

SANTA BARBARA COUNTY HOUSING ELEMENT UPDATE POLICY DISCUSSION

October 17, 2023

HOUSING ELEMENT UPDATE TIMELINE

February 14, 2023	Board Discussion
March 31, 2023	Submitted Draft to State HCD
June 30, 2023	Preliminary HCD Comment Received
September 22, 2023	Re-submitted revised Draft HEU
October 4, 2023	Minor questions from HCD
October 16, 2023	“Substantially comply” Letter
November 2023	Planning Commission Hearings
December 2023	Board of Supervisor Hearings
February/March 2024	Rezone Hearings

RHNA ALLOCATION



HOUSING ELEMENT UPDATE



REZONES

NO NET LOSS LAW
GOVERNMENT CODE SECTION 65863

“A jurisdiction must maintain adequate sites to accommodate its remaining unmet RHNA by each income category **at all times** throughout the entire planning period.”

BOARD OF SUPERVISOR POLICY DISCUSSIONS

February 14, 2023

- Goals and Policies Discussion
- Projected ADUs
- “15% Buffer”
- Identified additional public sites

October 17, 2023

- No Net Loss Law
- Affordable Housing Allocation Methodology

REZONE EXAMPLE CURRENT METHODOLOGY

Scenario:

100 additional units needed to meet the low-income category

+15% Buffer Policy

115 units of low-income units will be needed to rezone

Apply Current Affordable Allocation Methodology

- ✓ 50% low
- ✓ 25% moderate
- ✓ 25% above-moderate

Result:

230 units of rezones are necessary to meet the 100 units needed

AFFORDABLE UNIT STRATEGIES

SOUTH COAST

- Optimistic Projection
 - League of Women Voters' Letter
- Deed-restricted Projects

NORTH COUNTY

- Market Rate Model
 - Santa Maria Association of Realtors Survey
- Job-Housing Balance Issues
- Construction & Financing challenges

MAXIMUM MONTHLY AFFORDABLE RENT SANTA BARBARA COUNTY

Income Level	Number of Persons in Household				
	1	2	3	4	5
Very Low	\$1,223	\$1,398	\$1,572	\$1,746	\$1,886
Low	\$1,959	\$2,239	\$2,519	\$2,798	\$3,023
Moderate	\$2,101	\$2,402	\$2,703	\$3,003	\$3,243
Above Moderate	> \$2,101	>\$2,402	>\$2,703	>\$3,003	>\$3,243

Source: State Income Limits for 2022; HCD; May 13, 2022

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SANTA MARIA ASSOCIATION OF REALTORS MARKET SURVEY

- Summer of 2023
- Eight (8) different property management companies
- Multi-Family (and Single Family) Rentals
 - Fourteen (14) zip codes
 - Three Regions
 - Santa Maria Valley
 - Lompoc Valley
 - Santa Ynez Valley
- 849 Rental Data Points
 - 29 studios
 - 68 one-bedroom units
 - 263 two-bedroom units
 - 270 three-bedroom units
 - 119 four/five-bedroom units

SANTA MARIA ASSOCIATION OF REALTORS MARKET SURVEY

Unit Size	Household Size	Maximum Affordability	Percentage Affordable	Average Rent	Difference (Max vs. Avg)
1 Bedroom	2 people	\$2,239	98.5% (67/68)	\$1,460	\$779 under
2 Bedroom	3 people	\$2,519	95.4% (251/263)	\$1,830	\$689 under
3 Bedroom	4 people	\$2,798	83.8% (310/370)	\$2,294	\$504 under

PROPOSED REVISED NORTH COUNTY METHODOLOGY

Density	Low	Moderate	Above Moderate
20 units/acre	65%	25%	10%
25 units/acre	70%	25%	5%
30 units/acre	75%	25%	0%

Apply revised North County Density Methodology to:

- Non-Deed Restricted Projects
- Potential Rezone Sites
- Pending Projects within Building Envelopes
 - Open Space/Environmentally Sensitive Sites
- Proposed Builder's Remedy Projects
 - Current policy = 20% low

REZONE EXAMPLE REVISED METHODOLOGY

Scenario:

100 units needed to meet the low-income category

+15% Buffer Policy

115 units of low-income units will be needed to rezone

Apply Revised Affordable Allocation Methodology (20 units/acre)

✓ 65% low

✓ 25% moderate

✓ 10% above-moderate

Result:

177 units of rezones are necessary to meet the 100 units needed (versus 230 units)

RECOMMENDED ACTIONS

- a) Receive and file a presentation on the status of the Santa Barbara County Housing Element Update by the Fourth District Office and Planning Staff.
- b) Direct staff to explore various policy options and amendments to the methodology used in the County's Housing Element.
- c) Determine that the Board's actions to receive this report and provide initial direction to staff is not a project as defined in the California Environmental Quality Act (CEQA) Guidelines Sections 15060(c)(3) and 15378(b)(5) and are not subject to environmental review.