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Analysis of the
MONTEREY COUNTY, CALIFORNIA
HOUSING MARKET

as of October 1, 1965

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A Report by the
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION
WASHINGTON, D. C. 20411

July 1966

ANALYSIS OF THE
MONTEREY COUNTY, CALIFORNIA, HOUSING MARKET
AS OF OCTOBER 1, 1965

FIELD MARKET ANALYSIS SERVICE
FEDERAL HOUSING ADMINISTRATION
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

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Foreword

As a public service to assist local housing activities through clearer understanding of local housing market conditions, FHA initiated publication of its comprehensive housing market analyses early in 1965. While each report is designed specifically for FHA use in administering its mortgage insurance operations, it is expected that the factual information and the findings and conclusions of these reports will be generally useful also to builders, mortgagees, and others concerned with local housing problems and to others having an interest in local economic conditions and trends.

Since market analysis is not an exact science the judgmental factor is important in the development of findings and conclusions. There will, of course, be differences of opinion in the interpretation of available factual information in determining the absorptive capacity of the market and the requirements for maintenance of a reasonable balance in demand-supply relationships.

The factual framework for each analysis is developed as thoroughly as possible on the basis of information available from both local and national sources. Unless specifically identified by source reference, all estimates and judgments in the analysis are those of the authoring analyst.

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ANALYSIS OF THE
MONTEREY COUNTY, CALIFORNIA, HOUSING MARKET
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Summary and Conclusions

1. The Monterey County area derives its basic economic support from the presence of military installations and tourism in the Monterey Peninsula area and from agriculture, both directly and in food processing activities, in the Salinas Valley area. Nonfarm civilian employment has increased by an average of 1,900 jobs a year since 1959 to a current total of 57,300. Over the next two years, it is expected that civilian employment will continue to increase by about 1,900 new jobs a year. Military strength (including civilian personnel) accounts for nearly 40 percent of the combined civilian and military employment; the strength of these installations has increased by only about five percent since 1959.
2. Current median after-tax income for all families is about \$6,900. They are highest (\$7,200) in the urbanized areas of the Salinas Valley, and lowest (\$6,700) in the urbanized areas of the Monterey Peninsula (excluding Fort Ord). Renter family median income is about \$5,750 on the peninsula and \$6,375 in the valley. Since 1959, median family incomes are estimated to have risen 4 to 4½ percent per year.
3. The population of the HMA increased by 7,100 a year since 1960 to a current total of 237,500, including 129,800 on the Monterey Peninsula and 107,700 in the Salinas Valley. Over the next two years the population is expected to increase by 8,400 persons a year, including military personnel.
4. The number of households in the area has increased by 25 percent since April 1960, or an average of 2,325 households a year. Of the present total of 65,000 households, over 35,300 are in the Monterey Peninsula area and 29,700 in the Salinas Valley. Military families comprise 12 percent of the total number of households (3,600 on base, 4,200 off base). Over the next two years, the number of households is expected to increase by 2,400 a year, including 1,300 on the peninsula and 1,100 in the valley.
5. The current housing inventory of the HMA is estimated to total 70,800 units compared with 57,500 in 1960. There are currently 2,700 units vacant and available for rent or sale, equal to 4.0 percent of the available housing inventory. The homeowner vacancy rate is estimated at 1.5 percent, compared with 1.8 percent in 1960; the rental vacancy rate has increased from 6.5 percent to 6.9 percent. Vacancies are reported to have increased on the peninsula and to have decreased in the valley. There are reported to be 1,150 units under construction at the present time.

6. The current market for sales housing is reported to be generally strong throughout the area, with a limited amount of speculative building. While the market for existing rental units at moderate rents is reasonably firm, the market for new apartments is soft at all size and rent levels, particularly in the Monterey Peninsula area.
7. A market for additional housing in the area is forecast at an average annual rate of 2,150 units a year over the next two years, including 1,350 sales-type units and 800 rental units. The use of below-market-interest-rate financing or other assistance in land acquisition and cost would make possible the marketing of an additional 200 units of middle-income housing, not including public low-rent housing or rent-supplement accommodations. New sales housing will be best absorbed if marketed at the sales price levels indicated on page 29. The demand for additional rental housing is expected to approximate the rent and unit-size distributions shown on page 31.

ANALYSIS OF THE
MONTEREY COUNTY, CALIFORNIA, HOUSING MARKET
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Housing Market Area

The Housing Market Area (HMA) is defined, for purposes of this report, as all of Monterey County, California (see map). Within the HMA are two primary sub-market areas, each of which is supported by its own economic base:

(1) The Monterey Peninsula Area, which is comprised of the Carmel Valley, the Pacific Coastal Area, the 30,000-acre Fort Ord Military Reservation, and the cities and adjacent unincorporated parts of Monterey, Pacific Grove, Carmel-by-the-Sea, Del Ray Oaks, Sand City, Seaside, and Marina; and

(2) The Salinas Valley Area, which is comprised of the cities and adjacent unincorporated parts of Salinas, Alisal (annexed to Salinas in 1963), Castroville, Moss Landing, Pajaro (part), Gonzales, Soledad, Greenfield, King City, the 150,000-acre Hunter-Liggett Military Reservation (currently in caretaker status) and a portion (17,500 acres) of Camp Roberts centered in northern San Luis Obispo County.

Monterey County ranks 16th in size among California counties, and has a land area of more than 3,300 square miles. The 1960 population was 198,350 and rural farm population was less than five percent of the total. The county is bounded by the Gabilan and Diablo Mountain Ranges on the east (which separate the area from the warmer climate of California's interior), by Santa Cruz County on the north, by the Pacific Ocean on the west (which contributes to the area's year-round temperate climate), and by San Luis Obispo County on the south.

Sharply dividing the county into two distinct geographic parts, and separating the Salinas Valley Area on the east from the Monterey Peninsula Area on the west, are the rugged Santa Lucia Mountains. On Santa Lucia's western slopes and ridges, and forming a steep barrier to the Carmel Valley, is the 325,000-acre Los Padres National Forest. At the northernmost end of the Salinas Valley Area are East Monterey Bay, including Moss Landing which provides Salinas with a deep channel outlet to the sea, and the Pajaro Valley, a portion of which is in southern Santa Cruz County.

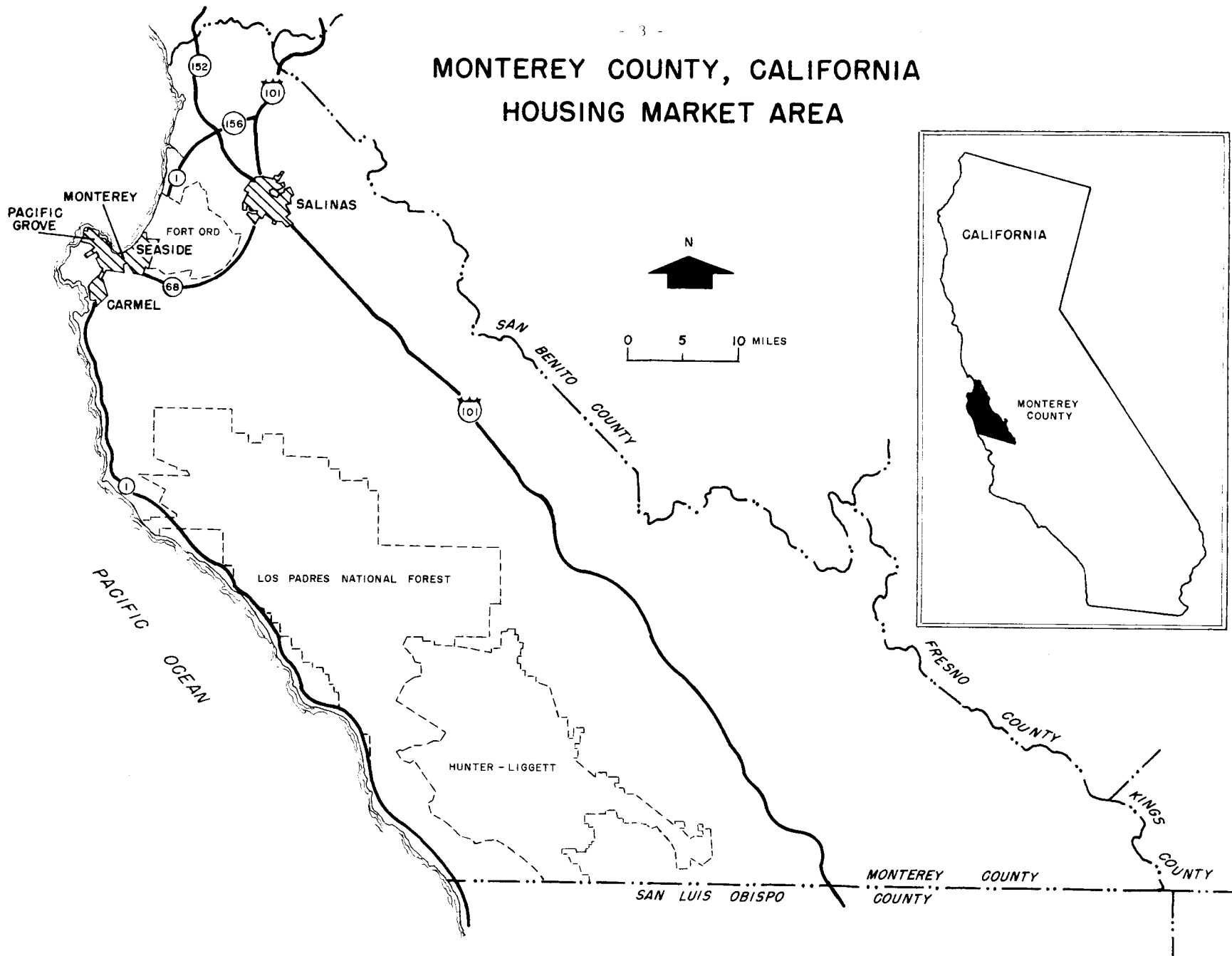
The Salinas Valley is one of the most intensively cultivated and richest agricultural areas in the Nation. The Nacimiento Dam and Reservoir and the San Antonio Dam and Reservoir which, together, provide 700,000-acre feet of water, are supplemental sources of water for the irrigation of crops in the southern and central valley areas. Running in an almost

straight center line from south to north through the 130-mile long valley are the Salinas River, the mainline of the Southern Pacific Railroad, and U. S. Highway 101. Salinas City, the county seat of government and the largest city in Monterey County, is situated in the northern end of the Salinas Valley Area.

Located some 20 miles southwest of Salinas on the shores of Monterey Bay and the Pacific Ocean is the Monterey Peninsula Area. The Peninsula is 80 miles by air and 120 miles by highway south of San Francisco, and 250 miles by air and 340 miles by highway north of Los Angeles. Monterey, oldest and second largest city in the county, is located directly on the bay. The city is the terminal point for the Southern Pacific Railroad and is served by two principal airlines.

A pine-studded ridge south of Monterey City isolates the city from the Del Monte Forest, the Carmel Valley, and Carmel-by-the-Sea. To the northeast is Pacific Grove, Asilomar, and the "17-mile Drive". The Monterey Peninsula's principal direction of urban growth and development is currently to the east where it joins Seaside, an important bedroom area of Fort Ord. Immediately east of the Fort Ord Military Reservation is Marina, also a military bedroom area, and the newest community to be developed on Monterey Bay. The Monterey Peninsula's greatest natural resource is reflected in its pine-forested hills overlooking the sea, its sandy beaches, and rocky headlands, the combination of which provides scenic beauty and recreation use.

MONTEREY COUNTY, CALIFORNIA HOUSING MARKET AREA



Economy of the Area

Character and History

Monterey County takes its name from Monterey Bay which was discovered by Juan Cabrillo in 1542, claimed by Spain in 1602, taken over by Mexico in 1770, and occupied by the United States in 1846. From 1775, when it became the first capital of California under Mexican rule, and until the Gold Rush of 1849, Monterey remained as the most important city in California. Salinas was incorporated as a city in 1874 and quickly established itself as the principal urban center for the development, processing, warehousing, and transportation of agricultural products grown in the rich and fertile Salinas Valley.

During most of this century, and as recently as 1940-41, fishing was the leading industry and largest single source of employment on the Monterey Peninsula. With the virtual disappearance of the sardines which once accounted for half the State's total catch of fish, the Monterey Peninsula's industrial support experienced a radical shift. Today, the Monterey County housing market area derives its principal income and economic support from five basic sources: agriculture, petroleum, manufacturing, tourism, and the military.

Since the establishment, during World War II, of the U.S. Army Infantry Training Center at Fort Ord, the Defense Language Institute at the Presidio of Monterey, and the founding in 1951 of the Navy Postgraduate School, military spending and payrolls have overshadowed all other sources of income on the Monterey Peninsula. In fiscal 1965, military and civilian payrolls and expenditures in support of local procurement and defense-impacted schools totaled over \$130 million.

However, the resource with the greatest potential for economic development is tourism. Currently, the tourist industry (including conventions and convention delegates) is estimated to contribute \$40 million annually to the economy of the Monterey Peninsula, representing an estimated 3½ million visitors per year.

Unlike the Monterey Peninsula Area, which derives its principal income from military activities and tourism, the Salinas Valley Area is supported largely by agriculture, food processing and related industries and, to a lesser degree, by mineral production. The year-round shipment of vegetables and dairy products are on such a scale that the valley has been termed "the Salad Bowl of the Nation." In 1965, the income from the sale of crops, livestock and dairy products is expected to equal last year's all-time high of \$153 million.

Income from mineral production in Monterey County, largely petroleum, limestone, magnesium compounds, and sand and gravel, totaled in excess of \$26 million in 1963 (latest data available). The value of mineral production, despite rising prices, reflects a gradually diminishing return from this source of income, due principally to declines in oil production in the southern end of the Salinas Valley.

As a basic source of employment and income, manufacturing in Monterey County continues to remain in a minor role, although gradually expanding. The growth of manufacturing is confined largely to the Salinas Valley where most of it is directly or indirectly related to the processing and packing of agricultural products.

Employment

Current Estimate. Based on data for the first ten months of the year, average annual nonagricultural employment in Monterey County in 1965 is estimated at 57,300, including 26,400 employed in the Monterey Peninsula area (46 percent) and 30,900 (54 percent) employed in the Salinas Valley area. In October, an additional 13,700 persons were employed in agriculture. In a normal year, agricultural employment is at a seasonal peak in September and October.

Employment Trends. Civilian employment in nonagricultural establishments in Monterey County has increased by 11,400, or 1,900 jobs a year in the last six years, a rise in employment of nearly 25 percent.

Average Annual Employment in Nonfarm Establishments Monterey County, 1959-1965

<u>Average year</u>	<u>Total employed</u>	<u>Average annual increase</u>	
		<u>Number</u>	<u>Percent</u>
1959	45,900	-	-
1960	47,500	1,600	3.5
1961	49,800	2,300	4.8
1962	51,500	1,700	3.4
1963	53,200	1,700	3.3
1964	55,800	2,600	4.9
1965 <u>a/</u>	57,300	1,500	2.7

a/ Projected from October 15 to year-end.

Source: California State Department of Employment.

The average annual rise in nonfarm employment over the last six years has been uneven, but without interruption. A projection of employment opportunities for the full 12-month period of 1965 indicates a net increase of only 1,500 jobs above the average level of employment one year ago, in contrast to an average gain of 2,600 jobs in 1964. The drop in the rate of growth is attributable to (1) the deceleration and deployment of civilian and military strength at Ford Ord (due to the meningitis epidemic which broke out in 1964 and its adverse impact on the Monterey Peninsula economy in 1965); (2) the slowing down of industrial plant expansion; and (3) the end of the Bracero Program in 1965 under Public Law 78. Table I shows the trend in average annual employment, 1959-1965, in each of the two major sub-market areas of the county.

Employment by Industry. The most recent data available on nonagricultural employment by industry for the HMA as a whole, and for each of the sub-market areas, are for the month of July 1965. Data for 1965, and comparisons with 1959, are presented in table II. The most important source of job opportunities in the Monterey Peninsula Area, and currently accounting for 28 percent of the area's total employment, is government, closely followed by services (24 percent), and trade (23 percent). Less than five percent of the peninsula's employment is supported by manufacturing. In the Salinas Valley Area, retail and wholesale trade account for nearly one-third the area's total employment outside agriculture, followed by services (18 percent), government (17 percent), and manufacturing (15 percent).

The biggest shifts in job opportunities on the peninsula since 1959 have been in services (up 31 percent), trade (up 29 percent), and government (up 25 percent). In the Salinas Valley, the biggest gains in employment over the last six years have been in manufacturing (up 38 percent), government (up 33 percent), services (up 22 percent), and trade (up 21 percent).

Military-Based Employment. Consolidated military and civilian strength assigned to all military installations in Monterey County on October 1, 1965 totaled approximately 31,800 personnel, equivalent to 37½ percent of the combined nonfarm military and civilian labor force in the county, a net gain of only 1,600, or about 5½ percent, in a period of nearly six years since 1959.

The trend in consolidated military-based strength and total nonfarm military and civilian employment in the HMA, 1959 to 1965, is shown in the following table.

Trend in Ratio of Military-Based to Total Employment
Monterey County, 1959-1965
(in thousands)

Year as of Dec. 31 a/	Consolidated military-based employment			Nonmil. nonfarm civilians employed	Total mil. & civilians employed	Percent mil.- based of total employed
	<u>Military</u>	<u>Civilian</u>	<u>Total</u>			
1959	26.7	3.5	30.2	42.4	72.6	41.6
1960	26.3	3.6	29.9	43.9	73.8	40.5
1961	29.3	3.9	33.2	45.9	79.1	42.0
1962	23.5	4.2	27.7	47.3	75.0	36.9
1963	24.9	4.1	29.0	49.1	78.1	37.1
1964	18.0	4.1	22.1	51.7	73.8	29.9
1965(Oct.)	27.6	4.2	31.8	53.1	84.9	37.5

a/ For lack of year-end figures, civilian employment is based on average annual data.

Sources: U.S. Department of Defense, local military installations, and California State Department of Employment.

As shown above, nearly two out of five of the total military and civilian nonfarm jobs in Monterey County over the last six years have been at military installations. In the Monterey Peninsula Area alone, where virtually all the military installations are located, the job ratio of military to total employment is nearly 60 percent.

Tables III and IV illustrate the long-term trend in military and civilian strength, respectively, since 1951. The highest level of military strength (30,850) was recorded in 1954. The 1964 low (18,050) reflects the deployment of non-operational personnel to other bases during the meningitis epidemic. In the years between, military strength has fluctuated within a narrower range.

Principal Employers

Fort Ord Army Training Center. The Army Training Center at Fort Ord, the primary mission of which is basic infantry and experimental combat training, is the largest single employer on the Monterey Peninsula. In fiscal 1965, authorized expenditures at Fort Ord and the Presidio of Monterey (under Fort Ord Command) totaled in excess of \$111 million (exclusive of contracts for military housing).

In the two-year forecast period, a combined strength level of 30,000 (some 27,500 military, 2,500 civilians) is projected. This is about 4,600 above current levels of manpower, with virtually the entire anticipated rise attributable to non-operational personnel, who have the least impact on the urban housing market.^{1/}

Defense Language Institute. The Defense Language Institute (West), one of two in the Nation, is operated by the Department of Defense at the Presidio of Monterey. The Institute had its inception in World War II, but has had its greatest expansion since the start of the Korean War in 1950. It teaches some 22 foreign languages to military and civilian personnel. Currently, there is an enrollment of approximately 2,100 students and a faculty and operational staff of 800 personnel (200 military, 600 civilian). The Department of Defense projects a further expansion of the school's facilities to accommodate a student enrollment, faculty, and administrative staff of approximately 3,700 (some 3,050 military, 650 civilians), or about 800 above current levels of military and civilian strength.

Naval Postgraduate School. The Naval Postgraduate School at Monterey, an accredited college, had its inception in 1951 and its first student enrollment a year later. The school's primary mission is to advance the educational level of commissioned officers in order to broaden their professional, scientific, and managerial knowledge and skills. Currently, there is an enrollment in excess of 1,400 student officers, and a faculty and operational staff of approximately 1,000 personnel (400 military, 600 civilian). Projections by the Department of Navy indicate a planned capacity for approximately 2,400 students and a faculty and operational staff of 1,150 personnel (400 military, 750 civilian).

Other Military Activities. The Naval Auxiliary Landing Field, a support facility for the Postgraduate School (445 military, 17 civilians); the Naval Weather Facility (51 military, 42 civilians); the Naval Oceanographic Research Facility at Point Sur (102 military, 2 civilians); the Naval Reserve Training Center (12 military); and the U.S. Coast Guard also contribute to the economic base of the Monterey Peninsula. In addition, there are an estimated 200 military personnel stationed at Hunter-Liggett Military Reservation and Camp Roberts at the extreme south end of the Salinas Valley.

Support from Local Colleges. The Monterey Peninsula (Junior) College and Hartnell (Junior) College and Vocational School at Salinas are another source of economic support to the HMA. The two colleges, together, have

^{1/} This projection is hypothesized on a complete recovery from the adverse impact of last year's meningitis epidemic and operations at or near capacity levels for the duration of the Vietnamese War. Escalation of America's participation in the Vietnamese War could, however, increase the level of trainees in combat training.

a total enrollment of approximately 7,000 students and 350 faculty and administrative personnel. A further growth of school population to 8,600 and an operational staff of 400 is projected for the next two-year period.

California Correctional Facility. This modern prison at Soledad, which was established in 1947, currently has an average daily population of approximately 3,500 inmates and provides a \$4-3/4 million annual payroll for 661 State Civil Service employees. Soledad's prison population has remained relatively stable, and employment at the prison has risen only eight percent, over the last six years.

Other Principal Employers. Except for National Automotive Fabrics, Inc., at Pacific Grove, all remaining large sources of nonagricultural employment (based on 100 or more employees) are located in the Salinas Valley Area, e.g., Firestone Tire & Rubber Co., Kaiser Aluminum & Chemical, Peter Paul's Chocolate, Nestle's Chocolate, Spreckle's Sugar, St. Regis Paper, Spigel Farms, Cochran Equipment Co., and P. G. & E.'s Steam Generating Plant at Moss Landing. The Salinas Valley has many factors favorable to the further development of heavy industry. However, since agriculture is the backbone of the Salinas economy, food processing is likely to remain attractive to small research and other types of light industrial plants as exemplified by the Monterey Research Laboratory, Data Dynamics, Inc., and the California Test Bureau.

Unemployment

Unemployment in Monterey County, as of October 15, 1965, is estimated by the California State Department of Employment at a seasonally low level of 2,900, equivalent to 3.8 percent of the total civilian labor force. The most important single force affecting the rise and fall of unemployment is the seasonal harvesting and processing of crops in the Salinas Valley. The average annual trend of unemployment and the amplitude of fluctuations of the "unemployment rate" within each year since 1959 are illustrated in the following table.

Unemployment and Seasonal Fluctuations of Unemployment Rate
Monterey County, 1959-1965

<u>Calendar year</u>	<u>As of October 15</u>		<u>Average annual rate</u>	<u>Annual rate range</u>
	<u>Total unemployed</u>	<u>Percent unemployed</u>		
1959	2,300	3.7	7.0	3.7-13.9
1960	2,600	4.0	7.3	3.9-12.1
1961	2,900	4.1	7.5	4.1-11.8
1962	2,800	3.7	7.4	3.7-11.9
1963	3,100	4.0	6.8	3.8-11.2
1964	2,800	3.5	6.8	3.5-12.2
1965	2,900	3.8	NA	3.8-11.4

Source: California State Department of Employment.

It would appear evident that year in and year out Monterey County has more people seeking work than there are available jobs. Agricultural production, food processing, and warehousing do not provide year-round sources of employment in the Salinas Valley. Hence, the valley has a hard core of year-round unemployment, and a high seasonal demand for workers. Until the end of the Bracero Program in 1965, this demand was satisfied largely by the importation of Mexican nationals, and, additionally, by the voluntary in-migration of workers from within and outside the State.

Future Employment Prospects

The employment outlook in Monterey County for 1966 and 1967 is for an average annual three percent rise in nonfarm civilian employment, equivalent to an average annual growth rate of 1,900 new jobs per year: 1,000 in the Salinas Valley Area, and 900 in the Monterey Peninsula Area.

A three percent average annual rise in employment opportunities is hypothesized principally on the following developments and prospects for growth in the HMA over the next two years: (1) a complete recovery of operational strength and further gains in trainees at Fort Ord; (2) a further expansion of student enrollment and operational personnel at the Defense Language Institute and Naval Postgraduate School; (3) additional new industrial plants and expansion of existing manufacturing facilities in the Salinas Valley and at Moss Landing; (4) a sustained high level of farm income in the valley; and (5) a continuing high rate of growth and sustained high levels of business confidence and prosperity in Northern California which will benefit tourism and stimulate retail sales and service activities on the peninsula.

Specific major plans and developments in the urban economy which are expected to strengthen the economic base of the HMA and create additional opportunities for employment in the next two years are: (1) Humble Oil's decision to build, at a cost of \$70 million, a 50,000-barrel per day automated refinery at Moss Landing; (2) Pacific Gas and Electric Company's decision to build in 1966-1967, at a cost of \$132 million, two generating plants at Moss Landing; (3) commitments to purchase sites and build new plants in the Salinas Valley and Moss Landing by Fusion Rubbermaid Corp., Green Giant, Kaiser Aluminum & Chemical Division, Frozen Foods, and McCormick & Co. (Schilling Division) which, together, will produce jobs for upwards of 500 additional manufacturing workers in 1966-1967; and (4) Macy Department Store's decision to lease 158,000 square feet on a new 47-acre, multi-million dollar regional shopping center on Carmel Hill (Monterey).

Income

Family incomes for Monterey County remain below the California state-wide average. Following is the unadjusted median annual income of all families (before Federal income tax deductions) in 1959 for urban areas of the State, the HMA, and for principal urban centers in the HMA as reported by the 1960 Census:

<u>Area</u>	<u>Median family income-1959 a/</u>	<u>Area</u>	<u>Median family income-1959 a/</u>
California (urban)	\$6,880	Carmel-by-the-Sea	\$6,664
Monterey County (HMA)	5,770	Monterey City	5,884
Rural-Farm	5,177	Pacific Grove	5,848
Nonwhite	3,968	Seaside	4,572
Salinas City	7,035	Marina	4,352

a/ Before adjustment for Federal tax and under-reporting.

Family incomes in the HMA are highest in Salinas City and in Carmel-by-the-Sea, and lowest in Seaside and Marina. The annual median income of nonwhite families is 31 percent below the county-wide average.

The average annual income of persons living outside families, i.e., unrelated individuals, was only \$1,800 per year in 1959, reflecting both the low pay scale of unmarried enlisted military personnel, and the low annual incomes of seasonal workers employed in activities related to agriculture.

In the six-year period since 1959, the median family income is estimated to have risen nearly 27 percent in the urbanized areas of the HMA, equivalent to an average annual rate of $4\frac{1}{2}$ percent per year. Contributing to rising levels of income is a sustained year-to-year rise in average weekly earnings of manufacturing and nonmanufacturing workers, and substantial rises in military, Federal, and State civil service payrolls since 1960.

The median current annual income for all families^{1/} (after deduction of Federal income taxes) is estimated at \$6,900 in all urbanized areas of the HMA, \$6,700 in the urbanized areas of the Monterey Peninsula (excluding Fort Ord), and \$7,200 in the urbanized areas of the Salinas Valley (see table V).

The median current annual income for renter families only is estimated at \$5,750 in the urbanized areas of the Monterey Peninsula, and \$6,375 in the urbanized areas of the Salinas Valley (see table VI).

It is anticipated that family incomes of both tenants and owners in the HMA will continue to increase at an average annual rate of 4 to $4\frac{1}{2}$ percent in each of the next two years ending October 1, 1967.

A significant impact on the urban housing market is the yearly income of some 7,800 military families who currently occupy housing in the HMA (3,600 on base, 4,200 off base), and whose base pay was increased as of September 1, 1965.

^{1/} Including adjustments for under-reporting of incomes in census enumerations and for increases in incomes since 1960.

Demographic Factors

Population Growth

Past Trend. From 1850 to 1920 the population growth rate of Monterey County was much slower than that for the State of California as a whole. Since 1920, however, and particularly since the development of Fort Ord in 1940, growth of population in the HMA has been at a somewhat faster rate than that of the State. Following is the historical trend of population and the decennial rate of growth of Monterey County since 1920.

Population Trend in Monterey County, 1920-1960

<u>April 1</u> <u>Census</u>	<u>Total</u> <u>population</u>	<u>Decennial change</u>	
		<u>Number</u>	<u>Percent</u>
1920	27,980	-	-
1930	53,705	25,725	91.9
1940	73,032	19,327	36.0
1950	130,498	57,466	78.7
1960	198,351	67,853	52.0

Source: U.S. Census of Population.

Current Estimate. The current population of Monterey County is estimated at 237,500, or approximately 39,150 (about 20 percent) above the April 1, 1960, level. Population growth in the last 5½ years has averaged approximately 7,100 persons, or 3.3 percent a year,^{1/} a decline from the 4.2 percent rate of growth in the 1950-1960 decade.

An estimated 54 percent of Monterey County's net growth of population since 1960 is attributable to the Monterey Peninsula and 46 percent to the Salinas Valley Area, equivalent to average annual growth rates of 3.2 percent and 3.3 percent, respectively.

^{1/} All average annual rates of increase in this section have been derived through use of a formula designed to calculate the rate of change on a compound basis.

Trend and Projection of Population Growth
Monterey County, 1960-1967

Sub-market area	Total population			Average annual increase	
	April 1960	October 1965	October 1967	1960- 1965	1965- 1967
Monterey Peninsula	108,663	129,800	140,100	3,845	5,150
Salinas Valley	<u>89,688</u>	<u>107,700</u>	<u>114,200</u>	<u>3,275</u>	<u>3,250</u>
Total county	198,351	237,500	254,300	7,120	8,400

Sources: 1960 U.S. Census of Population. 1965 and 1967 estimates by
FHA Market Analyst.

Future Population Growth. An assessment of the strength and outlook of the economic forces which support the growth of population in the HMA provides a basis of support for a population of 254,300 by October 1, 1967, equivalent to an average annual growth rate of 8,400 persons in each of the next two years. It should be noted, however, that a substantial portion of the projected growth (1,500 a year) is of non-household population and that population in households is expected to increase by 6,900 a year, compared with an average of 7,500 a year over the past 5½ years.

Population in Group Quarters. Population in group quarters, i.e., individuals living outside households, is currently estimated at approximately 27,000 and accounts for 11 percent of the total population of Monterey County. As of October 1, 1965, individuals living in group quarters were 2,700 below the non-household population level at the time of the 1960 Census. Currently, 15 percent of the total population in the Monterey Peninsula and seven percent in the Salinas Valley Area live in group quarters. Of the total non-household population on the Peninsula, 96 percent is accounted for by military personnel occupying barracks. Of the total non-household population in the Salinas Valley, 47 percent is accounted for by inmates of the California Correctional and Training Facility at Soledad, the population of which has remained virtually unchanged since the 1960 Census. The population in group quarters is expected to increase to 30,000 in the next two years.

Net Migration. Net in-migration, i.e., the growth of population in excess of that accounted for by natural increase (net births over deaths), was equal to 36 percent of the total net population change in the 1950-1960 decade. This is substantially below the 63 percent net rate of migration for California as a whole, and reflects Monterey County's limited growth in opportunities for new year-round jobs. Analysis of the components of population change since 1960 reveals a rise in Monterey County's net migration rate to 49 percent, as compared with a rate of 62 percent for the State of California.^{1/}

^{1/} Provisional estimates derived from information supplied by the Population Research Section of the California State Department of Finance.

Military-Connected Population. Military personnel and civilians (including dependents) employed at military establishments on the Monterey Peninsula account for a population of 61,200 (on base 35,300, off base 25,900), or 26 percent of the total current population of the HMA. Contractor personnel are not included in the military-connected population.

Of the total military-connected population residing off base, approximately 86 percent occupy housing in the Monterey Peninsula Area and 14 percent reside in the Salinas Valley Area. The location by Public School District of all students whose parents (military and civilian) are employed by military establishments on the Monterey Peninsula is shown in table VII. Of approximately 12,700 military-connected students in the public schools of Monterey County, 60 percent reside in off-base housing. Of the total military-connected students living off base, in the HMA, 30 percent reside in Seaside, 23 percent in Monterey, 14 percent in Marina, 10 percent in Pacific Grove; five percent in Carmel, two percent in the Carmel Valley and Coastal Area, and the balance (16 percent) in the Salinas Valley Area.

Household Growth

Current Estimate and Past Trend. There are currently 65,000 households in Monterey County, an increase of nearly 25 percent over the total of 52,200 at the time of the 1960 Census. This is equal to an average annual increase of 2,325 households (4.0 percent) a year. By comparison, the average annual household growth rate in the 1950-1960 decade was 1,535 households (3.5 percent) a year. In the 5½-year period since the 1960 Census, the average annual growth rate was 4.3 percent in the Monterey Peninsula Area and 3.6 percent in the Salinas Valley Area.

Trend and Projection of Household Growth Monterey County, 1960-1967

Sub-market area	Total households			Average annual increase	
	April 1960	October 1965	October 1967	1960- 1965	1965- 1967
Monterey Peninsula	27,855	35,325	37,925	1,360	1,300
Salinas Valley	24,360	29,675	31,875	965	1,100
Total County	52,215	65,000	69,800	2,325	2,400

Sources: 1960 U.S. Census of Housing; 1965 and 1967 estimates by FHA Market Analyst.

Military households currently number approximately 7,800 (3,600 on base and 4,200 off base), equivalent to 12 percent of the total households in the HMA.

Household Size. Average household size, i.e., the average number of persons per occupied unit, has moved up from 3.17 in 1950 to 3.24 in 1960 where it is assumed to remain today. The average size of military households in the HMA is currently reported to be 4.58 persons for families living on base and 3.38 persons for families living off base. The following summary illustrates the sharp variations in average size households among principal communities within the housing market area at the time of the 1960 Census:

<u>Area</u>	<u>Average size household-1960</u>	<u>Area</u>	<u>Average size household-1960</u>
Monterey County (HMA)	3.24	Monterey City	3.03
Marina	3.64	Pacific Grove	2.76
Seaside	3.51	Carmel-by-the-Sea	2.04
Salinas City	3.20		

The average household size at the time of the 1960 Census, and today, is estimated at 3.12 for the Monterey Peninsula Area, and 3.38 for the Salinas Valley Area. Military families sharply influence the above-average household size in the Marina and Seaside areas. The principal factor accounting for the below-average household size in the Monterey, Pacific Grove, and Carmel areas is the relatively large number of one- and two-person families in retirement.

Future Household Growth. Based on the projected population growth, a net addition of 4,800 households is forecast over the next two years, or 2,400 a year: 1,300 in the Monterey Peninsula Area and 1,100 in the Salinas Valley Area.

Housing Market Factors

Housing Supply

Current Estimate. The current inventory of all types of housing units (private, military, public, and house trailers) in the HMA is approximately 70,800 units: 38,975 in the Monterey Peninsula Area and 31,825 in the Salinas Valley Area. Military housing accounts for 10 percent of the inventory in the Monterey Peninsula.

Past Trend. Net additions to the supply, i.e., net completions over demolitions and losses by conversion, plus house trailers, have been at an average annual rate of 2,425 housing units a year since the April 1960 Census: 1,475 units a year in the Monterey Peninsula Area, and 950 units a year in the Salinas Valley Area. In the 1950-1960 decade, net additions to the supply of housing in Monterey County were at an average annual rate of 1,650 units a year.

Structural Changes in the Housing Inventory
Monterey County HMA, 1960-1965

Type of structure	April 1, 1960		October 1, 1965		Net increase
	Number	Percent	Number	Percent	
Single-family	49,512	86.1	56,100	79.2	6,588
Multifamily a/	6,766	11.8	13,300	18.8	6,534
House trailers	1,200	2.1	1,400	2.0	200
Total	57,478	100.0%	70,800	100.0%	13,322

a/ Including military family housing and public housing.

Sources: 1960 U.S. Census of Housing; 1965 estimated by FHA Market Analyst.

Single-family Structures. The total current standing stock of single-family houses is approximately 56,100 units, equivalent to nearly four-fifths of all types of housing in the HMA, and 13 percent above the inventory level of single-family houses in April 1960.

Of the total stock of single-family houses, one-half or 27,900 units are located in the Monterey Peninsula Area and 28,150 units are in the Salinas Valley Area. Net additions to the supply of single-family houses in the last 5½ years have been at an average annual rate of 1,200 units a year in the HMA: 550 in the Monterey Peninsula Area, and 650 in the Salinas Valley Area.

Multifamily Structures. The multifamily housing inventory is approximately 13,300 units currently, about 19 percent of the total, and nearly double the April 1960 total. Military family housing on base accounts for 3,854 units or 29 percent of the total current supply of multifamily housing in the HMA (37 percent of the Monterey Peninsula multifamily supply). Of the total current stock of multifamily housing, 10,375 units (78 percent) are located in the Monterey Peninsula Area, and 2,925 units (22 percent) in the Salinas Valley Area. Net additions to the supply of multifamily housing in the last 5½ years have been at an average annual rate of 1,200 units a year: 925 units in the Monterey Peninsula Area, and 275 units in the Salinas Valley Area.

House Trailers. The supply of house trailers in the HMA remains small and has changed little since the 1960 Census. Currently, the number of trailers stands at approximately 1,400, of which 650 (46 percent) are located in the Monterey Peninsula Area, and 750 (54 percent) are in the Salinas Valley Area.

Age of Structures. Based on the gross number of new housing units added to the supply since the April 1960 Census, it is estimated that 21 percent of the current housing inventory is less than 5½ years old. On the assumption that most, if not all, units removed from the supply by demolition since 1960 were built prior to 1930, it is estimated that more than half (53 percent) of the total housing inventory is under 15½ years old. Only one-fourth (28 percent) of all units were built prior to 1940. Principal urban areas with the highest ratios of obsolete housing based on age are Monterey City, Pacific Grove, and Salinas. Youngest areas, hence with the lowest amount of over-age housing, are Seaside and Marina.

Age Distribution of the Housing Inventory
Monterey County HMA, October 1, 1965

<u>Period built</u>	<u>Total housing inventory-units</u>	
	<u>Number</u>	<u>Percent</u>
1960 (April)-1965 (Oct.)	14,785	20.9
1955 -1960 (March)	11,725	16.6
1950 -1954	11,122	15.7
1940 -1949	13,590	19.2
1930 -1939	9,045	12.8
1929 or before	<u>10,533</u>	<u>14.8</u>
Total	70,800	100.0

Source: Estimated by FHA Market Analyst.

Condition. The supply of urban housing in the HMA is in moderately good physical condition. The 1960 Census reported less than seven percent of the entire housing inventory of Monterey County as lacking some or all plumbing facilities, or dilapidated. Of the total housing reported to be in substandard condition at that time, only about one-third was located in the principal urban areas of the county, the remaining two-thirds in rural farm areas and small trade centers of the Salinas Valley. Of the total substandard housing in the principal urban areas of the HMA, 39 percent was located in Monterey City, 33 percent in Salinas City, and 16 percent in Seaside. Since 1960, all three cities have initiated urban renewal actions and have stepped-up enforcement of their housing codes, with the result that there has been a continuing improvement in the quality of the area's supply of urban housing.

Residential Building Activity

New private residential construction, as measured by units authorized by building permits, has averaged about 2,250 a year over the 1959-1965 period in the HMA, including about 1,250 units a year in the Monterey Peninsula Area and 1,000 units a year in the Salinas Valley Area. As shown in table VIII, total authorizations increased quite steadily, except for a minor dip in 1963, to a peak of over 2,900 in 1964. On the basis of data for the first nine months of 1965, it appears that the total for the current year will be significantly lower, however, about 2,225 units.

Single-family construction reached a peak of nearly 1,650 units authorized in 1961 and has exhibited a declining trend since. The decline has been most marked in the Monterey Peninsula Area; while still below the 1962 level, single-family permit volume in the Salinas Valley Area has shown an upward trend since 1963.

Multifamily construction volume climbed sharply in the 1959-1964 period, from about 225 units a year to nearly 1,500 a year. Multifamily construction volume has been about 50 percent higher in the Monterey area than in the Salinas area, but the trend has been similar in each. In both areas, there has been a sharp reduction in the number of multifamily units authorized in 1965. The 1965 total will probably not exceed 800 units.

New family housing built at military installations in the HMA is not included in the new construction totals discussed above. Since 1960, a total of 1,145 units have been added to the supply of military housing, 995 at Fort Ord and 150 at the Navy Postgraduate School.

Units Under Construction. Based on a current postal vacancy survey, field observations, and interviews, it is estimated that there are approximately 1,150 units of all types of housing under construction in the HMA at this time: 675 units in the Monterey Peninsula Area and 475 units in the Salinas Valley Area. Of the total units under construction, 450 are single-family houses (175 on the peninsula, 275 in the valley) and 700 are apartments (500 on the peninsula, 200 in the valley). Of the total apartments under construction on the Monterey Peninsula, 390 are financed by appropriated funds for military families (200 at the Navy Postgraduate School, and 190 at Fort Ord).

Demolitions. In the last seven years since 1959, an estimated 1,550 units of all types of housing have been removed from the housing supply of the HMA: 950 in the Monterey Peninsula Area and 600 in the Salinas Valley Area. In 1965, the average annual demolition rate is 350 units per year (175 on the peninsula, 175 in the valley). Urban renewal actions in Salinas and Seaside, and the need for replacement housing in built-up areas of Monterey City, have accelerated demolition rates in recent years and, no doubt, will continue to do so in the future. With the end of the Bracero Program, substandard migratory farm housing in the Salinas Valley also may be expected to contribute to an increase in future demolition rates. Table IX provides a detailed listing of demolitions by year and Planning District.

Tenure of Occupancy

In the 5½-year period since the 1960 Census, homeownership in the HMA has increased 24 percent to a level of 35,500 owners; yet, the percentage of homeowners among all households declined moderately from 55.0 percent to 54.6 percent. In the same period, rental occupancy rose 26 percent to a level of 29,500 renters, equivalent to 45.4 percent of total households.

Distribution of Households by Tenure Monterey County HMA, 1960-1965 (In Thousands of Households)

<u>Tenure</u>	<u>April 1960 Census</u>			<u>October 1965 Estimate</u>		
	<u>Housing market area</u>	<u>Monterey Peninsula Area</u>	<u>Salinas Valley Area</u>	<u>Housing market area</u>	<u>Monterey Peninsula Area</u>	<u>Salinas Valley Area</u>
Owners	28.7	16.6	12.1	35.5	19.8	15.7
Percent	55.0%	59.8%	49.6%	54.6%	56.1%	53.0%
Renters	23.5	11.2	12.3	29.5	15.5	14.0
Percent	45.0%	40.2%	50.4%	45.4%	43.9%	47.0%
Total	52.2	27.8	24.4	65.0	35.3	29.7

Sources: 1960 U.S. Census of Housing; 1965 estimated by FHA Market Analyst.

As indicated in the foregoing summary, the highest percentage of homeownership (56.2 percent) is in the Monterey Peninsula Area, but the area which made the greatest gains in homeownership over the last 5½ years was the Salinas Valley Area, in which the ratio of homeowners to total households rose from 49.6 percent to 53.0 percent. Conversely, the greatest increase among renters was on the Monterey Peninsula, which has experienced the greatest rise in apartment dwellers.

Vacancy

1960 Census. The 1960 Census of Housing reported a total of 5,275 vacant housing units in Monterey County as of April 1960, including 2,150 units available for sale or rent. There were 525 units available for sale, a homeowner vacancy rate of 1.8 percent and 1,625 units available for rent, a rental vacancy rate of 6.5 percent. The over-all available vacancy rate was 4.1 percent in the Monterey Peninsula area and 3.3 percent in the Salinas Valley area.

Virtually none of the vacant units available for sale lacked plumbing facilities in 1960 but about 175 rental units (10 percent) lacked one or more plumbing facilities.

Postal Vacancy Survey. A postal vacancy survey was conducted in the Monterey HMA during the week ending October 16, 1965. The survey covered 61,550 possible deliveries, or about 90 percent of the estimated housing inventory of the area. The survey revealed an over-all vacancy rate of 4.1 percent, with a 2.6 percent vacancy rate in residences and a 9.2 percent vacancy rate in apartments. A total of about 1,050 units was reported to be under construction, but these were not included in vacancies. The results are shown separately in table X for each of the 17 post offices included in the survey.

Post offices in the Monterey Peninsula area reported higher vacancy levels than did post offices in the Salinas Valley Area. The over-all vacancy rate was 4.9 percent in the Monterey area compared with 2.4 percent in the Salinas area. For single-family houses, the comparable ratios were 3.0 percent and 2.0 percent, respectively, and for multifamily structures the comparable vacancy rates were 10.1 percent and 5.5 percent, respectively.

It is important to note that postal vacancy survey data are not entirely comparable with the data published by the Bureau of the Census because of differences in definition, area delineations, and methods of enumeration. The census reports units and vacancies by tenure, whereas the postal vacancy survey reports units and vacancies by type of structure.

The Post Office Department defines a "residence" as a unit representing one stop for one delivery of mail (one mailbox). These are principally single-family homes, but include row houses, and some duplexes and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. Although the postal vacancy survey has obvious limitations, when used in conjunction with other vacancy indicators the survey serves a valuable function in the derivation of estimates of local market conditions.

FHA Survey of Modern New Apartments. To ascertain the acceptability and rate at which modern new apartments are being absorbed by the rental market, FHA appraisers surveyed 42 selected apartment projects (1,244 units) which had been completed and placed on the market within the last two years up to mid-October 1965. The survey revealed the following average rental vacancy rate for modern new apartments in each of three major sub-market areas of the HMA.

Sub-market area	<u>Total surveyed</u>		<u>Units vacant</u>	<u>Vacancy rate</u>
	<u>Projects</u>	<u>Units</u>		
Monterey-Pacific Grove	20	740	180	24.3%
Seaside-Marina	6	160	34	21.3
Salinas	<u>16</u>	<u>344</u>	<u>35</u>	<u>10.2</u>
Total	42	1,244	249	20.0%

Absorption rates of modern new apartments in the immediate Monterey Peninsula Area are not satisfactory at this time; this is confirmed by higher-than-normal vacancy rates in the Monterey-Pacific Grove area (24.3 percent) and in the Seaside-Marina area (21.3 percent). High vacancy rates for new multifamily units are the direct result of the excess apartment building and lending which has taken place on the peninsula in 1964. Vacancy rates for modern new apartments in the Salinas Area (10.2 percent) remain moderate at this time.

Current Estimate. Notwithstanding a substantial (23 percent) rise in the supply of urban housing over the last 5½ years, the average available vacancy rate for all types of residential properties in the HMA increased only slightly to 4.0 percent, as compared with 3.7 percent at the time of the 1960 Census. It is to be observed, however, that the average available vacancy rate in the Monterey Peninsula Area moved up from 4.1 percent to 4.9 percent, and moved down in the Salinas Valley Area from 3.3 to 2.4 percent. Current available vacancy involves about 2,700 housing units available for sale or rent in Monterey County: 1,925 on the peninsula, 775 in the valley.

The current average homeowner vacancy rate in the HMA (based on 35,550 owner-occupied units and 530 single-family units vacant "for sale only") is estimated at 1.5 percent, down moderately from the 1.8 percent **average** reported at the time of the 1960 Census. The average rental vacancy rate in the HMA (based on 29,450 renter-occupied units and 2,170 single and multifamily units for rent) is currently estimated at 6.9 percent, up moderately from the 6.5 percent average reported 5½ years ago. The rise in the rental vacancy rate and a decline in the homeowner vacancy rate occurred in varying degree in both the Monterey Peninsula Area and the Salinas Valley Area.

Sales Market

The single-family sales market remains strong in virtually all sub-market areas currently with a well-balanced supply and demand relationship. Speculative tract construction is virtually non-existent on the Monterey Peninsula with the exception of Seaside and Marina, where it remains limited, and over-all absorption rates are generally satisfactory. The largest volume of speculative home building is in the Salinas Area where rates of absorption remain strong, except for houses priced above \$20,000. Existing houses for sale in good, well-established, neighborhoods are in short supply throughout the HMA. Foreclosure rates on single-family houses remain low for both government and conventional loans.

A weakness of the sales market in both Seaside and Marina is the relatively high degree of dependence on military home buyers. This is confirmed by a survey made September 1, 1965 which showed that 81 percent of the buyers of tract houses in the Marina Area were military-connected families. A similar survey made on the same date in the Salinas Urbanized Area revealed that only 11 percent of tract buyers were military-connected.

An important factor restricting homebuilding activity on the Monterey Peninsula, in addition to the steep hills and narrow valleys, is the high cost and relative scarcity of "buildable" land which results principally from large concentrations of land holdings in private and public ownership. Currently, large-scale development of single-family tract houses on the peninsula is possible only at Seaside and at Marina.

Continued dependence on septic tanks and lack of a modern city-wide sewage trunk line and treatment plant remain as deterrents to the residential development of the Marina Area. The future of Seaside is entirely dependent on the development of the Seaside Urban Renewal Program.

Unsold Inventory of New Tract Houses. The price structure of single-family tract houses completed in a 12-month period up to September 1, 1965 and the ratio of homes unsold to total completed at each price level are shown below for the Salinas area and the Marina area (the only two areas in which large-scale speculative tract construction is currently taking place).

Price Structure and Unsold Inventory of New Tract Houses
Monterey County HMA, September 1965

<u>Price structure</u>	<u>Single-family houses completed in past 12 months</u> <u>a/</u>	<u>Percent unsold at each price level</u> <u>b/</u>
	<u>Number</u>	<u>Percent</u>
<u>Salinas Urbanized Area</u>		
\$15,000 - \$17,499	189	47.3
17,500 - 19,999	51	12.7
20,000 - 24,999	73	18.2
25,000 - 29,999	79	19.8
30,000 and over	<u>8</u>	<u>2.0</u>
Total	400	100.0
<u>Marina Area</u>		
\$15,000 - \$17,499	46	42.6
17,500 - 19,999	59	54.6
20,000 and over	<u>3</u>	<u>2.8</u>
Total	108	100.0

a/ Excluding tracts with less than 5 units completed in the last 12 months, but including pre-sold houses in all speculative tracts covered.

b/ Excluding unsold model houses.

Source: FHA Appraisal Section, San Francisco Insuring Office.

The median price of single-family tract houses completed in the Salinas Urbanized Area in the last 12 months is \$18,050, as compared with a median sales price of \$24,100 for houses remaining unsold at the end of the period. The median price of tract houses completed in the Marina Area in this period is \$17,850, as compared with a median sales price of \$18,600 for houses remaining unsold on September 1, 1965.

While the over-all average sales-to-completion ratio is satisfactory, market performance in speculative sales tracts is clearly better in the lower price brackets (below \$17,500) where both the volume of construction and sales are strongest. Market acceptance of tract houses priced at \$20,000 and above is relatively weak in both the Marina area and the Salinas urbanized area. As a consequence of the relative scarcity and high cost of available land for residential development in areas other than Seaside and Marina on the Monterey Peninsula, the prices of new single-family houses built in Monterey, Pacific Grove, Carmel, and the Carmel Valley tend to be well above the average of other areas in the HMA.

Current Rental Market

The market for rental of existing single-family houses remains strong in both the Monterey Peninsula Area and the Salinas Valley Area. However, turnover in all types of rental units is higher on the peninsula than in the valley because of the seasonal tourist industry and the dependence of a large part of the peninsula's rental market on military support. The market for existing older-type apartments in well-established neighborhoods is firm in all sub-market areas, but the market for new high-rent apartments placed on the market in 1964 and 1965 remains soft, at this time, in the Pacific Grove-Monterey area. The market for new apartments in the Salinas area was relatively soft two years ago, but appears to be reasonably firm today. The market for apartments in the Marina-Seaside area is currently experiencing an adverse reaction to high rates of military turnover.

Median contract rent for unfurnished modern new apartments is \$125 per month in the Monterey-Pacific Grove area, \$115 per month in the Salinas area, and \$90 per month in the Seaside-Marina Area. Furnished units are generally priced at \$20 to \$30 above the unfurnished market, depending on size of unit.

Absorption rates are very slow at rent levels at \$160 or more per month in both the Monterey-Pacific Grove area and the Salinas area. In contrast, absorption rates in the Seaside-Marina area are currently slowest at the lower rent levels of the market (below \$100 per month), where military turnover is highest and apartments tend to be less competitive on a quality and size basis.

In the Monterey-Pacific Grove area, vacancy rates tend to be high for all sizes of apartments, but highest for two-bedroom units. Median rents for two-bedroom units also tend to be high. In the Salinas Area, vacancy rates tend to be highest for one-bedroom units. Absorption rates are slow for all sizes of apartments in the Seaside-Marina Area at this time.

Urban Renewal

There are current renewal programs in three communities in the HMA: Salinas, Seaside, and Monterey. Of the three, only that in Seaside involves renewal of urban land for residential use to any extent.

The Buena Vista Project (R-53) in Salinas, restored a blighted 63-acre site to a modern industrial park equipped with underground utilities, rail-siding facilities, and a waste disposal system. All of the dilapidated housing units (231) have been removed, and approximately 42 acres of the site remain to be sold and developed.

The Monterey Customs House (R-34) Project involves a 670,000 square foot site in downtown Monterey and has three principal objectives: (1) the redevelopment and restoration of the city's central core, (2) the development of the waterfront and preservation of the city's many historic sites, and (3) a solution to the increasing densities of tourist traffic and the urgent need for additional off-street parking space. Clearance of existing structures has begun and there has been some redevelopment, but the final re-use of all of the area has not been determined.

The Del Monte Heights Urban Renewal Area (R-46) at Seaside contains 239 acres of partially built-up land to be developed as follows: (1) 130 acres is open residential land set aside for development of 675 single-family lots, (2) 20 acres of land are set aside for development of 560 multifamily high- and low-rise units, and (3) four acres of land are zoned for a neighborhood shopping center. The four-year development plan for Del Monte Heights involves predominantly open land. Much of the land in Seaside involves substandard building sites and inadequate rights of way; this has caused the development of substandard housing on overcrowded sites which burdens Seaside with apparent residential blight. This has been a handicap to the successful marketing of Del Monte Heights as a residential subdivision which might attract buyers from the Monterey Peninsula.

The projected price range for residential development, depending on size, location, and view of lots, is \$16,000 to \$25,000, with the highest priced houses to be developed on open land at the highest elevations, with panoramic views of Monterey Bay.

Development of high-rent, low-density multifamily units (22 units per acre) on the eastern boundary of the south end of Del Monte Heights has been tentatively planned. A 12-acre site has been selected for this development at the highest elevation of the urban renewal area bordering on the Fort Ord Military Reservation. An additional low-rent, high-density multifamily site (40 units per acre) adjacent to the Hannon Urban Renewal Project is tentatively planned for development under Section 221(d)(3).

As shown on the map on page 28, the Del Monte Heights project is bordered on the west by two other renewal projects. The Noche Buena Project (R-27) has been completed. The Hannon Project, (R-81), which will eventually require the renewal of 400 housing units, has entered the execution stage.

Military Housing

Following is a summation of the current supply and status of military family housing by military service and branch in Monterey County as of October 1, 1965.

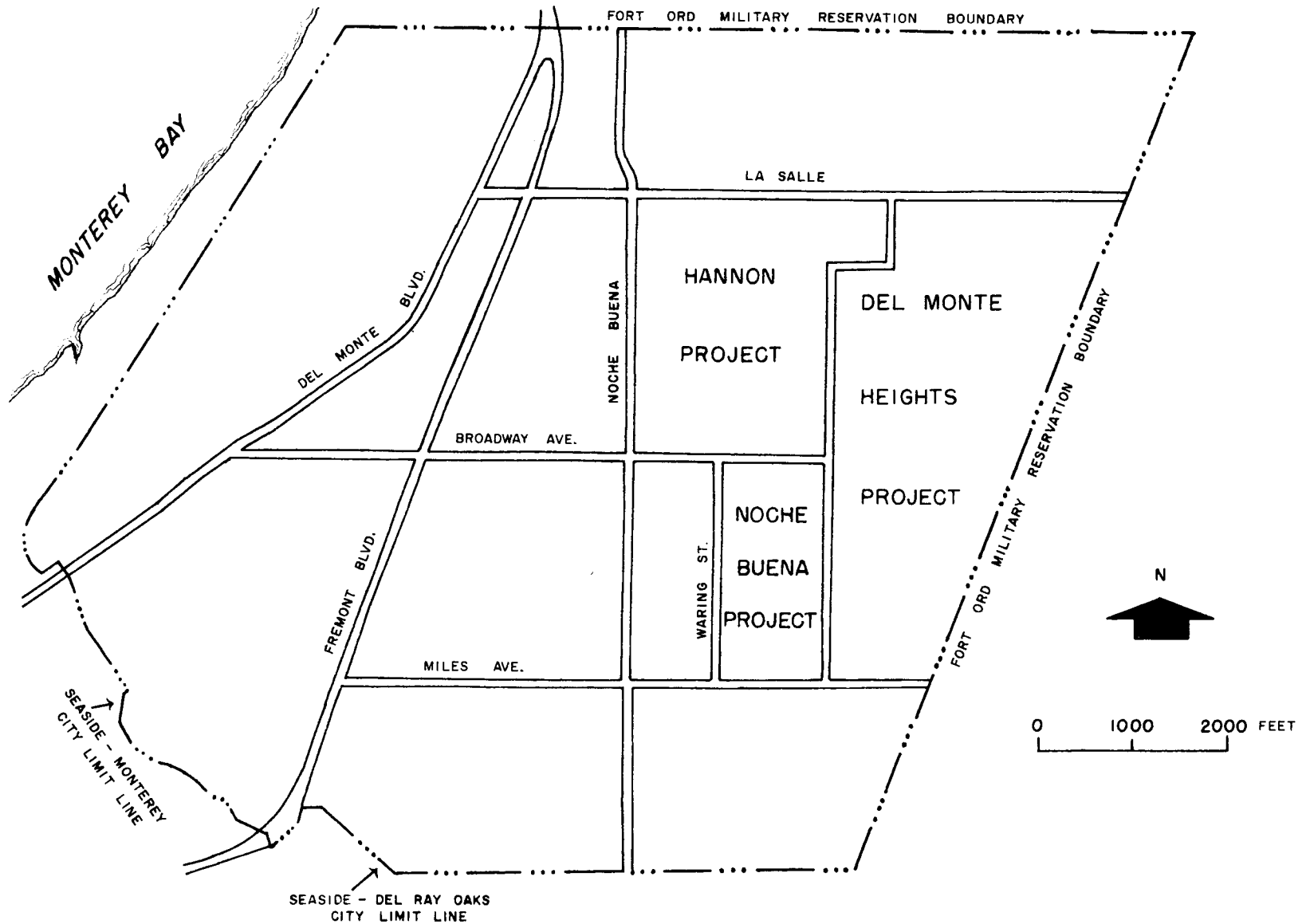
Current Supply and Status of Military Housing Monterey County HMA, October 1965

<u>Service and branch</u>	<u>Military Housing Supply</u>			<u>Percent vacant</u>	<u>Under constr.</u>
	<u>Total</u>	<u>Occupied</u>	<u>Vacant</u>		
U.S. Navy	<u>646</u>	<u>631</u>	<u>15</u>	2.3	<u>200</u>
Point Sur	24	24	0	-	0
Post Grad. School	622	607	15	2.4	200
U.S. Army	<u>3,201</u>	<u>2,970</u>	<u>231</u>	7.2	<u>190</u>
Fort Ord	3,084	2,856	228	7.4	190
Presidio	106	103	3	2.8	0
Hunter Liggett <u>a/</u>	11	11	0	-	0
U.S. Coast Guard	<u>7</u>	<u>7</u>	<u>0</u>	-	<u>0</u>
Point Sur	5	5	0	-	0
Point Pinos	<u>2</u>	<u>2</u>	<u>0</u>	-	<u>0</u>
Total	3,854	3,608	246	6.4	390

a/ Located in South Salinas Valley.

Source: Respective military installations listed. All of the foregoing military housing, with the exception of eleven units at Hunter-Liggett, is located in the Monterey Peninsula Area.

URBAN RENEWAL AREAS, SEASIDE, CALIFORNIA



Demand for Housing

Quantitative Demand

The annual demand for additional housing in the Monterey HMA over the next two years is based on an expected increase in the number of households at the rate of 2,400 a year, the prospect of about 100 units being lost through demolition each year, and the desirability of some reduction in the level of vacancies. Consideration also has been given to the current tenure composition of area households and the shift of single-family houses from the sales to the rental inventory.

The annual demand for 2,150 units a year is distributed by tenure and by sub-market area as shown below. The additional 200 units of middle-income rental housing demand possible with below-market-interest-rate financing or other assistance, exclusive of public low-rent housing or rent-supplement accommodations, is divided evenly between the submarket areas.

Projected Annual Demand for New Housing By Sub-Market Area and by Tenure Monterey County HMA, 1966 and 1967

<u>Area</u>	<u>Number of units</u>		
	<u>Sales housing</u>	<u>Rental housing</u>	<u>Total</u>
Monterey Peninsula	700	350	1,050
Salinas Valley	650	450	1,100
HMA total	1,350	800	2,150

Qualitative Demand

Sales Housing. Based on current family incomes, on typical ratios of income to purchase price, and on recent market experience, the annual demand for 1,350 sales units is expected to be distributed by sales price as shown in the following table.

Projected Annual Demand for New Sales Housing Monterey County HMA, 1966 and 1967

<u>Sales price</u>	<u>Monterey Peninsula Area</u>		<u>Salinas Valley Area</u>	
	<u>Units^{a/}</u>	<u>Percent</u>	<u>Units^{a/}</u>	<u>Percent</u>
Under \$14,000	70	10	65	10
\$14,000 - 15,999	150	22	100	15
16,000 - 17,999	175	25	125	20
18,000 - 19,999	100	14	165	25
20,000 - 24,999	70	10	100	15
25,000 - 29,999	70	10	65	10
30,000 and over	65	9	30	5
Total	700	100	650	100

^{a/} Including condominium apartment units.

The foregoing distribution differs from that shown on page 24, which reflects only selected subdivision experience during the years of 1963 and 1964. It must be noted that the 1963-1964 data do not include new construction in subdivisions with less than five completions during the year, nor do they reflect individual or contract construction on scattered lots. It is likely that the more expensive housing construction and some of the lower-value homes are concentrated in the smaller building operations, which are quite numerous. The preceding demand estimates reflect all home building and indicate a greater concentration in some price ranges than a subdivision survey would reveal.

Rental Housing. The monthly rentals at which the annual demand for 1,000 units of additional rental housing might best be absorbed by the rental market are indicated by rent level and unit size in the table on page 30 for each of the sub-market areas. These net additions may be accomplished by either new construction or rehabilitation at the specified rentals with or without public benefits or assistance through subsidy, tax abatement, or aid in financing or land acquisition. The production of new units in higher rental ranges than indicated below may be justified if a competitive filtering of existing accommodations to lower ranges of rent can be anticipated as a result.

The minimum gross rents at which new privately-owned rental units can be produced in the HMA with market interest rate financing are approximately \$85 a month for efficiencies, \$105 for one-bedroom units, \$125 for two-bedroom units, and \$145 for three-bedroom units. At and above these minimum rents, there is a prospective annual demand for 800 units, 350 in the Monterey Peninsula Area and 450 in the Salinas Valley Area. An additional 200 middle-income rental units might be marketed annually only at the rents achievable with the aid of below-market-interest-rate financing or assistance in land acquisition and cost. The demand estimate does not include public low-rent housing or rent-supplement accommodations.

The location factor is of especial importance in the provision of new units at the lower-rent levels. Families in this user group are not as mobile as those in other economic segments; they are less able or willing to break with established social, church, and neighborhood relationships, and proximity to place of work frequently is a governing consideration in the place of residence preferred by families in this group. Thus, the utilization of lower-price land for new rental housing in outlying locations to achieve lower rents may be self-defeating unless the existence of a demand potential is clearly evident.

Projected Annual Demand for New Rental Housing
By Monthly Gross Rent and Size of Apartment Unit
Monterey County HMA, 1966 and 1967

<u>Monthly</u> <u>gross rent a/</u>	<u>Size of unit</u>			
	<u>Efficiency</u>	<u>One</u> <u>bedroom</u>	<u>Two</u> <u>bedroom</u>	<u>Three-or-more</u> <u>bedroom</u>
<u>Monterey Peninsula Area</u>				
\$ 85 and over	25	195	-	-
90 " "	25	185	-	-
95 " "	20	175	-	-
100 " "	20	160	170	-
105 " "	15	150	165	-
110 " "	15	140	160	-
115 " "	10	130	155	60
120 " "	10	120	145	55
125 " "	5	110	140	55
130 " "	-	100	130	50
135 " "	-	90	120	45
140 " "	-	75	100	40
145 " "	-	60	90	35
150 " "	-	45	80	30
160 " "	-	30	65	25
170 " "	-	20	50	20
180 " "	-	10	30	15
200 " "	-	-	10	10

Salinas Valley Area

85 and over	30	215	-	-
90 " "	25	205	-	-
95 " "	25	200	-	-
100 " "	20	185	220	-
105 " "	20	180	210	-
110 " "	15	160	195	-
115 " "	15	145	185	85
120 " "	10	135	180	80
125 " "	10	125	175	75
130 " "	5	115	165	75
135 " "	-	110	160	70
140 " "	-	105	150	70
145 " "	-	90	140	65
150 " "	-	75	130	60
160 " "	-	60	100	50
170 " "	-	45	70	40
180 " "	-	30	40	30
200 " "	-	10	10	10

a/ Gross rent is shelter rent plus the cost of utilities and services.

Note: The above figures are cumulative and cannot be added vertically.

The preceding distribution of average annual demand for new apartments is based on projected tenant-family income, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration is also given to the recent absorption experience of new rental housing. Thus, it represents a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. Even though a deviation may experience market success, it should not be regarded as establishing a change in the projected pattern of demand for continuing guidance unless thorough analysis of all factors involved clearly confirms the change. In any case, particular projects must be evaluated in the light of actual market performance in specific rent ranges and neighborhoods or sub-markets.

Table I

Average Annual Employment in Nonagricultural Establishments
Monterey County, Monterey Peninsula, Salinas Valley
1959-1965

Calendar year	Average annual nonfarm employment			Percent of Monterey County
	Total	Annual net increase		
	employed	Number	Percent	
<u>Total-Monterey County</u>				
1959	45,900	-	-	100.0
1960	47,500	1,600	3.5	100.0
1961	49,800	2,300	4.8	100.0
1962	51,500	1,700	3.4	100.0
1963	53,200	1,700	3.3	100.0
1964	55,800	2,600	4.9	100.0
1965 ^{a/}	57,300	1,500	2.7	100.0
<u>Monterey Peninsula Area</u>				
1959	20,900	--	-	45.5
1960	21,700	800	3.8	45.7
1961	23,000	1,300	6.0	46.2
1962	23,900	900	3.9	46.4
1963	24,600	700	2.9	46.2
1964	25,700	1,100	4.5	46.1
1965	26,400	700	2.7	46.0
<u>Salinas Valley Area</u>				
1959	25,000	-	-	54.5
1960	25,800	800	3.2	54.3
1961	26,800	1,000	3.9	53.8
1962	27,600	800	3.0	53.6
1963	28,600	1,000	3.6	53.8
1964	30,100	1,500	5.2	53.9
1965	30,900	800	2.7	54.0

Note: Data for Monterey Peninsula and Salinas Valley Areas remain "preliminary" and, therefore, subject to change. Rounding to nearest 100 may affect year-to-year changes.

^{a/} Average annual employment projected on the basis of data for the first ten months.

Source: Monterey County data from California State Department of Employment; figures for sub-market areas estimated by Housing Market Analyst.

Table II

Industrial Structure and Change in Nonagricultural Employment
Monterey County, Monterey Peninsula and Salinas Valley
July 1959 and July 1965

<u>Industrial structure</u>	<u>Nonfarm employment</u>		<u>Percent of total</u>		<u>6-year increase</u>	
	<u>1959</u>	<u>1965</u>	<u>1959</u>	<u>1965</u>	<u>Number</u>	<u>Percent</u>
<u>Total-Monterey County</u>						
Construction	3,400	4,200	7.2	7.1	800	23.5
Manufacturing	4,400	5,800	9.3	9.9	1,400	31.8
Public utilities	3,300	3,500	6.9	5.9	200	6.1
Trade	13,500	16,700	28.5	28.3	3,200	23.7
Fin., ins., & real est.	2,000	2,600	4.2	4.4	600	30.0
Services	9,800	12,400	20.7	21.0	2,600	26.5
Government	10,000	12,800	21.1	21.7	2,800	28.0
Other	1,000	1,000	2.1	1.7	0	-
Total	47,400	59,000	100.0	100.0	11,600	24.5
<u>Monterey Peninsula Area</u>						
Construction	2,000	2,300	9.2	8.5	300	15.0
Manufacturing	1,000	1,100	4.6	4.1	100	10.0
Public utilities	1,300	1,400	6.0	5.2	100	7.7
Trade	4,900	6,300	22.7	23.4	1,400	28.6
Fin., ins., & real est.	1,100	1,400	5.1	5.2	300	27.3
Services	5,200	6,800	24.1	25.3	1,600	30.8
Government	6,000	7,500	27.8	27.9	1,500	25.0
Other	100	100	0.5	0.4	0	-
Total	21,600	26,900	100.0	100.0	5,300	24.5
<u>Salinas Valley Area</u>						
Construction	1,400	1,900	5.4	5.9	500	35.7
Manufacturing	3,400	4,700	13.2	14.6	1,300	38.2
Public utilities	2,000	2,100	7.8	6.6	100	5.0
Trade	8,600	10,400	33.3	32.4	1,800	20.9
Fin., ins., & real est.	900	1,200	3.5	3.7	300	33.3
Services	4,600	5,600	17.8	17.5	1,000	21.7
Government	4,000	5,300	15.5	16.5	1,300	32.5
Other	900	900	3.5	2.8	0	-
Total	25,800	32,100	100.0	100.0	6,300	24.4

Note: Except for Monterey County as a whole, data presented herein for other geographic areas of the county are identified by the California State Department of Employment as "preliminary" and subject to change.

Source: Monterey County data from California State Department of Employment; figures for sub-market areas estimated by Housing Market Analyst.

Table III

Assigned Strength at Military Establishments
Monterey County, California, 1951-1965

<u>Year</u> <u>a/</u>	<u>Navy</u>	<u>Ft. Ord</u>	<u>Monterey</u> <u>Presidio</u>	<u>Total</u>	<u>Net change</u> <u>from previous year</u>	
					<u>Number</u>	<u>Percent</u>
1951	NA	16,548	NA	NA	-	-
1952	1,654	20,780	1,407	23,841	-	-
1953	1,799	26,943	1,870	30,612	6,771	28.4
1954	1,466	27,646	1,729	30,841	229	0.7
1955	1,531	18,481	2,358	22,370	-8,471	-27.5
1956	1,760	21,346	2,025	25,131	2,761	12.3
1957	1,935	17,643	1,675	21,253	-3,878	-15.4
1958	2,126	19,568	1,323	23,017	1,764	8.3
1959	2,344	22,811	1,495	26,650	3,633	15.8
1960	2,347	22,683	1,263	26,293	- 357	- 1.3
1961	2,262	25,431	1,624	29,317	3,024	11.5
1962	2,362	19,565	1,588	23,515	-5,802	-19.8
1963	2,532	20,441	1,965	24,938	1,423	6.1
1964	2,649	13,453	1,927	18,029	-6,909	-27.7
1965	2,431	22,900	2,288	27,619	9,590	53.0

a/ As of December 31 for Naval installations and Fort Ord; as of June 30 for activities at the Presidio of Monterey.

Source: Department of Defense and local military installations.

Table IV

Annual Net Changes in Civilian Strength at all Military Installations
Monterey County, California
1951-1965

<u>Year ending</u> <u>December 31^{a/}</u>	<u>Total civilian</u> <u>Personnel employed^{b/}</u>	<u>Net annual increase</u>	
		<u>Number</u>	<u>Percent</u>
1951	1,608 ^{c/}	-	-
1952	2,773	1,165	72.5%
1953	3,236	463	16.7
1954	3,031	-205	-6.3
1955	3,444	413	13.6
1956	3,532	88	2.6
1957	3,557	25	0.7
1958	3,462	-95	-2.7
1959	3,460	- 2	-0.1
1960	3,554	94	2.7
1961	3,866	312	8.8
1962	4,191	325	8.4
1963	4,128	-63	-1.5
1964	4,090	-38	-0.9
1965 (Oct.)	4,223	133	3.3

^{a/} Data for total non-Civil Service personnel and Navy Civil Service personnel as of June 30.

^{b/} Including Civil Service personnel plus estimated full-time and part-time civilians paid from non-appropriated funds, including temporary contractor and concessionaire personnel.

^{c/} Fort Ord personnel only.

Source: U.S. Department of Defense (Washington, D.C.), local military installation, and California State Department of Employment.

Table V

Percentage Distribution of All Families by Income After Tax
Monterey Peninsula Area and Salinas Valley Area, California
1965-1967

<u>Annual family income</u>	<u>Monterey Peninsula Urbanized Area</u>				<u>Salinas Valley Urbanized Area</u>			
	<u>Total</u>		<u>Seaside-Marina</u>		<u>Total</u>		<u>Salinas City</u>	
	<u>1965</u>	<u>1967</u>	<u>1965</u>	<u>1967</u>	<u>1965</u>	<u>1967</u>	<u>1965</u>	<u>1967</u>
Under \$3,000	13%	11½%	16%	15%	14½%	9%	5½%	5%
\$3,000 - 3,999	9½	8½	13	11	7½	5	5½	5
4,000 - 4,999	10½	9	14	13	13	8	7	5½
5,000 - 5,999	10	10	12	11	13	10	9	7½
6,000 - 6,999	10	8	10	11	12	10	10	9
7,000 - 7,999	9	9	10	9	9	9	11	10
8,000 - 8,999	9	9	7	7	8	8	9	9
9,000 - 9,999	8	9	5	6	5	8	9	8
10,000 - 11,999	9	12	7	9	8½	13	12½	14
12,000 - 13,999	2	4½	4	4	4½	8	10	12
14,000 and over	10	9½	2	4	5	12	11½	15
Total	100%	100%	100%	100%	100%	100%	100%	100%
Median family income	\$6,700	\$7,320	\$5,575	\$5,950	\$7,220	\$7,880	\$8,220	\$8,880

Source: Estimated by FHA Housing Market Analyst.

Table VI

Percentage Distribution of Renter Families by Income After Tax
Monterey Peninsula Area and Salinas Valley Area, California
1965-1967

<u>Annual family income</u>	<u>Monterey Peninsula Urbanized Area</u>				<u>Salinas Valley Urbanized Area</u>			
	<u>Total</u>		<u>Seaside-Marina</u>		<u>Total</u>		<u>Salinas City</u>	
	<u>1965</u>	<u>1967</u>	<u>1965</u>	<u>1967</u>	<u>1965</u>	<u>1967</u>	<u>1965</u>	<u>1967</u>
Under \$3,000	18%	15½%	23%	20%	13%	12%	9%	8%
\$3,000 - 3,999	12	11½	17	15	9	8	7	6
4,000 - 4,999	12	13	13½	14	12	10	10	9
5,000 - 5,999	10½	9	12	12	12	12	12	10
6,000 - 6,999	12½	11	11½	11	11	11	11	11
7,000 - 7,999	10	10½	7½	9	12	10	10	9
8,000 - 8,999	7	8½	5½	6	7½	9	10	10
9,000 - 9,999	4½	6	4½	5	5½	7	9	9
10,000 - 11,999	7	6½	5½	8	9	9	11	14
12,000 - 13,999	2½	3½	0	0	6	7	4	6
14,000 and over	4	5	0	0	3	5	7	8
Total	100%	100%	100%	100%	100%	100%	100%	100%
Median income	\$5,750	\$6,100	\$4,750	\$5,075	\$6,375	\$6,725	\$7,100	\$7,675

Source: Estimated by FHA Housing Market Analyst.

Table VII

Impact of Military-Connected Students on Total School Enrollment
By School District and On- and Off-Base Student Population
Monterey County, California
As of April 20, 1965

<u>Public school district</u>	<u>Regular Day School Enrollment</u>			<u>Percent military- connected students</u>	
	<u>Total Students</u>	<u>Military-connected students</u>		<u>Total</u>	<u>Off-base</u>
		<u>Total</u>	<u>Off-base</u>	<u>On-base</u>	
Alisal	2,385	130	130	0	5.5% 5.5%
Carmel	2,737	374	344	30	13.7 12.7
Marina	2,756	1,908	1,079	829	69.2 56.0
Monterey	10,527	5,455	1,757	3,698	51.8 25.7
Seaside	6,438	2,884	2,251	633	44.8 38.8
Pacific Grove	3,679	770	768	2	20.9 20.9
Salinas	13,177	772	772	0	5.9 5.9
Washington	278	13	13	0	4.7 4.7
North County	3,853	291	291	0	7.6 7.6
San Antonio	67	22	7	15	32.8 13.5
Other districts	<u>6,478</u>	<u>97</u>	<u>97</u>	<u>0</u>	<u>1.5</u> <u>1.5</u>
Total	52,375	12,716	7,509	5,207	24.3% 15.9%

Note: Based on Federal Allotments to Federally-impacted school districts under Public Law 874.

a/ Excluding Parochial and Private School enrollments; also excluding students in adult training classes and in summer school.

Source: Office of County School Superintendent, Monterey County, California.

Table VIII

Private Housing Units Authorized by Building Permits
Monterey, California, HMA, by Planning Areas
1959-1965

	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u> <u>(9 months)</u>
<u>Total authorizations^{a/}</u>							
Monterey County total	1,585	1,767	2,409	2,517	2,302	2,936	1,668
Monterey Peninsula	<u>891</u>	<u>979</u>	<u>1,325</u>	<u>1,333</u>	<u>1,626</u>	<u>1,671</u>	<u>728</u>
Monterey	236	227	179	295	288	643	213
Pacific Grove-Del Monte Forest	163	300	245	205	480	421	185
Seaside-Del Rey Oaks-Sand City	331	208	290	238	281	179	46
Marina	3	60	324	265	263	242	146
Carmel-by-the-Sea	65	79	59	55	63	56	56
Carmel Valley-Coastal Area	93	105	238	275	251	130	82
Salinas Valley	<u>694</u>	<u>788</u>	<u>1,084</u>	<u>1,184</u>	<u>676</u>	<u>1,265</u>	<u>940</u>
Salinas	610	502	672	743	509	1,013	698
North County-Pajaro	6	131	229	269	18	92	89
Castroville-Moss Landing	31	64	76	28	28	58	21
Gonzales-Central County	17	14	20	30	64	26	27
King City-Soledad-Greenfield-South County	30	77	87	114	57	76	105
<u>Single-family authorizations</u>							
Monterey County total	1,354	1,340	1,646	1,613	1,238	1,451	1,086
Monterey Peninsula	<u>707</u>	<u>721</u>	<u>830</u>	<u>698</u>	<u>733</u>	<u>681</u>	<u>416</u>
Monterey	127	177	96	119	89	71	64
Pacific Grove-Del Monte Forest	120	171	142	87	150	140	77
Seaside-Del Rey Oaks-Sand City	299	149	145	77	139	118	28
Marina	3	60	303	255	222	190	112
Carmel-by-the-Sea	65	59	49	55	61	54	53
Carmel Valley-Coastal Area	93	105	105	105	72	108	82
Salinas Valley	<u>647</u>	<u>628</u>	<u>816</u>	<u>915</u>	<u>505</u>	<u>770</u>	<u>670</u>
Salinas	565	356	441	496	374	553	457
North County-Pajaro	6	131	225	269	18	90	86
Castroville-Moss Landing	29	58	55	23	15	35	14
Gonzales-Central County	17	12	20	30	62	26	27
King City-Soledad-Greenfield-South County	30	71	75	97	36	66	86
<u>Multifamily authorizations</u>							
Monterey County total	231	418	763	904	1,064	1,485	582
Monterey Peninsula	<u>184</u>	<u>258</u>	<u>495</u>	<u>635</u>	<u>893</u>	<u>990</u>	<u>312</u>
Monterey	109	50	83	176	199	572	149
Pacific Grove-Del Monte Forest	43	129	103	118	330	281	108
Seaside-Del Rey Oaks-Sand City	32	59	145	161	142	61	18
Marina	0	0	21	10	41	52	34
Carmel-by-the-Sea	0	20	10	0	2	2	3
Carmel Valley-Coastal Area	0	0	133	170	179	22	0
Salinas Valley	<u>47</u>	<u>160</u>	<u>268</u>	<u>269</u>	<u>171</u>	<u>495</u>	<u>270</u>
Salinas	45	146	231	247	135	460	241
North County-Pajaro	0	0	4	0	0	2	3
Castroville-Moss Landing	2	6	21	5	13	23	7
Gonzales-Central County	0	2	0	0	2	0	0
King City-Soledad-Greenfield-South County	0	6	12	17	21	10	19

^{a/} Includes 525 units estimated by Monterey County Planning Commission to have been built without permits prior to April 1963.

Source: Monterey County Planning Commission (Salinas); City Building Departments; local Urban Renewal Agencies; and California State Correctional Facility (Soledad).

Table IX

Residential Demolitions Authorized, by Planning Areas
Monterey County, California, 1959-1965

<u>Area</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u> <u>(9 months)</u>
Monterey County total	<u>78</u>	<u>185</u>	<u>218</u>	<u>180</u>	<u>296</u>	<u>311</u>	<u>273</u>
Monterey Peninsula	<u>46</u>	<u>140</u>	<u>166</u>	<u>130</u>	<u>172</u>	<u>145</u>	<u>139</u>
Monterey	10	71	88	45	86	87	78
Pacific Grove-Del Monte Forest	5	7	8	9	20	6	18
Seaside-Del Rey Oaks - Sand City	24	52	65	72	56	42	39
Marina	0	0	1	0	0	1	2
Carmel-by-the-Sea	7	10	4	3	10	7	2
Carmel Valley-Coastal Area	0	0	0	1	0	2	0
Salinas Valley	<u>32</u>	<u>45</u>	<u>52</u>	<u>50</u>	<u>124</u>	<u>166</u>	<u>134</u>
Salinas	31	34	39	33	107	143	108
North County-Pajaro	0	0	0	0	0	0	7
Castroville-Moss Landing	0	2	4	0	0	5	0
Gonzales-Central County	0	1	2	2	3	6	3
King City-Soledad-Greenfield- South County	1	8	7	15	14	12	16

Source: Monterey County Planning Commission (Salinas); City Building Departments; local Urban Renewal Agencies; and California State Correctional Facility (Soledad).

Table X

Monterey County, California, Area Postal Vacancy Survey
October 16, 1965

Postal area	Total residences and apartments						Residences						Apartments						House trailers		
	Total possible deliveries	Vacant units			Under const.	New	Total possible deliveries	Vacant units			Under const.	New	Total possible deliveries	Vacant units			Under const.	Total possible deliveries	Vacant		
		All	%	Used				All	%	Used				All	%	Used				All	%
Monterey County	61,531	2,507	4.1	1,923	594	1,039	48,003	1,237	2.6	983	272	547	13,546	1,230	9.2	938	312	592	1,407	67	4.8
Big Sur	179	1	0.6	1	-	1	150	1	0.7	1	-	1	29	-	-	-	-	-	10	-	-
Carmel	6,717	185	2.8	131	55	69	5,963	147	2.5	116	31	62	732	39	5.2	15	24	7	5	3	60.0
Carmel Valley	1,061	6	0.6	5	1	14	1,031	6	0.6	5	1	14	10	-	-	-	-	-	-	-	-
Castroville	1,145	40	3.5	38	2	9	1,125	32	2.8	30	2	9	39	9	20.3	8	-	-	29	1	10.3
Conchales	375	10	1.1	6	4	2	803	10	1.2	6	4	2	70	-	-	-	-	-	-	-	-
Greenfield	800	10	1.3	10	-	6	750	10	1.3	10	-	6	50	-	-	-	-	-	20	3	15.0
Joiner-Lockwood	117	8	6.8	5	-	-	104	7	6.7	7	-	-	13	1	7.7	1	-	-	20	2	10.0
King City	1,255	8	0.6	5	3	13	1,197	8	0.7	5	3	2	58	-	-	-	-	13	51	-	-
Martins	2,238	126	5.6	89	37	54	2,091	85	4.1	49	36	38	145	31	28.3	40	1	16	126	10	3.1
Monterey	11,835	661	5.6	539	122	361	5,561	150	2.8	147	3	23	6,194	511	8.2	392	119	431	15	3	40.0
Horse Landing	87	1	1.1	1	-	-	85	1	1.2	1	-	-	2	-	-	-	-	-	-	-	-
Pacific Grove	5,251	355	6.8	423	132	34	1,351	210	4.8	192	18	7	1,898	345	18.2	231	114	27	60	6	10.8
Pebble Beach	1,468	40	2.7	28	12	26	1,468	40	2.7	28	12	26	-	-	-	-	-	-	-	-	-
Salinas	13,309	491	2.7	311	180	323	15,513	330	2.1	187	143	234	2,796	151	5.9	124	37	89	564	23	4.1
Seaside	5,488	280	4.3	257	23	17	5,261	147	2.8	141	6	10	1,227	133	10.8	116	17	7	232	6	2.6
Solared	1,195	14	1.2	14	-	5	969	3	0.3	3	-	5	226	11	4.9	11	-	-	38	-	-
Watson 11e 1/2	1,511	70	4.6	57	13	3	1,474	70	4.7	57	13	3	37	-	-	-	-	-	37	5	13.5

The survey covers dwelling units in residences, apartments, and house trailers, including military, institutional, public housing units, and units used only seasonally. The survey does not cover stores, offices, commercial hotels and motels, or dormitories nor does it cover boarded-up residences or apartments that are not intended for occupancy.

The definitions of "residence" and "apartment" are those of the Post Office Department, i.e.: a residence represents one possible stop with one possible delivery on a carrier's route; an apartment represents one possible stop with more than one possible delivery.

Source: FHIA postal vacancy survey conducted by collaborating postmaster(s).

1/ Represents only postal routes located in Monterey County served by the Watsonville Post Office.

