates local control over various categories of lot splits in single-family communities, requires cities and counties to approve 2 housing units on a single lot. When you have one house today, you can have 4 new ones tomorrow.

0:04:40

Now, Dawn and John, I'm sure, you understand how disruptive these laws can be to small communities like Carmel, Carmel Valley and Monterey, these are such a drastic change from the anti-development sentiment that has long been one of the paramount legal principles in the state, particularly along the coast, so much so that people now are having a hard time dealing with this new reality.. After hearing so much over the years from state officials about what a special place Carmel is. I can quote 100 Coastal Commission staff reports warning about changes. All this new legislation has people wondering what happened.

With that in mind, I think we have to keep asking, Why did Sacramento decide to solve the housing shortage by short circuiting, if not eliminating, land use and zoning policies and public review at the local level? That's the **first** broad area.

Secondly, many people want to know about the specific policies in the new legislation, such as the aforementioned lot splits, drastically eliminating or reducing local control over them.

And **thirdly**, where's the infrastructure going to come from?

OK, first question. I'm sorry, you guys get to make opening statements.

Assembly Member Dawn Addis – Introductory Comments

0:06:38

I want to say thank you to the Carmel Residence Association. The last time I was with you, I had a great honor to celebrate your citizen of the year, Donna Jett, which was a great event. Upon receiving this invitation, I was very happy to come back.

It is a great honor to be joined with Senator Laird here. We have spent the entire day together almost. And this happens to us a lot. We go to a lot of places together. And it's just been such a pleasure to have such great partnerships. I would say we have very similar perspectives, there is not a lot of daylight between us when it comes to our love for the Central Coast. Our desire is to protect the Central Coast, and certainly the Senator has more experience than I do with this but has been a wonderful mentor. And then I want to thank the electeds here who have come out tonight and all of you. This is an incredibly important conversation that we are invested in tonight.

Prior to being in the state legislature. I was a mom and a teacher. I grew up as a renter and now a homeowner. So, I have sort of lived the gambit when it comes to housing with the kids to be able to own homes somewhere. But then surfed on the Montego Bay City Council where, you know, really my focus was local land use decisions and how are we going to get housing done in the way that fit for our community. And at that time, decided that we would make housing a major city goal of ours so that we could really put the time and energy that it takes into these important decisions. And we did get done when I was on the City Council, the very first 100 % affordable low-income housing project with lots of community input.

As I was reflecting on coming here this evening and reading the feedback in the surveys from the Carmel Residence Association. Items in the housing topic, most, I subscribe to. This is the perspective that I brought to the state level conversation around housing. And I have personally tried to be very targeted in my own approach to housing, have supported student housing at the community college level, bringing my own legislation forward to address that and supported senior housing too, and then renter protections for mobile home residents. I've tried to meld my experience as a Mom and on local council to my approach at in the legislature. And I want to welcome the discussion. Thank you for the invite.

Senator John Laird – Introductory Comments

0:10:00

The stage has been set by advocates for more housing. And I know we're going to cover a lot of questions here. I thought it would be good to make two background points. In reading the leaflets coming in and there is clearly a question on "What are people thinking in Sacramento?" The debate has been set by the advocates of more housing and that in fact we are 3 million units under the need and behind the demand. And that people's kids can't live in the towns that they were raised in. There are certain places where

teachers and first responders, people that are just rank and file, public works employees can't afford to live in the town they work near. And coming back from the Pandemic service employees were really hard to <?> and there are limits in doing it, and that it needs to be addressed at the state level, because it's not happening. And then you go to the districts that Dawn and I have. Dawn's district is fully contained in my district, but I overlap with three other Assemblymembers. And our districts are very different. My district will change by 300,000 next year, when Senate redistricting takes effect. Right now, in my district, I have 21 cities, except for the small portion of San Jose, Santa Cruz is the next largest of the 20 cities at 60,000. And I spend a lot of time in the legislature saying to colleagues "that's very urban-centric of you." Because a lot of the bills are designed to address the problems that they see in the urban areas, which aren't these areas. And even though some of this will come up in the questions -- I think the major housing bills in the last five or six years, and I'm in my 3 years of being back and Dawn is in her first year, some of these (bills) happened before we came back, these bills were introduced by San Francisco, East Bay, Los Angeles, and San Diego, and yet they apply to all cities.

And I was in San Luis Obispo, which is in my district, at a housing forum. And one of the legislators said, "I think it's a false issue to say there's no infrastructure. Build the housing and infrastructure will follow." I took this legislator aside and "You've spoken like somebody who has unlimited Hetch Hatchie Water. It is really different."

I have to look at bills with how can I leverage them in some way, and should I cast a protest vote. And there was a big one in my first year, SB8, I was one of the 8 senators to vote against it. I allowed by 2/3 vote to invalidate citizen-passed initiatives, and I was one of the 8 to vote against it. And it passed, it got signed with the law by the governor.

And then there was one other one last year where I did something. I was the only person that voted no. And it was a bill that would exempt (collegiate) housing projects, particularly at UC, but CSU was dragged into it from CEQA. And my local experience was as a city council and mayor in Santa Cruz. And the university was housing (only) a quarter of their students, so it was cutting into the local (housing) market to do it. And they under the State constitution were exempt from local land use. The only access we had was CEQA. And through CEQA and various lawsuits UC Santa Cruz now houses 50 % of their students on campus, and they have said they will not admit any new students unless there is housing for me. And it has come down to the local pressure that made this happen. So, this is Bill last year that says housing projects on UC campuses will be exempt from CEQA. And I went to the Governor on this, and he said the only people complaining are the ones with Universities in town. I said that this is the only place that applies. But that is why. And so, we go through these debates. And I think when we get asked a lot of questions tonight on what is black and white, don't do this and

do that. Occasionally I make decision to vote for a bill to leverage amendments and it might not get exactly to where I want.

SB423, I really worked with the author and said, you have to something about the Coastal needs. In the end they addressed for fire areas, for special habitat, for environmentally sensitive areas that will take a lot of the Coast zones out of that. And the Coastal Commission Act was neutral on the Bill, they made it really hard for us to decide that we're still a stand to take because we've leveraged that, and the Coastal Commission asked for those amendments. So as much as it would be nice to just be binary and black and white, some of these things are difficult because if you're outside an urban area, you can leverage them as much as you can and then hope for the best.

Paul Miller – What Caused the Housing Shortage?

0:16:55

I appreciate that. ... So, no one wants to tar-and-feather anyone, but we want to understand why things were done and what they mean. So let me go back now to sort of what Gavin Newsom was referring to when he said it's decades in the making. California has a terrible housing shortage. What caused that? What caused the housing shortage? Are developers being too greedy so they wouldn't build apartments? Or was it because there was no capital available? What caused them not to be built in the first place?

Dawn Addis - Response

0:17.45

Someone smarter than me said there are a few factors critical to building. You need the political will, the policy, the funding, and a piece of land at all and so and you know I don't think those four things have come together well enough. I think these can be part of the reason. I think we've also faced difficult economic times, and we're facing a shortage in the work force, there are multiple concerns at the moment.

I am seeing the many projects starting to come to fruition. Many of which have been planned for a very long time and are just now being built.

For someone like me, one of my goals is that I want my kids to be able to live here. And I think people are starting to say "Woo, my children can't afford to live her." Now there is a new attention on how to address this.

Paul Miller- Inserts and asks

0:19.15

But John since you and I have been around longer than Dawn has, I am going back to the 70s and the reason that many of these laws passed is because local agencies were too pro-development. Is that right?

John Laird - Response

0:19.30

In part yes. But in part but the other half of being around for a long time, which is painful - I was on the city council from 1981 to 1990. And at that time the Federal Government had not pulled out of housing. And there was available land, and it wasn't expensive. And there were certain abilities to build that it could pencil out. And there was cash to make certain units affordable. And so, the one thing that might be some credence to what Gavin Newsom is saying, yes, there's been a lot of housing built that's been single-family housing, and it's taken a lot of the land that is sensitive areas, and that has infrastructure. And there's not been the incentives to build multi-family housing to deal with housing shortage. And so, he (Newsom), in some ways, is talking about making up for that. And it's tough because the building has happened. In a way where there is no excess land. And the place where there is now in the urban areas, there is significant multi-housing building going on in San Jose and there have been huge fights about it. This is a flipside unless there is affordability, it actually drives out the people without a place to go.

And so, when I was on the city council in nine years, we had 700 units of affordable housing constructed in Santa Cruz, and we did it in all of the above. We had inclusionary housing for 20% of all projects. And we had federal money that did it. We had city land that we donated to pencil out affordable projects. Land that doesn't exist now. And so, there's now this dogma that has captured lots of the legislators in California that a single-family zoning has been a sole cause of this because you haven't been able to do multi-family in certain places. And this led to the desire to override local governments.

Paul Miller – Asks How do we Stop Carmel from becoming Malibu

0:22:40

For the second part of this question. Sainly Peter Douglas was famous for saying that you can tell the effectiveness of the Coastal Act, not by what has been done, but by what hasn't been done. In other words, he defined his legacy by the absence of development along the coast. And I believe the way that someone said we don't want everyplace to look like Malibu. ... But Carmel, if it weren't for the Coastal Act, I can't believe it wouldn't be. People in this city have all been sensitive to that. And yet their hands are tied with RHNA development as much as anyone's. So, if state regulations are partly or largely responsible for a lack of development in the State for the last 50 years - secretly Jerry Brown wanted the Lord's work, he meant more development, right?

John inserts briefly - And I've worked for him for eight years and he couldn't do it.

Paul continues - He couldn't do it because the legislature was in the way. But why then isn't the solution, if over regulation is the problem, then why is the solution to put in one-

size-fits all mandates instead of removing these restrictions and letting the local officials decide for themselves. ...Why didn't the legislature decide to leave them alone for 20 years wouldn't this be a way solve this problem? <<clapping>>

John inserts briefly - But you have to have some form accountability for knowing what housing is being built.

Paul continues – Accountability is at the Council in Carmel and the Board of Supervisors that answers to the people. That is accountability. People in small towns expects for you to do is to see the wisdom of getting Sacramento to back out of the way. Go back to the 1970s, when the cities and counties were too much in favor of development, that's the way it's seen in Sacramento. And let them have some autonomy.

John Laird - Responds

0:24:52

The wrap comes back the other way. Places that are very expensive in housing markets are very exclusive and they want to keep people out. As a result, when we try to do certain things, when you have one-size-fits-all addressing 480 cities, this is an argument that is made by the YIMBY's (yes in my backyard) the people ... there's not a housing shortage in some cities for market rate. There's only a shortage in affordability, but there is not any kind of cash subsidy or anything that helps projects pencil out. There are density bonuses. You can build more units if you're multi-family.

And when I was in the Legislature the first time, Governor Schwarzenegger, wanted a huge infrastructure bill of 56 Billion and we leveraged in an affordable housing to people that wanted to, that's not happening now. And the way it should work is when we had the surplus is to take that money and apply it to affordability.

And yet at the time, you see the SB423 that you mentioned, that has the coast in it, that was not the focus of the rest of the state. There was this huge union fight. And the housing for nonprofits is required to use (workers) that are skilled and trained, which basically means union wages, so for non-profit housing they couldn't pencil out. And the Carpenters broke ranks with the other unions and don't care if a project uses union labor ...if you can get through that labor issue then you can better address affordability. ...

Paul Miller – Raises the need for Local Control

0:28:00

What of shifting to the housing responsibility to local Cities and Counties. You are from a small town, Dawn. What do you think works?

Dawn Addis – Adds to this topic

0:28:20

Yes, I mean, my experience as a small downtown council member is that cities don't build housing. So, you still need ways to track developers who are interested in developing your community in ways that the community is interested in these projects. Much of what I heard when I was on City Council, and I'm not an expert, that when redevelopment funds went away – that was a hit to the Cities. It then became hard to get full down redevelopment ...with multi-family housing and they call it affordability by design implemented - refinancing the downtown corridor. ... There are ways. I much prefer to see the State support and infuse (\$) support into our localities and to layer on ...one size fits all.

We kind of talked about SB423 and how difficult it was to navigate. ... The main reason I didn't support it was that part of it allows streamlining, but if you do 9 units or less, you don't have to have any affordable units. So, to me that if local entities were giving up control that is was very important to get something back for that ...we needed affordable housing support.

You have to agree with the Senator that there are single family homes being built. There are very expensive single-family homes being built in our state, but not enough affordable development.

Paul inserts – And you don't see CEQA and the Coastal Act as being one of the main causes of that?

Dawn continues - You know, to me, CEQA and the Coastal Act is what allows community input, and it allows folks to give their input on where and how things should be built. One of my concerns around the Coastal Zone is if say we get rid of CEQA, and we get rid of the Coastal Act, you may build in places, it might look like Malibu. Maybe 30 years ago, you would say it's overbuilt here, we don't want to look like Malibu. Now the problem we are facing sea level rise, we weren't facing coastal erosion. These are not necessarily safe places to build, and I do think CEQA, and the Coastal Act helps us move through some of those pieces.

Paul Miller – **Pushes to let the Cities and Counties decide, instead of Scott Weiner**

0:31:18 *exchange talking over top of each other*

Senator Laird – **Regarding “By right”**

I think if you just let Cities and Counties decide and we have 3million housing units short not much is be built, that is not going to deal with the political forces in Sacramento that are guiding this. We talked about it, but in Santa Cruz, it seems to be stalled, but there was a bill passed before we were there. And so, there is this 5-story building “by

right” that backs onto people’s backyard. ... A friend of mine said “yea, I lived on that street, and I got out.” That level “by right” shouldn't be happening.

There was another one that was enacted. I was in the Cabinet, and even though I wasn't in the legislature, and on behalf of Morgan Hill, I went into the Governor’s office and went the author of the bill because it was going to blow up how much you could build in a year. Morgan Hill had this growth management plan that they re-upped three times over 15 years. And in a counterintuitive way it had built all the market rate housing, but they leveraged all this stuff to build more than was required affordable housing. So, this bill passed. Now Morgan Hill is building a little more housing, but a lot less affordable. My approach to carve out to addresses this issue. I couldn't get traction and the Governors office said no. And sometimes if you are going to do “by right” housing,... And the tough thing is, if there were to be nothing, this would be the challenge for all of the urban legislators. Yes, but I can speak for the people here, the political reality for Carmel is very different than San Francisco.

Dawn Addis – Finishing her points on CEQA & Coastal Act

0:34:50

I'll just finish the point that comes to CEQA and the coastal act. I mean, you know, building in some of these areas is not necessarily the best from an environmental perspective. Not just because it is in sensitive habitats, but also when you are dealing with flood zones, coastal erosion, effects of climate change, we have to be very careful where we build, because in the end it can be even more expensive. Home owners who may not be able to get flood or fire insurance, that’s a burden on the rest of us. When I think about CEQA and Coastal Act, it takes on brand new meaning. It may have come in the 70s because people didn't want all the California to look like Malibu. But now it has a completely different meaning, with the effects of Climate Crisis. When you ask this question there is much more wrapped up in this than local control.

Paul Miller – Question on building on available land

0:35:45

Okay, let's go into some of the questions that were submitted by the people. I didn't verify this statistic, but this person said only 6 % of California's land is developed. I don't know if that's true, but it's a small percentage. It's a big state that it's empty. Why not use some of that vacant land to solve the housing crisis instead foisting it on historic small built our towns like Carmel by the Sea? <<clapping>>

John Laird – Responds

0:36:05

Let the former Secretary of Natural Resources answer this question. Of the forest land in California is 58 % that is a substantial percentage of what you just said, and it is not

develop-able. Everything that is logical is already taken. You're on a slope, on a flood plain, so you're in a place that's going to be swamped if the seas come up by even a foot or two. We already have 25% of our population living in high fire hazard zones. ... As Dawn mentioned, fire insurance is a crisis for us, and it's going to be sustainable over time. So, the real thing is that it's trying to have a higher density in the existing urban footprint. And in doing that the most logical place to do it is in the more densely populated area, in areas with declining enrolment in school, ... where you are not having people driving in from Mantica every day, you're dealing with transportation, housing and where they have the water. He spent last year trying to get the Water Board to allow for two projects, one of which was largely affordable project in Monterey. There is 3 Million acres of irrigated agriculture land. And there is pressure to take that over, which is not a good idea.

Paul Miller – Consider Fort Ord Use for Housing Requirements?

0:39:00

We have a big piece of land, just north of here – the former Fort Ord – which doesn't have any of those problems. It's not a big high fire danger area. It's not ag land. There's no water shortage there. None of those apply.

And it is these quaint areas which have been protected by state while all these years are being told, start adding apartments now. Why not build in Fort Ord instead? <clapping>

John said – Housing should be build there.

Paul replies - So why not pass a law that says the housing mandate for Carmal has been lifted and we are moving it to Fort Ord? Why don't you do that

John continues - This takes me back to what I said at the Carmel Chamber of Commerce. I got into trouble for answering that question. ... I think in a very controversial point of view, that the RHNA system is not working overtime. <clapping> Cities and Counties have been assigned more housing units than they will realistically do. But with the exception of some big cities of the 21 I have, only 2 will come close – Gilroy and Morgan Hill. **Paul inserts** – that they have open land. **John continues** – yes, inside their cities, not farmland. And so, the thing about it is – that everyone has to make a good faith effort to build housing. That is when I think there will be more flexibility.

Paul says “Please let me know when you think this has happened” <audience giggles>

Dawn Addis – Response adding to this topic

0:41.14

I'll respond to your conversations on this topic. I do know Fort Ord and have been in many conversations on this topic. I do think there is building up is happening at Fort Ord. We'll continue to be building at Fort Ord. I think the Monterey Peninsula we all know has a lot of Water challenges, and we need to solve. But I would say just in terms of building in Carmel and perhaps the RHNA numbers are too large for Carmel, that I'm

hearing loud and clear from this audience. <applause> **Paul inserts** – I don't know if they are too big or too small. I'm listening to the people saying, "why can't we decide?" **Dawn continues** – Exactly... And I do believe. And the one thing I would say, I, and the Senator mentioned declining school enrollment. You know, what I have seen in many of the communities, he represents over 20 cities. I believe he said I represent 15. And what we're seeing across this district is a change in demographic. I think by 2030 25 % of the population is supposed to be 60 and above. In Santa Cruz County, it's higher. It's 30 % of the population. We have elementary schools with declining enrollment. And we have the face of our communities is starting to change. It is a lack of diversity. So, and our community in terms of age groups and income brackets, and it's all related to this lack of housing. Where young families really struggle to move into places across our communities and frankly all of us want them. And so, and so, you know, when we talk about local responsibility, I do think it's important for us to be having thoughtful conversations around how well, what is it that we can do?

And if it's not these RHNA numbers on a local level, then what is it? And we should not stop ourselves by saying "bad state, good us." But we should push that conversation to say, if we can't get in Carmel to 349 units, what can we get to? And how are we going to diversify our communities for the health of all of us and our future?

Paul Miller – Housing for Teachers, Police

0:44:00

Well, this has been a constant topic here for our teachers, police, and police chiefs. We've had this problem forever. And the obstacles have been CEQA and any thoughtful planning any where around the area. You go ahead and say, I'm going to build an apartment building down there. And they laugh you out of the building.

John Laird – Response on College Housing

0:44:25

One of the things we did in the last two years with the surplus is, you know, I was a Community College Trustee for 8 years. I was elected to the Assembly in 2002. I never heard of a homeless student. Now it is 5%.

So, we invested 3.5 billion dollars over two years. We started with two units for higher education housing for the full-time community college because that would help with the rent. And so, Gavilan is coming in with a 600 unit one-an apartment, which is in southern Santa Clara and San Bernardino. Cabrio and UC Santa Cruz have been funded for a 624 unit one.

And I was talking to the people on the Peninsula, and I didn't understand why they weren't applying. This would be the ideal thing for Fort Ord water. And this would be

the ideal thing for people with the rental market in other things. And in a lot of times, when I was Resources Secretary for water policy, was all of the above. You couldn't do it alone with conservation, or dams or with Desal, water recycling, managing the ground water, had to do it all. And the housing is very similar. And so, I have a met with the Presidents of the Colleges saying there's going to be a little less. I have my way, before I'm done, "would you be ready to apply for a housing project?" And the issues, because it seems to me you have to do everything and that's going to be just one of the houses.

Dawn Addis – Adds to this topic

0:47:00

And on this note, When we did housing legislation, we specifically did housing legislation to support the community colleges to be able to bypass the state government agency, that were getting the money, so that they could get their projects done. We were hearing from community colleges that we're getting a money hit this bottleneck that the CSU and the UC system were not having to deal with this particular state agency. And so, it's a real issue when we talk about all of the above for housing when it comes to student housing takes a role, clearly not here in Carmel, but it is a piece of this solution.

Paul Miller – Next Question – Who gets to access this new housing?

0:47:17

All right let's go into a very similar topic, which of this new dense housing is going to be built, what guarantee do we have that blue collar workers, teachers, policemen, firemen will be able to live there? How do we know it's not just going to be taken in by rich Silicon Valley

Dawn Addis – Answers

0:47:00

It depends, I mean, in my answer, it depends on the development and how many units are developed and under which law are developed. So, I mentioned SB 423, the reason I wasn't able to support SB423, even though a lot of work was done on that bill, and there were a lot of things I liked in it, but if you do nine units or less under that bill, you don't have to have any affordable housing.

And so, then my answer is it depends on how many units there are, what's required for affordable housing. So, there's not always a guarantee. The data has shown that the predecessor of SB423, which was SB35, did produce affordable units. So, the mix that was required there actually did produce affordable units and so if something is done under that bill and there is a high likelihood that affordable units will be created.

John Laird – Adds

0:48:45

I would answer the question and it should be part of the law if that's happening that there is a requirement for a certain measure of it, because it's tough to be ... anywhere but you shouldn't do it unless there's a public purpose like that.

Now here's what comes back at us all the time, that there's a 3 million shortage and what you should do is just build as much housing as you can, this will lower the shortage and therefore lower costs. I think that's a pipe dream. Because if you're 3 million short and maybe we've exceeded it the last 2 years, but the most housing units built in a year in California is 250,000. So, if you're doing that, you don't get to that for 20 years or 30 years and what happens to everybody that's caught in between in terms of affordability and what happens to their community impacts while that's happening.

Paul Miller – Next Question – So how do you reserve housing for various income groups?

0:49:40

Dawn Addis – Answers

0:49:52

It depends on what legislation is used for those projects. I guess another way to do that is for cities to look for those non-profit housing developers that are really focused on affordable housing and work with those developers as a way to develop the units that are going to help RHNA numbers. So, to make sure that by design, the developers you are working on are, you know, have that funding and are focused specifically on that. **Paul inserts** - So if there are very high land costs like we have here, how can you provide an affordable condominium, unless you have to go up. **Dawn replies** - And that has to do with those density bonuses. If you do a certain amount affordable housing, you can go up, but some of that has to do with City planning and height limits. I will say, you know, in Morrow Bay, because we were working with a non-profit person, for a 100% low and very low-income project done, and that's guaranteed. **Paul inserts** - So if there are very high land costs like we have here, how can you provide an affordable condominium, you have to go up. What about if there's land? - If there's land. - What kind of land does that non-profit go on? **Dawn replies** - That was, I want to say a city land, but I just-- - A free land. - Well, and then input from the city. I mean, we put half a million dollars in the way of fees and tax breaks and other things. **Paul inserts** - I mean, with the cost in California, that was even hard, with "free land".

John Laird – Jumps in to Add

0:51:18

Well, the voters in Santa Cruz last year passed school bond for other things, and they have 78 units of housing included because they can bring them in for teachers or school employees because they have on trouble hiring because they can't.

And one other thing just as a side, I'm getting Salinas next year. And they have a 66-unit project, and they finished it, and PGA was telling us, it's going to be eight months or 10 months to hook up with the electricity. - Yeah, that's one of my inputs from the community. - So, I got, I got involved with it. I got a very nice voice mail the other night saying, would you thank you, you were successful, you come out, hand out 66 keys.

Paul Miller – Asks John about multiple story housing projects

0:52:20

John Laird – Replies

0:51:18

Yes, they've approved 12 stories in Santa Cruz Yes, they've approved 8 stories, and they have 12 stories. ... And there is a referendum that just turned into for signatures regarding height limit <single audience member clapped> **Paul inserts** – I think that project by the movie theater in Fort Ord a working-class area is 3 stories. **John replies** – You mentioned Fort Ord and the building. Today we've (with Dawn) tag teaming with meeting today with (listing various water resources organization on the Peninsula). There was a lot of discussions on how the (water) allocations were made for Fort Ord and how they will or won't be able to use them. ... The Army assigns the resulting (water) allocations to the others in the area. ... And it doesn't line up right. Actually, Seaside and Marina have already used up there allocation,

Paul Miller – Asks about infrastructure

0:54:40

Infrastructure is required for people. And if all of these new units. Is the legislature thinking about road capacity?

John Laird - Response

It does, but there's actually lots of construction there. In the terminal area, this takes about art extensions and tunnels for trying to do all this stuff, which once again sort of mitigates for doing a bunch of this in the urban area that's exploited, Well, no, there's, you see, because there was another bill in the legislature that I'm not sure made it all the way in its original form, which was to relieve parking requirements from certain houses.

Paul inserts - Well, that's one of the big issues. I mean, 50-80 ADU's that have already been approved or built, there's no parking requirement for them, and this has always

been one of the biggest impediments in Carmel to develop, was the parking requirement. So, is waiving parking requirements the way to improve communities or anything like that? **John replies** – It's a one size fits all thing again. And this has always been... You know, so I'm sure, you know, in certain communities it's not an issue. If you're doing it in my neighborhood, in Santa Cruz, it's students' parking. And if you're doing it in certain places in Carmel, or you do it with our certain tourism impacts.

Dawn Addis - Replies

0:56:40

I think there's sort of an aspirational thinking behind getting rid of parking. One day we are not all going to be in our cars. We are all going to have public transportation. There's going to be driverless cars that go around and pick us up and automation. And I am personally very concerned about this issue because I keep thinking and, you know, that might work in LA or San Francisco and in a very, very rural Central Coast where this is not a lot of infrastructure – it is very difficult to get around. It's difficult to get to your doctor, it's difficult to get to school, it's difficult to get to the grocery store if you're not able to drive. And so, I don't personally think getting rid of parking is the way that we want to go. I do think it will turn many of our neighborhoods into - Most of us have moved to the central coast because we don't want to be in places where there's huge parking issues, we don't want to be in places where the freeways are crowded.

I can say, you know, from our office's perspective, and Senator Laird was in help with this, we were just at Moss Landing today, presenting a million dollar check to help with the Highway 1 corridor. We're thinking about this issue around infrastructure and around freeways and around climate change and what we're going to need to do with our infrastructure of the future.

I had interesting conversation with somebody from Tennessee who brought up this very concern. As we build more housing, how are we planning into our infrastructure and making sure that our infrastructure can handle this. I asked him, so where would you put that in the process? Because already there is a process by which communities can work with developers for community benefit and for infrastructure improvements. And he said, well, I really think it for cities to be thinking about and put it into their General Plan.

And for cities to be thinking, and this is not me, this is transportation experts saying to me, I really think that cities as they're planning for growth in their future should be thinking about what that looks like in their General Plan. So, it was a really interesting conversation. But since you asked, does the legislature think about infrastructure, I will also say that the Senator and I started the Central Coast Caucus, which is a group

of 10 legislators from Santa Cruz to Ventura counties that have come together. Because urban areas do have more legislators, it takes me to get half a million people and the Senators district is even larger with a million people. It takes me three counties, 200 miles of coastline, but 6,000 square miles of the district, just to get half a million people, colleagues in LA who say, I could jog my district. It's that tiny, and so there's that many more of them. So, we started the Central Coast Caucus. And one of the very first things we did was advocate for Highway 101 projects in any of the 5 counties, knowing that the health of Highway 101 will benefit to keep people and goods moving. So, it is very much on our minds, I will say, and on the caucus minds. And I think it's something we're going to have to continue to talk about as we confront this aspiration to get people out of commutes and into communities. That's the aspiration. But there are some realities that we have to deal with in a different way. And I think the conversation is there and we've certainly been uplifting it.

Paul Miller – Asks about PG&E backlogs

1:00:28

Okay, let me ask about PG&E because we have at least one homeowner in Carmel told me recently that they have been waiting 1 year. So, all this housing...is that that housing? <audience interjects "Two and a half years"> Two and a half years, okay.

Dawn inserts - And there's places, I'll just say, a colleague of mine represents some and they've been waiting seven to nine years. **Paul continues** - Okay, so isn't all this easy? Isn't this new housing going to make it worse? What is the legislature...

John Laird - Replies

1:00:55

Today there was somebody there was somebody with an ADU that had been in the process for a year. Now it's going to. Yeah, they're not going to work it up for eight months. I've had my own personal experience with an ADU that we built for an art studio and so it is happening and I'm just calling PG&E and you see, it is a real tough thing because it is already a regulated utility.... Yes, and we're trying to gradually get everyone electrified and then people in the Santa Cruz mountains are saying to me "Let me get this right, the power goes out all the time, they want us to rely on electric cars, our wells rely on electricity" <clapping> ...

And I hate to say it, over time we do need to move to electricity. But we have to have enough, and it has to be reliable we've worked with PUC just because there were certain places in the atmospheric rivers where the power was out for days. And the requirement now was that they only had to have a backup for cell phone and other things 8 hours and now the PUC has moved it to 72 hours. And we're kind of worried because that's not a Tesla wall. That's them firing up a digital generator or something that's sort of unclear on the concept. And if we're going to have to

electrify whether its housing or wells, or all of these things We have to have the energy to survive.

Dawn Addis - Replies

1:03:05

I mean, I'll just say, we, you know, all over this district, we hear about this issue that (?) Housing is one of them. There are a couple projects in San Luis, one in particular that's sitting empty right now that can't get people housed. It's an affordable housing development that's waiting on PG&E. I visited a shelter where it's those pods that people can be sheltered in and they weren't able to get online. Part of it is the backup. Part of it is the supply chain issues. And so, you know, there is a part that PG&E needs to hurry up. There is another piece of this that has to do with supply chain issues that's going to be a much harder problem to solve.

I'm part of a working group on the assembly side that is working to push what they call the investor in the utilities, the PG&E, the SoCal Edison's of California to get going on this. And then we did pass legislation to try to add some accountability around what we call connectivity or being able to get your projects connected to the grid, basically. And so, there it is, a lot of emphasis on this piece of things, especially as rates are going up with ensuring that people can bring their projects online.

Paul Miller – Asks about access to water?

1:04:20

What about our local water supply? We can't have housing without water. And I assume you might know something about the bizarre history of water in the Monterey Peninsula, where we've had many areas of permit moratorium in place since 1995.

Dawn Addis – Mentions

Well, I was just at a PureWater Monterey this morning celebrating, they just got a ? loan and EPA loan, so they're going to be breaking ground on their expansion.

Paul inserts - Okay so are you guys confident that that's going to supply the water we need for the housing in Carmel Valley?

John Laird – Answers

You're asking me if I'm confident about something about Monterey water? <audience laugh> Yeah. The thing about it is a year I wrote an op-ed, and I apologize because it wasn't in the Pine Cone, saying here is a framework for water reliability across Monterey and in the county. And it's going to cause people to have to be interested in areas they are not and stand down. You know, it was the dams, we need to have the things

replaced. San Lucas needs to have a clean water. A water recycling plant needs to be built. There probably I thought at the time, needed to be a smaller desal plant with public ownership and take care of Marina's issues. And that really if you look at all of this, that the people were feuding over the source water. People feuding over desal, but people are too complacent about the San Lucas, then they can't be moving off to relying on the dams, that the ground water,... And there are only two ways people can cut what they water, or they add water supply, or they are a little efficient in a way they are not now. And at the time everybody didn't want to give enough to fund PureWater Monterey. The dams required writing a check for \$160 million to do and had no plan to do it. There's a fight over the ground water management.

Paul inserts - What is the answer for us? **John replies** - Everybody has to give a little and make sure that there's a sustainable water supply for the whole county where everybody has a piece of it. And right now, everybody sort of wants to do what they want in their corner.

Paul Miller – Asks about DeSal (desalination)

1:06:43

So, are you saying we do need a dasal or we don't?

John replies - I said we need a smaller one of public ownership to take care of Marina. The one that was approved to sort of meet all of those conditions.

Paul asks Dawn - So what do you think about that?

Dawn replies - Well, I think you're right when you say we do need leadership. So, to me that entails a couple pieces. One is supporting the entire community from a state level in increasing water supply. And I think, we talked about housing needs to be in everything on the table. To me, water needs to be in everything on the table, and it can include detail. It can include water reclamation when that is on the city council. We did a \$165 million water reclamation project. But that was only possible with state help, with state revolving fund loans, with state grants, with federal loans. And so, when I say we need leadership, we are going to need to be able to support communities in getting the projects done that they want to get done. I absolutely agree with this idea of collaboration. But I'll add to this, that we also need our state agencies working together.

And so, we will be meeting, I'll be meeting with the HCD, the Housing and Community Development, along with State Water Resources Board, and I'm sure Senator Laird has done this as well, to talk about this pressure that communities are under. On one hand you have the housing mandates to build more, and on the other hand you have stop builder orders. You can't build housing because there's not enough water. And so, as the community is working on the projects I do I do think we need

state funding and state grants and state loans and it's our job in the legislature to keep funding those things to make sure that money is accessible. But we also need to be conveners of these agencies to get them on the same page when it comes to having conflicting regulations.

Paul Miller – Asks about Carmel River limitations

1:08:44

We've got two more minutes. Let me do one quick get and that is as I said earlier the order on the Carmel River couldn't be amended for Monterey to have affordable housing?

John replies - I have asked the water board to come down and do a workshop talk about the state water resources whose order it is on a path to a lifting battle tell us what the path is given what's been approved.

Paul Miller – Asks about OurNeighborhoodVoices Initiative

1:09:20

Okay, last very quick question what do you think about this OurNeighborhoodVoices ballot measure that there are currently signatures for the November 24 2024 ballot <note this is now 2026>> which would they say would restore local control over housing. What do you think of this?

John replies - I think it is going to have trouble in other parts of the state to pass. It would pass over here. In San Francisco? and I can't tell anymore.

Dawn Addis – Expands on this topic

I think Monterey is very similar to Carmel-by-the-Sea, I mean of course I support what the voters want. If something makes enough ballot if you know we're a democracy everybody has right to vote for these things. I do think it's going to be a hard sell in some parts of the state where it's so palpable for people and there's really a desire people are begging really, please come and make the decisions instead of having them being made locally **PAUL Inserts** "because they don't get their way locally."

DAWN continues I see that.

But I would just add that there is a younger generation that wants to build wealth, they want to own homes, they want to live in places like this and they feel like and that they can't. And there's a real desire for change from a lot of folks. Are those the ones going to the polls? I'm not sure. But I can tell you that it's very very palpable. And I said it at the beginning, and I think it's incumbent. It's the responsibility of all of us in this room to think about where are our kids and our grandkids going to be able to live. And if not this then what? But we can't stay stuck in this; "us versus them" "state versus local" "me versus you". We have to come

together to think more collaboratively around what is the next generation going to do in California. Because it's palpable that they are not building the same kind of generational wealth that many people in this audience have been able to build. And they want to. And it's our responsibility to lead as you say and to be those kinds of leaders that creates that point.

JOHN inserts - They (next generation) have come to hear a lot of legislative hearings and say you don't care about us. That happens all the time.

Graeme Robertson, HOST - Closing & Thank You

1:12:20 -

Thank you so much for your time this evening. Please give Dawn, John, and Paul a hand. <clapping> We'd like to get you all back this time next year for an update where we are on these matters, and I'm sure you'll all make yourself available for that. <There will be a minor election going on at that time>, well we'll do it post-election, how's that. On behalf of the CRA, the city of Carmel by the Sea, we do have a small gift, a token of our appreciation. Lula's Chocolate and Carmel Honey, both locally owned companies here in Carmel. We thank you all for coming this evening. Have a wonderful evening.

This program's webpage is below

<https://www.carmelresidents.org/carmel-meets-sacramento---town-hall>

This page contains our program handout, biography of our moderator, panelists, and press coverage for this program. It also provides a link to key grass roots organizations and content working to fight for local control state-wide.

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We welcome recommended corrections to this best attempt at a transcript and any other comments or suggestions.