# SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors 105 East Anapamu Street, Room 407 Santa Barbara, CA 93101 (805) 568-2240 Agenda Number:Prepared on:1/21/2004Department Name:P&DDepartment No.:053Agenda Date:February 3Placement:DepartmentEstimate Time:30minutesContinued Item:NOIf Yes, date from:G:\GROUP\Document File NameG:\GROUP\

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TO:	Board of Supervisors
FROM:	Valentin Alexeeff, Director Planning & Development
STAFF CONTACT:	Lisa Plowman, Deputy Director Comprehensive Planning 568-2025
SUBJECT:	Revised schedule and approach for 2003 – 2008 Housing Element adoption

**Recommendation:** That the Board of Supervisors accept a briefing on the revised schedule and approach for the 2003 – 2008 Housing Element adoption.

**Alignment with Board Strategic Plan:** The recommendation is primarily aligned with Goal No. 1, *An Efficient Government Able to Respond Effectively to the Needs of the Community*, and Goal No. 2. *Ensure the public health and safety and provide essential infrastructure*, and with actions required by law or by routine business necessity.

**Executive Summary and Discussion:** Since embarking on the county's Housing Element update in 2002, Planning and Development has made public participation and community input one of the highest priorities of its work effort. While the community dialogue has progressed, the communities have not had time to resolve some of the more controversial issues they face, including the location and design of affordable housing. To resolve these issues, the county is committed to hosting public design workshops in three communities: Orcutt, Goleta and Vandenberg Village. These in depth workshops, each to take place over several weeks, together with required environmental review, would push adoption of the Housing Element back to next fall or winter. That timeline could cost the county nearly \$3 million dollars in state housing funds this year alone.

Many community members have suggested that separating the more challenging issues, such as potential rezones, from the current Housing Element update would give the communities the time they need to provide meaningful public input. County staff agrees and has separated the components needing more public input from the less controversial policy changes and is processing them on separate schedules. *The more* 

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*challenging components will be included in the Housing Element as action items with clear deadlines for completion as required by the state.* This will enable the county to place the updated Housing Element before decision-makers in March and April of this year. The earlier adoption of the Housing Element will ensure that the county can maintain eligibility for a portion of state affordable housing funding this and next calendar year.<sup>1</sup>

County staff will continue to work on those action items that may result in rezones, ordinance amendments or new fee policy with anticipated completion in Winter 2004-2005. Below is a summary of those items proposed to be adopted concurrent with the Housing Element and those that would become action items within the Housing Element:

## A. Items To Be Adopted with the Housing Element (Spring 2004)

The county will complete environmental review on these components only at this time. The county will submit this Housing Element for certification by the State Department of Housing and Community Development this spring. Items included:

- All factual disclosures required by law including a housing needs assessment, inventory of available land, and analysis of constraints to housing development.
- Policies and programs that do not require ordinance changes or rezones including:
  - Proposed Inclusionary Housing Program amendments that would amend the current Inclusionary requirement of 5% very low, 10% low, 15% lower-moderate or 20% upper-moderate to a new requirement of 5% very low, 5% low, 10% moderate and 10% workforce affordable housing.
  - Minor policy amendments supporting identified county housing needs including housing for people with disabilities, farm employee housing, rental housing, and mixed use.
  - Policy amendments specifying how the county will maintain and seek funds to increase affordable housing.
  - Policies providing guidelines for neighborhood compatibility and improvements to open and fair housing.
- A revised in-lieu affordable housing fee.
- Total acreage at specific densities that will need to be rezoned to meet affordable housing objectives.

### **B.** Housing Element Implementation Action Items (Winter 2004-2005)

The refinement or modification of the items listed below and the required environmental impact analysis are expected to take approximately nine months longer than the Housing Element to complete. The process to complete the action items will include design workshops in Orcutt, Vandenberg Village, and Goleta, working with professional design teams and the public to determine the best course for future housing development in

<sup>&</sup>lt;sup>1</sup> Initial information indicated that the county would lose approximately \$800,000 if the Housing Element was not adopted by December 2003. Further thorough analysis by County HCD identified new funding available this year and determined the county could lose approximately \$3 million in 2004 since the December 2003 Housing Element adoption deadline was missed.

those communities and throughout the unincorporated areas. In addition, staff will continue to meet with the communities to adjust these proposals in an effort to reach an agreeable solution. Once these efforts are complete, the county will prepare the following for adoption in compliance with action items adopted with the Housing Element:

- Any rezones needed to meet affordable housing objectives.
- Minimum density requirements on specified sites to increase certainty and consistency in the level of development permitted on residential land and to promote efficient development of the land.
- Reduced permit requirements for farm employee housing on agricultural lands.
- Reduced permit requirements for Residential Second Units on agricultural lands.
- Ordinance amendments to encourage mixed use development in commercial zone districts.
- Ordinance amendments allowing development standard modifications as incentives for affordable housing developments, such as setback, open space and parking modifications.
- A policy for a Variable Density Program which would allow "density equivalents" to count smaller units as less than one full unit when applying maximum density limits for a site.
- A new policy allowing service worker housing on certain residential properties.
- Proposed service worker housing fee which would require new construction of single family dwelling units over 5,000 square feet and additions of 500 square feet or more that increase the total square footage of a house to over 5,000 square feet pay a fee to offset the disproportionate demand for low wage service workers that dwelling units this size may create.

As noted, all potential rezones, ordinance amendments, and the proposed fee policy are speculative at this time. Staff will continue to meet with the communities to adjust these proposals in an effort to reach an agreeable solution and full environmental analysis of these items will be completed in Summer 2004. The county will bring the ordinance amendments, rezones and fee revisions to your Board for adoption by Winter 2004/2005.

**Mandates and Service Levels:** The Housing Element is mandated by state law to be updated every five years.

**Fiscal and Facilities Impacts:** Funding for this work effort is from Planning and Development's adopted Fiscal Year 03/04 budget, in the Comprehensive Planning Division, General Plan Elements program on page D-284 of the County FY 03-04 budget. The expanded public outreach effort will result in the work effort to extend into the next FY. The proposed FY 04-05 budget for Comprehensive Planning accounts for this.

## **Special Instructions:**

### **Concurrence:**